

# PENNSYLVANIA INTERGOVERNMENTAL COOPERATION AUTHORITY

## Minutes of the Meeting of the Board

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June 20, 2023

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The meeting of the Board of Directors of the Pennsylvania Intergovernmental Cooperation Authority (“PICA”) was held on Tuesday June 20, 2023, in the PICA board room located at 1500 Walnut Street, 16th Floor, Philadelphia, Pennsylvania.

### Attendees

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

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

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

### Call to Order

Mr. Vaughan called the meeting to order at 12:16 p.m.

### Approval of Minutes

Mr. Kessler made a motion to approve the minutes from the special meeting of June 8, 2023. Ms. Sutch seconded the motion. The motion passed 5-0.

### Executive Director’s Report

Mr. Rice stated that PICA has been working on the City Account Deposit and Disbursement Agreement, the Staffing and Overtime Report, and the May overtime update. He also stated that he is working with PICA’s Trustee on the closure of the trust accounts. Mr. Rice added that PICA issued an RFP for depository banking services for the continued transfer of PICA Tax revenue to the City account.

Mr. Vaughan requested a discussion on the responses from banks regarding the new depository account.

Mr. Rice explained that PICA received four responses to the RFP. The applicants are US Bank, Wells Fargo, Firsttrust and First National Bank. Of the four banks that responded, two were listed on the Commonwealth of Pennsylvania’s approved financial institutions list and two were not. PICA staff reviewed and presented a score sheet for all applicants. Subsequently, Mr. Rice recommended the board select Wells Fargo. This selection is based on a seamless transition since Wells Fargo currently holds the Authority’s operating fund account, is a large, secure institution and is also listed on the Commonwealth’s approved financial institutions list. A discussion ensued regarding the choice of financial institution.

Mr. Karp stated that Firsttrust Bank is an excellent financial institution with exceptional operations. He added that they provide more benefits and are a local institution. Mr. Vaughan noted that Firsttrust Bank is not on the Commonwealth's approved financial institutions list. Mr. Burns asked what percent of interest PICA receives from its current Wells Fargo account. Mr. Rice confirmed that it was essentially zero. Mr. Burns stated that it is common for most banks to provide five percent interest. Mr. Kessler stated that the Authority should support a local institution with the best interest rate. Ms. Sutch inquired as to the importance of the Commonwealth's approved institutions list. Mr. Rice explained that inclusion on the list is not mandatory. Ms. Sutch agreed that Firsttrust Bank is a good option. Mr. Richter asked if Firsttrust Bank meets collateral obligations. Mr. Rice answered in the affirmative.

### **Resolution No. 2023 – 14 – Depository Banking Services**

Mr. Burns made a motion to approve the selection of Firsttrust Bank for the Authority's depository banking services, and Mr. Karp seconded the motion. The motion passed 5-0.

### **Resolution No. 2023 – 15 – City Account Deposit and Disbursement Agreement**

Mr. Rice explained that this resolution only pertains to retaining US Bank in the interim.

Ms. Sutch made a motion to approve the resolution. Mr. Kessler seconded. The motion passed 5-0.

Mr. Vaughan recommended that the Authority issue an RFP for legal counsel services within the next week. A discussion ensued regarding the issuance of this RFP. Ms. Sutch and Mr. Burns agreed that submission of an RFP for legal services is prudent. Mr. Vaughan stated that the Authority will move forward in issuing the RFP. Mr. Rice stated that the board would receive the RFP within the next week.

### **Overtime Update**

Mr. Rice stated that PICA Staff completed the Staffing and Overtime Report and the May overtime update. Mr. Rice stated that the City's staffing level is approximately 80 percent, with the same departments exceeding their overtime allocations. Mr. Rice provided a synopsis of the reports for the board.

Mr. Kessler asked how the approximate 80 percent staffing level of the City compares to the prior two years. Mr. Dubow explained that the budget considers a staffing level above ninety percent. The proposed budget includes allocations for public safety, the expansion of benefits, including free public transportation, hiring bonuses, the expansion of parental leave and an additional \$3 million for the Police Department. Mr. Burns inquired as to the source of these allocations. Mr. Dubow replied that they received input from City Council and the unions. Mr. Burns suggested that social media would be effective. Mr. Dubow answered that funds are also allocated for marketing. Mr. Kessler asked if relaxing the residency requirement is possible. Mr. Dubow answered that it may be possible, but this issue will fall under the new administration. A discussion ensued regarding departments' specific overtime and staffing numbers.

Mr. Rice stated that PICA staff was advised during departmental meetings that the Records Department's overtime usage should decline in July after dealing with a backlog of real estate deed processing during the pandemic. Mr. Rice added that the Department of Fleet Services is coping with a large demand in vehicle maintenance. The Streets Department's overtime usage is improving. The District Attorney's Office staffing level is 100 percent, and annual costs will decline with reimbursements. Mr. Rice stated that PICA staff will meet with the departments again if there is no change in the overtime usage. Mr. Kessler requested a footnote in future reports on departmental meetings. Mr. Vaughan stated that all board members were notified of the departmental meetings schedule and that the meetings are highly informative. Mr. Vaughan requested that Mr. Rice provide a summary of the meetings to the board. Mr. Burns inquired as to the City Commissioner's overtime usage. Mr. Rice stated that this increase is the result of two main drivers: the implementation of a new electronic poll book system and less funding from the state. Ms. Sutch asked if budgeting for overtime usage has improved. Mr. Dubow stated that the City is still within budget. Mr. Karp asked if the Prisons Department overtime usage is declining. Mr. Dubow answered that overtime usage increased from last year but is significantly lower than previous years.

**New Business**

None

**Public Comment**

None

**Adjournment**

Mr. Karp made a motion to adjourn. Ms. Sutch seconded the motion. The motion passed 5-0.

The meeting was adjourned at 12:47 p.m.