

HARRISBURG CITY BUDGET 2007

Section No. 1
Exhibit No. 2

CITY OF HARRISBURG, PENNSYLVANIA

Honorable Stephen R. Reed
Mayor



Linda Lingle
Business Administrator

Passed by City Council

December 21, 2006

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2007 BUDGET

CITY OF HARRISBURG, PENNSYLVANIA

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2007 BUDGET



GOVERNMENT FINANCE OFFICERS ASSOCIATION

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Budget Presentation
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January 1, 2006

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Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Harrisburg, Pennsylvania, for its annual budget for the fiscal year beginning January 1, 2006.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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November, 2006

To - Members of City Council
and
The Citizens of Harrisburg

We hereby present the proposed budget of The City of Harrisburg for the calendar fiscal year 2007.

Twelve months ago, when presenting the draft budget for this year, much of the transmittal message was focused on the continuous rise of basic costs and the fact that this circumstance was exceeding revenue. Similar forecasts were provided in the several preceding years.

ECONOMIC CONDITIONS

It was stated that both the Pennsylvania and the National Leagues of Cities, of which Harrisburg is a member, were advising that three out of every five cities were reporting being in recession, with cuts in services and personnel. Many of those cities were then facing deficits. Even now, Harrisburg is hardly alone in addressing a deficit. Numerous cities and others have the same circumstance, including Scranton, Allentown, Erie, Reading and Lancaster City and County --- and all for the same reasons which have produced our circumstance.

The extensive list of how Harrisburg was dealing with the matter through elimination of personnel vacancies and numerous other ways was outlined. Since mandatory costs were continuing to rise with sharp escalation, we said that if this trend continues for us, it would "devolve into a condition in which the City will be unable to meet even basic service needs" and that "In some agencies, we are nearly at this point now. The City has cut back to the point where major savings in the future would have to come from the wholesale closure of facilities, programs and agencies."

These words were accurate then and the experience of this year has more than affirmed this.

In this budget message, we shall cover program priorities, policy measures and plans for the future. Our first focus, however, must be on the issue of the deficit that is foremost, as its resolution has a profound impact throughout the entire city budget and a failure to address it would have an extraordinary adverse effect.

The National League of Cities, in a survey conducted for them by the Graduate Program in Public Administration at the University of Illinois, found that over half of the nation's cities have been forced to increase revenues in the past two years to address gaps created by rising employee health care, pension, public safety and other costs.

Interestingly, cities that rely solely or largely on sales or income taxes reported that their fiscal conditions were improving. This was in sharp contrast to cities where property taxes are the primary source of tax revenue.

This finding underscores an issue that is decades old in Pennsylvania --- that the state tax system, which forces undue reliance on property taxes for cities, counties and school districts, is outdated, archaic and inflexible. Property tax rates are fixed while income and sales taxes are based on ability to pay and on the amount of discretionary consumer spending. Incomes have mostly increased, as have the costs of consumer goods, services and products, and therefore these revenues concurrently rise without any increase in their rates.

TAX POLICY

In Pennsylvania, municipalities have fewer tax options under state law. Even for the local wage tax, which is capped at one-half of one percent for municipalities with school districts, various types of income are exempt and of course, sales tax monies go solely to state government.

As an added dimension exclusive to Harrisburg, we serve as the Capital City to the Nation's sixth largest state. It comes with a cost. Our resources are called upon in many different ways to accommodate state government's presence. That presence is a positive factor for the region's economy but the tax revenues to the City from such do not equal the city government's added costs.

Currently the outdated state tax system allows for liberal tax exemption for a range of purposes. Presently, 48.2% of the value of all assessed real estate in Harrisburg is exempt from any form of property tax. This would be an enormous constraint on an affluent suburban community. For an urban center, it is even more so, given the range of additional demands for public services that we field.

The inequity of tax-exemption becomes starker when considering that, under state law, owners and occupants of tax-exempt property can demand whatever extent of City services they wish and, for the basic services, including public safety, we are required to provide them --- with someone else having to cover the costs.

This creates a condition of tax unfairness that cries out for statewide resolution. The Pennsylvania Legislature undertook a special session in September to examine the issue but no changes have since occurred.

Nonetheless, the Harrisburg School District last year opted into Act 72, which will result in gaming revenues being used to reduce the average cost of school property taxes for homeowners in Harrisburg by 50%. The state formula for school property tax reduction has varying levels of tax reduction. Harrisburg is eligible for the maximum, which will provide approximately \$560 in tax cuts for each homeowner. Those who annually pay less than this amount will see their school property tax eliminated.

Further, our lower income senior citizens remain fully eligible for the Property Tax and Renter Rebate Program, which returns to them a portion of taxes or rents they have paid.

Despite these limited gains, state comprehensive tax reform is still very much needed.

This City has gone to great lengths over the years to have stable tax rates, sometimes to our own detriment. In twenty-five years, there have been three tax increases on buildings and land and one increase on land only. During the same time, there have been two tax decreases on buildings and, last year a partial tax rebate. The last tax increase for the City was in 1999, taking effect in 2000. In that same period, the school district increased taxes fourteen times, although not in the past six years, and the county increased taxes eight times. The City of Harrisburg has the lowest rate of tax dependence by far.

Market values of property in Harrisburg have increased, some by major amounts, in the past five years. Still, what is paid in taxes is not based on the higher market price. It is based on older real estate tax assessments.

In the 2007 budget a 1.5 mill increase was necessary to sustain current operations and staff, including police officers. This is substantially less than what was once feared.

The average residential unit or home tax assessment in Harrisburg is \$48,275. A 1.5 mill increase would equate to \$6.04 per month or \$72.42 per year.

Harrisburg is the only municipality in Central Pennsylvania to use a two-tiered tax rate policy, by which the tax rate charged on buildings is only one-sixth of the tax rate on land. This policy is intended to reward investment and improvements, encourage the highest and best use of land, and discourage real estate speculation.

Property owners with not much land area will therefore pay even less than this reported average, as we shall continue with the present split rate policy.

There will be an exception, however. Any homeowner 65 years of age or older and who is living at or below the poverty income level will be rebated the 1.5 mill increase. They will therefore not be affected by this increase.

INCREASE IN COSTS

The deficit in this year was not caused by over-spending. We will under-spend the 2006 budget.

There are multiple factors that, together, have produced the present circumstance. Let us provide some examples.

Since the Year 2000, a range of basic operating budget costs have sharply risen. Here are some of these costs for 2007:

- Insurance --- which includes all coverage for automobile, stop loss, general liability, property, flood, law enforcement liability and terrorism --- has risen 106.8% to \$2,133,200.
- Electricity --- for buildings, utility system pumps and everything else that requires electrical energy to function, except street lighting, will be \$2,125,250
- Heating costs have increased 144.3% to \$732,342.
- Gasoline expenses have escalated 183.5% to \$1,529,781.
- Medical Insurance Costs have soared 79.8% to \$7,396,235.
- Prescription Drug Coverage costs have risen 270.6% to \$2,596,067.
- Chemicals --- most of which are used in the water and wastewater utility systems --- have grown 214.2% to \$1,302,262.
- Vehicle and Equipment Maintenance, Parts and Tools have risen 54.06% to \$970,093.
- Street-lighting costs, including electricity, will be \$1,556,386 next year.

Another of our basic costs, the expense of the three city pension funds, will be \$4,283,803 in 2007 and is yet another instance of a mandatory cost the City is required to pay.

The costs for these products and services involve pricing over which a local government has little or no say. As the costs of private sector vendors increase, they pass those costs onto their customers, including us. Local government, however, cannot automatically pass on such added expense and this, simply stated, is how the deficit arose.

Private companies have other advantages that we do not. A private firm can eliminate unprofitable lines of products or services. When it comes to basic municipal services, such as police, fire, and public works, we cannot, as a matter of law, eliminate them. Nowhere is this more graphically illustrated than in our costs for public safety. In 2007, the police and fire bureaus will cost \$29,471,901. This is nearly 50% of the entire General Fund. All the property taxes collected by the City barely cover half of their costs.

COST CONTROL MEASURES

Over these past several years, including this year, this City has undertaken an extensive number of steps to reduce costs and to avoid what otherwise would have been future higher expense.

The City has merged agencies, used technology to increase performance, created partnerships, secured grants, raised private funds, initiated loss controls to cut insurance and benefit costs from rising even further, installed energy savings measures, and reduced the number of vehicles, phones and pagers.

Last year, no member of our largest union, AFSCME Local 521, received any raises. Neither did any management or non-union employee receive any raise. This year, the salary increase for members of AFSCME, taking effect October 1st, amounted to less than a half percent for this year. The police union settled their contract with the City. Only a 1% raise occurred this year for them.

For several years, the City has been eliminating staff positions as vacancies occurred. That accelerated last year and this year. Even in doing so, costs still significantly outpaced revenues.

A first phase layoff occurred on October 26, involving 31 persons, mostly management staff. One management position was converted from full-time to part-time. A total of 23 positions were abolished in Phase I.

A second phase layoff was slated for the third week of November, to involve up to twelve additional personnel. Nine resignations and retirements were received before that and this second phase layoff was postponed.

The effect of these steps is to reduce payroll and benefit costs in 2007 by \$3,479,903, minus whatever must be paid out in severance payments for unused leave and unemployment compensation. Under state law, laid off employees are entitled to up to \$497 per week for up to 26 weeks.

There is a constant effort to cut costs in the myriad of city agency operations. In reviewing subpoenas sent to law enforcement personnel, the Police Bureau has eliminated those that were unnecessary to properly adjudicate criminal cases and thus avoided \$283,866 in added overtime expenses.

By conducting Police Canine training in-house, \$14,800 has thus far been saved.

By realigning trash pick-up routes, resulting in the elimination of one route, combined with reduced transport costs for recycled items and personnel changes, the Bureau of Neighborhood Services saved \$143,971 to date.

By removing 10 year old copying machines with lower cost replacements, \$21,600 in reduced costs were realized. By reviewing Workers' Compensation billings for errors, over \$266,502 has been saved.

Even the small things count. The Bureau of Building Maintenance replaced the type of towels used in facility dispensers, producing a \$6,000 annual savings over previous costs.

In hundreds of steps, large and small, the initiative to save money, cut costs and avoid future expense has been constant. All of this helps going forward into the future.

Even with these efforts, the truth remains that most of our costs are largely determined by external factors and market forces over which a local government has little influence. The costs of energy have sharply risen, as everyone knows. Health care costs represent a shared pool experience of health industry price escalation that affects the entire country. Add to this that approximately 42% of our costs are assigned to us by unfunded state and federal mandates and it becomes clear that for 2007 to have a balanced budget, we have to make some tough choices.

It is fair to require that there be a comprehensive plan to prevent us from being in this circumstance at this time next year and the later years.

BUDGET DETAIL

The plan is multi-faceted:

- (1) The Harrisburg Senators have been put up for sale. The only reason the City acquired them in 1996 was to prevent them from moving that year to Springfield, Massachusetts. A condition of any sale is that the team must remain in Harrisburg for the long-term. No sales agreement will be allowed without this stipulation. Discussions with potential buyers have already commenced.
- (2) Initial steps are underway for the sale of the majority of non-restricted artifacts. All information indicates this will be a process of at least 12 to 18 months or longer. Better items should go to national auction houses to assure that the best prices are attained. National auction houses hold only periodic sales. The City has been strongly advised not to saturate the market with too many items at any one time, which would dilute pricing. Smaller, lesser value items will likely be sold through E-Bay.
- (3) The City has no need for McCormick Island and a smaller contiguous island. The City acquired them in 1912. The larger is 100 acres and the smaller is less than 3 acres. The 1912 transfer deed contains two restrictions that limit their use to recreational purposes and that if any sale would occur, it would revert to the owners or their descendants. The owners are long since deceased. The City will file for Quiet Title in the Dauphin County Court to remove these restrictions to allow a sale to proceed.
- (4) The City will expand its corporate sponsorship program, which now brings in funds to cover the costs of various special events and programs. Naming rights to various city facilities and rental of some city surface areas for advertising will be allowed. Public safety vehicles and City Government Center would be excluded. The City has previously sold the naming rights to the City Island baseball stadium.
- (5) The City is filing an application with the state's Early Intervention Program, operated by the state Department of Community and Economic Development, which assists municipalities in circumstances of financial constraint and which may make the City eligible for special state funding. The Resolution to authorize such has been sent to Council for approval.

- (6) The City will seek an increase in the state fire protection appropriation in the next state budget. The annual amount of \$1,020,000 has been unchanged since 2001. Costs of gasoline, personnel, equipment, apparatus and supplies have sharply risen in these years. By providing the state with fire-related and other services, it allows the state to avoid the much higher costs of providing the same services themselves.
- (7) The City will further explore alternative energy development as an expanded revenue source for future years. The City already generates steam and electricity through the burning of municipal solid waste and additionally co-generates electricity through the burning of methane gas in the sewage treatment process. The City additionally generates electricity from a hydroelectric facility at the Water Filtration and Treatment Plant. A wind energy feasibility study is already underway and other energy project options will be examined.
- (8) The City previously received an offer of up to \$1,000,000 for the sale of unpaid delinquent tax liens. Council has indicated it would not approve this and these funds are therefore not part of the plan or the 2007 budget proposal.
- (9) With the pending sale of the Harrisburg Senators, the first part of the sales proceeds would be used to immediately retire the remaining City debt from the bonds that were issued in 1996 to purchase the franchise. The remaining principal is \$4,655,000. Doing this is wise as it wipes the principal and interest payments from our books for the next year and the final two years thereafter. For 2007, this saves the City budget \$2,134,187 and very similar amounts for 2008 and 2009.

Combined with the reduced personnel and health benefit costs related to layoffs and elimination of vacancies that have already occurred, this produces major savings and reduced costs for 2007 and therefore puts us in a better position to deal with the a General Fund deficit.

It was proposed to use a \$10.5 million dollar Tax and Revenue Anticipation Note to eliminate the general fund deficit, commence the payment of past due invoices and to provide relief to the utility funds. Additionally the proceeds would also be used for the repayment of federal grants, workers compensation funds and other needs. The proposed amount of the TRAN was later reduced by City Council to an approval of a \$7.2 million dollar Tax and Revenue Anticipation Note. This resulted in a \$3.3 million dollar deficit being carried over from 2006 to 2007. The 2007 budget was altered accordingly to compensate and absorb the deficit carry over.

To further aid in the reduction of the deficit carry over there was a 1.5 mills tax rate increase to sustain current operations and staff, including police officers.

In a related budget matter, the Sewer Revenue Trust Fund has experienced deficits last year and this year. This pertains to the operation of the Advanced Wastewater Treatment Plant and Sewage Conveyance System which serves all or part of seven municipalities.

Under the relevant sections of the Sewer Revenue Trust Indenture, binding on all seven municipalities, when this circumstance occurs we are mandated to make rate adjustments. To eliminate this condition and to prevent a third year deficit in 2007, a 15% rate increase is required.

For a household of four persons, the annual wastewater flow is 65,000 gallons. This would mean an increase of \$2.87 per month. For smaller households, it would be less.

The other six municipalities are also increasing their sewer rates, too. These six other municipalities actually provide more wastewater flow than the City and will therefore collectively provide more of the sewer revenue than City-based customers.

If a rate increase did not occur, it would mean the City's General Fund would have to subsidize the wastewater plant and conveyance system, meaning we would be covering the costs for sewage treatment for residents and businesses in six other communities.

In review of the budget proposal, it is important to consider the overall purpose of government. We are expected to provide a variety of services and many of them are mandated by law.

Progressive communities and free societies need institutions that are sound and solid and have the capacity to be proactive and responsive. It is not enough to do the bare minimum or less. It will take additional resources to be at this level for Harrisburg city government.

While improved technologies allow for increased efficiencies, better data and greater performance, the fact remains that most of our functions require staff to be in place.

For calls for police or fire services, it takes officers or firefighters with equipment and vehicles to respond. For street sweeping, it takes a person driving that apparatus. For trash pick-up or sewer line maintenance or other public works functions, it requires trained personnel to do these chores. For parks to be maintained or recreational programs to be conducted, it takes staff with equipment and supplies. No computer can do these things. It takes people who are hired, trained and dedicated to getting these tasks completed on a daily basis.

Reduction in staffing and operational expenses, imposed in these times, make these basic tasks a constant challenge. No further can there be more reductions without compromising the integrity and capacity of the City to meet its statutory and moral obligations. Already, work backlogs are commonplace. Present demand for service exceeds capacity.

This must be uppermost in thought when reviewing this budget and its key components.

HARRISBURG'S PROGRESS

There is good news to also report.

For the 18th consecutive year, Harrisburg has received the Certificate for Achievement of Excellence in Financial Reporting. It is the highest award in the nation for financial reporting and accounting.

For the past sixteen years, the City has also received the Distinguished Budget Presentation Award, the highest award in the United States for budgeting.

There are 2,566 municipalities in Pennsylvania. Only three have received both of the nation's top fiscal awards. What this means is that this City has set and consistently maintained higher standards for public financial management than are conventionally used. It should therefore underscore the City's resolve in assuring accurate and comprehensive financial information.

The Harrisburg Police Bureau has retained National Law Enforcement Accreditation, the highest recognition in the country for high law enforcement standards related to training, policy and performance. Out of over 21,000 police agencies in the nation, less than 600 have attained or retained national accreditation. Harrisburg was only one of eight police agencies additionally designated a Flagship Agency, an even more distinctive honor.

The Harrisburg Fire Bureau is in the final stages of completing requirements for National Fire Agency Accreditation, as well. Meanwhile the City's special events and parks and recreation programs continue to receive national awards, including the Tree City U.S.A. Award for the 19th consecutive year.

Harrisburg's economic development pace continues. This year, we have already exceeded \$125 million in new investment activity. This brings the total of economic development in the current era to

over \$4 billion. The number of businesses on the tax rolls, which was 1,908 when we first began, is today over 8,800.

While there has been some increase in the crime rate in the past twelve months, the general trend in this era has been downward, with a 55% reduction in Part I crimes. The fire rate has declined 77% and the vacant property and unemployment rates have also dropped.

The pace of housing renewal and construction has also increased. More market rate homes are being sold or rented. Neighborhood renewal work can be seen from Allison Hill to the Uptown. In some areas, entire neighborhoods are undergoing transformation with visible progress from construction work.

Thus far, the City itself has been involved in the rehabilitation or construction of over 5700 residential units since 1982, making the City arguably the largest residential development sponsor in Central Pennsylvania.

The Northern Gateway Project will be under construction next year, providing significant added access to and from the City and opening extensive areas of mostly vacant neighborhood land areas for new development.

Of far greater significance is the further advancement of the Southern Gateway Project. This will accord an entirely new means of access to and from the city and create extensive new development opportunities for commercial, residential and retail uses. It will transform the areas from Chestnut to Paxton Streets and is considered the largest long-term economic development project pending in the state.

Amongst the dozens of neighborhood-based projects, the Seventeenth Street Corridor Project, involving residential and commercial renewal of that strategic route connecting to Interstate 83, is now moving forward with planning and action steps.

Tourism continues on the rise and accounts for an increasing amount of business activity and job creation. Over 4 million people per year visit this Capital City. The City's parks system and special events programs play host to over 2 million citizens per year. The citywide neighborhood-based recreation program conducted by the City attracted 374,100 attendances this past summer, while the fall and winter recreation program reached 102,900.

The City's emergency management and floodplain land use programs have again garnered national recognition. Harrisburg this year was upgraded --- for the fourth time --- in its flood insurance classification. The immediate effect of this is to accord every property owner a 20% reduction in the base premium for flood insurance. Harrisburg has the highest rating in Pennsylvania and is one of only 72 communities nationwide with an equal or better classification.

Harrisburg, in its emergency management work, continues to be the statewide administrator of Pennsylvania Task Force One, one of 27 federally certified urban search and rescue teams. We are additionally the statewide administrator of Pennsylvania Task Force Two, which is the in-state response operation of similar nature and comprised of nine regional task forces. Our costs for doing so are covered by federal and state funds.

Task Force One was dispatched twice to the Gulf Coast in the wake of Hurricanes Katrina and Rita last year. Elements of the Task Force were activated for the late June flooding of this year in Pennsylvania and dispatched to Susquehanna County, where extensive property damage and loss of life occurred.

Noteworthy is that Harrisburg, based on higher-than-realized flood forecasts, also mobilized for this flooding at a cost of \$80,000 which was not subject to any federal or other reimbursement and contributed to this year's deficit.

One of the most exciting aspects of Harrisburg's further progress is our evolution into a major center for education.

The new Harrisburg University of Science and Technology is now in its second year of operation. Ground has been broken for the new 16-story Academic Center to be built at 4th and Market Streets.

This is the first comprehensive university chartered in Pennsylvania in 100 years. Its curriculum emphasis on math, science and the technologies addresses a significant skills gap in the American workforce and positions Harrisburg as a place where workforce development shall attract the businesses and jobs that fuel the 21st Century economy.

Already, we see this happening. The Life Sciences Greenhouse has moved to the same block as the University. Yards away are the newly relocated headquarters of the Technology Council of Central Pennsylvania. The new Pennsylvania Institute of Homeland and Defense Technologies is being established here. The global firm, University Exchange Company, is moving from Park Avenue in New York City to the Harrisburg Transportation Center. A technology corridor is now part of Harrisburg's continuing economic development renaissance.

Complementing this is the Science and Technology High School, now in its fourth year of operation, which has a mirror curriculum to the University for Grade Levels nine through twelve.

SciTech High is but one of many major initiatives undertaken in our City's public educational system. The Early Childhood Program for 3 and 4 year olds is making a measurable difference in preparing youngsters for the first and later grades and for a lifetime of learning.

The After-School Program is an extension of the school day when mentoring, tutoring and homework occur. The Alternate Education Academy offers a structured educational environment for at-risk students so that they also have a real chance for success in life. The district wide emphasis on literacy is aimed at improving reading and writing skills. Professional development efforts are training teachers and administrators on proven best practices in urban education.

Curriculum has been upgraded. The vocational technical program, known as the Career and Technology Academy, has also been upgraded. School building renovations are creating modern educational facilities.

The improvement efforts in the public schools are a work in progress. Test scores are up. The number of students graduating has increased 93%. The number of graduates going on to higher education has risen 324%. Enrollment is up 39%. The dropout rate has dropped.

Dual enrollment programs have been established through which city students can earn college credits while still in high school and thus complete college sooner.

Harrisburg Area Community College is in the throes of a major expansion of their Midtown Campus, which will bring significant additional vitality to the Midtown and Uptown sectors.

Messiah College is now pursuing a major expansion of their Harrisburg Institute, which brings their college students into residency, learning and work projects in the City.

In a City where once there were limited options for inner city youth, we today have levels of new hope and opportunities unprecedented in City history --- with more to come.

In Harrisburg, Pennsylvania, nothing less than a comprehensive educational system from age 3, with the Early Childhood Program, to adult age, post-graduate university level is being created. In few cities in America is this happening.

When combined with our continuing economic development progress, the inter-connection of workforce development, local education, higher education and economic development offers profound long-term benefit that takes Harrisburg to an entirely new level of progress and opportunity beyond anything known in our past. We have come a long, long way from when Harrisburg was listed as the second most distressed city in the nation.

These gains and these developments in economic development, housing and neighborhood renewal, education, the new University, workforce development and government accomplishment are the work products of this government and are joined by our partners who assist in making all this happen.

In considering this budget proposal, the question therefore recurs. What vision have we of our City and our future? Shall the capacity of the City be diminished such that basic services are undermined? Or will we assure the continuation of progress? These questions get answered with the outcome of this budget process.

The rise in costs of the past five years is a fact of life that has been visited upon every city across the state and country. Cost reductions, cutbacks and savings have eliminated millions of dollars in costs and future expense. Still, we are faced with a remaining challenge. The choice will be clear and simple: either resolve this challenge now or allow it to carryover into next year and beyond and force significant staff and service reductions.

This budget has been crafted after extensive effort to provide a long-term comprehensive solution that allows the City to go forward in positive terms.

We remain unconditionally committed to the high ideals of public service and to the achievement of good and noble purpose. That continues to be our calling and our quest --- a quest that Harrisburg will achieve its full potential as a City inclusive and a City of greatness.

The 2007 Budget is submitted in that spirit.

A handwritten signature in black ink, appearing to read "Stephen Reed", written in a cursive style.

Mayor Stephen R. Reed

2007 POLICY AND PROGRAM INITIATIVES

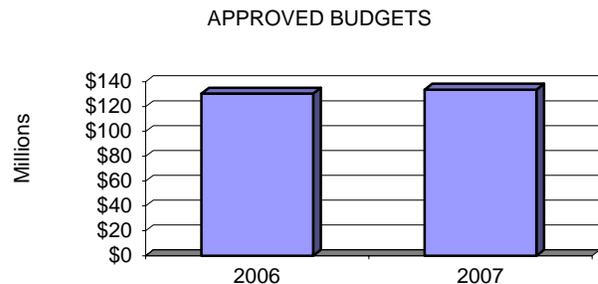
Mayoral and Councilmanic goals and objectives dictate budgetary decisions and resource allocation. Every year, through the budget process, Mayoral and Councilmanic goals and objectives are evaluated to determine appropriateness in light of limited resources. The culmination of the budget review process redefines the policies and program initiatives by which the City's goals and objectives will be accomplished in the upcoming budget year. While Harrisburg has emerged as a front-runner in municipal government, as demonstrated by the numerous awards received in all facets of municipal government, it must continue to examine its goals and objectives, as well as the methods to accomplish such, to determine the best course for this City to ensure a vibrant future.

The 2007 Budget focuses its attention on maintaining the current level of services that the City provides to its residents, business owners and the region. The 2007 Budget contains a 1.5 mill tax increase. There has been only two real estate tax increases in the past nineteen years. Business and mercantile tax rates have not increased in the last twenty-three years. The 2007 Budget also contains a 13.5% sewer rate increase.

Citywide:

The total number of budgeted positions is 635.00 for 2007 compared to 682.50 for 2006, a net decrease of 47.5 positions. A net of nineteen employees have been eliminated from the Department of Public Safety. The elimination of vacant positions has reduced overall compliment in the Departments of Administration, Building and Housing Development, and Parks and Recreation, as well as General Government. Every year, operations are evaluated, which results in the elimination of certain vacant positions and the creation of others in an effort to maximize efficiencies. Since 1995, the number of permanent full and part-time budgeted positions has been reduced from 811.68 to 635.00, a reduction of 176.68 positions. Work performance and productivity have increased while services have not been eliminated or reduced.

The 2007 Approved Budget allocation for all funds is \$133,593,453 compared to \$130,412,889 for 2006. This is an increase of \$3,180,564 or 2.4%. Despite contractual salary increases, higher health benefit costs, and ballooning energy-related costs, overall spending in the General Fund contracted by \$362,566 in 2007.



General Fund:

In 2006, the General Fund budgeted to received \$1,278,524 from previously unappropriated and undesignated Sanitation Utility Fund monies. This level of transfer has been increased in 2007; a similar transfer of previously unappropriated and undesignated Sanitation Utility Fund monies of \$1,515,628 will occur. The City expects real estate tax revenue to increase slightly in 2007, the result of a 1.5 mill tax increase. Intergovernmental revenue is also projected to increase due primarily to an expected increase in receipts from the Harrisburg Parking Authority pursuant to the Coordinated Parking Agreement as well as Capital Fire Protection. No Fund Balance has been appropriated.

Administration:

The Department of Administration will continue to provide administrative support to all areas of government. The Bureau of Operations and Revenue will continue with its successful monthly billing program. In 2004, the Bureau of Financial Management implemented Government Accounting Standards Board Statement No. 34 (GASB 34). This new reporting-model enhanced the clarity and usefulness of governmental financial statements to the citizenry, investors, and creditors. In 2007, the Bureau of Financial Management will implement GASB 44 to further enhance the clarity and usefulness of it's financial statements. The Bureau will also be analyzing performance measures, benchmarks, and activity-base costing.

Building and Housing Development:

In 2007, the Department of Building and Housing Development will continue its successful Citywide Rental Inspection Program, which began in 1996. This program is aimed at curtailing the negligence of irresponsible landlords. Additionally, the City anticipates a further expansion of the Citizen Inspection Program, begun in 1997, which involves trained citizens who voluntarily work in their respective neighborhoods to deal with exterior nuisance problems such as high grass and trash accumulation. The Citizen Inspection Program empowers residents to take a direct role in improving and preserving the quality of their neighborhoods.

Public Safety:

In 1998, community policing became fully operational in the Bureau of Police. 2007 will mark the ninth full year of community policing. The concept of community policing is not new to the City; however, for many years the City could only provide limited services. Until 1998, calls for service were on a Citywide basis. Citywide policing minimized the degree to which an officer could become extremely familiar with individual neighborhoods and the people who live there. This new focus on community policing greatly expands police presence and interaction at the neighborhood level through deployment of the majority of uniformed officers by foot, bicycle, and horse patrol to permanently assigned neighborhood or zones. For the period January 1 - October 31, 1998, the Part I crime rate was the lowest for any year in City history, thanks in part to community policing. The Bureau of Police retained its National Police Accreditation recognition again; a recognition first attained in 1989 and retained in 1994, 1999, 2002, and 2005. In 2003, the Bureau of Police achieved state accreditation, only one of eight in the Commonwealth to hold dual-accredited status.

Similarly, the City will continue the multi-year process of achieving National Fire Service Accreditation in 2007, for the same reason it has already attained National Police Accreditation-the commitment to independently verifiable standards of excellence for the public services it renders. If successful, the City will be the second Fire Department in the State to receive Accreditation.

Public Works:

A new program that was implemented in November 2000 is the demolition of blighted properties by the City's Department of Public Works. This is the first time that the City of Harrisburg has ever directly performed this work. Under the direction of the Department of Public Works, City facilities will continue an electrical power cleaning and conditioning project which is designed to reduce and possibly eliminate energy demand spikes. The reduction and elimination of spikes in energy demand will significantly reduce electricity expenses for the City since a portion of the energy charge is based on peak demand for power. This project began in 1999 and saw significant savings in electrical costs in the first year. This department was responsible for a lighting replacement and improvement project in 1996, which resulted in a 70% reduction in lighting costs.

Parks and Recreation:

The Department of Parks and Recreation has evolved out of this Administration's policy views: that recreation and sports are an integral part of creating and maintaining a good quality of life, and that Harrisburg's future is inseparably intertwined with being the regional hub for commerce, entertainment, recreation, sports and the arts. Harrisburg has the largest parks and playground system of any municipality in the region. Funding is included in 2007 to maintain the mid-state's most extensive year-round recreational programming. The City's special events attract over 2.1 million participants and spectators each year who also contribute to the economy of the City and the region.

Water Utility Fund:

On March 1, 1990, The Harrisburg Authority (THA) purchased the Harrisburg Water System, previously owned and operated by the City. Through a formal Management Agreement between the City and THA, the City retained responsibility for operating the system. The accord was arranged to provide for long-term capital improvements and represents the largest water improvement and expansion program ever undertaken in the City's water system. The single largest project in the Water System Improvement Program was the construction of the new water filtration and treatment plant, which became operational in late 1994. The construction of this plant was mandated under Federal law. Additionally, the construction of an intake system to draw river water as a backup water supply was included, along with a new pumping station, which sends water to the new filtration plant. Phase III of a four-phase project provided for repairs and improvements to the DeHart Dam Spillway and Intake Tower and was completed in 2003. Phase IV will commence in 2005 - 2006, which will provide repairs to Carlsonville Weir and roadway improvement at the DeHart Dam Facility. Additionally, the Water Bureau personnel will continue to perform in-house cleaning and restoration of water mains in the uptown area to improve water quality and fire flows.

Sanitation Utility Fund:

Since 1993, the Sanitation Utility Fund has reduced the number of budgeted positions from 46 to 23.50 by effectively replacing three-person crews with two-person crews in specific areas of the City. These efficiencies have produced significant cost savings in the Sanitation Utility Fund.

Landfill/Incinerator Utility Fund:

The City has managed and operated the Harrisburg Resource Recovery Facility (HRRF) for THA since it was sold to THA on December 23, 1993. In 2003, the City ceased operation of the existing incinerators. On November 5, 2003, Harrisburg City Council approved financing for the retrofit and modernization of the incinerators. On December 30, 2003, THA closed on such financing. Modernization construction commenced in June of 2004, with startup scheduled to begin the latter part of 2005 and commercial operation commencing in 2006. The combustion units at the modernized HRRF are designed to process an aggregate of 800 tons of municipal solid waste per day, while meeting all existing standards for emissions. In addition to the disposal of trash, the facility will generate steam and over 24 megawatts of electricity, which dovetails with the City's goal to foster alternate energy sources.

Sewerage Utility Fund:

Sewer improvements began in 1998 through the Commonwealth of Pennsylvania's PENNVEST program. The PENNVEST program provides matching funds and low-interest loans for approved sewer repairs and improvements. The Harrisburg Advanced Wastewater Treatment Facility (AWTF) has been recognized nationally as the recipient of the United States Environmental Protection Agency's National Pretreatment Program Excellence Award in 1991. The Award was given in four categories based on the actual daily flow of the publicly owned treatment works. Harrisburg's AWTF won first place in the nation in the "over 20 million gallons per day" category. This is the top award in the nation and recognizes Harrisburg as implementing effective and innovative environmental protection and pollution control programs and acknowledges the municipality's commitment to the protection and improvement of the nation's waters through the operation of exemplary pretreatment programs. The AWTF also won first place in the 1992, 1993, 1995, 1996, 1997, 1998, 1999, 2000, and 2001 Pennsylvania Operations Challenge and continued to the national competition where they improved their 16th place finish in 1992 to place 10th in 1993, 13th in 1995, 4th in 1996, 8th in 1997, 6th in 1998, 7th in 1999, 8th in 2000, and 12th in 2001. These awards illustrate Harrisburg's AWTF as one of the nation's top sewerage facilities in overall operation and compliance. In addition, the superintendent of the City's AWTF was named the state's Operator of the Year for 1993.

HOW TO USE THE BUDGET DOCUMENT

This page provides an explanation of the format and content of the Fiscal Year (FY) 2007 Budget document. To find the exact location of this information, please refer to the **Table of Contents**. The major portions of the document are described as follows:

Mayor's Budget Message

The Mayor's Budget Message highlights the major changes in City services, policies, and requirements contained in the 2007 Budget.

Policy and Program Initiatives

This section illustrates Mayoral and Councilmanic goals and objectives which provide direction and budgetary decisions and allocations. Also, new and redirected policies and programs are presented.

Additional Introductory Information

This introductory information consists of a pictorial presentation of the City's **Elected Officials** and **Organizational Chart**, and a narrative describing the City's **Organizational Structure**.

Budget Overview

Contained within the Budget Overview is the **Budget and Finance** section. This section describes the financial and operating policies and procedures that guide the development of the City's budget. Additionally, the **Budget Summary** section provides the reader a series of financial summaries with information on revenues, expenditures, and staffing levels for FY 2007 and prior years.

Budget Detail

These sections contain information on FY 2007, as well as historical revenue and expenditure information for the **General Fund, Special Revenue Funds, Debt Service Fund, and Utility Funds** operating budgets. Within each is an organizational chart, a brief description of the services provided, and relevant performance objectives and indicators. This detail of fund and corresponding department budgets is represented according to:

- Description of individual programs - a listing of the department, bureaus, offices/divisions, and corresponding functions.
- Performance measures and accomplishments - listing actual performance of the department by program for FY 2003 - 2005 actuals and projected performance for FY 2006 and 2007.
- Summary of resources (projected revenue) and appropriations (proposed expenditures) - total fund budget.
- Detailed information on the staffing compliment of all budgeted positions.
- Line-item detail - provides detail of revenues and expenditures for FY 2003 - 2005 actuals, FY 2006 approved budget, FY 2006 projections, and FY 2007 approved budget. Revenue line-items identify specific funding sources. Expenditure line-items are categorized as personnel, operating, capital, debt service, grants, miscellaneous, and transfers.

Capital Improvement Plan

This section contains a multi-year plan to provide for equipment acquisition, improvement to public facilities and infrastructure and new construction.

Appendices

Provides supplemental information on a variety of topics which are included in the **Community Profile, Statistical Section, Glossary of Terms, Glossary of Abbreviated Terms**, and the City's **Budget-Related Ordinances**.

Harrisburg's Elected Officials



Mayor
Stephen R. Reed



Council President
Vera J. White



Council Vice-President
Susan C. Wilson



Council Member
Patty Kim



Council Member
Daniel C. Miller



Council Member
Gloria E. Martin Roberts



Council Member
Linda D. Thompson



Council Member
Wanda R. Williams

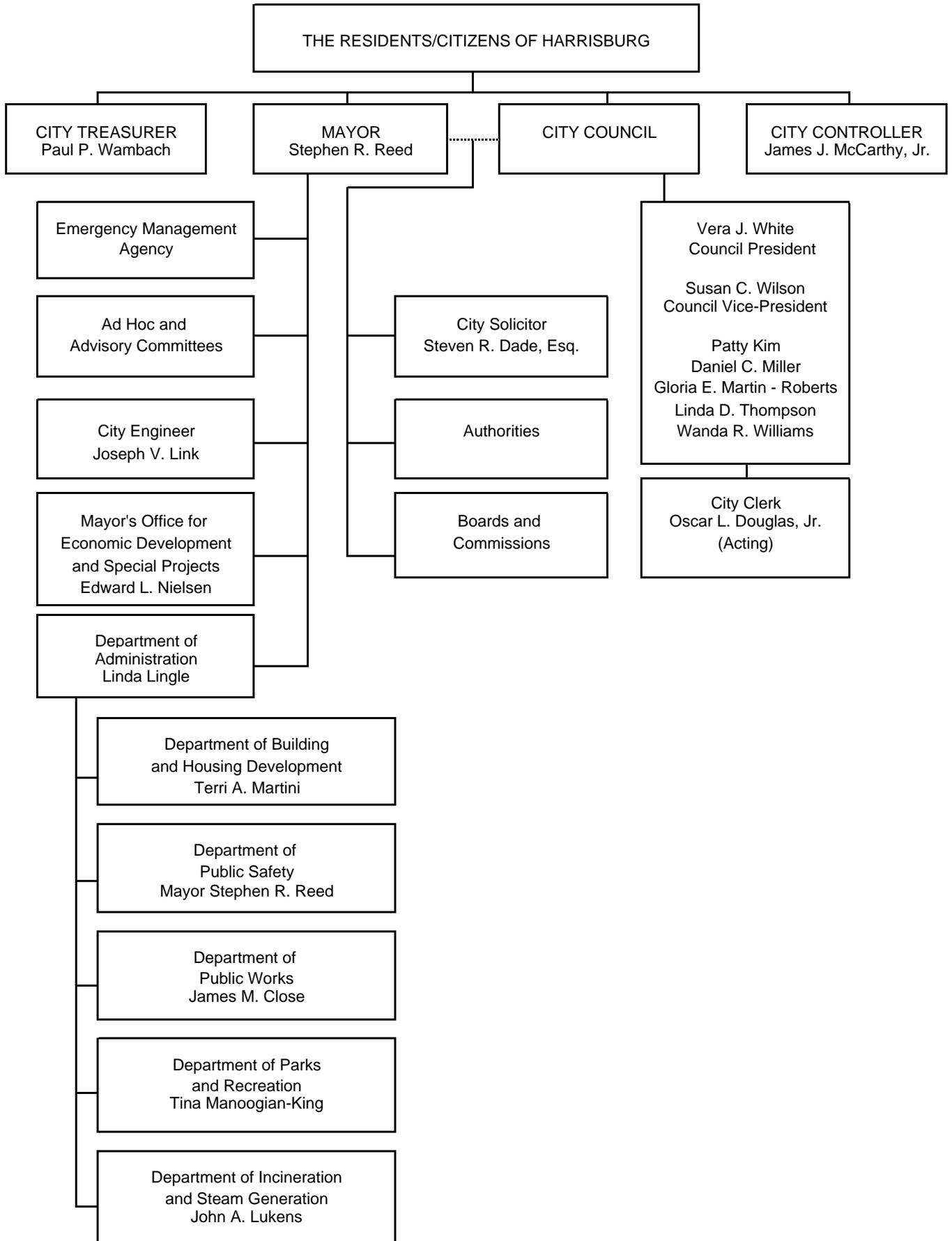


City Controller
James J. McCarthy, Jr.



City Treasurer
Paul P. Wambach

**CITY OF HARRISBURG
ORGANIZATIONAL CHART**



Note: Additional organizational charts are included in the budget document for each department to further illustrate the delineation of authority.

CITY OF HARRISBURG ORGANIZATIONAL STRUCTURE

The City of Harrisburg has a "Strong Mayor/Council" form of government. The Mayor is the full-time Chief Executive Officer, and City Council Members are the separate, part-time Legislative Body. The Mayor possesses the power to veto legislation. The veto would require a two-thirds vote of City Council to override. As the Chief Executive Officer, the Mayor prepares and submits his budget to City Council for review and approval. Organizationally, this provides the Mayor an institutional focus for planning, programming, and developing policy. In fact, the Mayor clearly and directly has the authority and responsibility to determine public policy relating to financial and administrative matters with appropriate oversight by City Council.

On, or about, March 19 (the anniversary of the City's Incorporation as a City in 1860), the Mayor provides the "State of the City" address at a public event. This address presents the general state of the City's finances and overall economy and describes the policies established in the fiscal year budget approved by the Mayor and City Council. The Administration is charged with the responsibility of carrying out the Mayor's policies as set forth by the Budget and in Executive Orders issued throughout the year. He provides specific direction through monthly cabinet meetings held on the second Monday of every month, as well as through Executive Orders. The cabinet meetings are as much a means for cross-communication among members as they are a forum for delegation by the Mayor. There are 20 members of the cabinet consisting of all department and office directors, certain deputy department directors, and select staff members.

The Mayor, as chief executive, has the sole authority to select, direct, and oversee his Administration. As head of the Executive/Administrative Branch of government, the Mayor appoints the Business Administrator. The Business Administrator is the Chief Administrative Officer of the City and is responsible for conveying mayoral instruction to directors and deputy directors. With a top-down form of management, department directors and deputy directors are fully accountable for departmental operations. This includes overseeing supervisory line management to assure that the City's goals and priorities are met.

The formal organizational structure of the City comprises General Government operations and five departments: Administration, Building and Housing Development, Public Safety, Public Works, and Parks and Recreation. The City's administrative focus is the department. The largest organizational component within a department is the bureau. The structural design of the bureau is closely tied to service output or function. Bureaus provide separation of duties within each department. With responsibilities delegated at such a definitive level, many bureaus can be interpreted as local government programs. A further delineation by division/unit emphasizes the distribution of work loads to achieve a specific output. To evaluate this output, the Budget staff has incorporated policy objectives and performance measurements into the budget document to analyze the effectiveness and efficiency of service delivery. Meeting organizational goals and objectives is the ultimate outcome each department is attempting to achieve.

To account for departmental and office fiscal transactions, the City utilizes the fund basis of accounting whereby all governmental activities are accounted for through a series of distinct funds which include reporting entities to control resources and demonstrate compliance with various legal and budget constraints affecting government. The General Fund accounts for all resources not otherwise devoted to specific activities and finances many of the basic municipal functions. Other governmental funds include Special Revenue Funds, Capital Projects Fund, and Debt Service Fund. The City also has an expendable Trust Fund and four Utility Funds. The budget is organized by fund and is further identified by revenue and expenditure detail.

Some departments combine the operations of more than one fund. The Department of Building and Housing Development combines General Fund operations with Community Development Block Grant (CDBG) Fund operations. Additionally, the Department of Public Works combines General Fund and State Liquid Fuels Tax Fund operations with three Proprietary/Utility Fund operations. This is significant because the systems of three Proprietary/Utility Funds, the Water Utility (water distribution system), the Sewerage Utility (sewerage collection, conveyance and treatment system), and the Incineration and Steam Generation facility (resource recovery facility) are owned by The Harrisburg Authority (THA) but, through management agreements, are operated by the City. Under the agreements, THA provides for capital improvements and finances operations through the establishment of customer/user fees. The Sanitation Utility Fund also comes under the Department of Public Works but is owned and operated solely by the City.

The Offices of General Government, departments, and bureaus listed below are part of the General Fund with the exception of CDBG operations; Bureaus of Water, Neighborhood Services - Sanitation, and Sewer; State Liquid Fuels Tax Fund; and the Department of Incineration and Steam Generation. Further discussion regarding the departments will involve a summary of the roles of management and supervisory personnel.

General Government encompasses eight offices, which include separate offices for elected officials. The Office of City Council is made up of seven at-large elected members headed by the Council President. The City Clerk provides technical and administrative support to City Council.

The Office of the Mayor is the administrative office for all mayoral activities. The Mayor, who is elected, is the highest ranking official. Mayor's Office personnel include a Senior Assistant, an Advisor to the Mayor/Director of Communications, one additional assistant, and other support staff who conduct the day-to-day business of this office.

The City Controller and the City Treasurer are part-time elected officials. Each has an office to provide required public service. Both have full-time deputies who are delegated to carry out daily operations.

The Office of the City Solicitor, also referred to as the Law Bureau, is headed by the City's Chief Counsel, the City Solicitor, who is appointed by the Mayor and confirmed by City Council. This Office ensures that the policies adopted and actions taken by the Mayor and City Council fall within the limitations and authorities prescribed by federal, state, and local statutes and ordinances. Assisting the City Solicitor is the Deputy Solicitor, staff attorneys, and support staff.

The Harrisburg Human Relations Commission consists of nine unpaid persons appointed by the Mayor and confirmed by City Council. An Executive Director, responsible to the Commission, operates an office for promoting fair housing and investigating any reports of discriminatory practices.

The Office of the City Engineer, headed by the City Engineer, provides professional engineering services for the maintenance of City streets and utility systems. The Office also ensures the construction of City streets and utility systems are in accordance with City ordinance, state laws, and sound engineering practices. This office also maintains the official real estate registration for the City.

The Mayor's Office for Economic Development and Special Projects, headed by a Director, implements the economic development plan of the Administration. This plan emphasizes Minority and Women Business Enterprise and Business/Industrial Development. A Deputy Director acts as the Contract Compliance Officer, and carries out other specific functions of the plan. The Director also oversees any special projects that will provide leadership for diverse long-term projects undertaken by the City.

The Department of Administration works with the Mayor to uphold policy by overseeing the administrative management and supervision of all City departments. The Business Administrator works with department directors, deputy directors, and bureau directors to assure the proper administration of their operations and is responsible for the negotiation of all three collective bargaining contracts. This department has one Deputy Business Administrator. The Deputy serves as Director of Financial Management, directing the Accounting, Budget, Insurance and Risk Management, and Purchasing Offices with the assistance of three office managers and is responsible for administering Debt Service, General Expenses, and Transfers to Other Funds as well as the City's insurance, workers' compensation, and loss control programs. The Bureau of Information Technology is headed by an Acting Director and oversees all of the City's information and communication systems. The Bureau of Human Resources, headed by a Director, manages the City's human resource operation which includes payroll processing, maintenance of personnel records, recruitment for vacant positions, and administering the City's benefits programs. The Bureau also participates in the negotiation of collective bargaining contracts. The Bureau of Operations and Revenue, headed by a Director, is responsible for the billing and processing of property and mercantile taxes and utility revenue, and collection activities on delinquent accounts. In order to carry out these functions, the Director is assisted by a Tax and Enforcement Administrator and an Operations Manager.

The Department of Building and Housing Development is supervised by a Director, who is accountable for all CDBG Programs. The department has two Deputy Directors. The first deputy serves as the Deputy Director of the Bureau of Planning and is primarily responsible for promoting orderly development throughout the City. Additional management staff include a Current Planner and an Urban Planner. The second deputy administers the day-to-day activities of the Bureau of Inspections and Codes Enforcement. This bureau initiates all zoning and building inspection efforts of the City. Additional management staff include an Assistant Codes Administrator.

The Department of Public Safety consists of the Bureaus of Police and Fire. The Mayor is the Director of this department. Although the Police Chief and Fire Chief attend the Mayor's cabinet meetings, they also meet separately with the Mayor and the Business Administrator weekly to discuss relevant public safety issues.

The Bureau of Police is headed by the Police Chief and three captains. These positions are all classified as management. Uniformed officers under the rank of captain are not classified as management personnel. Lieutenants, sergeants, and corporals fulfill supervisory roles. The three captains head the Uniformed Patrol, Criminal Investigation, and Technical Services divisions. Within these divisions, additional organizational components exist. Many of these sections or units carry out specified police activities. The variety of police operations and the number of approved personnel make it the largest and most complex bureau in the City's organization. The Police Accreditation Program accounts for some of the structural delineations in this bureau because many stipulations for accreditation require appropriate separation of duties.

The Bureau of Fire, headed by a Fire Chief and two Deputy Fire Chiefs, maintains four fire houses and a large complement of fire fighting apparatus with full-time personnel to support these facilities. Other personnel are uniformed firefighters, some of whom are assigned to specific details such as fire safety and fire inspection.

The Department of Public Works consist of four General Fund bureaus, three Utility Funds, and a Special Revenue Fund: Office of the Director, Neighborhood Services - City Services, Vehicle Management, Building Maintenance, Water, Sanitation, Sewerage, and the State Liquid Fuels Tax Fund. Many of the services provided by the Department of Public Works require a twenty-four hour, seven-day-per-week schedule. The crucial utility infrastructure services which are maintained around the clock include water and sewerage facilities, traffic signal engineering, and general management of City streets in the event of an emergency. The Office of the Director oversees the entire operation of Public Works and serves as an advisor to the Mayor regarding any serious conditions, thus promoting a concerted effort within the Administration to cope with unforeseen problems.

The Department Director is assisted by two Deputy Directors. The first deputy serves as the Deputy Director for Public Works Operations and is primarily responsible for the operation of the Sewerage Utility, although special assignments are completed as requested by the Director. The Deputy Director for Public Works Operations also coordinates efforts between THA and the City on all issues related to water, resource recovery, and sewerage system operations. The second deputy oversees the Bureau of Neighborhood Services, which is comprised of City Services, Sanitation, and the State Liquid Fuels Tax Fund. The Bureau of City Services manages the City's street and sewer line maintenance and repairs and, in addition, performs leaf collection, debris removal, demolition, and related duties, maintains 91 signalized intersections, streetlight repair, and the installation of all traffic control signs within the City. In order to carry out these functions, the Deputy Director is assisted by a Deputy Director of Neighborhood Services, who supervises the twenty-one member work crew and a twenty-two member sanitation crew that is funded from the Sanitation Utility Fund. The Bureau of Vehicle Management, managed by a Director, services all City vehicles and vehicular equipment. The Director of the Bureau of Building Maintenance supervises the staff charged with the upkeep of the City Government Center Complex as well as the Duplication Center.

As mentioned earlier, three utility funds are also part of the Department of Public Works. The Water Utility Fund (Bureau of Water) consists of three divisions: Administration, Distribution, and Operations/Maintenance. The Bureau Director oversees the entire water system operation. Two superintendents manage the infrastructure details and an Administrator of Water Quality operates the laboratory. The Sanitation Utility Fund (Bureau of Neighborhood Services - Sanitation) has a twenty-two member crew, and as noted earlier, is managed by a Deputy Director. The Sewerage Utility Fund (Bureau of Sewerage) consists of four divisions: Administration, Operations, Maintenance, and Field Maintenance. As noted earlier, the departmental Deputy Director for Operations oversees this bureau with the assistance of three supervisors.

The Director of the Department of Parks and Recreation oversees all parks and recreation operations, including coordination and marketing of special events, park planning and development, park security, and the publication of a periodic recreational guide. The Director of the Bureau of Recreation manages all recreational activities for the City. The Director of the Bureau of Parks Maintenance directs the maintenance of parks and other public open spaces throughout the City.

The Department of Incineration and Steam Generation is headed by a Director, who is supported by an Administrative Supervisor. Organizationally, this is the only Utility Fund that has departmental status. This is largely due to the complexity of the operation. Ordinarily, the facility serves as the City's municipal solid waste (MSW) disposal site, MSW Incinerator, steam generator, and electrical production facility. The incineration of MSW eliminates the necessity to send this waste to a landfill, saving valuable land space. The steam produced is sold for use in homes and businesses and to produce electricity. This alternative energy generation through the combustion of MSW reduces dependence on foreign fuel sources. In 2003, the incinerator units were shut down and the Facility was retrofitted, becoming operational, once again, in 2006. The retrofitted Harrisburg Incinerator utilizes state of the art technology to meet all current Pennsylvania Department of Environmental Resources and Environmental Protection Agency criteria required for such a facility.

The City is unique in providing a full array of services including utility operations. Many cities with similar demographics do not have the resources to carry out these complicated operations. Harrisburg has used an entrepreneurial approach to solving problems resulting in substantial new energy and non-tax revenue for the City while meeting public needs. Through improved productivity, the Administration intends to expand services where necessary and minimize costs.

BUDGET AND FINANCE

SCOPE OF THE BUDGET

The budget for the City of Harrisburg is a multifaceted document that expresses spending policy for the fiscal year, illustrates a resource allocation plan for the Administration to implement, describes the services provided, and provides a means of communication between citizens and elected officials.

The budget spells out a management strategy through specific objectives designed to provide the best services at the most efficient cost. With regard to the delivery of services, these objectives must produce measurable results as key indicators of the effectiveness and efficiency of government policies and programs. Programs must be evaluated every year to determine their legitimacy since limited resources must be allocated between existing programs and the need for new ones. Also, the success of programs and the efficiency with which policy goals are met constitute two performance measures by which managers are evaluated for tenure and annual salary increases.

Interplay between elected officials and input from citizens via budgetary hearings and public access to the budget, further enhances the democratic process involved in the public programming and financing. Elected officials, who experience a wide range of pressures and competing interests, must take the initiative to hold the line on budget growth. As the chief executive, the Mayor is at the center of the budgeting process, commanding a comprehensive perspective on disparate interests. It is the Mayor who takes the lead in determining budgetary policies within an environment of competing priorities and limited local government resources. City Council then examines the Mayor's proposed budget and has the opportunity to make amendments before approving it in final form.

In summary, the budget is a policy instrument, a financial plan, an operations guide, and a communicative device. The true art of budgeting reflects a combination of leadership, independent judgment, competent administration, and cooperation between the various branches of City government.

BUDGET PROCESS

The budget for the City is compiled by the Bureau of Financial Management's Office of Budget and Analysis. The fiscal year for the City of Harrisburg is January 1 to December 31. The actual budget preparation process gets underway in late July. One important element of this process is a cooperative effort between the Bureau of Financial Management and Bureau of Information Technology which produces the Position Control Salary Projection reports for all funds. This salary information is vital in preparing personnel projections because it incorporates proposed management increases and bargaining unit contractual increases. Such personnel data greatly assists department directors in determining salary costs for the budget requests.

During the last week of July, the Budget Preparation Manual is distributed to all department heads/bureau chiefs for use in establishing expenditure requests. The City has historically used an incremental budget technique in arriving at the requested figures. Incremental budgeting emphasizes changes in the costs of providing City services based on competing priorities. To evaluate these priorities, department directors/bureau chiefs examine historical trends of line-item costs using a five-year cost analysis to determine the needs of the department or office for the forthcoming year. The department's requests are input onto computerized budgetary spreadsheets that categorically incorporate requests into a singular format, distinguishing expenditures in the following manner: Personnel, Operating, Capital Outlay, Debt Service, Grants, Transfers, and Non-Expenditure Items. Once all the data is prepared, it is submitted electronically to the Office of Budget and Analysis. The Office of Budget and Analysis reviews all requests for accuracy and completeness and submits them to the Business Administrator. Subsequent to the Business Administrator's review, the draft and recommendations are forwarded to the Mayor for his review. In early October, mayoral budget hearings are held with each department as forums where department directors can substantiate their expenditure projections and justify their requests.

Forms are prepared and submitted to all department directors for use in developing projections for anticipated revenues for the ensuing year. This step usually occurs around the beginning of August. The Office of Budget and Analysis prepares the revenue projections for presentation to the Mayor, who will evaluate the budget gap between revenue projections and expenditure requests. The Mayor meets with the budget staff to determine the most viable means to balance the budget. Generally, two or three lengthy sessions are required before the budget is balanced and decisions regarding revenue and expenditure proposals are incorporated into the proposed budget document.

Pursuant to the City's Administrative Code, the Mayor's Proposed Budget is presented to City Council at the last legislative meeting in November, at which time the document becomes available to the public.

During Budget and Finance Committee meetings, set by City Council, all departments present to Council an estimate of the revenues and expenditures required to provide public services during the ensuing fiscal year.

City Council then makes appropriations and adopts the budget by ordinance no later than December 31. During the month of January following a municipal election, however, City Council may amend the budget with proper notice for public inspection of the proposed budget amendment. Any amended budget ordinance must be adopted by City Council before the 16th day of February. Within 15 days after the adoption of the budget ordinance, a copy of the same must be filed with the Commonwealth of Pennsylvania, Department of Community and Economic Development.

BUDGET CALENDAR

July-September	<ul style="list-style-type: none"> • Prepare and distribute expenditure request preparation manuals • Prepare and distribute revenue projection manuals • Update title and divider pages, table of contents, and organization charts • Compile expenditure requests returned from office/department directors
September-October	<ul style="list-style-type: none"> • Update the Budget and Finance section • Design cover for Budget • Prepare photo layouts • Develop revised revenue and expenditure projections based on Mid-Year Fiscal Report projections and actual activity to date • Mayoral budget hearings and review process with department directors • Update and distribute narrative and performance measurement preparation manuals • Update narratives and performance measurements as submitted by office/department directors
October	<ul style="list-style-type: none"> • Prepare a preliminary Summary statement of projected revenues vs. proposed expenditures • 1st and 2nd rounds of budget review with Mayor and Office of Budget and Analysis staff • Update Budget Summary section
November	<ul style="list-style-type: none"> • Final revision and proofreading of Mayor's Proposed Budget • Compiling, printing, and binding of Mayor's Proposed Budget • Mayor's Proposed Budget presented to City Council
December	<ul style="list-style-type: none"> • Councilmanic budget hearings and adoption
January-March	<ul style="list-style-type: none"> • Final revisions, printing, binding, and distribution of the Approved Budget

REVENUE PROJECTIONS

Using actual and projected data, various analyses are performed by the Bureau of Financial Management to project revenues. Revenue estimates are based on four different projection methods which incorporate growth rates over the previous ten years, current year receipts, collection rates where applicable, and important input from department directors and the Bureau of Operations and Revenue. Each projection method is tested against actual prior year revenues to determine validity. This validity test is conducted at the revenue line-item (detail) level, and only the projection methods deemed valid are utilized. In addition, unusual circumstances and one-time revenue sources are given appropriate consideration.

REVENUE PROJECTION METHODS

Method 1:	10-year Average Growth Rate x 2005 Actual Revenues at December 31, 2005
Explanation:	The ten-year average growth rate from 1996-2005 multiplied by the 2005 actual revenues is used as a projection for the 2006 revenues. By utilizing the average growth rate for an additional year, the 2007 revenues are projected.
Method 2:	2006 Actual Revenues at August 31, 2006 ÷ 8 months x 12 months
Explanation:	A monthly average of current year revenues is calculated based on eight months of receipts, which are then annualized to project current year revenues. Based on revenue trends and this method of projection for 2006 revenues, 2007 revenues are projected.
Method 3:	2006 Actual Revenues at August 31, 2006 ÷ (2005 Actual Revenues at August 31, 2005 ÷ 2005 Actual Revenues at December 31, 2005)
Explanation:	A percentage of 2005 revenues is determined from revenue receipts at August 31, 2005. The 2006 actual revenues at August 31, 2006, are divided by the percentage collected at August 31, 2005, to project revenues for 2006. By reviewing revenue trends in conjunction with this method of projection for 2006 revenues, the 2007 revenues are projected.
Method 4:	Percentage of 2005 Revenue Budget Collected at December 31, 2005 x 2006 Budget
Explanation:	2006 revenues can be projected by multiplying the percentage of 2005 Budget which was collected at December 31, 2005, times the 2006 Budget. By reviewing the historical actuals to budget ratios, assumptions can be determined to assist in 2007 revenue projections.

PERFORMANCE MEASUREMENTS

A Performance Program Budget (PPB) system utilizes specific program objectives to produce a desired output. The City currently does not present a formal programmatic budget; however, many aspects of the existing budget emulate the strategy of PPB. A program is a primary function of government which identifies clearly the delivery of a particular service to the taxpayers. The bureaus, divisions, and units actually represent individual City programs. An important exercise in preparing a PPB is determining performance measurements to meet specific program objectives.

The purpose of preparing performance measurements is to quantitatively determine the effectiveness and efficiency of departmental programs. The budget is the resource allocation plan for the City, and it identifies the financial input necessary to meet departmental objectives. Performance measurements, or indicators, measure the level of output against the input of budgeted funds. The end result should be to minimize the resources or dollars utilized to achieve a specified level of output. From a policy standpoint, these measures can provide data to decision-makers to assist them in providing better services to citizens at the least possible cost. They also can provide direction in appropriating available resources, identifying areas of service which may require more resources, and addressing strengths and weaknesses in achieving the objectives of the services being provided.

Performance measurements are based on a management objective established by the department director. These measurements concentrate on the performance of the entire bureau or division, not on an individual's performance. The activities measured are those required to meet the overall objective of the department/bureau. If the measured activity achieves most of its objectives and receives a highly satisfactory rating, then it is considered to be effective.

The 2007 Budget includes data measuring a department's performance. This data provides 2003, 2004, and 2005 actual data, 2006 estimates, and 2007 projections. An overview of the accomplishments for each program has been included for 2005, the most recent year for which actual data was available. Since the 2006 actual measurement data was not complete before the preparation of this document, department directors provided estimates. Using 2003, 2004, and 2005 actual data, and 2006 estimated data, department directors were able to determine 2007 projected measurements. In addition to analyzing historical trends, management evaluates all relevant changes which could affect performance output.

Since the City's management reserves the right to establish goals and objectives to determine the cost of service delivery, quantitative analysis of City services assists management in providing the best possible service at the least possible cost. It is hoped in the future that citizen surveys can become part of performance measurements to determine taxpayer satisfaction. Given the limited resources of time and staffing, such a survey is currently impractical. To some degree, however, the election process itself is an indication of taxpayer satisfaction.

BUDGETARY ACCOUNTING AND CONTROLS

A City Council ordinance establishes the annual budget for the General Fund, Special Revenue Funds, Debt Service Fund, and Proprietary (Utility) Funds. Budgets for all funds are prepared on a cash basis with respect to revenues and on an items vouchered basis with respect to expenditures. Some Special Revenue Funds are exempted from legally adopted budgetary requirements, such as Grant Programs Fund, Capital Projects Fund, and Expendable Trust Funds.

More than 125 different grant programs accounted for in the Grant Programs Fund are administered under project budgets determined by contracts with state and federal grantor agencies. Effective expenditure control is achieved in the Capital Projects Fund through bond indenture provisions. Control over spending in the Expendable Trust Fund is achieved by the use of internal spending limits.

The Business Administrator may authorize budgetary transfers of less than \$20,000 among budget line-items within a department or office. Transfers in excess of \$20,000 require approval of City Council. In the absence of budgeted financing, City Council may approve a supplemental appropriation from undesignated fund balances. Unencumbered appropriations lapse at year end.

The City maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget. The appropriations are authorized by ordinance at the fund level with the exception of the General Fund, which is appropriated at the functional office or department level. Within the General Fund, the Department of Administration has separate budgets for administration and general expenditures. These are the legal levels of budgetary control. Administrative control is maintained through more detailed line-item budgets. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control.

Encumbrances:

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the governmental and proprietary fund types. Encumbrances outstanding at year end do not constitute expenditures or liabilities, but are reappropriated in the succeeding year. The City records such encumbrances as reservations of fund balances in governmental funds which have fund balances at year end. Encumbrance accounting is used in proprietary fund types as a tool for budgetary control, but reserves are not reported. The subsequent year's appropriations provide authority to complete the transactions as expenditures.

FINANCIAL INFORMATION

The management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that assets are protected from loss, theft, or misuse and that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

Independent Audit:

The City's Administrative Code requires an annual independent audit of the books of account, financial records, and transactions of the City by an independent certified public accounting firm. In addition, various bond indentures also require such an audit.

In addition to meeting the requirements set forth above, the audit has also been designed to comply with the Single Audit Act of 1984 and related OMB Circular A-133. The independent auditor's report on the basic financial statements, along with the combining and individual fund statements and schedules, is included in the financial section of the City's Comprehensive Annual Financial Report. The independent auditor's reports related specifically to the single audit are included in a separately issued single audit document.

Single Audit:

As a recipient of federal and state financial assistance, the City is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. The internal control structure is subject to periodic evaluation by management and internal audit staff of the City.

As part of the City's single audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs and the City's compliance with applicable laws and regulations.

Cash Management:

The City's current investment policy is to minimize credit and market risk while maintaining a competitive yield on its portfolio. All cash which is temporarily idle is invested in interest bearing demand deposits, repurchase agreements, or statewide money market funds, thereby increasing the average yield on idle funds. A significant portion of the City's cash and investments is maintained in bank trust accounts under the management of trustees.

An ordinance of City Council requires that all deposits be held in insured, federally regulated banks or financial institutions and that all amounts in excess of federal insurance be fully collateralized in accordance with a state statute which requires banks to pledge a pool of eligible assets against the total of its public funds on deposit.

Basis of Accounting:

Although the annual budget is prepared on a cash basis with respect to revenues received and on an items vouchered (invoiced) basis with respect to expenditures incurred for all funds, the Governmental Funds and Expendable Trust and Agency Funds are reported on the modified accrual basis of accounting for financial statement purposes. Revenues of these funds are recognized in the year in which they become both measurable and available within 60 days after year end to pay current year liabilities. The major revenue sources accrued by the City include real estate taxes, intergovernmental revenue, departmental earnings, and investment income. Revenues from other sources are recognized when received. Expenditures are generally recognized in the year the related fund liability is incurred. Principal and interest on general long-term obligations are recognized when due. Prepaid items and inventory purchases are reported as expenditures in the year the items are used. Expenditures for claims, judgments, compensated absences, and employer pension contributions are reported as the amount accrued during the year that normally would be liquidated with expendable available financial resources.

The accrual basis of accounting is utilized by proprietary fund types for financial statement reporting purposes. Under this method, revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred.

BUDGET SUMMARY

RESOURCE ALLOCATION

The following Resource Allocation chart lists resources and appropriations for each fund and provides a grand total for all City resources. The accounts of the City are organized on the basis of fund(s), each of which is considered to be a separate accounting entity. These funds are the General Fund, Special Revenue Funds (State Liquid Fuels Tax Fund and the Community Development Block Grant Fund - Entitlement Year XXXII), Debt Service Fund, and four utility funds. The City of Harrisburg has established the following utility funds: the Water Utility Fund, the Sanitation Utility Fund, the Landfill/Incinerator Utility Fund, and the Sewerage Utility Fund. Although each fund is accounted for independently, the proper cooperation and interaction among all funds contribute to the overall effective and efficient management of City government.

GENERAL FUND

The General Fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

SPECIAL REVENUE FUNDS

Special Revenue Funds are defined as those funds used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

State Liquid Fuels Tax Fund:

The State Liquid Fuels Tax Fund is used to account for State aid revenue for maintaining, building, and improving City roads and bridges in accordance with policies and procedures of the County Liquid Fuels Tax Act of 1931 and the Liquid Fuels Tax Act 655 of 1956 of the Commonwealth of Pennsylvania.

Community Development Block Grant Fund:

The Community Development Block Grant Fund is used to account for the revenues and expenditures of the Federal Community Development Block Grant Entitlement Program.

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources, principally transfers from the General, Capital Projects, and State Liquid Fuels Tax Funds, for the payment of general long-term debt principal, interest, and related costs.

UTILITY FUNDS

Utility funds (also termed enterprise or proprietary funds) are used by a governmental entity to account for services provided to the general public on a user charge basis.

Water Utility Fund:

The Water Utility Fund is used to account for the revenues and expenses associated with the provision of water service to residential, commercial, and industrial establishments of the City as well as several municipalities surrounding the City.

Sanitation Utility Fund:

The Sanitation Utility Fund is used to account for the revenues and expenses associated with the provision of refuse collection and disposal services to residential, commercial, and industrial establishments of the City.

Landfill/Incinerator Utility Fund:

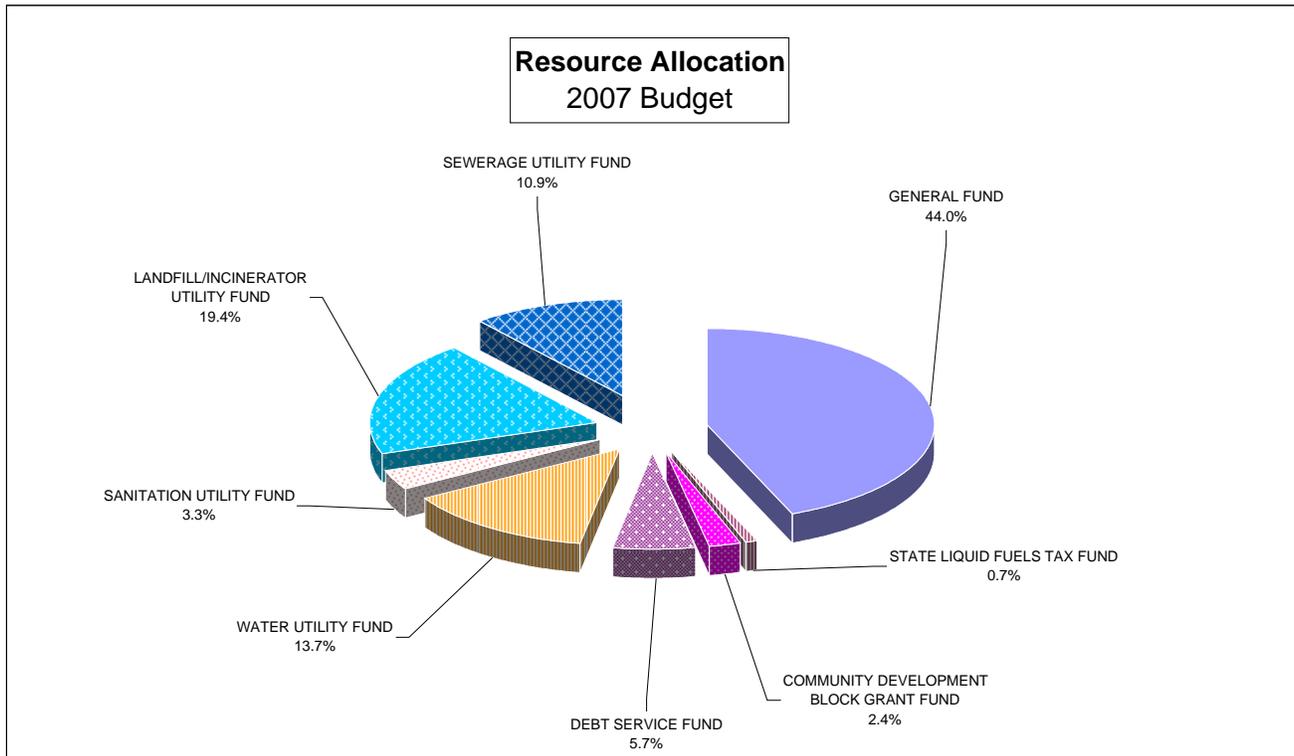
The Landfill/Incinerator Utility Fund is used to account for the revenues and expenses associated with providing solid waste disposal.

Sewerage Utility Fund:

The Sewerage Utility fund is used to account for the revenues and expenses associated with the provision of sewerage service to residential, commercial, and industrial establishments of the City, as well as six municipalities surrounding the City.

RESOURCE ALLOCATION
2007 BUDGET

RESOURCES		APPROPRIATIONS	
GENERAL FUND	\$58,758,311	GENERAL FUND	\$58,758,311
STATE LIQUID FUELS TAX FUND	909,247	STATE LIQUID FUELS TAX FUND	909,247
COMMUNITY DEVELOPMENT BLOCK GRANT FUND	3,201,449	COMMUNITY DEVELOPMENT BLOCK GRANT FUND	3,201,449
DEBT SERVICE FUND	7,561,531	DEBT SERVICE FUND	7,561,531
WATER UTILITY FUND	18,352,925	WATER UTILITY FUND	18,352,925
SANITATION UTILITY FUND	4,400,900	SANITATION UTILITY FUND	4,400,900
LANDFILL/INCINERATOR UTILITY FUND	25,881,190	LANDFILL/INCINERATOR UTILITY FUND	25,881,190
SEWERAGE UTILITY FUND	14,527,900	SEWERAGE UTILITY FUND	14,527,900
TOTAL RESOURCES	\$133,593,453	TOTAL APPROPRIATIONS	\$133,593,453



SUMMARY OF REVENUES

GENERAL FUND

General Fund revenue is expected to decrease \$362,566, or -0.61%, from the 2006 Budget. Real Estate Tax revenues, totaling \$15,041,000, are anticipated to increase \$1,735,000, or 13.04%, from 2006. This increase is primarily the result of an increase in real estate tax rates of 1.5 mills adopted in 2007. Transfer Taxes are projected to increase \$44,000, or 5.82%, over 2006 Budget levels as the market continues to be attractive for the buying and selling of real property in the City. Emergency and Municipal Services (EMS) Taxes are anticipated to decrease \$112,600, or -3.53% from 2006. This decrease is due to more regular payment of the tax than in the first two years of its existence. Earned Income Taxes are expected to increase \$92,100, or 2.87%, from 2006. Mercantile/Business Privilege Taxes are anticipated to increase \$226,535, or 6.21%, from 2006 Budget levels due to an increase in projected Parking Tax collections in 2007. Departmental Revenues are anticipated to decrease \$3,871,475, or -17.44%, primarily due to reimbursement from the Commonwealth for emergency telecommunications services that was budgeted in 2006, but not yet received. No such reimbursement was budgeted for 2007. Fines and Forfeits are expected to decrease by \$234,160 from the 2006 Budget due to decreases in the amounts budgeted for traffic and parking violations. Business Licenses and Permits are budgeted to increase \$33,000, or 6.89%, in 2007, due to rising cable service fees. Interest Income is expected to be \$2,390 higher in 2007. Property Income is anticipated to be \$790,000 higher in 2007, due to the sale of the Senators baseball club in 2007. Miscellaneous Revenue is expected to be \$485,660, or -41.15%, lower in 2007 due to fewer non-recurring revenue sources. Intergovernmental Revenue is expected to increase \$511,800, or 6.87%, due to increased projected receipts from the Harrisburg Parking Authority (HPA). Interfund Transfers are budgeted to be \$266,504, or 21.34%, higher in 2007 because of an increased transfer from the Sanitation Utility Fund. There is no Fund Balance appropriation budgeted in 2007.

SPECIAL REVENUE FUNDS

State Liquid Fuels Tax Fund revenues are projected to increase by \$52,690, or 6.15%, in 2007. This is the result of an increase in the appropriation of Undesignated Fund Balance and a slight increase in Liquid Fuels Tax Receipts from the Commonwealth. The Community Development Block Grant will decrease \$226,097 or -6.60%, due to a decrease in federal funding.

DEBT SERVICE FUND

The Debt Service Fund, which primarily receives transfers from the General, Capital Projects, and State Liquid Fuels Tax Funds for payment on outstanding debt, is projected to decrease in revenue by \$1,355,465, or -15.20%, compared to the 2006 Budget. This is a result of a projected decrease in transfers from the General Fund, as a debt issue is to be repaid in 2007 using proceeds from the sale of assets.

WATER UTILITY FUND

Water Utility Fund revenues are anticipated to be \$715,842, or 4.06%, higher than the 2006 Budget. The 2007 Budget increase is primarily the result of rate increases initiated in 2006 which will be fully realized beginning in 2007.

SANITATION UTILITY FUND

Revenues for the Sanitation Utility Fund are expected to be \$162,110, or 3.82%, higher in 2007. This is primarily the result of rate increases initiated in 2006.

LANDFILL/INCINERATOR UTILITY FUND

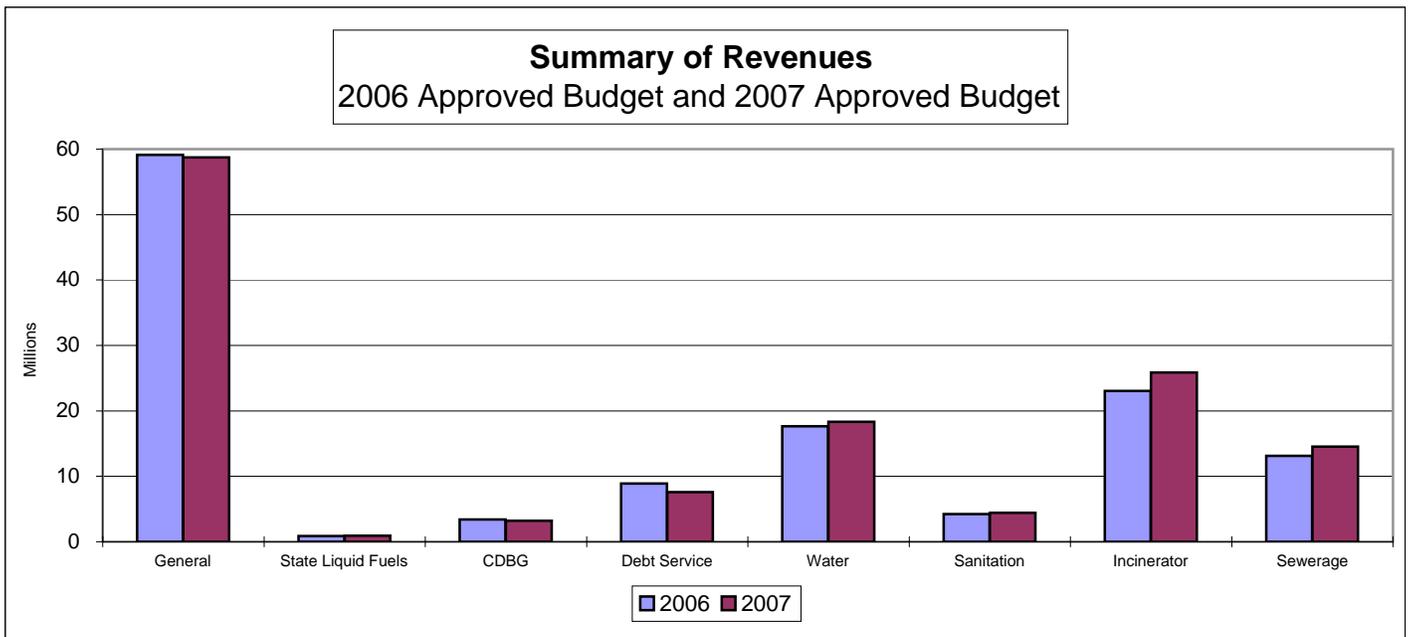
The Landfill/Incinerator Utility Fund revenues are anticipated to be \$2,816,350, or 12.21%, higher in 2007. This is attributed to the Incinerator Facility being fully operational in 2007.

SEWERAGE UTILITY FUND

The Sewerage Utility Fund revenues are expected to be \$1,377,700, or 10.48%, higher in 2007. This is primarily due to a proposed 15% rate increase, effective January 1, 2007.

SUMMARY OF REVENUES
2007 BUDGET

FUND	2006 APPROVED BUDGET	2007 APPROVED BUDGET	INCREASE/ (DECREASE)	CHANGE
GENERAL FUND				
Real Estate Taxes	13,306,000	15,041,000	1,735,000	13.04%
Transfer Taxes	756,000	800,000	44,000	5.82%
Hotel Taxes	0	640,000	640,000	N/A
Emergency and Municipal Services Taxes	3,191,100	3,078,500	(112,600)	-3.53%
Earned Income Taxes	3,214,400	3,306,500	92,100	2.87%
Mercantile/Business Privilege Taxes	3,648,165	3,874,700	226,535	6.21%
Departmental Revenues	22,199,658	18,328,183	(3,871,475)	-17.44%
Fines and Forfeits	2,264,160	2,030,000	(234,160)	-10.34%
Business Licenses and Permits	479,000	512,000	33,000	6.89%
Interest Income	136,010	138,400	2,390	1.76%
Property Income	47,000	837,000	790,000	1680.85%
Miscellaneous	1,180,260	694,600	(485,660)	-41.15%
Other Financing Sources	0	0	0	N/A
Intergovernmental	7,450,000	7,961,800	511,800	6.87%
Interfund Transfers	1,249,124	1,515,628	266,504	21.34%
Fund Balance	0	0	0	N/A
TOTAL GENERAL FUND	<u><u>59,120,877</u></u>	<u><u>58,758,311</u></u>	<u><u>(362,566)</u></u>	<u><u>-0.61%</u></u>
STATE LIQUID FUELS TAX FUND	856,557	909,247	52,690	6.15%
COMM. DEV. BLOCK GRANT FUND	3,427,546	3,201,449	(226,097)	-6.60%
DEBT SERVICE FUND	8,916,996	7,561,531	(1,355,465)	-15.20%
WATER UTILITY FUND	17,637,083	18,352,925	715,842	4.06%
SANITATION UTILITY FUND	4,238,790	4,400,900	162,110	3.82%
LANDFILL/INCINERATOR UTILITY FUND	23,064,840	25,881,190	2,816,350	12.21%
SEWERAGE UTILITY FUND	13,150,200	14,527,900	1,377,700	10.48%
TOTAL REVENUE	<u><u>130,412,889</u></u>	<u><u>133,593,453</u></u>	<u><u>3,180,564</u></u>	<u><u>2.44%</u></u>



SUMMARY OF EXPENDITURES

Citywide, expenditures are projected to increase \$3,180,564, or 2.44% in 2007 as compared to the 2006 Budget. Much of this increase arises from the payment of prior year's expenses in 2007 as three of the funds were in a deficit situation in 2006. The major changes are listed below.

GENERAL FUND

General Fund expenditures are budgeted to decrease \$362,566, or -0.61%, from the 2006 Budget. General Government will increase \$133,187, or 2.87%. This is largely due to the payment of a grants matching share in 2007, offset by decreases in personnel costs as complement shrank. The Department of Administration will decrease \$506,953, or -12.87%, in 2007 attributed to the elimination or transfer of a net of seven positions. The Department of Building and Housing Development will decrease \$199,163, or -16.20%, in 2007, again, due to reduction of personnel. The Department of Public Safety will increase \$1,463,839, or 5.27%, in 2007 due to increased salary and benefit costs. The Department of Public Works will decrease \$363,556, or -5.73%, in 2007. This increase is primarily attributed to reductions in Operating Expenses and the loss of two budgeted positions. The Department of Parks and Recreation will decrease \$230,131, or -7.35%, in 2007 due to decreases in personnel costs as four budgeted positions were eliminated. General Expenses will increase \$2,469,817, or 77.39%, from the 2006 Budget due to the repayment of loans to other funds, payment of prior year expenses necessitated by the 2006 deficit, and use of Hotel Tax collections. Transfers to Other Funds will decrease \$3,129,606, or -35.36%, in 2007, as debt service obligations related to the Harrisburg Senators will be extinguished in 2007 with the sale of the team.

SPECIAL REVENUE FUNDS

The State Liquid Fuels Tax Fund will increase by \$52,690, or 6.15%, from the 2006 Budget. This increase is primarily due to an increase in Operating Expenses for maintenance and repairs. Community Development Block Grant expenditures will decrease \$226,097, or -6.60%, due to a decrease in federal funding.

DEBT SERVICE FUND

The Debt Service Fund, which primarily receives transfers from the General, Capital Projects, and State Liquid Fuels Tax Funds for payment on outstanding debt, will decrease \$1,355,465, or -15.20%, from the 2006 Budget due to significant decreases in General Fund debt service obligations in 2007.

WATER UTILITY FUND

The Water Utility Fund will increase \$715,842, or 4.06%, in 2007. This is due to the payment of prior year expenses as the fund did not have sufficient funds to pay these costs in 2006, due to its operating deficit.

SANITATION UTILITY FUND

The Sanitation Utility Fund will increase \$162,110, or 3.82%, in 2007. This is primarily due to an increase in the Interfund Transfer to the General Fund and the payment of prior year expenses, as the fund was projected to have a small deficit in 2006.

LANDFILL/INCINERATOR UTILITY FUND

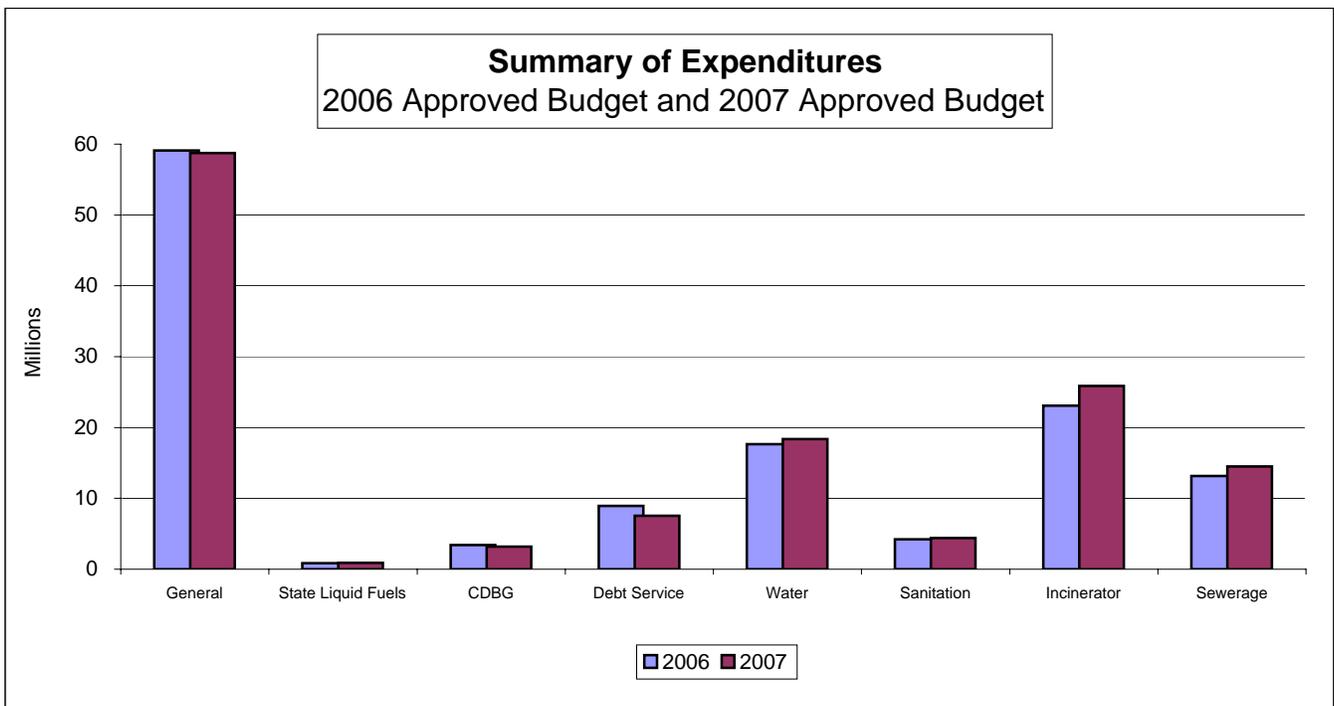
The Landfill/Incinerator Utility Fund expenses are budgeted to increase \$2,816,350, or 12.21%, in 2007. This is attributed to increases in Debt Service obligations and the payment of prior year expenses, due to the 2006 deficit. These increases are partially offset by decreases in Personnel and Operating Expenses in 2007.

