

Respectfully submitted this 30th day of September, 2014



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Date: September 30, 2014
To: The Honorable Bonnie Brigance Leadbetter
From:  Fred A. Reddig, Coordinator
Re: Update on Receiver's Plan Implementation

I am pleased to provide the Court with the quarterly update on the status of the implementation of the Receiver's Recovery Plan as confirmed by the Court on March 9, 2012 and on the Modified Plan filed with the Court on August 26, 2013 and subsequent to the Court's September 19 hearing, confirmed on September 23, 2013. This will be my third report to the Court since my appointment by DCED Secretary Walker as Coordinator effective March 1, 2014.

This memorandum, supported by the accompanying attachments, provides the Court with a summary of actions that have occurred and issues that are involved with the continued implementation of the confirmed Harrisburg Strong Plan over the third quarter of 2014.

Office of the Receiver/Coordinator

Given that the Fiscal Emergency declared in October 2011 by Governor Corbett has now been alleviated, the Department of Community and Economic Development on January 16, 2014 filed an application to vacate the Receivership and return the City to the underlying provisions of Act 47. Following review by the Court, your honor issued an order on February 25, 2014 to vacate the Office of the Receiver and for DCED's Secretary to appoint a Coordinator to oversee the further implementation of the Court confirmed Harrisburg Strong Plan. The Court will also retain jurisdiction over the further implementation of the Plan. As Coordinator, I will continue to keep the Court apprised of the plan's status through our quarterly reports.

The Coordinator has held weekly status conference calls with members of his consulting team to coordinate all aspects of plan implementation thru the end of September. The Team of professional advisors comprised of the Novak Consulting Group, Pennsylvania Economy League, Stevens & Lee, Public Resource Advisory Group and McKenna Long and Aldridge that supported the Receiver remains in place and along with continued support from DCED and the Office of General Counsel continues to be engaged in the further implementation of the Strong Plan. These meetings are critical to the overall coordination of implementation activities.

With the Harrisburg Strong Plan's consummation on December 23, 2013, our focus during much of 2014 turned to addressing various follow up actions that were provided for as part of the Plan consummation and a greater emphasis on operational issues in order to provide for a sustainable balanced budget. Initiatives in the Strong Plan will assist with effecting greater efficiencies in the delivery of core municipal services, strengthening

revenue collection and internal controls and revitalizing the City's tax base thru community and economic development initiatives.

This section of the report provides an updated summary of progress made with respect to:

- Task Force for Infrastructure and Economic Development
- Fiscal Position
- Operational Matters
- Collective Bargaining

Task Force for Infrastructure and Economic Development

The nine member Harrisburg Strong Plan's Task Force for Infrastructure and Economic Development was extremely active thru the third quarter. Following its organization in late February they worked diligently over the last 6 months to complete their work in a timely manner. The Task Force was established to: (A) further refine the purposes of Economic Development (EDC) and Infrastructure Improvement Corporations (IIC); (B) identify and assign priorities to the EDC's and IIC's respective proposed activities; (C) make recommendations concerning certain governance features of the EDC and IIC; and (D) create a five year action plan for the EDC and IIC. The Task Force led by co-chairs Doug Hill and Les Ford issued their Governance Proposal and Action Plan titled "Impact Harrisburg" to the Coordinator in mid-July. Following its review by the Coordinator various recommendations were provided to the Task Force for their consideration. The Task Force then revised their report to incorporate the Coordinator's recommendations and issued their final report on August 7. The Governance Proposal and Action Plan provides articles of incorporation and by-laws to establish the structure of the non-profit that will administer the funds set aside as part of the monetization for economic development and infrastructure improvements to aid the City in strengthening its tax base and addressing critical infrastructure needs. The proposal also provides program guidelines for the distribution of funds as well as ethics, conflict of interest and investment policies for the non-profit. Given the funding set aside for Harrisburg by PennDOT, the Task Force decided that it would be more efficient to create a single non-profit to address funding for both Economic Development and Infrastructure. The Coordinator and his Counsel then prepared an application for consideration by the Court for review by the Task Force, City and County. The Coordinator also requested that Certificates of Concurrence be provided by both Dauphin County and the City to show further support for the Governance Proposal and Action Plan. With the receipt of the Concurrence Certificates in late September, the application is being finalized and it is anticipated that it will be filed with the Court in early October.

Most recently the City thru Mayor Papenfuse proposed that \$75,000 of the initial \$100,000 set aside to establish the non-profit and related organizational issues be allocated for the update of the City's Comprehensive Plan. The Comprehensive Plan update is a key recommendation of the Strong Plan and its completion will greatly assist the non-profit in guiding its funding decisions. For this reason I support the allocation of funds for the Comprehensive Plan update.

The Governance Proposal and Action Plan process is also being coordinated with the City, Dauphin County and Assured Guaranty Corporation to address the \$2 million annual allocation for each of the next five years from PennDOT that occurred as part of the Transportation Reform legislation passed in late 2013. An escrow agreement has been drafted and is going thru the final review steps. The escrow agreement accounts for the use of funds set aside in the Supplemental Harrisburg Growth Fund and their distribution to the Infrastructure, Economic Development and OPEB funds should the City not receive funding from PennDOT or to Dauphin County and Assured Guaranty in the event they receive such funding.

Fiscal Matters

The City's revised 2014 budget enacted by Council on February 10 continues to serve as the financial plan for the City. The revised budget was balanced and generally consistent with the Harrisburg Strong Plan. It reflects total revenues of \$57,577,728 and total expenditures of \$57,575,091 and an estimated positive year-end fund balance.

Through the end of September the City's revenues were \$47,631,535 while expenditures were \$41,575,024. The City has now received the bulk of its real estate taxes and significant earned income tax revenue as well as the state funding for public safety services that was included in the Commonwealth's FY 14-15 budget. Our year-end projection is that the City will have revenues of \$58,820,013 and expenditures of \$58,776,716 with a positive balance of \$43,297.

The Coordinator continues to closely monitor cash flow as part of the implementation of the confirmed Strong Plan. The City's bi-weekly payroll now averages \$900,000 somewhat below the average of \$1.1 million for 2013. The Coordinator reviews City payables on a bi-weekly basis to insure expenditures are consistent with the confirmed Plan. During the quarter, 7 bi-weekly check runs were reviewed, comments provided and approved. Through very close monitoring of the City's cash flow and the cooperation of the City's Finance Office, the City was able to meet payroll and critical creditor obligations through the third quarter as well as maintain a current status (within 60 days) for virtually all payables. Payables have generally been constant at the \$2 million level thru the quarter. Payables on hold as of the September 25 check run total just under \$2 million with approximately 75% being to the City Treasurer for insurance reimbursements. I have worked with the City to both manage cash and prioritize payables. The cost containment provisions of the Emergency Action Plan continue to be followed as they relate to the City providing for "necessary and vital services".

The City also made its second debt service payment on its General Obligation Bonds prior to their September 15 due date. Payment of \$ 3.016 million was made to Bank of New York Mellon. The City remains current with all of its debt service obligations.

As of September 30 and accounting for the September 25 payroll and check run the City has a cash balance of \$7.3 million. The City's cash position has remained relatively constant thru the quarter with the receipt of significant EIT revenues along with the \$5 million from the Commonwealth for public safety services. Revenues will decline considerably during the last

quarter of the year, however, while expenditures will be more constant. The referenced cash flow projection is attached as part of this report.

The Coordinator continues to support the work of the City Controller and Finance Office to provide ongoing budget to actual reports to the Administration and Council. The Coordinator has provided a personnel model to the City for use in determining the current and future fiscal impact of personnel decisions. The City's Finance Director also provided a mid-year budget assessment to Council in July.

Initial work has begun on the 2015 budget. The Coordinator provided a budget process memo and related templates for the City in late August and has had several meetings with the Finance Director to discuss budget preparation matters. Department heads are being asked to provide their budget request information by mid-October. The Coordinator has also been assisting with key revenue projections especially with the EIT and parking due to this being the first full year of increased revenues.

Though the City accepted and closed on Metro Bank's proposal for a \$2 million Tax and Revenue Anticipation Note (TRAN) in March, they have effectively managed their cash flow and have not needed to draw upon it and thus have not incurred any interest expense. The TRAN represented the City's first financing since the Series U parking revenue bond transaction and was a very positive step in its recovery. Given the nature of the City's cash flow cycle efforts have begun to reengage with the banking community to secure a TRAN for 2015.

As previously reported and pursuant to the Court's order, the City has fully satisfied its obligation to Metro Bank that was secured by the Wild West artifacts. The sale of the artifacts in 2013 produced approximately \$2.6 million. Following the City's final payment to Metro Bank in mid-March, there remains a residual balance of approximately \$94,000. Although there was a question as to whether the City or the Capital Region Water (CRW) was entitled to any residual amount, agreement has been reached with CRW that the City will retain the \$94,000 balance. The City has discussed the use of the residual funds for the replacement of a traffic signal controller and related equipment that is critically needed for the City's traffic signal system and address a public safety issue. It is anticipated they will make a formal request to the Coordinator in the near term once pricing information is finalized. At that time we will advance the request to the Court for consideration.

Trout Ebersole & Groff was again engaged to assist with audit preparation work for the 2013 audit. Their work was completed during the summer and the City's auditor, Maher Duessel, began work on the 2013 audit in July with completion expected by early fall. This will then bring the City's audits fully up-to-date.

During the quarter the City continued to provide the appropriate Material Event Notices on EMMA related to debt obligations and audits and maintained compliance with Securities and Exchange Commission (SEC) reporting requirements.

Operational Issues

Implementation of the operational elements of the confirmed plan have focused on key priorities that are the most time sensitive and can affect operational efficiencies and savings.

In August, Treasurer John Campbell was charged by the Dauphin County District Attorney with theft from the Historic Harrisburg Association. Mr. Campbell was charged with one felony and one misdemeanor in the theft of \$8,400 from the Association's "Lighten Up Harrisburg" campaign. Subsequent to the filing of charges Mr. Campbell submitted his resignation as Treasurer effective September 2. On September 11, Campbell was charged with an additional theft count related to his role as Treasurer of the Stonewall Democrats. In the interim Mayor Papenfuse designated former City Treasurer Paul Wambach to oversee the Treasurer's office until such time as Council appointed a new Treasurer. The City with assistance from its appointed auditor undertook a review of activities in the Treasurer's office and found no evidence of abnormalities or missing funds.

During September, Council solicited interest from eligible individuals for the Treasurer's position and received eleven applications. Six of the applicants were found to be qualified and were interviewed by Council on September 29. Following the completion of the interviews, Timothy East was selected as Treasurer to serve the remaining 15 months of the term. Mr. East is a CPA with over 20 years of accounting experience, a partner and owner of East Financial Services and is a member of the city's audit committee.

The Coordinator's Team continued to work extensively with Mayor Papenfuse and his Administration during the quarter to assist with numerous issues in helping the new Administration move forward with Strong Plan initiatives and other operating matters. Strong lines of communication are in place and the Coordinator and his team have held regular meetings with the Mayor and key Administrative staff on issues involving finance, tax collection, IT needs, public safety, City Island issues, CRW/City matters and personnel. Our agendas have focused on the most significant issues that are pending at the moment. Meetings have been very productive and resulted in addressing plan related issues in a constructive and positive way. I have also engaged in periodic meetings with Council President Williams, with the same objectives. Again, these meetings have also been very productive as we work to achieve consensus between the Mayor and Council on plan related initiatives.

With the assistance of the Coordinator's Team, the City continues its efforts to integrate a management system within City operations that more clearly defines goals and objectives. Following discussions with the Mayor, the Coordinator's Team is working with the Administration to refine the implementation matrix to make it a more useful management tool.

Though key management positions including Solicitor, Finance Director, DPW Director, Police and Fire Chiefs, Communications Director and Community and Economic Development Director are filled, the Administration continues to deal with several vacancies in other import-

ant management positions. During the quarter an internal promotion occurred to fill the Human Relations Director position and the Solicitor filled two deputy and assistant solicitor positions. The Mayor, with the assistance from the Coordinator, is currently pursuing the hiring of a Business Administrator. Efforts to hire an IT Director have been very difficult though an individual has been hired on an interim basis to provide additional IT support.

During the second quarter an assessment of the City's IT system was completed and recommendations provided to enhance the sharing of information across departments, eliminate redundancy and improve overall efficiency and service to the public. We are working with the City to implement some of the recommendations though funding is an issue. A review of the City's phone system was part of the assessment and the City has obtained proposals to secure a new and more reliable voice over internet protocol or VO/IP system.

Led by Dauphin County Commissioners and the District Attorney's office, an initiative is underway to assess the viability of regional approaches to police services. A Task Force has been established comprising police agencies within the County and County officials to guide this process. Following the Task Force's action to unanimously support moving forward with this initiative, the Police Executive Research Forum was engaged to undertake a study of possible regional and collaborative approaches to police service within the County. Harrisburg's Police Chief has been an active participant in this process. The Coordinator's Team is providing resources to assist with the study and will be providing input as the process moves forward. The study has just gotten underway with completion scheduled for the spring of 2015. This intergovernmental initiative is consistent with the Strong Plan's goals and could open the door to even greater cooperative ventures.

Mayor Papenfuse has also revisited the RFP process to outsource sanitation services. Through the assistance of the Coordinator, the firm of Barton and Loguidice was engaged to assist with an evaluation of the existing process and to provide recommendations for a more efficient operation. Meetings have been held with the collective bargaining unit and members of Council to obtain their input. Data collection is also underway. At this point the collective opinion of City officials and the bargaining unit is to provide a six month trial period to see if the City's performance level can be optimized.

Following Mayor Papenfuse's request to City Council, agreement was reached to reinstate the Comprehensive Plan update process. Council and the Planning Commission have taken action to move forward with the update and a funding request was made to the Task Force and Coordinator to include this request as part of the Governance Proposal and Action Plan. Concurrently, the City has begun the process to update its consolidated plan under the Community Development Block Grant program and awarded a contract to the Ferguson Group during the quarter. This work will serve as a foundation for and be integrated into the City's Comprehensive Plan update process which will also include the development of a Housing Strategy and an Economic Development Strategy.

Since Plan confirmation, the Coordinator's Team has continued to meet regularly with directors of all City departments to review priorities and provide further guidance on implementation activities. A matrix documenting the status of implementation initiatives through late September is attached.

Collective Bargaining

The changes contained in the Agreements amending the Collective Bargaining Agreements for the AFSCME, FOP and IAFF bargaining units have been implemented and the cost reductions resulting from these changes are being monitored. The formal Amendment documents setting forth the revised contract language have been finalized and agreed to with AFSCME and the FOP. The IAFF has not yet responded to the formal Amendment document with all of the revised contract provisions which the City prepared and provided to them.

