

**ACT 47**  
**COORDINATOR STATUS REPORT**  
**APRIL 1, 2015**

**Section No. 11**  
**Exhibit No. 62**

Date: April 1, 2015

To: The Honorable Bonnie Brigance Leadbetter

From: *FAR*  
Fred A. Reddig, Coordinator

Re: Update on Receiver's Plan Implementation

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

This memorandum, supported by the accompanying attachments, provides the Court with a summary of actions that have occurred and issues that are involved with the continued implementation of the confirmed Harrisburg Strong Plan over the first quarter of 2015.

**Office of the Receiver/Coordinator**

It has now been just over a year since your honor issued an order on February 25, 2014 to vacate the Office of the Receiver; return the City to the underlying provisions of Act 47 and for DCED's Secretary to appoint a Coordinator who would oversee the further implementation of the Court confirmed Harrisburg Strong Plan. As part of the order vacating the Receivership, the Court retained jurisdiction over the further implementation of the Strong Plan. Consistent with the Court's order and to keep the Court apprised of the plan's status, I will continue to provide quarterly reports on the City's progress with further implementation activities.

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

With the Harrisburg Strong Plan's consummation on December 23, 2013, our focus during 2014 and into the early months of 2015 turned to addressing various implementation

actions that were required as part of the Plan consummation along with a greater emphasis on operational issues in order to provide sustainable balanced budgets for 2014 and beyond. Implementing initiatives in the Strong Plan will assist with effecting greater efficiencies in the delivery of core municipal services, strengthening revenue collection and internal controls, and revitalizing the City's tax base through community and economic development initiatives.

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

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

### **Impact Harrisburg**

Following the Court's order issued on November 25 granting the Coordinator's request to further modify the Harrisburg Strong Plan to approve the Governance Proposal and Action Plan for the creation and operation of a single non-profit corporation to be known as Impact Harrisburg, the Coordinator solicited recommendations for the appointment of Board members from the Mayor, City Council and Dauphin County. The creation of a single non-profit corporation was the recommendation of the Task Force for Infrastructure and Economic Development. It will administer the \$12.3 million set aside as part of the parking transaction to fund both economic development and infrastructure initiatives to aid the City in strengthening its tax base and addressing critical infrastructure needs thus enhancing the quality of life for City residents.

The Coordinator also informed the City that as part of the order, the Court approved the City's request to allocate up to \$75,000 from the funds set aside for Impact Harrisburg to assist the City in financing an update of its Comprehensive Plan. The Comprehensive Plan update is a key recommendation of the Strong Plan and its completion will serve as a basis for the City's economic development and infrastructure priorities and greatly assist Impact Harrisburg in guiding its funding decisions.

Following the receipt of recommendations from the Mayor, City Council and the County, the Coordinator appointed the nine-member Impact Harrisburg Board of Directors in January. The Board held their initial meeting on February 17 and took action to organize electing Neil Grover as Chair, Doug Hill as Vice Chair, Les Ford as Secretary and Brittany Brock as Treasurer. The Board then established a bi-weekly meeting schedule for the next several

months to advance organizational activities. Through the end of the quarter, the Board has had meetings on February 17, March 10 and 24.

Using the documents developed by the Task Force as a starting point, the Board has been reviewing their Articles of Incorporation and By-laws. They engaged Vance Antonacci of McNeese Wallace & Nurick LLC as counsel to assist with the Board's incorporation with the Department of State and their establishment as a 501(c)(3) non-profit organization with the Internal Revenue Service. Articles of Incorporation were filed with the Department of State on March 17 and approval is pending. The Board is also developing a position description for an Executive Director and has had discussions on obtaining insurance, selecting a depository for their funds, an office location and how their meetings will be conducted.

### **Harrisburg Supplemental Growth Fund**

The work of Impact Harrisburg is also being coordinated with the City, Dauphin County and Assured Guaranty Municipal Corporation (AGM) to address the \$2 million annual allocation for each of the next five years from PennDOT that occurred as part of the Transportation Reform legislation passed in late 2013. An escrow agreement was drafted and following extensive review by the parties was executed by all parties by February 12. The escrow agreement accounts for the use of funds set aside in the Supplemental Harrisburg Growth Fund and their distribution to the Infrastructure, Economic Development and OPEB funds should the City not receive PennDOT funding. AGM and the County then selected M&T Bank to serve as the depository for these funds. Following that selection and execution of both the Escrow Agreement and the Escrow Disbursement agreement, the Coordinator saw that the \$6.666 million set aside in the Supplemental Harrisburg Growth Fund was transferred to M&T Bank on February 19 pursuant to the agreement.

### **Fiscal Matters**

The City's 2015 budget of \$59.5 million was enacted by Council on December 23. The budget is balanced and generally consistent with the Harrisburg Strong Plan. The budget contains no increase in taxes and now serves as the City's financial plan for the year.

Through the end of February the City's revenues were \$4,932,787 while expenditures were \$6,042,068. The year-end cash balance of \$7 million allowed the City to meet its early year obligations until tax revenues begin to flow. Real estate tax bills were mailed in February and those revenues are beginning to be received. Although it is early in the year, our year-end projection is that the City will have revenues of \$59,304,837 and expenditures of \$59,250,412 with a positive balance of \$54,425. Although final audited year-end numbers are not yet available, based on unaudited numbers, the City ended 2014 with a positive operating position of approximately \$7 million. The projected positive year-end 2015 position would maintain the

City's strong cash balance and further build on it's financial recovery. We will continue to closely monitor the City's financial position as the year progresses. The 2015 cash flow summary attached with this report reflects actual revenues and expenditures through February with projections through year-end.

The Coordinator continues to closely monitor cash flow as part of the implementation of the Strong Plan. The City's bi-weekly payroll now averages \$900,000, slightly below the \$950,000 average for 2014. The Coordinator reviews City payables on a bi-weekly basis to insure expenditures are consistent with the confirmed Plan. During the quarter, 7 bi-weekly check runs were reviewed, comments provided and approved. Through very close monitoring of the City's cash flow and the cooperation of the City's Finance Office, the City was able to meet payroll and critical creditor obligations through the first quarter as well as maintain a current status (within 60 days) for virtually all payables. Over the last year the City has reduced payables from the \$2 million level to approximately \$1 million. Payables on hold as of the March 26 check run total \$1,155,725.66. The vast majority of these payables are internal and deal with medical reimbursements.

The City also remains current with all of its debt service obligations. For the second year in a row the City made its general obligation debt service payment of \$4.67 million on March 15 and its debt service obligation to the PA Infrastructure Bank of \$297,742 on March 26. It will also pay another \$1.5 million to the Suburban Communities on April 15, 2015. There will be one more \$1.5 million payment due in 2016, and then these payments begin to decline.

I have worked with the City to both manage cash and prioritize payables. The cost containment provisions of the Emergency Action Plan continue to be followed as they relate to the City providing "necessary and vital services".

As of March 30 and accounting for the March 26 payroll and check run, the City had a cash balance of \$5.3 million. The City's cash position should further increase as real estate and earned income tax revenues are received during the second quarter which is traditionally the strongest quarter for revenue. The above referenced cash flow projection is attached as part of this report.

The Coordinator continues to support the work of the City Controller and Finance Office to provide budget vs. actual reports to the Administration and Council. Further, the Coordinator's team has met with the new City Treasurer to further integrate his work with that of the Finance and Controller's offices.

Recognizing cash flow needs during the first quarter of the year, the City requested proposals for a Tax and Revenue Anticipation Note (TRAN) in late November. In contrast to the one proposal received for 2014, the financial community expressed much stronger interest in the 2015 TRAN and 3 competitive proposals were received. The proposals were reviewed, a best and final offer was requested from each bank to address certain issuance cost matters and an award for a TRAN not to exceed \$4 million was made to Mid-Penn Bank in January. The TRAN will provide stop-gap funding in the event revenues are inadequate to deal with cash flow needs until real estate revenues are received. To date, the TRAN has not been needed given the City's strong cash position; however, the TRAN process is a key step in restoring the City's credibility in the financial marketplace and a very positive step in Harrisburg's recovery.

The City has begun preparation work for the 2014 audit. As they build internal capacity their accounting manager will be leading the audit preparation work assisted again by Trout Ebersole and Groff who will be focusing on compensated absences, OPEB and workers compensation matters. The City completed their initial review and preliminary audit work in January which involved mostly internal control and Single Audit related matters. They are coordinating with CRW on the utility billing preparation work that Trout will commence in early April. Preliminary work on the Police Pension Fund will start next week. They have also met several times with Maher Duessel, the City's auditor who will be undertaking the audit to review progress and a time line for the audit's completion. All preparation work should be completed by mid-June. The auditors will then begin their work with the audit being finalized by the end of September. Last year the City was finally able to bring its audits up to date and the timely completion of audits moving forward represents another critical step in the City's recovery.

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

### **Operational Issues**

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

The Coordinator's Team continued to work with Mayor Papenfuse and his Administration during the first quarter to assist with numerous issues in helping the administration move forward with Strong Plan initiatives and other operating matters. Strong lines of communication continue between the City Administration and the Coordinator and his team. Regular meetings with the Mayor and key administrative staff are held on issues involving finance, budget, tax collection, IT needs, solid waste, public safety, parking, City Island issues,

CRW/City matters and personnel. Our agendas have focused on the most significant issues that are pending at the moment. Meetings have been very productive and resulted in addressing plan related issues in a constructive and positive way. I have also engaged in periodic meetings with Council President Williams, with the same objectives. Again, these meetings have been very productive as we work to achieve consensus between the Mayor and Council on plan related initiatives.

With the assistance of the Coordinator's Team, the City continues their efforts to integrate a management system within City operations that more clearly defines goals and objectives. The Coordinator's Team continues work with the administration to refine the implementation matrix to make it a more useful management tool.

An important element of the Strong Plan is to build administrative capacity in City government within the resources available. The administration judiciously managed the 2014 budget so as to selectively add positions while staying within a tight budget framework. The 2015 budget will allow additional positions to be filled on a selective basis. Though department director positions are filled, the Administration continues to deal with several vacancies in key management positions. Efforts to hire both a Business Administrator and IT Director have been very difficult given available salary, though an individual has been hired on a part-time basis to provide additional IT management and support.

Given the difficulties experienced by the City with their IT system both from a staffing perspective and a systems perspective, an update of last year's assessment of the City's IT system was undertaken by the Coordinator's Team in March. Interviews with IT staff took place and the assessment with its recommendations should be completed in April. The assessment is intended to address both staffing and critical systems issues. It's anticipated that the City will apply for Act 47 funds to implement the study's primary recommendations.

As the replacement of the City's phone system is cost prohibitive in the short term, the City has also entered into a contract with Morefield Communications to maintain their existing phone system as well as undertake an audit of its current telephone lines to identify and disconnect lines no longer in use. It's estimated that this will result in a savings of approximately \$1,000 per month. The City is implementing this approach until such time as funding becomes available to update the entire telephone system to a VoIP system.

Led by Dauphin County Commissioners and the District Attorney's office, an initiative started last fall to assess the viability of regional approaches to police services is continuing. A Task Force comprising police agencies within the County along with County officials was established to guide this process. Following the Task Force's action to

unanimously support moving forward with this initiative, the Police Executive Research Forum (PERF) was engaged through a partnership between the County and the Coordinator's office to undertake a study of possible regional and collaborative approaches to police service within the County. A kick off meeting was held on November 13. Harrisburg's Police Chief is an active participant in this process and will ensure that the City's issues are an integral part of the study. PERF has completed their data collection work and has met with local officials and police agencies throughout the County including the City. Their study will consider multiple intergovernmental arrangements for policing services with the study's completion scheduled for later this spring. This intergovernmental initiative is consistent with the Strong Plan's goals and could open the door to even greater cooperative ventures.

The review of the City's sanitation system continued through the first quarter. Through the assistance of the Coordinator, the firm of Barton and Loguidice was engaged to assist with an evaluation of the existing process and to provide recommendations for a more efficient operation. The approach being taken is one of a managed competition through a partnership between the City and the union with the goal of creating an efficient refuse collection system. Meetings have been held with the collective bargaining unit and members of Council to obtain their input. The consultants have spent considerable time in analyzing the current collection operation and completed a draft report in late March which is being reviewed by the Administration and Coordinator. At this point the collective opinion of City officials and the bargaining unit is to provide a trial period to see if the City's performance level can be optimized.

With the Court's approval to allocate up to \$75,000 from the funds set aside for economic development in the Harrisburg Growth Fund, the City reinitiated the Comprehensive Plan update process. Council and the Planning Commission took action to move forward with the update, an RFP was developed and six proposals were received at the end of December. Following the review of these proposals and interviews with selected finalists, the City awarded the contract to OPA of Harrisburg earlier in March. A contract is being prepared with an announcement pending for early April. The planning process will then begin in earnest with significant opportunity provided for community input in establishing the City's development priorities. A funding request for the use of up to \$75,000 was included in the application for approval of the Governance Proposal and Action Plan and approved as part of Commonwealth Court's Order issued November 25. This will fund a significant portion of the comprehensive plan update.

Concurrently, the City is in the process of updating its consolidated plan under the Community Development Block Grant program. The Ferguson Group was engaged to assist in this effort.



This work will serve as a foundation for and be integrated into the City's Comprehensive Plan update process. It will also include the development of both a Housing Strategy and an Economic Development Strategy.

Following the resignation of Treasurer John Campbell in September due to charges filed by the Dauphin County District Attorney for theft from the Historic Harrisburg Association and the Stonewall Democrats, Council undertook an application process to replace Mr. Campbell. Council considered a number of candidates who had applied and on November 12 selected Tyrell Spradley to serve as Treasurer through the end of 2015. Mr. Spradley has a degree in accounting from Albright College and more than seven years of accounting experience in the banking, retail and non-profit sectors. Mr. Spradley obtained his bond and assumed office in early December. During the first quarter of 2015 Mr. Spradley was actively engaged with the administration of the Treasurer's office.

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

### **Collective Bargaining**

The changes contained in the Agreements amending the prior Collective Bargaining Agreements for the AFSCME, FOP and IAFF bargaining units have been implemented and cost reductions resulting from these changes are being monitored. The formal Amendment documents setting forth the revised contract language have been finalized and agreed to with AFSCME and the FOP. The IAFF has not yet responded to the formal Amendment document with all of the revised contract provisions which the City prepared and provided to them. The Coordinator will continue to work with City management to insure implementation of the negotiated changes, including related changes in ordinances, and to assist as may be necessary with respect to any issues and grievances that arise relating to such changes.

Fire overtime had been a continuing issue for the City, however, with the new fire contract approved in April, the closing of a fire station and the addition of a new complement of firefighters in July, the City has been able to keep overtime under control this year. Total overtime through December was 91% of budget. Trends over the second half of the year saw overtime drop significantly from prior periods and came in around \$170,000 under budget. As a percent of normal salary, overtime for the first three months of 2014 was 64%. Since the new contract became effective in April it has been cut in half to 33% of normal salary. This pattern of reduced overtime is anticipated to continue through 2015.

**Asset Monetization Matters**

During the first quarter of 2015 work continued to address various follow up actions that were provided for as part of the Plan consummation along with City operational recommendations as discussed above. Many of these matters related to the parking system and the Verizon Tower.