SEWERAGE UTILITY FUND

The Sewerage Utility Fund will increase \$1,377,700, or 10.48%, in 2007. This is due to increased expenses in Personnel, Operating Expenses, Capital Outlay, and Non-Expenditure Items.

SUMMARY OF EXPENDITURES
2007 BUDGET

FUND	2006 APPROVED BUDGET	2007 APPROVED BUDGET	INCREASE/ (DECREASE)	CHANGE
GENERAL FUND				
General Government	4,646,956	4,780,143	133,187	2.87%
Administration	3,939,592	3,432,639	(506,953)	-12.87%
Building & Housing Development	1,229,112	1,029,949	(199,163)	-16.20%
Public Safety	27,785,884	29,249,723	1,463,839	5.27%
Public Works	6,345,555	5,981,999	(363,556)	-5.73%
Parks and Recreation	3,130,463	2,900,332	(230,131)	-7.35%
General Expenses	3,191,382	5,661,199	2,469,817	77.39%
Transfers to Other Funds	8,851,933	5,722,327	(3,129,606)	-35.36%
TOTAL GENERAL FUND	59,120,877	58,758,311	(362,566)	-0.61%
STATE LIQUID FUELS TAX FUND	856,557	909,247	52,690	6.15%
COMM. DEV. BLOCK GRANT FUND	3,427,546	3,201,449	(226,097)	-6.60%
DEBT SERVICE FUND	8,916,996	7,561,531	(1,355,465)	-15.20%
WATER UTILITY FUND	17,637,083	18,352,925	715,842	4.06%
SANITATION UTILITY FUND	4,238,790	4,400,900	162,110	3.82%
LANDFILL/INCINERATOR UTILITY FUND	23,064,840	25,881,190	2,816,350	12.21%
SEWERAGE UTILITY FUND	13,150,200	14,527,900	1,377,700	10.48%
TOTAL EXPENDITURES	130,412,889	133,593,453	3,180,564	2.44%



EXPENDITURE CATEGORY ANALYSIS

The Expenditure Category Analysis chart on the following page compares the 2006 Approved Budget to the 2007 Approved Budget by expenditure category for all fund types (excluding the Debt Service Fund). The Debt Service Fund has been eliminated from this analysis to avoid duplication of debt service expenditures already included in the General Fund, Special Revenue Fund, and Utility Funds. The sole purpose of the Debt Service Fund is to account for the accumulation of resources transferred from other funds for the payment of general long-term debt and related expenditures.

Personnel Services is the largest expenditure type, representing 40.13% of the total budget for all funds for 2007. Personnel Services will increase \$693,101, or 1.39%, from the 2006 Personnel Services budget. This modest increase is primarily the result of increased benefit costs. This category increases, as a whole, despite the elimination of 45.50 positions as compared to the 2006 Budget due to the payment of unemployment costs and severance pay in 2007 resulting from the layoff of 31 employees in October 2006.

Operating Expenses, the second largest expenditure category, is 29.24% of the total budgeted funds in 2007. The 2007 Approved Budget reflects a \$437,887, or -1.17%, decrease in Operating Expenses as compared to 2006 budgeted levels. Despite the rise in uncontrollable costs, the Administration continues to curb expenses, as to limit the impact on taxpayers.

Capital Outlay, which accounts for 1.66% of the total budget for all funds, is budgeted at a level that is \$291,751, or 16.16%, higher than what was budgeted in 2006. Capital Outlay in the Sewerage Utility Fund is projected to increase due to the planned acquisition of vehicles and operating equipment in 2007.

Debt Service is the third largest expenditure category in the 2007 Approved Budget, accounting for \$30,043,456, or 23.84%, of the total budget for all funds. Overall, Debt Service will increase \$893,633, or 3.07%, in 2007. Debt Service in the Landfill/Incinerator Utility Fund will increase by \$4.03 million in 2007. This is offset, in part, within the category as the General Fund will see its Debt Service decrease by \$3.13 million in 2007.

Grants will increase \$150,530, or 10.23%, in 2007. This increase is due to the payment of matching shares in the Office of the City Engineer and Bureau of Financial Management. These increases are partially offset by decreased grant-related expenditures in General Expenses.

Miscellaneous Expenditures are projected to be \$45,000 in 2007. These expenditures represent the processing of bills from previous years in the Bureau of Police.

Transfers will increase \$266,504, or 21.34%, in 2007. This is solely attributed to an increase in the Interfund Transfer from the Sanitation Utility Fund to the General Fund.

Non-Expenditure Items are projected to increase in 2007 to \$2,633,396, or 403.28% from the 2006 Budget primarily due to the payment of prior year bills carried over from 2006 to 2007 due to anticipated 2006 budgetary deficits in the General, Water, Sanitation, Incinerator, and Sewerage Funds.

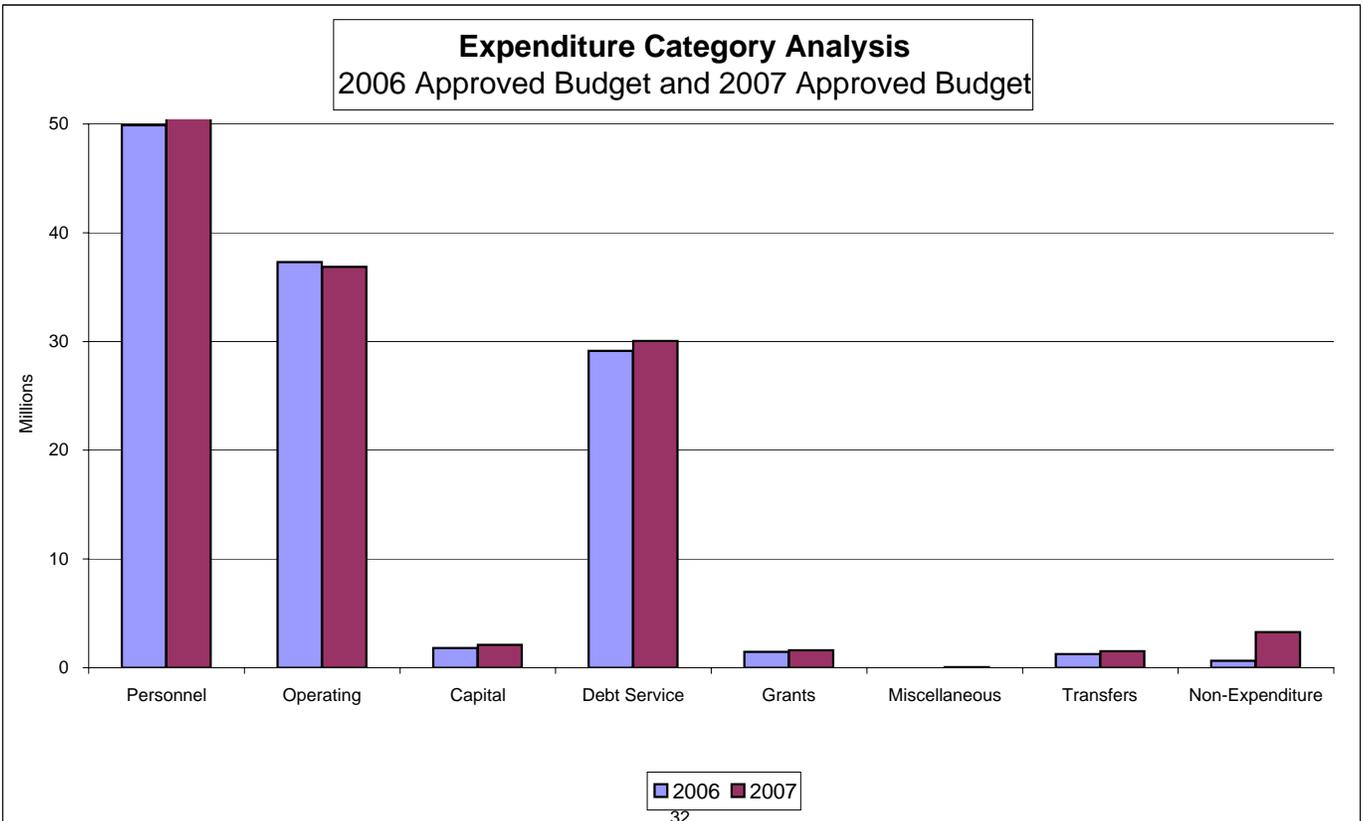
EXPENDITURE CATEGORY ANALYSIS
2007 BUDGET

EXPENDITURE CATEGORY	2006 APPROVED BUDGET		2007 APPROVED BUDGET		CHANGE		
	AMOUNT	% OF TOTAL	AMOUNT	% OF TOTAL	AMOUNT	%*	%**
Personnel Services	49,878,727	41.05%	50,571,828	40.13%	693,101	0.57%	1.39%
Operating Expenses	37,288,440	30.69%	36,850,553	29.24%	(437,887)	-0.36%	-1.17%
Capital Outlay	1,804,872	1.49%	2,096,623	1.66%	291,751	0.24%	16.16%
Debt Service	29,149,823	23.99%	30,043,456	23.84%	893,633	0.74%	3.07%
Grants	1,471,907	1.21%	1,622,437	1.29%	150,530	0.12%	10.23%
Miscellaneous	0	0.00%	45,000	0.04%	45,000	0.04%	0.00%
Transfers***	1,249,124	1.03%	1,515,628	1.20%	266,504	0.22%	21.34%
Non-Expenditure Items	653,000	0.54%	3,286,396	2.61%	2,633,396	2.17%	403.28%
TOTAL FUNDS	121,495,893	100.00%	126,031,921	100.00%	4,536,028	3.73%	N/A

* Change in each expenditure category as a percentage of the total 2006 Approved Budget.

** Change in each expenditure category as a percentage of the respective 2006 expenditure category.

*** Transfers represent transfers from the Sanitation Utility Fund to the General Fund. The Debt Service Fund is not represented in this analysis. The interfund transfers for debt payment from the General Fund and State Liquid Fuels Tax Fund to the Debt Service Fund are reflected in the Debt Service category.



EXPENDITURE DETAIL BY FUND

The analysis of "Expenditure Detail by Fund" compares 2007 Approved Budget appropriations to 2006 Approved Budget appropriations by expenditure category for all funds. The expenditure categories include Personnel Services, Operating Expenses, Capital Outlay, Debt Service, Grants, Miscellaneous and Transfers.

Citywide, personnel services are expected to increase \$693,101, or 1.4%, in 2007. This increase is primarily the result of the Incinerator Facility projected to become fully operational on or about March 1, 2006. These personnel costs were previously funded from the proceeds of the retrofit bonds issued by The Harrisburg Authority in 2003. The Landfill/Incinerator Utility Fund's 2007 projected personnel services costs are \$3,737,365. The General Fund will increase \$675,243, or 1.7%, this is primarily due to the increase in Public Safety personnel and the reduction in staff due to layoffs and retirements. The Sanitation Utility Fund will be decreased \$106,714, or -7.6%, due to the addition of a Laborer position and normal increases in salaries/wages and healthcare benefit costs. The Sewerage Utility Fund will increase \$240,296, or 9.5%, due to normal increases in salaries/wages and healthcare benefit costs. The State Liquid Fuels Tax Fund has no change as the positions were all moved to the General Fund in 2006. The Water Utility Fund will decrease \$11,342, or -0.5% due to the elimination of a vacant Administrative Assistant position. The Community Development Block Grant (CDBG) Fund-Year XXXI will decrease \$46,542, or -6.6%. This is primarily attributed to a decrease in federal funding. The changes listed above take into account the elimination of twenty-five vacant positions in 2006.

Operating expenses are expected to increase \$270,594, or .74%, citywide in 2007. With the Incinerator Facility becoming operational in 2006, the Landfill/Incinerator Utility fund is projected to have decrease in operational expenses of \$528,083 from 2006 budgeted levels. The General Fund will decrease \$690,016, or -7.84%, primarily attributed to increased costs for Motor Fuels and Lubricants in the Bureau of Vehicle Management, and other energy related costs. The State Liquid Fuels Tax Fund is expected to have a \$760.562, increase from 2006 due to the transfer of utility costs from the General Fund into this fund for auditing purposes. The Sanitation Utility Fund will decrease \$25,976, or -1.90%, primarily due to increased costs of utility expenses and Motor Fuels and Lubricants. The Sewerage Utility Fund will increase \$411,434, or 4.9%, in 2007 due to a lower appropriation of administrative service charges. The CDBG Fund will decrease \$110,871, or -6.60%, due to a decrease in federal funding. The Water Utility Fund is projected to increase \$453,544 than was budgeted for in 2006.

Citywide, capital outlay will increase \$291,751, or 16.16% in 2006. The Water Utility Fund will decrease \$93,997, or -41.94%, due to the higher lease/purchase payments for the refinancing of the energy conservation equipment that occurred in 2004. The Sanitation Fund will increase \$6,487, or 2.86%, primarily due to funding for the lease/purchase of two new sanitation packers. The General Fund will decrease \$209,335, or -15.48%, from the 2006 budgeted levels. This is primarily due to the elimination of funding for the lease/purchase of new equipment and vehicles in 2006. The State Liquid Fuels Tax Fund, and CDBG Fund have no appropriated funds for Capital Outlay.

Debt Service will increase \$957,696,129,606, or 3.29%, citywide in 2007. This increase is primarily the result of higher debt service funding requirements in the Incinerator and Water Funds. The debt service appropriation in the Incinerator Utility Fund will increase \$4,029,721 as repayment begins on the 2003 Resource Recovery Bonds issued by The Harrisburg Authority to retrofit the Incinerator Facility. The debt service appropriation in the Water Utility Fund will increase \$18,471, or 0.23%, primarily due to an increase in the debt service funding requirement for the 2004 Water Revenue Bond. The debt service appropriation in the Sewerage Utility Fund will decrease \$1,009, or -005%, due to a decrease in payments for the PENNVEST project. The CDBG Fund will decrease \$24,553, or -6.60%, primarily due to the reduction in program income contribution toward the debt service repayment of Section 108 loans.

Citywide, the net increase in grants for 2007 will be \$150,530, or 10.23%. In the General Fund, grants will increase \$194,662, or 24.25%, due to an increase in the matching funds to be paid for grants received in the Bureau of Police, and the elimination of funding for Councilmanic Special Projects in General Expenses. In the CDBG Fund, grants will decrease by \$44,132, or -6.60% due to a lower appropriation of federal funds.

Miscellaneous Expenses will increase \$2,678,396, or 410.17%, citywide in 2007. The bulk of this change is attributed to a non-reoccurring fine and cost settlement expense in the amount of \$514,380 and also a situation in which the City was made to pay prior year expenditures in the amount of \$1,123,246.

Transfers will decrease \$3,474,190, or -69.63%, in 2007. This is due to a decrease in the interfund transfer from the Sanitation Utility Fund to the General Fund.

EXPENDITURE DETAIL BY FUND
2007 BUDGET

	PERSONNEL SERVICES				OPERATING EXPENSES			
	2006 Approved Budget	2007 Approved Budget	+/-	%	2006 Approved Budget	2007 Approved Budget	+/-	%
GENERAL FUND								
General Gov't.	2,932,961	2,894,483	(38,478)	-1.3%	881,043	739,910	(141,133)	-16.02%
Administration	3,083,386	2,586,718	(496,668)	-16.1%	653,072	673,099	20,027	3.07%
Bldg. & Housing	1,134,639	968,411	(166,228)	-14.7%	94,473	61,538	(32,935)	-34.86%
Public Safety	25,949,107	27,453,698	1,504,591	5.8%	1,401,209	1,513,110	111,901	7.99%
Public Works	2,611,028	2,610,258	(770)	0.0%	3,526,102	3,132,822	(393,280)	-11.15%
Parks & Rec.	2,223,068	2,034,958	(188,110)	-8.5%	892,045	850,024	(42,021)	-4.71%
General Exp.	1,383,694	1,444,600	60,906	4.4%	1,347,725	1,135,150	(212,575)	-15.77%
Transfers	0	0	0	N/A	0	0	0	N/A
GENERAL FUND	39,317,883	39,993,126	675,243	1.7%	8,795,669	8,105,653	(690,016)	-7.84%
LIQUID FUELS	0	0	0	N/A	84,013	844,575	760,562	905.30%
C.D.B.G.	705,552	659,010	(46,542)	-6.6%	1,680,756	1,569,885	(110,871)	-6.60%
WATER	2,139,238	2,127,896	(11,342)	-0.5%	7,122,558	7,576,102	453,544	6.37%
SANITATION	1,395,577	1,288,863	(106,714)	-7.6%	1,367,386	1,341,410	(25,976)	-1.90%
INCINERATOR	3,795,205	3,737,365	(57,840)	-1.5%	9,136,929	8,608,846	(528,083)	-5.78%
SEWERAGE	2,525,272	2,765,568	240,296	9.5%	8,392,648	8,804,082	411,434	4.90%
TOTAL	49,878,727	50,571,828	693,101	1.4%	36,579,959	36,850,553	270,594	0.74%

Note: The Debt Service fund is not represented in this analysis. The interfund transfers for debt payment from the General Fund and State Liquid Fuels Tax Fund to the Debt Service Fund are reflected in the Debt Service expenditure category.

EXPENDITURE DETAIL BY FUND
2007 BUDGET

	CAPITAL OUTLAY				DEBT SERVICE			
	2006 Approved Budget	2007 Approved Budget	+/-	%	2006 Approved Budget	2007 Approved Budget	+/-	%
GENERAL FUND								
General Gov't	832,952	680,025	(152,927)	-18.36%	0	0	0	N/A
Administration	203,134	147,822	(55,312)	-27.23%	0	0	0	N/A
Bldg. & Housing	0	0	0	N/A	0	0	0	N/A
Public Safety	108,005	76,415	(31,590)	-29.25%	0	0	0	N/A
Public Works	208,425	238,919	30,494	14.63%	0	0	0	N/A
Parks & Rec.	0	0	0	N/A	0	0	0	N/A
General Exp.	0	0	0	N/A	0	0	0	N/A
Transfers	0	0	0	N/A	8,851,933	5,722,327	(3,129,606)	-35.36%
GENERAL FUND	1,352,516	1,143,181	(209,335)	-15.48%	8,851,933	5,722,327	(3,129,606)	N/A
LIQUID FUELS	0	0	0	N/A	0	64,672	64,672	100.00%
C.D.B.G.	0	0	0	N/A	372,207	347,654	(24,553)	-6.60%
WATER	224,120	130,123	(93,997)	-41.94%	8,151,167	8,169,638	18,471	0.23%
SANITATION	226,703	233,190	6,487	2.86%	0	0	0	N/A
INCINERATOR	1,533	27,085	25,552	1666.80%	9,478,173	13,507,894	4,029,721	42.52%
SEWERAGE	0	563,044	563,044	100.00%	2,232,280	2,231,271	(1,009)	-0.05%
TOTAL	1,804,872	2,096,623	291,751	16.16%	29,085,760	30,043,456	957,696	3.29%

Note: The Debt Service fund is not represented in this analysis. The interfund transfers for debt payment from the General Fund and State Liquid Fuels Tax Fund to the Debt Service Fund are reflected in the Debt Service expenditure category.

EXPENDITURE DETAIL BY FUND
2007 BUDGET

	GRANTS				MISCELLANEOUS			
	2006 Approved Budget	2007 Approved Budget	+/-	%	2006 Approved Budget	2007 Approved Budget	+/-	%
GENERAL FUND								
General Gov't	0	465,725	465,725	N/A	0	0	0	N/A
Administration	0	25,000	25,000	100.00%	0	0	0	N/A
Bldg. & Housing	0	0	0	N/A	0	0	0	N/A
Public Safety	327,563	161,500	(166,063)	-50.70%	0	45,000	45,000	N/A
Public Works	0	0	0	N/A	0	0	0	N/A
Parks & Rec.	15,350	15,350	0	-100.00%	0	0	0	N/A
General Exp.	459,963	329,963	(130,000)	-28.26%	0	2,751,486	2,751,486	100.00%
Transfers	0	0	0	N/A	0	0	0	N/A
GENERAL FUND	802,876	997,538	194,662	24.25%	0	2,796,486	2,796,486	N/A
LIQUID FUELS	0	0	0	N/A	0	0	0	N/A
C.D.B.G.	669,031	624,899	(44,132)	-6.60%	0	0	0	N/A
WATER	0	0	0	N/A	0	349,166	349,166	N/A
SANITATION	0	0	0	N/A	0	21,809	21,809	N/A
INCINERATOR	0	0	0	N/A	653,000	0	(653,000)	-100.00%
SEWERAGE	0	0	0	N/A	0	163,935	163,935	N/A
TOTAL	1,471,907	1,622,437	150,530	10.23%	653,000	3,331,396	2,678,396	410.17%

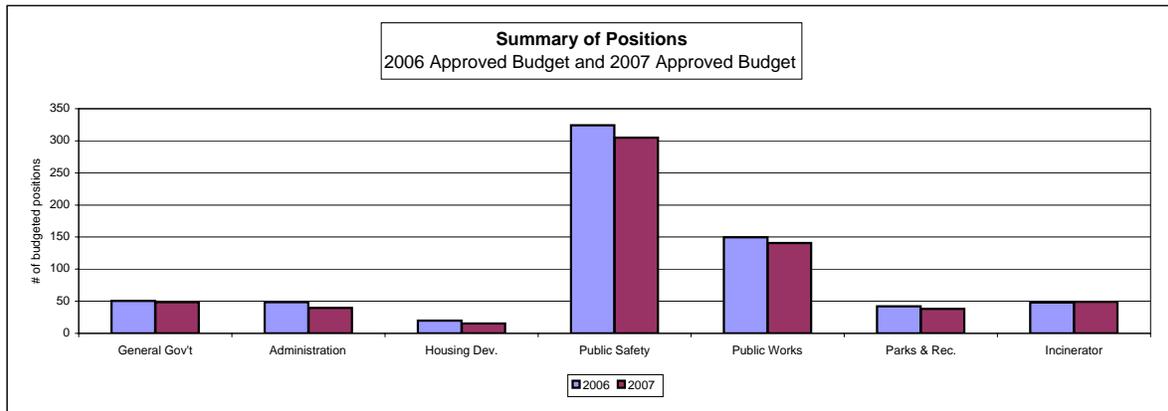
Note: The Debt Service fund is not represented in this analysis. The interfund transfers for debt payment from the General Fund and State Liquid Fuels Tax Fund to the Debt Service Fund are reflected in the Debt Service expenditure category.

EXPENDITURE DETAIL BY FUND
2007 BUDGET

	TRANSFERS				TOTAL			
	2006 Approved Budget	2007 Approved Budget	+/-	%	2006 Approved Budget	2007 Approved Budget	+/-	%
GENERAL FUND								
General Gov't	0	0	0	N/A	4,646,956	4,780,143	133,187	2.87%
Administration	0	0	0	N/A	3,939,592	3,432,639	(506,953)	-12.87%
Bldg. & Housing	0	0	0	N/A	1,229,112	1,029,949	(199,163)	-16.20%
Public Safety	0	0	0	N/A	27,785,884	29,249,723	1,463,839	5.27%
Public Works	0	0	0	N/A	6,345,555	5,981,999	(363,556)	-5.73%
Parks & Rec.	0	0	0	N/A	3,130,463	2,900,332	(230,131)	-7.35%
General Exp.	0	0	0	N/A	3,191,382	5,661,199	2,469,817	77.39%
Transfers	3,740,694	0	(3,740,694)	-100.00%	12,592,627	5,722,327	(6,870,300)	-54.56%
GENERAL FUND	3,740,694	0	(3,740,694)	-100.00%	62,861,571	58,758,311	(4,103,261)	-6.53%
LIQUID FUELS	0	0	0	N/A	84,013	909,247	825,234	982.28%
C.D.B.G.	0	0	0	N/A	3,427,546	3,201,448	(226,098)	-6.60%
WATER	0	0	0	N/A	17,637,083	18,352,925	715,842	4.06%
SANITATION	1,249,124	1,515,628	266,504	21.34%	4,238,790	4,400,900	162,110	3.82%
INCINERATOR	0	0	0	N/A	23,064,840	25,881,190	2,816,350	12.21%
SEWERAGE	0	0	0	N/A	13,150,200	14,527,900	1,377,700	10.48%
TOTAL	4,989,818	1,515,628	(3,474,190)	-69.63%	124,464,043	126,031,921	1,567,878	1.26%

Note: The Debt Service Fund is not represented in this analysis. The interfund transfers for debt payment from the General Fund and State Liquid Fuels Tax Fund to the Debt Service Fund are reflected in the Debt Service expenditure category.





CHANGES IN BUDGETED POSITIONS FROM 2006 TO 2007

The above summary compares positions in 2006 Approved Budget with those in the 2007 Approved Budget by office and department. The total budgeted positions in 2006 was 682.50 compared to 635.00 in the 2007 Approved Budget, a net decrease of 47.50 positions. The decrease in personnel was the result of layoffs and attrition. On October 26, 2006, 31 existing employees were laid off and one position was downgraded from full-time to part-time status. Positions within City government that became vacant were abolished, unless operationally necessary. These changes were necessary as part of a plan to help mitigate the structural budgetary deficit the City currently faces. The 2007 Budget, as enacted, does not include any further reductions in currently filled, full-time positions.

In the Offices of General Government, two positions were eliminated in the 2007 Approved Budget. In the Office of City Council, the Legislative Liason position was reclassified as an Assistant City Clerk. In the Office of the City Solicitor, a Paralegal was eliminated. In the Mayor's Office for Economic Development and Special Projects, a Community Relations Director and Project Manager were eliminated. In the same office, a part-time Production Technician hired in 2006 was made permanent.

The Department of Administration is budgeted to have a net loss of nine positions from the 2006 Approved Budget. In the Office of the Business Administrator, a Confidential Secretary that was hired in 2006 was added to the 2007 Approved Budget, while a vacant Assistant to the Business Administrator position was eliminated. In the Bureau of Financial Management, a Loss Control Officer was eliminated, as well as a vacant Administrative Assistant. In the Bureau of Information Technology, a Programmer was eliminated, as well as a vacant LAN Administrator. A Payroll Manager was eliminated in the Bureau of Human Resources, as well as a vacant Benefits Coordinator. The Mayor's Office For Labor Relations was eliminated in 2006, with its Director and Labor Relations Assistant. A Customer Service Representative/Account Specialist was transferred in 2007 to the Bureau of Police from the Bureau of Operations and Revenue.

The Department of Building and Housing Development is budgeted to have 4.5 fewer positions in 2007. A vacant Comprehensive Planner position has been eliminated from the Bureau of Planning. A Health Officer, Codes Enforcement Officer, and a Clerk Typist/Data Entry Operator were eliminated from the Bureau of Inspections and Codes Enforcement, as well a vacant Electrical Inspector.

The Department of Public Safety will decrease by 19 positions from the 2006 Budget. In the Bureau of Police, the Parking Enforcement Division will add a net of two positions. The 2007 Budget creates three Parking Enforcement Officers. A Traffic Services Administrator was eliminated in 2006. Ten Police Cadets and three Part-Time Communications Center Supervisors were eliminated in the Technical Services Division. Five vacant Firefighter positions are not being funded in 2007.

The Department of Public Works is reduced by a net of ten positions in 2007. Positions eliminated include an Assistant Director in Neighborhood Services - Sanitation, an Operations Supervisor in the Bureau of Water, a Pre-Treatment Coordinator in the Bureau of Sewerage, and a Laborer in Neighborhood Services - Sanitation. A further seven vacant positions were abolished in the department and a Superintendent position was created in the Bureau of Sewerage.

The Department of Parks and Recreation has a net loss of four positions in the 2007 Budget. In the Office of the Director, a Park Ranger Supervisor was eliminated and a vacant Park Ranger position was abolished. In the Bureau of Recreation, a Deputy Recreation Director was eliminated and a vacant Clerk position was abolished.

The Department of Incineration has a net gain of one position in the 2007 approved budget. Two Motor Equipment Operator Position were lost. The following positions were gained: Certified Welder, Maintenance Mechanic and a Control Room Operator

Note: The City does not utilize Full-Time Equivalent (FTE's) in accounting for positions. Rather, it accounts for positions by the percentage of the employee's salary charged to a particular office or bureau. Permanent part-time positions are counted as whole positions. Temporary part-time employees are not included in the positions calculations.

SUMMARY OF POSITIONS
2007 BUDGET

OFFICE/BUREAU/DIVISION	2003	2004	2005	2006	2006	2007
	Actual	Actual	Actual	Approved Budget	Projected	Approved Budget
Office of City Council	10.00	10.00	10.00	10.00	9.00	10.00
Office of the Mayor	6.00	5.00	5.00	5.00	5.00	5.00
Office of City Controller	4.00	4.00	4.00	4.00	4.00	4.00
Office of City Treasurer	11.40	11.40	11.40	11.40	11.40	11.40
Office of City Solicitor	6.00	6.00	5.00	5.00	5.00	4.00
Human Relations Commission	3.00	3.00	2.00	3.00	3.00	3.00
Office of City Engineer	7.00	4.00	4.00	4.00	4.00	4.00
Mayor's Office for Special Projects	7.00	3.00	0.00	0.00	0.00	0.00
Mayor's Office for Econ. Dev.	5.00	5.00	8.00	8.00	9.00	7.00
TOTAL GENERAL GOVERNMENT:	59.40	51.40	49.40	50.40	50.40	48.40
Office of the Director	4.00	4.00	3.00	3.00	4.00	3.00
Insurance & Risk Management	3.00	2.00	0.00	0.00	0.00	0.00
Financial Management	11.00	8.00	10.00	10.00	10.00	8.00
Information Technology	20.60	12.60	12.60	11.60	11.60	9.60
Human Resources	7.00	6.00	7.00	7.00	7.00	5.00
Mayor's Office for Labor Relations	3.00	3.00	2.00	2.00	2.00	0.00
Operations & Revenue	28.00	16.00	17.00	15.00	15.00	14.00
TOTAL ADMINISTRATION	76.60	51.60	51.60	48.60	49.60	39.60
Office of the Director	1.00	1.00	1.00	1.00	1.00	1.00
Planning	6.00	3.34	2.34	2.84	2.84	2.34
Inspections & Codes Enforcement	17.00	16.00	17.00	16.00	15.00	12.00
Health	2.00	0.00	0.00	0.00	0.00	0.00
TOTAL BLDG. & HOUSING DEV.	26.00	20.34	20.34	19.84	18.84	15.34
Parking Enforcement	12.00	11.00	10.00	11.00	10.00	13.00
Office of the Police Chief	13.50	9.00	10.00	11.00	9.00	8.00
Uniformed Patrol	121.00	124.00	121.00	117.00	116.00	114.00
Technical Services	47.00	36.00	43.00	58.00	46.00	40.00
Criminal Investigation	37.00	30.00	29.00	29.00	37.00	37.00
Fire	103.00	100.00	97.00	98.00	93.00	93.00
TOTAL PUBLIC SAFETY	333.50	310.00	310.00	324.00	311.00	305.00
Office of the Director	1.00	1.00	1.00	1.00	1.00	1.00
Neighborhood Services - City Services	10.50	7.50	13.50	23.50	23.50	22.50
Traffic Engineering	7.00	7.00	0.00	0.00	0.00	0.00
Vehicle Management	13.00	11.00	12.00	11.00	11.00	11.00
Building Maintenance	7.00	7.00	7.00	10.00	10.00	9.00
State Liquid Fuels	9.00	8.00	9.00	0.00	0.00	0.00
Water	43.33	37.33	36.33	37.33	37.33	34.33
Neighborhood Services - Sanitation	32.50	27.50	26.50	27.50	27.50	23.50
Sewerage	47.33	38.33	37.33	39.33	38.33	39.33
TOTAL PUBLIC WORKS	170.66	144.66	142.66	149.66	148.66	140.66
Office of the Director	20.00	19.00	16.00	18.00	16.00	16.00
Recreation	8.00	8.00	13.00	10.00	10.00	8.00
Parks Maintenance	27.00	18.00	14.00	14.00	14.00	14.00
TOTAL PARKS & RECREATION	55.00	45.00	43.00	42.00	40.00	38.00
Incineration & Steam Generation	61.00	0.00 *	0.00 *	48.00	46.00	49.00
TOTAL INCINERATOR & STEAM	61.00	0.00	0.00	48.00	46.00	49.00
TOTAL POSITIONS	782.16	623.00	617.00	682.50	664.50	636.00

* - 45 positions were funded from the working capital proceeds of the 2003 Resource Recovery Revenue Bonds issued by The Harrisburg Authority to retrofit the Incinerator Facility. The Facility became commercially operational in 2006.

UNDESIGNATED FUND BALANCE ANALYSIS

The City of Harrisburg operates from a balanced budget at the onset of every fiscal year. Undesignated fund balance or prior year budgetary surplus can be appropriated to balance a fund's budget if a sufficient balance/surplus exists and the appropriation is fiscally prudent. There are no fund balance appropriations included in the 2007 budget.

The Water Utility Fund and Landfill/Incinerator Utility Fund were in unfavorable undesignated fund balance positions at December 31, 2005. Through such measures as user charge increases and prudent internal expenditure controls, such as delayed hiring and capital improvements, the City expects to improve these unfavorable undesignated fund balance positions in the future.

The \$26,274,662 undesignated fund balance deficit at December 31, 2005, in the Water Utility Fund is primarily the result of the transfer of ownership of the water system from the City of Harrisburg to The Harrisburg Authority (THA), which occurred on March 1, 1990. In 1989, the Water Utility Fund had an undesignated fund balance surplus of \$6,482,815. Federal mandates, which caused THA to construct a new water treatment facility, have resulted in significant new debt for this facility. As a result, THA has had to increase user charges in 1992, 1994, 1996, 2003, and now in 2006. The City of Harrisburg, as operator of the water system through a formal Management Agreement with THA, will continue to exercise tight fiscal control to improve the Water Utility Fund's undesignated fund balance position.

In the early 1990, the Landfill/Incinerator Utility Fund had benefited from significant capital improvements to its Resource Recovery Facility undertaken as part of the City's Capital Improvement Plan during 1990-1993. These improvements resulted in greater reliability of machinery and equipment. The improved reliability on the facility had resulted in less "down-time" and more revenue, even though Dauphin and Cumberland Counties, beginning in 1991, had redirected their municipal solid waste from the facility to landfills, thus impacting 1991 and future tipping fee and energy revenues. Although such capital improvements were beneficial to the facility in the early 1990's, a major retrofit/upgrade is still needed to keep the plant operational well into the twenty-first century. This was evidenced in the mid-1990's by shortfalls in energy revenues resulting from greater down-time for repairs. In 1993, THA purchased the facility from the City; although, the City continues to operate the facility through a formal Management Agreement with THA. THA and the City have taken steps since 1993 to initiate a total retrofit/upgrade of the facility to meet anticipated regulatory requirements and to replace major components. Emissions from the plant have been considerably reduced since an interim partial retrofit of the facility was completed in October 1997. In December 2000, a derating project was started on the facility to reduce the maximum number of tons to be processed from 720 tons to 500 tons per day. The project was required as a first step to achieving compliance with revised federal air quality regulations, and was completed in January 2001. Still necessary, however, is the planned total retrofit/upgrade of the facility. The plant shut down on June 18, 2003, and with the approval of the plan on November 5, 2003, the retrofit/upgrade project began. The City has secured long term waste contracts to finance the ongoing construction, which will provide sufficient revenues to cover the debt service and operating costs of the plant after the retrofit. With the Facility becoming commercially operational in 2006, the City will continue to exercise tight fiscal control, seek new waste customers, and make every effort to maximize energy production and revenues to improve the Landfill/Incinerator Utility Fund's undesignated fund balance position.

**UNDESIGNATED FUND BALANCE ANALYSIS
2007 BUDGET**

	GENERAL FUND	STATE LIQUID FUELS TAX FUND	COMM. DEVELOP. BLOCK GRANT FUND	DEBT SERVICE FUND
Undesignated Fund Balance (Deficit) - 12/31/05*	3,739,275	171,388	0	68,898
2006 Projected Revenues	55,673,567	868,940	3,637,436	8,916,996
2006 Projected Expenditures (w/ Encumbrances)	(61,131,028)	(846,297)	(3,637,436)	(8,916,996)
Est. Undesignated Fund Balance (Deficit) - 12/31/06	(1,718,186)	194,031	0	68,898
2007 Estimated Revenues:				
Real Estate Taxes	15,041,000	0	0	0
Transfer Taxes	800,000	0	0	0
Hotel Taxes	640,000			
Occupational Privilege Taxes	0	0	0	0
E.I.T. and E.M.S. Taxes	6,385,000	0	0	0
Mercantile/Business Privilege Taxes	3,874,700	0	0	0
Departmental Revenues (charges for services)	18,328,183	0	0	0
Fines and Forfeits	2,030,000	0	0	0
Business Licenses and Permits	512,000	0	0	0
Interest Income	138,400	14,500	0	1,000
Gain on Sale of Assets	0	0	0	848,532
City Guarantee Fees	0	0	0	925,000
Property Income	837,000	0	0	0
Miscellaneous	694,600	0	0	0
Other Financing Sources	0	0	0	0
Intergovernmental	7,961,800	872,147	3,201,449	0
Interfund Transfers	1,515,628	0	0	5,786,999
Total 2007 Estimated Revenues	58,758,311	886,647	3,201,449	7,561,531
Total Resources Available for Appropriation	57,040,125	1,080,678	3,201,449	7,630,429
2007 Expenditure Appropriations:				
General Government	(4,780,413)	0	0	0
Administration	(3,432,639)	0	0	0
Building and Housing Development	(1,029,949)	0	(3,201,449)	0
Public Safety	(29,249,723)	0	0	0
Public Works	(5,981,999)	(844,575)	0	0
Parks and Recreation	(2,900,332)	0	0	0
Incineration and Steam Generation	0	0	0	0
General Expenses	(5,661,199)	0	0	0
Debt Service	0	0	0	(7,561,531)
Interfund Transfers	(5,722,327)	(64,672)	0	
Total 2007 Expenditure Appropriations	(58,758,581)	(909,247)	(3,201,449)	(7,561,531)
Estimated Undesignated Fund Balance - 12/31/07	(1,718,456)	171,431	0	68,898

* Source: City's audited general purpose financial statements

**UNDESIGNATED FUND BALANCE ANALYSIS
2007 BUDGET**

-continued-

	WATER UTILITY FUND	SANITATION UTILITY FUND	LANDFILL/ INCINERATOR UTILITY FUND	SEWERAGE UTILITY FUND
Undesignated Fund Balance (Deficit) - 12/31/05*	(26,274,662)	543,802	(77,962,617)	37,303,168
2006 Projected Revenues	16,481,362	4,176,269	10,462,712	12,976,370
2006 Projected Expenditures (w/ Encumbrances)	(17,586,616)	(4,198,078)	(14,658,515)	(13,140,305)
Est. Undesignated Fund Balance (Deficit) - 12/31/06	(27,379,916)	521,993	(82,158,420)	37,139,233
2007 Estimated Revenues:				
Real Estate Taxes	0	0	0	0
Transfer Taxes	0	0	0	0
E.I.T. and E.M.S. Taxes	0	0	0	0
Mercantile/Business Privilege Taxes	0	0	0	0
Departmental Revenues (charges for services)	18,345,405	4,283,500	25,703,329	14,500,600
Fines and Forfeits	0	0	0	0
Business Licenses and Permits	0	0	0	0
Interest Income	7,520	22,400	8,200	27,300
Property Income	0	0	0	0
Miscellaneous	0	0	0	0
Other Financing Sources	0	0	0	0
Intergovernmental	0	95,000	0	0
Interfund Transfers	0	0	169,661	0
Total 2007 Estimated Revenues	18,352,925	4,400,900	25,881,190	14,527,900
Total Resources Available for Appropriation	(9,026,991)	4,922,893	(56,277,230)	51,667,133
2007 Expenditure Appropriations:				
General Government	0	0	0	0
Administration	0	0	0	0
Building and Housing Development	0	0	0	0
Public Safety	0	0	0	0
Public Works	(10,183,287)	(2,863,463)	0	(12,296,629)
Parks and Recreation	0	0	0	0
Incineration and Steam Generation	0	0	(12,373,296)	0
General Expenses	0	0	0	0
Debt Service	(8,169,638)	0	(13,507,894)	(2,231,271)
Interfund Transfers	0	(1,515,628)	0	0
Non-Expenditure Items	0	(21,809)	0	0
Total 2007 Expenditure Appropriations	(18,352,925)	(4,400,900)	(25,881,190)	(14,527,900)
Estimated Undesignated Fund Balance - 12/31/07	(27,379,916)	521,993	(82,158,420)	37,139,233

* Source: City's audited general purpose financial statements

GENERAL FUND
RESOURCE ALLOCATION SUMMARY
2007 BUDGET

RESOURCES		APPROPRIATIONS	
REAL ESTATE TAXES	15,041,000	GENERAL GOVERNMENT	4,780,143
		ADMINISTRATION	3,432,639
TRANSFER TAXES	800,000	BUILDING AND HOUSING DEV.	1,029,949
		PUBLIC SAFETY	29,249,723
HOTEL TAXES	640,000	PUBLIC WORKS	5,981,999
		PARKS AND RECREATION	2,900,332
OCCUPATIONAL PRIVILEGE TAXES	0		
EMERGENCY AND MUNICIPAL SERVICES	3,078,500	TOTAL DEPARTMENTS	<u>47,374,785</u>
EARNED INCOME TAXES	3,306,500		
MERCANTILE/BUSINESS PRIVILEGE	3,874,700	OTHER:	
DEPARTMENTAL REVENUES	18,328,183	GENERAL EXPENSES	5,661,199
FINES AND FORFEITS	2,030,000	TRANSFERS TO OTHER FUNDS	5,722,327
BUSINESS LICENSES AND PERMITS	512,000	TOTAL OTHER	<u>11,383,526</u>
INTEREST INCOME	138,400		
PROPERTY INCOME	837,000		
MISCELLANEOUS REVENUE	694,600		
OTHER FINANCING SOURCES	0		
INTERGOVERNMENTAL REVENUE	7,961,800		
INTERFUND REVENUE	1,515,628		
FUND BALANCE APPROPRIATION	0		
TOTAL RESOURCES	<u><u>58,758,311</u></u>	TOTAL APPROPRIATIONS	<u><u>58,758,311</u></u>

GENERAL FUND REVENUE

Total 2007 General Fund resources are budgeted at \$58,758,311, which represents a decrease of \$1,929,971, or - 3.2%, from 2006 projected resources of \$60,688,282. Less other financing sources (loans) anticipated in 2006 and 2007, General Fund resources increase \$5,568,262, or 10.5%, during this same period. To stabilize the General Fund, a number of tax and fee increases have been incorporated into the 2007 Budget.

LAND AND PROPERTY TAXES

Land and property taxes, or real estate taxes, will represent 25.6% of the General Fund revenue base in 2007. 2007 real estate tax receipts are estimated to be \$15,041,000, an increase of \$2,357,4000, or 18.6%, from the previous year's projected figure. This increase is the result of a 1.5 mill increase in 2007 which is projected to yield \$1,690,300, as well as an anticipated \$667,100 increase in delinquent tax collections. The enacted millage rate adjustment represents the first real estate tax rate increase since January 1, 2000.

Approximately 18,800 property tax notices are mailed in January of each year. Of the bills mailed in January, 86% are paid within one year and 98% are paid within three years, on average. During 2005, 86% of the adjusted levy on current-year taxes was received, representing an increase in the collection rate of the current-year taxes from 2004 to 2005.

The Dauphin County Board of Assessments performs property tax assessments. The City levies tax on 100% of the value assigned by the County. The tax within the City is currently levied as two rates (termed "Two-Rate Property Tax"): 28.675 mills on the assessed value of land and 4.779 mills on the assessed value of all buildings and improvements to the land, whether residential, commercial or otherwise. The combined effective millage rate beginning in 2007 is approximately 10.1 mills. In 2006, the real estate tax rates were 24.414 mills on land and 4.069 mills on the assessed value of buildings and improvements. The prior effective millage rate was approximately 8.6 mills.

Taxpayers who pay within two months of receipt of their bills receive a 2% discount. The face value of the bill is due between two to four months from the date of the bill. If the bill is not paid after four months, the taxpayer has until December 31 of the billing year to pay the tax due plus a 10% penalty. If still unpaid after December 31 of the billing year, the delinquent accounts are turned over to the Dauphin County Tax Claims Bureau, which imposes additional penalties. If the delinquent accounts are not subsequently sold to a third party, as permitted by the recent amendments to the Pennsylvania Real Estate Tax Sale Law, and if these delinquent taxes remain unpaid by September of the second year following the billing year, the properties are offered for public tax sale. The amount of back taxes and penalties and delinquent utility charges determine the price of each property. About 50 to 60 city properties are sold each year at tax sales. If the properties are not sold at this point, the County Tax Claim Bureau offers the properties for judicial sale starting at \$200 each with all delinquent taxes and penalties and utility charges forgiven. Finally, should the property still be unsold, a repository sale is held whereby the properties are offered for sale to the first bidder for \$200 with no delinquent taxes and penalties or utility charges being assessed.

Further, in an effort to lessen the tax burden on property owners who are senior citizens and whose household income is within the poverty guidelines as determined by the United States Department of Health and Human Services, the 2007 Budget provides for property tax rebates to that class of senior citizens. The rebate shall be applied for, and will represent the difference between the tax due and attributable to the year 2007 tax levy over the tax due and attributable to the year 2006 tax levy for qualifying senior citizens.

In an effort to lessen the tax burden on property owners of the City caused by the lump-sum collection of taxes, City Council ordained in December 1988 that, effective January 1, 1989, "Current city taxes may hereinafter be paid in not more than four (4) installments...due on or before January 31...March 31...May 31...and July 31; of the tax year, respectively. No discount period is allowed, and for any installment which is delinquent, a 10% penalty is added".

All land and property taxes are billed and collected by the City Treasurer's Office. The total 2007 Budget for the City Treasurer's Office is \$760,119. Eleven people staff the office. One-third of the office's expenses are reimbursed by the Harrisburg School District because this office bills and collects school property taxes as well.

REAL ESTATE TRANSFER TAXES

The Real Estate Transfer Tax, also referred to as a deed transfer tax, is levied at the maximum rate of 1% on the transfer price of real property within the City. If both the municipality and the school district levy the tax, they must share the 1% maximum equally. Such is the case in Harrisburg. 2007 real estate transfer taxes are estimated to be \$800,000, a \$30,000, or -3.6%, decrease from the 2006 projected amount as property sales are expected to moderately decline in 2007, after years of steady growth.

HOTEL TAXES

Beginning in 2007, the City will be depositing the proceeds of a tax on hotel rooms rented within the city limits in the General Fund. The proceeds of the tax are required to be used for the promotion of tourism in the city. In 2007, hotel tax proceeds are expected to yield \$640,000. These funds will be used to support the National Civil War Museum and other projects to bring visitors into the city. These expenditures are reflected in a line-item in the General Expenses section of the document.

OCCUPATIONAL PRIVILEGE TAXES

The Occupational Privilege Tax (OPT) was imposed for the privilege of engaging in an occupation within a given taxing jurisdiction. The maximum rate charged was \$10.00 per year, which was evenly split between the City and the school district. This tax was imposed until 2004 when the Pennsylvania Legislature created the Emergency and Municipal Services Tax, which was subsequently enacted by the City.

EMERGENCY AND MUNICIPAL SERVICES TAXES

The Emergency and Municipal Services Tax (EMS) was created by the Pennsylvania Legislature in November 2004 and replaced the Occupational Privilege Tax. This tax enables Pennsylvania municipalities to increase their previous levy of the tax from \$10.00 to \$52.00 per year on a similar tax base. The school district continues to receive \$5.00 of the levy. A \$29,000, or -0.9%, decrease is expected from this tax in 2007 as compared to 2006 projected revenue primarily due to lower prior year payments as taxpayers and employers have become more familiar with the tax. The tax is generally easy to administer, and it provides for the collection of tax from non-resident users of municipal services.

EARNED INCOME TAXES

The Earned Income Tax (EIT) provides for the imposition of a 1% tax on "earned income". Accordingly, it explicitly excludes from the tax base other forms of income such as interest, dividends, rental income, and capital gains. This tax is administered by the Capital Tax Collection Bureau and is shared equally with the school district. The commission paid for the collection of this tax remains at 2.0% for 2007. Since the tax is withheld by the employer, a relatively high level of compliance can be anticipated. A \$64,600, or 2.0%, increase is expected in 2007 from 2006 projected levels.

BUSINESS PRIVILEGE AND MERCANTILE TAXES, LICENSES, AND FEES

The Business Privilege and Mercantile Tax ordinance provides for the assessment, levy and collection, for general revenue purposes, of an annual business privilege tax and mercantile tax upon the gross receipts of persons, firms, companies, and corporations engaging in business, as described in the ordinance, within the City of Harrisburg. However, there are several large groups exempted from the gross receipts tax - for example, manufacturers, landlords, utilities, and those subject to similar state taxes or state license fees. In 2007, an increase of \$90,250, or 2.4%, is expected from 2006 projected levels.

Additionally, there are miscellaneous taxes and fees levied on mechanical devices (pinball, billiard tables, video games, etc.), and general license fees are levied on businesses.

The responsibility for administering this ordinance rests with the Tax & Enforcement Administrator in the Department of Administration.

Limits, established by Local Tax Enabling Act 511 - 1965 of the Commonwealth of Pennsylvania, and current tax rates imposed by the City of Harrisburg, are illustrated in the following table.

Taxes and Fees	Current Rates	Statutory Limit
Mercantile Tax - Wholesale	1 mill per \$1,000 gross receipts up to \$5,000,000 1/8 mill per \$1,000 gross receipts in excess of \$5,000,000	1 mill*
Mercantile Tax - Retail	1 1/2 mills per \$1,000 gross receipts up to \$3,300,000 1/8 mill per \$1,000 gross receipts in excess of \$3,300,000	1 1/2 mills *
Business Privilege Tax	2 mills per \$1,000 gross receipts up to \$3,300,000 1/2 mill per \$1,000 gross receipts in excess of \$3,300,000	No Limit
Mechanical Devices	\$50 per machine	No Limit
Amusement Tax	10%	10% *
Parking Tax	15%	15%
Parking License Fee	\$1 per space	
Business Privilege License Fee	\$40 per year	
General License Fees	\$10 - \$200 depending on business	

*Shared equally with the Harrisburg School District.

DEPARTMENT OF ADMINISTRATION

The Department of Administration (DOA) provides administrative and fiscal support services to all departments of City government. These services include insurance and risk management, financial management, human resource management, payroll, information technology, labor relations, and billing and collections for City utilities. It performs services for the Water Utility Fund, Sanitation Utility Fund, Incinerator Utility Fund, Sewerage Utility Fund, State Liquid Fuels Tax Fund, state & federal grant programs, various public safety department programs (such as the Metro system), and the Harrisburg School District. Services to non-City entities are provided under contract. The department generates substantial revenue for the City's General Fund to the extent it is reimbursed by the above non-General Fund entities for costs incurred on their behalf. For those services that are provided to General Fund departments, internal charges are calculated. However, these charges are not reimbursed. The minimum amount of reimbursement is determined annually through an indirect cost analysis performed by outside cost accounting specialists. This indirect cost analysis becomes the basis for an administrative service charge to be imposed on a particular fund or entity. An increase of \$1,296,545, or 10.9%, is expected in DOA revenue for 2007 as compared to 2006 projected receipts. The increase is primarily the result of higher receipts of administrative service charges from the Water and Sewerage Utility Funds.

DEPARTMENT OF BUILDING AND HOUSING DEVELOPMENT

The Department of Building and Housing Development (DBHD) administers and enforces the building code in the City in addition to administering the Community Development Block Grant and other federal programs. DBHD 2007 revenues are expected to increase \$164,196, or 17.1%, from 2006 projected levels. This is primarily the result of an increase in various permit fees anticipated to be enacted in 2007.

The obvious purpose of the building code is to protect the health and welfare of the citizens of Harrisburg. It is through the enforcement of this code that the department generates revenue for the City.

Prior to commencement of commercial or residential construction or renovation projects in the City, the individuals involved must obtain various permits from, and pay a number of fees to, DBHD. The most familiar fees are those for building, electrical, plumbing, and zoning permits and for buyer notifications and rental inspections.

In addition to the fees noted above, the department also administers the licensing program for electricians and plumbers. The initial fee for either plumbers or electricians is \$55.00; renewals are \$40.00, with journeymen and apprentice fees \$40.00 and \$15.00, respectively. Examinations are conducted by the Electrical and Plumbing Boards.

DBHD also administers the Health License Program and charges an annual fee based on the type and/or square footage of the establishment.

The following chart provides a sampling of the various fees charged by DBHD.

Fees	Rates as of December 31, 2006
Buyer Notification and Rental Inspection	\$100 for 1-3 dwelling units; \$15 for each additional dwelling unit over 3
Health Inspections	\$25 application fee \$50 for 0-25 seats; \$75 for 26-49 seats; \$100 for 50-74 seats; \$150 for 75+ seats
Building Permits	\$7 for every \$1,000 of work or portion thereof, \$15 minimum permit fee
Demolition Permits	\$30 for first \$1,000; \$20 for each additional \$1,000
Electrical Permits	greater of: 7% of contract price or fair market value (FMV) of job on single family residential units greater of: 8% of contract price or FMV of job on multi/mixed use residential units greater of: 1% of contract price or FMV of job on commercial/industrial/non-residential units
Plumbing Permits	sliding scale per fixture
Zoning Permits	\$3 for first \$1,000 of estimated cost of work; \$1.00 for every \$1,000 thereafter
Fire Code Permits	sliding scale per reason for inspection
Sign Permits	\$9 per \$1,000 of estimated cost
Rooming House Permits	\$75 initial fee; \$15 per bed available for use
Zoning Hearing Board Appeals	\$175 special exception; \$25 each additional special exception request on same app. \$225 variance; \$50 each additional variance request on same application
Zoning Amendments	\$250 plus costs for zoning ordinance amendment \$250 plus costs for zoning map amendment
Subdivision and Land Development	\$150 plus \$20/lot or unit for preliminary or preliminary/final plan \$125 plus \$20/lot or unit for final plan \$125 for revised plan \$125 for lot add-on plan
Boards of Appeals	\$100 building and housing code board of appeals \$100 health code board of appeals
Nuisance Abatement	Violations of city codes such as the refusal to remove weeds, snow, ice, or unsafe buildings may result in fines levied by a district justice in amounts ranging from \$50 to \$1,000.

DEPARTMENT OF PUBLIC SAFETY

The Department of Public Safety consists of the Police and Fire Bureaus. The Police Bureau generates revenue from special police services, meter bag rentals, warrant serviced, federal and state grants, and additional miscellaneous services. An anticipated revenue decrease of \$277,573, or -16.0%, is expected for 2007 from 2006 projected levels. The decrease is largely the result of lower grant-related activity in 2007 and lower projected reimbursements from the Harrisburg Public Schools.

DEPARTMENT OF PUBLIC WORKS

The Department of Public Works General Fund revenues include sewer tapping permits, traffic engineering charges, vehicle maintenance charges, and sewer maintenance charges. An increase of \$51,350, or 2.4%, is anticipated in 2007 compared to projected 2006 revenue due, primarily, to increased sewer maintenance charges.

DEPARTMENT OF PARKS AND RECREATION

The Department of Parks and Recreation charges small fees for permitting the planting, trimming, and removal of "City" trees (meaning those trees located between sidewalks and curbs or alley sides). These fees do not cover actual planting, trimming, or removal of trees, but are intended to help prevent the planting of trees in the wrong places (e.g., where they would interfere with existing utility lines or obstruct motorist/pedestrian vision), the inappropriate removal of healthy trees, and to facilitate the maintenance of the department's inventory of "City" trees. In addition to the aforementioned services, this department conducts and/or promotes a number of year-round recreational activities. The costs of many of these programs are largely offset by contributions/sponsorships from the private sector. An increase of \$76,650, or 34.0%, is anticipated in 2007 compared to projected 2006 revenue. This is due to anticipated increases in contributions and donations and fees charged for advertising in City publications.

FINES AND FORFEITURES

The revenues in this category include District Justice fees for various minor judicial offenses, e.g., traffic violations and summary criminal offenses. Also included in this category are City parking violations, witness fees, and court costs. This revenue category is anticipated to increase from 2006 projections by \$363,200, or 21.8%, primarily due to an increase in parking violation revenues resulting from a full complement of Parking Enforcement Officers.

LICENSES AND PERMITS

This category consists of alcoholic beverage license revenues and a cable television franchise license fee of 5% on all gross receipts from a local cable television company. A \$200 increase is expected for 2007 as compared to 2006 projected revenues.

INTEREST INCOME AND PROPERTY INCOME

Interest Income is income on cash investments. Property Income consists of rental income on property and gains on the sale of assets owned by the City. Property Income is expected to increase \$793,700 from 2006 projections, due primarily to the expected gain from the sale of the City's owned minor-league baseball team, the Harrisburg Senators in 2007. Interest Income is expected to decrease \$33,000, or -19.3%, from 2006 projections primarily due to less cash on hand to invest and stabilization of interest rates.

MISCELLANEOUS

This category includes contributions, miscellaneous receipts, and refunds of expenditures. Miscellaneous revenue is expected to decrease \$795,360, or -53.4%, from prior-year projected revenue. This is primarily due to large Stop/Loss Insurance recoveries received in 2006 that are not projected to be received in 2007.

OTHER FINANCING SOURCES

In 2006, a Tax and Revenue Anticipation Note (T.R.A.N.) for \$7,000,000 was received by the General Fund. The \$7 million short-term loan was paid off in 2007 with a \$7 million, longer term borrowing. In 2006, \$498,233 was received as a recovery of funds related to the settlement of an outstanding bond issue matter.

INTERGOVERNMENTAL/INTERFUND

Intergovernmental revenue includes revenue received from other governmental entities. Intergovernmental revenue is expected to increase \$574,900, or 7.8%, from 2006 projected levels. This is the result of an anticipated increase in funding from the Harrisburg Parking Authority (HPA), as part of the Coordinated Parking Agreement between the City and HPA.

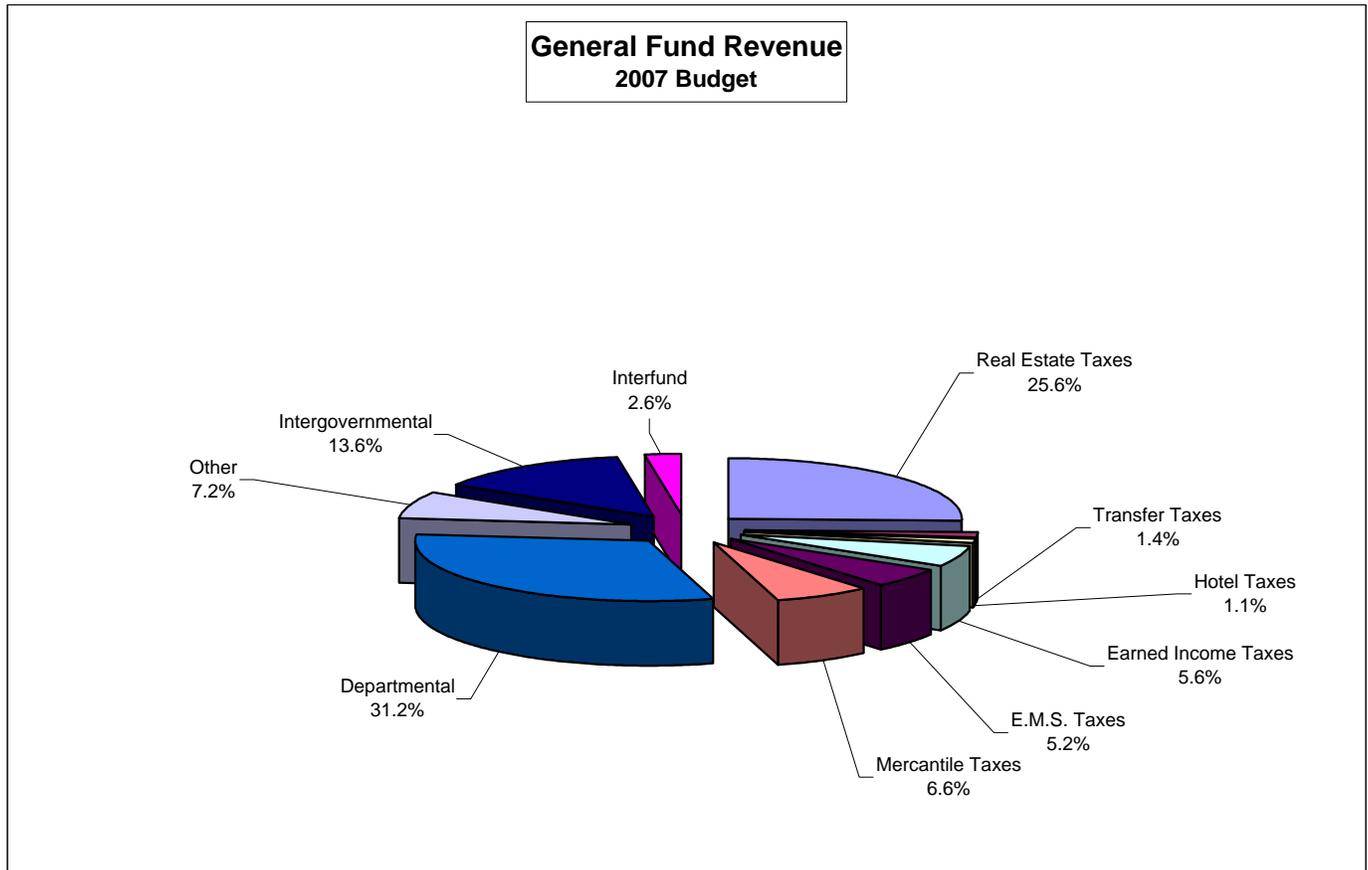
Interfund revenues include transfers from other funds to the General Fund. This category is expected to increase \$266,504, or 21.3%, in 2007 from projected 2006 levels, as the interfund transfer from the Sanitation Utility Fund to the General Fund is projected to increase by a like amount.

GENERAL FUND
REVENUE ANALYSIS SUMMARY
2007 BUDGET

Account Name	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
TAXES						
REAL ESTATE TAXES						
Real Estate Current	12,061,329	12,019,060	11,919,276	12,106,000	12,150,700	13,841,000
Real Estate Prior	1,422,262	3,206,541	1,271,682	1,200,000	532,900	1,200,000
TOTAL REAL ESTATE TAXES	<u>13,483,591</u>	<u>15,225,601</u>	<u>13,190,958</u>	<u>13,306,000</u>	<u>12,683,600</u>	<u>15,041,000</u>
OTHER TAXES						
Transfer Taxes	1,044,534	827,728	1,138,921	756,000	830,000	800,000
Hotel Taxes	0	0	0	0	0	640,000
Occupational Privilege	332,578	336,509	26,623	0	6,300	0
Emergency and Municipal Services	0	0	2,755,772	3,191,100	3,107,500	3,078,500
Earned Income	3,148,253	3,055,429	3,395,822	3,214,400	3,241,900	3,306,500
Mercantile/Business Privilege	3,438,918	3,862,784	3,680,668	3,648,165	3,784,450	3,874,700
TOTAL OTHER TAXES	<u>7,964,283</u>	<u>8,082,450</u>	<u>10,997,806</u>	<u>10,809,665</u>	<u>10,970,150</u>	<u>11,699,700</u>
TOTAL TAXES	<u>21,447,874</u>	<u>23,308,051</u>	<u>24,188,764</u>	<u>24,115,665</u>	<u>23,653,750</u>	<u>26,740,700</u>
DEPARTMENTAL REVENUES						
Administration	15,581,598	10,534,192	13,571,510	13,744,083	11,971,747	13,268,292
Building and Housing Development	859,941	2,450,854	962,261	1,038,100	957,545	1,121,741
Public Safety	1,421,577	1,434,780	2,355,436	4,990,375	1,733,973	1,456,400
Public Works	1,732,206	1,711,122	2,117,899	2,119,600	2,128,100	2,179,450
Parks and Recreation	196,787	82,037	288,968	307,500	225,650	302,300
TOTAL DEPT. REVENUES	<u>19,792,109</u>	<u>16,212,985</u>	<u>19,296,074</u>	<u>22,199,658</u>	<u>17,017,015</u>	<u>18,328,183</u>

GENERAL FUND
REVENUE ANALYSIS SUMMARY
2007 BUDGET

Account Name	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
OTHER REVENUES						
Fines and Forfeits	1,633,743	1,811,458	1,745,082	2,264,160	1,666,800	2,030,000
Licenses and Permits	467,901	447,271	486,026	479,000	511,800	512,000
Interest Income	75,809	156,192	199,697	136,010	171,400	138,400
Property Income	57,821	782,215	656,503	47,000	43,300	837,000
Miscellaneous	421,834	750,525	846,203	1,180,260	1,489,960	694,600
Other Financing Sources	2,834,544	633,000	0	0	7,498,233	0
Intergovernmental	7,199,804	7,942,735	7,674,913	7,450,000	7,386,900	7,961,800
Interfund	540,468	1,190,946	1,312,767	1,249,124	1,249,124	1,515,628
TOTAL OTHER REVENUES	<u>13,231,924</u>	<u>13,714,342</u>	<u>12,921,191</u>	<u>12,805,554</u>	<u>20,017,517</u>	<u>13,689,428</u>
GENERAL FUND REVENUES	<u>54,471,907</u>	<u>53,235,378</u>	<u>56,406,029</u>	<u>59,120,877</u>	<u>60,688,282</u>	<u>58,758,311</u>
Fund Balance Appropriation	100,000	1,198,970	0	0	0	0
GENERAL FUND RESOURCES	<u><u>54,571,907</u></u>	<u><u>54,434,348</u></u>	<u><u>56,406,029</u></u>	<u><u>59,120,877</u></u>	<u><u>60,688,282</u></u>	<u><u>58,758,311</u></u>



GENERAL FUND
REVENUE ANALYSIS DETAIL
2007 BUDGET

Account Name	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
TAXES						
REAL ESTATE TAXES						
CURRENT YEAR LEVY						
Discount Period	9,519,723	9,685,102	9,380,642	9,356,000	9,960,000	11,204,000
Flat Period	1,549,739	1,272,493	1,578,078	1,599,000	1,126,000	1,493,000
Penalty Period	1,289,221	1,150,032	1,045,584	1,225,000	1,014,000	1,253,000
Refund of Prior Year Taxes	(222,534)	(7,428)	0	(10,000)	(2,000)	(10,000)
TOTAL CURRENT YEAR LEVY	12,136,149	12,100,199	12,004,304	12,170,000	12,098,000	13,940,000
CURRENT YEAR DISCOUNT AND PENALTY						
Discount (2%)	(199,241)	(193,890)	(188,463)	(187,000)	(202,300)	(224,000)
Penalty (10%)	124,421	112,751	103,435	123,000	255,000	125,000
TOTAL DISCOUNT & PENALTY	(74,820)	(81,139)	(85,028)	(64,000)	52,700	(99,000)
TOTAL CURRENT YEAR TAXES	12,061,329	12,019,060	11,919,276	12,106,000	12,150,700	13,841,000
PRIOR YEARS' TAXES						
Tax Liens - Principal	0	1,357,556	1,230,147	1,200,000	0	0
Tax Liens - Interest	0	0	41,191	0	0	0
Tax Amount - 1st Year Prior	535,977	627,564	0	0	475,000	452,100
Tax Amount - 2nd Year Prior	562,624	792,516	0	0	300	474,700
Tax Amount - 3rd & More Prior Years	83,400	116,241	0	0	47,000	70,400
Penalty & Int - 1st Year Prior	83,905	88,340	344	0	10,200	70,800
Penalty & Int - 2nd Year Prior	130,454	186,601	0	0	50	110,100
Penalty & Int - 3rd & More Years	25,902	37,723	0	0	50	21,900
Tax Amount - Tax Sales	0	0	0	0	300	0
TOTAL PRIOR YEARS' TAXES	1,422,262	3,206,541	1,271,682	1,200,000	532,900	1,200,000
TOTAL REAL ESTATE TAXES	13,483,591	15,225,601	13,190,958	13,306,000	12,683,600	15,041,000
OTHER TAXES						
Transfer Taxes	1,044,534	827,728	1,138,921	756,000	830,000	800,000
Hotel Taxes	0	0	0	0	0	640,000
OCCUPATIONAL PRIVILEGE TAXES						
Tax Amount - Current Year	317,287	326,834	2,773	0	0	0
Penalty - Current Year	543	640	280	0	0	0
Tax Amount - Prior Years	24,427	18,141	25,916	0	6,000	0
Penalty - Prior Years	641	515	1,111	0	300	0
O.P.T. Commissions	(10,149)	(9,436)	(3,337)	0	0	0
O.P.T. Commissions Prior Year	(171)	(185)	(120)	0	0	0
TOTAL O.P.T.	332,578	336,509	26,623	0	6,300	0

GENERAL FUND
REVENUE ANALYSIS DETAIL
2007 BUDGET

Account Name	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
EMERGENCY AND MUNICIPAL SERVICES TAX						
Tax Amount - Current Year	0	0	2,764,491	2,984,500	2,900,000	2,850,000
Penalty - Current Tax	0	0	2,967	200	1,000	1,000
Tax Amount - Prior Year	0	0	0	211,500	214,000	200,000
Penalty - Prior Year	0	0	0	0	4,600	40,000
E.M.S. Tax Commissions	0	0	(11,686)	(5,100)	(11,800)	(12,000)
Prior Year E.M.S. Commissions	0	0	0	0	(300)	(500)
TOTAL E.M.S.	0	0	2,755,772	3,191,100	3,107,500	3,078,500
EARNED INCOME TAXES						
Tax Amount - Current Year	3,231,484	3,137,707	3,486,991	3,280,000	3,325,000	3,308,000
Tax Amount - Prior Year	0	0	0	0	0	0
E.I.T. Commissions	(83,231)	(82,278)	(91,169)	(65,600)	(83,100)	(82,700)
Equity Distribution	0	0	0	0	0	81,200
TOTAL E.I.T.	3,148,253	3,055,429	3,395,822	3,214,400	3,241,900	3,306,500
MERCANTILE/BUSINESS PRIVILEGE LICENSES						
Business Privilege - Current Year	159,120	273,000	168,813	150,000	170,000	165,000
Business Privilege - Prior Year	12,000	11,360	9,003	8,400	5,500	5,000
Landlord - Current Year	36,440	58,640	66,225	54,000	65,000	58,000
Landlord - Prior Year	80	2,160	8,280	2,500	3,000	1,800
TOTAL BUSINESS LICENSES	207,640	345,160	252,321	214,900	243,500	229,800
MERCANTILE/BUSINESS TAXES						
Current Year Tax	2,351,635	2,422,811	2,435,286	2,500,000	2,450,000	2,600,000
Prior Year Tax	77,647	126,349	53,422	65,000	145,000	65,000
Penalty	38,318	27,282	34,640	23,000	35,600	26,000
Interest	8,434	6,559	5,996	4,200	14,500	12,000
Amusement Tax	271,052	292,198	250,127	250,000	250,000	265,000
Amusement Tax Penalty	288	1,004	682	100	750	300
Parking Tax	438,632	598,027	603,699	550,000	604,900	650,000
Parking License Fee	11,826	11,527	10,465	10,465	10,600	0
Parking License Fee - Prior Year	0	921	0	0	0	0
Parking License Fee - Interest	656	2,371	3,975	2,500	2,100	1,100
General License Tax	32,790	28,575	30,055	28,000	27,500	25,500
TOTAL BUSINESS TAXES	3,231,278	3,517,624	3,428,347	3,433,265	3,540,950	3,644,900
TOTAL MERC./BUS. PRIV.	3,438,918	3,862,784	3,680,668	3,648,165	3,784,450	3,874,700
TOTAL OTHER TAXES	7,964,283	8,082,450	10,997,806	10,809,665	10,970,150	11,699,700
TOTAL TAXES	21,447,874	23,308,051	24,188,764	24,115,665	23,653,750	26,740,700

GENERAL FUND
REVENUE ANALYSIS DETAIL
2007 BUDGET

Account Name	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
DEPARTMENTAL REVENUES						
ADMINISTRATION						
Water Utility Fund	7,923,848	3,479,027	5,493,538	5,448,038	5,098,872	6,165,807
Grants Fund	71,445	71,445	124,564	64,355	64,355	60,000
Sanitation Utility Fund	958,385	958,385	958,385	958,385	958,385	958,385
Landfill/Incinerator Utility Fund	421,925	934,583	581,783	1,405,733	0	0
Sewerage Utility Fund	5,586,379	4,442,225	5,798,954	5,233,735	5,233,735	5,488,150
Satisfaction Fees	2,773	3,124	2,999	2,600	3,000	2,700
Filing Fee Returns	4,305	4,516	4,812	5,400	7,000	4,500
Return of Advanced Costs	8	0	18	20	0	0
Metro	215,792	229,043	200,047	202,375	195,000	190,000
Liens - Court Costs	266	1,185	257	200	300	200
Collection Revenue (School)	217,015	197,305	209,653	241,092	210,200	205,000
Collection Fees (School Merc.)	73,579	75,503	64,308	76,000	77,900	75,000
Returned Check Fee	9,548	9,551	6,479	8,000	9,500	8,500
Other Administration Revenue	96,189	128,037	125,566	98,000	113,300	110,000
Documents/Publications - Mercantile	141	83	147	150	200	50
I.T. Chargebacks	0	180	0	0	0	0
TOTAL ADMINISTRATION	15,581,598	10,534,192	13,571,510	13,744,083	11,971,747	13,268,292
BUILDING & HOUSING DEVELOPMENT						
Rooming House	5,065	6,095	(501)	5,000	200	5,000
Appeal Hearing Fees	500	1,400	1,500	1,000	(1,350)	1,000
License Examination Fees	4,495	6,205	710	0	705	0
License Renewal Fees	54,280	115,450	64,488	70,000	65,000	140,000
Permit Fees - Electrical	79,553	165,035	123,989	150,000	88,000	150,000
Permit Fees - Plumbing	20,374	58,413	46,802	60,000	55,000	60,000
Permit Fees - Building	379,176	1,501,915	359,057	400,000	430,000	469,141
Permit Fees - Low Voltage Electric	10,705	12,608	7,414	10,000	4,000	10,000
Permit Fees - Dumpster	9,085	4,685	4,750	3,000	5,200	3,000
Permit Fees - Demolition	490	17,430	14,996	10,000	12,000	10,000
Fire Prevention Code	6,550	28,299	22,909	15,000	20,000	20,000
Permit Fees - Special	75	25	125	100	200	100
Fees - Flood Plain Certification	2,808	4,072	4,233	4,500	4,200	4,500
Fees - Buyer Notification	103,785	123,625	136,984	140,000	128,000	145,000
Inspection Services	0	6,641	(540)	0	(400)	0
Emergency Order Liens - Principal	5,510	7,776	1,227	0	0	0
Emergency Order Liens - Interest	677	523	241	0	0	0
Codes Enforcement	355	0	0	0	0	0
Fees - Planning	6,242	14,508	9,420	8,000	3,000	18,000
Fees - City Health Inspection	68,450	79,000	52,545	50,000	52,000	55,000
Health - State Grant	0	0	0	0	0	0
Health - Federal Grant	0	0	0	0	0	0
Other Health	0	0	0	0	(60)	0
Fees - Zoning Hearing Board	4,325	6,550	7,025	5,000	4,200	0
Permit Fees - Zoning	48,503	210,856	52,112	50,000	60,000	0
Demolition Liens - Principal	3,800	5,710	(2,453)	0	0	0
Demolition Liens - Interest	0	50	3,569	0	0	0
Rental Inspection	37,005	70,860	42,554	55,000	27,000	30,000
Publications and Maps	10	1,795	5,293	1,000	100	1,000
Other Community Dev. Revenue	8,123	1,328	3,812	500	550	0
TOTAL BUILDING & HOUSING DEV.	859,941	2,450,854	962,261	1,038,100	957,545	1,121,741

GENERAL FUND
REVENUE ANALYSIS DETAIL
2007 BUDGET

Account Name	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
PUBLIC SAFETY						
Temp "No Parking" Signs	0	403,255	308	0	430	400
Fire and Burglar Alarm	66,652	49,390	45,111	40,000	39,000	45,000
Vehicular Extraction Fees	0	0	0	5,000	300	0
Police Investigation Reports	44,160	44,012	36,384	40,000	35,100	34,000
Fire Investigation Reports	600	1,570	1,080	1,200	5,500	5,000
Fees - Police Officer Application	0	5,495	225	0	0	0
Fees - Firefighter Application	600	6,065	0	175,000	1,700	0
Meter Bag Rental	111,350	214,150	152,535	76,265	125,000	150,000
Domestic Violence Grant	0	22,500	0	0	76,265	0
Auto Theft Grant	0	14,624	4,928	0	0	0
Academy Grant	0	7,863	1,444	1,500	0	0
Weed and Seed Grant	0	75,368	85,202	0	0	0
Universal Hiring Grant	0	0	0	275,000	200,000	400,000
Probation/Parole Grant	0	11,782	183,362	46,576	60,000	0
Counter-Terrorism Grant	0	0	0	30,000	0	0
FEMA/USAR Contract	212,598	56,107	1,307,444	700,000	519,378	700,000
School Resource Unit Grant	763,963	336,046	0	0	0	0
State Police Reimbursement	79,153	0	41,919	201,966	15,000	0
HHA Reimbursement	16,640	0	0	225,000	100,000	0
Other Public Safety Revenue	24,064	38,313	52,502	277,000	52,000	30,000
Fees - Permit Parking	19,717	19,518	27,601	19,000	25,500	24,000
Fines and Costs	53,532	49,112	51,691	50,000	65,000	55,000
Drug Task Force Reimbursement	12,237	39,689	36,209	40,000	0	0
Highway Safety Program Reimburse.	0	18,702	0	0	0	0
E911 Surcharge	0	0	0	2,374,260	0	0
HSD Reimbursement	0	0	309,896	397,408	400,000	0
Dog Licenses	7,526	8,234	6,290	7,500	7,500	6,000
Fees - Booting	8,785	12,985	11,305	7,700	6,300	7,000
TOTAL PUBLIC SAFETY	1,421,577	1,434,780	2,355,436	4,990,375	1,733,973	1,456,400
PUBLIC WORKS						
Permit Fees - Street Cuts	0	0	0	0	700	0
Permit Fees - Sewer Tappage	5,499	29,974	17,098	6,000	2,000	1,000
VMC Charges - Dauphin County	0	0	0	0	13,000	1,200
VMC Charges - NCWM	439	409	484	0	0	0
VMC Charges - Water	73,973	52,102	81,158	70,750	70,750	0
VMC Charges - Hydroelectric Dam	29	0	0	0	0	0
VMC Charges - Steelton Borough	31,963	33,211	42,140	45,000	51,200	47,500
VMC Charges - Sanitation	162,451	141,586	240,847	188,000	188,000	188,000
VMC Charges - Incinerator	26,276	20,348	12,546	45,000	45,000	45,000
VMC Charges - Sewer/A.W.T.F.	32,554	40,154	44,646	28,800	33,000	28,800
VMC Charges - State Liquid Fuels	103,427	108,472	185,922	192,000	192,000	192,000
VMC Charges - Hbg Parking Authority	6,458	7,732	14,610	10,000	12,500	11,000
VMC Charges - Hbg Redev. Authority	396	806	357	500	2,000	300
VMC Charges - Hbg School District	133,896	180,409	273,356	250,000	327,200	310,000
VMC Charges - Hbg Housing Authority	1,970	2,766	3,010	2,500	2,600	2,500
Sewer Maintenance Charges	788,853	770,298	798,922	862,500	768,000	926,600
Sewer Maintenance Liens - Principal	15,059	17,112	18,265	16,500	21,700	20,000
Sewer Maintenance Liens - Interest	2,258	2,299	4,328	2,000	5,600	5,500
Publications and Maps	190	97	103	50	100	50
CDBG Reimbursement - Demolition	308,567	302,685	379,793	400,000	391,250	400,000
State Reimbursement - Snow Removal	28,960	0	0	0	0	0
Other Public Works Revenue	8,988	662	314	0	1,500	0
TOTAL PUBLIC WORKS	1,732,206	1,711,122	2,117,899	2,119,600	2,128,100	2,179,450

GENERAL FUND
REVENUE ANALYSIS DETAIL
2007 BUDGET

Account Name	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
PARKS AND RECREATION						
Revenue - Pool #1	6,320	6,930	16,828	14,500	17,000	18,000
Revenue - Pool #2	6,965	9,931	14,320	12,500	12,100	13,000
Fees - Shade Trees	2,566	368	265	2,000	150	300
Fees - Special Parking - City Island	70,000	22,419	98,754	80,000	80,000	80,000
Contribution/Donations	104,115	38,985	146,758	115,000	100,000	117,500
Explore Prog. Reimb. from HSD	0	0	0	40,000	0	0
Publication Advertising	0	0	9,900	40,000	12,000	70,000
Recreation Publications	0	94	35	0	0	0
Other Parks and Recreation Rev.	6,821	3,310	2,108	3,500	4,400	3,500
TOTAL PARKS AND RECREATION	196,787	82,037	288,968	307,500	225,650	302,300
TOTAL DEPARTMENT REVENUE	19,792,109	16,212,985	19,296,074	22,199,658	17,017,015	18,328,183
OTHER REVENUES						
FINES AND FORFEITS						
DJ - Traffic Violations	420,732	470,281	492,387	580,000	480,000	475,000
DJ - Summary Criminal Offenses	138,709	106,021	125,524	120,000	130,000	120,000
DJ - Codes Violations	106,298	94,985	87,393	90,000	87,700	85,000
City Parking Violations	936,083	1,093,090	1,021,860	1,474,160	967,000	1,350,000
Witness Fees	0	0	0	0	2,100	0
Other Fines and Forfeits	31,921	47,081	17,918	0	0	0
TOTAL FINES AND FORFEITS	1,633,743	1,811,458	1,745,082	2,264,160	1,666,800	2,030,000
LICENSES AND PERMITS						
Alcoholic Beverage Licenses	30,050	29,900	31,400	31,000	35,000	32,000
Cable TV Franchise License	437,851	417,371	454,626	448,000	476,800	480,000
TOTAL LICENSES AND PERMITS	467,901	447,271	486,026	479,000	511,800	512,000
INTEREST INCOME						
Savings	26,205	38,322	46,820	30,000	46,500	40,000
Tax Appeal	521	701	882	500	890	500
Collection System	8	7	10	10	10	0
Education	0	619	(74)	300	0	0
E.M.S. Tax Interest	0	0	25,370	5,000	4,270	3,600
MOED Loans	28,387	72,502	79,168	55,000	77,000	60,000
PNI Loan Interest	13,650	31,838	28,090	29,000	26,210	20,000
Other Investments	5,626	6,892	10,263	11,000	6,600	6,500
Interest Earnings	0	22	0	0	0	0
Insurance Service	1,114	5,035	8,643	5,000	9,420	7,500
Insurance Interest - W.C.	0	0	0	0	0	0
Water System Sale Proceeds	298	254	525	200	500	300
TOTAL INTEREST INCOME	75,809	156,192	199,697	136,010	171,400	138,400

