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COUNCIL OF THE CITY OF PHILADELPHIA

3

PUBLIC HEARING BEFORE THE COMMITTEE OF THE WHOLE

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Room 696, City Hall
Philadelphia, Pennsylvania
Monday, March 10, 2003
9:50 a.m.

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FY '04 OPERATING BUDGET TESTIMONY

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10 Bill 030004 - Ordinance adopting the Operating
Budget for FY '04

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12 Bill 030008 - Ordinance amending Section 19-2604
of the Philadelphia Code...

13 Bill 030010 - Ordinance amending Section 19-1301
of the Philadelphia Code

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16 PRESENT: COUNCIL PRESIDENT ANNA C. VERNA, Chair
COUNCILWOMAN BLONDELL REYNOLDS-BROWN
17 COUNCILMAN DARRELL L. CLARKE
COUNCILMAN FRANK J. DICICCO
18 COUNCILMAN RICHARD T. MARIANO
COUNCILMAN MICHAEL A. NUTTER
19 COUNCILMAN ANGEL L. ORTIZ
COUNCILMAN FRANK RIZZO

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2 COUNCIL PRESIDENT Verna: This is the
3 continued public hearing of the Committee of the
4 Whole regarding Bill Nos. 030004, 030008 and 030010.

5 The first department to be called this
6 morning is the First Judicial District. Your Honor,
7 thank you for your patience.

8 HONORABLE MASSIAH-JACKSON: Good morning
9 Council President. It is always a pleasure to wait
10 in one of our courtrooms.

11 Good morning, Council President Verna
12 and members of Philadelphia's City Council. Our
13 First Judicial District is
14 pleased --

15 COUNCIL PRESIDENT Verna: Your Honor,
16 just identify yourself for the record, please.

17 HONORABLE MASSIAH-JACKSON: My name is
18 Frederica Massiah-Jackson. I'm president judge of
19 the Court of Common Pleas and Chair of our
20 administrative governing board which is comprised of
21 the president judges and administrative judges of
22 the three courts of Philadelphia, Common Pleas
23 Court, Municipal Court and Traffic Court.

24 The Courts of Philadelphia are called,
25 are termed, by the Pennsylvania Supreme Court as

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2 judicial districts and in Philadelphia we are the
3 First Judicial District and we are pleased to
4 present the fiscal year 2004 operating budget.

5 Two years ago in the year 2002 our
6 judicial district was faced with the vacancy of the
7 position of district court administrator and our
8 administrative governing board, which I chair,
9 created a search committee. We evaluated resumes,
10 interviewed candidates and on October 25, 2002 we
11 welcomed Joseph A. Cairone as our new court
12 administrator of the First Judicial District.
13 Mr. Cairone is seated to my left and will make a
14 presentation to each of you.

15 In fiscal year 2002 and again in FY '03
16 the City reduced our FJD appropriations and that
17 reduction threatened to disrupt crucial court
18 operations and projects. Mr. Cairone stepped into a
19 challenging position. Our courts filed a mandamus
20 action against the City in August of 2002 and that
21 action is pending.

22 Our new court administrator has worked
23 with the Philadelphia courts for more than 30 years.
24 His college degree is in accounting. His knowledge
25 of fiscal operations, case flow management,

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2 facilities and personnel issues has permitted him to
3 start working in his new leadership position with
4 strength and competence. Mr. Cairone will make the
5 presentation today and he is accompanied by our FJD
6 deputy court administrator, Kevin Cross. Mr. Cross
7 is the deputy for financial services. Together
8 Mr. Cairone and Mr. Cross have actively worked with
9 our attorneys and with the City's financial
10 representatives towards a resolution of the
11 litigation.

12 I expect to visit with each of the City
13 Council members to introduce you to Joseph Cairone
14 and I brought copies of a recent article that was
15 printed in the Legal Intelligencer to tell you a
16 little bit about Mr. Cairone and our sergeant at
17 arms has already put one on each councilperson's
18 desk so you would know who Joseph Cairone is. We
19 are very proud to have our new court administrator
20 here today.

21 MR. CAIRONE: Thank you, President Judge
22 Massiah-Jackson.

23 For the record, my name is Joseph A.
24 Cairone. I'm the court administrator for the First
25 Judicial District. Good morning.

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2 COUNCIL PRESIDENT Verna: Good morning.

3 MR. CAIRONE: Council President Verna
4 and Members of City Council, thank you for the
5 opportunity to address you this morning to support
6 the First Judicial District's budget request.

7 I am pleased to advise you that the
8 court and the City are working cooperatively towards
9 resolving certain remaining differences between our
10 fiscal year 2004 budget submission to Council and
11 the City's budget submission for the First Judicial
12 District.

13 What we are presenting here today before
14 Council is a bare bones request reflecting
15 substantial concessions already made by the court to
16 the City during the course of negotiations these
17 past three months. We are well aware of the City's
18 current and projected fiscal problems and have been
19 a responsible public service partner accommodating
20 the City in many, many ways in recognition of the
21 stark realities of the City's fiscal dilemmas. Be
22 assured that we do not take our fiscal
23 responsibilities lightly.

24 The court system has absorbed enormous
25 increased demands in terms of increased criminal

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2 prosecutions as a result of aggressive law
3 enforcement strategies and increased probation and
4 parole responsibilities due to the City's prison
5 overcrowding problems. Family court has engaged in
6 diligent efforts to identify child support obligees
7 and enforce their child support obligations, not to
8 mention meet its ever increasing juvenile justice
9 and protective responsibilities in a manner which
10 seeks to save our youngsters from damaged pasts in
11 an effort to secure brighter futures.

12 We consistently have met these increased
13 challenges without corresponding requests for
14 increased revenue. In fact, we are an agency which
15 contributes substantial revenues back to the City
16 through Traffic Court revenue, filing fee revenues
17 and other means which you will hear about today
18 during our presentation.

19 COUNCIL PRESIDENT Verna: Mr. Cairone,
20 I'm sorry to interrupt you, but did you circulate
21 your testimony to members of Council?

22 MR. CAIRONE: Yes, we did, Madam
23 President. These are my opening remarks. That's
24 not part of our testimony. I apologize.

25 COUNCIL PRESIDENT Verna: That's okay.

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2 Thanks.

3 COUNCILMAN NUTTER: I thought I would
4 just like to read along, but please continue.

5 MR. CAIRONE: Thank you.

6 We firmly believe that the court's
7 fiscal year 2004 budget requests before you today
8 reflects our commitment to cooperate with the City
9 in every way feasibly possible while continuing to
10 serve the citizens of the City in the administration
11 of justice.

12 As President Judge Massiah-Jackson
13 mentioned in her opening remarks, I was appointed to
14 my current position of court administrator on
15 October 25, 2002. Although I am acquainted with and
16 have worked with some Members of Council previously,
17 there are several members that I do not as yet know.
18 With your concurrence, I will be contacting each of
19 your individual offices to schedule a meeting with
20 both President Judge Massiah-Jackson and myself in
21 order to discuss any concerns you may have and how
22 we can better serve our fellow Philadelphians.

23 I look forward to working with you and
24 thank you for your attention. I would now like to
25 turn the agenda over to our First Judicial District

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2 deputy court administrator for financial services,
3 Mr. Kevin Cross.

4 MR. CROSS: Good morning. I am Kevin
5 Cross, deputy court administrator for financial
6 services for the First Judicial District, and will
7 summarize our written testimony that you have before
8 you.

9 The First Judicial District presents
10 testimony in support of its operating budget request
11 for the general fund and grant revenue fund. The
12 FJD is seeking a general fund appropriation of \$115
13 million, which is a compromise amount from the
14 original request of \$119.2 million and the \$112.6
15 million sought by the City administration for the
16 First Judicial District for fiscal year 2004.

17 To achieve the budgetary target of
18 \$112.6 million, the FJD would have to achieve
19 reductions totaling \$6.2 million. The budget of
20 \$115 million proposed by the FJD includes assumption
21 of significant costs not present in prior year's
22 budgets. This includes the transfer of
23 nonreimbursable domestic relation expenses from the
24 grant revenue fund to the general fund, the hiring
25 of additional juvenile probation officers as

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2 mandated by the Juvenile Court Judges Commission and
3 various operating expenses associated with computer
4 software licensing and maintenance fees.

5 Included in the FJD's proposal is the
6 Class 100 reduction of \$2.5 million, DROP
7 participation and DROP rightsizing and partial
8 funding for providing new staff for judgeships and
9 the assumption of programs and staff that were
10 previously funded from other revenue sources.

11 I will try to briefly summarize our
12 written testimony which touches on three themes, the
13 budget and mandamus negotiations, cost cutting and
14 revenue enhancement initiatives and domestic
15 violence initiatives.

16 Lastly, our written testimony details
17 numerous achievements in each of our respective
18 divisions and I will briefly discuss them if time
19 permits.

20 The budget and mandamus negotiations
21 have been amicable and both sides seek a long-term
22 agreement that will eliminate future budget disputes
23 and legal actions and both sides have made
24 significant concessions.

25 COUNCILMAN NUTTER: Is that in the

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2 testimony?

3 MR. CROSS: Yes, it is, Councilman. I'm
4 kind of paraphrasing, but that would be on Page 2.

5 COUNCILMAN NUTTER: I was looking for
6 the word "amicable."

7 (Laughter.)

8 MR. CROSS: That is in our written
9 testimony, Councilman.

10 COUNCILMAN NUTTER: I'm just trying to
11 follow along.

12 MR. CAIRONE: It is the second sentence
13 of FY '04 budget negotiations and mandamus
14 settlement under Section A.

15 COUNCILMAN NUTTER: I will stipulate to
16 that.

17 MR. CAIRONE: Thank you, Councilman.

18 MR. CROSS: The FJD acknowledges the
19 economic realities the City of Philadelphia is
20 facing and is pursuing every possible measure to
21 continue its ongoing efforts to reduce costs,
22 improve efficiencies and increase revenues.

23 I mentioned earlier the programs and
24 costs the FJD will absorb in FY '04 and in real
25 terms the FJD's request of \$115 million equates to

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2 \$103.1 million in FY '03 dollars.

3 Comparatively, the FY '04 budget is \$5
4 million higher than FY '03 and additional funding
5 was provided for the 3 percent wage increase and
6 DROP terminal leave which totaled \$5.6 million but
7 offsets the increase from FY '03 to FY '04.

8 The FJD will continue to reduce its
9 costs by \$3.8 million and absorb the nonreimbursable
10 domestic relations expenses, the hiring of
11 additional probation officers and DROP rightsizing
12 and this reduces the budget to \$105.6 million.

13 When various recurring expenses are
14 added, the net FY '04 budget in FY '03 terms is
15 \$103.1 million. The FJD absorbed costs for FY '04
16 result from changes in federal and state guidelines
17 for funding for child support enforcement which has
18 adversely impacted the FJD and revenue shortfalls
19 have forced the FJD to increase its general fund
20 allocation for this program.

21 Increases in juvenile probation officers
22 are needed to continue grant funding for the
23 specialized probation program. The FJD and the
24 grant agency have agreed to phase in these
25 additional officers over three years with 11 per

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2 year. In FY '03 the FJD allocated 800,000 to
3 support these positions by internally reallocating
4 funds. This funding will not provide support for
5 these additional officers in FY '04 when the second
6 group of 11 are hired, but the FJD will absorb the
7 cost of these positions in FY '04 if funded at \$115
8 million.

9 Regarding DROP rightsizing, the FJD has
10 agreed to participate but seeks to restrict certain
11 classes of employees, which are judicial staff for
12 whom each judge has a statutory right to employ
13 three staff persons and for which the City is
14 reimbursed 10.7 million or \$108,336 per judge.
15 Probation officers are a critical part of law
16 enforcement and reducing their numbers means higher
17 caseloads and less supervision. Court reporters are
18 highly skilled positions responsible for keeping the
19 court record, and positions requested and funded by
20 the City to reduce prison overcrowding.

21 These four groups the FJD is seeking to
22 exclude from DROP rightsizing and their vacancies
23 need to be filled without a reduction in funding.

24 Cost-cutting initiatives. The FJD has
25 identified the amount of cost reductions necessary

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2 to achieve various budget reductions. Making these
3 reductions may impact the current level of service
4 delivery. Currently the FJD is developing a plan to
5 further reduce costs. Before discussing further
6 reductions, our historic position levels must be
7 noted.

8 As shown in Appendix A of our written
9 testimony, since 1990 total FJD positions have
10 declined by 20 percent. When additional positions
11 related to reducing prison overcrowding, which were
12 requested by the City and approved by City Council,
13 are removed from the equation, the reduction in work
14 force is 24 percent. In 1990 we had 2,566 employees
15 and in 2002 we had 2056 employees.

16 Options to achieve budgetary reductions
17 are being formulated and include the following:
18 Lapsing, DROP positions beyond the mandated 50
19 percent sought by the City, delays in filling
20 vacancies deemed critical, reducing or eliminating
21 overtime and other full-time expenses, attrition and
22 other staff reductions and reductions in Class 200,
23 300 and 400 operating expenses.

24 Revenue enhancements. The FJD is
25 reviewing the structure of its filing fees

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2 consistent with the long established practice of
3 sharing FJD revenue increases from filing fees.
4 Many of the filing fees require legislative
5 enactment and cannot be increased unilaterally. The
6 FJD has generated \$36 million in increased fees from
7 FY '98 from increases in civil filing fees and
8 aggressive collection policies in Traffic Court and
9 adult probation which directly benefit both the
10 general fund and victims of crime. The revenues
11 from Traffic Court are a result of a 116 percent
12 increase in disposition before Traffic Court judges.

13 Historically, filing fees for all
14 government agencies have been waived by the FJD even
15 though these fees are added to judgments entered in
16 favor of these agencies. These fees amount to
17 approximately \$2 million per year. Under the FJD's
18 proposed budget of \$115 million this practice can
19 continue. However, the general fund budget of less
20 than the requested amount will force a reexamination
21 of this policy.

22 While the FJD generated 36 million in
23 increased revenues, it has accepted reduced budgets
24 in FY '02 and FY '03 in the spirit of cooperation.
25 This budget submission for FY '04 continues to

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2 demonstrate our commitment to increasing revenues
3 where possible while reducing expenditures.

4 Technology needs and upgrades. For ten
5 years the FJD has not sought funding for the
6 operating budget for technology or facilities. The
7 expenses have been funded internally through prudent
8 expenditures and responsible management. Under the
9 City's proposed budget of \$112.6 million the
10 practice of self-funding such expenditures will no
11 longer be possible and the district will be required
12 to seek funding for these improvements through the
13 capital budget.

14 It should be noted that many of the
15 improvements in question benefit not just the judges
16 and employees of the court but are of mutual benefit
17 to our criminal and juvenile justice partners such
18 as the police, prisons, district attorney, clerk of
19 quarter sessions, sheriff, Department of Human
20 Services and Law Department, all of whom rely
21 heavily in our systems in carrying out their
22 respective missions.

23 Domestic violence initiatives. On
24 December 17 and 18, 2002 testimony was presented to
25 the City Council Public Safety Committee to discuss

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2 how City government and the court responds to
3 domestic violence, what are the needs for domestic
4 violence agencies and the range of options to better
5 coordinate services to battered victims.

6 During the testimony an advocacy group
7 noted the need for an 800 hotline to refer abused
8 victims to available services such as filing for
9 protection from abuse and referral to support
10 advocacy agencies. While the FJD is not seeking
11 funding to implement such a program, should it be
12 done, the increased demand for services would
13 overwhelm existing staff and the FJD cannot allocate
14 additional resources to this program. However, the
15 FJD would cooperate with the City and City Council
16 should they seek to expand this important function.

17 On behalf of the Philadelphia judiciary,
18 the administrative governing board, FJD employees,
19 and the citizens of Philadelphia for whom we
20 appreciably work, we respectfully seek City
21 Council's consideration and approval of our budget
22 request of \$115 million for FY '04. Thank you.

23 COUNCIL PRESIDENT VERNA: Thank you very
24 much. Could you explain the function of the
25 Juvenile Court Judges Commission and its makeup?

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2 MR. CROSS: The Juvenile Court Judges
3 Commission is a state agency that is based in
4 Harrisburg that provides grant funding to the
5 Philadelphia Family Court for the specialized
6 probation program. We currently have 31 probation
7 officers who provide specialized probation services,
8 which are a special, more intense level of
9 supervision for youthful offenders.

10 COUNCIL PRESIDENT VERA: On the bottom
11 of Page 2, top of Page 3 of your testimony, you
12 mention the FJD budget in terms of FY '03 dollars is
13 actually \$105 million, from which an additional 2.5
14 million in reoccurring expenses must be subtracted
15 for a net budget of \$103,146,000. Would you please
16 explain this statement?

17 MR. CAIRONE: Council President, if I
18 can refer you to Table 4 of the court's submission,
19 it may make it easier to follow our logic.

20 COUNCIL PRESIDENT VERA: Would you
21 explain it, please?

22 MR. CAIRONE: Sure. The court seeks
23 \$115 million budget, and, as Mr. Cross explained
24 during his testimony, \$5.6 million of that increase
25 is directly related to the 3 percent wage increase

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2 and the terminal leave payments identified for
3 employees in the DROP program initiative.

4 If you subtract that \$5.6 million, it
5 reduces our real dollar request in relation to FY
6 '03 budget to \$109 million and change.

7 In addition, we have also absorbed
8 within the FY '04 budget the DROP rightsizing
9 participation in excess of a little over \$900,000,
10 the transfer of formerly funded positions in
11 domestic relations and the expenses associated with
12 those positions totaling \$1.9 million and the
13 additional juvenile probation officers as mandated
14 by JCJC. Those totals equal \$3.7 million and, in
15 essence, we are absorbing those costs within the
16 request of the \$115 million. These are expenditures
17 that did not exist within the general fund previous
18 to this year, reducing the budget to \$105.6 million.

19 In addition, we have experienced over
20 the years reoccurring expenses totaling \$2.5 million
21 for such things as technology acquisitions,
22 maintenance fees for software contracts, facility
23 renovations and improvements and things of that
24 nature, which has been absorbed in the past but must
25 additionally be absorbed within this current budget,

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2 therefore reducing the budget in real dollars to
3 \$103 million and change.

4 COUNCIL PRESIDENT VERNA: Thank you.

5 MR. CAIRONE: You're welcome.

6 COUNCIL PRESIDENT VERNA: How many of
7 your employees will be going out on the DROP program
8 in '04?

9 MR. CROSS: Councilwoman, we don't have
10 an exact number of the number that are going out.
11 We know it is about \$14 million in total employees.
12 I can provide for you a list of the employees and
13 the total number.

14 COUNCIL PRESIDENT VERNA: I guess the
15 earliest they would be able to go out is what,
16 November?

17 MR. CAIRONE: October.

18 COUNCIL PRESIDENT VERNA: October?

19 MR. CROSS: The end of October I think.

20 COUNCIL PRESIDENT VERNA: And you would
21 have enough money in your budget to hire most of
22 those that will be going out?

23 MR. CAIRONE: No, that's not correct.
24 We have agreed to participate in the City's DROP
25 rightsizing initiative.

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2 COUNCIL PRESIDENT VERNA: So you would
3 be able to hire what, 50 percent?

4 MR. CAIRONE: Approximately that amount,
5 but what we have asked for is to exclude certain
6 classes such as the judicial employees, the
7 probation, both adult and juvenile probation
8 officers, court reporters and the additional
9 positions that the City has requested us to take as
10 a part of the prison population program. We can
11 give you the exact number of employees and the
12 dollars relate to \$900,000.

13 COUNCIL PRESIDENT VERNA: So if you are
14 satisfied with that, that's fine. I'm just
15 concerned that we get more and more cases and if you
16 don't have the personnel to handle most of the work,
17 I don't know what you do.

18 MR. CAIRONE: We concur and that's why
19 we asked for some specific exclusions, Madam
20 President, but we are also of a reality that we want
21 to cooperate with the City as other agencies are
22 also doing.

23 COUNCIL PRESIDENT VERNA: Fine.

24 Judge Jackson, the police department
25 testified in Council and indicated that they are

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2 spending approximately \$21 million in court-related
3 overtime. Can you tell us what steps the courts are
4 taking along with the district attorney perhaps to
5 try to reduce the police court overtime?

6 HONORABLE MASSIAH-JACKSON: Madam
7 President, I'm searching through here. I'm going to
8 ask my colleagues to find it. We have a specific
9 ability to schedule cases to avoid the overtime.
10 Page 12, limit to court-related police overtime, and
11 I refer you to Page 12 where it says, "Both the
12 Common Pleas and municipal courts devote substantial
13 resources to scheduling cases in a manner that is
14 consistent with the day shift schedules of
15 individual officers, and this practice is known as
16 assigning squad dates."

17 Madam President, we also have requested
18 from the police liaison officers in our courtrooms
19 to coordinate the schedules of cases and those
20 police officers. Mr. Cairone can give you
21 additional detail if you request it.

22 COUNCIL PRESIDENT VERNA: I know every
23 year at budget time this issue comes up and I just
24 thought that with the computer systems that we have
25 today it should be so easy to schedule given

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2 officers in one courtroom with several of their
3 cases so that they are not running all over City
4 Hall or the Criminal Justice Center. I think there
5 is a way of doing it so that we wouldn't have to be
6 facing a \$21 million figure in court-related
7 overtime for police.

8 MR. CAIRONE: Madam President, this is
9 something that we are interested in reducing as well
10 and we have had conversations with Police
11 Commissioner Neal at the criminal justice
12 coordinating commission meetings and -- I'm sorry.
13 Sylvester Johnson. Excuse me.

14 (Laughter.)

15 COUNCIL PRESIDENT VERNA: I was going to
16 say he hasn't been around for a while.

17 MR. CAIRONE: I guess I have to be
18 careful where I park now.

19 (Laughter.)

20 MR. CAIRONE: I'm glad I could add a
21 touch of levity to the proceedings.

22 COUNCIL PRESIDENT VERNA: Thank you.

23 MR. CAIRONE: You're welcome.

24 But we do adhere to the squad dates,
25 which reduces the overtime. The officers are on day

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2 shift and they receive regular pay during their
3 period of reporting to the CJC during what we refer
4 to as squad days.

5 What we have recently requested is the
6 assignment of liaison officers to better coordinate
7 their activities within the Criminal Justice Center
8 and reduce the pulling of their resources in
9 different areas and the commissioner has responded
10 positively and I think the results will be positive
11 as well.

12 COUNCIL PRESIDENT Verna: Great. We
13 look forward to that and hopefully we don't have to
14 have this conversation next year.

15 MR. CAIRONE: The only thing that I can
16 add is that everyone needs to be reminded that we
17 are not the ones who subpoena police officers to
18 testify.

19 COUNCIL PRESIDENT Verna: I know, but
20 there has to be a system whereby, as I said, if the
21 courts, the district attorney and the police
22 department work together, I'm sure that this issue
23 can be addressed.

24 MR. CAIRONE: And we will work toward
25 that resolution with the police department.

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2 COUNCIL PRESIDENT Verna: Great.

3 What impact, if any, has Operation Safe
4 Streets had upon the court system?

5 MR. CAIRONE: I think that the
6 initiatives have increased arrests. Operation Safe
7 Streets in reality has reduced arrests at this point
8 during its short period of intervention so we are
9 hopeful that the numbers are starting to balance
10 back to the figures where they were prior to 1996.
11 It is too soon to say that this is a trend, but the
12 numbers are down in the 1200 per week category as
13 opposed to the figures that existed in '96, '97 and
14 '98 where there were weeks where we experienced in
15 excess of 1800 arrests per week.

16 HONORABLE MASSIAH-JACKSON: Madam
17 President, I do want to add that our criminal trial
18 division, our judges, disposed of 19,000 criminal
19 cases in year 2002, which is a record high for our
20 court. So while we have the reduction created by
21 Operation Safe Streets, we also have judges who are
22 working harder. The staff, the clerk of quarter
23 sessions, the sheriffs, what we call our criminal
24 justice partners, have been working harder. There
25 were 19,000 dispositions last year.

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2 COUNCIL PRESIDENT Verna: Amazing.
3 Wonderful.

4 I have some other questions, but at this
5 time I would like to recognize Councilman Nutter.

6 COUNCILMAN NUTTER: Thank you, Madam
7 Chair.

8 Good morning, Your Honor, Mr. Cairone
9 and Mr. Cross.

10 MR. CROSS: Good morning.

11 MR. CAIRONE: Good morning.

12 COUNCILMAN NUTTER: Mr. Cross, in your
13 capacity in the financial services area I just
14 needed to better understand, when I went to what we
15 often refer to as the big book, I was looking for
16 the detail that normally accompanies the various
17 governmental entities when they come at budget time
18 and I notice that that level of detail was not a
19 part of again what we call the big book. Can you
20 tell me what happened?

21 MR. CROSS: Yes. Because we are in
22 negotiations with the City administration for our
23 budget figures for FY '04, we could not submit
24 detail in support of the administration's figures.
25 We did submit a budget request of \$119 million to

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2 the budget bureau, but our detail did not support
3 the 112 million that was sought by the
4 administration.

5 COUNCILMAN NUTTER: Okay. When -- and
6 maybe you went over this in the testimony -- when do
7 you think this issue will be resolved?

8 MR. CROSS: We have been negotiating
9 for about three months and we have gotten closer
10 each time and we would like to think that we will
11 have a settlement very shortly.

