

1
2 COUNCIL OF THE CITY OF PHILADELPHIA
3 COMMITTEE OF THE WHOLE- PUBLIC HEARING AND MEETING

4 - - -
5 Room 400, City Hall
6 Philadelphia, Pennsylvania
7 Wednesday, 12/6/00
8 10:45 a.m.

9 - - -
10
11 BILL 000342 - Re Pub. Employees Retirement Code.
12 RES. 000420 - Continued to call of Chair.
13 RES. 000594 - Re ballot question re issuance of
14 licenses to conduct small games of chance.

15 (Full text of above contained herein.)

16 BILL 000705, 706, 726, 727, 728, 721, 722, 723,
17 724, 725, 729, 730, 731, 732, and 733 - Re new
18 stadiums - recessed until 12/7/00, 9 a.m.

19
20 PRESENT: COUNCIL PRESIDENT ANNA C. VERNA, Chair
21 COUNCILWOMAN JANNIE BLACKWELL, Vice Chair
22 COUNCILWOMAN BLONDELL REYNOLDS BROWN
23 COUNCILMAN DARRELL L. CLARKE
24 COUNCILMAN DAVID COHEN
25 COUNCILMAN FRANK J. DICICCO
COUNCILMAN W. WILSON GOODE, JR.
COUNCILMAN JAMES F. KENNEY
COUNCILWOMAN JOAN L. KRAJEWSKI
COUNCILMAN W. THACHER LONGSTRETH
COUNCILMAN RICHARD T. MARIANO
COUNCILWOMAN DONNA REED MILLER
COUNCILMAN MICHAEL A. NUTTER
COUNCILMAN FRANK RIZZO

26 - - -
27
28 VINCENT VARALLO ASSOCIATES, INC.
29 Registered Professional Reporters
30 Eleven Penn Center, Suite 600
31 Philadelphia, PA 19103
32 (215) 561-2220

12/6/2000 - COMMITTEE OF THE WHOLE

I N D E X

Page

Bill 000342

J. Herkness, Board of Pensions and Retirement 4
E. Meyers, Esq., Law Department, Board Member 13

Res. 000594

Joyce Berardi, Treasurer, School Mothers Club 17

Casper Baratta, St. John the Baptist Church 19

Father J. Okonski, Blessed Virgin Mary Parish 21

Father Paul Castellani, Ascension Parish 23

Regina Tanghei, Vice Principal, St. Anne's 26

Father Charles Sullivan, St. Bernard's Church 29

Father Jack Ferrey, St. Leo's Church 31

Christine McMenamin, St. Barnabus Parish 33

1 12/6/00 - WHOLE - BILL 342

2 P R O C E E D I N G S

3 COUNCIL PRESIDENT VERNA: Good morning,
4 everyone. Thank you for your patience, sorry for
5 getting started so late, but this is a public
6 hearing regarding Bill No. 342. Also a continued
7 public hearing regarding Bill No.'s 705, 706, 726,
8 727, 728, 721, 722, 723, 724, 725, 729, 730, 731,
9 732, and 733. And Resolution No. 594.

10 Would Mr. McPherson please read the
11 title of Bill No. Number 342.

12 MR. MCPHERSON: Bill No. 342, an
13 ordinance amending Title 22 of the Philadelphia
14 Code, entitled "Public Employees Retirement Code,"
15 by making certain corrections to address problems
16 in the code due to typographical errors,
17 oversights, or inconsistencies by clarifying the
18 definitions of various plans addressing various
19 issues raised by the new Five-Year Vesting
20 Program, refining the DROP Program, and correcting
21 inconsistencies with respect to refunds and
22 purchases of certain types of service credit, all
23 under certain terms and conditions.

24 COUNCIL PRESIDENT VERNA: Do we have a
25 representative here from the Pension Board?

1 12/6/00 - WHOLE - BILL 342

2 Please approach the table.

3 (Witnesses come forward.)

4 COUNCIL PRESIDENT VERNA: Good
5 morning.

6 MR. HERNESS: Good morning.

7 COUNCIL PRESIDENT VERNA: Kindly
8 identify yourself for the record and proceed with
9 your testimony.

10 MR. HERKNESS: Good morning, Madam
11 President, and thank. My name is Joe Herkness,
12 and I'm the Executive Director of the Philadelphia
13 Board of Pensions and Retirement. And appearing
14 along with me is Evan Meyer, who is former counsel
15 to the Board and a Trustee Designee of the City
16 Solicitor's Office. Mr. Meyer will have some
17 additional amendments to be offered after my
18 testimony.

19 This legislation is a correction bill
20 that follows the complete recodification of the
21 City's pension ordinance in January of 1999. My
22 testimony will be presented by addressing issues
23 in several separate sections, and if it pleases
24 the committee, I'll proceed under that format.