Asset Monetization Matters

With the Harrisburg Strong Plan's consummation on December 23, 2013, our focus during much of 2014 has turned to addressing various follow up actions that were provided for as part of the Plan consummation along with City operational recommendations as discussed above. Approximately \$490 million of City debt and other obligations was eliminated at Plan consummation. Importantly, after consummation, the City is no longer a guarantor of debt service payable by either the Lancaster County Solid Waste Management Authority (LCSWMA) or the Pennsylvania Economic Development Financing Authority (PEDFA). The vast majority of the Strong Plan was not merely a restructuring of City liabilities, but was the complete elimination of debt and other obligations (see chart attached). The exceptions are the City's General Obligation Bonds and the so-called "Verizon Bonds". The former were restructured and the latter are in the process of being restructured.

There also remains work to implement actions following Plan consummation related to both the Resource Recovery facility and the parking system as well as to pursue matters related to several other debt related issues that were not encompassed by the Plan's consummation. This section of the report provides an updated summary of progress made with respect to:

- The sale of the incinerator from The Harrisburg Authority to LCSWMA.
- Long term capital lease of Harrisburg's parking assets from the City and HPA to PEDFA.
- Activities related to the "Verizon Bonds" and the "Senators' Stadium" financing.
- Activities related to the transfer of the water and sewer operation from the City to CRW.

Resource Recovery Facility

The Lancaster County Solid Waste Management Authority (LCSWMA) is now operating the resource recovery facility. The City was able to successfully relocate its public works facility to a former automobile dealership on Paxton Street pursuant to the terms of the sales agreement with LCSWMA and for the time being operating out of that facility. Given the transfer of water and sewer operations to Capital Region Water (CRW) and possible changes in

its sanitation operation the City's public works department has experienced significant change. The \$300,000 payment from LCSWMA provided for this move will cover rental payments for approximately two years and provide the City with time to develop a long term plan for its public works operation. Work continued during the quarter to more fully complete renovations to the facility to accommodate City usage. The City is also now receiving approximately \$288,000 per year as a Host Fee from LCSWMA. Tipping fees paid by haulers of municipal solid waste derived from the City have also been slightly reduced.

Parking Facilities

The parking assets are now under the auspices of PEDFA who has engaged the Capital Region Economic Development Corporation (CREDC) to oversee the operation and management of the parking operation. Standard Parking Corporation is managing day to day operations and Trimont Real Estate Advisors is managing the parking assets.

Although delayed by weather conditions early in the year, all of the new parking meters that were planned to replace the old parking meters in downtown Harrisburg are now installed. Installation of the mid-town meters while delayed, is also now complete. The new meters accept credit cards and are useable through a cell phone application. Customers of the on street parking system can now enter their cell phone number and receive a message when the time is running out on their meter. A text message reply with the number of minutes the customer would like to add can also be used to add time and avoid ticketing.

The garage technology has been specified, bid, and an award has been made for installation this Fall. Once the technology in the garages and on street are updated and integrated, the City should see many improvements and customers will have additional options to address issues that have been raised by workers, merchants and residents.

The City is now entitled to lease payments that begin at \$2 million per year and escalate thereafter throughout the term of the PEDFA lease. In addition to the extent the parking enterprise flourishes, the City is entitled to a significant sum of the "residual cash flow" as part of the consideration being paid by PEDFA for the acquisition of the lease. In June, notwithstanding the poor weather conditions earlier in the year, and the delays in installing the new parking meters, the City was paid all rent and other payments due it for the first six months of the calendar year, and payments were made to the asset manager and parking manager for their performance fees.

Based upon actual results through August 31, 2014, the City is still on track to receive the annual payments expected to inure to its benefit this year as a result of the parking monetization. Payments from the parking system to the General Fund of the City are expected to be millions of dollars more than received by the City in fiscal year 2012 or fiscal year 2013:

- Parking Tax Revenues are budgeted at \$3,343,400 for Fiscal Year 2014, and unlike in past years, a large portion of this amount does not need to be used to service debt it was pledged to pay, and will thus be available for the General Fund of the City.
- Amounts payable through the PEDFA transaction and as a result of parking enforcement outside of the Competing Parking Area that were budgeted as Parking Tickets and Priority Parking Distribution, totaling \$2 million are currently on track to be paid.

All parking bonds that were guaranteed by the City have been repaid in full or are in an irrevocable escrow set up to provide for payment when the bonds are redeemed in accordance with their terms. In the event there is a downturn in parking revenues, increase in expenses or both, the City is no longer at risk that its General Fund will be tapped to pay any shortfall on parking bonds.

In July of 2014, Moody's Investors Service downgraded Pennsylvania's general obligation credit from Aa2 to Aa3; stable outlook. In September of 2014, Standard and Poor's Ratings Service and Fitch Ratings downgraded Pennsylvania's general obligation credit from AA to AA-. The credit of the Commonwealth of Pennsylvania is one factor in the underlying rating of PEDFA's Series A parking revenue bonds.

A Parking Advisory committee chaired by Trimont Real Estate Advisors, the Asset Manager and comprised of a representative from CREDC (as PEDFA's representative); Standard Parking Corporation, the Operator; the Parking Authority; the Mayor; City Council; DGS; Assured Guaranty; and the County was established early in 2014 and continues to meet. Although it has no decision-making authority, the Advisory Committee serves as a forum for communication and interaction among the parties with interests in the operation of the Parking System and as a vehicle for customer and public input with respect to the operation of the system and has assisted in addressing issues related to the transition to the new parking system. Their next meeting is scheduled for October 9.

Water and Sewer Operation

The City transferred responsibility for the ongoing operation of its water and sewer facilities to The Harrisburg Authority (THA) now known as Capital Region Water (CRW) effective November 4, 2013. This action resulted in the transfer and consolidation of the administrative, operational and financial responsibilities for the water, wastewater and storm water operations to CRW. This operational approach addresses compliance with the Clean Water Act and Chesapeake Bay requirements and has been viewed as an acceptable model for the Department of Justice, EPA and DEP. The creation of an operating authority was also supported by the suburban communities. The City and CRW have entered into a shared services agreement to facilitate the transfer and provide for the effective coordination of services between the parties.

The City and CRW were awarded a \$26 million loan from PENNVEST in the summer of 2013 which represents half of the estimated project cost of \$50 million. One of the conditions of the

loan was the transfer of operational and financial responsibility to CRW. The loan proceeds will be used to address the necessary upgrades to the wastewater treatment plant to meet Chesapeake Bay requirements. In mid-March, CRW closed on a line of credit with M&T Bank that allowed a notice to proceed to be issued to contractors. Work on the \$50 million project began in March and will continue thru early 2016 to address EPA and DEP requirements. These upgrades will reduce pollution entering the Susquehanna River and Chesapeake Bay as well as update aging equipment. The permanent project financing, a combination of a PennVest loan and an M&T borrowing, closed on July 17.

The PNC Lockbox which is designed to segregate utility payments from the City's General Fund became functional on September 4, 2014. This mechanism is now being used to process all utility payments received by PNC. Additional programming by the City's IT department is necessary in order to process ACH and Credit Card payments through the Lockbox. The City will need to address these payment types so that they are made in accordance with the Strong Plan and CRW's bond indentures.

Additionally, CRW is working with management of the City to insure that utility payments that are incorrectly paid with the City Treasurer as payee can be processed by the PNC Lockbox.

CRW continues to work through its reconciliation of payables, receivables and reserves with Assured Guaranty. AGM has already received more than CRW had projected at the time of consummation of the Strong Plan. Remaining substantive issues to be resolved between AGM and CRW are:

- (1) How much CRW will reserve for a steam line removal project that AGM agreed it could undertake. The parties are attempting to negotiate (but have not yet agreed upon) a bidding process which would provide a commercially reasonable cost which could be reserved;
- (2) Fees for CRW's final 2013 audit of the RRF finances which would cover the time period when CRW owned the RRF; and
- (3) Reserves for those trade vendors who performed work at the RRF and who have not yet settled their claims (three remain). AGM is seeking settlements with the remaining creditors.

The Verizon Bond Problem and Harrisburg Senators' Stadium

The "Verizon Bond" problem has been a major focus of the Coordinator's Team, since consummation of the Strong Plan. The Verizon Bond problem originated from the fact that the Verizon Bonds were issued by the Harrisburg Redevelopment Authority in 1998 to fill a structural deficit of the City at the time. The assumption was that Verizon or someone would be in the building paying sufficient rent to pay approximately \$41.6 million of debt service from 2016 - 2033. The City of Harrisburg guaranteed repayment of all the debt service on the Verizon Bonds. The Verizon lease ends prior to the

requirement that debt service be paid. Therefore, if Verizon moves out prior to the debt service becoming due, which is expected, and the building remains vacant, the City would be required to pay the entire \$41.6 million in debt service.

Active discussions have continued over the last quarter with the Department of General Services (DGS) to address the relocation of state offices to fill vacant office space caused by the departure of Verizon. A lease between the DGS and Harristown Development Corporation (HDC) was drafted, however, due to an issue involving the sale of the former state hospital site that required legislative approval in order for DGS to move forward, the lease was not completed by the end of June as originally anticipated. The aforementioned legislation was approved by the House and Senate the evening of June 30 and signed by the Governor on July 2.

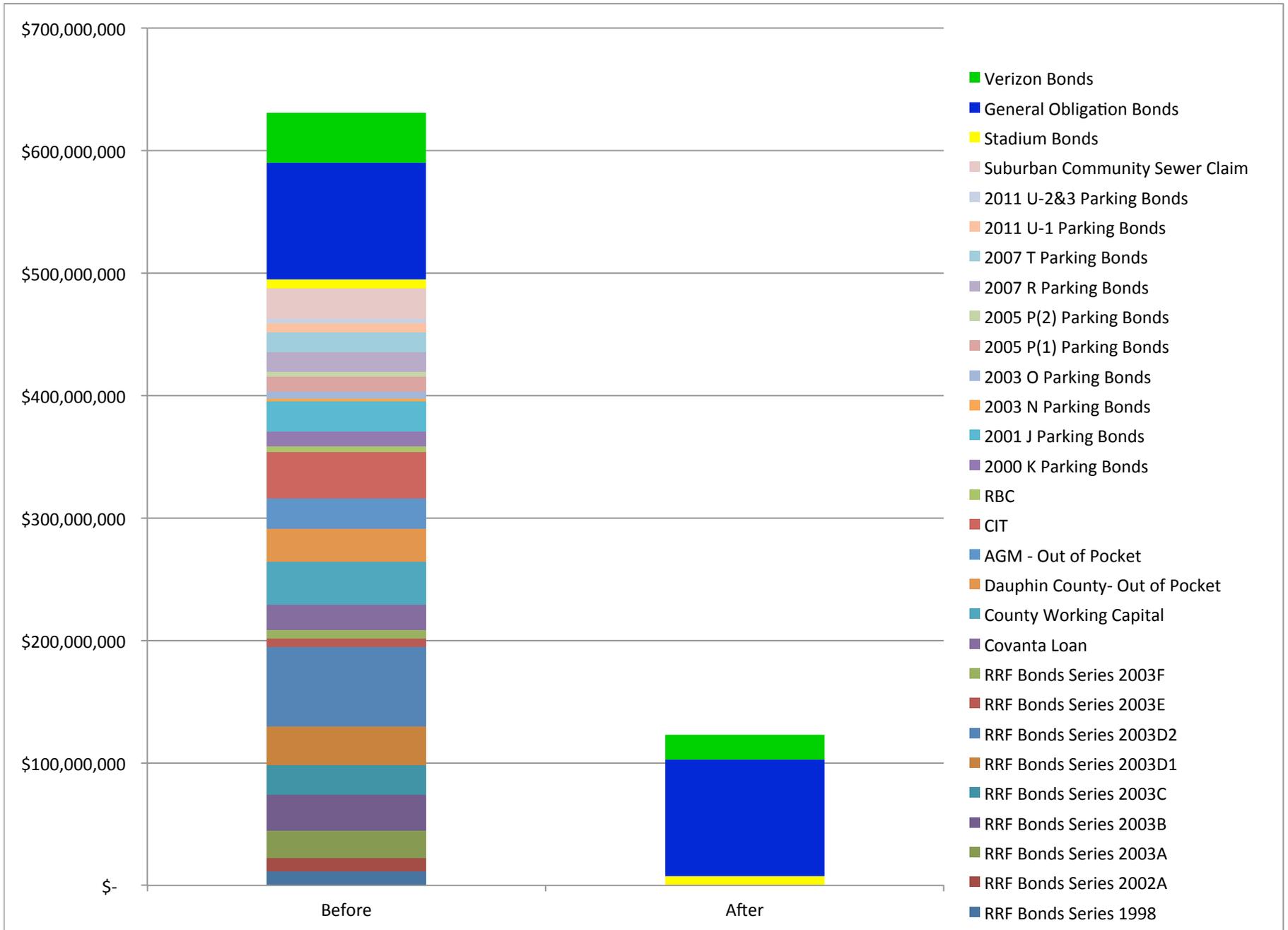
Discussions then continued during the summer on the term of lease and rental payments, both of which will have a bearing on how much of the City's obligations on the Redevelopment Authority's Series 1998A bonds will be eliminated or reduced by this transaction. Following extensive negotiations final terms were agreed to in September. A lease agreement between the Department of General Services and HDC has now been executed, approved by the Governor's Office of General Counsel, the Attorney General's Office and on September 18 by the Commonwealth's Commission on Buildings and Grounds. This lease is for all useable space within the Verizon Building and commences on March 1, 2016. The benefits of the lease to the City include, up to 900 additional employees working in the central business district from March 1, 2016 through February 28, 2033 and a rental payment stream from the tenant sufficient to at least pay some of the debt service associated with the building. Had such a lease not been entered into, there was a high degree of likelihood that none of the exposure to the City and Assured Guaranty would have been defrayed by revenues of the operation of the Verizon Building.

In accordance with the Strong Plan, and as confirmed by the Commonwealth Court, to protect the City against the possibility it might otherwise have to commence making reimbursement payments to AGM as early as 2017 for the portion of bond payments that revenues derived from a new lease agreement were insufficient to cover, the Receiver/Coordinator and AGM have agreed to work cooperatively to fashion a repayment schedule that will afford flexibility to the City in repaying its obligations in full over time. By reason of that agreement, should the City have a reimbursement obligation after factoring in the revenues to be generated under the new lease, the repayment of its reimbursement obligation will be structured in the following manner. Due consideration will be given to when the City's other obligations under the Strong Plan are due and when they are repaid in a manner that creates additional repayment capacity for the City. AGM will be compensated by the City in an amount necessary for AGM to be repaid all amounts advanced by AGM to the bondholders plus interest to AGM from the date of its advance through repayment at a rate of 6.07%.