Importantly, after consummation of the Strong Plan, the City is no longer a guarantor of debt service payable by either the Lancaster County Solid Waste Management Authority (LCSWMA) on the Resource Recovery Facility or the Pennsylvania Economic Development Financing Authority (PEDFA) for the parking system. The vast majority of the Strong Plan was not merely a restructuring of City liabilities, but was the complete elimination of debt and other obligations (see chart attached). The exceptions are the City's General Obligation Bonds and the so-called "Verizon Bonds." The former were restructured as part of the Plan's consummation and the latter were restructured in January as part of the Settlement Agreement on the Verizon Tower.

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

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

**Harrisburg Parking**

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

**First Year of Operations – Technological improvements.** Due to extreme weather and other issues related to start-up of operations, there were delays in early 2014 in installing the new parking meters and instituting the new rates and fines. It also took longer than expected to determine which mobile phone application would be used for parkers' convenience.

Parking meter stations that accept credit cards, allow for pay-by-phone and add time by phone are now fully operational. The new technology enables parkers to not only pay for their parking, but also reminds them where they parked, sends a text message when their meter is running out of time, enables them to text the number of minutes they wish to add in order to avoid a fine, and enables businesses to market, send coupons and validate parking. The 88 new Mid-town meter spaces are also now installed and have a 15- minute free parking period for shoppers, as promised.

The new technology for garages was put out for bid, an award made, with installation expected to be completed during the second quarter. Once the technology in the garages is complete, additional parking programs and improvements should become available to workers, merchants and residents. This technology will also allow for further analysis of parking patterns, thus allowing additional enhancements to occur. Once all the technology has been installed and integrated, the City and parking customers will see many improvements and benefit from the additional options that will address issues raised by merchants, employees and residents.

**Results of Monetization Revisited.** The parking monetization was the cornerstone of the City's recovery plan. The choice faced by the Office of the Receiver was whether to sell the system to a private equity firm or hedge fund, or to put in place a monetization structure that maintained ownership of the assets in Harrisburg, and aligned the incentives of the parties so that the better the system performed, the more the City would benefit.

The parking monetization repaid amounts necessary to complete a compromise resolution with incinerator creditors, eliminated an untenable debt load on the City, paid down City payables, provided working capital to the City, provided a source for economic development and infrastructure initiatives as well as funding to establish an OPEB Trust.

The proceeds of the parking monetization that became available on December 23, 2013 were allocated to the "Acquisition Price" and the "Acquisition Price" and used by the HPA and City as follows:

1. Repay balance of negotiated settlement with incinerator creditors (\$128 million).
2. Pay debt service on GO Bonds for first time since 9/15/11 (\$6 million).
3. Repay all of the Harrisburg Parking Authority's debt (\$99.8 million).
4. Pay \$36 million to the City of Harrisburg.

In addition, over \$9 million was set aside for improvements to on-street and off-street parking facilities and technology.

**Results of Operation.** In addition to the above up-front benefits of the parking monetization, the City is receiving very significant additional benefits in the form of an annual cash flow from the parking monetization.

Parking tax collections increased by more than \$1.6 million to \$2.6 million in 2014 due to the repayment of the Harrisburg University Bonds and the HPA Series U Bonds (these bonds were repaid using upfront proceeds of the parking monetization). In addition, the amount the City had collected from meter fines (\$1.1 million in 2013) was replaced with a payment by PEDFA under the waterfall which was projected to be \$2 million but due to a number of factors, including a delay by the City in enacting ordinances required to adjudicate past due fines and the delay in installing the new meters due to weather conditions, turned out to be approximately \$1.86 million. These payments still represented a significant improvement in cash flow that enabled the City to achieve a positive operating position for 2014 and adopt a balanced budget in 2015. In fact, the 2015 budget for PEDFA projects the waterfall payment to be an additional \$500,000 (\$2.5 million) to the general fund of the City.

A Parking Advisory committee chaired by PK Harris/Trimont Real Estate Advisors, the Asset Manager, and comprised of representatives from CREDC (as PEDFA's representative); Standard Parking Corporation, the Operator; the HPA; the Mayor; City Council; Department of General Services (DGS); AGM; and the County was established early in 2014. Although it has no decision-making authority, the Advisory Committee serves as a forum for communication and interaction among the parties with interests in the operation of the Parking System and as a vehicle for customer and public input with respect to the operation of the system. It has assisted in addressing issues related to the transition to the new parking system. During the last quarter they held a public meeting on February 24 to hear comments from the community on the system. The following day the Committee met to consider comments provided and to keep all parties apprised of the status of the system. Based upon conversations with the City, public comments provided at the February 24 meeting and at other times, PK Harris/Trimont Asset Management and Standard Parking announced at the March 24 PEDFA meeting several initiatives to address concerns that will be launched in the near future:

1. Reduced meter rates from 5pm -7pm weekdays and a 4-hour free parking period on Saturdays through a subsidy provided by the City.
2. Ambassador Program provided by the on-street enforcement employees.
3. Five minute grace period at all meters.
4. Free parking at Walnut St. Garage for those contesting tickets.
5. Reduced rates to park at River St. garage during lunch hours, weekdays and weekends.
6. Enhanced night-time visibility on the meters to assist in inputting license information.

**Resource Recovery Facility**

The Lancaster County Solid Waste Management Authority (LCSWMA) has been operating the resource recovery facility for the last year. The City is also now receiving approximately \$288,000 per year as a Host Fee from LCSWMA. Tipping fees paid by haulers of municipal solid waste derived from the City have also been slightly reduced. Tonnage from the City of Harrisburg, delivered to the Susquehanna Resource Management Complex (formerly the Harrisburg RRF) for 2014 was 36,982 which was in excess of the minimum 35,000 tons required under the disposal agreement thus no additional payment was required. As the City focuses on increasing its recycling rate, it will need to closely monitor tonnage in subsequent years to avoid a premium payment. The City's concurrent focus on stronger enforcement of illegal dumping should help to offset the recycling tonnage loss.

**The "Verizon Bond Problem" has been addressed**

The "Verizon Bond Problem" is described in greater detail in the Strong Plan, and originated from the fact that the so-called Verizon Bonds were issued as long term, capital appreciation bonds in 1998 to fill a budget shortfall of the City at the time. The assumption was that Verizon or someone would be in the building paying sufficient rent to pay approximately \$41.6 million of debt service from 2016 – 2033. The City of Harrisburg had guaranteed repayment of all the debt service on the Verizon Bonds. The current Verizon lease ends in February 2016, prior to the requirement that debt service be paid. Therefore, if Verizon moves out prior to the debt service coming due, which is expected, and the building remains fallow, the City would be required to pay the entire \$41.6 million in debt service.

Attached hereto is the executive summary that was provided to the Mayor of Harrisburg, City Council and the Board of the Redevelopment Authority. The summary provides details of how a tenant was procured, how a rental rate was negotiated, how a Commonwealth statute had to be changed to accommodate the move, the approval process involved, how the City's repayment obligations were structured in order to make them affordable and provide the City with the capacity to borrow for capital improvements beginning in the next several years, along with the summary of the Settlement Agreement entered into with AGM. The Settlement Agreement was executed by all parties in late January, filed with Commonwealth Court in February and approved by the Court on March 13, 2015. All parties believe that it is feasible to move the Commonwealth employees into the building (in stages), so that by March 1, 2016, the building will be fully occupied. Work is now underway to ready the building for occupancy with the first wave moving into the building in the summer of 2015.

The benefits to the City of the arrangement that was consummated on January 30, 2015 include:

- The Commonwealth as a single tenant, with a high credit rating and a high likelihood of staying in Harrisburg entered into a 17 year lease for the entire repayment term of the Verizon Bonds.
- Harristown Development Corporation (HDC) concessions and Department of General Services (DGS) willingness to make installment purchase payments provide a significant reduction (Expected to be in excess of a \$20 million reduction) in City repayment obligations.
- Remaining debt service is affordable, allows for incremental capital borrowing over time and maintains the City's debt service ratio within financial industry accepted limits.
- HDC is provided incentives to increase the subsidy of City debt service coming from lease payments.
- Property remains on tax rolls generating approximately \$4.4 million per year.
- Over \$16 million in capital improvements to the three buildings involved.
- Significant energy savings improvements to reduce cost to Commonwealth and increase amounts available to City.
- Approximately 900 Commonwealth employees will move into the central business district and will be a boost for downtown merchants as well as increase Local Service Tax revenue to City by approximately \$46,000 per year.
- Additional vehicles to be parked in system should increase parking tax collections of the City by approximately \$600,000 annually. In 2016, \$280,000 in revenue will be generated by the 756 cars added for the Verizon building parkers at \$185 per space.

Had the DGS lease and Settlement Agreement not been entered into, there was a high degree of likelihood that none of the exposure to the City and AGM would have been defrayed by revenues from the operation of the Verizon Building.

### **City Island/Stadium Bonds and Senator's Lease**

The City is undertaking a more comprehensive review of City Island to determine its best use as a regional asset. There are a number of issues that relate to the Island that are under review. The City participated in a charrette this fall that was undertaken by the Urban Land Institute (ULI) to assist with this process. The ULI's report was presented to the City in March and provided both short-term and long-term recommendations. Key recommendations included developing a master plan for the Island and centralizing management for island related activities.

The Coordinator's Team continues to assist the City in addressing Island issues including parking issues, DCNR related matters and the Senator's park permit. Coordination with

the Harrisburg Parking Authority (HPA) has occurred, as certain parking facilities on City Island are included in the parking monetization transaction. HPA completed a survey of City Island in March to provide the basis for the creation of condominiums related to the parking facilities with the parking garage as the primary footprint. The results of the survey were presented at a March 23 meeting of the City Island Task Force. The creation of a condominium for the parking garage pursuant to the PEDFA agreement will follow though the timing of this issue is not as critical given the decision to provide parking for the Verizon Tower employees in downtown garages.

The lease with the Harrisburg Senator's for the City Island stadium remains an issue as the City has had to make up the difference in debt service from what the permit revenue provides. This amounts to between \$180,000 and \$200,000 annually. The goal of a new permit/lease is to insure that adequate revenues are received to fulfill the debt service obligations on the stadium bonds. Recent new ownership of the Senators by a local businessman is a hopeful sign for the renegotiation of the permit. The Coordinator will continue to aid the City with this matter.

This issue also involves close coordination with the Department of Conservation and Natural Resources (DCNR) as they are the administrator for various federal grants the City received under the Federal Land and Water Conservation Program for work on City Island. Meetings have been held with DCNR to coordinate any proposed lease changes with them, as well as other issues related to City Island improvements.

### **Water and Sewer Operation**

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

With financing put in place last summer CRW embarked on the \$50 million upgrade of the wastewater treatment plant to meet Chesapeake Bay requirements. Work began last spring and will continue thru early 2016 to address EPA and DEP requirements. These upgrades will reduce pollution entering the Susquehanna River and Chesapeake Bay as well as update aging

equipment. Just before the end of 2014, the Authority gave approval to a partial consent decree with the US Department of Justice, Environmental Protection Agency and Pennsylvania Department of Environmental Protection that will negate the issuance of any fines by those agencies, so long as the Authority fulfills its obligation to reduce sewer overflows and improve system performance through the current wastewater system improvement project.

The City and CRW continue to work cooperatively on a number of fronts pursuant to the Shared Services Agreement. They are working towards the separation of the utility billing process that will allow CRW to invoice for water and sewer while the City will remain responsible for refuse billing. The separation is to occur sometime during the second quarter. Both parties have also coordinated GIS related needs, street openings and have been working cooperatively on issues related to the sinkhole problem that has faced the City.

### **Summary**

The City continues to make good progress with the further implementation of the Harrisburg Strong Plan. 2014 was a transition year in many respects for the City. It was the first year following the Strong Plan's consummation in December 2013 where approximately \$500 million in City debt was eliminated (see attached chart). The year brought about many transitional and follow-up actions that required significant attention. In January 2014, a new City administration came into office and was faced with many operational and fiscal matters that needed addressed. The Mayor, his Administration and Council all did an excellent job of effectively managing the 2014 budget and achieving a positive operating position of approximately \$7 million.

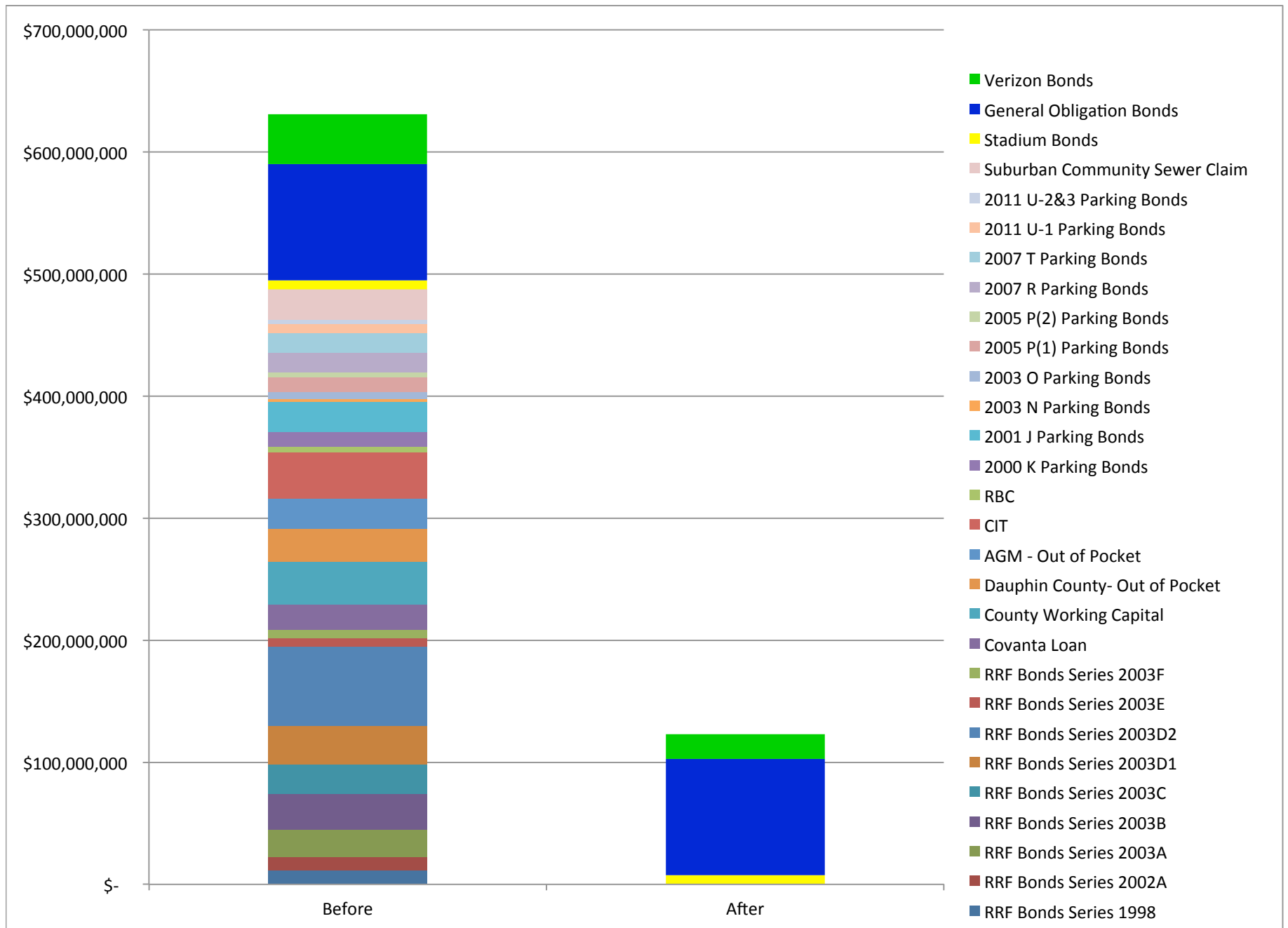
Just two months into 2014, the Receivership was vacated and the City returned to a normal Act 47 status under the further direction of a Coordinator. New collective bargaining agreements were put in place. The transition to the new parking system also occurred and though there were rough spots, revenues from parking were significantly higher than prior years and very close to budget amounts. The City transferred responsibility for the water and sewer systems to CRW. The City took a number of steps to begin to restore its fiscal credibility in the financial marketplace including bring their audits up-to-date, securing a TRAN, making its first debt service payments in 2½ years, bringing all debt related payments up-to-date and payables into a current status.

