

# PENNSYLVANIA INTERGOVERNMENTAL COOPERATION AUTHORITY

## Minutes of the Meeting of the Board

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April 18, 2023

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The meeting of the Board of Directors of the Pennsylvania Intergovernmental Cooperation Authority (“PICA”) was held on Tuesday April 18, 2023, in the PICA board room located at 1500 Walnut Street, 16th Floor, Philadelphia, Pennsylvania.

### Attendees

Board: Kevin Vaughan, Alan Kessler, Esq. (via Zoom), Rosalind W. Sutch, CPA, MT, Michael Karp (via telephone), Rob Dubow (*ex officio*) (via Zoom), Uri Monson (*ex officio*) (via Zoom), Natalie Krug (*alternate ex officio*) (via Zoom)

Staff: Harvey M. Rice, Rob Call and Deidre Morgenstern

Invited Guests: S. William Richter, Esq., Reed Smith, LLP, Sabrina Maynard, Office of Budget and Program Evaluation (via Zoom)

### Call to Order

Mr. Vaughan called the meeting to order at 12:20 p.m.

### Approval of Minutes

Mr. Karp made a motion to approve the minutes from the meetings of January 25th, and January 10th, 2023. Mr. Kessler seconded the motion. The motion passed 4-0.

### Executive Director’s Report

Mr. Rice welcomed PICA’s new board member, Rosalind W. Sutch, CPA, MT. Mr. Rice stated that Senate President Pro Tempore Kim Ward appointed Pat Burns to the PICA Board, but he was unable to attend today’s meeting. Mr. Rice advised the board that the PICA staff has two new members, Rob Call, Deputy Executive Director, and Suzanne Staherski, Director of Policy and Analysis. Mr. Call began working with PICA in February and Ms. Staherski will begin working with PICA on May 1<sup>st</sup>. Mr. Rice thanked the board for their cooperation and consideration during this process. Mr. Karp asked Mr. Rice to distribute the resumes of the new staff members to the board.

Mr. Rice stated that PICA’s annual economists conference was held in February. The conference was highly informative, and well-attended. Mr. Rice added that he also presented at both Fels Institute of Government and Temple University.

Mr. Rice continued stating that PICA staff released the staff report on the second quarter QCMR, the February tax revenue report and March obligations report. The staff also released the March and February overtime updates. Mr. Rice provided a synopsis of the reports for the board.

Mr. Rice stated that PICA's return on investments continues to be low due to the current market environment, but both accounts are rebounding.

Mr. Rice reminded board members that the deadline to file 2022 financial interests forms is May 1st. Mr. Kessler requested a copy of the forms as well as a copy of his previous year's filing.

### **Treasurer's Report**

Mr. Rice stated that PICA spending is 61% percent of the approved budget. Spending is slightly higher than in the same period last year due to expenses for job postings and a legal opinion.

### **Resolution No. 2023 - 09 – Recognition of T. Roderick Henkels**

Mr. Vaughan announced a resolution thanking Mr. Henkels for his service as a PICA Board member. Mr. Rice recited the resolution for the record.

Mr. Kessler made a motion to approve the resolution, and Mr. Karp seconded the motion. The motion passed 4-0.

### **Resolution No. 2023 - 10 – Recognition of Courtney Richardson, Esquire**

Mr. Vaughan announced a resolution thanking Ms. Richardson for her service as a PICA Board member. Mr. Rice recited the resolution for the record.

Mr. Karp made a motion to approve the resolution, and Ms. Sutch seconded the motion. The motion passed 4-0.

### **Resolution No. 2023 - 11 – FY2024-FY2028 Five Year Plan Revenue Analysis Services**

Mr. Rice explained that this resolution is authorization to contract with Mr. Charles Swanson, Ph.D., for consulting services as part of the review of the City's FY2024-2028 Five Year Plan. Mr. Rice explained that Mr. Swanson's economic expertise and detailed analysis of tax revenue projections assures that the Authority is fulfilling its role in providing independent oversight, as well as performing its due diligence. Mr. Rice added that the cost for this contract is approximately \$9,000.

Mr. Karp made a motion to approve the resolution. Ms. Such seconded the motion. The motion passed 4-0.

Ms. Sabrina Maynard joined the meeting at 1:05 pm.

Mr. Dubow introduced Ms. Maynard to the board and advised that Ms. Maynard assumed the position of City budget director following Marisa Waxman's resignation.

Mr. Dubow and members of the Finance Department delivered a slide presentation detailing the City's Proposed FY2024-FY2028 Five Year Plan. A discussion regarding the City's presentation ensued.

Ms. Sutch asked if the budget accounts for retention costs. Mr. Dubow answered that they do not. Mr. Kessler inquired as to the savings on staff vacancies versus overtime costs. Mr. Dubow answered that

**Pennsylvania Intergovernmental Cooperation Authority**

**Tuesday, April 18, 2023**

**Page 3**

there is a vacancy allowance of \$110 million. He stated that he will provide the difference in overtime costs. Mr. Kessler asked if a plan is in place when the ARPA funds are depleted and investments occur. Mr. Dubow answered that 2027 and 2028 are in relative balance. He added that the projected funds will cover investments once funding is depleted.

Ms. Sutch asked if the costs of supplies are included in the projections. Mr. Dubow answered that \$30 million is reserved for cost increases.

Mr. Vaughan inquired as to the revamping of City vehicles to electric. Mr. Dubow answered that they are mostly the Department of Licenses & Inspections vehicles. He added that he will provide this information.

Mr. Vaughan stated that the main library branch is still open only five days a week as opposed to six days a week. Mr. Dubow answered that this schedule will change from Monday through Friday to Tuesday through Saturday.

Mr. Vaughan thanked Mr. Dubow for the presentation.

**Overtime Update**

Mr. Rice stated that PICA Staff will issue the quarterly overtime report this week.

Mr. Rice advised the board that PICA staff's overtime report indicates that the City's overtime spending through March is approximately 88% of the annual allocation. The departments exceeding their overtime allocations: Police; Behavioral Health Department; District Attorney's Office, overtime costs are not reimbursed; Department of Records, overtime usage is due to the backlog of processing Realty Transfer Tax collections; Public Property, employees are on standby and Sheriff Department due to understaffing. Mr. Kessler asked if the excessive costs are all due to understaffing. Mr. Rice stated that these departments will have the opportunity to further explain the excess in overtime usage during the five year plan departmental meetings. He also added that PICA staff will have a formula in place to acquire this data.

**New Business**

None

**Public Comment**

None

**Adjournment**

Ms. Sutch made a motion to adjourn. Mr. Kessler seconded the motion. The motion passed 4-0.

The meeting was adjourned at 1:30 p.m.