In addition, DGS and HDC are moving forward with a \$12-\$17 million upgrade to save energy in all three buildings that are part of the Harristown/Strawberry Square complex. This transaction is being pursued contemporaneously with, and has an impact on the structure of

the Verizon Bond restructuring. All parties continue to believe that it is feasible to move the Commonwealth employees into the building (in stages) so that sometime in 2016, the building will be fully occupied.

The Coordinator's Team is also assisting the City in reviewing and revising the lease with the Harrisburg Senator's for the City Island stadium so as to insure that adequate revenues are received to fulfill the debt service obligations on the stadium bonds. The City has reached out to the Senator's organization to discuss revising the Park Permit pursuant to which the Senators make a portion of the payments on the stadium bonds. The City wanted to wait until the end of the Senator's current season before aggressively pursuing this matter. The Coordinator expects to be aiding the City with modifications of the Park Permit or a new Park Permit. This issue also involves close coordination with the Department of Conservation and Natural Resources (DCNR) as they are the administrator for various federal grants the City received under the Federal Land and Water Conservation Program for work on City Island. Meetings have been held with DCNR to coordinate any proposed lease changes with them as well as other issues related to City Island improvements.



**CITY OF HARRISBURG
CASH FLOW**

City of Harrisburg

2014 Cash Flow

	Actual Jan	Actual Feb	Actual Mar	Actual Apr	Actual May	Actual June	Actual Jul	Actual Aug	Estimated Sep	Estimated Oct	Estimated Nov	Estimated Dec	Total
Cash Summary													
Unrestricted Cash Balance Beginning of Month	3,578,271	58,467	2,461,492	3,289,198	6,154,164	8,330,791	8,862,668	7,066,295	8,605,077	7,328,335	3,978,919	2,268,094	
Surplus/(Deficit)	-1,244,156	3,249,806	1,377,514	2,613,360	1,408,829	2,116,974	-2,223,966	34,893	-1,276,741	-3,471,556	-1,710,825	-830,834	
Change in Accounts Payable	-1,648,586	-338,492	-549,808	-1,074,883	836,722	855,993	-463,033	112,254	0	0	0	200,000	
Other items affecting Cash	-627,062	-508,289	0	1,326,489	-68,925	-2,441,090	890,626	1,391,634	0	122,140	0	0	
Unrestricted Cash Balance End of Month	58,467	2,461,492	3,289,198	6,154,164	8,330,791	8,862,668	7,066,295	8,605,077	7,328,335	3,978,919	2,268,094	1,637,260	
Revenues, Expenditures, Surplus/(Deficit)													
Revenues without Transfers	1,873,646	4,978,103	8,959,429	8,804,057	5,527,294	4,231,686	3,283,839	3,096,124	1,575,374	4,313,995	2,754,620	2,324,538	51,722,705
Sanitation Utility Fund	460,000	0	0	0	0	0	0	0	0	0	0	1,795,324	2,255,324
Landfill/Incin Utility Fd	0	150,000	0	150,000	0	36,723	1,261	0	0	0	0	0	337,983
Transfers in from Host Fee for Enviromental Costs	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers from Other Funds	0	0	0	0	0	0	0	0	4,504,000	0	0	0	4,504,000
Total Revenues	2,333,646	5,128,103	8,959,429	8,954,057	5,527,294	4,268,409	3,285,099	3,096,124	6,079,374	4,313,995	2,754,620	4,119,862	58,820,013
Expenditures													
Personnel	2,947,229	1,771,467	2,091,855	4,090,796	3,276,487	1,796,196	4,695,307	2,552,645	3,204,928	6,252,686	3,094,616	3,835,525	39,609,738
Services	554,035	22,619	371,186	281,354	557,475	207,781	580,961	280,577	626,490	615,795	615,795	619,578	5,333,645
Supplies	350	8,022	8,935	148,041	251,156	126,467	138,074	117,289	324,162	324,162	324,162	324,358	2,095,178
Other	0	0	131,128	1,515,750	33,348	20,991	94,724	110,720	184,534	421,234	248,445	171,234	2,932,109
Debt Service	76,189	76,189	4,978,811	304,755	0	0	0	0	3,016,000	171,674	182,427	0	8,806,045
Total Expenditures	3,577,802	1,878,297	7,581,915	6,340,697	4,118,466	2,151,435	5,509,066	3,061,231	7,356,115	7,785,551	4,465,446	4,950,696	58,776,716
Operating Surplus/(Deficit)	-1,244,156	3,249,806	1,377,514	2,613,360	1,408,829	2,116,974	-2,223,966	34,893	-1,276,741	-3,471,556	-1,710,825	-830,834	43,297
Accounts Payable													
Accounts Payable Beginning of Month	-4,188,357	-2,539,772	-2,201,280	-1,651,472	-576,589	-1,413,311	-2,269,304	-1,806,271	-1,918,525	-1,918,525	-1,918,525	-1,918,525	
Accounts Payable End of Month	-2,539,772	-2,201,280	-1,651,472	-576,589	-1,413,311	-2,269,304	-1,806,271	-1,918,525	-1,918,525	-1,918,525	-1,918,525	-2,118,525	
Change in Accounts Payable	-1,648,586	-338,492	-549,808	-1,074,883	836,722	855,993	-463,033	112,254	0	0	0	200,000	

City of Harrisburg
2014 Projected General Fund Revenues

Revenue Group	Actual Jan	Actual Feb	Actual March	Actual April	Actual May	Actual June	Actual July	Actual August	Estimated September	Estimated October	Estimated November	Estimated December	Estimated Total 2014	Budget 2014	Variance
Real Estate Taxes Current	450,559	1,259,354	7,765,107	3,635,695	650,586	515,235	118,033	150,586	50,666	64,182	78,728	359,261	15,097,993	15,113,239	-15,246
Real Estate Taxes Delinquent	44,418	141,706	211,652	0	365,304	201,539	392,096	156,191	0	201,459	0	27,126	1,741,491	1,749,833	-8,342
Tax Liens Principal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tax Sales	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EIT	77,293	357,097	0	876,981	473,058	283,937	182,755	360,274	234,444	264,444	443,888	259,444	3,813,615	3,473,967	339,649
Act 47 EIT	154,587	714,194	0	1,753,961	946,116	567,874	365,510	720,548	468,888	528,888	887,776	518,888	7,627,231	6,947,933	679,297
EMS/LST	0	819,763	212,897	0	304,031	246,327	33,868	309,486	0	0	258,219	0	2,184,592	1,933,965	250,627
Mercantile Business Privilege	92,144	282,587	332,450	895,717	678,790	131,290	152,300	137,481	42,553	198,910	104,517	72,797	3,121,537	2,886,000	235,537
Other Act 511 Taxes	122,543	41,735	51,781	560,190	62,183	44,255	93,660	35,775	53,845	54,858	11,249	203,859	1,335,934	1,333,050	2,884
Capital Fire Protection	0	0	0	0	0	0	496,000	0	0	0	0	0	496,000	496,000	0
Cdbg Reimb. - Demolition	0	0	0	0	0	66,010	0	0	9,923	51,268	0	30,006	157,206	115,000	42,206
District Justice Fees	0	0	0	172,536	0	0	0	21,843	0	142,912	0	51,499	388,790	523,000	-134,210
Fed/State(Fed)Pass Thr Gr	22,152	100,000	0	0	0	0	0	0	3,385	0	0	131,923	257,460	137,000	120,460
Federal Grants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fees/Permits	271,127	72,045	54,288	214,601	52,642	57,580	307,120	100,747	40,321	35,230	27,596	31,718	1,265,016	1,465,660	-200,644
Government Grants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grants Fund	73,400	0	0	0	0	0	0	0	0	0	0	0	73,400	87,866	-14,467
Interest	4,155	1,894	1,872	4,950	2,009	2,797	2,427	2,582	3,669	3,083	3,035	3,003	35,476	44,708	-9,232
License	0	137,772	17,400	1,000	139,597	0	0	143,118	4,786	0	132,272	997	576,942	570,000	6,942
Miscellaneous	83,008	17,049	64,671	2,096	645,708	75,751	51,874	21,401	46,151	354	12,111	145,163	1,165,336	550,845	614,491
Pension System State Aid	0	0	0	0	0	-662	0	14,100	0	2,032,740	0	0	2,046,178	2,044,070	2,108
Public Safety Fees/Permits	28,177	19,991	10,402	50,236	20,878	16,307	20,283	10,062	17,496	11,544	6,734	14,007	226,116	156,378	69,738
Public Safety Grants	26,270	224,542	21,861	9,281	1,743	516,878	10,759	4,061	46,864	12,739	8,924	23,616	907,540	1,216,031	-308,492
Public Safety Reimbursements	22,382	145,456	19,325	308,720	34,754	192,595	36,870	80,364	62,964	62,796	38,465	41,399	1,046,091	757,250	288,841
Public Works Fees/Permits	0	0	0	0	0	0	0	0	0	102,191	0	0	102,191	104,333	-2,142
Reimbursements	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rental Income	20,963	163	163	163	163	238	163	163	1,611	3,221	743	1,611	29,361	23,417	5,944
Recreation Fees	0	0	5	100	5	3,358	6,821	2,617	209	12	0	18	13,144	13,548	-404
Sale Of Assets	0	0	0	0	0	25,000	0	0	0	0	0	0	25,000	0	25,000
Vehicle Maintenance Charges	53,248	20,220	75,448	15,510	134,736	9,081	67,022	41,725	48,538	45,000	8,270	26,112	544,909	473,002	71,908
PILOTS	10,641	11,339	10,641	213,583	10,641	63,967	13,223	10,878	9,453	31,999	9,453	9,453	405,272	371,158	34,114
Pub Utily Realty Tax	0	0	0	0	0	0	0	0	0	36,557	0	0	36,557	36,557	0
Sewer Maint Charge	56,329	48,974	34,665	4,192	5,899	841	7,733	4,598	0	0	0	0	163,230	823,149	-659,919
Sewer Maint Liens-Penalty	2	120	98	11	31	2	580	0	0	0	0	0	843	700	143
Sewer Maint Liens-Princip	148	257	222	71	501	56	434	62	0	0	0	0	1,750	2,300	-550
Sewer Utility Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sanitation Utility Fund	460,000	0	0	0	0	0	0	0	0	0	0	1,795,324	2,255,324	2,255,324	0
Landfill/Incin Utility Fd	0	150,000	0	150,000	0	36,723	1,261	0	0	0	0	0	337,983	193,386	144,597
Sewerage Utility Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hbg Water Utility Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hbg Prk Auth Coord Pkg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers from Other Funds	0	0	0	0	0	0	0	0	4,504,000	0	0	0	4,504,000	4,504,000	0
Parking Taxes	14,297	523,164	29,416	19,155	494,186	537,389	13,913	524,629	250,000	250,000	250,000	250,000	3,156,148	3,343,400	-187,252
Parking Fees	42,071	7,980	4,819	22,335	7,384	22,021	5,614	23,049	22,638	22,638	22,638	22,638	225,827	271,660	-45,833
Parking Tickets	47,581	30,701	40,247	42,973	243,933	234,926	124,020	219,783	156,970	156,970	125,000	100,000	1,523,104	1,500,000	23,104
Priority Parking Distribution	0	0	0	0	252,415	247,585	0	0	0	0	0	0	500,000	500,000	0
THA Shared Service	156,152	0	0	0	0	0	780,762	0	0	0	325,000	0	1,261,914	1,560,000	-298,086
Harrisburg Authority	0	0	0	0	0	169,510	0	0	0	0	0	0	169,510	0	169,510
Total Revenues	2,333,646	5,128,103	8,959,429	8,954,057	5,527,294	4,268,409	3,285,099	3,096,124	6,079,374	4,313,995	2,754,620	4,119,862	58,820,013	57,577,728	1,242,285