25 The first title is "Precise Conformance

1 12/6/00 - WHOLE - BILL 342
2 With Labor Contracts." There's a minor
3 amendment. There are various references in the
4 ordinance to employees represented by AFSCME --
5 that's the American Federation of State County
6 Municipalship Employees -- District Councils 33
7 and 47. These employees were hired between 1/8/87
8 and 9/30/92. The code indicates 10/1/92 as the
9 beginning date, so there's -- for Plan Y for these
10 employees, so there's a one-day change in that
11 contract. The labor contracts shall attend to
12 effective date.

13 And in addition, the ordinance
14 inadvertently omitted reference to District
15 Council 33 employees. This legislation proposes
16 appropriate amendments to Sections 22-104, 105 and
17 201 to correct this minor error.

18 Five-Year Vesting Issues. The present
19 ordinance mandates the Five-Year Vesting for
20 exempt employees. A problem arises problem arises
21 if an exempt employee is a rehire to the City's
22 employment force, with prior City service or other
23 governmental service which they had purchased.
24 For example, an exempt employee rehired with seven
25 years of prior service is just three years from

1 12/6/00 - WHOLE - BILL 342

2 vesting in the ten-year plan. Requiring an employ
3 to pay a higher cost for the five years is
4 illogical and possibly may be a violation of that
5 employee's contract right to the lower-costing
6 Ten-Year Vesting Plan. The Board of Pensions is
7 proposing such employees be given the option to
8 participate in the Five-Year Vesting Plan.

9 The same difficulty arises for elected
10 officials who come into the elective plan, Plan L,
11 who might have had prior City service and who
12 would now be mandated into the Eight-Year Vesting
13 Plan for elected officials. An option to
14 participate would also be afforded to these
15 similarly-situated officials. Bill 342 adds a
16 Section 301(1) c.3 and amends Section 22-301 to
17 provide for these aforementioned options.

18 There is additional minor difficulty
19 with five-year vesting language. A certain group
20 of exempt employees, if hired previous to 1/13/99,
21 which was the effective date of the complete
22 recodification, they have the option to elect
23 five-year vesting after 1/13/99 five-year vesting
24 is mandatory. However, there's no provision for
25 employees on board with the City before 1/13/99

1 12/6/00 - WHOLE - BILL 342

2 and then transfer into an exempt position covered
3 by the Five-Year Vesting Plan. These employees
4 presently are prevented from participation in
5 five-year vesting, and the Board thinks that's
6 clearly an inequity. Bill 342 adds a new
7 subsection in 22-301 to correct this oversight.

8 Optional Early Retirement Five-Year
9 Vesting Plan. Presently, the Ten-Year Vest Plans
10 across the board provide an optional early
11 retirement. This legislature amends Section
12 22-301(1) to extend the option to the Five-Year
13 Vesting Plan participants. So that everyone, if
14 they wanted, could have a early retirement
15 option. All options are at a significant penalty.

16 The final issue in the five-year
17 vesting group is an amendment offered by the
18 Administration for five-year vesting. This
19 provides for any employees who participate in the
20 Five-Year Vesting Plan and who subsequently
21 acquire of ten years of credited service in the
22 pension system to have their five-year vesting
23 premium. Once they acquire ten years in the
24 system, that they could have their five-year
25 vesting premium refunded. There have been a few

1 12/6/00 - WHOLE - BILL 342

2 requests, and returning employees who were
3 previously members of the five-year vesting group
4 had raised this issue, and the Administration
5 supports this amendment.

6 There is -- by the way, there is no
7 cost since the amendment calls for a return of the
8 dollars, but without interest.

9 Deferred Retirement Option Plan. Bill
10 342 provides an amendment to the DROP Plan in
11 order to allow the entrance date to the DROP to be
12 at the end of a pay period versus the present
13 language that requires the 1st of the month as an
14 entrance date to DROP. This amendment obviates
15 the need for a return of contribution checks and
16 refunds to employees entering the DROP, and this
17 process is extremely cumbersome and consuming a
18 lot of administrative time between the Finance
19 Department's Payroll Division and the Board of
20 Pensions regular staff.

21 As a companion amendment, partial-month
22 payments would then be permitted to ensure that
23 full DROP benefits would be maintained.
24 Presently, only full-month payments are
25 permitted. So if you're allowed to enter at the

1 12/6/00 - WHOLE - BILL 342

2 end of a pay period, it would create a partial
3 month in the beginning and a partial month at the
4 end, so this amendment would allow those two
5 partial months to maintain the full DROP benefit.

6 Bill 342 also specifically permits
7 rehired retirees not previously in the DROP Plan
8 to enter the plan. A Law Department opinion
9 supports this amendment, and it was Council's
10 intention in passing the original DROP
11 legislation, and the -- this 342 memorializes this
12 into the ordinance.

13 Ordinary Death and Disability Benefits
14 for Five-Year Vesting Plan. Bill 342 provides
15 ordinary death and disability benefits for those
16 employees who are members of the Five-Year Vesting
17 Plan. The cost of the five-year vesting already
18 includes ordinary death and disability, and this
19 puts it into the ordinance and makes it clear.

