



City of Pittsburgh

510 City-County Building
414 Grant Street
Pittsburgh, PA 15219

Text File

Introduced: 12/28/2010

Bill No: 2010-1248, **Version:** 2

Committee: City Council

Status: Veto was Overridden

Resolution requesting that the Intergovernmental Cooperation Authority authorize the transfer of all money in the City Restricted Debt Fund to the Comprehensive Municipal Pension Trust Fund for the new purpose of improving the cash position of the City of Pittsburgh's pension fund

WHEREAS, in 2008 the City of Pittsburgh (the City) wanted to set aside approximately \$45 million for the purpose of reducing the long-term legacy obligations of its taxpayers; and,

WHEREAS, on October 20, 2008 the Intergovernmental Cooperation Authority (ICA) approved the City's 2009-2013 Five Year Plan subject to the condition that the City would deposit \$45,370,743 into a restricted fund on or before December 31, 2008, which fund would be used, subject to mutual Agreement between the ICA, the Mayor, the Controller and the Council, solely to retire, redeem, or purchase certain outstanding bonds of the City, thereby reducing the City's long-term legacy obligations; and

WHEREAS, as of December 31, 2008, the City and the ICA established a restricted account within the Debt Service Reserve Fund called the "City of Pittsburgh Restricted Debt Fund" (the Fund) and transferred \$45,370,743 into the Fund; and,

WHEREAS, the money in the Fund may be transferred only with the written consent of the ICA, the Mayor, the Controller and the Council; and,

WHEREAS, in 2010 the City of Pittsburgh must comply with Pennsylvania Act 44 of 2009 by creating a revenue stream that will provide a minimum of 50% funding of the Comprehensive Municipal Trust Fund of Pittsburgh by January 1, 2011, or in the alternative, the City's pension fund would be taken over by Pennsylvania Municipal Retirement System (PMRS); and,

WHEREAS, in other legislation the Council is simultaneously dedicating irrevocably revenue to the Comprehensive Municipal Pension Trust Fund between 2011 and 2041 for the purpose of providing adequate funding for the City's existing pension obligations; and,

WHEREAS, the Council also intends to deposit the money in the Fund to the Comprehensive Municipal Pension Trust Fund to reduce further long-term obligations of the taxpayers and enhance further the cash position of the Comprehensive Municipal Pension Trust Fund,

Be it resolved by the Council of the City of Pittsburgh as follows:

Section 1. That it requests the Intergovernmental Cooperation Authority work with the Mayor, the Controller and the Council to authorize the transfer of the money currently available in the Fund and dedicate it

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irrevocably to the Comprehensive Municipal Pension Trust Fund on or before December 31, 2010.

Section 2. That the Clerk of the City immediately transmit this request to the Intergovernmental Cooperation Authority for its consideration.