

**PARK HARRISBURG
PROJECTIONS FOR 2018 AND 2019**

**Section No. 4
Exhibit No. 29**

**Park Harrisburg
2018 and 2019 Projections**

2017

Actual 2017 year end unaudited figures

DCR calculation is made on audited results so may/may not match DCR for 2017

City/HPA fees reflect full scheduled amount to reflect Holdback Funds available for distribution.

Asset Manager recommends that Performance Fees and PEDFA Fees for 2017 be waived and cash flow shown go to Capital Reserve.

Capital Improvements are actual

2018

Revenues

Revenues reflect actual figures January through March

CBD Meter Rate assume a increase to \$3.50 beginning June 1, Non-CBD \$1.50

Capture rate for CBD Meters after the increase is 92.5%

Ticket Rate increases to \$35 on Sept 1. Capture Rate is 100%

Transient Rate = \$10 per 2 hour period, unchanged from 2017

Month Contract Rate - \$205 per month, unchanged from 2017

Expenses

SP+ Operating Expense increase by 3% over 2017 expenses

PK Harris Operating Expense same as 2017

Authority expense same as 2017. CREDC reflects lower fee than 2016.

Bond Debt Service per Indenture Schedules

City/HPA payment per Asset Transfer Agreement and Ground Lease Schedules

I assume the unpaid City/HPA amounts from 2017 are paid through release of the holdback funds.

PEDFA Fee represents reduction from \$230K to \$75,000.

Capital Improvements are 2017 planned expenditures not performed in 2017 + 2018 CDM

Smith expense adjusted to projected cost

2019

Revenues

CBD Meter Rate = \$3.50. NON-CBD \$1.50

Capture rate for CBD Meters is 100%

Ticket Rate = \$35

Transient Rate = \$11 per 2 hour period, increase from 2018

Capture rate is 96.25%

Monthly Contract Rate - \$215 per month, increase from 2018

Capture rate is 96.25%

Expenses

SP+ Operating Expense increase by 2.5% over 2018 expenses

PK Harris Operating Expense increase by 2.5% over 2018 expenses

Authority expense increase by 2.5% over 2018 expenses

Bond Debt Service per Indenture Schedules

City/HPA payment per Asset Transfer Agreement and Ground Lease Schedules

I assume unpaid City/HPA amounts are paid through release of the holdback funds.

Capital Improvements are CDM Smith projected 2019 increased by CPI.

Holdback analysis

as of May 2, 2018

	<u>Holdback Funds</u>	<u>City Payment Unpaid</u>	<u>HPA Payment Unpaid</u>	<u>Surplus</u>	
2016	334,943	115,213	73,367	146,363	
2017	825,938	214,952	143,699	467,287	
2018	<u>303,899</u>	<u>179,829</u>	<u>126,332</u>	<u>-</u>	through May 1 waterfall
	1,464,780	509,994	343,398	613,650	
	<u>SP+ Funds</u>	<u>SP+ Payment</u>			
2018	581,230	544,041		37,189	Surplus flows through waterfall

Park Harrisburg

3 year History/Projection

Notes See assumptions tab for rate info by year.

Notes

Maintain CBD \$3/\$30 rates

	2017	2018	2019	Notes	2019	Notes
System Revenues						
Commonwealth Contract Revenues	11,619,030	12,225,600	12,841,920		12,841,920	
Transient Revenues	3,300,515	3,269,524	3,461,608	2018 lower than 2017 due to poor Jan - March weather	3,461,608	2018 lower than 2017 due to poor Jan - March weather
Validations	615,761	608,939	629,956		629,956	
Monthly Parkers	5,090,932	5,089,563	5,139,048		5,139,048	
Meters Revenues	3,284,165	3,382,306	3,732,252		3,184,165	CBD Meter held at \$3.00, 2018 lower than 2017 due to poor Jan - March weather
Bagged Meters	349,130	227,666	227,666	2018 lower than 2017 due to end of Pinnacle Health bags	227,666	2018 lower than 2017 due to end of Pinnacle Health bags
Ticket Revenues	1,056,640	1,153,527	1,345,913	Ticket rate increase to \$35 on Sept. 1, 2017	1,056,640	Ticket rate held at \$30
Penalty Revenue	247,123	253,444	253,445		247,123	
Other Revenues	71,853	73,370	73,370		73,370	
accrual adjustment	(338,920)	-	-		-	
Total System Revenues	25,296,229	26,278,614	27,705,179		26,861,496	
Parking Tax (@20%)	(3,419,685)	(3,529,717)	(3,678,755)		(3,678,755)	
Revenues Net of Parking Tax	21,876,544	22,748,897	24,026,424		23,182,741	
Senior Debt - Series A						
Series A Net Debt Service	6,320,463	6,650,463	6,980,463		6,980,463	
Senior Debt Coverage	3.46	3.42	3.44		3.32	
Operating Expenses						
Operator Expenses	3,671,812	3,781,503	3,876,041		3,876,041	
Asset Manager Expenses	256,232	285,000	292,125		285,000	
Authority Expenses	101,093	112,000	114,800		114,800	
Operator and AM Fees	509,357	534,823	561,564		534,823	
Total Operating Expenses	4,538,494	4,713,326	4,844,530		4,844,530	
NET OPERATING INCOME						
Junior Debt - Series B & C	11,017,587	11,385,108	12,201,431		11,081,205	
Series B - Dauphin County Net Debt Service	4,397,800	4,552,050	4,722,800		4,722,800	
Series C - AGM / Dauphin County Net Debt Service	3,152,500	3,262,250	3,389,500		3,389,500	
Total Junior Debt Service	7,550,300	7,814,300	8,112,300		7,814,300	
Debt Service Coverage Combined A, B and C Bonds	1.25	1.25	1.27	Yellow shade equals covenant failure	1.23	1.22
CASH FLOW AFTER DEBT SERVICE						
Subordinated Expenses	3,467,287	3,570,808	4,089,131		3,266,905	
City Payments	1,798,000	1,762,332	2,241,682		2,241,682	
Ground Lease Payments	1,202,000	1,238,064	1,275,201	2017 - assume full City/HPA payment made to accurately reflect Surplus calc	1,238,064	
Performance Based Asset Management Fee	-	72,936	76,583		72,936	
Performance Based Parking Management Fee	-	60,780	63,819		60,780	
PEDEA	-	75,000	75,000		75,000	
Subordinated Expenses	3,000,000	3,209,112	3,732,285		3,209,112	
SURPLUS CASH FLOWS TO CAPITAL RESERVE						
Holdback Release	-	361,696	356,846	est 2017 surplus available	57,793	(486,836)
Total 2018 cash to Capital Reserve	-	613,650	975,346	est 2016 surplus available	613,650	
Capital Reserve						
BEGINNING BALANCE	4,763,883	3,817,018	3,528,092		3,817,018	
Deposit of Surplus CF	-	975,346	356,846		671,443	
Interest Earnings @ 1%/Yr	47,308	40,613	34,669		40,613	
Actual/Projected Capital Expenditures	994,173	1,304,885	1,090,723		1,304,885	
ENDING BALANCE	3,817,018	3,528,092	2,828,885		3,224,189	
Measured Capital Reserve Requirement						
current indenture definition	3,786,765	3,792,180	4,072,805		3,792,180	
Over/(Under) MCCR	30,254	(264,088)	(1,243,920)	Yellow shade equals covenant failure	(567,991)	(1,904,669)