

PENNSYLVANIA INTERGOVERNMENTAL COOPERATION AUTHORITY

Resolution No. 14
June 16, 2020

WHEREAS, pursuant to the Pennsylvania Intergovernmental Cooperation Authority Act for Cities of the First Class (the Act of June 5, 1991, P.L. 9, No. 6, as amended) (the "Act"), and under the Intergovernmental Cooperation Agreement, dated as of January 8, 1992 (the "Cooperation Agreement"), between the Pennsylvania Intergovernmental Cooperation Authority (the "Authority") and the City of Philadelphia, Pennsylvania (the "City"), the City is required to submit a revision to its current five-year financial plan whenever the City enters into a new labor agreement that is not in compliance with such Plan; and

WHEREAS the City has entered into certain new labor agreements (the "New Labor Contracts") which are not in compliance with the City's currently approved five-year financial plan for fiscal years 2020-2024 (the "Current Plan"); and

WHEREAS, the Authority previously approved, at the request of the City, a limited deferral of the City's obligation to submit the required revision to the Current Plan, which deferral expired on June 12, 2020; and

WHEREAS, the City has represented and demonstrated to the Authority that the New Labor Contracts will not adversely affect the City's compliance with the first year of the Current Plan (i.e., its current fiscal year ending June 30, 2020) but has requested that the Authority approve an additional deferral of its obligation to submit a revision to the Current Plan considering that the remaining years of the Current Plan, and the New Labor Contracts, will be covered by the new five-year financial plan of the City for fiscal years 2021-2025 (the "New Plan") that the City expects to deliver to the Authority by the end of the month; and

WHEREAS, the City has also represented to the Authority that there has been a change in City Council's schedule regarding Council's consideration of the City's operating budget for fiscal year 2021, and that accordingly any revision to the Current Plan submitted to the Authority now, prior to City Council's approval of the final operating budget for next fiscal year, will almost certainly differ from the New Plan with regard to the overlapping fiscal years of the Current Plan and the New Plan; and

WHEREAS, in light of the foregoing, and after consultation with the Authority's General Counsel, the Authority has determined (i) that it would not be in the best interest of the

Authority or the City to require the City to submit a revision to the Current Plan prior to delivery of the New Plan, (ii) that the City's request is reasonable under all of the circumstances, and (iii) that this course of action is consistent with the proper performance by the Authority of its duties and responsibilities under the Act;

NOW THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The Authority hereby finds and determines that, based on all of the facts and circumstances, it is in the best interest of the Authority and the City to permit the City to submit the New Plan in satisfaction of its obligation to revise the Current Plan due to the New Labor Contracts. The Authority hereby approves, as reasonable, the City's request to defer the City's submission of a revision to the Current Plan until the City submits the New Plan, and the Authority agrees and declares that the submission of the New Plan and the Authority's consideration thereof shall be deemed to satisfy the obligation of City to submit a revision to the Current Plan on account of the New Labor Contracts and the obligation of the Authority to review such revision to the Current Plan. For clarity, nothing in this Resolution shall be deemed to constitute a waiver by the Authority of any requirements of the City under the Act or the Cooperation Agreement with respect to the substance or contents of the required revision of the Current Plan or a waiver of any requirements of the City under the Act or the Cooperation Agreement with respect to the delivery, substance or contents of the New Plan.

2. All prior resolutions or parts of prior resolutions not in accordance with this Resolution are hereby repealed insofar as they conflict herewith.

3. This Resolution shall take effect immediately.

MOVED:

SECONDED:

APPROVED:

Qualified Majority Required: Y X N _____

Vote:	<u>YES</u>	<u>NO</u>	<u>ABSTAIN</u>
Cawley	_____	_____	_____
Karp	_____	_____	_____
Kessler	_____	_____	_____
Vaughan	_____	_____	_____
Williams	_____	_____	_____