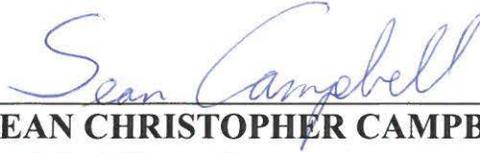


Respectfully submitted this 3rd day of April, 2019.



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IN THE COMMONWEALTH COURT OF PENNSYLVANIA

DENNIS M. DAVIN, IN HIS CAPACITY
AS SECRETARY FOR THE
DEPARTMENT OF COMMUNITY AND
ECONOMIC DEVELOPMENT,

Petitioner,

v.

CITY OF HARRISBURG,

Respondent.

Docket No. 569 MD 2011

CERTIFICATE OF CONFIDENTIALITY

I certify that this filing complies with the provisions of the "Public Access Policy of the Unified Judicial System of Pennsylvania: Case Records of the Appellate and Trial Courts that require filing confidential information and documents differently than non-confidential information and documents.

Respectfully submitted,

BY:


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*Counsel for Petitioner, Dennis M. Davin, in his
official capacity as Secretary at the
Department of Community and Economic
Development*

Date: April 3, 2019

To: The Honorable Bonnie Brigance Leadbetter

From: Marita J. Kelley, MPA, City of Harrisburg, Recovery Coordinator



Re: 2019 First Quarter Update on the Coordinator'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; on the Modified Plan, the Harrisburg Strong Plan ("Strong Plan"), confirmed by the Court on September 23, 2013 and the Strong Plan Modifications, as confirmed by the Court on July 20, 2016. This will be the twenty-first report to the Court since the appointment of the Coordinator, by then Department of Community and Economic Development (DCED) Secretary C. Alan Walker, effective March 1, 2014.

As the Coordinator, in accordance with Act 47, the Municipalities Financial Recovery Program, as amended by Act 199 of 2014, the Recovery Coordinator Team provided the Final Act 47 Exit Plan for the City of Harrisburg on August 8, 2018. The Act 47 Exit plan was not adopted by City Council prior to its effective annulment by the passage of House Bill 2557, which became Act 124 on October 24, 2018. Under the new law, the Coordinator and Strong Plan shall remain in place until the Intergovernmental Cooperation Agreement (ICA) Executive Board and Executive Director are appointed, after which the ICA shall execute an Intergovernmental Cooperation Agreement with the City. Pursuant to section 706(1) of Act 124, the Strong Plan shall continue until the agreement has been executed by the ICA and the City. Under section 706(2), the City's Act 47 distressed status shall automatically terminate once the agreement has been executed.

The City's General Fund, available cash balance as of March 21, 2019 stands at \$24.1 million. The Neighborhood Service Fund available cash is \$5.9 million dollars during the same period.

This memorandum, supported by the accompanying attachment, provides the Court with a summary of actions that have occurred and issues that are involved with the continued implementation of the Strong Plan, including the modifications thereto, through the first quarter of 2019.

During the past three months, (January, February, March) the Coordinator and the rest of the Coordinator's team have been working with the City of Harrisburg's Mayor, Finance Department, and City Council to continue to monitor the budgetary activities through the end of the first quarter.

On May 21, 2018 the Commonwealth of Pennsylvania, et al, filed a complaint against seven professional firms based on the Harrisburg incinerator project and the series of financing transactions. The case is filed in the Commonwealth Court at 368MD2018. The Petitioners are represented by Harris, Wiltshire & Grannis LLP.

Please review the report provided here forward.

Office of the Receiver/Coordinator

It has now been just over five years and one month since your Honor issued an order on February 25, 2014 to vacate the Office of the Receiver, return the City to the underlying provisions of Act 47, and for DCED's Secretary appointed a Coordinator to oversee the further implementation of the Court confirmed Strong Plan. As part of the order vacating the Receivership, the Court retained jurisdiction over the further implementation of the Strong Plan. Consistent with the Court's order and to keep the Court apprised of the Recovery plan's status and Harrisburg's Recovery, I am providing this first quarter 2019 report on the City's progress with further implementation activities.

During the first quarter of 2019, the Recovery Coordinator oversaw the implementation of the Act 47 Strong Plan modifications. The modifications provide financial projections through 2018 (the five-year initial term of Act 47), along with attendant recommendations that will advance the City's recovery towards the ultimate Rescission or Exit of its Act 47 designation. The modifications recognize the current financial position of the City and provide a fiscal roadmap for City officials to advance their recovery until the ICA enters into an Intergovernmental Cooperation Agreement with the City. Until such time, however, the Strong Plan remains in place and the City retains its Act 47 distressed status.

It also provides opportunities for funding capital improvement programming for services that are essential to improve the City's quality of life and economic vitality, some of which were incorporated into the 2019 approved budget. In fact, the Mayor and City Council have committed \$3.3 million dollars to the capital improvements and investments in the City. Most of the capital improvements are for IT, Public Works, and Public Safety facilities.

As Coordinator, I hold bi-weekly status conference calls with members of our consulting team to coordinate all aspects of plan implementation. The team of professional advisors comprised of the Novak Consulting Group, Pennsylvania Economy League, Campbell Durante Beatty Palombo & Miller, P.C., and Public Resources Advisory Group along with DCED and the Office of General Counsel, has and will continue to support the Coordinator with further implementation of the Strong Plan Modifications and the proposed Act 47 Final Exit Plan.

The following sections of the report provide an updated summary of progress of the Harrisburg Strong Plan made with respect to:

- Impact Harrisburg – Non-Profit for Infrastructure and Economic Development
- Fiscal Issues
- Operational Matters
- Collective Bargaining/Personnel Matters
- Asset Related issues

Impact Harrisburg

The first quarter of 2019 Impact Harrisburg Board continued to move forward with Infrastructure and Economic Development project grants that the Board has awarded. The Board is responsible for the administration of the \$12.3 million set aside as part of the parking transaction to fund both economic development and infrastructure initiatives to aid the City in strengthening its tax base and addressing critical infrastructure needs, thus enhancing the quality of life for City residents.

The nine-member, Impact Harrisburg Board, was appointed by the Coordinator in January 2015 following the receipt of recommendations from the Mayor, City Council, and Dauphin County. The

Board historically has been meeting bi-weekly (beginning January 1, 2018 the meetings were moved to monthly meetings rather than bi-weekly meetings) to address organizational activities and has made considerable progress to date. Officers include Neil Grover as Chair, Doug Hill as Vice Chair (Interim Treasurer), Gloria Martin-Roberts, 2nd Vice Chair, and Brian Hudson as Secretary. Sheila Dow-Ford serves as Executive Director. The Board had engaged Vance Antonacci of McNees Wallace & Nurick LLC as counsel to assist with its incorporation with the Department of State and establishment as a 501(c)(3) non-profit organization with the Internal Revenue Service. Articles of Incorporation were filed with the Department of State. The 501(c)(3) application was also filed with the IRS in March and approved by the IRS on June 18, 2015.

From the period beginning January 2016 and through March 31, 2019 several significant activities occurred to advance the work of Impact Harrisburg. The organization retained both an accounting and an auditing firm, established a website presence, and hired a web master. In addition, the organization entered into a lease arrangement with the Harrisburg Area Community College to rent office space at the HACC midtown campus, thus establishing a central and convenient location within the city.

As Coordinator, my office continues to provide administrative support to the Board of Directors and Sheila Dow-Ford, its Executive Director. I attend Board meetings along with my staff and offer input, as appropriate. I continue to meet with Ms. Dow-Ford to provide guidance and historic perspective on the role of the Board. I have provided input on contracting, contract compliance issues, disbursements, and related matters. DCED Staff continues to provide administrative support to the Board including the recording and preparation of the Board's meeting minutes. The Board's minutes are posted on the Board's and DCED's websites.

The Board has established the Pennsylvania Housing Finance Agency (PHFA) as its permanent meeting location. The organization has adopted a conflicts of interest policy, a records retention policy, an expense allocation policy; and a policy on Impact Harrisburg grant/reimbursement drawdowns. The annual Impact Harrisburg audit for the period ending June 30, 2018 is currently underway with an expected completion date of June 30, 2019.

Within the operational realm, working as a team, the Board of Directors and the Executive Director had finalized requirements for the three programs to be established and administered: 1) Economic Development; 2) Community Building; and 3) Infrastructure Contingency. Under the established criteria, only two entities, the City of Harrisburg and Capital Region Water, are eligible for participation in the Infrastructure Contingency program.

Thereafter, the Executive Director convened and attended several formal and informal education sessions at which the Impact Harrisburg grant programs and application process were introduced and discussed with a broad diversity of community participants. In addition, print and television media were used to bring publicity to the grant program.

On July 15, 2016, twenty-five applications were filed seeking Impact Harrisburg funding. Over the course of several days, the board met as a committee of the whole to review the applications in detail, and thereafter determined that 14 projects met the established funding criteria. As of March 21, 2019, the total amount of the grant awards allotted by Impact Harrisburg to various grantees stands at \$10,637,900. This amount represents a subsequent increase in the grant amount provided to one grantee, based upon a request for an amendment to the original grant agreement to accommodate an increase in the project scope due to unforeseen structural issues requiring remediation and other contingencies.

Projects Funded/Grant Amount/Project Status as of March 31, 2019:

Completed Projects:

1. City of Harrisburg Microsoft Office 365 (\$250,000 grant)
2. TLC Construction and Renovations (\$500,000 grant)
3. Webpage FX (\$500,000 grant)
4. Paxton Street Home Benevolent Society (\$100,000 grant)
5. Harrisburg River Rescue (\$81,369 grant)
6. Gamut Theatre (\$250,000 grant)
7. YMCA Camp Curtin (\$500,000 grant)
8. City of Harrisburg Playground Resurfacing (\$250,000 grant)

Outstanding Projects:

1. Capital Region Water/City of Harrisburg Multi-Modal Collaborative Facility (\$5,487,290.50 grant)
2. East Shore YMCA (\$138,592 grant)
3. Tri-County Community Action Commission (\$204,759 grant)
4. Tri-County Housing Development Corporation (\$350,000 grant)
5. Harrisburg Redevelopment Authority (\$500,000 grant)
6. *Community First Fund (\$350,000 grant) (This project is discussed in greater detail within this document.)
7. Salvation Army for new facility multi-purpose facility (\$500,000)

A uniform grant agreement was developed and has been entered into by all grantees with the exception of Community First Fund, with which Impact Harrisburg established a stand-alone agreement because of the unique nature of the purposes of the small business loans which will be utilized with the grant funding.

In addition, to ensure close adherence with all grant program requirements and any applicable state, local, or federal laws, the board developed a Request for Proposal under which the organization retained the services of two compliance professionals with extensive expertise in the grant's management area. The two individuals work in close coordination with the Executive Director to provide oversight and technical assistance to grantees, as is necessary and appropriate. The team and Executive Director developed various program templates and processes for working with grantees in a uniform and consistent manner. To date, the compliance consulting team attends many board meetings and provides consistent updates on all projects through a shared drive electronic medium (accessible by grantees and board members) as well as via written reports. After serving in this capacity for one year, the board deemed it prudent to extend the compliance contract, given the high quality and value of the work performed by the compliance consultants and the remaining number of grantees with future project start dates.

The Harrisburg Business Opportunity Fund

In March 2018, Impact Harrisburg announced the start of the Harrisburg Business Opportunity Fund (HBOF), a one million-dollar (\$1,000,000) loan fund established to bring low interest funding opportunities to new and existing businesses within the City that traditionally have been excluded from more traditional lending outlets. The initial one-million-dollar capitalization for the HBOF was provided by a three hundred fifty thousand-dollar (\$350,000) grant from Impact Harrisburg, and a six hundred fifty-thousand-dollar grant (\$650,000) grant from the Commonwealth Cornerstone

Group (CCG), a wholly-owned subsidiary of the Pennsylvania Housing Finance Agency (PHFA). The HBOF grant fund is administered by the Community First Fund (CFF), a Lancaster City-based community development financial institution, which has established an office in Harrisburg and dedicated support staff to build diversity in economic development opportunity within the region. Under the agreement between and among the parties, CFF will report on HBOF activity on a quarterly basis.

Impact Harrisburg has invited the City of Harrisburg to become an HBOF partner both through a contribution to the fund and through the active development of programs to bring greater financial education and opportunities to actual and potential borrowers in a manner that is consistent with the goals articulated under the Act 47 Harrisburg Strong Plan. Impact Harrisburg has partnered with the City and other local financial services entities including CREDC, the lending arm of the Capitol Region Chamber of Commerce, the Kutztown Small Business Development Center, M&T Bank, and the Harrisburg Young Professionals to establish a consortium that will bring expertise to building a more cohesive and diverse business community and to enhancing entrepreneurship within Harrisburg.

As of March 31, 2019, the Impact Harrisburg Board continues to meet monthly and in accordance with its Bylaws, elected its board leaders at the Annual Meeting. Further, the Finance Committee meets on a regular basis, between meetings of the board, and all members are invited to attend and participate.

The organization's investment advisers, Wilmington Trust, on a regular basis provides an update on the organization's financial standing and reviews with the Board the feasibility of continuing with the fund allocation policies previously established. The professional recommendation from the Trust is to continue to adhere to the policy as established, with a continuation of regular reviews and updates as required.

Harrisburg Supplemental Growth Fund

Introduction

In addition to repaying hundreds of millions of dollars in debt of the City, the Strong Plan envisioned an additional approximation of \$26 million infusion of cash that will benefit the City. Of this amount, \$6 million dollars would be deposited into an OPEB Trust Fund, and the remaining \$20 million would be used for economic development and infrastructure. To achieve a portion of these goals, PennDOT committed to provide \$2.0 million annually over a five-year period toward infrastructure repair in addition to existing funding commitments. Because this \$10 million for transportation related improvements was not in hand, and the City was at risk for receiving its share, the settlement agreement provided for an escrow agreement among the City, Dauphin County, and AGM. Should the City not receive all of the aforementioned PennDOT funding each of the City, Dauphin County, and AGM would share any shortfall in equal amounts.

After closing on the Strong Plan transactions, it was determined to establish **Impact Harrisburg** which would combine the Infrastructure and Economic Development aspects of the plan into one fund.

PennDOT funding. In May 2015, the City received formal approval from PennDOT for an initial \$3.19 million grant to undertake street related improvements. A contract was executed, the City completed various resurfacing projects and an initial \$633,000 was disbursed to the City.

The City has executed a construction contract in collaboration with PennDOT which was awarded to Lamb Construction, Inc. The City approved the Multi-Modal Grant reimbursement agreement with PennDOT for the remaining \$2.542 million. This will complete the initial \$3.19 million PennDOT grant. These funds are designated for several City streets to be improved. All environmental clearances had been obtained for the project. Utility companies have finalized their work, which was completed in advance of construction. NRG completed their work at the intersection of Third and Walnut, in advance of street construction. Final design work is complete, and the contract was awarded to Lamb Construction, Inc to commence construction and the contractor will continue through summer and fall of 2019. Crews have been on site and have been aggressively working towards the completion goal. The project includes significant modernization of the Third Street corridor in the City from Market to Division Streets.

Termination of the Escrow Agreement. The Strong Plan stated, "...the Receiver believes that much of [Impact Harrisburg's] investments should be made during the earlier part of the Harrisburg Strong Plan Period, so that those investments can optimally benefit the City's improved appearance, hopefully stimulating an increased commitment of businesses and residents to invest in the City's future. The expenditure of these funds had not occurred as quickly as the Receiver and Coordinator had hoped, and Dauphin County and AGM began to express concerns over the time it has taken for the City to capitalize on PennDOT's authorizations to it and in turn for Dauphin County and AGM to obtain disbursements under the Escrow Agreement. Following discussions between all parties on how to expedite the allocation and disbursement of the remaining \$6.9 million, PennDOT advised the City to file an application under PennDOT's FY 17/18 Multi-Modal application program for the remaining funds. PennDOT has approved an award of a \$2,236,667 grant to improve the vehicular, transit, pedestrian and bicycle movements in the City and to address several transportation safety issues. At the same time, PennDOT also committed a total of \$6,710,000 over the next three years for City projects. This approach will fully satisfy PennDOT's commitment and is intended to expedite the process moving forward. Design work, and in some cases, construction has begun on these projects and the Coordinator will cooperate with the affected parties in connection with the funding to the City and disbursement of escrow proceeds.

In connection with the foregoing, AGM, the County, and City agreed to release all amounts remaining under the Escrow Agreement and filed a Termination Agreement dated October 10, 2018. Thereafter, the Escrow amounts were fully disbursed in accordance with the Escrow Agreement.