**City of Harrisburg
2014 Actual Expenditures by Month**

	Actual Jan	Actual Feb	Actual Mar	Actual April	Actual May	Actual June	Actual July	Actual August	Projected September	Projected October	Projected November	Projected December	Actual Total 2014	Budget Total 2014
Bureau of Planning Personnel	5,584	3,601	3,670	3,181	3,181	3,181	4,772	5,016	7,516	7,516	7,516	11,273	66,007	97,703
Bureau of Planning Services	0	0	5,342	3,517	3,526	4,193	596	4,152	5,701	5,506	5,506	5,506	43,545	43,545
Bureau of Planning Supplies	0	0	0	0	0	0	0	0	0	0	0	0	0	2,300
Bureau of Planning Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bureau of Planning	5,584	3,601	9,013	6,698	6,707	7,374	5,367	9,168	13,217	13,022	13,022	16,779	109,552	143,548
Bureau of Codes Personnel	61,543	38,935	38,677	40,015	39,652	39,880	60,716	37,572	39,880	39,880	39,880	59,819	536,449	631,439
Bureau of Codes Services	0	0	1,564	1,675	890	788	340	2,173	4,224	4,224	4,224	4,224	24,325	23,950
Bureau of Codes Supplies	0	0	0	0	0	0	0	0	350	350	350	350	1,400	1,400
Bureau of Codes Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bureau of Codes	61,543	38,935	40,242	41,690	40,541	40,668	61,056	39,745	44,453	44,453	44,453	64,393	562,174	656,789
Economic Development Personnel	9,770	3,082	3,213	3,213	3,213	3,213	4,819	3,213	3,213	3,213	3,213	4,819	48,195	118,415
Economic Development Services	0	53	80	114	0	439	134	165	186	186	186	186	1,727	3,339
Economic Development Supplies	0	0	9	1,005	1,664	0	0	0	1,141	1,141	1,141	1,141	7,240	10,100
Economic Development Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Economic Development	9,770	3,135	3,302	4,332	4,877	3,652	4,954	3,378	4,539	4,539	4,539	6,146	57,162	131,854
Office of the Police Chief Personnel	1,228,023	783,106	782,340	868,830	784,923	825,837	1,339,658	895,700	916,477	4,094,547	916,477	1,303,375	14,739,292	15,500,556
Office of the Police Chief Services	209,371	3,931	99,419	32,521	60,554	19,631	36,879	24,331	40,288	40,288	40,288	40,288	647,787	805,267
Office of the Police Chief Supplies	0	540	2,151	4,395	9,330	175	702	5,397	5,868	5,868	5,868	5,868	46,161	54,100
Office of the Police Chief Other	0	0	0	0	0	110	0	990	0	0	0	0	1,100	40,000
Office of the Police Chief	1,437,395	787,577	883,909	905,745	854,807	845,753	1,377,239	926,418	962,632	4,140,702	962,632	1,349,530	15,434,340	16,399,923
Bureau of Fire Personnel	818,853	574,850	690,166	649,301	494,828	504,510	777,550	467,620	616,061	615,561	615,561	791,534	7,616,393	7,803,971
Bureau of Fire Services	7,826	0	19,784	21,349	70,720	7,527	9,634	28,728	19,277	19,277	19,277	19,277	242,674	253,200
Bureau of Fire Supplies	0	0	2,341	1,982	1,018	313	14,985	12,361	7,080	7,080	7,080	7,080	61,321	69,350
Bureau of Fire Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bureau of Fire	826,678	574,850	712,291	672,632	566,565	512,350	802,168	508,709	642,418	641,918	641,918	817,891	7,920,388	8,126,521
Office of the Director of Public Works Personnel	56,126	29,041	38,075	35,968	35,913	35,997	53,921	35,952	36,183	36,183	36,183	54,274	483,815	557,263
Office of the Director of Public Works Services	0	487	83,596	39,532	29,408	15,450	60,037	26,709	123,086	123,086	123,086	123,086	747,561	802,250
Office of the Director of Public Works Supplies	0	7,482	1,757	6,852	1,686	1,677	17,284	9,019	15,005	15,005	15,005	15,005	105,775	89,100
Office of the Director of Public Works Other	0	0	63,000	15,750	15,750	15,750	15,750	31,750	136,750	136,750	136,750	136,750	704,750	737,241
Office of the Director of Public Works	56,126	37,010	186,427	98,101	82,757	68,874	146,993	103,429	311,023	311,023	311,023	329,115	2,041,901	2,185,854
Bureau of City Services Personnel	196,366	146,052	114,022	100,463	99,971	107,510	152,689	103,080	108,330	108,330	108,330	162,495	1,507,637	1,749,095
Bureau of City Services Services	9,842	594	23,628	27,134	34,465	25,904	112,654	8,223	83,832	83,832	83,832	83,832	577,770	678,000
Bureau of City Services Supplies	350	0	0	33,552	21,417	35,396	24,708	25,148	47,162	47,162	47,162	47,162	329,219	601,718
Bureau of City Services Other	0	0	0	0	17,598	0	0	0	0	0	0	0	17,598	293,900
Bureau of City Services	206,558	146,645	137,650	161,148	173,450	168,810	290,051	136,452	239,324	239,324	239,324	293,489	2,432,225	3,322,713
Bureau of Vehicle Management Personnel	49,790	33,481	35,287	29,823	27,571	30,223	57,930	38,194	30,791	30,791	30,791	46,725	441,396	533,052
Bureau of Vehicle Management Services	0	0	8,601	27,253	17,943	12,597	29,402	32,393	6,683	6,683	6,683	6,683	154,921	213,424
Bureau of Vehicle Management Supplies	0	0	546	88,925	176,888	80,271	68,067	50,547	210,349	210,349	210,349	210,349	1,306,638	1,311,750
Bureau of Vehicle Management Other	0	0	0	0	0	0	0	0	250,000	250,000	250,000	250,000	250,000	250,000
Bureau of Vehicle Management	49,790	33,481	44,434	146,001	222,402	123,090	155,399	121,134	247,822	247,822	247,822	263,756	2,152,955	2,308,226
Office of the Director of Parks, Recreation and Enrichment Personnel	24,755	15,860	16,947	17,044	16,159	44,205	123,260	58,084	29,301	14,104	14,104	21,155	394,977	395,634
Office of the Director of Parks, Recreation and Enrichment Services	0	129	126	1,377	1,886	577	7,557	9,164	22,726	22,726	22,726	22,726	111,721	115,640
Office of the Director of Parks, Recreation and Enrichment Supplies	0	0	0	259	531	208	0	0	0	0	0	0	998	1,000
Office of the Director of Parks, Recreation and Enrichment Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Office of the Director of Parks, Recreation and Enrichment	24,755	15,990	17,073	18,680	18,576	44,990	130,817	67,248	52,027	36,830	36,830	43,881	507,696	512,274
	3,577,802	1,878,297	7,581,915	6,340,697	4,118,466	2,151,435	5,509,066	3,061,231	7,356,115	7,785,551	4,465,446	4,950,696	58,776,716	57,575,091

**CITY OF HARRISBURG
IMPLEMENTATION MATRIX**

**City of Harrisburg, Pennsylvania
Harrisburg Strong: Implementation Plan**

EChapter - #	Initiative	Five Year Financial Impact	Responsible Parties	Status	Priority ¹	Target Completion Date ²	Key Implementation Steps	Comment
PI01	Conduct regular Recovery Plan implementation meetings	N/A	Office of the Coordinator	Complete	Priority 1	May 2012	<ul style="list-style-type: none"> Develop meeting agenda and process Schedule meetings 	Meetings began May 2012
PI02	Assemble and deploy Recovery Plan implementation teams	N/A	Office of the Coordinator	Completed	Priority 1	May 2012	<ul style="list-style-type: none"> Identify key staff, consultants, and subject matter experts Develop management and reporting protocol Assemble teams 	Act 47 Team is meeting with departments regularly to review initiatives.
PI03	Develop a performance management system	N/A	Business Administrator	In Process	Priority 3	Ongoing	<ul style="list-style-type: none"> Review City programs and develop outcomes by program Develop detailed work plans for the City's executive team Schedule regular meetings to review work plan progress and program outcomes Develop protocol for results and outcomes to be communicated to elected officials and the public 	Weekly operations meetings between the Mayor and City Department leaders are held to review department programs and outcomes. The Act 47 Coordinator's Team is developing an initiative tracking and monitoring tool for consideration by the Administration.

¹Priority 1 - Important to complete as soon as possible to address emergent and immediate operational and/or financial issues

Priority 2 - Can be completed within one year but not urgent

Priority 3 - Mid to long-term initiatives

²Target completion dates are subject to amendment based on comparative prioritization and/or financial issues

Pending	In Process	Complete	Progress not tracking
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City of Harrisburg, Pennsylvania
Harrisburg Strong: Implementation Plan

EChapter - #	Initiative	Five Year Financial Impact	Responsible Parties	Status	Priority ¹	Target Completion Date ²	Key Implementation Steps	Comment
WF01	Renegotiate existing contract extensions or in the alternative, declare extensions of collective bargaining agreements void and renegotiate existing contracts	N/A	Mayor	Complete	Priority 1	July 2012	<ul style="list-style-type: none"> Consult with legal counsel to determine approach Implement approach 	Collective bargaining agreements with the FOP and AFSCME re negotiated in 2013. The IAFF ratified amendments to its collective bargaining agreement which has not yet been ratified by the City.
WF02	Use professional assistance for labor negotiations	N/A	Mayor	Complete	Priority 1	July 2012	<ul style="list-style-type: none"> N/A 	The Mayor has hired and is using outside counsel. Having labor counsel engage in future negotiations remains important.
WF03	Establish a labor/management committee for all employee groups	N/A	Business Administrator	In Process	Priority 1	July 2014	<ul style="list-style-type: none"> Meet with Union(s) to develop charter for committee Develop committee structure and processes for bringing items before the committee Develop committee work plan Schedule committee meetings 	The draft template for Labor Management Committee meetings has been submitted to management and the president of AFSCME, IAFF, and FOP unions for review and approval. All parties have reviewed the draft document and the final version will be submitted for official adoption at each union's Labor Management Committee meetings once approved by the Coordinator's labor counsel.

**City of Harrisburg, Pennsylvania
Harrisburg Strong: Implementation Plan**

EChapter - #	Initiative	Five Year Financial Impact	Responsible Parties	Status	Priority¹	Target Completion Date²	Key Implementation Steps	Comment
WF04	Limit new contract enhancements	N/A	Mayor	In Process	Priority 1	Ongoing	<ul style="list-style-type: none"> Implement 	Ongoing initiative, subject to contract negotiations.
WF05	Ensure future collective bargaining agreements remain compliant with Recovery Plan	N/A	Mayor	In Process	Priority 3	Ongoing	<ul style="list-style-type: none"> Adopt a practice of vetting each negotiation proposal against the approved Receiver's Plan 	Ongoing initiative, subject to contract negotiations.
WF06	Implement a three year wage and step freeze	N/A	Mayor	In Process	Priority 1	December 2013	<ul style="list-style-type: none"> Initiate discussions with labor union(s) 	Ongoing initiative, subject to contract negotiations.
WF07	Implement a new pay scale for new police officers	N/A	Mayor	Complete	Priority 1	July 2012	<ul style="list-style-type: none"> Initiate discussions with labor union(s) 	FOP collective bargaining agreement adopted in 2013.
WF08	Implement a new pay scale for new firefighters	N/A	Mayor	In Process	Priority 1	January 2014	<ul style="list-style-type: none"> Initiate discussions with labor union(s) 	Ongoing initiative, subject to contract negotiations.
WF09	Freeze longevity pay and eligibility	N/A	Mayor	In Progress	Priority 1	Ongoing	<ul style="list-style-type: none"> Initiate discussions with labor union(s) 	Ongoing initiative, subject to contract negotiations.
WF10	Reduce paid holidays and personal leave to 10 days annually	N/A	Mayor	In Progress	Priority 1	Ongoing	<ul style="list-style-type: none"> Initiate discussions with labor union(s) 	Ongoing initiative, subject to contract negotiations.
WF11	Adjust overtime eligibility thresholds to reflect hours actually worked	N/A	Mayor	Pending	Priority 1	Ongoing	<ul style="list-style-type: none"> Initiate discussions with labor union(s) 	Pending direction from outside legal counsel before any action can be taken.
WF12	Adjust minimum overtime provisions	N/A	Mayor	In Progress	Priority 1	Ongoing	<ul style="list-style-type: none"> Initiate discussions with labor union(s) 	Ongoing initiative, subject to contract negotiations.
WF13	Reduce vacation leave	N/A	Mayor	In Progress	Priority 1	Ongoing	<ul style="list-style-type: none"> Initiate discussions with labor union(s) 	Ongoing initiative, subject to contract negotiations.
WF14	Reduce sick leave allotments	N/A	Mayor	In Progress	Priority 1	Ongoing	<ul style="list-style-type: none"> Initiate discussions with labor union(s) 	Ongoing initiative, subject to contract negotiations.

**City of Harrisburg, Pennsylvania
Harrisburg Strong: Implementation Plan**

EChapter - #	Initiative	Five Year Financial Impact	Responsible Parties	Status	Priority¹	Target Completion Date²	Key Implementation Steps	Comment
WF15	Implement a court-related overtime reduction strategy	N/A	Police Chief	In Progress	Priority 1	Ongoing	<ul style="list-style-type: none"> Initiate discussions with labor union(s) 	Ongoing initiative, subject to contract negotiations.
WF16	Redesign employee health care	N/A	Business Administrator	In Progress	Priority 1	Ongoing	<ul style="list-style-type: none"> Initiate discussions with labor union(s) 	Ongoing initiative, subject to contract negotiations.
WF17	Contain post-retirement healthcare cost	N/A	Business Administrator	In Progress	Priority 1	Ongoing	<ul style="list-style-type: none"> Initiate discussions with labor union(s) 	Ongoing initiative, subject to contract negotiations.
WF18	Enhance light duty program	NA	Business Administrator	Pending	Priority 2	July 2014	<ul style="list-style-type: none"> Initiate discussions with labor union(s) 	Pending direction from outside legal counsel before any action can be taken.
WF19	Retain flexibility to fill vacant positions after six months	NA	Office of the Coordinator, Mayor, City Council , & Business Administrator	Pending	Priority 1	Ongoing	<ul style="list-style-type: none"> Initiate discussions with labor union(s) 	Pending direction from outside legal counsel before any action can be taken.
RET01	Prospectively reduce the level of benefits	NA	City Council & City Solicitor	Pending	Priority 1	Ongoing	<ul style="list-style-type: none"> Initiate discussions with labor union(s) 	This initiative is on hold pending labor negotiations.
RET02	Freeze benefit levels for all plans	NA	City Solicitor	Complete	Priority 1	July 2012	<ul style="list-style-type: none"> Initiate discussions with labor union(s) 	Benefit levels are currently frozen.
RET03	Consolidate administration of the City's three retirement plans	NA	City Solicitor	Complete	Priority 3	January 2013	<ul style="list-style-type: none"> Conduct a study comparing the fully loaded cost of administering the City retirement plans Consolidate plan management under the most cost effective trust 	Law Bureau has researched whether consolidation of assets is possible. It is the Law Bureau's opinion that because the Police Pension Plan's separation from PMRS was included in an Act 111 Arbitration Award, any consolidation

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								back in to PMRS must be bargained for. The attorney hired by Novak agreed with the Law Bureau's opinion: therefore, this initiative will not be implemented.
RET04	Seek IRS determination letter for Police Plan	NA	City Solicitor	In Process	Priority 1	June 1, 2014	<ul style="list-style-type: none"> Review Police Plan against the IRS Employee Plan Compliance Resolution System and bring any plan defects, if they exist, into compliance Complete IRS application for determination Submit application for legal review and revise as appropriate Submit application 	Law Bureau has coordinated with the Police Pension Board to develop an RFP that complies with Act 44 to seek and retain specialized outside counsel to facilitate this initiative. The RFP will be issued for execution in 2014.
RET05	Determine status of 2007 enhanced service increments and prevent implementation of such enhancements, if applicable	NA	City Solicitor	Complete	Priority 1		<ul style="list-style-type: none"> Review Police Plan ordinance to determine if it has been amended to reflect the 2007 agreements If not, do not amend the ordinances If yes, initiate process to prospectively cap service increments at 60% of final salary 	The pension amendment was approved (employee with 27 years of service receive 70% benefit). There is no way to prevent implementation. It has been adopted by City Council.
RET06	Aggressively defend an appeal, if applicable, regarding the 2009 enhanced service increments	NA	City Solicitor	Complete	Priority 1	Complete	<ul style="list-style-type: none"> Implement 	The Law Bureau aggressively defended the appeal by the FOP and recently obtained a favorable decision by the Supreme Court, who

