

PENNSYLVANIA INTERGOVERNMENTAL COOPERATION AUTHORITY

Minutes of the Special Meeting of the Board

December 7, 2018

The special meeting of the Board of Directors of the Pennsylvania Intergovernmental Cooperation Authority (“PICA”) was held on Friday, December 7, 2018 in the PICA board room located at 1500 Walnut Street, 16th Floor, Philadelphia, Pennsylvania.

Attendees

Board: Kevin Vaughan, Alan Kessler, James Cawley (*via telephone*), Tina Byles Williams (*via telephone*), Michael Karp (*via telephone*), Robert A. Dubow (*ex officio*), and Chelsea Guzowski (*ex officio, alt. for Randy Albright*) (*via telephone*).

Staff: Harvey M. Rice, Gus Tsakos, Dora Ward, Daniel Esposito, and Deidre Morgenstern.

Invited Guests: S. William Richter, Esq. Reed Smith, LLP (*via telephone*); Anna Adams, Office of Budget and Program Evaluation; Jackie Dunn, Office of the Director of Finance.

Call to Order

Mr. Vaughan called the meeting to order at 12:05 p.m.

Approval of Minutes

Mr. Kessler made a motion to approve the minutes from the meeting of October 16, 2018. Ms. Williams seconded the motion. The motion passed by a vote of 4-0.

Executive Director’s Report

Mr. Rice stated that the November investment yield was near 3 percent and as maturity dates approach, will continue to increase.

Mr. Rice informed the Board that PICA staff issued a quarterly report, annual overtime report, and monthly revenue report since the last Board meeting. Mr. Rice added that the Police court overtime study commenced, as well.

Mr. Karp entered the meeting at 12:10 p.m.

Mr. Rice pointed the Board’s attention to the appeals report in their binder. There were less appeals filed, 8,400, than the anticipated 10,000.

Mr. Rice also prepared a staff report on the revised Five Year Plan, which was also provided to the Board.

Treasurer's Report

Mr. Rice stated that the only changes were reflective of an invoice for professional services from PICA's economist.

Bank Reconciliation Update from City

The task force update memo was previously emailed to the Board members. There were no questions or comments regarding the update.

Resolution #5 – Five Year Plan Revision

There was a Five Year Plan revision prompted by a District Council 33 (DC 33) reopener agreement relating to health and welfare costs, which were \$28 million above the currently approved Plan.

Discussion arose of the higher than originally projected fund balance for the previous fiscal year and ensuing contributions to pensions and the rainy day fund. Mr. Dubow explained that \$60 million of this higher fund balance would go to the pension fund, \$30 million would go to capital pay-as-you-go costs, and \$20 million would go to the rainy day fund. However, he clarified that City Council would need to approve a change to the City Charter before money could be moved into the rainy day fund mid-year.

The Board also discussed the economic outlook and agreed that Mr. Rice could contact PICA's economist for an update.

Mr. Kessler made a motion to approve the Revised Plan, and Mr. Cawley seconded the motion. The Board unanimously approved the Revised Plan in a voice vote, 5-0.

New Business

Mr. Vaughan informed the Board that the next meeting in January would have to be rescheduled, due to the Governor's inauguration, with a tentative date of January 22nd.

Public Comment

None.

Adjournment/Recess

Mr. Vaughan dismissed the meeting.