

Respectfully submitted this 4th day of October, 2019.

A handwritten signature in blue ink that reads "Sean Campbell". The signature is written in a cursive style and is positioned above a horizontal line.

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Date: October 4, 2019

To: The Honorable Bonnie Brigance Leadbetter

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

Re: 2019 Third 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-third 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.

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 third quarter of 2019.

With the anticipation of the rescission from Act 47, in the near future, on July 15, 2019 DCED suspended the contracts for the Act 47 Consulting team that has been working with the Act 47 Coordinator since the inception of the Receivership. The Act 47 Coordinator continued to perform her duties as assigned which largely included biweekly check run reviews and cash flow status analysis. She also met with the City Council President and the Finance Director regularly to maintain input and status of the Strong Plan Activity until the Intergovernmental Cooperative Agreement is finalized and the City Exits Act 47.

During the past three months, (July, August, September) the Coordinator has been working with the City of Harrisburg's Mayor, Finance Department (Accounting Office), and City Council President and Council Members to continue to monitor the budgetary and other related activities through the end of the third quarter.

The City's General Fund, available cash balance as of September 25, 2019 stands at \$29.6 million. The Neighborhood Service Fund available cash is \$6.5 million dollars during the same period.

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. In early September 2019, the Commonwealth Court held oral argument on preliminary objections filed by the seven professional firms seeking to dismiss the complaint. The parties are awaiting a Court decision.

Please review the report provided here forward.

Office of the Receiver/Coordinator

It has now been just over five years and seven months 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 third quarter 2019 report on the City's progress with further implementation activities.

During the third quarter of 2019, the Recovery Coordinator oversaw the implementation of the Act 47 Strong Plan modifications. The modifications provide financial projections through the end of the quarter, 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. It is anticipated that the 2020 Budget will also have a detailed Capital Improvement component as well.

As Coordinator, I prepare bi-weekly Cash Flow Estimates based on the City's Check Run activity. I continue to monitor the implementation of the Strong Plan Modifications and the proposed Act 47 Final Exit Plan until the planned exit from Act 47 is executed.

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 third 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 as 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.

As Coordinator, I continue to participate and attend the Impact Harrisburg's Board of Directors monthly meetings. I have provided input on contracting, contract compliance issues, disbursements, and related matters.

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, 2019 is currently underway with an expected completion date of October 31, 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.

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 15 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 \$10,292,420. 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 September 30, 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)
9. Tri-County Housing Development Corporation (\$370,000 grant)
10. Capital Region Water/City of Harrisburg Multi-Modal Collaborative Facility (\$5,797,701.17 grant)
11. Salvation Army for new facility multi-purpose facility (\$500,000)

Outstanding Projects:

1. East Shore YMCA (\$138,592 grant)
2. Tri-County Community Action Commission (\$204,759 grant)
3. Harrisburg Redevelopment Authority (\$500,000 grant)
4. Community First Fund (\$350,000 grant) (This project is discussed within this document.)

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 for one year, 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.

As of September 30, 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.

The Harrisburg Business Opportunity Fund

Impact Harrisburg has decided to shift the focus of this program from a low interest loan to a grant program that can assist businesses with their initial start-up costs. The Board is drafting strict guidelines to assure the proper spending for this programmatic change.

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 \$12.0 million annually over a seven-year period toward infrastructure repair in addition to existing funding commitments.

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. The City received formal approval from PennDOT through grant funding to undertake much of the street related improvements. The project includes significant modernization of the Third Street corridor in the City from Market to Division Streets. This project is expected to be finalized by November 30, 2019. This includes a complete overlay of Third Street as well as ADA compliance walkways and Traffic Calming intersections.

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

A review of actual revenues and expenditures through the end of August finds that the City's total General Fund revenues were \$49,761,832 (77.7% of budget) while expenditures were \$39,082,662 (55.26% of budget). The City received \$14,334,956 (96.0% of budget) of current year Real Estate Taxes through the end of August. The City also received significant Earned Income Tax revenues through August with the year to date EIT revenue at \$8,773,992 (76.0% of Budget), which has further strengthened its cash position. Additionally, the City has received its \$5.0 million Public Safety allocation from the Commonwealth of Pennsylvania. Through September the City will have timely met all its scheduled debt service payments for the year.

Following the September 16, 2019 check run and payroll, the City's General Fund cash balance was approximately \$29.6 million while the Neighborhood Services fund had a balance of \$6.5

million. The City's bi-weekly General Fund payroll averaged \$950,000 for the third 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 third quarter, seven bi-weekly check runs were reviewed, and comments were provided. The 2019 cash flow summary attached with this report reflects actual revenues and expenditures through August 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 August, the City has spent \$2.6 million of its budgeted \$3.3 million on capital expenditures.

The City received its 2018 audit in mid-September from Maher Duessel, the City's independent auditor. During the third quarter 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.

The City has begun work on the 2020 Budget.

