PENNSYLVANIA INTERGOVERNMENTAL COOPERATION AUTHORITY

Minutes of the Annual Meeting of the Board

July 28, 2025

The annual meeting of the Board of Directors of the Pennsylvania Intergovernmental Cooperation Authority (PICA) was held on Monday, July 28, 2025, in the PICA board room located at 1500 Walnut Street, 16th Floor, Philadelphia, Pennsylvania.

Attendees

Board: Kevin Vaughan*,* Alan Kessler, Esq. (via Zoom), Michael Karp (via telephone), Rosalind W. Sutch, CPA, MT, (via Zoom), Rob Dubow *(ex officio)* (via Zoom), Sabrina Maynard, Budget Director *(alternate ex officio)* (via Zoom)

Staff: Marisa Waxman, Rob Call, Octavia Geiger, and Deidre Morgenstern

Invited Guests: Kate McGlinchey, Chief of Staff and Deputy Director of Finance (via Zoom), Colin Stayna-Wynter, City Council, Christina Kuhlmeier, City Council, Frank Iannuzzi, Esq., City Controller’s Office (via Zoom), Madison Griffin, City Controller’s Office (via Zoom), Marcel Pratt, Esq., Ballard Spahr

Call to Order

Mr. Vaughan called the meeting to order at 11:06 a.m.

Mr. Vaughan stated that today’s annual meeting will be truncated due to Board members attending remotely from out of state and international locations. He noted that the Board members have previously received and reviewed the PICA Staff Report on the City’s FY26-30 Five-Year Financial Plan.

Approval of Minutes

Mr. Kessler made a motion to approve the minutes from the meeting of June 17, 2025. Mr. Karp seconded the motion. The motion passed 4-0.

Public Comment

None

Ms. Waxman stated that today’s agenda includes a resolution for the approval of the City’s FY26-30 Five-Year Plan. Ms. Waxman added that the PICA staff, along with its economic consultant, through their thorough analysis, have found the projections in the Plan to be reasonable and appropriate, in accordance with the PICA Act requirements. While PICA recommends approval, Ms. Waxman noted that there are some risks to the Plan that are identified in the PICA Staff Report, such as staffing challenges, pension and labor costs, incompletely scoped budgets, and potential funding shortfalls due to economic downturns and changes to federal policies and funding.

Mr. Kessler stated that due to the truncated format of today's meeting, he will not be providing his standard line of questioning. He would however like to commend the Administration's dedication to maintaining the City's fiscal health, stability, and responsible budgeting. Mr. Kessler also congratulated the Mayor and the Administration on their handling of contract negotiations with District Council 33, bringing the strike to a conclusion with a fiscally responsible contract.

Ms. Sutch stated that she echoes Mr. Kessler's comments, and added that she would like the Plan to more fully account for the Administration's additional initiatives. The Five-Year Plan should reflect costs for the full scope of initiatives and plan for the unexpected.

Mr. Karp inquired as to future labor contract agreements. Mr. Dubow shared that there is $350 million remaining in the Labor Reserve with contracts for Police, Fire, and Corrections Officers outstanding. Mr. Dubow added that if the Labor Reserve funds are insufficient, the City will advise PICA of the resources used to cover additional costs and ensure compliance with the PICA Act.

Mr. Karp inquired as to the budgeting for vacant personnel positions. Mr. Dubow answered that staff shortages are a nationwide problem. There are approximately 4,400 vacant positions, but the Plan includes vacancy allowance and thus does not assume that all positions will be filled. Mr. Karp asked if the Plan includes funding for 3,000 to 4,000 positions, rather than the full extent of vacancies. Mr. Dubow stated that further analysis will be required for this specific information.

Mr. Karp inquired as to additional funding for the School District of Philadelphia and SEPTA. Mr. Dubow answered that the funding for the School District, which includes an increase in parking meter rates, will increase funding for the schools by $4 million a year and a legislative shift of half a percent of millage will generate $12 million starting in fiscal year 2030. He added that the Plan also includes a $134 million local match for SEPTA based on the state's proposed funding level. He stated that the City cannot resolve SEPTA's challenges without state intervention.

Mr. Karp and Mr. Vaughan also applauded the Administration's contract negotiations and expressed their admiration for resolution of the strike while not jeopardizing the City's fiscal stability.

Resolution 2026-01 – Consideration and Vote - FY2026-2030 Five-Year Plan

Mr. Vaughan made a motion to approve the resolution. Ms. Sutch seconded. The motion passed 4-0 in a roll call vote. Mr. Dubow thanked the PICA staff and the Board and committed to continuing working together.

Resolution 2026-03 – Approval of Accounting Services

Ms. Waxman recommended that the Board approve a one-year extension to the contract engaging J. Miller & Associates, LLC, to provide accounting services for the Authority. Ms. Waxman continued stating that PICA is very happy with their performance, noting their strong working relationship with PICA staff.

Mr. Vaughan made a motion to approve the resolution. Ms. Sutch seconded the motion. The motion passed 4-0 in a roll call vote.

Resolution 2026-04 – Consideration and Vote - Election of Board Officers

Mr. Vaughan proposed reappointing the current officers to the PICA Board for the upcoming fiscal year. The Board members agreed to this proposal. Ms. Vaughan made a motion to approve the resolution. Ms. Sutch seconded the motion. The motion passed 4-0 in a roll call vote.

Resolution 2026-05 – Consideration and Vote - FY26 Board Meeting Schedule and Annual Meeting of FY27

Mr. Vaughan made a motion to approve the resolution. Mr. Kessler seconded the motion. The motion passed 4-0 in a roll call vote.

Resolution 2026-02 – Approval of Audit Services

Ms. Waxman recommended that the Board approve a one-year extension to the contract engaging Maher Duessel to provide auditing services for the Authority.

Mr. Vaughan made a motion to approve the resolution. Mr. Karp seconded the motion. The motion passed 4-0 in a roll call vote.

Executive Director's Report

Ms. Waxman said that in the past month, PICA staff have concentrated on completion of the FY26-30 Five-Year Plan Staff Report.

Ms. Waxman added that PICA's audit is in progress, and staff will be working on the FY25 Annual Report. The City is scheduled to receive the completed report by October 2nd.

Treasurer's Report

PICA's spending through June was $1.27 million, 71 percent of the $1.78 million adopted FY25 operating budget. She added that there were notable underspends in salaries and benefits, reflecting one vacant staff position, and moving costs that were unnecessary.

Through June, the City received approximately $760 million in PICA Tax receipts.

> A portion of funds ($257,138.00) from voucher transmittal #50 processed June 13th, was disbursed to PICA's operating account to support its FY26 operations.

Adjournment

Mr. Karp made a motion to adjourn. Mr. Kessler seconded the motion.

The meeting was adjourned at 11:25 a.m.