As we move into 2015, the City's financial position has clearly stabilized, though there remains further work to be done with the implementation of the Strong Plan. The first quarter saw the resolution of another significant City liability - the Verizon Tower bonds. The Settlement Agreement approved by the Court in March has restructured what would have otherwise been



a \$41 million liability. With the DGS lease covering a substantial portion of the debt service over the next 17 years, the City's obligation has been restructured to fit within its budget and maintain a reasonable debt service. Further significant energy savings and other building improvements are occurring and by early 2016, approximately 900 additional employees will be located there adding to the City's tax base.

Additional focus in 2015 will be on continuing to effectively manage the City's budget to end 2015 with another positive operating balance, increase the City's management capacity, address critical IT related matters, enact sound financial management policies, further strengthen public safety, implement additional enhancements to the parking system, address City Island matters, pursue intergovernmental initiatives, update the City's comprehensive plan and establish the Impact Harrisburg Board to administer the \$12.3 million for infrastructure and economic development. As Coordinator, I will continue to keep the Court apprised of the progress on these initiatives through subsequent reports.



## **VERIZON TOWER EXECUTIVE SUMMARY – January 14, 2015**

### **I. Background**

- In 1998, the City of Harrisburg caused the Redevelopment Authority of the City of Harrisburg to issue Federally Taxable Guaranteed Revenue Bonds, Series A of 1998 (the Verizon Bonds). These bonds were guaranteed by the City and insured by Financial Security Assurance Inc. (which became Assured Guaranty Municipal Corporation (AGM) in 2009).
- The Verizon Bonds were issued in an initial amount of \$6,920,525. After funding a reserve and paying costs of issuance, this bond issue yielded the City approximately \$5.3 million to fill the then current budget shortfall. This \$5.3 million was received by the City of Harrisburg and spent by the City, but the cost of such borrowing – the repayment of the amount borrowed --- has not heretofore been addressed by the City.
- The Verizon Bonds were issued as capital appreciation bonds, which means that they do not pay interest every year --- instead, they increase in value and accrue and compound interest semi-annually every year, which they have been doing since 1998. For the past 16 years, no interest or principal has been paid on these bonds.
- The Verizon Bonds mature in various amounts beginning November 1, 2016 through and including November 1, 2033.
- By 2016 when the current lease with Verizon expires, the City's obligation will have grown to approximately \$21.8M. It will continue to accrue interest so that by 2033, total debt service that is required to be paid back on the Verizon Bonds will be \$41,680,000. Below is the amortization schedule for the Verizon Bonds as issued by the City. The Column labeled "1998 A Principal" is the original principal amount of Verizon Bonds issued. The Column labeled "1998A Compounded Interest" is the accruing and compounding interest on the 1998A Bonds and the Column labeled "1998A Debt Service" is the amount the City is obligated to pay under its guaranty in the absence of any lease revenues paying a portion of the debt service on the Verizon Bonds.

Period Ending	1998A Principal	Coupon	1998A Compounded Interest	1998A Debt Service
5/1/2015	-	0.000%	-	-
11/1/2015	-	0.000%	-	-
5/1/2016	-	0.000%	-	-
11/1/2016	292,067	6.600%	637,934	930,000
5/1/17	285,779	6.600%	654,221	940,000
11/1/17	275,646	6.620%	664,354	940,000
5/1/18	270,055	6.640%	684,945	955,000
11/1/18	260,877	6.650%	694,123	955,000
5/1/19	254,123	6.670%	710,877	965,000
11/1/19	244,936	6.690%	720,064	965,000
5/1/20	239,198	6.720%	740,802	980,000
11/1/20	231,427	6.720%	748,573	980,000
5/1/21	226,353	6.740%	768,647	995,000
11/1/21	218,970	6.740%	776,030	995,000
5/1/22	212,517	6.770%	792,483	1,005,000
11/1/22	205,553	6.770%	799,447	1,005,000
5/1/23	200,379	6.800%	819,621	1,020,000
11/1/23	193,790	6.800%	826,210	1,020,000
5/1/24	188,318	6.840%	846,682	1,035,000
11/1/24	182,088	6.840%	852,912	1,035,000
5/1/25	176,417	6.870%	868,583	1,045,000
11/1/25	170,554	6.870%	874,446	1,045,000
5/1/26	165,932	6.900%	894,068	1,060,000
11/1/26	160,399	6.900%	899,601	1,060,000
5/1/27	155,531	6.940%	919,469	1,075,000
11/1/27	150,317	6.940%	924,683	1,075,000
5/1/28	147,303	6.940%	942,697	1,090,000
11/1/28	141,951	6.950%	948,049	1,090,000
5/1/29	139,075	6.950%	965,925	1,105,000
11/1/29	134,401	6.950%	970,599	1,105,000
5/1/30	130,861	6.970%	989,139	1,120,000
11/1/30	126,448	6.970%	993,552	1,120,000
5/1/31	125,074	6.980%	1,024,926	1,150,000
11/1/31	120,854	6.980%	1,029,147	1,150,000
5/1/32	117,044	7.000%	1,042,956	1,160,000
11/1/32	113,077	7.000%	1,046,923	1,160,000
5/1/33	110,673	7.000%	1,064,327	1,175,000
11/1/33	552,539	7.050%	5,622,461	6,175,000
	6,920,525		34,759,475	41,680,000

## **II The Verizon Bonds Problem.**

- The lease that Verizon entered into expires by its terms in February of 2016, just months before debt service payments are to commence.
- When the Office of the Receiver learned in 2012 that Verizon had communicated its intent to vacate the building by February of 2016, and notwithstanding significant efforts to fill the building no tenant was lined up to replace Verizon, the Verizon Bonds problem was identified as a significant issue that needed to be addressed by the City of Harrisburg.
- If the building remained vacant, the City would be on the hook for the entire \$41.68 million under its guaranty agreement. See above Table – Column labeled “1998A Debt Service.”
- A solution was being developed though not fully completed at the time the Harrisburg Strong Plan (the “Plan”) was being prepared and filed, and the Plan expressly acknowledged the importance of resolving this liability in a way that did not have a material adverse impact on the City’s recovery process.
- The first step was to find a tenant for the entire building and to negotiate a long term lease with that tenant that paid for at least some of the debt service on the Verizon Bonds thereby reducing the potential liability of the City.

## **III. Procuring a Tenant for the Entire Building**

- The Office of the Receiver and the Coordinator have been working for over two years now in an effort to (i) procure a tenant or tenants to fill the maximum amount of space in the Verizon Tower as possible, and (ii) negotiate a rental rate that pays operating expenses and a portion of the debt service on the Verizon Bonds.
- Achieving a rental rate that would generate revenues that exceeded the building’s operating costs was challenging because market rates would barely cover the operating expenses of the building. Leasing the Verizon Tower at prevailing market rates might not contribute to the debt service on the Verizon Bonds.
- It was in this context that the Office of the Receiver began exploring a lease of the Verizon Tower with the Commonwealth of Pennsylvania’s Department of General Services (DGS).
- This dialogue evolved into DGS’ exploration of moving approximately 900 people from the old state hospital (also known as the DGS Annex) most of who work in the Department of Human Services to the Verizon Tower.
- The Office of the Receiver and Coordinator negotiated the most favorable terms that could be attained during 2013 and 2014.

#### **IV. Changing State Law to Accommodate the Move**

- In order to consummate the lease agreement with DGS, there needed to be a change in state law to allow DGS to proceed with the initial steps of a sale of the former state hospital facility (House Bill 1945, now Act 100 was signed by the Governor on July 2), which was a prerequisite to any DGS Lease for the Verizon Tower. Hence, during April, May and June 2014, the Coordinator's team worked with both the Executive Branch and Legislative Branch to amend the statutory authority to give the necessary authority for the sale of the former state hospital facility.
- During the past two years, negotiations, meetings and significant cooperative discussions took place between various parties including General William B. Lynch, Receiver; Fred Reddig, Coordinator; the Secretary of DGS along with her deputies and staff; legal counsel for the Department of Community and Economic Development; leadership and staff of the Pennsylvania Legislature including sponsors of the legislation that was necessary to make this transfer viable; senior staff and the Board of Harristown Development Corporation (HDC); members of the Governor's Office of General Counsel; and the Governor.

#### **V. Approval of the Lease with DGS**

- The DGS Lease was approved on September 18th by the Commission on Building and Grounds and subsequently approved by the Office of Attorney General.
- Some aspects of the Lease that we call to your attention are:
  1. A single tenant - DGS - will occupy all of the useable space. More than 800 employees from outside of the central business district will occupy the building which will be beneficial to merchants in and around Strawberry Square.
  2. In order to increase the amount of rent that can be allocated to debt service payments, HDC's Board approved significant concessions relating to HDC's management fees, significant investment of HDC's own reserves and significant risk to HDC until such time as it is able to reduce expenses associated with the operations of the building.
  3. The Commonwealth is entitled under the lease to have the building fit out to suit its needs with a cap of \$2.25 million to be paid for from a loan and HDC contributions. These building improvements are necessary to accommodate the workstations required by incoming employees.
  4. A significant amount of improvements will be undertaken to improve energy efficiency in all three buildings (SO1, SO2 and SO3). This project is expected to be paid for using a guaranteed energy savings platform, capital reserves, grants, loans and other amounts but, not from amounts otherwise available to pay debt service. This project is one part of HDC's strategy of reducing operating costs in the Verizon Tower. Savings are structured to inure to the benefit of

HDC and the City (i.e. as net operating revenues increase, the amount that the rental stream contributes to repay debt service will also go up and the City's liability under the Guaranty will go down).

5. The DGS Lease provides that the Commonwealth will pay approximately \$750,000 per year towards the purchase of the building. DGS will have an option to buy the building for this amount plus an exercise option price estimated at this time to be approximately \$4.8 million. These are the amounts which contribute to the reduction of the City's liabilities. In addition, the City may wish to apply approximately \$2.4 million of reserves under the Verizon Bonds Indenture to pay for some of the debt service. Finally, and as mentioned above, under the arrangement with HDC, the City is given the benefit of 50% of any costs savings over a certain point (e.g. reduction in tax liability, insurance or utility costs), which will further reduce the potential liability the City might have under the Guaranty Agreement.
- Below is a table that shows projections of contributions from sources other than the City's General Fund that reduce the liability the City has under its Guaranty of the Verizon Bonds.

	DGS Installment Purchase Payments	DGS Option Payment	Estimate of Additional Net Revenues	Use of Reserve Funds
2016	\$500,000			
2017	\$750,000			
2018	\$750,000		\$ 2,275	
2019	\$750,000		\$ 7,209	
2020	\$750,000		\$ 12,289	
2021	\$750,000		\$ 17,519	
2022	\$750,000		\$ 22,902	
2023	\$750,000		\$ 28,444	
2024	\$750,000		\$ 34,150	
2025	\$750,000		\$ 40,024	
2026	\$750,000		\$ 108,710	
2027	\$750,000		\$ 152,151	
2028	\$750,000		\$ 123,196	
2029	\$750,000		\$ 120,394	
2030	\$750,000		\$ 117,661	
2031	\$750,000		\$ 114,995	
2032	\$750,000		\$ 112,396	
2033	\$250,000	\$ 4,800,000	\$ 109,862	
2034				
	\$12,750,000	\$ 4,800,000	\$ 1,124,177	\$2,200,000

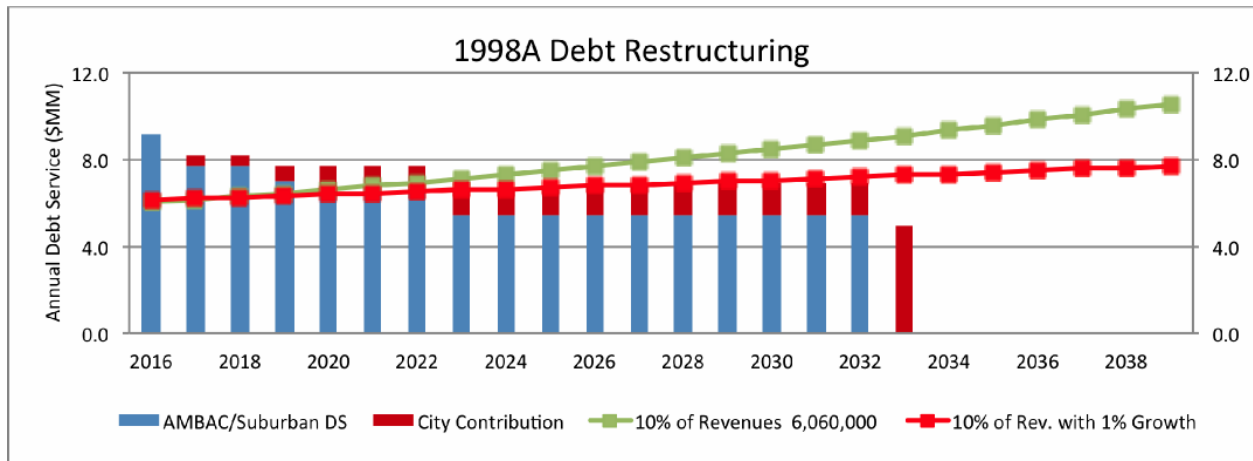
The above total of \$20,874,177 is an estimate. Factors outside of the City's control that could increase or decrease the DGS Option Payment include changes in interest rates between now and 2016. Factors outside of the City's Control that could increase or decrease the Additional Net Revenues relate to HDC's ability to reduce operating expenses.

## VI. Repayment Obligations of the City of Harrisburg.

- Although the lease is now fully executed, there remain several key issues that need to be addressed, and the Coordinator's office has continued to work diligently with all parties to improve the economics for the City.
- The City's budget remains quite fragile, and the next step is to work together to minimize any gap between what this Lease can yield toward debt service and what the debt service obligations are.
- To the extent of any shortfall between the net annual lease payments due on the Verizon Bonds, plus an amount the City can reasonably afford to pay under its guaranty and the scheduled debt service, the Strong Plan contemplated that AGM would advance monies to bondholders sufficient to make up the difference.
- This accommodation by AGM will provide the City with some liquidity.
- The City will be required to repay any such advances in full and to pay interest to AGM at the same effective yield as advances made under the AMBAC agreement.
- **The City is under no obligation to avail itself to this accommodation by AGM and if it does not take advantage of any AGM advances, the City will not have to repay anything to AGM.** For such accommodation, AGM has required a mortgage on the Verizon Tower, securing repayment of the Verizon Bonds.
- Of utmost importance to the Coordinator is the City's ability to repay over time, the Verizon Bond shortfall.
- To facilitate the Coordinator's discussions with AGM about various City repayment models that might be employed to retire the Verizon Bonds, estimates were made of what the City might be able to afford and when. In doing so the following assumptions and metrics were used:
  - a. Wait until some of the City's existing financial obligations under the Plan decline (repayment to Suburban Communities and General Obligation Bonds), prior to amortizing Verizon Bond obligations so that the City's obligations remain level or declining.
  - b. Use 10% of revenues as an approximation of the maximum annual amount of debt service obligations.
  - c. Constrain the growth factor for revenues from 2.5% per year to 1% per year to conservatively model the City's revenue forecasts and capacity to service Verizon Bond debt service.
  - d. Assume that the City may wish to issue \$5 million of debt for capital purposes in every third year commencing in 2022.