Future Transfers to OPEB Trust and Impact Harrisburg

1. OPEB Trust – Now that the Escrow Agreement has been terminated and proceeds maintained thereunder have been distributed, the OPEB Trust Fund documents will need to be finalized. The OPEB Trust, has \$3,300,000 that was stated in the Strong Plan to be available for such purpose.

2. Supplemental Funds – Supplemental Funds include any recoveries from pursuit of Incinerator Claims. Supplemental Funds may eventually also include payments of surplus note amounts to the City pursuant to the parking transaction indenture.

Fiscal Matters

The City submitted a copy of its proposed 2019 Budget to the Coordinator on October 16, 2018 to review for compliance with the Harrisburg Strong Plan modifications. The 2019 proposed General

Fund budget included projected revenues of \$70,832,033 compared to the 2018 budget of \$72,088,104 and projected expenditures of \$70,808,152 compared to 2018 expenditures of \$72,061,319, which results in a projected 2019 General Fund budget surplus of \$23,880. This slight surplus is the result of the use of a prior year cash carryover of \$6,782,736. Projected revenues and expenditures represent decreases of approximately 1.5% over the 2018 General Fund Budget. The Neighborhood Services Fund budget totals \$20,548,993 and anticipates the use of \$4,942,231 in fund balance. The Administration presented the budget to City Council at the end of November. Council hearings on the budget were held through December. City Council approved the 2019 Budget at its December 27, 2018 meeting.

A review of actual revenues and expenditures through the end of February finds that the City's total General Fund revenues were \$10,095,423 (15.5% of budget) while expenditures were \$8,442,141 (11.9% of budget). The City received \$3,308,839 (19.1% of budget) of current year Real Estate Taxes through the end of February. The City also received significant Earned Income Tax revenues through February with the year to date EIT revenue at \$1,607,854 (26.4% of Budget), which has further strengthened its cash position.

Through March 2019, the City has timely met all its scheduled debt service payments for the year. The City is to be commended for fulfilling its debt service payments on a timely basis. Following the March 21, 2019 check run and payroll, the City's General Fund cash balance was approximately \$24.1 million while the Neighborhood Services fund had a balance of \$5.9 million. The City's bi-weekly General Fund payroll averaged \$950,000 for the first quarter and the Neighborhood Services Fund bi-weekly payroll averaged \$150,000.

The Coordinator reviews City payables for both the General and Neighborhood Services Funds on a bi-weekly basis. During the first quarter, six bi-weekly check runs were reviewed, comments were provided, and check runs were approved. Through the continued diligence of the City's Finance Office, the City has been able to meet payroll and critical creditor obligations through the first quarter of 2019 and has continued to maintain a status (within 30 days or less) for virtually all payables. The 2019 cash flow summary attached with this report reflects actual revenues and expenditures through February with projections through year-end.

The Strong Plan modifications included a number of recommendations related to capital improvements. As the City's recovery progresses, it will have to fund capital projects through a combination of grant funds, borrowing, and pay as you go (PAYGO). The 2019 budget takes advantage of certain grants and likewise uses a portion of its fund balance on a PAYGO basis to address targeted capital needs primarily in the IT, public safety and public works areas. Through February, the City has spent \$907,453 million of its budgeted \$3.3 million in capital due to the amount of time to plan, acquire materials, and schedule the work.

The Coordinator continues to support the work of the City Controller and Finance Office to provide budget vs. actual reports to the Administration and Council. This information is an important element in having transparent fiscal information available for elected officials to make timely decisions as well as keeping the public aware of the City's financial condition.

During the first quarter of 2019, the City continued to provide the appropriate Material Event Notices on EMMA related to debt obligations and has maintained compliance with Securities and Exchange Commission (SEC) reporting requirements.

Operational Issues

During the first quarter of 2019, Harrisburg, with the support of the Coordinator, made further progress on a number of key Strong Plan operational initiatives. A progress report regarding these areas, as well as other key Strong Plan operational priorities and initiatives, is detailed below.

In August of Fiscal Year 2016-2017, the City received an Act 47 grant in the amount of \$465,380 to support implementation of four key Strong Plan initiatives relating to augmentation of managerial capacity. The primary areas of focus relate to the utilization of Act 47 grant resources to augment managerial capacity; enhance IT infrastructure development, strategic planning, project management capacity; and creating lasting improvements in the City's refuse and recycling collection operation.

Operating Departments/Offices

The City of Harrisburg has made progress on several important initiatives in the City's operating departments. A summary of the status of those active projects and initiatives is detailed below.

Treasurer's Office

Dan Miller, CPA is now serving as Treasurer having been appointed by Council in June 2016 to fill the vacancy due to the resignation of Tyrell Spradley. Mr. Miller was sworn in on July 5, 2016 and is working to make the Treasury Department efficient and well run. Mr. Miller is running for re-election this November 2019.

In order to improve the operation of the Treasurer's Office and address concerns that had arisen, the City engaged Alvarez & Marsal (A&M) to undertake a review of the City's financial operation with an emphasis on the Treasurer's Office and its policies, procedures and processes.

Treasurer Dan Miller completed a review of the recommendations and has executed several internal control recommendations that include the segregation of accounting duties to strengthen and improve the internal controls for the Treasurer's Office.

The City Treasurer's Office has worked to address the issues that were deemed substantive and accurately defined in the audit.

Finance and Administration

In the area of finance, administration, and support services, the City has made progress in a number of key areas and is working on several ongoing projects. The City Administrator is focusing on the development of a strategic operating plan for the City which will include a new organization chart. He is working to clarify and prioritize operating, management, and resource challenges. This is especially important in the City's key support services areas such as Finance, HR, and IT. These will be priority areas of focus for the City's administrative functions going forward. The City's Strategic Plan is scheduled to be rolled out to City Departments in early 2019. The Act 47 Coordinator's team has reviewed the plan for compliance with the City's Strong Plan and broader Act 47 plan initiatives. Further, we will seek to provide implementation support for the City, where possible.

In financial management and oversight, the Finance Bureau staff has been working on several important projects in the first quarter. The Finance Bureau has developed a timeline for the 2018

audit process and has completed the audit preparation work and the audit process has begun. In addition, staff members have been working to support the collective bargaining process. The Finance Bureau is also working to update its financial management software for the first time in thirteen years. This is a very labor-intensive effort that will ultimately result in process efficiencies going forward.

The Finance Bureau and Controller's Officer continue to work closely to monitor and improve the purchasing control process. The City is currently seeking to improve the contract review and management process, which is an important element of the purchasing process.

Information Technology

The age and condition of the City's Information Technology infrastructure continue to be a major structural challenge for the City; however, notable progress has been made. At the end of 2018, the City signed an agreement with CODY to migrate the mainframe from METRO and Dispatch database and the In-Synch database to the CODY system. The data migration will be completed this year. In addition, the City has started looking for a vendor to migrate the City finance and revenue databases to a new system. This migration will account for 4 out of the 5 systems on the mainframe. The other system is the Personnel Management System. The data migration for the entire system will take several more years to complete.

The City installed a virtual tape server on the mainframe to replicate its data to an offsite data center as a mechanism for disaster recovery. The process for replicating data offsite for the daily and weekly backup processes has been running successfully so far this year. The City is now working on the process for monthly, quarterly, and annual backups and plans to conduct a mainframe disaster recovery test in the second half of 2019. The City has also identified two potential co-location data centers and budgeted for the lease of that space and the purchase of new servers and SAN to replicate what was installed in 2018. The plan is to have the Open Systems site fully functional by the end of 2019.

The IT Bureau began recruiting for the GIS Administrator position near the end of January 2019. They have interviewed several candidates, but they have not filled the position. The City will continue to recruit for the position until a suitable candidate is found.

Community and Economic Development

In the Community and Economic Development area, the City has seen some progress. At the end of 2016, a \$3.5 million state Redevelopment Assistance Capital Program (RACP) grant was awarded to developers to assist with an \$8 million investment in commercial and residential revitalization in mid-town. A second RACP grant of \$3 million was awarded to the City in October to launch the revitalization of an entire neighborhood in Allison Hill (MulDer Square) with new streetscaping, affordable apartments, and retail stores. The MulDer Square housing project is now 50 % complete and is now in the design phase of implementation. This project will produce 48 new affordable housing units.

The Paxton Creek De-Channelization project is underway to reduce the flood risk along Cameron and related roadways. The RACP award, mentioned above should realize 48 new affordable units by the end of 2019. This new interest from developers in the downtown area is notable.

One important item relating to community and economic development is that director of community and economic development, Jackie Parker, retired in the fourth quarter of 2018. At this point, a replacement has not been named.

Parks and Recreation

The Bureau of Parks and Recreation is actively engaged in planning for an estimated \$1.8 million in upgrades to five parks and playgrounds in the City. They have obtained grants from DCNR, DCED, Impact Harrisburg, and Capital Region Water to complete major repairs to the Heights playground, Royal Terrace playground, Penn and Sayford playground, Norwood and Holly playground, and the Fourth and Dauphin playground. Of the five playgrounds, four were completed in November 2018.

Another of the City's park and recreation assets is Reservoir Park. Following DCNR's award of a \$50,000 matching grant to develop a master site plan to reimagine the historic park, the City retained H. Edward Black and Associates as lead consultant supported by Simone Collins landscape architects and Urban Partners to undertake the study. The City has completed a public engagement process to work on a development plan and the City's consultants completed the design process.

Police Bureau

In the Police Bureau, staffing levels continue to be the primary challenge for the Bureau. There are currently 14 position vacancies. The Bureau hired 7 trainees in January 2019 and a recruitment class is currently underway with the goal to develop a revised hiring list by July. In addition, in 2020, the Bureau could lose up to 40% of police personnel due to anticipated retirements.

In October 2018, the City entered into an agreement with UMPC Pinnacle Hospital to lease limited office space and garage space for the Traffic Unit to store damaged vehicles and complete administrative duties. The police department's six-person traffic safety unit would operate out of the building. Lastly, the Police Substation Project is nearing completion. The substation will serve as the home of the City's community policing activities. The City is currently replacing the roof of the current police headquarters on Walnut Street.

The Bureau also purchased new Motorola 8000 model radios in anticipation of all law enforcement nationwide moving off the current radio network. The first phase (75% of total need – mobile and portable) of radios have been rolled out to patrol. The next phase (25% of total need – mobile and portable) will be done in 2019 with the rest of the Bureau receiving their radios. This is a major initiative requiring support from the IT Bureau.

Fire Bureau

The Fire Bureau is making progress in a number of key areas as well. Currently, the Bureau is staffed with 81 bargaining unit members, two management chiefs, and one management administrative assistant. Total complement is budgeted at 86 personnel. The Bureau administered a civil service exam in December and has established a new hiring list. The Bureau plans on hiring in the Spring Fire Academy of 2019, from the newly created list, to account for anticipated retirements.

The Bureau has also made progress on implementing a long-standing Recovery Plan recommendation to implement a modified fire company inspection program. The Bureau is moving to develop a process whereby fire companies complete basic occupancy "evaluations" to identify

and remediate fire hazards in the community. They have purchased and installed Getac tablets in all front-line apparatus which will assist in the task of data collection and record keeping. The Bureau will also be working closely with codes on any implementation and are currently looking to potentially revise the fee structure that will net additional income on the fire prevention permits. This is a best practice and will ultimately enhance the Bureau's fire prevention efforts.

Neighborhood Services Department

The Neighborhood Services Department has been actively engaged in a number of key projects in the refuse and recycling, maintenance, and infrastructure development areas.

With Act 47 funding and support from the Act 47 Coordinator, a comprehensive sanitation program evaluation was completed in mid-2015 by Barton & Loguidice. The study concluded that the sanitation system was broken and unsustainable without significant change and provided a plan to modernize the sanitation operation which built on recommendations from the 2013 Strong Plan. Since that study was completed, the City has made considerable progress on the recommended sanitation improvements.

The following discussion will summarize active efforts relating to Public Works and Sanitation system improvements.

The City continues work to upgrade its ability to process unpaid waste invoices. The backlog of unpaid accounts is going down. The City attorney assigned to assist BNS with collections on aged accounts has recently achieved some successes and has developed a template that will serve for future account settlements. The lack of a dedicated collections attorney has hindered further success.

In addition, an audit of commercial waste accounts identified approximately 55 waivers using roll-offs or compactor boxes for storage of waste. The City does not currently have capability to transport roll-off containers but is preparing a specification to obtain a vehicle that will expand its service capability sometime during 2019. These adjustments will further add to the waste stream and help the City meet its put or pay agreement, even as recycling rates increase.

The City is actively pursuing opportunities to increase its recyclables processing/marketing capabilities. The City has completed negotiations with a glass recycling outlet near Allentown to begin glass recycling and has constructed a temporary glass storage location. Full City participation began with selected businesses and expanded to drop-off locations for delivery by citizens.

The City continues to get requests from commercial accounts to convert from rear loading dumpsters to front loading dumpsters. The City added two new front-loading garbage trucks to its fleet in late 2018 to add to its reliability for commercial garbage service.

The new leaf collection equipment and approval of a DEP Section 902 recycling equipment grant provides for the purchase of several leaf collection trucks. The City completed specifications and issued a purchase order for the trucks and they were recently delivered. Assembly of the units has begun, and the leaf collection trucks were deployed during the 2018 leaf collection season.

Another major sanitation issue being addressed involves the development of a Yard Waste composting facility. There have been discussions with the Harrisburg School District and Susquehanna Township on the development of an intergovernmental agreement to utilize a school

district site as the location for this facility. The City and Act 47 Coordinator's team developed a PA DEP permit application that includes the City and the School District as program participants. However, in 2017, the City withdrew the WMGR025 general permit application from DEP and is working on a replacement general permit that address only leaves and yard waste. Food waste composting, if implemented in the future, will be solely a function of the Harrisburg School District. By late 2018, the City applied for a zoning approval of a non-conforming use of the existing site which was denied by Susquehanna Township for lack of standing. The City now has full authority from School District to seek a zoning approval which will be submitted in April 2019.

The City administration submitted a revised waste collection ordinance to City Council for consideration. The revision reconciles the ordinance to reflect the current approach to waste and recycling collection, enforcement, fee payment, collection location, waivers, and methods of citation. Adoption of the revised ordinance occurred in 2018. One of the important goals of the revised ordinance is the enforcement and collection of waste revenues. The City has already begun a public relations effort notifying customers that the City will be collecting penalties and interest for late payments. In the intervening period, customers can make their accounts current without penalties.

A key feature of the City's ability to comply with its obligations is to maximize the tonnage that needs to be disposed of at the Susquehanna Resource Management Center (SMRC), or incinerator and ensuring that all of the waste, especially commercial waste, that is generated in the City is attributed to the City's waste stream. Although difficult to fully identify leakage in the system, the City has taken an aggressive approach with commercial accounts to ensure that all waste generated in the City is taken to the LCSWMA facility and credit given to the City. A total of 146 commercial accounts have been transitioned to date. The remaining 55 private accounts have roll-off dumpster services, which the City currently cannot service with the existing fleet. The City currently operates two front loading garbage trucks which are fully deployed, with another part-time truck. The City currently has two primary and two back-up front loader trucks in its fleet. In September 2018, the City began fulfilling the terms of a 20-year contract to service the Farm Show complex. Dumpsters are serviced with the City's front-loading garbage trucks. Roll-off containers are contracted until the City receives delivery of its new roll-off truck anticipated for deliver by mid-2019.

Going forward, the City has continued the services of Barton & Loguidice (outside of the services as part of the Act 47 Coordinator's Team) to provide assistance to the City and DPW to improve the efficiency of the services being provided to its citizens and further the progress of the City made under Act 47.

They will assist the City in getting a DEP permit for the yard waste composting site. A dedicated yard waste site will be a significant step to allow the City to correctly manage its leaf and brush waste. The Act 47 Coordinator's Team has helped the City prepare and submit a revised permit application for this operation, working to meet local and state requirements for a modified operation at the currently proposed site (or, if required, to identify and pursue permitting at an alternate site). The Act 47 Coordinator's team also supported City actions to implement site improvements and provide guidance on equipping and staffing the operation.

City staff is continuing to upgrade their body of knowledge about the various DPW services being provided and newer techniques that are available for providing such services. The Act 47 Coordinator's Team has been there for DPW staff to respond to questions and to provide

opportunities to learn about new equipment and techniques. One example is review of equipment and methods for a road milling machine that operates on a rubber tired front loader. The City has now included this equipment into its fleet and performing repaving of alleys and smaller street paving projects where alligator pavement is present. The demonstrated success in 2018 has encouraged the City to add a second unit to its fleet, maybe in 2020. Another example is the employment of brine as a deicing agent, but the City must invest in this equipment which maybe budgeted in 2020. Grant opportunities are also being investigated.