12 COUNCILMAN NUTTER: Okay. When that
13 occurs, and since you have been in these amicable
14 discussions, will you get that level of budget
15 detail to us at that time?

16 MR. CROSS: Absolutely.

17 COUNCILMAN NUTTER: Do you have budget
18 detail from last year's budget or actually the
19 present year's budget, FY '03?

20 MR. CROSS: For FY '03 we did file a
21 mandamus action against the City of Philadelphia, so
22 our budget detail did not again tie into what the
23 City sought for the FJD, so there was a disparity.
24 There was a difference.

25 COUNCILMAN NUTTER: Right, but you filed

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2 that after the budget had been passed, didn't you?

3 MR. CROSS: Yes. We cannot file the
4 mandamus until the beginning of the fiscal year.

5 COUNCILMAN NUTTER: So do you have
6 budget detail from FY '03 that would have been a
7 part of the budget process from last year?

8 MR. CROSS: Again, all we have is what
9 our submission was, which was about \$4.5 million
10 higher than what the City actually funded us for.

11 COUNCILMAN NUTTER: I understand that,
12 but it lays out the detail of how the dollars are
13 spent and the contracts and all the like?

14 MR. CROSS: Yes, it does.

15 COUNCILMAN NUTTER: Is it possible to
16 forward a copy of that to the Chair, please?

17 MR. CROSS: Absolutely. I will provide
18 to you FY '03 and FY '04.

19 COUNCILMAN NUTTER: Thank you.

20 Obviously this is an election year in
21 which judges will be elected. Out of the current
22 election cycle will there be a net increase in
23 judges in the Court of Common Pleas, or are these
24 people who are running, both those who have been
25 appointed by -- actually I think they were appointed

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2 by Governor Schweiker last year and those running
3 this year, are they filling vacancies?

4 HONORABLE MASSIAH-JACKSON: I will
5 answer that, Councilman. There are eleven vacancies
6 on the ballot this year, 2003. These eleven are
7 replacements for judges who have retired or resigned
8 during the past two years. As you know, we have a
9 mandatory retirement age of 70. In year 2002 three
10 judges reached that mandatory retirement age. We
11 also lost Judge Legrome Davis to federal court.
12 Judge Kafrissen retired early and Lynn Hamlin
13 retired early and in year 2001 I know there was one
14 judge who reached age 70 and at least one or two
15 others that left early, so these eleven are
16 replacement spots.

17 COUNCILMAN NUTTER: I would like to
18 raise an issue which is mentioned in the testimony,
19 but I'm reluctant to go into this area because I
20 know that my colleague, Councilman Ortiz, held
21 hearings about this particular issue, but I would
22 like to register my concern with regard to Item D on
23 Page 7, the domestic violence initiatives, which I'm
24 sure the councilman is going to ask questions about,
25 so I will defer to him about that, but I may have

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2 I know that Administrative Judge Field and
3 Supervising Judge Fox recognized your concern from
4 the time of the hearings. We will look into this,
5 but, as you will recall, some of these functions are
6 not handled directly by the court, so --

7 COUNCILMAN ORTIZ: So who do we have
8 to --

9 HONORABLE MASSIAH-JACKSON: Our court
10 will report back to you.

11 COUNCILMAN ORTIZ: Okay, because really
12 in these --

13 HONORABLE MASSIAH-JACKSON: You're
14 talking about over the weekends and evenings?

15 COUNCILMAN ORTIZ: In the intake unit it
16 seems that people --

17 MR. CAIRONE: Councilman, I just want to
18 make sure that we follow up appropriately. There is
19 an intake unit that occurs at normal business hours
20 at 34 South 11th and those functions are switched to
21 the Criminal Justice Center --

22 COUNCILMAN ORTIZ: It is where the
23 interviewer sits behind the glass-enclosed space and
24 the petitioner must yell out details as they fill
25 out the forms.

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2 MR. CAIRONE: That may be the Criminal
3 Justice Center and we will look into both locations
4 and report back to you then.

5 COUNCILMAN ORTIZ: No, I think that is
6 not at the Criminal Justice Center.

7 HONORABLE MASSIAH-JACKSON: It is?

8 COUNCILMAN ORTIZ: No, it's not. That
9 is at 34 South 11th. So if you can report on that
10 and not only report that it is being done, we know
11 it is being done, but what we would like to see is
12 how are we going to fix it so that some privacy can
13 be assured.

14 The security aspect in terms of the
15 waiting areas and hallways, is there anything in the
16 budget that is going to be included to beef up
17 security?

18 HONORABLE MASSIAH-JACKSON: Where?

19 COUNCILMAN ORTIZ: Where they go for the
20 interviews during the week. I mean, you are dealing
21 with problems in which high emotions are going on
22 and many times people act irrationally, and if you
23 are waiting in the hallway and your spouse comes in
24 with a gun or whatever, you know, it is nice to know
25 that there might be somebody in there that can take

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2 charge. Is there anything in terms of beefed-up
3 security that you have? Are you envisioning
4 anything?

5 MR. CAIRONE: I'm not aware of anything
6 in the current budget, but we will discuss it with
7 Administrative Judge Field and Supervising Judge Fox
8 and respond to you.

9 COUNCILMAN ORTIZ: Could you do an
10 analysis of what security needs --

11 HONORABLE MASSIAH-JACKSON: Councilman,
12 does Carol Tracy have specific recommendations that
13 she has reviewed with the court?

14 COUNCILMAN ORTIZ: I don't think Carol
15 has any -- it is just that there is a problem in
16 terms of it.

17 HONORABLE MASSIAH-JACKSON: And it has
18 been brought to the attention of --

19 COUNCILMAN ORTIZ: It was brought to the
20 attention during the hearings. All I'm doing, in
21 essence, is trying to establish in the record in the
22 budget period the issues we brought out during the
23 hearings, so that, you know -- I don't think you
24 were present at the hearings.

25 HONORABLE MASSIAH-JACKSON: I was not.

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2 MR. CAIRONE: That's right. I was not
3 and I was not present for Miss Tracy's report and I
4 don't know what she said at that time.

5 COUNCILMAN ORTIZ: Let me go down and we
6 will see how we -- the computers. We know they need
7 new computers and they should be equipped with the
8 technology that would allow the judges and the
9 personnel access to the state registry protection
10 orders, the national registry and local criminal
11 cases. We want to know whether these new
12 technological and new computers are included in the
13 technology budget.

14 MR. CROSS: Excuse me, Councilman. We
15 already coordinate with the state and local police
16 in terms of protection from abuse. There is some
17 coordination with those agencies.

18 COUNCILMAN ORTIZ: What we want to know
19 is is the information available. If you are doing
20 certain things at your desk and you type it in, is
21 that going to show up?

22 MR. CROSS: It's my understanding that a
23 messenger is delivering the protection from abuse
24 petitions up to the state on a daily basis.

25 COUNCILMAN ORTIZ: I'm talking about

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2 computers. You don't need a messenger. I'm talking
3 about whether the staff actually has the physical
4 capacity, the capacity to be able to look into the
5 records of the individuals that they are supposed to
6 be writing orders against and have that available,
7 not that they run UPS service up to Harrisburg. We
8 are talking about the aspect of having the
9 technology at your fingertips so that the caseworker
10 that is doing this, the judge, can say to her legal
11 aid or paralegal find me this. Go into the computer
12 and find me this information about this guy at this
13 point.

14 MR. CAIRONE: I'm not sure if we
15 currently have an interface with state and other
16 local officials, but I can assure you that as part
17 of the court's network infrastructure project that
18 they will have computers on their desktop.

19 COUNCILMAN ORTIZ: You have a -- what is
20 it called, a court improvement account?

21 MR. CAIRONE: Yes.

22 COUNCILMAN ORTIZ: What's the status of
23 that?

24 HONORABLE MASSIAH-JACKSON: The City has
25 taken it away from us.

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2 COUNCILMAN ORTIZ: The City? What? I
3 didn't know that.

4 MR. CAIRONE: We have a project
5 currently that will replace the desktop computers.

6 COUNCILMAN ORTIZ: Go back. The City
7 has taken away your --

8 HONORABLE MASSIAH-JACKSON: That's part
9 of our negotiations with the City.

10 COUNCILMAN ORTIZ: How much is included?

11 HONORABLE MASSIAH-JACKSON: We don't how
12 much this specific computer for domestic relations
13 unit would be, but we have an overall, as
14 Mr. Cairone said, an overall network infrastructure
15 that we are in the process of implementing. Now,
16 some of our court improvement funds are immersed in
17 negotiations with the City.

18 COUNCILMAN ORTIZ: But you usually put
19 it on the budget and they just didn't include it
20 this year. They took it away. So what are the
21 negotiations that you are doing?

22 HONORABLE MASSIAH-JACKSON: That's
23 between our counsel.

24 COUNCILMAN ORTIZ: What do you give up?
25 You give up a couple of judges here and a couple of

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2 judges there and you get --

3 MR. CAIRONE: Many of the concessions
4 that we made as part of the FY '04 budget will no
5 longer provide surpluses that were moved to the
6 court improvement account in the past and as part of
7 the settlement negotiations the City did not pass
8 the FY '02 surplus to the court improvement account.

9 COUNCILMAN ORTIZ: So you are at zero at
10 this point?

11 MR. CAIRONE: Actually we are less than
12 zero right now given the two projects that we
13 currently have in progress.

14 COUNCILMAN ORTIZ: That's news.

15 The needs additional staff to
16 accommodate the number of litigants it serves
17 including both clerical and decision-makers, the
18 testimony is that a number of employees will be
19 shifted from federally funded grant revenue in child
20 support to the general fund. What does that mean?
21 Does that mean more employees will be available to
22 assist in domestic violence cases and divorce cases
23 or less employees? What does it mean?

24 MR. CAIRONE: It means the same number
25 of employees will remain, but their revenue stream

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2 will come from the general fund as opposed to a
3 former grant fund.

4 COUNCILMAN ORTIZ: How does that
5 impact --

6 MR. CAIRONE: As part of the 115 --

7 COUNCILMAN ORTIZ: -- your other
8 services? What is the ripple effect of that?

9 MR. CAIRONE: There should not be an
10 effect in services provided. We are maintaining the
11 same number of employees. They will just be paid
12 from the general fund as opposed to the grant fund.

13 COUNCILMAN ORTIZ: So the federal funds
14 have been cut?

15 MR. CAIRONE: That is correct.

16 COUNCILMAN ORTIZ: But then if you are
17 going to use general funds for these employees, what
18 are you cutting in terms of others?

19 MR. CAIRONE: We're not cutting. As I
20 suggested, the \$115 million will absorb those
21 employees, but there will be no surpluses to move
22 over to the court improvement account in the future.
23 We have to generate \$3.8 million in savings within
24 our budget to accommodate the \$115 million budget,
25 and as a responsible agency and party and partner

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2 with the executive branch, we are going to try to do
3 that without reducing services.

4 COUNCILMAN ORTIZ: We heard testimony
5 that there is no appropriate written consumer
6 information produced or disseminated by the court to
7 tell people how to file, extend or modify a
8 protection from abuse order or to explain what kinds
9 of relief are available for domestic violence
10 victims. The court does not provide any written
11 advice to pro se litigants on what to expect in
12 terms of operations and procedures for the domestic
13 relation proceedings. Are there any plans to
14 correct this?

15 HONORABLE MASSIAH-JACKSON: Councilman,
16 we have a First Judicial District information center
17 where anyone who has questions about domestic
18 violence or any other court-related issue may walk
19 in and receive verbal as well as written direction
20 as to where to go to file.

21 COUNCILMAN ORTIZ: Is this available in
22 different languages?

23 HONORABLE MASSIAH-JACKSON: Oh, yes,
24 and, also, one of our employees is Spanish-speaking,
25 so he's right there. As a matter of fact,

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2 Councilman Rizzo has borrowed our employee on
3 occasion for translation services, but we do have
4 that and certainly for --

5 COUNCILMAN ORTIZ: He should hire
6 somebody on the staff.

7 HONORABLE MASSIAH-JACKSON: Well, we are
8 pleased to be cooperative with the City Council in
9 every way that we can.

10 COUNCILMAN ORTIZ: Do you have a video
11 that you have playing in the waiting rooms?

12 HONORABLE MASSIAH-JACKSON: A video of
13 what?

14 MR. CROSS: Yes, I think we do. It may
15 be a little outdated, but there is a video that is
16 played in the waiting room while the victims are
17 waiting.

18 COUNCILMAN ORTIZ: Outdated?

19 MR. CROSS: I think it needs to be
20 updated.

21 COUNCILMAN ORTIZ: Are you going to do
22 it?

23 MR. CROSS: We will try to, yes.

24 COUNCILMAN ORTIZ: The DVU needs to
25 train personnel in this or to fund counselors from

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2 other organizations to interview and refer litigants
3 who are victims of domestic violence to appropriate
4 social service agencies who currently perform this
5 type of counseling and interviewing a few days a
6 week. The court has identified it as a service that
7 needs to be provided on site full time. That is the
8 testimony that we had here. Has any attention been
9 paid to that in the budget?

10 HONORABLE MASSIAH-JACKSON: Councilman,
11 we have no knowledge as of this moment. We would
12 have to talk to Judge Fox and Judge Field.

13 COUNCILMAN ORTIZ: This is one of the
14 things that was brought up.

15 HONORABLE MASSIAH-JACKSON: Again, I
16 want to stress that I have no personal knowledge of
17 what was testified to by Carol Tracy or any of the
18 other organizations when you had your hearings and
19 none of them have approached me directly.

20 COUNCILMAN ORTIZ: This testimony came
21 from the court folks themselves. We just wanted to
22 know if it is reflected in the budget at all.

23 MR. CAIRONE: It is not.

24 COUNCILMAN ORTIZ: Not reflected in the
25 budget?

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2 MR. CAIRONE: No, sir.

3 COUNCILMAN ORTIZ: So we are going to
4 continue with the volunteers and so on for the
5 foreseeable future in terms of that?

6 MR. CROSS: We currently have
7 volunteers from the Law School of the University of
8 Pennsylvania and there are volunteers from the Women
9 Against Abuse and the Congreso de Latinos Unidos --
10 excuse me for my Spanish -- domestic violence
11 program, who, my understanding, there is a full-time
12 case interviewer that is provided by that service
13 that is part of the unit.

14 COUNCILMAN ORTIZ: We heard also along
15 the same lines that it would improve both the court
16 operation and the litigant experiences to have some
17 City services on site such as Behavioral Health or
18 OESS that really need to be involved in when these
19 issues are being brought up and brought forward. Is
20 there any plan to coordinate with agencies such as
21 the Behavioral Health and the Homeless Office to
22 have some services on site?

23 MR. CROSS: When I spoke with Judge Fox
24 about putting this part of our testimony together,
25 one of the things that she talked about is sort of a

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2 wish list of additional employees that she could
3 use, and part of that was social service
4 coordinators that could provide outreach services
5 for victims so that they could have access to some
6 of the advocacy groups.

7 COUNCILMAN ORTIZ: We know. That's why
8 we are asking. What we want to know is what, if
9 anything, has been done in terms of moving this
10 forward.

11 HONORABLE MASSIAH-JACKSON: Councilman,
12 you may recall in December when we presented our
13 wish list, we said this will cost money.

14 COUNCILMAN ORTIZ: Yes.

15 HONORABLE MASSIAH-JACKSON: And we are
16 not in a position to request from City Council or
17 the City additional funds for this specific line
18 item, but --

19 COUNCILMAN ORTIZ: But coordinating with
20 activities, I would imagine that is setting up a
21 mechanism in which conversations are held with the
22 office of OESS and Behavioral Science in finding out
23 how we can bring them together and to provide
24 on-site services?

25 HONORABLE MASSIAH-JACKSON: I think we

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2 have to talk to Judge Fox.

3 COUNCILMAN ORTIZ: Lastly, because my
4 minutes are getting to be up, we heard testimony
5 about the emergency filing site -- and that really
6 got to me -- in the Criminal Justice Center that
7 operates from 5:00 a.m. to 8:00 a.m. on weekends.
8 What's the budget for that site and what is the
9 source of the funding? That seems to have its own
10 problems separate from --

11 MR. CAIRONE: It is a contracted service
12 currently.

13 COUNCILMAN ORTIZ: Excuse me?

14 MR. CAIRONE: It's a contracted service.

15 COUNCILMAN ORTIZ: Contracted with whom
16 and how much is the contract for?

17 MR. CAIRONE: I don't have that
18 information before me, but we will provide that to
19 you.

20 COUNCILMAN ORTIZ: I would like that and
21 I would like the name of the company, everything
22 about the company. If it has any minority
23 participation within the company, we would like to
24 find that out, but that is something that was really
25 brought up during the hearings and something that we

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2 have to look at.

3 Thank you, Madam President.

4 COUNCIL PRESIDENT Verna: Thank you.

5 The Chair recognizes Councilman DiCicco.

6 COUNCILMAN DiCicco: Thank you, Madam
7 President.

8 Good morning, Your Honor, gentlemen. I
9 got here a little bit late, so I don't know if you
10 went over much of the testimony as it relates to
11 Philadelphia Traffic Court. The number of employees
12 that are presently full-time employees of Traffic
13 Court today?

14 MR. Cross: I would say approximately
15 110.

16 COUNCILMAN DiCicco: So the number
17 really hasn't increased since 1995 when I left?

18 MR. Cross: No, it has not.

19 COUNCILMAN DiCicco: But I know the
20 issuance of citations has dramatically increased as
21 well as the dispositions.

22 MR. Cross: Absolutely.

23 COUNCILMAN DiCicco: And I read in your
24 testimony that you have been able to hold the line
25 on any increases in overtime I guess and/or

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2 employees, but I kind of have to believe based on my
3 experience that they must be pretty well strained up
4 there.

5 HONORABLE MASSIAH-JACKSON: They are.

6 MR. CROSS: Yes, they are. We are still
7 running one night a week and I think sometimes on
8 Saturdays court activities also and we have been
9 able to stagger some of the employees' work shifts
10 so that we can limit their overtime.

11 COUNCILMAN DICICCO: So nothing has
12 really changed, and I don't mean that in a negative
13 way, since 1995 because I remember when we first
14 implemented -- we didn't have a name for it yet --
15 the Live Stop, but when we started doing the night
16 court and other things, we were constantly juggling
17 employees around.

18 With that, with some of the new
19 enforcement measures that are coming on line, do you
20 still think you will be able to do that with the
21 personnel, the number of personnel that you have
22 today? In the best case scenario I'm certain you
23 would like to have more employees and I'm certainly
24 an advocate of that. Having been an employee of
25 Philadelphia Traffic Court on and off for 16 years

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2 and the last three or four as the court
3 administrator, I can certainly appreciate what you
4 are going through. Do you think we will be able to
5 handle that going forward?

6 MR. CAIRONE: Only time will tell
7 actually.

8 COUNCILMAN DICICCO: Time will tell.

9 MR. CAIRONE: But I know President Judge
10 Kelly has told us that the employees are taxed and
11 that the volume of work has increased and that they
12 are doing everything they can to try to expedite the
13 processing of matters in a timely manner.

14 COUNCILMAN DICICCO: I guess I want to
15 compliment them for doing that. Again, when I left,
16 it was in the early stages of the night court and
17 some of the other programs that we had not yet been
18 able to implement, which is now called Live Stop, so
19 I do want to compliment the court and please let
20 President Judge Kelly know that. I know if former
21 President Judge Perry were here, I would be saying
22 the same to him --

23 MR. CAIRONE: Thank you.

24 COUNCILMAN DICICCO: -- because I think
25 a lot of that credit goes to former President Judge

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2 Perry.

3 On Page 35 of your testimony, "A series
4 of new initiatives designed to increase efficiency
5 in disposing traffic citations and increased revenue
6 are being planned." Would you briefly explain that?
7 The issuance of electronic citations, are you
8 referring to the police officer who is writing the
9 ticket? Because I know, again, this is something
10 that we talked about back in '93, '94 and '95.

11 MR. CAIRONE: We will shortly start a
12 pilot project where the police officer will have a
13 Palm Pilot or something similar to a Palm Pilot
14 where they will be able to enter the citation into
15 and the information will be downloaded
16 electronically and provided real time as opposed to,
17 quote/unquote, Sneaker Net which currently exists.

18 COUNCILMAN DICICCO: Right. And it is
19 kind of refreshing my memory because I know these
20 are some of the programs and we went to Niapack and
21 whatever it was, not Niapack.

22 MR. CAIRONE: Mack n Mack.

23 COUNCILMAN DICICCO: Mackum and Packum
24 or something like that. We saw a lot of this
25 technology, but it really wasn't perfected. I know

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2 with the hand-held units the concern was in cold
3 weather, I think they were having problems, but that
4 is already seven or eight years ago, maybe even
5 longer. So that's the kind of stuff we are talking
6 about here, right?

7 MR. CAIRONE: Yes, sir.

8 COUNCILMAN DICICCO: And I just want to
9 say publicly, Mr. Cairone, I have known you 30 years
10 already. I met you in 1972 when I first began
11 working for the Philadelphia Traffic Court and
12 literally sat across a desk from your mom, who is
13 still working in Philadelphia Traffic Court. God
14 bless her. I just want to congratulate you and wish
15 you well. I know you will do a great job. I did
16 have the pleasure of working with you and Mr. Cross
17 and a number of the other folks when I was employed
18 by the First Judicial District, so Joe DiPrimio did
19 an excellent job and I know that you are someone
20 that will fill his shoes rather adequately, so
21 congratulations again.

22 MR. CAIRONE: Thank you very much.

23 COUNCILMAN DICICCO: Thank you, Madam
24 Chair.

25 COUNCIL PRESIDENT VERNA: You're

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2 welcome.

3 The Chair recognizes Councilwoman Brown.

4 COUNCILWOMAN BROWN: Thank you, Madam
5 President.

6 Good morning, President Judge and to
7 your team. Good morning, gentlemen. I want to
8 register my interest as well in the domestic
9 violence initiatives of your office and refer to
10 some testimony on Page 7. You mentioned in the
11 third paragraph that you enjoyed a partnership with
12 the Law School of University of Pennsylvania, Women
13 Against Abuse and Congreso de Latinos Unidos' Latina
14 domestic violence program. Talk to me about that
15 part of it and then I will have some followup
16 questions. What does that mean specifically?

17 MR. CROSS: Again, I had very limited
18 discussions with Judge Fox about this part of the
19 testimony, but it is my understanding that
20 volunteers from the law school and from these other
21 agencies are providing services in the domestic
22 violence unit and are volunteering in that area.

23 COUNCILWOMAN BROWN: So it is strictly
24 volunteer services that they are providing?

25 MR. CROSS: Yes, it is.

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2 COUNCILWOMAN BROWN: That is helpful to
3 know because in your last paragraph you then state,
4 and I quote, The DVU is understaffed, lacks
5 resources, relies on volunteers and needs to
6 increase its availability to refer clients to the
7 services available.

8 So the partners primarily meet your
9 volunteer needs, correct?

10 MR. CAIRONE: That is correct.

11 COUNCILWOMAN BROWN: When you say "lacks
12 resources," you mean dollars?

13 MR. CAIRONE: That is correct.

14 COUNCILWOMAN BROWN: Then let me
15 underscore Councilman Ortiz' recommendation that the
16 appropriate individuals engage in discussions with
17 OESS and Behavioral Health because it is a natural
18 fit for women and the few men that endure that kind
19 of experience. Given the services that these two
20 agencies provide, it's a natural link to better
21 serve those victims, and when I hear the hours that
22 the official office operates, we need to be able to
23 serve citizens who are enduring that after the
24 office is closed and, again, OESS is a natural fit
25 of an agency who can pick up with that service after

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2 the official office responsible for this service is
3 closed. Do you follow me?

4 MR. CROSS: Yes.

5 COUNCILWOMAN BROWN: So I want to put
6 that on the record and hope that the appropriate
7 persons within your organization open the doors, sit
8 down with OESS and Behavioral Health and work out a
9 tangible plan of action where they can be intimately
10 involved with victims who come to your attention
11 through the domestic violence unit.

12 HONORABLE MASSIAH-JACKSON:
13 Councilwoman, I do want you to understand that the
14 three of us here have no personal knowledge of
15 whether or not OESS and Behavioral Health are
16 already there.

17 MR. CAIRONE: But we will follow up and
18 discuss that with them.

19 COUNCILWOMAN BROWN: And you will make
20 sure that President Verna gets that document so that
21 she can share it with those of us who care about
22 that issue?

23 MR. CAIRONE: Absolutely.

24 HONORABLE MASSIAH-JACKSON: Sure.

25 COUNCILWOMAN BROWN: Thank you very

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2 much.

3 The second of this series of questions,
4 there are three judges recently appointed and now
5 sitting, correct?

6 HONORABLE MASSIAH-JACKSON: Yes. There
7 were five altogether, two in the fall and three just
8 recently.

9 COUNCILWOMAN BROWN: Just for my own
10 knowledge base, understanding of the process, when
11 that happens, are they given a courtroom immediately
12 or do they immediately move in and start their
13 duties? How does it work?

14 HONORABLE MASSIAH-JACKSON: The
15 practical aspect is we hear through the grapevine
16 that judges are going to be appointed and confirmed
17 by the Senate and of course they are state
18 employees, and once they are confirmed, usually
19 within the first day or two I meet with them and
20 give them some preliminary background information
21 about how the court works, how our Common Pleas
22 Court works. We also have a judicial education
23 committee that gives them preliminary training.

