

# PENNSYLVANIA INTERGOVERNMENTAL COOPERATION AUTHORITY

## Minutes of the Meeting of the Board

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October 20, 2015

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The meeting of the Board of Directors of the Pennsylvania Intergovernmental Cooperation Authority ("PICA") was held on Tuesday, October 20, 2015 in the PICA Board Room located at 1500 Walnut Street, 16<sup>th</sup> Floor, Philadelphia, Pennsylvania.

### Attendees

Board: Suzanne Biemiller (*via telephone*), Michael A. Karp (*via telephone*), Alan Kessler, Joseph McColgon (*via telephone*), Gregory S. Rost, Robert A. Dubow (*ex officio*) and Sharon Ward, Director, Governor's Budget Office (*via telephone, ex officio*).

Staff: Harvey M. Rice, Stephen Camp-Landis, Deidre Morgenstern, and Dora Ward.

Invited Guests: S. William Richter, Esq., Reed Smith, LLP; Anna Adams, Chief of Staff, Director of Finance.

### Call to Order

Ms. Biemiller called the meeting to order at 12:15 p.m.

### Approval of Minutes

Mr. Rost made a motion to approve the minutes from the meeting of September 22, 2015. Mr. McColgon seconded the motion. The motion passed 3-0.

### Executive Director's Report

Mr. Rice reported that the annual audit report will be issued next month, and that PICA staff is currently working on the MDNA. PICA staff also recently issued the monthly revenue report for September and is working on its performance report on City agencies.

Mr. Rice stated that the investment fund manager is able to come in for a 6 month review in January, 2016, if the Board would like to hear feedback.

PICA staff recently met with Standard & Poor's to answer the rating agency's questions about the City's reliance on legal basis budgeting rather than GAAP. S&P asked PICA staff if they are

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comfortable with the current method of reporting and with labor projections in the Five Year Plan. PICA staff is awaiting a response from S&P following this conversation.

Finally, PICA staff has also been busy working with the Board of Revision of Taxes (BRT) and Office of Property Assessment (OPA) on establishing progress on reassessment appeals. Mr. Rost commented that he needed time to review the data provided about the appeals. Mr. Karp observed that the BRT will likely not complete appeals before the end of the year and suggested hiring outside contractors to expedite the process. Mr. Kessler agreed outside help seemed necessary. Mr. Dubow and Ms. Adams explained that the City has provided BRT with all funds required to pay temp employees, as requested in the past.

Ms. Biemiller stated that the appeal delays are a “frustration” and that there should be more urgency to complete the outstanding hearings. Mr. Rost added he would like to request an explanation from the BRT on the slowdown in hearings between 2014 and 2015. Mr. Dubow commented that appeal delays, resulting in delayed revenues, impact the School District seriously, in particular, when state funding is uncertain. Mr. Karp asked whether the School District can borrow tax anticipation notes for the revenue, and Mr. Dubow answered that it can do so based only on its cash flow expectations. Mr. Rice stated he could draft a letter to the BRT on behalf of the PICA Board addressing concerns over the remaining appeals.

### **Treasurer’s Report**

Mr. Rice stated that year-to-date expenditures are below the current budget and are below last year’s budget as well.

### **Pope Visit**

Ms. Biemiller asked for an update on the Pope’s visit costs from the City. Mr. Dubow responded that the departments are gathering this information and that it would be submitted to Finance this week. Ms. Ward commented that the Commonwealth is undergoing the same process, under a similar timeframe.

### **New Business**

Mr. Rost asked how PICA normally handles transitions of incoming mayors. Mr. Dubow responded that this varies by administration and PICA directorship. Mr. Rice explained he was compiling materials for the new mayor and has been in touch with current candidates.

### **Public Comment**

No Public Comment.

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**Adjournment**

Mr. Rost made the motion to adjourn, Mr. Kessler seconded, and the motion passed 5-0.