The City has done well in assimilating the commercial waste accounts into its service. Going forward, the City desires to implement roll-off service in 2019 and is currently in progress to acquire a roll-off truck. Roll-off service combined with front loading dumpsters is a big step forward for the City that is logical, especially the use of roll-off dumpsters for use in the City-performed vacant building demolition. DPW staff has demonstrated commitment in providing quality customer service. In addition to purchasing the roll-off equipment in 2019, management tools in the form of route software will greatly aid the City's ability to efficiently provide economical commercial service. DPW staff is getting the message that besides providing good and reliable customer service, the City needs to get paid for the service. On this last item, the City needs legal assistance to recover monies owed on unpaid waste collection bills. While some progress has been made, most of the unpaid bills are from repeat customers who pay a little and then become a delinquent account again.

At the end of June 2017, the City had provided its last rent payment to the owner of the property being used for the DPW facility located on Paxton Street. The Law Department continues discussion with the property owner about City purchase of the property which is anticipated but is still negotiating price. The City is in great need to begin the process of making some additional repairs to the existing structure and to determine the schedule of a new public works facility on the property. A sequenced construction of a replacement structure is possible while maintaining the existing facility. However, the City will need temporary parking storage during the construction period to accomplish this sequenced construction. The City is again investigating the use of the former PennDOT lab site at Cameron and State Streets for additional DPW storage. The Act 47 Coordinator's Team can assist the City in facilitating the planning for a replacement facility. At the beginning of 2019, the City still does not own the DPW structure at 1820 Paxton Street, but has been making improvements to the structure. Additionally, PennDOT has announced their I-83 road widening project which may take 20% or more of the property.

While the City continues to study and debate its options regarding the City's mainframe computer, specialty public works software is available on the market to help BNS maintain waste and public works services. Of concern to the Act 47 Coordinator's Team is that value added services are being provided without appropriate invoicing of those services. City staff has been making a significant effort to work with other City department staff to get invoices sent to customers. This billing issue is very important with the upcoming roll-off dumpster service since the service is not routine and the industry charges both rent and waste tonnage for the roll-off dumpster.

The City has done well in getting some talented staff to fulfill DPW leadership positions. The value of this new staff is beginning to execute and administer the City identified grant opportunities and better fulfilling its overall missions. The restructuring of facilities and parks in 2019 appears to be a good change. Some gaps in DPW are still apparent as the City competes with other employers for staff and this is especially evident in the fleet management area. The City has taken some notable steps to improve its fleet management capabilities while being restricted to an old car dealership building. Fleet management is now supervised by an individual that has relevant skill sets but is challenged by having multiple mechanic vacancies leaving vehicles unserved, or being

sent to outside vendors at costs higher than the City cost to service. These continued vacancies prevent the supervisor from performing higher value work that has been previously identified as being required to improve City efficiency.

The value of service being performed by the City can and should be at less cost than a private vendor. The City has demonstrated that it is capable of competing with the costs of private vendors on the sanitation and highway functions of public works. DPW staff have the knowledge and will to expand street and alley paving and pursue brine technology. DPW staff recognize the need for more/ better software for the waste collection and billing. While most business operations are challenged with the allocation of resources, the City has made significant strides in reaching their goals. The challenge going forward is to acquire the additional tools or software to make the public works operations capable of doing more with its resources in the coming years. DPW completed in late 2018 a five-year capital needs estimate that identified clearly the needed resources to complete these many tasks.

Traffic and Engineering

The Traffic and Engineering Division has made progress updating the City's traffic signal infrastructure and the project is 90% complete. Funding for the remaining signals is included in 2019 budget and the project will be completed by the close of 2019.

The City Engineer, Planning and Economic Development staff, and Redevelopment Authority (HRA) continue to work closely with PennDOT on a plan to make major improvements to the Harrisburg Transportation Center (HTC). The Center serves as a key anchor for the downtown and a hub for both rail and bus service for the City and region. Following last year's award of \$15 million by PennDOT to fund a number of needed physical improvements, PennDOT has moved forward with design work that will address improvements including new roofs, an energy efficient HVAC system, and improved ADA access. PennDOT, as the project lead, is working with Amtrak to acquire the building. Until the building is acquired, PennDOT's renovation efforts will be modest, focusing on roof replacement. The land survey is still underway on Paxton Creek and the City Redevelopment Authority was awarded \$2 million for land acquisition and bridge demolition to begin the Paxton Creek project.

The Third Street Multimodal project is underway but has significant delays and over a million dollars in cost overruns due to Capital Region Water's redesign and weather. The substantial completion date is now set for August 30, 2019, but the contractor is several months behind that schedule. The project is 30% complete and an additional work crew has been assigned to get back on schedule.

In 2014, the Pennsylvania Department of Transportation (PennDOT) committed to providing \$10 million over a five-year period for street-related infrastructure improvements in the City. This commitment stood in addition to PennDOT's planned repairs and projects on Commonwealth managed roads in Harrisburg. The City has been working primarily on the North Seventh Street portion of this project. They are currently working on the design process for infrastructure improvements in this area with a goal to pave in 2019. However, the paving schedule may be adjusted to accommodate the federal Courthouse development schedule to ensure that new pavement is laid after all additional underground infrastructure work is complete on that project. Traffic and Engineering staff will evaluate this in conjunction with courthouse project progress. Similarly, the City is also in the process of completed a two-way traffic study for Second Street and submitted it to PENDOT for review. Paving work will be coordinated with Commonwealth Gas's and UGI's gas main replacement schedule in 2019 and 2020.

The Federal Courthouse project continues to make progress. President Trump's budget proposal for FY 18 released May 23 included \$137.2 million for construction of a new 243,000 square foot Federal Courthouse at Sixth and Reily Streets. This followed action in January 2017 by the U.S. General Services Administration (GSA) to award a \$9,194,935 contract to Ennead Architects of New York to provide architectural/engineering services for the Courthouse. The services include revising the former approved design concept and completing the design services for the new courthouse. Design services were completed in November 2018 and preliminary engineering and construction began in January 2019.

One of the requirements of the project is that PPL Electric Utilities move its utilities and underground conduit banks to accommodate the development. The General Services Administration (GSA) and PPL could not come to an agreement as to who would own the conduit bank for fiberoptic cable. To facilitate progress on the project, the City has agreed to take ownership of the conduit banks in exchange for a 25-year easement fee which would cover the cost of maintenance.

The City has made further progress with the sinkhole mitigation project on South 14th Street in their efforts to address the significant housing and infrastructure issues on this street. In September 2016, FEMA awarded the City \$1.65 million to undertake an initial phase of the project to acquire and demolish approximately 25 homes in the center of the block. The City is currently slightly behind schedule but grant extensions have been provided. The City has developed bid documents for both demolition and asbestos abatement. Those bids are currently under legal review, but the City has targeted to complete demolition in the winter of 2019.

The Traffic and Engineering Bureau is also actively engaged in several capital improvement projects. The City is currently managing a \$300,000 "Assessable Route Project" to install ADA access ramps at intersections along McLeay Street. Construction began in the fourth quarter and the project is about 50% complete. Additional work will take place over the winter. The Herr Street Accessible Route Project notice to proceed was issued in mid-December and construction is scheduled to begin in July 2019.

Lastly, the City completed its Vision Zero Action Plan in March, this commitment is designed to eliminate traffic fatalities and serious injuries in the City within 10 years. This was a recommendation in both versions of the draft comprehensive plans. Thus far, the City has received strong support from the public and PennDOT. As the City develops their Vision Zero Action Plan through a grassroots effort with neighborhood groups and the community coming together for the common purpose of traffic safety, they expect to not only save lives but to positively impact community goodwill and City livability. The Plan is to be fully implemented by 2028.

Solicitor's Office

The Commonwealth of Pennsylvania, et al, filed a complaint against seven professional firms based on the Harrisburg incinerator project and series of financing transactions. The case is filed in the Commonwealth Court at 368 MD 2018. The Commonwealth Plaintiffs are represented by Harris, Wiltshire & Grannis LLP.

The City is also in the midst of defending a lawsuit challenging the commercial trash rates, the exclusive use of the incinerator and the put or pay provision of the Strong Plan. In Spring 2018, the commercial property owner plaintiffs filed a Motion to Amend the matter to a class action suit. The Plaintiff requests that the Court reduce the rates retroactively and provide past, present, and ongoing relief. The City will retain outside counsel to file a Reply in Opposition to the Motion to

Amend on various grounds. The litigation is ongoing, and the City intends to vigorously oppose the suit.

The City Solicitor's office has filled two new positions, Senior Deputy Solicitor and Deputy Solicitor. In addition, the City retained outside real estate counsel to assist in a variety of title and transfer issues, both current and historic. The Solicitor's Office also accepted the assignment of a management employee who assists with much needed record keeping system and filing updates.

The collections attorney has been involved in numerous trainings of the varied record keeping systems, including main frame searches, as well as reviewing files and opening negotiations with large sanitation accounts. Notices of intent to commence litigation on select sanitation accounts are being pursued if the accounts cannot be promptly resolved.

The City had received \$10,000 from the first major delinquent waste account. In addition, several other settlements are pending. Neighborhood Services, the Bureau of Financial Management, the Treasurer's Office, and the City Solicitor's Office are working together on an initiative to create automatic electronic collection of sanitation fees as well as other City licenses and fees.

This will represent a significant improvement in customer service and serve as an opportunity to generate consistency in cash flow and limit account delinquency. Once this system is in place and fully communicated to the public, the City will cease the practice of granting waivers on penalties for late payments. This not only represents an improved sanitation and revenue collection process but reflects functional cooperation between City Departments and the Treasurer's Office to address operating challenges. This is a fundamental goal of the Act 47 plan and a positive reflection on the City's progress.

There are several litigation issues that could pose a liability for the City. One involves a civil dispute between landowners and insurance carriers over the 2016 collapse of a wall and parking lot onto a Cameron Street business. There are at least 10 parties involved in this matter and, though the City should have no exposure related to the collapse, there are other legal costs involved for the City that are significant.

The Strong Plan modifications provided for the City to again retain experienced public-sector employment labor counsel for its labor relations activities including the negotiation of FOP and AFSCME contracts that expired the end of 2016 and the IAFF contract that expires the end of 2017. The City engaged John Dean of Elliott Greenleaf to serve as outside labor counsel to assist with these contracts. During the first quarter 2017, Elliott Greenleaf attorneys successfully negotiated both the FOP and AFSCME contracts and negotiations with the IAFF have recently concluded. The IAFF voted on December 29, 2017 to not to accept the City's proposal. A second proposal was pursued. The City and IAFF reached an agreement for a successor CBA, because of negotiations. IAFF ratified the terms of this agreement on or about February 8, 2018. The agreed upon terms are integrated into current successor CBA and was approved by City Council on July 3, 2018.

Intergovernmental Cooperation

While there are specific instances of cooperation between and among the City, various Commonwealth agencies, Dauphin County, the Harrisburg School District and other neighboring municipalities as discussed below and elsewhere in this report, it remains important for the City to continue to take a proactive role in pursuing intergovernmental cooperation opportunities.

Prior to and since the City's entrance into the Act 47 program, the City has engaged in collaborative work with a variety of intergovernmental agencies. Examples include the City producing, distributing, and collecting real estate taxes on behalf of the School District and performing a similar function for the shared Business Privilege/Mercantile Tax and the recent cooperation on the establishment of a yard waste facility and LERTA program.

The City and Dauphin County collaborate in the provision of various public safety services. The Harrisburg Police Bureau participates in the Dauphin County Special Weapons and Tactics Team (SWAT) and works closely with the Dauphin County District Attorney's Office in criminal investigations. Since June 2011, the Dauphin County Communication Center has provided 911 and dispatch operations for the City, resulting in a significant savings to the City.

Following a Strong Plan recommendation, the City also became a member of the Capital Region Council of Governments (CRCOG.). CRCOG is a voluntary association of 40-member municipalities from Cumberland, Dauphin, Perry and York Counties, formed to promote intergovernmental communication and cooperation. Among its programs are a joint purchasing program and an auction for surplus property and equipment. The City's participation in the COG has resulted in cost savings for various commodities and services. The COG also provides a forum to discuss common issues in the Harrisburg region. The City also uses the COG's job opening website for recruitment of personnel.

The City is also a member of the Dauphin County Tax Collection Committee which has engaged Keystone Municipal Service to collect the Earned Income Tax for all municipalities and school districts in the County. Beginning in 2016, the City entered into a contract with Keystone Municipal Service for the collection of the Local Services Tax to have a more efficient collection operation for its employment-based taxes.

The City is currently engaged in active discussions with the Harrisburg School District on a joint yard waste facility project that is discussed further under Public Works – Sanitation discussion. It is partnering with PennDOT on a Transit Oriented Development study of the Transportation Center and surrounding area and as a supplement to this project also working with PennDOT and their engineering consultant on a Paxton Creek Evaluation Study to understand the existing flood potential and identify different options to help mitigate flooding within the TOD project area.

The City must continue to work closely and cooperatively with the County and Commonwealth agencies on infrastructure and economic development initiatives. PENNDOT has committed to contribute significant resources to the City for infrastructure repair and development that is critical in fostering the City's economic recovery. The County, along with the Harrisburg Regional Chamber and CREDC, are important partners in the region's economic development. These efforts, and others, should be aggressively pursued to strengthen the City's recovery and support its sustainable exit from Act 47.

Collective Bargaining

The substantial majority of Harrisburg employees are represented by one of three unions: the Fraternal Order of Police Capital City Lodge No. 12 ("FOP"), the American Federation of State County and Municipal Employees District Council 90, Local 521 ("AFSCME"), and the International Association of Firefighters, Local No. 428 ("IAFF"). Each of the City's three unions voluntarily entered into mid-term negotiations to amend their collective bargaining agreements in connection with the filing of the initial Strong Plan in August 2013. The amendments to the prior collective bargaining agreements for the bargaining units, as well as those initiatives for the non-union City

employees, were implemented, and cost reductions resulting from these changes continue to be monitored. Although the formal Amendment documents setting forth the revised contract language were finalized and agreed to by AFSCME and the FOP, an amendment document for the IAFF was never completed. The City prepared a formal Amendment document setting forth the changes in the Tentative Agreement document – which was formally ratified by both the IAFF and the City and provided it to the IAFF for execution – however, the IAFF never responded to this formal Amendment document. The Coordinator has continued to insure implementation of the negotiated changes and assist as necessary with respect to any issues and grievances that arise relating to those changes or to any of the Plan initiatives.

In the Amended Strong Plan that was passed by City Council in April 2016 and approved by the Commonwealth Court on July 20, 2016, the Coordinator established new compensation allocations for the FOP, AFSCME, and IAFF units that are consistent with significant amendments which were made to Act 47, commonly referred to as the Act 133 Amendments of 2012 (“Act 133 Amendments”). As amended, Act 47 now requires the Coordinator to project revenues and expenditures for the current and next three fiscal years and develop a capped amount for each city bargaining unit to be available for total compensation and benefits for employees in that unit. For that reason, and unlike the predecessor Strong Plan, the new Plan separates the costs related to each of the City’s collective bargaining units included in the overall cost projections in the Plan so that each bargaining unit can have an active role in collectively bargaining for those compensation items that are most important to the employees in each unit.

Because the CBAs with FOP and AFSCME expired on December 31, 2016, the City entered negotiations with the FOP in September 2016, with AFSCME negotiations starting thereafter. The negotiations for the FOP and AFSCME successor agreements were the first time since the City entered Act 47 that the unions were obligated to negotiate all terms with the City and that the City had the right to renegotiate employment terms with the unions. The City retained the law firm of Elliott Greenleaf to handle its labor negotiations.

Elliott Greenleaf represented the City in its negotiations with the FOP and AFSCME throughout the fourth quarter of 2016 and the first two quarters of 2017. While negotiations with the FOP did not result in a successor contract being reached by the end of 2016, the parties eventually reached an agreement without needing to resort to interest arbitration in March 2017. That agreement has since been executed and ratified by the FOP membership and City Council has passed a resolution approving its terms.

Given that the latest AFSCME contract was only for a two-year term and expired at the end of 2018, the City and AFSCME settled on agreement after one bargaining session. The City and the union have integrated the new agreement into an updated contract, which City Council approved in 2018.