24 At the meeting that I had, for example,
25 with the three newest appointees, Mr. Cairone and

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2 several other deputy court administrators met with
3 them to give them just nuts and bolts about their
4 assignment, you know, what the telephone number is,
5 what the Fax number is, and where their chambers
6 will be; and then within the first week or so they
7 will sit in the courtroom at the bench with other
8 judges and get an idea of the program that they have
9 been assigned to and shortly thereafter they will
10 hear their own cases in their own courtroom in their
11 own chambers.

12 COUNCILWOMAN BROWN: So that answers the
13 question on the rotating method that you use and why
14 you allow a new judge to rotate, so that they can
15 essentially slowly orient themselves, if you will,
16 into that world, correct?

17 HONORABLE MASSIAH-JACKSON: Within the
18 first week. So, for example, if a judge is going to
19 be working in the criminal courts, that judge may
20 sit in different courtrooms for several days or
21 weeks -- several days; I'll put it that way, until
22 he or she gets his own courtroom and his own list of
23 cases.

24 If a judge is going to be assigned to
25 the family court division, whether it is at 1801 or

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2 34 South 11th, that judge will sit with different
3 judges, attend meetings, and get a feel for what is
4 involved.

5 COUNCILWOMAN BROWN: Thank you for that
6 insight.

7 Madam President, I would like to go on
8 record to request next year when we bring this
9 division of the City to us that we invite those
10 individuals who are chiefly and specifically
11 responsible for the domestic violence initiative so
12 that we can learn one-on-one, face-to-face in this
13 forum what they are doing around the domestic
14 violence program.

15 HONORABLE MASSIAH-JACKSON:
16 Councilwoman, I agree with you that this is a topic
17 of great importance. I would prefer not to wait a
18 whole year and certainly I'd be happy to arrange a
19 meeting, something less formal, if that's
20 satisfactory.

21 COUNCILWOMAN BROWN: That would be fine
22 with me.

23 COUNCIL PRESIDENT VERNA: That would be
24 wonderful.

25 HONORABLE MASSIAH-JACKSON: Because the

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2 hearing environment is very formal, but certainly a
3 roundtable discussion so that you identify your
4 issues and the court and the people who are
5 personally involved with it can give you the answers
6 or give you the pluses and minuses of that.

7 COUNCILWOMAN BROWN: I would appreciate
8 that very much.

9 HONORABLE MASSIAH-JACKSON: I will do
10 that. I will coordinate that.

11 COUNCILWOMAN BROWN: Along with other
12 colleagues who are interested in that.

13 HONORABLE MASSIAH-JACKSON: Certainly.
14 I would be happy to.

15 COUNCILWOMAN BROWN: Thank you very
16 much.

17 Thank you, Madam President.

18 COUNCIL PRESIDENT Verna: You're
19 welcome.

20 Your Honor, whatever responses that are
21 forwarded to me, may I have 20 copies, please?
22 Thank you.

23 The Chair recognizes Councilman Clarke.

24 COUNCILMAN CLARKE: Thank you, Madam
25 President.

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2 Good morning.

3 MR. CAIRONE: Good morning, Councilman.

4 MR. CROSS: Good morning.

5 HONORABLE MASSIAH-JACKSON: Good
6 morning.

7 COUNCILMAN CLARKE: I just want to ask
8 you a quick question about the DROP program. You
9 indicated that you would not like to participate in
10 the DROP program at the level that the City is
11 participating and you referenced certain categories
12 of employees that you would like to exclude. What
13 employees will you include?

14 MR. CAIRONE: All others.

15 COUNCILMAN CLARKE: What are the others?

16 MR. CAIRONE: Anything from
17 clerk/typists all the way through to court
18 administrative officers. Anyone that's involved in
19 the DROP program is included except for the specific
20 classes that we have excluded.

21 COUNCILMAN CLARKE: So you have clerks,
22 clerk/typists, court administrators. What else?
23 I'm just not familiar --

24 MR. CAIRONE: Tipstaff, legal clerks,
25 any position that we have within the First Judicial

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2 District other than those specific classes that we
3 have identified.

4 COUNCILMAN CLARKE: It is approximately
5 how many categories off the top of your head?

6 MR. CAIRONE: There is in excess of a
7 hundred categories. We can supply those to you if
8 you like.

9 COUNCILMAN CLARKE: I'm just not
10 familiar with the system.

11 MR. CAIRONE: Councilman, I think it was
12 Madam President that asked us previously for some
13 information relevant to DROP rightsizing and we are
14 going to provide the number of employees that are
15 involved. We will also identify the titles of those
16 employees, if that helps.

17 COUNCILMAN CLARKE: That would be
18 helpful. I was just wondering.

19 MR. CROSS: And then we will be able to
20 identify those who we are attempting to exclude
21 also.

22 COUNCILMAN CLARKE: We are all being
23 asked to suffer a little pain. I just wanted to
24 make sure it is being distributed equally.

25 HONORABLE MASSIAH-JACKSON: Oh, it is.

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2 (Laughter.)

3 COUNCILMAN CLARKE: You also indicated
4 in your testimony there was an increase in
5 collections in the last fiscal year, 2002, by the
6 tune of \$7 million. Was that all attributable to
7 what we believe to be the very successful amnesty
8 program or Live Stop?

9 MR. CROSS: You are referring to Traffic
10 Court?

11 COUNCILMAN CLARKE: Yes, Traffic Court.

12 MR. CROSS: We are trying to get
13 information from the amnesty program incorporated
14 into our testimony but couldn't get it back in time,
15 so I can't specifically answer whether or not it was
16 the amnesty program or not. I know a lot of our
17 increases have been the result of dispositions by
18 our Traffic Court judges also. The dispositions of
19 our Traffic Court judges are up by 118 percent. But
20 a lot of it also has to do with the Live Stop
21 program and some of the other initiatives.

22 COUNCILMAN CLARKE: Because I think we
23 asked that question last year. We had another
24 hearing and we were trying to get some information
25 on the amnesty program and how much money was

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2 collected. I believe at one point in time we were
3 upwards of 20,000, between 20 and 30,000 people had
4 participated in the program, and we can't seem to
5 get any figures on what the collections are.

6 HONORABLE MASSIAH-JACKSON: Councilman,
7 it is more than just the amnesty. It is with all
8 collections in Traffic Court. The total collections
9 of Traffic Court, and not just amnesty but every
10 individual that goes in and pays tickets because
11 they acknowledge that the ticket dollars are due, is
12 \$21 million and one-half goes to the City and
13 one-half to the state. But we don't have it broken
14 down just with that amnesty and I think that program
15 is over at this point.

16 COUNCILMAN CLARKE: Yes, it is. I just
17 noticed in your testimony that it is a substantial
18 bump-up, and having seen those long lines on a daily
19 basis, I'm wondering if it can be attributed to that
20 in large part given what most people -- what the
21 Live Stop office indicated was the average amount
22 owed by those individuals.

23 HONORABLE MASSIAH-JACKSON: Yes.
24 Councilman, what we found is when the public
25 realizes that our courts are going to enforce

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2 existing statutes and existing rules, we didn't
3 create new rules or statutes, but we are enforcing
4 the existing statutes, and they saw on TV the lines
5 and people camped out all night to pay, people have
6 been coming in voluntarily to clear up their
7 records.

8 COUNCILMAN CLARKE: Don't want their car
9 taken.

10 MR. CROSS: That's right.

11 COUNCILMAN CLARKE: One last question on
12 that: Is there any way of us determining how many
13 individuals actually became legal as a result of the
14 amnesty program? I know there was a followup. You
15 had to pay a certain amount of money and you had to
16 contact PennDOT. And this is all part of some of
17 the information that we are compiling for the
18 insurance commissioner. As you know, we are
19 determined to get some decreases in our insurance
20 rates and the Live Stop and amnesty program was a
21 key component in terms of us making the case that we
22 should be able to get some reductions in our rates.

23 HONORABLE MASSIAH-JACKSON: We will talk
24 to President Judge Kelly and the administrators and
25 deputies in Traffic Court and perhaps during a

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2 certain time period we may be able to find out how
3 many people became legal.

4 COUNCILMAN CLARKE: Yes. It was three
5 months.

6 MR. CAIRONE: We will also contact
7 PennDOT to see if they have any records that
8 indicate an interface between our program and
9 theirs.

10 COUNCILMAN CLARKE: Do you have any idea
11 how long that may take? Because we are in the midst
12 of some debate on a couple of rate cases and it will
13 be helpful if we are able to put that on the table
14 in front of the hearing examiner.

15 HONORABLE MASSIAH-JACKSON: We will work
16 with all deliberate speed, Councilman.

17 COUNCILMAN CLARKE: Thank you.

18 Last question. Office space. Here we
19 go again. We had the commissioner of public
20 property in last week and we were trying to get some
21 sense of the distribution of office space in City
22 Hall and at the end of the day it came down to the
23 courts in terms of who determined how the space that
24 had, by gentle person's agreement, been agreed upon
25 sometime in the past, and although there is no

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 2 official designation of space, it was my
 3 understanding from the commissioner that the court
 4 system had the ability to deny or approve any
 5 distribution of space outside the court system;
 6 i.e., Council members or any other elected officials
 7 that find themselves in City Hall and I would like
 8 to get your version of what the office space
 9 distribution is.

10 (Laughter.)

11 MR. CAIRONE: To my knowledge we do not
 12 control space outside of the courts area and, in
 13 fact, over the past year or two we have surrendered
 14 approximately 30,000 square feet of former court
 15 space to the City for other uses.

16 HONORABLE MASSIAH-JACKSON: And City
 17 Council.

18 COUNCILMAN CLARKE: In City Hall?

19 HONORABLE MASSIAH-JACKSON: Yes, yes.

20 COUNCIL PRESIDENT VERNA: Would you
 21 define what court area means?

22 MR. CAIRONE: It would be courtrooms.

23 COUNCIL PRESIDENT VERNA: The courtroom,
 24 the anteroom?

25 MR. CAIRONE: The courtrooms, chambers.

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2 HONORABLE MASSIAH-JACKSON: It could be
3 a storage area. It could be a closet or it could be
4 a room as large as this, any --

5 COUNCILMAN CLARKE: Is there any defined
6 space? If you were to reference a document
7 somewhere, when you dissect City Hall, would it say
8 this belongs to the courts, this belongs to City
9 Council? Because we can't seem to find who is
10 responsible for -- who owns -- who is responsible
11 for what.

12 MR. CAIRONE: I'm not sure if the City
13 engineers have a blueprint or master plan. We can
14 certainly identify by room number our occupancy here
15 in City Hall if that would help by courtroom number,
16 by offices. We'd certainly be willing to do that if
17 that is what you are requesting.

18 COUNCILMAN CLARKE: Do you know how
19 those particular spaces were defined as court space?
20 I know this may predate you.

21 MR. CAIRONE: I can tell you I started
22 in 1972 and there was space already assigned to the
23 court. Now, how that occurred, I'm not sure, but it
24 has evolved over the years.

25 HONORABLE MASSIAH-JACKSON: And

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2 certainly City Hall was originally a courthouse and
3 City Council staff, as Council President Verna and I
4 know, were smaller in years past, so with all the
5 courtrooms that exist in City Hall and those you can
6 see just by looking in a room, there were also
7 judicial chambers scattered throughout City Hall as
8 well as storage space and whatnot, and as the needs
9 of both sides changed, including the Mayor's office
10 changed, we were able to finally just a few years
11 ago build a Criminal Justice Center, which is today
12 filled to capacity. 1801 Vine Street is filled to
13 capacity. 34 South 11th Street I believe has just
14 one chambers vacant, and City Hall, every single
15 chambers is full.

16 When Councilwoman Brown mentioned
17 earlier about the eleven vacancies, I can tell you
18 today if -- we have five judges who are confirmed.
19 If the other six started today, I do not have a
20 place to put them. So we are all in a very tight
21 situation. We do not have six chambers available as
22 we speak right now.

23 COUNCILMAN CLARKE: Who in the agency is
24 responsible for determining the space needs of
25 judges?

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2 HONORABLE MASSIAH-JACKSON: Councilman,
3 judiciary is a third branch of government and our
4 branch of government works with the president judge
5 and with our court administrator and with the Public
6 Property trying to work this out.

7 COUNCILMAN CLARKE: Who do I call?

8 MR. CAIRONE: If there is specific
9 information that you are requesting, call me. I'm
10 happy to take your phone calls.

11 HONORABLE MASSIAH-JACKSON: And we will
12 see what we can do, but we don't have a space as we
13 speak and I have had visits as well as calls from
14 various City Council individuals, men and women, who
15 have said "What about this spot? What about that
16 spot," and I'm not able to do anything because they
17 are inhabited, if you will. I don't even have room
18 to move someone from one place to another to say we
19 will try and accommodate you and we can move someone
20 out of this area to somewhere else. We don't have
21 that luxury. There were times in years past that
22 perhaps that existed, but not today.

23 COUNCILMAN CLARKE: Okay. Thank you.

24 Thank you, Madam President.

25 COUNCIL PRESIDENT VERNA: And, Your

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2 Honor, I assume that the judges that had been housed
3 at the Wanamaker Building are coming back to City
4 Hall?

5 HONORABLE MASSIAH-JACKSON: They have
6 already come back. The Wanamaker lease expired
7 2001, in January of 2001. Those judges are already
8 back here in City Hall and that was to save money,
9 save funds.

10 COUNCIL PRESIDENT VERNA: What are you
11 going to do when the new judges come on board?

12 HONORABLE MASSIAH-JACKSON: That's a
13 topic -- I think Mr. Cairone is tired of hearing me
14 talk about it, but that's a topic that comes up on a
15 regular basis. We really don't know where we are
16 going to put the new judges.

17 COUNCIL PRESIDENT VERNA: Thank you.

18 Any other questions or comments from
19 members of the committee?

20 Thank you very much. You have been
21 wonderful and thank you for the use of this
22 courtroom. I don't know what we would have done
23 without it.

24 The Sheriff'S Office is next. Good
25 morning.

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2 MR. GREEN: Good morning.

3 COUNCIL PRESIDENT Verna: Please
4 identify yourself for the record and proceed with
5 your testimony.

6 MR. GREEN: I'm John Green, sheriff of
7 the City and County of Philadelphia. Madam
8 President and Members of City Council, good morning.
9 The Sheriff's Office requests an allocation of
10 \$13,475,759 for fiscal year 2004. Thank you.

11 COUNCIL PRESIDENT Verna: Whoa. Based
12 on your written testimony, I assume you are
13 satisfied with your FY '04 budget and that it will
14 not be necessary for you to come in at a later date
15 with a transfer ordinance? Am I correct in assuming
16 that?

17 MR. GREEN: Well, Madam President, you
18 can never say never. As you know, in law
19 enforcement in general and in the sheriff's office
20 specifically there are variables that we don't
21 control; for example, incidents may occur in the
22 courthouse. We may have an increase in the number
23 of prisoners we transport for one reason or another,
24 so we can't say what will happen in the future, but
25 what I can say is that this is the budget that was

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 2 submitted and this is the budget that we agreed to.
 3 COUNCIL PRESIDENT Verna: On Page 32-15
 4 of your detail you are requesting \$35,000 for
 5 general consulting services. How were these funds
 6 used?

7 MR. GREEN: These are for personal
 8 service contracts and the personal service contracts
 9 cover a variety of areas. Specifically for fiscal
 10 year 2004 that money will be used to satisfy
 11 requirements that resulted from a mandamus agreement
 12 that the sheriff's office and the City of
 13 Philadelphia and various attorneys agreed to. We
 14 are going to have people come in and, along with
 15 monitoring what we do, we have people who are also
 16 going to actually carry out some of the accounting
 17 work.

18 COUNCIL PRESIDENT Verna: Very well. Do
 19 you have many of your employees scheduled to go out
 20 on the DROP program in FY '04?

21 MR. GREEN: Yes. We are going to lose
 22 approximately four people.

23 COUNCIL PRESIDENT Verna: Four?

24 MR. GREEN: Yes.

25 COUNCIL PRESIDENT Verna: Thank you.

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2 The Chair recognizes Councilwoman Brown.

3 COUNCILWOMAN BROWN: Thank you, Madam
4 President.

5 I'm going to lean on you to help me with
6 this question. We actually also posed the question
7 to our president judge and it is around the
8 inordinate amount of dollars, millions of dollars,
9 spent in police overtime and Commissioner Johnson
10 shared with us how that is in many ways related to
11 the way police officers are scheduled to come to the
12 courtrooms and he also shared that conversations are
13 underway with -- the district attorney's office,
14 Madam President?

15 COUNCIL PRESIDENT VERNA: Yes, the
16 courts, the district attorney's office and the
17 police department.

18 COUNCILWOMAN BROWN: -- to figure out a
19 way on how we can operate smarter with regards to
20 how police officers are deployed. Are you familiar
21 with that issue? Have there been any approaches to
22 you by the commissioner or the district attorney to
23 collectively think through how we can spend fewer
24 dollars in police overtime as it relates to them
25 coming to the courtrooms?

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2 MR. GREEN: No. That wouldn't be an
3 issue that we would be directly involved with.

4 COUNCILWOMAN BROWN: That you would be?

5 MR. GREEN: Would not be.

6 COUNCILWOMAN BROWN: Okay.

7 MR. GREEN: Because we do security in
8 and around the courthouse, so regardless as to when
9 police officers would come to court, we would still
10 be required to be there.

11 Unless they are going to have court
12 during the hours of, say, 8:00 p.m. and 9:00 a.m.,
13 we will not be affected at all by whatever changes
14 are made by the district attorney's office and the
15 police department.

16 COUNCILWOMAN BROWN: That's helpful for
17 me in terms of the process. Thank you very much.

18 Thank you, Madam President.

19 COUNCIL PRESIDENT Verna: You're
20 welcome.

21 Are there any other questions or
22 comments from members of the committee?

23 Thank you very much, sir.

24 MR. GREEN: Thank you.

25 COUNCIL PRESIDENT Verna: Clerk of

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2 Quarter Sessions is next. Good morning.

3 MS. MILLER: Good morning, Council
4 President Verna and Members of City Council. My
5 name is Vivian T. Miller and I'm the present Clerk
6 of Quarter Sessions. I have with me this morning
7 Charles Williams, my first deputy --

8 COUNCIL PRESIDENT VERNA: Hi, Charles.

9 MS. MILLER: -- Tom Christian, my budget
10 director, Lopez Jones, my second deputy.

11 I'm here today to request from this
12 distinguished body approval of my fiscal 2004 budget
13 in the amount of \$4,947,696. You have the full text
14 of my message, so I will summarize the most relevant
15 factors or points, with your permission.

16 This budget allocation from the
17 administration for personnel, purchase of service,
18 materials, supplies, equipment does not meet the
19 requested funding needed by the Clerk of Quarter
20 Sessions to adequately perform our legislative
21 mandated duties.

22 Once again I must report that the Clerk
23 of Quarter Sessions continues to lag behind most
24 City agencies to upgrade our functionality by a too
25 slowly developing available automatic technology,

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2 which is essential if we are to be a more productive
3 and efficient agency. However, even with more
4 technology enhancement, inadequate staffing levels
5 remain a constant problem for us.

6 The Clerk of Quarter Sessions hopes to
7 work with the administration in acquiring additional
8 funding in fiscal 2004 to enhance our ability to be
9 more productive and to give quality services in the
10 most efficient manner possible. The administration
11 is aware of our plight and I seriously believe that
12 despite the omission of our request for increased
13 funding in fiscal 2004 they will somehow find a way
14 to help us in our dilemma.

15 We have requested an additional 343,054
16 in Class 100 to fund eleven much needed additional
17 positions which I discuss in full detail in the
18 message in your possession.

19 We also requested an additional 150,000
20 in Class 100 to cover the shortfall of full funding
21 of our present position and 10,000 in Class 400 to
22 purchase a new improved microfilm reader/printer to
23 replace our existing one, which is more than 15
24 years old.

25 The reader/printer is essential in

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2 expediting copies of court documents for use by the
3 public and various state and federal agencies.

4 We also requested a nonrecurring sum of
5 \$88,531 in our Class 100 to address the impact of a
6 DROP program on our ability to staff courtrooms.
7 With a dozen employees intending to leave early in
8 fiscal 2004, eleven are court clerk positions. We
9 must have the ability to hire and train replacements
10 at least three months prior to separation of our
11 employees. Our total request was for additional
12 appropriation of \$591,585.

13 I recognize that we must continue to be
14 resourceful as a City and be conservative in our
15 spending. On the other hand, the Clerk of Quarter
16 Sessions is enduring a tremendous hardship in
17 processing revenue and criminal cases as a result of
18 the City's crackdown on crime.

19 I do want this Council to know that I am
20 committed to working with this body and the
21 administration as we move through the 21st Century.
22 I seek your full support of my budget and goals with
23 my commitment to you that nothing short of my best
24 efforts will always be given to achieving the goals
25 of our City. Your approval of this budget will keep

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2 the Clerk of Quarter Sessions a viable and useful
3 department. Respectfully yours, Vivian T. Miller.

4 COUNCIL PRESIDENT Verna: Thank you.
5 You stated in your testimony that you requested an
6 additional \$591,585 from the administration. Did
7 they give you an explanation as to why they denied
8 your request?

9 MR. CHRISTIAN: No, they didn't, ma'am.

10 COUNCIL PRESIDENT Verna: Also, you
11 indicate in your testimony, and I will quote, there
12 will be an impact of the DROP program in your
13 ability to staff the courtrooms. With about a dozen
14 employees intending to leave early in FY '04, eleven
15 are court clerk positions. Are the court clerk
16 positions Civil Service?

17 MS. MILLER: Yes, they are.

18 MR. CHRISTIAN: Yes, they are.

19 COUNCIL PRESIDENT Verna: Is there an
20 existing list to draw from?

21 MR. CHRISTIAN: The list is handled
22 through central personnel and we get that -- we get
23 names off of a Clerk 3 list that they submit to us
24 whenever we have vacancies approved.

25 COUNCIL PRESIDENT Verna: Do we know if

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2 there is an existing list for Clerk 3?

3 MR. CHRISTIAN: For Clerk 3 there is an
4 existing list, yes.

5 COUNCIL PRESIDENT VERNA: So a Clerk 3
6 can apply for a court clerk position?

7 MR. CHRISTIAN: They start out as court
8 clerk trainee with the eventual promotion to court
9 clerk, yes.

10 COUNCIL PRESIDENT VERNA: And I assume
11 most of these employees going out on the DROP
12 program will go out in October?

13 MR. CHRISTIAN: Yes.

14 COUNCIL PRESIDENT VERNA: And whoever is
15 replacing them is going to have to be trained, as
16 you said, and you are indicating it would take
17 approximately three months for training?

18 MR. CHRISTIAN: That would be our
19 desire, yes.

20 COUNCIL PRESIDENT VERNA: Why do we need
21 two court clerks in a courtroom?

22 MS. MILLER: Not every courtroom; just
23 some courtrooms. It is according to the courtroom.

24 COUNCIL PRESIDENT VERNA: Why in some
25 and not in others?

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2 MS. MILLER: Because there's more work.
3 The courtrooms like -- Charles will explain.

4 MR. WILLIAMS: Council President, some
5 of the courtrooms, particularly Municipal
6 courtrooms, are high-volume rooms. In other words,
7 they have anywhere from 35 to 60 cases per day
8 listed in those rooms. In some of those rooms -- I
9 think there are actually two or three rooms that
10 actually exceed a hundred cases, and the court clerk
11 must record some action on every one of those cases.

12 COUNCIL PRESIDENT VERNA: A hundred
13 cases are scheduled in a courtroom a day?

14 MR. WILLIAMS: That's correct.

15 COUNCIL PRESIDENT VERNA: What type of
16 cases are they?

17 MR. WILLIAMS: Many of those cases are
18 in there for scheduling.

19 HONORABLE MASSIAH-JACKSON: Madam
20 President, I didn't hear everything that preceded
21 this, but I do want you to know that our Court of
22 Common Pleas has courtrooms where we need two Clerks
23 of Quarter Sessions in the courtroom. We know the
24 municipal courts have certain lists where they need
25 two. And I can speak to the Common Pleas cases.

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2 These are lists -- we have a track program, for
3 example, high-volume pleas, dispositions by both
4 parties, the D.A. and the defense Council agree in
5 advance. We do hundreds of cases a day and per week
6 just getting cases, and the clerks have to fill out
7 their paperwork. If the paperwork is delayed, an
8 individual may remain in jail after he or she was
9 supposed to have been discharged and then they file
10 lawsuits. We are under a federal consent decree to
11 keep people from being in jail longer.

12 COUNCIL PRESIDENT VERNA: I know the
13 Clerk of Quarter Sessions has been saying for some
14 time that she has been very, very shorthanded.

15 HONORABLE MASSIAH-JACKSON: Yes.

16 COUNCIL PRESIDENT VERNA: You did not
17 get the amount that you were asking for last year,
18 did you?

19 MS. MILLER: No.

20 COUNCIL PRESIDENT VERNA: And with the
21 new judges coming on, I'm sure that's going to
22 really cause you a great deal of grief if you don't
23 have people to send into a courtroom.