20 Purchase of Service Issues. Regulation
21 for military leaves of absence that are subject to
22 USERRA are different and were not included in
23 Sections 801 and 807 of the recodification
24 ordinance. Under this proposed legislation,
25 leaves of absence under USERRA that were not

1 12/6/00 - WHOLE - BILL 342

2 purchased by a deadline may now be purchased at a
3 later date, but with interest. Bill 342 amends
4 the appropriate sections of the pension ordinance
5 to achieve this option and place all military
6 leave purchases on an equal footing throughout the
7 pension ordinance.

8 Purchase of Deferred Time. Members of
9 Plans D, J and X, which is the police, the fire,
10 and the non-uniformed older plans, formerly had
11 the right to defer membership in the pension
12 system for the first six months of employment.
13 Bill 342 adds a new subsection 803(6) and amends
14 Section 807 to allow the purchase of this deferred
15 time by paying the required interest under Section
16 807 of the ordinance, which allows installment and
17 purchase.

18 Purchase of Previously Ineligible
19 Temporary Time. This piece of legislature
20 proposes to amend the present ordinance to allow
21 purchase of temporary time previously deemed
22 ineligible to be purchased. The legislation adds
23 a new subsection 803(7) and amends Section 807 to
24 require payment of interest.

25 Purchase of Other Governmental Service

1 12/6/00 - WHOLE - BILL 342

2 After Investing in Previous Employer's Plan. The
3 retirement code prevents an employee from
4 purchasing service, if vested, in a previous
5 employer's plan. The current code also prevents
6 purchase of time if an employee was vested but
7 withdrew their contributions that are no longer
8 vested. The Board is recommending the deletion of
9 the second provision that prevents purchase after
10 withdrawal of contributions from a previously
11 vested plan, so that people would now be allowed
12 to buy that debt time from that previous
13 employer. Bill No 342 amends Section 802(2) to
14 achieve this goal.

15 Prorated Purchase for Less Than
16 Full-Time Purchase of Time. Bill 342 also
17 specifically provides for the proration of less
18 than full-time employment being purchased by
19 employees. With the change in allowing
20 out-of-state and other governmental service,
21 there's been a lot of requests for a portion of
22 years to be purchased. We prorate that, and this
23 makes it -- this memorializes it in the ordinance.

24 Cancelled Installment Payments. Bill
25 342 allows for the return of all cancelled

1 12/6/00 - WHOLE - BILL 342

2 installment payments after separation of service,
3 including interest. Present code excludes the
4 return of interest for no apparent reason. Bill
5 342 amends Section 806(4) and deletes this
6 interest restriction.

7 Finally, Bill 342 corrects three minor
8 word-processing errors:

9 One in Section 201(1) clearly was
10 intended to read Plans D, J, and X, and it
11 repeated Plans A, B, L, and Y.

12 The second one was a cross-reference
13 area in 701(1), where it referenced Section
14 22-304, and it should have said Section 306.

15 And the last one is -- errors occurred
16 in cross referencings in Section 405(5), and the
17 cross reference appeared as 105 -- or the cross
18 reference that should have appeared is 105(16),
19 appeared in error as 106(16).

20 Madam President, that completes my
21 testimony, and I'll be glad to answer any
22 questions if there are any.

23 COUNCIL PRESIDENT Verna: Thank you.

24 The Chair recognizes Councilman
25 Longstreth. Your light is on, sir; do you want to

1 12/6/00 - WHOLE - BILL 342

2 be recognized?

3 COUNCILMAN LONGSTRETH: Sorry, that's
4 my mistake.

5 COUNCIL PRESIDENT VERNA: Thank you.

6 Any questions from members of the
7 committee?

8 (No questions.)

9 COUNCIL PRESIDENT VERNA: Okay, do we
10 have anyone to testify on this bill?

11 MR. HERKNESS: Evan Meyer, Law
12 Department and Trustee.

13 COUNCIL PRESIDENT VERNA: Kindly
14 identify yourself for the record and proceed with
15 your testimony.

16 MR. MEYER: Good morning. My name is
17 Evan Meyer, and I'm a senior attorney in the Law
18 Department. Mr. Herkness explained my status
19 there. I serve on the Board and am formerly
20 counsel to the Board.

21 On behalf of the Board, I would like to
22 offer five amendments to the bill.

23 COUNCIL PRESIDENT VERNA: Do we have
24 copies of the amendments?

25 MR. MEYER: Yes, you do.

1 12/6/00 - WHOLE - BILL 342

2 COUNCIL PRESIDENT Verna: Have they
3 have been circulated? Do Councilmembers have
4 copies of the amendments?

5 MR. Herkness: We submitted 'em; I have
6 extra ones here.

7 COUNCIL PRESIDENT Verna: May we see
8 them, please.

9 MR. Herkness: Sure.

10 COUNCIL PRESIDENT Verna: The
11 stenographer does have a copy of the proposed
12 amendments, so if you can just go through it and
13 tell us what they are.