The CBA with the IAFF expired on December 31, 2017. At the IAFF’s invitation, the Coordinator made a presentation last April to the IAFF’s entire membership, providing an overview of the Act 133 Amendments to Act 47 and the terms of the Amended Strong Plan, and opening a discussion up for any questions that the membership might have. The Coordinator felt that this meeting was positive and set the stage for constructive negotiations for a successor agreement. Elliott Greenleaf represented the City as its labor counsel in connection with negotiations with the IAFF. The City and IAFF reached an agreement for a successor CBA because of negotiations. IAFF ratified the terms of this agreement on or about February 8, 2018. The agreed upon terms are integrated into current successor CBA and was approved by City Council on July 3, 2018.

In terms of pending grievances, AFSCME's grievance regarding the manner in which the bonus provision in the current CBA is being interpreted remains pending. In accordance with the current CBA, the City has paid bonuses to "all employees in the bargaining unit as of December 31, 2016" AFSCME, however, contends that "all employees in the bargaining unit" includes those individuals who were not yet bargaining unit members because of their probationary status and lack of dues obligation. The Coordinator and the City believe that payments have been made appropriately and will prevail if this grievance proceeds to arbitration. Other grievances previously mentioned in prior reports also remain pending, including an FOP grievance that was filed after the police chief would not allow officers to perform off-duty work at the Great American Outdoor Show. An FOP grievance is also pending on an individual employee suspension issue, and there is a pending request for arbitration from the FOP related to a police officer's request to return to work or receive injury-on-duty benefits. There are currently three IAFF grievances pending, but the City does not view them as significant at this time and expects to resolve each. The City Solicitor has a meeting with IAFF leadership scheduled in a mutual effort to resolve these grievances. From the Coordinator's understanding, there is not a significant risk of exposure on any of these pending matters, and the Coordinator will provide further information when it becomes available.

Fire overtime has been a continuing issue for the City since long before the City entered Act 47, as the expenses were constantly exceeding budget. However, the City has been able to significantly reduce its overtime expense after the IAFF CBA was amended in April 2014, one fire station closed, and new firefighters were appointed in June 2014. Through prudent personnel management, the City's Fire Chief has successfully been able to continue to contain Fire overtime costs. Positive trends in overtime costs continued in 2015, 2016, 2017, 2018 and to date in 2019. The City has also successfully contained additional premium pay over the course of these years.

Asset Monetization Matters

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

- Long-term capital lease of Harrisburg's parking assets from the City and the Harrisburg Parking Authority (HPA) to the Pennsylvania Economic Development Financing Authority (PEDFA),
- The sale of the incinerator from The Harrisburg Authority, now Capital Region Water (CRW) to the Lancaster County Solid Waste Management Authority (LCSWMA),
- Activities related to the "Verizon Bonds," and
- Activities related to the transfer of the water and sewer operation from the City to CRW.

After the December 2013 consummation of the Strong Plan, the City is no longer a guarantor of debt payable on either the Resource Recovery Facility or Parking System. Debt service on these assets is now payable by the Lancaster County Solid Waste Management Authority and the Pennsylvania Economic Development Financing Authority (PEDFA), respectively.

The Strong Plan focused not merely on restructuring City liabilities, but also the elimination of the clear majority of the City's debt and other obligations. The exceptions were the City's General Obligation Bonds, and to a more limited extent, the so-called "Verizon Bonds." The former was restructured as part of the Strong Plan's consummation. As to the latter, over half of the debt service will be paid for by lease payments made by the Commonwealth and expense reductions achieved by management. The remaining obligation of the City was restructured as part of the Settlement Agreement on the Verizon bonds in January 2015.

Harrisburg Parking

The parking monetization was the cornerstone of the City's recovery plan. The choice faced by the Office of the Receiver was whether to sell the system to a private equity firm or hedge fund or put in place a monetization structure that maintained ownership of the assets for Harrisburg, and aligned the incentives of the parties, so that the better the system performed, the more the City would benefit. The latter approach was chosen and therefore it is to the City's benefit that it does everything in its power to improve revenues and support the parking system. This includes recognition that proper maintenance of the parking system is critical to the continuing flow of revenue for the City.

The proceeds of the parking monetization that were received in December 2013 were allocated to the "Acquisition Price" used by the HPA and City as follows:

1. Repay the balance of negotiated settlement with Resource Recovery Facility creditors (\$128 million).
2. Pay debt service on GO Bonds for first time since September 15, 2011 (\$6 million).
3. Repay all the Harrisburg Parking Authority's debt (\$99.8 million).
4. Pay \$36 million to the City of Harrisburg to be used to:
 - a. Reduce payables
 - b. Create an OPEB Irrevocable Trust and fund an initial deposit – (The OPEB Board remains to be created by the City; however, the Coordinator has met with the City's Business Administrator, Marc Woolley, City Solicitor, Neil Grover, and City Finance Director, Bruce Weber to discuss its construct. The goal is to have the OPEB Board selected during 2018.)
 - c. Fund deposit to Impact Harrisburg
 - d. Fund a budgetary reserve to get through first three months of each year (This has worked well as the City has not needed to draw on a TRAN)
 - e. Repay Pennsylvania Investment Bank
 - f. Repay agreed upon amounts to equipment lender

Subsequent to Plan consummation, the parking assets are under the auspices of the PEDFA who engaged Capital Region Economic Development Corporation (CREDC) as their agent to oversee the operation and management of the parking operation. (Please see the note above about the PEDFA proposed amendments). PK Harris/Trimont Real Estate Advisors is responsible for managing the parking assets, and Standard Parking Corporation/SP+ is managing day to day operations. PEDFA contracted with CDM Smith in the fall of 2015 to review certain financial elements of the Park Harrisburg System given the failure to satisfy the 125% rate covenant under the bond indenture. PEDFA, in consultation with the bond guarantors, determined that a review of the operational issues, to provide recommendations aimed at improving the system's operations and financial performance, would be undertaken.

Park Harrisburg Fiscal Year 2019 Operating and Capital Budgets Projections

The projected revenues were 2.0% higher than the same period in 2017. The expenses through November 2018 were approximately equal to 2017 revenues.

The preliminary proposed 2019 operating and capital budgets have been delivered to the Credit Enhancers and have been rejected by the Credit Enhancers. An Interim Operating Budget is currently in place. The 2019 interim operating budget will reflect the current rates transient and meter parking while the monthly rate has been increased to \$210 per space per month and the DGS lease rate will increase per the terms of the lease. The 2019 interim budgeted operating

expenses will be equal to the 2018 budgeted operating expenses increased by Consumer Price Index (CPI). The 2019 interim capital budget will be equal to the amount in the CDM Smith report for 2018, which is \$1,096,043.

Scheduled City/HPA payments year-to-date (through December 31, 2018) - The City has been paid \$2,097,495 and HPA has been paid \$1,460,126.

For other expenses paid at the Subordinate Expense level of the Trustees waterfall, there have been \$122,564 Performance Fee account and paid for Performance fees. HPA has been paid \$81,355 PEDFA fees.

Capital Reserve has received and deposited \$1,128,815 through December 31, 2018.

Pursuant to an agreement by all required parties, the Trustee released \$1,979,900 to apply to projected obligations.

SP+ was paid \$544,041 in May 2018 for amounts due from the 2014 overpayment. The City, HPA, PEDFA and the Credit Enhancers (Dauphin County and Assured Guaranty) approved the payment. PK Harris paid SP+ the amount of \$40,500 in November 2018 that completed repayment to SP+ of all amounts due for the 2014 SP+ overpayment.

Capital & Operational Improvements

Capital Improvement projects completed in 2018 include concrete repair and generator replacement at Locust Street Garage, concrete repair at Chestnut and 5th Street Garages, roof repair at the Chestnut Street garage, and elevator repair at the Walnut Street Garage.

The parking system entered into an energy saving contract and has saved \$37,000 YTD through December 2018.

5-7 Free Parking program

Dauphin County, the City of Harrisburg and the Harrisburg Downtown Improvement District (the "DID") agreed to fund a pilot program where the three parties pay Park Harrisburg in an amount equal to \$270,000 in return for free meter parking in the DID area from 5-7pm Monday through Saturday. The \$270,000 amount is the estimated meter revenue which the system collected from the DID area for the 5-7 pm time in 2017. The program commenced on April 1, 2018 and is to last for one year, at which time it will be reassessed by all parties. As of April 1, 2019, the Coordinator has not received an update from the City as to the continuation of the free parking.

ParkMobile

ParkMobile, the parking application provider for the meter system, had approximately 120,000 transactions for the period of January through December 2018.

**City of Harrisburg
Parking Revenues**

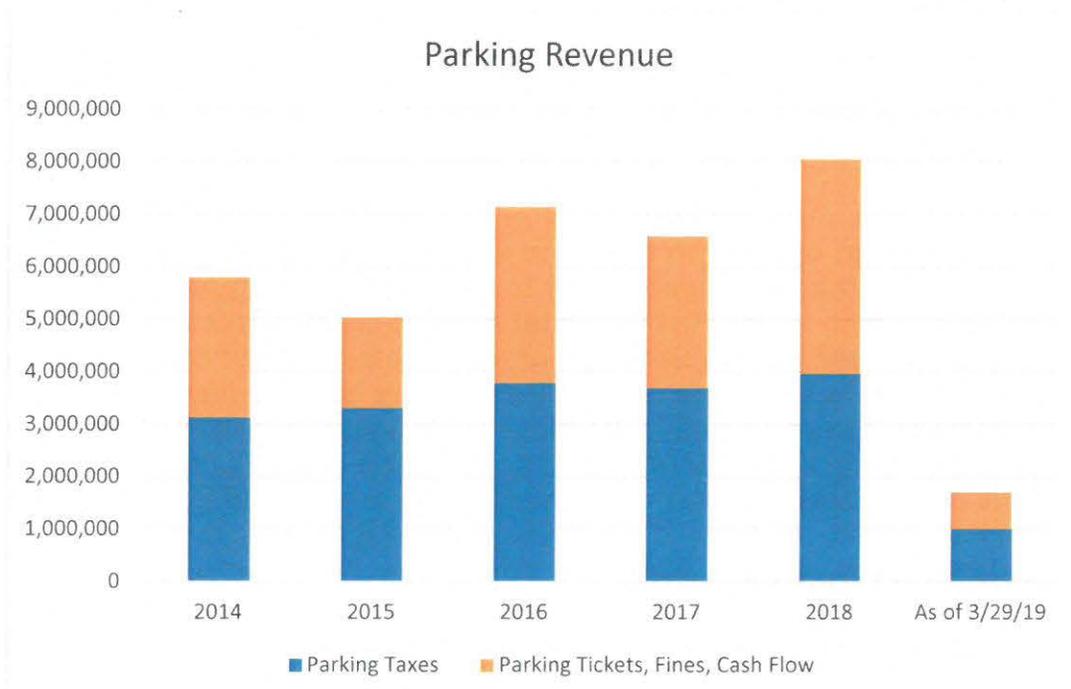
Table 1

Parking Revenue	Account Description	2014	2015	2016	2017	2018	As of 3/29/19
Parking Taxes	MBP PARKING TAXES CURRENT	3,100,722	3,289,446	3,769,704	3,668,788	3,942,440	1,001,657
Parking Taxes	MBP PARKING FEE	16,721	11,573	13,724	12,580	14,774	5,264
Parking Fees	PARKING LICENSE FEE-PRIOR	3,266	2,131	710	4,076	0	0
Parking Fees	PARKING LICENSE FEE-PENAL	3,477	2,007	3,010	3,284	1,459	1,236
Parking Fees	TOWING FEES	28,360	21,665	22,595	20,706	21,144	3,350
Parking Fees	METER BAG RENTAL	62,834	21,504	24,116	49,312	53,848	5,612
Parking Fees	FINE AND COSTS	72,570	49,535	42,244	13,627	28,866	403
Parking Fees	BOOTING FEES	14,595	8,850	3,300	2,925	1,575	150
Parking Tickets	PARK TICKETS-VIO FINE	475,248	463,641	447,119	376,923	420,396	125,177
Ground Lease Payment	PRIORITY PARKING DISTR.	900,000	527,900	1,093,623	974,526	1,460,125	204,928
Priority Parking Distribution	PRIORITY PARKING DISTRIBUTION	1,100,000	636,951	1,717,788	1,457,735	2,097,494	360,244
Rental Income	HPA RENTAL INCOME	20,800	0	0	0	0	---
HPA Coordinated Pkg	HBG PRK AUTH COORD PKG	0	0	0	0	0	---
	Total Parking Revenue	5,798,593	5,035,203	7,137,933	6,584,482	8,052,120	1,708,021

****Ground lease payments and Priority Parking payments were inflated in 2018 due to the global settlement reached by all parties (creditors, City, County, PEDFA) in resolving discrepancies with the parking bond indenture.**

City of Harrisburg Parking Revenues

Table 2



Additional Incentive Programs

A 15-minute free parking program was initiated last year for several parking areas in the Central Business District (CBD) of Harrisburg previously marked as loading zones. To date, parking revenue from meters located around the free parking spaces have not been less than what was budgeted. The program was expanded in early 2017 to include conversion of 22 additional loading zones in the Harrisburg Central Business District to 15-minute free parking areas.

On April 2, 2018 the Mayor and Dauphin County announced, "Free Parking," within the Central Business District. The cost is to be borne by the City, County, and the Harrisburg Downtown Improvement District.

ParkMobile

ParkMobile was selected by Park Harrisburg to replace Pango as the provider for mobile-payment solutions effective March 1, 2017. ParkMobile is the leading provider of mobile-enabled parking and mobility-related services in North America. The company's mobile payments solution allows parkers to use their mobile phones to pay for parking at all of the on-street spaces managed by Park Harrisburg. Customers can pay with their smartphones using ParkMobile's mobile applications for iPhone, Android, and Windows phones, or by calling the toll-free number on the ParkMobile meter stickers. Park Harrisburg in partnership with the City and ParkMobile has implemented two other promotional programs that can provide a more customer-friendly parking experience. LUV HBG provides 4 hours of free metered parking on Saturdays and provides \$1/hour

meter rates from 5:00 to 7:00 p.m. in the central business district. Park Harrisburg and ParkMobile are working with local businesses on other promotional programs utilizing this application.

The ParkMobile application compares quite favorably to the PANGO transactions. Public response to ParkMobile to date has been favorable.

ParkMobile had approximately 120,000 transactions for the period of January through December 2018.

Accruals

The Trustee has provided an opinion on language in the bond indenture related to the waterfall payments and stated that the language related to accruals is ambiguous. PK Harris, the Asset Manager, engaged CDM Smith to update the capital study in order to factor in capital requirements for the system as part of a term sheet. Subsequent to the completion of the updated capital study, AGM and Dauphin County, in their role as credit enhancers and creditors, prepared a proposed term sheet for discussion. Several positive meetings were held between the creditors and the City to discuss the term sheet. It is the Coordinator's belief that a mutually acceptable resolution that balances the needs of the parking system and the City can be reached by the parties.

Capital and Operational Improvements

Capital Improvement projects completed fourth quarter 2018 include:

1. Concrete repairs and generator replacement at the Locust, Market Square and Chestnut garages. New roof for the Chestnut Street Garage.
2. Repaving of the 7th Street Lot and sealcoating of the 10th Street Lot and Mulberry Street Lots. Because of additional research on cost saving measures by the Operator, SP+, the final cost of repaving the 7th Street lot was \$300,000 below estimates in the Capital Study.
3. A new 10-year Capital Study has been completed and will be utilized for identification of capital improvements by year for the future.

Parking Advisory Committee

A Parking Advisory committee chaired by PK Harris/Trimont Real Estate Advisors, the Asset Manager, and comprised of representatives from CREDC (as PEDFA's representative); SP+, the Operator; HPA; the Mayor; City Council; Department of General Services (DGS); AGM; and the County was established under provisions of the Asset Transfer Agreement and continues to meet periodically to keep stakeholders informed on the parking system's operation. 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 parking system.

Resource Recovery Facility

Results for 2014 – 2019

The Lancaster County Solid Waste Management Authority (LCSWMA) has operated the resource recovery facility since December 2013. Tonnage from the City, delivered to the Susquehanna Resource Management Complex (SRMC), exceeded the City's minimum required 35,000 tons in 2014, again in 2015 when the City disposed of 36,636 tons (105%), and again in 2016 and 2017 when the City disposed of 35,953 tons (103%). As of the end of February 2019, year to date, tonnage from the City disposed of at the Susquehanna Resource Management Complex (SRMC) was 51,245 tons. It is running slightly below last year at this point but is on target to again meet or exceed the 35,000-ton minimum.

