



Text File

Introduced: 12/9/2008

Bill No: 2008-0962, **Version:** 1

Committee: City Council

Status: Veto was Sustained

Resolution directing City Council, the Mayor and Controller to work with the Intergovernmental Cooperation Authority and the Act 47 Coordinators to develop and adopt an amended Act 47 Financial Recovery Plan for the City of Pittsburgh by no later than March 25, 2009.

Whereas, the City of Pittsburgh adopted its' original Act 47 Recovery Plan on June 29, 2004; and,

Whereas, the City was projected to have a deficit exceeding \$89 million dollars by the end of fiscal year 2007 and instead had a fund balance of \$89 million dollars; and,

Whereas, Mayor Luke Ravenstahl, upon resolution of Council, petitioned the Secretary of the Department of Community and Economic Development of the Commonwealth to exit Act 47 state oversight; and,

Whereas, On April 8, 2008, the Secretary held a hearing where this issue was discussed and public comment was taken; and,

Whereas, On July 16 2008, the Secretary decided that the City needed to remain in Act 47 state oversight; and,

Whereas, the Secretary cited the City's pension and post-retirement benefits obligations in addition to the City's debt service and a return to structural imbalances by 2011 as reasons for the City to remain in oversight; and,

Whereas, the Secretary further stated that "Pittsburgh needs an amended recovery plan that would provide a blueprint for it to exit Act 47 and address pending legacy costs of debt, pensions, post retirement benefits, workers compensation along with a long-term capital plan, while maintaining positive operating budgets well into the future."

Be it resolved that the Council of the City of Pittsburgh hereby enacts as follows:

Section 1. Council's Budget Director, the Director of Finance and the Controller are hereby directed to work collaboratively with the Intergovernmental Cooperation Authority and the Act 47 Coordinators to develop and adopt an amended five-year Financial Recovery Plan as directed by the Pennsylvania Department of Community and Economic Development.

Section 2. This amended five-year Financial Recovery Plan shall be enacted by no later than March 25, 2009.