PICA
Pennsylvania Intergovernmental Cooperation Authority

Adopted FY27 Budget

Budget: Fiscal Year Ending June 30, 2027

FY27 PICA Budget	
Revenues	
Interest Earnings	$50,000
Use of Existing Operating Account Surplus	$1,474,063
Transfer from PICA Tax	$468,937
Total Revenues	**$1,993,000**
Expenditures	
Personnel Costs	$1,075,000
Professional Services	$243,000
Additional Oversight Duties	$200,000
Rent	$110,000
Other	$105,000
Capital Outlay	$10,000
Total Expenditures	**$1,743,000**
Fund Balance	**$250,000**

Information Required to Be Submitted with the PICA Operating Budget *(as outlined in Section 206 of the PICA Act)*

- **Debt Service for Authority Bonds:** the total amount of debt service to become due on authority bonds for such ensuing fiscal year, including payments of interest and principal, maturity value or sinking fund payments.
  - **There are no outstanding bonds at this time.** PICA Special Tax Revenue Bonds (City of Philadelphia Program) have been fully paid as of June 30, 2023.
- **Amount Due Providers of Credit or Liquidity Facility:** the amount, if any, due to any provider of any credit or liquidity facility representing payments made by such provider as provided in the applicable resolution or trust indenture as a result of any previous failure of the authority to make any payment provided for in the applicable resolution or trust indenture, including any related reasonable interest, fees or charges so provided.
  - **There are no outstanding bonds at this time.** PICA has defeased all of its current variable rate debt. It is estimated that PICA will not need to make any payments to providers of Credit or Liquidity Facility.
- **Amount Required to Restore Debt Service Reserve Fund:** the amount, if any, required to restore the debt service reserve fund to the level required under section 313 and the resolution of the authority establishing such fund.
  - **There are no outstanding bonds at this time.** No amount has been budgeted.
- **Arbitrage Rate Requirements:** the amount, if any, required to be rebated to the United States to provide for continued Federal tax exemption for bonds of the authority.
  - **There are no outstanding bonds at this time.** No amount has been budgeted.

Additional FY27 Budget Information

Key Assumptions

- 5 full-time staff positions budgeted.
  - D. Morgenstern retires in June 2027.
- No new bond issuance.
  - A bond issuance would trigger costs for staff, financial advisors, bond counsel, underwriters…

Highlights

- 3.3% increase in expenditures ($55,000), driven by:
  - one-time personnel costs in FY27 (unused leave payout + 3 mo. dual incumbency).
  - resources for cyber and banking security consulting services.
- 74% of operating costs covered by existing surplus, remainder from interest earnings (3%) and PICA Tax Revenues (24%).
- Maintains a Fund Balance to ensure budget flexibility.

Detail of Estimated FY27 Expenditures

Note: Subcategories are reasonable estimates as of January 28, 2026, and subject to change during the fiscal year.

Personnel

$1,075,000

Annual Salaries $650K
Benefits $375K
Compensation Adj. $50K

Professional Services

$243,000

Audit/Accounting $75K
Legal $70K
IT Consulting $33K
IT Support $30K
Consulting/Research $20K
Trustee Fees $10K
Miscellaneous $5K

Oversight Duties

$200,000

Outside Expertise $200K

Rent

$110,000

Rent $110K

Other

$105,000

Computers/Software $25K
PICA Events $20K
Conference Attendance $20K
Dues & Education $10.5K
Advertising $7.5K
Printing/Copier $7.3K
Internet/Phone $5.2K
Subscriptions $3.5K
Office Supplies $2K
Bank Fees $1.5K
Postage $1K
Travel $1K
Miscellaneous $500

Capital Outlay

$10,000

Capital Outlay $10K

Revenue & Expenditure Trend Summary

PICA's Expenditures	FY25 Actual	FY26 Approved	FY27 Proposed	Inc/(Dec)
Personnel Costs	$847,088	$1,050,000	$1,075,000	$25,000
Professional Services	$155,188	$215,000	$243,000	$28,000
Additional Oversight Duties	$175,000	$200,000	$200,000	-
Rent	$79,224	$110,000	$110,000	-
Other	$68,258	$103,000	$105,00	$2,000
Capital Outlay	$71,216	$10,000	$10,000	-
Moving Expenses	$1,853	-	-	-
TOTAL	**$1,397,827**	**$1,688,000**	**$1,743,000**	**$55,000**
Fund Balance	$1,943,639	$286,960	$250,000	($36,960)

PICA's Revenues	FY25 Actual	FY26 Approved	FY27 Proposed	Inc/(Dec)
Interest Earnings	$129,574	$45,000	$50,000	$5,000
Existing Operating Account	$3,211,892	$1,667,196	$1,474,063	($193,133)
Transfer from PICA Tax	-	$257,138	$468,937	$211,799
TOTAL	**$3,341,466**	**$1,969,333**	**$1,993,000**	**$23,666**

**Total proposed FY27 revenue equal FY27 expenditures + target fund balance*