Tipping fees were reduced in 2014 and have remained the same since that time. The more the City diverts from the waste stream through recycling, the less it must pay for disposal costs. The plan to avoid using general fund monies to pay for any costs resulting from the put or pay provisions being activated included the combination of increasing recycling which will result in payments for recyclable materials, savings from reducing disposal charges (freeing up additional disposal fees) and reducing "leakage" from the system.

The City also receives an annual Host Fee from SRMC. Through February 2019, the City had received \$53,807 in Host Fees.

The "Verizon Bond Matter"

The resolution of the Verizon Bond matter has resulted in significant positive benefits to the City. The resolution has been discussed thoroughly in prior reports. The benefits, though, are continuing to have a positive impact on the City. The lease between Harristown Development Corporation (HDC) and the Department of General Services (DGS) of what is now known as the Commonwealth Tower has resulted in approximately 900 people moving into the Tower through the first quarter of 2019. This influx of employees in the central business district has increased Local Service Tax revenues by approximately \$150,000 per year and also spurred increased economic activity throughout the Strawberry Square and Market Street areas.

Current Status of Commonwealth (formerly Verizon) Tower Project

The Commonwealth renamed the Tower, the Commonwealth Tower, and by mid-2016 DGS had completed the build-out and all Human Services employees had been transferred to the Tower. All told, approximately 900 new Commonwealth employees now work in the Commonwealth Tower. By all accounts, the project is one of the biggest improvement projects that has been undertaken in downtown Harrisburg and has spawned considerable additional activity in the Strawberry Square complex. This project has also resulted in considerable savings to both the City and the Commonwealth (the former to reduced total debt service obligations and the latter to reduced energy costs under its lease).

Additional Improvements to Solution to the Verizon Bonds/Building Problem

A negotiated settlement relating to the real property assessment of the parcel is expected to yield a significant, beneficial economic impact for the City. As built into the transaction's legal structure, operating expense savings inure to the benefit the landlord (Redevelopment Authority

of the City of Harrisburg - the "RDA") and to the manager of the buildings (Harristown Development Corp.). To the extent additional cash flow - or conditional rent - is directed to the RDA, there is a dollar for dollar reduction in the obligations of the City under its Guaranty of the RDA's Federally Taxable Guaranteed Revenue Bonds, Series A of 1998.

The Stipulation and Joint Motion document and Amended Order of Court executed in July and August 2017, respectively, state that the assessment of the parcel changed, effective January 1, 2016. The first conditional rent that would include any tax savings would be paid in April 2018 for the calendar year ending December 31, 2017 (because calendar year 2016 is already closed). Although not yet final (and subject to the taxing bodies' further review), calculations provided to the Coordinator of the refunds/credits due from the County, City and School District for calendar years 2016 and 2017, approximate \$517,000. This is assuming no other offsetting items are in the conditional rent calculation and assuming the taxing bodies issue the checks in 2017, and only after recovery by HDC of \$51,000 in unreimbursed losses per the 2016 conditional rent calculation provided by HDC. HDC is awaiting confirmation from the City and School District regarding their calculations of the amounts of refunds/credits due and no actual refunds/credits have yet been issued.

In the original structure, HDC agreed to assume certain operational risks and subordinate certain payments to the Trustee on the 1998 Bonds. They did so fully intending to bring this tax appeal, reduce energy costs and reduce as many expenses relating to the project as possible. Under the applicable documents, if there are "excess funds" (gross rent less operating expenses and fixed rent) the first \$150,000 goes to HRA as conditional rent and the balance is split 50/50 between HRA and the HDC.

HDC's estimate of the amount of conditional rent that they expect to be paid to the RDA beginning in April of 2019 is \$282,000 per year through 2025. This is comprised of the first \$150,000 plus 50% of the remaining excess funds.

Harristown Development Corporation Activities

Harristown Development Corporation (HDC) continues to actively pursue additional development opportunities in Strawberry Square and the surrounding neighborhood. Strawberry Square itself is a great redevelopment story based on the 17-year Commonwealth lease for the Commonwealth Tower. Building on the past years' successes, which included a new Hallmark store, expansions of apparel retailer, Amma Jo, and the Capital Area School for Arts (CASA), several additional projects have moved forward.

Rite Aid opened its new store in Strawberry Square in the Spring of 2017. This is the largest retail lease HDC has experienced in its 40-year history. The 14,000 square foot store is double the size of its previous location on Market Street and is considered one of Rite Aid's Flagship stores. It offers an extensive amount of new products and services and has a special partnership with The Hershey Company with a "Chocolate World" style display and gift area. In the month since its opening, sales have been brisk and have exceeded Rite Aid's expectations.

Fresa Bistro, a new 50 seat sit-down restaurant opened and is doing extremely well. It offers a menu of freshly made items, including sandwiches, paninis, salads, wraps and soups. HDC has also signed a lease for a new fast casual Asian Fusion restaurant known as "Freshido." The 2,500-square foot restaurant is located at the corner of 3rd and Market Streets and has seating for approximately 60. The opening of Freshido provides yet another dining option in the downtown.

Best Friends Day Care business has grown steadily with the influx of new state office employees and they have recently signed a lease for an additional 1,000 square feet.

HDC is also hosting a monthly Pop-Up Happy Hour in Strawberry Square that creates additional foot traffic in the Strawberry Square complex and is a plus for retail establishments.

Public Financial Management, a major downtown employer relocated its 150 employees to the M&T Bank building taking about 63,000 sq. ft. which is the available office space remaining in this building. The move represents PFM's long-term commitment to the City as one of the leading businesses in the region.

Additions to Strawberry Square complex this year including energy savings results

- New lease signed for 11,000 s.f. inside SSQUARE late last year which will be Skarlatos Zonarich LLC—law firm bringing 35 new employees to SSQUARE the law firm took occupancy on February 15, 2019 following major renovations to the space (\$1 Million of improvements.) Harristown will be purchasing 17 S. Market Square (currently owned by Skarlatos) and redeveloping that building along with the 21 S. 2nd Street site (vacant lot) into a \$10 Million mixed used project to be completed by 2020.
- Completion of New Public Elevators in SQUARE
- Energy efficiency results continue to be strong and in line with prior years since the major 16 Million capital improvements made in 2015/16.

Recent residential activity this year:

- “Bogg on Cranberry” Street opened as new redevelopment of former office building at 221 N. 2nd Street—this is a 12-unit upscale apartment complex on the edge of Restaurant Row—it opened last week with 8 of 12 units already leased.
- All of Harristown’s entire other 52 units are fully leased
- Harristown and its partners also have plans to produce a 70-unit apartment project converting two office buildings on Pine Street (116 and 124 Pine) converting over 80,000 s.f. of office into apartments. This project will commence in Jan. 2019 and be delivered to the market in fall of 2019. Estimated investment is \$12.4 million dollars.
- The overall vacancy rate for market rate apartments in the City is less than 2 percent according to a July 2018 market assessment by Real Property Research Group sponsored by Harristown, HBG City, and Harrisburg Housing Authority.
- The Fox Hotel Project is underway for 8 market rate apartments for about \$1.2 million dollars at 236 South Second Street.
- Harristown has also added a new lease at 221 North 2nd Street with Tiki T’s Donuts and more and new tasting room at 13 S 3rd Street called Sip@SoMa.

Other Activity:

Residential development also is continuing in both Strawberry Square and the surrounding Third Street neighborhood. Demand for residential housing in downtown Harrisburg is strong as evidenced by a study commissioned by Harristown Enterprises, Inc. The “residential opportunity assessment” report was completed by the national consulting firm, Real Property Research Group (RPRG) and concluded that downtown Harrisburg has great potential to absorb as many as 300 new market rate apartments over the next three years — a very encouraging sign for the City’s future. HDC’s focus is to create an environment where you can walk to almost everything you need.”

HDC completed renovations and placed into the market 51 high-end apartments in three complexes: The Flats at Strawberry Square (22 units); F@TT (Fifteen at 22 S. Third) (15 units) and South of Market (SoMa) (14 units). All of these units are occupied and there is a waiting list for openings. HDC is currently constructing two additional units at the Flats and has purchased three additional row buildings on South Third Street that it is renovating into six apartment units. HDC is also looking for opportunities to convert older class B and C office buildings into apartments given the demand for housing.

The Downtown Improvement District and Harrisburg Property Services recently partnered to open a new safety and security sub-station in the SoMa district. They will work closely with the City's police department and provide safety and security service to residents and patrons of businesses in this neighborhood.

Two other developers, WCI Partners, LP and the Vartan Group have been partners in the development of residential properties in the City. WCI recently developed the Union Street Lofts (33 units), the Locust Street Apartments (14 units) and Walnut Court Apartments (21 units). Both Locust Street and Walnut Court projects were leased in 6-8 weeks. WCI is bringing on an additional 8 units at 916, 918, and 920 North Third St., adjacent to the Union Street Lofts.

On the educational and technology front, the Blackberry Technology Center opened in the SoMa neighborhood. The project involved the redevelopment of a blighted former hardware store that had been vacant for over 30 years into a three story, 4,500 sq./ft. building that now houses three technology-based companies that employ approximately 30 individuals. All three companies are a product of Harrisburg University's (HU) technology accelerator. HU has been a key player in the development of a burgeoning technology industry in the City as evidenced by a number of technology initiatives. Adjacent to SS, HU has recently completed the build-out of its current building and is pursuing additional space in the downtown area. The technology sector has grown nicely with over 20 firms located in and around downtown employing over 800 individuals. Many of these individuals desire housing in the downtown and contribute to the economic growth evidenced in downtown.

Temple University is also part of the educational corridor with its location in Strawberry Square and has also experienced strong growth in both undergraduate and graduate programs. The Capital Area School for the Arts in Strawberry Square is entering its fifth year as a charter school. It now boasts over 200 students and is expected to renew its charter in 2018.

Strawberry Square Energy Efficiency Upgrade

The Energy Upgrade in Strawberry Square was a separate project thru DGS and HDC that was coordinated with the build-out in PHASE 1 and 2 and is now complete. HDC entered into the performance agreement phase of the contract where the guarantee of savings by Siemens should be sufficient to pay the debt service on the loans. Siemens, as part of their performance agreement, maintains very tight oversight of the building's operation during the ten-year period.

Senator's Stadium Bonds

The park permit/lease with the Harrisburg Senators for the City Island stadium remains an issue as the City has had to make up the difference in debt service from what the permit revenue provides. This amounted to between \$180,000 and \$200,000 annually and has continued to be a growing obligation. The goal of the Receiver, and now Coordinator, was for the City to enter into a new permit/lease that insured adequate revenues paid from operations of the Stadium to fulfill

the debt service obligations on the stadium bonds without further burdening City taxpayers. The City and Coordinator met on several occasions to discuss options and staffing for reaching out to the parties involved. The City has now assumed responsibility for the "Senators' Stadium" financing matter, though the Coordinator's team continues to be available to assist should the City desire.

The Mayor has met with the Senators new owner, a local businessman, multiple times and continues to pursue additional uses for the stadium that would generate additional revenue for the City. Initiatives that increase cash flow to support the Stadium's expenses would inure to the benefit of the City and are recognized by the Coordinator as positive steps by the City.

The Coordinator has recommended in the adopted Plan modifications that so long as the City is making payments under its guaranty of these bonds, all advances made are memorialized in a manner that enables the City to maximize its ability to be reimbursed by the team ownership out of excess revenues, if and when they become available.

Finally, both installments of settlement proceeds from the *In Re Derivatives* class action law suit have been paid to the Harrisburg Redevelopment Authority and should be used to defray some of the debt service expenses of this bond issue and the Verizon Bond issue. The Coordinator has stressed the importance of applying the proceeds of the settlement assets award to the respective obligations.

Water Sewer and Storm Water Operation - Transfer of Assets

When the Receiver's Team looked at the City's assets and assessed options, three different strategies for three different assets were pursued. The incinerator was sold, the parking system was "monetized," and water and sewer (wastewater and stormwater) operations were transferred to The Harrisburg Authority, now Capital Region Water ("CRW"), which was converted into an operating authority (from a financing authority). Under this structure, water and sewer revenues would be insulated and separated from the City's General Fund; and the infrastructure would be improved through expert and focused management and by eventually reinstating an investment grade credit rating.

The transfer, effectuated in late 2013, consolidated the ownership, administrative, operational and financial responsibilities for the drinking water, wastewater and stormwater operations to CRW. All City employees from the Bureaus of Water, Sewerage, and Operations & Revenue became employees of CRW. This transfer and consolidation was supported by the suburban communities served by the water systems, as well as regulators, and has been well-received by the citizens of Harrisburg. The organization is managed by a five-member, City-appointed Board of Directors with an administration comprised of a Chief Executive Officer, Chief Financial Officer, and Directors of Engineering, Operations and Administration. It has grown from approximately 80 staff to over 115 since late 2013, vastly improving the quality of service being provided to the City's water and sewer customers.

Strategic Planning

Capital Region Water's Strategic Plan was approved and adopted by its Board of Directors at its October 26, 2018 Board meeting.

The Strategic Plan identifies the following guiding principles that will lead the organization's decision-making process in the coming years:

Vision: To be a leading, innovative, and efficient water utility focused on serving our community.

Values: Capital Region Water has a shared commitment to sustainability and to doing the right thing for public health and the environment, customers and coworkers.

Mission: Capital Region Water is a dedicated team of professionals devoted to customer satisfaction and stewardship of our community's water systems from raindrop to river.

Goals: (1) Efficient Use of Resources, (2) Public Health & the Environment, (3) Customers & Stakeholders, (4) Workforce, and (5) Infrastructure Stability.

All departments of CRW are using the Strategic Plan as a guide toward project prioritization. A system of program tracking, and reporting is being developed. More specific updates will be provided in future reports.

Wastewater and Stormwater Compliance – Partial Consent Decree

The US Department of Justice and the US Environmental Protection Agency ("EPA"), along with the Pennsylvania Department of Environmental Protection ("DEP"), viewed the transfer favorably due to the capacity and expertise at CRW that would ensure the system's compliance with the Clean Water Act and Chesapeake Bay requirements.

Due to the authority's ability to access capital and work closely with the regulatory agencies, the conversion of CRW into an operating authority resulted in millions of dollars in savings to the City and rate payers through fine and penalty avoidance and lower cost of debt associated with environmental compliance orders including improvements to the Advanced Wastewater Treatment Facility ("AWTF") and significant wet weather pollution initiatives.

The City faced millions of dollars in fines and penalties from the Department of Justice (representing the EPA) and from DEP, due to failure to treat sewage properly and comply with applicable effluent treatment and combined sewer overflow standards. With the support of the Commonwealth, Capital Region Water secured a \$24 million low interest loan from PENNVEST for construction of the AWTF upgrades. With this low interest loan commitment, CRW was able to arrange for a private placement for the balance of the \$50 million AWTF project. Construction on the project was completed as of December 2016 (pending final documentation) and when final costs are tabulated is projected to come in under budget.

CRW has complied with all milestones of the Partial Consent Decree entered into by CRW, the City, the State Department of Environmental Protection, the US Environmental Protection Agency, and the US Department of Justice. The potential fines and penalties that would have been imposed on the City appear to have been avoided.

City Beautiful H₂O

"City Beautiful H₂O" is a community-based campaign to improve the health of local waterways and green the City while meeting stormwater and combined sewer system compliance issues. This campaign includes a Green Stormwater Infrastructure plan for CRW's stormwater service area, a

partnership with Lower Paxton and Susquehanna Townships to complete a watershed-wide compliance strategy to meet Paxton Creek water quality standards, and a robust community education and engagement process. These plans will be incorporated into CRW's Wet Weather

CRW held a series of "Community Greening Parties" throughout the City to provide education and receive resident feedback on the development of the Green Stormwater Infrastructure Plan. The Green Stormwater Infrastructure Plan was presented to the CRW Board of Directors meeting and adopted by the Board. The project team has taken the feedback received to prepare several conceptual designs including creating a "green block" between the Camp Curtain YMCA and Camp Curtain Memorial-Mitchell United Methodist Church on North 6th Street. The Green Stormwater Infrastructure Plan was presented to the CRW Board of Directors and adopted by the Board at its January 25, 2017 meeting. CRW and its consultants are also working with the City's Parks and Recreation Department on the development of a master plan for the City's Reservoir Park and the incorporation of green elements into five city parks, three of which will receive pervious basketball courts.