- The Settlement Agreement has taken the above into account in formulating forbearance and repayment schedules and below is an illustration of how the Ambac GO Bonds, Suburban Communities' obligations (in blue) and Verizon Bond repayments (in red) have been structured in accordance with the above parameters.



- The Coordinator has been actively working with HDC, DGS and AGM on financing for the guaranteed energy savings project.
  - A modernization agreement that provides authorization for the energy project and fit-out to proceed has just been executed between DGS and HDC and approved by the Office of Attorney General.
  - Concurrently, HDC is in the final stages of negotiating terms for a loan from First National Bank of Pennsylvania to finance the fit out and energy savings projects. This work is critical for the Tower to be ready for occupancy by March 2016.
  - The Coordinator's Team is working with AGM and HDC to obtain a mutual agreement acceptable to HDC's bank that will allow HDC's financing to proceed expeditiously.
- Further negotiations with AGM, HRA and the City continue on the Settlement Agreement, which memorializes much of what is discussed above relating to AGM's willingness to advance funds as needed and the City's obligations to honor its obligations under the Guaranty Agreement to the extent set forth in the Settlement Agreement.
- The First National Bank of Pennsylvania loan for the fit out and energy project will require that the Settlement Agreement be in final form and signed by the City and AGM prior to closing on the financing, which is anticipated to occur on or about January 23, 2015.

## **VII. Settlement Agreement – Summary.**

- AGM will allow up to \$2.7 million in aggregate advances on behalf of the City.
- These advances will be permitted between 2016 and 2025. The City need not avail itself to any such advances.
- Annual advances are limited to 20% of the debt service in a given year or approximately \$400,000.
- If in a given year, the City does not use the entire 20%, it can roll over to a subsequent year between 2016 and 2025 subject to the \$2.7 million limit above.
- The City will be required to repay advances made by AGM at an interest rate of 6.07% by 2033.
- AGM is requiring a mortgage on the Verizon Tower to secure repayment of the Verizon Bonds and obligations the City may have to AGM.
- City may prepay at any time without penalty.
- So long as the City abides by the above, the mortgage will go away and AGM shall not exercise any of the above remedies.

It is the Coordinator's view that the benefits of this arrangement for the City are significant, that the resolution of the Verizon Bond problem in this manner is consistent with the Strong Plan and the efforts of all involved have converted this troublesome problem into a manageable solution for the City.

**CITY OF HARRISBURG  
CASH FLOW**

City of Harrisburg													3/25/2015
2015 Estimated Cash Flow													10:29 AM
	Actual	Actual	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	Total
	Jan	Feb	Mar	Apr	May	June	Jul	Aug	Sep	Oct	Nov	Dec	
Cash Summary													
Unrestricted Cash Balance Beginning of Month	7,016,114	5,566,741	5,853,985	6,821,496	10,329,784	11,428,875	12,659,556	9,427,928	9,591,333	7,960,371	9,423,858	7,632,697	
Surplus/(Deficit)	-1,464,457	355,176	1,236,536	3,508,288	1,099,091	1,230,682	-3,231,628	163,405	-1,630,962	1,463,487	-1,791,162	-884,032	
Change in Accounts Payable	479,076	-89,186	-269,026	0	0	0	0	0	0	0	0	0	
Other items affecting Cash	-463,991	21,253	0	0	0	0	0	0	0	0	0	0	
Unrestricted Cash Balance End of Month	5,566,741	5,853,985	6,821,496	10,329,784	11,428,875	12,659,556	9,427,928	9,591,333	7,960,371	9,423,858	7,632,697	6,748,665	
Revenues, Expenditures, Surplus/(Deficit)													
Revenues without Transfers	1,532,597	3,400,190	9,427,428	9,050,870	5,071,021	4,258,771	1,958,454	3,519,434	5,248,964	4,143,392	2,718,485	2,010,907	52,340,513
Sanitation Utility Fund	0	0	0	0	0	0	0	0	0	0	0	2,155,324	2,155,324
Landfill/Incin Utility Fd	0	0	0	0	0	0	0	0	0	305,000	0	0	305,000
Transfers in from Host Fee for Enviromental Costs	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers from Other Funds	0	0	0	0	0	0	0	0	0	4,504,000	0	0	4,504,000
Total Revenues	1,532,597	3,400,190	9,427,428	9,050,870	5,071,021	4,258,771	1,958,454	3,519,434	5,248,964	8,952,392	2,718,485	4,166,231	59,304,837
Expenditures													
Personnel	2,462,703	2,527,219	2,551,772	3,133,770	2,902,029	2,437,043	4,300,177	2,617,580	3,166,869	5,518,135	3,023,125	3,501,918	38,142,340
Services	305,298	288,130	496,770	385,750	634,854	323,684	563,206	387,246	295,592	790,562	846,234	863,969	6,181,296
Supplies	9,660	50,558	30,291	238,600	304,810	178,401	183,751	151,582	80,120	513,386	266,219	368,432	2,375,809
Other	219,393	179,107	133,247	1,584,462	130,237	88,962	142,949	199,620	499,874	353,606	374,068	315,944	4,221,469
Debt Service	0	0	4,978,811	200,000	0	0	0	0	2,837,471	313,215	0	0	8,329,497
Total Expenditures	2,997,054	3,045,014	8,190,892	5,542,581	3,971,930	3,028,089	5,190,083	3,356,029	6,879,926	7,488,905	4,509,647	5,050,263	59,250,412
Operating Surplus/(Deficit)	-1,464,457	355,176	1,236,536	3,508,288	1,099,091	1,230,682	-3,231,628	163,405	-1,630,962	1,463,487	-1,791,162	-884,032	54,425
Accounts Payable													
Accounts Payable Beginning of Month	-1,079,136	-1,558,212	-1,469,026	-1,200,000	-1,200,000	-1,200,000	-1,200,000	-1,200,000	-1,200,000	-1,200,000	-1,200,000	-1,200,000	
Accounts Payable End of Month	-1,558,212	-1,469,026	-1,200,000	-1,200,000	-1,200,000	-1,200,000	-1,200,000	-1,200,000	-1,200,000	-1,200,000	-1,200,000	-1,200,000	
Change in Accounts Payable	479,076	-89,186	-269,026	0	0	0	0	0	0	0	0	0	

Note: Balanced budget with Fund Balance of \$280,000.

City of Harrisburg  
2015 Projected General Fund Revenues

Revenue Group	Actual Jan	Actual Feb	Estimated March	Estimated April	Estimated May	Estimated June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	Estimated Total 2015	Budget 2015	Variance
Real Estate Taxes Current	21,342	1,535,057	6,820,834	4,529,930	647,126	312,397	187,804	172,505	59,275	113,459	82,120	391,300	14,873,150	14,916,723	-43,573
Real Estate Taxes Prior	0	865	0	0	0	0	0	0	0	0	0	0	865	0	865
Real Estate Taxes Delinquent	0	66,427	107,683	48,234	309,016	92,415	383,212	135,879	197,247	530,779	169,299	25,095	2,065,284	2,119,635	-54,351
Tax Liens Principal	0	-17	0	0	0	0	0	0	0	0	0	0	-17	0	-17
Tax Sales	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
													0	0	0
EIT	64,833	300,609	193,059	499,542	379,645	424,196	111,818	458,858	405,845	235,564	532,680	159,481	3,766,132	3,765,133	998
Act 47 EIT	129,667	601,218	386,119	999,085	759,290	848,392	223,636	917,717	811,689	471,129	1,065,360	318,962	7,532,264	7,530,267	1,997
EMS/LST	0	27,480	247,601	372,180	144,077	233,551	133,312	387,824	200,278	114,369	118,580	45,922	2,025,174	2,025,678	-504
Mercantile Business Privilege	117,524	279,622	373,285	1,145,736	540,358	99,042	129,223	166,591	67,147	189,130	112,921	77,685	3,298,265	3,235,000	63,265
Other Act 511 Taxes	44,497	14,069	45,699	532,718	379,831	31,028	88,790	36,682	74,321	80,339	6,778	138,985	1,473,737	1,536,000	-62,263
Capital Fire Protection	0	0	0	0	0	0	0	0	0	496,000	0	0	496,000	496,000	0
Cdbg Reimb. - Demolition	0	0	0	6,282	0	31,658	5,128	0	4,756	38,411	0	28,765	115,000	115,000	0
District Justice Fees	0	60,492	27,691	100,474	24,302	19,081	40,499	12,488	85,270	87,739	0	47,512	505,548	485,000	20,548
Fed/State(Fed)Pass Thr Gr	0	0	0	0	0	0	0	727	1,453	0	0	145	2,326	75,000	-72,674
Federal Grants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fees/Permits	83,831	112,218	168,820	163,026	62,661	66,838	176,619	152,605	79,041	144,886	29,212	178,201	1,417,960	1,494,217	-76,257
Government Grants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grants Fund	0	0	0	0	42,645	0	0	0	0	0	0	0	42,645	72,918	-30,272
Interest	606	2,574	3,229	4,176	2,776	3,855	2,957	2,717	2,810	2,451	2,492	2,466	33,110	34,614	-1,504
License	0	133,066	24,812	587	135,255	0	0	140,734	8,780	0	131,073	1,175	575,483	576,000	-517
Miscellaneous	75,169	32	37,549	22,583	45,776	385,978	81,168	16,497	119,865	160,396	30	104,765	1,049,807	1,022,852	26,955
Pension System State Aid	0	0	0	0	0	0	0	0	2,440,000	0	0	0	2,440,000	2,440,000	0
Public Safety Fees/Permits	19,126	12,097	15,120	39,440	19,843	10,582	18,308	13,090	169,425	160,755	155,469	162,392	795,645	804,385	-8,740
Public Safety Grants	37,583	4,260	14,081	24,592	94,879	127,644	38,186	4,139	40,796	4,909	2,173	2,441	395,685	476,357	-80,672
Public Safety Reimbursements	12,430	41,707	29,392	220,943	41,297	143,480	94,896	69,289	45,494	113,719	28,986	31,197	872,828	960,000	-87,172
Public Works Fees/Permits	0	0	125,000	0	2,000	0	0	0	0	0	0	0	127,000	127,000	0
Reimbursements	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rental Income	163	163	460	181	181	223	181	181	181	272	84	181	2,453	23,200	-20,747
Recreation Fees	0	10	12	61	15	5,634	7,148	3,034	98	20	0	17	16,050	16,046	4
Sale Of Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Vehicle Maintenance Charges	789	60,898	67,395	21,517	88,672	20,434	28,748	36,317	56,280	56,143	2,052	23,159	462,404	416,750	45,654
PILOTS	300,000	698	8,918	180,307	30,464	31,436	17,554	9,087	16,477	173,165	8,485	8,485	785,076	600,000	185,076
														0	0
Pub Utility Realty Tax	0	0	0	0	0	0	0	0	0	38,000	0	0	38,000	38,000	0
Sewer Maint Charge	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sewer Maint Liens-Penalty	9	0	0	0	0	0	0	0	0	0	0	0	9	0	9
Sewer Maint Liens-Princip	80	0	0	0	0	0	0	0	0	0	0	0	80	0	80
Sewer Utility Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sanitation Utility Fund	0	0	0	0	0	0	0	0	0	0	0	2,155,324	2,155,324	2,155,324	0
Landfill/Incin Utility Fd	0	0	0	0	0	0	0	0	0	305,000	0	0	305,000	305,000	0
Sewerage Utility Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hbg Water Utility Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hbg Prk Auth Coord Pkg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers from Other Funds	0	0	0	0	0	0	0	0	0	4,504,000	0	0	4,504,000	4,504,000	0
Parking Taxes	222,216	29,526	628,930	27,918	603,880	638,246	16,999	540,984	18,327	646,029	18,327	18,327	3,409,707	3,313,900	95,807
Parking Fees	3,463	9,699	18,417	20,386	12,981	33,956	17,058	28,082	18,749	17,184	14,872	33,816	228,662	260,700	-32,038
Parking Tickets	100,329	33,392	69,321	76,970	185,220	175,535	127,210	171,405	222,882	165,908	92,878	106,338	1,527,389	1,500,000	27,389
Priority Parking Distribution	87,286	0	0	0	504,830	495,170	0	0	0	0	0	0	1,087,286	1,000,000	87,286
THA Shared Service	211,653	74,029	14,000	14,000	14,000	28,000	28,000	42,000	102,478	102,634	144,614	104,096	879,505	650,000	229,505
Harrisburg Authority	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Revenues</b>	<b>1,532,597</b>	<b>3,400,190</b>	<b>9,427,428</b>	<b>9,050,870</b>	<b>5,071,021</b>	<b>4,258,771</b>	<b>1,958,454</b>	<b>3,519,434</b>	<b>5,248,964</b>	<b>8,952,392</b>	<b>2,718,485</b>	<b>4,166,231</b>	<b>59,304,837</b>	<b>59,090,699</b>	<b>214,138</b>