Operational Issues

During the third 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 is working to make the Treasury Department efficient and well run.

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.

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. The City Administrator 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, Human Resources, and IT. These will be priority areas of focus for the City's administrative functions going forward. The City's Strategic Plan was rolled out to City Departments as part of the 2019 Budget Process. 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, the Coordinator will seek to provide implementation support for the plan.

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. 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 December of 2019.

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.

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.

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 earlier in 2019 and a recruitment class is currently underway with the goal to develop a revised hiring list by September 2019. In addition, in 2020, the Bureau could lose up to 40% of police personnel due to anticipated retirements. The Police Chief is concerned about the potential notable loss of tenured employees due to retirement.

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.

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 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 nearly eliminated. 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 retainage of a dedicated attorney has hindered further success.

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.

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.

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 Third Street Multimodal project is nearly complete but has had 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 November 30, 2019.

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.

Lastly, the City completed its Vision Zero Action Plan, 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 368MD2018. The Petitioners are represented by Harris, Wiltshire & Grannis LLP. In early September 2019, the Commonwealth Court held oral argument on preliminary objections filed by the seven professional firms seeking to dismiss the complaint. The parties are awaiting a Court decision.

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 alleges the Court should 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 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. 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, 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.

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. 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.

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.

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. 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.

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 2019.)
 - 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 2019 projected revenues were 5.0% higher than the same period in 2018. The expenses through August 2019 were approximately equal to the same period in 2018.

The 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 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.

For year-to-date through August 2019, the City has been paid \$1,494,455 and HPA has been paid \$850,134. Any unpaid amounts will roll forward and will be paid in future months as funds become available.

For year-to-date through August 2019, no funds have been deposited for Performance Fees. For the same period, no funds have been deposited for PEDFA fees. For year to date August 2019, no funds have been deposited in the Capital Reserve.

Capital & Operational Improvements

Capital Improvement Projects underway in 2019 include concrete repair and generator replacement at Chestnut Street Garage and elevator repair at the Walnut Street Garage.

The project entered an energy saving and has saved \$16,485 YTD through August 2019.

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 was renewed on March 31, 2020.

ParkMobile

ParkMobile, the parking application provider for the meter system, had approximately 120,000 transactions for the period of January through August 2019.

**City of Harrisburg
Parking Revenues**

Table 1

Group	Account Description	2014	2015	2016	2017	2018	As of 9/30/19
Parking Taxes	MBP PARKING TAXES CURRENT	3,100,722	3,289,446	3,769,704	3,668,788	3,942,440	3,186,934
Parking Taxes	MBP PARKING FEE	16,721	11,573	13,724	12,580	14,774	5,380
Parking Fees	PARKING LICENSE FEE-PRIOR	3,266	2,131	710	4,076	0	368
Parking Fees	PARKING LICENSE FEE-PENAL	3,477	2,007	3,010	3,284	1,459	2,073
Parking Fees	TOWING FEES	28,360	21,665	22,595	20,706	21,144	10,210
Parking Fees	METER BAG RENTAL	62,834	21,504	24,116	49,312	53,848	25,744
Parking Fees	FINE AND COSTS	72,570	49,535	42,244	13,627	28,866	18,169
Parking Fees	BOOTING FEES	14,595	8,850	3,300	2,925	1,575	2,250
Parking Tickets	PARK TICKETS-VIO FINE	475,248	463,641	447,119	376,923	420,396	316,183
Ground Lease Payment	PRIORITY PARKING DISTR.	900,000	527,900	1,093,623	974,526	1,460,125	956,489
Priority Parking Distribution	PRIORITY PARKING DISTRIBUTION	1,100,000	636,951	1,717,788	1,457,735	2,097,494	1,681,261
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	6,205,061

****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.**

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 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 150,000 transactions for the period of January through September 2019.

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. As a result 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 June 2019, year to date, tonnage from the City disposed of at the Susquehanna Resource Management Complex (SRMC) was 30,086 tons. It is running slightly above last year at this point but is on target to again meet or exceed the 35,000-ton minimum.

The City also receives an annual Host Fee from SRMC. Through August 2019, the City had received \$230,725 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 in regard to reduced total debt service obligations and the latter in regard to reduced energy costs under its lease).

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. 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.

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.

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.

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 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, 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.

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.

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 2019.

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, CRW 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."

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 The City's projects include: 3rd Street Resurfacing Project; 2nd, 7th and Division St Project; Berryhill Pedestrian Improvements Project; and North 17th Street Reconstruction.

During the third quarter of 2019 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

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 for 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.

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 has 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 are representing the Commonwealth. In early September 2019, the Commonwealth Court held oral argument on preliminary objections filed by the seven professional firms seeking to dismiss the complaint. The parties are awaiting a Court decision.

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 of 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.

Summary

As I author the third 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 Cooperation 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. 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 initial five-year financial forecast and preliminary report was submitted and accepted by the Intergovernmental Cooperation Authority Board on May 30, 2019. The next step is for the full ICA agreement to be adopted by the ICA Board and the Harrisburg City Council. Once this is in place, Commonwealth Court will have to approve the agreement.