Harrisburg's municipal separate storm sewer system (MS4) is permitted by the Pennsylvania Department of Environmental Protection. The system is operated under a permit issued to the City of Harrisburg. This permit could not be transferred to CRW as part of the transition in 2013 because the permit had expired. CRW applied for a permit in October 2014 and has provided all information requested by DEP. CRW continues to operate the system under the City's permit through a cooperative agreement.

Close coordination and cooperation with the City it is imperative to being able to meet the requirements of the MS4 permit and our NPDES permit for Combined Sewer Overflows. CRW and its consultants continue to coordinate and facilitate multiple meetings with representatives from the City's Codes, Engineering, Planning, Parks and Recreation, and Fire Departments to discuss the best way to jointly meet the requirements of the permits and City Ordinances. CRW is currently drafting Consolidated Rules and Regulations for its Drinking Water, Wastewater, and Stormwater systems, and will be providing requests/recommendations to the City for modification to City ordinances to ensure consistency between the two.

Project Funding

CRW has been successful in preventing large costs of borrowing by developing successful financial strategies. CRW has completed five successful borrowings since 2013 and has recently completed an additional borrowing in the third quarter of 2018.

Due to many factors, including purchase of the water system from the City, water system debt service grew to 60% of operating expenses. In 2014, certain short-term finance deals were scheduled to begin collecting accelerated principal and interest payments. Because of the transition, CRW was able to refund these amounts resulting in a present worth savings of over \$2-million.

CRW, with two years of financial records and operating history, was able to restore its Water bond rating (to A+ from Standard and Poor) and refinance over \$52 million in water bonds, resulting in a present worth savings of approximately \$9 million.

The rating agency report had several notable remarks including:

"Based on our Operational Management Assessment (OMA), we view Capital Region Water to be a '3' on a scale of 1-6, with '1' being the strongest. This indicates, in our view, that operational and organizational goals are generally well-aligned, even if some challenges exist. The OMA of "good" includes a secure long-term water supply by way of a CRW-owned-and-operated dam and reservoir on the Susquehanna River that, combined with existing treatment facilities, provides the system with more than twice its peak day demand requirements."

"The water system's financial risk profile is an area of strength, with only minimal qualifications. The current management team has been very aggressive in ensuring that asset management and preventive maintenance are the focus of the capital improvement program. Therefore, the current five-year capital improvement plan (CIP) through 2020 has identified about \$23.7 million in capital commitments, a number that has been verified by an external consulting engineer that provides annual updates to the general system condition and the financial forecast."

In April of 2017, CRW was successful in re-establishing its Sewer Bond Rating to an investment grade level (A+ S&P). Additionally, CRW successfully marketed \$43,915,000 of Sewer Bonds which were utilized to refund M&T Bank's portion of the AWTF project financing and to provide necessary funding for 2017 and 2018 capital projects.

Impact Harrisburg Board's desire for collaborative projects between the City and CRW viewed this project positively. After learning of the City's plans for street restoration in areas with underground infrastructure ("Multi-Modal Transportation Projects") and the importance for their receiving funding for that work, CRW laid aside plans to apply for funding to offset project costs included in the five-year Capital Improvement Plan, and submitted an application requesting funding for water and sewer infrastructure to align with the City's Multimodal Transportation Projects.

CRW was notified on July 22, 2016 that Impact Harrisburg had approved a grant in the amount of \$2,743,645.25 to CRW for work associated with the City's Multimodal Project. This funding would offset up to \$8 million in CRW costs for condition assessments, design, bidding, and construction of rehabilitation of drinking water, wastewater and stormwater infrastructure. The project also includes the incorporation of Green Stormwater Infrastructure as practical in accordance with CRW's City Beautiful H2O wet weather and community greening plan. CRW is working to complete work in coordination with the City. Representatives of both bodies met with the IH Board on August 16, to discuss their plans and address concerns of the Board. The City's projects include: 3rd Street Resurfacing Project; 2nd, 7th and Division St Project; Berryhill Pedestrian Improvements Project; and North 17th Street Reconstruction.

CRW's General Counsel provided a draft grant agreement to the Impact Harrisburg Board to establish terms of receipt, however, we have not received a response from the Impact Harrisburg Board regarding the acceptance of the grant agreement.

During the fourth quarter of 2018 CRW would actively coordinating sewer infrastructure repair work and stormwater collection and management, both green infrastructure and conventional (catch basin) as part of the City's 3rd St improvement project. The timeline is controlled by the City, as CRW's work is supplementary to the primary City work.

Relationship with City

In 2013, the City and CRW entered into a Shared Services Agreement to facilitate the transition of service from the City to CRW and to provide for the effective coordination of services between the parties. The Coordinator continues to encourage the City and CRW to work cooperatively on a number of fronts pursuant to the Shared Services Agreement; however, areas for mutual service cooperation may disappear entirely unless current disputes are resolved, and additional service agreements are negotiated.

CRW met with representatives from the City to discuss the remaining outstanding issues related to the transfer of operations and the Shared Services reconciliation. It is believed that there is agreement on the majority of the items in question. One of the remaining areas to be reconciled is the Street Sweeping portion of the Shared Services agreement. The City provided the Street Sweeping expense summary and CRW is working with City personnel to resolve any remaining issues with the street sweeping charges and was to effectuate a resolution prior to December 31, 2017. CRW conducted street sweeping throughout fiscal year 2018 and it plan to continue the street sweeping throughout fiscal year 2019.

At the request of the City, CRW prepared a new Shared Services Schedule wherein CRW would complete water and sewer service disconnects on City-demolished properties at the City's expense. CRW has completed work on a dozen of these properties and is waiting for the City to approve the proposed schedule or offer any amendments to the agreement.

One project that CRW is providing service to the City is related to sanitary sewer overflows at the Harrisburg Transportation Center (HTC). The HTC has experienced sanitary sewer overflows into its lower areas for quite some time, though until recently nothing had been done to remedy the situation. Following several months of investigative work by CRW, their staff met with Harrisburg Redevelopment Authority to review findings from site analysis and hydraulic modeling of the area.

CRW is proceeding on the modeling and planning schedule of our Consent Decree with USEPA, PADEP and USDOJ. The analysis was to be largely completed before the end of 2017 with the final plan submission due on August 2018. HTC is in the middle of three sewer sheds, and long-term plans will likely consolidate two or all of those sewer sheds into a single shed. HTC will also likely separate stormwater from the sanitary sewer system in part or all of the area and evaluate the potential for attenuation of stormwater with green infrastructure. These changes will require substantial investment and infrastructure relocation complicated by the obstacle created by the railroad tracks. The schedule for implementation of such improvements may well be more than ten years out, and the improvements themselves would not address the building back-up issues as they are created by a site impact (roof drainage) and not combined sewer interceptor or creek backwater. CRW will continue to partner with HRA and PENNDOT on the best collaborative solutions for HTC.

Cooperation between the City and CRW has improved through the regular meetings discussed above and through improved communication of issues between parties. A large part of this improvement is the result of revised channels of communication that allow better management of tasks. There are numerous areas where CRW and the City can collaborate for the benefit of all including comprehensive and green infrastructure planning (including parks and playgrounds), coordination of roadway and utility capital improvement plans, increasing code enforcement, and issues related to the sinkhole and utility line collapse problems. As Coordinator, I continue to encourage such collaboration as it benefits the City's recovery process.

Forensic Claims

To date, many parties have been impacted by the Strong Plan and participated in the resolution of the City's debt related issues. This includes City residents who are faced with higher taxes, City employees who suffered wage freezes and made other concessions; creditors of the City and Authority, including AGM, Dauphin County, and AMBAC; and other creditors who were involved in the renovations to the Resource Recovery Facility and the monetization of City assets. Parties that have not participated to date in the City's recovery are the various professionals who were involved in the financing transactions related to the Resource Recovery Facility. Pursuant to the provisions of the Strong Plan, the Receiver and now the Coordinator have continued to actively pursue the forensic claims.

On May 21, 2018, the Commonwealth of Pennsylvania on behalf of the City of Harrisburg filed the Incinerator Lawsuit Complaint against seven firms that provided professional guidance and advice to the City of Harrisburg on the Incinerator Project for engineering and financing. The law firm of Harris, Wiltshire & Grannis, LLP is representing the Commonwealth.

Concurrently, a separate claim related to the Harrisburg Parking Authority (HPA) and Harrisburg University has also been pursued. This claim relates to the payment of \$3.6 million that was to be made at plan consummation in order to obtain free and clear title to the Harrisburg Parking Authority facilities at Harrisburg University. Under an agreement with HPA, this claim was assigned to the City through the Office of the Coordinator. Counsel selected by AGM and Dauphin County determined to opt out of representation by the Coordinator in the complaint originally filed by that counsel in the Dauphin County Court of Common Pleas. As a result, the Coordinator selected Harris, Wiltshire & Grannis to represent him in this matter. This case has been stayed in the Court of Common Pleas of Dauphin County pending the Incinerator case and litigation in the Commonwealth Court.

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Summary

As I author the first quarterly update of 2019, I want to express my appreciation for the leadership exhibited by the City's Elected Officials. As the Coordinator, for the past two years, I have overseen the Harrisburg Strong Plan and its' related activity. This has given me a chance to understand and become quite familiar with the City's Operational needs. The City's Elected and Appointed Officials have worked with me very closely over this past year as we progressed through the Final Act 47 Exit Plan process.

The Final Act 47 Exit Plan provided direction on a number of issues which include fiscal projections for 2018-2021. The Final Exit Plan was submitted to the Mayor and City Council on August 8, 2018 after a period of written and oral public comment. The Act 47 Exit Plan was not adopted by City Council because it was effectively annulled by House Bill 2557, which became Act 124. On October 24, 2018, the Act was signed into law and established the Intergovernmental Cooperative Authority (ICA) for the City of Harrisburg. Under the new law, the Coordinator and Strong Plan shall remain in place until the ICA Executive Board and Executive Director are appointed, after which the ICA shall execute an intergovernmental cooperation agreement with the City. All members of the ICA Executive Board have now been appointed and two public meetings have been held. However, the ICA Executive Board is still searching for an Executive Director and, as such, the City and the ICA have not yet entered into an intergovernmental cooperation agreement. Pursuant to section 706(1) of Act 124, the Strong Plan shall continue until the agreement has been executed by the ICA and the City. Under section 706(2), the City's Act 47 distressed status shall automatically terminate once the agreement has been executed. At that time, it is the intention of the Coordinator to file an application for relief with this Honorable Court to issue a final order as to the Department.

The enactment of the Strong Plan modifications, when it was adopted in September of 2013, was a critical next step in the City's recovery and its move towards a path of sustainability and a Rescission from Act 47. The modifications recognize the current financial position of the City and provide a fiscal roadmap for City officials to advance their recovery until the ICA enters into an intergovernmental cooperation agreement with the City.

Although challenges remain, the City has made significant progress on many fronts. Through the first quarter of 2019, the City's operating position is healthy and its cash position strong. The first quarter of 2019 also saw additional revenue from the Local Services tax along with significant EIT revenues. The General Fund shows a cash balance of \$24.1 million dollar and the City's Neighborhood Services Fund shows a cash balance of \$5.9 million dollars. The City's fiscal health continues to gain strength and stability. The City's cash position is a very positive sign and negated the need for a Tax and Revenue Anticipation Note (TRAN) for fiscal year 2019.

The City has taken a number of steps to restore its fiscal credibility in the financial marketplace including keeping their audits up-to-date, securing compliance with SEC disclosure requirements, making timely debt service payments, and bringing all payables into a current status. The City made the bond payment in March 2019 and will make another bond payment in October 2019, so it will not need to rely on AMBAC to make its bond payments for the City. The current discussions related to possible repayment of the advances made by AMBAC also bodes well for the City's fiscal credibility. The City recently hired Marathon Capital as their Financial Advisors to assist with the negotiations with AMBAC. It is imperative that the Mayor, the Financial Advisors, and AMBAC continue to keep the Coordinator apprised of their progress regarding these negotiations, as it was the Harrisburg Receiver who negotiated the first two agreements with AMBAC on behalf of the

City. The City is eagerly approaching the time when it can fully re-enter the bond marketplace to assist in financing much needed capital infrastructure for the future.

Restructuring City operations has played a key role in the City's positive current fiscal position. Ensuring long-term sustainability remains a challenge and requires the revitalization of the City's tax base to generate sufficient revenues to meet service needs of City residents. Progress on this front is typically slower, though we are seeing many positive signs. With full occupancy of the Commonwealth Tower by over 1,000 Pennsylvania Department of Human Services employees, the City is seeing a number of positive economic benefits in Strawberry Square and surrounding area including new businesses and residences resulting in increased tax and parking revenues. Harristown Development Corporation (HDC) has done a great job in promoting and improving Strawberry Square into a vital and central component of the City's economic recovery.

The Commonwealth Tower project, along with the Transit Oriented Development (TOD) study of the Transportation Center area, can serve as further stimulus for further economic activity in the downtown. The City is also experiencing growth in the technology sector industry that is supported by Harrisburg University and other educational institutions in and around the City. Likewise, the continued advance of plans and funding for the new Federal Courthouse in Midtown will spur further economic activity in that area. The GSA broke ground for the courthouse project on June 18, 2018 and began preliminary engineering and utility construction in January 2019.

DCED's Redevelopment Assistance Capital Program (RACP) grant for revitalization efforts in both Midtown and Allison Hill will further incentivize economic activity, all of which serves to strengthen the City's tax base and economic development. It is important that the City continue to build on these successes and partner with governmental and community stakeholders to further advance revitalization efforts.

I, as the Coordinator, and my team will continue to work with Mayor Papenfuse and his Administration, as well as City Council and other City Elected and Appointed Officials to assist the City until the termination of distressed status under the Act 47, Municipalities Financial Recovery Program. Regular interaction with the City Administration on issues involving finance, budget, tax collection, IT issues, planning, sanitation, public safety, parking and human resources are an important element to the City's recovery. The Coordinator and team has worked with City Officials to effectively manage the adopted 2019 budget, including its capital improvement programming component, increase the City's management capacity, and continue to enact sound financial management policies. City Council Finance Chair, Ben Allatt, recommended for adoption two "best management practices," financial management policies: Fund Balance Policy and Debt Management Policy. These policies were adopted at the City Council Meeting on December 2, 2018.

I will also work to further strengthen public safety, implement additional sanitation system improvements, address City Island matters, to pursue intergovernmental initiatives and work with the Impact Harrisburg Board to implement the approved infrastructure and economic development projects to spur development and improve the quality of life for City residents.

I am pleased to inform the court that I have met with Mayor Papenfuse, Solicitor Neil Grover, Finance Director, Bruce Weber, and the Controller Charles DeBrunner to discuss the transfer of the Other Post-Employment Benefits (OPEB) funds of \$3.3 million from the Harrisburg Recovery Coordinator to the City of Harrisburg in the form of an OPEB Trust. I will continue to work with the Mayor and Solicitor to move this effort forward and to begin to construct the OPEB Trust Board until the ICA begins their work. The formulation of this trust will have multiple benefits to the City

of Harrisburg including a possible improvement in the City's bond rating. The Recovery Coordinator's Legal team has drafted an OPEB trust agreement which will be submitted to Neil Grover, City Solicitor for his review before final consideration. The OPEB trust agreement will need to go before City Council in the form of an Ordinance. Once the Intergovernmental Cooperation Agreement has been executed, the Intergovernmental Cooperative Authority will work to form the OPEB Trust Board and the OPEB Trust Agreement.

As the Recovery Coordinator, I want to recognize the significant progress that has occurred since Harrisburg entered the Act 47 Program in 2010. Looking forward, I have an optimistic outlook for the future of Pennsylvania's Capital City and I am proud of its renaissance. It is now a place that individuals want to come to work and live, to serve their community through service on the City's non-profit boards, and to socialize in and to take in a baseball game. Indeed, Harrisburg is a shining example of how, by working collaboratively, engaging in partnerships, and sharing in both the pain and success, a City can transition from near bankruptcy to a City that is fiscally healthy and has a vibrant economy that will carry it forward into the next decade.