City of Harrisburg 2015 Estimated Expenditures by Month		Actual Jan	Actual Feb	Estimated Mar	Estimated April	Estimated May	Estimated June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	Estimated Total 2015	Budget Total 2015	Variance Act - Bud
Office of City Council Personnel	Personnel	21,026	21,026	20,693	20,693	20,693	20,693	31,039	20,693	20,693	31,039	20,693	20,693	269,672	279,352	-9,679
Office of City Council Services	Services	293	1,999	16,970	4,628	951	6,107	4,987	541	152	61,917	31,145	25,341	155,031	159,488	-4,457
Office of City Council Supplies	Supplies	0	1,388	240	2,576	100	693	4,166	10,879	100	100	100	100	20,443	19,255	1,188
Office of City Council Other	Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Office of City Council		21,320	24,413	37,903	27,896	21,743	27,493	40,193	32,113	20,944	93,056	51,938	46,134	445,147	458,095	-12,948
Office of Mayor Personnel	Personnel	22,169	22,262	22,327	22,327	22,327	22,327	33,491	22,327	22,327	33,491	22,327	22,327	290,032	301,420	-11,388
Office of Mayor Services	Services	4	3,020	2,393	773	1,000	1,563	1,076	1,027	1,006	865	703	703	14,131	12,514	1,617
Office of Mayor Supplies	Supplies	0	121	25	3,025	25	25	25	25	25	25	25	25	3,371	3,300	71
Office of Mayor Other	Other	0	595	0	0	0	2,000	0	0	0	0	0	0	2,595	2,000	595
Office of Mayor		22,172	25,998	24,745	26,125	23,352	25,915	34,592	23,379	23,359	34,381	23,055	23,055	310,130	319,234	-9,104
Office of City Controller Personnel	Personnel	8,736	10,177	10,406	10,406	10,406	10,406	15,609	10,406	10,406	15,609	10,406	10,406	133,381	140,483	-7,102
Office of City Controller Services	Services	41	2	669	625	1,171	625	625	625	625	625	1,080	1,080	7,793	9,000	-1,207
Office of City Controller Supplies	Supplies	0	0	833	833	833	833	1,833	833	833	833	833	833	9,333	11,000	-1,667
Office of City Controller Other	Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Office of City Controller		8,777	10,179	11,908	11,864	12,410	11,864	18,068	11,864	11,864	17,068	12,320	12,320	150,507	160,483	-9,976
Office of City Treasurer Personnel	Personnel	18,149	18,159	22,752	22,335	21,695	21,695	32,542	21,695	21,695	32,542	21,695	21,695	276,651	294,882	-18,232
Office of City Treasurer Services	Services	4,153	-314	3,878	1,143	28,160	135	3,758	1,355	435	2,292	9,672	9,672	64,339	61,000	3,339
Office of City Treasurer Supplies	Supplies	0	228	3,231	250	250	250	2,040	2,250	250	2,979	250	250	12,228	12,500	-272
Office of City Treasurer Other	Other	0	0	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	16,667	20,000	-3,333
Office of City Treasurer		22,303	18,073	31,528	25,395	51,772	23,746	40,007	26,967	24,046	39,481	33,283	33,283	369,884	388,382	-18,498
Office of City Solicitor Personnel	Personnel	24,930	24,678	27,836	27,836	27,836	27,836	41,754	27,836	27,836	41,754	27,836	27,836	355,807	375,790	-19,983
Office of City Solicitor Services	Services	12	11,651	12	28,844	16,025	8,551	9,018	21,851	11,173	9,596	33,137	33,137	183,008	171,400	11,608
Office of City Solicitor Supplies	Supplies	0	3,275	0	6,280	2,709	367	2,266	4,487	1,949	633	8,689	8,689	39,343	36,068	3,275
Office of City Solicitor Other	Other	0	199	0	0	0	0	0	0	0	0	0	0	199	0	199
Office of City Solicitor		24,942	39,803	27,848	62,960	46,571	36,755	53,038	54,174	40,959	51,983	69,662	69,662	578,357	583,258	-4,901
Office of Business Administrator Personnel	Personnel	0	0	5,981	5,981	5,981	5,981	8,971	5,981	5,981	8,971	5,981	5,981	65,786	80,738	-14,951
Office of Business Administrator Services	Services	178	117	67	248	705	1,434	2,115	125	118	115	4,670	4,670	14,561	14,450	111
Office of Business Administrator Supplies	Supplies	0	9	0	117	0	1,584	77	11	11	0	450	450	2,709	2,700	9
Office of Business Administrator Other	Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Office of Business Administrator		178	126	6,047	6,345	6,686	8,999	11,163	6,116	6,110	9,086	11,100	11,100	83,056	97,888	-14,831
Bureau of Financial Management Personnel	Personnel	27,212	28,563	30,634	30,634	30,634	30,634	45,951	30,634	30,634	45,951	30,634	30,634	392,747	413,555	-20,809
Bureau of Financial Management Services	Services	20,573	12,277	21,478	668	13,732	18,188	48,868	46,315	1,931	49,377	37,541	37,541	308,490	275,640	32,850
Bureau of Financial Management Supplies	Supplies	0	0	250	6,576	250	250	250	250	510	635	1,031	1,031	11,032	11,532	-500
Bureau of Financial Management Other	Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bureau of Financial Management		47,786	40,840	52,361	37,877	44,616	49,072	95,068	77,199	33,074	95,963	69,206	69,206	712,269	700,727	11,542
Bureau of Communications Personnel	Personnel	7,437	8,661	7,575	7,575	7,575	7,575	11,363	7,575	7,575	11,363	7,575	7,575	99,428	102,268	-2,840
Bureau of Communications Services	Services	0	284	987	987	987	987	987	987	987	987	987	987	10,158	11,849	-1,691
Bureau of Communications Supplies	Supplies	0	0	609	609	609	609	609	609	609	609	609	609	6,088	7,305	-1,218
Bureau of Communications Other	Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bureau of Communications		7,437	8,945	9,172	9,172	9,172	9,172	12,959	9,172	9,172	12,959	9,172	9,172	115,673	121,422	-5,749
Bureau of Risk Management Personnel	Personnel	2,857	5,706	5,502	5,502	5,502	5,502	8,253	5,502	5,502	8,253	5,502	5,502	69,086	74,279	-5,193
Bureau of Risk Management Services	Services	0	0	60	60	60	60	60	60	60	60	60	60	600	720	-120
Bureau of Risk Management Supplies	Supplies	0	0	125	125	125	125	125	125	125	125	125	125	1,250	1,500	-250
Bureau of Risk Management Other	Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bureau of Risk Management		2,857	5,706	5,687	5,687	5,687	5,687	8,438	5,687	5,687	8,438	5,687	5,687	70,936	76,499	-5,563
Bureau of Information Technology Personnel	Personnel	18,868	18,905	33,091	33,091	33,091	33,091	49,636	33,091	33,091	49,636	33,091	33,091	401,771	446,725	-44,954
Bureau of Information Technology Services	Services	32	6,255	189	15,430	127,155	7,857	4,874	12,396	5,668	1,539	32,071	32,071	245,536	239,700	5,835
Bureau of Information Technology Supplies	Supplies	0	16,187	991	40,167	40,167	17,372	7,771	7,943	7,932	14,337	14,465	14,465	142,621	128,415	14,206
Bureau of Information Technology Other	Other	0	0	7,750	7,750	7,750	7,750	7,750	7,750	7,750	7,750	7,750	7,750	77,500	93,000	-15,500
Bureau of Information Technology		18,900	41,346	42,020	57,261	208,163	66,069	70,031	61,180	54,441	73,262	87,377	87,377	867,427	907,840	-40,413
Bureau of Human Resources Personnel	Personnel	17,164	17,300	17,092	17,092	17,092	17,092	25,638	17,092	17,092	25,638	17,092	17,092	222,473	230,739	-8,266
Bureau of Human Resources Services	Services	1,504	1,130	2,862	2,800	3,454	2,727	4,991	2,781	3,130	2,673	8,637	8,637	45,327	47,251	-1,923
Bureau of Human Resources Supplies	Supplies	0	0	115	42	42	42	42	42	42	42	955	955	2,317	2,400	-83
Bureau of Human Resources Other	Other	0	199	0	0	0	0	0	0	0	0	0	0	199	0	199
Bureau of Human Resources		18,667	18,629	20,069	19,933	20,588	19,861	30,671	19,915	20,263	28,352	26,684	26,684	270,316	280,389	-10,073
Operations and Revenue (Office of the Director) Personnel	Personnel	13,475	14,084	14,207	14,240	14,207	14,231	21,310	14,207	14,207	21,374	14,586	14,207	184,333	192,292	-7,958
Operations and Revenue (Office of the Director) Services	Services	10,446	16,327	24,407	24,992	17,019	8,901	3,821	12,159	3,123	12,034	29,813	29,813	192,855	166,451	26,404
Operations and Revenue (Office of the Director) Supplies	Supplies	0	0	2,244	0	6,066	0	1,793	4,914	579	685	5,360	5,360	27,000	27,000	0
Operations and Revenue (Office of the Director) Other	Other	0	199	0	0	0	0	0	321	0	874	0	0	1,394	1,195	199
Operations and Revenue (Office of the Director)		23,920	30,610	40,858	39,232	37,292	23,133	26,925	31,601	17,909	34,967	49,758	49,379	405,583	386,938	18,645
General Expenses Personnel	Personnel	636,319	676,543	577,035	1,121,276	1,085,384	586,268	1,259,456	728,343	1,185,386	496,848	1,095,898	1,072,882	10,521,639	10,300,637	221,002
General Expenses Services	Services	183,894	39,706	76,338	57,174	142,621	68,682	98,398	48,324	74,853	161,006	91,236	103,832	1,165,064	1,234,179	-69,115
General Expenses Supplies	Supplies	0	0	0	0	0	0	125	55	0	0	0	125	306	306	0
General Expenses Other	Other	0	900	58,644	1,507,358	7,358	7,358	65,845	65,482	8,027	7,383	67,453	9,330	1,805,140	1,818,956	-13,816
General Expenses		820,213	717,150	712,017	2,685,809	1,235,363	680,308	1,424,825	842,204	1,268,266	665,237	1,254,587	1,186,168	13,492,149	13,354,078	138,071
Transfers to Other Funds Debt Service	Debt Service	0	0	4,978,811	200,000	0	0	0	0	2,837,471	313,215	0	0	8,329,497	8,273,230	56,267
Transfers to Other Funds Other	Other	26,271	0	20,833	20,833	20,833	20,833	20,833	20,833	20,833	20,833	20,833	20,833	234,605	250,000	-15,395
Transfers to Other Funds		26,271	0	4,999,645	220,833	20,833	20,833	20,833	20,833	2,858,304	334,048	20,833	20,833	8,564,102	8,523,230	40,872

City of Harrisburg 2015 Estimated Expenditures by Month		Actual Jan	Actual Feb	Estimated Mar	Estimated April	Estimated May	Estimated June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	Estimated Total 2015	Budget Total 2015	Variance Act - Bud
																0
Office of the Director for the Department of Building and Housing Personnel	Personnel	1,565	2,087	1,994	1,994	1,994	1,994	2,990	1,994	1,994	2,990	1,994	1,994	25,581	26,913	-1,332
Office of the Director for the Department of Building and Housing Services	Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Office of the Director for the Department of Building and Housing Supplies	Supplies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Office of the Director for the Department of Building and Housing Other	Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Office of the Director for the Department of Building and Housing		1,565	2,087	1,994	1,994	1,994	1,994	2,990	1,994	1,994	2,990	1,994	1,994	25,581	26,913	-1,332
Bureau of Planning Personnel	Personnel	6,946	6,946	7,237	7,237	7,237	7,237	10,856	7,237	7,237	10,856	7,237	7,237	93,502	97,703	-4,201
Bureau of Planning Services	Services	227	181	19,812	18,333	18,529	19,228	15,179	19,581	18,422	18,162	21,050	21,050	189,754	218,545	-28,791
Bureau of Planning Supplies	Supplies	0	0	192	192	192	192	192	192	192	192	192	192	1,917	2,300	-383
Bureau of Planning Other	Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bureau of Planning		7,173	7,127	27,241	25,762	25,958	26,657	26,227	27,010	25,851	29,209	28,479	28,479	285,172	318,548	-33,376
Bureau of Codes Personnel	Personnel	41,573	41,694	47,511	47,511	47,511	47,511	71,267	47,511	47,511	71,267	47,511	47,511	605,891	641,403	-35,512
Bureau of Codes Services	Services	804	688	2,189	2,105	1,498	1,257	720	4,889	1,890	802	3,953	3,953	24,746	23,875	871
Bureau of Codes Supplies	Supplies	0	0	350	350	350	350	350	350	350	350	1,600	1,600	6,000	6,700	-700
Bureau of Codes Other	Other	0	199	0	0	0	0	0	0	0	0	0	0	199	0	199
Bureau of Codes		42,377	42,581	50,050	49,967	49,359	49,118	72,337	52,750	49,752	72,419	53,064	53,064	636,837	671,978	-35,141
Economic Development Personnel	Personnel	0	0	5,582	5,582	5,582	5,582	8,373	5,582	5,582	8,373	5,582	5,582	61,400	75,355	-13,955
Economic Development Services	Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Economic Development Supplies	Supplies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Economic Development Other	Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Economic Development		0	0	5,582	5,582	5,582	5,582	8,373	5,582	5,582	8,373	5,582	5,582	61,400	75,355	-13,955
Office of the Police Chief Personnel	Personnel	872,170	903,259	872,170	903,259	872,170	859,382	1,476,663	902,170	1,003,903	3,342,366	970,102	1,360,915	14,338,527	14,475,614	-137,087
Office of the Police Chief Services	Services	64,303	76,900	133,324	39,216	61,999	32,831	42,486	31,017	32,213	134,404	43,819	46,581	739,093	802,256	-63,163
Office of the Police Chief Supplies	Supplies	0	937	6,925	11,132	18,005	3,820	4,635	11,908	5,810	3,728	12,623	12,623	92,145	99,100	-6,955
Office of the Police Chief Other	Other	0	23,587	0	0	0	2,500	0	22,500	402,000	0	0	0	450,587	427,000	23,587
Office of the Police Chief		936,473	1,004,683	1,012,419	953,606	952,174	898,533	1,523,784	967,595	1,443,926	3,480,497	1,026,544	1,420,118	15,620,353	15,803,970	-183,617
Bureau of Fire Personnel	Personnel	531,181	500,439	615,798	631,594	465,202	479,766	751,552	471,484	472,187	965,471	478,608	585,047	6,948,329	7,078,443	-130,114
Bureau of Fire Services	Services	1,456	16,163	30,246	27,176	59,012	16,377	11,804	50,877	9,030	24,562	30,392	30,392	307,487	299,140	8,347
Bureau of Fire Supplies	Supplies	0	3,880	5,920	8,364	4,596	5,060	21,265	17,474	13,676	155,746	13,449	13,449	262,880	265,650	-2,770
Bureau of Fire Other	Other	0	0	10,000	10,000	10,000	10,000	10,000	10,000	7,500	7,500	7,500	7,500	90,000	90,000	0
Bureau of Fire		532,636	520,483	659,465	677,135	538,810	511,202	794,621	549,835	504,892	1,153,279	529,949	636,389	7,608,695	7,733,233	-124,538
Office of the Director of Public Works Personnel	Personnel	34,685	37,769	38,392	38,392	38,392	38,392	57,589	38,392	38,392	57,589	39,592	40,192	497,770	521,297	-23,527
Office of the Director of Public Works Services	Services	8,799	68,240	124,980	74,772	61,579	44,153	106,539	67,649	47,628	76,333	225,895	225,895	1,122,463	1,091,150	31,313
Office of the Director of Public Works Supplies	Supplies	0	4,588	6,050	8,380	3,085	3,046	13,079	5,246	2,726	4,435	15,068	15,068	80,771	77,850	2,921
Office of the Director of Public Works Other	Other	177,372	131,385	417	417	417	417	34,630	13,160	244,438	232,428	232,428	232,428	1,067,923	760,000	307,923
Office of the Director of Public Works		220,856	241,982	169,839	121,962	103,473	86,008	177,623	135,918	101,906	382,795	512,983	513,583	2,768,927	2,450,297	318,630
Bureau of City Services Personnel	Personnel	112,979	124,971	110,921	106,168	108,223	115,800	169,796	106,977	116,625	158,344	107,082	110,273	1,448,159	1,532,323	-84,164
Bureau of City Services Services	Services	8,093	27,893	25,807	35,152	46,326	43,233	141,912	9,062	28,377	216,431	236,221	236,221	1,054,728	1,030,216	24,512
Bureau of City Services Supplies	Supplies	0	4,915	292	92,412	37,094	57,542	40,675	25,037	375	205,589	62,976	62,976	589,883	586,127	3,756
Bureau of City Services Other	Other	15,750	21,644	28,103	28,103	73,879	28,103	28,103	28,103	28,103	54,828	28,103	28,103	390,929	409,741	-18,812
Bureau of City Services		136,822	179,424	165,123	261,835	265,522	244,678	380,486	169,180	173,481	635,191	434,382	437,573	3,483,698	3,558,407	-74,709
Bureau of Vehicle Management Personnel	Personnel	32,847	33,901	39,108	34,363	34,429	34,431	51,704	34,418	34,519	51,803	34,363	34,864	450,751	475,903	-25,152
Bureau of Vehicle Management Services	Services	2	3,428	9,618	48,325	30,008	21,977	48,286	50,997	36,558	15,555	3,689	11,869	280,313	277,883	2,430
Bureau of Vehicle Management Supplies	Supplies	9,660	14,818	1,565	95,856	189,652	85,780	82,100	58,618	42,678	121,639	127,087	229,173	1,058,627	1,035,733	22,895
Bureau of Vehicle Management Other	Other	0	0	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	83,333	100,000	-16,667
Bureau of Vehicle Management		42,509	52,146	58,624	186,877	262,423	150,521	190,424	152,367	122,089	197,330	173,472	284,240	1,873,024	1,889,519	-16,494
Office of the Director of Parks, Recreation and Enrichment Personnel	Personnel	10,416	10,089	14,339	15,093	15,277	40,029	108,991	52,844	32,907	21,225	14,150	14,794	350,153	365,023	-14,870
Office of the Director of Parks, Recreation and Enrichment Services	Services	484	2,184	487	2,298	2,862	810	11,700	14,628	18,214	1,226	463	463	55,819	53,600	2,219
Office of the Director of Parks, Recreation and Enrichment Supplies	Supplies	0	212	333	492	659	461	333	333	1,348	706	333	333	5,546	6,000	-454
Office of the Director of Parks, Recreation and Enrichment Other	Other	0	199	0	0	0	0	0	0	0	0	0	0	199	0	199
Office of the Director of Parks, Recreation and Enrichment		10,899	12,684	15,159	17,884	18,799	41,300	121,024	67,806	52,468	23,157	14,947	15,591	411,717	424,623	-12,907
Bureau of Act, Culture & Tourism Personnel	Personnel	0	0	3,588	3,588	3,588	3,588	5,383	3,588	3,588	5,383	3,588	3,588	39,472	48,443	-8,971
Bureau of Act, Culture & Tourism Services	Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bureau of Act, Culture & Tourism Supplies	Supplies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bureau of Act, Culture & Tourism Other	Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bureau of Act, Culture & Tourism		0	0	3,588	3,588	3,588	3,588	5,383	3,588	3,588	5,383	3,588	3,588	39,472	48,443	-8,971
		2,997,054	3,045,014	8,190,892	5,542,581	3,971,930	3,028,089	5,190,083	3,356,029	6,879,926	7,488,905	4,509,647	5,050,263	59,250,412	59,359,748	-109,336