GENERAL FUND
REVENUE ANALYSIS DETAIL
2007 BUDGET

Account Name	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
PROPERTY INCOME						
Rental Income	15,600	22,324	21,890	22,000	20,800	17,000
Easement Fees	35,821	26,891	13,338	25,000	22,500	20,000
Gain on Sale of Fixed Assets	6,400	733,000	621,275	0	0	800,000
TOTAL PROPERTY INCOME	57,821	782,215	656,503	47,000	43,300	837,000
MISCELLANEOUS						
Reimbursement for Loss/Damage	7,688	0	5,758	0	57,000	40,000
Stop Loss Recoveries	0	0	0	0	495,000	0
Contributions and Donations	8,400	0	0	0	6,000	0
Miscellaneous	3,756	3,785	6,239	10,000	9,400	5,000
Payments In Lieu of Taxes (PILOTS)	99,442	353,793	403,920	368,000	368,000	368,000
Naming Rights	0	0	0	0	0	0
Harrisburg Broadcasting Network	26,426	81,125	79,721	80,000	48,000	0
MOSP - Project Development Reimb	21,442	700	0	0	0	0
Refund of Expenditures	243,600	306,332	280,331	614,760	387,660	174,600
Express Script Rebate	0	0	53,528	70,000	67,400	65,000
Medicare Part D Program	0	0	0	37,500	37,500	30,000
Miscellaneous Lien - Principal	11,080	4,790	16,706	0	14,000	12,000
TOTAL MISCELLANEOUS	421,834	750,525	846,203	1,180,260	1,489,960	694,600
OTHER FINANCING SOURCES						
S.W.A.P. Revenue	0	433,000	0	0	0	0
City Guarantee Fees	2,834,544	200,000	0	0	0	0
Mortgage Refinancing Proceeds	0	0	0	0	0	0
T.R.A.N./Loan Proceeds	0	0	0	0	7,000,000	0
Settlement Recoveries	0	0	0	0	498,233	0
TOTAL OTHER FINANCING SOURCES	2,834,544	633,000	0	0	7,498,233	0
INTERGOVERNMENTAL						
Pension System State Aid	2,865,461	2,893,887	2,716,045	2,900,000	2,830,000	2,700,000
Public Utility Realty Taxes	37,343	28,848	38,868	30,000	36,900	36,000
Capital Fire Protection	1,020,000	1,020,000	1,020,000	1,020,000	1,020,000	1,220,000
HPA Coordinated Parking Agreement	3,277,000	4,000,000	3,900,000	3,500,000	3,500,000	4,005,800
TOTAL INTERGOVERNMENTAL	7,199,804	7,942,735	7,674,913	7,450,000	7,386,900	7,961,800
INTERFUND TRANSFERS						
Capital Projects Fund	0	0	0	0	0	0
Trust and Agency Fund	0	23,724	0	0	0	0
Sanitation Utility Fund	540,468	1,167,222	1,312,767	1,249,124	1,249,124	1,515,628
Sewer Utility Fund	0	0	0	0	0	0
TOTAL INTERFUND TRANSFERS	540,468	1,190,946	1,312,767	1,249,124	1,249,124	1,515,628
TOTAL OTHER REVENUES	13,231,924	13,714,342	12,921,191	12,805,554	20,017,516	13,689,428
GENERAL FUND REVENUE	54,471,907	53,235,378	56,406,029	59,120,877	60,688,282	58,758,311
Fund Balance Appropriation	100,000	1,198,970	0	0	0	0
GENERAL FUND RESOURCES	54,571,907	54,434,348	56,406,029	59,120,877	60,688,282	58,758,311

GENERAL FUND APPROPRIATIONS

GENERAL GOVERNMENT

DEPARTMENT OF ADMINISTRATION

DEPARTMENT OF BUILDING AND HOUSING
DEVELOPMENT

DEPARTMENT OF PUBLIC SAFETY

DEPARTMENT OF PUBLIC WORKS

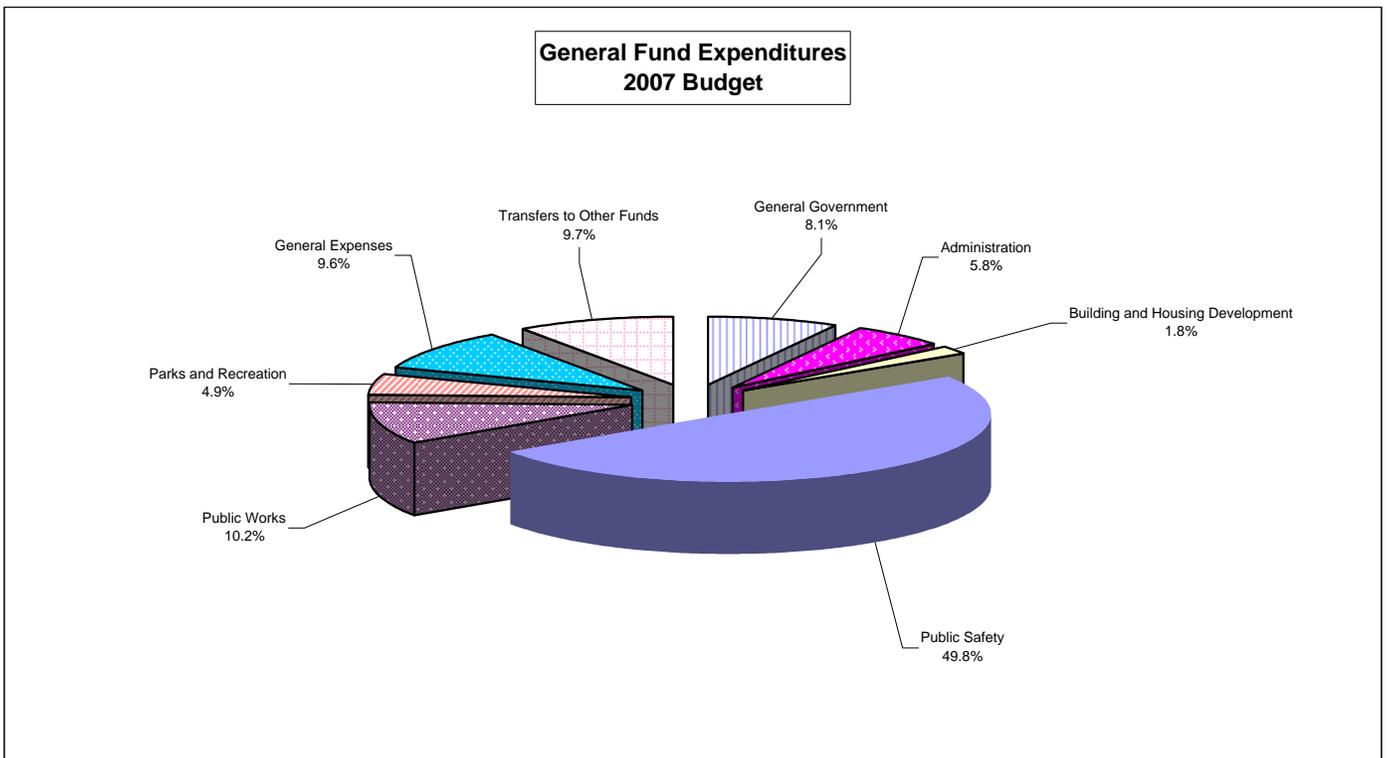
DEPARTMENT OF PARKS AND RECREATION

GENERAL EXPENSES AND
TRANSFERS TO OTHER FUNDS

GENERAL FUND
EXPENDITURE ANALYSIS SUMMARY
2007 BUDGET

Account Name	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
General Government	4,774,882	4,631,758	4,845,375	4,646,956	4,681,872	4,780,143
Administration	5,161,977	4,594,457	3,980,583	3,939,592	3,895,604	3,432,639
Building and Housing Development	1,158,943	1,190,303	1,121,274	1,229,112	1,183,165	1,029,949
Public Safety	24,369,831	25,403,481	29,055,380	27,785,884	30,572,774	29,249,723
Public Works	4,375,305	4,297,230	4,339,062	6,345,555	6,170,039	5,981,999
Parks and Recreation	3,319,086	2,997,477	2,849,383	3,130,463	3,153,924	2,900,332
General Expenses	3,125,307	2,376,737	3,740,694	3,191,382	4,348,224	5,661,199
Transfers to Other Funds	8,277,764	8,727,045	8,788,166	8,851,933	8,851,993	5,722,327
TOTAL GENERAL FUND	<u>54,563,095</u>	<u>54,218,488</u>	<u>58,719,917</u>	<u>59,120,877</u>	<u>62,857,595</u>	<u>58,758,311</u>

Personnel Services	35,859,166	35,495,926	38,169,803	39,317,883	41,291,284	39,993,126
Operating Expenses	7,451,440	7,860,642	7,903,901	8,795,669	8,823,524	8,105,653
Capital Outlay	1,918,795	1,391,542	1,359,163	1,352,516	1,422,917	1,143,181
Grants	1,093,144	738,144	1,114,068	802,876	784,776	997,538
Miscellaneous	(40,174)	381	0	0	25,390	45,000
Transfers	8,277,764	8,727,045	8,788,166	8,851,933	8,851,993	5,722,327
Non-Expenditure Items	2,959	4,808	1,384,816	0	1,657,711	2,751,486
TOTAL GENERAL FUND	<u>54,563,095</u>	<u>54,218,488</u>	<u>58,719,917</u>	<u>59,120,877</u>	<u>62,857,595</u>	<u>58,758,311</u>



General Government

Office of City Council



City Council Members

Office of the Mayor



Rev. Dr. Martin Luther King Jr., City Gov't Center

Office of the City Controller



Approving requisitions for purchases

Office of the City Treasurer



Reviewing City's bank accounts to ensure proper investment

Office of the City Solicitor



Preparing legislation for City Council's review

General Government

Harrisburg Human Relations Commission



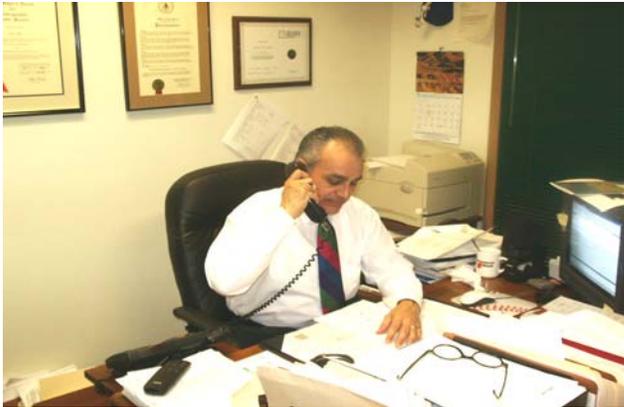
Human Relations Specialist, Executive Director, and Administrative Assistant

Office of City Engineering



City Engineer inspecting State Street intersection project

Mayor's Office for Economic Development



Discussing the NMAAH

Mayor's Office for Economic Development - Harrisburg Broadcast Network



WHBG Studio

Mayor's Office for Economic Development



MBE Development Specialist discussing a new project with Secretary

EXPENDITURE ANALYSIS SUMMARY
2007 BUDGET

	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
GENERAL GOVERNMENT						
<u>0101 OFFICE OF CITY COUNCIL</u>						
Personnel Services	291,391	287,065	316,292	383,836	326,306	402,285
Operating Expenses	146,896	85,102	89,183	92,760	102,803	86,800
Capital Outlay	11,583	0	0	0	0	0
Grants	27,700	5,200	0	0	0	0
TOTALS	477,570	377,367	405,475	476,596	429,109	489,085
<u>0102 OFFICE OF THE MAYOR</u>						
Personnel Services	407,724	393,477	394,670	409,096	412,930	434,916
Operating Expenses	22,451	36,896	26,191	46,767	48,012	31,275
Capital Outlay	(250)	0	0	0	4,020	4,600
TOTALS	429,925	430,373	420,861	455,863	464,962	470,791
<u>0103 OFFICE OF THE CITY CONTROLLER</u>						
Personnel Services	210,910	212,509	213,852	231,050	229,817	240,218
Operating Expenses	3,626	6,422	5,726	9,550	9,500	5,700
Capital Outlay	0	0	0	0	0	0
TOTALS	214,536	218,931	219,578	240,600	239,317	245,918
<u>0104 OFFICE OF THE CITY TREASURER</u>						
Personnel Services	517,557	534,798	543,054	598,161	581,451	628,684
Operating Expenses	85,636	58,969	80,961	121,144	133,150	131,435
Capital Outlay	47,426	5,739	0	0	0	0
TOTALS	650,619	599,506	624,015	719,305	714,601	760,119
<u>0105 OFFICE OF THE CITY SOLICITOR</u>						
Personnel Services	350,258	367,985	338,199	340,471	341,641	288,661
Operating Expenses	56,013	262,095	181,835	84,050	158,710	58,135
Capital Outlay	0	0	0	0	0	0
TOTALS	406,271	630,080	520,034	424,521	500,351	346,796

EXPENDITURE ANALYSIS SUMMARY
2007 BUDGET

	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
<u>0106 HARRISBURG HUMAN RELATIONS COMMISSION</u>						
Personnel Services	162,635	163,812	156,940	171,373	148,686	178,951
Operating Expenses	15,519	13,058	11,940	20,045	20,045	25,425
Capital Outlay	0	0	0	0	0	0
TOTALS	178,154	176,870	168,880	191,418	168,731	204,376
<u>0107 OFFICE OF THE CITY ENGINEER</u>						
Personnel Services	214,009	172,069	241,908	264,216	263,313	271,359
Operating Expenses	849,702	861,549	771,961	381,781	399,392	342,370
Capital Outlay	776,751	617,997	832,952	832,952	832,952	674,311
Grants	0	0	0	0	0	465,725
TOTALS	1,840,461	1,651,615	1,846,821	1,478,949	1,495,657	1,753,765
<u>0108 MAYOR'S OFFICE FOR SPECIAL PROJECTS</u>						
Personnel Services	211,489	196,350	0	0	0	0
Operating Expenses	39,837	40,256	0	0	0	0
Capital Outlay	10,943	0	0	0	0	0
TOTALS	262,268	236,606	0	0	0	0
<u>0109 MAYOR'S OFFICE FOR ECONOMIC DEVELOPMENT AND SPECIAL PROJECTS</u>						
Personnel Services	310,830	303,396	501,685	534,758	530,456	449,409
Operating Expenses	4,248	7,011	138,026	124,946	141,196	58,770
Capital Outlay	0	0	0	0	(2,508)	1,114
Grants	0	0	0	0	0	0
TOTALS	315,078	310,407	639,711	659,704	669,144	509,293
TOTAL GENERAL GOVERNMENT						
Personnel Services	2,676,803	2,631,463	2,706,600	2,932,961	2,834,600	2,894,483
Operating Expenses	1,223,927	1,371,359	1,305,823	881,043	1,012,808	739,910
Capital Outlay	846,452	623,736	832,952	832,952	834,464	680,025
Grants	27,700	5,200	0	0	0	465,725
TOTAL EXPENDITURES	4,774,882	4,631,758	4,845,375	4,646,956	4,681,872	4,780,143

POSITION ANALYSIS SUMMARY
2007 BUDGET

	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
GENERAL GOVERNMENT						
Office of City Council	10.00	10.00	10.00	10.00	9.00	10.00
Office of the Mayor	6.00	5.00	5.00	5.00	5.00	5.00
Office of the City Controller	4.00	4.00	4.00	4.00	4.00	4.00
Office of City Treasurer	11.40	11.40	11.40	11.40	11.40	11.40
Office of City Solicitor	6.00	6.00	5.00	5.00	5.00	4.00
Human Relations Commission	3.00	3.00	2.00	3.00	3.00	3.00
Office of City Engineer	7.00	4.00	4.00	4.00	4.00	4.00
Office for Special Projects	7.00	3.00	0.00	0.00	0.00	0.00
Office for Economic Development	5.00	5.00	8.00	8.00	9.00	7.00
TOTAL POSITIONS	59.40	51.40	49.40	50.40	50.40	48.40

In 2003, a part-time College Intern and 50% of the salary for a Secretary I were added in the Office of City Engineer and the Mayor's Office for Economic Development, respectively. In addition, the Mayor's Office for Special Projects was officially renamed from the Office for the Hydro-Electric Dam Project. This new office had six positions: an Assistant to Mayor for Special Projects; 50% of the salary for a Project Manager; 50% of the salary for a Secretary I (both were previously funded in the Hydroelectric Dam Fund); an Executive Director for the Harrisburg Broadcasting Network (HBN); a Community Relations Director for HBN; a Development Director and a Project Manager, both for the National Museum of African American History (NMAAH). In 2004, three part-time College Intern positions in the Office of the City Engineer, as well as four positions in the Mayor's Office for Special Projects: Executive Director - HBN, Community Relations Director - HBN, Development Director and Project Manager, both for the NMAAH were eliminated. The 2005 Approved Budget added three positions to Mayor's Office for Economic Development: Executive Director - HBN, Community Relations Director - HBN and part-time Production Technician - HBN, while an Executive Secretary/Administrative Assistant and the Assistant to the Mayor for Special Projects were eliminated from the Office of the Mayor and the Mayor's Office for Special Projects, respectively. In addition, the Mayor's Office for Special Projects was merged into the Mayor's Office for Economic Development. The 2006 Approved Budget eliminates a Legal Assistant from the Office of the City Solicitor, the vacant Director of the Mayor's Office for Economic Development, and a vacant Videographer/Production Technician from the Mayor's Office for Economic Development and Special Projects. In the Human Relations Commission, the vacant Administrative Assistant is reclassified to a Secretary I position. The Mayor's Office for Economic Development and Special Projects adds a Director of Special Projects. In the 2007 approved budget the Offices of General Government, eliminated two positions. In the Office of City Council, the Legislative Liason position was reclassified as an Assistant City Clerk. In the Office of the City Solicitor, a Paralegal was eliminated. In the Mayor's Office for Economic Development and Special Projects, a Community Relations Director and Project Manager were eliminated. In the same office, a part-time Production Technician hired in 2006 was made permanent.

OFFICE OF CITY COUNCIL

Harrisburg's City Council is the Legislative Branch of City government. The City Council consists of seven members who are elected at large. The City Council President is elected by the Council members and presides over the Council meetings. In the event of illness or absence, the Vice-President presides over the meetings. City Council considers and evaluates legislative concerns through a study committee structure consisting of committees on Administration, Budget and Finance, Building and Housing, Community and Economic Development, Children and Youth, Parks and Recreation, Public Safety, and Public Works. City Council also confirms all department directors and certain other Mayoral appointees. Council is also required, by the Third Class Optional City Code of Pennsylvania, to pass an annual budget by December 31 of each fiscal year.

EXPENDITURE ANALYSIS DETAIL
2007 BUDGET

General Fund

0101 City Council

Allocation Plan

Position Control

PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
Salaries-Mgmt	246,500	Council Members	7	125,500
Salaries-BU	34,904	City Clerk	1	68,000
Overtime	0	Assistant City Clerk	1	53,000
Fringe Benefits	120,881			
TOTAL	402,285	Total Management	9	246,500
OPERATING EXPENSES		Administrative Assistant	1	34,904
Communications	15,900	Total Bargaining Unit	1	34,904
Professional Services	15,000	Overtime		0
Utilities	0	FICA		21,553
Insurance	0	Healthcare Benefits - Active		97,758
Rentals	0	Healthcare Benefits - Retirees		1,570
Maintenance & Repairs	6,500	Total Fringe Benefits		120,881
Contracted Services	41,650			
Supplies	7,750			
Minor Capital Equipment	0			
TOTAL	86,800	TOTAL	10	402,285
CAPITAL OUTLAY	0			
GRANTS	0			
TOTAL APPROPRIATION	489,085			

OFFICE OF THE MAYOR

The Mayor is the Chief Executive Officer of Harrisburg's government. The Mayor is an elected official, is full-time, and is the sole appointing authority of all department and office directors and Mayor's Office staff. Department heads must be confirmed by a majority of City Council before appointment is permanent. Senior City government officials, including department and office heads, comprise the Mayor's Cabinet. The Mayor has broad discretionary, executive, and administrative authority under the provisions of the Third Class Optional City Code of Pennsylvania, the City's Charter, and the Codified Ordinances of the City of Harrisburg. The Mayor also heads the Executive/Administrative Branch of City government. The Mayor is automatically a member of several public or quasi-public boards of directors, including the Tri-County Planning Commission, the Harrisburg Area Transportation Study Group (HATS), and the Capital Region Economic Development Corporation (CREDC). The Mayor is usually the sole appointing authority of members of twenty-nine boards, commissions, task forces, and authorities, with City Council confirmation required for some of these appointees.

The Mayor has broad policy-making authority, and by Executive Order or other action, can direct the use of municipal resources, including the setting of priorities for the use of resources. The Office can assume an initiative role in matters, projects, and policies of a Citywide or regional nature. In the event of a civil emergency or natural disaster, the Mayor, under State and City laws, has the sole authority to declare a state of emergency and to direct or redirect governmental and other response to such events. Administratively, the Mayor has contracting authority and no valid or binding contract involving the municipal government exists without the Mayor's and City Controller's signatures.

As a result of legislation adopted by the Pennsylvania General Assembly in late 2000, the Mayor of Harrisburg is the only elected municipal governmental official in the State charged with oversight responsibility of the local public school system, the Harrisburg School District. The Mayor appoints the five member Board of Control, who serve at the Mayor's pleasure. The Mayor has direct decision-making involvement in major policy, personnel, and programmatic matters pertaining to the District in this comprehensive reform and improvement initiative.

EXPENDITURE ANALYSIS DETAIL
2007 BUDGET

General Fund		0102 Mayor's Office		
Allocation Plan		Position Control		
		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
PERSONNEL SERVICES				
Salaries-Mgmt	332,452	Mayor	1	80,000
Overtime	0	Senior Assistant to the Mayor	1	80,869
Fringe Benefits	102,464	Senior Advisor to Mayor/ Director of Communications	1	76,887
TOTAL	434,916	Assistant to Mayor	1	53,259
		Special Assistant to Mayor	1	41,437
OPERATING EXPENSES				
		Total Management	5	332,452
Communications	10,900			
Professional Services	200			
Utilities	0	Overtime		0
Insurance	0			
Rentals	200	FICA		25,551
Maintenance & Repairs	2,700	Healthcare Benefits - Active		61,013
Contracted Services	300	Healthcare Benefits - Retirees		15,900
Supplies	13,275			
Minor Capital Equipment	3,700	Total Fringe Benefits		102,464
TOTAL	31,275	TOTAL	5	434,916
CAPITAL OUTLAY	4,600			
TOTAL APPROPRIATION	470,791			

OFFICE OF THE CITY CONTROLLER

The Office of City Controller is an autonomous office of City government headed by the City Controller, an independently elected official. This office is responsible for the review and approval of all expenditures and obligations of the City. Performing the internal audit function requires that all purchase orders, warrants, contracts, and agreements be reviewed for compliance with the Third Class City Code, other State laws, City of Harrisburg administrative policies, and City ordinances. The signature of the City Controller is a legal requirement on all of the aforementioned documents. This office also issues monthly financial reports to the Mayor and City Council, which analyze revenues and expenditures for all budgeted funds.

EXPENDITURE ANALYSIS DETAIL				
2007 BUDGET				
General Fund			0103 City Controller's Office	
Allocation Plan		Position Control		
PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
Salaries-Mgmt	139,072	City Controller	1	20,000
Salaries-BU	38,502	Chief Deputy Controller	1	66,074
Overtime	0	Audit Manager	1	52,998
Fringe Benefits	62,644			
		Total Management	3	139,072
TOTAL	240,218			
OPERATING EXPENSES		Auditor	1	38,502
Communications	100	Total Bargaining Unit	1	38,502
Professional Services	0			
Utilities	0	Overtime		0
Insurance	0			
Rentals	0	FICA		13,679
Maintenance & Repairs	350	Healthcare Benefits - Active		48,965
Contracted Services	3,300	Healthcare Benefits - Retirees		0
Supplies	1,950			
Minor Capital Equipment	0	Total Fringe Benefits		62,644
TOTAL	5,700			
CAPITAL OUTLAY	0	TOTAL	4	240,218
TOTAL APPROPRIATION	245,918			

OFFICE OF THE CITY TREASURER

The Office of City Treasurer is headed by the City Treasurer, an independently elected official. The City Treasurer is responsible for the collection, safekeeping, and investment of City revenues; including all fees, fines, and taxes. The City Treasurer also serves as collector for Harrisburg School District taxes. Computer technology advancements have improved the collection of payments and the reporting of such receipts. Examples include: direct debit; processing scannable parking tickets, tax, and utility bills; various banking software; acceptance of credit and debit cards for all payments; automatic payment plan options; electronic funds transfer acceptance; computerized processing of multiple payments; computerized returned check procedures; and the use of computer generated lists to process payments. Additional improvements still in the testing phase include: internet payments, on-line bill payment, and on-line electronic check acceptance.

All monies collected are invested utilizing several money management techniques to optimize interest earnings while ensuring the safety of funds. Economic trends and monitoring of the financial markets allow for maximized yield investment strategies.

The City Treasurer must sign all checks disbursed for payroll and the receipt of goods or services, in addition to coordinating all electronic fund transfers and receipts. This office is responsible for obtaining all information necessary for issuing Municipal Fire Certificates in accordance with the City and State fire insurance escrow laws. Treasury prepares and distributes to departments monthly reports for City investments, paid invoices, credit card activity, and the cumulative history of insufficient funds checks. On a daily basis, Treasury monitors the City's bank accounts electronically. The Treasurer also executes funding transfers for debt service payments on all outstanding City bond and note issues. This office has the authority to manage all bank accounts of the City, including the transfer of funds between different bank accounts and the reconciliation to the City's general ledger.

EXPENDITURE ANALYSIS DETAIL
2007 BUDGET

General Fund 0104 City Treasurer's Office

	Allocation Plan	Position Control		
PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
Salaries-Mgmt	205,868	City Treasurer	1	15,000
Salaries-BU	246,166	Deputy Treasurer	1	54,385
Overtime	1,524	Assistant Deputy Treasurer	1	46,000
Fringe Benefits	175,126	Computer Programmer	1	64,072
		System Programmer Trainee	0.40	26,411
TOTAL	628,684	Total Management	4.40	205,868
OPERATING EXPENSES				
Communications	10,340	Auditor	1	38,452
Professional Services	0	Administrative Assistant I	2	69,858
Utilities	0	Lead Cashier	1	35,054
Insurance	2,000	Cashier II	2	67,898
Rentals	0	Accounting Clerk I	1	34,904
Maintenance & Repairs	59,000	Total Bargaining Unit	7	246,166
Contracted Services	19,975			
Supplies	39,020	Overtime		1,524
Minor Capital Equipment	1,100			
TOTAL	131,435	FICA		34,791
CAPITAL OUTLAY	0	Healthcare Benefits - Active		140,335
		Healthcare Benefits - Retirees		0
TOTAL APPROPRIATION	760,119	Total Fringe Benefits		175,126
		TOTAL	11.40	628,684

OFFICE OF THE CITY SOLICITOR

The City Solicitor's Office is responsible for handling all legal matters affecting the City. This entails providing legal counsel to the Mayor, the City Controller, the City Treasurer, and City Council. This office manages all legal action taken by the City and defends or supervises the defense of actions filed against the City, including all labor law matters. It reviews and provides administrative legal support for all bond issuances, prepares and files all proofs of claim on behalf of the City in bankruptcy proceedings and represents the City in all such proceedings. It also plays a significant role in major projects undertaken by the City and handles real estate transfers and loan closings for the Departments of Building and Housing Development and the Mayor's Office for Economic Development and Special Projects. Office staff prosecute codes violations, violations of City ordinances, bad check cases, and other criminal offenses in the name of the Commonwealth, and participate in all tax assessment appeals filed by property owners. The Office drafts or reviews, for form and legality, all legislation considered by Council and all City contracts. The City Solicitor provides legal opinions to department directors, bureau chiefs, and their staff to assure legal compliance in matters affecting their departments and assists the Department of Administration's efforts to recover delinquent taxes and utilities. The City Solicitor's opinion on legal matters is final within City government.

EXPENDITURE ANALYSIS DETAIL				
2007 BUDGET				
General Fund			0105 City Solicitor's Office	
Allocation Plan		Position Control		
PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
Salaries-Mgmt	209,839	City Solicitor	1	74,324
Overtime	0	Deputy City Solicitor	1	50,500
Fringe Benefits	78,822	Assistant City Solicitor	1	43,500
		Confidential Legal Secretary II	1	41,515
TOTAL	288,661	Total Management	4	209,839
OPERATING EXPENSES				
Communications	1,450	Overtime		0
Professional Services	31,035	FICA		16,151
Utilities	0	Healthcare Benefits - Active		48,851
Insurance	0	Healthcare Benefits - Retirees		13,820
Rentals	0			
Maintenance & Repairs	0	Total Fringe Benefits		78,822
Contracted Services	5,300			
Supplies	20,350			
Minor Capital Equipment	0			
TOTAL	58,135	TOTAL	4	288,661
CAPITAL OUTLAY				
	0			
TOTAL APPROPRIATION	346,796			

HARRISBURG HUMAN RELATIONS COMMISSION

This office is the City's full-time official agency designed to administer, implement, and enforce the provisions of the City's Human Relations and Discrimination Code prohibiting discrimination. The Code applies to discriminatory practices; including, but not limited to, discrimination in employment, housing, public accommodations, education, and lending, which occur within the territorial limits of the City of Harrisburg and to employment, contracted for, performed, or to be performed within these limits, or by those contracting with the City. The Commission initiates, receives, investigates, and attempts to satisfactorily resolve complaints alleging violation of the Code. This office also establishes programs to increase communication and eliminate prejudice among various racial, religious, and ethnic groups. The Commission offers an annual "Human Relations Camp" designed to educate metropolitan Harrisburg youth regarding values in cultural diversity. The Commission also serves as a clearinghouse for related information, as well as a referral source for various agencies providing a variety of services to the citizens of the Harrisburg area.

A nine-member Commission is appointed by the Mayor and must be confirmed by City Council. The Commission supervises an Executive Director, who oversees the Commission's other staff and volunteers. The Code requires Commissioners to meet ten times a year and these meetings are open to the public. Services provided by the Commission require no out-of-pocket expenses for those wishing to file a complaint.

EXPENDITURE ANALYSIS DETAIL				
2007 BUDGET				
General Fund		0106 Human Relations Commission		
Allocation Plan		Position Control		
		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
PERSONNEL SERVICES				
Salaries-Mgmt	58,485	Executive Director	1	58,485
Salaries-BU	73,360			
Overtime	0	Total Management	1	58,485
Fringe Benefits	47,106			
TOTAL	178,951	Human Relations Specialist II	1	39,782
		Secretary I	1	33,578
OPERATING EXPENSES				
		Total Bargaining Unit	2	73,360
Communications	1,850			
Professional Services	10,800	Overtime		0
Utilities	0			
Insurance	0	FICA		10,116
Rentals	0	Healthcare Benefits - Active		36,960
Maintenance & Repairs	300	Healthcare Benefits - Retirees		30
Contracted Services	4,350			
Supplies	2,245	Total Fringe Benefits		47,106
Minor Capital Equipment	5,880			
TOTAL	25,425	TOTAL	3	178,951
CAPITAL OUTLAY				
	0			
TOTAL APPROPRIATION	204,376			

OFFICE OF THE CITY ENGINEER

The Office of City Engineer is a resource that is interdepartmental in scope and function. This office consults with all City agencies involved in infrastructure repairs, replacements, modifications, or additions. The Harrisburg Authority and Harrisburg Parking Authority also coordinate infrastructure improvement projects with this office. The Office is responsible for establishing the scope of work for paving, storm drainage, and utility repair/replacement projects. The City Engineer acts as liaison with the Pennsylvania Department of Transportation (PennDOT) District Engineer to plan, coordinate, and review all highway and traffic control projects on state roads and bridges within City limits and all capital improvement projects that are constructed in partnership with PennDOT on a cost sharing basis.

The Office performs all required traffic studies to justify the establishment of traffic control devices, including, but not limited to, stop signs, traffic signals, pedestrian crossings, one-way and two-way traffic, and restricted or public parking areas. The City Engineer represents the City on the Harrisburg Area Transportation Study (HATS) Technical and Coordinating Committees.

This office issues and controls street cut permits and construction/maintenance bonds in the City. This office inspects/approves the work of contractors working on City streets for paving, pipeline, and parking lot projects. Engineering Representatives are assigned to assure compliance with state and local street cut regulations and to assure proper flow of traffic around work areas. Staff also obtain State Highway Occupancy Permits for all work performed on City-owned utilities located within state highway rights-of-way. The Registrar of Real Estate maintains a current file of real property deeds. This includes preparation and maintenance of City plot plans and accurate record-keeping for every change in property ownership in the City.

EXPENDITURE ANALYSIS DETAIL
2007 BUDGET

General Fund

0107 City Engineer's Office

	Allocation Plan	Position Control		
PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
Salaries-Mgmt	119,457	City Engineer	1	83,025
Salaries-BU	80,958	Civil Engineer	1	36,432
Overtime	0			
Fringe Benefits	70,944	Total Management	<u>2</u>	<u>119,457</u>
TOTAL	<u>271,359</u>			
		Engineer's Representative III	1	43,523
OPERATING EXPENSES		Registrar of Real Estate I	1	37,435
Communications	2,950	Total Bargaining Unit	<u>2</u>	<u>80,958</u>
Professional Services	0			
Utilities	0			
Insurance	0	Overtime		<u>0</u>
Rentals	0			
Maintenance & Repairs	335,100	FICA		15,420
Contracted Services	805	Healthcare Benefits - Active		49,154
Supplies	3,515	Healthcare Benefits - Retirees		6,370
Minor Capital Equipment	0			
TOTAL	<u>342,370</u>	Total Fringe Benefits		<u>70,944</u>
CAPITAL OUTLAY	<u>674,311</u>	TOTAL	<u>4</u>	<u>271,359</u>
GRANTS (MATCHING SHARE)	<u>465,725</u>			
TOTAL APPROPRIATION	<u>1,753,765</u>			

MAYOR'S OFFICE FOR ECONOMIC DEVELOPMENT AND SPECIAL PROJECTS

The Mayor's Office for Economic Development and Special Projects (MOED&SP) is a newly integrated Cabinet office in 2005, combining the former Mayor's Office for Economic Development and Mayor's Office for Special Projects, while adding tourism development to its mission. MOED&SP is responsible for the promotion and advancement of commercial and industrial development in the City, coordinating special projects as assigned by the Mayor, and advancing the City of Harrisburg as a tourist destination. MOED&SP also supports WHBG television station, HBN radio, Central Energy Office, and HarrisCom, with plans to aggressively expand the services and revenue generation of all four entities.

Staffed by eight full-time persons and a very small group of consultants, MOED&SP has the responsibility of providing leadership for diverse, high-profile and high-impact economic development, such as HERSHA Corporate headquarter relocation, Advanced Communications; tourism development, such as Hershey-Capital Region Visitors Bureau and Harrisburg Museum Network; and special projects such as National African-American Cultural Center and City wireless projects. In short MOED&SP must constantly balance the short-term needs of the City and clients served with the long-term and strategic needs of the City and future businesses that might locate in or otherwise serve the City of Harrisburg.

MOED&SP also provides a confidential, "one-stop shop" for information about business start-ups, business planning, site selection and development, permits, zoning, taxation and financing programs. Core services delivered include: low-interest loans- the most active revolving loan program is available to all City-based businesses; counseling and additional business development assistance is offered to stimulate a successful business venture; MOED&SP often partners with other financial and service agencies, such as the Commonwealth of Pennsylvania, Community First Fund, or the Capital Region Economic Development Corporation, as well as numerous local lending institutions.

The Mayor's Office for Economic Development and Special Projects' staff utilizes all information available to provide business start-up and growth assistance to local Minority and Women Business Enterprises (MBEs/WBEs). While insuring success and increasing the bottom line is important for the clients, it is also in their best interest to receive basic business training, marketing advice, and general assistance. MOED&SP provides customer-centered and individualized services to all City businesses.

EXPENDITURE ANALYSIS DETAIL
2007 BUDGET

General Fund 0109 M.O.E.D. & S.P.

Allocation Plan		Position Control		
		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
PERSONNEL SERVICES				
Salaries-Mgmt	241,960	Director	1	90,000
Salaries-BU	83,534	Deputy Director/Contract	1	58,389
Salaries - Part-Time	23,400	Compliance Officer		
Overtime	0	Executive Director - HBN	1	54,945
Fringe Benefits	100,515	Special Assistant to Director	1	38,626
TOTAL	449,409	Total Management	4	241,960
OPERATING EXPENSES				
		MBE/WBE Dev. Specialist II	1	47,542
		Secretary I	1	35,992
Communications	15,260			
Professional Services	23,675	Total Bargaining Unit	2	83,534
Utilities	0			
Insurance	0	Production Technician - HBN	1	23,400
Rentals	1,501			
Maintenance & Repairs	0	Total Part-Time	1	23,400
Contracted Services	7,340			
Supplies	10,994			
Minor Capital Equipment	0	Overtime		0
TOTAL	58,770	FICA		26,973
		Healthcare Benefits - Active		73,542
CAPITAL OUTLAY	1,114	Healthcare Benefits - Retirees		0
		Total Fringe Benefits		100,515
TOTAL APPROPRIATION	509,293	TOTAL	7	449,409



Department of Administration

Office of the Business Administrator

Office of the Director



Business Administrator

Affirmative Action Office



Affirmative Action Officer discussing a City policy with an employee

Bureau of Financial Management



Budget Manager, Accounting Manager and Purchasing Manager discussing close of year-end

Bureau of Financial Management



Risk Manager evaluating the noise level in the M.L.K. City Government Center

Bureau of Information Technology



Information Technology staff reviewing computer functions

Department of Administration

Bureau of Human Resources



Personnel and Administrative Assistants preparing for job recruitment

The Mayor's Office for Labor Relations



Director discussing labor issues with the Labor and Administrative Assistants

Bureau of Operations and Revenue

Credit Collection Unit



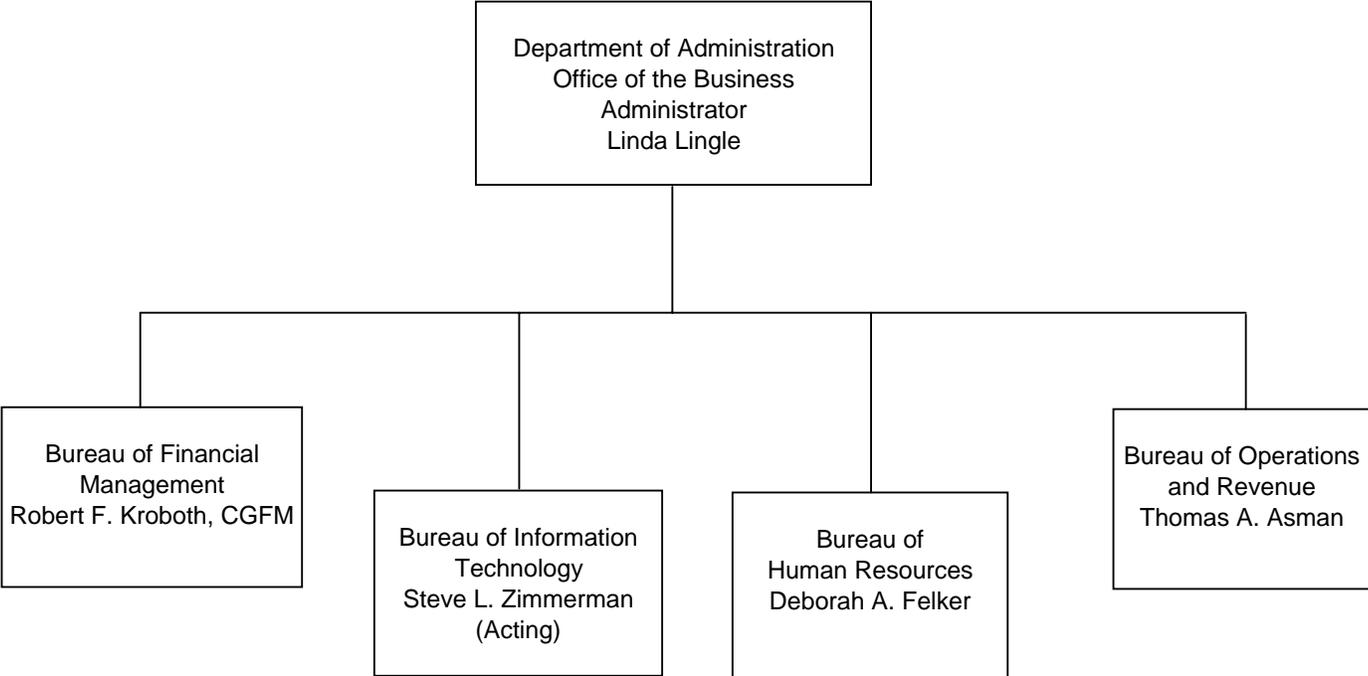
Collection Manager evaluating a utility account

Central Support



Delivering interoffice mail

DEPARTMENT OF ADMINISTRATION



EXPENDITURE ANALYSIS SUMMARY
2007 BUDGET

	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
DEPARTMENT OF ADMINISTRATION						
<u>0110 OFFICE OF THE BUSINESS ADMINISTRATOR</u>						
Personnel Services	245,948	242,615	242,281	229,039	267,893	215,356
Operating Expenses	6,412	11,600	18,829	33,319	14,078	43,755
Capital Outlay	0	0	0	0	0	0
TOTALS	252,360	254,215	261,110	262,358	281,971	259,111
<u>0111 OFFICE OF INSURANCE & RISK MANAGEMENT</u>						
Personnel Services	134,600	158,580	0	0	0	0
Operating Expenses	14,473	13,330	0	0	0	0
Capital Outlay	0	0	0	0	0	0
TOTALS	149,073	171,910	0	0	0	0
<u>0112 BUREAU OF FINANCIAL MANAGEMENT</u>						
Personnel Services	555,183	501,172	592,334	630,346	616,048	534,094
Operating Expenses	163,999	150,076	167,246	175,495	189,378	195,233
Capital Outlay	5,180	0	0	0	0	0
Grants	0	0	0	0	0	25,000
Non-Expenditure Items	0	0	855	0	0	0
TOTALS	724,362	651,248	760,435	805,841	805,426	754,327
<u>0116 BUREAU OF INFORMATION TECHNOLOGY</u>						
Personnel Services	1,098,541	962,974	835,878	849,114	846,857	726,941
Operating Expenses	198,464	175,137	188,291	272,800	246,255	304,030
Capital Outlay	426,541	332,434	203,134	203,134	207,240	147,822
Non-Expenditure Items	(41)	0	0	0	0	0
TOTALS	1,723,505	1,470,546	1,227,303	1,325,048	1,300,352	1,178,793
<u>0117 BUREAU OF HUMAN RESOURCES</u>						
Personnel Services	345,420	397,341	396,100	428,255	411,863	312,443
Operating Expenses	59,945	61,705	65,818	78,495	78,008	77,709
Capital Outlay	1,000	0	0	0	0	0
TOTALS	406,365	459,046	461,918	506,750	489,871	390,152

EXPENDITURE ANALYSIS SUMMARY
2007 BUDGET

	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
<u>0121 MAYOR'S OFFICE FOR LABOR RELATIONS</u>						
Personnel Services	256,911	158,939	150,457	132,182	141,721	0
Operating Expenses	112,516	20,373	28,480	30,040	31,082	0
Capital Outlay	0	0	0	0	0	0
TOTALS	<u>369,427</u>	<u>179,312</u>	<u>178,937</u>	<u>162,222</u>	<u>172,803</u>	<u>0</u>
<u>0124-0128 BUREAU OF OPERATIONS AND REVENUE</u>						
Personnel Services	1,178,244	1,031,252	766,803	814,450	783,720	797,884
Operating Expenses	232,148	309,428	264,066	62,923	61,461	52,372
Capital Outlay	126,495	67,500	57,572	0	0	0
Non-Expenditure Items	0	0	2,438	0	0	0
TOTALS	<u>1,536,886</u>	<u>1,408,180</u>	<u>1,090,879</u>	<u>877,373</u>	<u>845,181</u>	<u>850,256</u>
TOTAL DEPARTMENT OF ADMINISTRATION						
Personnel Services	3,814,846	3,452,872	2,983,853	3,083,386	3,068,102	2,586,718
Operating Expenses	787,956	741,649	732,731	653,072	620,262	673,099
Capital Outlay	559,216	399,935	260,706	203,134	207,240	147,822
Grants	0	0	0	0	0	25,000
Non-Expenditure Items	(41)	0	3,293	0	0	0
TOTAL EXPENDITURES	<u><u>5,161,977</u></u>	<u><u>4,594,457</u></u>	<u><u>3,980,583</u></u>	<u><u>3,939,592</u></u>	<u><u>3,895,604</u></u>	<u><u>3,432,639</u></u>

POSITION ANALYSIS SUMMARY
2007 BUDGET

	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
ADMINISTRATION						
Office of the Business Administrator	4.00	4.00	3.00	3.00	4.00	3.00
Insurance & Risk Management	3.00	2.00	0.00	0.00	0.00	0.00
Financial Management	11.00	8.00	10.00	10.00	10.00	8.00
Information Technology	20.60	12.60	12.60	11.60	11.60	9.60
Human Resources	7.00	6.00	7.00	7.00	7.00	5.00
Mayor's Office for Labor Relations	3.00	3.00	2.00	2.00	2.00	0.00
Operations & Revenue	28.00	16.00	17.00	15.00	15.00	14.00
TOTAL POSITIONS	76.60	51.60	51.60	48.60	49.60	39.60

In 2002, four new positions were added to the Bureau of Data Processing: a Webmaster, two part-time Programmer Support positions and a Systems Programmer. In 2003, a vacant Deputy Director of Finance position was eliminated from the Bureau of Financial Management. A Clerk and a Labor Relations Assistant positions were eliminated from the Bureau of Operations & Revenue. In the Bureau of Operations & Revenue, the Office of the Director was renamed to the Mayor's Office for Labor Relations and three positions were reclassified; Labor Relations Officer to Director of Labor Relations, Benefits Coordinator to Labor Relations Assistant, and Confidential Secretary to Administrative Assistant - Labor Relations Office. The 2004 Approved Budget eliminated nine vacant positions: a Graduate Intern from the Bureau of Financial Management; a Deputy Business Administrator for Data Processing, a Lead Programmer, an Assistant Network Administrator, and two part-time System Programmers from the Bureau of Data Processing; and a Deputy Business Administrator, a Deputy Tax and Enforcement Administrator, and a Receptionist/Archivist from the Bureau of Operations & Revenue. The Mayor's Office for Labor Relations was no longer included as part of the Bureau of Operations & Revenue; it became a separate office, and three positions were transferred from the Bureau of Operations & Revenue into that office. In addition, a Benefits Coordinator position was transferred from the Bureau of Operations & Revenue to the Bureau of Human Resources and a Secretary II position was transferred from the Bureau of Operations & Revenue to the Office of the Business Administrator. The Bureau of Data Processing was renamed to the Bureau of Information Technology. The 2005 Approved Budget eliminated ten vacant positions: an Auditor I and a Fiscal Technician from the Bureau of Financial Management; a Webmaster, a LAN Service Officer, and a Secretary I from the Bureau of Information Technology; and a Reproduction Technician I, a Receptionist, a Customer Service Representative/Account Specialist I, a Posting Specialist, and a Clerk I from the Bureau of Operations & Revenue. A Secretary II was transferred from the Office of the Business Administrator to the Bureau of Financial Management while the Manager of Billing Services and Quality Assurance was transferred from the Bureau of Operations & Revenue into the Office of the Business Administrator. The Office of Insurance and Risk Management was merged into the Bureau of Financial Management and three positions were transferred into this bureau: a Risk Manager, a Loss Control Officer, and an Administrative Assistant. In addition, a Secretary I was transferred from the Bureau of Operations & Revenue to the Bureau of Building Maintenance. In the 2006 Approved Budget, five vacant positions are eliminated from the Department of Administration: a Confidential Secretary from the Office of the Business Administrator, a Risk Manager and Secretary from the Bureau of Financial Management, an Administrative Assistant from the Mayor's Office for Labor Relations, and a Paralegal from the Bureau of Operations & Revenue. In the Bureau of Information Technology, a LAN Services Officer was reclassified as a LAN Services Assistant and a Clerk II position was transferred to the Department of Public Works, Bureau of Building Maintenance. The Bureau of Operations & Revenue was reorganized, effective January 1, 2006. The Office of Billing and Central Support was eliminated. The incumbent Customer Service Representative I was transferred to the Office of Credit Collection within the bureau. The Central Support Assistant II and the Reproduction Technician were transferred to the Department of Public Works, Bureau of Building Maintenance along with the Duplication Center. In the 2007 approved budget The Department of Administration is budgeted to have a net loss of nine positions from the 2006 Approved Budget. In the Office of the Business Administrator, a Confidential Secretary that was hired in 2006 was added to the 2007 Approved Budget, while a vacant Assistant to the Business Administrator position was eliminated. In the Bureau of Financial Management, a Loss Control Officer was eliminated, as well as a vacant Administrative Assistant. The Bureau added two, temporary part-time positions. In the Bureau of Information Technology, a Programmer was eliminated, as well as a vacant LAN Administrator. A Payroll Manager was eliminated in the Bureau of Human Resources, as well as a vacant Benefits Coordinator. The Mayor's Office For Labor Relations was eliminated in 2006, with its Director and Labor Relations Assistant. A Customer Service Representative/Account Specialist was transferred in 2007 to the Bureau of Police from the Bureau of Operations and Revenue.

OFFICE OF THE BUSINESS ADMINISTRATOR

The Department of Administration is headed by the Business Administrator who is appointed by the Mayor and confirmed by City Council. The Department of Administration performs the fiscal, labor relations, and central administrative functions of the City. The Business Administrator has the authority to oversee the management of all City departments and directly manages four bureaus and one office: The Bureaus of Financial Management, Information Technology, Human Resources, Operations and Revenue, and the Affirmative Action Office. The Business Administrator serves as the Mayor's designee on various Boards and Commissions and acts as the Third Step Hearing Officer for Union grievances in the Mayor's stead.

The Affirmative Action Officer reports directly to the Business Administrator and is responsible for implementing the City's Affirmative Action Policy. The Affirmative Action Officer oversees recruitment, hiring, compensation, appointments for advancement (including upgrading and promotion), transfers, and terminations to verify that discrimination does not occur. The Affirmative Action Officer also evaluates the demographic statistics of the City to verify that equal employment opportunities are consistent with the relevant labor market and provides training on equal employment opportunity laws, cultural diversity, the Americans with Disabilities Act (ADA), and other related subjects.

EXPENDITURE ANALYSIS DETAIL				
2007 BUDGET				
General Fund		0110 Office of the Business Administrator		
Allocation Plan		Position Control		
PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
Salaries-Mgmt	159,403	Business Administrator	1	76,887
Overtime	0	Affirmative Action Officer	1	47,515
Fringe Benefits	55,953	Confidential Secretary to the Business Administrator	1	35,001
TOTAL	215,356			
OPERATING EXPENSES		Total Management	3	159,403
Communications	3,050			
Professional Services	34,500			
Utilities	0	Overtime		0
Insurance	0			
Rentals	0	FICA		12,306
Maintenance & Repairs	0	Healthcare Benefits - Active		36,657
Contracted Services	1,760	Healthcare Benefits - Retirees		6,990
Supplies	4,445			
Minor Capital Equipment	0	Total Fringe Benefits		55,953
TOTAL	43,755			
		TOTAL	3	215,356
CAPITAL OUTLAY	0			
TOTAL APPROPRIATION	259,111			

BUREAU OF FINANCIAL MANAGEMENT

The Bureau of Financial Management is responsible for the fiscal management of the City. This includes the management of all funds; the accounting of all assets; the production of all financial documents; and the administration of Debt Service, General Expenses and Transfers to Other Funds. In addition, this bureau aids in the administration of the City's three pension plans. Lastly, the bureau provides in-depth financial analysis and research to the Administration and City Council upon request. To complete these tasks, the bureau is organized into four offices: Accounting, Budget and Analysis, Purchasing, and Insurance and Risk Management.

The Accounting Office manages cash flow and performs accounts payable functions. This office also oversees the operation of the City's computerized accounting and financial reporting system. Upon completion of the annual audit, this office has the responsibility of producing the City's Comprehensive Annual Financial Report.

The Office of Budget and Analysis is responsible for the development, preparation, and distribution of the City's annual budget document. The office prepares the Mid-Year Fiscal Report, which illustrates the financial status of all budgeted funds as of June 30 of the current year compared to June 30 of the previous year, in addition to projecting financial performance by the current year-end. This office also monitors all budgeted appropriations and resources throughout the year to assure compliance with the annual budget.

The Purchasing Office is responsible for overseeing the procurement of most City materials, supplies, and services. All procurement records are compiled and maintained within the Purchasing Office. Additionally, this office must assure fair and equitable distribution of City contracts and agreements for capital and non-capital products and services, including the preparation of public bid specifications, advertisement of bids, and awarding of contracts.

The Office of Insurance and Risk Management (OI&RM) is responsible for the management of risk, evaluation of risk transfer alternatives, and the acquisition of insurance coverage for City government. An important mission of this office is to promote a proactive loss prevention strategy to limit potential hazards and illness through administering the City's Accident and Illness Prevention and Workplace Injury Treatment and Reporting Programs. This office also manages the workers' compensation self-insured program, and in conjunction with the City Solicitor's Office, manages all litigation cases, processes all insurance claims and submits them to the appropriate insurance companies for consideration.

EXPENDITURE ANALYSIS DETAIL
2007 BUDGET

General Fund

0112 Financial Management

Allocation Plan

Position Control

PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
Salaries-Mgmt	261,852	Deputy Business Administrator	1	74,094
Salaries-BU	123,037	Accounting Manager	1	51,186
Salaries-Part-Time	5,400	Budget Manager	1	51,186
Overtime	0	Purchasing Manager	1	46,636
Fringe Benefits	143,805	Budget/Management Analyst Trainee	1	38,750
TOTAL	534,094	Total Management	5	261,852
		Fiscal Officer II	1	47,241
OPERATING EXPENSES		Auditor I	1	38,502
		Fiscal Technician II	1	37,294
Communications	11,700			
Professional Services	150,500	Total Bargaining Unit	3	123,037
Utilities	0			
Insurance	0	Budget Analyst		3,000
Rentals	100	Administrative Assistant		2,400
Maintenance & Repairs	600			
Contracted Services	26,433	Total Temporary Part-Time		5,400
Supplies	5,900			
Minor Capital Equipment	0			
TOTAL	195,233	Overtime		0
		FICA		30,056
CAPITAL OUTLAY	0	Healthcare Benefits - Active		98,119
		Healthcare Benefits - Retirees		15,630
GRANTS (MATCHING SHARE)	25,000	Total Fringe Benefits		143,805
TOTAL APPROPRIATION	754,327	TOTAL	8	534,094

DEPARTMENT OF ADMINISTRATION

PROGRAM: Bureau of Financial Management

OBJECTIVE: To provide comprehensive financial services to the City and its residents in an accurate and timely manner, and to procure goods and services at the lowest competitive price, while delivering efficient quality service.

2005 ACCOMPLISHMENTS:

Earned the Government Finance Officers Association of the United States and Canada (GFOA) Certificate of Achievement for Excellence in Financial Reporting Award for the 17th consecutive year and the Distinguished Budget Presentation Award for the 14th consecutive year. These awards are the highest forms of recognition in governmental accounting, financial reporting, and budgeting.

MEASURES/INDICATORS:

	ACTUALS			EST.	PROJ.
	FY2003	FY2004	FY2005	FY2006	FY2007
Years GFOA Budget Award received	13	14	15	16	17
Years GFOA Financial Reporting Award received	16	17	18	19	20
Accuracy rate of City revenue estimates (budget to actual %)	97.0%	96.0%	N/A	N/A	N/A
Accuracy rate of City expenditure estimates (budget to actual %)	96.2%	94.8%	N/A	N/A	N/A
City budget funds monitored (millions)	\$ 110.60	\$ 100.11	N/A	N/A	N/A
Bid reports created ^a	53	39	40	31	45
Bids issued ^a	34	31	35	30	30
Contracts Received and Filed ^a	49	42	47	36	40
Purchase Orders Issued ^a	1,443	1,235	1,367	1,228	1,345
Accounts Payable Processed	45,974	37,154	44,128	57,000	44,000
Checks Issued	10,487	9,295	6,615	7,500	5,959

Notes:

^a New measures instituted in 2002.

BUREAU OF INFORMATION TECHNOLOGY

The Bureau of Information Technology is responsible for the administration of the City's blend of mainframe and network computer systems.

The bureau programs, controls, troubleshoots, and monitors a wide array of mainframe-based systems used throughout the City's operations. Examples of these systems include the computerized billing system for property and mercantile taxes; billing water, sewer, and refuse charges; human resource management; insurance claims management; computer aided dispatch; and field reports for all service calls for police and fire.

This bureau provides the METRO police information system, established and owned by the City, which allows numerous suburban, municipal and county agencies to tie into a common police database. The METRO system is one of the few regional police systems in the nation.

This bureau also provides technical support and maintenance for the City's network of personal computers; and is responsible for the installation, maintenance, and troubleshooting of servers, routers, switches, and firewalls for the City's wired and wireless Local Area Network (LAN) and Wide Area Network (WAN). Responsibilities extend to troubleshooting of computer software, hardware, peripherals, and related equipment.

Daily responsibilities include: monitoring, configuring, and troubleshooting server backups and restoring systems; monitoring virus activity through a central management console; implementing LAN and local printer services; moving, adding, deleting and upgrading software.

EXPENDITURE ANALYSIS DETAIL
2007 BUDGET

General Fund

0116 Information Technology

Allocation Plan		Position Control		
PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
Salaries-Mgmt	458,816	Director (Acting)	1	75,391
Salaries-BU	80,300	Network Administrator	1	65,812
Overtime	0	IBM/Mainframe Data Administrator	1	61,510
Fringe Benefits	187,825	Computer Programmer III	1	64,072
		Lead Programmer	1	68,998
TOTAL	<u>726,941</u>	Assistant Network Administrator	1	54,437
		System Programmer Trainee	0.60	39,615
OPERATING EXPENSES		LAN Services Assistant	1	28,981
Communications	7,200	Total Management	<u>7.60</u>	<u>458,816</u>
Professional Services	21,650			
Utilities	0	Computer Operator III	1	40,870
Insurance	0	Data Processing Assistant I	1	39,430
Rentals	0			
Maintenance & Repairs	195,700	Total Bargaining Unit	<u>2</u>	<u>80,300</u>
Contracted Services	550			
Supplies	78,930	Overtime		<u>0</u>
Minor Capital Equipment	0			
TOTAL	<u>304,030</u>	FICA		41,477
CAPITAL OUTLAY	147,822	Healthcare Benefits - Active		117,440
		Healthcare Benefits - Retirees		28,908
TOTAL APPROPRIATION	<u><u>1,178,793</u></u>	Total Fringe Benefits		<u>187,825</u>
		TOTAL	<u><u>9.60</u></u>	<u><u>726,941</u></u>

BUREAU OF HUMAN RESOURCES

The Bureau of Human Resources is responsible for recruiting, testing, screening, hiring and processing applicants for employment with the City of Harrisburg. The bureau also administers the City's medical, prescription drug, dental and vision benefits programs, life insurance, leave and pension benefits, and other voluntary benefits such as supplemental insurance and deferred compensation for every eligible employee. Additionally, the bureau maintains all personnel files and records all actions affecting an individual's employment status. The bureau processes the City's bi-weekly payroll, effects all salary adjustments and manages all mandatory and voluntary deductions. The bureau is responsible for compliance with all Federal, state and local laws governing hiring, benefits and payroll practices.

Responsibilities of the bureau are diverse. Bureau personnel work with the City's Affirmative Action Officer in recruitment, general policy implementation, and administration of specific City policies promulgated under the Family and Medical Leave Act and the Americans with Disabilities Act. In-house training on supervisory techniques for managers is made available on an individual basis, as well as in topic-generated forums. The bureau assists department directors and the Business Administrator in developing job descriptions for management and bargaining unit positions. The bureau monitors the automatic step progression for all bargaining unit employees within each classification, as well as the internal bid process for employment advancement at the City of Harrisburg. The bureau is also charged with the responsibility for effecting merit increases for management employees based on performance evaluations. Additionally, the bureau administers the civil service rules and regulations for the recruitment and promotional processes for all civil service positions.

EXPENDITURE ANALYSIS DETAIL
2007 BUDGET

General Fund

0117 Human Resources

Allocation Plan		Position Control		
		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
PERSONNEL SERVICES				
Salaries-Mgmt	194,913	Director	1	63,478
Salaries-BU	37,142	Personnel Officer II	1	52,500
Overtime	590	Personnel Assistant II	1	44,361
Fringe Benefits	79,798	Confidential Secretary	1	34,574
		Total Management	<u>4</u>	<u>194,913</u>
TOTAL	<u>312,443</u>			
OPERATING EXPENSES				
		Payroll Technician I	1	37,142
		Total Bargaining Unit	<u>1</u>	<u>37,142</u>
Communications	5,860			
Professional Services	13,175			
Utilities	0			
Insurance	0	Overtime		<u>590</u>
Rentals	0			
Maintenance & Repairs	1,035	FICA		17,885
Contracted Services	50,970	Healthcare Benefits - Active		61,913
Supplies	6,669	Healthcare Benefits - Retirees		0
Minor Capital Equipment	0			
		Total Fringe Benefits		<u>79,798</u>
TOTAL	<u>77,709</u>			
CAPITAL OUTLAY	0	TOTAL	<u>5</u>	<u>312,443</u>
TOTAL APPROPRIATION	<u>390,152</u>			



BUREAU OF OPERATIONS AND REVENUE
OFFICE OF THE DIRECTOR

The Director plans, organizes, and directs the activities of the Bureau of Operations and Revenue. This office is responsible for the preparation of the bureau's budget, compilation and analysis of statistical data relative to the collection, performance, and rate increases for utility billing and taxes. This office also handles citizens complaints related to mercantile taxes, utility billing and taxes, and water shutoff.

The Office of the Director provides assistance to bureaus throughout City government and other outside governmental entities with various projects. These projects include phone system administration, City-wide collection activities, statistical analyses, etc. In addition, this office maintains telephone equipment for the City Government Center Complex, as well as all off-site offices.

EXPENDITURE ANALYSIS DETAIL
2007 BUDGET

General Fund

0124 Office of the Director

	Allocation Plan		Position Control	
PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
Salaries-Mgmt	63,205	Director	1	63,205
Salaries-BU	43,523			
Overtime	0	Total Management	<u>1</u>	<u>63,205</u>
Fringe Benefits	32,767			
TOTAL	<u>139,495</u>	Administrative Assistant/ Personal Computer Specialist III	1	43,523
OPERATING EXPENSES		Total Bargaining Unit	<u>1</u>	<u>43,523</u>
Communications	0			
Professional Services	0			
Utilities	0	Overtime		<u>0</u>
Insurance	0			
Rentals	0	FICA		8,190
Maintenance & Repairs	3,202	Healthcare Benefits - Active		24,577
Contracted Services	0	Healthcare Benefits - Retirees		0
Supplies	1,300			
Minor Capital Equipment	0	Total Fringe Benefits		<u>32,767</u>
TOTAL	<u>4,502</u>			
CAPITAL OUTLAY	0	TOTAL	<u><u>2</u></u>	<u><u>139,495</u></u>
TOTAL APPROPRIATION	<u><u>143,997</u></u>			

BUREAU OF OPERATIONS AND REVENUE
CREDIT COLLECTION UNIT

The Credit Collection Unit is responsible for collection activities of all delinquent utility accounts up to, and including, water shutoff. Customer Service Representatives provide billing information and establish payment schedules for property owners, both residential and commercial, who have fallen behind on their utility payments. In cases where a chronic delinquency exists, procedures for water service termination are initiated to motivate property owners to pay their utility bills in a timely manner. When these collection efforts fail, this unit also initiates legal action against the debtor.

EXPENDITURE ANALYSIS DETAIL
2007 BUDGET

General Fund

0126 Credit Collection

	Allocation Plan		Position Control	
PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
Salaries-Mgmt	45,591	Operations Manager	1	45,591
Salaries-BU	287,720			
Overtime	0	Total Management	<u>1</u>	<u>45,591</u>
Fringe Benefits	154,301			
TOTAL	<u>487,612</u>	Cust. Serv. Rep./Account Spec. II	3	110,503
		Cust. Serv. Rep./Account Spec. I	2	74,288
OPERATING EXPENSES		Posting Specialist	1	36,056
Communications	10,920	Customer Serv. Representative I	1	34,904
Professional Services	11,000	Clerk II	1	31,969
Utilities	0	Total Bargaining Unit	<u>8</u>	<u>287,720</u>
Insurance	0			
Rentals	0	Overtime		<u>0</u>
Maintenance & Repairs	4,100	FICA		25,529
Contracted Services	0	Healthcare Benefits - Active		111,258
Supplies	5,000	Healthcare Benefits - Retirees		17,514
Minor Capital Equipment	0	Total Fringe Benefits		<u>154,301</u>
TOTAL	<u>31,020</u>			
CAPITAL OUTLAY	0	TOTAL	<u>9</u>	<u>487,612</u>
TOTAL APPROPRIATION	<u>518,632</u>			

BUREAU OF OPERATIONS AND REVENUE
TAX AND ENFORCEMENT UNIT

The Tax and Enforcement Unit bills and collects mercantile, business privilege, parking, and amusement taxes as well as various license fees for the City and the Harrisburg School District. This unit administers the dog licensing program and manages all activities associated with the City's burglar and fire alarm program. A civil collection program is in place to collect all delinquent taxes. An auditing program, implemented in 1992, allows this office to conduct thorough investigations to verify the taxable receipts of area businesses.

EXPENDITURE ANALYSIS DETAIL
2007 BUDGET

General Fund

0128 Tax and Enforcement

	Allocation Plan	Position Control		
PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
Salaries-Mgmt	57,363	Tax & Enforcement Administrator	1	57,363
Salaries-BU	66,902			
Overtime	0	Total Management	<u>1</u>	<u>57,363</u>
Fringe Benefits	46,512			
TOTAL	<u>170,777</u>	Secretary II	1	33,874
		Clerk Typist/ Data Entry Operator	1	33,028
OPERATING EXPENSES		Total Bargaining Unit	<u>2</u>	<u>66,902</u>
Communications	11,200			
Professional Services	2,500			
Utilities	0	Overtime		<u>0</u>
Insurance	0			
Rentals	0	FICA		9,552
Maintenance & Repairs	1,500	Healthcare Benefits - Active		36,960
Contracted Services	450	Healthcare Benefits - Retirees		0
Supplies	1,200			
Minor Capital Equipment	0	Total Fringe Benefits		<u>46,512</u>
TOTAL	<u>16,850</u>	TOTAL	<u><u>3</u></u>	<u><u>170,777</u></u>
CAPITAL OUTLAY	0			
TOTAL APPROPRIATION	<u><u>187,627</u></u>			



Department of Building and Housing Development

Office of the Director



DBHD Director participates in ribbon-cutting at Summit Terrace Neighborhood Association

Bureau of Planning



Bureau of Planning staff discussing National Historic Preservation Week with the public

Bureau of Housing



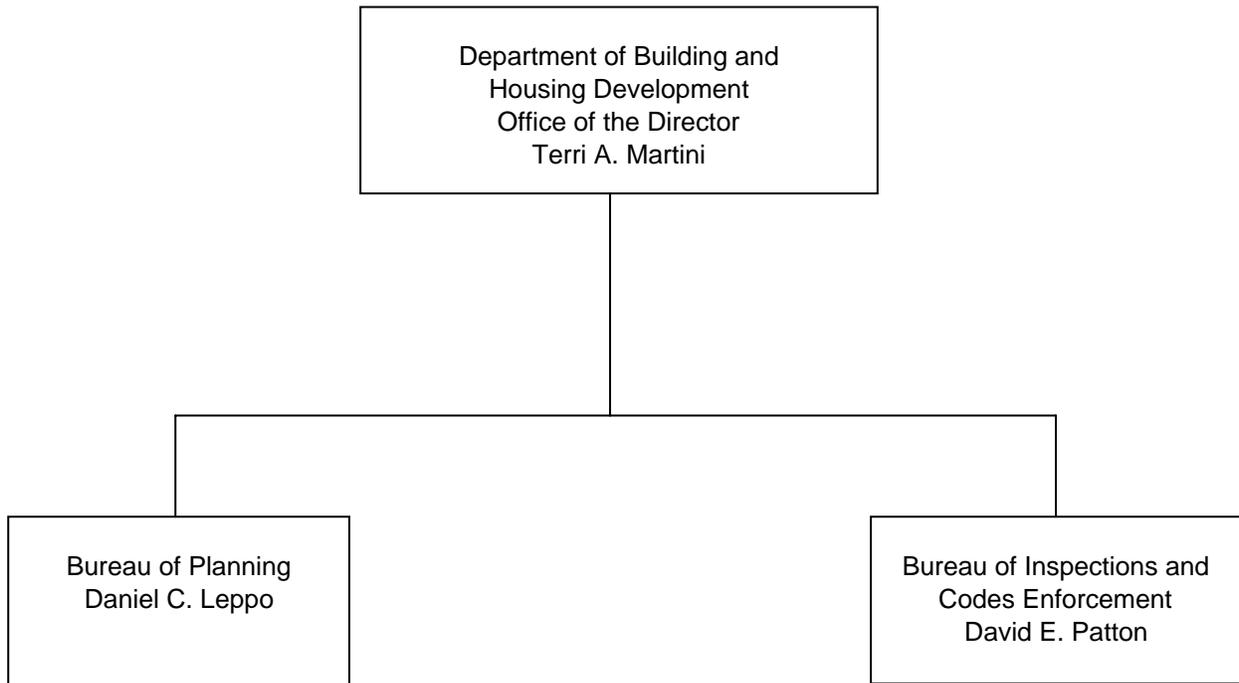
Deputy Director for Housing reviews bureau programs during a public meeting

Bureau of Inspection and Codes Enforcement



Codes Enforcement Officer performs building and safety inspections

DEPARTMENT OF BUILDING AND HOUSING DEVELOPMENT



EXPENDITURE ANALYSIS SUMMARY
2007 BUDGET

	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
DEPARTMENT OF BUILDING & HOUSING DEVELOPMENT						
<u>0134 OFFICE OF THE DIRECTOR</u>						
Personnel Services	92,109	91,294	94,506	95,664	95,350	97,155
Operating Expenses	55	800	880	960	1,184	0
Capital Outlay	0	0	0	0	0	0
TOTALS	<u>92,164</u>	<u>92,094</u>	<u>95,386</u>	<u>96,624</u>	<u>96,534</u>	<u>97,155</u>
<u>0135 BUREAU OF PLANNING</u>						
Personnel Services	202,803	188,202	140,316	185,305	183,458	164,634
Operating Expenses	18,836	19,490	9,956	22,263	23,783	16,520
Capital Outlay	0	0	0	0	0	0
Grants	0	0	0	0	0	0
TOTALS	<u>221,639</u>	<u>207,692</u>	<u>150,272</u>	<u>207,568</u>	<u>207,241</u>	<u>181,154</u>
<u>0137 BUREAU OF INSPECTIONS AND CODES ENFORCEMENT</u>						
Personnel Services	802,718	847,749	814,864	853,670	803,490	706,622
Operating Expenses	42,422	40,321	60,751	71,250	75,900	45,018
Capital Outlay	0	0	0	0	0	0
Non-Expenditure Items	0	2,446	0	0	0	0
TOTALS	<u>845,140</u>	<u>890,517</u>	<u>875,615</u>	<u>924,920</u>	<u>879,390</u>	<u>751,640</u>
TOTAL DEPARTMENT OF BUILDING & HOUSING DEVELOPMENT						
Personnel Services	1,097,630	1,127,246	1,049,686	1,134,639	1,082,298	968,411
Operating Expenses	61,312	60,612	71,587	94,473	100,867	61,538
Capital Outlay	0	0	0	0	0	0
Grants	0	0	0	0	0	0
Non-Expenditure Items	0	2,446	0	0	0	0
TOTAL EXPENDITURES	<u><u>1,158,943</u></u>	<u><u>1,190,303</u></u>	<u><u>1,121,273</u></u>	<u><u>1,229,112</u></u>	<u><u>1,183,165</u></u>	<u><u>1,029,949</u></u>

POSITION ANALYSIS SUMMARY
2007 BUDGET

	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
BUILDING AND HOUSING DEVELOPMENT						
Office of the Director	1.00	1.00	1.00	1.00	1.00	1.00
Planning	6.00	3.34	2.34	2.84	2.84	2.34
Inspections & Codes Enforcement	17.00	16.00	17.00	16.00	15.00	12.00
Health	2.00	0.00	0.00	0.00	0.00	0.00
TOTAL POSITIONS	26.00	20.34	20.34	19.84	18.84	15.34

In 2003, the Bureau of Health was created. Two new positions were budgeted in this bureau, but paid by the Bureau of Planning: Deputy Health Officer and Technology Specialist. Two Graduate Interns, 40% of an Urban Planner I position, and 50% of a Senior Long-Range Planner were added to the Bureau of Planning. In the Office of the Director, the vacant Assistant to the Director position was eliminated. In 2004, two vacant Graduate Intern positions were eliminated from the Bureau of Planning, as well as a vacant Technology Specialist position from the Bureau of Health. The 2005 Approved Budget added 34% of the GIS Manager's salary to the Bureau of Planning and a Graduate Intern to the Bureau of Inspections and Code Enforcement, while a vacant Urban Planner and a vacant Deputy Health Officer were eliminated from the Bureau of Planning and Bureau of Health, respectively. In addition, the Bureau of Health was abolished. The 2006 Approved Budget adds 34% of a Current Planner's salary to the Bureau of Planning while eliminating 50% of the vacant Communications Officer and 34% of the vacant GIS Manager. A vacant Codes Enforcement Officer and a Graduate Intern were eliminated from the Bureau of Inspections and Codes Enforcement. In the 2007 approved budget the Department of Building and Housing Development is budgeted to have 4.5 fewer positions. A vacant Comprehensive Planner position has been eliminated from the Bureau of Planning. A Health Officer, Codes Enforcement Officer, and a Clerk Typist/Data Entry Operator were eliminated from the Bureau of Inspections and Codes Enforcement, as well a vacant Electrical Inspector.



OFFICE OF THE DIRECTOR

The Department of Building and Housing Development works to improve neighborhoods, promote business and residential development, maintain and upgrade the physical environment through code enforcement, and expand resources available for local projects.

The Director oversees the Bureaus of Planning, Codes, and Housing (see Special Revenue section), and directs the activities of the bureaus to facilitate timely approval and implementation of all new construction and major renovation projects. This ensures that the projects are designed according to the City's long-term development goals and that they incorporate elements of historic preservation, floodplain management, handicap accessibility, energy efficiency, safety and architectural integrity.

The Office of the Director represents the City on numerous boards for planning, transportation, housing, health, and employment. The Office conducts feasibility studies; develops specifications; conducts public bids or requests for proposals; and provides management oversight on such projects as the Market Place Townhomes, Broad Street Market, Police Athletic League (PAL) building, and Maclay Street Apartments.

The Office of the Director also coordinates the implementation of the City's Enterprise Community Strategic Plan, which involves the efforts of the Mayor's Office for Economic Development and Special Projects; the Bureau of Police; and dozens of community agencies, including the Harrisburg Housing Authority, the Community Action Commission, the Harrisburg School District, and many more participants.

The Department of Building and Housing Development has played an active role in the "Seeding" efforts of the Harrisburg Weed and Seed Program. Department staff have worked with the Assistance of Impact Delegation (AID) Team in the formulation of a plan for the revitalization efforts in South Allison Hill. Bureau of Housing staff currently acts as Chair of the Housing and Neighborhood Development (HAND) subcommittee and works with other committee members to facilitate implementation of the HAND portion of the revitalization plan. The Weed and Seed plan, prepared by the community, works in concert with the South Allison Hill Neighborhood Action Strategy with the assistance of the Bureau of Planning.

EXPENDITURE ANALYSIS DETAIL
2007 BUDGET

General Fund

0134 Director

	Allocation Plan	Position Control		
PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
Salaries-Mgmt	78,807	Director	1	78,807
Overtime	0			
Fringe Benefits	18,348	Total Management	<u>1</u>	<u>78,807</u>
TOTAL	<u>97,155</u>	Overtime		<u>0</u>
OPERATING EXPENSES				
		FICA		6,079
Communications	0	Healthcare Benefits - Active		12,269
Professional Services	0	Healthcare Benefits - Retirees		0
Utilities	0			
Insurance	0	Total Fringe Benefits		<u>18,348</u>
Rentals	0			
Maintenance & Repairs	0			
Contracted Services	0	TOTAL	<u>1</u>	<u>97,155</u>
Supplies	0			
Minor Capital Equipment	0			
TOTAL	<u>0</u>			
CAPITAL OUTLAY				0
TOTAL APPROPRIATION	<u>97,155</u>			

DEPARTMENT OF BUILDING AND HOUSING DEVELOPMENT

PROGRAM: Office of the Director/Bureau of Housing Development

OBJECTIVE: Develop strong neighborhoods through the preservation of the existing housing stock; the creation of homeownership opportunities; construction of new housing; and the promotion of the physical, economic, and social welfare of the residents.

2005 ACCOMPLISHMENTS:

Undertook numerous projects and programs initiated through a variety of funds to increase homeownership, achieve comprehensive case management and consolidated reporting, and maximize the use of limited resources. The performance indicators include the accomplishments of the Bureau of Housing Development. The Bureau awarded millions of dollars in contracts for residential property rehabilitation and management and supported the activities of private non-profit and for-profit developers. The Department of Building and Housing Development (DBHD) took an active role in the "Seeding" efforts of the Harrisburg Weed and Seed Program, working with the Assistance for Impact Delegation (AID) Team on a revitalization plan in South Allison Hill. Bureau staff chaired the Housing and Neighborhood Development (HAND) subcommittee to facilitate the implementation of the HAND portion of the revitalization plan.

MEASURES/INDICATORS:

	ACTUALS			EST.	PROJ.
	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>
Number of:					
Acquisition of vacant properties	55	225 ^a	28	24	32
Rehabilitation of vacant single family dwellings	16	17	16	12	11
Rehabilitation of low income owner-occupied homes	30	42	47	31	30
Rehabilitation of vacant rental units	6	50	202 ^b	65	47
Construction of new rental units	0	0	47	26	0
Construction of new owner-occupied homes	21	35	23	30	65
Sales of single family owner-occupied homes	18	32	34	21	37
Lead Hazard Reduction	30	41	51	81	50
Homeownership Impact Loans	5	6	5	5	5
Facade Improvement Grants	5	4	0	0	0
Disposition of vacant lots	107	34	223 ^c	25	20
Adopt-A-Blocks adopted	227	237	239	245	250
Public improvement projects	0	0			
Community facility projects	4	5	6	2	3
Grants to agencies providing homeless shelters/services	3	3	3	2	3

Notes:

a Took control of repository properties located in strategic development areas.

b Increase is due to a large scale rehabilitation project undertaken in 2005. No projects of that magnitude are anticipated for 2006.

c A large number of vacant lots were assembled over 2004 and 2005 for a development project, but not disposed of until 2005.

BUREAU OF PLANNING

The Bureau of Planning is responsible for Harrisburg's long-range land use, physical growth management, urban design, and environmental planning. This responsibility is carried out through the development and implementation of a City-wide comprehensive plan, zoning ordinance amendments, regional and neighborhood planning, project-specific development review, distribution of planning information, and management of a computer-based Geographic Information System (GIS). The Bureau staffs the Harrisburg Planning Commission (HPC), the Harrisburg Architectural Review Board (HARB), and the Zoning Hearing Board (ZHB); providing recommendations to the Mayor and City Council regarding City plans and proposed development plans, promoting urban design, and the preservation of buildings and districts of historical significance.

A new comprehensive plan establishing a vision for future growth and development of the City will be finalized next year. It will serve as a guide to the public policy-makers on development proposals. The Land Use Plan consists of recommendations regarding development in the City. A completely re-written Zoning Code promotes the Land Use Plan recommendations and streamlines the permitting process in a user-friendly format, promoting measures to revitalize residential neighborhoods and encourage commercial and industrial development. The Bureau continues cooperative efforts with neighborhoods to implement Neighborhood Action Strategies and Urban Renewal Plans.

Accessibility guidelines were completed in concert with the Center for Independent Living to better ensure the ability of all persons to access existing sites and increase trade. Completion of Urban Design Guidelines, establishing standards for the settings and layouts of buildings and streetscapes throughout the City, is expected next year as are Historic District Guidelines to better acclimate property owners, contractors and designers with historic standards set for the City.

The Planning Bureau also continues with dissemination of public information, from Census 2000 to local program information. The City's GIS, a computer-based mapping and database program, is capable of producing site-specific, computer-generated maps showing a wide variety of spatial data used for site development, land use analysis, and a host of other uses. Several other bureaus are being assisted with the GIS capabilities.

EXPENDITURE ANALYSIS DETAIL
2007 BUDGET

General Fund 0135 Planning

Allocation Plan

Position Control

PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
Salaries-Mgmt	124,291	Deputy Director for Planning	1	63,454
Salaries - Part-time	0	Current Planner	0.34	13,838
Overtime	0	Urban Planner I	1	46,999
Fringe Benefits	40,343			
		Total Management	<u>2.34</u>	<u>124,291</u>
TOTAL	<u>164,634</u>			
OPERATING EXPENSES				
Communications	5,825	Total Part-Time	<u>0</u>	<u>0</u>
Professional Services	2,000			
Utilities	0			
Insurance	0	Overtime		<u>0</u>
Rentals	0			
Maintenance & Repairs	1,325	FICA		9,591
Contracted Services	3,325	Healthcare Benefits - Active		30,752
Supplies	4,045	Healthcare Benefits - Retirees		0
Minor Capital Equipment	0			
		Total Fringe Benefits		<u>40,343</u>
TOTAL	<u>16,520</u>			
CAPITAL OUTLAY	0	TOTAL	<u>2.34</u>	<u>164,634</u>
TOTAL APPROPRIATION	<u>181,154</u>			

DEPARTMENT OF BUILDING AND HOUSING DEVELOPMENT

PROGRAM: Bureau of Planning

OBJECTIVE: To promote orderly future growth and development of the City through long-range comprehensive planning; to promote and facilitate physical development plans; to preserve and enhance districts of historic and architectural significance; to collect, analyze, and distribute timely information on planning and community development issues; and to update the City's Geographic Information System (GIS).

2005 ACCOMPLISHMENTS:

Provided recommendations to the Mayor, City Council, the Zoning Hearing Board, and the Harrisburg Planning Commission regarding city plans and development policies. Provided recommendations to City Council and the Harrisburg Architectural Review Board regarding proposals in the historic districts. The South Allison Hill and Uptown Neighborhood Action Strategies are being implemented, including work on three Urban Renewal Plans. Developed Accessibility Guidelines to help increase knowledge and techniques for businesses to better open themselves for additional trade. Commenced work on Historic District Guidelines. Coordination work continued with adjoining municipalities on the Walnut Street Corridor. The Bureau continued to prepare numerous reports, plans, and publications.

MEASURES/INDICATORS:

	ACTUALS			EST.	PROJ.
	FY2003	FY2004	FY2005	FY2006	FY2007
Harrisburg Planning Commission (HPC) meetings	12	11	12	12	12
<u>Applications reviewed and processed at these meetings:</u>					
Blight Certificates	63 ^a	34 ^a	27 ^a	40 ^a	42
Conditional Use	2	0	0	0	0
Planned Residential Development	0	0	1	0	0
Special Exceptions/Variances	16	15	29	18	21
Street Vacations/Easements	4	0	4	1	2
Subdivisions	5	4	5	5	5
Land Development Plans	13	17	15	8	11
Zoning Ordinance/Map Changes	0	3	6	4	2
New Zoning Ordinance	0	0	0	0	1
New Land Use Plan	0	0	0	0	1
Urban Renewal Plans	3	0	0	0	0
Zoning Hearing Board Appeals	3	0	0	0	0
Harrisburg Architectural Review Board (HARB) meetings	9	12	11	12	12
<u>Applications reviewed and processed at HARB meetings:</u>					
Repair or renovation	45	37	36	40	42
New construction/addition(s)	7	4	5	5	6
Demolition	10	4	3	4	3
Signs	4	11	12	12	12
Fences	5	15	10	12	12
Monuments/Historic Markers	0	0	0	0	8
Parking Lots/Structures	1	3	1	1	0
Administrative Historic District/ACOD Reviews	88/5	93/4	82/5	98/12	95/10
Environmental reviews - Programs	10	10	10	10	10
Environmental reviews - Projects/Total # Structures	5/194	5/191	5/193	5/195	5/195

Notes:

^a An increase in the number of properties acquired was due to lack of landlord ownership, poor environmental and economic conditions, resulting in a significant increase in the number of blight certifications issued.

BUREAU OF INSPECTIONS AND CODES ENFORCEMENT

The Bureau of Inspections and Codes Enforcement is responsible for the enforcement of electrical standards, building construction, plumbing, health and sanitation and property maintenance codes for residential and commercial structures.

The Bureau processes all permits relating to building construction, electrical and plumbing work, and zoning enforcement relating to violations of the City's zoning code and Municipal Planning Code provisions. The Bureau also issues licenses for electricians, plumbers, food establishments, and rooming houses. The building, electrical, and plumbing inspectors perform progressive inspections on new construction, rehabilitation, and alteration projects.

The Building Inspector, through the Deputy Director for Codes, enforces the building codes on all construction activity for new construction and rehabilitation work on all commercial and residential structures. The Building Inspector also ensures compliance with federal guidelines by regulating development in floodplains. The Codes Enforcement Officers inspect for code violations in existing structures and vacant lots, including but not limited to, high grass and weeds, sanitation, plumbing, heating, electrical, vector problems and structural violations.

The Bureau inspects properties for sale under the buyer notification ordinance to make buyers aware of any deficiencies and inspects rental properties to enforce the quality of life standards for City residents who rent.

The Bureau enforces all state and local health code provisions relating to food establishments and lead based paint hazards in residential structures. The Bureau also issues health licenses for all food service establishments.

The Bureau also promotes community interaction programs, which provide citizen involvement in codes related procedures.

EXPENDITURE ANALYSIS DETAIL
2007 BUDGET

General Fund

0137 Inspections and Codes Enforcement

Allocation Plan

Position Control

PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
Salaries-Mgmt	125,179	Deputy Director for Codes	1	63,453
Salaries-BU	381,301	Asst. Codes Administrator	1	61,726
Salaries - Part-Time	0			
Overtime	1,001	Total Management	2	125,179
Fringe Benefits	199,141			
TOTAL	706,622	Codes Enforcement Off. IV	3	123,133
		Codes Enforcement Off. III	2	79,414
OPERATING EXPENSES		Plumbing Inspector I	1	38,402
Communications	25,000	Codes Enforcement Off. I	1	37,144
Professional Services	9,968	Administrative Assistant II	1	36,156
Utilities	0	Secretary II	1	34,024
Insurance	0	Clerk Typist/Data Entry Operator	1	33,028
Rentals	0	Total Bargaining Unit	10	381,301
Maintenance & Repairs	700			
Contracted Services	5,000			
Supplies	4,350			
Minor Capital Equipment	0	Total Part-Time	0	0
TOTAL	45,018			
CAPITAL OUTLAY		Overtime		1,001
	0	FICA		38,853
TOTAL APPROPRIATION		Healthcare Benefits - Active		157,654
	751,640	Healthcare Benefits - Retirees		2,634
		Total Fringe Benefits		199,141
		TOTAL	12	706,622

DEPARTMENT OF BUILDING AND HOUSING DEVELOPMENT

PROGRAM: Bureau of Inspections and Codes Enforcement

OBJECTIVE: To create safer neighborhoods through aggressive codes enforcement on irresponsible and nonresponsive property owners and to foster programs that allow citizen participation in creating change and improvements in their neighborhoods and community.