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 third quarter of 2019, the City's operating position is healthy and its cash position strong. The third 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 \$29.7 million dollar and the City's Neighborhood Services Fund shows a cash balance of \$6.4 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 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. Harrisstown 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.

Recent, 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, will continue to work with Mayor Papenfuse and his Administration, as well as City Council President Wanda Williams, and other City Elected and Appointed Officials to assist the City until the Rescission from 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. The transfer of funds will occur once directed by the Court once the ICA Agreement is formally in place.

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

Cash Summary	Actual Jan	Actual Feb	Actual Mar	Actual Apr	Actual May	Actual June	Actual Jul	Actual Aug	Estimated Sep	Estimated Oct	Estimated Nov	Estimated Dec	
Unrestricted Cash Balance Beginning of Month	24,418,749	22,329,574	26,108,736	29,707,622	27,708,217	29,626,043	30,049,698	28,009,199	35,058,130	33,320,898	27,151,898	28,460,033	
Surplus/(Deficit)	-2,116,473	3,769,755	3,599,010	-1,986,208	1,916,485	423,655	-1,910,414	6,983,361	-1,737,232	-6,169,000	1,308,135	-2,467,775	
Change in Accounts Payable	0	0	0	0	0	0	0	0	0	0	0	0	
Other Items affecting Cash	27,297	-9,407	-124	-13,197	1,341	0	-130,084	65,571	0	0	0	0	
Unrestricted Cash Balance End of Month	22,329,574	26,108,736	29,707,622	27,708,217	29,626,043	30,049,698	28,009,199	35,058,130	33,320,898	27,151,898	28,460,033	25,992,257	
Revenues, Expenditures, Surplus/(Deficit)													
Revenues without Transfers	2,205,645	7,889,779	12,193,823	3,738,996	6,472,470	3,846,779	2,830,540	5,583,799	5,570,591	2,569,707	6,104,633	3,464,040	62,470,802
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	5,000,000	0	0	0	0	5,000,000
Total Revenues	2,205,645	7,889,779	12,193,823	3,738,996	6,472,470	3,846,779	2,830,540	10,583,799	5,840,945	2,569,707	6,645,342	3,464,040	68,281,865
Expenditures													
Personnel	3,627,510	2,646,507	2,978,007	3,400,557	3,403,046	2,521,972	2,895,941	2,686,461	3,081,018	7,753,963	3,559,133	3,390,020	41,944,136
Services	442,636	546,425	529,730	700,074	392,692	528,182	369,590	537,221	399,474	727,254	501,993	773,967	6,449,258
Supplies	61,336	124,129	122,956	122,793	149,929	186,922	146,884	174,366	188,099	222,910	249,791	467,935	2,218,050
Other	190,634	802,963	116,498	801,780	513,783	186,048	925,825	105,855	249,721	34,580	993,301	1,235,714	6,156,702
Debt Service	0	0	4,847,604	700,080	96,535	0	402,714	96,535	3,659,865	0	32,982	64,180	2,900,422
Total Expenditures	4,322,117	4,120,024	8,594,814	5,725,284	4,585,986	3,423,124	4,740,884	3,608,439	7,578,178	8,738,707	5,337,287	5,931,815	66,668,568
Operating Surplus/(Deficit)	-2,116,473	3,769,755	3,599,010	-1,986,288	1,916,485	423,655	-1,910,414	6,983,361	-1,737,232	-6,169,000	1,308,135	-2,467,775	1,613,297
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	
Accounts Payable End 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	
Change in Accounts Payable	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)	Actual 1st Quarter	Actual 2nd Quarter	Estimated 3rd Quarter	Estimated 4th Quarter	Total
Revenues	22,289,247	14,058,245	19,255,285	12,679,088	68,281,865
Expenditures	17,036,955	13,704,314	15,919,571	20,007,729	66,668,568
Operating Surplus/(Deficit)	5,252,292	353,932	3,335,714	-7,328,641	1,613,297
Unrestricted Cash Balance Beginning of Quarter	24,418,749	29,707,622	30,049,698	33,320,898	
Surplus/(Deficit)	5,252,292	353,932	3,335,714	-7,328,641	
Change in Accounts Payable	0	0	0	0	
Other items affecting Cash	36,580	-11,856	-64,514	0	
Unrestricted Cash Balance End of Quarter	29,707,622	30,049,698	33,320,898	25,992,257	

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
2010 Estimated General Fund Revenue