14 MR. Meyer: All right. The first two
15 amendments are corrections to the definitions
16 section of the retirement code, in particular to
17 the definition of "average final compensation."
18 One of the things we attempted to in drafting the
19 recodification in January of 1999 was to simplify
20 the definitions of "compensation" and "average
21 final compensation." It was not our intent to
22 make any substantive change from prior ordinance,
23 merely to re-word it to make it more clear.
24 Mainly, we moved some language from the definition
25 of "average final compensation" to "compensation,"

1 12/6/00 - WHOLE - BILL 342

2 figuring that the end result would be the same,
3 since compensation is included in average final
4 compensation.

5 However, on review of the retirement
6 code, we discovered that there is a different
7 unintended result of that change. Amendments 1
8 and 2 that I am submitting restore the retirement
9 code to have the same effect as the prior
10 ordinance -- that is, before January of 1999 --
11 and consistent with the way the Pension Board
12 staff has been applying the ordinances.

13 The third amendment merely corrects an
14 obvious typo, taking out the word "the" that got
15 stuck in there extra.

16 The fourth amendment is required by
17 federal law. The code prohibits a kind of
18 double-dipping, in that a member may not purchase
19 pension credit for other governmental service for
20 which that member is going to get a pension from
21 that other governmental unit, thus possibly
22 receiving two pensions for the same time, from the
23 other government and from the City.

24 However, a federal law intended to
25 encourage service in the military reserves

1 12/6/00 - WHOLE - BILL 342

2 prohibits this restriction as to members entitled
3 to military pensions based in part on reserve
4 service. This would affect very few members, but
5 we should make sure the retirement code complies
6 with federal law.

7 The fifth amendment makes Bill No. 342
8 retroactive to the enactment of the retirement
9 code in January of '99. Since the bill is
10 intended to correct errors that should not have
11 occurred in the bill, in the initial bill, it
12 makes sense to make it retroactive. Corrections
13 to the DROP Plan, however, are retroactive to a
14 different date since the DROP was added after the
15 enactment of the retirement code.

16 I will be happy to answer any
17 questions.

18 COUNCIL PRESIDENT VERNA: Thank you.

19 For the most part, these are all
20 technical, are they not?

21 MR. MEYER: Yes.

22 COUNCIL PRESIDENT VERNA: Do we have
23 any questions from members of the committee?

24 (No questions.)

25 COUNCIL PRESIDENT VERNA: Thank you

1 12/6/00 - WHOLE - RES. 594

2 very much, gentlemen.

3 MR. HERKNESS: Thank you.

4 MR. MEYER: Thank you.

5 COUNCIL PRESIDENT Verna: Resolution
6 No. 420 has been continued to the call of the
7 Chair.

8 We will now take testimony on
9 Resolution No. 594, a resolution directing the
10 City commissioners to place on the ballot of the
11 primary election of 2001 the following referendum
12 question: Do you favor the issuance of licenses
13 to conduct small games of chance in the City of
14 Philadelphia?

15 Our first witness is Joyce Berardi.

16 (Witness comes forward.)

17 MS. BERARDI: Good morning, Madam
18 President.

19 COUNCIL PRESIDENT Verna: Good
20 morning. Thank you for your patience. Kindly
21 identify yourself for the record.

22 MS. BERARDI: We're wearing thin right
23 now but (laughs), I would like to introduce
24 myself. My name is Joyce Berardi and I have a son
25 in Father Judge High School and a daughter in St.

1 12/6/00 - WHOLE - RES. 594

2 Hubert's. I am here to argue the issues of
3 fund-raising at our schools.

4 As you are well aware of, we are
5 nonprofit organizations. I am also the treasurer
6 of Father Judge Mothers Association, and our
7 organization does a great deal of fund-raising,
8 which is a means of support for our schools. And
9 this benefits our children in many ways. We feel
10 necessary in helping in the upgrading of our
11 schools. I'm sure you're well aware that the
12 tuition fee goes directly down the Archdiocese,
13 which they use for salaries and, you know, fuel
14 and such.

15 We don't compensate from any of that.
16 So as parents we try and supplement in other
17 fashions 50/50s, chances, Tumbola tables. And I
18 cannot stress enough the importance of our
19 fund-raising. I just don't understand why this is
20 being made into such a big issue. We certainly
21 are not out to cheat or hurt anyone -- only to
22 help and support our children's schools.

23 I hope you will seriously consider this
24 issue and present it on our May ballot this coming
25 spring.

1 12/6/00 - WHOLE - RES. 594

2 Thank you.

3 COUNCIL PRESIDENT Verna: Thank you.

4 Any questions or comments from members
5 of the committee?

6 (No questions.)

7 COUNCIL PRESIDENT Verna: Thank you
8 very much, Joyce.

9 MS. BERARDI: You're welcome.

10 COUNCIL PRESIDENT Verna: Our next
11 witness is Casper Baratta.

12 (Witness comes forward.)

13 COUNCIL PRESIDENT Verna: Good
14 morning.

15 MR. BARATTA: My name is Casper Baratta
16 and I am from St. John the Baptist Parish in the
17 Manayunk area of Philadelphia. And I'm here to
18 also ask for a -- support for this particular
19 resolution to go on the ballot in May.