2005 ACCOMPLISHMENTS:

A continuation of the in-house demolition program has resulted in creating more positive aesthetics in many of our City's neighborhoods. It has also served as a catalyst for development and overall neighborhood improvement. Active promotion of neighborhood involvement in legal proceedings has also increased awareness at the District Justice and County levels and has proved valuable in achieving an increase in the Bureau's conviction rate of property maintenance code violators. Neighborhood involvement has also resulted in an increase in efficiency at addressing citizen complaints.

MEASURES/INDICATORS:

	ACTUALS			EST.	PROJ.
	FY2003	FY2004	FY2005	FY2006	FY2007
<u>Number of:</u>					
Housing inspections performed ^a	4,262	2,853	1,952	1,850	1,425
Abatements of lead based paint hazards ^b	9	23	26	15	15
Vacant or abandoned buildings cleaned and sealed ^c	42	74	85	20	30
Exterior area lot clean-up projects ^c	13	94	145	20	50
Citations filed	1,312	1,218	1,145	1,200	1,100
Buyer Notification Inspections (units) ^d	1,868	2,389	4,723	4,565	4,350
Plan reviews of architectural/engineering drawings to ensure compliance	220	360	375	384	325
Field inspections conducted to ensure work is in compliance with approved blue prints	3,650	4,093	4,126	4,228	3,100
Building condemnation orders issued	185	144	157	195	185
Floodplain construction sites inspected	7	5	6	5	5
New commercial buildings completed or under construction	5	11	8	3	4
New residential units completed or under construction	40	49	10	43 ^d	45
Alterations/additions valued at over \$500,000	13	26	20	8	10
Residential/Commercial rental units inspected ^d	1,192	1,927	1,712	1,300	1,100
<u>Number of permits issued for improvements of buildings or structures:</u>					
<u>Building Permits:</u>					
New construction	45	61	18	51 ^d	55
Alterations/additions	1,660	1,760	1,506	1,775	1,780
Electrical	1,368	1,279	1,293	1,275	1,280
Plumbing	350	381	379	450	425
Fire Prevention Code	350	415	241	245	235
Zoning	1,876	2,009	2,111	2,125	2,100
Rooming House	32	28	28	26	26
Demolition	86	90	84	62	55
Total permits issued	5,767	6,023	5,660	6,009	5,956

Notes:

- a Terminology change. Category indicates Citywide responses to property maintenance complaints.
- b Terminology change to denote identification/reduction of lead hazards. Numbers have increased due to Lead Based Paint Training for Codes Staff and Health Officer and Bureau of Housing grants to implement hazard reduction plans.
- c Increase in activity due to reassignment of Incinerator personnel to the Bureau of Codes to perform mitigation duties with a decrease in 2006 due to Incinerator personnel rotating back to the Incinerator.
- d Increase in inspections due to the consolidated inspections of residential and commercial properties and partial elimination of the Buyers Notification inspection program.



Department of Public Safety

Bureau of Police

Parking Enforcement



Computerized hand-held ticket writers

Office of the Police Chief



Police Chief discussing budgetary issue with his Assistant

Police Uniformed Patrol



Vehicle with Computer Aided Dispatch (CAD)



Captain of the Uniform Patrol discussing City issues with a Police Officer

Technical Services



Telecommunicator taking a call

Criminal Investigation



Detectives discussing an investigation

Department of Public Safety

Bureau of Fire



Fire Chief



Deputy Fire Chief analyzing a floor plan



Fire apparatus

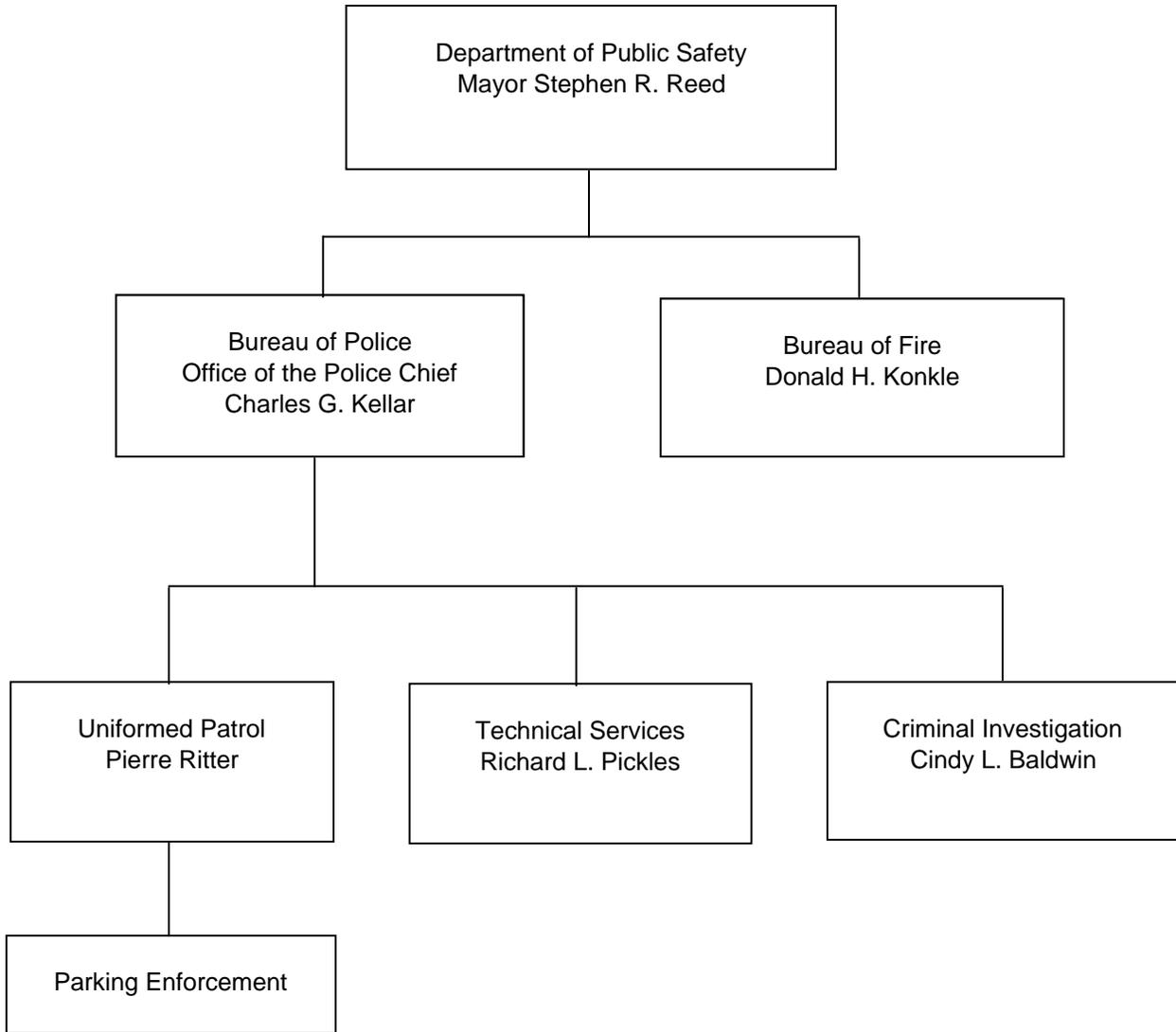


Air bag operations training



Patient packaging training

DEPARTMENT OF PUBLIC SAFETY



EXPENDITURE ANALYSIS SUMMARY
2007 BUDGET

	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
PUBLIC SAFETY						
<u>0141-0146 BUREAU OF POLICE</u>						
Personnel Services	15,140,461	15,784,825	17,579,762	17,781,107	18,659,741	18,472,948
Operating Expenses	562,073	688,181	699,975	972,066	975,000	1,085,025
Capital Outlay	26,250	(33,753)	0	0	231	0
Grants	104,753	170,699	598,442	327,563	327,563	161,500
Miscellaneous	(39,736)	381	0	0	25,390	45,000
TOTALS	<u>15,793,801</u>	<u>16,610,333</u>	<u>18,878,179</u>	<u>19,080,736</u>	<u>19,987,924</u>	<u>19,764,473</u>
<u>0151 BUREAU OF FIRE</u>						
Personnel Services	7,792,686	8,141,406	9,557,804	8,168,000	10,014,827	8,980,750
Operating Expenses	509,101	452,905	501,393	429,143	462,018	428,085
Capital Outlay	274,242	198,837	118,005	108,005	108,005	76,415
Miscellaneous	0	0	0	0	0	0
TOTALS	<u>8,576,030</u>	<u>8,793,148</u>	<u>10,177,201</u>	<u>8,705,148</u>	<u>10,584,850</u>	<u>9,485,250</u>
TOTAL PUBLIC SAFETY						
Personnel Services	22,933,147	23,926,231	27,137,566	25,949,107	28,674,568	27,453,698
Operating Expenses	1,071,174	1,141,086	1,201,368	1,401,209	1,437,018	1,513,110
Capital Outlay	300,492	165,084	118,005	108,005	108,236	76,415
Grants	104,753	170,699	598,442	327,563	327,563	161,500
Miscellaneous	(39,736)	381	0	0	25,390	45,000
TOTAL EXPENDITURES	<u><u>24,369,831</u></u>	<u><u>25,403,481</u></u>	<u><u>29,055,380</u></u>	<u><u>27,785,884</u></u>	<u><u>30,572,774</u></u>	<u><u>29,249,723</u></u>

POSITION ANALYSIS SUMMARY
2007 BUDGET

	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
PUBLIC SAFETY						
Parking Enforcement	12.00	11.00	10.00	11.00	10.00	13.00
Office of Police Chief	13.50	9.00	10.00	11.00	9.00	8.00
Uniformed Patrol	121.00	124.00	121.00	117.00	116.00	114.00
Technical Services	47.00	36.00	43.00	58.00	46.00	40.00
Criminal Investigations	37.00	30.00	29.00	29.00	37.00	37.00
Fire	103.00	100.00	97.00	98.00	93.00	93.00
TOTAL POSITIONS	333.50	310.00	310.00	324.00	311.00	305.00

The City of Harrisburg has placed a major emphasis on public safety and has taken great strides to maximize services provided to the citizens of Harrisburg. In an effort to maximize police officer training and education, the Police Officer Career Development Program was created. This Program provides cross-training to officers by assigning them to various divisions to perform various duties. Fluctuations among the number of personnel assigned to the Office of the Police Chief, Uniformed Patrol Division, Technical Services Division and Criminal Investigations Division occur each year as a result and can be seen in the chart above. In 2003, three positions were added: a Communications Supervisor, a Dog Law Enforcement Officer and a Firefighter; while a part-time Hostler, a Clerk II, and seven Police Officer positions were eliminated. In 2004, the following positions were eliminated: a Parking Enforcement Officer, 50% of a Community Policing Assistant, a part-time Hostler, two part-time Clerical Assistants, a Dog Law Enforcement Officer, a Support Supervisor, a Communications Supervisor, a part-time Communications Supervisor, and two Firefighters. All of these eliminated positions were offset by the net addition of ten Police Officer positions. The 2005 Approved Budget eliminated eleven positions: Executive Assistant to the Police Chief, six Police Officers and four Firefighters. The budget for the salaries and benefits of three Police Officer positions was transferred to the State Grant Fund to be paid from an Auto Theft Grant received by the City. These eliminations and transfers are partially offset by the addition of a part-time Hostler. The 2006 Approved Budget adds ten new Police Officers, while eliminating two vacant Telecommunicators, one vacant Communications Supervisor, one vacant Secretary, and one vacant part-time Hostler. One additional Firefighter was added to the Bureau of Fire. In the 2007 approved budget the Department of Public Safety will decrease by 19 positions from the 2006 Budget. In the Bureau of Police, the Parking Enforcement Division will add a net of two positions. The 2007 Budget creates three Parking Enforcement Officers. A Traffic Services Administrator was eliminated in 2006. Ten Police Cadets and three Part-Time Communications Center Supervisors were eliminated in the Technical Services Division. Five vacant Firefighter positions are not being funded in 2007.

BUREAU OF POLICE
PARKING ENFORCEMENT UNIT

The Parking Enforcement Unit is responsible for enforcing the parking ordinances of the City of Harrisburg and the parking statutes of the Commonwealth of Pennsylvania. This unit reports directly to the Uniformed Patrol Commander and it consists of civilian personnel.

EXPENDITURE ANALYSIS DETAIL
2007 BUDGET

General Fund

0141 Parking Enforcement

	Allocation Plan	Position Control	
PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET ALLOCATION
Salaries-Mgmt	0	Administrative Assistant I	1 37,192
Salaries-BU	442,026	Clerk Typist/Data Entry Operator	1 34,881
Overtime	0	Parking Enforcement Officer II	7 238,165
Fringe Benefits	194,790	Parking Enforcement Officer I	4 131,788
TOTAL	636,816	Total Bargaining Unit	13 442,026
OPERATING EXPENSES		Overtime	0
Communications		FICA	33,811
Professional Services		Healthcare Benefits - Active	160,979
Utilities		Total Fringe Benefits	194,790
Insurance		TOTAL	13 636,816
Rentals			
Maintenance & Repairs			
Contracted Services			
Supplies			
Minor Capital Equipment			
TOTAL	0		
CAPITAL OUTLAY	0		
TOTAL APPROPRIATION	636,816		

DEPARTMENT OF PUBLIC SAFETY

PROGRAM: Uniformed Patrol - Parking Enforcement Unit

OBJECTIVE: To efficiently enforce the parking ordinances of the City of Harrisburg and the parking statutes of the Commonwealth.

2005 ACCOMPLISHMENTS:

Although the number of metered parking spaces were reduced due to heightened security measures around government buildings, efforts continued to meet administrative goals.

MEASURES/INDICATORS:

	ACTUALS			EST.	PROJ.
	FY2003	FY2004	FY2005	FY2006	FY2007
Parking tickets issued	86,136	85,543	\$ 92,770	\$ 77,614	\$ 94,000
Vehicles booted	370	546 ^a	479 ^a	324 ^a	246
Total parking ticket revenue ^d	\$ 1,090,953	\$ 1,075,043	\$ 1,003,201	\$ 1,004,508	\$ 1,140,000
Total boot revenue ^d	\$ 13,311	\$ 27,425	\$ 11,340	\$ 10,867	\$ 9,600
Boot fees ^d	\$ 17,910	\$ 12,915	\$ 16,765 ^b	\$ 8,155 ^b	\$ 6,265
Bagged meters ^d	\$ 115,061	\$ 200,376	\$ 168,082 ^c	\$ 135,098 ^c	\$ 136,000
Residential permits ^d	\$ 19,811	\$ 19,398	\$ 20,286	\$ 26,619	\$ 26,000

Note:

- a The increase is due to the assistance of three employee temporarily transferred from the Incinerator.
- b Boot fees are expected to be less due to a decrease in employee compliment.
- c Due to increased construction in the downtown area, collections have decreased.
- d Revenues differ from General Fund Revenue due to a timing difference between the time of deposit by Treasury and the entering of data into the City's accounting system.

BUREAU OF POLICE
OFFICE OF THE POLICE CHIEF

The commanding officer of the Bureau is the Chief of Police. This office is responsible for the management of available resources to ensure that the Bureau's goals and objectives are achieved. The Chief's office is responsible for the direct supervision of the Internal Affairs Unit, Crime Prevention Unit, Community Relations Unit, the Accreditation Manager, and the Financial Development Officer. The Chief also manages and directs three primary divisions within the Bureau, each commanded by a Captain. These divisions consist of Uniformed Patrol, Technical Services, and Criminal Investigation.

The Harrisburg Bureau of Police is a nationally and state accredited agency. The Bureau attained this prestigious status in 1989 nationally and in 2003 from the Commonwealth after intense on-site assessments conducted by the Commission on Accreditation for Law Enforcement Agencies. With over 21,000 law enforcement agencies in the country, just over 600 have achieved the national recognition and only 5 have achieved dual accreditation. In 1994, 1999, 2002 and again in 2005, the Bureau was reaccredited nationally following on-site assessments.

The Bureau of Police consists of approximately 212 sworn and civilian personnel. All of these individuals contribute to the successful operation of the Harrisburg Bureau of Police.

EXPENDITURE ANALYSIS DETAIL				
2007 BUDGET				
General Fund			0142 Office of the Police Chief	
Allocation Plan		Position Control		
PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
Salaries-Mgmt	237,629	Police Chief	1	93,080
Salaries-BU	231,918	Community Policing Coordinator	1	50,000
Overtime	10,304	Financial Development Officer	1	50,000
Fringe Benefits	1,731,000	Confidential Secretary	1	44,549
Miscellaneous	1,342,953			
		Total Management	<u>4</u>	<u>237,629</u>
TOTAL	<u><u>3,553,804</u></u>			
		Detective	2	120,367
OPERATING EXPENSES		Police Officer	2	111,551
Communications	205,500			
Professional Services	107,213	Total Bargaining Unit	<u>4</u>	<u>231,918</u>
Utilities	18,305			
Insurance	300,700			
Rentals	16,000	Overtime		<u>10,304</u>
Maintenance & Repairs	133,649			
Contracted Services	140,753	FICA		16,773
Supplies	162,905	Healthcare Benefits - Active		97,817
Minor Capital Equipment	0	Healthcare Benefits - Retirees		1,616,410
TOTAL	<u>1,085,025</u>	Total Fringe Benefits		<u>1,731,000</u>
CAPITAL OUTLAY	0			
GRANTS (MATCHING SHARE)	161,500	Sick Leave Buy-Back		2,500
		Severance Pay		100,000
		Uniform Allowance		158,850
MISCELLANEOUS	45,000	College Credits		8,800
		Workers' Compensation		549,000
		Police Pension Plan		523,803
TOTAL APPROPRIATION	<u><u>4,845,329</u></u>	Total Miscellaneous		<u>1,342,953</u>
		TOTAL	<u><u>8</u></u>	<u><u>3,553,804</u></u>

DEPARTMENT OF PUBLIC SAFETY

PROGRAM: Office of the Police Chief

OBJECTIVE: To oversee the overall operations of the Bureau of Police, prevent crime, and maintain order.

2005 ACCOMPLISHMENTS:

Continued the assignment of the Domestic Violence Unit to all related incidents. This continued to assure consistent prosecution.

MEASURES/INDICATORS:

	ACTUALS			EST.	PROJ.
	FY2003	FY2004	FY2005	FY2006	FY2007
Homicides	9	12	13	13	12
Rapes	24	52	43	41	45
Robberies	267	369	434	449	420
Assaults	256	244	260	271	267
Burglaries	481	483	621	627	649
Thefts	1,635	1,431	1,375	1,477	1,723
Auto thefts	137	110	108	100	167
Arsons	26	25	17	33	34
Clearance rate	52.50%	48.70%	46.92%	46.75%	47.50%

PROGRAM: Office of the Police Chief - Internal Affairs Unit

OBJECTIVE: To investigate complaints against police officers and other alleged misconduct involving police officers and other City government employees, as well as to protect the integrity of the Police Bureau.

2005 ACCOMPLISHMENTS

The Unit evaluated practices, procedures, and activities of the Police Bureau's personnel to ensure objectives were being met.

MEASURES/INDICATORS:

	ACTUALS			EST.	PROJ.
	FY2003	FY2004	FY2005	FY2006	FY2007
Complaints investigated	11	14	20	24	16
Complaints founded	2	1	5	5	2
Cases unfounded/not sustained/ exonerated	9	13	15	19	8
Open Cases	0	0	0	0	6

PROGRAM: Office of the Police Chief - Crime Prevention/Community Relations Unit

OBJECTIVE: To develop and implement various crime prevention programs and activities that have an impact on crime reduction through education, training, and community activities.

2005 ACCOMPLISHMENTS:

Community Crime Watch groups continued to be a source of intelligence information for the police. These groups contributed to the reduction of crime in their respective neighborhoods and positively enhanced police/community relations.

MEASURES/INDICATORS:

	ACTUALS			EST.	PROJ.
	FY2003	FY2004	FY2005	FY2006	FY2007
Active programs	33	35	35	36	40
Programs for adults	18	20	20	20	20
Programs for juveniles	10	10	10	11	13
Programs for family	2	2	2	2	2
Programs for school	3	3	3	4	6
Property Protection (Seminars/Lectures)	10	10	10	10	30
Personal Protection (Seminars/Lectures)	10	10	10	10	30
Community Functions/Crime Watch	60	80	70	90	110
Security Surveys	4	10	10	19	50

BUREAU OF POLICE
UNIFORMED PATROL DIVISION

The largest division of the Bureau is the Uniformed Patrol Division, which is commanded by the Bureau's Uniformed Patrol Commander. This division consists of three platoons, a Special Services Unit, Power Shift Unit, Abandoned Vehicle Unit, and School Resource Officer Unit. These uniformed officers respond directly to the public's calls for service and are on the "front line" of law enforcement every day.

The Uniformed Patrol Commander supervises the Bureau's Animal Control Unit, which consists of civilian personnel. The Animal Control Unit responds directly to calls regarding animal and nature complaints, investigates allegations of cruelty and poor sanitary conditions, and verifies proper licensing and vaccinations. This Officer follows guidelines set forth in City ordinances and State of Pennsylvania Dog Laws.

The Commander of the Uniformed Patrol Division also oversees the Parking Enforcement Unit.

EXPENDITURE ANALYSIS DETAIL
2007 BUDGET

General Fund

0144 Uniformed Patrol

Allocation Plan

Position Control

PERSONNEL SERVICES	84,628	JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
Salaries-Mgmt	84,628	Captain	1	84,628
Salaries-BU	6,389,678			
Overtime	711,840	Total Management	<u>1</u>	<u>84,628</u>
Fringe Benefits	1,488,692			
TOTAL	<u>8,674,838</u>	Lieutenant	3	201,735
		Sergeant	8	511,777
		Corporal	9	541,921
OPERATING EXPENSES		Police Officer	92	5,095,878
Communications		Dog Law Enforcement Officer II	1	38,367
Professional Services		Total Bargaining Unit	<u>113</u>	<u>6,389,678</u>
Utilities				
Insurance		Overtime		<u>711,840</u>
Rentals				
Maintenance & Repairs		FICA		92,398
Contracted Services		Healthcare Benefits - Active		1,396,294
Supplies		Total Fringe Benefits		<u>1,488,692</u>
Minor Capital Equipment				
TOTAL	<u>0</u>	TOTAL	<u>114</u>	<u>8,674,838</u>
CAPITAL OUTLAY	<u>0</u>			
TOTAL APPROPRIATION	<u>8,674,838</u>			

DEPARTMENT OF PUBLIC SAFETY

PROGRAM: Uniformed Patrol - (Platoons, K-9, and Mounted Units)

OBJECTIVE: To respond to calls for service, perform initial investigations, enforce traffic laws, assist citizens, and maintain a high degree of visibility through patrolling tactics.

2005 ACCOMPLISHMENTS:

The number of Part 1 Arrest increased dramatically.

MEASURES/INDICATORS:

	ACTUALS			FY2006	EST. FY2007
	FY2003	FY2004	FY2005		
Uniformed response to calls for service	50,034	48,816	48,854	50,940	49,028
Part I arrests	2,146	1,926	1,957	2,028	1,946
Part II arrests	5,104	4,679	4,549	4,289	3,765
Traffic citations issued	11,187	15,084	13,760	11,711	9,843
Non-traffic citations issued	5,566	5,792	5,466	4,695	4,032
Warrants issued	4,769	4,687	4,171	4,427	1,188 *
Uncommitted patrol time (hours)	11,192	10,816	9,057	7,433	5,760

* New system - eliminated summary served warrants

PROGRAM: Uniformed Patrol - Traffic Safety Unit

OBJECTIVE: To promote traffic safety through education and enforcement, increase use of seat belts throughout the city, strict DUI enforcement, as well as accurate and detailed accident reporting.

2005 ACCOMPLISHMENTS:

Participated in the "Buckle-up PA" seatbelt enforcement and education program which concentrated on seatbelt compliance to reduce injuries.

MEASURES/INDICATORS:

	ACTUALS			FY2006	EST. FY2007
	FY2003	FY2004	FY2005		
Injury accidents	363	295	337	297	340
Accident investigations	857	856	835	813	612
Citations issued	4,991	7,238	7,624	6,542	6,480
Police vehicular accidents	38	43	49	34	30
Preventable accidents	12	20	13	15	8

PROGRAM: Uniformed Patrol - Community Policing Unit (Power Shift)

OBJECTIVE: To reduce crime by working with Dauphin County Probation and Parole in a proactive unit. To include the return of State Parole Officers to regular duties with the Power Shift Unit and concentrate on wanted state parole offenders and clients of the Dauphin Count Intensive Drug Supervision Unit.

2005 ACCOMPLISHMENTS:

The Unit successfully integrated working with Dauphin County Probation and Parole in the Community Policing Unit, as well as with the Police Bureau's "WEED AND SEED" Program.

MEASURES/INDICATORS:

	ACTUALS			FY2006	EST. FY2007
	FY2003	FY2004	FY2005		
Bar check operations	23	78	127	164	102
House visits to check on individuals on probation/parole	2,957	2,673	2,644	1,652	2,226
Noise Ordinance violations	86	10 ^a			
Multi-agency operations	20	48			

Note:

a Noise Ordinance violations have decreased due to a shift in the focus of the Power Shift Unit to Probation and Parole violators and Weed and Seed violators.

BUREAU OF POLICE
TECHNICAL SERVICES DIVISION

The Technical Services Division is comprised of units which serve a variety of functions. The Bureau's Training, Property Management, Warrant/Process Service, Court Liaison/Special Events Officer, Report Writer, Communications and Records Center personnel are assigned to this division.

EXPENDITURE ANALYSIS DETAIL 2007 BUDGET				
General Fund		0145 Technical Services		
Allocation Plan		Position Control		
PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
Salaries-Mgmt	309,772	Captain	1	81,363
Salaries-BU	1,260,519	Technical Service Administrator	1	50,874
Salaries-Part Time	74,880	Training/Qual. Assur. Supervisor	1	47,402
Overtime	438,656	Communications Supervisor	3	130,133
Fringe Benefits	570,677			
		Total Management	<u>6</u>	<u>309,772</u>
TOTAL	<u>2,654,504</u>			
OPERATING EXPENSES		Lieutenant	1	67,245
		Police Officer	6	348,534
Communications		Telecommunicator IV	5	194,261
Professional Services		Record Center Operator IV	3	114,951
Utilities		Telecommunicator III	2	74,184
Insurance		Record Center Operator II	1	37,092
Rentals		Telecommunicator II	5	180,060
Maintenance & Repairs		Telecommunicator I	7	244,192
Contracted Services				
Supplies		Total Bargaining Unit	<u>30</u>	<u>1,260,519</u>
Minor Capital Equipment				
TOTAL	<u>0</u>	Communication Supervisor	4	74,880
CAPITAL OUTLAY	<u>0</u>	Total Part Time	<u>4</u>	<u>74,880</u>
TOTAL APPROPRIATION	<u>2,654,504</u>	Overtime		<u>438,656</u>
		FICA		126,922
		Healthcare Benefits - Active		443,755
		Total Fringe Benefits		<u>570,677</u>
		TOTAL	<u>40</u>	<u>2,654,504</u>

DEPARTMENT OF PUBLIC SAFETY

PROGRAM: Technical Services Division - Training Unit

OBJECTIVE: To promote employee effectiveness through proper and efficient training protocols designed to best equip the sworn employee with adequate skill, knowledge, and abilities.

2005 ACCOMPLISHMENTS:

Training protocols were revised to include additional mandatory in-house training endeavors. This significantly increased the number of training hours for all officers at no overtime costs to the Bureau.

MEASURES/INDICATORS:	ACTUALS			FY2006	EST. FY2007
	FY2003	FY2004	FY2005		
Duty hours spent in mandatory training protocols	4,462	3,280	4,620	4,480	4,312
Field Training Officers (man-hours)	0 ^a	400 ^a	4,400	400	4,000

a No new recruits were hired in 2003.

PROGRAM: Technical Service Division - Abandoned Vehicle Unit

OBJECTIVE: To locate and remove abandoned vehicles from City streets and private areas.

2005 ACCOMPLISHMENTS:

The unit removed 530 abandoned vehicles from City streets and private property.

MEASURES/INDICATORS:	ACTUALS			FY2006	EST. FY2007
	FY2003	FY2004	FY2005		
Vehicle tags issued	1,371	1,499	1,327	1,425	1,200
Vehicles removed from street	366	342	345	284	230
Vehicles removed from private property	247	796	330	246	150
Citations issued	727	810	1,106	1,043	950

PROGRAM: Technical Service Division - Communication Center

OBJECTIVE: To provide efficient and prioritized response to all calls for services.

2005 ACCOMPLISHMENTS:

Continue to abide by Pennsylvania Emergency Management Association Standards in all facets of communication and increase the level of quality control.

MEASURES/INDICATORS:	ACTUALS			FY2006	EST. FY2007
	FY2003	FY2004	FY2005		
Telephone transactions:	416,591	370,504	345,828	354,440	343,902
false alarms (fire, burglar)	2,176	2,918	1,785	1,735	1,450
calls for service	50,034	48,894	46,754	50,940	52,000
directed activity	44,772	43,973	39,571	40,397	41,000
administrative duties	80,779	76,025	66,943	70,027	69,000
Computer Aided Dispatch (CAD) Incidents	186,777	179,077	164,997	170,099	170,000

PROGRAM: Technical Services Division - Court Liaison Officer

OBJECTIVE: Provide for economy of operation in the scheduling of police officers for Dauphin County Court.

2005 ACCOMPLISHMENTS:

Cleared officers subpoenaed for court, resulting in a significant savings in overtime costs.

MEASURES/INDICATORS:	ACTUALS			FY2006	EST. FY2007
	FY2003	FY2004	FY2005		
Officers subpoenas	9,242	8,442	8,446	9,608	8,718
Officers cleared from court	7,762	5,919	7,121	8,424	6,612

DEPARTMENT OF PUBLIC SAFETY

PROGRAM: Technical Services Division - Record Center

OBJECTIVE: To process and manage the distribution and receipt of police information.

2005 ACCOMPLISHMENTS:

The Digital Photo System and computerized record-keeping continued to be extremely beneficial to internal and external law enforcement assistance.

MEASURES/INDICATORS:	ACTUALS				EST. FY2007
	FY2003	FY2004	FY2005	FY2006	
Data entry transactions	32,957,498	32,573,833	32,820,012	33,904,722	34,203,074
Documents	0	0	0	0	0

Note:

a Digital Imaging was installed as a replacement to microfilming.

PROGRAM: Technical Services Division - Resource Management Unit

OBJECTIVE: To perform crime analysis, plan and revise General Orders, prepare Special Orders and various operations manuals, and monitor all Accreditation protocols.

2005 ACCOMPLISHMENTS:

Updated General Orders and manuals that assisted the Bureau in the reaccreditations process.

MEASURES/INDICATORS:	ACTUALS				EST. FY2007
	FY2003	FY2004	FY2005	FY2006	
Reports compiled and disseminated to Unit Supervisors	60	52	45	0	50
General Orders, Special Orders, and manuals that were changed	25	10	12	0	27

PROGRAM: Technical Services Division - Warrant Process Service Unit

OBJECTIVE: To locate and arrest individuals named on arrest warrants and to attend hearings in place of the arresting officers, saving the City overtime costs.

2005 ACCOMPLISHMENTS:

The Unit saved the City \$146,466 in overtime costs for preliminary hearings.

MEASURES/INDICATORS:	ACTUALS				EST. FY2007
	FY2003	FY2004	FY2005	FY2006	
Arrest warrants served	21	96	86	55	70
Subpoenas served	16,530	14,755	11,215	16,580	15,000
Prisoner transports	90	81	100	90	56
Hearings attended	448	598	631	690	699
Overtime dollars saved	\$ 215,507	\$ 179,843	\$138,146	\$146,466	\$286,000



BUREAU OF POLICE
CRIMINAL INVESTIGATIONS DIVISION

The Criminal Investigations Division investigates adult and juvenile crimes referred by the Uniformed Patrol Division. The Division is broken down into the Adult Offender, Juvenile Offender, Organized Crime and Vice Control, Special Operations, Forensic, Auto Theft, Habitual Offender, Domestic Violence, and Arson Units. The primary goal of this division is to resolve crime through thorough investigation.

EXPENDITURE ANALYSIS DETAIL 2007 BUDGET				
General Fund		0146 Criminal Investigations		
Allocation Plan		Position Control		
PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
Salaries-Mgmt	81,034	Captain	1	81,034
Salaries-BU	2,097,993			
Overtime	284,000	Total Management	<u>1</u>	<u>81,034</u>
Fringe Benefits	489,959			
TOTAL	<u>2,952,986</u>	Lieutenant	1	67,245
		Sergeant	3	190,995
OPERATING EXPENSES		Corporal	2	116,589
Communications		Detective/Investigator	28	1,651,130
Professional Services		Secretary II	2	72,034
Utilities		Total Bargaining Unit	<u>36</u>	<u>2,097,993</u>
Insurance				
Rentals		Overtime		<u>284,000</u>
Maintenance & Repairs				
Contracted Services		FICA		36,548
Supplies		Healthcare Benefits - Active		453,411
Minor Capital Equipment		Total Fringe Benefits		<u>489,959</u>
TOTAL	<u>0</u>			
CAPITAL OUTLAY		TOTAL	<u>37</u>	<u>2,952,986</u>
TOTAL APPROPRIATION	<u>2,952,986</u>			

DEPARTMENT OF PUBLIC SAFETY

PROGRAM: Criminal Investigations - Forensic Technology Section

OBJECTIVE: To preserve crime scenes and collect evidence.

2005 ACCOMPLISHMENTS:

Implementation of the Automated Fingerprint Identification Systems speeds up the process of Latent Fingerprint Identification. Eliminates un-necessary comparisons completed by Investigators, which saves time

MEASURES/INDICATORS:

	ACTUALS			FY2006	EST. FY2007
	FY2003	FY2004	FY2005		
Crime scenes processed	737	789	735	733	750
Print comparisons	109	141	98	162	55
Latent prints logged	559	500	1,054	1,232	1,100

PROGRAM: Criminal Investigations - Adult Offenders Section

OBJECTIVE: To investigate serious adult criminal offenses and clear these through arrest and prosecution.

2005 ACCOMPLISHMENTS:

Implementation of the Special Operations Unit allows us to Investigate Robberies in a timely manor and arrest the offenders, so they do not continue to commit the offense.

MEASURES/INDICATORS:

	ACTUALS			FY2006	EST. FY2007
	FY2003	FY2004	FY2005		
Cases assigned	1,364	1,016	1,038	1,317	1,437
Adult arrests (persons)	182	179	78	102	129

PROGRAM: Criminal Investigations - Juvenile Offenders Section

OBJECTIVE: To investigate juvenile criminal offenses and clear these offenses through arrest and prosecution.

2005 ACCOMPLISHMENTS:

The Child Abuse Unit continued to coordinate cases with the District Attorney's office, Dauphin County Children and Youth Services, and area hospitals to ensure increased convictions.

MEASURES/INDICATORS:

	ACTUALS			FY2006	EST. FY2007
	FY2003	FY2004	FY2005		
Cases assigned	450	511	512	688	866
Juvenile charges processed	65	76			
Arrests (persons)	73	105			

DEPARTMENT OF PUBLIC SAFETY

PROGRAM: Criminal Investigations - Habitual Offenders Unit

OBJECTIVE: To investigate habitual offenses and clear these offenses through arrest and prosecution.

2005 ACCOMPLISHMENTS:

We are working on the "Project Safe Neighborhood" with the US Attorney's Office. We are now submitting cases to the

MEASURES/INDICATORS:	ACTUALS				EST. FY2007
	FY2003	FY2004	FY2005	FY2006	
Cases investigated	78	5	19	150	100
Cases prosecuted	27	5	10	20	15
Career criminals classified	27	0 ^a	0		-

Note:

a Due to the decrease in the uniformed employee compliment and increased workload due to the shortage, there was no time to classify career criminals.

PROGRAM: Criminal Investigations - Organized Crime and Vice Unit

OBJECTIVE: To investigate drug related and organized criminal offenses and clear these offenses through arrest and prosecution.

2005 ACCOMPLISHMENTS:

The Unit continued concentrating on seizing firearms from armed offenders, confiscating twenty-two firearms during the execution of search warrants.

MEASURES/INDICATORS:	ACTUALS				EST. FY2007
	FY2003	FY2004	FY2005	FY2006	
Cases investigated	1,138	906	1,040	1,368	1,500
Drug arrests (persons)	715	369	759	969	1,000
Prostitution arrests (persons)	115	32	81	112	150
Other arrests (persons)	308	505	200	287	350

BUREAU OF FIRE

The primary responsibility of the Fire Bureau is the protection of life and property from fire and man-made or natural disasters. The suppression of fire involves arriving at the scene as quickly as possible so as to attack the fire at the point of origin and prevent its spread. Fire apparatus respond from four fire stations.

The Fire Inspection Unit, created in 1989, acts to reduce fire loss through inspections and code enforcement, using a City fire code that is considered a national model in fire safety. To achieve this goal, the Fire Inspection Unit reviews, approves, and verifies the following plans for private and public structures: building, fire alarm, smoke detector, standpipe system, fire pump system, and sprinkler system. New construction sites are also reviewed to assure that life safety components are installed properly. This unit performs all fire code inspection of properties, including but not limited to, electrical, structural, smoke detectors, and general housekeeping to determine housing code violations. In commercial units, inspections are performed to verify the safety of the fire extinguishers, sprinkler systems, and smoke detectors. Reinspections are performed to assure that fire safety regulations are being upheld once a violation of the Fire Prevention Code is reported or to follow up after an actual fire incident. The unit also participates in numerous seminars and demonstrations related to fire safety techniques such as the installations of sprinkler systems and smoke detectors. Fire safety education is another responsibility of the Fire Bureau. Through well-planned, year-round fire programs, the Fire Bureau educates the public about fire and burn hazards, how to prevent fire and burn injuries due to individual carelessness, how to survive a fire once it starts, and how to treat a burn injury properly. The fire prevention program covers the home, the school, the workplace, and the community.

By Mayoral designation, the Fire Bureau also operates as the Emergency Management Agency for the City of Harrisburg, and the Fire Chief has been designated by the Mayor as Emergency Management Coordinator. This agency maintains the Emergency Operations Plan (EOP), which sets forth a procedure to alert the public and provide information and appropriate protective action instructions, as needed. The Pennsylvania Emergency Management Agency has cited the Harrisburg plan as a model for municipalities in the State. This plan also provides for the coordination and use of available resources during a natural or human-caused emergency or disaster. It defines the roles and responsibilities of municipal officials in accordance with the Dauphin County EOP. Annually, representatives from the Federal and Pennsylvania Emergency Management Agencies evaluate a drill of the City's EOP.

The Fire Bureau has a comprehensive training apprenticeship program designed to incrementally qualify firefighters through certification so they may advance to the next rank. This program includes practical hands-on training and classroom instruction leading to appropriate testing for certification. Harrisburg is the first municipality in Pennsylvania to establish such a comprehensive program.

The Rescue One Program, begun in 1992, increases the Fire Bureau's ability to respond to incidents requiring special or technical rescue, such as structural collapse, trench rescue, confined space rescue, high/low angle rescue, or heavy vehicle extrication. This is accomplished by intensive training of personnel and the purchase of specialized equipment.

The Rescue One Unit is the product of a series of major innovations and advances, making the Harrisburg Fire Bureau one of the premier firefighting and rescue operations in the state and nation. The Rescue One Unit is part of Pennsylvania Task Force 1, a designated Urban Search and Rescue Team of the Federal Emergency Management Agency. Only twenty-seven such teams exist nationwide and each is available for mobilization in response to any national emergency. The twenty-two member unit has received more than 300 hours of advanced technical training, which is supplemented by the unit's continuing education program and periodic drills.

The Fire Bureau completed the self-assessment process involved in obtaining Fire Service Accreditation through the Commission of Fire Accreditation International. Harrisburg is the only professional fire department in Pennsylvania seeking to attain this goal. The self-assessment process was completed in 2005 and Accreditation is expected to be attained in 2007.

BUREAU OF FIRE

EXPENDITURE ANALYSIS DETAIL
2007 BUDGET

General Fund

0151 Fire

Allocation Plan		Position Control	
PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET ALLOCATION
Salaries-Mgmt	210,051	Fire Chief	1 74,630
Salaries-BU	4,557,005	Senior Deputy Chief	1 70,009
Overtime	812,366	Deputy Chief	1 65,412
Fringe Benefits	2,883,388		
Miscellaneous	517,940	Total Management	<u>3 210,051</u>
TOTAL	<u>8,980,750</u>		
OPERATING EXPENSES		Battalion Chief	4 242,592
		Captain	4 233,828
		Lieutenant	8 452,158
Communications	15,150	Firefighter Driver/Operator	63 3,149,641
Professional Services	15,000	Firefighter II	6 261,156
Utilities	84,050	Firefighter I	5 217,630
Insurance	0		
Rentals	0	Total Bargaining Unit	<u>90 4,557,005</u>
Maintenance & Repairs	157,500		
Contracted Services	21,600		
Supplies	134,785	Overtime	<u>812,366</u>
Minor Capital Equipment	0		
TOTAL	<u>428,085</u>	FICA	65,862
CAPITAL OUTLAY	76,415	Healthcare Benefits - Active	1,392,236
		Healthcare Benefits - Retirees	965,390
		Severance Pay	425,000
		College Credits	6,400
TOTAL APPROPRIATION	<u>9,485,250</u>	Medicare - Part B	25,000
		J.T.S.B. & Mask Service Division	3,500
		Total Fringe Benefits	<u>2,883,388</u>
		Sick Leave Buy-Back	180,000
		Hearing Aids	10,000
		Fire Pension Plan	0
		Clothing Allowance	43,940
		Workers' Compensation	284,000
		Total Miscellaneous	<u>517,940</u>
		TOTAL	<u>93 8,980,750</u>

DEPARTMENT OF PUBLIC SAFETY

PROGRAM: Bureau of Fire - Emergency Response

OBJECTIVE: To protect life and property from fire and natural or man-made hazards.

2005 ACCOMPLISHMENTS:

Fire deaths were reduced.

MEASURES/INDICATORS:

	ACTUALS			EST.	PROJ.
	FY2003	FY2004	FY2005	FY2006	FY2007
Fire alarms reported	3,338	2,968	2,976	2,927	3,000
Actual fires	265	268	268	269	260
False alarms	809	849	870	915	900
Property loss from fires	\$ 1,879,450	\$ 1,844,807	\$ 1,645,450	\$ 1,303,635	\$ 1,200,000
Injuries among fire personnel	66	67	67	59	60
Civilian injuries	16	14	17	14	18
Hours of training for fire personnel ^a	25,003	20,369	20,103	32,040	25,000
Civilian deaths	6	4	0	0	1

PROGRAM: Bureau of Fire - Accreditation

OBJECTIVE: To conduct a self-assessment of the Fire Bureau using the standards created by the Commission on Fire Service Accreditation to become a nationally accredited agency.

2005 ACCOMPLISHMENTS:

The Fire Bureau continues the self-assessment process. Accreditation should be achieved in 2008.

MEASURES/INDICATORS:

	ACTUALS			EST.	PROJ.
	FY2003	FY2004	FY2005	FY2006	FY2007
Accreditation	95%	95%	95%	95%	95%

PROGRAM: Bureau of Fire - Fire Inspection Unit

OBJECTIVE: To reduce the likelihood of fires starting, prevent the spread of fire, and to ensure the safe evacuation of buildings through the enforcement of the fire code.

2005 ACCOMPLISHMENTS:

The Fire Inspection Unit responded to all complaints within two business days. The Inspection Unit efforts helped to achieve this goal.

MEASURES/INDICATORS:

	ACTUALS			EST.	PROJ.
	FY2003	FY2004	FY2005	FY2006	FY2007
Number of fire inspections:					
General or complaint initiated	172	181	192	183	200
Day Care	23	24	27	27	28
Sprinkler	172	145	130	135	140
Pre-Plan	91	107	109	111	115
Re-Inspections	78	65	70	74	80
Schools	22	22	22	22	22
Routine Inspections	155	147	156	154	160

DEPARTMENT OF PUBLIC SAFETY

PROGRAM: Bureau of Fire - Fire Safety Education Unit

OBJECTIVE: To protect life and property through fire prevention and safety education, thus the likelihood of a fire originating is reduced; and if a fire occurs, physical injury, death, and property damage will be minimized.

2005 ACCOMPLISHMENTS:

Engine 21 continued to a cornerstone of our prevention efforts

MEASURES/INDICATORS:

	ACTUALS			EST. FY2006	PROJ. FY2007
	FY2003	FY2004	FY2005		
Number of fire safety education programs:					
Fire extinguisher training	37	40	42	45	45
Neighborhood Fairs	46	48	50	52	50
Juvenile Fire Setter Counseling	37	41	60	60	60
General Fire Safety	78	81	83	86	100
High Rise Fire Safety	8	11	14	15	15
Group Home Safety	25	25	23	23	23
Nursing Home Fire Safety	1	1	1	1	1
Fire Drill/Education	83	72	75	80	85
Fire Safety House	91	103	90	95	100
Station Tours	36	31	33	45	47
Disaster Plans ^a	8	26	15	18	20

PROGRAM: Bureau of Fire - Training and Safety Unit

OBJECTIVE: To provide basic operations and advanced skills training for firefighters and fire recruits, as well as provide additional instruction to the Fire Officers.

2005 ACCOMPLISHMENTS:

Officer training and professional development continues to expand. Response to terrorism training was expanded.

MEASURES/INDICATORS:

	ACTUALS			EST. FY2006	PROJ. FY2007
	FY2003	FY2004	FY2005		
Company Based Training (man-hours)	7,189	9,000	9,972	12,000	11,000
Specialized Training (man-hours)	997	545	655	750	750
Rescue Training (man-hours)	6,193	8,654	4,177	8,000	7,500
Recruit Training (man-hours)	2,900	0 ^a	2,900	2,900	0
Volunteer Training (man-hours)	250	275	286	290	325
Officer Training (man-hours)	9,015 ^b	1,692	1,800	8,000	2,130
Total Man-hours	<u>26,544</u>	<u>20,166</u>	<u>19,790</u>	<u>31,940</u>	<u>21,750</u>

^a No new Firefighters were hired in 2002 and 2004.

^b Approval was given in 2001 for a Career Development Program to be created for all Officers in Bureau. Full impact of total training hours was not seen until 2003 when the program was completely developed.

Department of Public Works

Office of Director



Public Works staff meeting

Bureau of Neighborhood Services - City Services



Street Cleaning

Bureau of Neighborhood Services - City Services



Street sign replacement project

Bureau of Vehicle Management



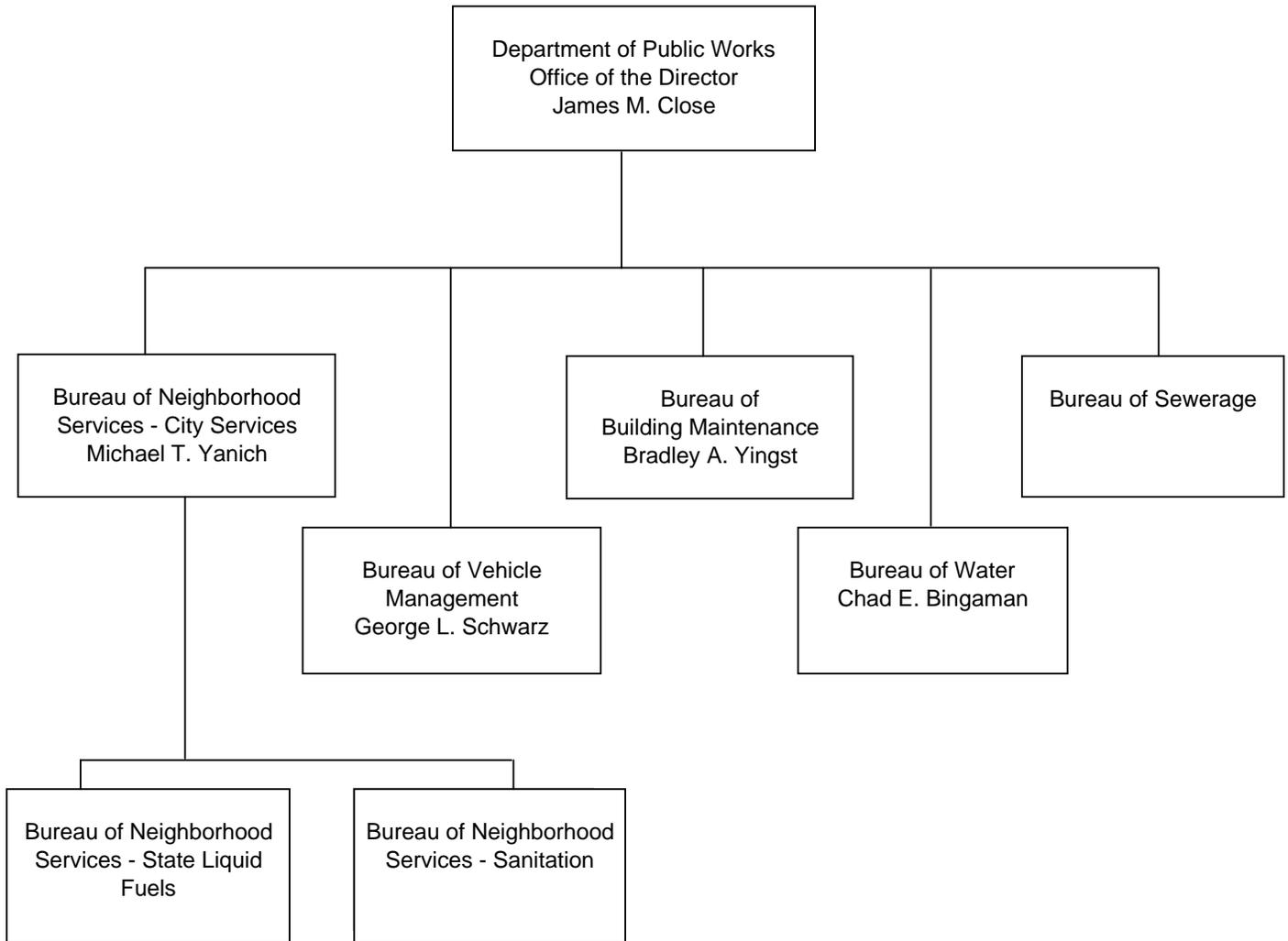
Performing preventative maintenance on a City vehicle

Bureau of Building Maintenance



Cleaning the Vance McCormick Public Safety Building

DEPARTMENT OF PUBLIC WORKS



EXPENDITURE ANALYSIS SUMMARY
2007 BUDGET

	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
DEPARTMENT OF PUBLIC WORKS						
<u>0160 OFFICE OF THE DIRECTOR</u>						
Personnel Services	97,813	90,361	92,169	94,686	94,177	96,214
Operating Expenses	1,579	1,398	479	1,225	860	1,100
Capital Outlay	0	0	0	0	0	0
TOTALS	99,392	91,759	92,648	95,911	95,037	97,314
<u>0162 NEIGHBORHOOD SERVICES - CITY SERVICES</u>						
Personnel Services	508,257	428,163	722,887	1,388,068	1,319,687	1,359,181
Operating Expenses	466,844	369,682	501,187	639,157	587,956	458,855
Capital Outlay	0	0	43,623	43,945	61,639	61,639
Non-Expenditure Items	0	0	0	0	0	0
TOTALS	975,101	797,845	1,267,697	2,071,170	1,969,282	1,879,675
<u>0169 TRAFFIC ENGINEERING</u>						
Personnel Services	412,875	419,600	0	0	0	0
Operating Expenses	198,306	201,601	0	0	0	0
Capital Outlay	0	32,380	0	0	0	0
TOTALS	611,181	653,581	0	0	0	0
<u>0172 VEHICLE MANAGEMENT</u>						
Personnel Services	666,147	577,340	588,867	637,185	615,152	674,206
Operating Expenses	1,048,758	1,167,611	1,427,297	2,054,050	1,903,879	1,815,382
Capital Outlay	32,206	147,658	11,740	0	0	0
Non-Expenditure Items	3,000	0	0	0	0	0
TOTALS	1,750,111	1,892,609	2,027,904	2,691,235	2,519,031	2,489,588
<u>0175 BUILDING MAINTENANCE</u>						
Personnel Services	346,278	296,791	323,799	491,089	502,001	480,657
Operating Expenses	500,713	562,283	527,959	831,670	883,200	857,485
Capital Outlay	92,529	0	92,137	164,480	201,488	177,280
Non-Expenditure Items	0	2,362	6,917	0	0	0
TOTALS	939,520	861,436	950,812	1,487,239	1,586,689	1,515,422

EXPENDITURE ANALYSIS SUMMARY
2007 BUDGET

	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
TOTAL DEPARTMENT OF PUBLIC WORKS						
Personnel Services	2,031,370	1,812,255	1,727,722	2,611,028	2,531,017	2,610,258
Operating Expenses	2,216,200	2,302,575	2,456,922	3,526,102	3,375,895	3,132,822
Capital Outlay	124,735	180,038	147,500	208,425	263,127	238,919
Non-Expenditure Items	3,000	2,362	6,917	0	0	0
TOTAL EXPENDITURES	<u><u>4,375,305</u></u>	<u><u>4,297,230</u></u>	<u><u>4,339,061</u></u>	<u><u>6,345,555</u></u>	<u><u>6,170,039</u></u>	<u><u>5,981,999</u></u>

POSITION ANALYSIS SUMMARY
2007 BUDGET

	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
PUBLIC WORKS						
Office of the Director	1.00	1.00	1.00	1.00	1.00	1.00
Neighborhood Services -City Svc	10.50	7.50	13.50	23.50	23.50	22.50
Traffic Engineering	7.00	7.00	0.00	0.00	0.00	0.00
Vehicle Management	13.00	11.00	12.00	11.00	11.00	11.00
Building Maintenance	7.00	7.00	7.00	10.00	10.00	9.00
TOTAL POSITIONS	38.50	33.50	33.50	45.50	45.50	43.50

In 2003, the Bureaus of City Services and Sanitation were merged into the Bureau of Neighborhood Services. The title of the Director of City Services was changed to the Deputy Director of Public Works, likewise, 50% of the Deputy Director of Public Works' salary was moved to the Sanitation Utility Fund. In addition, one Automotive Mechanic position was added to the Bureau of Vehicle Management. In 2004, one Automotive Mechanic position was added to the Bureau of Vehicle Management. In 2005, the Bureau of Traffic Engineering was merged into the Bureau of Neighborhood Services - City Services and a Secretary position was transferred from the Department of Administration into the Bureau of Building Maintenance. A vacant Director, two Laborer positions, and two Automotive Mechanic positions were eliminated. The 2006 Approved Budget reflects the transfer of nine employees from the State Liquid Fuels Tax Fund to the Bureau of Neighborhood Services - City Services, as all personnel costs were removed from the State Liquid Fuels Tax Fund. This transfer includes one Deputy Director, one Construction Tradesman, five Heavy Equipment Operators, and two Street Maintenance Workers. In addition, the Duplication Center was transferred from the Department of Administration to the Bureau of Building Maintenance. With this transfer, the following positions were added to the Bureau of Building Maintenance: one Central Support Assistant, one Reproduction Technician, and one Clerk. Two vacant positions were eliminated, an Automotive Mechanic from the Bureau of Vehicle Management and a Laborer from the Bureau of Building Maintenance. In the 2007 approved budget The Department of Public Works is reduced by a net of two positions. Positions eliminated include an Assistant Director in Neighborhood Services - Sanitation, and a vacant position in Building Maintenance.

OFFICE OF THE DIRECTOR

The Department of Public Works is administered through the Office of the Director, which is responsible for the overall management of the department's resources. The department consists of six bureaus which provide major public works services: Neighborhood Services - City Services and Sanitation, Vehicle Management, Building Maintenance, Water, and Sewer. With nearly 150 employees and a combined annual budget of approximately \$42 million, the Department of Public Works performs a vast array of functions.

Immediately following are the General Fund Public Works bureaus. The Public Works related Special Revenue Fund (State Liquid Fuels Tax Fund) and Utility Funds activities are addressed in the respective Funds' section of the document.

EXPENDITURE ANALYSIS DETAIL
2007 BUDGET

General Fund

0160 Office of the Director

Allocation Plan		Position Control		
		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
PERSONNEL SERVICES				
Salaries-Mgmt	77,936	Director	1	77,936
Overtime	0			
Fringe Benefits	18,278	Total Management	<u>1</u>	<u>77,936</u>
TOTAL	<u>96,214</u>			
		Overtime		<u>0</u>
OPERATING EXPENSES				
		FICA		6,009
Communications	150	Healthcare Benefits - Active		12,269
Professional Services	0	Healthcare Benefits - Retirees		0
Utilities	0			
Insurance	0	Total Fringe Benefits		<u>18,278</u>
Rentals	0			
Maintenance & Repairs	0			
Contracted Services	700	TOTAL	<u><u>1</u></u>	<u><u>96,214</u></u>
Supplies	250			
Minor Capital Equipment	0			
TOTAL	<u>1,100</u>			
CAPITAL OUTLAY	0			
TOTAL APPROPRIATION	<u><u>97,314</u></u>			



BUREAU OF NEIGHBORHOOD SERVICES - CITY SERVICES

The Bureau of Neighborhood Services was created in January 2003, through the consolidation of the previous Bureaus of City Services and Sanitation. The Bureau of Neighborhood Services - City Services provides a variety of services to the residents and businesses of the City, contingent upon weather conditions. These services include general repairs to the roadway, resurfacing of worn and deteriorating roadways and alleys, and preparing and maintaining safe roadway conditions in time of snow and ice. This bureau also repairs and maintains all City sewer and storm inlets. Additional responsibilities include leaf collection in the fall and Christmas tree pick-up after Christmas, street cleaning year-round by crews that operate motorized street sweepers and flusher trucks that keep down the dust, and demolition of blighted and deteriorating properties.

In 2004, by way of Mayoral Directive, the Bureau of Traffic Engineering was consolidated into the Bureau of Neighborhood Services - City Services. Because of this consolidation, the Bureau of Neighborhood Services - City Services acquired additional responsibilities such as the operation and maintenance of ninety-one signalized intersections; eight flashing/warning signal locations; the burglar and fire alarm systems and the Public Works Radio system, as well as the fabrication, installation, and maintenance of all traffic control signage; street name signs; and the pavement marking for vehicular and pedestrian control. In addition, the Bureau maintains the electrical and sound systems in the City Park complexes and the special events hosted by the Department of Parks and Recreation, as well as all outline lighting on City Island, uplighting in Riverfront Park, and the Walnut Street Bridge; Christmas decorations and all decorative banners in the City.

In 2006, all personnel related costs were transferred from the State Liquid Fuels Tax Fund to the General Fund. A corresponding amount of utility costs were transferred to the State Liquid Fuels Fund from the General Fund. These transfers were performed to ease compliance and reporting regarding the use of State Liquid Fuels Tax monies. This bureau received the former State Liquid Fuels Tax Fund positions.

EXPENDITURE ANALYSIS DETAIL
2007 BUDGET

General Fund

0162 Neighborhood Services - City Services

Allocation Plan		Position Control		
PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
Salaries-Mgmt	74,711	Deputy Director (DPW)	0.50	28,580
Salaries-BU	852,169	Deputy Director - Neighborhood Services	1	46,131
Overtime	31,883			
Fringe Benefits	400,418			
		Total Management	1.50	74,711
TOTAL	1,359,181			
OPERATING EXPENSES		Demolition Crew Leader	1	43,523
		Electrician III	1	43,523
		Traffic Engineering Tech. III	4	168,734
		Construction Tradesman	1	42,197
Communications	8,400	Heavy Equipment Operator III	4	168,788
Professional Services	150	Heavy Equipment Operator II	1	39,927
Utilities	74,850	Street Maintenance Worker III	1	42,197
Insurance	0	Street Maintenance Worker I	2	74,084
Rentals	38,580	Demolition Specialist II	2	81,540
Maintenance & Repairs	31,000	Demolition Specialist I	1	39,530
Contracted Services	226,700	Motor Equipment Operator	3	108,126
Supplies	79,175			
Minor Capital Equipment	0	Total Bargaining Unit	21	852,169
TOTAL	458,855			
CAPITAL OUTLAY	61,639	Overtime		31,883
		FICA		73,392
		Healthcare Benefits - Active		278,334
		Healthcare Benefits - Retirees		48,692
TOTAL APPROPRIATION	1,879,675	Total Fringe Benefits		400,418
		TOTAL	22.50	1,359,181

DEPARTMENT OF PUBLIC WORKS

PROGRAM: Bureau of Neighborhood Services - City Services/State Liquid Fuels

OBJECTIVE: To maintain the physical condition of public roadways for vehicular travel, the Sanitary Sewer Collection System, and the Storm Water Collection System. This bureau is responsible for the maintenance of over 3,500 storm inlets, 135 miles of sewers, and the cleanliness of all public roadway surfaces in the City. Other duties include leaf collection; illegally deposited bulk item removal; alley resurfacing; pothole filling; crack sealing; street sweeping; Christmas tree collection; demolishing unsafe and deteriorating properties; operating and maintaining ninety-one signalized intersections and eight flashing/warning signals; fabricating and maintaining all traffic control signage within the City; providing sound and electrical support to the Department of Parks and Recreation for maintenance purposes, as well as special events; and installing wireless communication at City-owned facilities.

2005 ACCOMPLISHMENTS:

Street sweeping was conducted year-round. Crews continued with leaf collection, of leaves in October and November. The crews also picked up Christmas trees in January. The Bureau removed illegal bulk items from streets, alleys, and vacant lots. The construction portion of the Bureau repaired storm inlets and sinkholes. The demolition crew demolished properties throughout the City. The Bureau responded to snow and ice events.. The Bureau also distributed sets of barricades to 124 different events to help close down the streets.

In addition, certification with the International Municipal Signal Association continued. The annual PennDOT mandate of relamping the entire traffic signal system including ninety-one intersections, and eight flashing/warning signals was completed. The bureau became responsible for the maintenance of the "WAYFINDER" signs within the City and several townships. Other responsibilities included: the continued expansion of the accent lighting on City Island; provided electrical assistance at the Greater Fire Museum of Harrisburg; installed banners for the Department of Building and Housing Development; maintained the decorative banners downtown and on City Island, and installed and maintained the decorative banners for the United Way.

MEASURES/INDICATORS:

	ACTUALS				EST.
	FY2003	FY2004	FY2005	FY2006	FY2007
Patching material applied by City crews (tons)	1,300	49 ^a	94 ^a	79 ^a	90
Leaves collected during the fall months (cubic yards)	2,300	2,300	203	557	374
Streets cleaned (linear miles)	7,000	7,000	1,376	1,650	1,627
Salt mixture used during snow storms (tons)	2,700	2,700	1,600	1,200	1,800
Hours to operate salt & plow trucks	3,000	3,000	2,448	888	3,000
Bulk trash collected (tons)	458	401	413	419	475
Blocked sewer lines cleaned	54	59	65	66	50
Sewer lines maintained (linear miles)	156	156	156	156	156
Storm sewer inlets cleaned	361	278	291	313	250
Sealant used (pounds)	1,200	1,000	900 ^a	700 ^a	700
City properties demolished	39	28	48	23	17
Signalized intersections in the City	89	89	94	94	84
Traffic signal repairs	2,683	2,713	2,207	1,684	1,803
Fire and burglar alarm repairs	59	48	41	28	25
Street directional signs prepared and installed	3,764	3,523	4,108	1,221	3,000
Hours spent on electrical service/recreational events	3,851	3,712	3,191	2,388	3,000

Notes:

^a Reduction of funding beginning in 2004 substantially reduced patching and sealing activities.

BUREAU OF VEHICLE MANAGEMENT CENTER

The Bureau of Vehicle Management is responsible for the administration, maintenance, and repair of the City's vehicular equipment fleet. The fleet consists of over 450 vehicles and pieces of equipment ranging from tractor and trailers, articulated wheel loaders, fire apparatus and police cars, to small equipment such as lawnmowers.

The administration of the Bureau includes: preparation of the annual budget submission, equipment specifying, titling, licensing, maintaining of state inspection records, surplus disposal, and the scheduled maintenance and repair of all City-owned vehicles. Other associated activities include, but are not limited to, the maintaining of automated reports/records; a parts and supply inventory valued in excess of \$100,000; a fuels/lubricants management program; and the testing and evaluation of programs, such as alternate fuels, to determine the feasibility of adoption for City operations.

The Bureau operates on a budget in excess of \$2.6 million in an effort to provide a highly serviceable fleet while operating in the most efficient and effective method.

EXPENDITURE ANALYSIS DETAIL 2007 BUDGET				
General Fund		0172 Vehicle Management		
Allocation Plan		Position Control		
PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
Salaries-Mgmt	55,589	Director	1	55,589
Salaries-BU	424,116			
Overtime	2,284	Total Management	<u>1</u>	<u>55,589</u>
Fringe Benefits	192,217			
TOTAL	<u>674,206</u>	Automotive Mechanic IV	5	224,420
		Automotive Body Mechanic IV	1	44,784
OPERATING EXPENSES		Parts Person II	1	39,480
Communications	3,500	Automotive Mechanic II	2	79,060
Professional Services	0	Automotive Body Mechanic I	1	36,372
Utilities	41,300	Total Bargaining Unit	<u>10</u>	<u>424,116</u>
Insurance	0			
Rentals	5,500	Overtime		<u>2,284</u>
Maintenance & Repairs	160,650	FICA		36,887
Contracted Services	15,850	Healthcare Benefits - Active		136,024
Supplies	1,588,582	Healthcare Benefits - Retirees		19,306
Minor Capital Equipment	0	Total Fringe Benefits		<u>192,217</u>
TOTAL	<u>1,815,382</u>			
CAPITAL OUTLAY	0	TOTAL	<u>11</u>	<u>674,206</u>
TOTAL APPROPRIATION	<u><u>2,489,588</u></u>			

DEPARTMENT OF PUBLIC WORKS

PROGRAM: Bureau of Vehicle Management

OBJECTIVE: To aggressively continue to be an asset to City operations by properly maintaining the fleet in the highest state of readiness at the lowest cost, and to provide a cost savings city-wide through the Fleet Administrative Program.

2005 ACCOMPLISHMENTS:

The Bureau continues to pursue cost saving measures. In addition to the annual savings for the performing of vehicle State Emission Inspections in-house, the Bureau adopted a new preventive maintenance program. The PM program and the oil change interval is predicated by an "oil analysis" rather than a standard mileage interval. Thus, every 3000 miles when a vehicle is brought in for a PM the oil filter is changed and a sample of the oiled is taken and sent out to be analyzed. When the results of the analysis is returned, the next PM service is scheduled. This program has a two fold benefit. First it saves precious tax dollars by extending the oil life up to four-fold, reducing the amount of oil purchased and the dependence on petroleum products. These savings and the continuation of supporting the fleet with a reduced workforce and major reduction in overtime continues.

In August the Bureau took the first of several major steps words automation. Training was received on the Fleet Management Program M-5. This program when in full implementation will provide numerous cost savings methods. A few of the methods will be recognized in fleet standardization, improved inventory control and fleet reduction.

MEASURES/INDICATORS:

	ACTUALS			EST	PROJ
	FY2003	FY2004	FY2005	FY2006	FY2007
Equipment Repairs					
Trucks	790	925	748 ^a	625	849
Passenger	1,049	993	891 ^a	759	887
Heavy Equipment	600	461	353 ^a	311	179
Miscellaneous Equipment	162	72	34 ^a	61	10
Total Units	<u>2,601</u>	<u>2,451</u>	<u>2,026^a</u>	<u>1,856</u>	<u>1,925</u>
Equipment (Preventive Maintenance)	<u>439</u>	<u>441</u>	<u>377</u>	<u>559</u>	<u>431</u>
Fuels Dispensed (Gallons)					
Gasoline ^b	190,000	261,505	268,045	243,018	253,388
Diesel ^b	<u>204,000</u>	<u>198,357</u>	<u>238,036</u>	<u>194,853</u>	<u>211,667</u>

Notes:

^a Equipment repairs have been reduced due to older equipment / larger labor intense repairs and the decrease in bureau personnel.

^b Calculations for both the Vehicle Management Center and Fire Station No. 2.

BUREAU OF BUILDING MAINTENANCE

The Bureau of Building Maintenance is responsible for the maintenance and custodial care of the Rev. Dr. Martin Luther King, Jr. City Government Center, the Vance McCormick Public Services Center, and their exterior plaza and site areas. This includes the daily cleaning, trash removal, and general maintenance and repair of the facilities; including any repairs and renovations that involve the use of outside contractors. In addition, this bureau is responsible for the management of all utility services in the buildings such as electricity, water, sewer, and cooling. The director identifies, recommends, and executes energy savings projects for the City of Harrisburg, and works with others to comply with all safety and security considerations concerning the City Government Centers.

The Duplication Center was transferred to the Bureau of Building Maintenance from the Bureau of Operations and Revenue in the 2006 Budget. This unit is responsible for the monthly billing of utility services and City and School District real estate taxes, maintaining the mailroom, managing office supplies, overseeing copier maintenance, and handling office equipment service contracts. These services are provided to all departments within City Government.

EXPENDITURE ANALYSIS DETAIL				
2007 BUDGET				
General Fund		0175 Building Maintenance		
Allocation Plan		Position Control		
		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
PERSONNEL SERVICES				
Salaries-Mgmt	53,927	Director	1	53,927
Salaries-BU	267,336			
Overtime	1,684	Total Management	1	53,927
Fringe Benefits	157,710			
TOTAL	480,657			
OPERATING EXPENSES				
		Central Support Assistant II	1	35,031
		Secretary II	1	34,024
		Laborer II	4	132,338
		Reproduction Technician I	1	33,874
Communications	117,600	Clerk II	1	32,069
Professional Services	0			
Utilities	431,335	Total Bargaining Unit	8	267,336
Insurance	0			
Rentals	1,000			
Maintenance & Repairs	159,500	Overtime		1,684
Contracted Services	1,750			
Supplies	146,300	FICA		24,742
Minor Capital Equipment	0	Healthcare Benefits - Active		111,258
		Healthcare Benefits - Retirees		21,710
TOTAL	857,485			
		Total Fringe Benefits		157,710
CAPITAL OUTLAY	177,280			
		TOTAL	9	480,657
TOTAL APPROPRIATION	1,515,422			

DEPARTMENT OF PUBLIC WORKS

PROGRAM: Bureau of Building Maintenance

OBJECTIVE: To clean and maintain the interior and exterior of the Rev. Dr. Martin Luther King, Jr. City Government Center and the Vance McCormick Public Services Center.

2005 ACCOMPLISHMENTS:

A complicated and extensive project to upgrade the hydraulic elevators in the Vance McCormick Public Services Center, also known as the Public Safety Building (PSB), was completed. In order to comply with new regulations, both cylinders and pistons for the two hydraulic elevators in this building were removed and replaced. The cylinders and pistons extended into the ground about fifty feet. This project lasted about two months.

The Bureau completed other projects that included: sealing the skylight in the Atrium to prevent leakage during the wintertime months; installed angle iron on the corners of the PSB near the garage area; replaced moldy ceiling tile in the PSB; repainted the handicapped parking area behind Treasury; installed a new commode in the men's room in one bathroom of the City Government Center; removed some junk trees from the Lower Level moat around the Rev. Dr. Martin Luther King, Jr., City Government Center; installed two CAT 5 cables in the Bureau of Police's Forensics Division; cleaned storage areas for the Bureau of Building Maintenance; rebuilt sinks in the men's and ladies room on the second floor of the PSB; and repaired a steam leak in the PSB garage.

The Bureau also retrofitted select schools in the Harrisburg School District with energy saving lighting. This was coordinated by the Director of the Bureau of Building Maintenance.

MEASURES/INDICATORS:

	ACTUALS			EST.	PROJ.
	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>
Offices cleaned per week (square feet)	110,256	110,256	110,256	110,256	110,256
General maintenance activities and repairs performed	675	700	720	730	790
Lavatories cleaned each day	25	25	25	25	25
Activities and special events set-up	72	67	68	60	65
Non-routine activities performed	530	500	515	555	580



Department of Parks and Recreation

Office of Director



Mayor and Department Director accepting Tree City USA designation

Bureau of Recreation



Black History Showcase at the Forum



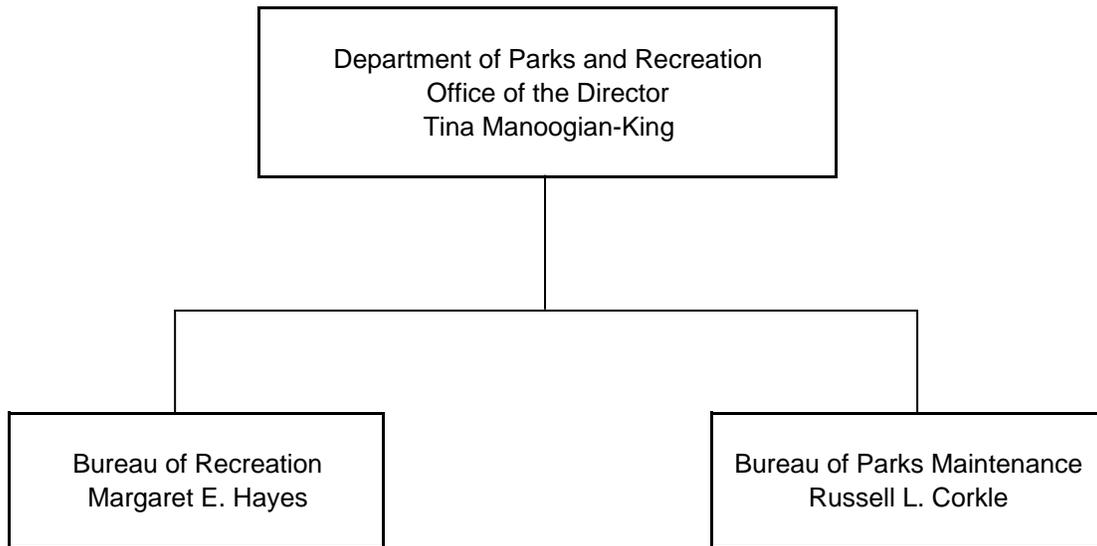
Fishing Derby

Bureau of Park Maintenance



Cutting grass on infield of Commerce Bank Park

DEPARTMENT OF PARKS AND RECREATION



EXPENDITURE ANALYSIS SUMMARY
2007 BUDGET

	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
PARKS & RECREATION						
<u>0180 OFFICE OF THE DIRECTOR</u>						
Personnel Services	559,279	556,854	579,767	664,730	657,612	563,463
Operating Expenses	389,029	332,081	333,414	345,245	350,733	278,674
Capital Outlay	1,964	0	0	0	0	0
Grants	15,000	15,350	14,150	15,350	15,350	15,350
TOTALS	965,272	904,285	927,331	1,025,325	1,023,695	857,487
<u>0183 BUREAU OF RECREATION</u>						
Personnel Services	664,296	628,852	645,906	800,366	788,150	662,264
Operating Expenses	228,777	233,285	234,871	207,550	208,416	201,350
Capital Outlay	9,005	0	0	0	0	0
TOTALS	902,078	862,137	880,777	1,007,916	996,566	863,614
<u>0184 BUREAU OF PARKS MAINTENANCE</u>						
Personnel Services	943,369	774,165	655,686	757,972	733,338	809,231
Operating Expenses	496,913	434,140	385,589	339,250	390,475	370,000
Capital Outlay	11,454	22,750	0	0	9,850	0
Grants	0	0	0	0	0	0
TOTALS	1,451,736	1,231,055	1,041,275	1,097,222	1,133,663	1,179,231
TOTAL DEPARTMENT OF PARKS & RECREATION						
Personnel Services	2,166,944	1,959,871	1,881,359	2,223,068	2,179,100	2,034,958
Operating Expenses	1,114,719	999,506	953,874	892,045	949,624	850,024
Capital Outlay	22,423	22,750	0	0	9,850	0
Grants	15,000	15,350	14,150	15,350	15,350	15,350
TOTAL EXPENDITURES	3,319,086	2,997,477	2,849,383	3,130,463	3,153,924	2,900,332

POSITION ANALYSIS SUMMARY
2007 BUDGET

	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
PARKS & RECREATION						
Office of the Director	20.00	19.00	16.00	18.00	16.00	16.00
Recreation	8.00	8.00	13.00	10.00	10.00	8.00
Parks Maintenance	<u>27.00</u>	<u>18.00</u>	<u>14.00</u>	<u>14.00</u>	<u>14.00</u>	<u>14.00</u>
TOTAL POSITIONS	55.00	45.00	43.00	42.00	40.00	38.00

In 2003, six positions were added: a Special Events Assistant, a Recreation Program Assistant, a Parks and Recreation Assistant, a Secretary I, a Clerk II, and a Golf Instructor. In 2004, ten vacant positions were eliminated: a Park Ranger, a Laborer I, a part-time Special Events Assistant, five part-time Laborers, and two part-time Gardeners. The 2005 Approved Budget eliminated one vacant Crew Leader position. The 2006 Approved Budget eliminates the following vacant positions: two part-time Park Rangers, a Landscape Specialist, a Landscape Technician, and a Laborer III. Three new part-time positions were added: a Dance Instructor, a Fitness Instructor, and a Music Instructor. In addition, a Secretary was transferred from the Bureau of Recreation to the Office of the Director. In the 2007 approved budget the Department of Parks and Recreation has a net loss of four positions. In the Office of the Director, a Park Ranger Supervisor was eliminated and a vacant Park Ranger position was abolished. In the Bureau of Recreation, a Deputy Recreation Director was eliminated and a vacant Clerk position was abolished.

OFFICE OF THE DIRECTOR

The Office of the Director is responsible for planning and conducting all City special events, parks planning and development, park security, publication of the City Calendar, and the overall direction and management of the department. This office plans, schedules, promotes, implements, manages, and solicits sponsorships for all City special events. Two major events that highlight the calendar are the American MusicFest (held over the Independence Day Weekend) and the Kipona Celebration (held over the Labor Day Weekend). In addition to these events, numerous other activities take place during the year including, but not limited to, summer concerts in various City parks, PNC Saturday concerts, the Holiday Parade, and the Harrisburg New Year's Eve Celebration.

Park planning and development is performed by this office and oversight of all construction projects underway in the parks system is a primary responsibility of the Director. Since 1985, more than \$69 million has been spent in Harrisburg's parks system under the Mayor's Parks Improvement Program. Additionally, technical assistance from this office is provided to the Harrisburg School District, Harrisburg Housing Authority, various PTA organizations, and neighborhood organizations regarding playground improvements, fund-raising activities, grantsmanship techniques, and recreational programs.

The Park Ranger Program, created by the Mayor in 1990, provides for ongoing security in all City parks, playgrounds, and open space areas, along with providing information to the general public regarding Harrisburg and its park system. The Park Rangers patrol the park system on a 20-hours per day basis in order to maintain order and enforce park rules and regulations.

Published as a free service and distributed through newsstands, grocery stores, libraries, and organizations throughout the greater Harrisburg area, the *Harrisburg City Calendar* offers details on City programs and a monthly calendar of events. Additional publications are published for the City's festivals and for the Summer Recreation Program. The bi-monthly calendar has grown to an annual distribution of nearly 211,000 copies. Counting the City Island brochure, the Kipona Celebration brochure, the American MusicFest brochure, and the Summer Recreation brochure, the number of publications issued annually totals over 370,000. The sale of advertising space offsets some of the *Harrisburg City Calendar* costs.

EXPENDITURE ANALYSIS DETAIL
2007 BUDGET

General Fund

0180 Office of the Director

Allocation Plan		Position Control		
		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
PERSONNEL SERVICES				
Salaries-Mgmt	317,448	Director	1	79,187
Salaries-BU	71,973	Exec. Dir. - Parks Partnership	1	36,225
Salaries-Part-Time	27,516	Exec. Dir. - Levitt Foundation	1	40,000
Overtime	3,896	Special Events Director	1	50,875
Fringe Benefits	142,630	Events Marketing Manager	1	30,675
		Chief Park Ranger Supervisor	1	41,673
TOTAL	563,463	Park Ranger Supervisor	1	38,813
OPERATING EXPENSES				
		Total Management	7	317,448
Communications	94,400			
Professional Services	775	Administrative Assistant II	1	37,042
Utilities	0	Secretary I	1	34,931
Insurance	0			
Rentals	96,000	Total Bargaining Unit	2	71,973
Maintenance & Repairs	882			
Contracted Services	73,187			
Supplies	13,430	Park Ranger	6	9,966
Minor Capital Equipment	0	Marketing Assistant	1	17,550
TOTAL	278,674	Total Part-Time	7	27,516
CAPITAL OUTLAY				
	0	Overtime		3,896
GRANTS (Matching Share \$15,000)				
	15,350	FICA		32,506
TOTAL APPROPRIATION	857,487	Healthcare Benefits - Active		110,124
		Healthcare Benefits - Retirees		0
		Total Fringe Benefits		142,630
		TOTAL	16	563,463

DEPARTMENT OF PARKS AND RECREATION

PROGRAM: Office of the Director

OBJECTIVE: To administer the overall operations of the Department of Parks and Recreation. This office is responsible for planning and conducting special events; raising necessary funds for special events; overseeing park improvements; providing on-going security to all park facilities; and preparing federal, state, and other non-profit applications for City Parks and Recreation-related grants.

2005 ACCOMPLISHMENTS:

The Department of Parks and Recreation has spent approximately \$69 million on capital improvements for Harrisburg's park system since 1985 under the Mayor's Parks Improvement Program. In addition, the Department wrote two grants for additional work in the Capital Area Greenbelt and one for tree planting activities throughout Harrisburg. As a result of these capital improvements, the number of park permits issued and events held in Harrisburg's park system has expanded, thus providing more family-oriented entertainment for visitors, residents, and tourists. The Park Rangers continue to patrol all of the City's parks 20-hours per day, seven days per week. Increases in the amount of sponsorship revenue generated and the number of park permits issued are a direct result of the improvements undertaken and completed.

MEASURES/INDICATORS:

	ACTUALS				EST.
	FY2003	FY2004	FY2005	FY2006	FY2007
Neighborhood meetings attended by Director	11	10	12	12	10
Grants received	4	2	2	2	2
Park Rangers	13	12	12	12	4
Attendance at City special events ^a	1,441,350	1,966,735	2,126,100	2,078,800 ^b	2,300,00
City-organized special events	50 ^c	50 ^c	50	50	50
Park permits issued ^d	851	1,055	835 ^b	1,246 ^b	1,300
Sponsorship revenue for special events (includes in-kind contributions)	\$ 330,962	\$ 462,768	\$ 480,305	\$ 479,286 ^c	\$ 490,000

Notes:

- a Attendance figure does not include attendance for Harrisburg Senators games.
- b Severe storms during annual festival seasons resulted in a modest decrease in attendance.
- c Includes events held at the Levitt Pavilion for the Performing Arts which came into existence in 2003.
- d Represents total dates rented since multiple dates can be indicated on a single park permit.

PROGRAM: Office of the Director - Monthly Recreation Guide

OBJECTIVE: To provide a monthly publication listing of all forthcoming events of the Department of Parks and Recreation for the public.

2006 ACCOMPLISHMENTS:

The *Harrisburg City Calendar* provided expanded information for public use. This monthly publication is printed on recycled newsprint, making it cost-effective, yet environmentally sound. In 2005, a total of 370,022 copies of the *Harrisburg City Calendar* and other publications were distributed.

MEASURES/INDICATORS:

	ACTUALS				EST.
	FY2003	FY2004	FY2005	FY2006	FY2007
Recreation publications distributed ^a	370,022	370,022	370,022	400,800	200,400*

Notes:

- a Figures include the monthly City Calendar, American Musicfest, Kipona Program, Summer City Calendar, and City Island inserts (16 separate publications).
- * Calendar became bi-monthly, reducing number of publications printed.

BUREAU OF RECREATION

The Bureau of Recreation offers the most extensive year-round recreational programming in the City's history. The fall, winter, and spring programs provide general recreational activities based largely at public school gymnasiums. These programs include, but are not limited to, sports events, athletic programs, crafts (including an art contest for elementary students), puppet shows, live children's theater productions, aerobic and exercise classes, gymnastics, roller skating, and miscellaneous games. Summer programming occurs on sixteen staffed playgrounds, with assistance provided by hired recreation leaders and teachers aides, and consists of sports programs for golf, volleyball, basketball, soccer, football, T-ball, and tennis, as well as sports clinics for baseball, T-ball, soccer, and lacrosse. In addition, this bureau provides arts and crafts, 4-H activities, computer classes, nutrition classes, peer mediation, cooking classes, and reading programs on the sixteen playgrounds during the summer months, along with swimming instruction, rollerblade clinics, environmental/educational programs, ecology programs, and dance and music appreciation classes. Swimming programs are offered at our two inner-city swimming pools and at the City Island Beach from Memorial Day to Labor Day. Pool #1 and Pool #2 are open from mid-June to early September.

EXPENDITURE ANALYSIS DETAIL				
2007 BUDGET				
General Fund			0183 Recreation	
Allocation Plan		Position Control		
		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
PERSONNEL SERVICES				
Salaries-Mgmt	94,284	Director	1	54,918
Salaries-BU	98,481	Sports/Special Programs	1	39,366
Salaries-Part-Time	6,962	Coordinator		
Salaries-Temp. Emp.	352,545			
Overtime	5,700	Total Management	<u>2</u>	<u>94,284</u>
Fringe Benefits	104,292			
TOTAL	<u>662,264</u>	Recreation Program Asst.	1	39,480
		Parks & Recreation Asst.	1	35,992
OPERATING EXPENSES				
		Golf Instructor	1	23,009
Communications	12,900	Total Bargaining Unit	<u>3</u>	<u>98,481</u>
Professional Services	1,500			
Utilities	0			
Insurance	0	Fitness Instructor	1	2,321
Rentals	17,000	Dance Instructor	1	2,652
Maintenance & Repairs	55,500	Music Instructor	1	1,989
Contracted Services	26,500			
Supplies	87,950	Total Part-Time	<u>3</u>	<u>6,962</u>
Minor Capital Equipment	0			
TOTAL	<u>201,350</u>	Temporary Employees		352,545
		Total Temporary Employees		<u>352,545</u>
CAPITAL OUTLAY				
	0			
TOTAL APPROPRIATION				
	<u>863,614</u>	Overtime		5,700
		FICA		42,755
		Healthcare Benefits - Active		61,537
		Healthcare Benefits - Retirees		0
		Total Fringe Benefits		<u>104,292</u>
		TOTAL	<u>8</u>	<u>662,264</u>

DEPARTMENT OF PARKS AND RECREATION

PROGRAM: Bureau of Recreation

OBJECTIVE: To plan, conduct, and manage year-round adult/children recreational programming.