Revenue Group	Actual Jan	Actual Feb	Actual March	Actual April	Actual May	Actual June	Actual July	Actual August	Estimated September	Estimated October	Estimated November	Estimated December	Estimated Total 2010	Budget 2010	Variance
Real Estate Taxes Current	52,480	3,307,243	2,276,223	430,400	885,891	981,957	210,669	131,014	78,860	192,749	87,994	503,183	6,501,645	14,932,031	280,044
Real Estate Taxes Delinquent	67,736	11,081	156,271	540	100	561,534	183,539	187,084	308,023	331,001	150,396	168,896	3,172,223	2,294,794	-422,568
Tax Lien 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
BIT	586,389	1,721,088	1,003,095	586,858	1,008,711	987,192	320,589	1,997,258	854,831	586,382	1,428,886	852,515	12,500,416	11,544,087	856,329
EMBLST	178,650	1,429,224	116,439	137,067	1,418,492	1,418,492	201,218	1,483,172	156,245	155,395	1,853,177	210,230	7,190,848	6,996,149	1,994,699
Mercurio Business Privilege	210,802	276,966	487,392	1,025,573	719,288	153,592	182,955	270,729	82,538	172,578	180,661	126,228	3,840,343	3,434,050	411,295
Other Act 511 Taxes	0,118	144,080	68,947	3,248	79,363	82,837	58,530	284,213	67,946	28,948	103,215	102,086	1,521,170	1,384,000	136,170
Capital Fire Protection	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Code Remed - Demolition	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
District Justice Fees	1,060	30,171	22,471	42,442	38,010	81,983	3,020	33,404	30,074	41,320	21,974	30,076	387,373	388,000	-627
Fed/State/ Fed/Pres Thr Gr	0	0	0	0	0	0	191,260	0	3,857	2,928	0	0	127,789	270,732	142,957
Federal Grants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fees/Permits	243,778	100,375	152,869	82,819	103,874	154,459	98,054	184,478	90,685	101,375	205,299	175,657	1,741,225	1,555,251	185,974
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	7,388	37,232	40,883	47,902	66,276	56,733	55,780	18,881	14,323	11,829	12,848	380,091	148,289	231,802
Licenses	0	141,812	0	21,900	135,062	0	136,356	0	2,642	8,547	140,772	0	584,082	580,250	4,832
Miscellaneous	101,200	108,052	129,314	187,268	258,776	318,936	113,783	184,000	148,353	184,821	132,282	147,400	1,827,811	1,887,128	-59,317
Pension System State Aid	0	0	0	0	0	0	0	0	0	0	0	0	2,883,069	2,885,583	-2,514
Public Safety Fees/Permits	11,903	18,842	21,748	27,712	19,381	18,992	17,094	10,481	15,075	13,033	11,545	12,580	189,124	188,481	643
Public Safety Grants	81,552	9,528	6,688	44,976	8,317	7,204	111,277	3,021,436	40,069	1,784	27,500	33,318	3,380,011	3,243,789	147,831
Public Safety Enhancements	86,311	137,780	133,758	124,489	130,305	80,001	102,464	189,010	82,075	90,407	40,604	131,027	1,328,388	1,019,502	308,886
Public Works Fees/Permits	0	0	0	0	0	0	0	0	0	0	0	0	100,000	250,000	-150,000
Reimbursements	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rental Income	7,383	183	8,583	183	183	2,563	183	183	184	184	184	223	30,014	2,100	27,914
Recreation Fees	10	0	20	0	16	2,800	7,384	2,476	22	17	18	7	43,766	11,211	32,555
Sale Of Assets	0	0	0	0	0	0	4,235	0	0	0	0	0	4,235	0	4,235
Vehicle Maintenance Charges	26,310	0	0	140,102	0	68,058	13,004	27,968	25,739	2,485	3,084	7,280	318,416	279,300	39,116
BILOTS	-15,060	0	0	107,444	58,254	300,000	27,980	29,841	24,888	20,207	68,439	-1,430	629,064	870,797	-241,733
Public Utility Rate Tax	0	0	0	0	0	0	0	0	0	45,000	0	0	45,000	45,000	0
Senior Maint Charge	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Senior Maint Levy-Feealty	0	0	0	0	0	0	0	0	14	4	35	0	53	214	-161
Senior Maint Levy-Finncg	1	0	0	21	0	0	105	25	80	80	138	1	489	642	-153
Senior 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	270,364	0	840,708	0	811,083	811,083	0
Neighborhood Mitigation Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Law/Enforcement 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
City Water Utility Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hwy Pk Auth Coord Fee	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	497,926	104,829	294,057	332,141	408,689	311,177	388,491	371,998	280,308	361,514	265,167	368,020	4,088,167	3,587,000	501,167
Parking Fees	8,375	7,084	1,086	8,881	8,420	11,433	2,734	15,207	7,761	2,835	3,688	14,148	81,582	88,020	-6,438
Parking Tickets	38,777	37,777	51,071	51,201	42,457	30,533	35,845	22,021	37,774	37,884	36,918	39,288	447,718	425,102	22,616
Ground Lease Payments	48,199	77,741	78,988	118,948	147,244	124,049	135,294	178,781	108,120	81,881	190,822	221,728	1,370,452	1,278,201	92,251
Priority Parking Distribution	84,730	136,082	138,853	208,086	266,841	218,067	220,234	227,052	188,634	180,229	390,760	173,888	2,405,804	2,741,663	-335,859
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 Revenue	2,208,645	7,888,779	12,193,823	3,738,998	8,472,470	8,848,778	2,430,942	10,187,799	6,211,265	5,548,707	8,848,241	7,888,245	62,281,865	64,048,207	4,233,658

