



For Immediate Release
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PICA Board Unanimously Approves City's FY2019-FY2023 Five Year Plan *Kevin Vaughan Re-elected Chair of PICA Board*

July 25, 2018—The Board of the Pennsylvania Intergovernmental Cooperation Authority (“PICA”) today unanimously approved the *City of Philadelphia’s Five Year Plan for Fiscal Years 2019-2023* (the “Plan”). In approving the Plan, the Board held that the assumptions and estimates in the City’s Plan were reasonable and appropriate, and that the Plan projects positive year-end fund balances for the next five fiscal years.

PICA Staff recommended approval of the Plan, based on the following:

- Revenue and expenditure projections are reasonable and appropriate, as required by the PICA Act.
- The City’s revenue collections continue to outpace projections. According to preliminary revenue data, FY2018 tax revenues will surpass both the prior year’s actual totals, and the originally projected amounts, for almost all taxes.
- For FY2018, the Plan projects a year end fund balance of \$228.5 million, representing an almost 21 percent increase from FY2017.
- The City continues to benefit from the continued economic expansion experienced since the end of the recession.

Although PICA is confident that the Plan is based on reasonable and appropriate assumptions, projected year end Fund balances, while positive, are lower than in recent plans. PICA has identified certain factors that might present risks to the Plan:

- The possibility of an economic recession over the Plan period,
- Bank reconciliation deficiencies in the City’s Office of the Treasurer,
- Funding of the now locally controlled School District of Philadelphia,
- Real Estate Transfer Tax projected growth, and
- Costs of funding increasing pension liabilities.

In addition, the election for officers of the PICA Board was held, with Kevin Vaughan being re-elected Chair, Alan C. Kessler being elected Vice Chair, Michael Karp being elected Treasurer/Secretary and James F. Cawley being elected Assistant Treasurer/Secretary.

For the full report click [here](#) or visit www.picapa.org.



Pennsylvania Intergovernmental Cooperation Authority

Financial Oversight for the City of Philadelphia

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