2005 ACCOMPLISHMENTS:

Year-round, culturally diverse, recreational programming in 2005 contributed to the positive image, consistency, and credibility of the City's recreational activities. Greater participation resulted from increases in number and type of programs offered. More properties for use in outdoor and indoor programming were utilized. Field trips to petting zoos, museums, amusement parks, aquariums, and nature centers were added to the program to provide a well-rounded, educational experience for inner-city youth.

MEASURES/INDICATORS:

	ACTUALS			EST.	PROJ.
	FY2003	FY2004	FY2005	FY2006	FY2007
Swimming pool attendance ^a	62,600	58,600 ^b	62,000	53,200 ^b	60,000
Participants during summer programming	425,600	440,900	485,300	374,100 ^b	425,000
Participants during fall programming	51,450 ^c	32,100	38,600	26,175	20,000
Participants during winter/spring programming	108,710 ^c	66,800	82,900	102,700	60,000
Participants attending programs at Brownstone	19,200 ^d	19,980	20,080	16,060	5,000

Notes:

- a Figures include City Island Beach.
- b Drop in attendance due to a very wet and cool summer.
- c Attendance decreased due to Explore Program offered by Harrisburg School District.
- d Attendance decreased because Department has been unable to offer computer classes until new internet lines are installed.



BUREAU OF PARKS MAINTENANCE

The Bureau of Parks Maintenance is directly responsible for the maintenance of twenty-seven parks and playgrounds, along with twenty open space parcels, two softball fields, one multi-sports complex, two swimming pools, and numerous basketball and tennis courts which total more than 450 acres of park land, as well as a 1,200 acre greenbelt, which travels the circumference of the City, linking many recreational facilities together. This bureau is also responsible for the landscaping and maintenance of the City's 4.5 mile riverfront embankment known as Riverfront Park. Other park maintenance duties include minor repair work; cleaning and painting of structures; trash removal on a daily basis; cleaning of storm drains in area parks; and landscaping and maintenance work associated with Italian Lake, City Island, Sunken Garden, Swenson Plaza, Reservoir Park, Riverfront Park, Kunkel Plaza, and eight traffic islands, as well as the maintenance of 50,000 shade trees within the City's corporate limits. Additionally, the Bureau assists with set-up and tear-down of all special events programs.

EXPENDITURE ANALYSIS DETAIL				
2007 BUDGET				
General Fund		0184 Parks Maintenance		
Allocation Plan		Position Control		
PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
Salaries-Mgmt	63,691	Director	1	63,691
Salaries-BU	493,063			
Overtime	24,022	Total Management	1	63,691
Fringe Benefits	228,455			
TOTAL	809,231	Stadium Groundskeeper	1	43,423
		Construction Tradesman	1	43,523
OPERATING EXPENSES		Crew Leader IV	1	43,523
		Crew Leader III	1	40,820
Communications	10,800	Landscape Specialist II	1	40,071
Professional Services	0	Landscape Technician I	1	35,942
Utilities	156,600	Motor Equipment Operator	1	35,950
Insurance	0	Tradesman I	2	72,184
Rentals	1,000	Gardener I	1	35,942
Maintenance & Repairs	67,000	Laborer III	3	101,685
Contracted Services	11,250			
Supplies	116,150	Total Bargaining Unit	13	493,063
Minor Capital Equipment	7,200			
TOTAL	370,000	Overtime		24,022
CAPITAL OUTLAY	0	FICA		44,467
GRANTS	0	Healthcare Benefits - Active		173,173
		Healthcare Benefits - Retirees		10,815
TOTAL APPROPRIATION	1,179,231	Total Fringe Benefits		228,455
		TOTAL	14	809,231

DEPARTMENT OF PARKS AND RECREATION

PROGRAM: Bureau of Parks Maintenance

OBJECTIVE: To maintain all City parks, playgrounds, and open space areas.

2005 ACCOMPLISHMENTS:

Since a number of parks and playgrounds were rehabilitated, the amount of time spent on repairs decreased, which allowed staff to dedicate time to grooming existing and expanded facilities. The hiring of specialized staff increased productivity levels, while making Harrisburg's park system more attractive for visitors, residents, and tourists. During the off-season, Parks Maintenance staff concentrated their efforts on tree work in an effort to catch-up on backlog, and snow removal activities, as well as construction of picnic tables, park benches, and other park equipment, as needed.

In addition to routine maintenance activities and construction projects, the Bureau chipped up 1,000 christmas trees, and cleaned-up damaged facilities due to storms. In addition, 95 trees were planted on Arbor Day, Earth Day and during Greenbelt projects.

The Bureau repainted several offices within the City Government Center (Parks and Recreation, Police Bureau, Operations & Revenue, and Special Events), as well as assisted with snow removal, when needed.

MEASURES/INDICATORS:

	ACTUALS				EST.
	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>
Miscellaneous maintenance tasks performed	178	178	178	178	178
Acres maintained ^a	450	450	450	450	450
Trash and debris disposed of during summer months and festivals (tons)	487	498	255	272	280
Tree requests received (routine) ^b	211	220	271	312	175
Tree requests answered ^c	164	150	164	217	120

Notes:

- a Does not include natural areas within the 1,200 acre Capital Area Greenbelt Project, which will exceed 20.1 miles when completed.
- b Does not include calls resulting from storms.
- c Does not include the number of permits issued or the number of notices sent.



GENERAL EXPENSES

This group of accounts is used to reflect all expenses in the General Fund which are not directly related to any one particular departmental operation. Examples include specific personnel costs, such as pension plan contributions, employee severance pay, workers' compensation, loss/time medical payments, and other miscellaneous expenses, including telephone services, insurance(s), and various subsidies and grants to local units.

TRANSFERS TO OTHER FUNDS

This group of accounts is used to reflect transfers to other City funds and related entities, either to fund for payment of general obligation debt or to supplement operations.

EXPENDITURE ANALYSIS SUMMARY 2007 BUDGET

	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
<u>0188 GENERAL EXPENSES</u>						
Personnel Services	1,138,425	585,988	683,017	1,383,694	921,600	1,444,600
Operating Expenses						
Communications	179,708	180,619	139,638	117,400	137,050	138,900
Professional Fees	94,560	135,611	19,480	231,200	249,300	50,000
Insurance	623,345	862,454	856,891	798,500	761,500	844,900
Contracted Services	78,381	65,171	161,879	200,625	172,800	101,350
Supplies	158	0	2,234	0	4,000	0
Minor Capital Equipment	0	0	1,474	0	2,400	0
Total Operating Expenses	976,151	1,243,854	1,181,596	1,347,725	1,327,050	1,135,150
Capital Outlay	65,477	0	0	0	0	0
Subsidies and Grants	945,691	546,895	501,476	459,963	441,863	329,963
Cash Over/Under	(438)	0	0	0	0	0
Uncollectible Accounts	0	0	0	0	0	0
Refund of Prior Year Revenue	0	0	0	0	0	0
Fines and Settlements	0	0	0	0	514,380	0
Payment of Prior Year Expenditures	0	0	0	0	1,123,246	321,946
E.M.S. Tax Eligible Expenses	0	0	1,328,402	0	0	0
Hotel Tax Proceeds	0	0	0	0	0	640,000
TRAN Costs	0	0	0	0	20,085	0
Repayment of Federal Grants Fund	0	0	0	0	0	1,539,540
Repayment of Workers' Comp. Fund	0	0	0	0	0	250,000
Audit Exceptions	0	0	46,204	0	0	0
Total General Expenses	<u>3,125,307</u>	<u>2,376,737</u>	<u>3,740,694</u>	<u>3,191,382</u>	<u>4,348,224</u>	<u>5,661,199</u>
<u>0189 TRANSFERS TO OTHER FUNDS</u>						
Debt Service Fund	8,277,764	8,727,045	8,788,166	8,851,933	8,851,993	5,722,327
Emergency Reserve Fund	0	0	0	0	0	0
Total Transfers	<u>8,277,764</u>	<u>8,727,045</u>	<u>8,788,166</u>	<u>8,851,933</u>	<u>8,851,993</u>	<u>5,722,327</u>

EXPENDITURE ANALYSIS DETAIL
2007 BUDGET

General Fund

0188 General Expenses

Account Name	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
WAGES/BENEFITS						
Salaries/Wages/Benefits	180,087	191,095	234,970	287,940	197,880	48,100
Early Retirement	0	0	0	0	0	0
Sick Leave Buy-Back	7,488	7,634	6,587	7,700	4,980	7,700
Severance Pay	264,618	274,994	259,407	300,000	145,000	416,700
Medicare	1,506	161	0	0	0	0
Unemployment Compensation	68,154	59,743	84,700	95,400	86,300	416,000
TOTAL WAGES/BENEFITS	521,852	533,627	585,663	691,040	434,160	888,500
WORKERS' COMPENSATION						
Workers' Compensation Adj. Fees	66,730	21,287	25,842	42,280	24,400	42,000
Loss Time & Medical	486,335	(51,705)	(8,489)	567,154	384,000	428,100
State Fees/Assessments	18,717	30,355	30,779	25,300	16,300	22,000
Excess Policy & Bond	44,791	58,934	57,784	57,920	62,740	64,000
Excess Policy/Other Recoveries	0	0	0	0	0	0
TOTAL WORKERS COMP.	616,573	58,871	105,916	692,654	487,440	556,100
PENSION CONTRIBUTIONS						
Police Pension	0	(6,510)	(8,563)	0	0	0
Fire Pension	0	0	0	0	0	0
Non-Unif. Pension	0	0	0	0	0	0
TOTAL PENSION CONTRIB.	0	(6,510)	(8,563)	0	0	0
TOTAL PERSONNEL SERVICES	1,138,425	585,988	683,017	1,383,694	921,600	1,444,600
COMMUNICATIONS						
Advertising	2,228	354	319	2,000	450	2,000
Printing & Report Binding	0	0	2,351	2,000	2,000	1,000
Telephone/Pagers	176,711	180,140	135,257	111,600	132,000	134,200
Email	0	125	0	0	0	0
Postage	769	0	1,711	1,800	2,600	1,700
TOTAL COMMUNICATIONS	179,708	180,619	139,638	117,400	137,050	138,900
PROFESSIONAL FEES						
Legal Fees	8,453	15,031	2,601	25,000	12,800	20,000
Consulting	70,340	103,269	(15,724)	86,200	116,500	20,000
Other	15,767	17,311	32,603	120,000	120,000	10,000
TOTAL PROFESSIONAL FEES	94,560	135,611	19,480	231,200	249,300	50,000

EXPENDITURE ANALYSIS DETAIL
2007 BUDGET

General Fund

0188 General Expenses

Account Name	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
INSURANCE						
Stop Loss - Premium	0	156,178	185,536	185,100	235,000	313,200
Automobile - Premium	103,922	120,772	155,940	154,200	139,600	136,800
Automobile - Deductible	23,842	19,860	8,887	25,000	12,000	20,000
General Liability - Premium	202,667	204,319	182,698	173,800	162,500	156,100
General Liability - Deductible	1,969	19,710	38,041	25,000	24,000	20,000
Boiler & Machinery - Premium	1,382	1,637	946	2,100	0	0
Property & Crime - Premium	46,754	49,561	55,352	41,000	54,100	41,400
Property & Crime - Deductible	(1,556)	0	0	25,000	1,500	2,500
Inland Marine - Premium	33,993	43,835	38,794	41,000	36,600	41,400
Flood - Premium	11,810	12,508	14,230	15,600	13,100	18,300
Police Professional Liability - Premium	0	(291)	(1,175)	0	0	0
Police Professional Liability - Deductible	0	0	0	0	0	0
Public Official Liability - Premium	126,660	136,153	65,565	36,500	33,500	32,000
Public Official Liability - Deductible	9,927	12,390	38,858	25,000	4,500	20,000
Excess Liability - Premium	58,764	79,600	66,788	41,800	38,500	36,800
Terrorism - Premium	3,211	6,222	6,431	7,400	6,600	6,400
TOTAL INSURANCE	623,345	862,454	856,891	798,500	761,500	844,900
CONTRACTED SERVICES						
Maintenance Service Contract	14,981	23,957	24,725	27,600	25,600	28,300
Bank Administration/Trustee Fees	15,793	12,938	7,130	13,000	5,200	7,200
Travel	344	350	622	500	500	0
Conference	0	0	540	0	0	0
Membership Dues	18,608	18,613	18,618	18,700	18,400	18,700
Catastrophic Event Disaster Recovery	2,664	2,664	4,528	10,400	7,800	6,900
Miscellaneous	25,744	1,695	101,514	125,175	110,200	35,000
Bank Service Charges	247	4,954	4,204	5,250	5,100	5,250
TOTAL CONTRACTED SERVICES	78,381	65,171	161,879	200,625	172,800	101,350
SUPPLIES & EXPENSES						
Miscellaneous	158	0	2,234	0	4,000	0
TOTAL SUPPLIES & EXPENSES	158	0	2,234	0	4,000	0
MINOR CAPITAL EQUIPMENT						
Office Equipment	0	0	1,474	0	2,400	0
TOTAL MINOR CAPITAL EQUIPMENT	0	0	1,474	0	2,400	0
TOTAL OPERATING	976,151	1,243,854	1,181,596	1,347,725	1,327,050	1,135,150
CAPITAL OUTLAY						
Lease/Purchase Capital Equipment	62,965	0	0	0	0	0
Miscellaneous	2,512	0	0	0	0	0
TOTAL CAPITAL OUTLAY	65,477	0	0	0	0	0

EXPENDITURE ANALYSIS DETAIL
2007 BUDGET

General Fund

0188 General Expenses

Account Name	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
SUBSIDIES & GRANTS						
Grants to Local Units	125,000	27,000	88,000	79,500	81,400	29,500
Dauphin County Library	50,000	50,000	50,000	50,000	50,000	50,000
Capital Area Transit	598,912	243,168	243,168	250,463	250,463	250,463
Community Life Team	100,000	0	0	0	0	0
Downtown Improvement District (DID)	21,779	21,847	19,542	20,000	0	0
Harrisburg Regional Chamber	50,000	50,000	60,000	60,000	60,000	0
Councilmanic Special Projects	0	154,880	40,766	0	0	0
TOTAL SUBSIDIES & GRANTS	<u>945,691</u>	<u>546,895</u>	<u>501,476</u>	<u>459,963</u>	<u>441,863</u>	<u>329,963</u>
Cash Under/Over	(438)	0	0	0	0	0
Uncollectible Accounts	0	0	0	0	0	0
Refund of Prior Year Revenue	0	0	0	0	0	0
Fines and Settlements	0	0	0	0	514,380	0
Payment of Prior Year Expenditures	0	0	0	0	1,123,246	321,946
E.M.S. Tax Eligible Expenses	0	0	1,328,402	0	0	0
Hotel Tax Proceeds	0	0	0	0	0	640,000
TRAN Costs	0	0	0	0	20,085	0
Repayment of Federal Grants Fund	0	0	0	0	0	1,539,540
Repayment of Workers' Compensation Fund	0	0	0	0	0	250,000
Audit Exceptions	0	0	46,204	0	0	0
TOTAL GENERAL EXPENSES	<u><u>3,125,307</u></u>	<u><u>2,376,737</u></u>	<u><u>3,740,694</u></u>	<u><u>3,191,382</u></u>	<u><u>4,348,224</u></u>	<u><u>5,661,199</u></u>

STATE LIQUID FUELS TAX FUND

The State Liquid Fuels Tax Fund is funded by an annual Commonwealth of Pennsylvania State Liquid Fuels Tax allocation and investment income. This fund is used to account for state aid revenue used primarily for building, improving, and maintaining city roads and bridges in accordance with policies and procedures of the County Liquid Fuels Tax Act of 1931 and the Liquid Fuels Tax Act 655 of 1956 of the Commonwealth of Pennsylvania.

RESOURCE ALLOCATION
2007 BUDGET

RESOURCES		APPROPRIATIONS	
INVESTMENT INCOME	14,500	MAINTENANCE	909,247
LIQUID FUELS TAX RECEIPTS	872,147		
FUND BALANCE APPROPRIATION	22,600		
TOTAL RESOURCES	909,247	TOTAL APPROPRIATION	909,247

STATE LIQUID FUELS TAX FUND
2007 BUDGET

Account Name	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
REVENUE ANALYSIS SUMMARY						
Investment Income	4,293	4,952	13,699	6,200	12,300	14,500
Liquid Fuels Tax Receipts	754,849	769,518	790,591	839,774	846,057	872,147
Road Turnback Program	0	0	0	0	0	0
TOTAL REVENUE	<u>759,142</u>	<u>774,470</u>	<u>804,290</u>	<u>845,974</u>	<u>858,357</u>	<u>886,647</u>
Fund Balance Appropriation	44,016	82,138	85,054	10,583	10,583	22,600
TOTAL RESOURCES	<u>803,158</u>	<u>856,608</u>	<u>889,344</u>	<u>856,557</u>	<u>868,940</u>	<u>909,247</u>

REVENUE ANALYSIS DETAIL						
Interest-Savings Account	146	170	298	200	300	500
Interest-Other	4,147	4,782	13,401	6,000	12,000	14,000
Liquid Fuels Tax Receipts	754,849	769,518	790,591	839,774	846,057	872,147
Road Turnback Program	0	0	0	0	0	0
TOTAL REVENUE	<u>759,142</u>	<u>774,471</u>	<u>804,290</u>	<u>845,974</u>	<u>858,357</u>	<u>886,647</u>
Fund Balance Appropriation	44,016	82,138	85,054	10,583	10,583	22,600
TOTAL RESOURCES	<u>803,158</u>	<u>856,609</u>	<u>889,344</u>	<u>856,557</u>	<u>868,940</u>	<u>909,247</u>

EXPENDITURE ANALYSIS SUMMARY						
Personnel Services	484,927	488,294	503,211	0	0	0
Operating Expenses	206,699	36,220	48,020	84,013	33,071	844,575
Capital Outlay	0	36	0	0	0	0
Transfers	111,371	0	0	0	0	64,672
TOTAL EXPENDITURES	<u>802,997</u>	<u>524,551</u>	<u>551,231</u>	<u>84,013</u>	<u>33,071</u>	<u>909,247</u>

POSITION ANALYSIS SUMMARY
2007 BUDGET

	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
STATE LIQUID FUELS TAX FUND						
State Liquid Fuels Tax Fund	10.00	10.00	9.00	0.00	0.00	0.00
TOTAL POSITIONS	<u>10.00</u>	<u>10.00</u>	<u>9.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

Through 2004, the personnel complement in the State Liquid Fuels Tax Fund had remained at the same level since 1994. The 2005 Approved Budget eliminated a Street Maintenance Worker position. The 2006 Approved Budget contains a reorganization of the State Liquid Fuels Tax Fund operation. All personnel related costs were transferred to the General Fund, specifically, the Department of Public Works, Bureau of Neighborhood Services - City Services and General Expenses. To offset this transfer, an equal dollar amount of utility costs were transferred from the General Fund to the State Liquid Fuels Tax Fund. These changes were made to make the State Liquid Fuels Tax Fund easier to administer and audit. The nine positions associated with the State Liquid Fuels Tax Fund are now assigned to the Department of Public Works, Bureau of Neighborhood Services - City Services.

EXPENDITURE ANALYSIS DETAIL
2007 BUDGET

Special Revenue Fund

2020 State Liquid Fuels

	Allocation Plan		Position Control	
PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
Salaries-Mgmt	0			
Salaries-BU	0			
Overtime	0			
Fringe Benefits	0			
Miscellaneous	0	Total Management	0.00	0
TOTAL	0			
OPERATING EXPENSES				
Communications	0	Total Bargaining Unit	0	0
Professional Services	0			
Utilities	545,375			
Insurance	0	Overtime		0
Rentals	0			
Maintenance & Repairs	40,000	FICA		
Contracted Services	0	Healthcare Benefits - Active		
Supplies	259,200	Healthcare Benefits - Retirees		
Minor Capital Equipment	0			
TOTAL	844,575	Total Fringe Benefits		0
CAPITAL OUTLAY	0	Sick Leave Buy-Back		
		Severance Pay		
TRANSFERS	64,672	Unemployment Compensation		
		Workers' Compensation		
		Loss/Time Medical		
		State Fees		
TOTAL APPROPRIATION	909,247	Excess Policy & Bond		
		Non-Uniformed Pension		
		Total Miscellaneous		0
		TOTAL	0.00	0

**COMMUNITY DEVELOPMENT BLOCK GRANT FUND (CDBG)
2006 - 2007 PROGRAM YEAR BUDGET SUMMARY, YEAR XXXII**

DEPARTMENT OF BUILDING AND HOUSING DEVELOPMENT

BUREAU OF HOUSING DEVELOPMENT

The Bureau of Housing carries out a variety of community and residential development activities to revitalize Harrisburg's neighborhoods. The Bureau is funded primarily by the Community Development Block Grant. The Bureau maximizes the use of federal, state, and local funds, as well as private resources in achieving its objectives. The Bureau's housing programs include the Home Improvement Program (assistance for low- and moderate-income homeowners), the Homeownership Opportunities Program (rehabilitation of vacant houses), the Homeownership Impact Loan Program (first-time homebuyer assistance), and the Section-8 Rental Rehabilitation Program (lead-paint hazard control). The Bureau seeks to stimulate private investment in City real estate through rehabilitation of vacant structures and disposition of vacant lots. The Bureau sponsors several programs designed to encourage community involvement in neighborhood improvement and beautification efforts. These include the Adopt-A-Lot Urban Gardening Program and the Adopt-A-Block Beautification Program.

The Bureau also promotes and facilitates private development of quality housing in Harrisburg's Neighborhoods. Ongoing projects include Capitol Heights, the Residences and Townhomes at Governor's Square, Marketplace Townhomes, and the Mt. Pleasant Apartments project. The Bureau works in cooperation with the Office of the City Engineer to implement major public infrastructure improvements in support of housing and community development. Prior to the actual development phase, staff works to assemble land and request proposals for new housing development initiatives. The Bureau works closely with developers to promote quality construction that will expand the City's tax base and grow its population.

Along with its relationships with private developers, the Bureau supports the housing development efforts of private non-profit agencies by providing federal, state, and local funds and/or properties to organizations such as Tri-County Housing Development Corporation, Wesley Union CDC, and Habitat for Humanity. The Bureau also directs Emergency Shelter Grant funds to agencies providing shelter and other assistance to homeless persons, including the YWCA, Shalom House, and Christian Churches United. The Bureau has provided funding for repairs or improvements to community facilities such as Camp Curtin YMCA, Hamilton Health Center, Mount Pleasant Hispanic American Center, etc. Bureau staff assist non-profits by providing technical guidance on project management, budgeting, and the numerous grant compliance issues such as eligibility of expenditures, procurement of contractors and services, affirmative action, and conflict of interest. The Bureau provides loans to for-profit developers of affordable rental housing, and scattered site rental rehabilitation projects.

The Bureau of Housing administers an aggressive Lead Paint Hazard Control Program to reduce lead paint hazards in the older homes of low and moderate-income owner-occupants. Under a cooperation agreement with the City, Pinnacle Health Childhood Lead Poisoning Prevention Center provides blood testing of children and lead paint testing in homes. The Bureau uses certified contractors who are qualified to carry out lead paint hazard control. This program is funded by a \$3 million, 42-month grant from the U.S. Department of HUD and a \$530,000, 42-month grant from the PA Department of Health. In 1999, the effort was expanded to include rental housing development sponsored by non-profit organizations. In 2001, the effort was again expanded to include rental housing leased by Section-8 tenants. The program received a national "Best Practices" Award from the U.S. Department of Housing and Urban Development.

The Housing Bureau provides all staff support for the Harrisburg Redevelopment Authority's (HRA) acquisition and disposition activities, most of which support City initiatives such as Homeownership Opportunities Program, Capitol Heights, Market Place, Governor's Square, and Mount Pleasant Apartments projects. The Bureau staff manages and maintains the majority of Redevelopment Authority properties prior to sale to developers or homeowners. The Bureau also participates in community based planning processes such as Consolidated Plan (for federal housing and community development grants), and the Continuum of Care, a strategy for addressing homelessness.

FILE OF THE CITY COUNCIL
NO. 9 Session of 2006

MOVED BY DANIEL C. MILLER, JUNE 26, 2006

An ordinance appropriating Community Development Block Grant funds from the United States Department of Housing and Urban Development for Fiscal Year 2006 and authorizing expenditure of such funds.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF HARRISBURG, AND IT IS HEREBY ENACTED BY AUTHORITY OF THE SAME, as follows:

SECTION 1. The City of Harrisburg's 2005-2010 Consolidated Plan provides the City a comprehensive vision for the use of federal funds that encompasses a description of the needs related to affordable housing, infrastructure, fair housing, economic development and helping the homeless. Through a process of consultation with the community, the City has developed Goals and Objectives for addressing these needs. The Consolidated Plan charts a strategic course of action for revitalization and community development. Benchmarks for performance under the specific goals and objectives have been established by which the City and its Citizens can track the performance of the programs established by the City.

The Consolidated Plan meets the application requirements of the U.S. Department of Housing and Urban Development (HUD) for the Community Development Block Grant

program (CDBG), the HOME Investment Partnership Program (HOME) and the Emergency Shelter Grant Program (ESG). The City of Harrisburg is a formula grantee and receives funding each year in October for the new program year.

SECTION 2. Community Development Block Grant (ACDBG@) funds for Fiscal Year 2006 of \$2,152,402.00 and Program Income of \$350,000.00 shall be appropriated as follows:

<u>Activity</u>	<u>Appropriation</u>
Homeownership Opportunities Program	\$ 1,000,000.00
Land Assembly	\$ 35,000.00
HELP - Home Emergency and Lead Repair Program	\$ 70,000.00
Habitat for Humanity Single Family Rehabilitation and Resale	\$ 20,000.00
Habitat for Humanity - Home Repair	\$ 20,000.00
Christian Churches United (Safe Haven)	\$ 100,000.00
Emergency Demolition	\$ 365,000.00
CDBG Administration and Indirect Costs	\$ 471,281.00
Debt Service	\$ 371,121.00
Community Facility Improvements	
<u>Camp Curtin YMCA (facility improvement)</u>	\$ 50,000.00
Total CDBG:	\$2,502,402.00

SECTION 3. The Department of Building and Housing Development is authorized to submit the Annual Action Plan for the City's 2006-2007 allocation of Community Development Block Grant funds for Fiscal Year 2006 to the appropriate agency in order to

obtain Community Development Block Grant funds.

SECTION 4. Of the \$365,000.00 allocated for Emergency Demolition, City Council reserves \$100,000.00 of said funds for demolition of condemned structures specifically designated by City Council. By resolution, City Council will direct the Department of Building and Housing as to which structures are to be demolished.

SECTION 5. **DELEGATION.**

Appropriate City officials are authorized and directed to take such actions as are necessary to effectuate this ordinance.

SECTION 6. **SEVERABILITY.**

If any provision, sentence, clause, section or part of this ordinance or the application thereof to any person or circumstances is for any reason found to be unconstitutional, illegal or invalid by a court of competent jurisdiction, such unconstitutionality, illegality or invalidity shall not affect or impair any of the remaining provisions, sentences, clauses, section or part of this ordinance. It is hereby declared as the intent of the Council of the City of Harrisburg that this ordinance would have been adopted had such unconstitutional, illegal or invalid provision, sentence, clause, section or part not been included herein.

SECTION 7. **REPEALER.**

All ordinances or parts of ordinances in conflict herewith be and the same are hereby repealed.

SECTION 8. **EFFECTIVE DATE.**

This ordinance shall take effect in accordance with the law.

Second by: Gloria Martin Roberts

PASSED by City Council on July 11, 2006

SIGNED by the Mayor on July 13, 2006

Ord 9-2006 Amended dbg funds-hudfy2006
Idrive-Bills2006

FILE OF THE CITY COUNCIL

NO. 10 Session of 2006

MOVED BY DANIEL C. MILLER, JUNE 26, 2006

An ordinance appropriating HOME Investment Partnerships Program (HOME) funds from the United States Department of Housing and Urban Development for Fiscal Year 2006 and authorizing expenditure of such funds.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF HARRISBURG, AND IT IS HEREBY ENACTED BY AUTHORITY OF THE SAME, as follows:

SECTION 1. The City of Harrisburg's 2005-2010 Consolidated Plan provides the City a comprehensive vision for the use of federal funds that encompasses a description of the needs related to affordable housing, infrastructure, fair housing, economic development and helping the homeless. Through a process of consultation with the community, the City has developed Goals and Objectives for addressing these needs. The Consolidated Plan charts a strategic course of action for revitalization and community development. Benchmarks for performance under the specific goals and objectives have been established by which the City and its Citizens can track the performance of the programs established by the City.

The Consolidated Plan meets the application requirements of the U.S. Department of Housing and Urban Development (HUD) for the Community Development Block Grant program

(CDBG), the HOME Investment Partnership Program (HOME) and the Emergency Shelter Grant Program (ESG). The City of Harrisburg is a formula grantee and receives funding each year in October for the new program year.

SECTION 2. HOME Investment Partnership Program (HOME) funds for Fiscal Year 2006 of \$587,011.00 and Program Income of \$20,000.00 shall be appropriated as follows:

<u>Activity</u>	<u>Appropriation</u>
Grant Administration	\$ 60,701.00
HIP - Home Improvement Program	\$ 346,310.00
TriCounty HDC Capital Corridors SF Rehab	\$ 100,000.00
Tri-County HDC - Homeownership Choice	\$100,000.00
Total HOME	\$ 607,011.00

SECTION 3. The Department of Building and Housing Development is authorized to submit the Annual Action Plan for the City=s 2006-2007 allocation of Home Investment Partnerships Program funds for Fiscal Year 2006 to the appropriate agency in order to obtain HOME Investment Partnerships Program funds.

SECTION 4. **DELEGATION.**

Appropriate City officials are authorized to take such actions as are necessary to effectuate this ordinance.

SECTION 5. **SEVERABILITY.**

If any provision, sentence, clause, section or part of this ordinance or the application thereof

to any person or circumstance is for any reason found to be unconstitutional, illegal or invalid by a court of competent jurisdiction, such unconstitutionality, illegality or invalidity shall not affect or impair any of the remaining provisions, sentences, clauses, sections or parts of this ordinances. It is hereby declared as the intent of the Council of the City of Harrisburg that this ordinance would have been adopted had such unconstitutional, illegal or invalid provision, sentence, clause, section or part not been included herein.

SECTION 6. REPEALER.

All ordinances or parts of ordinances in conflict herewith be and the same are hereby repealed.

SECTION 7. EFFECTIVE DATE.

This ordinance shall take effect in accordance with the law.

Seconded by: Gloria Martin Roberts

PASSED by City Council on July 11, 2006

SIGNED by the Mayor on July 13, 2006

Ord 10-2006-homeinvestment program 2006
I-drive-bills-ord-2006

FILE OF THE CITY COUNCIL
NO. 11 Session of 2006

MOVED BY DANIEL C. MILLER, JUNE 26, 2006

An ordinance appropriating Emergency Shelter Grant Program funds from the United States Department of Housing and Urban Development for Fiscal Year 2006 and authorizing expenditure of such funds.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF HARRISBURG, AND IT IS HEREBY ENACTED BY AUTHORITY OF THE SAME, as follows:

SECTION 1. The City of Harrisburg's 2005-2010 Consolidated Plan provides the City a comprehensive vision for the use of federal funds that encompasses a description of the needs related to affordable housing, infrastructure, fair housing, economic development and helping the homeless. Through a process of consultation with the community, the City has developed Goals and Objectives for addressing these needs. The Consolidated Plan charts a strategic course of action for revitalization and community development. Benchmarks for performance under the specific goals and objectives have been established by which the City and its Citizens can track the performance of the programs established by the City.

The Consolidated Plan meets the application requirements of the U.S. Department of Housing and Urban Development (HUD) for the Community Development Block Grant program (CDBG), the HOME Investment Partnership Program (HOME) and the Emergency Shelter

Grant Program (ESG). The City of Harrisburg is a formula grantee and receives funding each year in October for the new program year.

SECTION 2. Emergency Shelter Grant Program funds for Fiscal Year 2006 of \$92,036.00 shall be appropriated as follows:

<u>Activity</u>	<u>Appropriation</u>
Shalom House Operations	\$ 32,036.00
Christian Churches United/H.E.L.P.	\$ 60,000.00
Total ESG	\$92,036.00

SECTION 3. The Department of Building and Housing Development is authorized to submit the Annual Action Plan for the City's 2006-2007 allocation of Emergency Shelter Grant funds for Fiscal Year 2006 to the appropriate agency in order to obtain Emergency Shelter Grant funds.

SECTION 4. **DELEGATION.**

Appropriate City officials are authorized to take such actions as are necessary to effectuate this ordinance.

SECTION 5. **SEVERABILITY.**

If any provision, sentence, clause, section or part of this ordinance or the application thereof to any person or circumstance is for any reason found to be unconstitutional, illegal or invalid by a court of competent jurisdiction, such unconstitutionality, illegality or invalidity shall not affect or impair any of the remaining provisions, sentences, clauses, sections or parts of this ordinances. It is hereby declared as the intent of the Council of the City of Harrisburg that this ordinance would have been adopted had such unconstitutional, illegal or invalid provision, sentence, clause, section or part not been included herein.

SECTION 6. REPEALER.

All ordinances or parts of ordinances in conflict herewith be and the same are hereby repealed.

SECTION 7. EFFECTIVE DATE.

This ordinance shall take effect in accordance with the law.

Seconded by: Gloria Martin Roberts

PASSED by City Council on July 11, 2006

SIGNED by the Mayor on July 13, 2006

Ord 11-2006-ESG-hud grant program2006
Idrive-bills 2006



DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources, principally transfers from the General, Capital Projects, and State Liquid Fuels Tax Funds, for the payment of general long-term obligation principal, interest, and related costs.

OVERVIEW

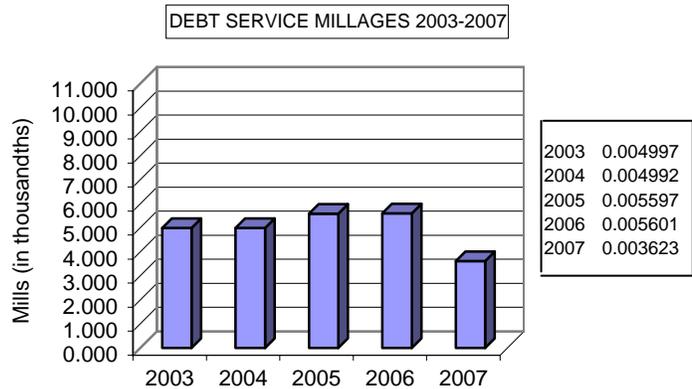
The City currently has five debt issues outstanding of a general obligation nature. These issues are ultimately secured by the full faith, credit and taxing power of the City. They bear interest, payable semiannually or annually, at rates varying from 1.59% to 7.75%. The first four of these debt issues are insured and have an "Aaa" rating from Moody's and an "AAA" rating from Standard & Poor's. The following is a description of the debt issues currently outstanding and the projects they financed:

1. **1995 Federally Taxable General Obligation Bonds, Series A and B.** This \$35,734,416 issue was approved by City Council on December 5, 1995, to fund the City's unfunded actuarial accrued pension liability with deposits to the applicable City pension plans and for the payment of all costs and expenses related to the issuance of the Bonds. The Series A Bonds (\$33,394,416) and Series B Bonds (\$2,340,000), dated December 15, 1995, have 20-year and 11-year terms, respectively, and are being repaid by General Fund real estate taxes, pension system state aid, liquid fuels tax receipts, and user fees from the Sewer Utility Fund on a pro-rata share basis.
2. **1997 General Obligation Refunding Bonds, Series D.** This \$24,891,722 issue was approved by City Council on November 25, 1997, to advance refund the City's \$22,195,000 General Obligation Bonds, Series B-1 of 1997 in whole, to fund certain capital projects of the City, and to pay costs of issuance related to the Bonds. The B-1 Bonds were issued to retire the City's \$15,000,000 G.O. Note, Series A of 1995, issued to the Emmaus Bond Pool Program (EPIII); and to pay for the costs and expenses of a National Civil War Museum, certain street repaving and repairs, and certain parking facilities. The Series D Bonds have a term of 25 years and are being repaid from General Fund real estate taxes.
3. **1997 General Obligation Refunding Notes, Series F.** This \$26,632,303 issue was approved by City Council on November 25, 1997, to currently refund all of the City's \$25,000,000 General Obligation Bonds, Series 1995, which proceeds paid in full on March 1, 1995; the City's \$25,000,000 G.O. Note, Series A of 1992, issued to Emmaus General Authority Bond Pool Program (EPII); to pay for costs and expenses of a National Civil War Museum, certain street/alley repaving/reconstruction and other certain capital projects of the City and to pay costs of issuance related to the Notes. The Notes, dated December 1, 1997, have a term of 25 years and are being repaid from General Fund real estate taxes.
4. **1997 Federally Taxable General Obligation Bonds, Series A1.** This \$8,000,000 issue was approved by City Council on April 8, 1997, to retire the City's \$7,200,000 Federally Taxable General Obligation Notes, Series A of 1996, issued to finance the purchase of the Harrisburg Senator's AA Baseball Team. The Series A1 Bonds also funded construction of a new scoreboard and other stadium improvements. The Bonds have a 12-year term and are being repaid from team revenues and General Fund real estate taxes. It is anticipated that these bonds will be repaid, in full, in 2007 with proceeds from the sale of the baseball team.
5. **2003 General Obligation Notes, Series A, B and C.** These notes, totaling \$627,800, were approved by City Council on June 10, 2003, for the purpose of providing funds to apply for and towards various transportation infrastructure improvement projects including the Hamilton Street Intersection Project at Sixth Street, the State Street Intersection Project at Reservoir Park, and the purchase and installation of energy-saving LED traffic signal lenses for approximately 24 intersections in the City. These Notes have a term of 10 years and are being repaid from General Fund real estate taxes.

DEBT MANAGEMENT

The City structures its debt service (principal, interest, and related costs) at a fixed level of expenditure by which to budget. Financing the debt somewhat evenly over the useful life of the project not only enables the cost to be spread equitably to all who benefit from the project, current and future, but also keeps expenditures relatively constant year after year. However, the 2007 budget anticipates the sale of the city's AA baseball team, the proceeds of which will cash defease \$2,134,187 of the 2007 principal and interest payments on the 1997 Series A-1 bonds.

Debt Service requirements not otherwise provided for are appropriated in the year in which they are due. As part of the annual tax levy ordinance, the City designates property tax millage sufficient to fund for the payment of debt service on general obligation indebtedness. As the chart indicates, for 2007, this levy is 3.623 mills, or \$0.3623 on each \$100.00 of assessed value. The City does not designate, nor is required to designate, additional millage to fund for future year debt service reserves.



For revenue bond indebtedness, current operating revenues (primarily utility user fees) are budgeted to fund the debt service requirement. Since the City operates the water and sewer systems and the HRRF on behalf of THA, related revenue bond debt service is budgeted in each respective utility fund.

Historically, the City has only issued bonds for capital improvements (or refundings/refinancing related thereto) and notes for bond anticipation purposes. Short-term borrowing, such as lease/purchase contracts, is considered and occasionally utilized for financing capital equipment and rolling stock purchases when it is determined to be in the City's financial interest.

In recognition of the City's policy and procedures to provide continuing and improved financial disclosure to investors of City debt issues, the National Federation of Municipal Analysts granted its Award of Recognition to the City in 1993.

DEBT SERVICE FUND
RESOURCE ALLOCATION
2007 BUDGET

RESOURCES		APPROPRIATIONS	
INVESTMENT INCOME	1,000	DEBT SERVICE	7,561,531
GAIN ON SALE OF ASSETS	848,532		
CITY GUARANTEE FEES	925,000		
TRANSFERS	5,786,999		
FUND BALANCE APPROPRIATION	0		
TOTAL RESOURCES	<u><u>7,561,531</u></u>	TOTAL APPROPRIATION	<u><u>7,561,531</u></u>

DEBT SERVICE AS A PERCENTAGE OF GENERAL EXPENDITURES

	2003 <u>Actual</u>	2004 <u>Actual</u>	2005 <u>Actual</u>	2006 <u>Projected</u>	2007 <u>Approved Budget</u>
Debt Service	8,783,389	8,874,926	8,850,828	8,916,996	7,561,531
General Expenditures*	54,563,095	54,218,488	58,719,917	62,857,595	59,232,564
Percentage	16.10%	16.37%	15.07%	14.19%	12.77%

* Includes General Fund expenditures plus transfers.

The above chart entitled "Debt Service as a Percentage of General Expenditures" compares total debt service paid out of the Debt Service Fund each of the last four years to General Fund expenditures and transfers over the same period of time.

DEBT SERVICE FUND
2007 BUDGET

	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
REVENUE ANALYSIS DETAIL						
Interest on Savings Account	974	1,263	3,401	2,153	7,905	15,800
Interest on Other Investments	34	11	28	16	7	14
Gain on Sale of Investments	0	0	0	0	0	0
Gain on Sale of Assets	0	0	0	0	0	848,532
Miscellaneous	0	33,171	0	0	0	0
City Guarantee Fees	0	0	0	0	500,000	925,000
Transfers-General Fund	8,277,764	8,727,045	8,788,166	8,776,981	5,287,738	5,707,513
Transfers-Capital Projects Fund	270,000	0	0	0	0	0
Transfers-State Liquid Fuels Tax Fund	111,371	82,630	62,662	64,063	64,672	64,672
Transfers-Sanitation Fund	0	0	0	0	0	0
Transfers-Incineration Fund	0	0	0	0	0	0
TOTAL REVENUE	8,660,143	8,844,120	8,854,257	8,843,213	5,860,323	7,561,531
Fund Balance Appropriation	123,246	30,806	0	0	0	0
TOTAL RESOURCES	8,783,389	8,874,926	8,854,257	8,843,213	5,860,323	7,561,531

EXPENDITURE ANALYSIS DETAIL						
Principal Retirements	7,725,848	8,317,864	8,198,283	6,719,635	6,751,912	4,764,739
Interest Expense	947,596	446,917	652,545	2,121,409	2,165,084	2,796,792
Letter of Credit Fees	0	0	0	0	0	0
Capitalized Lease Payments	109,945	110,145	0	0	0	0
Remarketing Fee Reserve	0	0	0	0	0	0
TOTAL EXPENDITURES	8,783,389	8,874,926	8,850,828	8,841,044	8,916,996	7,561,531

CITY OF HARRISBURG, PENNSYLVANIA
COMPUTATION OF LEGAL DEBT MARGIN
As of December 31, 2005

The statutory borrowing limit of the City under the Commonwealth's Local Government Unit Debt Act is computed as a percentage of the City's "Borrowing Base." The "Borrowing Base" is calculated as the annual arithmetic average of total "Revenues" (as defined by the Debt Act) for the three full fiscal years ended next preceding the date of incurring debt.

The City calculates its present borrowing base and borrowing capacity as follows:

	<u>Gross</u> ⁽¹⁾	<u>Exclusions</u> ⁽²⁾	<u>Net</u>
Revenues for 2003	\$ 55,128,180	\$ 3,617,572	\$ 51,510,608
Revenues for 2004	62,058,748	9,912,097	52,146,651
Revenues for 2005	57,142,795	2,433,888	54,708,907
Total Revenues - Past Three Years	\$ 174,329,723	\$ 15,963,557	\$ 158,366,166
Annual Arithmetic Average (Borrowing Base)			\$ 52,788,722

Under the Debt Act as presently in effect: 1) new nonelectoral debt may not be incurred if the net amount of such new nonelectoral debt plus all outstanding net nonelectoral debt would cause total net nonelectoral debt to exceed 250% of the Borrowing Base; and 2) new lease rental debt or new nonelectoral debt may not be incurred if the net amount of such new debt plus all outstanding net nonelectoral debt and net lease rental debt would cause the total net nonelectoral plus net lease rental debt to exceed 350% of the Borrowing Base. The application of the aforesaid percentages to the City's Borrowing Base produces the following products:

	<u>Legal</u> <u>Limit</u>	<u>Net</u> <u>Bonded Debt</u> <u>Outstanding</u>	<u>Remaining</u> <u>Borrowing</u> <u>Capacity</u>
Net Nonelectoral Debt Limit:			
250% of Borrowing Base	\$ 131,971,805	\$ 79,503,500 ⁽³⁾	\$ 52,468,305
Net Nonelectoral and Lease Rental Debt Limit:			
350% of Borrowing Base	\$ 184,760,527	\$ 96,503,500 ⁽⁴⁾	\$ 88,257,027

⁽¹⁾ General Fund total revenues, plus other financing sources.

⁽²⁾ Exclusions represent non-recurring or subsidized receipts.

⁽³⁾ Net Bonded Debt Outstanding includes: \$305,00 General Obligation Bonds, Series A & B of 1995; \$6,330,000 General Obligation Bonds, Series A1 of 1997; \$33,838,343 General Obligation Refunding Bonds, Series D of 1997; \$38,517,639 General Obligation Refunding Notes, Series F of 1997 and \$512,518 Pennsylvania Infrastructure Bank Notes. Net bonded debt outstanding does not include portions of general obligation bonds which are payable from enterprise funds of the City or credits and exclusions from debt pursuant to the Debt Act.

⁽⁴⁾ Incorporates note (3) above, plus \$17,000,000 of The Harrisburg Authority Guaranteed Resource Recovery Notes, Series A of 2002.

Sources: City's audited basic financial statements and annual debt statement filings with the Commonwealth; exclusions per City's Bureau of Financial Management

DEBT SERVICE REQUIREMENTS:

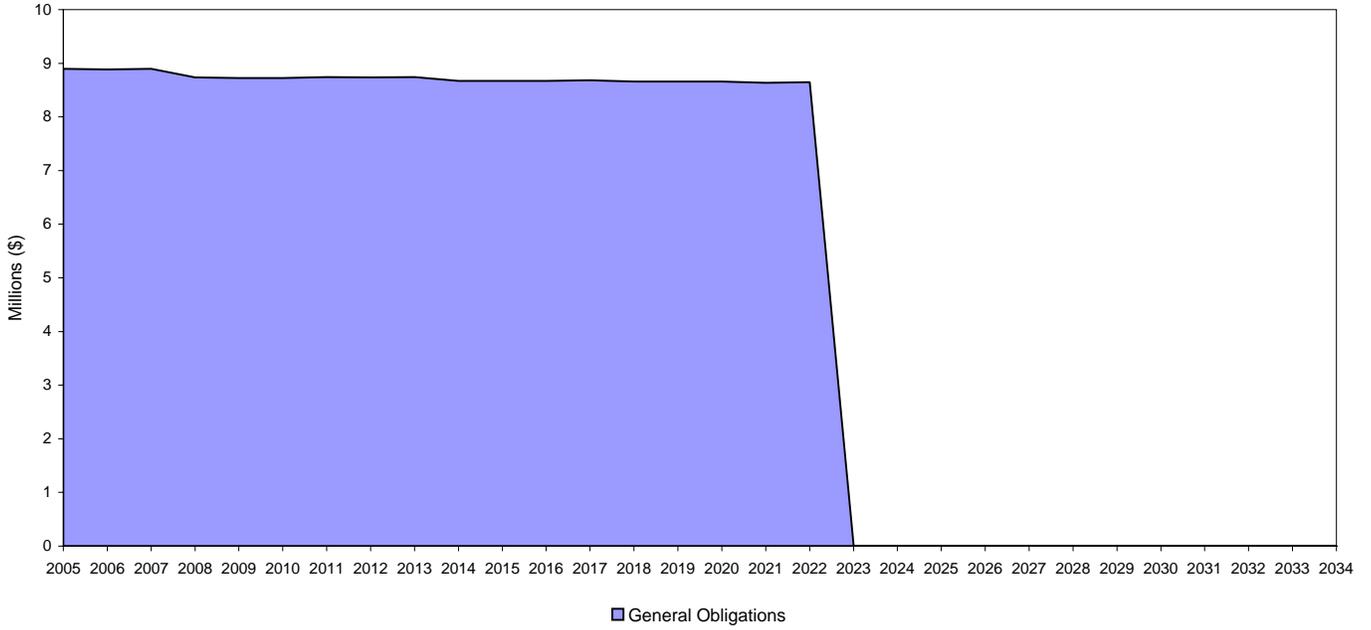
The annual requirements to amortize all debt (bonds and notes payable) outstanding as of December 31, 2005 are as follows:

Year Ending December 31	General Obligation		Revenue		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
Primary Government						
2006	\$ 8,332,239	\$ 951,330	\$ 185,000	\$ 787,501	\$ 8,517,239	\$ 1,738,831
2007	8,105,970	1,182,263	405,000	975,706	8,510,970	2,157,969
2008	7,734,852	1,394,254	425,000	955,434	8,159,852	2,349,688
2009	7,399,014	1,715,523	440,000	933,875	7,839,014	2,649,398
2010	6,860,449	2,263,608	460,000	911,025	7,320,449	3,174,633
Thereafter	60,409,900	47,049,181	16,085,000	10,717,228	76,494,900	57,766,409
	98,842,424	54,556,159	18,000,000	15,280,769	116,842,424	69,836,928
Less unamortized discount:	(17,482)	-	(141,607)	-	(159,089)	-
Total Primary Government	\$ 98,824,942	\$ 54,556,159	\$ 17,858,393	\$ 15,280,769	\$ 116,683,335	\$ 69,836,928
Component Units:						
The Harrisburg Authority						
2006	\$ -	\$ -	\$ 5,134,969	\$ 18,113,838	\$ 5,134,969	\$ 18,113,838
2007	-	-	5,188,902	18,504,179	5,188,902	18,504,179
2008	-	-	6,786,777	18,428,185	6,786,777	18,428,185
2009	-	-	7,919,981	17,842,949	7,919,981	17,842,949
2010	-	-	10,378,253	17,630,524	10,378,253	17,630,524
Thereafter	-	-	404,901,356	226,194,240	404,901,356	226,194,240
	-	-	440,310,238	316,713,915	440,310,238	316,713,915
Less deferred loss on refunding and unamortized premium:	-	-	(27,659,767)	-	(27,659,767)	-
Add unamortized premium:	-	-	939,468	-	939,468	-
Harrisburg Authority, Net	\$ -	\$ -	\$ 413,589,939	\$ 316,713,915	\$ 413,589,939	\$ 316,713,915
Harrisburg Parking Authority						
2006	\$ -	\$ -	\$ 2,570,000	\$ 4,277,994	\$ 2,570,000	\$ 4,277,994
2007	-	-	2,640,000	4,430,307	2,640,000	4,430,307
2008	-	-	2,725,000	4,349,212	2,725,000	4,349,212
2009	-	-	2,825,000	4,258,432	2,825,000	4,258,432
2010	-	-	3,340,000	4,148,939	3,340,000	4,148,939
Thereafter	-	-	84,175,000	40,413,106	84,175,000	40,413,106
	-	-	98,275,000	61,877,990	98,275,000	61,877,990
Less unamortized discount	-	-	(2,305,758)	-	(2,305,758)	-
Harrisburg Parking Authority, Net	\$ -	\$ -	\$ 95,969,242	\$ 61,877,990	\$ 95,969,242	\$ 61,877,990
Redevelopment Authority						
2006	\$ -	\$ -	\$ 330,795	\$ 20,306	\$ 330,795	\$ 20,306
2007	-	-	169,205	6,345	169,205	6,345
2016-2020	-	-	33,360,000	-	33,360,000	-
2021-2025	-	-	37,360,000	-	37,360,000	-
2026-2030	-	-	10,900,000	-	10,900,000	-
2031-2033	-	-	11,970,000	-	11,970,000	-
	-	-	94,090,000	26,651	94,090,000	26,651
Less unamortized discount	-	-	(58,927,631)	-	(58,927,631)	-
Redevelopment Authority Net	\$ -	\$ -	\$ 35,162,369	\$ 26,651	\$ 35,162,369	\$ 26,651
Total Debt Service Requirements	\$ 98,824,942	\$ 54,556,159	\$ 562,579,943	\$ 393,899,325	\$ 661,404,885	\$ 448,455,484

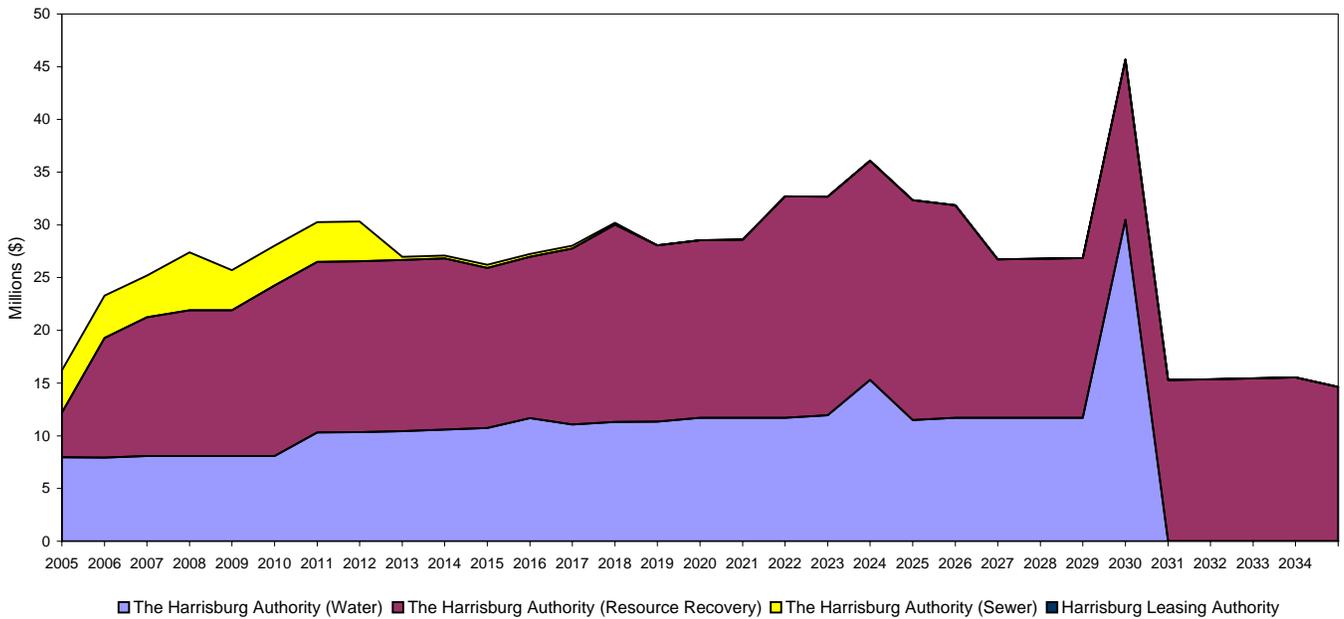
Source: City's audited general purpose financial statements.

CITY OF HARRISBURG SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS (PRINCIPAL AND INTEREST INCLUDED)

Annual General Obligation Debt Payments



Annual Revenue Debt Payments



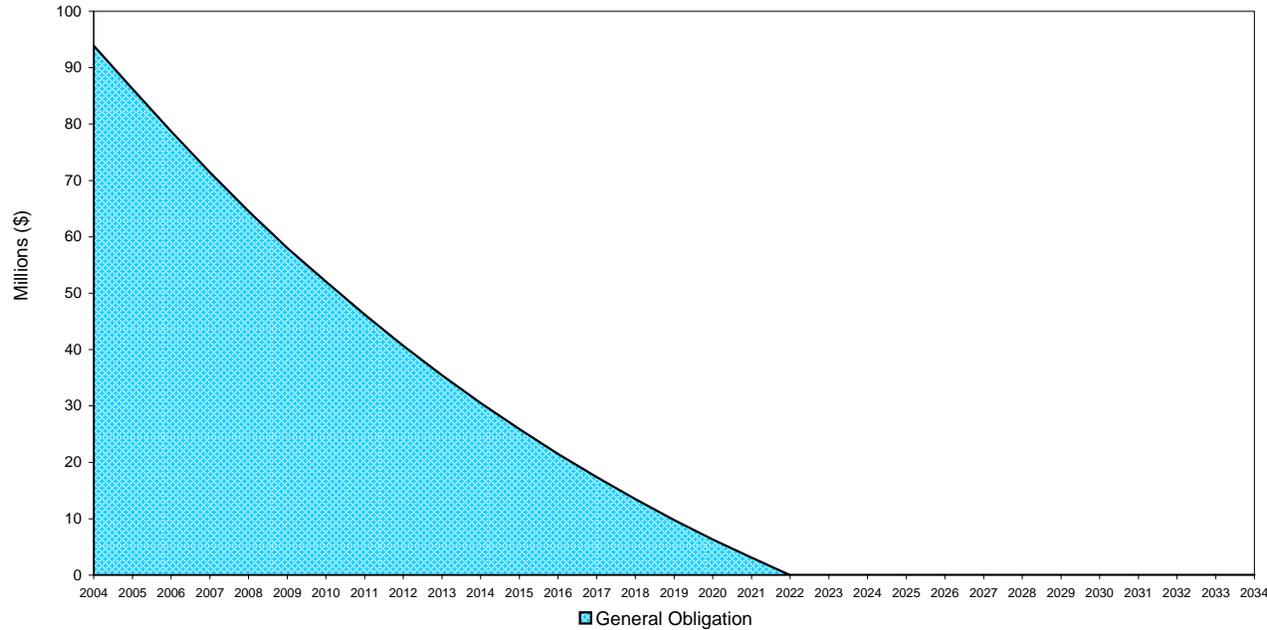
DEBT OUTSTANDING:

All debt (bonds and notes payable) outstanding as of December 31, 2005, is accounted for in the following fund and account group:

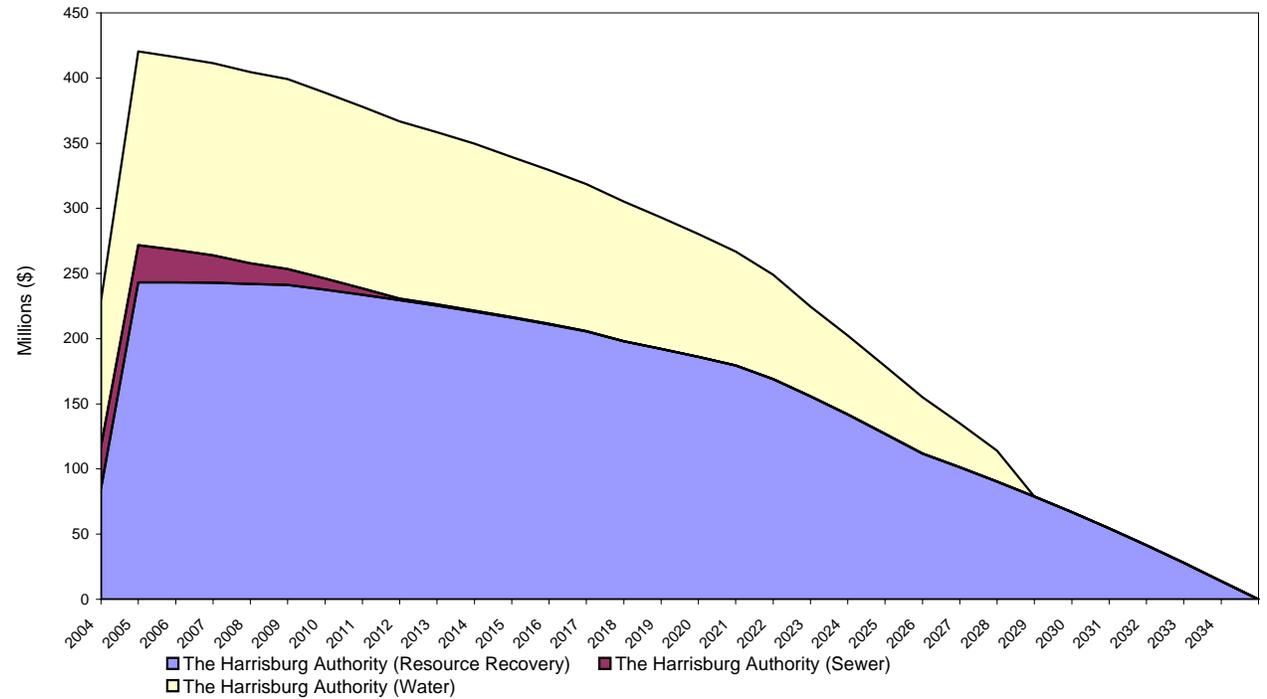
	Primary Government			Component Units			
	Business Type Activities	Governmental Activities	Total Primary Government	The Harrisburg Authority	Harrisburg Parking Authority	The Redevelopment Authority	Total Component Units
General Obligation Debt:							
Series A & B of 1995 Bonds	\$ 203,360	\$ 16,048,082	\$ 16,251,442	\$ -	\$ -	\$ -	-
Series A1 of 1997 Bonds	6,330,000	-	6,330,000	-	-	-	-
Series D of 1997 Bonds	-	33,838,343	33,838,343	-	-	-	-
Series F of 1997 Notes	-	38,517,639	38,517,639	-	-	-	-
Total General Obligation Debt	<u>\$ 6,533,360</u>	<u>\$ 88,404,064</u>	<u>\$ 94,937,424</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>
Revenue Debt:							
Senators Revenue Bonds	\$ 18,000,000	\$ -	\$ 18,000,000	\$ -	\$ -	\$ -	-
Water Revenue Bonds, Series A of 2004	-	-	-	37,360,000	-	-	37,360,000
Water Revenue Bonds, Series A of 2003	-	-	-	56,400,000	-	-	56,400,000
Water Revenue Bonds, Series A,B,C and D of 2002	-	-	-	48,825,000	-	-	48,825,000
Water Revenue Bonds, Series A of 2001	-	-	-	6,125,000	-	-	6,125,000
Sewer Revenue Refunding Series of 1992	-	-	-	12,110,000	-	-	12,110,000
Sewer Revenue Bonds, 2nd and 3rd series of 1989	-	-	-	12,110,000	-	-	12,110,000
Sewer Revenue Refunding, Bonds Series of 1984	-	-	-	2,075,000	-	-	2,075,000
Sewer Revenue Notes Series A,B,C of 1998	-	-	-	2,410,238	-	-	2,410,238
Resource Recovery Facility Bonds, Series A,D,E and F of 2003	-	-	-	147,555,000	-	-	147,555,000
Resource Recovery Facility Bonds Series A of 1998	-	-	-	11,970,000	-	-	11,970,000
Resource Recovery Notes Series A of 2002	-	-	-	17,000,000	-	-	17,000,000
Resource Recovery Notes Series B,C of 2002	-	-	-	53,370,000	-	-	53,370,000
Office and Parking Revenue Bonds							
Series K of 2000	-	-	-	-	11,800,000	-	11,800,000
Series J of 2001	-	-	-	-	29,045,000	-	29,045,000
Series of 2001	-	-	-	-	18,120,000	-	18,120,000
Series N of 2003	-	-	-	-	6,900,000	-	6,900,000
Series O of 2003	-	-	-	-	15,780,000	-	15,780,000
Series P of 2005	-	-	-	-	16,630,000	-	16,630,000
Guaranteed Revenue Bonds Series A and B of 1998	-	-	-	-	-	93,590,000	93,590,000
Unamortized Premium	-	-	-	939,468	-	-	939,468
Infrastructure Bank Loan	-	512,518	512,518	-	-	500,000	500,000
Less: Deferred loss on refunding and unamortized discount	(141,607)	-	(141,607)	(27,659,767)	(2,305,758)	(58,927,631)	(88,893,156)
Total Revenue Debt	<u>17,858,393</u>	<u>512,518</u>	<u>18,370,911</u>	<u>380,589,939</u>	<u>95,969,242</u>	<u>35,162,369</u>	<u>511,721,550</u>
Total General Obligation and Revenue Debt	<u>\$ 24,391,753</u>	<u>\$ 88,916,582</u>	<u>\$ 113,308,335</u>	<u>\$ 380,589,939</u>	<u>\$ 95,969,242</u>	<u>\$ 35,162,369</u>	<u>\$ 511,721,550</u>

CITY OF HARRISBURG SCHEDULE OF DEBT OUTSTANDING AT FISCAL YEAR END

General Obligation Debt Principal Outstanding



Revenue Debt Principal Outstanding



DEFEASANCE OF DEBT:

The City and its component units defeased general obligation and other bonds in prior years by placing the proceeds of net bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liabilities for the defeased bonds are not included in the City's financial statements. At December 31, 2005, the following bonds outstanding are considered defeased:

The City of Harrisburg:	
General Obligation Bonds, Series A of 1995	\$ 35,415,000
General Obligation Bonds, Series B-1 of 1997	22,160,000
The Harrisburg Authority:	
Guaranteed Sewer Revenue Bonds, Series of 1978	3,500,000
Water Revenue Bonds, Series A of 1999	4,510,000
Resource Recovery Revenue Bonds, Series A of 1998	21,140,000
Resource Recovery Revenue Bonds, Series B of 1998	8,585,000
Resource Recovery Revenue Bonds, Series C of 1998	3,815,000
Seventh Street Office & Parking Revenue Bonds, Series A of 1998	14,865,000
Seventh Street Office & Parking Revenue Bonds, Series B of 1998	6,185,000
Resource Recovery Notes, Series A of 2000	4,195,000
Resource Recovery Notes, Series B of 2000	3,610,000
The Harrisburg Parking Authority:	
Harrisburg Parking Authority, Series I of 1998	25,740,000
	<hr/>
	\$ 153,720,000
	<hr/> <hr/>

CAPITALIZED LEASE OBLIGATIONS:

The City leased certain equipment and infrastructure under long-term lease agreements which were classified as capital leases. During the year ended December 31, 2004, the City refinanced all of the then existing capital leases into a consolidated master capital lease. An additional capital lease was issued during the year ended December 31, 2005. As of December 31, 2005, the governmental activities and the business-type activities included equipment and furniture under both capital leases had a net book value of \$3,586,967 and \$540,859, respectively. The future minimum payments under capital leases and the present value of the new minimum lease payments at December 31, 2005 are as follows:

Year ending December 31,	Governmental Activities	Business-type Activities	Total
2006	1,726,150	175,413	1,901,563
2007	1,213,736	148,192	1,361,928
2008	1,052,501	139,119	1,191,620
2009	1,028,012	100,180	1,128,192
2010	642,701	79,067	721,768
2011	295,618	59,536	355,154
2012	17,925	43,909	61,834
	<hr/>	<hr/>	<hr/>
Total minimum lease payments	5,976,643	745,416	6,722,059
Less amount representing interest	(494,294)	(78,296)	(572,590)
	<hr/>	<hr/>	<hr/>
Present value of future minimum lease payments	\$ 5,482,349	\$ 667,120	\$ 6,149,469
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Source: City's audited general purpose financial statements.

Water Utility Fund Bureau of Water

Administration Division



Lower Reservoir Storage Tanks



Laboratory Technician testing for quality assurance

Distribution Division



Operating main line valve



Maintaining distribution system

Operations/Maintenance Division

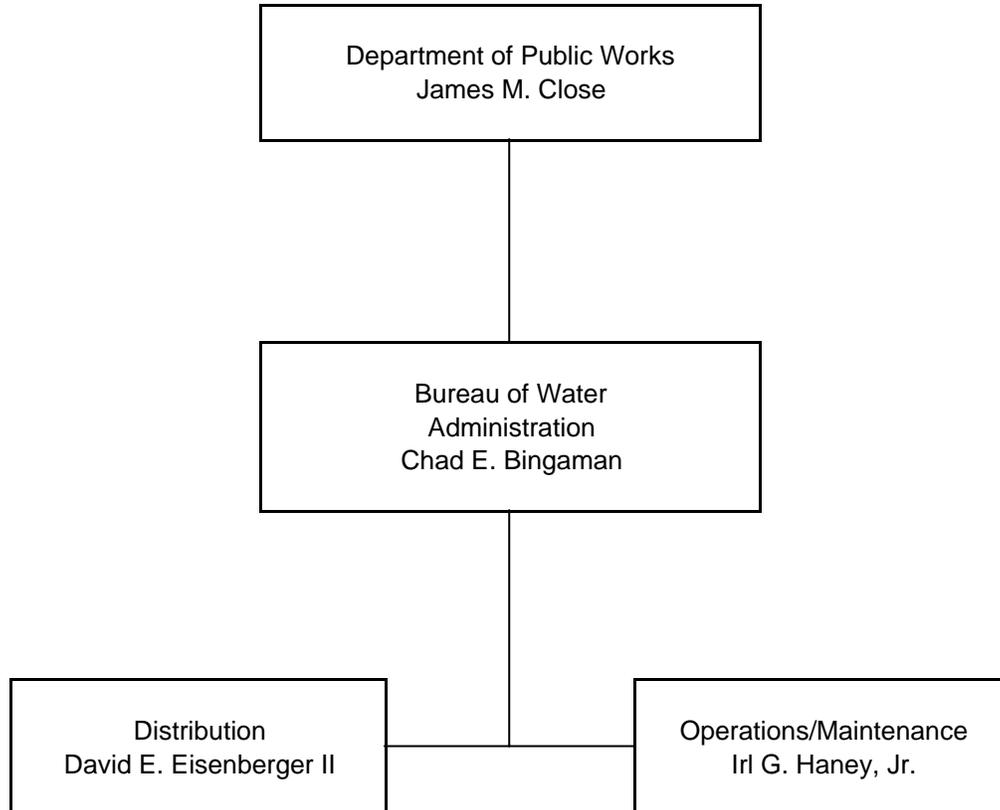


Six billion gallon raw water reservoir and watershed



Plant operators monitoring water flow

BUREAU OF WATER



WATER UTILITY FUND

The Bureau of Water manages and operates the Harrisburg Water System for The Harrisburg Authority under a management agreement which delineates the Bureau's responsibilities as follows: control of operations and maintenance; supervision of employees; contracting and purchasing of supplies and services; making recommendations to the Authority as to rates and charges, extensions, alterations, and improvement to the water system; and preparation and filing of reports. The Harrisburg Water System includes two water supplies, treatment facilities and a distribution system which serves approximately 77,000 people in the City of Harrisburg, Borough of Penbrook, Susquehanna, Swatara and Lower Paxton Townships.

The major revenue sources for this fund are metered water sales and all corresponding utility liens. The Bureau of Water consists of three divisions: Administration, which includes Water Quality and Metering; Distribution; and Operations/Maintenance.

RESOURCE ALLOCATION 2007 BUDGET			
RESOURCES		APPROPRIATIONS	
INVESTMENT INCOME	7,520	ADMINISTRATION	13,906,969
WATER SALES	17,901,735	DISTRIBUTION	1,346,844
METER/VALVE SALES & REPAIRS	520	OPERATIONS/MAINTENANCE	3,099,112
FEES	81,150		
OTHER REVENUE	362,000		
TRANSFER IN -THA	0		
TOTAL RESOURCES	18,352,925	TOTAL APPROPRIATIONS	18,352,925

WATER UTILITY FUND
2007 BUDGET

Account Name	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
REVENUE ANALYSIS SUMMARY						
Investment Income	8,153	6,026	6,050	6,000	14,908	7,520
Water Sales	14,352,561	13,805,587	19,107,430	14,002,650	15,404,911	17,901,735
Meter/Valve Sales & Repairs Fees	5,583	735	300,000	2,030	470	520
Other Revenue	60,901	77,499	591,842	74,000	114,927	81,150
Transfers In - THA	361,179	347,487	95,134	363,000	411,301	362,000
	2,021,045	0	3,398,135	3,307,052	1,290,933	0
TOTAL REVENUE	<u>16,809,422</u>	<u>14,237,334</u>	<u>23,498,591</u>	<u>17,754,732</u>	<u>17,237,450</u>	<u>18,352,925</u>
Fund Balance Appropriation	0	0	0	0	0	0
TOTAL RESOURCES	<u>16,809,422</u>	<u>14,237,334</u>	<u>23,498,591</u>	<u>17,754,732</u>	<u>17,237,450</u>	<u>18,352,925</u>

REVENUE ANALYSIS DETAIL						
Interest-Savings Account	6,783	5,970	5,000	5,500	14,898	7,500
Interest-Other	545	56	1,000	500	10	20
Gain on Sale of Fixed Assets	825		50		0	0
Unmetered Water Sales (Q)	0		10,000,000		0	657,887
Unmetered Ready-to-Serve (Q)	0		3,000,000		0	63,848
Metered Water Sales	9,626,260	8,972,320	2,000	8,900,000	9,641,952	10,720,000
Ready-to-Serve	2,985,015	3,060,159	3,040,560	3,043,000	3,682,771	4,248,000
Sale of Water Meters	5,535	702	0	2,000	420	500
Sale of Water Parts	48	33	300,000	30	50	20
Fireline Charges	293,882	263,303	5,000	300,000	277,917	280,000
Sale of Conservation Devices	0	0	0	0	0	0
Other Operational Revenue	61,812	71,788	90,134	62,000	124,759	80,000
Water Tapping Fee	5,874	6,900	500	19,000	30,025	10,000
Water Service Initiation Fee	500	700	50,000	2,000	2,100	1,000
Water Restoration	51,742	63,850	475,000	52,000	82,706	70,000
Water Termination Fee	2,784	6,049	59,650	1,000	96	150
Water Shut Off Deposits	0		6,692		0	0
Water Sales Liens-Principal	193,153	219,970	1,200,000	475,000	215,041	180,000
Water Sales Liens-Interest	27,325	33,636	325,000	59,650	66,793	40,000
Metered Susq. Water Sales	1,206,982	1,188,129	1,206,981	1,200,000	1,400,030	1,560,000
Susquehanna Ready-to-Serve	313,828	331,373	332,889	325,000	398,324	432,000
Refund of Expenditures	5,485	12,396	0	1,000	8,625	2,000
Transfers In - THA	2,021,045		3,398,135	3,307,052	1,290,933	0
TOTAL REVENUE	<u>16,809,422</u>	<u>14,237,334</u>	<u>23,498,591</u>	<u>17,754,732</u>	<u>17,237,450</u>	<u>18,352,925</u>
Fund Balance Appropriation	0	0	0	0	0	0
TOTAL RESOURCES	<u>16,809,422</u>	<u>14,237,334</u>	<u>23,498,591</u>	<u>17,754,732</u>	<u>17,237,450</u>	<u>18,352,925</u>

EXPENDITURE ANALYSIS SUMMARY
2007 BUDGET

	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
WATER UTILITY FUND						
<u>0210 ADMINISTRATION</u>						
Personnel Services	439,611	457,773	411,972	379,283	325,403	407,887
Operating Expenses	5,815,633	3,065,287	4,533,188	4,516,219	1,609,588	4,850,155
Capital Outlay	54,612	168,972	224,118	224,120	103,404	130,123
Debt Service	5,060,638	6,219,754	8,098,011	8,151,167	4,927,083	8,169,638
Non-Expenditure Items	0	30,000	0	0	0	349,166
TOTALS	11,370,494	9,941,786	13,267,289	13,270,789	6,965,478	13,906,969
<u>0220 DISTRIBUTION</u>						
Personnel Services	638,301	616,287	625,715	657,563	646,421	709,468
Operating Expenses	1,007,583	409,011	545,216	578,067	568,297	637,376
Capital Outlay	0	0	0	0	0	0
Non-Expenditure Items	0	0	0	0	0	0
TOTALS	1,645,884	1,025,298	1,170,931	1,235,630	1,214,718	1,346,844
<u>0230 OPERATIONS/MAINTENANCE</u>						
Personnel Services	1,073,439	1,077,316	1,070,266	1,102,392	1,108,068	1,010,541
Operating Expenses	2,719,706	1,573,490	1,957,006	2,028,272	2,047,012	2,088,571
Capital Outlay	0	0	0	0	0	0
Non-Expenditure Items	0	83,856	2,000	0	0	0
TOTALS	3,793,145	2,734,662	3,029,272	3,130,664	3,155,080	3,099,112
TOTAL WATER UTILITY FUND						
Personnel Services	2,151,351	2,151,376	2,107,953	2,139,238	2,079,892	2,127,896
Operating Expenses	9,542,922	5,047,788	7,035,410	7,122,558	4,224,897	7,576,102
Capital Outlay	54,612	168,972	224,118	224,120	103,404	130,123
Debt Service	5,060,638	6,219,754	8,098,011	8,151,167	4,927,083	8,169,638
Non-Expenditure Items	0	113,856	2,000	0	0	349,166
TOTAL EXPENDITURES	16,809,523	13,701,746	17,467,493	17,637,083	11,335,276	18,352,925

POSITION ANALYSIS SUMMARY
2007 BUDGET

	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
WATER UTILITY FUND						
Administration Division	8.33	8.33	8.33	7.33	7.33	6.33
Distribution Division	13.00	13.00	12.00	12.00	12.00	12.00
Operations/Maintenance Division	22.00	22.00	20.00	19.00	19.00	16.00
TOTAL POSITIONS	43.33	43.33	40.33	38.33	38.33	34.33

In 2003, there were no changes in the personnel complement. In 2004, three vacant positions were eliminated: a Laborer II position in the Distribution Division, an Operations Supervisor position in the Operations/Maintenance Division, and an Operator I position in the Operations/Maintenance Division. In 2005, a vacant Secretary I position in the Administration Division and a vacant Operator I position in the Operations/Maintenance Division were eliminated. The 2006 Approved Budget eliminates a vacant Administrative Assistant in the Administration Division. The vacant Director position in the Administration Division is funded for the second half of 2006. The 2007 Approved Budget eliminates a vacant Administrative Assistant in the Administration Division. In Operations the Operations Supervisor, Operator 1 Water and Electronics Technician positions were eliminated.



BUREAU OF WATER
ADMINISTRATION DIVISION

The Administration Division oversees the operation of the Bureau and makes recommendations to The Harrisburg Authority (THA) as required. This division also serves as the first line of response in satisfying the needs of the customer. It serves a major role as a support mechanism to the other divisions of the Bureau of Water. The Administration Division also performs public relations activities such as presentations made to civic and school groups.

Water Quality Administrator is responsible for all monitoring and analysis in accordance with federal, state, and local drinking water regulations. Other duties include submitting reports to state and federal agencies; public relations concerning water quality, distribution, and water conservation; performing bacterial testing; and education.

EXPENDITURE ANALYSIS DETAIL
2007 BUDGET

Utility Fund

0210 Administration

	Allocation Plan	Position Control	
PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET ALLOCATION
Salaries-Mgmt	189,589	Director	1 60,000
Salaries-BU	77,153	Assistant City Solicitor	0.50 21,750
Overtime	0	Current Planner	0.33 13,431
Fringe Benefits	113,662	Computer Programmer III	0.50 24,551
Miscellaneous	27,483	Watershed Superintendent	1 43,649
		Water Quality Administrator	1 26,208
TOTAL	407,887	Total Management	4.33 189,589
OPERATING EXPENSES		Paralegal II	1 41,061
Communications	35,000	Secretary II	1 36,092
Professional Services	51,300	Total Bargaining Unit	2 77,153
Utilities	0		
Insurance	142,700	Overtime	0
Rentals	0		
Maintenance & Repairs	71,000	FICA	20,501
Contracted Services	4,458,340	Healthcare Benefits - Active	77,566
Supplies	88,300	Healthcare Benefits - Retirees	15,595
Minor Capital Equipment	3,515		
TOTAL	4,850,155	Total Fringe Benefits	113,662
CAPITAL OUTLAY	130,123	Sick Leave Buy-Back	3,230
DEBT SERVICE	8,169,638	Severance Pay	2,153
NON-EXPENDITURE ITEMS	349,166	Unemployment Compensation	13,500
		Workers' Compensation	1,700
		Loss/Time Medical	1,900
		State Fees	1,300
		Excess Policy & Bond	3,700
TOTAL APPROPRIATION	13,906,969	Non-Uniformed Pension	0
		Total Miscellaneous	27,483
		TOTAL	6.33 407,887

BUREAU OF WATER

PROGRAM: Administration Division - Water Quality Unit

OBJECTIVE: To obtain samples of potable water for monitoring and analysis of the quality and complying with state and federal Safe Drinking Water Act regulations.

2005 ACCOMPLISHMENTS:

Harrisburg's water supply met all of the primary and secondary water quality standards of the federal Safe Drinking Water Act.

MEASURES/INDICATORS:

	ACTUALS			EST.	PROJ.
	FY2003	FY2004	FY2005	FY2006	FY2007
<u>Number of samples collected and analyzed per year:</u>					
Total Coliform Bacteria (Dist. System)	1,073	1,095	1,079	1,084	1,090
Fecal Coliform Bacteria					
(Clarks Creek & DeHart Reservoir)	60	60	60	60	60
Free Chlorine Residual (Distribution System)	1,070	2,010	1,105	1,102	1,118
Free Chlorine Residual (Finished Water)	4,470	4,490	8,760	8,754	8,760
Total Chlorine Residual (Finished Water)	790	810	730	724	730
Total Chlorine Residual (Distribution Water)	535	585	507	514	520
Volatile Organic Chemicals	1	1	1	1	1
Radionuclides (Finished Water) ^a	1	1	0	0	0
pH (Finished Water)	4,380	4,500	8,760	8,754	8,760
pH (Raw Water)	1,460	1,470	1,460	1,454	1,460
pH (Distribution System)	520	560	520	497	520
Fluoride (Finished Water)	730	730	730	724	730
Total Trihalomethanes (Distribution System)	16	16	16	16	16 ^e
Iron (Raw Water) 2 x day	730	730	730	724	730
Iron (Finished Water) 2 x day	730	730	730	724	730
Iron (Distribution Water)	640	645	507	507	520
Manganese (Raw Water)	N/A	N/A	N/A	N/A	N/A
Manganese (Finished Water)	N/A	N/A	N/A	N/A	N/A
Manganese (Distribution System)	N/A	N/A	N/A	N/A	N/A
Total Dissolved Solids (Raw Water) 2 x day	730	730	730	724	730
Total Dissolved Solids (Finished Water) 2 x day	730	730	730	724	730
Total Dissolved Solids (Distribution System)	520	530	520	507	520
Lead (Distribution System) ^b	N/A	30	0 ^c	0	30
Copper (Distribution System) ^b	N/A	30	0 ^c	0	30
Turbidity (Finished Water)	4,380	4,410	8,760	8,754	8,760
Turbidity (Raw Water)	1,460	1,500	1,460	1,454	1,460
Water Quality Investigations (Dist. System)	33	35	35	24	20
Algae & Organics (Raw Water)	12	12	12 ^d	12	0
Synthetic Organic Chemicals (Finished Water)	N/A	4	2	7	0
Aluminum analysis (Finished Water)	730	730	730	724	730
Nitrate analysis (Finished Water)	1	1	1	1	1
Hardness (Raw Water)	730	730	730	724	730
Hardness (Finished Water)	730	730	730	724	730
Hardness (Distribution System)	520	520	520	507	520
Temperature (Raw Water)	730	730	730	724	730
Temperature (Finished Water)	730	730	730	724	730
Temperature (Distribution Water)	520	520	520	497	520
Orthophosphate (Finished Water)	730	730	730	724	730
Orthophosphate (Distribution System)	520	520	520	507	520
Zinc (Finished Water)	12	N/A	N/A	N/A	N/A
Zinc (Distribution System)	120	N/A	N/A	N/A	N/A
Alkalinity (Raw Water)	730	730	730	724	730
Alkalinity (Finished Water)	730	730	730	724	730
Bacteriological Suitability Test	1	1	1	1	1
Jar Tests	208	208	208	208	208

Notes:

- a Monitoring required every 4 years.
- b Follow-up monitoring as per the Lead and Copper Rule.
- c Monitoring reduced to once every three years.
- d New testing regimen being implemented in 2006 to evaluate the condition of the DeHart Reservoir.

BUREAU OF WATER
DISTRIBUTION DIVISION

The Distribution Division is responsible for monitoring and maintaining over 250 miles of water transmission and distribution piping, which involve the repair and replacement of water mains, valves, fire hydrants, water meters, and appurtenances. The division also completes all Pennsylvania One-Calls for water and sewer locations, and is responsible for reading all meters within the system. This division initiated the Enhanced Metering Program, which enables all meters within the system to be read on a monthly basis. This division is also responsible for maintaining records on meters and service lines within the system; performing all taps; leak detection; responding to and investigating customer billing disputes and enforcing applicable sections of the Codified Ordinances of the City of Harrisburg, and the rules and regulations of The Harrisburg Authority.

EXPENDITURE ANALYSIS DETAIL
2007 BUDGET

Utility Fund 0220 Distribution

	Allocation Plan	Position Control		
PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
Salaries-Mgmt	57,230	Distribution Superintendent	1	57,230
Salaries-BU	437,835			
Overtime	26,088	Total Management	1	57,230
Fringe Benefits	188,315			
TOTAL	709,468	Service Person IV	5	213,646
		Service Person III	2	81,640
		Water Meter Reader II	1	38,367
OPERATING EXPENSES		Secretary II	1	36,092
		Laborer III	2	68,090
Communications	1,500			
Professional Services	0	Total Bargaining Unit	11	437,835
Utilities	0			
Insurance	0			
Rentals	2,000	Overtime		26,088
Maintenance & Repairs	16,250			
Contracted Services	469,276	FICA		39,908
Supplies	148,350	Healthcare Benefits - Active		148,407
Minor Capital Equipment	0	Healthcare Benefits - Retirees		0
TOTAL	637,376	Total Fringe Benefits		188,315
CAPITAL OUTLAY	0			
NON-EXPENDITURE ITEMS	0	TOTAL	12	709,468
TOTAL APPROPRIATION	1,346,844			

BUREAU OF WATER

PROGRAM: Distribution/Metering Division - Maintenance

OBJECTIVE: To monitor water delivery to the Distribution System and to manage the Metering Program by which customers' water consumption is quantified. Clean tuberculated water mains to enhance water quality and fire flow.