City of Harrisburg
General Fund
2019 Estimated Expenditures by Month

	Actual Jan	Actual Feb	Actual Mar	Actual April	Actual May	Actual June	Actual July	Actual 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	22,229	22,229	33,343	22,229	22,229	22,229	22,322	22,178	30,173	26,606	290,163	289,580	583
Office of City Council Services	247	1,238	17,234	1,232	200	1,956	5,736	3,730	6,113	13,233	13,122	24,645	88,685	114,200	-25,515
Office of City Council Supplies	0	0	1,670	608	0	335	0	446	1,588	686	539	1,446	7,318	11,000	-3,682
Office of City Council Other	679	0	0	0	0	0	0	0	400	200	600	600	2,479	3,400	-921
Office of City Council	23,093	23,467	41,133	24,068	33,543	24,520	27,964	26,405	30,423	36,296	44,434	53,297	388,645	418,180	-29,535
Office of Mayor Personnel	17,750	17,947	17,947	18,121	26,243	17,273	17,505	17,532	19,060	18,311	24,033	21,542	233,263	235,378	-2,115
Office of Mayor Services	2,302	29	1,432	0	102	1,956	116	0	3,766	416	1,018	656	11,793	16,380	-4,587
Office of Mayor Supplies	915	564	349	0	56	0	166	1,142	1,003	128	277	8,012	12,612	14,187	-1,575
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	19,728	18,121	26,402	19,228	17,787	18,674	23,829	18,855	25,328	30,210	257,667	265,945	-8,278
Office of City Controller Personnel	11,745	11,643	11,658	11,657	17,474	11,647	11,674	11,683	11,820	11,825	15,827	13,760	152,414	153,698	-1,284
Office of City Controller Services	40	0	0	0	0	0	0	0	138	0	519	490	1,187	10,500	-9,313
Office of City Controller Supplies	114	111	23	86	375	30	7	41	422	452	453	129	2,242	9,200	-6,958
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	11,681	11,744	17,849	11,677	11,681	11,723	12,379	12,277	16,799	14,380	155,843	173,398	-17,555
Office of City Treasurer Personnel	26,552	26,390	26,910	26,622	39,925	26,703	26,703	26,703	27,206	26,592	36,328	31,687	348,324	347,911	413
Office of City Treasurer Services	40	1,750	26,978	3,980	90	40	83	40	1,342	1,267	1,331	4,271	41,213	61,900	-20,687
Office of City Treasurer Supplies	0	0	0	0	60	0	198	0	111	83	1,122	851	2,424	12,000	-9,576
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	53,888	30,602	40,075	26,743	26,984	26,743	28,659	27,942	38,781	36,809	391,961	421,811	-29,850
Office of City Solicitor Personnel	27,034	25,371	25,371	25,371	46,571	35,293	35,293	35,293	34,427	34,520	45,151	40,787	410,483	454,200	-43,717
Office of City Solicitor Services	9,745	15,743	5,391	11,540	31,906	943	6,298	1,284	17,189	20,076	18,665	35,803	174,582	232,742	-58,160
Office of City Solicitor Supplies	219	4,480	2,218	3,369	2,458	1,916	515	2,208	3,289	10,515	4,429	3,218	38,833	50,750	-11,917
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	32,980	40,279	80,935	38,152	42,107	38,786	54,905	65,111	68,244	79,808	623,899	737,692	-113,793
Office of Business Administrator Personnel	12,000	9,523	9,523	9,523	18,011	13,249	13,156	13,249	12,476	14,828	24,520	18,557	168,615	175,470	-6,855
Office of Business Administrator Services	0	0	5,000	0	339	7,755	10,000	5,000	6,808	6,808	8,336	8,498	58,545	65,550	-7,005
Office of Business Administrator Supplies	0	139	0	1,713	392	162	0	145	98	75	713	3,174	6,611	5,100	1,511
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	14,523	11,236	18,742	21,167	23,156	18,395	19,383	21,712	33,570	30,229	233,772	246,120	-12,348
Bureau of Financial Management Personnel	32,272	30,536	30,536	30,536	45,769	29,853	30,308	30,308	34,784	34,786	47,037	39,841	416,566	449,615	-33,049
Bureau of Financial Management Services	33	24,142	361	249	44,274	2,068	881	59,113	529	21,047	23,732	9,865	186,295	267,893	-81,598
Bureau of Financial Management Supplies	0	950	43	43	223	34	204	0	367	104	413	3,919	6,300	12,100	-5,800
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	30,940	30,829	90,266	31,955	31,393	89,421	35,680	55,937	71,182	53,625	609,161	729,608	-120,447
Bureau of Communications Personnel	22,353	21,338	18,811	12,277	15,779	9,286	12,823	13,596	22,400	22,885	29,946	26,579	228,072	292,161	-64,089
Bureau of Communications Services	2,152	791	1,685	1,032	113	4,281	421	290	879	5,093	5,939	6,014	28,690	33,600	-4,910
Bureau of Communications Supplies	1,888	300	0	327	3,868	-3,935	3,059	0	2,086	2,189	1,834	4,567	16,183	16,500	-317
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	20,495	13,636	19,759	9,632	16,304	13,885	25,365	30,167	37,719	37,160	272,945	342,261	-69,316