# **CITY OF HARRISBURG IMPLEMENTATION MATRIX**



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

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

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

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

Priority 3 - Mid to long-term initiatives

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

Pending	In Process	Complete	Progress not tracking
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EChapter - #	Initiative	Five Year Financial Impact	Responsible Parties	Status	Priority <sup>1</sup>	Target Completion Date <sup>2</sup>	Key Implementation Steps	Comment
WF01	Renegotiate existing contract extensions or in the alternative, declare extensions of collective bargaining agreements void and renegotiate existing contracts	N/A	Mayor	Complete	Priority 1	July 2012	<ul style="list-style-type: none"> <li>Consult with legal counsel to determine approach</li> <li>Implement approach</li> </ul>	Collective bargaining agreements with the FOP and AFSCME re negotiated in 2013. The IAFF ratified amendments to its collective bargaining agreement which has not yet been ratified by the City.
WF02	Use professional assistance for labor negotiations	N/A	Mayor	Complete	Priority 1	July 2012	<ul style="list-style-type: none"> <li>N/A</li> </ul>	The Mayor has hired and is using outside counsel. Having labor counsel engage in future negotiations remains important.
WF03	Establish a labor/management committee for all employee groups	N/A	Business Administrator	In Process	Priority 1	Ongoing	<ul style="list-style-type: none"> <li>Meet with Union(s) to develop charter for committee</li> <li>Develop committee structure and processes for bringing items before the committee</li> <li>Develop committee work plan</li> <li>Schedule committee meetings</li> </ul>	The City and collective bargaining units have established labor management committees and began monthly meetings in September of 2014.
WF04	Limit new contract enhancements	N/A	Mayor	In Process	Priority 1	Ongoing	<ul style="list-style-type: none"> <li>N/A</li> </ul>	
WF05	Ensure future collective bargaining agreements remain compliant with Recovery Plan	N/A	Mayor	In Process	Priority 3	Ongoing	<ul style="list-style-type: none"> <li>N/A</li> </ul>	Ongoing initiative, subject to contract negotiations.
WF06	Implement a three year wage and step freeze	N/A	Mayor	In Process	Priority 1	December 2013	<ul style="list-style-type: none"> <li>N/A</li> </ul>	Ongoing initiative, subject to contract negotiations.
WF07	Implement a new pay scale for new police officers	N/A	Mayor	Complete	Priority 1	July 2012	<ul style="list-style-type: none"> <li>Initiate discussions with labor union(s)</li> </ul>	FOP collective bargaining agreement adopted in 2013.

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WF08	Implement a new pay scale for new firefighters	N/A	Mayor	In Process	Priority 1	January 2014	<ul style="list-style-type: none"> <li>Initiate discussions with labor union(s)</li> </ul>	Ongoing initiative, subject to contract negotiations.
WF09	Freeze longevity pay and eligibility	N/A	Mayor	In Progress	Priority 1	Ongoing	<ul style="list-style-type: none"> <li>Initiate discussions with labor union(s)</li> </ul>	Ongoing initiative, subject to contract negotiations.
WF10	Reduce paid holidays and personal leave to 10 days annually	N/A	Mayor	In Progress	Priority 1	Ongoing	<ul style="list-style-type: none"> <li>Initiate discussions with labor union(s)</li> </ul>	Ongoing initiative, subject to contract negotiations.
WF11	Adjust overtime eligibility thresholds to reflect hours actually worked	N/A	Mayor	Pending	Priority 1	Ongoing	<ul style="list-style-type: none"> <li>Initiate discussions with labor union(s)</li> </ul>	Ongoing initiative, subject to contract negotiations.
WF12	Adjust minimum overtime provisions	N/A	Mayor	In Progress	Priority 1	Ongoing	<ul style="list-style-type: none"> <li>Initiate discussions with labor union(s)</li> </ul>	Ongoing initiative, subject to contract negotiations.
WF13	Reduce vacation leave	N/A	Mayor	In Progress	Priority 1	Ongoing	<ul style="list-style-type: none"> <li>Initiate discussions with labor union(s)</li> </ul>	Ongoing initiative, subject to contract negotiations.
WF14	Reduce sick leave allotments	N//A	Mayor	In Progress	Priority 1	Ongoing	<ul style="list-style-type: none"> <li>Initiate discussions with labor union(s)</li> </ul>	Ongoing initiative, subject to contract negotiations.
WF15	Implement a court-related overtime reduction strategy	N/A	Police Chief	In Progress	Priority 1	Ongoing	<ul style="list-style-type: none"> <li>Initiate discussions with labor union(s)</li> </ul>	Ongoing initiative, subject to contract negotiations.
WF16	Redesign employee health care	N/A	Business Administrator	In Progress	Priority 1	Ongoing	<ul style="list-style-type: none"> <li>Initiate discussions with labor union(s)</li> </ul>	Ongoing initiative, subject to contract negotiations.
WF17	Contain post-retirement healthcare cost	N/A	Business Administrator	In Progress	Priority 1	Ongoing	<ul style="list-style-type: none"> <li>Initiate discussions with labor union(s)</li> </ul>	Ongoing initiative, subject to contract negotiations.
WF18	Enhance light duty program	NA	Business Administrator	Pending	Priority 2	Ongoing	<ul style="list-style-type: none"> <li>Initiate discussions with labor union(s)</li> </ul>	City has renewed attention to proactively evaluate opportunities to assign employees injured

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								on the job to light duty work when reasonable.
WF19	Retain flexibility to fill vacant positions after six months	NA	Office of the Coordinator, Mayor, City Council , & Business Administrator	In Progress	Priority 1	Ongoing	<ul style="list-style-type: none"> <li>Initiate discussions with labor union(s)</li> </ul>	Pending direction from outside legal counsel before any action can be taken.
RET01	Prospectively reduce the level of benefits	NA	City Council & City Solicitor	In Progress	Priority 1	Ongoing	<ul style="list-style-type: none"> <li>Initiate discussions with labor union(s)</li> </ul>	Subject to collective bargaining negotiations
RET02	Freeze benefit levels for all plans	NA	City Solicitor	Complete	Priority 1	July 2012	<ul style="list-style-type: none"> <li>Initiate discussions with labor union(s)</li> </ul>	Benefit levels are currently frozen.
RET03	Consolidate administration of the City's three retirement plans	NA	City Solicitor	Complete	Priority 3	January 2013	<ul style="list-style-type: none"> <li>Conduct a study comparing the fully loaded cost of administering the City retirement plans</li> <li>Consolidate plan management under the most cost effective trust</li> </ul>	Law Bureau has researched whether consolidation of assets is possible. It is the Law Bureau's opinion that because the Police Pension Plan's separation from PMRS was included in an Act 111 Arbitration Award, any consolidation back in to PMRS must be bargained for. The attorney hired by Novak agreed with the Law Bureau's opinion: therefore, this initiative will not be implemented.
RET04	Seek IRS determination letter for Police Plan	NA	City Solicitor	In Process	Priority 1	June 1, 2015	<ul style="list-style-type: none"> <li>Review Police Plan against the IRS Employee Plan Compliance Resolution System and bring any plan defects, if they exist, into compliance</li> </ul>	Law Bureau has coordinated with the Police Pension Board to develop an RFP that complies with Act 44 to

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							<ul style="list-style-type: none"> <li>Complete IRS application for determination</li> <li>Submit application for legal review and revise as appropriate</li> <li>Submit application</li> </ul>	seek and retain specialized outside counsel to facilitate this initiative. The RFP will be issued for execution in 2015.
RET05	Determine status of 2007 enhanced service increments and prevent implementation of such enhancements, if applicable	NA	City Solicitor	Complete	Priority 1		<ul style="list-style-type: none"> <li>Review Police Plan ordinance to determine if it has been amended to reflect the 2007 agreements</li> <li>If not, do not amend the ordinances</li> <li>If yes, initiate process to prospectively cap service increments at 60% of final salary</li> </ul>	The pension amendment was approved (employee with 27 years of service receive 70% benefit). There is no way to prevent implementation. It has been adopted by City Council.
RET06	Aggressively defend an appeal, if applicable, regarding the 2009 enhanced service increments	NA	City Solicitor	Complete	Priority 1	Complete	<ul style="list-style-type: none"> <li>Implement</li> </ul>	The Law Bureau aggressively defended the appeal by the FOP and recently obtained a favorable decision by the Supreme Court, who upheld the decision of the PA Labor Relations Board that the City did not commit an Unfair Labor Practice when City Council refused to enact the pension enhancement given by the former Mayor.
RET07	Update PMRS Agreement to reflect recent changes in the Firefighters' Plan	N/A	City Solicitor	Complete	Priority 1	September 2013	<ul style="list-style-type: none"> <li>Revise ordinance to reflect relevant amendments</li> <li>Submit ordinance to City</li> </ul>	Complete

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RET08	Resolve discrepancies between the Non-Uniformed Plan and the Non-Uniformed PMRS Agreement	N/A	City Solicitor	Complete	Priority 1	January 2013	<ul style="list-style-type: none"> <li>• Council for consideration</li> <li>• Conduct comparative review of uniformed and non-uniformed plans</li> <li>• Identify discrepancies and appropriate amendments</li> <li>• Revise ordinance to reflect relevant amendments</li> <li>• Submit ordinance to City Council for consideration</li> </ul>	The pension ordinance has been revised to reflect new collective bargaining agreements.
RET09	Amend Non-Uniformed collective bargaining agreement	N/A	City Solicitor	Complete	Priority 1	January 2013	<ul style="list-style-type: none"> <li>• Amend plan ordinances to reflect collective bargaining changes that went into effect in 2009</li> <li>• Submit ordinance to City Council for consideration</li> </ul>	The contract changes made to the CBA re. pension improvements at the end of 2009 were conditioned upon Council approval within 120 days. Council approval was not obtained rendering those changes to the contract null and void. This initiative is invalid and unable to be implemented.
RET10	Establish Other Post-Employment Benefits (OPEB) Trust	N/A	City Solicitor	Complete	Priority 1	January 2014	<ul style="list-style-type: none"> <li>• Identify procedure to establish OPEB Trust</li> <li>• Develop timeline, process and implementation plan</li> </ul>	
I&RM01	Fund risk management services	N/A	Director of Financial Management	Complete	Priority 1	October 2012	<ul style="list-style-type: none"> <li>• Contact the City's Third Party administrator to schedule safety trainings</li> <li>• Schedule training events</li> </ul>	The City has included a Risk Manager position in the proposed 2015 budget. In addition, the City continues to fund risk management support

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EChapter - #	Initiative	Five Year Financial Impact	Responsible Parties	Status	Priority <sup>1</sup>	Target Completion Date <sup>2</sup>	Key Implementation Steps	Comment
								and workers compensation, and employee safety training services through third parties.
I&RM02	Revise terms of brokerage service agreement	N/A	Director of Financial Management	Complete	Priority 1	September, 2013	<ul style="list-style-type: none"> <li>Develop and issue RFP</li> <li>Assemble RFP review committee</li> <li>Review proposals and select the lowest responsible bidder</li> </ul>	An RFP was developed and publicly issued on July 23, 2013 and, following an extensive selection process, contract was awarded to Marsh, Inc. on September 2013. Services will be periodically re-bid to ensure the best price.
I&RM03	Engage an actuarial firm to perform an independent and objective evaluation of the City's ultimate liability and projected payments for the forthcoming fiscal period using the City's own loss experience as opposed to industry data	N/A	Director of Financial Management	In Process	Priority 2	January 2014	<ul style="list-style-type: none"> <li>Evaluate necessity of initiative based on the City's new insurance program.</li> <li>Develop and issue RFP</li> <li>Assemble RFP review committee</li> <li>Review proposals and select the lowest responsible bidder</li> </ul>	This initiative would require funding for a third-party firm to conduct the analysis. Given budget constraints and pressing fiscal issues, the initiative is temporarily put on hold until resources became available.
I&RM04	Revise collective bargaining agreements to allow for flexible Light Duty Program	N/A	Mayor, Business Administrator, City Solicitor, and Human Resources Director	In Process	Priority 2	July 2014	<ul style="list-style-type: none"> <li>Develop working committee consisting of representatives from management and each labor union</li> <li>Conduct best practice research to define light-duty program options</li> <li>Develop program</li> </ul>	City and unions have agreed to develop labor management committees which will serve as the method for developing revisions to the light duty program

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							<ul style="list-style-type: none"> <li>Draft and adopt MOUs establishing flexible light duty program</li> </ul>	
I&RM05	Create a safety program to manage risk of vehicle liabilities	N/A	Director of Financial Management and PW Director	In Process	Priority 2	July 2014	<ul style="list-style-type: none"> <li>Conduct research to identify best practice safety programs</li> <li>Develop process to regularly review motor vehicle records of employees who operate motor vehicles</li> <li>Develop review process for city vehicles involved auto accidents, and associated disciplinary process</li> <li>Communicate program, policy and procedures to employees/labor groups</li> <li>Conduct training for employees and initiate program</li> </ul>	The City relies upon Inservco, its contracted safety training service provider, to provide certified trainers who conduct the research to identify best practice safety programs as relates to the specific kinds of risk City employees are exposed to.
I&RM06	Conduct a cost benefit analysis to determine adequate Umbrella Excess Liability coverage	N/A	Director of Financial Management	In Process	Priority 1	January 2014	<ul style="list-style-type: none"> <li>Evaluate necessity of initiative based on the City's new insurance program.</li> <li>Conduct analysis to determine existing liability</li> <li>Identify cost associated with increasing liability coverage to cover estimated risk in the interim</li> <li>Evaluate and implement actions to decrease liability and risk (e.g., create a safety program)</li> <li>Adopt a practice, as part of the Director of Financial Management's work plan, of assessing risk and coverage</li> </ul>	This initiative would require funding for a third-party firm to conduct the analysis. Given budget constraints and pressing fiscal issues, the initiative is temporarily put on hold until resources became available.