24 MS. MILLER: That's correct. What is
25 happening now is we are taking and -- maybe one

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2 clerk will have to man two to three courtrooms --

3 COUNCIL PRESIDENT VERNA? How is that
4 possible?

5 MS. MILLER: -- and it is causing a lot
6 of overtime.

7 COUNCIL PRESIDENT VERNA: What is your
8 overtime? How much is your overtime?

9 MS. MILLER: Tom will answer that.

10 MR. CHRISTIAN: Our overtime runs about
11 115 to \$120,000 a year in terms of actual costs.

12 COUNCIL PRESIDENT VERNA: For overtime?

13 MR. CHRISTIAN: For overtime, yes. To
14 date this year it is about \$97,000 so far so we are
15 actually exceeding what we had estimated it to be to
16 this point in time.

17 COUNCIL PRESIDENT VERNA: What is the
18 salary of a court clerk?

19 MR. CHRISTIAN: In rough terms it is
20 about 36 and a half thousand dollars.

21 COUNCIL PRESIDENT VERNA: What was the
22 cause of the delay in your office for automation?
23 You indicated it is now on the fast track. When
24 will your system be up and running?

25 MR. WILLIAMS: I will attempt to address

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2 that, Council President.

3 COUNCIL PRESIDENT Verna: Thanks,
4 Charles.

5 MR. WILLIAMS: That has been an ongoing
6 headache and I think we are on the fast track now.
7 Rob Dubow has been in touch with us recently on
8 numerous occasions. He has granted full funding of
9 the hardware and the software that we need. There
10 was a great deal of confusion over at MOIS. They
11 have changed people in leadership roles and it has
12 fallen to other people who had no idea what we
13 needed or what we wanted, so there is a gentleman
14 there named Howard Baker. He's the chief deputy
15 CIO. He has assigned it to programmers to actually
16 -- we will start to meet now.

17 In other words, it has really just been
18 hanging out there and nothing has been done
19 concretely until recently, but I have to say that
20 the money that has been given to us by the City now
21 and MOIS is in the process of purchasing the
22 hardware and the software and they tell us over the
23 next two or three months that the fines and costs
24 aspects of it should be up and running.

25 COUNCIL PRESIDENT Verna: That's good.

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2 You were budgeted for 126 positions in
3 FY '04 based upon your testimony. I take it you
4 believe you need 137 in order to fulfill your
5 mandates; is that correct?

6 MS. MILLER: That's correct.

7 COUNCIL PRESIDENT Verna: The Chair
8 recognizes Councilman Clarke.

9 COUNCILMAN CLARKE: Thank you, Madam
10 President.

11 Your Honor, could you stay there? You
12 may be needed to answer this. I just want to ask a
13 question with reference to just generally I can get
14 a sense of your testimony that there is an increase
15 in volume as a result of the City's crackdown on
16 crime, but could you explain to me in the most
17 recent accounts that the prison population is down?
18 How does that correlate?

19 HONORABLE MASSIAH-JACKSON: Councilman,
20 the issue of the prison population vis-a-vis the
21 number of cases disposed is not necessarily related;
22 that is, the prison population may be down, but that
23 means people have made bail and they are out on the
24 street, so we still have cases that are listed and
25 every case that is listed -- even if a case comes to

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2 my courtroom, for example, and it is continued to
3 another date, the Clerks of the Quarter Sessions
4 have to fill out the paperwork to have the case
5 listed at a future date, if the person is in
6 custody, to have the person brought to City Hall or
7 to the CJC. If the person is out on bail, they have
8 to have the subpoenas and the witnesses and whatnot.

9 So whether a case goes forward or does
10 not go forward, the clerks in the courtroom have to
11 handle a lot of paperwork, so we are certainly
12 looking forward to automation also, yes.

13 COUNCILMAN CLARKE: Let me make sure I
14 understand your response. You are saying that the
15 ability of individuals to make bail has increased or
16 been enhanced so that's why the population is down?

17 HONORABLE MASSIAH-JACKSON: No, I'm
18 talking about the work in the courtroom is
19 increasing because as judges we are disposing of
20 more cases. We have more judges sitting in more
21 courtrooms and our lists are longer at Municipal and
22 Common Pleas level, and so in year 2002 19,000 cases
23 were disposed of. That means that's the number of
24 cases where there was a plea or a verdict, but there
25 were many more than that where the case was listed

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2 but perhaps continued, so those individuals still
3 have to have paperwork.

4 COUNCILMAN CLARKE: I understand all
5 that. I'm just trying to get a sense of how the
6 prison population has decreased if the volumes of
7 arrests and prosecution has increased. I'm not
8 understanding that.

9 MS. MILLER: Just as simple as that. I
10 mean everyone that might appear in court doesn't go
11 to jail with a lot of pleas and bargains, but the
12 paperwork increases.

13 COUNCILMAN CLARKE: So are we offering
14 more pleas?

15 HONORABLE MASSIAH-JACKSON: No. The
16 people in the county, Councilman, many of them are
17 unsentenced defendants. They haven't had their
18 trials yet. The individuals who are sentenced --
19 and I apologize. I don't know the statistics off
20 the top of my head. Actually, Joe Cairone would
21 have been helpful on that, but there are many people
22 in our county prisons up at State Road who have been
23 arrested, have not made bail and they are sitting in
24 an unsentenced, untried status.

25 When someone is sentenced, if they

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2 receive state time, for example, they are not up at
3 the counties. They go to Gratersford or other state
4 custody. So the number of people in our county
5 prison is not necessarily reflective of the number
6 of people who have been sentenced.

7 MR. WILLIAMS: One of the things about
8 the population in the county jails --

9 COUNCIL PRESIDENT Verna: Charles,
10 identify yourself for the record.

11 MR. WILLIAMS: Charles Williams, first
12 deputy, Clerk of Quarter Sessions.

13 One of the things about the county
14 population that I'm familiar with is that the
15 district attorney's office has -- there has been
16 some legislation passed where they can aggregate
17 sentences. In other words, when you used to do
18 11-1/2 to 23 months in the county prison and you get
19 a consecutive 11-1/2 to 23 months in the county
20 prison, you would do it in the county prison. Now
21 the law allows that to be aggregated and they are
22 sent off to state institutions. So that has been
23 done on a widespread basis.

24 Many of our judges now because of Rule
25 -- it's a statewide rule, but I don't know the

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2 number -- after a certain number of listings, the
3 person is in custody, are required to release them
4 on bond or some other condition. So once a case has
5 been listed two or three times and has not reached
6 disposition, the person is discharged to some type
7 of nominal bail. So the judge might be able to tell
8 you what that rule is, but those are the two factors
9 that I'm familiar with, the fact that cases are
10 being continued and the person is being held and not
11 being tried in a speedy manner and they are being
12 released, and the aggregating of sentences, sending
13 them to state institutions, is another factor in
14 reducing the population.

15 MS. MILLER: And another factor I
16 believe, they didn't have that monitor, that home
17 electronic monitor where they have house arrests so
18 therefore that would also increase the population as
19 far as being incarcerated.

20 COUNCILMAN CLARKE: Decrease.

21 MS. MILLER: What did I say, increase?
22 Decrease.

23 HONORABLE MASSIAH-JACKSON: So there are
24 many, many people being arrested. I think
25 Mr. Cairone said 1200 a week in our testimony

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2 earlier. 1200 a week being arrested, but not all of
3 them go right to the county. For a variety of
4 reasons they may not be in custody.

5 COUNCILMAN CLARKE: Okay. I see some
6 numbers thrown out and I'm trying to understand
7 them. That's why I'm asking these questions. Okay.

8 Thank you, Madam President.

9 COUNCIL PRESIDENT VERNA: You're
10 welcome.

11 Are there any other questions from
12 members of the committee?

13 Thank you. Charles, are you under the
14 DROP too?

15 MR. WILLIAMS: Yes, I am, Council
16 President. Thank you.

17 COUNCIL PRESIDENT VERNA: When are you
18 going out?

19 MR. WILLIAMS: October 1.

20 COUNCIL PRESIDENT VERNA: Good luck to
21 you.

22 MR. WILLIAMS: Thank you.

23 MS. MILLER: He's one of the first ones.

24 COUNCIL PRESIDENT VERNA: You've been
25 here a long time.

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2 Register of Wills is next.

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

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

8 MR. DONATUCCI: I'm Ronald R. Donatucci
9 and I am the Register of Wills and the clerk of the
10 Orphans Court for the County and City of
11 Philadelphia. To my right is Jim Taggart, my
12 administrative officer; and my first deputy, Ralph
13 Weiner to his right; and to his right is Tony
14 DeRose, who is my finance officer.

15 COUNCIL PRESIDENT VERNA: I believe
16 every Council member has a copy of Mr. Donatucci's
17 testimony. Mr. Donatucci, I take it from your
18 testimony that you are satisfied with the
19 administration's proposed FY '04 budget for your
20 department?

21 MR. DONATUCCI: That's a loaded
22 question. Under this proposed budget we are keeping
23 our present staffing levels, but, as you are aware,
24 Council President, from our earlier testimony,
25 almost on a weekly basis we are being mandated more

15 COUNCIL PRESIDENT VERA: Wonderful.

25 COUNCIL PRESIDENT VERA: The 3 percent?

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2 MR. DONATUCCI: Yes. That's part of our
3 Class 100.

4 COUNCIL PRESIDENT Verna: How many
5 employees do you have that will be going out on the
6 DROP program in FY '04?

7 MR. DONATUCCI: Seven and,
8 unfortunately, they are seven excellent employees
9 that we have to try and retrain other employees to
10 take their positions.

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

13 COUNCILMAN DiCicco: Thank you, Madam
14 President. I think you asked the same question that
15 I was going to ask. I was a little bit concerned
16 when I see that there are actually two pages of
17 testimony. Usually I'm familiar with the Register
18 of Wills issuing one page, one side, so I got a
19 little bit concerned that there may be a problem
20 this year.

21 MR. DONATUCCI: No. Did you see the
22 back?

23 COUNCILMAN DiCicco: It is two pages of
24 it.

25 MR. DONATUCCI: If I may do a commercial

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2 for the office, I believe every councilperson, all
3 17, know the reputation of the office.

4 COUNCIL PRESIDENT VERNA: Yes, indeed.
5 They do a wonderful job.

6 The Chair recognizes Councilman Ortiz.

7 COUNCILMAN ORTIZ: Could you expound on
8 the -- because one of the things that we always look
9 towards is our records and your office beginning and
10 entering into the computerizing of all of that work,
11 because I know that a lot of it is very manual at
12 times and now, so can you expound? You said you are
13 going on line?

14 MR. DONATUCCI: Let me explain to you.
15 In our probate, when you come in now, there is a
16 form. It is either testamentary for a will or it's
17 letters of administration. Right now that's being
18 done manually. Hopefully -- we would have been
19 totally computerized last week, but because of the
20 weather and a couple of adjustments in the system,
21 but now the probate clerks in our office now will
22 have a screen in front of them and they will do the
23 data entry on the computer. That form will be
24 printed out after and this will be hard disk. It
25 will be -- I'm sorry. It will be on the hard drive.

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2 It will be backed up daily and also this will give
3 us access now, which we have been doing temporarily
4 until this program has been installed. We go on
5 line now with the Board of Revision of Taxes to
6 check property values, so we are doing the best
7 possible job under the circumstances.

8 COUNCILMAN ORTIZ: Will a citizen be
9 able to log into your department and get
10 information?

11 MR. DONATUCCI: That is our future goals
12 and within the next month -- we have been doing
13 surveys. We are now going to be accepting credit
14 cards.

15 COUNCILMAN ORTIZ: You said that seven
16 individuals are going out in the DROP program.

17 MR. DONATUCCI: Yes.

18 COUNCILMAN ORTIZ: I imagine that is a
19 lot of experience that is leaving and what are the
20 projections of what, if anything, we need to do to
21 make sure that those things are taken care of?
22 Where can we be of help in terms of that?

23 MR. DONATUCCI: Just don't cut my
24 budget. We are starting to address --

25 COUNCILMAN ORTIZ: I don't think we are

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2 going to do that here.

3 MR. DONATUCCI: We are starting to
4 address --

5 COUNCILMAN ORTIZ: I would imagine a
6 majority of these employees will be going out in
7 September and October; am I correct?

8 MR. TAGGART: October and then some
9 months afterwards.

10 MR. DONATUCCI: I believe one is going
11 out in September. One is my chief deputy and my
12 personnel officer and I'm glad to announce if I'm
13 successful in my reelection bid, that this will be
14 my new chief deputy, Ralph Weiner. He already has
15 training basically, so John Furey is going to be
16 retiring, Council President.

17 COUNCIL PRESIDENT VERNA: Really? Is he
18 on the DROP?

19 MR. DONATUCCI: Yes.

20 COUNCIL PRESIDENT VERNA: Sorry to see
21 him leave.

22 MR. DONATUCCI: He's October.

23 COUNCILMAN ORTIZ: But you are not going
24 to replace the seven, right?

25 MR. DONATUCCI: We have to replace the

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2 seven.

3 COUNCILMAN ORTIZ: You are replacing the
4 seven?

5 MR. DONATUCCI: Oh, unequivocally.

6 COUNCILMAN ORTIZ: Okay. Good.

7 MR. DONATUCCI: My personnel officer, my
8 chief deputy. They are all secretaries and
9 administrative positions.

10 COUNCILMAN ORTIZ: That's what I wanted
11 to know.

12 MR. DONATUCCI: Oh, yeah, you have to.

13 COUNCILMAN ORTIZ: Good.

14 Thank you, Madam Chair.

15 COUNCIL PRESIDENT VERNA: Mr. Dubow, did
16 you hear that? He's going to have to replace the
17 seven employees on the DROP program.

18 MR. DUBOW: The budget assumes that.

19 COUNCIL PRESIDENT VERNA: You have to
20 approve the replacements.

21 MR. DUBOW: I will.

22 MR. DONATUCCI: Could I get a copy of
23 this testimony?

24 (Comments by Mr. Dubow were not heard by
25 the court reporter.)

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2 COUNCIL PRESIDENT Verna: Any questions
3 or comments from members of the committee?

4 Thank you very much. You really do a
5 great job. Thank you.

6 MR. DONATUCCI: Thank you, Council
7 President.

8 COUNCIL PRESIDENT Verna: The committee
9 will stand in recess until 1:30.

10 (Luncheon recess.)

11 COUNCIL PRESIDENT Verna: I think we
12 have waited long enough. I think we will proceed
13 now. Please identify yourself for the record and
14 proceed with your testimony.

15 MS. TARTAGLIONE: Good afternoon, Madam
16 President and Members of City Council.

17 COUNCIL PRESIDENT Verna: Good
18 afternoon.

19 MS. TARTAGLIONE: I am Margaret
20 Tartaglione, commissioner of the City Commissioners
21 Office, and I would like to thank you for this
22 opportunity to present our fiscal year 2004
23 operating budget. The City Commissioners proposed
24 spending level of \$8,312,553 for FY 2004 is allotted
25 as follows: Class 100 personal services,

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2 \$5,085,047; Class 200 purchase of services,
3 \$2,594,035; Class 300 materials and supplies,
4 580,687; Class 400 equipment, 52,784.

5 The City Commissioners will be
6 hard-pressed to provide the level of service which
7 the citizens of Philadelphia have come to expect
8 with the adoption of the fiscal 2004 operating
9 budget. Currently 93 full-time employees are
10 maintaining voter records, operating the document
11 imaging system and managing the new Danaher Controls
12 Guardian electronic voting machine.

13 The department is budgeted for eight
14 additional positions this fiscal year. We will,
15 however, be losing almost as many valuable employees
16 enrolled in the DROP program. This will be placing
17 added responsibilities on the remaining work force.
18 The level of spending for all personal service is
19 currently at \$226,626 less than the actual
20 obligation in FY 2002. Class 100 allotments,
21 however, personal services, will not be the only
22 area impacted negatively with the adoption of FY '04
23 budget.

24 Successfully implementing the electronic
25 voting machine system or the EVM system has given

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2 rise to many unanticipated Class 200 purchase
3 service costs. City Commissioners now have the
4 means to complete vast and accurate tabulation of
5 the vote count. The EVM vendor, Danaher Controls,
6 will provide continuing support service for
7 approximately one more year; however, the increased
8 costs of insurance, software, support fees, support
9 of outside machine technicians and constituents will
10 make it difficult to fund our obligation.

11 It is not anticipated that the City
12 Commissioners will have recurring expenses for EVMs
13 damaged beyond warrantied normal wear and tear, but
14 providing funds required on a contingency basis for
15 repairs. Other increases not factored in funding
16 requirements of Class 200 are the support of the
17 City Commissioners' newly adopted absentee voting
18 system or the AVS and the support and maintenance of
19 our computer equipment.

20 The Commonwealth also has enacted two
21 new bills also affecting the City Commissioners'
22 purchase of service. The first authorized salary
23 increase for more than 8,400 election board members.
24 This bill will enhance an effort to attempt to keep
25 competent and reliable boards to operate the EVMs

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2 and maintain records for each polling place. The
3 second bill mandated the adoption of the statewide
4 uniform registration of electors or SURE. Costs
5 associated with instituting changes to the software,
6 consultant's fees and configuration of the existing
7 systems have not yet been determined.

8 Electronic generation of ballots and new
9 absentee ballot methods are changing our Class 300
10 material and supplies expenditures. Expendables and
11 supplies for EVMs are costly; likewise, funding in
12 Class 400 for upgrade to older computer. Furniture
13 is now essential. Equipment costs associated with
14 the translation of the SURE system are yet not
15 known. The City Commissioners will, however,
16 continue purchasing all the items directly from
17 products manufacturers wherever possible in order to
18 keep rising costs at bay and reducing the learning
19 curve and complex orders.

20 In conclusion, this department steadily
21 institutes sweeping changes to the system by which
22 citizens of Philadelphia cast their vote. The City
23 Commissioners' Office will faithfully continue
24 ensuring the citizens of Philadelphia can exercise
25 the right to vote and certify that each vote is

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2 counted properly.

3 Once again, thank you for the
4 opportunity to present our fiscal 2004 operating
5 budget.

6 COUNCIL PRESIDENT Verna: Thank you.
7 Commissioner, would you explain your statement that
8 the City Commissioners will be hard-pressed to
9 provide the level of services which the citizens of
10 Philadelphia have come to expect with the adoption
11 of fiscal 2004 operating budget?

12 MR. Lee: There are a couple items
13 involved with the voting system. Naturally when you
14 get a new system there are new types of costs. One
15 cost is there is a \$100,000 annual software
16 maintenance fee by the vendor of the voting
17 machines. That hundred thousand dollars not only
18 gives you any upgrades or improvements made to the
19 software during the course of your contract --

20 COUNCIL PRESIDENT Verna: Bob, I'm
21 sorry. Would you identify yourself for the record,
22 please?

23 MR. Lee: I'm sorry. My name is Bob
24 Lee. I'm the voter registration administrator of
25 the City of Philadelphia.

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2 It also means that they give us
3 telephone support and on-site support during
4 election seasons and when we are formulating
5 ballots, tabulating returns, and any special
6 projects in maintaining the voting machines.

7 That \$100,000 annual software fee will
8 be due sometime in March of '04. We will probably
9 get an invoice. That's not included in our current
10 budget. We asked for the funding and it was not
11 included.

12 Additionally, there are some other items
13 associated with the machine, software costs and all,
14 that are not included in here. A major factor was
15 the law that passed, Act 150, which increased the
16 amount of money to be paid to poll workers on
17 election day. The state legislature -- the general
18 assembly enacted and the Governor signed a bill that
19 would increase the daily pay for Election Day
20 workers from 100 to 200 for the judge and from \$95
21 to \$195 for the inspectors and the clerk. I believe
22 we requested funding for that increase and that was
23 also not included in the budget.

24 We have a difficult time obtaining,
25 training and retaining poll workers. A hundred

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2 dollars for a long 13-hour day, I mean, we have done
3 what we could. We eliminated the poll books to make
4 their jobs easier. We got a new machine so that
5 they can get out of there in a decent amount of time
6 and get an accurate count, but realistically a
7 hundred dollars for that long day is not enough to
8 attract a sufficient amount of poll workers.

9 COUNCIL PRESIDENT VERNA: Also in your
10 testimony you indicated the level of spending for
11 certain classifications of personal services is
12 currently budgeted at \$226,626 less than the actual
13 obligations in FY '02.

14 MR. LEE: We are going to have to
15 recheck that figure.

16 COUNCIL PRESIDENT VERNA: This is the
17 third paragraph.

18 MR. LEE: They want to reverify the
19 figure on the 226,000 less than the obligations in
20 '02.

21 COUNCIL PRESIDENT VERNA: How many of
22 your employees will be going out on the DROP program
23 in October or November?

24 MR. LEE: We probably have about six to
25 eight that could leave this year. That's no

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2 guaranty that they would. There is more than that
3 in DROP. We probably have about ten in DROP I
4 believe, maybe 12.

5 COUNCIL PRESIDENT VERNA: Would they be
6 going out this year?

7 MR. LEE: There are at least four I know
8 that are definitely going. Their four-year time
9 limit is up at the end of this year. Not the fiscal
10 year, the end of the calendar year we will be losing
11 about three or four. One is the custodian of the
12 warehouse, Thomas Mattea, the supervisor of the
13 voting machine warehouse.

14 COUNCIL PRESIDENT VERNA: Tell us what
15 the changes mandated by MOIS are that you referenced
16 in your testimony.

17 MR. LEE: It was changes basically in
18 the way our work stations connect with the City's
19 mainframe computer. We had a connection through a
20 controller, through an IBM controller, that IBM has
21 said they were no longer going to service and this
22 change has been going on throughout City departments
23 throughout the City. It is just that we had no
24 funds budgeted in our department budget in order to
25 accommodate that change.

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2 COUNCIL PRESIDENT Verna: I was going to
3 ask, do those mandated changes impact your budget,
4 and, if so, to what extent?

5 MR. LEE: I don't know what costs we
6 incurred right now. We had to bring in somebody to
7 work with our computer programmer to configure all
8 the -- first of all, we got used PCs from the Water
9 Department and some other City agencies in order to
10 replace our mainframe terminals. Then we had to
11 bring in a consultant to work with our programmer in
12 configuring the PCs so that they use the terminal
13 emulation that is used by the new MOIS setup.

14 I believe there are just two departments
15 that have not yet been done. We are just about
16 finished with the mainframe end of it, but we have
17 to have some -- we have to have IBM come in
18 basically to look at the custom code that we use on
19 our imaging system to make sure that that custom
20 code will now work with the new connection and I
21 believe we are attempting to get them in the end of
22 March, but, again, that's something that was also
23 not funded in our budget.

24 COUNCIL PRESIDENT Verna: You don't know
25 how much that would be?

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2 MR. LEE: No. I think IBM is proposing
3 a contract over 40 hours at 200-some dollars an
4 hour. Was it 40 hours? 48 hours. He is scheduled
5 three days to be there and I'm hoping it is only
6 going to take the three days, but the contract they
7 proposed covered 48 hours at 265 an hour.

8 COUNCIL PRESIDENT VERNA: The budget
9 that is before us for your department, is that the
10 budget that you requested from the administration?

11 MR. LEE: No, it's not.

12 COUNCIL PRESIDENT VERNA: If it is not,
13 can you tell us what you originally asked for?

14 MR. LEE: I have a copy of a
15 justification schedule here that our budget also
16 prepared and sent over with the request for the
17 increased funding. It looks like about a \$3 million
18 difference. Now, mind you, that sounds like a large
19 number, but the cost of increase in the pay for the
20 poll workers alone of a hundred dollars, I think it
21 comes to almost 900,000 per election, 1.8 million
22 for the year.

23 COUNCIL PRESIDENT VERNA: Under Act 150
24 you said judges would be paid \$200.

25 MR. LEE: Judges could be paid 200 and

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2 the inspectors and the clerk, both majority and
3 minority inspector and the machine inspector and the
4 clerk could be \$195.

5 COUNCIL PRESIDENT VERNA: And that
6 hundred thousand dollars for the software, that's
7 included in the 3 million?

8 MR. LEE: Yes, it is.

9 COUNCIL PRESIDENT VERNA: I would have a
10 very difficult time trying to calculate under Act
11 46. If we were to implement that, what would that
12 cost?

13 MR. LEE: What, the poll worker
14 increase?

15 COUNCIL PRESIDENT VERNA: Yes, for the
16 poll workers.

17 MR. LEE: It's about \$1.8 million per
18 year. You figure they are getting a hundred dollars
19 now average and we are paying about 900, 930,000 per
20 election just for poll workers alone, so if they go
21 from a hundred to 200, just double the number. It
22 would be about 1.8 million per election, or an
23 increase of 1.8 million for the year.

24 COUNCIL PRESIDENT VERNA: So the 1.8 --
25 you said there is a \$3 million difference. Bob,

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2 explain where the other shortfall is.

3 MR. LEE: The software fees, that was a
4 hundred thousand. There is 166,000 in our
5 justification schedule that was for contract voting
6 machine technicians. We use them on Election Day so
7 that we can provide coverage of approximately one
8 technician per ward or one every ward and a half
9 for troubleshooting in case there is any trouble
10 with the machines. It's an insurance setup. If you
11 need them, they are there. If you don't, you are
12 lucky.

13 There is funding there also included in
14 that 166,000 that they provide additional contract
15 technicians for us to conduct our training seminars
16 for the poll workers over that last weekend. That
17 Saturday and Sunday before the election we get close
18 to one thousand poll workers attending both of those
19 training sessions and we need the extra personnel
20 there to handle it. There is \$23,400 for insurance
21 costs. Those are the insurance costs for insuring
22 the new machines over and above what the insurance
23 costs for the old machines were, 64,000 in postal
24 expenditures.