City of Harrisburg
 General Fund
 2019 Estimated Expenditures by Month

	Actual Jan	Actual Feb	Actual Mar	Actual April	Actual May	Actual June	Actual July	Actual 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	4,639	4,639	6,958	0	0	0	5,033	5,033	5,033	5,033	43,343	60,392	-17,049
Bureau of Grants Services	0	0	0	0	0	0	0	0	333	333	333	333	1,333	4,000	-2,667
Bureau of Grants Supplies	0	0	0	0	0	0	0	0	42	42	42	42	167	500	-333
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	4,639	4,639	6,958	0	0	0	5,408	5,408	5,408	5,408	44,843	64,892	-20,049
Bureau of Risk Management Personnel	5,181	5,204	5,204	5,204	7,806	5,204	5,204	4,422	5,545	5,598	7,513	6,381	68,462	67,673	789
Bureau of Risk Management Services	0	491	0	1,400	0	0	0	0	906	458	709	1,904	5,868	11,100	-5,232
Bureau of Risk Management Supplies	0	77	0	0	0	265	549	0	0	0	953	2,283	4,128	3,475	653
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	5,204	6,604	7,806	5,469	5,753	4,422	6,451	6,056	9,174	10,568	78,458	82,248	-3,790
Bureau of Information Technology Personnel	35,600	35,806	35,806	35,806	53,709	34,833	31,926	31,923	42,988	41,655	54,127	48,052	482,233	506,012	-23,779
Bureau of Information Technology Services	8,223	28,804	11,455	29,270	17,054	89,410	23,113	58,658	25,038	115,723	72,186	65,895	544,828	616,797	-71,969
Bureau of Information Technology Supplies	919	34,181	7,795	9,947	21,553	6,337	6,633	21,026	11,632	5,718	14,904	60,673	201,318	170,580	30,738
Bureau of Information Technology Other	5,127	1,195	49,669	10,852	6,986	5,725	106,016	13,610	24,205	7,716	38,518	160,582	430,201	701,839	-271,638
Bureau of Information Technology	49,869	99,986	104,725	85,875	99,302	136,305	167,688	125,217	103,863	170,812	179,735	335,203	1,658,580	1,995,228	-336,648
Bureau of Human Resources Personnel	23,763	24,001	24,001	24,001	36,001	24,010	24,074	24,096	28,722	28,720	38,631	33,296	333,316	366,680	-33,364
Bureau of Human Resources Services	8,543	3,200	3,319	6,244	4,080	3,641	5,249	4,548	9,770	8,015	14,147	16,529	87,285	123,925	-36,640
Bureau of Human Resources Supplies	244	0	0	200	45	50	355	0	58	258	340	703	2,254	2,200	54
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	27,320	30,445	40,127	27,701	29,679	28,644	38,550	36,994	53,118	50,528	422,855	492,805	-69,950
Operations and Revenue (Office of the Director) Personnel	17,427	18,803	20,102	20,097	30,496	20,097	20,097	21,921	24,469	25,138	34,379	32,300	285,325	328,049	-42,724
Operations and Revenue (Office of the Director) Services	18,192	12,396	10,912	27,817	9,928	12,831	15,150	15,781	22,268	17,071	23,442	14,486	200,273	254,372	-54,099
Operations and Revenue (Office of the Director) Supplies	66	1,570	7,361	4,540	1,399	4,168	905	759	2,023	3,557	3,846	8,005	38,199	43,192	-4,993
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	38,374	52,454	41,823	37,096	36,152	38,461	48,760	45,766	61,667	54,791	523,797	625,613	-101,816
General Expenses Personnel	1,517,579	701,304	859,580	1,447,898	626,702	622,996	837,418	689,619	993,589	1,427,708	874,116	1,027,741	11,626,250	12,034,046	-407,796
General Expenses Services	137,605	228,603	175,616	367,896	138,443	117,361	106,882	146,129	71,420	207,392	27,330	138,983	1,863,662	2,848,543	-984,881
General Expenses Supplies	0	3,422	0	0	0	0	0	0	0	0	0	0	3,422	25,000	-21,578
General Expenses Other	0	92,642	0	0	86,143	55,000	86,143	0	35,923	11,083	72,387	35,923	475,245	477,573	-2,328
General Expenses	1,655,185	1,025,971	1,035,196	1,815,795	851,289	795,358	1,030,443	835,748	1,100,931	1,646,183	973,833	1,202,647	13,968,578	15,385,161	-1,416,583
Transfers to Other Funds Debt Service	0	0	4,847,604	700,000	96,535	0	402,714	96,535	3,659,865	0	32,989	64,180	9,900,422	9,833,638	66,784
Transfers to Other Funds Other	0	0	0	0	231,778	53,241	470,000	0	0	0	723,429	0	1,478,448	2,788,778	-1,310,330
Transfers to Other Funds	0	0	4,847,604	700,000	328,313	53,241	872,714	96,535	3,659,865	0	756,418	64,180	11,378,870	12,622,416	-1,243,546
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	Actual Mar	Actual April	Actual May	Actual June	Actual July	Actual 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	11,403	11,403	21,074	15,372	15,372	15,372	16,419	17,005	19,428	18,031	179,820	201,435	-21,615