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							levels on an annual basis	
I&RM07 (New)	Implement a worker's compensation buy-out program	N/A	Business Administrator	In Progress	Priority 2	Ongoing	<ul style="list-style-type: none"> <li>Conduct benchmarking research to identify programs that have been implemented in other third class cities</li> <li>Develop program options</li> <li>Solicit feedback from collective bargaining units and City Council</li> <li>Develop and fund buy-out program</li> </ul>	The City Solicitor's Office has begun the process of proactively resolving lingering workers compensation cases. Buy-out options are considered as financial resources allow.
EL01	Increase communication, and collaboration with Mayor, City Council, City Controller, City Treasurer, and Department of Administration	N/A	All Elected Officials	Ongoing	Priority 1	Ongoing	<ul style="list-style-type: none"> <li>Convene a working group, staffed with the Business Administrator, to identify the types of information that should be communicated (e.g., cash flow, financial statements, performance data), when, how often, and in what level of detail</li> <li>Develop and adopt processes to institutionalize communication</li> <li>Develop agenda, reports, etc., for monthly meetings</li> <li>Schedule regular meetings</li> </ul>	
EL02	Review progress on Financial Recovery Plan implementation monthly and quarterly	N/A	Mayor & City Council President	Ongoing	Priority 1	Ongoing	<ul style="list-style-type: none"> <li>Develop agenda, reports, etc., for monthly meetings</li> <li>Schedule meetings</li> </ul>	Monthly meetings conducted.
EL03	Amend and pass City ordinances, fees and taxes as outlined in the Recovery Plan	N/A	City Council	Complete	Priority 1	Ongoing	<ul style="list-style-type: none"> <li>Revise ordinances</li> <li>Submit ordinances to City Council for consideration and approval</li> </ul>	Council adopted a 5% Parking Tax increase and .8 mill real estate tax increase in 2012 budget. Residential Parking increase and Parking

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								Meter Rate increase was also approved in 2013.
IGR01	Identify and implement intergovernmental cooperative initiatives	N/A	Mayor & City Council	Pending	Priority 2	Ongoing	<ul style="list-style-type: none"> <li>Schedule meetings with elected officials from other governments and agencies (local and State) to identify opportunities for intergovernmental cooperation</li> <li>Develop prioritized list of opportunities and deliver to respective City staff for analysis</li> <li>Conduct feasibility, cost, and operational impact analysis</li> <li>Implement opportunities</li> </ul>	The City is pursuing opportunities as available. In 2014/2015 the City will be participating in regional analysis of police services to determine what opportunities exist to better coordinate police service.
IGR02	Pursue membership in the Capital Region Council of Governments	N/A	Business Administrator	Pending	Priority 3	December 2014	<ul style="list-style-type: none"> <li>Identify funding</li> <li>Initiate membership</li> </ul>	City became member in September 2014
ADMIN01	Implement quarterly financial reporting and associated review process	N/A	Director of Financial Management	Complete	Priority 1	March 2014	<ul style="list-style-type: none"> <li>Develop quarterly department budget review process, and revenue review process managed by the Bureau of Financial Management</li> <li>Develop and document internal revenue and budget analysis process</li> <li>Develop reporting process to elected officials</li> <li>Develop budget amendment process to be included as a contingency option in the review and reporting process</li> </ul>	The 1st, 3rd, and 4th bullets were developed and implemented during 2012. A formal budget amendment process is currently in place in the form of a Line-item Budget Reallocation Plan development, public issuance and review process. However, the Administration will endeavor to review and discuss the possibility of

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								limiting the frequency and amounts of Reallocation Plans by seeking City Council's approval through change in Ordinance to either increase the \$20,000 threshold maximum line-item transfer allowed between the most restrictive category established by Ordinance, or to increase the legal level of budgetary control from the current line-item level to a higher categorical level as part of the 2013 Budget amendment process. Internal processes were documented on April 30, 2013. On July 9, 2013, City Council read into the record Bill No. 20-2013 to increase the current \$20,000 line-item budget transfer threshold, which triggers the need for City Council approval, to \$50,000 for reallocations as set forth in the appropriation and expenditure procedures. The Bill was forwarded to

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								the Budget & Finance Committee for future consideration.
ADMIN02	Develop comprehensive Citywide financial policies	N/A	Director of Financial Management	In Process	Priority 2	December 2015	<ul style="list-style-type: none"> <li>Conduct research of best practice financial policies (begin with GFOA)</li> <li>Develop draft policies</li> <li>Assess existing financial practices against draft policies and develop action plan to amend practices as appropriate</li> <li>Submit draft policies to the City Solicitor's Office for legal review</li> <li>Submit policies as amended, for review and adoption by City Council</li> <li>Conduct staff training</li> </ul>	To be included in the Bureau of Financial Management's work plan as staff capacity becomes available and audit/cash reconciliation backlog is fully addressed.
ADMIN03	Implement a standard budget development calendar	N/A	Director of Financial Management	Complete	Priority 1	N/A	<ul style="list-style-type: none"> <li>N/A</li> </ul>	Budget Development calendar has been established.
ADMIN04	Establish standard position control system	N/A	Director of Financial Management	Complete	Priority 1	June 2013	<ul style="list-style-type: none"> <li>Develop tool (software or Excel) that compares budgeted positions to actual positions in the personnel system (should include cost projections by pay period)</li> <li>Develop quarterly position control review process to identify discrepancies and eliminate</li> </ul>	The Bureau of Financial Management, Office of the Controller, and the Act 47 Coordinator's team have developed a position control system and methodology for use by the City.

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							unfunded/unbudgeted positions from the personnel system <ul style="list-style-type: none"> <li>Eliminate all unbudgeted positions from the personnel system</li> </ul>	
ADMIN05	Conduct comprehensive review of City purchasing policies	N/A	Director of Financial Management	Complete	Priority 2	July 2013	<ul style="list-style-type: none"> <li>Conduct research of best practice purchasing policies (take Pennsylvania rules into account)</li> <li>Develop draft policies</li> <li>Assess existing purchasing practices against draft policies and develop action plan to amend practices as appropriate</li> <li>Submit draft policies to the City Solicitor's Office for legal review</li> <li>Submit policies as amended, for review, and adoption by City Council</li> <li>Conduct staff training</li> </ul>	The City has hired a purchasing manager who effective January 1, 2015 and has included a contract compliance manager function in the 2015 proposed budget. In addition, the Bureau of Financial Management and Office of the Controller have trained department staff to more effectively implement existing purchasing policies.
ADMIN06	Modify existing chart of accounts to track Commonwealth and Federal grant program funds on individual basis	\$260,000	Director of Financial Management	Complete	Priority 2		<ul style="list-style-type: none"> <li>N/A</li> </ul>	The City has added additional detail to its Chart of Accounts to allow for individual grant-specific revenue and expenditure monitoring. In addition, a Grants Manager was hired June 4, 2012, to manage grant reporting processes.
ADMIN07	Revise the job description and increase hiring salary range for Chief of Staff/Business Administrator		Mayor & Director of Human Resources	Complete	Priority 1		<ul style="list-style-type: none"> <li>N/A</li> </ul>	Interim Chief of Staff/BA hired effective 6/17/13.

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

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IT01	Replace mission critical IT components	N/A	Director of Information Technology	Completed	Priority 1	February, 2014	<ul style="list-style-type: none"> <li>Develop inventory of existing IT infrastructure, life cycle, and replacement priority</li> <li>Develop corollary target replacement schedule</li> <li>Incorporate schedule into budget development process</li> </ul>	Ongoing initiative
IT02	Replace outdated personal computers	(60,000)	Network Administrator	Completed	Priority 2	Ongoing	<ul style="list-style-type: none"> <li>Develop inventory of existing PCs, life cycle, and replacement priority</li> <li>Develop corollary target replacement schedule</li> <li>Incorporate schedule into budget development process</li> </ul>	Ongoing initiative
IT03	Eliminate all personal printers and maintenance on printers	N/A	Network Administrator	Complete	Priority 2	September 2013	<ul style="list-style-type: none"> <li>Inventory all personal printers</li> <li>Develop alternative network printing options, if they do not exist, for those with personal printers</li> <li>Eliminate personal printers</li> </ul>	Ongoing initiative
IT04	Develop custom Interface between County dispatch system and METRO	N/A	Director of Information Technology & Police Chief	Complete	Priority 3	December 2013	<ul style="list-style-type: none"> <li>Seek grant funding from the Commonwealth</li> <li>Contract with an IT vendor to develop custom interface</li> <li>Test interface in a redundant environment</li> <li>Address interface problems</li> <li>Fully implement interface</li> </ul>	Standard Dispatching software is being provided without cost by Dauphin County. Police Chief and Technical Services Captain are in agreement that the interface is not needed.

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IT05	Conduct a needs assessment for an Enterprise Resource Planning system	(80,000)	Director of Information Technology and Director of Financial Management	Complete	Priority 3	Ongoing	<ul style="list-style-type: none"> <li>Seek grant funding from the Commonwealth</li> <li>Develop RFP for consultant to complete needs assessment</li> <li>Assemble RFP review committee</li> <li>Review proposals and select the lowest responsible bidder</li> </ul>	An IT needs assessment was conducted for the City on a pro-bono basis by a private technology firm, with follow-up assessment and prioritization completed by the Act 47 Coordinator's Team. The City is seeking funding to address its most critical IT needs.
IT06	Complete a needs assessment and audit of existing phone system and components	(50,000)	Director of Information Technology	In Process	Priority 2	December, 2015	<ul style="list-style-type: none"> <li>Seek grant funding from the Commonwealth</li> <li>Develop RFP for consultant to complete needs assessment</li> <li>Assemble RFP review committee</li> <li>Review proposals and select the lowest responsible bidder</li> </ul>	Phone line traffic analysis has been completed and unused phone line expected to be removed from service in 2015. Expected savings of \$1.400 per month. In addition, the Coty has developed an agreement with Moorefield Communications to maintain the current phone system. The contract is pending legal review.
IT07	Pursue long-term strategic IT initiatives	N/A	Director of Information Technology	Pending	Priority 3	N/A	<ul style="list-style-type: none"> <li>N/A</li> </ul>	The City is evaluating the opportunities available in 2014 to fund a system-wide IT infrastructure assessment and strategic plan.



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LAW01	Use professional assistance for labor relations activities	N/A	City Solicitor	Complete	Priority 1	N/A	<ul style="list-style-type: none"> <li>N/A</li> </ul>	Hired outside counsel in December
LAW02	Increase the number of staff attorneys from one to three	N/A	Mayor & City Council	Complete	Priority 1	January 2013	<ul style="list-style-type: none"> <li>Incorporate positions into the budget development process as funds are available</li> </ul>	Angela L. Raver, Esq. started employment with the City as Assistant City Solicitor on July 15, 2013. The Law Bureau is now staffed with three attorneys.
LAW03	Complete, recodify, and enact the Code of the City of Harrisburg	N/A	City Solicitor	Complete	Priority 1	December 2012	<ul style="list-style-type: none"> <li>Develop code</li> <li>Submit code for approval by City Council</li> </ul>	City Council adopted the recodification ordinance on April 9, 2013.
POL01	Restructure the Patrol Duty Schedule	131,250	Police Chief	Complete	Priority 1	TBD	<ul style="list-style-type: none"> <li>Develop alternative schedule options</li> <li>Initiate discussion with the FOP</li> </ul>	The Novak Group analysis indicated the 4-10 schedule was more costly to implement than the current 8-hour schedule and that, in light of the City's fiscal constraints, the schedule change is not recommended at this time.
POL02	Implement a vehicle replacement policy	(803,232)	Police Chief, Director of Public Works, & Director of Financial Management	Ongoing	Priority 1	Ongoing	<ul style="list-style-type: none"> <li>Conduct fleet condition and utilization analysis, based on life-cycle, maintenance costs, and the pre-defined utilization standards</li> <li>Reassign or dispense of underutilized vehicles</li> <li>Develop target replacement plan with prioritization</li> </ul>	The Department has established a vehicle replacement plan; however, implementation of the plan has been hampered due to limited financial resources. The Department continues to

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							<ul style="list-style-type: none"> <li>Incorporate replacement plan into budget development process</li> </ul>	pursue grant opportunities to replace vehicles. The Department will replace five vehicles through grant resources in 2015.
POL03	Review and revise stipend for newly promoted investigators		Police Chief & Director of Human Resources	In Progress	Priority 1	Jan 2013	<ul style="list-style-type: none"> <li>Draft new salary schedule</li> <li>Initiate discussions with the FOP</li> </ul>	Agreement reached with FOP.
POL04	Implement a proactive crime analysis and crime reduction strategy	N/A	Police Chief	Complete	Priority 1	May 2012	<ul style="list-style-type: none"> <li>Develop crime analysis software</li> <li>Assign personnel as dedicated crime analyst(s)</li> <li>Develop crime pattern analysis and reporting process</li> <li>Develop information sharing and deployment processes tied to real time crime analysis and data</li> </ul>	Assigned sworn police officer has been assigned crime analysis responsibilities. A crime mapping system is up and operational, as of May 2012. The long-term goal of the Department is to convert the crime analyst position to a civilian position and redeploy the sworn officer to policing functions.
POL05	Increase complement of VICE Unit	N/A	Police Chief	Complete	Priority 1	Sept 2012	<ul style="list-style-type: none"> <li>Assess ability to reassign officers from specialty units and/or officers made available from a shift schedule adjustment (Initiative POL1).</li> <li>Reassign officers to VICE if operationally feasible</li> <li>In the interim, develop a "90 day career advancement" placement to increase VICE resources and provide</li> </ul>	Career Development program in place. District Attorney's Office to pay ongoing 5% stipend. An officer is assigned to Vice and paid for from the 5% stipend.

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							professional development opportunities	
POL06	Assign representative to the District Attorney's Office Narcotics Task Force	N/A	Police Chief & District Attorney	Complete	Priority 2	January 2013	<ul style="list-style-type: none"> <li>Coordinate with District Attorney's office to assign personnel</li> </ul>	The Coordinator has granted permission for two additional Detectives to enhance Vice operations and keep it under City control in order to provide more effective neighborhood safety oriented anti-drug operations. These personnel will be assigned to the Vice function by mid-February
POL07	Participate in Dauphin County Forensic Team	N/A	Police Chief & District Attorney	Complete	Priority 1	January 2013	<ul style="list-style-type: none"> <li>Coordinate with District Attorney's office to assign personnel</li> </ul>	The forensic function is being kept under City control to allow their activities to be focused on neighborhood and community activities/needs . There are currently sufficient resources available to meet the Bureau's needs without additional personnel.
POL08	Transfer prisoner booking responsibility to Dauphin County	N/A	Police Chief	Complete	Priority 3	July 2013	<ul style="list-style-type: none"> <li>Coordinate with County to formalize booking procedure</li> <li>Train sworn officers on booking process</li> <li>Transition booking process and reassign personnel assigned to booking</li> </ul>	Complete.