20 The revenues are sorely needed for our
21 parish. Our parish has been in the community for
22 almost 170 years, and we'd like to stay for a
23 little longer. And we need this money to not only
24 help our particular school and the outlying
25 neighborhoods, but our parish also reaches out to

1 12/6/00 - WHOLE - RES. 594

2 the community at large. Our facilities are used
3 by many groups, civic and non-civic, in our area.
4 And we pay for those costs out of our own
5 pockets.

6 So these extra revenues that we gain
7 from these small games of chance go a long way in
8 helping to us survive. And without these monies,
9 probably our outreach programs would probably dry
10 up. So, therefore, we -- we would really -- we
11 really would like to have City Council support
12 this particular issue when it comes time in the
13 spring.

14 Thank you, Madam.

15 COUNCIL PRESIDENT Verna: Thank you
16 very much.

17 Any questions or comments from members
18 of the committee?

19 (No questions.)

20 COUNCIL PRESIDENT Verna: Father Joe
21 Okonski.

22 (Witness comes forward.)

23 COUNCIL PRESIDENT Verna: I probably
24 did not pronounce that correctly, father.

25 FATHER OKANSKI: You did, Madam

1 12/6/00 - WHOLE - RES. 594

2 President.

3 COUNCIL PRESIDENT Verna: Thank you.

4 FATHER OKONSKI: Thank you.

5 COUNCIL PRESIDENT Verna: Good morning
6 and welcome.

7 FATHER OKONSKI: Good morning, Madam
8 President. And thank you very much to you and to
9 the Council for giving us this opportunity this
10 morning.

11 I am a parish priest at Nativity of the
12 Blessed Virgin Mary Parish, in the Port Richmond
13 section of Philadelphia. And I could assure you,
14 as many clergy, when you arrive in the parish, the
15 last thing that comes to mind is any type of
16 fund-raising. But when you arrive, especially in
17 my parish, you see that to do our many activities
18 and to carry out the social and spiritual
19 functions, because our area is not financially
20 affluent, we need to raise funds. And so we do
21 that in many varied ways, from Christmas bazaars
22 to carnivals to 50/50 chances, lottos, and
23 everything in between has been done for the past
24 hundred years.

25 The majority of that money goes to our

1 12/6/00 - WHOLE - RES. 594

2 grade school, to keep it running, to help with the
3 salaries, and to keep the tuition down so that our
4 parents can afford a tuition, because we receive
5 no assistance from any government areas. So we --
6 at present, we have a little less than 400
7 children in our school. We make it available to
8 children of all races and religious backgrounds,
9 but it's there as far as part of the community.

10 But not only does the money help the
11 school, it helps in our charitable functions
12 within the neighborhood. We run a Vincent DePaul
13 Society, which cares for the needy, the hungry,
14 the homeless, those who need clothes. And so,
15 Thanksgiving and Christmas, we'll take care of a
16 large number of families, but throughout the
17 entire year, we do the same.

18 Social activities for our children in
19 grade school and in high school can only be
20 supported and paid for -- that's ref fees, league
21 fees, uniforms, and everything in between --
22 through the money that's generated through these
23 various activities.

24 It's not as if the things that we do
25 are like icing on the cake, but they are

1 12/6/00 - WHOLE - RES. 594

2 necessary. And we really can't do what we do
3 without these games of chance. And, again, they
4 are very necessary, because we're not an affluent
5 area. And we would certainly have more people
6 here from our neighborhood, but in order for them
7 to be here, they would have to miss work, so I
8 wouldn't even put that obligation on them because,
9 again, because, I would say, a good portion are
10 single families, you know. So the parish is very
11 important to them but to our entire community and
12 to our neighborhood.

13 And we ask that City Council permit a
14 referendum that would allow us to legally conduct
15 small games of chance.

16 COUNCIL PRESIDENT VERNA: I fully
17 understand, Father. Thank you very much.

18 FATHER OKONSKI: Thank you.

19 COUNCIL PRESIDENT VERNA: Father Paul
20 Castellani.

21 (Witness comes forward.)

22 COUNCIL PRESIDENT VERNA: Good morning,
23 Father.

24 FATHER CASTELLANI: Good morning. My
25 name is Father Paul Castellani. I represent

1 12/6/00 - WHOLE - RES. 594

2 Ascension Parish, located in Kensington.

3 And as father Okonski alluded to, all
4 of the fund-raising that we do in the parish stays
5 within the parish. We have a very active St.
6 Vincent DePaul Society as well, and we feed the
7 homebound of our parish as well and they not
8 necessarily have to be from the parish; we have
9 many that come off the street. We have a small
10 kitchen downstairs for canned goods and things
11 like that to provide emergency food.

12 The social aspect of what we do is
13 funded a great deal through these games of
14 chance. The lottery, afore-termed "the games of
15 chance," in our parish raised money to help go to
16 the school, to provide things for the parish, as
17 our area is very in need.

18 Recently, I came back from a trip and
19 to arrive to the fact that we are now celebrating
20 church in our hall because our boiler went. To
21 replace the boiler's going to be about \$20,000.
22 The game of chance that we lost would have helped
23 provide the funds for that.