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								upheld the decision of the PA Labor Relations Board that the City did not commit an Unfair Labor Practice when City Council refused to enact the pension enhancement given by the former Mayor.
RET07	Update PMRS Agreement to reflect recent changes in the Firefighters' Plan	N/A	City Solicitor	Complete	Priority 1	September 2013	<ul style="list-style-type: none"> Revise ordinance to reflect relevant amendments Submit ordinance to City Council for consideration 	Complete
RET08	Resolve discrepancies between the Non-Uniformed Plan and the Non-Uniformed PMRS Agreement	N/A	City Solicitor	Complete	Priority 1	January 2013	<ul style="list-style-type: none"> Conduct comparative review of uniformed and non-uniformed plans Identify discrepancies and appropriate amendments Revise ordinance to reflect relevant amendments Submit ordinance to City Council for consideration 	The pension ordinance has been revised to reflect new collective bargaining agreements.
RET09	Amend Non-Uniformed collective bargaining agreement	N/A	City Solicitor	Complete	Priority 1	January 2013	<ul style="list-style-type: none"> Amend plan ordinances to reflect collective bargaining changes that went into effect in 2009 Submit ordinance to City Council for consideration 	The contract changes made to the CBA re. pension improvements at the end of 2009 were conditioned upon Council approval within 120 days. Council approval was not obtained rendering those changes to the contract null and void. This initiative is invalid and unable to be

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RET10	Establish Other Post-Employment Benefits (OPEB) Trust	N/A	City Solicitor	In Process	Priority 1	January 2014	<ul style="list-style-type: none"> Identify procedure to establish OPEB Trust Develop timeline, process and implementation plan 	implemented. Draft Trust Agreement and supporting documents are under review by Coordinator Team and obligations have been identified with the receipt of the OPEB Actuarial Valuation Report as of 1/1/2012.
I&RM01	Fund risk management services	N/A	Director of Financial Management	Complete	Priority 1	October 2012	<ul style="list-style-type: none"> Contact the City's Third Party administrator to schedule safety trainings Schedule training events 	The City has contracted Inservco, our workers compensation third-party administrator, to provide safety training. In 2012, three certified training sessions were conducted by Chuck Baker of Inservco for Public Works employees. Seventeen employees attended the Safe Driving Awareness session on 9/17/12. Two sessions were held on Thursday, December 20, 2012 - "Worksafe for Sanitation Workers", at which 17 employees attended and "Worksafe for Public Workers", at which 7 employees participated. The Public

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								Works Director also conducted a Work Place Safety Training on 10/1/12 where 17 employees attended. The City is working with Inservco and Marsh USA to jointly identify other high-risk areas to focus future annual training sessions.
I&RM02	Revise terms of brokerage service agreement	N/A	Director of Financial Management	Complete	Priority 1	September, 2013	<ul style="list-style-type: none"> Develop and issue RFP Assemble RFP review committee Review proposals and select the lowest responsible bidder 	An RFP was developed and publicly issued on July 23, 2013 and, following an extensive selection process, contract was awarded to Marsh, Inc. on September 2013.
I&RM03	Engage an actuarial firm to perform an independent and objective evaluation of the City's ultimate liability and projected payments for the forthcoming fiscal period using the City's own loss experience as opposed to industry data	N/A	Director of Financial Management	In Process	Priority 2	January 2014	<ul style="list-style-type: none"> Evaluate necessity of initiative based on the City's new insurance program. Develop and issue RFP Assemble RFP review committee Review proposals and select the lowest responsible bidder 	This initiative would require funding for a third-party firm to conduct the analysis. Given budget constraints and pressing fiscal issues, the initiative is temporarily put on hold until resources became available.
I&RM04	Revise collective bargaining agreements to allow for flexible Light Duty Program	N/A	Mayor, Business Administrator, City Solicitor, and Human Resources Director	In Process	Priority 2	July 2014	<ul style="list-style-type: none"> Develop working committee consisting of representatives from management and each labor union Conduct best practice research 	City and unions have agreed to develop labor management committees which will serve as the method for developing revisions to the light duty

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							<ul style="list-style-type: none"> to define light-duty program options • Develop program • Draft and adopt MOUs establishing flexible light duty program 	program
I&RM05	Create a safety program to manage risk of vehicle liabilities	N/A	Director of Financial Management and PW Director	In Process	Priority 2	July 2014	<ul style="list-style-type: none"> • Conduct research to identify best practice safety programs • Develop process to regularly review motor vehicle records of employees who operate motor vehicles • Develop review process for city vehicles involved auto accidents, and associated disciplinary process • Communicate program, policy and procedures to employees/labor groups • Conduct training for employees and initiate program 	The City relies upon Inservco, its contracted safety training service provider, to provide certified trainers who conduct the research to identify best practice safety programs as relates to the specific kinds of risk City employees are exposed to.
I&RM06	Conduct a cost benefit analysis to determine adequate Umbrella Excess Liability coverage	N/A	Director of Financial Management	In Process	Priority 1	January 2014	<ul style="list-style-type: none"> • Evaluate necessity of initiative based on the City's new insurance program. • Conduct analysis to determine existing liability • Identify cost associated with increasing liability coverage to cover estimated risk in the interim • Evaluate and implement actions to decrease liability and risk (e.g., create a safety program) • Adopt a practice, as part of the 	City requested a range of quotes from Marsh USA to potentially expand Umbrella Excess Liability Coverage, as well as benchmarks to help conduct a cost benefit analysis. Marsh USA provided a Benchmark Report on 1/23/12 to compare the City's current Excess Limits of Liability (\$5,000,000) to

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							Director of Financial Management's work plan, of assessing risk and coverage levels on an annual basis	89 Public Entity Peers from Marsh's data base and developed estimated premiums for increased coverage for the Coordinator to consider. The additional cost of coverage recommended by Marsh is cost prohibitive at this time. Increases in coverage will be considered as part of the City's request for proposals for insurance brokerage services, with the hope of realizing an overall net savings in the insurance program, despite increases in excess liability coverage.
I&RM07 (New)	Implement a worker's compensation buy-out program	N/A	Business Administrator	Pending	Priority 2	December 2014	<ul style="list-style-type: none"> • Conduct benchmarking research to identify programs that have been implemented in other third class cities • Develop program options • Solicit feedback from collective bargaining units and City Council • Develop and fund buy-out program 	
EL01	Increase communication, and collaboration with Mayor, City Council, City Controller, City Treasurer, and Department of Administration	N/A	All Elected Officials	Ongoing	Priority 1	Ongoing	<ul style="list-style-type: none"> • Convene a working group, staffed with the Business Administrator, to identify the 	

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							<ul style="list-style-type: none"> types of information that should be communicated (e.g., cash flow, financial statements, performance data), when, how often, and in what level of detail Develop and adopt processes to institutionalize communication Develop agenda, reports, etc., for monthly meetings Schedule regular meetings 	
EL02	Review progress on Financial Recovery Plan implementation monthly and quarterly	N/A	Mayor & City Council President	Ongoing	Priority 1	Ongoing	<ul style="list-style-type: none"> Develop agenda, reports, etc., for monthly meetings Schedule meetings 	Monthly meetings conducted.
EL03	Amend and pass City ordinances, fees and taxes as outlined in the Recovery Plan	N/A	City Council	Complete	Priority 1	Ongoing	<ul style="list-style-type: none"> Revise ordinances Submit ordinances to City Council for consideration and approval 	Council adopted a 5% Parking Tax increase and .8 mill real estate tax increase in 2012 budget. Residential Parking increase and Parking Meter Rate increase was also approved in 2013.
IGR01	Identify and implement intergovernmental cooperative initiatives	N/A	Mayor & City Council	Pending	Priority 2	Ongoing	<ul style="list-style-type: none"> Schedule meetings with elected officials from other governments and agencies (local and State) to identify opportunities for intergovernmental cooperation Develop prioritized list of opportunities and deliver to respective City staff for analysis Conduct feasibility, cost, and operational impact analysis Implement opportunities 	The City is pursuing opportunities as available. In 2014/2015 the City will be participating in regional analysis of police services to determine what opportunities exist to better coordinate police service.

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IGR02	Pursue membership in the Capital Region Council of Governments	N/A	Business Administrator	Pending	Priority 3	December 2014	<ul style="list-style-type: none"> • Identify funding • Initiate membership 	
ADMIN01	Implement quarterly financial reporting and associated review process	N/A	Director of Financial Management	Complete	Priority 1	March 2014	<ul style="list-style-type: none"> • Develop quarterly department budget review process, and revenue review process managed by the Bureau of Financial Management • Develop and document internal revenue and budget analysis process • Develop reporting process to elected officials • Develop budget amendment process to be included as a contingency option in the review and reporting process 	The 1st, 3rd, and 4th bullets were developed and implemented during 2012. A formal budget amendment process is currently in place in the form of a Line-item Budget Reallocation Plan development, public issuance and review process. However, the Administration will endeavor to review and discuss the possibility of limiting the frequency and amounts of Reallocation Plans by seeking City Council's approval through change in Ordinance to either increase the \$20,000 threshold maximum line-item transfer allowed between the most restrictive category established by Ordinance, or to increase the legal level of budgetary control from the current line-item level to a higher

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								<p>categorical level as part of the 2013 Budget amendment process. Internal processes were documented on April 30, 2013. On July 9, 2013, City Council read into the record Bill No. 20-2013 to increase the current \$20,000 line-item budget transfer threshold, which triggers the need for City Council approval, to \$50,000 for reallocations as set forth in the appropriation and expenditure procedures. The Bill was forwarded to the Budget & Finance Committee for future consideration.</p>
ADMIN02	Develop comprehensive Citywide financial policies	N/A	Director of Financial Management	In Process	Priority 2	December 2014	<ul style="list-style-type: none"> • Conduct research of best practice financial policies (begin with GFOA) • Develop draft policies • Assess existing financial practices against draft polices and develop action plan to amend practices as appropriate • Submit draft policies to the City Solicitor's Office for legal review • Submit policies as amended, for review and adoption by City Council 	<p>Support will be provided by the Act 47 Team to develop draft policies for the administration and City Council's consideration in 2014.</p>

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ADMIN03	Implement a standard budget development calendar	N/A	Director of Financial Management	Complete	Priority 1	N/A	<ul style="list-style-type: none"> Conduct staff training N/A 	Budget Development calendar has been established.
ADMIN04	Establish standard position control system	N/A	Director of Financial Management	Complete	Priority 1	June 2013	<ul style="list-style-type: none"> Develop tool (software or Excel) that compares budgeted positions to actual positions in the personnel system (should include cost projections by pay period) Develop quarterly position control review process to identify discrepancies and eliminate unfunded/unbudgeted positions from the personnel system Eliminate all unbudgeted positions from the personnel system 	In order to eliminate all unbudgeted positions from the DPER system, HR and IT reviewed all positions listed in the DPER system, and coded all positions that were not currently held by an employee as "INACTIVE". Then, based on the current list of vacancies that HR is tracking, only those vacant positions were changed back to "ACTIVE". This was done due to the DPER system not being a true position control and budgeting system.
ADMIN05	Conduct comprehensive review of City purchasing policies	N/A	Director of Financial Management	Complete	Priority 2	July 2013	<ul style="list-style-type: none"> Conduct research of best practice purchasing policies (take Pennsylvania rules into account) Develop draft policies Assess existing purchasing practices against draft policies and develop action plan to amend practices as appropriate Submit draft policies to the City Solicitor's Office for legal review 	The current Purchasing Policies are in accordance with the State of Pennsylvania Regulations and the Third Class City Code. The Public Bid Limit for all Third Class Cities was increased to \$18,500, signed into law by the Governor and went into effect January

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							<ul style="list-style-type: none"> Submit policies as amended, for review, and adoption by City Council Conduct staff training 	1, 2012. This directive was approved by the Solicitor's Office and circulated to all City employees and officials. It did not have to be approved by City Council. Due to the current fiscal condition of the City, it has been determined that the City's purchase order limit of \$1,000 will not be increased at this time. One-on-one training on purchasing procedures is provided whenever needed. If it is deemed necessary, a training seminar for all staff involved in the purchasing function will be held in 2013.
ADMIN06	Modify existing chart of accounts to track Commonwealth and Federal grant program funds on individual basis	\$260,000	Director of Financial Management	Complete	Priority 2		<ul style="list-style-type: none"> N/A 	The City has added additional detail to its Chart of Accounts to allow for individual grant-specific revenue and expenditure monitoring. In addition, a Grants Manager was hired June 4, 2012, to manage grant reporting processes.
ADMIN07	Revise the job description and increase hiring salary range for Chief of Staff/Business		Mayor & Director of Human Resources	Complete	Priority 1		<ul style="list-style-type: none"> N/A 	Interim Chief of Staff/BA hired effective 6/17/13.

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	Administrator							
ADMIN08	Eliminate manual data entry processes in the Bureau of Financial Management	N/A	Director of Financial Management	Complete	Priority 2	January 2013	<ul style="list-style-type: none"> • Develop crosswalk between the Pentamation and the DREV system • Test crosswalk in a test environment • Conduct pilot, redundant process in live environment • Assess and address crosswalk problems • Fully implement process 	Crosswalk had been developed. However, upon testing, the data download and upload process proved to be equally manual-input driven to achieve the desired results. Two follow-up meetings were held in early January 2013 with Finance and IT staff to observe the original crosswalk in order to identify what enhancements could be made to alleviate the need for continued manual effort and to tweak the programming to achieve the original desired results. IT staff's programmed changes were proven successful. Finance staff used the new application in test, and basic upload instructions were prepared and distributed. Go-Live occurred February 6, 2013.
ADMIN09	Hire a Senior Accountant position to the Bureau of Financial Management	-	Director of Financial Management	Complete	Priority 1	November 2012	<ul style="list-style-type: none"> • Conduct recruitment and hiring process 	Senior Accountant hired on November 5, 2012.