2005 ACCOMPLISHMENTS:

Efforts continued to reconcile customer meter information and the Bureau of Water continued the data entry function necessary to keep current the meter data records. A major focus on gaining meter readings continued with the installation of the Enhanced Metering Program. As a result, undocumented meters were located and non-registering meters were identified. Revenue billings for water have reflected this effort.

MEASURES/INDICATORS:

	ACTUALS			EST.	PROJ.
	FY2003	FY2004	FY2005	FY2006	FY2007
Locates - New Meters	0 ^a	0	0	0	0
Meters - Missing ^b	4	15	16	55	50
Leaking Meters - Replaced	52	120	90	74	100
Non-Registering Meters - Replaced	182	243	173	190	250
Remote Meters - Repaired	249	427	320	370	100
Calibrated Meters	2	2	6	7	5
New Services ^c	13	21	35	26	20
Water Shutoffs - Vacant Building Leaking	119	211	90	36	100
Water Shutoffs - Leaking Services	13	24	19	15	50
Water Shutoffs - Shutoff Program ^d	1,008	1,157	1,482	1,743	1,500
Water Shutoffs - Vacant Coded Program	193	250	79	75	20
Water Turn On	720	1,140	1,081	1,036	700
Water Tap - Inspected	20	50	21	43	20
Water Tap - Cleaned	22	21	18	19	20
Water Tap - Installed	74	63	90	124	75
Hydrant Flow Tests	66	80	34	20	20
Reported Leak Investigations	373	329	223	199	200
Leak Notices Served	41	26	23	28	35
Final Leak Notices Served	21	12	15	20	25
Meter Readings - Attempted	242,470	250,665	259,759	267,043	268,000
Meter Readings - Obtained	236,794	244,276	249,351	254,892	255,000
Main Breaks - Repaired	27	13	15	23	35
Hydrants - Replaced	7	33	12	30	10
Hydrants - Repaired	49	139	134	83	50
Valves - Replaced	0	2	1	0	0
Valves - Repaired	9	8	4	1	5
Locates - Completed	5,360	7,271	7,297	8,714	9,000
Valve Box - Repairs	33	20	49	4	8
Distribution Line Managed (miles) ^e	250	250	250	250	250
Hydrants Flushed	1,600	1,600	1,600	1,600	1,600
Hydrants Painted	25	25	25	25	30
Water Main Replaced/Installed (feet) ^e	25	20	20	0	10

Notes:

- a Now considered with PA - 1 calls and combined under Locates completed.
- b Meters found to be missing from residential and commercial properties.
- c Related to new construction.
- d Includes water shut off program, vacant properties, leaks, and demolitions.
- e The Bureau of Water and The Harrisburg Authority continue with construction projects.

BUREAU OF WATER
OPERATIONS/MAINTENANCE DIVISION

The Operations/Maintenance Division operates the DeHart Dam facilities, Susquehanna River Intake and Pump Station, Dr. Robert E. Young Water Services Center, Finished Water Storage Facilities, Pumping Station at Reservoir Park and Union Square Booster Station. This division patrols the DeHart watershed, monitors water quality in Clarks Creek and DeHart Reservoir, and is responsible for the maintenance and upkeep of all bureau facilities and appurtenances.

EXPENDITURE ANALYSIS DETAIL 2007 BUDGET				
Utility Fund				0230 Operations/Maintenance
Allocation Plan	Position Control			
PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
Salaries-Mgmt	48,352	Oper. /Maint. Superintendent	1	48,352
Salaries-BU	640,332			
Overtime	66,140	Total Management	1	48,352
Fringe Benefits	255,717			
TOTAL	1,010,541			
		Electrician III	1	43,523
		Maintenance Specialist IV	3	130,469
OPERATING EXPENSES		Operator IV	8	347,620
Communications	1,600	Maintenance Specialist III	1	40,870
Professional Services	8,000	Operator III	1	40,658
Utilities	683,871	Operator I	1	37,192
Insurance	0	Total Bargaining Unit	15	640,332
Rentals	500			
Maintenance & Repairs	44,000	Overtime		66,140
Contracted Services	1,136,050	FICA		57,778
Supplies	214,550	Healthcare Benefits - Active		197,939
Minor Capital Equipment	0	Healthcare Benefits - Retirees		0
TOTAL	2,088,571			
CAPITAL OUTLAY	0	Total Fringe Benefits		255,717
TOTAL APPROPRIATION	3,099,112	TOTAL	16	1,010,541

BUREAU OF WATER

PROGRAM: Operations/Maintenance Division - Water Filtration

OBJECTIVE: To provide and treat an average quantity of nine million gallons of water daily and to ensure the water supplied is a high quality, low cost drinking water, meeting or exceeding all United States Environmental Protection Agency (EPA) requirements under the Safe Drinking Water Act.

2005 ACCOMPLISHMENTS:

Operated the water treatment facility to meet all system demands on a day-to-day basis in accordance with Pennsylvania Department of Environmental Protection (DEP) requirements.

MEASURES/INDICATORS:

	ACTUALS			EST.	PROJ.
	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>
Hydrated Lime used for pH control (tons)	68.40	71.0	65.3	62.1	66.7
Caustic Soda used for pH control (tons)	0.40	7.7	0.9	0.2	5.2
Sodium Silicofluoride for control of dental disease (tons)	15.50	14.4	14.5	14.6	14.8
Alum used for coagulation (tons)	148.00	256	153	146.0	156.0
Polyphosphate used for corrosion control (tons)	59.20	51.4	48.3	47.4	43.0
Soda Ash used for pH control (tons)	180.70	170.0	135.0	121.7	110.7
Chlorine for Disinfection (tons)	48.30	42.5	33.8	30.5	34.0
Millions of gallons of water purified and processed for distribution	3120.00	2,690	3,024	3,036.0	3,128.0
Water withdrawn from DeHart Reservoir (millions of gallons)	3228.00	3,113	3,125	3,158.0	3,218.0

PROGRAM: Operations/Maintenance Division - DeHart

OBJECTIVE: To maintain the six billion gallon DeHart Dam Reservoir and Watershed area; providing an average of nine million gallons of water per day to the Treatment Plant. In addition, to monitor DeHart Reservoir and Clarks Creek in an effort to predict water quality.

2006 ACCOMPLISHMENTS:

The operation of DeHart Dam has been focused on the preparation of a Watershed and Reservoir Management Plan to provide source water protection. The preparation of this plan has been proceeding by the continuance of a stream and reservoir-monitoring program, with samples analyzed routinely at the DeHart Control Building Laboratory. The plan also incorporates a Timber Management Plan that will assess the watershed area's forest resources and coordinate a schedule for timber harvest sales.

MEASURES/INDICATORS:

	ACTUALS			EST.	PROJ.
	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>
Samples of unfiltered surface water monitored (pH)	234	178	81	50	400
Reservoir shoreline managed (linear miles)	9	9	9	9	9
Feeder streams flowing into watershed	23	23	23	23	23
Weir Readings, U.S.G.S. in number of days	365	365	365	365	365
Reservoir Monitoring Stations	4	4	4	4	4
Stream Monitoring Stations	8	8	8	8	8
Toe drain weir measurements	51	48	44	21	52
Bypass weir measurements	365	365	365	365	365
Clarks Creek flow studies	0 ^a	0 ^a	0 ^a	0 ^a	52
Days DeHart Dam height is recorded	365	365	365	365	365

Notes:

^a No flow studies were done in 2004 - 2007 due to a lack of trained personnel in the procedure. Training will occur in 2008.

Sanitation Utility Fund Bureau of Neighborhood Services - Sanitation



Deputy Director of Public Works and Assistant Director

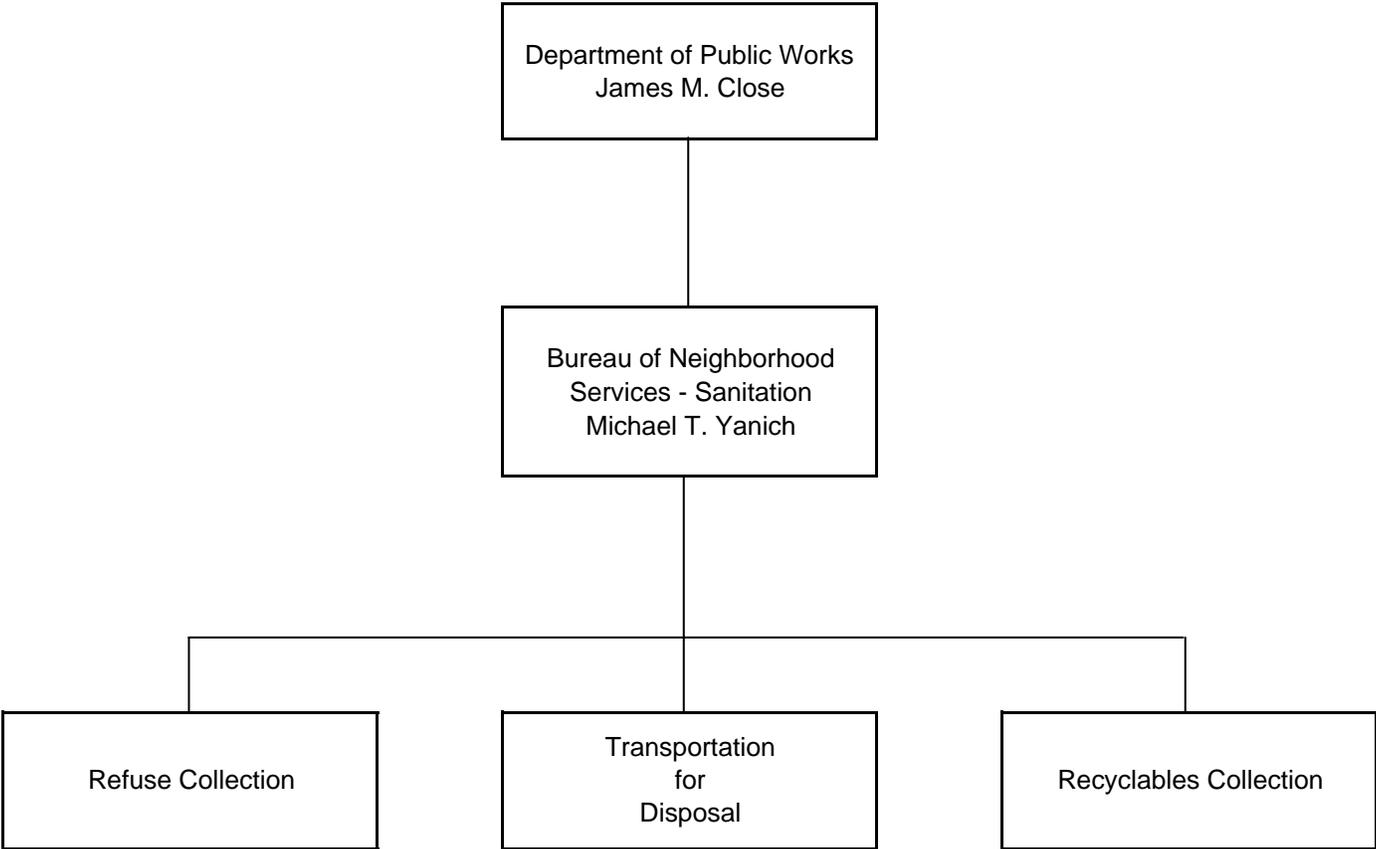


Recycle



Refuse collection

BUREAU OF NEIGHBORHOOD SERVICES - SANITATION



SANITATION UTILITY FUND
2007 BUDGET

RESOURCES		APPROPRIATIONS	
INVESTMENT INCOME	22,400	BUREAU OF NEIGHBORHOOD SERVICES - SANITATION	4,400,900
GARBAGE/REFUSE COLLECTION	4,283,000		
STATE GRANTS	95,000		
OTHER REVENUE	500		
FUND BALANCE APPROPRIATION	0		
TOTAL RESOURCES	<u>4,400,900</u>	TOTAL APPROPRIATION	<u>4,400,900</u>

SANITATION UTILITY FUND
2007 BUDGET

Account Name	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
REVENUE ANALYSIS SUMMARY						
Investment Income	2,912	5,684	42,095	23,150	22,400	22,400
Garbage/Refuse Collection	3,790,773	3,827,419	3,747,893	4,056,689	3,994,718	4,283,000
State Grants	0	101,955	101,955	95,000	95,000	95,000
Other Revenue	31,351	23,573	884	800	1,000	500
TOTAL REVENUE	<u>3,825,036</u>	<u>3,958,631</u>	<u>3,892,827</u>	<u>4,175,639</u>	<u>4,113,118</u>	<u>4,400,900</u>
Fund Balance Appropriation	25,337	279,306	203,000	63,151	63,151	0
TOTAL RESOURCES	<u>3,850,373</u>	<u>4,237,937</u>	<u>4,095,827</u>	<u>4,238,790</u>	<u>4,176,269</u>	<u>4,400,900</u>

REVENUE ANALYSIS DETAIL						
Interest-Savings Account	2,731	5,496	6,736	3,000	7,000	7,000
Interest-Other	181	188	459	150	400	400
Gain on Sale of Assets	0	0	34,900	20,000	15,000	15,000
Garbage/Refuse Collection	3,716,064	3,748,521	3,657,827	4,040,489	3,925,000	4,191,000
Other Operational Revenue	31,251	700	661	800	1,000	500
Sanitation Liens-Principal	63,708	67,746	70,688	13,500	51,637	72,000
Sanitation Liens-Interest	11,001	11,152	19,378	2,700	18,081	20,000
Refund of Expenditures	100	22,873	223	0	0	0
State Grants	0	101,955	101,955	95,000	95,000	95,000
TOTAL REVENUE	<u>3,825,036</u>	<u>3,958,631</u>	<u>3,892,827</u>	<u>4,175,639</u>	<u>4,113,118</u>	<u>4,400,900</u>
Fund Balance Appropriation	25,337	279,306	203,000	63,151	63,151	0
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EXPENDITURE ANALYSIS SUMMARY						
Personnel Services	1,518,112	1,274,839	1,173,798	1,395,577	1,390,344	1,288,863
Operating Expenses	1,311,841	0	1,392,141	1,367,386	1,331,907	1,341,410
Capital Outlay	58,175	1,167,222	93,060	226,703	226,703	233,190
Debt Service	17,139	17,139	0	0	0	0
Grants	0	0	0	0	0	0
Transfers	540,468	1,167,222	1,312,767	1,249,124	1,249,124	1,515,628
Non-Expenditure Items	0	0	0	0	0	21,809
TOTAL EXPENDITURES	<u>3,445,735</u>	<u>3,626,422</u>	<u>3,971,766</u>	<u>4,238,790</u>	<u>4,198,078</u>	<u>4,400,900</u>

POSITION ANALYSIS SUMMARY
2007 BUDGET

	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
SANITATION UTILITY FUND						
Neighborhood Services -Sanitation	32.50	30.50	26.50	27.50	27.50	23.50
TOTAL POSITIONS	<u>32.50</u>	<u>30.50</u>	<u>26.50</u>	<u>27.50</u>	<u>27.50</u>	<u>23.50</u>

In 2003, the Bureaus of Sanitation and City Services were merged into the Bureau of Neighborhood Services. In addition, 50% of the Deputy Director of Public Works' salary was moved from the Bureau of Neighborhood Services - City Services to the Bureau of Neighborhood Services - Sanitation and the Director of Sanitation position was reclassified to the Assistant Director of Sanitation. In 2004, two vacant Laborer positions were eliminated. The 2005 Approved Budget eliminated two vacant Motor Equipment Operator positions as well as two vacant Laborer positions. The 2006 Approved Budget creates an additional Laborer position. In the 2007 Approved Budget the following four positions were eliminated: Assistant Director, two Labor III positions and a Part-time clerk typist.



BUREAU OF NEIGHBORHOOD SERVICES - SANITATION

The Bureau of Neighborhood Services - Sanitation is responsible for weekly refuse collection, recyclables collection, and transportation of both to the Harrisburg Resources Recovery Facility. Residential customers are provided weekly service while commercial accounts are collected up to seven times weekly. In addition, the Bureau empties 250 sidewalk receptacles weekly. Special collections and neighborhood non-bulk collections are provided on a call-in basis in addition to regular weekly services.

EXPENDITURE ANALYSIS DETAIL				
2007 BUDGET				
Utility Fund		2710 Neighborhood Services - Sanitation		
Allocation Plan		Position Control		
PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
Salaries-Mgmt	28,581	Deputy Director	0.50	28,581
Salaries-BU	724,131			
Overtime	49,410	Total Management	<u>0.50</u>	<u>28,581</u>
Fringe Benefits	378,541			
Miscellaneous	108,200			
TOTAL	<u>1,288,863</u>	Motor Equipment Operator	12	373,664
		Laborer III	11	350,467
		Total Bargaining Unit	<u>23</u>	<u>724,131</u>
OPERATING EXPENSES				
Communications	3,050	Overtime		<u>49,410</u>
Professional Services	5,450			
Utilities	5,000	FICA		62,230
Insurance	61,900	Healthcare Benefits - Active		278,523
Rentals	500	Healthcare Benefits - Retirees		37,788
Maintenance & Repairs	99,500	Total Fringe Benefits		<u>378,541</u>
Contracted Services	984,960			
Supplies	181,050	Sick Leave Buy-Back		600
Minor Capital Equipment	0	Severance Pay		6,000
TOTAL	<u>1,341,410</u>	Unemployment Compensation		12,500
CAPITAL OUTLAY	233,190	Workers' Compensation		4,000
DEBT SERVICE	0	Loss/Time Medical		80,100
GRANTS	0	State Fees		2,000
TRANSFERS	1,515,628	Excess Policy & Bond		3,000
NON-EXPENDITURE ITEMS	21,809	Non-Uniformed Pension		0
		Total Miscellaneous		<u>108,200</u>
		TOTAL	<u>23.50</u>	<u>1,288,863</u>
TOTAL APPROPRIATION	<u>4,400,900</u>			

BUREAU OF NEIGHBORHOOD SERVICES - SANITATION

PROGRAM: Bureau of Neighborhood Services - Sanitation

OBJECTIVE: To collect and dispose of trash for residential and commercial customers, including the collection and separation of recyclable goods.

2005 ACCOMPLISHMENTS:

The Bureau operated 10 trash collection routes. Assistance was provided to various neighborhood watch groups for individual clean-ups

MEASURES/INDICATORS:

	<u>ACTUALS</u>				<u>EST.</u>
	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>
Trash collected (tons)	<u>33,212</u>	<u>32,838</u>	<u>2,944</u>	<u>30,421</u>	<u>30,200</u>
Recyclable items collected (tons)	<u>1,656</u>	<u>1,736</u>	<u>1,692</u>	<u>1,688</u>	<u>1,700</u>

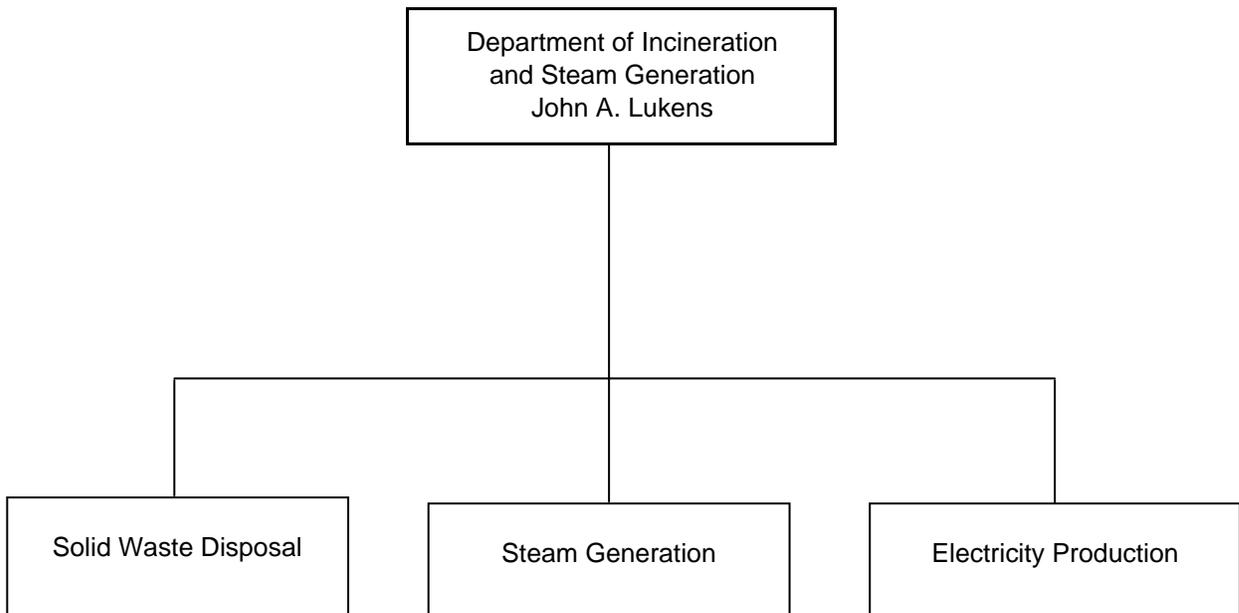
Landfill/Incinerator Utility Fund

Department of Incineration and Steam Generation



Trucks preparing to enter the City's transfer station

DEPARTMENT OF INCINERATION AND STEAM GENERATION



DEPARTMENT OF INCINERATION AND STEAM GENERATION

The Department of Incineration and Steam Generation is responsible for receiving and managing municipal solid waste (MSW) from the City, other local municipalities, and independent trash haulers. Prior to June 18, 2003, the MSW was incinerated in two municipal waste combustion units with resource recovery boilers, where energy in the form of steam was generated. Some of the steam produced was used for heating and generating electricity for the entire Public Works Center Complex. The rest of the electricity was sold to Pennsylvania Power and Light Company while the rest of the steam was sold to the Bethlehem Steel Corporation and NRG Harrisburg. The Harrisburg Resource Recovery Facility (HRRF) eliminated the need to haul trash to distant, privately owned landfills and reduced the amount of landfill space necessary for the disposal of this trash.

On June 18, 2003, pursuant to the respective consent agreements with the Pennsylvania Department of Environmental Protection (DEP) and the United States Environmental Protection Agency (EPA), the Department ceased operation of the existing incinerators.

Regarding the long-term future of the HRRF, the City received the necessary "Air Quality Plan Approval" and "Solid Waste Permit Modernization" from the DEP February 9, 2004 and June 20, 2005 respectively. The HRRF modernization will include such improvements as (1) replacement of the existing furnace/boiler resource recovery systems, (2) replacement of existing air pollution control equipment with best available technology air pollution control equipment designed to meet and exceed the air quality limits established in the Federal Clean Air Act Amendments for existing resource recovery facilities, (3) the replacement of the turbine/generator to increase the total electricity generation capacity to 24 megawatts. The Harrisburg Authority (THA) acquired the HRRF on December 23, 1993, with the City continuing to operate the facility through a formal management agreement with THA. On November 5, 2003, Harrisburg City Council approved the financing for these improvements and on December 30, 2003 THA closed on such financing. Modernization construction commenced in June of 2004, with startup originally scheduled to begin the latter part of 2005 and commercial operation originally slated to commence in March 2006. However, due to construction delays and problems encountered during startup, commercial operation did not begin in earnest until May 2006.

The combustion units at the modernized HRRF are designed to process an aggregate of 800 tons of municipal solid waste per day. Major revenue sources for this department are generated through a fee for trash disposal, ready-to-serve charges and corresponding utility liens, steam sales and electricity sales.

The City has adopted a Recycling and Waste Reduction Plan. Pursuant to this plan, recyclable items (glass, metals, and certain plastics) are collected at curbside by the City's Bureau of Neighborhood Services - Sanitation and taken to the HRRF's Recycling Drop-Off Center, where they are loaded and hauled to a recycling company. In addition, the City had for many years provided a program whereby residents of the city and certain local municipalities are able to dispose of bulky trash, e.g., washing machines, dryers, refrigerators, freezers, water heaters, furniture, etc, at the HRRF for a minimal fee. All of the metallic oversized bulky items are recycled.

The sale of steam and the generation of electricity are two of the various major projects undertaken since 1983 under the Mayor's Energy and Revenue Development Program, designed to provide new, non-tax revenues to the City while converting what had been City-subsidized utility operations into self-sufficient operations. Hence, the need to modernize the HRRF.

In July 1999, the City and The Harrisburg Authority (THA) completed construction of an on-site waste transfer station. The transfer station is permitted to transfer MSW, construction/demolition wastes (C&D), and tires on a daily basis. The transfer station is also designed to transfer MSW during the modernization construction period and periods when the HRRF may be shut down for any reason. In addition, the City and THA are planning to purchase equipment to separate and recycle C&D at the transfer station. The transfer station began accepting MSW and C&D for transfer on July 12, 1999. Until such time as the modernization of the HRRF is completed, the aforementioned wastes are being transferred to DEP approved landfills.

LANDFILL/INCINERATOR UTILITY FUND
 RESOURCE ALLOCATION
 2007 BUDGET

RESOURCES		APPROPRIATIONS	
INVESTMENT INCOME	8,200	DEPARTMENT OF INCINERATION AND STEAM GENERATION	25,881,190
INCINERATOR TIPPING FEES	11,262,686		
R-T-S DISPOSAL CHARGES	1,660,700		
STEAM SALES	4,887,467		
ELECTRICITY SALES	7,801,416		
TRANSFER STATION TIPPING FEES	58,560		
OTHER REVENUE	32,500		
TRANSFERS IN - THA	169,661		
TRAN/LOAN PROCEEDS	0		
TOTAL RESOURCES	<u>25,881,190</u>	TOTAL APPROPRIATION	<u>25,881,190</u>

LANDFILL/INCINERATOR UTILITY FUND
2007 BUDGET

Account Name	2003 Actual	2004 Actual*	2005 Actual*	2006 Approved Budget	2006 Projected	2007 Approved Budget
REVENUE ANALYSIS SUMMARY						
Investment Income	2,019	2,821	3,854	8,000	6,900	8,200
Sale of Fixed Assets	0	0	0	0	0	0
Incinerator Tipping Fees	2,583,821	1,513,619	1,414,876	11,744,813	11,744,813	11,262,686
R-T-S Disposal Charges	1,531,080	1,541,304	1,514,020	1,506,700	1,571,400	1,660,700
Steam Sales	0	0	129	4,138,826	4,138,826	4,887,467
Electricity Sales	368,940	0	0	5,359,397	1,060,000	7,801,416
Transfer Station Tipping Fees	473	19	0	267,104	35	58,560
Other Revenue	19,886	48,241	20,558	40,000	38,600	32,500
Transfers In - THA	3,755,272	0	0	0	424,401	169,661
TRAN/Loan Proceeds	0	0	0	0	0	0
TOTAL REVENUE	<u>8,261,490</u>	<u>3,106,004</u>	<u>2,953,438</u>	<u>23,064,840</u>	<u>18,984,975</u>	<u>25,881,190</u>
Fund Balance Appropriation	0	0	0	0	0	0
TOTAL RESOURCES	<u>8,261,490</u>	<u>3,106,004</u>	<u>2,953,438</u>	<u>23,064,840</u>	<u>18,984,975</u>	<u>25,881,190</u>

REVENUE ANALYSIS DETAIL						
Interest-Savings Account	2,019	2,821	3,854	8,000	6,900	8,200
Interest-Other	0	0	0	0	0	0
Gain on Sale of Investments	0	0	0	0	0	0
Gain on Sale of Fixed Assets	0	0	0	0	0	0
Incinerator Sales/Tipping Fees	2,583,821	1,513,619	1,414,876	11,744,813	11,744,813	11,262,686
Permit User Fees	17,000	13,800	16,600	25,000	27,000	25,000
R-T-S Disposal Charges	1,500,459	1,509,539	1,476,084	1,500,000	1,505,000	1,654,000
Sale of Scrap & Residue	1,902	14,433	458	15,000	8,050	7,500
Steam Sales	0	0	129	4,138,826	4,138,826	4,887,467
Special Handling Charges	355	0	0	0	2,500	0
Other Operating Income	0	0	0	0	0	0
Sale of Electricity	368,940	0	0	5,359,397	1,060,000	7,801,416
Transfer Station Tipping Fees	473	19	0	267,104	35	58,560
R-T-S Disposal Liens - Principal	25,100	27,831	29,550	5,500	48,000	5,500
R-T-S Disposal Liens - Interest	5,521	3,934	8,386	1,200	18,400	1,200
Miscellaneous	0	0	0	0	0	0
Refund of Expenditures	630	20,008	3,500	0	1,050	0
Transfers In - THA	3,755,272	0	0	0	424,401	169,661
TRAN/Loan Proceeds	0	0	0	0	0	0
TOTAL REVENUE	<u>8,261,490</u>	<u>3,106,005</u>	<u>2,953,438</u>	<u>23,064,840</u>	<u>18,984,975</u>	<u>25,881,190</u>
Fund Balance Appropriation	0	0	0	0	0	0
TOTAL RESOURCES	<u>8,261,490</u>	<u>3,106,005</u>	<u>2,953,438</u>	<u>23,064,840</u>	<u>18,984,975</u>	<u>25,881,190</u>

*Pursuant to the modernization bond issuance, amounts were drawn from the Working Capital Account held by The Harrisburg Authority to subsidize the operations of the Landfill/Incinerator Utility Fund.

EXPENDITURE ANALYSIS SUMMARY
2007 BUDGET

	2003 Actual	2004 Actual*	2005 Actual*	2006 Approved Budget	2006 Projected	2007 Approved Budget
LANDFILL/INCINERATOR UTILITY FUND						
Personnel Services	3,317,792	0	0	3,795,205	3,474,642	3,737,365
Operating Expenses	4,936,189	3,106,005	2,953,438	9,136,929	6,940,215	8,608,846
Capital Outlay	5,245	0	0	1,533	121,984	27,085
Debt Service	3,528,804	0	0	9,478,173	2,077,942	13,507,894
Non-Expenditure Items	3,460,178	0	0	653,000	400,000	0
TOTAL EXPENDITURES	<u><u>15,248,208</u></u>	<u><u>3,106,005</u></u>	<u><u>2,953,438</u></u>	<u><u>23,064,840</u></u>	<u><u>13,014,782</u></u>	<u><u>25,881,190</u></u>

*Pursuant to the modernization bond issuance, amounts were drawn from the Working Capital Account held by The Harrisburg Authority to subsidize the operations of the Landfill/Incinerator Utility Fund.

POSITION ANALYSIS SUMMARY
2007 BUDGET

	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
LANDFILL/INCINERATOR UTILITY FUND						
Incinerator & Steam Generation	61.00	0.00	0.00	48.00	46.00	49.00
TOTAL POSITIONS	61.00	0.00	0.00	48.00	46.00	49.00

In 2002, there were no changes in the personnel compliment; nor were there changes in the personnel compliment in 2003. In 2004 and 2005, 45 positions were funded from the working capital proceeds of the 2003 Resource Revenue Bonds issued by The Harrisburg Authority to retrofit the Incinerator Facility. The Facility will become commercially operational in 2006. The 2006 Approved Budget adds back the personnel who were previous funded from the 2003 Resource Revenue Bonds. In addition, the Turbine Technician positions and the Maintenance Mechanic positions were abolished due to a personnel reclassification of these positions as of 2006 when the facility became operational. In the 2007 approved budget there was a net gain of one position. Two Motor Equipment Operators positions were eliminated and three new positions were added. Included in the new positions were Certified Welder II, Maintenance Mechanic II, and Control Room Operator.

EXPENDITURE ANALYSIS DETAIL
2007 BUDGET

Utility Fund

2810 Incinerator

	Allocation Plan	Position Control	
PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET ALLOCATION
Salaries-Mgmt	472,622	Director	1 77,803
Salaries-BU	1,668,490	Deputy Director for Operations	1 64,195
Overtime	594,087	Facilities Engineer	1 57,465
Fringe Benefits	876,166	Operations Supervisor	4 231,968
Miscellaneous	126,000	Administrative Supervisor	1 41,191
TOTAL	3,737,365	Total Management	8 472,622
OPERATING EXPENSES			
		Control Room Operator II	7 310,074
		Control Room Operator I	2 87,046
Communications	16,400	Certified Welder II	2 86,996
Professional Services	676,200	Heavy Equip. Op./Maint. Tech.	1 43,423
Utilities	1,817,139	Maintenance Mechanic III	6 261,138
Insurance	396,000	Maintenance Planner	1 43,523
Rentals	0	Water Quality Technician II	1 43,523
Maintenance & Repairs	552,744	Heavy Equipment Operator III	3 125,827
Contracted Services	3,782,671	Heavy Equipment Operator II	1 40,870
Supplies	1,365,392	Heavy Equipment Operator I	1 40,720
Minor Capital Equipment	2,300	Bridge Crane Operator II	4 163,330
TOTAL	8,608,846	Billing/Requisition Clerk	1 38,367
		Motor Equipment Operator	2 76,912
CAPITAL OUTLAY	27,085	Secretary I	1 34,881
		Laborer III	8 271,860
DEBT SERVICE	13,507,894	Total Bargaining Unit	41 1,668,490
NON-EXPENDITURE ITEMS	0	Overtime	594,087
TOTAL APPROPRIATION	25,881,190	FICA	210,146
		Fringe Benefits	605,330
		Healthcare Benefits - Retirees	60,690
		Total Fringe Benefits	876,166
		Sick Leave Buy-Back	1,400
		Severance Pay	7,500
		Unemployment Compensation	10,000
		Workers' Compensation Fees	8,000
		Loss/Time Medical	89,000
		State Fees	5,700
		Excess Policy and Bond	4,400
		Non-Uniformed Pension	0
		Total Miscellaneous	126,000
		TOTAL	49 3,737,365

Sewerage Utility Fund

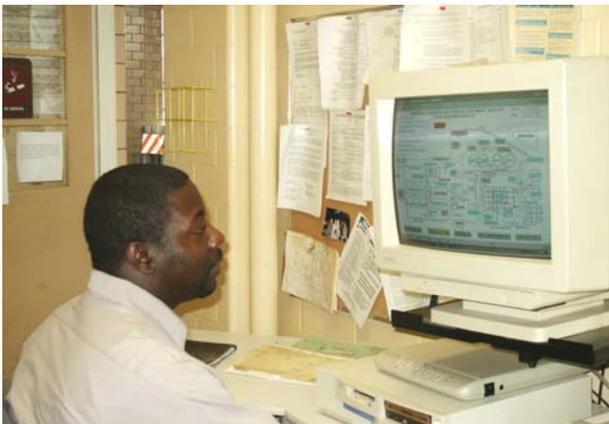
Bureau of Sewerage-Advanced Wastewater Treatment Facility

Administration Division



Chief Chemist reviewing laboratory data

Operations



Computer Operator monitoring operation system

Maintenance



Maintenance shop activities

Field Maintenance

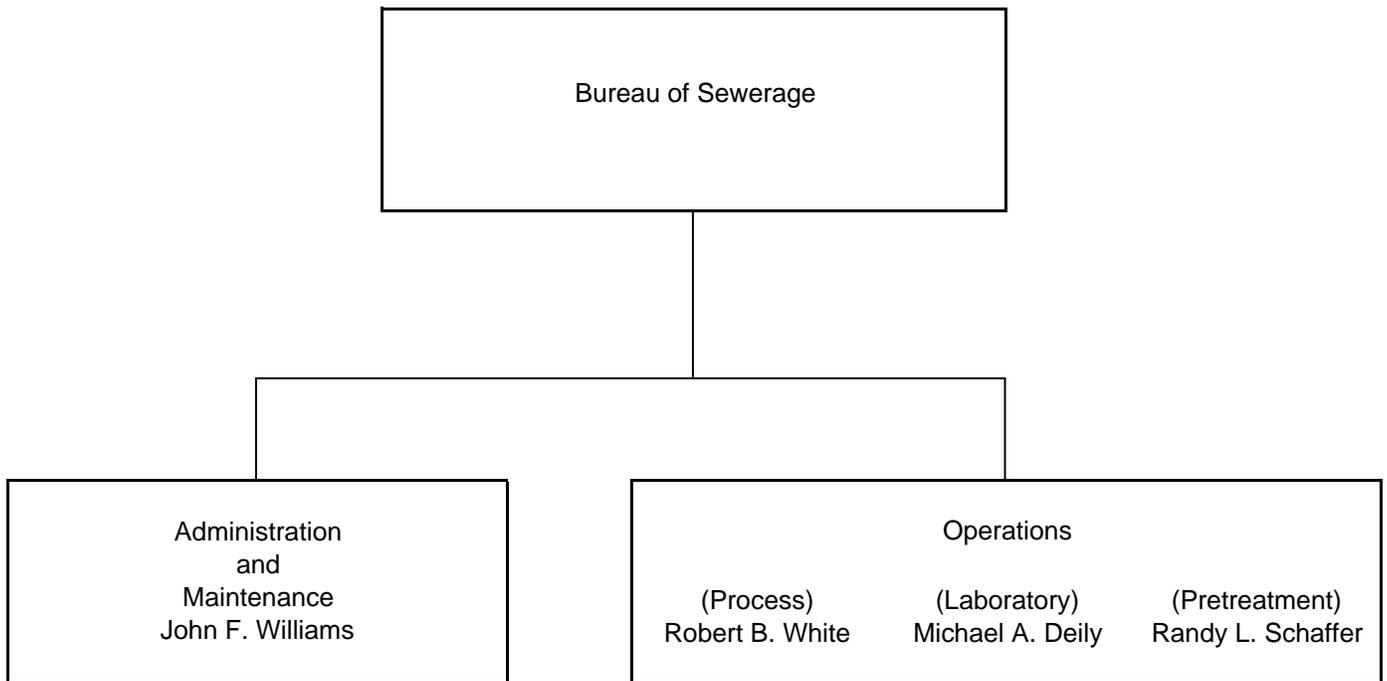


Chamber and manhole inspection



Vector truck used to clean sewerage system

BUREAU OF SEWERAGE



SEWERAGE UTILITY FUND
RESOURCE ALLOCATION
2007 BUDGET

RESOURCES		APPROPRIATIONS	
INVESTMENT INCOME	27,300	ADMINISTRATION	6,233,178
CONVEY./TREATMENT REVENUE	5,127,100	OPERATIONS	6,045,148
COLLECTION SYSTEM REVENUE	1,027,900	MAINTENANCE	1,189,895
SALES TO PUBLIC AUTHORITIES	7,665,700	FIELD MAINTENANCE	1,059,679
SLUDGE HANDLING CHARGES	350,000		
ELECTRICITY SALES	110,000		
STATE SUBSIDY	0		
OTHER REVENUE	219,900		
FUND BALANCE APPROPRIATION	0		
TOTAL RESOURCES	<u>14,527,900</u>	TOTAL APPROPRIATIONS	<u>14,527,900</u>

SEWERAGE UTILITY FUND
2007 BUDGET

Account Name	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
REVENUE ANALYSIS SUMMARY						
Investment Income	28,751	21,528	29,188	23,100	31,850	27,300
Conveyance/Treatment Revenue	4,520,690	4,451,765	4,493,273	4,931,537	4,600,000	5,127,100
Collection System Revenue	943,158	883,143	893,115	818,463	879,000	1,027,900
Sales to Public Authorities	5,684,380	5,986,942	6,641,554	6,745,000	6,745,000	7,665,700
Sludge Handling Charges	498,915	331,728	482,992	400,000	350,000	350,000
Electricity Sales	59,454	83,808	113,094	110,000	130,000	110,000
Reimb. Loss/Damage Assets	10,005	0	0	0	0	0
State Subsidy	0	0	0	0	0	0
Other Revenue	248,194	234,365	252,447	122,100	240,520	219,900
TOTAL REVENUE	<u>11,993,548</u>	<u>11,993,279</u>	<u>12,905,663</u>	<u>13,150,200</u>	<u>12,976,370</u>	<u>14,527,900</u>
Fund Balance Appropriation	1,752,769	0	485,858	0	0	0
TOTAL RESOURCES	<u>13,746,317</u>	<u>11,993,279</u>	<u>13,391,521</u>	<u>13,150,200</u>	<u>12,976,370</u>	<u>14,527,900</u>

REVENUE ANALYSIS DETAIL						
Interest-Savings Account	0	0	0	0	2,600	0
Interest-Savings-Convey./Trtmt.	21,107	17,227	22,686	18,000	23,000	22,000
Interest-Savings-Collect. System	4,115	3,323	4,515	4,000	5,100	4,200
Interest-Other-Convey./Trtmt.	2,944	816	1,657	900	950	900
Interest-Other-Collect. System	586	162	330	200	200	200
Gain on Sale of Fixed Assets	2,350	0	0	0	0	0
Conveyance/Treatment Revenue	4,520,690	4,451,765	4,493,273	4,931,537	4,600,000	5,127,100
Collection System Revenue	943,158	883,143	893,115	818,463	879,000	1,027,900
Sale of Scrap	5	289	117	500	320	500
Sales to Public Authorities	5,684,380	5,986,942	6,641,554	6,745,000	6,745,000	7,665,700
Other Operational Revenue	0	0	0	0	0	0
Sludge Handling Charges	498,915	331,728	482,992	400,000	350,000	350,000
Sale of Electricity	59,454	83,808	113,094	110,000	130,000	110,000
Lab Analysis Fees	47,871	41,355	36,864	38,000	41,500	38,500
Industrial Waste Fees	7,450	7,000	7,526	6,500	6,700	6,400
Liens-Principal-Convey./Trtmt.	92,912	103,918	109,426	19,700	90,000	100,000
Liens-Interest-Convey./Trtmt.	11,540	13,174	21,979	2,900	31,000	20,000
Liens-Principal-Collect. System	18,495	20,684	21,780	3,900	18,000	3,900
Liens-Interest-Collect. System	2,295	2,622	4,375	600	3,000	600
Reimburse Loss/Damage Assets	10,005	0	0	0	0	0
Refund of Expenditures	65,277	45,323	50,380	50,000	50,000	50,000
State Subsidy	0	0	0	0	0	0
TOTAL REVENUE	<u>11,993,548</u>	<u>11,993,279</u>	<u>12,905,663</u>	<u>13,150,200</u>	<u>12,976,370</u>	<u>14,527,900</u>
Fund Balance Appropriation	1,752,769	0	485,858	0	0	0
TOTAL RESOURCES	<u>13,746,317</u>	<u>11,993,279</u>	<u>13,391,521</u>	<u>13,150,200</u>	<u>12,976,370</u>	<u>14,527,900</u>

EXPENDITURE ANALYSIS SUMMARY
2007 BUDGET

	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
SEWERAGE						
<u>2910 Administration Division</u>						
Personnel Services	502,688	506,664	472,556	555,435	570,418	659,785
Operating Expenses	2,765,422	2,330,315	2,937,199	2,724,896	2,701,995	2,848,893
Capital Outlay	0	5,523	0	0	0	329,294
Debt Service	2,270,478	2,250,104	2,237,212	2,232,280	2,232,280	2,231,271
Non-Expenditure Items	0	0	0	0	0	163,935
TOTALS	5,538,588	5,092,605	5,646,968	5,512,611	5,504,693	6,233,178
<u>2920 Operations Division</u>						
Personnel Services	1,295,639	1,139,719	1,129,723	1,229,072	1,216,764	1,316,962
Operating Expenses	4,857,557	3,910,330	4,565,214	4,482,774	4,442,196	4,664,436
Capital Outlay	0	0	0	0	26,420	63,750
Non-Expenditure Items	0	0	0	0	0	0
TOTALS	6,153,195	5,050,049	5,694,936	5,711,846	5,685,380	6,045,148
<u>2930 Maintenance Division</u>						
Personnel Services	495,141	468,350	426,483	459,671	458,104	487,235
Operating Expenses	692,309	586,519	752,871	608,005	648,903	677,660
Capital Outlay	8,294	14,772	0	0	0	25,000
TOTALS	1,195,744	1,069,641	1,179,355	1,067,676	1,107,007	1,189,895
<u>2940 Field Maintenance Division</u>						
Personnel Services	281,266	263,419	248,955	281,094	275,578	301,586
Operating Expenses	564,620	481,846	621,307	576,973	567,648	613,093
Capital Outlay	12,905	8,695	0	0	0	145,000
TOTALS	858,790	753,960	870,262	858,067	843,226	1,059,679
TOTAL SEWERAGE UTILITY FUND						
Personnel Services	2,574,733	2,378,152	2,277,716	2,525,272	2,520,864	2,765,568
Operating Expenses	8,879,907	7,309,010	8,876,591	8,392,648	8,360,742	8,804,082
Capital Outlay	21,199	28,990	0	0	26,420	563,044
Debt Service	2,270,478	2,250,104	2,237,212	2,232,280	2,232,280	2,231,271
Non-Expenditure Items	0	0	0	0	0	163,935
TOTAL EXPENDITURES	13,746,317	11,966,255	13,391,520	13,150,200	13,140,306	14,527,900

POSITION ANALYSIS SUMMARY
2007 BUDGET

	2003 Actual	2004 Actual	2005 Actual	2006 Approved Budget	2006 Projected	2007 Approved Budget
SEWERAGE UTILITY FUND						
Administration	7.33	7.33	7.33	7.33	7.33	7.33
Distribution	24.00	21.00	20.00	19.00	19.00	19.00
Maintenance	9.00	9.00	8.00	8.00	8.00	8.00
Field Maintenance	<u>7.00</u>	<u>5.00</u>	<u>5.00</u>	<u>5.00</u>	<u>5.00</u>	<u>5.00</u>
TOTAL POSITIONS	47.33	42.33	40.33	39.33	39.33	39.33

In 2003, there were no changes in the personnel complement. In 2004, five vacant positions were eliminated: two Shift Supervisors, one Laboratory Technician, one Motor Equipment Operator, and one Laborer. The 2005 Approved Budget eliminated two vacant positions: an Operator and a Maintenance Worker. The 2006 Approved Budget eliminates a vacant Shift Supervisor. The 2007 Approved Budget saw no personnel changes

BUREAU OF SEWERAGE
ADMINISTRATION DIVISION

The Bureau of Sewerage, also identified as the Advanced Wastewater Treatment Facility (AWTF), through a lease agreement, operates the sewerage conveyance and treatment system for The Harrisburg Authority (THA). The management structure of this bureau consists of four divisions: Administration, Operations, Maintenance, and Field Maintenance. The Administration Division oversees the entire operation of the AWTF. The major revenue sources include metered and unmetered usage of the system, both for the City and six suburban municipalities served by the AWTF: Steelton; Paxtang and Penbrook Boroughs; and Lower Paxton, Swatara, and Susquehanna Townships; as well as corresponding utility liens. Other revenue sources are sludge handling charges, laboratory fees, industrial user charges, and sale of electricity.

EXPENDITURE ANALYSIS DETAIL
2007 BUDGET

Utility Fund

2910 Administration Division

	Allocation Plan	Position Control	
PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET ALLOCATION
Salaries-Mgmt	255,985	Deputy Director	1 77,113
Salaries-BU	112,636	Plant Superintendent	1 65,000
Overtime	0	Current Planner	0.33 13,431
Fringe Benefits	168,264	Staff Attorney	0.50 21,750
Miscellaneous	122,900	Director - Admin. & Maint.	1 54,140
		Computer Programmer III	0.50 24,551
TOTAL	659,785	Total Management	4.33 255,985
OPERATING EXPENSES			
Communications	27,121		
Professional Services	36,400	Paralegal	1 38,502
Utilities	0	Administrative Assistant I	2 74,134
Insurance	347,000		
Rentals	0	Total Bargaining Unit	3 112,636
Maintenance & Repairs	53,441		
Contracted Services	2,350,893	Overtime	0
Supplies	34,038	FICA	31,705
Minor Capital Equipment	0	Healthcare Benefits - Active	89,949
		Healthcare Benefits - Retirees	46,610
TOTAL	2,848,893	Total Fringe Benefits	168,264
CAPITAL OUTLAY	329,294		
DEBT SERVICE	2,231,271	Sick Leave Buy-Back	2,400
NON-EXPENDITURES	163,935	Severance Pay	41,700
		Unemployment Compensation	11,000
		Workers' Compensation Fees	2,000
TOTAL APPROPRIATION	6,233,178	Loss Time/Medical	60,500
		State Fees	1,300
		Excess Policy and Bond	4,000
		Non-Uniformed Pension	0
		Total Miscellaneous	122,900
		TOTAL	7.33 659,785

ADVANCED WASTEWATER TREATMENT FACILITY

PROGRAM: Administration Division

OBJECTIVE: To properly oversee the management of the Advanced Wastewater Treatment Facility (AWTF).

2005 ACCOMPLISHMENTS:

The treatment facility met the National Pollutant Discharge Elimination System (NPDES) requirements of 99.8% and was properly operated and maintained during 2005, protecting the quality of receiving waters.

MEASURES/INDICATORS:

	ACTUALS			EST.	PROJ.
	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>
# of internal site inspections by the City's engineers	2	2	2	2	2
<u>Meetings required per year:</u>					
Facility staff meetings (weekly)	52	52	52	52	52
Safety meetings (quarterly)	4	4	4	4	4
Total number of meetings required per year	56	56	56	56	56

BUREAU OF SEWERAGE
OPERATIONS DIVISION

The Operations Division, the largest division in the Bureau, is responsible for the physical, biological, and chemical treatment of wastewater in conformance with federal and state regulations. The wastewater must pass through several processes to reduce pollutants. The by-product of these processes is sludge. Sludge is pumped into primary and secondary digesters causing the anaerobic bacteria in the digesters to consume organic matter in the sludge and thereby producing gas containing 60% methane. All the methane gas produced is utilized by the facility's cogeneration system to fuel two engine driven 400 kilowatt generators, which produce electricity and space heat. The space heat is an energy source used for heating the AWTF buildings and sludge digesters. The electricity is sold to PPL Corporation at the rate of \$.06 per kilowatt hour. The plant also produces pure oxygen, which is used in the activated sludge system for aeration purposes. The treated wastewater is disinfected with chlorine prior to discharge into the Susquehanna River.

Two major projects undertaken since 1985 at the AWTF under the Mayor's Energy and Revenue Development Program include the burning of methane gas to generate electricity and treatment improvements which allow the AWTF to process sludge from outside wastewater plants and private customers not on the Harrisburg sewerage system. Methane gas, previously vented into the atmosphere, now serves as the fuel for electrical energy sold for use in area homes and businesses. The added sludge processing business is accomplished with no increase in staffing and minimal additional treatment costs, thus providing new revenue, while addressing energy and pollution-control needs of the region. Over 38,122,079 kilowatts hours of electricity have been generated since 1986.

EXPENDITURE ANALYSIS DETAIL
2007 BUDGET

Utility Fund 2920 Operations Division

	Allocation Plan	Position Control		
PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
Salaries-Mgmt	110,164	Operations Supervisor	1	57,968
Salaries-BU	696,747	Chief Chemist	1	52,196
Overtime	198,158			
Fringe Benefits	311,893	Total Management	<u>2</u>	<u>110,164</u>
TOTAL	<u>1,316,962</u>			
		Lab Technician IV	1	43,523
OPERATING EXPENSES		Operator IV - AWTF	9	389,635
		Water Meter Reader II	1	38,367
Communications	0	Lab Technician II	1	38,450
Professional Services	0	Operator II - AWTF	3	113,669.00
Utilities	1,842,308	Operator I - AWTF	2	73,103
Insurance	0			
Rentals	120	Total Bargaining Unit	<u>17</u>	<u>696,747</u>
Maintenance & Repairs	192,308			
Contracted Services	2,361,630	Overtime		<u>198,158</u>
Supplies	268,070			
Minor Capital Equipment	0	FICA		76,994
TOTAL	<u>4,664,436</u>	Healthcare Benefits - Active		234,899
		Healthcare Benefits - Retirees		0
CAPITAL OUTLAY	63,750			
		Total Fringe Benefits		<u>311,893</u>
TOTAL APPROPRIATION	<u><u>6,045,148</u></u>	TOTAL	<u><u>19</u></u>	<u><u>1,316,962</u></u>

ADVANCED WASTEWATER TREATMENT FACILITY

PROGRAM: Operations Division

OBJECTIVE: To manage the wastewater processing operation, which includes: preliminary, primary, and advanced secondary treatment; and cogeneration of electricity as a by-product of this operation.

2005 ACCOMPLISHMENTS:

Served an urban area of forty-three square miles, involving seven municipalities. Complied with revised effluent parameters issued with the new NPDES Permit. Accepted 10.6 million gallons of waste from other treatment plant processes.

MEASURES/INDICATORS:

	ACTUALS			EST.	PROJ.
	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>
Average daily wastewater flow (millions of gallons)	28.20 ^b	27.01 ^b	23.54	21.97	25.18
Kilowatt production to yield electricity for sale (millions)	1.23 ^a	1.66 ^a	2.46	2.15	1.87
Categories of laboratory samples for lab studies	10	10	10	10	10

Notes:

a DEP Chapter 94 Annual Report

b Increase is due to inclement weather in the winter and spring of 2003 and 2004 distributing excess water throughout the distribution system

BUREAU OF SEWERAGE
MAINTENANCE DIVISION

The Maintenance Division is responsible for the maintenance and upkeep of all process equipment located at the facility and the five pump stations. To accomplish this task, mechanics monitor the equipment and instruments necessary to control, maintain, and analyze the wastewater treatment process.

EXPENDITURE ANALYSIS DETAIL 2007 BUDGET				
Utility Fund			2930 Maintenance Division	
Allocation Plan		Position Control		
PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
Salaries-Mgmt	54,737	Maintenance Supervisor	1	54,737
Salaries-BU	300,753			
Overtime	5,258	Total Management	1	54,737
Fringe Benefits	126,487			
TOTAL	487,235	Chief Electrician	1	49,143
		Maintenance Worker IV	5	217,615
OPERATING EXPENSES		Laborer III	1	33,995
Communications	0	Total Bargaining Unit	7	300,753
Professional Services	0			
Utilities	0	Overtime		5,258
Insurance	0	FICA		27,612
Rentals	0	Healthcare Benefits - Active		98,875
Maintenance & Repairs	17,543	Healthcare Benefits - Retirees		0
Contracted Services	458,545	Total Fringe Benefits		126,487
Supplies	201,572			
Minor Capital Equipment	0			
TOTAL	677,660	TOTAL	8	487,235
CAPITAL OUTLAY	25,000			
TOTAL APPROPRIATION	1,189,895			

ADVANCED WASTEWATER TREATMENT FACILITY

PROGRAM: Maintenance Division

OBJECTIVE: To repair and replace mechanical equipment necessary for the operations involved in wastewater treatment both at the facility and at the facility's five pump stations.

2005 ACCOMPLISHMENTS:

Mechanical problems were corrected in an acceptable amount of time. Many probable breakdowns were avoided through a preventative maintenance program and a systematic replacement policy for inventory parts.

MEASURES/INDICATORS:

	ACTUALS			EST.	PROJ.
	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>
Replacement and installation of integral parts of related AWTF equipment on an annual basis (7 day/24 hour operation) ^a	<u>499</u> ^a	<u>428</u> ^a	<u>454</u> ^a	<u>388</u> ^a	<u>442</u> ^c
Total maintenance costs per year, including costs for preventive maintenance on mechanical equipment	<u>\$379,445</u>	<u>\$389,466</u>	<u>\$465,975</u>	<u>\$431,107</u> ^b	<u>\$416,498</u> ^c
Acres maintained at the Sewerage plant	<u>8.50</u>	<u>8.50</u>	<u>8.50</u>	<u>8.50</u>	<u>8.50</u>
Preventive maintenance checks per year ^d	<u>52</u>	<u>52</u>	<u>52</u>	<u>52</u>	<u>52</u>

Notes:

- a Number of incident reports requiring labor or parts
- b Year-to-date figure
- c Average of four previous years.
- d Preventative maintenance performed once per week

BUREAU OF SEWERAGE
FIELD MAINTENANCE DIVISION

The Field Maintenance Division is responsible for the underground conveyance system which transports wastewater to the AWTF. The crew cleans numerous regulators and chambers. This process involves cleaning the equipment with forced water pressure to remove grit and residue. The Division also monitors the flow in six interceptors to determine if the sewer line is operating properly. Corrective action requires dislodging any impediments from the sewer line to allow for the proper flow of the sewerage through the pipeline.

The Operations, Maintenance, and Field Maintenance Divisions assist in landscaping and maintenance at the AWTF and five field pump stations.

EXPENDITURE ANALYSIS DETAIL 2007 BUDGET				
Utility Fund		2940 Field Maintenance Division		
Allocation Plan		Position Control		
PERSONNEL SERVICES		JOB CLASSIFICATION	2007 BUDGET	ALLOCATION
Salaries-BU	205,028	Field Maintenance Specialist II	3	130,569
Overtime	17,610	Field Maintenance Worker II	1	38,367
Fringe Benefits	78,948	Field Maintenance Worker I	1	36,092
TOTAL	301,586	Total Bargaining Unit	5	205,028
OPERATING EXPENSES				
		Overtime		17,610
Communications	1,000	FICA		17,033
Professional Services	0	Healthcare Benefits - Active		61,915
Utilities	214,460	Healthcare Benefits - Retirees		0
Insurance	0			
Rentals	0			
Maintenance & Repairs	10,249	Total Fringe Benefits		78,948
Contracted Services	354,684			
Supplies	32,700			
Minor Capital Equipment	0	TOTAL	5	301,586
TOTAL	613,093			
CAPITAL OUTLAY	145,000			
TOTAL APPROPRIATION	1,059,679			

ADVANCED WASTEWATER TREATMENT FACILITY

PROGRAM: Field Maintenance Division

OBJECTIVE: To maintain the wastewater flow through monitoring various segments of the collection system.

2005 ACCOMPLISHMENTS:

Maintained the integrity of the conveyance system and minimized combined sewer overflows. Regularly attended to pump stations, routine maintenance, and debris clearance from waterways.

MEASURES/INDICATORS:

	ACTUALS			EST.	PROJ.
	FY2003	FY2004	FY2005	FY2006	FY2007
Flood chambers cleaned per week ^a	92	92	92	92	92
Times per week the outfalls (wastewater discharge point to a receiving stream) are monitored ^b	12	12	12	12	12
Flow meters maintained	17	17	17	17	17

Notes:

a (46 Flood Chambers) x (twice per week) = 92

b (Monitored once per day) x (two days - Saturday and Sunday) = 2

(Monitored twice per day) x (five days - Monday through Friday) = 10



CAPITAL IMPROVEMENT PLAN

OVERVIEW

The Capital Improvement Plan (CIP) is vital to our City because it provides for equipment acquisition, enables new construction or upgrades of public facilities and infrastructure, and has a positive impact on the local economy. Recognition of this importance prompted the Administration to propose additions to, and finance the continuation of, the existing CIP. During 2002 through 2006, six funding sources were approved by City Council and financed to continue projects undertaken during these years as well as new projects. The City anticipates several new projects for consideration during 2007.

FINANCING THE CIP

City Council agreed to guarantee the issuance of Harrisburg Redevelopment Authority (HRA) Guarantee Revenue Bonds, Series A-1 and A-2 of 2005. Proceeds from both \$9,000,000 issues were appropriated for the following: the renovation and upgrade of the Commerce Bank Park stadium facility, which is home to the Harrisburg Senators, a Class AA baseball team of Major League Baseball; funding reserves and capitalized interest under the Indenture; and paying financing costs of the borrowing.

HRA's debt service requirements for these issues are to be funded from stadium naming rights and lease proceeds.

THE 2007 CIP

The Capital Improvement Plan for 2007 calls for anticipated expenditures totaling \$2,810,844. The expenditures planned for the year address facility and infrastructure improvements for Public Safety, Parks and Recreation, and General Projects. Projects included in the 2007 CIP are listed by capital program on page 198.

Facility and infrastructure improvements related to the water and sewer systems and the Harrisburg Resource Recovery Facility (HRRF) are financed and undertaken by THA and therefore are not included as part of the City's CIP. However, the debt undertaken by The Harrisburg Authority and related debt service requirements are presented for information purposes in the Debt Service Fund section. The City operates and maintains both systems and the HRRF for THA and does budget for minor capital outlay from operational revenues when needed.

CAPITAL BUDGET PROCESS

The Capital Budget Process follows the same preparation schedule as the Operating Budget Process. This process begins as the department directors evaluate capital expenditure needs and identify priorities for mayoral review. The Mayor evaluates these requests and determines which capital expenditure projects should be undertaken. These capital projects are then presented to City Council along with a capital financing strategy for review and approval. The Budget and Finance Committee of City Council evaluates this request and recommends action to the full City Council. If Council approves the action presented, then it is legally enacted through the passage of an ordinance.

RELATIONSHIP BETWEEN OPERATING AND CAPITAL BUDGETS

The operating budget includes expenditures that generally recur annually and are appropriated for a single year. These include personnel, utilities, contracted services, maintenance, and supplies costs. It provides for all city services, but does not result in major physical assets in the City. Major resources to fund the operating budget are generated from taxes, departmental revenues, user fees, fines, intergovernmental payments, interfund transfers, and appropriations of undesignated fund balance.

The capital budget, in contrast, usually includes one-time costs for projects that may last more than one year. The result of these projects are physical assets in the City. Wide fluctuations are expected in the capital budget from year to year depending on the phasing of projects and resources available to fund the projects. Resources for the capital budget generally come from the issuance of bonds or notes, grants, or other one-time sources such as proceeds from the sale of assets.

In spite of these differences, the operating and capital budget are closely linked, with the capital budget having a direct impact on the operating budget. The operating budget assumes the cost of maintaining and operating new or renovated facilities that involved capital investment. In many instances, such as the construction of new roads, the operating costs (such as future surface maintenance, street cleaning, signage for traffic control and lighting) would have to be budgeted on an ongoing basis. Some capital improvements will actually decrease maintenance costs through the replacement or improvement of older, less efficient facilities or equipment. The impact of current capital projects on the City's operating budget are noted on the following page.

The operating budget also includes debt service appropriations for the payment of long-term debt principal, interest and related costs. The greatest part of the City's capital improvement costs has been funded through the issuance of tax supported general obligation bonds and notes, and user fee supported revenue bonds (for the enterprise programs such as water, sewer, and resource recovery), which generally are repaid over the useful life of the improvement being financed.

CAPITAL IMPROVEMENT PLAN SUMMARY

Project Description	First Yr. Approved/ Funded	Est. Yr. of Acquis./ Compl.	Total Est. Cost of Project	Est. Expend. to Date	Est. Expend. After 2007	2007 Planned Expend.	Funding Source
<u>OFFICE OF CITY ENGINEER/DEPARTMENT OF PUBLIC WORKS</u>							
7th Street Widening	2002	2009	5,451,804	508,290	4,883,514	60,000	Federal, County
Southern Gateway (3rd Street Extension)	2002	2014	92,899,000	1,598,826	91,265,174	35,000	Federal, City
Corridor Traffic Signals	2004	2008	777,428	575,299	117,129	85,000	Federal
State Street Promenade	2005	2007	3,055,309	1,000,000	0	2,055,309	Federal
6th, 13th, 17th Street Corridor	2006	2007	1,939,098	46,386	0	1,892,712	Federal
Market Street Traffic Signal	2006	2007	876,298	863,044	0	13,254	Federal
City Engineer/Public Works Subtotal			<u>104,998,937</u>	<u>4,591,845</u>	<u>96,265,817</u>	<u>4,141,275</u>	
Impact on Operating Budget:	Some of these projects will cause minor recurring costs for utilities, maintenance, and supplies in the General Fund for city streets, traffic, and pedestrian signals and other						
<u>DEPARTMENT OF PUBLIC SAFETY BUREAU OF POLICE</u>							
Secure Our Schools	2007	2007	242,590	0	0	242,590	Federal, City
Impact on Operating Budget:	The purchase of security equipment for the school should have no impact on the City's operating budget.						
<u>DEPARTMENT OF PARKS AND RECREATION</u>							
Capital Area Greenbelt Trail	2007	2008	505,000	0	430,000	75,000	State, Federal
			<u>505,000</u>	<u>0</u>	<u>430,000</u>	<u>75,000</u>	
Impact on Operating Budget:	Approximately \$20,000 per year for general upkeep of trail and surrounding areas.						
<u>GENERAL PROJECTS</u>							
National Sports Hall of Fame Construction Project	2004	N/A	34,000,000	122,290	32,877,710	1,000,000	State, Private
Commerce Bank Park Improvements	2004	2009	33,000,000	2,913,918	30,086,082	0	State, Private
General Projects Subtotal			<u>67,000,000</u>	<u>3,036,208</u>	<u>62,963,792</u>	<u>1,000,000</u>	
Impact on Operating Budget:	While the City expects to guarantee any debt issued to complete these projects, the City will not be operating these facilities; therefore, no expenditure impact. However, all of these projects are expected to generate mercantile taxes and other fee revenue for the City's General Fund beginning in 2009.						
GRAND TOTAL CAPITAL PROJECTS			<u><u>172,746,527</u></u>	<u><u>7,628,053</u></u>	<u><u>159,659,609</u></u>	<u><u>5,458,865</u></u>	



COMMUNITY PROFILE

REDISCOVER HARRISBURG – AN ALL-AMERICA CITY



MARKET SQUARE is Harrisburg's traditional retail and commercial center. This historical center of downtown has undergone an extensive transformation through the construction of four new plazas, one on each corner of the square. It is graced by a fourteen foot Victorian clock replica in the southeastern quadrant, new traffic signals, a kiosk, park benches, urban gardens, and antique-styled streetlights; making Market Square a symbol of the City's resurgence. Nearly all buildings on Market Square have been either newly built or completely historically rehabilitated during the past nineteen years as part of the City's economic development efforts.

RIVERFRONT PARK stretches 4.5 miles along the eastern bank of the Susquehanna River in Harrisburg. Famous concrete steps define the river's edge, running the length of the park. Riverfront Park is known for its statuary, monuments, gardens, public art, and trails for jogging, bicycling, and walking. This greenbelt, along with City Island and other waterfront improvements, creates one of the most scenic inland waterfronts in the nation (See "Recreational Attractions" section).



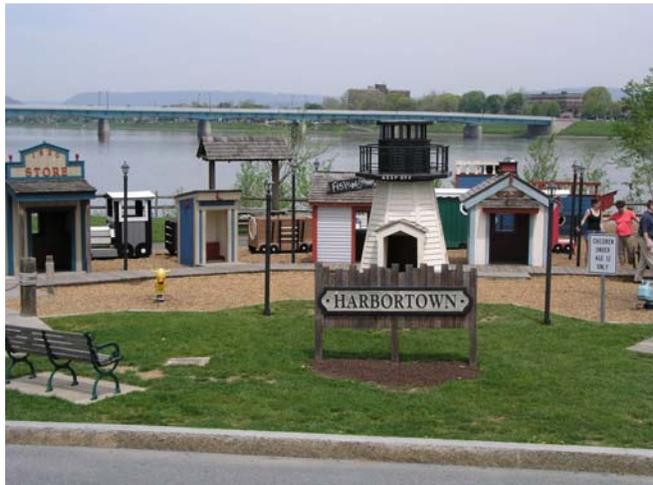
HISTORIC DISTRICTS are included in the City's historic preservation program. Seven historic districts and numerous sites have been designated for inclusion on the National Register of Historic Places. The City's National and Municipal Historic Districts include Old Downtown Harrisburg Commercial, Shipoke, Historic Harrisburg, Old Midtown, Fox Ridge, Mount Pleasant, and Old Uptown. The preservation and restoration of the City's building art and architectural design reflective of every era of the nation's development are a part of the overall advancement and promotion of the arts and culture by the City of Harrisburg and a key element in the City's economic development initiative (See "Cultural Attractions" section).

REDISCOVER OUR PARKS AND WATERFRONT



RESERVOIR PARK's 90 acres are situated on the highest point in the City. The primary focus of improvements at the site is on the arts and cultural life of the City. Recently completed improvements include the National Civil War Museum, the restored 1898 mansion and gardens, antique-styled streetlights, repaved roadways, the Village at Reservoir Park (5-building arts colony), walkways, an extensive lighting system, restored bandshell and pavilion, granite fountain with plaza, large sculptures, drift garden, three-tier French garden, new entrance, parking lot, landscaping, and an upgraded electrical system at the bandshell. Additional improvements included expanded parking, new entrance, landscaping and renovation of the Brownstone Building into an arts and education facility (See "Recreational Attractions" section). The 1933 bandshell was rehabilitated in 2003 by a private donor with weekly events conducted 3-4 nights per week from June through August.

HARBORTOWN, a miniature nautical village, is located on City Island. This playground setting is perfect for parents to enjoy the view of the waterfront while watching their children play. Other amenities on City Island include a miniature train, horse-drawn carriage rides, Skyline Sports Complex, Beach House, Carousel Pavilion, John Harris Trading Post replica, RiverView Pavilion, Water Golf, marinas, RiverSide Village Park, Walnut Street Station, the Pride of the Susquehanna Riverboat, Commerce Bank Park, batting cages, arcade, and the recently built South Pointe Marina which can accommodate more than 100 pleasure crafts (See "Recreational Attractions" section).



KUNKEL MEMORIAL PLAZA, located in Riverfront Park, features a grand overlook of the Susquehanna River, benches, gardens, antique-styled lighting and statuary. The plaza can hold more than 200 persons and provides an open-air classical setting for public relaxation and recreation. This location serves as a host site to live entertainment during the Patriot News ArtFest, the American MusicFest (July 4th), and the Kipona (Labor Day) Celebration.

RECREATIONAL ACTIVITIES



ITALIAN LAKE, located in the City's Uptown area, has been restored to include walkways, antique-styled streetlights, gardens, signage, and wild ducks and geese habitats. The restoration maintained the original shorelines and provided for the construction of retaining walls along the northern half of the lake. The southern half, split from the northern half by a picturesque Japanese Bridge, was maintained by preserving the originally constructed retaining walls. Italian Lake hosts a splendid summertime concert series.

The City of Harrisburg today has the most extensive special events schedule of any municipality in the Midstate's history, attracting over two million people per year to a range of events sponsored by or involving the City. Many of the events are conducted through the City's Special Events Office, created in 1983 by Executive Order of the Mayor. A number of the special events are held at the Riverfront Park facilities, including the Independence Weekend (American Musicfest) and the summer's end Kipona Celebration. The City also sponsors or co-sponsors over 200 other special events each year, which include Martin L. King Jr. Essay Contest; Arbor Day; Earth Day; Greater Harrisburg Arts Festival; New Year's Eve Celebration; Italian Lake, Reservoir Park, and Riverfront Park concerts; and the annual Harrisburg Holiday Parade.

Harrisburg today also has the most extensive municipal parks system in Central Pennsylvania with 27 facilities throughout the City and is the only municipal parks system in this region which plays a regional role, as evidenced by the extensive use of city parks, programs, and special events by non-city residents. In contrast, some nearby communities ban non-residents from physical presence within any of their municipal park space.

The center for some of the recreational activity is the City's beautiful waterfront. Situated along the Susquehanna River, the riverfront offers picturesque scenery accented by the Harrisburg skyline. Riverfront Park is a 4.5 mile greenbelt containing park benches, gardens, a telescopic outlook, Swenson Plaza, the Kunkel Memorial Plaza, monuments, and public art, which enhance its attractiveness while providing for an enjoyable walk, jog, or bicycle ride. Sunken Gardens is located in the Midtown area of Riverfront Park, offering gardens and walkways bordered by lighted monuments. The gardens have been renovated to include an irrigation system, antique-styled streetlights, brick walkways, new flowerbeds and new signage. In addition, the Riverfront Peoples Park Association, a separate citizen/community organization, added to the extensive renovations by donating a gazebo which serves as the centerpiece in the garden. Public art was added to the Peace Garden, located in Riverfront Park, which was created and dedicated in an effort to promote world peace and for the preservation of our earth by the Physicians for Social Responsibility. Swenson Plaza, located at Front and Walnut Streets, was dedicated in late 1999, and is named after the late Mayor Harold Swenson, who was instrumental in Harrisburg's recovery after the Agnes flood of 1972.

Reservoir Park is the oldest municipal park in South-Central Pennsylvania and the largest park, containing 90 acres, situated on the highest point in the City. Phase I of upgrading at Reservoir Park, completed in 1992, included the historic rehabilitation of the mansion and pavilion; the creation of The Village at Reservoir Park; the restoration of the bandshell; and placement of antique-styled streetlights, new walkways, gardens, plazas, and repaved roads. Reservoir Park has new and restored facilities built with a particular emphasis on artistic, cultural, historic, environmental education and conservation themes. Phase I-A, the Garden Expansion project, was completed in June 1993 and includes formal French gardens, drift gardens, lighted walkways, a new boulevard entranceway, parking lot, public art, and outdoor seating. Phase II of Reservoir Park was completed in May of 1995 and includes additional gardens, walkways, outdoor lighting, expanded children's playground, restoration of the Brownstone Building as an arts and crafts center, complete reconstruction of the basketball and tennis court area, along with a new entranceway at 18th and Walnut Streets, and construction of a Park

Ranger Station. Phase III was completed in February 2001, with the opening of the National Civil War Museum. In 2003, the Department of Parks and Recreation secured \$250,000 in funding from the Mortimer Levitt Foundation for the renovation and upgrade of the City's Historic Bandshell in Reservoir Park. Once completed, the facility was renamed and is now known as the Levitt Pavilion for the Performing Arts, offering three to four nights of free entertainment commencing in June and concluding in late August. In 2004, a brick walkway was constructed to link the lower parking lot to the seating area around the pavilion. Engraved bricks were sold to assist with the cost of this project and additional phases will occur as funding permits.

City Island is the hallmark of Harrisburg's aggressive waterfront development plan and is but one of 21 sites created or upgraded through the first major citywide parks improvement program in more than 60 years. City Island, a long unused and blighted 63-acre landmass until 1987, today hosts such activities as professional minor league baseball, historical displays, and numerous recreational activities. City Island facilities include, but are not limited to, the following: RiverSide Village Park, offering great food which can be enjoyed while dining alfresco at the RiverView Pavilion or at the River Terrace and Docks; John Harris Trading Post, a replica which depicts life from the early 18th Century; HarborTown, a miniature 1840's canal village serving as a playground for children; Harrisburg Riverboat (the Pride of the Susquehanna), a paddleboat which can accommodate 149 people on cruises, dinner charters, or scenic river excursions; Harrisburg Marina I and II, providing boat owners with docks, ramps, gazebo, picnic areas, and parking; Walnut Street Station, a Victorian-Styled railway station that hosts the City Island Railroad and offers a splendid vantage point from which to view the many activities along the waterfront; miniature golf opened in 1990, this 18-hole course offers scenic greenery with waterfalls, a bridge and a concession stand; Beach House, a restored historic structure which houses showers, a concession stand, lavatories, the lifeguard office, changing areas for the swimmers at City Island beach, and shuffle board courts built near the entranceway of the building; Island Breeze, offering lessons on the art of kiting; Commerce Bank Park, formally known as RiverSide Stadium, home of championship Class AA minor league baseball; Skyline Sports Complex, a multi-purpose facility built to minor league professional football standards which hosts soccer, softball, volleyball, football, lacrosse, and a myriad of other events and activities; Harrisburg Carriage House, which offers the touring of historic Harrisburg and its beautiful Riverfront by horse-drawn carriage in addition to supplying pony rides for children; Bus Trolley Services, providing transportation to and from downtown; a full-size antique Mengels kiddie carousel; batting cage; arcade; and the latest attraction, RiverSide and SouthPointe Marinas are located on the south end of City Island. City Island accommodates a great variety of activities on the island in addition to boating, sculling, fishing, and swimming around the island.

The Harrisburg Senators, a Class AA professional baseball team, is based at the recently built and already expanded RiverSide Stadium. Their 2005 season marked twelve out of the nineteen years that Class AA minor league baseball has been in Harrisburg for which the team has been in the post-season playoff competition. Attendance for the Senators is ranked in the top third in the Eastern League. The team won the Championship in their first year, 1987, as well as in 1993, 1996, 1997, 1998, and 1999. The Central Pennsylvania Piranha, the 2005 national champion semi-professional football team, uses the Skyline Sports Complex as their home field. In 2004, the City Islanders, professional Soccer team made Skyline Sports Complex their home, making City Island an athletic haven for many sports enthusiasts.

Other parks which have been considerably upgraded in the past fifteen years include Italian Lake, where new walkways, antique-styled streetlights, retaining walls, new gardens, signage and park benches are among the amenities in place. Extensive renovations to Sunshine Park were completed in 1993 and the park was renamed in 2002 to the Clarence C. Morrison Park. This park has multi-purpose facilities to host competitions in football, soccer, softball, tennis, basketball, volleyball, and handball, in addition to picnics and other activities. The 7th and Radnor Streets Field was rehabilitated in 1993 with new field lighting, bleacher seating, and a walking track. The 14th and Shoop Streets Playground was reopened in 1993 after a seven-year closure, with new children's play apparatus, grassy areas (that replaced removed asphalt), lighting, fencing, outdoor seating, and landscaping. Other sites which have been improved since 1982, include the Mt. Pleasant Hispanic American Center, Pools 1 and 2, and the following playgrounds: Reservoir Park, Norwood, 4th and Dauphin Streets, Cloverly Heights, Braxton, Summit Terrace, South 17th Street, Pleasantview, Lottsville, 4th and Emerald, Wilson Park, and Gorgas. In 1996, the City rehabilitated the 4th and Dauphin Streets Playground, which now offers shuffleboard, bocce ball, horseshoe pits, a basketball court, a two-tier playground, seating areas, landscaping, signage, court lighting, and water fountains. Other projects were completed between 1999

and 2001. They include the complete rehabilitation of Norwood, Wilson, and Shipoke Playgrounds; construction of Swenson Plaza at Front and Walnut Streets; construction of the Reverend Clyde Roach Memorial Garden at the north end of Italian Lake; and the upgrade and rehabilitation of the Capital Area Greenbelt. In 2002, the Penn and Dauphin Playground was rehabilitated and is now referred to as the Benjamin and Gloria Olewine Playground. In 2003, the Braxton Playground located at 7th and Maclay Streets, and the Vernon Street Playground located at 15th and Vernon Streets were rehabilitated with financial assistance provided by Harrisburg Parks Partnership and the U.S. Department of Interior. In 2005, Penn National Insurance Company paid for the rehabilitation of Pool #2's playground and the site was renamed and is now known as the Penn National Insurance Company swimming pool and playground and it is located on South 18th Street at the dead end. Upgrades to additional sites will continue as funding becomes available with fundraising occurring in 2006.

More than twenty-two park areas have been extensively restored or created under the City's parks improvement efforts set by the Mayor's Parks Improvement Program, established in 1983. In excess of \$29 million has been spent in Harrisburg's park system, excluding the National Civil War Museum, since 1983. Harrisburg's parks system today plays host to more than 2 million residents, tourists, and visitors each year. City-wide programs at park sites (including playgrounds) include multicultural art, environmental education, arts and cultural programs, camping, reading, storytelling, and organized sports, such as biddy basketball, soccer, tennis, volleyball, T-ball and golf. In addition, Harrisburg created a Park Ranger Corps in 1990. The Park Rangers conduct year-round patrol, traffic control and public informational duties in the major City parks, especially City Island, Reservoir Park, Italian Lake, and Riverfront Park.

Harrisburg has been awarded the Tree City USA designation for the past eighteen consecutive years. This award, conferred by the National Arbor Day Foundation, is for Harrisburg's environmental policies, particularly those related to tree plantings and parks maintenance activities. In addition, the City of Harrisburg, through its Department of Parks and Recreation, won multiple awards from the International Festival & Events Association, as well as national, state, and two local awards. This award winning park system serves as the crowning jewel of Harrisburg's renaissance. In an effort to promote Harrisburg's parks, the City has clearly become the region's hub for public events which give life to the multi-county area and is yet another example of Harrisburg's role and contribution to the region.

CULTURAL ATTRACTIONS

The cultural arts in Harrisburg have a long tradition of enhancing the quality of life. The City is the only municipality in the region to directly support the arts and today has a variety of cultural activities that include all aspects of the arts.

MUSICAL GROUPS

The Harrisburg Symphony Orchestra, founded in 1931, has grown in national stature and reputation as a metropolitan musical organization, offering a variety of music composed by legendary classical artists and also featuring a pops repertoire. The Forum, in downtown Harrisburg, a classic 1,763-seat amphitheater styled hall, is home to The Harrisburg Symphony. Other musical performing arts organizations include the Central Pennsylvania Friends of Jazz, Harrisburg Civic Opera, Harrisburg Choral Society, Opera Outreach, Harrisburg Singers, Chamber Singers of Harrisburg, Market Square Concert Series, Susquehanna Folk Music, and other groups, showing that music combined with song produces a great array of melodies in Harrisburg.

ARTS SUPPORTERS

Jump Street is a private, nonprofit, community based arts incubator, with expertise in providing arts based program development, consulting to artists and arts organizations, and community arts development. Jump Street, by supporting community and economic development through art, has successfully employed art in a way that makes it tangible and while providing a safe and encouraging atmosphere for young artists. The Allied Arts Fund raises both dollars and awareness for local arts and culture. The Fund conducts an annual campaign on behalf of the region's most established cultural providers, and raises dollars for new and emerging, culturally diverse arts organizations through the Allied Arts Venture Fund. In its 20-year history, the Allied Arts Fund has invested over \$13 million in the arts of Central Pennsylvania. Historic Harrisburg Association annually conducts a Candlelight House Tour of the interior and exterior of finely restored historic homes and buildings in the City. The Susquehanna Art Museum preserves and stimulates the creation of the fine arts for public exhibition. The Harrisburg Downtown Improvement District (DID) promotes the economic and cultural vitality of the central business district. The Mayor's Public Arts Advisory Board, created by Executive Order in 1984, encourages developers and property owners to create public arts, reviews responses and the actual placement of public art for any requesting entity, and preserves existing public art and monuments in the City.

PERFORMING ARTS

The Harrisburg Ballet Company was formed in 1990. At the same time, the initial plans for a downtown arts center were created. The Whitaker Center for Science and the Arts is the region's first ever science and arts center after receiving a \$21 million state grant funding commitment, \$23.2 million in private endowments, pledges and donations, and more than \$1 million worth of contributed services; in addition to the \$6 million that the City had previously dedicated. This center consists of a versatile multipurpose set of buildings designed to provide and integrate cultural facilities, such as a 660-seat Sunoco Performance Theater, 200-seat Select Medical IMAX Theater, HARSCO Science Center, and a variety of educational and support operations. In addition to contributing to its financing, the City directly assisted in the planning for this downtown center. Property acquisition was completed in early 1996. Demolition and site clearing was completed in 1997. The grand opening was September 1999.

The City also takes pride in The Harrisburg Community Theatre, now Theatre of Harrisburg, which was founded in 1925, and is one of the oldest continuously operated community theatre organizations in the country. Its production schedule offers a variety of entertainment including comedy, tragedy, and the classics. In September 1999, the Theatre Harrisburg moved its performance to the 660-seat performing arts theatre of the Whitaker Center for Science and the Arts. Other performing arts groups include the Central Pennsylvania Youth Ballet and the Metropolitan Repertory Company. In addition, Open Stage of Harrisburg was moved downtown to its own theatre, representing the first permanent center city performing arts facility in over 25 years. The Open Stage theatre includes set design, construction and storage areas, a ticket booth, offices, dressing rooms, and a lobby and concession area. The Capital Dinner Theater of Mishar Productions opened a new state-of-the-art facility in November 2000 featuring a "main stage" lineup and an "Encore Series". The long awaited Midtown Cinema opened in November 2001. The cinema features three separate theatres seating 152, 78, and 68 respectively, and it runs both first-run independent and foreign films.



THE JOHN HARRIS MANSION, an example of a permanent City cultural facility, exhibits historical archives, art, and antiques reflective of the past 275 years' history. Its earliest part was built before 1740 by John Harris, Sr., whose son, John Harris, Jr., became the founder of Harrisburg. It was later renovated and "Victorianized" in the late 19th century by Simon Cameron, President Lincoln's Secretary of War during part of the Civil War and later a U.S. Senator.

VISUAL AND DESIGN ARTS

The City has dozens of locations where public art exhibits and performances are routinely held. In addition, the Gallery Walk is held yearly as a promotional event for the community's fine arts centers attesting to the fact that original art of all styles and media is available in the City, year-round. The permanent facilities and galleries in the City include: The Art Association of Harrisburg, which is the oldest arts organization in the region; Doshi Center for Contemporary Art, a privately-owned art gallery located at the City's restored Transportation Center; Tangerine Fine Arts, which is highlighted by local artists' exhibits; and the Susquehanna Art Museum, located downtown in the historic Kunkel Building. HARSCO Science Center, a hands-on physical science museum with many interactive learning exhibits, is located in Whitaker Center for Science and the Arts. In addition to a variety of smaller galleries, Harrisburg is home to the Pennsylvania State Museum and Archives, the flagship of the state museum system. This six-story circular depository of Pennsylvania's most valued historic documents and artifacts features a fine art gallery; planetarium; natural history exhibition; and the grand Memorial Hall, containing a statue of the Commonwealth's founder William Penn.

CHURCHES AND SYNAGOGUES

The City's cultural activities are complemented with an array of choir concerts and lectures offered by area churches and synagogues. In addition to these facilities hosting artistic and cultural events, the sanctuaries of some of these historic downtown Harrisburg Churches are architectural edifices of interest. Market Square Presbyterian Church, erected in 1860, contains a fine Romanesque styled sanctuary, all in white. The Salem Reformed Church, built in 1822, is the oldest church standing in the City. Saint Lawrence Catholic Church's sanctuary is French Gothic, culminated by a lavishly executed stained-glass rose window. The First Church of God was erected in 1854 for this denomination which was founded in Harrisburg in 1827. Other churches and synagogues of interest within the City are the Zion Lutheran Church, Pine Street Presbyterian Church, Grace Methodist Church, Saint Patrick Cathedral, Saint Stephen's Cathedral, Saint Michael's Lutheran Church and the Temple Ohev Shalom.