24 It's things that our parish community
25 helps provide, it's all on a volunteer basis. And

1 12/6/00 - WHOLE - RES. 594

2 those things that we provide for that community
3 outreach is not prevented (sic) through just
4 people of there, but is provided to everyone in
5 the area. Our school benefits through the
6 replacement of a boiler a few years ago as well as
7 keeping the tuition down to what is affordable.

8 Again, our -- many parents would like
9 to be here and to speak on their behalf, but
10 because of working, because of many other reasons,
11 they cannot be here.

12 We as a parish ask for your help, for
13 your aid in having this put on the ballot so that
14 we can resume those games of chance to help
15 provide for (unintelligible) and education as
16 well.

17 COUNCIL PRESIDENT VERNA: Father, what
18 are the tuitions presently?

19 FATHER CASTELLANI: Our tuition is 1380
20 for one individual and it caps out 2,500 for a
21 family of three or more.

22 COUNCIL PRESIDENT VERNA: Thank you.

23 Any questions from the members of the
24 committee of Father?

25 (No questions.)

1 12/6/00 - WHOLE - RES. 594

2 COUNCIL PRESIDENT Verna: Thank you so
3 much for coming in.

4 FATHER CASTELLANI: Thank you.

5 COUNCIL PRESIDENT Verna: Regina
6 Tanghei.

7 (Witness comes forward.)

8 MS. TANGHEI: Good morning.

9 COUNCIL PRESIDENT Verna: Good morning.

10 MS. TANGHEI: I'm Regina Smith Tanghei.
11 I'm a member of St. Anne's Parish and also the
12 Vice Principal of St. Anne's.

13 Good morning, President Verna and City
14 Councilmembers. Thank you for the opportunity to
15 speak to you this morning on the topic of church
16 lotteries. As Vice Principal of St. Anne's, an
17 issue that is of paramount importance is to
18 provide a quality education, a stable and
19 nurturing environment, and preparation for life at
20 an affordable cost to the children of our parish
21 community. The answer for us was very simple:
22 the parish lottery.

23 Tuition for St. Anne's School is \$1600
24 for one student, \$2250 for two students, and \$2900
25 for three children in one family. Yet the cost to

1 12/6/00 - WHOLE - RES. 594

2 educate one child is \$2200. Therefore, the parish
3 lottery supplemented the difference.

4 In the light of the financial
5 difficulties of Philadelphia School District, this
6 number presents a bargain, a bargain not only for
7 the families of our parish but for the taxpayers
8 of the City of Philadelphia.

9 We direct the lion's share of our money
10 from the lottery to our educational program,
11 maintaining a reasonable tuition level. In the
12 absence of this money, we have been forced to
13 already reduce our staff by five support
14 personnel, and we will be forced to increase
15 tuition by several hundred dollars next year and
16 further reduce staff.

17 The implications for the taxpayers of
18 Philadelphia are threefold. Students will
19 transfer to the neighborhood public schools,
20 contributing to the overcrowding and increasing
21 cost to the taxpayer by \$1600 per student. As our
22 enrollment decreases, we will be forced to
23 increase our tuition again, and this will set off
24 a new round of transfers, increasing the
25 overcrowding and the cost.

1 12/6/00 - WHOLE - RES. 594

2 Our City has already lost 110,000
3 people since the last census. The major reason
4 listed for the move to the suburbs is a better
5 educational system. This loss in population will
6 result in a loss of federal dollars as well as
7 loss in representation in Washington and in
8 Harrisburg.

9 Madam President and Councilmembers, our
10 lottery is crucial to maintaining the good health
11 of our school, and in the long run, the City of
12 Philadelphia. It is voluntary. It helps build a
13 sense of community and it educates our children.
14 In short, the good it provides is beyond question.

15 On behalf of the St. Anne's parish
16 community and the people of the 18th, 25th and
17 31st Ward who support it, I urge a vote yes on
18 this matter.

19 COUNCIL PRESIDENT VERA: Thank you.

20 MS. TANGHEI: Thank you.

21 COUNCIL PRESIDENT VERA: Our next
22 witness is Father Charles Sullivan.

23 (Witness comes forward.)

24 COUNCIL PRESIDENT VERA: Good morning,
25 Father.

1 12/6/00 - WHOLE - RES. 594

2 FATHER SULLIVAN: Good morning, Madam
3 President and members of Philadelphia Council. I
4 am Father Charles Sullivan, Pastor of St.
5 Bernard's Church in Mayfair.

6 I am also member of the famous Cluster
7 15; our archdiocese has been subdivided over the
8 recent years. Cluster 15 represents 11 different
9 churches with over 125,000 members of our
10 churches. Our schools are among the largest
11 schools in the Archdiocese of Philadelphia. We
12 have schools of 1200 and as low as 300 children in
13 our particular cluster.

14 The funding of our schools, like
15 everything else, has become extremely difficult.
16 We are living in changing times, changing
17 communities. And, of course, funding for
18 education is something very crucial to us.