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							<ul style="list-style-type: none"> Hire and train employee 	
IT01	Replace mission critical IT components	N/A	Director of Information Technology	Completed	Priority 1	February, 2014	<ul style="list-style-type: none"> Develop inventory of existing IT infrastructure, life cycle, and replacement priority Develop corollary target replacement schedule Incorporate schedule into budget development process 	The inventory list of existing IT infrastructure has been developed. The list includes replacement priority and has been incorporated into the budget development process. IT's adopted 2013 budget includes 1 Air conditioner, and the City has applied for a grant to pay for a new UPS. The current UPS is 25 years old.
IT02	Replace outdated personal computers	(60,000)	Network Administrator	Completed	Priority 2	Ongoing	<ul style="list-style-type: none"> Develop inventory of existing PCs, life cycle, and replacement priority Develop corollary target replacement schedule Incorporate schedule into budget development process 	The inventory list has been developed that includes life cycle and replacement priority. Replacement schedule has been developed and incorporated into the budget development process. 47 computers were purchased at the end of 2012. 39 more computers have been ordered and scheduled to start rolling out during the month of September. Once complete an updated

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								inventory list will be supplied.
IT03	Eliminate all personal printers and maintenance on printers	N/A	Network Administrator	Complete	Priority 2	September 2013	<ul style="list-style-type: none"> • Inventory all personal printers • Develop alternative network printing options, if they do not exist, for those with personal printers • Eliminate personal printers 	Inventory of personal printers has been completed. (20 Identified) Alternative network printing options were provided for the 7 printers that were removed. 7 printers are used for special purposes (Photo ID, Fax, and Scanner). The remaining personal printers will be eliminated as supplies are used up.
IT04	Develop custom Interface between County dispatch system and METRO	N/A	Director of Information Technology & Police Chief	Complete	Priority 3	December 2013	<ul style="list-style-type: none"> • Seek grant funding from the Commonwealth • Contract with an IT vendor to develop custom interface • Test interface in a redundant environment • Address interface problems • Fully implement interface 	Standard Dispatching software is being provided without cost by Dauphin County. Police Chief and Technical Services Captain are in agreement that the interface is not needed.

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EChapter - #	Initiative	Five Year Financial Impact	Responsible Parties	Status	Priority ¹	Target Completion Date ²	Key Implementation Steps	Comment
IT05	Conduct a needs assessment for an Enterprise Resource Planning system	(80,000)	Director of Information Technology and Director of Financial Management	In Process	Priority 3	July 2014	<ul style="list-style-type: none"> Seek grant funding from the Commonwealth Develop RFP for consultant to complete needs assessment Assemble RFP review committee Review proposals and select the lowest responsible bidder 	An IT needs assessment was conducted for the City on a pro-bono basis by a private technology firm, with follow-up assessment and prioritization completed by the Act 47 Coordinator's Team. The City is seeking funding to address its most critical IT needs.
IT06	Complete a needs assessment and audit of existing phone system and components	(50,000)	Director of Information Technology	In Process	Priority 2	December, 2014	<ul style="list-style-type: none"> Seek grant funding from the Commonwealth Develop RFP for consultant to complete needs assessment Assemble RFP review committee Review proposals and select the lowest responsible bidder 	The City is currently reviewing a bid from Mitel, a firm on the Commonwealth COSTARS bidding list, to replace the phone system with a new VoIP system.
IT07	Pursue long-term strategic IT initiatives	N/A	Director of Information Technology	Pending	Priority 3	N/A	<ul style="list-style-type: none"> N/A 	The City is evaluating the opportunities available in 2014 to fund a system-wide IT infrastructure assessment and strategic plan.
LAW01	Use professional assistance for labor relations activities	N/A	City Solicitor	Complete	Priority 1	N/A	<ul style="list-style-type: none"> N/A 	Hired outside counsel in December
LAW02	Increase the number of staff attorneys from one to three	N/A	Mayor & City Council	Complete	Priority 1	January 2013	<ul style="list-style-type: none"> Incorporate positions into the budget development process as funds are available 	Angela L. Raver, Esq. started employment with the City as Assistant City Solicitor on July 15, 2013. The Law Bureau is now

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								staffed with three attorneys.
LAW03	Complete, recodify, and enact the Code of the City of Harrisburg	N/A	City Solicitor	Complete	Priority 1	December 2012	<ul style="list-style-type: none"> Develop code Submit code for approval by City Council 	City Council adopted the recodification ordinance on April 9, 2013.
POL01	Restructure the Patrol Duty Schedule	131,250	Police Chief	Complete	Priority 1	TBD	<ul style="list-style-type: none"> Develop alternative schedule options Initiate discussion with the FOP 	The Novak Group analysis indicated the 4-10 schedule was more costly to implement than the current 8-hour schedule and that, in light of the City's fiscal constraints, the schedule change is not recommended at this time.
POL02	Implement a vehicle replacement policy	(803,232)	Police Chief, Director of Public Works, & Director of Financial Management	Ongoing	Priority 1	Ongoing	<ul style="list-style-type: none"> Conduct fleet condition and utilization analysis, based on life-cycle, maintenance costs, and the pre-defined utilization standards Reassign or dispense of underutilized vehicles Develop target replacement plan with prioritization Incorporate replacement plan into budget development process 	The Department has established a vehicle replacement plan; however, implementation of the plan has been hampered due to limited financial resources. The Department continues to pursue grant opportunities to replace vehicles.
POL03	Review and revise stipend for newly promoted investigators		Police Chief & Director of Human Resources	In Progress	Priority 1	Jan 2013	<ul style="list-style-type: none"> Draft new salary schedule Initiate discussions with the FOP 	Agreement reached with FOP.

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POL04	Implement a proactive crime analysis and crime reduction strategy	N/A	Police Chief	Complete	Priority 1	May 2012	<ul style="list-style-type: none"> • Develop crime analysis software • Assign personnel as dedicated crime analyst(s) • Develop crime pattern analysis and reporting process • Develop information sharing and deployment processes tied to real time crime analysis and data 	Assigned sworn police officer has been assigned crime analysis responsibilities. A crime mapping system is up and operational, as of May 2012. The long-term goal of the Department is to convert the crime analyst position to a civilian position and redeploy the sworn officer to policing functions.
POL05	Increase complement of VICE Unit	N/A	Police Chief	Complete	Priority 1	Sept 2012	<ul style="list-style-type: none"> • Assess ability to reassign officers from specialty units and/or officers made available from a shift schedule adjustment (Initiative POL1). • Reassign officers to VICE if operationally feasible • In the interim, develop a “90 day career advancement” placement to increase VICE resources and provide professional development opportunities 	Career Development program in place. District Attorney’s Office to pay ongoing 5% stipend. An officer is assigned to Vice and paid for from the 5% stipend.
POL06	Assign representative to the District Attorney’s Office Narcotics Task Force	N/A	Police Chief & District Attorney	Complete	Priority 2	January 2013	<ul style="list-style-type: none"> • Coordinate with District Attorney’s office to assign personnel 	The Coordinator has granted permission for two additional Detectives to enhance Vice operations and keep it under City control in order to provide more

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								effective neighborhood safety oriented anti-drug operations. These personnel will be assigned to the Vice function by mid-February
POL07	Participate in Dauphin County Forensic Team	N/A	Police Chief & District Attorney	Complete	Priority 1	January 2013	<ul style="list-style-type: none"> Coordinate with District Attorney's office to assign personnel 	The forensic function is being kept under City control to allow their activities to be focused on neighborhood and community activities/needs. There are currently sufficient resources available to meet the Bureau's needs without additional personnel.
POL08	Transfer prisoner booking responsibility to Dauphin County	N/A	Police Chief	Complete	Priority 3	July 2013	<ul style="list-style-type: none"> Coordinate with County to formalize booking procedure Train sworn officers on booking process Transition booking process and reassign personnel assigned to booking 	Complete.
POL09	Appoint a Civilian Manager for Parking Enforcement Office	N/A	Police Chief & Director of Human Resources	In Process	Priority 2	January 2015	<ul style="list-style-type: none"> Conduct recruitment and hiring process Hire and train employee 	Currently, parking enforcement is directly managed by a Captain. The sale of the City's parking assets has reduced the City's enforcement coverage area by approximately 50%, resulting in a

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								reduction to two parking enforcement officers. However, these positions still warrant civilian rather than sworn oversight. This initiative will be pursued as funding for civilianization becomes available.
POL10	Replace electronic parking ticketing devices	(112,200)	Police Chief & Director of Financial Management	Complete	Priority 1	November 2012	<ul style="list-style-type: none"> • Fund replacement of devices • Identify and select vendor • Purchase/lease and activate devices • Train parking enforcement officers 	The devices have been fielded and are fully operational.
POL11	Increase operational efficiency in Parking Enforcement Office	480,480	Police Chief	Complete	Priority 1	Ongoing	<ul style="list-style-type: none"> • Establish targets for increased efficiency and relay targets to staff • Adopt a practice of accessing employee productivity against targets 	The Department has implemented handheld ticket writing devices and will continue to pursue opportunities to increase efficiency.
POL12	Implement a new schedule for Parking Enforcement Officers	N/A	Police Chief	Complete	Priority 1	Oct 2012	<ul style="list-style-type: none"> • Create new schedule • Meet with affected employees to discuss schedule change 	Metered enforcement is now handled by Standard Parking, per the asset monetization agreement. Schedule changes are no longer required.
POL13	Increase current parking ticket fees	4,500,000	Mayor & City Council	Complete	Priority 1	Oct 2012	<ul style="list-style-type: none"> • Develop new schedule of fees • Submit revised fee schedule to City Council for adoption • Conduct public information process • Begin enforcement 	Fee increase proposal to increase metered parking fines to \$30 has been adopted by City Council.

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EChapter - #	Initiative	Five Year Financial Impact	Responsible Parties	Status	Priority¹	Target Completion Date²	Key Implementation Steps	Comment
POL14	Evaluate the consolidation of Specialized Units	N/A	Police Chief	Complete	Priority 2	Complete	<ul style="list-style-type: none"> Evaluate efficacy of special units on an ongoing basis, depending on crime profile and community need 	Units have been absorbed into patrol platoons to meet staffing needs, except street crimes unit and traffic unit
POL15	Enhance leave supervision	N/A	Police Chief	Complete	Priority 1	April 2012	<ul style="list-style-type: none"> Develop chronic sick and injury-related leave policy and sanctions, with advisory input from the FOP Educate staff on policy and related expectations Adopt policy enforcement into the performance management system 	Sick leave abuse policy is in place and effect. Officers are allowed to run sick time out, at retirement. Needs to be addressed at labor relations. Considered unfair labor practice if discontinued.
POL16	Evaluate false alarm fee for burglar alarms and aggressively collect fees due	N/A	Police Chief and Director of Bureau of Operations and Revenue	Complete	Priority 1	September 2012	<ul style="list-style-type: none"> Develop monthly review process of Dauphin County communications' records to identify calls eligible to be billed Assess false alarm fees in the City-wide fee study and adjust as appropriate 	On February 8, 2013, the City Clerk introduced legislation for approval to City Council, in ref to an ordinance addressing to update the fee schedule for burglar alarms.
POL17 (New)	Conduct a workload-based staffing analysis of the City of Harrisburg Police Patrol function	N/A	Police Chief	Pending	Priority 1	June 2015	<ul style="list-style-type: none"> Coordinate with Coordinator's Team to develop methodology and approach Work with Dauphin County Communication Center to collect calls for service data Complete analysis and staffing plan Budget for adjustments recommended in the staffing plan 	

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EChapter - #	Initiative	Five Year Financial Impact	Responsible Parties	Status	Priority ¹	Target Completion Date ²	Key Implementation Steps	Comment
FIRE01	Change current shift schedule	N/A	Fire Chief	Pending	Priority 1	December 2012	<ul style="list-style-type: none"> Develop alternative schedule options Initiate discussion with the IAFF 	Final Proposals were ratified by the IAFF but have not yet been ratified by the City.
FIRE02	Eliminate premium pay	N/A	Mayor, Fire Chief, & Business Administrator	Pending	Priority 1	July 2012	<ul style="list-style-type: none"> Initiate discussion with the IAFF 	Final Proposals were ratified by the IAFF but have not yet been ratified by the City.
FIRE03	Evaluate the tradeoffs of taking a piece of apparatus out of service and increasing staffing on remaining apparatus	N/A	Fire Chief & Business Administrator	Pending	Priority 1	Complete	<ul style="list-style-type: none"> Identify alternative apparatus/deployment structures Determine service impact associated with each and corollary impact on response capability Develop preferred option and initiate discussions with the IAFF Implement preferred alternative 	In accordance with the collective bargaining agreement, the Department has closed one fire company/station to accommodate a revised minimum manning standard of fourteen firefighters and one commander.
FIRE04	Implement an engine company inspection program	N/A	Fire Chief	In Process	Priority 2	July 2014	<ul style="list-style-type: none"> Review inspection inventory and identify company-based inspection plan Develop inspection guidelines and procedures Train inspectors Incorporate inspection work plan into daily company activities 	Company officers completed training for certification as fire inspector 1 in February 2014. The Fire Department is evaluating company-based inspection opportunities
FIRE05	Increase billing/collection of emergency response and vehicle extrication fees	61,875	Fire Chief & City Council	Complete	Priority 1	April 2012	<ul style="list-style-type: none"> Develop fee schedule Submit fee schedule to City Council for adoption Notify insurance companies of fee change Aggressively bill and collect fees from insurance companies 	Ordinance No.13 (Bill NO. 16-2012) passed as amended. The fee of \$500, per vehicle is for Extrication. The Tax & Enforcement office will aggressively bill the

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								insurance companies once notified and provided details of the extrication from the Fire Bureau.
FIRE06	Adjust false alarm fees to more accurately reflect costs and impacts	60,000	Fire Chief	Complete	Priority 1	April 2012	<ul style="list-style-type: none"> • Identify fully loaded cost (salary, benefits, vehicle use, and fuel, administrative/ billing overhead, etc.) of each false alarm response • Revise fee schedule to recover costs and provide disincentive of multiple false alarms • Submit fee schedule to City Council for adoption • Develop citizen education plan (include Commonwealth) 	City Council has approved the increases to fire alarms.
FIRE07	Civilianize Bureau's Administrative Assistant position	N/A	Fire Chief & Director of Human Resources	Complete	Priority 2	March 2014	<ul style="list-style-type: none"> • Revise job description • Incorporate position into budget development process • Recruit and hire Confidential Secretary to the Fire Chief • Reassign firefighter to suppression duties 	
FIRE08	Mandate formal Safety Committee review of every work-related injury in Bureau	N/A	Fire Chief & Director of Human Resources	Complete	Priority 2	N/A	<ul style="list-style-type: none"> Develop and adopt administrative policy Develop work related injury review process Educate employees on the process 	The Fire Department has established the practice of reviewing workplace accidents and near misses through a joint labor-management committee. The Committee reviews safety issues and injuries and develops