HISTORIC PRESERVATION

The history of Harrisburg's physical environment spans a 200-year period and represents a fine cross-section in the evolution of architecture. Harrisburg has seven National Historic Districts, six of which were designated through City efforts since 1983, under the Mayor's historic preservation program. Prior to then, only one area of the City had achieved such designation. The City's National and Municipal Historic Districts include building art and architectural design reflective of every era of the nation's development, from the 18th Century to present day. These districts include: Old Downtown Harrisburg Commercial National Register Historic District and the Fox Ridge Nationally Certified Municipal Historic District, as well as Shipoke, Historic Harrisburg, Old Midtown, Mount Pleasant, and Old Uptown National Register and Municipal Historic District. Additionally, numerous individual buildings have been named to the National Register of Historic Sites. Harrisburg, now in the top percentile of cities in the nation successfully engaged in local historic preservation, has achieved national recognition for its overall economic development resurgence. Historic preservation and rehabilitation have proven to be integral to this success and long-term growth, while preserving the City's priceless architectural heritage and promoting the arts and culture. The City's Historic Architectural Review Board, appointed by the Mayor and confirmed by City Council, reviews exterior building renovations and new construction in the Municipal Historic Districts to assure design and material integrity are consistent with historic design standards. Harrisburg is one of only several municipalities in Pennsylvania to be a Certified Local Government in its historic preservation work, by the state Historic and Museum Commission. Harrisburg is second only to Philadelphia in the dollar amount of certified historic rehabilitation in Pennsylvania.

EDUCATION

The Pennsylvania State System of Higher Education (PASSHE)'S Dixon University Center, located in uptown Harrisburg, is the home of the Office of the Chancellor, the central headquarters for the PASSHE. This campus of six buildings not only houses the System's central headquarter administrative offices, but offers five undergraduate and ten graduate degree programs on-site by a consortium of System universities and affiliate members for adult students in the evenings and on weekends. In addition, the center sponsors public policy seminars and is the site of numerous conferences.



Harrisburg University of Science and Technology (HU) is a non-traditional independent university in downtown Harrisburg fulfilling a "niche mission" of addressing region-specific needs not currently served by existing colleges and universities. HU provides certificate programs, and associate, undergraduate, and graduate degree programs. This new institution will work cooperatively with business, government, and other colleges and universities to foster regional workforce development and continuing professional development. It will also offer an environment for applied research and development. This will substantially enhance the area's ability to attract and retain national-class employers, and for the City, will provide a new aspect to economic development, job creation, and neighborhood stabilization. HU admitted its first class of students in the fall of 2005.

Temple University Harrisburg (TUH)'s downtown center also marks the permanent presence of facilities for higher education in the Central Business District. TUH enrolls 378 students and offers 60 classes per semester. In July 2000, TUH relocated downtown to an area that doubled the university's presence in the area. This allows the university to provide graduate and certificate programs, as well as professional development courses in educational administration, elementary and special education, community and regional planning, business administration, and social administration.

Harrisburg Area Community College (HACC) offers two-year and certificate programs in the City's uptown area. HACC was the first community college created in Pennsylvania. Its splendid campus is built on land donated by the City of Harrisburg at no cost to more than twenty suburban school districts whose students use the facilities. Current enrollment at HACC is 16,464 students with 9,193 enrolled at the Harrisburg campus. In January 2002, HACC opened its Community Center for Technology and Arts. This center offers classes for several academic programs; adult basic education and developmental studies; and non-credit courses.

The Penn State Harrisburg Eastgate Center is located within blocks of the Central Business District. The Eastgate Center offers traditional and continuing education course throughout the year. Management development and leadership programs are conducted on a contract basis in the facility's two classrooms and computer lab.

Messiah College recently established an Institute for Community Research and Collaborative Partnerships, known as the Harrisburg Institute, to offer students a significant urban experimental learning opportunity. The Institute houses offices, conference and lecture space, and residential facilities for 45 students.

In addition to the institutions for higher education located within the city limits, the Harrisburg/Lebanon/Carlisle Metropolitan Statistical Area (MSA) has numerous institutions of higher learning. Penn State Harrisburg offers 27 baccalaureate and 22 graduate degree programs. Enrollment at the campus, located in Middletown, is 3,736. Dickinson College, located in Carlisle, is the third oldest college in Pennsylvania and one of the original 15 Colonial colleges in America. The enrollment at this coeducational liberal arts college is 2,292. The Dickinson School of Law, also located in Carlisle, founded in 1834 as an independent law school, is now part of Pennsylvania State University. Present enrollment is 592. The Widener University School of Law-Harrisburg Campus' current enrollment is approximately 500 students on a campus three miles outside the city limits. Additional institutions within the MSA include: Pennsylvania State University's Hershey Medical Center and College of Medicine, Shippensburg University, Lebanon Valley College, Thompson Institute - Harrisburg, and Central Pennsylvania College.

TRANSPORTATION



Harrisburg Transportation Center, formerly the Old Pennsylvania Railroad Station, has undergone major restoration which has won the nation's top historic preservation award. Major interstate bus service is based at the Center, providing bus passenger and freight service throughout the nation. The Center is anticipating, in the near future, undergoing additional renovations to increase its use for AMTRAK and the planned regional rail transit system.

Harrisburg is serviced by four interstate highways including: Interstate 81 - the major eastern U.S. interstate running from New York State to Alabama; Interstate 78 - splitting from I-81 northeast of Harrisburg and linking the City to Allentown, Bethlehem, northern New Jersey, and New York City; Interstate 83 - linking Harrisburg to York

and Baltimore to the south. Additionally, the Pennsylvania Turnpike serves as the principal connector to Philadelphia and Pittsburgh. Harrisburg is also serviced by two Susquehanna river routes: US 22/322 and US 11/15. US 11 and 15 merge briefly in the Harrisburg area. US 15 links Harrisburg to Gettysburg, Frederick, MD and later, via I-270, to Washington, DC in the south; the same highway runs north through the center of the state to ultimately Rochester, NY. US 11 runs from the border with Canada in northern New York to New Orleans, LA. US 22/322 links Harrisburg to Lewistown and then splits into two separate highways. US 22 continues west into Pittsburgh and ultimately into Ohio. US 322 follows a northwestern pattern and runs through State College eventually running into Ohio.

Harrisburg International Airport (HIA) is located eight miles south of center city. The airport was acquired by the Susquehanna Area Regional Airport Authority (SARAA) in 1998. The Authority has made dramatic facility improvements, property acquisitions and instituted a land use plan. All to better serve the community and promote regional economic development. Prior to the change in ownership, this international port had been expanded with a terminal building, air traffic control center, and parking facilities. The airport has a 10,000 ft. runway and can handle the nation's largest military and commercial aircrafts.

Capital Area Transit Authority (CAT) operates public bus service throughout Dauphin and Cumberland counties and has its headquarters and main bus transfer center in Harrisburg. Harrisburg is the only municipality to subsidize the mass transit system in the region. Trolley buses, motorized replicas of yesteryear's trolley transportation, are operated by CAT throughout downtown and City Island to supplement the City's bus routes.

The City remains in full support of the regional rail program, also known as Corridor One. The regional rail system is anticipating having the first segment operational by 2006. Corridor One will not only link Harrisburg to Lancaster, but also to Mechanicsburg, Carlisle, Hershey, and other major destinations. This system will encourage new developments in proximity to its routes, and will provide a much-needed alternative to single car occupancy.

Harrisburg is situated geographically central to major urban hubs of the Mid-Atlantic Seaboard. These cities, as listed below, are within hours of Harrisburg whether traveling by car, bus or train via any of the transportation infrastructures.

DISTANCE FROM HARRISBURG TO THESE CITIES:

CITY	MILES	CITY	MILES
Philadelphia	107	Baltimore	79
New York	166	Washington, DC	121
Atlantic City	168	Pittsburgh	204

Source: Google Maps (<http://maps.google.com>)

NATIONAL AND STATE RECOGNITIONS OF CITY ACHIEVEMENTS

THE CITY OF HARRISBURG IS:

- The only local government in Pennsylvania (municipal, county, or school district) to ever win all of the top national awards for community progress, with all awards having been achieved or re-achieved in the 1989-2004 period as a direct result of the City's success in economic development, parks improvement, and city government reform.
- The only municipality in the Northeastern United States to be selected for All-America City designation in 1990 - 1991.
- The only local government in Central Pennsylvania to ever win both top national financial management awards.

NATIONAL MUNICIPAL AWARDS AND RECOGNITIONS

In 2005, the Harrisburg's WHBG Cable Channel 20 was awarded the Award of Distinction by the International Communicator Awards - 2004 Video Competition. The Harrisburg Broadcast Network received this honor for a telemarketing fraud episode of the City produced, "The Smart Consumer".

In 2005, the City of Harrisburg was named one of 100 Best Communities for Young People, from the America's Promise - the Alliance for Youth. The City received this honor in part because its service system that offers support for each of its children as they develop. The City provides health centers onsite at elementary schools, low-income dental services for children, and free inoculation programs as well as full-day kindergarten, after-school programs, summer camps, youth councils, peer education programs, and leadership programs.

The City of Harrisburg was awarded the Distinguished Budget Presentation Award from Government Finance Officers Association for the United States and Canada (GFOA) for the fifteenth consecutive year, including 2005, for its annual Budget document. This is the highest form of recognition in the nation for governmental budgeting.

In 2005, The Harrisburg Police Bureau achieved national accreditation as well as designated as a Flagship Agency. This recognition has been conferred by the Commission on Accreditation on Law Enforcement. The City first won this prestigious award in 1989, 2002, and 2003. Of over 21,000 law enforcement agencies in the United States, less than 650 achieved and retained accreditation and only 12 have been designated in the elite category of Flagship Agency.

For the eighteenth consecutive year, including 2004, the City was awarded the Certificate of Achievement for Excellence in Financial Reporting by GFOA for its Comprehensive Annual Financial Report. This is the highest form of recognition for governmental accounting and financial reporting in the nation.

In 2005, The City of Harrisburg's Vehicle Purchasing Program was recognized as a best practice by the American Public Works Association. Since its implementation, this program has saved its participants over \$10 million.

In 2005, the Bureau of Water received the Director's Award from the Partnership for Safe Water for providing quality water to its community and the continued effort to achieve less than .01 NTU year round.

In 2004, Sperling's Best Places named the Harrisburg-Lebanon-Carlisle metropolitan statistical area as the second least stressful city (area) in the nation, based upon low unemployment rates, shorter commute times, and low crime rates.

In 2002, George L. Schwarz, Director of Harrisburg's Vehicle Management Center, was awarded the National Association of Fleet Administrator's 2002 Larry Goill Award for an innovative idea that eliminated the need for the public sector to separately bid for vehicles and other equipment each time new vehicles were needed. This new process has saved the City, the Commonwealth, and other participating municipalities time and money.

In 2001, the National Association of Housing and Redevelopment Officials (NAHRO) presented the City of Harrisburg Department of Building and Housing Development the Award of Excellence for the Bureau of Housing's Homeownership Opportunities Program (HOP) and the Homeownership Impact Loan Program (HIL) that make financing for City homes available to low and moderate income buyers.

In 2001, the Mid-Atlantic Regional Conference NAHRO (MARC-NAHRO) presented the City of Harrisburg, Bureau of Housing and Building Development its Award of Excellence for the bureau's Homeownership Opportunities Program (HOP) and the Homeownership Impact Loan Program (HIL).

In 2000, the City was awarded the Best Practices Simply the Best award, from the U.S. Department of Housing and Urban Development (HUD) for its Lead Based Paint Hazard Control Program.

Harrisburg was selected, in 1994, as one of 65 Empowerment Communities by the United States Department of Housing and Urban Development.

In 1993, for the first time, the City received the Award of Recognition from the National Federation of Municipal Analysts for its comprehensive financial management/reporting system.

The City's aggressive flood control and emergency management system, named as a model by the Pennsylvania Emergency Management Agency, resulted in Harrisburg being the only community in the state to be upgraded in 1991, 1992, and 1993 by the Federal Emergency Management Agency, thus producing an overall 15% reduction in base flood insurance premiums for all city-based property owners annually.

For 1990-91 and 1984-85, the City was chosen as an All-America City, the nation's highest community award, by the National Civic League, Inc. The City's selection from among a large number of nominees was due to its demonstrated ability to reverse three decades of previous decline with highly successful economic development and to solve local problems through effective governmental and community partnership and leadership. The judging took special note of the development of programs by the City and various groups, including non-profit organizations, churches, historic associations, and the Harrisburg Redevelopment Authority, to deal with a substandard and inadequate housing supply.

The Harrisburg Advance Wastewater Treatment Facility (AWTF) received the United States Environmental Protection Agency's 1991 National Pretreatment Program Excellence Award. The Award is given in four categories based on the actual daily flow of the publicly owned treatment works. Harrisburg's AWTF won first place in the nation in the "over 20 million gallons per day" category. This is the top award in the nation and recognizes Harrisburg as implementing effective and innovative environmental protection and pollution control programs and acknowledges the municipality's commitment to the protection and improvement of the nation's waters through the operation of exemplary pretreatment programs. The AWTF also won first place in the 1992, 1993, 1995, 1996, 1997, 1998, 1999, 2000, and 2001 Pennsylvania Operations Challenge and continued to the national competition where they improved their 16th place finish in 1992 to place 10th place in 1993, 13th in 1995, 4th place in 1996, 8th place in 1997, 6th place in 1999, 8th in 2000, and 12th in 2001. These awards illustrate Harrisburg's AWTF as one of the nation's top sewerage facilities in overall operation and compliance. In addition, the superintendent of the City's AWTF was named the state's Operator of the Year for 1993.

STATE AWARDS AND RECOGNITIONS

In 2003, the Skyline Sports Complex field earned the coveted Field of Distinction Award from the Keystone Athletic Field Managers Organization.

In July 2003, the Harrisburg Police Bureau achieved state accreditation. The Bureau is one of three law enforcement agencies in the state of Pennsylvania to hold dual-accredited status.

In 2003, the City of Harrisburg was awarded the Cecil C. Furer, Friend of Rural Water Award by the Pennsylvania Rural Water Association. This was presented to the City for its ability to help smaller water systems in their times of difficulty.

For 2002, the Harrisburg Department of Parks and Recreation won one state award from Pennsylvania Recreation & Park Society (PRPS) for Excellence in programming for the City Fishing Derby held at Pool #1.

In 2002, the Pennsylvania Section - American Water Works Association and the nationally based Partnership for Safe Water presented the Harrisburg Bureau of Water with the prestigious 2002 Partnership for Safe Water Achievement Award, the highest honor for water system operations in the state and nation.

For 2001, the Harrisburg Department of Parks and Recreation won two awards from the Pennsylvania Recreation & Park Society (PRPS) for Excellence in Programming for the City's Easter Egg Hunt/Youth Health Fair, the American Musicfest/Kipona and the Countdown Programs.

In 2001, the Pennsylvania Department of Community and Economic Development (DCED), Center for Community Building presented the Department of Building and Housing Development an Award of Recognition for their community building efforts and participation in the Pennsylvania Community Building Conference.

In 2001, the Harrisburg Police Bureau's Traffic Safety Unit received the top state Traffic Law Enforcement Award from the Governor's Highway Safety Council for the thirteenth year.

For 1999, the Harrisburg Department of Parks and Recreation won three state awards from the Pennsylvania Recreation and Park Society (PRPS), which were presented in March 2000. These awards were for Excellence in Programming for the Black History Showcase, the Senior Citizens Computer Program in the Brownstone Building at Reservoir Park, and the Junior Golf Program.

In 1999 and 1996, the City's Alternative Revenue and Energy Program received the state's highest recognition, the Governor's Award for Environmental Excellence for Achievement in Technological Innovation.

In 1998, Mayor Stephen R. Reed was presented with the Distinguished Leader Award by the Pennsylvania Planning Association. Mayor Reed was cited for his "creativity and entrepreneurial initiatives that have helped Harrisburg become a thriving, vibrant community."

In 1993, the City of Harrisburg received the Community Service Award from the Central Pennsylvania Chapter of the Public Relations Society of America. This first time award was received for quality public information services, practices and policies.

In 1991, the Pennsylvania Department of Conservation and Natural Resources Bureau of Forestry (formerly under the Department of Environmental Resources) presented the Samuel J. Cobb Award of Excellence for Urban and Community Forestry to the City. This is the highest conservation award in the state and was awarded to the City for its outstanding parks system, which has since benefited from further enhancements.

Harrisburg was selected as the 1990 Outstanding Community of Pennsylvania by the Pennsylvania Chamber of Business and Industry, the highest community recognition in the state. The Mayor was separately named by the Chamber as the 1990 Outstanding Government Leader of Pennsylvania.

Harrisburg's park system won two ASLA Centennial Medallion Awards from the American Society of Landscape Architects for both Riverfront Park and Reservoir Park.

ADDITIONAL AWARDS AND RECOGNITIONS

For the eighteenth consecutive year, the National Arbor Day Foundation designated Harrisburg as a Tree City USA in 2005.

In 2004, the Pennsylvania League of Cities and Municipalities awarded the City of Harrisburg with the Inter-governmental Cooperation award.

In 2004, Mayor Stephen R. Reed was presented with the Paul Harris fellow award, an award given to exceptional leaders. Reed was cited for "giving back and making things happen for kids".

In 2003, the International Festival and Events Association honored Harrisburg with seven awards for its special events programs and promotions.

In 2003, Mayor Stephen R. Reed was presented the Community Builder of the Year by the Tri-County United Way of Pennsylvania.

In 2003, the American Cancer Society presented Mayor Stephen R. Reed the 2003 John H. Baum Humanitarian Award for his personal commitment to the community. This award was presented in memory of the late Patriot-News publisher and community leader.

In 2003, the City of Harrisburg was awarded the Good Neighbor award by Mission of Mercy, a non-profit organization that offers free medical and dental services to the uninsured, working poor, and homeless individuals. The City of Harrisburg was presented this award due to its continued efforts to promote the program's free medical services.

In 2002, the International Festival and Events Association honored Harrisburg with four awards for its special events programs and promotions.

In 2001, the International Festival and Events Association honored Harrisburg with two awards for its special events programs and promotions.

In 2000, the International Festival and Events Association honored Harrisburg with four top international awards for its special events programs and promotions.

In 2000, the City of Harrisburg was the only municipality in North America to receive the International Paradigm Award for its cutting-edge use of technology.

Preservation Pennsylvania, a state historic preservation advocacy organization, gave the City of Harrisburg its 1996 Local Government Initiative-Historic Preservation Award for the rehabilitation of the former Reily Fire Station. The building now houses the Greater Harrisburg Fire Museum.

In 1994, the City of Harrisburg's Capital Area Greenbelt Project won, for the second time, the Chesapeake Bay Local Government Advisory Committee's Award for Local Innovation. Harrisburg originally won this award in 1992 and was one of six programs selected and the only local government in the state to receive this award.

After thorough assessment, the City of Harrisburg received an upgraded credit rating of "A" by Standard and Poor's and an "A-" by Fitch Investors Services, Inc., both in 1992. This achievement was monumental considering that 11 years earlier Harrisburg could not achieve any credit rating. The City continues to maintain these ratings.

In 1992, an independent awards jury named Mayor Stephen R. Reed as the Entrepreneur of the Year in Central Pennsylvania, in the category of Supporter of Entrepreneurs, for leadership in fostering business development and growth. It was the first time a public official received this private sector recognition.

In late 1992, the City and the Capital Health System jointly received the top state award from the Hospital Association of Pennsylvania for the creation of the Total Mend Program, a pioneering effort administered by the City's Office of Insurance and Risk Management to control health care costs in the workers' compensation program.

The Capital Region Fair Housing Council presented Mayor Stephen R. Reed with an Award of Recognition for his personal support of housing programs in the Capital Region on the occasion of their 26th Anniversary Celebration.

PERIODICAL REVIEWS AND RANKINGS

In 2003, the City of Harrisburg was declared by *Inc. Magazine* as one of the best 20 medium-sized cities in America in which to do business and the second least stressful city in the Nation.

In 2003, the *Harrisburg Magazine's* reader poll listed the Kipona Festival as the best event in the region.

For 2001, ReliaStar Financial listed the Harrisburg Metropolitan Statistical Area as 11th best out of the 125 largest metropolitan areas of the United States to earn and save money.

In its 1998 quality of life ratings, *Money* magazine listed the Harrisburg Metropolitan Statistical Area as the best medium-sized Pennsylvania region in which to live and fifth best in the Eastern United States. Just several years earlier, *Money* magazine listed Harrisburg as one of the top 20 places for the start-up, success, and expansion of small business in its ranking of cities across the nation, regardless of size.

The Harrisburg area ranked #1 amongst regions of similar population in Pennsylvania, according to *Places Rated Almanac for 1997*. Additionally, the Harrisburg area ranked #1 amongst regions of similar population in the United States. The Harrisburg area placed in the top 20% when compared to all regions regardless of regional population.

According to a national study of residential building permits by *Cahners Economics*, of Newton, MA, the Harrisburg area was the second fastest growing metropolitan area in the United States from 1996-1997.

Baseball America named RiverSide Stadium on City Island as the best site in the country for minor league professional baseball in 1996. RiverSide Stadium was also named by *Disney Family Fun Program* as one of the top 10 baseball facilities in the nation.

Results of the National Association of Home Builders' survey of nearly 200 markets, published in 1994, ranked Harrisburg 25th when it came to affordable housing.

Nationwide, the Harrisburg area was the 15th most popular place to move during 1993 among communities with fewer than 100,000 residents, according to a nationwide study done by Ryder Truck Rentals. The nation's largest truck-rental and leasing company published results that said there were 125 household moves into the Harrisburg area for every 1,000 household moves out of the area. Harrisburg's inbound-outbound ratio would have placed 6th among larger communities with more than 100,000 residents.

The February 14, 1992, issue of the *Tri-State Real Estate Journal* published an article detailing Harrisburg's progress over the past several years, despite the recession which had hit the Northeast and Mid-Atlantic states. The headlines read: "Harrisburg emerges as the bright spot in the Northeast."

The October 1990 edition of *Kiplinger* magazine identified Harrisburg as one of the few cities in the nation which could weather a national recession with no significant downturn, while *Newsweek*, *Parade* and other publications reported on a separate national survey which had listed Harrisburg eighth of the ten most desirable cities in America.

A SAMPLING OF CURRENT MAJOR DEVELOPMENT PROJECTS

By 1981, Harrisburg was considered the second most distressed city in the nation under federal distress criteria. City government was on the verge of financial collapse, having amassed millions of dollars in unpaid bills, two pension funds near liquidating their last assets, a loss of credit rating, and the shut down of all federal funds due to municipal mismanagement.

Harrisburg has since undertaken an economic development resurgence and city governmental reform which re-establishes Harrisburg as a progressive metropolitan city. During the past 23 years, especially the last seventeen years, the City has witnessed numerous public and private construction projects totaling over \$3.8 billion in new investment through the fourth quarter of 2004. There have been major net gains in the number of businesses, private sector jobs and livable homes, reversing nearly three decades of decline. Some of the more recent development endeavors include:

OFFICE/COMMERCIAL/RETAIL/INDUSTRIAL:

COMMONWEALTH KEYSTONE BUILDING, New

Cost: \$120,000,000 Square Feet: 828,000 Completion: 2000

STATE FARM SHOW COMPLEX, New Construction/Expansion

Cost: \$76,000,000 Square Feet: 171,000 Completion: 2003

PENNSYLVANIA JUDICIAL CENTER, New Construction

Cost: \$93,000,000 Square Feet: 330,000 Completion: 2007

WHITAKER CENTER FOR SCIENCE AND THE ARTS, New regional arts and science center with a 660-seat performance theater, an IMAX theater and a science center.

Cost: \$45,000,000 Square Feet: 200,000 Completion: 1999

NATIONAL CIVIL WAR MUSEUM, New Construction/Artifacts

Cost: \$32,242,000 Square Feet: 60,000 Completion: 2001

PENNSYLVANIA SPORTS HALL OF FAME, New Construction

Cost: \$28,900,000 Square Feet: 63,000 Completion: to be determined

MARKET SQUARE PLAZA, New Construction

Cost: \$26,000,000 Square Feet: 311,276 Completion: 2005

MARSHALL & MELROSE, Elementary School Renovation/Expansion

Cost: \$15,864,000 Square Feet: 129,350 Completion: 2002

BEN FRANKLIN & FOOSE, Elementary School Renovation/Expansion

Cost: \$14,286,000 Square Feet: 183,200 Completion: 2001

PINNACLE HEALTH SYSTEM (HARRISBURG HOSPITAL), Laboratory

Cost: \$8,998,000 Square feet: 31,490 Completion: 2005

PINNACLE HEALTH SYSTEM (HARRISBURG HOSPITAL), Renovation/Expansion

Cost: \$8,825,000 Square Feet: 126,000 Completion: 2000

HACC, SELECT MEDICAL HEALTH EDUCATION PAVILION, New Construction/Classroom Expansion

Cost: \$8,750,000 Square Feet: 51,000 Completion: 2005

PHFA HEADQUARTERS, New Construction

Cost: \$8,000,000 Square Feet: 100,381 Parking Spaces: 159 Completion: 2004

GIANT FOOD STORE, New Construction

Cost: \$5,079,000 Square Feet: 65,300 Parking Spaces: 848 Completion: 2000

INTERNATIONAL PLACE, Student housing and restaurant for training

Cost: \$4,100,000 Square feet: 31,473 34 units Completion: 2005

1633 NORTH SIXTH STREET - OFFICE BUILDING, New Construction

Cost: \$4,000,000 Square feet: 120,000 Parking Space: 134 Completion: to be determined

CITY ISLAND GRILL, New Construction of Restaurant/Banquet Facility

Cost: \$2,700,000 Square feet: 25,900 Completion: 2006

HACC, EARLY CHILDHOOD EDUCATION AND DAYCARE FACILITY, New Construction

Cost: \$2,000,000 Square Feet: 12,000 Completion: 2005

MT. PLEASANT PLAZA, New Construction/Expansion

Cost: \$1,814,000 Square Feet: 14,356 Parking Spaces: 18 Completion: 2003

1521 NORTH SIXTH STREET-OFFICE BUILDING, New Construction

Cost: \$1,500,000 Square Feet: 85,000 Parking Spaces: 70 Completion: 2002

OLEWINE LIBRARY (DAUPHIN COUNTY LIBRARY SYSTEM), New Construction

Cost: \$1,300,000 Square feet: 6,400 Completion: 2006

RESIDENTIAL:

CAPITOL HEIGHTS DEVELOPMENT (LOTTSVILLE)

Cost: \$27,616,000 Units: 170 Completion: 2007

Phase I Units: 30 Completion: 2000

Phase II Units: 58 Completion: 2005

Phase III Units: 7 Completion: 2005

Phase IV Units: 58 Completion: 2007

PENNSYLVANIA PLACE (CITY TOWERS), (including 5 levels of commercial space and a 3-level parking garage)

Cost: \$9,000,000 Units: 292 Completion: 1999

ALLISON HILL SOUTH PROJECT, Rehabilitation and construction of rental units

Cost: \$8,860,000 Units: 56

Phase I Units: 27 Completion: 1994

Phase II Units: 29 Completion: 2000

MARKET PLACE TOWNHOMES

Cost: \$7,737,000 Units: 98

Phase I Units: 26 Completion: 1992

Phase II Units: 12 Completion: 1995

Phase III Units: 60 Completion: 2007

SUMMIT TERRACE TOWNHOMES PROJECT

Cost: \$4,182,000 Units: 60

Phase I Units: 12 Completion: 1995

Phase II Units: 7 Completion: 1997

Phase III Units: 7 Completion: 2000

MARKET COURT APARTMENTS

Cost: \$1,524,000 Units: 12 Completion: 2000

MELROSE GARDENS, New Construction

Cost: \$1,049,083 Units: 8 Completion: 2002

RESIDENCES AT GOVERNOR'S SQUARE (formerly MACLAY APARTMENT REDEVELOPMENT)

Cost: \$21,677,000 Units: 222 Completion: 2005

TOWNS AT GOVERNOR'S SQUARE (formerly MACLAY HOME DEVELOPMENT)

Cost: \$8,900,000 Units: 71 Completion: 2008

COMMONS AT BARKLEY LANE, 16 New Townhouses

Cost: \$2,500,000 Completion: 2005

OTHER:

RIVER STREET GARAGE, New Construction

Cost: \$13,742,601 Square Feet: 16,168 Parking Spaces: 850 Completion: 2001

CITYWIDE STREET REPAVING/RECONSTRUCTION PROJECTS

Cost: \$9,864,565

Phase I	# of streets: 129	Completion: 1990
Phase II	# of streets: 57	Completion: 1991
Phase III	# of streets: 51	Completion: 1992
Phase IV	# of streets: 51	Completion: 1993
Phase V	# of streets: 45	Completion: 1995
Phase VI	# of streets: 83	Completion: 1998
Phase VII	# of streets: 90	Completion: 2000

CBD STREETLIGHTS AND STREETScape, Streetscape and Improvements

Cost: \$21,000,000 Completion: 2010

CITY ISLAND GARAGE, New Construction

Cost: \$6,169,799 Square Feet: 12,748 Parking Spaces: 484 Completion: 2002

CAPITAL CORRIDORS, Streetlights, Trees, and Sidewalks

Cost: \$4,584,687 Completion: 2002

PENNDOT SERVER FARM FACILITY, 1400 North Cameron Street, New Construction

Cost: \$4,343,032 Square Feet: 23,500 Parking Spaces: 73 Completion: 2003

TRAFFIC SIGNALS UPGRADES, Replace Signals

Cost: \$4,005,000 Completion: 2003-2007

REPLACE/LINE VARIOUS COMBINED SEWERS

Cost: \$3,800,000 Completion: 1999

7TH STREET WIDENING, New Construction/Expansion

Cost: \$3,729,000 Completion: 2008

HRA TRANSPORTATION CENTER, Renovation

Cost: \$3,500,000 Completion: 2006

STATE STREET STREETScape, 100 & 200 Blocks

Cost: \$2,260,000 Completion: 2006

SOUTHERN GATEWAY, Extension of South 3rd Street to I-83 to improve traffic circulation in Central Business District.

Cost: \$5,000,000 (Design) Completion: 2008

Cost: \$75,000,000 (Estimated Construction) Completion: 2012

SOUTH FRONT STREET CONNECTOR, Connecting Front Street with industrial park site (including environmental assessment, design, construction, and construction management)

Cost: \$2,500,000

Completion: 2001

MARKET STREET BRIDGE LIGHTING, Replace lighting, landscaping, and stone pavers on eastside

Cost: \$1,193,005

Completion: 2003

STATE STREET INTERSECTION, Renovation

Cost: \$495,500

Completion: 2004

MULBERRY STREET BRIDGE RAMP REHABILITATION, Renovation

Cost: \$3,870,000

Completion: 2006

WIDEN MARKET STREET BRIDGE UNDERPASS ON CITY ISLAND, Improvements (including design, utility relocation and construction)

Cost: \$3,500,000

Completion: 2006

Sources: Mayor's Office of Economic Development, Department of Building & Housing Development, and Office of City Engineer

HARRISBURG COMMUNITY DEVELOPMENT PROJECTS: A Sampling of New Building Construction



The Residences At Governor's Square: Construction began in the spring of 2004 on 222 rental units and 65 affordable homes on the site of the former Maclay Street Apartments. The rental rehabilitation is underwritten by CDBG funds, grants and other investments totaling over \$17.5 million. 35 of these have been completed with 22 already occupied as of November 30, 2004. Construction is well under way at two other locations. The Land Development/Subdivision Plans for the 73 new homes for sale, called 'The Towns at Governor's Square', received approvals and construction for these new units is expected to begin in Spring 2006. Investment for new homes totals over \$8.1 million.

Market Square Plaza: A former surface parking lot located downtown at 17 North Second Street gave rise to an 18-floor office building. Demolition of structures adjacent to the Walnut Street Parking Garage was completed in July 2003. Construction began shortly thereafter. Completed in 2005, this 246-foot high building has first floor restaurant and professional service space, provides second floor convention and meeting space connected to the Hilton Harrisburg & Towers, and premium office space and parking on the upper floors. The new building is also linked, via elevated walkway, to the Whitaker Center, the Walnut Street Parking Garage, and Strawberry Square.



Pinnacle Health Expansion: Pinnacle Health completed construction on a new laboratory building that covers a former surface parking lot at the corner of Chestnut and 2nd Street. The laboratory consolidates a variety of laboratory related services into one building, and houses the first fully automated robotic laboratory system of any hospital in the region. The 31,490 square foot building rises to a height of 36.5 feet and is built to allow future vertical expansion. The development of this surface level parking lot is an excellent example of sound land use practices and maximizes the utility of land in Harrisburg's central business district. This project represents a combined investment of \$8,998,000.

HARRISBURG COMMUNITY DEVELOPMENT PROJECTS: A Sampling of New Building Construction

Capitol Heights: A major residential development project in an eight square block area in the City's Uptown neighborhood. Struever Rouse Homes began construction of Phase I in 2000. Home prices for this market rate development range from \$95,720 to \$192,915 with all the modern amenities, including off street parking. Buyers can purchase a home with as little as \$1,000 total cash. Other incentives include 10-year property tax abatement and mortgage tax credit certificates. The City supported the privately financed housing development with land acquisition, demolition of 50 structures, and other infrastructure improvements, including installation of water and sewer lines, sidewalks, antique style street lamps, and trees. The City's multi-year commitment exceeds \$6.79 million.



Mount Pleasant Plaza: An important community revival project in the South Allison Hill neighborhood. A partnership between the City, M&T Bank, Suk Pak, and the Community Action Commission (CAC) resulted in the development of an exciting commercial and community hub at 13th and Derry Streets. The project represents a combined investment of \$1,814,000. Grocery store owner Suk Pak, who has been in business at this location since the mid-1990s, invested over \$833,000 to upgrade and expand his store. Completed in 2004, the renovation of existing structures and new construction resulted in the creation of 14 new low-income housing units and additional retail space for Jackson Hewitt Tax Service and a Laundromat, also operated by Pak and his wife. The parking area has been redesigned to accommodate a new bus kiosk and a public activity area.

SciTech High: The \$20 million renovation of the vacant YWCA building on Market Street was completed. The Harrisburg University of Science and Technology, known as SciTech High opened in fall of 2004. Approximately 170 high school students are receiving advanced instruction in mathematics, science, and information technology. The development of this property will serve not only to educate but to also keep young people in the city and lure high-tech firms to the area. Funding for the project has come from a variety of sources including \$20 million in government grants.



ADDITIONAL SAMPLING OF HARRISBURG'S FUTURE BUSINESS

PENNSYLVANIA JUDICIAL CENTER, work has begun on the first-ever State Judicial Center that will be 12 stories and 330,000 square feet. This center will service as the administrative center for Pennsylvania's Unified Judicial System. It will contain office space for more than 500 employees, three Commonwealth Court courtrooms, and a conference and training center. The construction of this project is expected to begin in 2006 with an anticipated completion in 2008. Total cost of the project is estimated to be \$93 million.



THE NATIONAL AFRICAN AMERICAN CULTURAL CENTER, this center will highlight the rich and illustrious heritage and contributions of African Americans to Harrisburg, Pennsylvania and the United States. The Museum will cover the entire African American experience, from its origins in Mother Africa to the forced exodus of slavery, the American Civil War, the Civil Rights Movement, and the many contributions of African Americans to the growth of our nation and its economic might over the past two centuries.



CITY ISLAND RESTAURANT AND MEETING CENTER, a restaurant and banquet facility to be developed on City Island will comprise 28,000 square feet on three stories and accommodate over 600 guests. The new facility will offer year-round dining and entertainment and provide additional accommodations to meet the ever-increasing demand for banquet and convention space in the City. The restaurant is slated to be open in the fall of 2006.

THE PENNSYLVANIA SPORTS HALL OF FAME will present a tribute to the sports figures and legends from the past and present who have played important roles in shaping Pennsylvania's unique sports history. The twenty-eight local chapters of the Pennsylvania Sports Hall of Fame from all over the Commonwealth have inducted 483 great sports figures since the organization was created in 1963. The museum will honor these individuals and the sports in which they participated. This two level 60,000 square foot building will be located on City Island, and it will overlook the Susquehanna River and downtown Harrisburg. The building will include galleries to exhibit an extensive collection of sports memorabilia, exhibit storage and preparation areas, a theatre, conference center, preview arena gift shop, cafe, and offices. Construction of the facility is estimated to be completed in late 2007, at an approximate cost of \$19.5 million, funded by a \$9.5 million grant awarded through the Redevelopment Assistance Capital Program, as well as funds raised in a capital campaign and other public funding sources.

ADDITIONAL SAMPLING OF HARRISBURG'S FUTURE BUSINESS



ADVANCED COMMUNICATIONS will construct a new, state-of-the-art 300,000 square foot printing and paper recycling facility at the long-vacant and blighted former industrial site at the intersection of Cameron and Herr Streets. The project's \$28 million cost is being financed with a combination of private and public sources including \$3.5 million in grants from the U.S. Department of Housing and Urban Development. The

project will generate substantial new real estate tax revenues for the City, School District, and Dauphin County, and result in the creation of over one hundred new full-time jobs at the site. The project is expected to be completed in the fall of 2007.

SOUTHERN GATEWAY PROJECT would extend South Third Street to Paxton Street, to alleviate the gridlock near Interstate 83 and Cameron Street and creates a completely new matrix of streets and overpasses. This project would have the capacity for 3.1 million square feet of new office space, 2.5 million square feet of commercial space, 500,000 square feet of residential area, at least 4,000 parking spaces, over 6,500 jobs and in excess of \$1 billion in new construction.

HARRISBURG UNIVERSITY OF SCIENCE AND TECHNOLOGY 22-STORY TOWER, recently unveiled and pictured at the right, would have college classrooms, eleven levels of parking spaces for as many as 507 cars, retail businesses and a hallway to Strawberry Square, an auditorium, residential quarters for students and a rooftop garden and courtyard. This project is estimated to cost approximately \$75 million to design, build, and furnish. The ground breaking is expected to be in October 2006 and completion in 2008.



HARRISBURG AREA COMMUNITY COLLEGE (HACC) MIDTOWN CAMPUS is planning to expand its presence in the midtown area with the renovation of the former Evangelical Press Building at 3rd and Reily Streets. Also included in the \$14 million expansion are plans to renovate and expand the Community Center for Technology and Art Building, the creation of 700 new surface parking spaces, and the construction of an "urban meadow" to serve as a living ecological laboratory and tie the campus buildings together. This project is the initial phase of HACC's expansion into midtown Harrisburg.

BUILDING PERMIT SUMMARY

The residential, industrial and commercial new construction and repairs and alterations building permit fees and actual number of permits issued are represented in the following data:

<u>YEAR</u>	<u>BUILDING PERMIT FEES</u>	<u>NUMBER OF PERMITS ISSUED</u>
1980	\$ 47,953	1,081
1981	151,920	982
1982	80,995	770
1983	136,096	796
1984	375,616	1,095
1985	117,427	996
1986	174,372	1,066
1987	265,369	1,013
1988	291,757	954
1989	414,360	1,002
1990	328,731	1,213
1991	189,345	1,324
1992	254,922	1,385
1993	202,903	1,306
1994	276,078	1,534
1995	469,311	1,675
1996	413,575	1,843
1997	718,531	1,914
1998	544,182	2,064
1999	478,793	1,899
2000	707,817	1,882
2001	522,996	1,449
2002	737,848	1,567
2003	402,508	1,763
2004	1,503,027 ^a	1,866
2005	400,173	1,870

NOTES:

City building permit data includes only construction and certain alteration costs; building permit data does not include project costs for acquisition, replacement of existing components, furnishings, fixtures, inventory, non-fixed assets, legal, architectural, and engineering fees and other invested monies.

^a Building permit fees were extraordinarily high in 2004 due to a several large projects, including the Incinerator Retrofit and the construction of Market Square Plaza.

Source: City's Building Permit Database

TAX INCENTIVE PROGRAMS

Since the early 1980s, the City has enacted various tax abatement and tax credit programs designed to promote economic development and to encourage the rehabilitation and reuse of older City properties. These programs include: tax abatement on improvements to residential and business properties outside the Central Business District at 20% per year for five years and tax abatement on new residential construction at 100% for three years; a split valuation of land and improvements for tax levy purposes, with the tax rate on buildings/improvements being one-sixth the rate charged to land; and the issuance of mortgage and investment tax credits.

Approximately 90% of all projects valued at \$200,000 or more, undertaken since 1982, have relied upon tax abatement as an incentive to undertake building construction and improvements within Harrisburg City limits. As these properties near the end of their abatement period, the City's real estate taxes increase accordingly. The tax abatement program has appeared to be successful as illustrated by the nearly tenfold increase in new construction since 1980. Tax abatement is one of numerous incentives for encouraging economic development in the City. This program has produced a resurgence in the City's business district and neighborhoods through job creation, retail sales growth, and growth in the number of occupied homes and apartments.

The City utilizes a two-tier property tax rate, which promotes economic development and rehabilitation by charging a tax millage on buildings one-sixth the rate on land. New construction and the improvement of existing buildings are less expensive and hence more profitable for investors and homeowners. In addition, a higher tax on land helps deter land speculation and promotes the highest and best use of land. Out of over 2,500 municipalities, 14 other municipalities in Pennsylvania now utilize this taxing methodology to produce many of the same desired economic development results. The two-tier property tax rate system has meant lower taxes to most property owners over the single rate system used in most places.

Tax credit programs also encourage economic growth. During 1985, Harrisburg became the first community in the Nation to establish a Mortgage Tax Credit Certificate Program. Tax credits can be issued to first-time homebuyers and, in certain circumstances, previous homeowners who buy and/or rehabilitate a home as their principal residence within the corporate limits of the City and meet certain other requirements. A tax credit works simply: the home buyer receives a Mortgage Tax Credit Certificate that allows 40% or 45% of all interest paid on a new mortgage to be taken as a credit against federal income taxes. The tax credit lasts the life of the new mortgage. The rest of the interest remains tax deductible.

A tax credit is not a tax deduction - it has a direct cash value. Dollar for dollar, it reduces the amount of federal income tax the homebuyer would normally pay the U.S. Government. After subtracting the tax credit, the homebuyer still gets to use the rest of the interest paid as the usual itemized tax deduction. The Administration is continuing its efforts in promoting tax credit programs such as Mortgage Tax Credit Certificates and Investment Tax Credits.

Investment Tax Credits have been integral to stimulating the rehabilitation of the City's older building stock. Following the 1980 Census, Harrisburg was determined to have the highest rate of vacant property of any city in the state, with more than one of every seven structures vacant, including over half of the downtown. Many of these vacancies had existed for long periods of time. By 1982, the number of vacant buildings was over 4,000, which has since been reduced to less than 1,900. Designating seven areas of the City as National Historic Districts and numerous sites to the National Register of Historic Places has allowed 20% Investment Tax Credits to investors/developers for funds expended on certified rehabilitation of income-providing structures.

Other City economic development incentives include: several less-than-market-interest-rate financing programs, site improvement programs, infrastructure programs, donation of partial or full value of publicly-owned real estate, job training/retraining funds, marketing assistance, business training seminars, sites inventory, export assistance and technical assistance.

HARRISBURG – A METROPOLITAN CENTER



Harrisburg has been the capital of the Commonwealth of Pennsylvania since 1812, as well as the County Seat of Dauphin County since the County's creation in 1785. It is the geographic and urban center of the Harrisburg - Lebanon - Carlisle Metropolitan Statistical Area (MSA), which comprises the four counties of Dauphin, Cumberland, Lebanon, and Perry in central Pennsylvania. From 1990 to 2000, this MSA grew at rate twice that of the Commonwealth, as a whole. The MSA containing Harrisburg has consistently had the lowest unemployment rate in Pennsylvania.

The City of Harrisburg has a vast network of highway, air, and rail transportation arteries that link to the markets of the East, Midwest, and the South, in addition to being the major distribution center for the Northeast because of its close proximity to other major cities. Harrisburg has become the region's center for commerce, transportation, finance, special events, public recreation, the arts, and government. The progress of the City's resurgence has produced a renaissance that has reversed nearly three decades of previous decline. Harrisburg has a vitality that can be seen in the spirit, amenity, and growth spreading throughout this metropolitan center in central Pennsylvania.

City of Harrisburg Facts:		Location:	East bank of Susquehanna River Dauphin County South Central Pennsylvania
Settled: By Native Americans – by 6,000 B.C. Europeans approx. 1710			
Incorporated: As a Borough – 1791; As a City – 1860			
Population: 48,950 (2000 Census)		Climate:	Average High: 61.0° F
Total Number of Housing Units: 24,314 (2000 Census)			Average Low: 42.6° F
2005 Assessed Taxable Property Value: \$1,614,795,500			Annual High Extreme: 93.0° F
2005 Assessed Non-Taxable Property Value: \$1,461,714,700			Annual Low Extreme: 2.0° F
Total New Economic Development Investment: \$3,981,000,000			

Metropolitan Statistical Area (MSA) Facts:	
Population: 643,820 (2005 US Census)	Number of Households: 255,000 (2003 Survey)
Total Retail Sales: \$9,325,631,000 (2003 Survey)	Average Number of Persons Per Household: 2.32 (2000 Census)
Retail Sales Per Household: \$36,571 (2003 Survey)	Median Household Effective Buying Income: \$38,522 (2003 Survey)
Median Household Income: \$41,990 (2003 Survey)	Total Effective Buying Income: \$11,895,408,000 (2003 Survey)

Source: Bureau of Information Technology, "2003 Survey of Buying Power", *Sales and Marketing Management Magazine*, and US Census.

A SNAPSHOT OF HARRISBURG'S RESURGENCE: A Comparative Report

Determined under federal distress criteria as the second most distressed city in the United States in 1980-81, the City of Harrisburg then was suffering from very serious decline which began in the mid-1950s. City government, with massive deficits, had lost its credit rating while federal funds had been shut off due to municipal mismanagement. Two of the six city pension systems were nearing the liquidation of their last investment assets. As state capital and county seats, and long a focal point for the massing of the region's social service facilities and public housing, half of city-based real estate was exempt from any form of taxation under state law, an enormous fiscal constraint. The costs of local government were increasing unchecked and unmanaged while federal and state funds, long a source of annual operating monies, were being phased out. With the highest rate of vacant property in the state and steadily declining property values, Harrisburg was considered "written off" in conventional private sector and lender wisdom. Citizen confidence and spirit were nearly nonexistent.

Fundamental city governmental reform and the start of what has been an ongoing primary emphasis on economic development, both simultaneously started in 1982, were augmented by a third parallel pursuit of the development of alternative, non-tax revenues for the City, an initiative also begun in 1982. The success of these endeavors since has resulted in Harrisburg's achieving top national and state awards and recognitions, detailed elsewhere in this section, and a major turnaround in the city's present and future economic condition. City services have been expanded, as resources have allowed, over the past twenty-three years, particularly in the areas of new equipment, vehicles and facilities having been acquired. As with every urban community; however, there remain many challenges and needs for 2006 and beyond.

A comparison of the City's condition over a 23-year period includes:

	<u>December, 1981</u>	<u>December, 2004</u>
<u>Number of Businesses on City Business/Mercantile Taxrolls:</u>	1,908	5,537
<u>Assessed Value of Taxable Real Estate *:</u>	\$212,484,102	\$1,620,732,700
<u>Number of Living Units on Utility Register:</u>	14,903	20,904
<u>Number of Vacant Structures:</u>	over 4,000**	1,908
<u>Mercantile/Business Tax Revenues:</u> (tax rates have remained the same)	\$565,611	\$2,976,493
 <u>Employment Data for the City of Harrisburg:</u>		
Workforce	23,300	23,300
Employed	21,200	21,700
Unemployed	2,100	1,600
Unemployment Rate	9.20%	6.80%

Crime Rate: From 1981 through 2004, the City has experienced a 58.0% reduction in the number of Part I Felony Crimes.

Fire Rate: From 1982 through 2004, the City has experienced a 75.7% reduction in the number of fires.

Sources: City's 2004 Comprehensive Annual Financial Reports, Office of Tax Enforcement within Bureau of Operations and Revenue, Bureau of Information Technology, Bureau of Codes within Department of Building and Housing, PA Dept. Of Labor & Industry, Center for Workforce Information Analysis (variances due to rounding)

* Dauphin County reassessed all real property effective January 1, 2002, which increased taxable and non-taxable property values nearly 100%.

** Year 1982 Data

MAJOR EMPLOYERS IN THE HARRISBURG MSA

The Harrisburg Labor Market Area has a diverse economic base. The annual 2005 Current Employment Statistics (CES) data showed that 21.0% of the labor force was employed in the wholesale and retail trades, 19.3% in government, 13.5% in education and health services, 11.4% in professional and business services, 8.4% in leisure and hospitality services, 7.7% in manufacturing, 7.6% in financial activities, 5.2 in other services, 3.9% in construction, and 1.9% in information.

For the MSA as a whole, the trend has been a shift from good producing to service providing jobs, with overall job growth.

Most jobs held by the City residents are located either within the City or within a 20-minute driving distance of the City. Major employers in the area are as follows:

<u>Ranking</u>	<u>Company/Organization</u>	<u>Industry/Service</u>	<u>Number of Employees</u>
1.	Commonwealth of Pennsylvania	State Government	24,269
2.	U.S. Government	Federal Government	16,733
3.	Hershey Foods Corporation	Food, Food Processing	8,400
4.	Penn State Milton S. Hershey Medical Center	Hospital	7,606
5.	Highmark, Inc.	Health Insurer	5,100
6.	Pinnacle Health System	Hospital	4,012
7.	Giant Food Stores	Grocery Retailer	3,600
8.	Holy Spirit Hospital	Hospital	2,840
9.	Dauphin County	County Government	2,500
10.	Capital Blue Cross	Health Insurer	2,093
11.	Harrisburg Area Community College	College	2,072
12.	Hershey Entertainment & Resorts, Inc.	Hospitality	1,700
13.	Central Dauphin School District	Public School	1,487
14.	Electronic Data Systems Corp.	Information Technology	1,400
15.	SHS Staffing Solutions	Temp. Employment/Placement	1,260
16.	Fry Communications	Publication Manufacturer	1,216
17.	West Shore School District	Public School	1,115
18.	Gannett Fleming, Inc.	Consulting Engineering	1,086
19.	Farmers Pride, Inc.	Food, Food Processing	1,050
20.	HealthAmerica/HealthAssurance PA	Health Insurer	925

<u>DISTRIBUTION OF EMPLOYMENT (2005)</u>			
<u>SERVICE PROVIDING</u>		<u>GOODS PRODUCING</u>	
Trade	68,300	Construction	12,600
Information	6,100	Manufacturing	25,100
Financial Activities	24,700	Total	37,700
Professional and Business Services	37,000		
Education and Health Services	43,800		
Leisure and Hospitality	27,300		
Other Services	17,000		
Government	62,600		
Total	286,800	TOTAL EMPLOYMENT	324,500

Source: Central Pennsylvania Business Journal's Book of Lists, 2006 Edition; PA Department of Labor and Industry, Bureau of Research and

EMPLOYMENT / LABOR FORCE

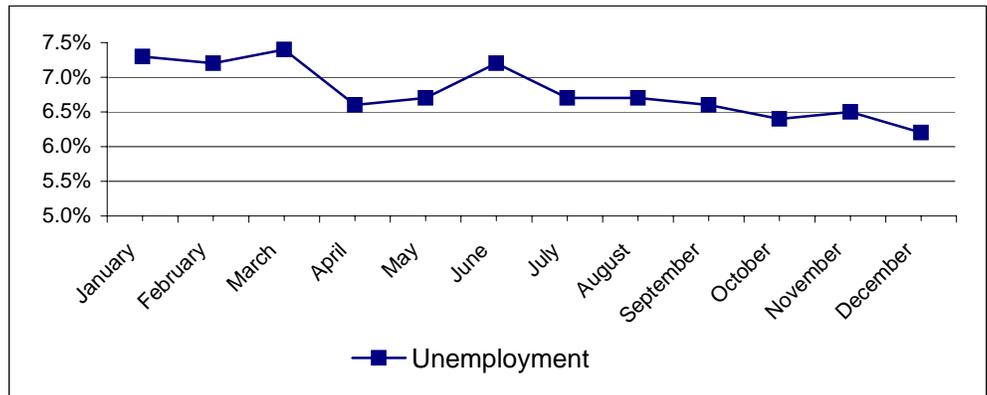
Civilian Labor Force, Employment, Unemployment in the City of Harrisburg.

<u>YEAR</u>	<u>CIVILIAN LABOR FORCE</u>	<u>EMPLOYMENT</u>	<u>UNEMPLOYMENT</u>	<u>RATE</u>
1982	23,000	20,800	2,200	9.6%
1983	22,900	20,700	2,200	9.7%
1984	23,000	21,200	1,800	7.8%
1985	23,700	21,800	1,800	7.8%
1986	24,000	22,300	1,700	7.2%
1987	24,200	22,700	1,500	6.3%
1988	24,500	23,100	1,500	6.0%
1989	25,200	23,900	1,300	5.0%
1990	26,000	24,600	1,500	5.6%
1991	26,500	24,700	1,900	7.0%
1992	26,900	24,800	2,100	7.7%
1993	25,700	24,000	1,700	6.5%
1994	26,100	24,200	1,900	7.4%
1995	26,000	24,600	1,400	5.5%
1996	26,700	25,300	1,300	4.8%
1997	27,300	25,900	1,300	4.9%
1998	25,400	24,300	1,200	4.5%
1999	24,400	23,200	1,300	4.8%
2000	23,800	22,700	1,100	4.7%
2001	24,300	22,900	1,300	5.5%
2002	25,400	23,700	1,700	6.6%
2003	24,900	23,600	1,300	5.2%
2004	23,300	21,700	1,600	6.8%

SIGNIFICANT CONCLUSIONS: The unemployment rate of Harrisburg residents has declined during the post-1982 period of city economic development efforts and progress. Further, there is today a larger number of city residents available for the civilian workforce than 20 or more years ago. Perhaps most significantly, the number of city residents employed full-time has shown a slight increase from 1982 through 2004; an increase of 900 persons, or 4.3%, since 1982.

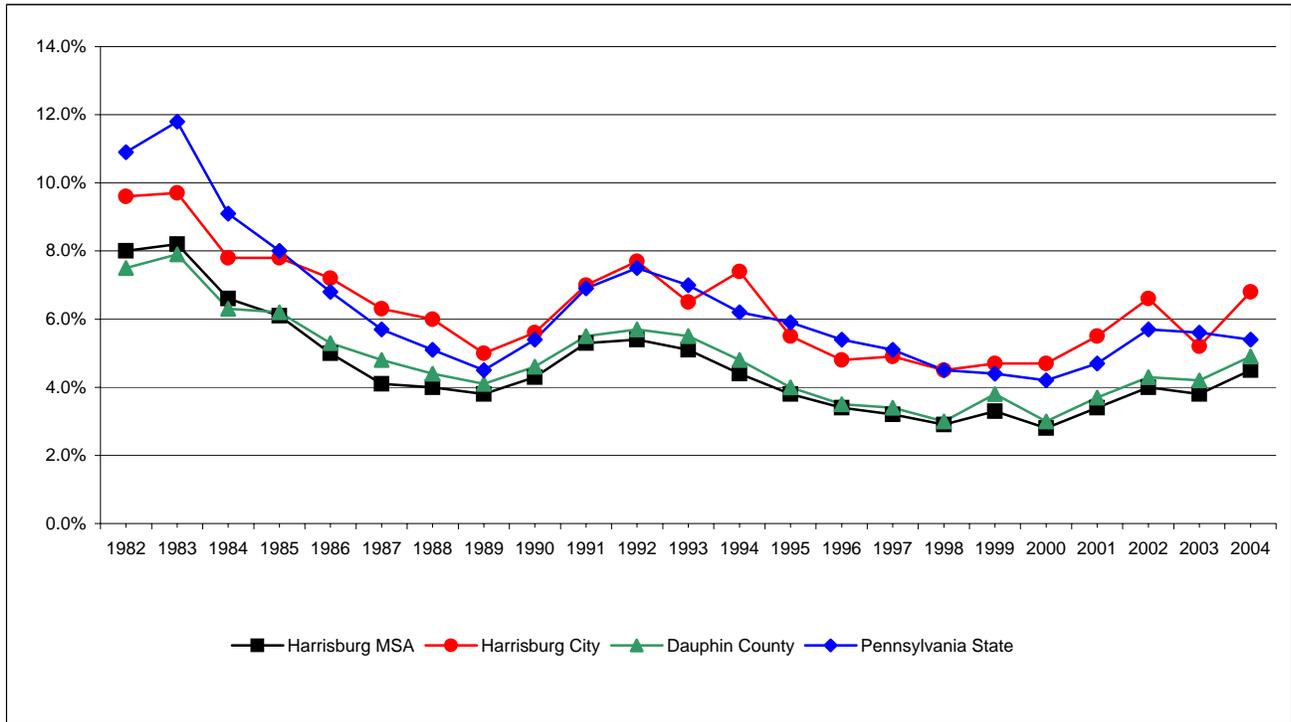
UNEMPLOYMENT RATE - CITY OF HARRISBURG, 2004

January	7.3%
February	7.2%
March	7.4%
April	6.6%
May	6.7%
June	7.2%
July	6.7%
August	6.7%
September	6.6%
October	6.4%
November	6.5%
December	6.2%



Source: PA Department of Labor and Industry, Bureau of Workforce Information & Analysis (variance due to rounding).

UNEMPLOYMENT RATE COMPARISON



YEAR	UNEMPLOYMENT RATES			
	HARRISBURG CITY	DAUPHIN COUNTY	HARRISBURG MSA	PENNSYLVANIA STATE
1982	9.6%	7.5%	8.0%	10.9%
1983	9.7%	7.9%	8.2%	11.8%
1984	7.8%	6.3%	6.6%	9.1%
1985	7.8%	6.2%	6.1%	8.0%
1986	7.2%	5.3%	5.0%	6.8%
1987	6.3%	4.8%	4.1%	5.7%
1988	6.0%	4.4%	4.0%	5.1%
1989	5.0%	4.1%	3.8%	4.5%
1990	5.6%	4.6%	4.3%	5.4%
1991	7.0%	5.5%	5.3%	6.9%
1992	7.7%	5.7%	5.4%	7.5%
1993	6.5%	5.5%	5.1%	7.0%
1994	7.4%	4.8%	4.4%	6.2%
1995	5.5%	4.0%	3.8%	5.9%
1996	4.8%	3.5%	3.4%	5.4%
1997	4.9%	3.4%	3.2%	5.1%
1998	4.5%	3.0%	2.9%	4.5%
1999	4.7%	3.8%	3.3%	4.4%
2000	4.7%	3.0%	2.8%	4.2%
2001	5.5%	3.7%	3.4%	4.7%
2002	6.6%	4.3%	4.0%	5.7%
2003	5.2%	4.2%	3.8%	5.6%
2004	6.8%	4.9%	4.5%	5.4%

Source: PA Department of Labor and Industry, Center for Workforce Information and Analysis

BANKING INSTITUTIONS LOCATED IN THE CITY OF HARRISBURG

Since 1986, Harrisburg has experienced a renaissance as a financial center of the region. Even during recessionary times, nationally, Harrisburg has continued to grow as an attractive place for financial and banking services. In 1987, Hershey Bank opened its first non-Hershey area branch in downtown Harrisburg. This bank was later acquired by PNC Bank, who continues to operate a downtown branch, as well as a branch in Kline Village. Dauphin Deposit Bank constructed a 13 story corporate headquarters in downtown Harrisburg in 1989. Dauphin Deposit Bank was acquired in 1999 to create Allfirst Bank. M&T Bank strengthened its position in the region with its acquisition of Allfirst in 2003. Keystone Financial moved its headquarters to downtown Harrisburg in 1992. M&T Bank acquired Keystone and its subsidiaries in 2000. M&T operates offices in the former Allfirst Building downtown, as well as branches in midtown and uptown Harrisburg. Wachovia Bank, formerly known as CoreStates Bank and First Union Bank, has maintained a strong presence in Harrisburg with its downtown office and uptown branch. Citizens Bank entered the Harrisburg market in 2002 when it acquired the retail branches of Mellon Bank. Fulton Bank operates branches in downtown and midtown Harrisburg. Harris Savings Bank acquired York Federal Bank in 2000, creating Waypoint Bank. Waypoint was purchased by Sovereign Bank in 2005. Other banks recently opening offices in Harrisburg are Commerce Bank (2002), Mid Penn Bank (2003), and Community Bank (2003). In addition, Harrisburg is the home of several credit unions, most notably the Pennsylvania State Employees Credit Union, which has its 225,000 square foot headquarters and over \$2.0 billion in deposits located in the City. The retention, expansion, and addition of strong financial institutions in the city have played a significant part in Harrisburg's resurgence.

Within the corporate limits of the City of Harrisburg are 13 different banking institutions with a total of 20 offices. Although many more branch offices are located in the city's suburban areas and neighboring counties, over \$3.4 billion in total deposits are now held strictly within Harrisburg's city limits.

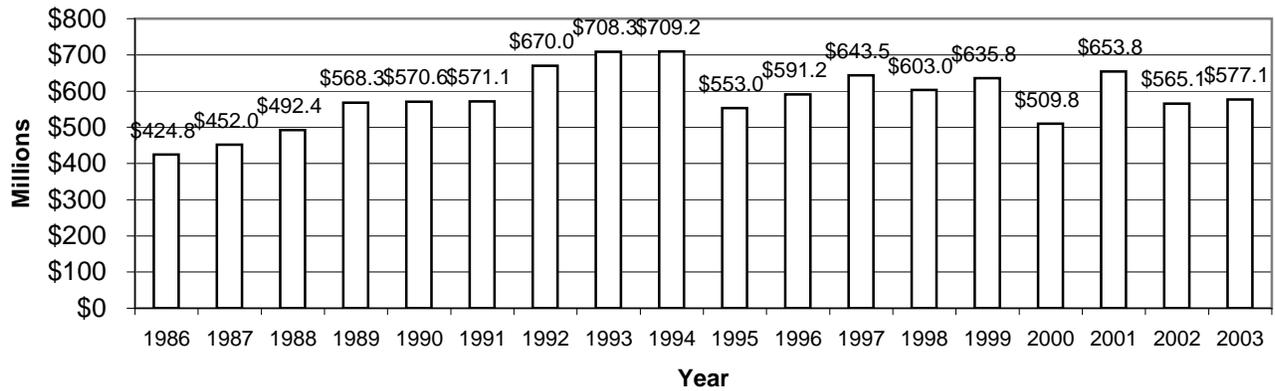
<u>Banking Institutions</u>	<u># of City- Based Offices</u>	<u>Total City-Based Deposits (000's)</u>
	(as of June, 2005)	
Pennsylvania State Employees Credit Union	2	\$2,058,812
Wachovia Bank, NA	2	410,699
BELCO Community Credit Union	1	203,293
Citizens Bank of PA	1	194,791
M & T Bank	3	178,583
Sovereign Bank	1	172,744
Commerce Bank Harrisburg, NA	1	100,825
Fulton Bank	2	79,327
PNC Bank, NA	2	36,455
Community Banks	1	28,169
Mid Penn Bank	2	12,343
Other Credit Unions	2	3,327
TOTAL	20	\$3,479,368

Source: PA Department of Banking

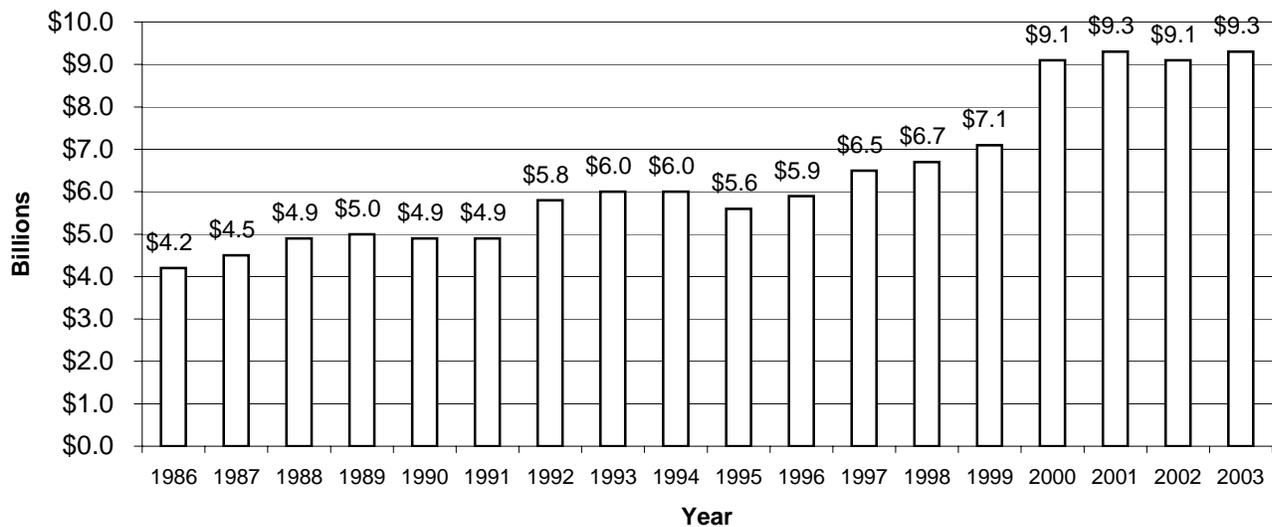
TOTAL RETAIL SALES

Business activity within the City has increased substantially in the last seventeen years as indicated by the increase in retail sales. Total retail sales have increased from \$424.8 million in 1986 to \$577.1 million in 2003 for the City of Harrisburg and from \$4.2 billion in 1986 to \$9.3 billion in 2003 for the MSA.

CITY OF HARRISBURG
Total Retail Sales (1986-2003)



METROPOLITAN STATISTICAL AREA (MSA)
Total Retail Sales (1986-2003)



Source: Sales and Marketing Management Magazine, Survey of Buying power.

PUBLICATIONS

- * **A Guide to Your City Government: The City of Harrisburg's Facilities and Services for City and Region**
- * **Adopt-A-Block Beautification Program** - describes the program designed to encourage community involvement in neighborhood beautification
- * **Adopt-A-Lot: Urban Gardening Program** - the procedure for individuals or groups who want to help with neighborhood beautification by volunteering to clean and landscape vacant lots
- * **After the Fire** - a helpful brochure outlining what an owner or tenant should do in the aftermath of a fire
- * **Business and Industrial Development in Harrisburg**
- * **Capital Area Greenbelt** - membership enrollment for Capital Area Greenbelt Association, Inc.
- * **Capital Corridors Project: Revitalizing Neighborhoods Along Harrisburg's Main Arteries**
- * **Center City Sights** - tourism brochure of downtown sites
- * **City of Harrisburg Statistical Profile** - a summary of 1990 U.S. Census data for the City of Harrisburg, and when possible, comparisons are shown with regional, state, and national statistics
- * **Citywide Sights** - tourism brochure of citywide sights
- * **Community Ink** - a quarterly newsletter on housing and community development activities of the Department of Housing Development
- * **Contractors Quarterly** - a quarterly newsletter for contractors who do work in the City of Harrisburg
- * **Crime Prevention Handbook** - extensive information for citizens, businesses, and neighborhoods on how to prevent crime; includes tips for victims and witnesses of crime; home and business security survey checklist
- * **Discover the Fire Museum of Greater Harrisburg** - a brochure highlighting the museum
- * **Economic Resource Profile** - an 80+ page book outlining every aspect of community life and the local economy for the interested business person and investor
- * **Fire Safety Coloring Book** - an instructional fire safety coloring book for children
- * **Flood and Floodplain Information** - a collection of flood and floodplain information brochures describing prevention and cleanup activities
- * **Flood Safety Tips**
- * **Forum 2000: People Planning and Participation: The Process for Mapping a Long-Term Course and Vision for the City of Harrisburg and the Region**
- * **Harrisburg City Council Monthly Newsletter** - Regular update of Council activities
- * **Harrisburg History Project Brochure** - Details various historic sites around the City that have pedestal mounted period photographs and descriptions
- * **Harrisburg Houses All People** - posters and brochures available in Spanish, English, and Vietnamese
- * **Harrisburg Parks Partnership** - membership enrollment brochure
- * **Harrisburg Recreational Guide (City Calendar)** - a monthly listing of programs and sites for passive and active recreational activities
- * **Harrisburg Zoning Guides** - detailed information on the regulations for residential, commercial, and industrial activity, parking, and signage throughout the City
- * **Harrisburg's Enterprise Community** - a collection of brochures describing the opportunities available within the Enterprise Community
- * **History and Heritage are Alive in Harrisburg: A Guide to the City's Historic Preservation Program**
- * **Home Improvement Program** - details grants and low interest loans available to low and moderate income homeowners for the correction of code violations and repair of major building systems

- * **Home Ownership Impact Loan Program** - requirements for participation in a program that provides forgivable loans of up to \$10,000 to help renters buy the house they currently rent
- * **Home Ownership Opportunities Program (HOP) "Affordable Homes for You"** - a color photograph of all rehabilitated HOP properties currently available for purchase
- * **Homes and Harrisburg: The Housing Renewal Initiative of Harrisburg**
- * **In the Event of a Flood** - tips to reduce loss and damage to homeowner's residence or business should flooding occur to the property
- * **Meeting the Challenges of City and Nation: The Mayor's Energy and Revenue Development Program**
- * **Momentum: Harrisburg Enterprise Community** - a quarterly newsletter reporting latest developments in Harrisburg Enterprise Community
- * **Mortgage Tax Credit Certificate Program Guide** - regulations and application guidelines for first-time home buyers
- * **New Baldwin Corridor Enterprise Zone** - brochure outlining the incentives of industrial development
- * **Police Bureau Information Guide** - a brochure outlining data on district justice duties, civil nuisance complaints, and other public safety issues
- * **Procedural Guide to Official Map Changes** - review of the procedures for vacating streets, creating easements and accomplishing assorted actions that affect or establish right-of-ways
- * **Procedural Guide to Subdivision and Land Development Ordinances** - an outline of the process for developing commercial and multi-residential projects
- * **Rescue One** - information about the specialty rescue unit and other services of the Bureau of Fire
- * **Residential Investment Opportunities RFP** - an invitation for the purchase of City-owned residential properties for rehabilitation and sale as single-family owner-occupied properties
- * **South Allison Hill Neighborhood Action Strategy** - executive summary report of the strategy that is guiding the revitalization of the South Allison Hill Neighborhood
- * **STOMP Coloring Book** - Lead educational coloring book for children
- * **Susquehanna River Trail: An Island Adventure** - brochure and map exploring the Susquehanna River Trail
- * **The Arts, Parks, and Special Events in Harrisburg: Enriching the Quality of Life in City and Region**
- * **The Levitt Series for the Performing Arts Concert Series** - Lists the dates and artists performing at the Levitt Pavilion, June through August
- * **Welcome to Harrisburg's City Island** - tourism brochure on City Island attractions

For further information please call the Mayor's Office at (717) 255-3040.

STATISTICAL SECTION

CITY OF HARRISBURG, PENNSYLVANIA
GENERAL GOVERNMENT EXPENDITURES BY FUNCTION⁽¹⁾
1996-2005

<u>General Government</u>										
<u>Year</u>	<u>City Officials</u>	<u>Admin.</u>	<u>General Expend.</u>	<u>Bldg. & Housing Dev.</u>	<u>Public Safety</u>	<u>Public Works</u>	<u>Parks & Rec.</u>	<u>Capital Outlay</u>	<u>Debt Service</u>	<u>Totals</u>
1996	\$ 1,979,161	\$ 3,205,345	\$ 3,749,384 ⁽²⁾	\$ 6,790,367	\$ 16,540,144	\$ 6,328,177	\$ 2,350,820	\$ 11,588,243	\$ 4,999,755	\$ 57,531,396
1997	2,268,886	3,395,707	3,476,077	8,844,613 ⁽³⁾	16,909,951	4,832,969	2,633,083	3,626,016	5,132,213	51,119,515
1998	3,411,931 ⁽⁴⁾	3,647,771	7,189,662	17,530,908 ⁽⁵⁾	17,889,499	3,889,347 ⁽⁴⁾	2,962,229	2,439,194	3,859,266	62,819,807
1999	3,370,378	3,881,172	3,405,094	14,031,749 ⁽⁵⁾	18,544,296	3,983,674	3,035,742	9,284,841	8,899,734 ⁽⁶⁾	68,436,680
2000	3,542,164	4,181,525	4,481,431	8,576,269	20,391,310	4,178,179	3,423,771	20,564,577 ⁽⁷⁾	8,436,891	77,776,117
2001	3,715,331	4,370,954	4,581,789	9,347,651	21,741,427	4,643,158	3,410,527	11,971,080 ⁽⁷⁾⁽⁸⁾	8,443,320	72,225,237
2002	4,536,384 ⁽⁹⁾	4,983,912	2,976,323 ⁽¹⁰⁾	7,527,264	25,611,221 ⁽¹¹⁾	4,535,518	3,709,992	5,437,874	8,727,077	68,045,565
2003	3,203,986	5,416,606	2,927,990	8,057,397	29,474,614 ⁽¹²⁾	5,176,582	4,141,567	383,478	10,332,601 ⁽¹³⁾	69,114,821
2004	4,612,875	4,350,524	4,059,672	6,060,883	29,115,507	5,404,400	3,651,103	665,122	16,369,865 ⁽¹⁴⁾	74,289,951
2005	4,129,293	3,717,645	7,589,840 ⁽¹⁵⁾	6,068,648	32,493,418 ⁽¹⁶⁾	5,338,939	3,871,001	29,087	8,722,965	71,960,836

- (1) This schedule includes those expenditures recorded in the General, Special Revenue, Debt Service, and Capital Projects Funds for 1996-2002, and adds Other Governmental Funds beginning in 2003.
- (2) In 1996, \$654,941 was expended for the Whitaker Center.
- (3) Includes expenditures of federal and state grant funds for the Sylvan Heights Mansion rehabilitation project (the new YWCA), the Whitaker Center, the former McFarland Press Building, and completion of the Summit Terrace Townhomes project.
- (4) Includes \$1.1 million in street lighting costs in the Office of City Engineer that were expended from Public Works prior to 1998.
- (5) Includes approximately \$10.7 million and \$6.6 million in 1998 and 1999, respectively, in state grant funds, and passed through to the Whitaker Center project.
- (6) Principal retirements increased approximately \$5.2 million, primarily from increased debt service the 1995 Unfunded Pension Liability Bonds, Series A and B, and on the 1997 G.O. Issues, Series D, E, F and G.
- (7) Includes approximately \$15.2 and \$3.9 million in 2000 and 2001, respectively, for National Civil War Museum expenditures.
- (8) Includes approximately \$3.6 million for the purchase of street lights.
- (9) Includes approximately \$500,000 in increased personnel and consulting costs and nearly \$300,000 in new lease/purchase expense resulting from the purchase of the Streetlighting System in 2001.
- (10) Personnel benefit costs such as severance pay, workers compensation, and pension plan contributions decreased over \$944,000 from 2001.
- (11) Includes approximately \$1.5 million from normal salary, benefits and inflationary increases, and \$2.4 million from Local Law Enforcement Block Grants, Metro Mobile Enhancement and Auto Theft Prevention grants for hiring police officers and related equipment costs.
- (12) Includes approximately \$1.1 million from normal salary, benefits and inflationary increases; and nearly \$603,000 for severance pay, workers compensation and pension costs expended from General Expenditures prior to 2003. Also includes \$546,655 for Department of Homeland Security, Urban Search and Rescue Grants; \$613,062 for U.S. Department of Justice, COPS Grants; \$230,422 for U.S. Department of Justice Weed and Seed Grants and \$819,527 of additional State Grants.
- (13) Beginning in 2003, debt service includes principal and interest on capital leases.
- (14) Includes principal retirements of \$6.7 million for existing capital leases which were refinanced due to favorable market rates.
- (15) Includes approximately \$2.4 million for rehabilitation of the Mulberry Street Bridge.
- (16) Includes \$1.3 million minimum municipal obligation payment to the police pension fund; approximately \$1.6 million from normal salary, benefits and inflationary increases; and nearly \$570,000 for severance pay.

Source: City's audited basic financial statements.

CITY OF HARRISBURG, PENNSYLVANIA

GENERAL GOVERNMENTAL REVENUES BY SOURCE ⁽¹⁾

1996 - 2005

<u>Year</u>	<u>Taxes</u>	<u>Licenses & Permits</u>	<u>Intergovt. Revenue</u>	<u>Dept. Earnings</u>	<u>Fines & Forfeits</u>	<u>Investment Income</u>	<u>Misc.</u>	<u>Totals</u>
1996	\$ 16,809,841	\$ 316,315	\$ 10,574,141 ⁽²⁾	\$ 10,967,765	\$ 1,277,856	\$ 1,221,606	\$ 3,294,150 ⁽³⁾	\$ 44,461,674
1997	16,777,025	329,641	12,904,553 ⁽⁴⁾	14,432,201 ⁽⁵⁾	1,178,353	1,109,304	621,776	47,352,853
1998	18,664,865 ⁽⁶⁾	356,350	22,525,004 ⁽⁷⁾	11,357,621	1,176,021	979,175	3,847,531 ⁽⁸⁾	58,906,567
1999	17,725,513	392,418	17,679,420 ⁽⁷⁾	13,951,499 ⁽⁹⁾	1,373,780	1,182,583	3,159,906 ⁽¹⁰⁾	55,465,119
2000	18,821,081 ⁽¹¹⁾	415,979	26,906,417 ⁽¹²⁾	13,877,353	1,315,675	2,348,892	5,720,349 ⁽¹⁰⁾⁽¹³⁾	69,405,746
2001	18,984,666	467,488	16,706,490 ⁽¹²⁾	16,518,832 ⁽¹⁴⁾	1,330,175	977,590	3,993,829 ⁽¹⁰⁾⁽¹⁵⁾	58,979,070
2002	20,712,704 ⁽¹⁶⁾	497,777	15,299,379	17,823,989	1,448,632	197,297	2,046,823 ⁽¹⁷⁾	58,026,601
2003	21,363,287	423,696	20,170,175 ⁽¹⁸⁾	21,933,561 ⁽¹⁹⁾	1,697,651	68,877	3,833,537 ⁽²⁰⁾	69,490,784
2004	23,370,790 ⁽²¹⁾	490,719	16,703,296	18,445,931	1,811,458	340,138	2,345,679	63,508,011
2005	24,246,730 ^{(21),(22)}	483,281	20,023,430 ⁽²³⁾	20,045,806	1,752,381	482,026	1,668,796	68,702,450

⁽¹⁾ This schedule includes those revenues recorded in the General, Special Revenue, Debt Service and Capital Projects Funds for 1996-2002, and adds Other Governmental Funds beginning in 2003.

⁽²⁾ Pension system state aid increased \$781,168, parking revenue increased \$500,000, and capital fire protection payment increased \$248,000.

⁽³⁾ Reimbursement from FEMA and PEMA for flood and blizzard expenditures, and approximately \$400,000 in savings from bond restructuring.

⁽⁴⁾ Includes receipt of \$1.0 million in state grants for the Whitaker Center for Science and the Arts and Science Project, as well as Enterprise Community and other state grants for building and housing projects and police equipment.

⁽⁵⁾ Includes \$2.0 million on deposit with The Harrisburg Authority. Also, administrative service chargebacks increased \$321,000.

⁽⁶⁾ Real estate tax revenue increased \$563,869 over 1997 and transfer taxes collected were \$909,980 higher primarily due to the sale of Forum Place and the PA Department of Transportation Building to the Dauphin County General Authority.

⁽⁷⁾ Includes receipt of \$10.7 million and \$6.6 million during 1998 and 1999, respectively, in state grants for the Whitaker Center project.

⁽⁸⁾ Includes a \$2.7 million reimbursement from The Harrisburg Authority for prior year expenditures.

⁽⁹⁾ The Special Revenue Fund experienced a \$1.8 million increase in program income that provided for the repayment of a 1990 Section 108 Note.

⁽¹⁰⁾ Received a \$2,136,800 settlement from Pinnacle Health Systems in-lieu-of taxes for 1994-1999 and \$267,100 in 2000 and 2001.

⁽¹¹⁾ Real estate tax revenue increased \$1.1 million due to a tax rate increase, the City's first increase since 1988.

⁽¹²⁾ Includes approximately \$15.2 and \$4.8 million in 2000 and 2001, respectively, in state grant reimbursements for the National Civil War Museum.

⁽¹³⁾ Includes a \$4.2 million payment from The Harrisburg Authority for the City to guarantee the Authority's Resource Recovery Notes, Series of 2000.

⁽¹⁴⁾ Administrative service chargebacks increased \$2.4 million over 2000.

⁽¹⁵⁾ Includes a \$2.5 million payment from the Harrisburg Redevelopment Authority for the City to Guarantee the Authority's \$20,170,000 Revenue Bonds, Series of 2001, as well as \$1.1 million from an interest rate swap transaction.

⁽¹⁶⁾ The \$1.7 million increase in tax revenue is primarily the result of Dauphin County's first county-wide reassessment since 1972. These new values became effective January 1, 2002, increasing the City's assessment base nearly 100%.

⁽¹⁷⁾ Includes approximately \$1.9 million in refund of expenditures from The Harrisburg Authority's Resource Recovery Fund.

⁽¹⁸⁾ Includes \$810,516 of additional pension system state aid; \$700,000 in additional Coordinated Parking Fund revenue and \$2.6 million in additional grants.

⁽¹⁹⁾ Includes increases of approximately \$4.0 million in administrative service chargebacks to the Special Revenue and Enterprise Funds and \$525,000 in Grant Fund program income.

⁽²⁰⁾ Includes approximately \$2.8 million in fees for the City to guarantee The Harrisburg Authority's Resource Recovery Facility Revenue Bonds and Notes, Series A-F of 2003, \$100,000 of payments in lieu of taxes and \$300,000 in contributions and refunds.

⁽²¹⁾ Includes \$1.5 million and \$1.2 million in proceeds from the sale of the City's tax liens for the years 2004 and prior, and 2005, respectively.

⁽²²⁾ Includes approximately \$2.8 million of new Emergency Municipal Services Tax proceeds. This tax was created by the Pennsylvania Legislature in November 2004 and replaced the Occupational Privilege Tax. This tax enables Pennsylvania municipalities to increase their previous levy of the tax from \$10.00 to \$52.00 per year on a similar tax base. The School District continues to receive \$5.00 of the levy.

⁽²³⁾ Includes approximately \$2.4 million for rehabilitation of Mulberry Street Bridge, \$1.3 million for Hurricane Katrina deployments, and \$1.0 million for Federal Emergency Management Agency deployments.

Source: City's audited basic financial statements.

CITY OF HARRISBURG, PENNSYLVANIA

TAX REVENUE BY SOURCE
1996 - 2005

<u>Year</u>	<u>Total Taxes</u>	<u>Property (Real Estate)</u> ⁽¹⁾	<u>Real Estate Transfer</u> ⁽²⁾	<u>Emergency and Municipal Services/ Occupational Privilege</u> ⁽³⁾	<u>Earned Income</u> ⁽⁴⁾	<u>Business Privilege/ Mercantile</u> ⁽⁵⁾
1996	\$16,809,841	\$ 11,258,401	\$ 264,794	\$ 310,696	\$ 2,472,947	\$ 2,503,003
1997	16,777,025	10,954,734	394,629	324,385	2,623,607	2,479,670
1998	18,664,865	11,783,603 ⁽⁶⁾	1,304,609 ⁽⁶⁾	322,034	2,714,582	2,540,037
1999	17,725,513	11,279,490	439,203	328,014	2,895,306	2,783,500
2000	18,821,081	12,264,249 ⁽⁷⁾	372,838	343,212	3,015,003	2,825,779
2001	18,984,666	12,179,214	331,675	326,507	3,190,322	2,956,948
2002	20,712,704	13,594,940 ⁽⁸⁾	448,787	324,743	3,358,138	2,986,096
2003	21,363,287	13,618,418	850,269 ⁽⁹⁾	332,578	3,235,092	3,326,930 ⁽¹⁰⁾
2004	23,370,790	15,194,054 ⁽¹¹⁾	885,956	336,509	3,111,689	3,842,582
2005	24,246,730	13,321,183	1,101,829	2,782,396	3,346,735	3,694,587

- ⁽¹⁾ The Dauphin County Board of Assessments performs property tax assessments. The City levies the tax on 100% of the value assigned by the County. The tax within the City is levied as two rates (termed "Two-Rate Property Tax"): 24.414 mills on assessed value of land and 4.069 mills on the assessed value of all buildings and improvements to the land, whether residential, commercial or otherwise, for 2003. The combined effective millage rate for 2003 was 8.52 mills.
- ⁽²⁾ The City imposes a Real Estate Transfer Tax of 1% of the selling price or market value of real estate transferred within the City. This tax is collected by the County for which the County is paid a 2% commission on transfer taxes collected. The City shares this tax equally with the School District.
- ⁽³⁾ For the years 1996 through 2004, the City levied an Occupational Privilege Tax of \$10.00 per person for anyone working within the City. This tax was withheld by the employer and allocated equally between the City and School District. Beginning in 2005, the City started receiving the new Emergency and Municipal Service Tax (EMS). This tax was created by the Pennsylvania Legislature in November 2004 and replaced the Occupational Privilege Tax. This tax enables Pennsylvania municipalities to increase their previous levy of the tax from \$10.00 to \$52.00 per year on a similar tax base. The School District continues to receive \$5.00 of the levy.
- ⁽⁴⁾ City residents pay an Earned Income Tax (EIT) of 1%, which tax is shared equally with the School District. Non-residents who work within the City and who do not pay an earned income tax to the municipality of their residence also pay the 1% EIT. This tax is administered by the Capital Tax Collection Bureau (CTCB) for which the CTCB is paid a 2.5% commission on the EIT collected. Since the EIT is withheld by the employer, a high level of compliance exists.
- ⁽⁵⁾ The City levies a Business Privilege and Mercantile Tax on gross receipts. The City shares equally the Mercantile portion of this tax with the School District. Additionally, there are taxes and fees levied on mechanical devices (pinball, billiard tables, video games, etc.) Also, a 10% Amusement Tax is levied on admission prices to places of amusement, entertainment or recreation within the City. The City shares this tax equally with the School District. A parking tax of 15% is also levied on the consideration paid by patrons of the City parking garages and lots.
- ⁽⁶⁾ Increase over 1997 primarily due to the sale of Forum Place and the PA Department of Transportation Building to the Dauphin County General Authority.
- ⁽⁷⁾ Real estate tax revenue increased approximately \$1.1 million due to a tax rate increase, the City's first increase since 1988.
- ⁽⁸⁾ Real estate tax billing increased over \$1.3 million due to a court ordered county-wide reassessment, the first such reassessment since 1972. This action increased taxable property assessments by nearly 100%, effective January 1, 2002.
- ⁽⁹⁾ Many properties were transferred within the City in 2003 due to favorable mortgage rates.
- ⁽¹⁰⁾ The Parking Tax was increased from 10% to 15% in 2003, producing approximately \$400,000 in new revenue.
- ⁽¹¹⁾ In 2004, the City of Harrisburg sold the 2003 and prior years delinquent real estate tax liens to the Harrisburg Redevelopment Authority.