19 The last few years, by the means of
20 jackpot lottery, we have been most fortunate in
21 being able to raise additional monies to meet our
22 school responsibilities. The last two budget
23 years, over \$250,000 has been raised to help our
24 school budget, which is now up to \$1.2 million a
25 year.

1 12/6/00 - WHOLE - RES. 594

2 At one time, these drawings were a nice
3 extra for all of us. At our Cluster luncheon
4 meeting in September, the topic was survival. The
5 survival of our churches is based upon the
6 participation of our membership, but also through
7 the use of these lotteries.

8 I thank City Council for your efforts
9 to be on top of this matter in following up the
10 Commonwealth of Pennsylvania, which has already
11 passed legislation, making this possible. I hope
12 that you will see the connection between the work
13 of our churches, the good of our schools, and the
14 connection to the City of Philadelphia.

15 These lotteries are extremely important
16 to our funding. We hope that by having them
17 placed on the ballot in May, that it would be
18 something that would benefit all citizens of
19 Philadelphia.

20 I thank you again for your time and
21 your listening to us this day. Thanks again.

22 COUNCIL PRESIDENT VERA: Thank you,
23 Father.

24 Any comments or questions from members
25 of the committee?

1 12/6/00 - WHOLE - RES. 594

2 (No questions.)

3 COUNCIL PRESIDENT VERA: Thank you.

4 Father Jack Ferrey.

5 (Witness comes forward.)

6 FATHER FERREY: Good morning, Madam

7 President and members of Council.

8 As Father Sullivan mentioned, Cluster

9 15 -- I'm the pastor of the parish with the 300 in
10 the school. The parish is one of the smaller
11 ones. It's a parish with a rather large
12 concentration of lower and middle-class people who
13 do their best to support their parish, to support
14 the school. The parish has been there for 116
15 years, which means, quite frankly, some of our
16 buildings are a little old, and many of our people
17 are elderly.

18 Along with supporting the school, which
19 you certainly have heard here a good deal this
20 morning, I'd ask you to also keep in mind that the
21 referendum would also help a lot of other
22 charitable groups, aside from just churches and
23 schools. In one instance, in our own community,
24 the Knights of Columbus at Christmastime will
25 provide over 300 meals for families, not only in

1 12/6/00 - WHOLE - RES. 594

2 our neighborhoods but throughout the Northeast.

3 There are so many other charitable groups that

4 need the support of small games of chance.

5 We've been doing these things, as

6 mentioned before, for almost a hundred years, and

7 now all of a sudden, we find ourselves in a

8 position where we can no longer run them legally.

9 And certainly, we would like to get out of that

10 position, where the things that we do would

11 certainly be approved, as they are at the present

12 time in the suburban communities.

13 And so we would certainly appreciate it

14 if Council would add this referendum to the

15 primary ballots. We would appreciate it and thank

16 you for all your help.

17 COUNCIL PRESIDENT VERNA: Father, all

18 of the good work that you've been able to do is

19 simply not just for your parish but for the

20 community of the whole.

21 FATHER FERREY: Oh, absolutely.

22 COUNCIL PRESIDENT VERNA: How many

23 children do you have in your school presently?

24 FATHER FERREY: Right now, we have 296.

25 COUNCIL PRESIDENT VERNA: That's great.

1 12/6/00 - WHOLE - RES. 594

2 Thank you.

3 Any questions from members of the
4 committee?

5 (No questions.)

6 COUNCIL PRESIDENT Verna: Okay,
7 Christine McMenamin.

8 (Witness comes forward.)

9 COUNCIL PRESIDENT Verna: Good morning,
10 Christine. Sorry you were waiting so long.

11 MS. MCMENAMIN: Thank you.

12 Madam President and members of City
13 Council, my name is Christine McMenamin. I have
14 worked for the past 13 years as the Director of
15 Parish Services in St. Barnabus Catholic Church in
16 Southwest Philadelphia. Monsignor Bernard Herrin,
17 Pastor of St. Barnabus, regrets that he is unable
18 to be here and has asked me to bring his concerns
19 to you.

20 St. Barnabus Parish is comprised of St.
21 Barnabus Church, St. Mary of Chenstahova (ph.)
22 Worship Site, and Our Lady of Loretto Worship
23 Site. These three sites serve a total of 2600
24 families in the Southwest. St. Barnabus also
25 maintains a primary school that currently educates

1 12/6/00 - WHOLE - RES. 594

2 460 students from kindergarten through 8th grade,
3 with an after-school program. The paid faculty
4 includes 19 lay teachers and five religious
5 sisters, a sizeable payroll to be met throughout
6 the year.

7 In order to keep tuition possible for
8 parents, the parish congregation subsidizes
9 tuition at a yearly cost of \$250,000. Like many
10 other City parishes, St. Barnabus is challenged by
11 the loss of many generous contributors in recent
12 years who have moved on to suburban communities.
13 These churches also deal with the maintenance of
14 large, older buildings, which need fairly frequent
15 and often-costly repairs. The St. Barnabus
16 complex includes 12 such buildings, which are
17 necessary to support the life of the three worship
18 sites mentioned earlier.