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								interventions as appropriate. This meets the intent of the initiative
FIRE09	Establish a formal in-house training program, including a shift swap system, that allows in-house trainers to lead events	N/A	Fire Chief	In Process	Priority 3	December 2014	<ul style="list-style-type: none"> Develop charter and membership for in-house training committee Conduct inventory of in- house expertise Identify and train in-house trainers Develop training curriculum and training schedule Work with IAFF to develop a short-term shift swap system for in-house trainers 	The Department has an established training program; however, training augmentation and shift swap opportunities will be evaluated for implementation in 2014.
FIRE10	Continue discussions with Harrisburg Area Community College Public Safety Center regarding possible training collaboration	N/A	Fire Chief	Complete	Priority 2	Ongoing	<ul style="list-style-type: none"> Schedule regular formal and informal interaction with the college to identify training opportunities for City firefighters 	Regular and informal interaction takes place as part of the Bureau of Fire's annual training schedule
FIRE11	Revise turnout gear replacement practices	N/A	Business Administrator, City Solicitor, & Fire Chief	Pending	Priority 1	July 2012	<ul style="list-style-type: none"> Initiate discussions with the IAFF 	Subject to contract negotiations.
FIRE12	Revise IAFF collective bargaining agreement to allow more efficient and effective use of resources	N/A	Business Administrator, City Solicitor, & Fire Chief	Pending	Priority 1	July 2012	<ul style="list-style-type: none"> Initiate discussions with the IAFF 	Subject to contract negotiations.
FIRE13	Eliminate minimum manning upon expiration of current collective bargaining agreements	N/A	Business Administrator, City Solicitor, & Fire Chief	Pending	Priority 1	July 2012	<ul style="list-style-type: none"> Initiate discussions with the IAFF 	Subject to contract negotiations.
PW01	Implement container based collection system for residential solid waste and recycling	N/A (Should result in General	Director of Public Works	In Process	Priority 1	September 2012	<ul style="list-style-type: none"> Conduct route optimization study and identify routes that can be automated 	The Novak Consulting Group completed an analysis of a fully funded

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		Fund savings)					<ul style="list-style-type: none"> • Assess capital investment required to automate select routes • Issue revenue bonds for capital expenses • Purchase carts and equipment • Train employees on routes and equipment use • Conduct public information campaign and define public inquiry triage process • Conduct cart distribution 	City-owned operation as a basis for comparison. Contract execution is on hold until additional opportunities to augment the City operation can be analyzed and explored.
PW02	Enforce City's right to commercial collection and contract with private collector for collection of commercial waste	N/A	Director of Public Works	In Process	Priority 1	July 2013	<ul style="list-style-type: none"> • Identify all active businesses in the City (may require coordination with the Department of Revenue) • Mail letters to all businesses indicating commercial waste hauling requirements • Issue bills to all Harrisburg businesses • Aggressively collect money owed 	The Novak Consulting Group completed an analysis of a fully funded City-owned operation as a basis for comparison. Contract execution is on hold until additional opportunities to augment the City operation can be analyzed and explored.
PW03	Increase recycling through education, accessibility, and enforcement - Sanitation Fund	N/A	Director of Public Works	In Progress	Priority 2	December 2012	<ul style="list-style-type: none"> • Develop recycling education process • Evaluate implementation of recycle bank program to incentivize recycling 	Have a Section 902 grant request with the DEP. Met with DEP on September 10, 2013 to update program. Request to fund a Solid Waste / Recycling Coordinator was approved by council on

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								September 11, 2013. The City is currently recruiting for the position.
PW04	Aggressively manage fleet make-up and quantity	N/A	Director of Public Works	In Process	Priority 2	April 2013	<ul style="list-style-type: none"> • Develop detailed inventory of City fleet that includes key identifying data, life cycle data, mileage/utilization, use profile, etc. • Develop process of tracking and assessing utilization data, maintenance costs, fuel costs, etc. • Conduct fleet utilization analysis based on pre-defined utilization standards • Move underutilized vehicles/equipment out of service • Identify target fleet size and composition and incorporate into a vehicle replacement plan that fits within financial constraints 	Request to fund a Fleet Manager was approved by council on September 11, 2013. Advertisement to follow. This individual, once hired, will develop this program and manage it. The position is currently being recruited for.
PW05	Create Central Fleet Agency with Combined Facilities and Fleet Manager	N/A	Director of Public Works	In Process	Priority 3	January 2014	<ul style="list-style-type: none"> • Develop organization structure, bureau mission, programmatic responsibilities, and performance targets • Develop bureau work plan by program • Communicate change to impacted employees • Create internal service fund and associated chart of accounts • Incorporate structural and fund 	Request to fund a Fleet Manager was approved by council on September 11, 2013. The position under recruitment. Initiative will be pursued after position is filled.

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EChapter - #	Initiative	Five Year Financial Impact	Responsible Parties	Status	Priority ¹	Target Completion Date ²	Key Implementation Steps	Comment
							<ul style="list-style-type: none"> change into budget process and pursue City Council approval Recruit and hire bureau director position Incorporate work plan into the performance management system 	
PW06 (New)	Develop a plan to develop a fleet and fuel management internal service fund operation.	N/A	Director of Public Works; Director of Financial Management	Pending	Priority 3	December 2014	<ul style="list-style-type: none"> Pending hiring of fleet manager 	Pending hiring of fleet manager
PW07 (New)	Develop an energy conservation program that allows the City to reduce operating costs through designated capital resources or grant funds.	N/A	Director of Public Works	Pending	Priority 2	July 2014	<ul style="list-style-type: none"> Conduct needs assessment of Harrisburg city facilities Develop prioritized list of improvements Solicit grant opportunities 	Pending resource allocation
FLEET01	Eliminate three dump trucks from the Department of Public Works' fleet	N/A	Director of Public Works	In Process	Priority 1	July 2014	<ul style="list-style-type: none"> Decommission vehicle Schedule auction and sell vehicle Revise insurance roles Report salvage value and insurance savings to Director of Financial Management 	Surplus vehicle elimination is underway.
FLEET02	Eliminate one bucket truck from the Department of Public Works' fleet	N/A	Director of Public Works	In Process	Priority 1	July 2014	<ul style="list-style-type: none"> Decommission vehicle Schedule auction and sell vehicle Revise insurance roles Report salvage value and insurance savings to Director of Financial Management 	Surplus vehicle elimination is underway.
FLEET03	Eliminate two street sweepers from the Department of Public Works' fleet	N/A	Director of Public Works	In Process	Priority 1	July 2014	<ul style="list-style-type: none"> Decommission vehicle Schedule auction and sell vehicle 	Surplus vehicle elimination is underway.

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EChapter - #	Initiative	Five Year Financial Impact	Responsible Parties	Status	Priority ¹	Target Completion Date ²	Key Implementation Steps	Comment
							<ul style="list-style-type: none"> Revise insurance roles Report salvage value and insurance savings to Director of Financial Management 	
FLEET04	Evaluate the elimination of two tractors from the Department of Public Works' fleet	N/A	Director of Public Works	In Process	Priority 1	July 2014	<ul style="list-style-type: none"> Decommission one tractor for six month period Evaluate utilization of remaining tractor Assess practicality of eliminating one tractor from the fleet Schedule auction and sell tractor Revise insurance roles Report salvage value and insurance savings to Director of Financial Management 	Pending hire of fleet manager. Recruitment is underway.
FLEET05	Eliminate one box van and one sport utility vehicle (SUV) from the Department of Public Works' VMC fleet	N/A	Director of Public Works	In Process	Priority 1	July 2014	<ul style="list-style-type: none"> Decommission vehicle Schedule auction and sell vehicle Revise insurance roles Report salvage value and insurance savings to Director of Financial Management 	Surplus vehicle elimination is underway.
FLEET06	Eliminate 21 inoperable vehicles from the Police Department's fleet	N/A	Police Chief	In Process	Priority 1	July 2014	<ul style="list-style-type: none"> Decommission vehicle Schedule auction and sell vehicle Revise insurance roles Report salvage value and insurance savings to Director of Financial Management 	Surplus vehicle elimination is underway.
FLEET07	Eliminate one prisoner transport van from the Police Department's fleet	N/A	Police Chief	In Process	Priority 1	July 2014	<ul style="list-style-type: none"> Decommission vehicle Schedule auction and sell vehicle Revise insurance roles 	Surplus vehicle elimination is underway.

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EChapter - #	Initiative	Five Year Financial Impact	Responsible Parties	Status	Priority ¹	Target Completion Date ²	Key Implementation Steps	Comment
							<ul style="list-style-type: none"> Report salvage value and insurance savings to Director of Financial Management 	
FLEET08	Eliminate three out of service fire apparatus and one duplicate surplus pickup truck from the Fire Department's fleet	N/A	Fire Chief	In Process	Priority 1	July 2014	<ul style="list-style-type: none"> Decommission vehicle Schedule auction and sell vehicle Revise insurance roles Report salvage value and insurance savings to Director of Financial Management 	Surplus vehicle elimination is underway.
FLEET09	Return PEMA owned apparatus and specialty vehicles to the Commonwealth	N/A	Fire Chief	Pending	Priority 1	July 2014	<ul style="list-style-type: none"> Initiate hand-over discussions with PEMA Schedule transfer of vehicles 	Pending the hiring of a Fire Chief
FLEET10	Develop a vehicle pool for the Bureau of Housing, and reallocate surplus vehicles to support two additional code enforcement officer positions	N/A	Director of Housing; Fleet Manager	Pending	Priority 1	July 2014	<ul style="list-style-type: none"> Decommission vehicle Schedule auction and sell vehicle Revise insurance roles Report salvage value and insurance savings to Director of Financial Management Develop vehicle pool scheduling system Communicate system to employees 	Awaiting hiring of fleet manager. Position is under recruitment
FLEET11	Utilize fleet reduction savings to purchase and install a fleet and fuel management system	N/A	Fleet Manager	Pending	Priority 1	December 2014	<ul style="list-style-type: none"> Solicit feedback from fleet users/departments regarding necessary scope of system Develop system specifications Evaluate options and purchase cost effective software Install software and test with one department. Address system deficiencies and issues 	

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EChapter - #	Initiative	Five Year Financial Impact	Responsible Parties	Status	Priority ¹	Target Completion Date ²	Key Implementation Steps	Comment
							<ul style="list-style-type: none"> Roll out system city-wide Develop data collection and tracking processes and protocols and reporting processes 	
FLEET12	Reclassify an Automotive Mechanic position to a Fleet Manager position	N/A	Director of Public Works	In Process	Priority 1	January 2014	<ul style="list-style-type: none"> Develop job description Obtain funding and City Council approval Recruit and fill position 	Position is under recruitment
BH01	Increase fees, fines, and charges based on fee study results	N/A	Mayor & City Council	Completed	Priority 1	May 2013	<ul style="list-style-type: none"> Develop revised fee schedule Submit fee schedule to City Council for review and approval 	City Council Legislative session met on June 11, 2013 and approved Bill 6 of 2013 which provides for the revised Bureau of Codes fee structure.
BH02	Quantify extent of inspections backlog and hire additional codes enforcement officers to clear and prevent backlogs	\$100,000	Director of Building and Housing Development	Complete	Priority 2	August 2013	<ul style="list-style-type: none"> Conduct internal evaluation of inspection backlog by type Identify target efficiency standards per inspection by type Assess staffing needs based on inspection backlog and incorporate additional position requests into the process 	Passage of amendments to the Rental Inspection Ordinance and Buyers Notification Ordinance have restructured the Codes inspection programs and reduced unnecessary inspections.
BH03	Contract for demolition of blighted structures	N/A	Director of Building and Housing Development	Complete	Priority 2	July 2012	<ul style="list-style-type: none"> Develop and issue RFP Assemble RFP review committee Review proposals and select the lowest responsible bidder Develop demolition schedule based on safety priority 	RFP is not required to obtain bids for emergency demolitions. There is no formal RFP Review Committee. RFPs are reviewed by: DBHD, the Purchasing Manager, Office of the Mayor and if needed the Law Bureau.

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								RFP bid responses are awarded to the lowest and most qualified bidder. All properties scheduled for demolition that are based on public safety are reviewed and triaged by the Codes Administrator and staff. Requests for demolition bids are also based on available funds.
BH04	Assemble and systematically deploy code enforcement teams	N/A	Deputy Codes Administrator	Complete	Priority 2	December 2012	<ul style="list-style-type: none"> Develop composition and structure of teams Conduct assessment of "problem areas" Based on assessment, develop work plan and measurable goals for teams 	Composition of Team completed. Meeting to be scheduled for DBHD, Fire and Police Departments.
BH05	Adopt legislation requiring a local responsible agent for rental properties within the City	N//A	City Council	Complete	Priority 1	July 2012	<ul style="list-style-type: none"> Draft ordinance and associated fine structure Develop registration process Submit ordinance to City Council for consideration Conduct public notification and registration campaign before effective date 	The measure was passed by City Council in October 2011, Ordinance 9-2011. In lieu of a registration process, Bureau of Codes maintains an electronic database of rental unit applications. Public notification was accomplished prior to passage of Ordinance.
BH06	Fill vacant HUD funded positions	N/A	Director of Building and Housing Development and	Complete	Priority 1	July 2013	<ul style="list-style-type: none"> Conduct recruitment and hiring processes 	Offer of employment made to selected candidate for

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EChapter - #	Initiative	Five Year Financial Impact	Responsible Parties	Status	Priority ¹	Target Completion Date ²	Key Implementation Steps	Comment
			Director of Human Resources					Rehabilitation Specialist I on June 13, 2013. Start date: July 15, 2013.
BH07	Update the City's Comprehensive Plan	To be determined	Director of Building and Housing Development	In Process	Priority 3	December 2014	<ul style="list-style-type: none"> • Develop and issue RFP • Assemble RFP review committee • Review proposals and select the lowest responsible bidder • Conduct public engagement and planning processes 	An RFP for comprehensive plan development will be issued by the close of 2014
HS01	Designate a Housing Coordinator	N/A	Mayor	Complete	Priority 1	July 2013	<ul style="list-style-type: none"> • Identify and evaluate interested candidates • Designate a Housing Coordinator 	The Housing Coordinator functions have been assumed by the Director of Community and Economic Development
HS02	Develop a comprehensive Housing Strategy	\$10,000	Mayor, Business Administrator, Housing Coordinator.	In process	Priority 2	December 2014	<ul style="list-style-type: none"> • Convene a working group to guide strategy development • Develop working group charter and objectives • Develop project plan and process to develop housing strategy • Develop draft plan for review and comment by elected officials and partner agencies • Finalize plan based on feedback • Incorporate plan elements into the work plan of the housing coordinator and other relevant staff 	Slated for inclusion in the comprehensive plan development process. An RFP for comprehensive plan development will be issued by the close of 2014

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HS03	Utilize Vacant Property Reinvestment Board	N/A	Mayor, Business Administrator, & Housing Coordinator	In Process	Priority 2	December 2014	<ul style="list-style-type: none"> Develop work plan and goals for the board based on comprehensive housing strategy Develop implementation plan to engage private redevelopment groups and civic groups 	Slated for inclusion in the comprehensive plan development process. An RFP for comprehensive plan development will be issued by the close of 2014
ED01	Designate an Economic Development Coordinator	\$75,000	Mayor	In process	Priority 1	July 2013	<ul style="list-style-type: none"> Develop position work plan and priorities Conduct recruitment and hiring process 	Director of Community and Economic Development appointed in February 2014
ED02	Develop a coordinated long-term economic development strategic plan	N/A	Mayor & City Council	In process	Priority 2	December 2014	<ul style="list-style-type: none"> Develop and issue RFP Assemble RFP review committee Review proposals and select the lowest responsible bidder Conduct planning processes Incorporate planning process results into the Economic Development work plan 	Slated for inclusion in the comprehensive plan development process. An RFP for comprehensive plan development will be issued by the close of 2014
ED03	Evaluate the City's tax abatement strategy	N/A	Mayor & City Council	In Process	Priority 1	July 2014	<ul style="list-style-type: none"> Conduct best practice research to identify successful tax abatement programs Develop tax abatement strategy alternatives Submit alternatives to City Council for consideration Finalize abatement packages and strategies Conduct proactive education and recruitment campaign to solicit program participants 	The Law Bureau has developed a new Tax Abatement program. This new Tax Abatement has been submitted to City Council for approval and is awaiting a vote of Council.