Bureau of Planning Services	1,059	568	4,090	4,119	4,331	3,857	2,653	2,437	16,813	4,362	2,852	7,692	54,834	98,000	-43,166
Bureau of Planning Supplies	0	1,788	0	535	1,422	50	0	0	539	264	421	383	5,404	4,000	1,404
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	15,494	16,058	26,827	19,279	18,026	17,809	33,771	21,631	22,702	26,107	240,057	303,435	-63,378
Bureau of Codes Personnel	67,218	64,362	67,405	68,479	99,608	64,364	64,077	64,816	70,494	71,661	98,574	86,422	887,480	900,194	-12,714
Bureau of Codes Services	516	1,172	679	2,299	175	209	1,812	1,375	4,682	1,253	4,198	3,259	21,629	29,250	-7,621
Bureau of Codes Supplies	0	494	826	3,755	297	425	142	188	921	482	944	2,203	10,677	19,200	-8,523
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	68,910	74,533	100,080	64,998	66,031	66,379	76,098	73,395	103,716	91,884	919,786	948,644	-28,858
Economic Development Personnel	8,821	4,707	4,707	572	4,707	0	0	0	5,390	5,390	7,613	5,915	47,820	61,189	-13,369
Economic Development Services	0	0	0	0	0	0	0	0	104	104	104	2,029	2,341	4,730	-2,409
Economic Development Supplies	0	0	102	0	0	0	0	0	0	0	0	0	102	0	102
Economic Development Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Economic Development	8,821	4,707	4,809	572	4,707	0	0	0	5,494	5,494	7,717	7,944	50,264	65,939	-15,675
Office of the Police Chief Personnel	1,138,537	952,389	979,577	963,423	1,284,610	883,470	938,467	941,293	961,679	4,717,963	1,249,412	1,076,290	16,087,110	16,704,008	-616,898
Office of the Police Chief Services	122,222	57,699	77,880	33,425	26,206	135,300	13,890	45,524	54,055	102,443	38,512	103,818	810,974	1,056,277	-245,303
Office of the Police Chief Supplies	5,353	2,022	18,653	14,450	5,058	54,841	17,100	22,258	39,358	27,602	24,408	-10,600	220,503	341,615	-121,112
Office of the Police Chief Other	20,071	458,873	-13,109	579,946	154,139	10,446	113,838	20,996	18,905	14,435	3,614	401,218	1,783,372	1,010,000	773,372
Office of the Police Chief	1,286,183	1,470,984	1,063,001	1,591,244	1,470,013	1,084,057	1,083,295	1,030,071	1,073,997	4,862,443	1,315,946	1,570,726	18,901,960	19,111,900	-209,941
Bureau of Fire Personnel	519,590	543,788	685,187	539,430	799,512	505,710	556,050	507,959	575,990	1,065,657	703,687	636,862	7,639,421	7,935,765	-296,344
Bureau of Fire Services	14,964	27,545	12,150	46,748	20,924	39,929	28,214	33,536	25,357	20,570	29,477	122,760	422,172	371,350	50,822
Bureau of Fire Supplies	2,023	1,514	2,234	4,974	25,167	14,848	7,186	30,382	7,217	21,692	39,828	110,082	267,146	303,750	-36,604
Bureau of Fire Other	31,798	0	62,887	5,600	0	10,000	29,962	41,450	53,675	1,146	15,463	41,137	293,119	275,000	18,119
Bureau of Fire	568,376	572,847	762,458	596,752	845,603	570,487	621,411	613,327	662,238	1,109,064	788,454	910,841	8,621,858	8,885,865	-264,007
Office of Traffic and Engineering Personnel	52,951	48,545	47,861	49,866	81,158	60,099	59,711	59,448	61,779	60,533	83,812	76,789	742,552	795,528	-52,976
Office of Traffic and Engineering Services	104,687	120,786	154,416	135,903	44,042	73,254	83,094	133,071	70,439	115,352	92,510	79,093	1,206,646	727,526	479,119
Office of Traffic and Engineering Supplies	-1,507	6,431	2,600	1,876	13,516	9,360	43,871	6,570	18,934	26,995	50,539	49,466	228,671	353,165	-124,494
Office of Traffic and Engineering Other	120,680	116,111	0	168,265	0	37,404	92,240	0	55,890	0	0	77,761	668,351	455,947	212,404
Office of Traffic and Engineering	276,811	291,873	204,877	355,910	138,717	180,116	278,915	199,089	207,041	202,879	226,882	283,110	2,846,220	2,332,166	514,054
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	27,236	25,813	37,746	23,587	23,983	25,457	38,446	40,366	50,986	51,119	397,728	554,824	-157,096
Bureau of Vehicle Management Services	8,705	6,381	17,977	18,717	11,059	18,882	14,033	13,132	27,128	49,395	36,051	89,599	311,019	452,527	-141,508
Bureau of Vehicle Management Supplies	50,167	58,314	72,409	68,812	56,434	74,962	54,896	70,133	79,090	80,720	80,779	184,991	931,709	1,028,575	-96,866
Bureau of Vehicle Management Other	12,279	13,042	17,050	37,117	14,226	14,232	27,625	15,847	23,831	0	139,291	30,434	344,976	320,000	24,976
Bureau of Vehicle Management	97,706	104,172	134,673	150,459	119,466	131,664	120,538	124,569	168,495	170,482	307,107	356,102	1,985,432	2,355,926	-370,494