19 In conclusion, with these very basic
20 facts in mind, the St. Barnabus weekly drawing,
21 which ran from September to June, provided income
22 to the parish, which proved to be extremely
23 helpful. We ask your support to allow this
24 financial benefit to again become an option to the
25 churches who have found it to be so helpful in

1 12/6/00 - WHOLE - RES. 594

2 these challenging times.

3 Thank you so much for your time and
4 your interest in our concerns.

5 COUNCIL PRESIDENT VERNA: Christine, I
6 know of all of the wonderful, wonderful work that
7 you do, and I want to publicly thank you. I think
8 you do a fabulous job.

9 I just want everybody to know that as
10 we're considering this resolution, once City
11 Council passes it and it goes on the referendum,
12 everybody's going to have to make sure that they
13 go out on Election Day and vote in favor of it.

14 (Applause.)

15 COUNCIL PRESIDENT VERNA: I mean, our
16 doing this today is just the first step. The
17 second and final step will be up to you to make
18 sure that that is passed.

19 MS. MCMENAMIN: Well, I can assure you
20 that the Southwest will be out there.

21 COUNCIL PRESIDENT VERNA: Christine, I
22 have to doubt about. Thank you.

23 MS. MCMENAMIN: Thank you.

24 COUNCIL PRESIDENT VERNA: Do we have
25 any other witnesses to testify on this resolution?

1 12/6/00 - WHOLE - PUBLIC MEETING

2 Any other witnesses to testify?

3 (No response.)

4 COUNCIL PRESIDENT Verna: Seeing none,
5 this will conclude the public hearing

6 - - -

7 COUNCIL PRESIDENT Verna: We will now
8 go into our public meeting regarding Bill No. 342
9 and the Chair recognizes Councilwoman Blackwell.

10 COUNCILWOMAN BLACKWELL: Thank you,
11 Madam President. We're reporting this out of
12 committee?

13 Thank you. I move that Bill 342 be
14 reported out of committee --

15 COUNCILMAN KENNEY: There's amendments.

16 COUNCIL PRESIDENT Verna: Pardon me?

17 COUNCILMAN KENNEY: There's amendments.

18 COUNCIL PRESIDENT Verna: Oh, the
19 amendments.

20 COUNCILWOMAN BLACKWELL: Madam
21 President, I move that the amendments to Bill 342
22 be approved.

23 (Duly seconded.)

24 COUNCIL PRESIDENT Verna: It has been
25 moved and properly seconded that the amendments as

1 12/6/00 - WHOLE - PUBLIC MEETING

2 presented be approved.

3 All in favor will signify by saying
4 aye.

5 Those opposed?

6 The ayes have it and the amendment has
7 been adopted.

8 The Chair recognizes Councilwoman
9 Blackwell.

10 COUNCILWOMAN BLACKWELL: Thank you,
11 Madam President. I move that Bill 342, as
12 amended, be reported out of committee with a
13 favorable recommendation. Do we need a suspension
14 of the rules? And also that the rules of Council
15 be suspended so as to permit consideration at our
16 next session of.

17 (Duly seconded.)

18 COUNCIL PRESIDENT VERNA: It has been
19 moved and properly seconded that Bill No. 342, as
20 amended, be reported out of committee with a
21 favorable recommendation and also a recommendation
22 that the rules of Council be suspended so as to
23 permit first reading at our next session of
24 Council.

25 All those in favor will signify by

1 12/6/00 - WHOLE - PUBLIC MEETING

2 saying aye.

3 Those opposed?

4 The ayes have it and the motion is
5 carried.

6 The Chair recognizes Councilman Mariano
7 regarding Resolution No. 594.

8 COUNCILMAN MARIANO: Madam President, I
9 move for the adoption of this resolution.

10 (Duly seconded.)

11 COUNCIL PRESIDENT Verna: It has been
12 moved and properly seconded that Resolution No.
13 594 be reported out of committee with a favorable
14 recommendation.

15 All those in favor will signify by
16 saying aye.

17 Those opposed?

18 The ayes have it and Resolution 594 has
19 been approved.

20 (Applause.)

21 COUNCIL PRESIDENT Verna: I would also
22 like the record to note that all of the other
23 bills that were read in the beginning of the
24 hearing regarding the stadium issues are recessed
25 until 9 a.m. tomorrow morning.

1 12/6/00 - WHOLE - PUBLIC MEETING

2 (Adjourned at 11:25 a.m.)

3 - - -

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

C E R T I F I C A T E

I HEREBY CERTIFY that the foregoing
proceedings of the Council of the City of
Philadelphia of Wednesday, December 6, 2000, were
reported fully and accurately by me, and that this
is a correct transcript of same.

RE: COUNCIL COMMITTEE OF THE WHOLE

BILL NO. 000342, RESOLUTION NO. 000594

_____,
JOSEPHINE CARDILLO,
Registered Professional Reporter