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EChapter - #	Initiative	Five Year Financial Impact	Responsible Parties	Status	Priority ¹	Target Completion Date ²	Key Implementation Steps	Comment
ED04	Improve management of the City's MOED Loan Portfolio	N/A	Mayor, Business Administrator, & Economic Development Coordinator	In Process	Priority 2	June 2014	<ul style="list-style-type: none"> Evaluate options available to centralize management of the MOED portfolio Develop monitoring and enforcement processes and contract with vendors/partners as appropriate 	City Administration will verify with the Revolving Loan Fund Board as to the status of completing its Bylaws. Appointments to the Revolving Loan Fund were approved by City Council on February 12, 2013 and referred to the Mayor for further action.
CIP01	Establish and maintain a multi-year (5-7) Capital Improvement Program	(22,227,548)	Director of Financial Management, with assistance from the Director of Public Works & Department Directors	In Process	Priority 2	July 2014	<ul style="list-style-type: none"> Conduct inventory and condition assessment of existing capital assets Prioritize capital improvement needs based on key considerations such as infrastructure use, condition, safety, cost, etc. Identify long-term Improvement plan based on resource estimates Conduct capital budget development process and incorporate 5-7 year CIP development into the process 	Capital budget planning and development processes will be developed to interface with the infrastructure non-profit funding silo established through the debt resolution and asset monetization process.,
CIP02	Establish a CIP development process	N/A	Director of Financial Management, with assistance from the Director of Public Works & Department Directors	In Process	Priority 1	July 2014	<ul style="list-style-type: none"> Develop calendar to include resource estimates, target development, department budget submission, internal review and amendment, executive review, internal 	Capital budget planning and development processes will be developed to interface with the infrastructure non-profit funding silo

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							budget hearing, and recommended budget formulation <ul style="list-style-type: none"> • Develop associated templates and processes • Communicate processes to staff, the public, and elected officials in advance • Train staff on capital budget schedule, process, roles, responsibilities, and obligations 	established through the debt resolution and asset monetization process
CIP03	Establish and maintain an asset management system	(187,500)	Director of Financial Management & Director of Public Works	In Progress	Priority 3	January 2014	<ul style="list-style-type: none"> • Develop infrastructure condition rating systems and processes and incorporate into department work plans • Conduct inventory and condition assessment of existing capital assets • Incorporate infrastructure condition assessments into the capital budget development process 	A current list of vehicles (fixed assets) has been identified. It will need to be consolidated with permanent assets and reviewed on a periodic basis. This program can best be managed by a facilities / fleet / asset management type of professional. Request for fleet manager position has been forwarded to the Coordinator and approved. See initiative PW05. Request to fund a Fleet Manager was approved by council on September 11, 2013. Recruitment is on hold, pending funding availability.

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EChapter - #	Initiative	Five Year Financial Impact	Responsible Parties	Status	Priority ¹	Target Completion Date ²	Key Implementation Steps	Comment
CIP04	Investigate the sale and leaseback of City buildings	N/A	Mayor & Business Administrator	In Process	Priority 1	September 2012	<ul style="list-style-type: none"> • Identify City facilities that may have a market for sale and/or lease back • Assess operating implications of sale and/or lease back for each facility • If operationally feasible, place facilities on open market • Negotiate sale/lease back agreements and submit to City Council for consideration and approval 	DBHD in cooperation with the Harrisburg Redevelopment Authority has reviewed City and HRA owned real estate with the intention of promoting selective properties for sale to “low to moderate income” families and individuals. In addition, the City released a RFP for purpose of soliciting a Real Estate Broker to market City and HRA owned properties. City has selected real estate broker; the real estate broker is developing marketing plan.
OA01	Establish a stormwater utility fee	N/A	THA	Complete	Priority 1	January 2013	<ul style="list-style-type: none"> • Determine legal ability of an Authority to establish a stormwater fee • Conduct fee study • Develop fee schedule and submit to appropriate legislative body for consideration and approval • Develop billing and collection process • Conduct public education process • Implement billing process 	Fee has been established.

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EChapter - #	Initiative	Five Year Financial Impact	Responsible Parties	Status	Priority ¹	Target Completion Date ²	Key Implementation Steps	Comment
OA02	Negotiate Payment in Lieu of Tax (PILOT) agreements with the City of Harrisburg	N/A	THA & Mayor	In Process	Priority 1	January 2015	<ul style="list-style-type: none"> Define PILOT structure and calculation methodology Initiate discussions to establish PILOT agreements Submit draft agreements to City Council for consideration and approval Develop payment schedule and processes 	City has begun discussions with local non-profits.
OA03	Expand Stormwater Management Ordinance regarding discharges - THA	N/A	Mayor, City Council, & City Engineer	Complete	Priority 1	February 2013	<ul style="list-style-type: none"> Draft ordinance amendments Submit to City Council for consideration and approval Communicate ordinance changes to the development community 	The draft ordinance was completed by the Office of the City Engineer in March and reviewed by the solicitor. The Harrisburg Authority was copied on the final draft. The draft ordinance, Bill No. 09-2013, appeared before the City Council in April, and the Public Works Committee on May 13th. On May 14 th , City Council approved Bill 09-2013 at the scheduled Legislative Meeting. The City of Harrisburg Stormwater Management Ordinance is posted on the city website and can be downloaded by the general public. The city Department of Building, Housing and

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								Development is apprising all land development plan applicants of the revised ordinance and directing stormwater related questions to the Office of the City Engineer. Also, this office has been notifying land development plan applicants and others with stormwater related issues of the ordinance revision informally, over the past year.
REV01	Increase the Earned Income Tax (EIT) rate as required to eliminate operating deficits	N/A	City Council & City Tax Administrator	Complete	Priority 1	July 2013	<ul style="list-style-type: none"> • Draft enabling ordinance • Submit to City Council for consideration and approval • Communicate rate change to the public • Adjust revenue projections 	City Council approved the EIT tax increase on October 24, 2012. The new tax rate will be effective on January 1, 2013.
REV02	Increase the Real Estate Tax rate as required to eliminate	NA/	Mayor & City Council	Complete	Priority 1	July 2013	<ul style="list-style-type: none"> • Draft enabling ordinance • Submit to City Council for consideration and approval • Communicate rate change to the public • Adjust revenue projections 	.8 increase included in 2012 budget
REV03	Review Real Estate Taxable Assessments	N/A	City Treasurer with County Assessment Office and School District Business Manager	Pending	Priority 2	April 2013	<ul style="list-style-type: none"> • Initiate discussions with partner governments • Develop assessment plan and funding structure • Conduct reassessment • Evaluate revenue impact and 	

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							revise revenue projections	
REV04	Review and increase utilization of Payment in Lieu of Property Tax (PILOT) Agreements; consider impact in sale of government owned property	N/A	Mayor, Business Administrator with County Assessment Office and School District Business Manager	Pending	Priority 1	July 2012	<ul style="list-style-type: none"> • Adopt a practice of evaluating property tax revenue impact associated with selling city owned property to non-profits • Identify and analyze opportunities to create new pilot agreements with tax exempt agencies that heavily utilize City services • Initiate discussions to establish PILOT agreements and draft agreements • Submit draft agreements to City Council for consideration and approval • Develop payment schedule and processes 	
REV05	Increase business license fees; improve compliance with Business Privilege and Mercantile Tax	N/A	City Council & City Tax Administrator	Complete	Priority 1	July 2012	<ul style="list-style-type: none"> • Develop new schedule of fees • Increase penalties for non-payment • Submit revised fee schedule to City Council for adoption • Conduct public information process • Institute amnesty period for delinquent remittances • Begin enforcement 	The Business Privilege license fee is currently in line with the Maximus fee study results. The contract with Muniservices to help Improve compliance with the Business Privilege tax was signed by the Controller's office on 2/8/13.
REV06	Increase enforcement of the Local Services Tax	N/A	City Council, Mayor & Business	In Process	Priority 1	September 2014	<ul style="list-style-type: none"> • Increase penalties for non-payment 	A proposed Ordinance to increase interest and

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EChapter - #	Initiative	Five Year Financial Impact	Responsible Parties	Status	Priority ¹	Target Completion Date ²	Key Implementation Steps	Comment
			Administrator				<ul style="list-style-type: none"> Conduct public information process Institute amnesty period for delinquent remittances Begin enforcement 	penalty for the LST along with creating an amnesty period was sent to City Council and is currently in committee. However, the ordinance has been tabled for revision to include language regarding amnesty options relating to other tax revenue sources.
REV07	Pursue Legislative Change for the Local Services Tax Levy	N/A	Mayor & City Council	Pending	Priority 1	September 2012	<ul style="list-style-type: none"> Work with local legislator(s) to draft legislation to increase Local Services Tax 	
REV08	Pursue Department of Revenue determination for additional tax, penalty, and interest regarding realty transfer tax	N/A	Law Bureau	Pending	Priority 1	September 2012	<ul style="list-style-type: none"> Contact Department of Revenue to clarify process Develop agreement with the Department of Revenue Submit agreement and cost benefit analysis to City Council for consideration and approval Develop administrative process Train relevant personnel on process. 	
REV09	Increase Interest & Penalty Provisions Where Permitted	90,000	City Council & Tax Administrator	Complete	Priority 1	July 2012	<ul style="list-style-type: none"> Conduct benchmark analysis of interest and penalty provisions Develop revised interest and penalty framework Submit ordinance to City Council for consideration and approval Conduct public information process Institute amnesty period for 	Bill 21-2012 was passed by City Council on January 22, 2013 increasing the penalty and interest provisions of the Business Privilege and Mercantile tax.

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EChapter - #	Initiative	Five Year Financial Impact	Responsible Parties	Status	Priority ¹	Target Completion Date ²	Key Implementation Steps	Comment
							<ul style="list-style-type: none"> delinquent remittances Begin enforcement 	
REV10	Improve Taxpayer Information	N/A	Tax Enforcement Administrator & IT Director	Complete	Priority 2	July 2012	<ul style="list-style-type: none"> Create repository of tax related documents and forms Design tax webpage and add tax document and forms Test webpage Go live with webpage and conduct public outreach process 	Website updated
REV11	Improve real estate taxpayer collection rate	N/A	City Treasurer, Business Administrator, & Tax Enforcement Administrator	In Process	Priority 1	July 2014	<ul style="list-style-type: none"> Evaluate opportunities to increase the collection rate Develop implementation plan and associated targets Develop improved system for notification of unpaid tax accounts Meet quarterly to review real estate tax collections, identify issues, and develop interventions where possible to maintain to improve collections 	
REV12	Generate revenue through Market Based Revenue Opportunities	800,000	Business Administrator	Pending	Priority 1	July 2012	<ul style="list-style-type: none"> Develop and issue RFP for broker to identify potential City assets for an MRBO program Assemble RFP review committee Review proposals and select the lowest responsible bidder Develop policy framework and market MRBO opportunities Enter into agreements with potential partners 	
REV13	Sell City acquired historical artifacts	500,000	Mayor & City Council	Complete	Priority 1	September 2012	<ul style="list-style-type: none"> Conduct asset value study Develop parameters for 	Auction commenced on July 15, 2013 and will

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EChapter - #	Initiative	Five Year Financial Impact	Responsible Parties	Status	Priority ¹	Target Completion Date ²	Key Implementation Steps	Comment
							<ul style="list-style-type: none"> determining whether a property should be sold or maintained as a City asset Place eligible properties on the market 	conclude on July 21, 2013. 7,500 bidders pre-registered for the auction and \$1 million was committed on day 1 of the auction.
REV14	Revise Host Fee agreement between the City and the Harrisburg Authority	N/A	Mayor, City Council, & THA	Complete	Priority 1	September 2012	<ul style="list-style-type: none"> Amend waste disposal agreement Submit revised agreement to City Council for consideration and approval Develop environmental compliance programs that will be supported by the host fee 	Complete
REV15	Collection of \$1 million in Ordinance and Parking Violation Fine	Estimated \$1 million in fines	Bureau of Police, Constables, Codes Enforcement	In Progress	Priority 1	2014	<ul style="list-style-type: none"> In Place 	This Initiative calls for the organization of a task force made up of special unit police, constables and codes officers to identify, locate and issue arrest warrants for individuals with the highest amount of parking and ordinance violations in the City of Harrisburg. A collection plan and task force has been organized, and a Memorandum of Understanding is currently being drafted by the City Law Bureau. Arrests and public announcements will be

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EChapter - #	Initiative	Five Year Financial Impact	Responsible Parties	Status	Priority ¹	Target Completion Date ²	Key Implementation Steps	Comment
								scheduled in the near future. This Initiative will address collection of approximately \$1 million in outstanding parking and ordinance violation fines.

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

C. ALAN WALKER, IN HIS
CAPACITY AS SECRETARY
FOR THE DEPARTMENT OF
COMMUNITY AND ECONOMIC
DEVELOPMENT

Petitioner,

v.

CITY OF HARRISBURG

Respondent.

NO. 569 MD 2011

Certificate of Service

I, Christopher C. Houston, hereby certify that on this day I served the foregoing document upon the persons and in the manner indicated below, which service satisfies the requirements of Pa. R.A.P. 121:

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Dated: September 30, 2004



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