25 Those expenditures are all mandated by

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2 federal law. We have very little discretionary
3 mailing going out. All of our notices -- every time
4 you attempt to remove a voter from the voting files,
5 you have to mail them two notices. The notice has
6 to be forwardable with a postage-paid preaddressed
7 response form. We can probably get more detail on
8 the individual specifics of the other 1.2 million in
9 there and present it.

10 COUNCIL PRESIDENT VERNA: I would really
11 appreciate that. Let me just say I think that your
12 office did a fabulous job last year with the new
13 machines, made sure that you went to every meeting
14 that I know that was ever called and there were
15 many. I'm sure you must have been out every night
16 of the week plus Saturday and Sunday, and I think
17 you all did a fabulous job in educating people about
18 the new machines and they were wonderful. They
19 really were.

20 Mr. Dubow, do you mind coming up to the
21 witness table? I don't know how we are going to
22 expect this department to function if we're not even
23 giving them the postage that they need to send out
24 notices. And how about the contract for the new
25 machines and the insurance, where is this money

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2 supposed to come from?

3 MR. DUBOW: We will meet with them to
4 discuss their requests.

5 COUNCIL PRESIDENT VERNA: When will you
6 meet with them?

7 MR. DUBOW: As soon as they want.

8 MS. TARTAGLIONE: After the meeting?

9 MR. DUBOW: I have to be here, but we
10 can do it later this week if you want.

11 COUNCIL PRESIDENT VERNA: Can we be
12 informed about the outcome, please?

13 MR. DUBOW: Yes. And if you want, Mr.
14 McPherson can come to the meeting.

15 COUNCIL PRESIDENT VERNA: That would be
16 fine. Thank you.

17 At this time the Chair recognizes
18 Councilman Rizzo.

19 COUNCILMAN RIZZO: Thank you, Madam
20 President. Madam President, you mentioned already
21 what I wanted to say, but I'm going to say it one
22 more time. I thought the changeover to the new
23 voting machines was just an incredible task, how
24 well it worked, and I think the general constituency
25 were so pleased with the new machines. I thought it

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2 was going to be a little bit difficult, but behind
3 the scenes I'm sure there were days where it didn't
4 appear to be going as smoothly as could be, but you
5 only had one day to do it and it seems that it all
6 worked well and I congratulate you and all the
7 people that made that happen because there was a lot
8 of detail and it worked. Thank you very much.

9 Thank you, Madam Chair.

10 COUNCIL PRESIDENT Verna: You're
11 welcome.

12 The Chair recognizes Councilman Ortiz.

13 COUNCILMAN ORTIZ: Thank you, Madam
14 President.

15 Commissioners, I read there was a later
16 purging of the voting list.

17 MR. LEE: It wasn't a purge. We no
18 longer purge. These are cancellations. Under the
19 National Voter Registration Act they severely
20 restricted our ability to remove names from the
21 files and they sent out a specific procedure that we
22 must follow before we do that. There are two
23 programs. One is we get information from the Post
24 Office on individuals when they change their
25 address, and federal law requires that when we get

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2 that information we update the voter's address to
3 the address provided to us by the Post Office and
4 that we mail them two notices. Both notices go out
5 forwardable mail with a preaddressed postage-paid
6 response form.

7 If a voter fails to respond to the
8 notice, they are designated as an inactive voter.
9 Many of you have seen the street lists where you
10 have little asterisks on there and in the poll books
11 their name says inactive. Those are people who
12 failed to respond to two notices from us. These are
13 people who have moved or changed their address,
14 failed to re-register and failed to take advantage
15 of both notices mandated by federal law.

16 In addition, there is another state
17 program that says if we have not heard from a voter
18 in five full years, they have not voted, they have
19 not requested a new voter ID card, we mail them what
20 is called a five-year notice and that notice also
21 contains a preaddressed postage-paid response form
22 and envelope for them to respond to us. If they
23 don't respond to that notice, those individuals are
24 made inactive.

25 So since '95 and more recently since

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2 September of '98 when the state settled a federal
3 lawsuit down at 5th and Market, we have been
4 designating voters inactive. Our first cancellation
5 was in December 2000 where we canceled 22,400 people
6 who were designated inactive. They got their
7 notices back in '98 and '99. This fall we canceled
8 120,000 voter registration records for registrants
9 who were designated inactive in 1999 or up to August
10 of 2000.

11 Now, out of the 120,000, 90,000 were
12 people who did not have any contact with our office
13 or PennDOT or the Post Office for five years before
14 we mailed them the notice in 2000. They since have
15 not voted in two federal general elections; namely,
16 November 2000 and November 2002, so 90,000 of
17 120,000 people we have not heard of in seven and a
18 half years, no vote, no request for an ID card, no
19 change in driver's license, no notification to the
20 Post Office that they moved. Frankly, these people
21 were gone. They are gone. They are not available
22 to vote. It's just a cleansing of the rolls.

23 COUNCILMAN ORTIZ: So they were removed?

24 MR. LEE: They were canceled and
25 removed, yes.

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2 The other 30,000, 16,000 were from
3 notifications that we mailed out from the Post
4 Office and the balance were from our poll workers.
5 When we sent our poll books, in the front of the
6 books there's a discrepancy sheet. When the judge
7 of elections tells us about people who moved or may
8 have died, even though they tell us that, we can't
9 cancel them right away. We mail them the two
10 notices. We wait for two federal elections, which
11 could be 2-1/2 to 3-1/2 years, and then we are able
12 to cancel them. That's where the total of 120,000
13 came from.

14 COUNCILMAN ORTIZ: Do you have a report
15 that you can make accessible to the President on the
16 process and the new listing by grouping and
17 percentages how many African-Americans now make up
18 the voting list and so on down the line?

19 MR. LEE: We have a report of what our
20 current statistics are, yes. Approximately 905,000
21 registered voters.

22 COUNCILMAN ORTIZ: Can you make that
23 available to the president?

24 MR. LEE: Yes, we can produce fiscal
25 reports.

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2 COUNCILMAN ORTIZ: You speak about
3 computers, and in terms of your ability to create an
4 informational service that is accessible to the
5 citizens of Philadelphia, how far along are we to
6 the point in which a person may be interested in the
7 financial records of a politician and able to go
8 into the computer and into on-line and get those
9 records out?

10 MR. LEE: We are not moving anywhere on
11 that. It just is not cost-effective for the City of
12 Philadelphia. I mean, we're a custodian of records.
13 The actual interest in those records that are in our
14 files is extremely low. We accept the file,
15 administer the filing deadlines, put it in an
16 envelope, and most times we put that report in an
17 envelope and it stays in that envelope and in that
18 cabinet for five years. For the City to go to the
19 expense of trying to set up something for a handful
20 of individuals that may want to see those numbers, I
21 just don't think -- there's other sources and other
22 areas where we could use our City funds to provide
23 better services to a larger number of our
24 constituents than to make our campaign expense
25 reports readily accessible on the Web or in Images

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2 or something.

3 COUNCILMAN ORTIZ: Is there any other
4 way in terms of through computers, which is the way
5 that information is getting disseminated nowadays,
6 to citizens across not only the city, the state, but
7 the country? What are the plans then? Are there
8 any other plans in terms of the office to avail
9 information to citizens through the Internet?

10 MR. LEE: No. First of all, there's new
11 regulations that are put up under the SURE system
12 that prohibit the publishing of material from our
13 files on the Internet, so we wouldn't put it through
14 the Internet.

15 COUNCILMAN ORTIZ: Or through your
16 office to directly access a governmental office, if
17 a citizen wants to access.

18 MR. LEE: We have a web site that is
19 associated with the voting system and on that web
20 site is our addresses and phone numbers. There are
21 instructions on there how to use the new voting
22 machine and there is an election calendar that lists
23 the deadlines for filing certain documents involved
24 with elections, but we have no plans on putting
25 voter information out on the web.

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2 You have to realize the regulations
3 define this as personal information on the elector
4 and the issue becomes, with the largest increase in
5 crime being identity theft, we feel that we need to
6 take reasonable safeguards to protect the
7 information that's in our files and making sure that
8 that information is used for the purposes it is
9 designed for and that is to administer voter
10 registration and to conduct elections.

11 COUNCILMAN ORTIZ: Thank you, Madam
12 Chair.

13 COUNCIL PRESIDENT VERNA: You're
14 welcome.

15 The Chair recognizes Councilman Nutter.

16 COUNCILMAN NUTTER: Thank you, Madam
17 President.

18 Commissioner Tartaglione, good
19 afternoon.

20 MS. TARTAGLIONE: Good afternoon.

21 COUNCILMAN NUTTER: I wanted to know if
22 we might be able to get and receive through the
23 Chair an analysis of the general election in terms
24 of voter turnout. There is a report that we usually
25 receive after each election showing by ward and

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2 division the turnout. There is a report that we
3 usually receive after each election.

4 MR. LEE: I think they went out in the
5 mail to all the City's ward leaders.

6 COUNCILMAN NUTTER: I'm not chastising
7 you.

8 MR. LEE: No, I'm just saying it is a
9 voter statistical turnout report that shows by
10 division and different demographics the number
11 registered, number voted, and percentage. Yes, we
12 have that available.

13 COUNCILMAN NUTTER: I know you do and I
14 appreciate it. My question is, is it possible to
15 have that report done now in the context of what we
16 think is the more legitimate voter file based on the
17 work that you did in December in accordance with the
18 federal statute and the issues that you raised with
19 Councilman Ortiz?

20 I would be of the belief that the voter
21 file is now more accurate in terms of the total
22 number of people who are actually legitimately
23 either registered to vote or who are engaged in the
24 voting process and that the age-old question of what
25 was voter turnout in Philadelphia for the past few

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2 years has been a guess based on the fact that the
3 voter file is technically inflated by all of these
4 people who are not actively participating.

5 So what I would like to see is a new
6 report on the general election of '02 done in a -- I
7 know the word is not purge. What terminology are we
8 using now?

9 MR. LEE: Cancellation.

10 COUNCILMAN NUTTER: Cancellation. Based
11 on the new cancellation that was done in December, I
12 would like to be able to go back now and see what
13 the real turnout figures were by ward and division
14 based on the cancellation in December. Is that
15 possible?

16 MR. LEE: We can do it; however, it will
17 be a little bit off and the reason it will be off is
18 since the November election we have been adding new
19 voters.

20 COUNCILMAN NUTTER: I understand.

21 MR. LEE: So whatever we have added in
22 since November will show an increase in registration
23 over -- it will skew a little bit, but not much, but
24 we could run a --

25 COUNCILMAN NUTTER: You can't take a

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2 file back to the time? You can't take it based on
3 the file that existed back in November --

4 MR. LEE: I might be able to do it --

5 COUNCILMAN NUTTER: -- excluding the
6 cancellations? I want to be able now to compare in
7 a real apples-to-apples kind of way, reconstruct the
8 file as it would have been. Let's say that the
9 December cancellation had taken place in October.

10 MR. LEE: We would be in jail, but...

11 COUNCILMAN NUTTER: I understand that,
12 but for analysis purposes let's act as if that,
13 quote/unquote, canceled file, whatever came out of
14 the cancellation, that we do our analysis based on
15 that file. I would just be interested to see what
16 the actual turnout would be.

17 MR. LEE: I can do that. We did the
18 cancellation I believe around December 11 or 12, so
19 I can go back to that point in time the day after to
20 anybody that was in our file at that point in time
21 and see if they are recorded as having voted in the
22 December 2002 general election. That's what you're
23 looking for.

24 COUNCILMAN NUTTER: Yes.

25 MR. LEE: Sure.

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2 COUNCILMAN NUTTER: I don't know that
3 there was a rush to registration right after the
4 November election.

5 MR. LEE: We have processed around
6 23,000 so far.

7 COUNCILMAN NUTTER: That's a lot. Let's
8 try to take it back to that time. Thank you.

9 The program that was put in place when
10 the new machines were initially used in the spring
11 2002 election where I believe a person, not a
12 manufacturer's person, but an individual is selected
13 per division to basically monitor the machines, my
14 recollection is that we did not have that program in
15 place in the general election; is that correct?

16 MR. LEE: No, it was one election only.

17 COUNCILMAN NUTTER: Okay. Can you tell
18 us of any difference in the experience with the
19 machines based on the program that was in place in
20 the primary versus what we did in the general?

21 MR. LEE: We didn't see much of a
22 difference at all. In fact, we saw a slight
23 improvement in the board's use of the machines.
24 There are still some areas where we are looking at
25 where we know we had to work on and do a little more

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2 training with the poll workers, but we actually felt
3 that the November '02 actually went slightly better
4 than the May '02 election.

5 COUNCILMAN NUTTER: I only raise the
6 question because I think there was -- I mean,
7 somewhat similar to what happens with students who
8 learn one thing one part of the year and then the
9 summer happens and you kind of come back in the fall
10 and there seems to be a little bit of rust in terms
11 of remembering to hit the little button in the back
12 in order to get all of the lights to light up and
13 those kinds of issues and then close out of the
14 machine at night and can't get the paper out, all of
15 those kinds of things, which I think are really more
16 training issues, but I mean I'm not saying that the
17 election didn't go off rather flawlessly, but
18 wherever there are opportunities to upgrade or
19 remind people of some of the peculiar aspects of the
20 machine, I think it would be very helpful.

21 MR. LEE: Yeah. What we did and we are
22 doing again for this primary, the first election --
23 remember, our poll worker training seminars used to
24 be Monday and Tuesday afternoons and Saturdays and
25 you could come whenever you wanted, certain wards.

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2 Well, we actually broke them down into a schedule by
3 ward and division and we told the poll workers this
4 is when we want you there so we can try to control
5 the training atmosphere. We expanded it to the four
6 days and on Saturday. Now, we not only did that in
7 the May '02 primary, we continued that in November
8 and we will continue it again for this 2003 primary.
9 Our goal is to try to make sure when they come to
10 these training seminars that they all touch that
11 machine. They get out there, set it up and use it
12 and get accustomed to it.

13 In addition, for the first election we
14 had on the City's cable station about six or seven
15 days over a period of time before the election over
16 about a week-and-a-half period of time our poll
17 worker training tape. We again ran that before the
18 '02 general and we will again run that a week and a
19 half before the '03 primary, and when we run that,
20 we send a letter to all of the poll workers advising
21 them of the days and times it will be on the City's
22 cable network.

23 COUNCILMAN NUTTER: I saw the
24 legislation that had been passed with regard to
25 allowing for an increase in the pay for the election

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2 board members. Now, my reading of that legislation
3 was that it allows for an increase. It does not
4 require an increase. Is that correct?

5 MR. LEE: That's correct.

6 COUNCILMAN NUTTER: And how does the
7 City Commissioners Office plan to deal with that
8 particular issue? Are you anticipating an increase
9 in the pay for the election board members in the
10 upcoming election and, if you are, how much?

11 MR. LEE: We requested funds to increase
12 it the full amount allowed by state law.

13 COUNCILMAN NUTTER: And is it in your
14 budget?

15 MR. LEE: It is not in the budget. We
16 requested it, but it's not in the budget.

17 COUNCILMAN NUTTER: I thought I also
18 read where another piece of legislation had been
19 passed in Harrisburg regarding, which is a timely
20 topic, petitions and the canceling out of the block
21 on the petition regarding occupation. Is that
22 correct?

23 MR. LEE: That's correct. That takes
24 effect December 9 of '03.

25 COUNCILMAN NUTTER: So it was not

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2 effective for this year?

3 MR. LEE: No, that is effective the end
4 of the year. There is going to be a lot of good
5 stuff coming down in December of '03.

6 COUNCILMAN NUTTER: What else should we
7 be looking for?

8 MR. LEE: The legislature has eliminated
9 the court order process.

10 COUNCILMAN NUTTER: The what?

11 MR. LEE: The court orders.

12 COUNCILMAN NUTTER: What, going to the
13 police district?

14 MR. LEE: Yeah, that's eliminated.

15 COUNCILMAN NUTTER: So what happens now?

16 MR. LEE: They have instituted based
17 upon federal law the Help America Vote Act, what
18 they call a provisional ballot. So if you go to the
19 polling place and your name is not in the book, you
20 will be given what looks like an absentee ballot,
21 but it will be colored, maybe a canary yellow or
22 something, and you will vote on that paper ballot,
23 put it in an envelope, seal it, put it in another
24 envelope, sign the back, and when that comes back,
25 the state has been good enough to give us three days

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2 to verify whether that ballot should be counted or
3 not.

4 COUNCILMAN NUTTER: So the election
5 workers will not count it?

6 MR. LEE: No, because those ballots have
7 to be determined, according to law, whether you were
8 eligible to vote, first of all, and, second of all,
9 that you voted in the right precinct. If you should
10 go to the --

11 COUNCILMAN NUTTER: What are the
12 criteria for determining whether you were eligible
13 to vote?

14 MR. LEE: Our voter registration file.

15 MS. TARTAGLIONE: All that has to be
16 looked up.

17 MR. LEE: When you fill out the back of
18 that envelope, we would take those envelopes --
19 first of all, we would have to put them in
20 alphabetical order and make sure you didn't run into
21 ten different divisions and vote in ten of them,
22 eliminate the dupes and check them in our computer
23 file to see if you are registered in the City and
24 make a note of the district that you are registered
25 in, look at the district that you voted this ballot

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2 in. The law requires if you vote in a district
3 other than your own then the votes cast on that
4 ballot only count for those that you would have been
5 qualified to vote for had you voted in your home
6 district.

7 So if you go into another division by
8 mistake, vote a provisional ballot in a different
9 state Senate district, when we looked it up, we can
10 determine that you are registered but you went to
11 the wrong place, we will be voiding your vote for
12 the state Senate race.

13 COUNCILMAN NUTTER: But if you voted for
14 an at-large or statewide or federal candidate, that
15 would count?

16 MR. LEE: Those would be counted. It's
17 a manual process. We also had to check it and make
18 sure that you didn't vote in your home district in
19 the poll book and then just go to another one and
20 vote a provisional ballot. And all of that is
21 manual labor and they've given us three days to do
22 it.

23 COUNCILMAN NUTTER: Let's say I
24 legitimately registered to vote. I filled out the
25 form, I sent it in, and I put it in the mail, or I

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2 brought it into some elected official's office.
3 They said that they took it in and I legitimately
4 tried to participate in the process. It got lost.
5 It got mangled. Whatever happened to it happened to
6 it. I don't think any more about it. I don't get
7 my little pink card. Are we still doing the pink
8 cards?

9 MR. LEE: Yes. We mail out a white
10 computer card and you get the pink one upon request.

11 COUNCILMAN NUTTER: I have a pink one.

12 And, you know, I did it because people
13 were registering folks to vote wherever they were
14 registering them to vote. It now comes election
15 day. I do this provisional ballot. You check the
16 system. I'm not in the system. Am I jammed?

17 MR. LEE: Yes.

18 MS. TARTAGLIONE: Yes.

19 MR. LEE: These provisional ballots are
20 nothing but a con job.

21 COUNCILMAN NUTTER: I'm sorry.

22 MR. LEE: It's nothing but a con job.
23 It's like fill this out and go away. At least when
24 you had the election courts --

25 COUNCILMAN NUTTER: If I went to

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2 election court and I was willing to put my hand on
3 the Bible and I said, Your Honor, I know I
4 registered to vote. I am not playing games. Here
5 is my ID, swear on a stack of Bibles, do the whole
6 thing. I mean, I received an order and I went back
7 to that particular polling place and that was pretty
8 much the end of the discussion?

9 MR. LEE: That's right. You voted and
10 you voted the same way any other voter voted and
11 your vote was on the machine and it was counted that
12 night. Unfortunately, there are those that believe
13 this is an easier process for those people that find
14 their names not in the book. While it may be
15 easier, it's not a sure process. There is no
16 guaranty.

17 They have taken a problem in Florida
18 where people couldn't be sure that their vote was
19 being counted and they made it worse here with these
20 provisional ballots because the voter, God forbid --
21 we get a lot of instances where a husband and wife
22 may say, We mailed ours together. We went to vote
23 and my wife was in the book and I was not. We refer
24 them to the court. They give live testimony to the
25 judge. They are given a court order and permitted

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2 to vote in most cases.

3 Well, the voter under this law, at least
4 I guess the intent of it was that they will lose all
5 appellate rights. The voter has no process for
6 which to appeal the fact that they have been denied
7 their right to vote either by a polling place
8 official or by me in our central files. They just
9 have no appellate rights. They are gone and it is
10 now replaced by a piece of paper at the polling
11 place where you say fill this out and go away.

12 And that provisional balloting process
13 is going to create more work for our poll workers
14 out at the polling place and complicate things even
15 further, which is why we want to get ahead of the
16 curve and give them the increase before they get hit
17 with extra work.

18 COUNCILMAN NUTTER: Was this change done
19 just in the last legislative session?

20 MS. TARTAGLIONE: No.

21 MR. LEE: Actually, it was mandated by
22 federal law. That's federal law. The Help America
23 Vote Act now requires that the states provide
24 provisional processes at the polling place.

25 COUNCILMAN NUTTER: But does it require

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2 that the states use the one devised by the Feds or
3 why couldn't we keep our go to the election court
4 system?

5 MR. LEE: The Help America Vote Act did
6 not prohibit an election court appeal process. In
7 fact, the commissioners and I testified before the
8 joint state government committee and we urged that
9 they keep both processes, that they have a
10 provisional balloting process as required by law,
11 but they also leave the process for people to appeal
12 their denial in front of a court of law, but we were
13 unsuccessful in that.

14 COUNCILMAN NUTTER: I'm sure there will
15 be more discussion about that.

16 Lastly, on Page 2, the discussion about
17 damage to voting machines in the 2002 general
18 election. How did so many machines get damaged?

19 MR. LEE: Apparently the trucker was not
20 padding and strapping the machines as required by
21 the contract.

22 COUNCILMAN NUTTER: I'm sorry. I didn't
23 hear anything you just said.

24 MR. LEE: Apparently the contract vendor
25 who delivered the machines and retrieved them from

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2 the polling place was not properly padding the
3 machines or strapping them as required by the
4 contract.

5 COUNCILMAN NUTTER: I'm assuming they
6 must have strapped some of them?

7 MR. LEE: I just know it was delivery
8 damages is what has been put forward as the reason
9 for the damages to the machines.

10 COUNCILMAN NUTTER: And you mentioned
11 that you need additional money for parts and labor,
12 so I mean the damage apparently was not fatal to the
13 machines and they are all repairable.

14 MR. LEE: The machines have not been
15 repaired yet. The vendor submitted an invoice that
16 was incorrect. It was sent back to him for
17 correction. We also were informed that we could
18 deduct the amount of the \$33,000 cost of parts and
19 labor for repairing the machines. It's still
20 unsettled at this point in time. I know our people
21 are still working with both the law department, risk
22 management people and procurement people in trying
23 to find a way to have these machines repaired.

24 Now, the system is still under its
25 primary two-year warranty so that the vendor has an

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2 authorized company that does their repairs. I mean
3 these damages are not covered by the warranty, but
4 because it is in a warranty period we have to use an
5 authorized vendor's technicians in repairing the
6 machines so that they are up to grade during the
7 rest of this warranty period.

8 COUNCILMAN NUTTER: I don't want to make
9 this assumption, so I will just ask the question:
10 We will have our machines, whether it is the
11 repaired ones or some other ones, we are going to
12 have our 3,000 plus machines out on the polls on
13 Election Day?

14 MR. LEE: All of the polling places will
15 be staffed with enough machines, yes.

16 COUNCILMAN NUTTER: Because I have a
17 slight interest.

18 MS. TARTAGLIONE: So do I.

19 COUNCILMAN NUTTER: I'm always
20 interested in the machines, but -- okay. Thank you
21 very much.

22 Thank you, Madam Chair.

23 COUNCIL PRESIDENT VERNA: You're
24 welcome.

25 I would just like some clarification.

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2 On Page 1 of your testimony you indicate other
3 increases not factored into funding requirements and
4 Class 200 are the support of the City's newly
5 adopted absentee voting system or AVS and the
6 support and maintenance of our computer equipment.
7 Do you mind explaining that, please?

8 MR. LEE: The new equipment that was put
9 in there as a result of the change in the connection
10 with the City's mainframe, the PCs, all of that
11 stuff has to come under a service maintenance
12 contract.

13 COUNCIL PRESIDENT VERNA: What is the
14 absentee voting system?

15 MR. LEE: As part of the electronic
16 voting system contract the vendor was required
17 to seek out and provide us with an optical scan
18 electronic system for counting absentee ballots.

19 MS. TARTAGLIONE: No longer at the
20 polling place. How the committee of people in the
21 election board at 8 o'clock would open all the
22 absentee ballots, they no longer do that. It comes
23 right to our department.

24 COUNCIL PRESIDENT VERNA: Good.

25 MR. LEE: Yeah, the software maintenance

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2 fee on that system and software is \$19,000 per year.
3 We're in the process of still doing final acceptance
4 testing on it so that the software license --
5 software maintenance fee is paid for two years, but
6 beyond that the 19,000 has to be added into the
7 budget also.

8 COUNCIL PRESIDENT VERNA: Thank you.
9 The Chair recognizes Councilwoman Brown.

10 COUNCILWOMAN BROWN: Thank you, Madam
11 President.

12 Good afternoon. Let me first echo
13 President Verna's comments with regard to the
14 splendid job that you did last year in taking the
15 new voting machines on the road, if you will.