**CITY OF HARRISBURG
CASH FLOW**

City of Harrisburg
 General Fund
 2019 Estimated Cash Flow

	Actual Jan	Actual Feb	Estimated Mar	Estimated Apr	Estimated May	Estimated June	Estimated Jul	Estimated Aug	Estimated Sep	Estimated Oct	Estimated Nov	Estimated Dec	Total
Revenues, Expenditures, Surplus/(Deficit)													
Revenues without Transfers	2,205,645	7,889,779	12,319,100	3,700,038	5,961,039	3,138,150	2,401,164	4,572,836	5,558,816	2,569,707	6,104,633	3,464,040	59,884,946
Transfer in from Neighborhood Services Fund	0	0	0	0	0	0	0	0	270,354	0	540,709	0	811,063
Public Safety Allocation	0	0	0	0	0	0	0	0	5,000,000	0	0	0	5,000,000
Total Revenues	2,205,645	7,889,779	12,319,100	3,700,038	5,961,039	3,138,150	2,401,164	4,572,836	10,829,170	2,569,707	6,645,342	3,464,040	65,696,009
Expenditures													
Personnel	3,627,510	2,646,507	3,245,170	2,827,908	3,776,453	3,838,771	3,129,646	2,854,739	3,081,018	7,753,963	3,559,133	3,390,020	43,730,840
Services	442,636	546,425	648,574	1,837,449	434,349	530,235	353,471	532,035	399,433	727,212	501,951	773,925	7,727,695
Supplies	61,336	124,129	224,794	217,514	187,919	217,358	213,722	179,486	187,890	222,702	249,583	467,726	2,554,158
Other	190,634	802,963	149,009	417,751	474,438	77,299	561,426	2,014,008	249,721	34,580	993,301	1,235,714	7,200,843
Debt Service	0	0	5,256,199	404,577	113,005	236,844	0	65,978	3,659,865	0	32,989	64,180	9,833,638
Total Expenditures	4,322,117	4,120,024	9,523,746	5,705,198	4,986,165	4,900,507	4,258,264	5,646,246	7,577,928	8,738,457	5,336,957	5,931,565	71,047,173
Operating Surplus/(Deficit)	-2,116,473	3,769,755	2,795,353	-2,005,160	974,875	-1,762,357	-1,857,100	-1,073,410	3,251,243	-6,168,750	1,308,385	-2,467,525	-5,351,164

**City of Harrisburg
General Fund
2019 Estimated Cash Flow**

	Actual Jan	Actual Feb	Estimated Mar	Estimated Apr	Estimated May	Estimated June	Estimated Jul	Estimated Aug	Estimated Sep	Estimated Oct	Estimated Nov	Estimated Dec	
Cash Summary													
Unrestricted Cash Balance Beginning of Month	24,418,749	22,329,574	26,108,736	28,904,090	26,898,930	27,873,805	26,111,447	24,254,347	23,180,938	26,432,180	20,263,430	21,571,815	
Surplus/(Deficit)	-2,116,473	3,769,755	2,795,353	-2,005,160	974,875	-1,762,357	-1,857,100	-1,073,410	3,251,243	-6,168,750	1,308,385	-2,467,525	
Change in Accounts Payable	0	0	0	0	0	0	0	0	0	0	0	0	
Other items affecting Cash	27,297	9,407	0	0	0	0	0	0	0	0	0	0	
Unrestricted Cash Balance End of Month	22,329,574	26,108,736	28,904,090	26,898,930	27,873,805	26,111,447	24,254,347	23,180,938	26,432,180	20,263,430	21,571,815	19,104,290	
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Revenues, Expenditures, Surplus/(Deficit)													
Revenues without Transfers	2,205,645	7,889,779	12,319,100	3,700,038	5,961,039	3,138,150	2,401,164	4,572,836	5,558,816	2,569,707	6,104,633	3,464,040	59,884,946
Transfer in from Neighborhood Services Fund	0	0	0	0	0	0	0	0	270,354	0	540,709	0	811,063
Public Safety Allocation	0	0	0	0	0	0	0	0	5,000,000	0	0	0	5,000,000
Total Revenues	2,205,645	7,889,779	12,319,100	3,700,038	5,961,039	3,138,150	2,401,164	4,572,836	10,829,170	2,569,707	6,645,342	3,464,040	65,696,009
Expenditures													
Personnel	3,627,510	2,646,507	3,245,170	2,827,908	3,776,453	3,838,771	3,129,646	2,854,739	3,081,018	7,753,963	3,559,133	3,390,020	43,730,840
Services	442,636	546,425	648,574	1,837,449	434,349	530,235	353,471	532,035	399,433	727,212	501,951	773,925	7,727,695
Supplies	61,336	124,129	224,794	217,514	187,919	217,358	213,722	179,486	187,890	222,702	249,583	467,726	2,554,158
Other	190,634	802,963	149,009	417,751	474,438	77,299	561,426	2,014,008	249,721	34,580	993,301	1,235,714	7,200,843
Debt Service	0	0	5,256,199	404,577	113,005	236,844	0	65,978	3,659,865	0	32,989	64,180	9,833,638
Total Expenditures	4,322,117	4,120,024	9,523,746	5,705,198	4,986,165	4,900,507	4,258,264	5,646,246	7,577,928	8,738,457	5,336,957	5,931,565	71,047,173
Operating Surplus/(Deficit)	-2,116,473	3,769,755	2,795,353	-2,005,160	974,875	-1,762,357	-1,857,100	-1,073,410	3,251,243	-6,168,750	1,308,385	-2,467,525	-5,351,164
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Accounts Payable													
Accounts Payable Beginning of Month	-1,122,105	-1,122,105	-1,122,105	-1,122,105	-1,122,105	-1,122,105	-1,122,105	-1,122,105	-1,122,105	-1,122,105	-1,122,105	-1,122,105	-1,122,105
Accounts Payable End of Month	-1,122,105												
Change in Accounts Payable	0	0	0	0	0	0	0	0	0	0	0	0	0

City of Harrisburg
 General Fund
 2019 Estimated Cash Flow

Cash Summary

Revenues, Expenditures, Surplus/(Deficit)	Estimated 1st Quarter	Estimated 2nd Quarter	Estimated 3rd Quarter	Estimated 4th Quarter	Total
Revenues	22,414,523	12,799,228	17,803,171	12,679,088	65,696,009
Expenditures	17,965,887	15,591,870	17,482,437	20,006,979	71,047,173
Operating Surplus/(Deficit)	4,448,636	-2,792,642	320,733	-7,327,891	-5,351,164
Unrestricted Cash Balance Beginning of Quarter	24,418,749	28,904,090	26,111,447	26,432,180	
Surplus/(Deficit)	4,448,636	-2,792,642	320,733	-7,327,891	
Change in Accounts Payable	0	0	0	0	
Other items affecting Cash	36,704	0	0	0	
Unrestricted Cash Balance End of Quarter	28,904,090	26,111,447	26,432,180	19,104,290	

Accounts Payable

Accounts Payable Beginning of Quarter	-1,122,105	-1,122,105	-1,122,105	-1,122,105	
Accounts Payable End of Quarter	-1,122,105	-1,122,105	-1,122,105	-1,122,105	
Change in Accounts Payable	0	0	0	0	

City of Harrisburg
2019 Estimated General Fund Revenues

Revenue Group	Actual Jan	Actual Feb	Estimated March	Estimated April	Estimated May	Estimated June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	Estimated Total 2019	Budget 2019	Variance
Real Estate Taxes Current	52,480	3,167,243	9,599,546	495,633	1,069,458	180,686	115,435	149,297	76,869	192,713	87,904	509,103	15,696,366	14,932,501	763,865
Real Estate Taxes Delinquent	57,735	31,381	155,895	222,595	239,587	157,111	160,395	268,803	396,933	331,087	156,998	108,886	2,287,407	2,294,794	-7,387
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	568,389	1,731,088	1,025,030	496,286	1,512,706	904,192	464,679	1,446,253	858,831	586,382	1,428,696	852,515	11,875,045	11,544,297	330,748
EMS/LST	178,630	1,429,224	137,614	92,401	1,080,957	113,827	95,215	1,094,268	139,345	158,300	1,653,177	219,239	6,392,198	6,099,149	293,049
Mercantile Business Privilege	219,892	276,966	420,202	1,135,156	465,401	134,031	130,709	183,802	62,536	172,578	169,651	135,226	3,506,149	3,434,050	72,099
Other Act 511 Taxes	6,115	144,080	31,244	73,297	55,067	156,074	44,811	41,429	57,946	28,346	952,215	62,065	1,652,688	1,584,000	68,688
Capital Fire Protection	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cdbg Reimb. - Demolition	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
District Justice Fees	1,969	30,171	31,478	38,081	40,720	32,796	39,019	30,437	20,074	41,220	21,974	29,075	357,014	388,000	-30,986
Fed/State(Fed)Pass Thr Gr	0	0	5,857	2,928	2,928	2,928	2,928	0	5,857	2,928	2,928	127,789	157,072	160,000	-2,928
Federal Grants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fees/Permits	243,775	106,275	72,437	111,313	132,129	58,590	139,401	203,342	99,655	103,375	205,269	175,657	1,651,220	1,555,251	95,969
Government Grants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grants Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest	20,027	7,386	7,914	8,889	10,028	9,826	11,512	23,272	16,891	14,323	13,829	12,848	156,746	146,280	10,466
License	0	141,812	11,782	0	151,249	0	0	145,401	2,642	6,547	140,772	0	600,205	598,250	1,955
Miscellaneous	101,239	106,652	181,825	88,237	106,073	444,918	162,787	118,768	145,353	104,621	132,262	147,406	1,840,141	1,887,126	-46,985
Pension System State Aid	0	0	0	0	0	0	0	11,775	2,873,808	0	0	0	2,885,583	2,885,583	0
Public Safety Fees/Permits	11,903	10,642	24,952	24,920	18,622	21,239	16,031	10,753	15,075	15,033	11,545	12,560	193,274	198,481	-5,207
Public Safety Grants	61,552	9,508	12,132	24,571	12,405	15,513	17,953	8,438	5,040,059	13,754	27,569	33,318	5,276,773	5,243,780	32,993
Public Safety Reimbursements	85,311	137,785	43,756	167,936	92,527	93,543	63,075	95,346	82,675	80,467	49,964	131,627	1,124,013	1,019,502	104,511
Public Works Fees/Permits	0	0	0	0	0	0	0	0	0	0	150,000	100,000	250,000	250,000	0
Reimbursements	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rental Income	7,363	163	164	164	164	214	164	164	164	164	164	223	9,272	2,100	7,172
Recreation Fees	10	0	10	93	395	3,506	5,832	1,318	22	17	18	7	11,227	11,231	-4
Sale Of Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Vehicle Maintenance Charges	20,310	0	29,319	56,581	11,422	20,399	33,754	25,936	25,229	2,490	3,998	7,269	236,706	279,300	-42,594
PILOTS	-15,060	0	311	34,963	87,324	122,707	214,617	42,565	24,686	26,927	98,439	-15,439	622,041	676,797	-54,756
Pub Utility Realty Tax	0	0	0	0	0	0	0	0	0	45,000	0	0	45,000	45,000	0
Sewer Maint Charge	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sewer Maint Liens-Penalty	0	0	17	7	3	39	1	107	4	0	35	0	214	214	0
Sewer Maint Liens-Princip	1	0	59	11	6	64	13	83	80	80	136	1	535	542	-7
Sewer Utility Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sanitation Utility Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Neighborhood Services Fund	0	0	0	0	0	0	0	0	270,354	0	540,709	0	811,063	811,063	0
Neighborhood Mitigation Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Landfill/Incin Utility Fd	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
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	0	0	0	0	0	0	0
Parking Taxes	407,926	304,939	284,227	259,541	484,248	308,024	349,955	358,172	280,305	351,574	265,157	366,023	4,020,091	3,962,000	58,091
Parking Fees	6,372	2,684	3,895	5,312	6,716	21,578	5,691	4,212	3,751	2,835	3,495	14,146	80,688	98,020	-17,332
Parking Tickets	36,777	37,377	24,836	25,111	42,516	43,591	34,430	45,262	37,274	37,054	36,916	39,286	440,431	425,102	15,329
Ground Lease Payments	48,199	77,741	84,622	121,311	118,308	106,120	106,120	95,893	106,120	91,561	100,822	221,726	1,278,544	1,275,201	3,343
Priority Parking Distribution	84,730	136,662	129,974	214,701	220,079	186,634	186,634	167,741	186,634	160,329	390,700	173,486	2,238,303	2,241,682	-3,379
THA Shared Service	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Harrisburg Authority	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenues	2,205,645	7,889,779	12,319,100	3,700,038	5,961,039	3,138,150	2,401,164	4,572,836	10,829,170	2,569,707	6,645,342	3,464,040	65,696,009	64,049,297	1,646,713

**City of Harrisburg
General Fund
2019 Estimated Expenditures by Month**

	Actual Jan	Actual Feb	Estimated Mar	Estimated April	Estimated May	Estimated June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	Estimated Total 2019	Budget Total 2019	Variance Act - Bud
Office of City Council Personnel	22,167	22,229	21,205	21,204	25,029	30,789	22,753	22,610	22,322	22,178	30,173	26,606	289,266	289,580	-314
Office of City Council Services	247	1,238	2,414	4,483	7,527	5,820	5,928	184	6,113	13,233	13,122	24,645	84,954	114,200	-29,246
Office of City Council Supplies	0	0	188	1,661	612	130	260	2,457	1,588	686	539	1,446	9,569	11,000	-1,431
Office of City Council Other	679	0	0	200	200	400	200	200	400	200	600	600	3,679	3,400	279
Office of City Council	23,093	23,467	23,808	27,549	33,368	37,140	29,141	25,451	30,423	36,296	44,434	53,297	387,468	418,180	-30,712
Office of Mayor Personnel	17,750	17,947	17,430	17,430	19,561	24,524	19,035	19,060	19,060	18,311	24,033	21,542	235,683	235,378	305
Office of Mayor Services	2,302	29	460	589	586	383	3,319	1,630	3,766	416	1,018	656	15,154	16,380	-1,226
Office of Mayor Supplies	915	564	306	635	0	-4	37	527	1,003	128	277	8,012	12,401	14,187	-1,786
Office of Mayor Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Office of Mayor	20,967	18,540	18,196	18,654	20,147	24,902	22,392	21,217	23,829	18,855	25,328	30,210	263,237	265,945	-2,708
Office of City Controller Personnel	11,745	11,643	11,895	11,819	13,872	15,707	11,821	11,837	11,820	11,825	15,827	13,760	153,570	153,698	-128
Office of City Controller Services	40	0	0	0	7,862	0	0	0	138	0	519	490	9,049	10,500	-1,451
Office of City Controller Supplies	114	111	58	297	142	115	48	2,528	422	452	453	129	4,868	9,200	-4,332
Office of City Controller Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Office of City Controller	11,899	11,754	11,952	12,116	21,876	15,822	11,869	14,364	12,379	12,277	16,799	14,380	167,488	173,398	-5,910
Office of City Treasurer Personnel	26,552	26,390	26,668	26,603	31,581	35,476	27,326	27,895	27,206	26,592	36,328	31,687	350,306	347,911	2,395
Office of City Treasurer Services	40	1,750	22,811	14,492	1,732	-2,792	1,294	3,861	1,342	1,267	1,331	4,271	51,399	61,900	-10,501
Office of City Treasurer Supplies	0	0	1,614	295	83	1,925	3,193	874	111	83	1,122	851	10,151	12,000	-1,849
Office of City Treasurer Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Office of City Treasurer	26,592	28,140	51,092	41,390	33,397	34,610	31,812	32,631	28,659	27,942	38,781	36,809	411,856	421,811	-9,955
Office of City Solicitor Personnel	27,034	25,371	36,903	36,589	41,727	47,697	35,810	32,888	34,427	34,520	45,151	40,787	438,904	454,200	-15,296
Office of City Solicitor Services	9,745	15,743	8,347	12,144	31,014	14,886	24,772	15,103	17,189	20,076	18,665	35,803	223,485	232,742	-9,257
Office of City Solicitor Supplies	219	4,480	2,922	9,923	2,438	4,193	3,407	1,354	3,289	10,515	4,429	3,218	50,385	50,750	-365
Office of City Solicitor Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Office of City Solicitor	36,998	45,594	48,171	58,656	75,179	66,776	63,989	49,344	54,905	65,111	68,244	79,808	712,775	737,692	-24,917
Office of Business Administrator Personnel	12,000	9,523	13,513	11,623	15,074	13,984	11,623	12,475	12,476	14,828	24,520	18,557	170,197	175,470	-5,273
Office of Business Administrator Services	0	0	142	142	14,028	6,808	6,808	6,888	6,808	6,808	8,336	8,498	65,267	65,550	-283
Office of Business Administrator Supplies	0	139	415	89	96	94	91	87	98	75	713	3,174	5,071	5,100	-29
Office of Business Administrator Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Office of Business Administrator	12,000	9,662	14,070	11,854	29,199	20,886	18,522	19,449	19,383	21,712	33,570	30,229	240,535	246,120	-5,585
Bureau of Financial Management Personnel	32,272	30,536	34,308	34,726	40,985	46,156	34,784	34,727	34,784	34,786	47,037	39,841	444,943	449,615	-4,672
Bureau of Financial Management Services	33	24,142	12,735	1,791	5,541	10,378	60,840	83,326	529	21,047	23,732	9,865	253,959	267,893	-13,934
Bureau of Financial Management Supplies	0	950	193	628	26	191	9	28	367	104	413	3,919	6,829	12,100	-5,271
Bureau of Financial Management Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bureau of Financial Management	32,304	55,628	47,236	37,146	46,551	56,726	95,634	118,081	35,680	55,937	71,182	53,625	705,731	729,608	-23,877
Bureau of Communications Personnel	22,353	21,338	22,334	22,334	26,950	29,385	22,401	23,125	22,400	22,885	29,946	26,579	292,030	292,161	-131
Bureau of Communications Services	2,152	791	2,727	525	168	1,005	1,395	1,076	879	5,093	5,939	6,014	27,766	33,600	-5,834
Bureau of Communications Supplies	1,888	300	396	121	78	1,567	103	18	1,878	1,980	1,626	4,359	14,313	14,000	313
Bureau of Communications Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bureau of Communications	26,394	22,429	25,457	22,980	27,196	31,958	23,898	24,219	25,157	29,959	37,511	36,952	334,109	339,761	-5,652

