



Pennsylvania Intergovernmental
Cooperation Authority

1500 Walnut Street, Suite 1600, Philadelphia PA 19102
215-561-9160 • www.picapa.org

November 23, 2020

Mr. Rob Dubow
Finance Director
City of Philadelphia
Municipal Services Building, Suite 1300
1401 JFK Boulevard
Philadelphia, PA 19102

RE: FY2021-FY2025 Five Year Plan Fund Balance

Dear Rob,

Attached please find our analysis on the City of Philadelphia's Quarterly City Managers Report (QCMR) for the period ending September 30, 2020 (1st Quarter).

As indicated in our review, the FY2021 General Fund yearend fund balance is now projected to be \$22.8 million. This projected fund balance represents a \$28.4 million drop from the \$51.3 million projected in the FY2021-FY2025 Five Year Plan, which was approved by the PICA Board on July 21, 2020.

Considering the resurgence of COVID-19 and the recent restrictions placed by the City on its residents and businesses, this \$22.8 million fund balance is precariously low. While not rising to the level of a variance which would require the City to submit a Revised Plan, we are concerned that because of the recent restrictions and potential loss of revenues, as well as any unforeseen events that might occur, the fund balance could be depleted even further if not completely exhausted by the end of FY2021.

Therefore, we strongly urge you to consider implementing the contingency plan outlined in the City's FY2021-FY2025 Five Year Plan Addendum.

Sincerely,

Harvey Rice
Executive Director