16 Recognizing fully the budget limitations
17 that you have, I'm curious to know if outreach, for
18 lack of a better word, was made to senior citizen
19 centers and places like that for those of us who may
20 not be as well equipped with the hailing of new
21 technological methods around voting. Was that a
22 part of the process?

23 MS. TARTAGLIONE: Yes.

24 MR. LEE: We did about 530 or 540
25 locations. Quite a few of them, a good number of

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2 them were senior citizens' meetings that are held at
3 churches during the week. There is quite a few
4 organizations and clubs across the City where senior
5 citizens meet and we were finding that they were
6 having no trouble using the machine at all and
7 basically the selection of the machine is that the
8 interface is similar to the voter as was the lever
9 machines except you can -- instead of pulling a
10 lever, you just push a button and a light lights up.
11 The other machines you would pull a lever and a
12 little X would be in there.

13 So the interface for the voter was not
14 that big of a change from our lever machines,
15 especially since they could see the entire ballot,
16 vote the entire ballot and review it before they hit
17 that vote button. We felt it would be a smooth
18 transition. A lot of the jurisdictions that are
19 going with smallscrollable machines is where you
20 are hearing issues with users. We didn't get a
21 touch screen per se. We have a pressure-sensitive
22 machine.

23 COUNCILWOMAN BROWN: My final and second
24 question is on the other end of that, continuing,
25 young people, 18-year-olds, I know for a long time

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2 the City Solicitor's office has had voter education
3 kind of seminars, classroom visits, that type of
4 thing. Does that still continue?

5 MR. LEE: Yes, we send our machines and
6 registration personnel out. We had somebody at
7 Community College about a week and a half ago. We
8 have Drexel University on April 4. The number of
9 demonstrations we are doing now is nowhere near the
10 number we did the first time we used the machines,
11 but when they send in a request, we will still honor
12 the request.

13 COUNCILWOMAN BROWN: Thank you very
14 much.

15 Thank you, Madam President.

16 COUNCIL PRESIDENT Verna: You're
17 welcome.

18 The Chair recognizes Councilman DiCicco.

19 COUNCILMAN DICICCO: Thank you, Madam
20 President.

21 Good afternoon. Commissioner
22 Tartaglione -- or I guess anyone can answer -- you
23 mentioned about the absentee ballot. Is it for this
24 primary?

25 MR. LEE: We used that in the November

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2 general.

3 COUNCILMAN DICICCO: They did it last
4 year?

5 MR. LEE: Yes.

6 COUNCILMAN DICICCO: They got mailed
7 directly to you?

8 MS. TARTAGLIONE: Right.

9 MR. LEE: When the voters returned them
10 to us, we kept them.

11 COUNCILMAN DICICCO: You keep them. You
12 don't send them out to the district?

13 MR. LEE: NO. We send a list of people
14 who returned their ballots on time. They were
15 delivered to the poll workers by the Police
16 Department so that if any voter voted in person or
17 if any ballot was challenged, the poll workers would
18 mark that on the list and at the end of the night
19 when the officer picks up the returns, he picks up
20 that list and that list is Faxed to us. We don't
21 open and count any absentee ballots until we get
22 that list back from a precinct --

23 COUNCILMAN DICICCO: And then you match,
24 okay.

25 MR. LEE: -- so we know that they didn't

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2 vote -- or that they weren't challenged.

3 COUNCILMAN DICICCO: Because up until
4 recently I've been a committee person. I didn't
5 work the polls in the last two general elections, so
6 I'm getting a little bit behind on my procedure
7 after 33 years. For whatever reason, I'm not the
8 committee person in my division any longer, but I
9 wasn't familiar with that process. Thank you.

10 COUNCIL PRESIDENT VERNA: Any other
11 questions or comments from members of the committee?

12 Again, thank you very much.

13 MS. TARTAGLIONE: Thank you. Have a
14 good day.

15 COUNCIL PRESIDENT VERNA: Please make
16 sure that you have that meeting this afternoon.

17 MS. TARTAGLIONE: He said he has to be
18 here this afternoon.

19 COUNCIL PRESIDENT VERNA: Later this
20 week? Okay, Mr. Dubow. Thank you.

21 Our City Controller is next. Good
22 afternoon.

23 MR. SAIDEL: Good afternoon.

24 COUNCIL PRESIDENT VERNA: Please
25 identify yourself for the record and proceed with

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2 stands at 132 full time and one part time budgeted
3 positions. I am very proud to report that our staff
4 of 76 auditors currently includes 44 certified
5 public accountants with others working towards
6 certification. We continue to strengthen our
7 professional training program to retain and enhance
8 this fine staff.

9 To carry out fully our audit
10 responsibilities, I hope this Council will consider
11 further modest enhancements to our funding level.
12 Our present responsibilities include conducting
13 audits of 40 City departments, auditing the City's
14 and the School District's comprehensive annual
15 financial reports and the federal and state
16 financial assistance reports to the City and the
17 School District as well as conducting performance
18 audits of City and School District programs and
19 various topical audits, many of which have been
20 suggested by Members of this Council.

21 Notable audit findings released in this
22 current fiscal year include over \$2 million in
23 improper payments of pension benefits and deficient
24 recordkeeping by City departments acting as
25 fiduciaries.

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2 Our preaudit division continues to be
3 chronically understaffed with 24 positions
4 authorized and 20 filled. The employees in this
5 division struggle each day to review and process
6 expeditiously over 150,000 payment vouchers each
7 year as well as monitoring and inspecting numerous
8 City construction projects before payments are
9 approved.

10 Even though the budget restrictions
11 force our sampling rate for vouchers below the level
12 I would prefer, our reviews have led to the savings
13 of millions of dollars for taxpayers and several
14 high-profile criminal referrals. With the Mayor's
15 neighborhood transformation initiative expanding, it
16 will soon become impossible to accomplish this vital
17 and charter-mandated review without some reasonable
18 additional resources being added.

19 Besides conducting investigations that
20 may be indicated as a result of audit activity or a
21 tip received on our hotline, our special
22 investigation division conducts regular surveillance
23 as part of the City's employee injury and disability
24 program and to ensure compliance with residency
25 requirements. Last year we made over 150 inquiries

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2 into residency compliance resulting in 13
3 resignations and a number of referrals for
4 investigation of insurance fraud. The special
5 investigation division also approves postings of
6 real estate bail in criminal cases.

7 My award-winning financial and policy
8 analysis unit scrutinizes Philadelphia's budgetary
9 conditions and produces informative reports
10 involving City government. Our ground-breaking tax
11 structure analysis report continues to frame the
12 ongoing debate over how to alter Philadelphia's
13 overly burdensome tax structure in order to attract
14 and retain firms and families.

15 We have been pleased to work closely
16 with this Council to bring real change to the tax
17 structure and I'm proud to report that five of the
18 ten major recommendations of the tax structure
19 analysis report have already been implemented in
20 some form and another three are the subject of
21 pending legislation or deliberation.

22 The annual midyear economic and
23 financial report continues to provide a thorough
24 analysis of the City's fiscal health including our
25 preferred place index which offers a basis for

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2 tracking the state of the City.

3 Moving forward, I will continue to
4 support this Council in its considerations of the
5 City's financial condition and potential changes to
6 the tax structure.

7 Additionally, in the near future I look
8 forward to providing you a report considering new
9 informational products designed to enhance the way
10 we consider the concepts of cost and value in our
11 budgeting process.

12 The Controller's financial
13 responsibilities also include service on the City's
14 Bond Committee, Pension Board, Gas Commission and
15 Sinking Fund Commission and the preparation of
16 opinions to PICA as to the reasonableness of
17 assumptions and estimates in the City's five-year
18 financial plans. All of these involve a good deal
19 of high-level staff effort.

20 I am extremely proud of the men and
21 woman of the Controller's Office who always reflect
22 great credit on the Office and on our City. Our
23 staff is often called upon to make presentations to
24 other municipal auditors from around the country and
25 has consistently won competitive national

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2 professional awards for their work. As long as I
3 serve as City Controller, I will continue to fight
4 to maintain this high level of professionalism and
5 objectivity.

6 On behalf of myself and my staff I thank
7 the Members of Council for your cooperation,
8 constructive thoughts and ideas, and kind words. My
9 colleagues and I will be happy to answer any
10 questions that you have at this time.

11 COUNCIL PRESIDENT VERNA: Thank you. On
12 Page 2 of your testimony you indicate that the
13 preaudit division is chronically understaffed and
14 with the NTI expanding it will soon become
15 impossible to accomplish this vital and
16 charter-mandated review without reasonable
17 additional resources being added. When do you
18 anticipate additional resources will be needed and
19 what will you need to ensure that the proper
20 preaudit review is done?

21 MR. SAIDEL: The reason that that number
22 is not specifically mentioned in this budget
23 proposal, that we accepted the Mayor's budget
24 proposal, is because it comes out of operating
25 funds. As you know, Madam President, the NTI comes

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2 out of capital budget and we have requested the
3 budget office of the Department of Finance in
4 Philadelphia -- we are on an ongoing basis in
5 conversations -- to take money out of the capital so
6 that we can hire one individual and maybe a company
7 strictly for a capital program analysis as these
8 invoices begin to move quickly through our system.
9 If not, then the 20 employees that I have out of the
10 24 that are budgeted would not only have to do the
11 150,000 approximately in vouchers of the City but
12 will have to do thousands and thousands of
13 analytical computations on the NTI program which
14 will be coming to our office.

15 So we are now in the process of
16 finalizing an arrangement with the Mayor's office
17 for a transfer of capital funds.

18 COUNCIL PRESIDENT Verna: The NTI is not
19 coming out of the capital budget. Isn't it coming
20 --

21 MR. SAIDEL: I'm sorry. Through the
22 RDA. We are attempting to do an analysis with the
23 Mayor to come up with a settlement -- I apologize
24 for that. I don't know why I said that.

25 COUNCIL PRESIDENT Verna: That's okay.

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2 MR. SAIDEL: -- to move money from the
3 NTI program so that there can be specific hirings
4 strictly for NTI, paid for by NTI that will assist
5 us with our 20 employees in preaudit.

6 COUNCIL PRESIDENT VERNA: How many of
7 your employees will be taking advantage of the DROP
8 program and will they be going out in October or
9 November?

10 MR. SAIDEL: They will be coming out in
11 the first wave. It's about eight employees and they
12 are the most senior staff of both the preaudit and
13 the postaudit divisions.

14 COUNCIL PRESIDENT VERNA: What is your
15 office's position with regards to the DROP program?

16 MR. SAIDEL: I think that the DROP
17 program when it was instituted was an opportunity
18 for long-term employees that have given valuable
19 service to the people of Philadelphia to receive an
20 opportunity to stay on board because of their
21 expertise and the opportunity for us to keep
22 qualified employees here for a longer period of time
23 as well as accumulating money that we set aside for
24 them.

25 I am in favor of another four-year

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2 window to be established before the end of the
3 termination of this particular window to give those
4 next employees that reached the age and the
5 requirement of time and value to the City to be
6 given another opportunity for another four years.

7 COUNCIL PRESIDENT Verna: And in your
8 opinion does it cost the City any money for people
9 going out on DROP?

10 MR. SAIDEL: I don't believe it has
11 cost -- we are now waiting for an actuarial study on
12 the Pension Board, but at first blush I don't
13 believe it costs us money as long as the Mayor lives
14 to the guidelines that for those two individuals
15 that leave one is put on board, or if three leave,
16 two are put on board. If it is just simply a
17 replacement system, then it is something that needs
18 a second hard look at it.

19 COUNCIL PRESIDENT Verna: Thank you.
20 You indicate in your testimony that your office
21 provides PICA with opinions as to the reasonableness
22 of the assumptions and estimates in the City's
23 five-year plan. Would you please give us your views
24 on the City's five-year plan if you are inclined to
25 do so and if you are at liberty at this point in

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2 time to share that with us?

3 MR. SAIDEL: We are in --

4 COUNCIL PRESIDENT VERNA: I'm assuming
5 you are not at liberty to tell us?

6 (Laughter.)

7 MR. SAIDEL: We are in communication
8 with the administration and PICA and are having
9 ongoing meetings for a better understanding of the
10 definition of reasonableness and accuracy.

11 COUNCIL PRESIDENT VERNA: Is that an
12 answer?

13 The Chair recognizes Councilwoman Brown.

14 COUNCILWOMAN BROWN: I would like to
15 refer to your testimony on Page 2 starting first
16 with Paragraph 1 where you state that your office
17 monitors and inspects numerous City construction
18 projects before payments are approved. Can you
19 discuss the nature of your relationship with MBEC as
20 it relates specifically to this task and your
21 office?

22 MR. SAIDEL: We don't have a -- we have
23 no monitoring responsibility on MBEC, though the way
24 the system works is that the department has a
25 voucher that's approved. It moves on to Finance,

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2 which then approves it, and it moves on to my
3 office, and we check to see if the voucher is
4 illegal or the RFP process has not been moved
5 forward in the proper way. We spot-check based upon
6 the sampling technique. I send preordered
7 investigators out to see if the work has been done
8 as an example, and we make sure that money within
9 each category is not spent beyond the budget which
10 you pass and the Mayor signs.

11 We are in the process of looking into
12 MBEC in relationship to the way that contracts are
13 let and I have a concern just beyond the preorder
14 phase that once there is a minority set aside, the
15 minority contribution as a contractor, does MBEC
16 continue to monitor the work that is being done to
17 make sure that that minority contractor is still
18 involved at the percentage that the contract was
19 approved at. And we are in communication with MBEC
20 at the present time.

21 COUNCILWOMAN BROWN: So would that be
22 potentially a new procedure of your office?

23 MR. SAIDEL: Oh, no, not a procedure. I
24 just think it is something that should be
25 investigated. As you move forward, sometimes -- my

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2 concern has always been that a contract is awarded
3 by the City of Philadelphia with a certain
4 percentage of minority participation. The contract
5 will last a number of years on a construction site.
6 Does the City follow up and does MBEC continue to
7 follow up to make sure that that participation, of
8 which they originally awarded the contract,
9 continues at that percentage whether with the
10 original contracting minority company, or if there
11 is a substituted minority contracting company, is
12 that company looked at and made sure that they are
13 qualified under MBEC rules and regulations, are they
14 prequalified and a variety of other things; and I
15 always have my doubts about the City following up on
16 any of those proposals.

17 COUNCILWOMAN BROWN: Sure. I am sure
18 you are aware of the heightened collective interest
19 and concern raised by a number of members of City
20 Council around all of which you just mentioned, so
21 you get to the end of the work you are going to do
22 with MBEC. Do you have potentially any next steps
23 should you discover that MBEC is not doing any
24 number of things?

25 MR. SAIDEL: I think the only way that

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2 you can enforce rules and regulations is to acquire
3 disclosure or a reporting and if not a reporting to
4 me, certainly a reporting to City Council as to the
5 progress that is being made. I have always been in
6 favor of even beyond MBEC that we should give first
7 criteria and first opportunities to companies that
8 are located in Philadelphia, that do business in
9 Philadelphia, that contract, rather than the
10 companies that are far outside of the Philadelphia
11 County area, that we should in some way try to find
12 a legal framework for companies that are located in
13 Philadelphia. Though I have been told it is
14 illegal, it doesn't mean you can't try, that you
15 can't attempt to set up legislation that would
16 effect that.

17 Companies that do business in
18 Philadelphia are supposed to on a percentage basis,
19 depending on how much money they make here, pay
20 their business taxes, but the reality is that the
21 companies that are here that are trying to get
22 contracts with the City of Philadelphia pay taxes
23 all year long, not just on the work that is being
24 performed for the City, but has their employees that
25 live in Philadelphia throughout the 12 months.

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2 COUNCILWOMAN BROWN: There have been a
3 number of members on Council who would jump at an
4 opportunity to support that kind of legislation, so
5 once the homework is done on the legal ramifications
6 of that, I am sure you will have no problem getting
7 support.

8 I yield to my colleague, Councilman
9 DiCicco.

10 COUNCILMAN DICICCO: Thank you,
11 Councilwoman.

12 Just to follow up on that, I guess over
13 the last five or six years I have been in Council
14 every time we have budget hearings we get into the
15 similar conversation with the procurement
16 commissioner, and I have asked if there was some way
17 in which we can maybe provide for kind of like a
18 point system if you will. Car dealerships. I think
19 we may lose out on some contracts of purchasing cars
20 with the Philadelphia dealer for as close as \$20 per
21 vehicle to a New Jersey company if you will. I'm
22 not picking on New Jersey, although sometimes I am
23 accused of doing that, but, as you said, this is a
24 company that pays taxes year in and year out. They
25 are employing people. There is a sales tax that

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2 will go with the purchase of that and is there a way
3 in which we can use that as a credit towards or to
4 offset, if you will, the differential in the
5 purchase price because obviously we have to go to
6 the lowest bidder.

7 I think Councilman Nutter a couple weeks
8 ago may have introduced either a resolution or a
9 bill to that effect. Do you have any
10 recommendations for us? Again, I understand under
11 uniformity or because the charter requires us to do
12 the last -- the best bid or lowest bid, there should
13 be a way. I think there should be a way in which we
14 can figure out how to put this more on balance for
15 Philadelphia-based companies.

16 MR. SAIDEL: I think that is absolutely
17 true, Councilman. I remember when we discussed this
18 before, the knee-jerk reaction from Procurement and
19 from the Law Department was that it was illegal. I
20 always found that the knee-jerk reaction of any
21 government is not to change their behavior patterns.
22 I think it would be incumbent upon all of us that
23 care about the issue to come up with an imaginative
24 way that stays within the guidelines of the City
25 charter and certainly stayed in federal regulations,

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2 but I firmly believe that we give veterans' benefits
3 and veterans' points and a variety of different
4 points that set someone apart from other places.

5 I think utilizing the funds that we have
6 that come from taxpayers, regardless of whether it
7 is a revenue stream from the City, state or
8 employees or the citizens of this City, and we are
9 going to spend money, I would rather give a priority
10 to companies that are located in the City of
11 Philadelphia and I think that if we can work a point
12 system -- and your point about the additional 1
13 percent sales tax is absolutely appropriate.
14 Companies that buy and utilize -- the sales are
15 consummated in Philadelphia and have to pay that
16 additional 1 percent and, yet, when they figure out
17 how much profit they can make, they are at a
18 disadvantage with a company outside of Philadelphia
19 and once they sell to Philadelphia, there is no
20 sales tax because we are a governmental entity. So
21 I think that is certainly an example that everyone
22 can understand.

23 I think it is important for us that if
24 we are going to spend hundreds of millions of
25 dollars on capital improvements as an example, if we

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2 are going to spend hundreds of millions of dollars
3 just on simple procurement, that we ought to do our
4 best efforts to continually see and to work with a
5 variety of chambers, organizations -- the Chamber of
6 Commerce in North Philadelphia is an example and a
7 variety of smaller chambers -- to give people an
8 opportunity to bid and I think they should be given
9 in some way, if the legislation can be crafted, the
10 first opportunity even within the guidepost of our
11 charter, given an opportunity to participate in the
12 money that we are spending on their behalf.

13 COUNCILMAN DICICCO: Thank you. And
14 just to follow up, no criticism to you or your
15 department, most of these conversations I have had
16 have been with the Procurement Department and it is,
17 I think, my seventh year here, and we talk about it,
18 but no one has ever taken that step forward. We
19 really need to start -- maybe your office and the
20 Procurement Department and I'm certain that the
21 economic development committee of Council would be
22 certainly willing to work on this.

23 I would rather not have to have this
24 discussion next year what can we do. I would like
25 -- as you, I think, were indicating, too often maybe

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2 the Law Department tells us why we can't do
3 something. I'm of the opinion that we need to find
4 out how to get something done as opposed to --

5 MR. SAIDEL: I always believed if you
6 can craft legislation to show maybe they may not be
7 the least costly but the reality is that if you
8 couple that with the economic benefit of doing that
9 business and that becomes a quantifiable number,
10 those two together should give companies that don't
11 have an ability to participate in our process an
12 ability to participate in our process.

13 COUNCILMAN DICICCO: Thank you.

14 Thank you for yielding, Councilwoman.

15 COUNCILWOMAN BROWN: You're welcome.

16 Also on Page 2, Paragraph 2, I was
17 struck by the number of inquiries into residency
18 compliance, noting that 13 resulted in resignations.
19 Can you speak to how well it's publicized, knowing
20 that we can't assume that folks know what the law
21 is, but how well it is publicized that you must be a
22 Philadelphia resident if you indeed want to work for
23 the City of Philadelphia?

24 MR. SAIDEL: It has been a long-standing
25 responsibility of my office when it was created in

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2 1951 to have the responsibility of investigating
3 residency. Many of the residency cases are
4 referrals from the internal control system within
5 the City of Philadelphia. We have done a minimum of
6 150 this year. Many times I give employees an
7 opportunity that if for some reason their insurance
8 is not located at the same address that they truly
9 live at and if the address that they truly live at
10 is in Philadelphia, I give them an opportunity to
11 change things. Sometimes they are done through tips
12 through our hotline. In many cases the tips are
13 merely to try to get some other person, because they
14 are anonymous, in trouble, but it is a
15 responsibility of City employees to live within the
16 confines of the City and County of Philadelphia.

17 COUNCILWOMAN BROWN: Is this a flat
18 number, or is this an increase?

19 MR. SAIDEL: Actually it is decreased
20 from last year. It depends on the number of
21 investigations that we get on a referral basis
22 either from department heads quietly or from the
23 hotline and the tipline that we have or from -- and
24 we have done computer matches for addresses for
25 insurance as well as for residency.

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2 COUNCILWOMAN BROWN: The third paragraph
3 on Page 2 speaks to you say five of the ten major
4 recommendations of your tax structure analysis
5 report have been addressed. Could you please
6 forward to President Verna those that remain
7 outstanding for us to look at and consider with
8 regards to that report?

9 MR. SAIDEL: Certainly.

10 COUNCILWOMAN BROWN: Finally on Page 3
11 of your testimony you mention that the controller's
12 responsibilities also include the Gas Commission.
13 To quote President Verna, are you at liberty to
14 share with us in this forum your position on the
15 senior citizen discount?

16 MR. SAIDEL: I'm in favor of the senior
17 citizen discount.

18 COUNCILWOMAN BROWN: So despite the
19 research or homework that suggests that it would be
20 bad public policy for us to discontinue it, it is
21 your view that --

22 MR. SAIDEL: Well, they are trying to
23 hedge the senior citizen discount on a means
24 testing. By hitting a certain income data, they
25 have continually told me that over 90 percent of the

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2 seniors in Philadelphia would still receive the
3 credit, but I'm always -- as someone who deals with
4 numbers every day, I'm always superstitious of
5 numbers.

6 The senior citizen discount has been in
7 existence as long as I can remember and that can't
8 be the reason why the gas company is not doing as
9 good as it should be.

10 COUNCILWOMAN BROWN: I see. Thank you,
11 Mr. Controller.

12 MR. SAIDEL: My pleasure.

13 COUNCILWOMAN BROWN: Thank you, Madam
14 President.

15 COUNCIL PRESIDENT Verna: You're
16 welcome.

17 The Chair recognizes Councilman Ortiz.

18 COUNCILMAN ORTIZ: Thank you.

19 In terms of the MBEC situation, what are
20 your ideas, because we have legislation to really
21 redo the whole department, but I would be interested
22 in your ideas as to how we can better monitor the
23 aspect of securing that minorities get, in essence,
24 what it is the legislation is supposed to do.

25 MR. SAIDEL: I think, Councilman, at a

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2 minimum there should be a series of analyses that
3 should be reported to you to be made public. What
4 I'm always concerned about, as I mentioned to the
5 councilwoman, is that the companies use someone or
6 some corporation in order to take advantage of the
7 MBEC provisions within the City government and then
8 over a period of time that individual who has been
9 used to qualify under MBEC is jettisoned. Is there
10 a followup and a continued monitoring to make sure
11 that after you get the contract that you are still
12 living within the framework of the original
13 agreement that you made with the people of
14 Philadelphia through their government? I do not
15 believe that is being done and it is very difficult
16 to get answers.

17 COUNCILMAN ORTIZ: I think we have
18 firmly established that that is not being done.

19 MR. SAIDEL: If that's not being done,
20 then the law is not being obeyed. Then the law is
21 not being obeyed. I always believed that a program
22 that initially began for the proper reasons has to
23 be monitored to make sure that those proper reasons
24 are lived up to and I think that a monitoring system
25 is necessary. If you don't have a monitoring

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2 system, on Monday when you get the contract you are
3 within compliance and Tuesday when you start doing
4 work, you are not in compliance because everyone
5 knows that the City is not going to check you out.

6 COUNCILMAN ORTIZ: That's very true. I
7 think we have to put in the legislation that has the
8 necessary forcible aspect to it.

9 MR. SAIDEL: That's absolutely right,
10 and reporting requirements.

11 COUNCILMAN ORTIZ: We have been
12 discussing and having hearings at City Council about
13 the 20 percent discount and the issue that our PGW,
14 the directors of PGW, recommended the elimination as
15 of September 1 of that. At the behest of Councilman
16 Mariano, cosponsored by myself, Dave Cohen, and
17 other City Council, we have hired an attorney to
18 challenge that. What is the current status of that
19 situation? And you are not a member any longer, but
20 you appoint the member, right?