Source: City's audited basic financial statements

CITY OF HARRISBURG, PENNSYLVANIA
PROPERTY TAX LEVIES AND COLLECTIONS
1996 - 2005

<u>Year</u>	<u>Total Flat Billing</u>	<u>Adjusted Levy</u>	<u>Current Year Collections</u>	<u>Percent of Adjusted Levy</u>	<u>Total Collections</u>	<u>Percent of Adjusted Levy</u>	<u>Total Outstanding Delinquent Taxes</u>	<u>Percent of Adjusted Levy</u>
1996	\$ 11,481,131 ⁽¹⁾	\$ 11,522,143 ⁽¹⁾	\$ 10,200,299	89	\$ 11,422,860	99	\$ 1,311,400	11
1997	11,533,210 ⁽¹⁾	11,809,887 ⁽¹⁾	10,127,851	86	11,487,492	97	1,320,533	12
1998	11,804,334 ⁽¹⁾	12,151,076 ⁽¹⁾	10,239,726	84	11,566,828	95	1,125,808	9
1999	11,910,170 ⁽¹⁾	12,009,916 ⁽¹⁾	10,015,954	83	11,207,058	93	1,474,827	12
2000	13,075,126 ⁽²⁾	13,166,873 ⁽²⁾	11,066,488 ⁽²⁾	84	12,349,427 ⁽²⁾	94	1,578,031 ⁽²⁾	12
2001	13,175,158	13,255,169	11,246,161	85	12,368,224	93	1,345,947	10
2002	14,492,959 ⁽³⁾	14,673,651 ⁽³⁾	12,099,685 ⁽³⁾	82	13,516,092 ⁽³⁾	92	1,917,015 ⁽³⁾	13
2003	14,264,738	14,422,121	12,061,330	84	13,483,593	93	1,723,704	12
2004	13,958,911	14,067,468	12,019,060	85	15,225,601 ⁽⁴⁾	108	1,606,572	11
2005	13,843,290	13,933,086	11,919,276	86	13,190,958 ⁽⁴⁾	95	1,563,053	11

⁽¹⁾ Net of \$949,013 billing for two City hospitals assessed as taxable entities for the first time in 1993 by the County of Dauphin. Both hospitals appealed their assessments as taxable entities before the Court of Common Pleas and on March 23, 1995, were granted their petition to remove property from the assessment rolls and to strike the tax assessment only with respect to 1993. Both hospitals merged in 1996 as part of Pinnacle Health System ("Pinnacle") and appealed with respect to 1994, 1995, 1996, 1997 and 1998 to the Commonwealth Court. The decision was upheld in January, 1998. Pinnacle appealed this ruling to the Pennsylvania State Supreme Court. Prior to resolution of this matter by the Court, but after passage by the General Assembly of a new charitable exemptions law under which the hospitals were certain to qualify, the parties reached an agreement. The terms of the agreement covered 1994-2001 and provided that the subject properties would be listed as tax exempt. In consideration for such unchallenged tax exempt status, to pay the City \$1,869,700 in lump sum, for the years 1994-1998 and \$267,100, annually, for the years 1999-2001. The City received \$2,136,800 in 1999 to cover the period 1994-1999 and \$267,100 in 2000 and 2001. Because Pinnacle refused to negotiate any further payments to the City in lieu of real estate taxes after 2001, the City in January 2002 sought to have certain Pinnacle properties placed back on the tax rolls, while at the same time, Pinnacle applied to the Dauphin County Board of Assessment Appeals (the "Board") for an exemption of its real estate. After conducting hearings, the Board on May 31, 2002 denied Pinnacle's application for exemption. Pinnacle appealed the Board's decision to the Dauphin County Court of Common Pleas, which in January 2003 scheduled a hearing on Pinnacle's appeal, to be held in the Fall of 2003. Pinnacle, the City, the School District, the County and the Board entered into negotiations to settle the appeal, resulting in a postponement of the hearing. The parties executed and delivered a settlement agreement as of December 18, 2003, which settled the issues raised in Pinnacle's appeal. Under the settlement, Pinnacle agrees to make payments in lieu of taxes (PILOTs) to the City, the School District and the County, for a term of five years covering tax years 2003 through 2007. Thereafter, the agreement, including the obligation to make PILOTs, automatically renews for one-year terms, unless a party objects to any such extension. Pinnacle made PILOTs to the City of \$94,442 and 103,499 during tax years 2003 and 2004, respectively.

⁽²⁾ Real estate tax billing increased over \$1.1 million due to a tax rate increase, the first such increase since 1988.

⁽³⁾ Real estate tax billing increased over \$1.3 million due to a court ordered county-wide reassessment, the first such reassessment since 1972. This action increased taxable property assessments by nearly 100%, effective January 1, 2002.

⁽⁴⁾ Includes \$1.5 million and \$1.2 million in proceeds from the sale of the City's tax liens for the years 2004 and prior, and 2005, respectively.

Sources: City's Bureaus of Information Technology and Financial Management

CITY OF HARRISBURG, PENNSYLVANIA

ASSESSED AND APPRAISED VALUE OF TAXABLE PROPERTY
1996 - 2005

<u>Year</u>	<u>Land</u>		<u>Improvements</u>	
	<u>Assessed</u>	<u>Appraised</u>	<u>Assessed</u>	<u>Appraised</u>
1996	\$ 138,835,000	\$ 138,835,000	\$ 741,205,900	\$ 741,205,900
1997	138,668,200	138,668,200	747,476,200	747,476,200
1998	139,738,600	139,738,600	771,149,700	771,149,700
1999	138,857,000	138,857,000	785,465,900	785,465,900
2000 ⁽¹⁾	129,489,300	129,489,300	711,995,700	711,995,700
2001	129,004,400	129,004,400	724,820,800	724,820,800
2002 ⁽²⁾	371,924,800	371,924,800	1,330,249,300	1,330,249,300
2003	365,839,200	365,839,200	1,310,675,000	1,310,675,000
2004	360,948,300	360,948,300	1,264,860,200	1,264,860,200
2005	357,997,500	357,997,500	1,254,150,100	1,254,150,100

⁽¹⁾ The City's trend of real estate appraisals and assessments for years 1994-2003 is shown in the table above. The County of Dauphin assesses values of properties at 100% of appraised (market) value. Also, beginning in 1993, the County assessed two City hospitals as taxable entities at values totaling \$82,830,800 - Polyclinic Medical Center (\$43,823,900) and Harrisburg Hospital (\$39,006,900). Both hospitals appealed their assessments as taxable entities before the Court of Common Pleas and on March 23, 1995, were granted their petition to remove property from the assessment rolls and to strike the tax assessment only with respect to 1993. Both hospitals merged in 1996 as part of Pinnacle Health System ("Pinnacle") and appealed with respect to 1994, 1995, 1996, 1997 and 1998 to the Commonwealth Court. The decision was upheld in January, 1998. Pinnacle appealed this ruling to the Pennsylvania State Supreme Court. Prior to resolution of this matter by the Court, but after passage by the General Assembly of a new charitable exemptions law under which the hospitals were certain to qualify, the parties reached an agreement. The terms of the agreement covered 1994-2001 and provided that the subject properties would be listed as tax exempt. In consideration for such unchallenged tax exempt status, Pinnacle was to pay the City \$1,869,700 in lump sum, for the years 1994-1998 and \$267,100, annually, for the years 1999-2001. The City received \$2,136,800 in 1999 to cover the period 1994-1999 and \$267,100 in 2000 and 2001. Because Pinnacle refused to negotiate any further payments to the City in lieu of real estate taxes after 2001, the City in January 2002 sought to have certain Pinnacle properties placed back on the tax rolls, while at the same time, Pinnacle applied to the Dauphin County Board of Assessment Appeals (the "Board") for an exemption of its real estate. After conducting hearings, the Board on May 31, 2002 denied Pinnacle's application for exemption. Pinnacle appealed the Board's decision to the Dauphin County Court of Common Pleas, which in January 2003 scheduled a hearing on Pinnacle's appeal, to be held in the Fall of 2003. Pinnacle, the City, the School District, the County and the Board entered into negotiations to settle the appeal, resulting in a postponement of the hearing. The parties executed and delivered a settlement agreement as of December 18, 2003, which settled the issues raised in Pinnacle's appeal. Under the settlement, Pinnacle agrees to make payments in lieu of taxes (PILOTS) to the City, the School District and the County, for a term of five years covering tax years 2003 through 2007. Thereafter, the agreement, including the obligation to make PILOTS, automatically renews for one-year terms, unless a party objects to any such extension. The reduction in land and improvement values shown in this table between 1999 and 2000 principally reflects the removal of these hospital properties from the tax rolls. Pinnacle made PILOTS to the City of \$94,442, \$103,499 and \$92,832 during tax years 2003, 2004, and 2005, respectively.

⁽²⁾ Reflects the result of a court-ordered County-wide reassessment effective January 1, 2002. This was the first such reassessment since 1972, increasing the City's taxable assessed property value base by nearly 100%.

Source: City's Bureau of Information Technology

CITY OF HARRISBURG, PENNSYLVANIA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
1996 - 2005

Year	Tax Rates ⁽¹⁾				Assessed Property Values	
	City ⁽²⁾	School District	County	Total	Taxable	Non-Taxable
1996	14.42	37.62	7.05	59.09	\$ 880,040,900	\$ 640,892,000
1997	14.42	39.62	8.55	62.59	886,144,400	642,751,200
1998	14.42	40.62	8.55	63.59	910,888,300	643,197,700
1999	14.42	40.62	8.55	63.59	924,322,900	596,899,700
2000	15.60	40.62	9.80	66.02	841,485,000 ⁽³⁾	683,119,000 ⁽³⁾
2001	15.60	40.62	9.80	66.02	853,825,200	681,497,800
2002	8.52 ⁽⁴⁾	21.23 ⁽⁴⁾	5.07 ⁽⁴⁾	34.82 ⁽⁴⁾	1,702,174,100 ⁽⁴⁾	1,342,511,700 ⁽⁴⁾
2003	8.52	21.23	6.13	35.88	1,676,514,200	1,373,031,801
2004	8.52	21.23	7.23	36.98	1,625,808,500	1,428,325,804
2005	8.52	21.23	7.23	36.98	1,612,147,600	1,465,007,300

⁽¹⁾ Per \$1,000 in Assessed Valuation. Assessments equal 100% of estimated property values.

⁽²⁾ This amount represents an equivalent single tax rate. The City actually utilizes a split-rate, or two-rate, tax system whereby land is currently taxed at a rate six times greater than the tax rate on buildings and improvements.

⁽³⁾ Beginning in 1993, the County assessed two City hospitals as taxable entities at values totaling \$82,830,800 - Polyclinic Medical Center (\$43,823,900) and Harrisburg Hospital (\$39,006,900). Both hospitals appealed their assessments as taxable entities before the Court of Common Pleas and on March 23, 1995, were granted their petition to remove property from the assessment rolls and to strike the tax assessment only with respect to 1993. Both hospitals merged in 1996 as part of Pinnacle Health System ("Pinnacle") and appealed with respect to 1994, 1995, 1996, 1997 and 1998 to the Commonwealth Court. The decision was upheld in January, 1998. Pinnacle appealed this ruling to the Pennsylvania State Supreme Court. Prior to resolution of this matter by the Court, but after passage by the General Assembly of a new charitable exemptions law under which the hospitals were certain to qualify, the parties reached an agreement. The terms of the agreement covered 1994 - 2001 and provided that the subject properties would be listed as tax exempt. In consideration for such unchallenged tax exempt status, Pinnacle was to pay the City \$1,869,700 in lump sum, for the years 1994 - 1998 and \$267,100, annually, for the years 1999 - 2001. The City received \$2,136,800 in 1999 to cover the period 1994-1999 and \$267,100 in 2000 and 2001. Because Pinnacle refused to negotiate any further payments to the City in lieu of real estate taxes after 2001, the City in January 2002 sought to have certain Pinnacle properties placed back on the tax rolls, while at the same time, Pinnacle applied to the Dauphin County Board of Assessment Appeals (the "Board") for an exemption of its real estate. After conducting hearings, the Board on May 31, 2002 denied Pinnacle's application for exemption. Pinnacle appealed the Board's decision to the Dauphin County Court of Common Pleas, which in January 2003 scheduled a hearing on Pinnacle's appeal, to be held in the Fall of 2003. Pinnacle, the City, the School District, the County and the Board entered into negotiations to settle the appeal, resulting in a postponement of the hearing. The parties executed and delivered a settlement agreement as of December 18, 2003, which settled the issues raised in Pinnacle's appeal. Under the settlement, Pinnacle agrees to make payments in lieu of taxes (PILOTs) to the City, the School District and the County, for a term of five years covering tax years 2003 through 2007. Thereafter, the agreement, including the obligation to make PILOTs, automatically renews for one-year terms, unless a party objects to any such extension. Pinnacle made PILOTs to the City of \$94,442, \$103,499, and \$92,832 during tax years 2003, 2004, and 2005, respectively.

⁽⁴⁾ Via a court order, the County of Dauphin reassessed all real property county-wide effective January 1, 2002, the first such reassessment since 1972, increasing taxable and non-taxable property values nearly 100%. By law, property tax rates within the City, School District, and County were decreased proportionately so as not to exceed a 10% maximum increase in property tax levy.

Source: City's Bureau of Information Technology

CITY OF HARRISBURG, PENNSYLVANIA

RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE
AND NET GENERAL BONDED DEBT PER CAPITA
1996 - 2005

<u>Year</u>	<u>Population</u> ⁽¹⁾	<u>Taxable Assessed Value</u>	<u>General Bonded Debt</u> ⁽²⁾	<u>Less Debt Service Funds</u>	<u>Net General Bonded Debt</u>	<u>Ratio of Net General Bonded Debt to Assessed Value</u>	<u>Net General Bonded Debt Per Capita</u>
1996	52,376	\$ 880,040,900	\$ 70,863,868 ⁽⁴⁾	\$ 4,285,983	\$ 66,577,885	7.57	\$ 1,271.15
1997	52,376	886,144,400	91,572,155 ⁽⁵⁾	3,064,559	88,507,596	9.99	1,689.85
1998	52,376	910,888,300	81,236,493	1,778,375	79,458,118	8.72	1,517.07
1999	52,376	924,322,900	69,394,047 ⁽⁶⁾	755,826	68,638,221	7.43	1,310.49
2000	48,950	841,485,000 ⁽³⁾	100,721,763 ⁽⁷⁾	574,291	100,147,472	11.90	2,045.91
2001	48,950	853,825,200	102,072,885	457,068	101,615,817	11.90	2,075.91
2002	48,950	1,702,174,100 ⁽⁸⁾	120,504,853 ⁽⁹⁾	223,925	120,280,928	7.07	2,457.22
2003	48,950	1,676,514,200	97,605,314 ⁽¹⁰⁾	98,229	97,507,085	5.82	1,991.97
2004	48,950	1,625,808,500	97,592,769	65,469	97,527,300	6.00	1,992.39
2005	48,950	1,612,147,600	96,503,500	68,898	96,434,602	5.98	1,970.06

⁽¹⁾ 1996 through 1999 per 1990 U.S. Census Bureau Data, 2000 through 2005 per 2000 U.S. Census Bureau Data.

⁽²⁾ General Bonded Debt includes general obligation bonds, lease revenue bonds, and notes payable of the primary government, as well as debt of other entities guaranteed by the primary government. Amounts do not include Section 108 promissory notes and debt which is credited or excluded pursuant to the PA Local Government Unit Debt Act or is to be repaid with enterprise funds.

⁽³⁾ The County assessed two City hospitals as taxable entities for the first time in 1993 at values totaling \$82,830,800. However, both hospitals appealed their assessments as taxable entities and were granted an exemption for 1993 only. Refer to the prior page for the outcome of the appeals process.

⁽⁴⁾ Includes issuance of \$7,200,000 General Obligation Notes, Series of 1996.

⁽⁵⁾ Includes issuance of the following "new money" debt issues: \$650,000 Lease Revenue Notes, Series A of 1997; \$24,891,772 G.O. Refunding Bonds, Series D of 1997, to ultimately retire the \$15,000,000 G.O. Note, Series A of 1995, and to provide for additional capital projects; \$26,632,303 G.O. Refunding Notes, Series F of 1997, to refund the \$25,000,000 G.O. Bonds Series of 1995, and to provide funding for additional capital projects; and \$8,000,000 G.O. Bonds, Series A1 of 1997, to retire \$7,200,000 G.O. Notes, Series of 1996.

⁽⁶⁾ HRA Series A of 1994 Bonds outstanding of \$9,330,000 and \$580,000 G.O. Notes, Series G of 1997, were retired.

⁽⁷⁾ Includes issuance of \$25,195,000 The Harrisburg Authority Guaranteed Resource Recovery Notes, Series A&B of 2000.

⁽⁸⁾ The \$848 million increase is primarily attributed to a court ordered county-wide reassessment which took effect January 1, 2002.

⁽⁹⁾ Includes issuance of \$17,000,000 Guaranteed Resource Recovery Revenue Notes, Series A of 2002.

⁽¹⁰⁾ The Guaranteed Resource Recovery Notes, Series A&B of 2000, in the amount of \$25,190,000 at December 31, 2002, were refunded with the excludable Guaranteed Resource Recovery Bonds and Notes, Series A - F of 2003.

Sources: City's Bureau of Information Technology and audited basic financial statements

CITY OF HARRISBURG, PENNSYLVANIA

COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
As of December 31, 2005

<u>Direct Bonded Debt</u>	<u>Gross Bonded Debt</u> <u>Outstanding</u> ⁽¹⁾	<u>Credits/</u> <u>Exclusions</u> ⁽²⁾	<u>Net Bonded Debt</u> <u>Outstanding</u>
<u>Primary Government:</u>			
General Obligation Bonds, Series A & B of 1995	16,251,442	15,946,442	305,000
General Obligation Bonds, Series A1 of 1997	6,330,000	-	6,330,000
General Obligation Refunding Bonds, Series D of 1997	33,838,343	-	33,838,343
General Obligation Refunding Notes, Series F of 1997	38,517,639	-	38,517,639
Pennsylvania Infrastructure Bank Notes	512,518	-	512,518
Senators Revenue Bonds, Series A1 and A2 of 2005	18,000,000	18,000,000	-
Less: Deferred Loss on Refunding/Unamortized Discount	(141,607)	(141,607)	-
Total Primary Government	<u>\$ 113,308,335</u>	<u>\$ 33,804,835</u>	<u>\$ 79,503,500</u>
<u>Component Units:</u>			
<u>The Harrisburg Authority:</u>			
Sewer Revenue Refunding Bonds, Series of 1984	\$ 2,075,000	\$ 2,075,000	\$ -
Sewer Revenue Refunding Bonds, 2 nd , & 3 rd Series of 1989	12,110,000	12,110,000	-
Sewer Revenue Refunding Bonds, Series of 1992	12,110,000	12,110,000	-
Guaranteed Sewer Revenue Notes Series A, B and C of 1998	2,410,238	2,410,238	-
Water Revenue Bonds, Series A of 2001	6,125,000	6,125,000	-
Water Revenue Bonds, Series A, B, C, and D of 2002	48,825,000	48,825,000	-
Water Revenue Bonds, Series A of 2003	56,400,000	56,400,000	-
Water Revenue Bonds, Series A of 2004	37,360,000	37,360,000	-
Guaranteed Resource Recovery Facility Revenue Bonds, Series A of 1998	11,970,000	11,970,000	-
Guaranteed Resource Recovery Facility Revenue Bonds, Series A, D, E and F of 2003	147,555,000	147,555,000	-
Guaranteed Resource Recovery Notes, Series A of 2002	17,000,000	-	17,000,000
Guaranteed Resource Recovery Notes, Series B & C of 2003	53,370,000	53,370,000	-
Less: Deferred Loss on Refunding/Unamortized Discount	(26,720,299)	(26,720,299)	-
Total The Harrisburg Authority	<u>\$ 380,589,939</u>	<u>\$ 363,589,939</u>	<u>\$ 17,000,000</u>
<u>Harrisburg Parking Authority:</u>			
Guaranteed Parking Revenue Bonds, Series K of 2000	\$ 11,800,000	\$ 11,800,000	\$ -
Guaranteed Parking Revenue Bonds, Series J of 2001	29,045,000	29,045,000	-
Guaranteed Parking Revenue Bonds, Series of 2001	18,120,000	18,120,000	-
Guaranteed Parking Revenue Bonds, Series N of 2003	6,900,000	6,900,000	-
Guaranteed Parking Revenue Bonds, Series O of 2003	15,780,000	15,780,000	-
Guaranteed Parking Revenue Bonds, Series P of 2005	16,630,000	16,630,000	-
Less: Deferred Loss on Refunding/Unamortized Discount	(2,305,758)	(2,305,758)	-
Total Harrisburg Parking Authority	<u>\$ 95,969,242</u>	<u>\$ 95,969,242</u>	<u>\$ -</u>
<u>Harrisburg Redevelopment Authority:</u>			
Guaranteed Revenue Bonds, Series A and B of 1998	\$ 93,590,000	\$ 93,590,000	\$ -
Infrastructure Bank Loan, 2000	500,000	500,000	-
Less: Unamortized Discount	(58,927,631)	(58,927,631)	-
Total Harrisburg Redevelopment Authority	<u>\$ 35,162,369</u>	<u>\$ 35,162,369</u>	<u>\$ -</u>
Total Component Units	<u>\$ 511,721,550</u>	<u>\$ 494,721,550</u>	<u>\$ 17,000,000</u>
<u>Potential Component Units Excluded:</u>			
<u>Harristown Development Corporation:</u>			
Lease Revenue Bonds, Series of 1992	<u>\$ 8,386,797</u>	<u>\$ 8,386,797</u>	<u>\$ -</u>
Total Potential Component Units Excluded	<u>\$ 8,386,797</u>	<u>\$ 8,386,797</u>	<u>\$ -</u>
Total Direct Bonded Debt	<u>\$ 633,416,682</u>	<u>\$ 536,913,182</u>	<u>\$ 96,503,500</u>

(Continued)

CITY OF HARRISBURG, PENNSYLVANIA

COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT

As of December 31, 2005

(Continued)

<u>Overlapping Bonded Debt</u>	<u>Gross Bonded Debt Outstanding ⁽¹⁾</u>	<u>Credits/ Exclusions ⁽²⁾</u>	<u>Net Bonded Debt Outstanding</u>
Harrisburg Area Community College Bonds ⁽³⁾	\$ 1,410,967	\$ 705,484	\$ 705,483
Dauphin County Bonds and Notes ⁽⁴⁾	14,778,953	-	14,778,953
Harrisburg School District General Obligation Bonds and Notes	<u>240,663,769</u>	<u>42,223,104</u>	<u>198,440,665</u>
 Total Overlapping Bonded Debt	 <u>\$ 256,853,689</u>	 <u>\$ 42,928,588</u>	 <u>\$ 213,925,101</u>
 Total Direct and Overlapping Bonded Debt	 <u><u>\$ 890,270,371</u></u>	 <u><u>\$ 579,841,770</u></u>	 <u><u>\$ 310,428,601</u></u>

(1) Gross Bonded Debt Outstanding does not include \$3,375,000 Section 108 promissory notes.

(2) Credits/Exclusions represent all bonds which are not general obligation bonds of the City and are self-liquidating under the PA Local Government Unit Debt Act, portions of general obligation and lease revenue bonds which are payable from enterprise funds of the City, and bonds issued to fund unfunded actuarial accrued pension liability.

(3) Pro Rata 6.38% of 22 school districts' share of Pennsylvania State Public School Bonds: Series of 1995 and 2004 - \$22,115,469.

(4) Pro Rata 12.31% share of: General Authority Lease Rental Debt - 1992, 1998, 2001, 2003, 2004 & 2005 - \$17,462,695; Industrial Development Authority Lease Revenue Note - \$429,168; General Obligation Bonds- \$57,775,000; and General Obligation Notes- \$44,435,000.

Sources: City's audited basic financial statements and annual debt statement filings with the Commonwealth; Officials of Harrisburg Community College, Dauphin County and Harrisburg School District.

CITY OF HARRISBURG, PENNSYLVANIA

RATIO OF ANNUAL DEBT SERVICE FOR GENERAL BONDED DEBT
TO TOTAL GENERAL GOVERNMENT EXPENDITURES
1996 -2005

<u>Year</u>	<u>Principal</u> ⁽¹⁾	<u>Interest</u> ⁽¹⁾	<u>Total Debt Service</u>	<u>Total General Governmental Expenditures</u> ⁽²⁾	<u>Ratio of Debt Service to General Governmental Expenditures</u>
1996	\$ 1,276,713	\$ 3,359,877	\$ 4,636,590	\$ 57,531,396	8.06
1997	1,630,000	3,153,176	4,783,176	51,119,515	9.36
1998	849,271	2,675,508	3,524,779	62,819,807	5.61
1999	5,263,275 ⁽³⁾	2,526,858	7,790,133 ⁽³⁾	68,436,680	11.38
2000	6,886,743	1,220,436	8,107,179	77,776,117	10.42
2001	7,192,674	854,761	8,047,435	72,225,237	11.14
2002	7,641,445	605,673	8,247,118	68,045,565	12.12
2003	7,820,630	347,008	8,167,638	69,114,821	11.82
2004	8,116,029	142,215	8,258,244	74,289,951 ⁽⁴⁾	11.12
2005	6,558,327	39,210	6,597,537	71,960,836	9.17

(1) Amounts do not include Section 108 Loan payments.

(2) Includes those expenditures recorded in the General, Special Revenue, Debt Service and Capital Projects Funds for 1996-2002, and adds Other Governmental Funds beginning in 2003.

(3) Principal retirements increased approximately \$2.3 million on the 1995 Unfunded Pension Liability Bonds, Series A and B, and approximately \$2.3 million on the 1997 General Obligation issues, Series D, E, F and G.

(4) Includes principal retirements of \$6.7 million for existing capital leases which were refinanced due to favorable market rates.

Source: City's audited basic financial statements

CITY OF HARRISBURG, PENNSYLVANIA

SCHEDULE OF REVENUE BOND COVERAGE - PRIMARY GOVERNMENT
 LEASE REVENUE BONDS - HARRISBURG LEASING AUTHORITY
1996 - 2005

<u>Year</u>	<u>Gross Revenue</u>	<u>Expenses</u>	<u>Net Revenue Available For Debt Service</u>	<u>Debt Service Requirements</u>			<u>Coverage</u>
				<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
1996 ⁽¹⁾	\$ 519,487	\$ 192,350	\$ 327,137	\$ 245,000	\$ 54,977	\$ 299,977	1.09
1997	439,548	22,893	416,655	255,000	63,179	318,179	1.31
1998	333,274	23,270	310,004	190,000	59,771	249,771	1.25
1999	344,210	22,270	321,940	200,000	70,132	270,132	1.19
2000	329,267	22,270	306,997	195,000	85,163	280,163	1.10
2001	267,130	19,997	247,133	205,000	19,796	224,796	1.10
2002	241,421	29,146	212,275	210,000	16,703	226,703	0.94
2003	110,051	5,725	104,326	100,000	8,472	108,472	0.96
2004	106,295	7,634	98,661	105,000	3,568	108,568	0.91
2005 ⁽²⁾	0.00	0.00	0.00	0.00	0.00	0.00	0.00

⁽¹⁾ In 1996, amounts that were held for the Incinerator Fund's share of this debt were released to defease its portion of debt service.

⁽²⁾ In 2005, the Harrisburg Leasing Authority experienced no financial activity. The remaining bonds were paid off in 2004.

Source: Harrisburg Leasing Authority audited basic financial statements

CITY OF HARRISBURG, PENNSYLVANIA

SCHEDULE OF REVENUE BOND COVERAGE - COMPONENT UNIT
THE HARRISBURG AUTHORITY
1996 - 2005

Year	Revenue Available ⁽¹⁾	Expenses ⁽²⁾	Net Revenue Available for Debt Service ⁽³⁾	Debt Service Requirements ⁽⁴⁾			Coverage
				Principal	Interest	Total	
1996	\$ 36,843,581	\$ 19,462,926	\$ 17,380,655	\$ 3,355,000	\$ 15,432,888	\$ 18,787,888	0.93
1997	42,674,245	21,852,554	20,821,691	5,741,173	14,382,871	20,124,044	1.03
1998	47,068,036	23,001,972	24,066,064	3,425,000	13,640,845	17,065,845 ⁽⁵⁾	1.41
1999	48,957,458	23,747,335	25,210,123	10,112,764	15,686,501	25,799,265 ⁽⁶⁾	0.98
2000	49,234,236	23,492,004	25,742,232	8,487,076	15,219,564	23,706,640	1.09
2001	48,793,498	23,401,729	25,391,769	6,438,770	16,493,037	22,931,807	1.11
2002	44,139,889 ⁽⁷⁾	24,992,334 ⁽⁸⁾	19,147,555	8,154,595	16,053,383	24,207,978	0.79
2003	44,302,686 ⁽⁹⁾	23,273,951 ⁽⁹⁾	21,028,735	4,165,547	14,275,532	18,441,079 ⁽¹⁰⁾	1.14
2004	40,306,465 ⁽¹¹⁾	21,183,073 ⁽⁹⁾	19,123,392	4,193,599	19,307,553	23,501,152 ⁽¹⁰⁾	0.81
2005	41,195,448 ⁽¹¹⁾	23,510,840	17,684,608	4,441,023	21,442,043	25,883,066	0.68

- (1) Includes total operating and nonoperating revenues. Also includes surplus carryover from prior year(s), representing beginning of year unrestricted cash and cash equivalents as revenue available for debt service, as well as current year deposits to certain debt service funds restricted for subsequent year's debt service.
- (2) Includes total operating expenses excluding depreciation, and total nonoperating expenses excluding interest expense and amortization.
- (3) Nonrecurring or extraordinary items of revenue or expense have not been included in determining net revenue available for debt service.
- (4) Includes debt service requirements on bonds and notes outstanding. Excludes lump sum payoffs or defeasances.
- (5) On August 27, 1998, the Authority issued \$55,765,000 Guaranteed Resource Recovery Facility Refunding Revenue Bonds, Series A, B, C and D of 1998, to refinance all existing resource recovery bonded debt. Therefore, no principal, and less interest, was paid during 1998 related to resource recovery bonded debt.
- (6) Includes full year's debt service on the following debt issues: \$55,765,000 Guaranteed Resource Recovery Refunding Revenue Bonds, Series A, B, C and D of 1998; \$24,000,000 Office and Parking Revenue Bonds, Series A and B of 1998; and \$1,515,173 Guaranteed Sewer Revenue Notes, Series A, B, and C of 1998.
- (7) Decline in revenue is primarily due to a temporary shutdown of the Resource Recovery Facility and a decline in Water and Sewer Fund revenues due to water conservation measures imposed due to drought.
- (8) Expenses increased during 2002 due to unanticipated maintenance and waste hauling expenses incurred because of the required shutdown of the Resource Recovery Facility.
- (9) Decline in revenues continued and expenses decreased in 2003 and 2004 due to the planned shutdown of the Resource Recovery Facility on June 18, 2003, to undertake a complete retrofit of the Facility.
- (10) In July 2002, the Authority issued \$48,825,000 Water Revenue Refunding Bonds, Series A, B, C and D of 2002. A portion of this series was used to prepay the 2003 principal payments due on the Water Revenue Bonds, Series of 1994.
- (11) 2004 and 2005 debt service on the Guaranteed Resource Recovery Bonds and Notes, Series A of 1998, A of 2002 and A, B, C, D, E & F of 2003 paid with capitalized interest which is not includable in the definition of revenue available.

Source: City's and component unit's audited basic financial statements

CITY OF HARRISBURG PENNSYLVANIA

SCHEDULE OF REVENUE BOND COVERAGE - COMPONENT UNIT
HARRISBURG PARKING AUTHORITY AND
COORDINATED PARKING FUND

1996 - 2005

<u>Year</u>	<u>Gross Revenue</u> ⁽¹⁾	<u>Expenses</u> ⁽²⁾	<u>Net Revenue Available for Debt Service</u> ⁽³⁾	<u>Debt Service Requirements</u>			<u>Coverage</u>
				<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
1996	\$ 7,125,398	\$ 3,789,451	\$ 3,335,947	\$ 1,075,000	\$ 2,095,520	\$ 3,170,520	1.05
1997	7,280,679	3,560,298	3,720,381	1,125,000	2,011,547	3,136,547	1.19
1998	8,110,671	3,753,569	4,357,102	1,180,000	2,210,487	3,390,487	1.29
1999	9,148,553	4,842,067	4,306,486	1,255,000	2,771,656	4,026,656	1.07
2000	9,816,581	5,442,946	4,373,635	1,325,000	2,831,111	4,156,111	1.05
2001	10,004,067	5,107,934	4,896,133	1,400,000	2,923,112	4,323,112	1.13
2002	13,381,419 ⁽⁴⁾	6,641,803 ⁽⁵⁾	6,739,616	1,475,000	4,293,067	5,768,067 ⁽⁶⁾	1.17
2003	12,957,784	7,012,669	5,945,115	2,195,000	4,292,516	6,487,516	0.92
2004	14,517,014	9,420,930	5,096,084	1,800,000	3,886,707	5,686,707	0.90
2005	13,785,211	8,078,184	5,707,027	2,510,000	4,019,189	6,529,189	0.87

(1) Includes total operating and nonoperating revenues.

(2) Includes total operating expenses excluding depreciation, and total nonoperating expenses excluding interest expense and amortization.

(3) Nonrecurring extraordinary items of revenue or expense have not been included in determining net revenue available for debt service.

(4) Includes approximately \$2.5 million in additional public parking revenue from the addition of two new garages completed in 2001 (River Street) and 2002 (City Island) and approximately \$820,000 in additional office rental revenue.

(5) Includes approximately \$338,000 in new office expense, \$452,687 in losses on the abandonment of a planned third parking garage and \$347,000 in additional distributions to the City from the Coordinated Parking Fund.

(6) Includes approximately \$1.0 million in additional interest expense from the Guaranteed Parking Revenue Bonds Series of 2001 dated December 15, 2001.

Source: City's and component unit's audited basic financial statements

CITY OF HARRISBURG, PENNSYLVANIA

DEMOGRAPHIC STATISTICS

1996 - 2005

Trends in Labor Force, Employment and Unemployment

Dauphin County

<u>Year</u>	<u>Civilian Labor Force (000)</u>	<u>Employment (000)</u>	<u>Unemployment (000)</u>	<u>Unemployment Rate (%)</u>
1996	138.3	133.5	4.8	3.5
1997	140.3	135.4	4.9	3.5
1998	139.2	134.9	4.3	3.1
1999	138.8	133.6	5.2	3.8
2000	137.3	133.2	4.1	3.0
2001	139.8	134.5	5.2	3.7
2002	145.5	139.2	6.3	4.4
2003	143.7	137.7	6.0	4.2
2004	136.1	129.6	6.6	4.8
2005	135.0	129.2	5.7	4.3

Pennsylvania

<u>Year</u>	<u>Civilian Labor Force (000)</u>	<u>Employment (000)</u>	<u>Unemployment (000)</u>	<u>Unemployment Rate (%)</u>
1996	5,903.0	5,590.0	313.0	5.3
1997	5,984.0	5,673.0	311.0	5.2
1998	5,936.0	5,661.0	275.0	4.6
1999	5,969.0	5,707.0	262.0	4.4
2000	5,972.0	5,722.0	250.0	4.2
2001	6,073.0	5,786.0	287.0	4.7
2002	6,290.0	5,934.0	356.0	5.7
2003	6,170.0	5,826.0	344.0	5.6
2004	6,275.0	5,927.0	348.0	5.5
2005	6,292.0	5,980.0	312.0	5.0

Source: PA Department of Labor and Industry, Bureau of Research and Statistics

CITY OF HARRISBURG, PENNSYLVANIA

DEMOGRAPHIC STATISTICS
1900 - 2000

Population Trends

<u>Year</u>	<u>City of Harrisburg Population</u>	<u>Percent Increase (Decrease)</u>	<u>Harrisburg MSA Population</u>	<u>Percent Increase (Decrease)</u>
1900	50,167	0.00 %	191,050	0.00 %
1910	64,186	27.94	191,050	0.00
1920	75,917	18.28	234,569	22.78
1930	80,339	5.82	250,211	6.67
1940	83,893	4.42	275,429	10.08
1950	89,544	6.74	317,023	15.10
1960	79,697	(11.00)	371,653	17.23
1970	68,061	(14.60)	410,626	10.49
1980	53,264	(21.74)	447,660	9.02
1990	52,376	(1.67)	546,814	22.15
2000	48,950	(6.54)	629,401	15.10

Note:

Harrisburg MSA - Harrisburg Metropolitan Statistical Area consists of Cumberland, Dauphin, Perry and Lebanon Counties.

Source: U.S Bureau of the Census, Decennial Census and final 2000 Census Report; Demographics USA, County Edition; PA State Data Center

CITY OF HARRISBURG, PENNSYLVANIA

DEMOGRAPHIC STATISTICS

2005

Police Information:

Police Bureau Complement:

Officers by Rank:	
Patrol Officers	116
Detectives	24
Corporals	10
Sergeants	8
Lieutenants	5
Captains	3
Chief of Police	1
Total Police Officers	<u>167</u>

Calls for Service 57,241

Crimes by Type:

Homicide	13
Rape	43
Robbery	434
Assault	260
Burglary	621
Theft	1375
Motor Vehicle Theft	108
Arson	17
Total Crimes by Type	<u>2,871</u>

Fire Information:

Fire Bureau Compliment:

Personnel by Rank:	
Firefighters	77
Master Mechanics	1
Lieutenants	8
Captains	4
Battalion Chiefs	4
Senior Deputy Chiefs	1
Deputy Chief	1
Fire Chiefs	1
Total Fire Bureau Compliment	<u>97</u>

Calls for Service by Situation Found:

Fire, Explosion	548
Over Pressure Rupture	74
Rescue Call	594
Hazardous Condition, Standby	220
Service Calls	220
Good Intent Calls	220
False Calls	768
Other	100
Total Calls for Service	<u>2,744</u>

Source: City's Bureaus of Police and Fire

CITY OF HARRISBURG, PENNSYLVANIA

CONSTRUCTION AND BANK DEPOSITS

1996 - 2005

<u>Year</u>	<u>Permit Fees</u>	<u>New Construction Residential</u>		<u>New Construction Commercial</u>	
		<u>Number of Permits</u>	<u>Total Cost</u>	<u>Number of Permits</u>	<u>Total Cost</u>
1996	\$ 413,575	10	\$ 533,846	9	\$ 6,749,479
1997	718,531	1	2,520	14	23,425,821
1998	544,182	4	133,550	9	3,737,721
1999	484,803	5	393,000	6	26,166,989
2000	712,298	34	3,270,738	8	10,163,312
2001	521,554	18	1,492,031	5	5,992,720
2002	737,848	26	1,599,120	6	17,187,309
2003	402,508	40	2,698,746	5	13,619,027
2004	1,503,027 ⁽¹⁾	49	5,172,848	12	21,396,215
2005	400,174	10	2,849,000	8	5,385,916

⁽¹⁾ Permit fees have increased as a result of major construction projects that included Market Square Plaza, Polytechnics Institute, Capitol Complex, Pinnacle Hospital, Harrisburg Housing Authority, and upgrades to City Schools.

Source: City's Bureau of Information Technology

CITY OF HARRISBURG, PENNSYLVANIA

CONSTRUCTION AND BANK DEPOSITS

1996 - 2005

(Continued)

<u>Year</u>	<u>Repairs, Alterations and Additions Residential</u>		<u>Repairs, Alterations and Additions Commercial</u>		<u>Demolition Permits</u>	<u>Bank Deposits</u>
	<u>Number of Permits</u>	<u>Total Cost</u>	<u>Number of Permits</u>	<u>Total Cost</u>		
1996	1,383	\$ 13,415,326	429	\$ 38,548,700	65	\$ 2,417,640,000
1997	1,441	8,800,590	415	65,683,522	72	2,566,476,000
1998	1,610	16,009,178	441	59,866,708	115	2,668,459,000
1999	1,356	9,827,585	519	52,703,797	81	2,323,328,000
2000	1,251	9,737,969	504	72,748,719	61	2,367,136,000
2001	1,041	12,722,531	373	54,933,569	76	2,595,957,000
2002	1,132	9,932,336	391	79,027,282	46	2,794,027,000
2003	1,330	10,142,106	373	100,249,490	79	3,451,705,000
2004	1,452	15,453,031	333	119,358,555	83	3,520,662,000
2005	1,507	13,547,544	335	27,241,639	73	3,480,348,000

Sources: City's Bureau of Information Technology; bank deposits per PA Department of Commerce and Banking

CITY OF HARRISBURG, PENNSYLVANIA

PRINCIPAL REAL ESTATE TAXPAYERS ⁽¹⁾

As of December 31, 2005

<u>Taxpayer</u>	<u>Type of Real Estate</u>	<u>Assessed Value</u> ⁽²⁾	<u>Percent of Total Assessed Valuation</u>
Harristown Development Corp.	State Offices/Telephone Co.	\$ 144,194,800	8.87%
ESL Inc/Penn National Realty Trust	Commercial Business	29,685,000	1.83%
M&T Bank (formerly Allfirst Bank)	Bank/Offices	21,163,200	1.30%
Selco Service Corp.	Commercial Business	24,088,100	1.48%
Harrisburg Hotel Assoc. (Hilton Hotel)	Commercial Business	18,523,000	1.14%
Strawberry Square Associates	Commercial Business	11,916,600	0.73%
Keystone Central Storage LP	Commercial Business	14,335,500	0.88%
365-369 Ocean Avenue LLC	Commercial Business	8,983,700	0.55%
Pinnacle Health System	Hospital	7,990,900	0.49%
Walnut & Third, Inc.	Commercial Business	<u>19,000,000</u>	<u>1.17%</u>
Totals		\$ 299,880,800	18.45%

⁽¹⁾ This table reflects the City's ten highest taxpayers based on the flat tax amount. This may not positively correlate to the assessed value because the City utilizes a split-rate, or two-rate, tax system whereby land is currently taxed at a rate six times greater than the tax rate on buildings and improvements.

⁽²⁾ Assessments equal 100% of estimated property values. Reflects the result of a court-ordered County-wide reassessment effective January 1, 2002.

Source: City's Bureau of Information Technology

CITY OF HARRISBURG, PENNSYLVANIA

SCHEDULE OF INSURANCE IN FORCE

<u>Company</u>	<u>Details of Coverage</u>	<u>Policy Number</u>	<u>Policy Period</u>	<u>Coverage Limits</u>	<u>Deductibles</u>	<u>Premium</u>
St. Paul	Package Policy: Property (Building & Personal Property, including Terrorism)	GP06301616	7/1/04 - 7/1/05	Blanket Real & Personal Property Loss Limit - \$182,034,328	Property -\$25,000 Each Occurrence	\$249,770
	Additional Benefits			Accounts Receivable - \$100,000 Computers - \$50,000 Demolition & Increased Construction -\$100,000 Extra Expense - \$25,000 Fine Arts - \$50,000 Fire Dept. Service Charge - \$25,000 Inventory & Appraisals - \$10,000 Money & Securities (Inside) - \$10,000 Money & Securities (Outside) - \$5,000 Newly Acquired Buildings - \$1,000,000 Newly Acquired Business Personal Property - \$500,000 Outdoor Property - \$50,000 Other People's Property - \$25,000 Personal Belongings - \$250,000 Pollution Clean Up & Removal - \$25,000 Property in Transit - \$50,000 Random Attack/ Computers - \$10,000 Sewer Backup - \$50,000 Temporary Location - \$50,000 Valuable Papers Research - \$100,000		

CITY OF HARRISBURG, PENNSYLVANIA

SCHEDULE OF INSURANCE IN FORCE

<u>Company</u>	<u>Details of Coverage</u>	<u>Policy Number</u>	<u>Policy Period</u>	<u>Coverage Limits</u>	<u>Deductibles</u>	<u>Premium</u>
St. Paul (con't)	Package Policy: (con't)	GP06301616	7/1/04 - 7/1/05			
	Difference in Conditions			Catastrophe -\$1,000,000 Earthquake -\$1,000,000 Flood -\$1,000,000	Catastrophe - \$50,000 per occurrence Earthquake - \$50,000 per occurrence Flood - \$50,000 per occurrence	
	Equipment Breakdown Coverage			Expediting -\$250,000 Pollution Clean-Up & Removal -\$250,000 Spoilage -\$250,000	\$25,000	
	Contractor's Equipment			Contractor's Per Schedule Equipment -\$1,530,100 Unscheduled Any One Item -\$5,000 Policy Limit - \$25,000	Contractor's Per Schedule -\$5,000 Unscheduled - \$1,000	
	Radio & Television Stations			Per Schedule -\$230,000		
	Fine Arts			Per Schedule -\$603,375	Fine Arts \$5,000 per occurrence	
	General Liability Occurrence Form			General Total -Limit-\$2,000,000 Each Person -Limit-\$1,000,000	General Liability -\$25,000 per occurrence	\$371,286
	Liquor Liability			Total Limit -\$2,000,000 Each Person -\$1,000,000	Liquor Liability -\$25,000	Included w/ General Liability

CITY OF HARRISBURG, PENNSYLVANIA

SCHEDULE OF INSURANCE IN FORCE

<u>Company</u>	<u>Details of Coverage</u>	<u>Policy Number</u>	<u>Policy Period</u>	<u>Coverage Limits</u>	<u>Deductibles</u>	<u>Premium</u>
St. Paul (con't)	Package Policy: (con't)	GP06301616	7/1/04 - 7/1/05			
	Employee Benefit Plans - Claims Made Coverage - No retroactive date			Employee Benefit Plans - Total Limit -\$3,000,000 Each Act -\$1,000,000	Employee Benefit Plans -\$25,000	Included w/ General Liability
	Employment Practices Liability Claims Made - Retroactive Date: 07/01/97			Total Limit -\$1,000,000 Each Act -\$1,000,000	Employment Practices Liability -\$25,000	Included w/ General Liability
	Management Liability Claims-Made Retroactive Date: 07/01/97			Management Liability Total Limit -\$1,000,000 Each Act -\$1,000,000	Management Liability -\$25,000	\$33,821
	Law Enforcement Liability			Law Enforcement Liability - Total Limit -\$2,000,000 Each Act -\$1,000,000	Law Enforcement -\$25,000	\$217,092
	Business Auto			Business Auto Combined Single Limit - \$1,000,000 Comprehensive & Collision Coverage for all City Vehicles	Business Auto Physical Damage Deductibles: -\$1,000 - Non Emergency Vehicles -\$3,000 - Emergency Vehicles	\$237,002
	Government Crime			Government Crime Employee Theft -\$250,000 per loss Forgery/Alteration -\$250,000 per loss Theft of Money/ Securities Loss inside -\$500,000 Outside premises -\$100,000	Government Crime Employee Theft -\$5,000 Forgery/Alteration -\$5,000 Theft of Money/ Securities - any occurrence inside - \$5,000 any occurrence outside - \$2,500	\$6,648
	Umbrella Excess			Umbrella Excess General Total Limit -\$3,000,000 Each Event -\$3,000,000	Umbrella Excess -\$10,000 Each Act	\$147,001

CITY OF HARRISBURG, PENNSYLVANIA

SCHEDULE OF INSURANCE IN FORCE

<u>Company</u>	<u>Details of Coverage</u>	<u>Policy Number</u>	<u>Policy Period</u>	<u>Coverage Limits</u>	<u>Deductibles</u>	<u>Premium</u>
St. Paul (con't)	Package Policy: (con't) Excess E & O Claims Made	GP06301616	7/1/04 - 7/1/05	Excess E & O Total Limit -\$3,000,000		Included w/ Umbrella Excess
Greenwich	HRRF Pollution & Remediation Legal Liability Retro 1/28/99	PEC000082504	1/28/04 - 1/28/05	Total Limit \$2,000,000	Each Loss -\$50,000	\$38,086
ACE Fire	Fine Arts	12058984A	7/1/04 - 7/1/05	Insured Locations -25,000,000 Transit -\$2,000,000 Any un-named location -\$2,000,000	\$1,000	\$27,950
Gemini Insurance Company	Public Officials (The Harrisburg Authority) Claims Made	UGP000064-00	6/23/04 - 6/23/05	Aggregate -\$1,000,000 Each Loss -\$1,000,000	\$10,000 per occurrence	\$19,175
Safety National	Workers' Compensation Excess Coverage Employers' Liability	SP-7720-PA	1/1/04 - 1/1/05	Limits Each Accident -Statutory Employer Liability -\$1,000,000	Subject to a maximum retention of \$500,000	\$72,588
City of Harrisburg Partial Self-Insured	Workers' Compensation Self-Insured Portion		1/1/04 - 1/1/05	Medical - 1st Yr. \$110,000 2nd Yr. \$110,000 3rd Yr. \$110,000 Comprehensive Per Accident -\$400,000 -\$1,000,000 per occurrence		Actual Expense Incurred
Highmark Casualty Insurance Company	Excess Health	400380-A	11/1/04 - 10/31/05	Specific Max Benefit -\$850,000 Max Aggregate Benefit -\$1,000,000 Covered Benefit Medical & Rx	\$150,000 Limit for medical only	\$19 per covered unit per month \$2 per covered unit per month

CITY OF HARRISBURG, PENNSYLVANIA

SCHEDULE OF INSURANCE IN FORCE

<u>Company</u>	<u>Details of Coverage</u>	<u>Policy Number</u>	<u>Policy Period</u>	<u>Coverage Limits</u>	<u>Deductibles</u>	<u>Premium</u>
Federal Insurance Company	Police Pension Board Fiduciary Claims Made	8179-80-95	1/1/04 - 1/1/05	\$10,000,000	\$5,000 pending or prior date 1/1/00 - continuity date 1/1/00	\$27,500
Federal Insurance Company	Crime	8179-80-96	1/1/04 - 1/1/05	\$5,000,000	\$50,000	\$8,100
Traveler's Casualty & Surety	Hbg. Mayor's Commission on Literacy (D&O Coverage)	104178073	11/1/04 - 11/1/07	\$1,000,000	\$5,000	\$4,443
St. Paul Fire & Marine	HEDCO	GP09312843	8/27/04 - 8/27/05	General Total Limit -\$1,000,000 Premises Damage -\$100,000		\$1,512

Source: City's Office of Insurance and Risk Management

CITY OF HARRISBURG, PENNSYLVANIA

SCHEDULE OF INSURANCE IN FORCE

<u>Company</u>	<u>Details of Coverage</u>	<u>Policy Number</u>	<u>Policy Period</u>	<u>Coverage Limits</u>	<u>Deductibles</u>	<u>Premium</u>
Selective	Control Building/ AWTF Flood Coverage	0000107489	5/31/04 - 5/31/05	Building \$500,000 Contents \$325,900	\$1,000 per occurrence	\$ 7,505
Selective	Cogeneration Building/AWTF Flood Coverage	0000115075	11/29/04 - 11/29/05	Building \$428,700 Contents \$295,600	\$500 per occurrence	\$ 2,635
Selective	Return Sludge Pumping Station/ AWTF Flood Coverage	0000115078	11/29/04 - 11/29/05	Building \$428,700 Contents \$295,600	\$1,000 per occurrence	\$ 5,787
Selective	Settled Sewage Pumping Station/ AWTF Flood Coverage	0000107488	5/31/04 - 5/31/05	Building \$500,000 Contents \$325,900	\$1,000 per occurrence	\$ 7,505
Selective	Chemical Storage Building/AWTF Flood Coverage	0000107487	5/31/04 - 5/31/05	Building \$500,000 Contents \$325,900	\$1,000 per occurrence	\$ 6,540
Selective	Plant Drain Pumping Station/ AWTF Flood Coverage	0000107485	5/31/04 - 5/31/05	Building \$500,000 Contents \$178,100	\$1,000 per occurrence	\$ 6,027
Selective	Maintenance Building/AWTF Flood Coverage	0000115077	11/29/04 - 11/29/05	Building \$428,700 Contents \$ 39,600	\$1,000 per occurrence	\$ 4,129
Selective	Garage & Storage Building/AWTF Flood Coverage	0000115076	11/29/04 - 11/29/05	Building \$428,700 Contents \$ 59,200	\$1,000 per occurrence	\$ 3,388
Selective	Digested Sludge Pump Station AWTF Flood Coverage	0000107486	5/31/04 - 5/31/05	Building \$500,000 Contents \$ 86,900	\$500 per occurrence	\$ 2,784

Source: City's Office of Insurance and Risk Management

CITY OF HARRISBURG, PENNSYLVANIA

SCHEDULE OF INSURANCE IN FORCE

<u>Company</u>	<u>Details of Coverage</u>	<u>Policy Number</u>	<u>Policy Period</u>	<u>Coverage Limits</u>	<u>Deductibles</u>	<u>Premium</u>
Selective	Compressor Building/ AWTF Flood Coverage	0000115079	11/29/04 - 11/29/05	Building \$313,700 Contents \$155,700	\$500 per occurrence	\$ 2,091
Selective	Boiler House/ AWTF Flood Coverage	0000115074	11/29/04 - 11/29/05	Building \$313,700 Contents \$310,400	\$500 per occurrence	\$ 2,393
Selective	Market Street & Conrail Underpass Pumping Station/ AWTF Flood Coverage	0000107481	6/2/04 - 6/2/05	Building \$285,100 Contents \$198,100	\$1,000 per occurrence	\$ 4,251
Selective	Electrical Equipment & Storage/City Island Flood Coverage	0000108689	6/2/04 - 6/2/05	Building \$75,900 Contents \$700	\$1,000 per occurrence	\$ 639
Selective	Fire House/ 336 S. Front Street Flood Coverage	0000107480	6/2/04 - 6/2/05	Building \$500,000 Contents \$5,400	\$500 per occurrence	\$ 1,777
Selective	Bath House/ City Island Flood coverage	0000107482	6/4/04 - 6/4/05	Building \$500,000 Contents \$ 0	\$1,000 per occurrence	\$ 2,924
Selective	123 Walnut St. McCormick Bldg. Harrisburg, PA	0000107484	6/22/04 - 6/22/05	Building \$500,000 Contents \$186,400	\$500 per occurrence	\$ 3,584
Selective	10 N. 2nd St. Martin Luther King City Gov't Ctr. Harrisburg, PA	0000107483	6/22/04 - 6/22/05	Building \$500,000 Contents \$186,400	\$500 per occurrence	\$ 3,584
Selective	Grit Building S. Cameron & Elliot St. Swatara Township	FLD0007299	6/7/04 - 6/7/05	Building \$181,200 Contents \$ 0	\$500 per occurrence	\$ 860

Source: City's Office of Insurance and Risk Management



GLOSSARIES

GLOSSARY OF ABBREVIATED TERMS

- ADA - Americans with Disabilities Act
- AFSCME - American Federation of State, County, and Municipal Employees
- AID - Assistance for Impact Delegation Team
- ARB - Architectural Review Board
- AWTF - Advanced Wastewater Treatment Facility
- BTU - British Thermal Unit
- BU - Bargaining Unit
- CAC - Community Action Commission
- CAD - Computer Aided Dispatch
- CAFR - Comprehensive Annual Financial Report
- CAT - Capital Area Transit
- CBD - Central Business District
- CCU H.E.L.P. - Christian Churches United H.E.L.P.
- C/D - Construction/Demolition Wastes
- CDBG - Community Development Block Grant
- CDC - Community Development Corporation
- CED - Community & Economic Development
- CFM - Cubic Feet Per Minute
- CIP - Capital Improvement Plan
- CLG - Certified Local Government
- CREDC - Capital Region Economic Development Corporation
- DARE - Drug Abuse Resistance and Education
- DBHD - Department of Building and Housing Development
- DEP - Department of Environmental Protection
- DID - Downtown Improvement District
- DJ - District Justice
- DOA - Department of Administration
- DPW - Department of Public Works
- EIT - Earned Income Tax
- EMS - Emergency and Municipal Services Tax
- EOP - Emergency Operation Plan
- EPA - Environmental Protection Agency
- EZ COMP - Enterprise Zone Competitive Grant
- FEMA - Federal Emergency Management Agency
- FERC - Federal Energy Regulatory Commission
- FICA - Federal Insurance Contributions Act
- FMV - Fair Market Value
- FOP - Fraternal Order of Police
- FTE - Full-time Equivalent
- FY - Fiscal Year
- GAAP - Generally Accepted Accounting Principles
- GFOA - Government Finance Officers Association of the United States and Canada
- GIS - Geographic Information System
- G.O. - General Obligation
- HACC - Harrisburg Area Community College
- HAND - Housing and Neighborhood Development
- HARB - Harrisburg Architectural Review Board
- HATS - Harrisburg Area Transportation Study Group
- HBN - Harrisburg Broadcasting Network
- HCEA - Harrisburg Community Economic Affairs
- HDC - Hargestown Development Corporation
- HHA - Harrisburg Housing Authority
- HoDAG - Housing Development Action Grant
- HOP - Home Ownership Opportunity Program

GLOSSARY OF ABBREVIATED TERMS

HPA - Harrisburg Parking Authority
HPC - Harrisburg Planning Commission
HRA - Harrisburg Redevelopment Authority
HRRF - Harrisburg Resource Recovery Facility
HU - Harrisburg University
HUD - Housing and Urban Development
IAFF - International Association of Firefighters
LED - Light Emitting Diode
LTAP - Local Transportation Assistance Program
MBE/WBE - Minority Business Enterprise/Women's Business Enterprise
MCI - Managing Criminal Investigation
MCL - Maximum Contamination Level
MGMT - Management
MOED - Mayor's Office for Economic Development and Special Projects
MSA - Metropolitan Statistical Area
MSW - Municipal Solid Waste
NMAAH - National Museum of African American History
NPDES - National Pollution Discharge Elimination System
NTU - Nephelometric Turbidity Unit
OBID - Office of Business and Industrial Development
OMBE - Office of Minority Business Enterprise
OPT - Occupational Privilege Tax
PAL - Police Athletic League
PASSHE - Pennsylvania State System of Higher Education
PA-TF1 - Pennsylvania Task Force 1
PBB - Performance-Based Budgeting
PennDOT - Pennsylvania Department of Transportation
PIB - Pennsylvania Infrastructure Bank
PIDA - Pennsylvania Industrial Development Authority
pH - Percent Hydrogen
PHEAA - Pennsylvania Higher Education Assistance Agency
PPB - Performance Program Budget
PRPS - Pennsylvania Recreation and Park Society
PSB - Public Safety Building
PSECU - Pennsylvania State Employees Credit Union
PSU - Pennsylvania State University
REDDI - Regional Economic Development District Initiatives
RTS - Ready to Serve
SARAA - Susquehanna Area Regional Airport Authority
SBF - Small Business First
SHARP - Special Hazards Advanced Rescue Personnel
T & A - Trust and Agency
TAP - Traffic Accident Prevention
THA - The Harrisburg Authority
TRAN - Tax & Revenue Anticipation Note
TUH - Temple University Harrisburg
UCR - Uniform Crime Reporting
UDAG - Urban Development Action Grant
USAR - Urban Search and Rescue
USGS - United States Geological Service
VMC - Vehicle Management Center
WHBG - TV station run by Harrisburg Broadcasting Network
WPCACP - Water Pollution Control Association of Central Pennsylvania
ZHB - Zoning Hearing Board

GLOSSARY OF TERMS

A -

ACCRUAL BASIS - The method of accounting under which revenues are recorded when they are earned (whether or not cash is received at that time) and expenditures are recorded when goods or services are received (whether or not cash disbursements are made at that time).

ACTIVITIES - Specific services performed to accomplish program objectives and goals.

AGENCY FUND - Permanently established endowments where the annual income is used at the discretion of the organization in pursuit of a particular mandate.

ALLOCATION - The assignment or distribution of available resources such as revenue, personnel, buildings, and equipment among various City departments, bureaus, divisions, or offices.

APPROPRIATION - An authorization made by City Council which permits the City to incur obligations and to make expenditures or resources.

APPROVED (ADOPTED) BUDGET - The revenue and expenditure plan for the City for the fiscal year as enacted by City Council.

ARBITRAGE - Excess investment profits earned on the investment of lower-cost, tax-exempt bond proceeds.

ASSESSED VALUATION - The value placed upon real and personal property by the County tax assessor/appraiser as the basis for levying taxes.

ASSET - Property owned by the City which has monetary value.

AUDIT - Prepared by an independent certified public accounting firm, the primary objective of an audit is to determine if the City's general purpose financial statements present fairly the City's financial position and results of operations in conformity with the generally accepted accounting principles.

B -

BALANCED BUDGET - Proposed revenues and other resources equal proposed appropriations.

BOND - A long-term promise to repay a specified amount of money (the face value amount of the bond) on a particular date (maturity date). Bonds are primarily used to finance capital projects.

BUDGET - A plan of financial operation comprised of an estimate of proposed expenditures for a fiscal year and the proposed means of financing those expenditures to fund City services in accordance with adopted policy.

BUDGET CALENDAR - The schedule of key dates or milestones which the City follows in the preparation and adoption of the budget.

BUDGET DOCUMENT - A compilation of the spending and funding plans for the various funds, along with supporting narrative, schedules, tables, and charts which, in total, comprises the annual resource allocation plan.

BUDGET ORDINANCE - An ordinance considered and adopted by City Council to formally enact the proposed budget as amended.

BUDGET TRANSFER - Adjustment made to the budget during the fiscal year to properly account for unanticipated changes that occur in revenues and/or expenditures and for program initiatives approved during the fiscal year.

BUREAU - The largest organizational component within a department which design is tied to service output or function.

C -

CAPITAL IMPROVEMENT PLAN (CIP) - A multi-year plan to provide for equipment acquisition, improvement to public facilities, and construction of new facilities.

CAPITAL OUTLAY - Expenditures relating to the purchase of equipment, facility modifications, land, and other fixed assets.

CAPITAL PROJECTS FUND - A fund to account for the acquisition or construction of major capital facilities.

CASH BASIS - The method of accounting under which revenues are recorded when received in cash and expenditures are recorded when actually paid.

GLOSSARY OF TERMS

CREDIT RATING - The credit worthiness of an entity, as evaluated by independent agencies such as Moody's Investors Service, Inc. and Standard and Poor's Corp.

D -

DEBT SERVICE - Payment of interest and principal on an obligation resulting from issuance of bonds and notes.

DEBT SERVICE FUND - A fund used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

DEFICIT - An excess of liabilities and reserves of a fund over its assets.

DEPARTMENT - The largest organizational component of the City which has been assigned overall management responsibility for an operation or a group of related operations within a functional area.

DESIGNATED FUND BALANCE - A portion of unreserved fund balance assigned by City policy for a specific future use.

DIVISION - The largest organizational component within a bureau which design is tied to a specific service output or function.

E -

ENCUMBRANCE - A reservation of funds for an anticipated expenditure prior to actual payment for an item. Funds are reserved or encumbered once a contract obligation has been signed for an item, but prior to the cash payment actually being dispersed.

ENTERPRISE FUND - A fund used to account for revenues received for goods and services provided to the general public on a continuous basis and primarily financed through user charges.

EXPENDABLE TRUST FUND - Funds whose principal and income may be expended in the course of their designated operations. These funds may also be used to account for endowments whose principal may be expended in the course of their designated operations.

EXPENDITURE - Actual outlay of money for goods or services.

EXPENSE - Expenditures and other obligations (e.g., encumbrances) to expend money for goods and services.

F -

FICA - City's portion of mandatory Social Security contribution (6.20%) and mandatory Medicare contribution (1.45%) for its employees payable to the federal government.

FISCAL YEAR (FY) - A twelve-month period designated as the operating year for an entity. The fiscal year for the City of Harrisburg is January 1 - December 31.

FIXED ASSET - Asset of a long-term nature such as land, buildings, machinery, furniture, and other equipment. The City has defined fixed assets as those with an expected useful life in excess of one year and an acquisition cost in excess of \$5,000.

FRINGE BENEFITS - Health and welfare related benefits for all full-time employees, such as medical, dental, vision, and life insurance coverage, and a prescription drug plan which are included in the employee's compensation package.

FUND - An accounting entity that records all financial transactions for specified activities or government functions. The six fund types used by the City are - General Fund, Capital Projects Fund, Debt Service Fund, Special Revenue Funds, Propriety (Utility) Funds, and Trust and Agency Funds.

FUND BALANCE - A cumulative excess of revenues over expenditures segregated by fund.

G -

GENERAL OBLIGATION BOND and NOTE - Forms of borrowing (debt financing) which reflect written promises from the City to repay sums of money on specific dates at specified interest rates backed by the full faith, credit, and taxing power of the municipality.

GOVERNMENTAL FUNDS - Funds that account for the services provided to the general citizenry as opposed to a specific group. These funds focus on current financial resources, emphasizing budgetary control and available cash.

GLOSSARY OF TERMS

GRANT - A sum of money allotted from a specific governmental or non-profit organization to be used under certain circumstances for a designated purpose(s).

I -

INFRASTRUCTURE - The basic physical framework or foundation of the City, referring to its buildings, roads, bridges, sidewalks, water system, and sewer system.

INTERFUND TRANSFER - A transfer of money from one fund of the City to another fund of the City.

L -

LIABILITY - Debt or other legal obligations arising out of transactions in the past which must be paid, renewed, or refunded at some future date.

LINE-ITEM BUDGET - A budget that lists detailed expenditure categories such as salary, postage, and maintenance service contracts. The specific amount budgeted is also listed by category.

LONG -TERM DEBT - Debt with a maturity of more than one year after date of issuance.

M -

MILL - A taxation unit equal to one dollar of tax obligation for every \$1,000 of assessed valuation of property.

MILLAGE - The total tax obligation per \$1,000 of assessed valuation of property.

MODIFIED ACCRUAL - The method of accounting that is a mixture of both cash and accrual bases concepts. Revenues are recorded when they are both measurable and available to meet current liabilities. Expenditures are recorded when goods or services are received.

N -

NOTE - A short-term promise to repay a specified amount of money (the face value of the note) on a particular date (maturity date). Notes are primarily used to supplement current cash flow in anticipation of taxes and other revenues to be received, or to provide interim financing for capital projects in anticipation of the issuance of bonds.

O -

OBJECTIVE - A statement of purpose defined more specifically than a goal. (A goal may include several related objectives.) An objective normally indicates anticipated levels of achievement and is usually time limited and quantifiable.

OPERATING EXPENSES - Ongoing costs associated with sustaining City government operations such as: communications, professional fees, utilities, insurance, rentals, maintenance and repairs, contracted services, supplies, and minor capital.

ORGANIZATIONAL CHART - A chart representing the authority, responsibility, and relationships among departments, bureaus, and divisions within the City organization.

P -

PART I CRIME - Crimes that are classified as felonies, which are punishable by imprisonment. These crimes are more severe than a misdemeanor. These crimes consist of murder, rape, homicides, burglary, etc.

PART II CRIME - Crimes that are classified as misdemeanors, which are less offensive than felonies. These crimes consist of terroristic threats, trespassing, misconduct, theft, etc.

PART-TIME POSITION - A position regularly scheduled for no more than 25 hours per week.

PERFORMANCE-BASED BUDGETING - A method of allocating resources to achieve specific objectives based on program goals and measured results.

PERFORMANCE INDICATOR - A variable measuring the degree of goal and objective fulfillment achieved by programs.

PERSONNEL SERVICES - Expenditures relating to compensating employees of the City including wages, salaries, and special pay such as longevity, holiday, vacation, sick, personal, and bereavement; overtime and shift differential; fringe benefits such as FICA,

GLOSSARY OF TERMS

health, and life insurances; and miscellaneous expenditures such as pension plan contributions, workers' compensation, and unemployment compensation costs.

PROGRAM - An organized set of activities directed toward a common purpose or goal that an agency undertakes or proposes to carry out its responsibilities.

PROPOSED BUDGET - The City's resource allocation plan for the fiscal year as prepared and recommended by the Mayor for consideration by City Council.

PROPRIETARY FUND - A fund that accounts for businesslike operations that intend to recover their full cost through charges to customers and users.

R -

RESOURCE ALLOCATION PLAN - The City's revenue and expenditure plan for the fiscal year.

REVENUE - Money received or collected by the City through taxation, licenses, grants, fees, fines, forfeitures, charges, investments, and interfund transfers.

REVENUE BOND - Long-term borrowing that is backed by the revenues from a specific project such as a water or sewer system improvement.

RISK MANAGEMENT - The coordinated and continuous effort to minimize potential financial and human resource losses arising from workers' compensation, liability, and property exposures.

S -

SPECIAL REVENUE FUND - A fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

T -

TAX & REVENUE ANTICIPATION NOTE – Short-term note issued on the premise that future tax collections and other revenues will be sufficient to meet repayment obligations, generally by the end of the calendar year.

TAX BASE - The total value of taxable property in the City.

U -

UNIT - The smallest organizational component within a bureau which by design further delineates the distribution of workload to achieve a specific output or function.

Y -

YIELD - The rate of return earned on an investment based on the cost of the investment.

BUDGET ORDINANCES

Harrisburg City Council
Ordinance
NO. 26 Session of 2006

Moved by Vera Jean White – November 28, 2006

An Ordinance amending the Codified Ordinances of the City of Harrisburg, Title V, Licensing and Taxation, Part V, Real Estate Taxes, Chapter 5-501, Property Tax, by establishing for the year Two Thousand Seven (2007) a tax levy on land and improvements and providing for the distribution of taxes levied and assessed and providing for a tax rebate for the difference between the tax due and attributable to the year Two Thousand Seven (2007) tax levy over the tax due and attributable to the year Two Thousand Six (2006) tax levy for qualifying senior citizens.

WHEREAS, Ordinance 42 of 2004 established the current tax rate levied and assessed against all taxable land improvements thereon; and

WHEREAS, For the purpose of providing adequate revenue for the payment of the ordinary current expenses of the City and the interest and principal on indebtedness of the City or for any other reasonable expenses due or to become due during the fiscal year beginning January 1, 2007 and ending December 31, 2007, the City shall increase the tax rate levied and assessed against all taxable land and improvements thereon from the rate established by Ordinance 42, of 2004; and

WHEREAS, The City of Harrisburg recognizes the severe economic plight of certain senior citizens who are property owners with fixed incomes who are faced with rising costs of living and constantly increasing tax and inflation burdens which threaten their homesteads and self-sufficiency; and

WHEREAS, The City of Harrisburg considers it to be a matter of sound public policy to make special provision for property tax rebates to that class of senior citizens who are real property taxpayers and whose household income is within the poverty guidelines as determined by the United States Department of Health and Human Services; and

WHEREAS, The City of Harrisburg wishes to provide property tax rebates to that class of senior citizens who qualify for same.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF HARRISBURG, AND IT IS HEREBY ENACTED BY AUTHORITY OF THE SAME, as follows:

Section 5-501 of the Codified Ordinance is amended as follows:

SECTION 1. 5-501.1 TAX LEVY ON LAND

There is hereby levied and assessed against all land within the City of Harrisburg, which is taxable for City purposes, exclusive of buildings and site improvements located thereon, if any, and upon all persons owning said land, a tax at the rate of **{Twenty-four and Four Hundred Fourteen Hundredths Mills (.024414)} Twenty-Eight and Sixty-Seven Hundredths Mills (.02867)** per dollar for the fiscal year 200{6}7. For purposes of computing said tax, the valuation of said land as taken from othe books and records of the Dauphin County Assessor of Taxes shall be used. Said tax amounts to **{Two Dollars and Forty-four and Fourteen Hundredths Cents (\$2.4414)} Two Dollars and Eighty-Six and Seven Tenths Cents (\$2.867)** on each \$100.00 of assessed value.

SECTION 2. 5-501.2 TAX LEVY ON BUILDING AND IMPROVEMENTS

There is hereby levied and assessed against all buildings an site improvements, whether residential, commercial or otherwise, within the City of Harrisburg, which are taxable for the City purposes, exclusive of the land on which such buildings and site improvements are located and upon all persons owning such buildings and site improvements, a tax at the rate of **{Four and Sixty-nine Thousandths Mills (.004069)} per dollar for fiscal year 200(6)7**. For purposes of computing said tax, the valuation of said buildings and site improvements as taken from the books and records of the Dauphin County Tax Assessment Office shall be used. Said tax amounts to **{Forty and Sixty-Nine Hundredths Cents (\$.4069)} Forty-Seven and Eight Tenth Cents (\$.478)** on each \$100.00 of assessed value.

SECTION 3. 5-501.3 TAX DISTRIBUTION

The tax levied and assessed pursuant to Sections 5-501.1 and 5-501.2 is amended to read as follows:

(a) For General Revenue, **{One and Forty-Five Thousandths Mills (.001045) or Ten and Forty-Five Hundredths Cents (\$.1045)} Four and Fifty-Six Hundredths Mills (.00456 of Forty-Five and Six Tenths Cents (\$.456)** on each \$100.00 of assessed value.

(b) For payment of Debt Service, i.e., payment on bonded indebtedness, **{Five and Five Hundred, Eighty-Four Thousandths Mills (.005584) or Fifty-Five and Eighty Four Hundredths Cents (\$.5584).} Three and Six Hundred Twenty-Three Thousandths Mills (.003623) or Thirty-Six and Twenty-Three Hundredths Cents (\$.3623)** on each \$100.00 of assessed value.

(c) For a contribution to the Dauphin County Library System, **Thirty-Two Thousandths of One Mill (.000032) or Thirty-Two Hundredths of One Cent (\$.0032)** on each \$100.00 of assessed value.

(d) For a contribution for recreation purposes, **{One and Nine Hundred Seventy-Five Thousandths Mills (.001975) or Nineteen and Seventy-Five Hundredths Cents (\$.1975)} One and Nine Hundred Thirty0Six Thousandths Mills (.001936) or Nineteen and Thirty-Six Hundredths Cents (\$.1936)** on each \$100.00 of assessed value.

SECTION 4. 5-501.6 SENIOR CITIZEN PROPERTY TAX REBATE

(a) Definitions:

(1) Assessed Value: The taxable value of property as determined by the Dauphin County Board of Property Assessment, Appeals and Review.

(2) Eligible Taxpayer: An owner and occupant of a principal residence in the City of Harrisburg who is:

a. A single person sixty-five (65) years of age or older during a calendar year in which the City of Harrisburg real property taxes are due and assessed; or

b. Married persons in either of the following situations:

1. Both spouses are the deeded owners and either one or both are sixty-five (65) years of age or older during a calendar year in which the City of Harrisburg real property taxes are due and assessed; or

2. One spouse is the deeded owner and that spouse is sixty-five (65) or older during a calendar year in which the City of Harrisburg real property taxes are due and assessed.

(3) Household Income. All income received by an eligible taxpayer during a calendar year.

(4) Income. All income from whatever source derived, including but not limited to, salaries, wages, bonuses, commissions, income from self-employment, alimony, support money, cash public assistance and relief, the gross amount of any pensions or annuities including railroad retirement benefits, all benefits received under the Federal Social Security Act (except Medicare benefits), all benefits received under state unemployment insurance laws and veterans' disability payments, all interest received from the federal or any state government, or any instrumentality or political subdivision thereof, realized capital gains, rentals, workers compensation and the gross amount of loss of time insurance benefits, life insurance benefits and proceeds (except the first five thousand dollars (\$5,000.00) of the total of death benefit payment), and gifts of cash or property (other than transfers by gift between members of a household) in excess of a total value of three hundred dollars (\$300.00), but shall not include surplus food or other relief in kind supplied by a government agency or property tax or rent rebate or inflation dividend.

(5) Person A natural person.

(6) Poverty Guidelines. The gross amount of income based on size of household as determined by the United States Department of Health and Human Services to determine the amount of Americans living in poverty and to determine financial eligibility for certain programs.

(7) Principal Residence. The dwelling house of the eligible taxpayer including the principal house and lots used in connection therewith, which contribute to enjoyment, comfort and convenience.

(8) Property Tax Rebate. The amount equal to the difference between the property tax due and the attributable to the year Two Thousand Seven (2007) tax levy as indicated in Sections 5-501.1 and 5-501.2 of this Chapter and the Two Thousand Six (2006) tax levy indicated in Ordinance 42 of 2004.

(b) Participation in the Senior Citizen Property Tax Rebate Program

(1) Any eligible taxpayer paying property taxes in the City of Harrisburg whose total household income does not exceed the poverty guidelines may apply to the Office of the City Treasurer for a property tax rebate. For purposes of calculating total household income, the applicant shall use only fifty percent (50%) of applicable Social Security Benefits, SSI Benefits, and Railroad Retirement Benefits.

(2) In order to be eligible to participate in the Senior Citizen Property Tax Rebate Program, the applicant must meet the following conditions:

a. The applicant must be a single person sixty-five (65) years of age or older during the calendar year; or be married persons with both spouses being the deeded owners of the property and either or both spouses being sixty-five (65) years of age or older during the calendar year; or be married persons with one spouse being the deeded owner of the property and that spouse being sixty-five (65) years of age or older during the calendar year.

b. The property owned by the applicant must be the principal residence and domicile of the applicant.

c. The applicant's total household income must not exceed the poverty guidelines as determined by the United States Department of Health and Human Services for the tax year for which the rebate is sought.

d. The applicant must have remitted payment for the full amount of the year Two Thousand Seven (2007) tax levy prior to making application for the Senior Citizen Property Tax Rebate Program or the applicant must remit payment for the full amount of the year Two Thousand Seven (2007) tax levy at the time of making application for the Senior Citizen Property Tax Rebate Program. In either case, no rebate will be forthcoming until payment in full is received by the City and properly credited to the applicant's property tax account. Applicants paying the Two Thousand Seven (2007) property tax by installments as indicated in Section 5-501.4(b) of this Chapter shall not be eligible for the Senior Citizen Property Tax Rebate Program.

e. Any other criteria set by the City of Harrisburg or the Office of the City Treasurer reasonably necessary to effectuate this Ordinance.

(3). Applications for the Senior Citizen Property Tax Rebate Program must be completed in their entirety and received in the Office of the City Treasurer no later than 4:00 o'clock p.m. on Thursday, May 31, 2007. Failure to submit completed applications before the indicated deadline shall forfeit participation in the Senior Citizen Property Tax Rebate Program even if the taxpayer would have otherwise qualified as an eligible taxpayer.

(c) City Treasurer Duties.

(1) The City Treasurer shall independently certify those applicants who are eligible taxpayers and whose household income does not exceed the poverty guidelines for the tax year for which a rebate is sought.

(2) The City Treasurer shall deny participation in the Senior Citizen Property Tax Rebate Program to any applicant as to whom it is determined that a delinquency exists for any City of Harrisburg tax, water charge, sewage charge, fees, or municipal claims.

(3) The City Treasurer shall have the authority to issue rules and regulations with respect to the administration of the Senior Citizen Tax Rebate Program. Such rules and regulations shall include, but not limited to, reasonable proof of household income, proof of residence, proof of qualification for or receipt of a property rebate under the Property Tax and Rent Rebate Program or the Taxpayer Relief Act or any other reasonable requirements and conditions as may be necessary to operate the Senior Citizen Property Tax Rebate Program.

SECTION 5. DELEGATION

Appropriate City officials are authorized and directed to take such actions as are necessary to effectuate this Ordinance.

SECTION 6. SEVERABILITY

If any provision, sentence, clause, section, or part of this ordinance or the application thereof to any person or circumstance is for any reason found to be unconstitutional, illegal or invalid by a court of competent jurisdiction, such unconstitutionality, illegality or invalidity shall not effect or impair any of the remaining provisions, sentences, clauses, sections, or parts of this Ordinance. It is hereby declared as the intent of the Council of the City of Harrisburg that this ordinance would have been adopted had such unconstitutional, illegal or invalid provision, sentence, clause, section, or part not been included herein.

SECTION 7. REPEALER

All ordinances or parts of ordinances in conflict herewith be and the same are hereby repealed.

SECTION 8. EFFECTIVE DATE

This ordinance shall take effect in accordance with the provisions of the law and shall expire on December 31, 2007 unless extended by approval of City Council.

Seconded by: Wanda R.D. Williams

Passed by Council: December 21, 2006

Signed by the Mayor: December 27, 2006

Harrisburg City Council
Ordinance
NO. 27 Session of 2006

Moved by Vera Jean-White – November 28, 2006

An Ordinance establishing the budget for the Municipal Government of the City of Harrisburg for the year Two Thousand Seven (2007).

SECTION 1. GENERAL FUND TOTAL \$58,758,311.

Appropriations in the amount of **Fifty-Eight Million, Seven Hundred Fifty-Eight Thousand, Three Hundred Eleven Dollars** are hereby made to the General Fund as follows:

FOR GENERAL GOVERNMENT	\$4,780,143.
To City Council	\$489,085.
To Mayor's Office	\$470,791
To City Controller	\$245,918
To City Treasurer	\$760,119
To City Solicitor	\$346,796
To Human Relations Commission	\$204,376
To City Engineer	\$1,753,765.
To Mayor's Office for Economic Development And Special Projects	\$509,293
FOR DEPARTMENT OF ADMINISTRATION	\$3,432,639.
FOR DEPARTMENT OF BUILDING & HOUSING DEVELOPMENT	\$1,029,949.
FOR DEPARTMENT OF PUBLIC SAFETY	\$29,249,723.
FOR DEPARTMENT OF PUBLIC WORKS	\$5,981,999.
FOR DEPARTMENT OF PARKS & RECREATION	\$2,900,332.
FOR GENERAL EXPENSES	\$5,661,199.
FOR TRNASFERS TO OTHER FUNDS	\$5,722,327.

SECTION 2. STATE LIQUID FUELS TAX FUND \$909,247.

Appropriations in the sum of **Nine Hundred Nine Thousand, Two Hundred Forty-Seven Dollars** are

Hereby made to the State Liquid Fuels Tax as follows:

Operations	\$844,575.
Capital Outlay	0
Transfer to Debt Service Fund	\$64,672.

SECTION 3. DEBT SERVICE FUND \$7,561,531.

Appropriations in the sum of **Seven Million, Five Hundred Sixty-One Thousand, Five Hundred**

Thirty-one Dollars are hereby made to the Debt Service Fund as follows:

Debt Service	\$7,561,531.
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SECTION 4. WATER UTILITY FUND \$18,352,925.

Appropriations in the sum of **Eighteen Million, Three Hundred Fifty-Two Thousand, Nine Hundred**

Twenty-Five Dollars are hereby made to the Water Utility Fund as follows:

Operations	\$9,703,998.
Capital Outlay	\$130,123.
Debt Service	\$8,169,638.
Non-Expenditure Items	\$349,166.

SECTION 5. SANITATION UTILITY FUND \$4,400,900.

Appropriations in the sum of **Four Million, Four Hundred Thousand, Nine Hundred Dollars** are

hereby made to the Sanitation Utility Fund as follows:

Operations	\$2,630,273.
Capital Outlay	\$233,190.
Debt Service	0

Grants	0
Transfer to General Fund	\$1,515,628.
Non-Expenditure Items	\$21,809.

SECTION 6. LANDFILL/INCINERATOR UTILITY FUND \$25,881,190.

Appropriations in the sum of **Twenty-Five Million, Eight Hundred Eighty-One Thousand, One Hundred Ninety Dollars** are hereby made to the Landfill/Incinerator Utility Fund as follows:

Operations	\$12,346,211
Capital Outlay	\$27,085
Debt Service	\$13,507,894.
Non-Expenditure Items	0

SECTION 7. SEWERAGE UTILITY FUND \$14,527,900.

Appropriations in the sum of **Fourteen Million, Five Hundred Twenty-Seven Thousand, Nine Hundred Dollars** are hereby made to the Sewerage Utility Fund as follows:

Operations	\$11,569,650.
Capital Outlay	\$563,044.
Debt Service	\$2,231,271.
Non-Expenditure Items	\$163,935.

SECTION 8. ESTIMATED RESOURCES

The estimated resources of the City of Harrisburg for the year 2007 are as follows:

GENERAL FUND	\$58,758,311.
STATE LIQUID FUELS TAX FUND	\$ 909,247
DEBT SERVICE FUND	\$ 7,561,531.
WATER UTILITY FUND	\$18,352,925.

SANITATION UTILITY FUND	\$ 4,490,900.
LANDFILL/INCINERATOR UTILITY FUND	\$25,881,190.
SEWERAGE UTILITY FUND	\$14,527,900.
<u>TOTAL 2007 PROPOSED BUDGET</u>	<u>\$130,392,004.</u>

SECTION 9. DELEGATION

Appropriate City officials are authorized and directed to take such actions as are necessary to effectuate this ordinance.

SECTION 10. SEVERABILITY

If any provision, sentence, clause, section, or part of this ordinance or the application thereof to any person or circumstance is for any reason found to be unconstitutional, illegal or invalid by a court of competent jurisdiction, such unconstitutionality, illegality or invalidity shall not affect or impair any of the remaining provisions, sentences, clauses, sections, or parts of this ordinance. It is hereby declared as the intent of the Council of the City of Harrisburg that this ordinance would have been adopted had such unconstitutional, illegal or invalid provision, sentence, clause, section, or part not been included herein.

SECTION 11. REPEALER

All ordinances or parts of ordinances in conflict herewith be and the same are hereby repealed.

SECTION 12. EFFECTIVE DATE

This ordinance shall take effect in accordance with the provisions of the law.

Seconded by: Wanda R.D. Williams

City Council: December 21, 2006

Signed by the Mayor: December 27, 2006