City of Harrisburg
 General Fund
 2019 Estimated Expenditures by Month

	Actual Jan	Actual Feb	Actual Mar	Actual April	Actual May	Actual June	Actual July	Actual 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	42,315	47,591	69,844	96,695	149,869	129,543	65,981	55,612	78,808	66,428	875,374	948,494	-73,120
Office of the Director of Parks, Recreation and Enrichment Services	3,361	15,087	3,174	8,203	39,425	14,509	51,966	13,573	34,399	16,842	87,478	37,384	325,403	421,075	-95,672
Office of the Director of Parks, Recreation and Enrichment Supplies	934	7,771	6,673	7,558	17,606	23,074	11,099	19,067	19,320	41,350	22,988	34,388	211,828	306,380	-94,552
Office of the Director of Parks, Recreation and Enrichment Other	0	121,099	0	0	20,510	0	0	13,953	36,892	0	0	488,058	680,512	524,950	155,562
Office of the Director of Parks, Recreation and Enrichment	36,656	184,283	52,161	63,351	147,386	134,279	212,935	176,136	156,593	113,804	189,274	626,258	2,093,117	2,200,899	-107,782
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	8,594,814	5,725,204	4,555,986	3,423,124	4,740,954	3,600,439	7,578,178	8,738,707	5,337,207	5,931,815	66,668,568	70,808,153	-4,139,585
Personnel	3,627,510	2,646,507	2,978,007	3,400,557	3,403,046	2,521,972	2,895,941	2,686,461	3,081,018	7,753,963	3,599,133	3,390,020	41,944,136	43,862,302	-1,918,167
Services	442,636	546,425	529,750	700,074	392,692	528,182	369,590	537,221	399,474	727,254	501,993	773,967	6,449,258	7,822,257	-1,372,999
Supplies	61,336	124,129	122,956	122,793	149,929	186,922	146,884	174,366	188,099	222,910	249,791	467,935	2,218,050	2,732,469	-514,419
Other	190,634	802,963	116,498	801,780	513,783	186,048	925,825	105,855	249,721	34,580	993,301	1,235,714	6,156,702	6,557,487	-400,785
Debt Service	0	0	4,847,604	700,000	96,535	0	402,714	96,535	3,659,865	0	32,989	64,180	9,900,422	9,833,638	66,784
Total	4,322,117	4,120,024	8,594,814	5,725,204	4,555,986	3,423,124	4,740,954	3,600,439	7,578,178	8,738,707	5,337,207	5,931,815	66,668,568	70,808,153	-4,139,585
Check	4,322,117	4,120,024	8,594,814	5,725,204	4,555,986	3,423,124	4,740,954	3,600,439	7,578,178	8,738,707	5,337,207	5,931,815	66,668,568	4,139,585	
	0	0	0	0	0	0	0	0	0	0	0	0	0		

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.

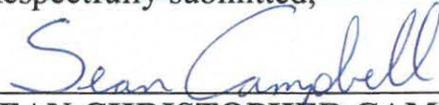
Docket No. 569 MD 2011

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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CERTIFICATE OF SERVICE

I, Sean Campbell, hereby certify that on this 4th day of October 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:

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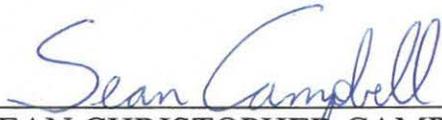
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Date: October 4, 2019


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