21 MR. SAIDEL: I appoint a member, but, as
22 you know, the Gas Commission with the state takeover
23 with the PUC has almost no authority, though I will
24 tell you from a moral point of view and from a
25 monetary point of view both as someone whose parents

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2 are still alive, thank God, and someone who is
3 rapidly approaching those twilight years of life, I
4 think that from a moral point of view it's the right
5 thing to do. I think from an economic point of view
6 that cannot be the difference between success or
7 failure of the Gas Company of the City of
8 Philadelphia. If it was, we could find someplace
9 else to save a few million dollars, but that can't
10 possibly be the reason why the Gas Company is not
11 doing as well as it should be.

12 COUNCILMAN ORTIZ: Thank you very much.

13 MR. SAIDEL: My pleasure.

14 COUNCIL PRESIDENT VERNA: The Chair
15 recognizes Councilman Mariano.

16 COUNCILMAN MARIANO: Thank you, Madam
17 President.

18 Mr. Saidel, the state budget and what
19 happened last week with the Governor sending the
20 budget down, can you reflect with your expertise
21 what will happen if the Senate passes this budget
22 and the Governor doesn't veto it? And we had a
23 little briefing last week and it would be a lot of
24 money that won't be available for us. I know you
25 don't want to say a whole lot about the five-year

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2 budget and I could tell by your eyebrows and your
3 facial expression that it's something you don't want
4 to get into and I can understand why, but what will
5 happen to this whole process if we are thrown into
6 that?

7 MR. SAIDEL: As you know, Governor
8 Rendell's purpose was -- and I was there two weeks
9 ago -- first, because of constitutional requirements
10 of the state, that he had to present a
11 state-to-the-state address that primarily includes a
12 new budget, that he wanted to show what the pain and
13 suffering would be with almost a \$2.4 billion loss
14 in deficit, what the pain and suffering would be if
15 you wanted to have a balanced budget, no tax
16 increases and no shifting of taxes and a variety of
17 other things and then he anticipated coming forward
18 in the end of March to present a supplemental, for
19 lack of a better term, to incorporate with the
20 original budget that he presented. The House
21 Representatives passed it and supposedly the State
22 Senate will pass it on Wednesday.

23 I will tell you there has been a history
24 in our state that not only money goes directly to
25 the government of Philadelphia, as an example, but

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2 millions of dollars has gone to nonprofits and
3 for-profits in a variety of services that support
4 our people here in Philadelphia that if these
5 nonprofits and for-profit agencies did not exist
6 would be the responsibility of our City government,
7 so not only are we, at a minimum, probably losing
8 67, \$68 million, but the influence of the drug and
9 alcohol programs and a variety of other programs
10 that have been supported by state money will not be
11 there to help our population and they will have no
12 place else to turn but to the government of
13 Philadelphia.

14 So with the Draconian budget that was
15 presented and is passed, I think it places the City
16 in a serious problem and probably the same
17 seriousness but a lower percentage in many other
18 parts of Pennsylvania, so I think it is a mistake
19 for the Senate to pass the budget and they ought to
20 have hearings. How you can vote in five minutes on,
21 what is it, a three-volume text of numbers, I think
22 is not the proper way to live up to your
23 responsibilities as an elected official.

24 COUNCILMAN MARIANO: Thank you.

25 MR. SAIDEL: My pleasure.

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2 COUNCIL PRESIDENT Verna: Any other
3 questions or comments from members of the committee?

4 Seeing none, I thank you.

5 MR. SAIDEL: Thank you, Madam President.
6 Have a good day.

7 COUNCIL PRESIDENT Verna: You do the
8 same.

9 The Board of Revision of Taxes is next.
10 Please identify yourself for the record and proceed
11 with your testimony.

12 MR. GLANCEY: Good afternoon, Madam
13 President. My name is David Glancey and I'm
14 chairman of the Philadelphia Board of Revision of
15 Taxes and with me this afternoon are board member
16 Deveryl Silverstein, board member Redemeade and
17 board member Robert Nix. We also have some staff
18 members here to answer any questions that you may
19 have this afternoon.

20 Council President, I submitted
21 substantial amount of testimony and I don't think it
22 would be really helpful for me to read all of that
23 testimony, but, if you don't mind, what I would like
24 to do is break what I'm going to say into three
25 parts. First, I would like to talk a little bit

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2 about what took place last year and bring you up to
3 date on some statistics that might be of some
4 assistance to you. Secondly, I do want to highlight
5 a few things that were in the budget 2004 testimony
6 that I submitted and finally I would like to speak
7 concerning the supplemental budget request that was
8 attached to our budget 2004 testimony.

9 Initially, again, let me just start with
10 saying last year, as you are aware, about 267,000
11 properties in the City of Philadelphia, residential
12 properties out of a universe of about 451,000
13 residential properties, were affected last year,
14 some up and some down. To give you a little
15 context, there were 567,000 parcels in the City of
16 Philadelphia. Of that, 451 roughly are residential
17 properties, and that 267,000 stands for about 60
18 percent of those residential properties that were
19 affected.

20 The number of properties that were
21 adjusted upwards is about 224,000 or 50 percent of
22 the residential properties in the City of
23 Philadelphia. The number of property values that
24 were adjusted upward by more than 10 percent were
25 about 118,400 or roughly 26 percent of the

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2 properties that are part of that universe. The
3 total percent increase, however, when you look at it
4 across the City of market values was about 4.5
5 percent and the average tax dollar increase per
6 property is about \$120.

7 As I said to you in October,
8 Philadelphia's current real estate market has had
9 dramatic and volatile increases during the last five
10 years in the locations where demand far outstrips
11 the supply, and if the BRT did not adjust market
12 values to keep pace with the market, equity,
13 fairness and uniformity all would have been
14 diminished and I would like to add that the real
15 estate market is one that's in constant change. The
16 buyers and sellers create the market. The BRT
17 collects data created by those buyers and sellers
18 and analyzes the market and in that way we make
19 estimates of value for properties that didn't sell.

20 And let me just say, bringing it more to
21 a very present situation, as you know, we had about
22 10,700 appeals that were filed before the board this
23 year and of that --

24 COUNCIL PRESIDENT Verna: How many
25 appeals?

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2 MR. GLANCEY: About 10,700. Of that
3 number, about 9400 were residential appeals. The
4 others were commercial and industrial appeals. We
5 have about 3100 left to hear. Starting tomorrow and
6 running its way finishing through March -- I should
7 say we began this process December 3, but tomorrow
8 we will run through the rest of this month and the
9 rest of April and for the most part we will hear the
10 bulk of that last 3100 or so residential real estate
11 market value appeals.

12 Again, very quickly, we did calculate
13 that the appeals as a percentage of all property
14 values increased. The appeals as a percentage of
15 all the property values increased. Really it's the
16 appeals, the 10,007 against the 224,000, that were
17 increased and it is about 4.6 percent. Of all the
18 properties increased 4.6 decided to appeal.

19 If we just run the residential appeals
20 against the 9400 residential appeals that were
21 taken, that is about 4.4 percent and, finally,
22 although I don't know if this number is very helpful
23 to you, but it is at least a number you should hear,
24 if we ran the residential appeals, calculated the
25 residential appeals as a percentage of all

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2 residential properties in the City, that lowers that
3 even further to 2.1 percent.

4 I know you will have some questions
5 about that, but let me move on very quickly to the
6 budget testimony for the year 2004. The taxable
7 assessed value in 2002 was about \$10.1 billion. The
8 taxable assessment for 2003 is about \$10.6 billion.
9 These are all certified numbers so you have to
10 remember they are kind of a snapshot in time. If we
11 took that snapshot at 10.1 to 10.6, the gross amount
12 of tax, the real property tax that would be due at
13 certification -- and by "gross" I mean if everybody
14 paid every dollar all at once and there were no
15 appeals and no delinquencies, it would be roughly
16 about \$875 million.

17 And, as you know, the School District
18 receives 58 percent of that, roughly 500 million
19 dollars, and the City receives 42 percent of that,
20 roughly \$368 million, but, again, those are gross
21 numbers. They are not the net numbers. Actually
22 you will see probably closer to those numbers next
23 year as whatever delinquencies and whatever appeal
24 relief is taken care of.

25 On Page 3 of the testimony that I

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2 submitted I just want to highlight that we do have a
3 re-engineered web site. Again, as I promised here
4 in October of last year, starting in January you can
5 now search by -- or taxpayers and you and anybody in
6 the City or anybody in the country can search for
7 properties by block, by equalization group, by
8 geographic market area, and we also added a glossary
9 which we believe helped citizens kind of get an
10 understanding of the language that is used in real
11 estate and therefore makes it somewhat easier to do
12 some analysis that has to be done of properties.

13 On Page 7 we always put in kind of a
14 market overview and on Page 7 you will see a chart
15 of various housing types and these are, again,
16 residential properties. If you look at the median
17 column -- again we analyzed the years 1990 to
18 2002 -- if you look at the median column, you will
19 see a series of prices, median prices from '99 to
20 2002, and you will also see a percentage. This is
21 percentage change from previous years.

22 If you add those up from '99 to 2002,
23 you will see that in row home category there has
24 been an increase of roughly, again, a median
25 increase, of 27.3 percent; semidetached, about 23

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2 percent and detached about 23-1/2 percent. That
3 news is good, but it's not so good for the office
4 market. It was flat when I appeared before you last
5 year in 2002. It is flat today as I appear before
6 you in 2003 and, as you can see in the testimony,
7 projections for 2004 were made prior to kind of the
8 growing situation that we have in the Middle East.
9 Those projections stated that the office market
10 would probably be flat through the second and third
11 quarter of 2004.

12 If I were to guess today, because of the
13 uncertainty of war, that flat line would go out even
14 further. I think it would probably go out into all
15 of 2004 and into 2005. Any time there is
16 uncertainty in any market, I guess, but certainly in
17 the real estate market, buyers are not going to buy
18 and sellers aren't going to sell.

19 There is some bright activity in the
20 commercial area. The apartment market in
21 Philadelphia is as strong as ever. It is very, very
22 strong. We are at about a 3 percent vacancy rate or
23 a 97 percent occupancy rate. Industrial properties
24 in areas where industrial properties are good, some
25 of the newer areas in the Northeast, the industrial

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2 parks are getting strong rents and do have strong
3 occupancies.

4 The retail market is doing well. And by
5 that I don't mean the retail sales market. I'm
6 talking about the retail real estate market. It is
7 more than holding its own, as you can see from Broad
8 and Chestnut where the Olive Garden has opened up
9 and where the Borders bookstore is going to put a
10 flagship, and you have experienced it here with Ikea
11 that has opened up along the waterfront; in the
12 Northeast, Whitman Chocolate Factory. There is
13 going to be a Home Depot and, lest I forget, the
14 Krispy Kreme doughnut place that opened up in the
15 Northeast to everybody talks about that, but that
16 was some help to our retail market.

17 Finally on that testimony, if you look
18 at the very last page, it has a table of the
19 abatements, again, a snapshot in time of all the
20 abatements that currently exist, and I might
21 anticipate a question that you might have. The
22 abated assessed value, if it were fully taxable,
23 would generate -- again, gross dollars -- would
24 generate gross dollars of about \$17 million, but
25 what I always say and I honestly believe more from

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2 experience than anything else is that the but-for
3 test, but for those abatements I don't believe you
4 would see those kind of commercial and new
5 construction type of activities that's reflected
6 with all of those abatements.

7 And, also, don't forget there are other
8 taxes and revenues that are spun off from folks that
9 have jobs building those properties and folks who
10 have jobs living in those properties and all the
11 other various sales taxes and business taxes that
12 flow from that.

13 I would now finally like to turn to the
14 supplemental budget request, and before I begin to
15 talk about that, I want you to know that we are not
16 having a reality disconnect here at the Board of
17 Revision of Taxes. We clearly understand that the
18 finances of the City are in a very tough situation,
19 just as they are in the state, as they are in our
20 nation; however, I clearly want to say that we are
21 not being arrogant by requesting more money at this
22 time. We have discussed this particular situation
23 with the budget director and the administration is
24 supportive of our request overall and Mr. Dubow will
25 work with us to refine the implementation of this

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2 request and really what I mean by that is if you
3 take a look at the numbers, comparing it to the
4 budget detail that you got from the Mayor's office
5 in the first place, we have 77 evaluators and
6 evaluation supervisors in our real property
7 division, 77. We have 20 employees in that division
8 who have already signed up and are enrolled in the
9 DROP program.

10 COUNCIL PRESIDENT Verna: And when would
11 they be leaving, in October?

12 MR. GLANCEY: Those 20 are starting in
13 '03. We are going to lose some of them in '03 and
14 start to lose the bulk of them in '04 and '05. We
15 also have 20 employees who are eligible to enroll in
16 the DROP program before the end of the year. It is
17 my supposition that that will happen, but we will
18 monitor that obviously based -- with the numbers
19 that we are putting here we will monitor what really
20 happens between now and the end of the year for
21 those other 20, but if history is -- if we can learn
22 from history, I think everybody who is eligible will
23 in fact enroll in the DROP program.

24 Having said that, I need to -- that is
25 40 employees, and on our supplemental budget request

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2 we are asking for 30, as you know, 30 evaluators.

3 Now we do have six supervisors that are put in

4 there, but we are putting that in because it is

5 really what we ought to do as good managers. If we

6 do get 30 employees, it's on a one-to-five basis.

7 We should have some supervisory staff.

8 What I would also like to say concerning

9 that is that we really need to have the allocation,

10 if you can see fit to do that, now because we need a

11 two-year turnaround time. We are not really asking

12 to increase our staff over time and in a sense I

13 could argue that these would be nonrecurring

14 expenditures for a very short period of time. We

15 need to have some of our professional older

16 employees who are going to leave to be here to train

17 our newer employees. Even if we hire somebody today

18 who has real estate experience, it takes two years

19 for them to catch up on the learning curve to become

20 a full-service evaluator. So we need to have some

21 of the ability to hire some of the new staff while

22 we have some of the older staff who is waiting to go

23 out on the DROP there.

24 And more important than just simply

25 talking about the numbers is that there really is a

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2 knowledge transfer that we need to make sure that
3 new employees will get and hopefully that will take
4 place if you are able to allocate those monies and,
5 as I indicated, we are going to be working with the
6 budget director hand in glove in order to make sure
7 that the timing of these things work as best as
8 possible for the City for its budget in order to be
9 at its most economical.

10 I could, if you wish, but I think it is
11 probably better -- I could go over the budget
12 detail, but it is probably better I think if I just
13 stop now and I'm sure if you have questions
14 concerning any of that budget detail, if you ask us,
15 we will be happy to answer if we can and, if not, we
16 will get back to you as quickly as we can.

17 Thank you, Madam President. We
18 appreciate the support that City Council has always
19 given us.

20 COUNCIL PRESIDENT Verna: Thank you.
21 Would you please just clarify for Class 100 how many
22 positions the \$2 million would cover?

23 MR. GLANCEY: Yes. For Class 100 it is
24 about 60 positions. That would be \$2 million. The
25 first page of the budget detail is all Class 100.

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2 COUNCIL PRESIDENT Verna: And that would
3 include the people who would be going out on the
4 DROP program?

5 MR. GLANCEY: No.

6 COUNCIL PRESIDENT Verna: Does that
7 include --

8 MR. GLANCEY: No, the people that are
9 going out on the DROP program are not part of this.
10 This is the supplemental request. The people that
11 would be going out on the DROP program, where you
12 see it says real property evaluator 1, 30, we have
13 40 people going out from there, or we believe we
14 will have 40.

15 Maybe it would be helpful, Madam
16 President, if I tell you the customer service is an
17 appeal support unit and the research and information
18 analysis unit would be new. We have from last
19 year's experience felt that the research and
20 information analysis unit would be very essential
21 because we did supply a lot of information not only
22 to Council but to the administration, and if we had
23 somebody that was doing that full time, I think we
24 would be in a much better shape to assist the public
25 so that we could do that full time for the public as

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2 well.

3 The customer services and appeals
4 support unit, I will tell you what happens today.
5 We have nobody that does that. We have nobody that
6 picks up the phone and says can I help you other
7 than me and everybody else who works there, so
8 whoever gets the phone call. If I get a letter from
9 a citizen or I get a phone call from a citizen, our
10 methodology is that I call Gene Davey and Gene comes
11 up and I go over them maybe every 48 hours with him.
12 He then goes to all the evaluators and scatters it
13 around and he have to funnel back all that
14 information.

15 It seems to me we should have some
16 clerical workers who can speak to evaluators and
17 have that technical knowledge to handle that
18 situation because we have a lot of high-level
19 employees that are doing that kind of work and I
20 think it is a waste of their time.

21 COUNCIL PRESIDENT Verna: I would
22 totally agree.

23 MR. GLANCEY: Thank you.

24 COUNCIL PRESIDENT Verna: Mr. Dubow, I
25 think before the end of the week I would like you

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2 and Mr. Glancey and Mr. McPherson to meet and see
3 how we can address this issue.

4 MR. GLANCEY: Thank you.

5 COUNCIL PRESIDENT VERNA: Thank you.

6 At this time The Chair recognizes
7 Councilman DiCicco.

8 COUNCILMAN DICICCO: Thank you, Madam
9 Chair, and good afternoon.

10 MR. GLANCEY: Good afternoon.

11 COUNCILMAN DICICCO: Following up on
12 that last go-round of questions by the Council
13 President and responses from you, I just want to be
14 clear. Real property evaluator 1, are those 30
15 positions currently?

16 MR. GLANCEY: No, those would be the
17 replacement for the DROP people.

18 COUNCILMAN DICICCO: Replacement for the
19 DROP?

20 MR. GLANCEY: Yes.

21 COUNCILMAN DICICCO: Is there any
22 increase for evaluator 1 positions for 2003, or no?

23 MR. GLANCEY: No. In fact, for 2004 we
24 have lost two positions. We are down from 143 to
25 141.

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2 COUNCILMAN DICICCO: I thought I had
3 that right. The evaluators -- and correct me if I'm
4 wrong -- are the folks who physically either look at
5 a property upon request of the property owner, if
6 there is a dispute as to the assessment of that
7 property, or they are the ones that go out
8 initially?

9 MR. GLANCEY: They are the ones that put
10 the values on it.

11 COUNCILMAN DICICCO: They go out
12 initially. And this is where I think we got into
13 the discussion last year and then that information
14 is fed back, goes to the computer, which we have
15 some great deal of discussion on; is that correct?

16 MR. GLANCEY: Yes. They are the folks
17 who put values on properties and how some of them do
18 what you suggested after the fact. Most of the work
19 is done before the fact, however.

20 COUNCILMAN DICICCO: And they are
21 responsible for all of the properties, both
22 commercial and residential, in the City of
23 Philadelphia?

24 MR. GLANCEY: That's correct.

25 COUNCILMAN DICICCO: Which I think we

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2 all agree is certainly nowhere near the number of
3 personnel we would need to do the job efficiently
4 and we have had a lot of discussion in 2003 and it
5 was never meant to be personal, but I think the tone
6 should have been set at least during those
7 conversations that in order to provide the level of
8 service and a more accurate level of service, again
9 without being critical to the BRT, that we should
10 have more than the number of people that we have
11 assigned today.

12 And I think it is one of those things
13 where this may be an opportunity, following up on
14 the suggestion of the Council President, where
15 everyone gets together. That probably is your best
16 opportunity in my opinion notwithstanding the issues
17 of the budget overall for the City of Philadelphia
18 that the public understands now probably more so
19 than any time in recent history that we need more
20 people out there doing the work to be able to
21 provide the more accurate information so that we
22 don't have the problem that we had in 2002 with the
23 10,000 plus appeals that we have now. There will
24 always be appeals, I understand that, but there
25 seemed to be at least in the seven years that I have

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2 been here -- and you can correct me if I'm wrong --
3 probably the level of concern was a little bit
4 higher or maybe a lot more higher this go-around
5 than it had been the last seven years because of the
6 number of properties in a particular geographical
7 area of the City that had been affected one, two,
8 three, maybe four years in a row where the values
9 continually go up at a higher rate than the average,
10 I think you said, was somewhere around 4-1/2
11 percent. Because of the few cases that I have
12 listened to at your appeal hearings, most of them it
13 was basically the same argument, that their house
14 was not as big as was indicated on the tax notice.
15 They were not that square footage because somebody
16 walked down the street and kind of looks at the
17 16-foot row houses three stories high and was
18 automatically assuming that they were all of the
19 same amount of square footage on the interior.
20 There were a lot of those cases; is that correct?
21 MR. GLANCEY: Correct.
22 COUNCILMAN DICICCO: And I'm not laying
23 the groundwork to criticize. I'm laying the
24 groundwork that we need --
25 MR. GLANCEY: I understand.

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2 COUNCILMAN DICICCO: I think there is a
3 need for more personnel.

4 MR. GLANCEY: I agree with you. In
5 fact --

6 COUNCILMAN DICICCO: If we had more
7 personnel, we actually may increase our tax revenues
8 because we can get a better and more accurate
9 account because I'm certain for those number of
10 people that are saying that my house was reassessed
11 at 1600 square feet when it is only 12, there are
12 probably a lot of people that are assessed at 1200
13 square feet and they are actually 1200 or more, so
14 conversely maybe we can get a more fair and
15 equitable way of doing this, and I don't know how
16 you do it without human involvement, I guess is the
17 point I'm trying to make. Computers are all well
18 and good. I particularly don't care for them, but
19 that's the age that we live in, but without the
20 human involvement no computer is ever going to get
21 this right.

22 So I'm kind of making a case for you
23 guys --

24 MR. GLANCEY: I appreciate that.

25 COUNCILMAN DICICCO: -- that we really

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2 need to get something. I don't know what the magic
3 number is in employees. You might be able to speak
4 to that more accurately and I expect you would be
5 able to. So I'm kind of on your side today, not
6 that I was ever on the other side.

7 MR. GLANCEY: I understand that.
8 Councilman, I was going to respond to that.

9 COUNCILMAN DICICCO: But I think it was
10 a learning experience for all of us including the
11 public during those few weeks of testimony here when
12 we were demonstrating our concern for, in our
13 opinion, in many cases the inaccuracy of the recent
14 go-round at real estate increases. So I'm here to
15 help make that case for you.

16 The other question is, in the Class 200
17 there are some contracts, additional. Could you
18 explain that to us?

19 MR. GLANCEY: Can I just make one
20 comment so I don't forget?

21 COUNCILMAN DICICCO: Sure.

22 MR. GLANCEY: Overall City wide the 4.5
23 percent is an accurate figure. Of the 224,000
24 properties -- and I want you to know this. I'm not
25 trying to hide any information -- that were

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2 increased, the average increase there is about 11
3 percent because when you take the 4.5 is our whole
4 universe and the 224 would give you about 11
5 percent, although there are some that are
6 significantly more and some that are less than that
7 as well.

8 The other thing that I wanted to respond
9 to -- and I appreciate all of the comments that you
10 are making. I do believe that everything you have
11 said is very helpful, but we never forget the human
12 part of this. A human being is involved in this
13 every step of the way and I want to make sure that
14 the record reflects that, that when this starts,
15 there is an edit, a review by an evaluator, and an
16 evaluator makes changes. There is another edit
17 back. An evaluator can go back, inspect properties,
18 make changes, a third edit before any notice goes
19 out for a human being to take a look at it, and then
20 a supervisor sits down or -- either does it -- he or
21 she might sit down and look it over or the
22 evaluator, he or she, would look it over, so there
23 really should be at least four different times that
24 somebody who is a professional evaluator who knows
25 what they are looking for takes a look at that. And

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2 I know you weren't saying that this is entirely a
3 robotic sort of exercise, but I wanted the record to
4 make clear that we do have humans that are involved
5 in that.

6 I'm glad you asked the question about
7 the Class 200 contract.

8 COUNCILMAN DICICCO: I just want to
9 comment on the 11 percent. That's why this City
10 Council -- Council President introduced a bill to
11 cap it at ten. We knew we were close to where that
12 number should be, but that's old news -- actually
13 not old news. It has been reintroduced.

14 MR. GLANCEY: And I guess I should say
15 for the record that anything that unwinds or unbands
16 revenue raising from us we are for. We clearly
17 believe that is not our function. That is the
18 function of the administration and City Council, so
19 I only raise the taxes in this testimony because it
20 is how you relate to what we do valuationwise, but
21 we would be very happy if all we did was valuation
22 and either the Council looked at the millage and did
23 whatever they had to do with that or, as you tried
24 to do in this last year, capping taxes at a certain
25 percentage. Whatever it is that you can do to

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2 unwind us, to unband us from that revenue-raising
3 part of our job, we are happy to do it.

4 And should I go on, Councilman? Okay.

5 I'm glad you asked the question about
6 the Class 200 contracts. The first contract is to
7 rewrite the BRT's VSAM mainframe database into
8 Oracle. Oracle is the database that all the City
9 agencies are going to be using. We have, if you
10 will -- I guess maybe a good analogy to describe it
11 is that we have a 21st Century web site backed up in
12 our home office by a 1970's database.

13 Our concern is that on July 5 of this
14 year after -- if we don't receive the money that we
15 need on July 5, if this database -- if our web site
16 goes down at 2 o'clock in the morning, we don't know
17 if we are going to be able to get it back up again.
18 We have a terrific site. We have the most modern
19 site -- I think one of the more modern sites in the
20 country, but we need to change the way we do
21 business in the back office.

22 I mean it was nobody's fault. I think
23 we relied too much on mainframe back in the '70s, as
24 everybody did in the '70s, and maybe we didn't move
25 from mainframe to PC quickly enough, but that's

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2 where we are on that.