**City of Harrisburg
General Fund
2019 Estimated Expenditures by Month**

	Actual Jan	Actual Feb	Estimated Mar	Estimated April	Estimated May	Estimated June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	Estimated Total 2019	Budget Total 2019	Variance Act - Bud
Bureau of Grants Personnel	2,338	4,639	5,033	5,033	5,033	5,033	5,033	5,033	5,033	5,033	5,033	5,033	57,303	60,392	-3,089
Bureau of Grants Services	0	0	333	333	333	333	333	333	333	333	333	333	3,333	4,000	-667
Bureau of Grants Supplies	0	0	42	42	42	42	42	42	42	42	42	42	417	500	-83
Bureau of Grants Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bureau of Grants	2,338	4,639	5,408	5,408	5,408	5,408	5,408	5,408	5,408	5,408	5,408	5,408	61,053	64,892	-3,839
Bureau of Risk Management Personnel	5,181	5,204	5,173	5,173	5,963	6,075	4,205	5,545	5,545	5,598	7,513	6,381	67,554	67,673	-119
Bureau of Risk Management Services	0	491	458	458	458	458	458	2,864	906	458	709	1,904	9,624	11,100	-1,476
Bureau of Risk Management Supplies	0	77	0	0	88	0	0	151	0	0	953	2,283	3,552	3,475	77
Bureau of Risk Management Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bureau of Risk Management	5,181	5,772	5,631	5,631	6,509	6,533	4,663	8,560	6,451	6,056	9,174	10,568	80,731	82,248	-1,517
Bureau of Information Technology Personnel	35,600	35,806	37,620	37,310	44,245	49,043	38,446	40,166	42,988	41,655	54,127	48,052	505,058	506,012	-954
Bureau of Information Technology Services	8,223	28,804	56,258	69,209	52,170	13,749	21,268	49,208	25,038	115,723	72,186	65,895	577,730	616,797	-39,067
Bureau of Information Technology Supplies	919	34,181	10,155	11,135	9,881	12,057	6,813	3,724	11,632	5,718	14,904	60,673	181,792	170,580	11,212
Bureau of Information Technology Other	5,127	1,195	70,910	168,332	159,781	5,754	601	8,124	24,205	7,716	38,518	160,582	650,845	701,839	-50,994
Bureau of Information Technology	49,869	99,986	174,943	285,986	266,077	80,603	67,128	101,222	103,863	170,812	179,735	335,203	1,915,425	1,995,228	-79,803
Bureau of Human Resources Personnel	23,763	24,001	26,748	26,748	33,858	39,140	28,722	28,722	28,722	28,720	38,631	33,296	361,072	366,680	-5,608
Bureau of Human Resources Services	8,543	3,200	8,158	9,686	10,185	10,165	10,774	8,583	9,770	8,015	14,147	16,529	117,755	123,925	-6,170
Bureau of Human Resources Supplies	244	0	58	58	135	58	58	355	58	258	340	703	2,327	2,200	127
Bureau of Human Resources Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bureau of Human Resources	32,550	27,201	34,965	36,492	44,178	49,363	39,554	37,661	38,550	36,994	53,118	50,528	481,154	492,805	-11,651
Operations and Revenue (Office of the Director) Personnel	17,427	18,803	25,653	25,591	28,571	33,685	23,730	24,111	24,469	25,138	34,379	32,300	313,858	328,049	-14,191
Operations and Revenue (Office of the Director) Services	18,192	12,396	23,482	27,355	10,479	18,709	14,651	23,115	22,268	17,071	23,442	14,486	225,646	254,372	-28,725
Operations and Revenue (Office of the Director) Supplies	66	1,570	2,994	2,025	3,213	7,258	1,480	4,399	2,023	3,557	3,846	8,005	40,437	43,192	-2,755
Operations and Revenue (Office of the Director) Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Operations and Revenue (Office of the Director)	35,685	32,769	52,129	54,972	42,263	59,652	39,862	51,626	48,760	45,766	61,667	54,791	579,941	625,613	-45,672
General Expenses Personnel	1,517,579	701,304	920,711	845,460	1,198,901	853,699	1,020,628	634,155	993,589	1,427,708	874,116	1,027,741	12,015,589	12,034,046	-18,457
General Expenses Services	137,605	228,603	167,593	1,455,282	131,860	185,380	71,993	151,403	71,420	207,392	27,330	138,983	2,974,845	2,848,543	126,302
General Expenses Supplies	0	3,422	0	0	0	11,522	13,478	0	0	0	0	0	28,422	25,000	3,422
General Expenses Other	0	92,642	35,923	44,532	38,938	35,923	11,083	72,387	35,923	11,083	72,387	35,923	486,745	477,573	9,172
General Expenses	1,655,185	1,025,971	1,124,227	2,345,274	1,369,699	1,086,525	1,117,182	857,944	1,100,931	1,646,183	973,833	1,202,647	15,505,600	15,385,161	120,439
Transfers to Other Funds Debt Service	0	0	5,256,199	404,577	113,005	236,844	0	65,978	3,659,865	0	32,989	64,180	9,833,638	9,833,638	0
Transfers to Other Funds Other	0	0	0	0	239,666	0	17,112	1,808,571	0	0	723,429	0	2,788,778	2,788,778	0
Transfers to Other Funds	0	0	5,256,199	404,577	352,671	236,844	17,112	1,874,550	3,659,865	0	756,418	64,180	12,622,416	12,622,416	0
Office of the Director for the DCED Personnel	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Office of the Director for the DCED Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Office of the Director for the DCED Supplies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Office of the Director for the DCED Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Office of the Director for the DCED	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

**City of Harrisburg
General Fund
2019 Estimated Expenditures by Month**

	Actual Jan	Actual Feb	Estimated Mar	Estimated April	Estimated May	Estimated June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	Estimated Total 2019	Budget Total 2019	Variance Act - Bud
Bureau of Planning Personnel	7,718	11,221	14,730	14,730	19,713	21,872	15,047	15,047	16,419	17,005	19,428	18,031	190,962	201,435	-10,473
Bureau of Planning Services	1,059	568	8,072	17,023	5,217	8,425	4,404	7,506	16,813	4,362	2,852	7,692	83,995	98,000	-14,005
Bureau of Planning Supplies	0	1,788	746	42	806	423	42	250	539	264	421	383	5,705	4,000	1,705
Bureau of Planning Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bureau of Planning	8,776	13,578	23,547	31,795	25,737	30,719	19,493	22,804	33,771	21,631	22,702	26,107	280,661	303,435	-22,774
Bureau of Codes Personnel	67,218	64,362	64,811	66,091	81,578	94,273	71,912	71,168	70,494	71,661	98,574	86,422	908,566	900,194	8,372
Bureau of Codes Services	516	1,172	2,473	3,463	1,469	2,091	1,514	1,139	4,682	1,253	4,198	3,259	27,230	29,250	-2,020
Bureau of Codes Supplies	0	494	1,751	695	3,293	3,712	1,324	1,767	921	482	944	2,203	17,586	19,200	-1,614
Bureau of Codes Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bureau of Codes	67,734	66,028	69,036	70,250	86,340	100,076	74,750	74,075	76,098	73,395	103,716	91,884	953,382	948,644	4,738
Economic Development Personnel	8,821	4,707	3,781	2,801	3,251	3,752	10,354	5,390	5,390	5,390	7,613	5,915	67,163	61,189	5,974
Economic Development Services	0	0	63	63	1,638	63	63	63	63	63	63	1,987	4,125	4,250	-125
Economic Development Supplies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Economic Development Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Economic Development	8,821	4,707	3,844	2,864	4,889	3,814	10,416	5,452	5,452	5,452	7,675	7,902	71,288	65,439	5,849
Office of the Police Chief Personnel	1,138,537	952,389	1,133,657	944,990	1,252,654	1,367,823	937,635	1,028,623	961,679	4,717,963	1,249,412	1,076,290	16,761,651	16,704,008	57,643
Office of the Police Chief Services	122,222	57,699	225,690	75,574	35,882	135,547	31,811	50,610	54,055	102,443	38,512	103,818	1,033,861	1,056,277	-22,416
Office of the Police Chief Supplies	5,353	2,022	94,307	29,313	25,211	23,359	21,305	19,981	39,358	27,602	24,408	-10,600	301,621	341,615	-39,994
Office of the Police Chief Other	20,071	458,873	30,676	0	463	5,873	396,386	15,014	18,905	14,435	3,614	401,218	1,365,528	1,010,000	355,528
Office of the Police Chief	1,286,183	1,470,984	1,484,329	1,049,877	1,314,210	1,532,602	1,387,137	1,114,228	1,073,997	4,862,443	1,315,946	1,570,726	19,462,661	19,111,900	350,760
Bureau of Fire Personnel	519,590	543,788	664,794	516,783	699,441	858,225	526,657	581,735	575,990	1,065,657	703,687	636,862	7,893,207	7,935,765	-42,558
Bureau of Fire Services	14,964	27,545	20,167	22,630	32,360	28,097	16,636	7,499	25,357	20,570	29,477	122,760	368,061	371,350	-3,289
Bureau of Fire Supplies	2,023	1,514	4,670	6,677	7,694	12,530	44,691	21,100	7,217	21,692	39,828	110,082	279,718	303,750	-24,032
Bureau of Fire Other	31,798	0	0	150,000	0	683	10,594	0	53,675	1,146	15,463	41,137	304,496	275,000	29,496
	568,376	572,847	689,631	696,090	739,494	899,535	598,578	610,333	662,238	1,109,064	788,454	910,841	8,845,483	8,885,865	-40,382
Office of Traffic and Engineering Personnel	52,951	48,545	58,694	56,604	71,286	83,181	64,857	61,324	61,779	60,533	83,812	76,789	780,355	795,528	-15,173
Office of Traffic and Engineering Services	104,687	120,786	38,341	56,076	42,324	44,805	33,617	79,159	70,439	115,352	92,510	79,093	877,188	727,526	149,662
Office of Traffic and Engineering Supplies	-1,507	6,431	10,852	49,360	18,104	18,088	11,321	27,387	18,934	26,995	50,559	49,466	285,989	353,165	-67,176
Office of Traffic and Engineering Other	120,680	116,111	11,325	54,686	0	28,666	80,009	64,273	55,890	0	0	77,761	609,401	455,947	153,454
Office of Traffic and Engineering	276,811	291,873	119,211	216,727	131,713	174,739	189,804	232,143	207,041	202,879	226,882	283,110	2,552,934	2,332,166	220,767
Bureau of City Services Personnel	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bureau of City Services Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bureau of City Services Supplies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bureau of City Services Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bureau of City Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bureau of Vehicle Management Personnel	26,554	26,435	45,808	44,658	52,234	57,920	42,607	40,285	38,446	40,366	50,986	51,119	517,419	554,824	-37,405
Bureau of Vehicle Management Services	8,705	6,381	35,892	27,560	34,974	33,250	28,722	25,504	27,128	49,395	36,051	89,559	403,121	452,527	-49,406
Bureau of Vehicle Management Supplies	50,167	58,314	74,326	77,476	77,414	90,895	83,764	65,937	79,090	80,720	80,779	184,991	1,003,873	1,028,575	-24,702
Bureau of Vehicle Management Other	12,279	13,042	176	0	35,389	0	45,439	45,439	23,831	0	139,291	30,434	345,321	320,000	25,321
Bureau of Vehicle Management	97,706	104,172	156,202	149,694	200,012	182,065	200,532	177,165	168,495	170,482	307,107	356,102	2,269,734	2,355,926	-86,192

**City of Harrisburg
General Fund**

2019 Estimated Expenditures by Month

	Actual Jan	Actual Feb	Estimated Mar	Estimated April	Estimated May	Estimated June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	Estimated Total 2019	Budget Total 2019	Variance Act - Bud
Office of the Director of Parks, Recreation and Enrichment Personnel	32,361	40,326	53,701	53,607	64,946	121,332	154,260	128,820	65,981	55,612	78,808	66,428	916,183	948,494	-32,311
Office of the Director of Parks, Recreation and Enrichment Services	3,361	15,087	11,959	38,570	6,542	12,675	12,870	12,980	34,399	16,842	87,478	37,384	290,147	421,075	-130,929
Office of the Director of Parks, Recreation and Enrichment Supplies	934	7,771	18,801	27,041	38,565	29,201	22,257	26,517	19,320	41,350	22,988	34,388	289,133	306,380	-17,247
Office of the Director of Parks, Recreation and Enrichment Other	0	121,099	0	0	0	0	0	0	36,892	0	0	488,058	646,049	524,950	121,099
Office of the Director of Parks, Recreation and Enrichment	36,656	184,283	84,461	119,218	110,053	163,208	189,386	168,317	156,593	113,804	189,274	626,258	2,141,511	2,200,899	-59,388
Bureau of Act, Culture & Tourism Personnel	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bureau of Act, Culture & Tourism Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bureau of Act, Culture & Tourism Supplies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bureau of Act, Culture & Tourism Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bureau of Act, Culture & Tourism	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	4,322,117	4,120,024	9,523,746	5,705,198	4,986,165	4,900,507	4,258,264	5,646,246	7,577,928	8,738,457	5,336,957	5,931,565	71,047,173	70,805,153	242,021
Personnel	3,627,510	2,646,507	3,245,170	2,827,908	3,776,453	3,838,771	3,129,646	2,854,739	3,081,018	7,753,963	3,559,133	3,390,020	43,730,840	43,862,302	
Services	442,636	546,425	648,574	1,837,449	434,349	530,235	353,471	532,035	399,433	727,212	501,951	773,925	7,727,695	7,821,757	
Supplies	61,336	124,129	224,794	217,514	187,919	217,358	213,722	179,486	187,890	222,702	249,583	467,726	2,554,158	2,729,969	
Other	190,634	802,963	149,009	417,751	474,438	77,299	561,426	2,014,008	249,721	34,580	993,301	1,235,714	7,200,843	6,557,487	643,356
Debt Service	0	0	5,256,199	404,577	113,005	236,844	0	65,978	3,659,865	0	32,989	64,180	9,833,638	9,833,638	
Total	4,322,117	4,120,024	9,523,746	5,705,198	4,986,165	4,900,507	4,258,264	5,646,246	7,577,928	8,738,457	5,336,957	5,931,565	71,047,173	70,805,153	
Check	4,322,117	4,120,024	9,523,996	5,705,448	4,986,415	4,900,757	4,258,514	5,646,496	7,578,178	8,738,707	5,337,207	5,931,815	71,049,673	-241,521	

CERTIFICATE OF SERVICE

I, Sean Campbell, hereby certify that on this 3rd day of April 2019, the foregoing **Status Report of the Coordinator for the City of Harrisburg** has been served upon counsel in the manner indicated below, which service satisfies the requirements of Pennsylvania Rule of Appellate Procedure 121:

Via U.S. First Class Mail:

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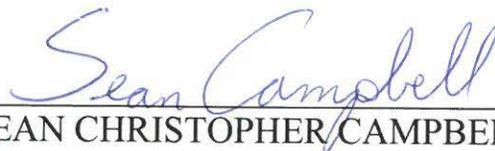
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