3 And, also, to convert what we call the
4 BRT evaluation assistant, the evaluation assistant
5 really is that which you were talking to me about,
6 what do evaluators do. The EVAL assistant is a PC.
7 It is a system, an inhouse system, where we blend
8 GIS applications and BRT data with the professional
9 opinion and knowledge of the evaluation staff. So
10 it's a combination of human beings, GIS
11 applications, and our own data.

12 So those are the major contracts that we
13 are talking about. By the way, all of those
14 contracts are nonrecurring. If we get the rewrite
15 of the VSAM onto Oracle, we put \$850,000. That is
16 what it would cost in that year if we get it done in
17 that year. If it bleeds over, we have to pay more
18 than that. For converting the evaluation assistant
19 into an Oracle database again is about \$330,000.

20 We talked to MOIS concerning all of
21 these prices and all of these things that we have to
22 do. Mr. Dean is here, Michael Dean is here this
23 afternoon if you need to talk to him about anything
24 technical, but these are all things that MOIS said
25 that we probably ought to get done if we want to do

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2 it right and we don't want to have our system
3 falling apart in a year or so from now.

4 So I thank you for asking that question.
5 Those are the kinds of contracts that we are talking
6 about. Again, I reiterate they are not recurring
7 items once we get them done.

8 COUNCILMAN DICICCO: Thank you.

9 Thank you, Madam President. No further
10 questions.

11 COUNCIL PRESIDENT Verna: You're
12 welcome.

13 The Chair recognizes Councilman Rizzo.

14 COUNCILMAN RIZZO: Thank you, Madam
15 Chair.

16 Mr. Chairman, how are you and the Board
17 of the Revision of Taxes? As you know, I have tried
18 to be representing my constituents as frequently as
19 possible over there and I honestly think that I have
20 watched an operation as good as any that I have ever
21 seen in Philadelphia.

22 MR. GLANCEY: Thank you.

23 COUNCILMAN RIZZO: A, the thoroughness
24 of you and your staff and the way the process runs,
25 so that amended budget, Madam President, and Mr.

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2 Dubow, I can tell you from firsthand that this
3 process works very hard and I can tell you with all
4 of the business that we have had to conduct over
5 there this year, that the amount of labor to be
6 prepared for just -- they should really see the
7 piles of paper and all the manual work that is
8 associated with the process, and I think that people
9 have confidence in the system after being there.
10 Many of them come with, well, you know, it is going
11 to be the same old, same old. We are going to wind
12 up coming down there and wasting our time and
13 nothing is going to change, but you can't imagine
14 how many calls I have gotten from people that were
15 so impressed with the process, that you listened.

16 MR. GLANCEY: Even those who didn't win,
17 right?

18 COUNCILMAN RIZZO: Yes. I think the
19 ones that knew they weren't going to win knew it
20 before they got there and I just wanted to tell you
21 that I personally appreciate the way that you
22 conduct, you and the board and Mr. Nix, that
23 everyone that I have had any contact with have been
24 reasonable and helpful and I say that says a lot and
25 I think the people of Philadelphia appreciate it.

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2 Again, even if they didn't wind up with the result
3 that they wanted, I think that at least they had, we
4 can say, their day in court and it worked well.

5 MR. GLANCEY: Thank you, Councilman, and
6 I would say that clearly the board, all of my
7 colleagues, feel very much the same way that you
8 have seen us feel when you have been over there and
9 that we believe it is their day. It is their day in
10 court. They should be treated with dignity and
11 respect and be able to say whatever it is they need
12 to say about their property and my board members are
13 the greatest.

14 COUNCILMAN RIZZO: I agree with that,
15 and just to finish, the people who have come, some
16 that are your regulars that know you better than I
17 do -- it's amazing. I think they know your blood
18 type --

19 (Laughter.)

20 COUNCILMAN RIZZO: -- but the folks that
21 have not ever come before came there so nervous and
22 so concerned and very upset about having to sit at
23 that table and discuss their properties, but the way
24 the board, and not just you, the entire board, each
25 with their own little touch have quieted people

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2 down -- when I say "quieted people down," calmed
3 them down to the point where they were able to
4 express themselves and, again, we still have a bunch
5 of hearings to go, so I hope not much changes.
6 Thanks, Mr. Chairman.

7 MR. GLANCEY: Thank you, Councilman.

8 COUNCIL PRESIDENT VERNA: If I may, I
9 would like to piggyback on what the councilman just
10 said. I think I have the greatest constituents in
11 the City, I really do, and to prove what you said, I
12 had asked Donna to take up some of my mail and I
13 would just like to read a portion of one letter and
14 it is a letter of gratitude from one of my
15 constituents who says, "I was also impressed by the
16 way Board Chairman Glancey conducted the proceedings
17 which frequently generated some emotion from the
18 applicants. He and his members have a difficult
19 time but did well in promoting a calm and reasonable
20 behavior. As you know, our citizens, particularly
21 our seniors, are most eloquent. That was good to
22 see."

23 And I really wanted to thank you. As I
24 said, that is just from one of my constituents and I
25 will tell you that most of them that have appeared

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2 before you have nothing but praise for you and the
3 board and the demeanor that you are showing, and I
4 thank you because it is a very difficult time for
5 all of them.

6 MR. GLANCEY: Right.

7 COUNCIL PRESIDENT VERNA: I think that
8 particularly the seniors are being hit very hard
9 this time around and they certainly deserve the
10 respect that you are giving them, and I want to
11 thank you for that. I think it's hard enough.

12 MR. GLANCEY: Thank you, Madam
13 President.

14 COUNCILMAN RIZZO: Since now you have
15 heard these right words, those constituents that
16 didn't do well, maybe we can reconsider --

17 (Laughter.)

18 COUNCILMAN RIZZO: -- on some of those,
19 but, seriously again, they all know that if they are
20 not satisfied with the result, they can always
21 appeal to the Court of Common Pleas, but I just
22 wanted to give you that little bit.

23 COUNCIL PRESIDENT VERNA: The Chair
24 recognizes Councilwoman Brown.

25 COUNCILWOMAN BROWN: Thank you, Madam

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2 President.

3 Good afternoon, everyone. Council
4 President's letter really is a great segue into a
5 comment I wanted to make. Her letter reflects what
6 happens when citizens ultimately wind up at your
7 table where you have an opportunity to help them
8 through the process and enlighten them, if you will,
9 and educate them about the process. I'm curious to
10 know, and understanding that there are always budget
11 limitations and we can't educate as much as we would
12 like, but given the outcry that a lot of my
13 colleagues received during the tax assessment
14 increases, is there any consideration to including
15 in with the tax assessment some language, some
16 paragraph, which puts what is happening to them in
17 context?

18 What do I mean by that? There were a
19 lot of increases because -- now this is my opinion
20 -- with the former Mayor and the current Mayor and
21 the members of this Council, they have been, in my
22 view, good stewards of the City, and if that were
23 not so we would not be seeing a lot of the increases
24 in property taxes, so put that kind of world and put
25 it in context for them which may help them better

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2 understand why you are getting this increase because
3 consider the reverse of that, lower property taxes,
4 and so the question is can you provide some level of
5 education prior to or at the time that they receive
6 that slip of paper?

7 And also I'm pleased to see that the
8 appeal form is streamlined because understanding the
9 world that you live in is confusing for me so we
10 don't want to think what it's like for senior
11 citizens that have to receive that literature.
12 What's your reaction to government having a greater
13 responsibility in informing its citizenry about
14 increases in this case?

15 MR. GLANCEY: Thank you for that
16 question. It is something that we are always
17 thinking about. Number one, you are speaking
18 specifically about senior citizens, and in that
19 context I think we can really only talk about paper.
20 We can't talk about the Web for the most part.

21 COUNCILWOMAN BROWN: Right.

22 MR. GLANCEY: We can talk about a large
23 segment of our citizens who would -- and we do that
24 now. We do communicate with them on the web site
25 saying, This is the methodology. This is why it

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2 happened. If you have any questions, e-mail us, and
3 we list even a series, like a menu, on our e-mail
4 saying if you have a question about an abatement or
5 an exception or a market value, hit this button and
6 get it to us and we will get back to you hopefully
7 within 48 hours, and I know we respond quickly to
8 that.

9 One of the things in October that was
10 asked of me and that we did a little bit of research
11 back in the office was -- and maybe this would be
12 helpful, Councilwoman, if you can think about this,
13 instead of simply having the -- and we do. I don't
14 know if you have a copy of the notice. I don't have
15 it in front of me. The notice says, This was your
16 2002 value, and it lists the 2002 value and your
17 taxes for 2002. This is your 2003 value. If it's
18 an increase or a decrease, it doesn't show how you
19 get there and that's really what you're asking.

20 COUNCILWOMAN BROWN: Yes.

21 MR. GLANCEY: One of the things that we
22 need to do and I don't think we can do it for the
23 '04 go-round is to list the comparable sales that
24 were used right on the notice to show you why this
25 was this in '02 and why it is now this in '03. I

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2 think that is probably the best way to get that
3 information to the citizens that you are talking
4 about and, again, you are going to need -- we will
5 put some narrative and make it simple obviously. On
6 line today you can get that information.

7 COUNCILWOMAN BROWN: Is that right?

8 MR. GLANCEY: Yes. There is something
9 that is called the EQID, search by EQID. If you put
10 your address into our search engine and then what
11 will come up will be your address and then you click
12 on your account and your property history will come
13 up and then there is a little box that says search
14 by EQID. EQID basically are the comparable
15 properties. They are somewhat more. We give you
16 more than really what were used specifically to
17 analyze that, but those that were used to analyze
18 that are in that group.

19 We are also trying to hone that down.
20 Again, this is on line. Unfortunately, there are a
21 lot of our citizens that don't use it, but I think,
22 to get back to your specific question, yeah, I think
23 if we can get the comps in our notice, as I say, we
24 are not going to be able to do it for '04, maybe for
25 '05 we can do that, there are other jurisdictions

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2 that are smaller than ours. Remember, we have a lot
3 of properties and mailings that are smaller than
4 ours that can in fact do that. I think that's where
5 we should go. If you think of anything else, let us
6 know.

7 COUNCILWOMAN BROWN: It may be
8 incremental, but it moves us in the direction --

9 MR. GLANCEY: I think it's the right
10 thing to do.

11 COUNCILWOMAN BROWN: -- to achieve that
12 goal and always in view of the fact that you are
13 restricted because of budget, but if you do it
14 incrementally by Councilmatic district, which would
15 probably be a real challenge --

16 MR. GLANCEY: We'll do yours first.

17 COUNCILWOMAN BROWN: I'm at-large.
18 That's why I can say that.

19 MR. GLANCEY: You're citywide so we have
20 to do the whole City with you.

21 COUNCILWOMAN BROWN: But it would
22 certainly move you in the right direction. And then
23 you have -- and I will put this in writing to you --
24 the Corporation of Aging and the Senior Citizen
25 Centers around the City where you can get 5 or 600

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2 at one time and talk them through that process, is
3 another way of skinning the cat.

4 MR. GLANCEY: I'm sorry. I did leave
5 that out. We did about 25 community meetings last
6 year, but they were reactive as opposed to
7 proactive. And one of the things that we plan to do
8 this year -- and I say that not to scare anybody,
9 but of course there will be. We have to do this
10 every year. That's what the law says we have to do,
11 but we may not have to do it as scarily as we have
12 done it in the past, but we do have to do it.

13 But what I was going to say is that
14 initially in the beginning of that we probably,
15 again proactively, would let Council members know,
16 we would let the Mayor's office know, we would let
17 revenue, we would let the law department know,
18 proactively maybe we just should do a press
19 conference and say, This is the plan. This is
20 what's going to happen, and that way at least it
21 starts the process that folks know.

22 There is nobody in the room -- the other
23 councilman who are listening to this are probably
24 going to be running up the stairs as I say this, but
25 I do think as far as information you are absolutely

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2 right. We have to be somewhat more proactive going
3 to those kind of meetings. I agree with you.

4 COUNCILWOMAN BROWN: It never eliminates
5 it, but it certainly begins to minimize the kind of
6 outcry that we experience.

7 My second and final question is on Page
8 3 of your testimony you discussed the 2002
9 equalization program, which I am pleased to hear
10 about too, but then you go on on Page 4 to talk
11 about a study will be done each year, so at what
12 point does the study end and the next steps begin to
13 have a fair system?

14 MR. GLANCEY: The study doesn't mean the
15 study to make a fair system. The study is what I
16 just referred to, that we did this in '02 for '03.
17 We intend to do this, the study of the sales that
18 come in year to year in order to evaluate all the
19 properties year to year. It would end -- and again
20 I'm not trying to be facetious -- it would end if we
21 saw a market that just fell entirely and there were
22 no increases in the market, then of course we
23 wouldn't do any increase in property taxes, but
24 that's what that refers to, Councilwoman.

25 COUNCILWOMAN BROWN: Thank you for your

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2 testimony. I thank you all.

3 Thank you, Madam President.

4 COUNCIL PRESIDENT VERNA: You're
5 welcome.

6 The Chair recognizes Councilman Mariano.

7 COUNCILMAN MARIANO: Thank you, Madam
8 President.

9 How are you doing, Mr. Glancey?

10 MR. GLANCEY: Councilman, good
11 afternoon.

12 COUNCILMAN MARIANO: There are a couple
13 of avenues I want to go down. First I want to talk
14 about something that Councilwoman Brown mentioned,
15 and I think the word you used was EQID. I bought a
16 house in '01 probably and a senior citizen had it so
17 it wasn't taken care of a lot and he went to a
18 senior home and I bought it for way below market
19 value. I put a lot of money into it. It's the 4300
20 block of Lawndale Street. The taxes are about
21 900-some dollars.

22 Now, nobody ever came around to see that
23 house and now the house is probably a lot better
24 than it was when I bought it because I did
25 everything from new roof all the way down, new

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2 heating system, but nobody ever comes around, so I
3 suppose when I bought that house for like \$20,000,
4 that's what goes into it? My taxes actually went
5 down \$25.

6 MR. GLANCEY: When you bought it, it
7 probably was correct. What should go into it now,
8 Councilman, that you have completed the work --

9 COUNCILMAN MARIANO: It should go back
10 up.

11 MR. GLANCEY: And the way that would
12 take place is, number one, we would certainly
13 capture any permits that were taken out --

14 COUNCILMAN MARIANO: We did permits and
15 all so that should do it.

16 MR. GLANCEY: -- and, number two, what
17 we should -- what in fact will even be more
18 important than that --

19 COUNCILMAN MARIANO: You guys are
20 writing down my address. Are you going to be at the
21 house tonight? How about 8:30 tonight? 7:30 and
22 we'll all have pizza.

23 (Laughter.)

24 MR. GLANCEY: Councilman, what would be
25 even more important would be if we saw four or five

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2 sales on your street of, I don't know, say 55,000.

3 COUNCILMAN MARIANO: There would be four
4 or five sales because the neighborhood has changed.
5 There were a lot of older white people and now young
6 Hispanic or mixed couples are moving in, which
7 doesn't matter, but the houses are selling.

8 How many employees do you have?

9 MR. GLANCEY: Right now 141 City
10 employees. They are allocated 141, and we have 85
11 allocated School District employees and let me just
12 check to see how many we have. Do we have 85 or 84?
13 We have 77 of that filled.

14 COUNCILMAN MARIANO: School District
15 employees?

16 MR. GLANCEY: Yes.

17 COUNCILMAN MARIANO: The other employees
18 that are not School District, they are just regular
19 Civil Service employees?

20 MR. GLANCEY: Civil Service employees.
21 The City employees are Civil Service employees but
22 those who are professional staff who then drop back
23 to Civil Service.

24 COUNCILMAN MARIANO: Of course. How do
25 you differentiate between the School District

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2 employees and the Civil Service? For instance, the
3 bookkeeping room, which is a very popular place in
4 my world, would they be all School District
5 employees? Councilman Ortiz could be Civil Service
6 and I could be School District and we could be right
7 next to each other --

8 MR. GLANCEY: Yes.

9 COUNCILMAN MARIANO: -- and nobody
10 knows?

11 MR. GLANCEY: Council President Verna
12 was helpful to us in integrating our School District
13 employees with our City employees. Our School
14 District employees are in a seven-step program.
15 They assist the professional real estate evaluators,
16 so we do try to integrate them. If you walked in
17 our office, you wouldn't know who is Civil Service
18 or who is School District.

19 COUNCILMAN MARIANO: But the people with
20 the education -- correct me if I'm wrong -- would be
21 the Civil Service people?

22 MR. GLANCEY: The folks who have the
23 credentials to be professional employees, that's
24 correct.

25 COUNCILMAN MARIANO: These people that

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2 are not Civil Service, are they prohibited from
3 doing political action, as I suppose the Civil
4 Service ones are?

5 MR. GLANCEY: No, they are not.

6 COUNCILMAN MARIANO: So they can pretty
7 much do whatever they want?

8 MR. GLANCEY: Well, they are not
9 prohibited from doing political activity.

10 COUNCILMAN MARIANO: What is your
11 office's policy on School District employees and
12 what political actions they may go into?

13 MR. GLANCEY: Of course, once they are
14 in the office, we try not to have folks putting up
15 posters.

16 COUNCILMAN MARIANO: Circulating
17 petitions?

18 MR. GLANCEY: They are allowed to do
19 that, for sure. That's First Amendment.

20 COUNCILMAN MARIANO: Let me say I
21 wouldn't want to violate anybody's amendment rights
22 from the first down to the last. They are all
23 really great amendments, especially the fifth --

24 (Laughter.)

25 COUNCILMAN MARIANO: -- but I think you

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2 know where I'm going and you know this is a problem
3 that has to be solved. Does the School District
4 know who their employees are?

5 MR. GLANCEY: Yes.

6 COUNCILMAN MARIANO: Do they hire them?

7 MR. GLANCEY: We hire them; they pay
8 them.

9 COUNCILMAN MARIANO: Does Paul Valas
10 know who they are?

11 MR. GLANCEY: Yes.

12 COUNCILMAN MARIANO: Does he have a list
13 of them?

14 MR. GLANCEY: I would assume he could
15 get his hands on one.

16 COUNCILMAN MARIANO: Can we get a list
17 of their names --

18 MR. GLANCEY: You sure can.

19 COUNCILMAN MARIANO: -- and their zip
20 codes, not addresses, just names and zip codes?

21 MR. GLANCEY: You don't want addresses?

22 COUNCILMAN MARIANO: It might not be
23 fair to give them out.

24 MR. GLANCEY; why don't we just give you
25 our employee list. That would be fine.

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2 COUNCILMAN MARIANO: And that would say
3 how long they had been there and what their job is?

4 MR. GLANCEY: If that's what you'd like.

5 COUNCILMAN MARIANO: And you can give
6 that to the Council President.

7 MR. GLANCEY: Sure. Happy to do it. I
8 think we have done that before, but we will happily
9 do it again.

10 COUNCILMAN MARIANO: Out of these School
11 District employees, are they eligible for the DROP
12 program also?

13 MR. GLANCEY: No.

14 COUNCIL PRESIDENT VERNA: And their
15 salaries are still very putrid, aren't they?

16 MR. GLANCEY: Yes.

17 COUNCILMAN MARIANO: But they are not as
18 credentialed as the other people?

19 MR. GLANCEY: But it is very
20 interesting, Councilman -- and I say this again just
21 as a matter of education -- that we have found some
22 of the best civil servants were in fact the School
23 Board employees when they started. At a certain
24 point they can take a test, they have some training
25 and experience, they can change over to the City

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2 payroll. Of course, at that point they give up all
3 political activity like any other civil servant.

4 COUNCILMAN MARIANO: Not to overturn any
5 rocks that may have been over there before you got
6 there, but if it happens, it happens, are there any
7 people in there like 20, 25 years that have been
8 School District employees that are happy and never
9 wanted to be --

10 MR. GLANCEY: I'm sure there are, yeah,
11 yeah. People just want to remain as a School Board
12 employee, yes, of course.

13 COUNCIL PRESIDENT VERNA: Because of
14 their pension plan I guess?

15 COUNCILMAN MARIANO: But their pension
16 would carry if they wanted to become --

17 MR. GLANCEY: No, that's a different
18 pension.

19 COUNCIL PRESIDENT VERNA: I think it's a
20 different pension plan.

21 COUNCILMAN MARIANO: But they wouldn't
22 lose the pension?

23 MR. GLANCEY: Well, you would have to
24 stop --

25 COUNCIL PRESIDENT VERNA: You would have

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2 to freeze it.

3 MR. GLANCEY: If you wanted to work
4 again, you would have to stop there and start
5 another one.

6 COUNCILMAN MARIANO: So when you
7 retired, you'd have two pensions. I have two
8 pensions, or I did until I got divorced. Some of
9 the divorce guys are smiling and going, "Yeah, we
10 have been there."

11 Back to the School District and back to
12 Paul Valas, Mr. Valas, he doesn't know who these
13 employees are? Because he probably never asked,
14 right?

15 MR. GLANCEY: Well, I'm assuming that he
16 has the ability to pick up the phone and get a list
17 of these employees. We have dealt with his top
18 assistant when Mr. Valas came to town.

19 COUNCILMAN MARIANO: So they probably
20 know what's going down.

21 MR. GLANCEY: They know who the
22 employees are. I don't know what you mean by "going
23 down" either. What's going down?

24 COUNCILMAN MARIANO: No, no, no, you
25 just misunderstood me.

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2 MR. GLANCEY: I'm sorry.

3 COUNCILMAN MARIANO: What's the total of
4 all of these School District employees? Does
5 anybody know that number?

6 MR. GLANCEY: Yes.

7 COUNCILMAN MARIANO: How much do they
8 make altogether?

9 MR. GLANCEY: The total is about 3.2
10 million.

11 COUNCILMAN MARIANO: And I ask the
12 question as the controller, if the state budget goes
13 and we don't have the money for the stuff that we
14 need money for, we're going to start looking at easy
15 people to go, and I bet you -- and I'm not
16 suggesting this -- if I can think of it here in this
17 public forum, I'm sure they have been through this
18 and I'm sure the people on the School Reform
19 Commission are going to start saying how much. If
20 they did take those people away from you, the whole
21 lot, you would have to hire Civil Service people and
22 start them lower, which you probably wouldn't be
23 able to do, right? Start a whole new
24 classification?

25 MR. GLANCEY: Well, I don't know where

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2 we could get the money to hire anybody if we lost
3 them and it would have a severe impact on us.

4 COUNCILMAN MARIANO: But if the School
5 District took all of these people away, all 77 of
6 them, what would you do?

7 MR. GLANCEY: We would probably come
8 over and talk to you.

9 COUNCILMAN MARIANO: And ask for more
10 money?

11 MR. GLANCEY: Well, we need to do
12 something.

13 COUNCILMAN MARIANO: And we would
14 structure those people probably into a Civil Service
15 role where they would be --

16 MR. GLANCEY: Clearly, if it were City
17 budget, they would have to be Civil servants, no
18 question.

19 COUNCILMAN MARIANO: Thank you very
20 much.

21 COUNCIL PRESIDENT VERNA: If I can
22 follow through on that, if I may, some of the school
23 employees, I remember several years ago when we
24 tried to address the issue, some of them were there
25 for 18 years and making all of what, \$22,000 a year?

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2 MR. GLANCEY: That's correct. Even now,
3 Madam President, our highest salary for somebody is
4 \$27,000. That is the top salary that anybody can
5 make at School Board.

6 And I think, Councilman, just so you are
7 sure, I don't know if I was clear, we do get
8 reimbursed from the School District for that \$3.2
9 million. You understood that, right? Yes. Okay.
10 And they pay them individually. It comes out of the
11 School Board payroll.

12 And part of the history on that, if you
13 don't mind, is that 58 percent of the real property
14 taxes that are based on the valuation that we do are
15 School Board taxes and 42 percent for the City, so
16 historically I guess back into the '40s there were
17 School Board employees that were also working at the
18 Board of Revision of Taxes for that purpose.

19 COUNCILMAN MARIANO: It's not a shot.
20 It is something that has been brought to my
21 attention and I think it has been brought to me and
22 as an elected official, I have to have the answers
23 when my constituents ask me, and this particular
24 question has been coming up a lot in the last month
25 or two.

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2 MR. GLANCEY: We understand. And if
3 there is any other information you think we can help
4 you with, we'd be happy to.

5 COUNCILMAN MARIANO: This was perfect.
6 Thank you. And I like you almost as much as Rizzo
7 does. He was talking about how nice you are. Thank
8 you, David.

9 COUNCIL PRESIDENT VERNA: Any other
10 questions from members of the committee?

11 Thank you all very much.

12 MR. GLANCEY: Madam President, thank you
13 very much. Thank you, City Council members.

14 COUNCIL PRESIDENT VERNA: The meeting
15 will stand in recess until tomorrow morning,
16 Tuesday, March 11, at 9:30. Thank you.

17 (The meeting adjourned at 3:50 p.m.)

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1 3/10/03 - Continuing '04 Operating Budget

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3 I N D E X

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5	Testimony of	Page
6	HONORABLE FREDERICA MASSIAH-JACKSON	1959
7	JOHN GREEN	2024
8	VIVIAN T. MILLER	2028
9	RONALD R. DONATUCCI	2043
10	MARGARET TARTAGLIONE	2051
11	JONATHAN SAIDEL	2094
12	DAVID GLANCEY	2120

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