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POL09	Appoint a Civilian Manager for Parking Enforcement Office	N/A	Police Chief & Director of Human Resources	In Process	Priority 2	January 2015	<ul style="list-style-type: none"> <li>Conduct recruitment and hiring process</li> <li>Hire and train employee</li> </ul>	Currently, parking enforcement is directly managed by a sergeant. The sale of the City's parking assets has reduced the City's enforcement coverage area by approximately 50%, resulting in a reduction to two parking enforcement officers. However, these positions still warrant civilian rather than sworn oversight. This initiative will be pursued as funding for civilianization becomes available.
POL10	Replace electronic parking ticketing devices	(112,200)	Police Chief & Director of Financial Management	Complete	Priority 1	November 2012	<ul style="list-style-type: none"> <li>Fund replacement of devices</li> <li>Identify and select vendor</li> <li>Purchase/lease and activate devices</li> <li>Train parking enforcement officers</li> </ul>	The devices have been fielded and are fully operational.
POL11	Increase operational efficiency in Parking Enforcement Office	480,480	Police Chief	Complete	Priority 1	Ongoing	<ul style="list-style-type: none"> <li>Establish targets for increased efficiency and relay targets to staff</li> <li>Adopt a practice of accessing employee productivity against targets</li> </ul>	The Department has implemented handheld ticket writing devices and will continue to pursue opportunities to increase efficiency.
POL12	Implement a new schedule for Parking Enforcement Officers	N/A	Police Chief	Complete	Priority 1	Oct 2012	<ul style="list-style-type: none"> <li>Create new schedule</li> <li>Meet with affected employees to discuss schedule change</li> </ul>	Metered enforcement is now handled by Standard Parking, per the asset monetization agreement.

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								Schedule changes are no longer required.
POL13	Increase current parking ticket fees	4,500,000	Mayor & City Council	Complete	Priority 1	Oct 2012	<ul style="list-style-type: none"> <li>Develop new schedule of fees</li> <li>Submit revised fee schedule to City Council for adoption</li> <li>Conduct public information process</li> <li>Begin enforcement</li> </ul>	Fee increase proposal to increase metered parking fines to \$30 has been adopted by City Council.
POL14	Evaluate the consolidation of Specialized Units	N/A	Police Chief	Complete	Priority 2	Complete	<ul style="list-style-type: none"> <li>Evaluate efficacy of special units on an ongoing basis, depending on crime profile and community need</li> </ul>	Units have been absorbed into patrol platoons to meet staffing needs, except street crimes unit and traffic unit
POL15	Enhance leave supervision	N/A	Police Chief	Complete	Priority 1	April 2012	<ul style="list-style-type: none"> <li>Develop chronic sick and injury-related leave policy and sanctions, with advisory input from the FOP</li> <li>Educate staff on policy and related expectations</li> <li>Adopt policy enforcement into the performance management system</li> </ul>	Sick leave abuse policy is in place and effect. Officers are allowed to run sick time out, at retirement. Needs to be addressed at labor relations. Considered unfair labor practice if discontinued.
POL16	Evaluate false alarm fee for burglar alarms and aggressively collect fees due	N/A	Police Chief and Director of Bureau of Operations and Revenue	Complete	Priority 1	September 2012	<ul style="list-style-type: none"> <li>Develop monthly review process of Dauphin County communications' records to identify calls eligible to be billed</li> <li>Assess false alarm fees in the City-wide fee study and adjust as appropriate</li> </ul>	On February 8, 2013, the City Clerk introduced legislation for approval to City Council, in ref to an ordinance addressing to update the fee schedule for burglar alarms.
POL17 (New)	Conduct a workload-based staffing analysis of the City of Harrisburg Police Patrol function	N/A	Police Chief	Pending	Priority 1	June 2015	<ul style="list-style-type: none"> <li>Coordinate with Coordinator's Team to develop methodology and approach</li> <li>Work with Dauphin County</li> </ul>	

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							<ul style="list-style-type: none"> <li>Communication Center to collect calls for service data</li> <li>Complete analysis and staffing plan</li> <li>Budget for adjustments recommended in the staffing plan</li> </ul>	
FIRE01	Change current shift schedule	N/A	Fire Chief	Pending	Priority 1	December 2012	<ul style="list-style-type: none"> <li>Develop alternative schedule options</li> <li>Initiate discussion with the IAFF</li> </ul>	Subject to negotiations
FIRE02	Eliminate premium pay	N/A	Mayor, Fire Chief, & Business Administrator	Pending	Priority 1	July 2012	<ul style="list-style-type: none"> <li>Initiate discussion with the IAFF</li> </ul>	Subject to negotiations
FIRE03	Evaluate the tradeoffs of taking a piece of apparatus out of service and increasing staffing on remaining apparatus	N/A	Fire Chief & Business Administrator	Pending	Priority 1	Complete	<ul style="list-style-type: none"> <li>Identify alternative apparatus/deployment structures</li> <li>Determine service impact associated with each and corollary impact on response capability</li> <li>Develop preferred option and initiate discussions with the IAFF</li> <li>Implement preferred alternative</li> </ul>	In accordance with the collective bargaining agreement, the Department has closed one fire company/station to accommodate a revised minimum manning standard of fourteen firefighters and one commander.
FIRE04	Implement an engine company inspection program	N/A	Fire Chief	Pending	Priority 2	Pending	<ul style="list-style-type: none"> <li>Review inspection inventory and identify company-based inspection plan</li> <li>Develop inspection guidelines and procedures</li> <li>Train inspectors</li> <li>Incorporate inspection work plan into daily company activities</li> </ul>	The Fire Department has evaluated the opportunity to implement a company based inspection program but will not pursue in the near term due to potential court overtime expenditures.

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FIRE05	Increase billing/collection of emergency response and vehicle extrication fees	61,875	Fire Chief & City Council	Complete	Priority 1	April 2012	<ul style="list-style-type: none"> <li>Develop fee schedule</li> <li>Submit fee schedule to City Council for adoption</li> <li>Notify insurance companies of fee change</li> <li>Aggressively bill and collect fees from insurance companies</li> </ul>	Ordinance No.13 (Bill NO. 16-2012) passed as amended. The fee of \$500, per vehicle is for Extrication. The Tax & Enforcement office will aggressively bill the insurance companies once notified and provided details of the extrication from the Fire Bureau.
FIRE06	Adjust false alarm fees to more accurately reflect costs and impacts	60,000	Fire Chief	Complete	Priority 1	April 2012	<ul style="list-style-type: none"> <li>Identify fully loaded cost (salary, benefits, vehicle use, and fuel, administrative/ billing overhead, etc.) of each false alarm response</li> <li>Revise fee schedule to recover costs and provide disincentive of multiple false alarms</li> <li>Submit fee schedule to City Council for adoption</li> <li>Develop citizen education plan (include Commonwealth)</li> </ul>	City Council has approved the increases to fire alarms.
FIRE07	Civilianize Bureau's Administrative Assistant position	N/A	Fire Chief & Director of Human Resources	Complete	Priority 2	March 2014	<ul style="list-style-type: none"> <li>Revise job description</li> <li>Incorporate position into budget development process</li> <li>Recruit and hire Confidential Secretary to the Fire Chief</li> <li>Reassign firefighter to suppression duties</li> </ul>	
FIRE08	Mandate formal Safety Committee review of every work-related injury in Bureau	N/A	Fire Chief & Director of Human Resources	Complete	Priority 2	N/A	<ul style="list-style-type: none"> <li>Develop and adopt administrative policy</li> <li>Develop work related injury</li> </ul>	The Fire Department has established the practice of reviewing workplace

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							review process Educate employees on the process	accidents and near misses through a joint labor-management committee. The Committee reviews safety issues and injuries and develops interventions as appropriate. This meets the intent of the initiative
FIRE09	Establish a formal in-house training program, including a shift swap system, that allows in-house trainers to lead events	N/A	Fire Chief	In Process	Priority 3	December 2015	<ul style="list-style-type: none"> <li>• Develop charter and membership for in-house training committee</li> <li>• Conduct inventory of in- house expertise</li> <li>• Identify and train in-house trainers</li> <li>• Develop training curriculum and training schedule</li> <li>• Work with IAFF to develop a short-term shift swap system for in-house trainers</li> </ul>	The Department has an established training program; however, training augmentation and shift swap opportunities will be evaluated for implementation in 2015.
FIRE10	Continue discussions with Harrisburg Area Community College Public Safety Center regarding possible training collaboration	N/A	Fire Chief	Complete	Priority 2	Ongoing	<ul style="list-style-type: none"> <li>• Schedule regular formal and informal interaction with the college to identify training opportunities for City firefighters</li> </ul>	Regular and informal interaction takes place as part of the Bureau of Fire's annual training schedule
FIRE11	Revise turnout gear replacement practices	N/A	Business Administrator, City Solicitor, & Fire Chief	Pending	Priority 1	July 2012	<ul style="list-style-type: none"> <li>• Initiate discussions with the IAFF</li> </ul>	Subject to contract negotiations.
FIRE12	Revise IAFF collective bargaining agreement to allow more efficient and effective use of resources	N/A	Business Administrator, City Solicitor, & Fire Chief	Pending	Priority 1	July 2012	<ul style="list-style-type: none"> <li>• Initiate discussions with the IAFF</li> </ul>	Subject to contract negotiations.



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FIRE13	Eliminate minimum manning upon expiration of current collective bargaining agreements	N/A	Business Administrator, City Solicitor, & Fire Chief	Pending	Priority 1	July 2012	<ul style="list-style-type: none"> <li>Initiate discussions with the IAFF</li> </ul>	Subject to contract negotiations.
PW01	Implement container based collection system for residential solid waste and recycling	N/A (Should result in General Fund savings)	Director of Public Works	In Process	Priority 1	Ongoing	<ul style="list-style-type: none"> <li>Conduct route optimization study and identify routes that can be automated</li> <li>Assess capital investment required to automate select routes</li> <li>Issue revenue bonds for capital expenses</li> <li>Purchase carts and equipment</li> <li>Train employees on routes and equipment use</li> <li>Conduct public information campaign and define public inquiry triage process</li> <li>Conduct cart distribution</li> </ul>	The City, with support of the Act 47 Coordinator's team, has budgeted for a series of sanitation program improvements in 2015 designed to increase the efficiency and effectiveness of sanitation operations and limit employee risk. A container based system will be implemented for commercial users in 2015 with residential customers to follow.
PW02	Enforce City's right to commercial collection and contract with private collector for collection of commercial waste	N/A	Director of Public Works	In Process	Priority 1	December 2015	<ul style="list-style-type: none"> <li>Identify all active businesses in the City (may require coordination with the Department of Revenue)</li> <li>Mail letters to all businesses indicating commercial waste hauling requirements</li> <li>Issue bills to all Harrisburg businesses</li> <li>Aggressively collect money owed</li> </ul>	The City has begun proactively developing customized services and capacity necessary to incorporate all commercial properties into customer base.
PW03	Increase recycling through education, accessibility, and enforcement - Sanitation Fund	N/A	Director of Public Works	In Progress	Priority 2	Ongoing	<ul style="list-style-type: none"> <li>Develop recycling education process</li> </ul>	The City, with support of the Act 47 Coordinator's

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							<ul style="list-style-type: none"> <li>Evaluate implementation of recycle bank program to incentivize recycling</li> </ul>	team, has budgeted for a series of sanitation program improvements in 2015 designed to increase the efficiency and effectiveness of sanitation operations and limit employee risk. Included in the improvements is increased focus on recycling program education. From January through March of 2015 recycling rate has significantly improved from less than 5% to over 20%.
PW04	Aggressively manage fleet make-up and quantity	N/A	Director of Public Works	In Process	Priority 2	April 2013	<ul style="list-style-type: none"> <li>Develop detailed inventory of City fleet that includes key identifying data, life cycle data, mileage/utilization, use profile, etc.</li> <li>Develop process of tracking and assessing utilization data, maintenance costs, fuel costs, etc.</li> <li>Conduct fleet utilization analysis based on pre-defined utilization standards</li> <li>Move underutilized vehicles/equipment out of service</li> <li>Identify target fleet size and</li> </ul>	The City has appointed a fleet manager who is proactively managing the vehicle evaluation, surplus, and auction processes.

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							composition and incorporate into a vehicle replacement plan that fits within financial constraints	
PW05	Create Central Fleet Agency with Combined Facilities and Fleet Manager	N/A	Director of Public Works	Pending	Priority 3	Pending	<ul style="list-style-type: none"> <li>Develop organization structure, bureau mission, programmatic responsibilities, and performance targets</li> <li>Develop bureau work plan by program</li> <li>Communicate change to impacted employees</li> <li>Create internal service fund and associated chart of accounts</li> <li>Incorporate structural and fund change into budget process and pursue City Council approval</li> <li>Recruit and hire bureau director position</li> <li>Incorporate work plan into the performance management system</li> </ul>	Pending
PW06 (New)	Develop a plan to develop a fleet and fuel management internal service fund operation.	N/A	Director of Public Works; Director of Financial Management	Pending	Priority 3	Pending	<ul style="list-style-type: none"> <li>Pending hiring of fleet manager</li> </ul>	Pending
PW07 (New)	Develop an energy conservation program that allows the City to reduce operating costs through designated capital resources or grant funds.	N/A	Director of Public Works	Pending	Priority 2	Pending	<ul style="list-style-type: none"> <li>Conduct needs assessment of Harrisburg city facilities</li> <li>Develop prioritized list of improvements</li> <li>Solicit grant opportunities</li> </ul>	Pending resource allocation
FLEET01	Eliminate three dump trucks from the Department of Public Works' fleet	N/A	Director of Public Works	In Process	Priority 1	July 2014	<ul style="list-style-type: none"> <li>Decommission vehicle</li> <li>Schedule auction and sell</li> </ul>	Surplus vehicle elimination is underway.

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							<ul style="list-style-type: none"> <li>vehicle</li> <li>• Revise insurance roles</li> <li>• Report salvage value and insurance savings to Director of Financial Management</li> </ul>	
FLEET02	Eliminate one bucket truck from the Department of Public Works' fleet	N/A	Director of Public Works	In Process	Priority 1	July 2014	<ul style="list-style-type: none"> <li>• Decommission vehicle</li> <li>• Schedule auction and sell vehicle</li> <li>• Revise insurance roles</li> <li>• Report salvage value and insurance savings to Director of Financial Management</li> </ul>	Surplus vehicle elimination is underway.
FLEET03	Eliminate two street sweepers from the Department of Public Works' fleet	N/A	Director of Public Works	In Process	Priority 1	July 2014	<ul style="list-style-type: none"> <li>• Decommission vehicle</li> <li>• Schedule auction and sell vehicle</li> <li>• Revise insurance roles</li> <li>• Report salvage value and insurance savings to Director of Financial Management</li> </ul>	Surplus vehicle elimination is underway.
FLEET04	Evaluate the elimination of two tractors from the Department of Public Works' fleet	N/A	Director of Public Works	In Process	Priority 1	July 2014	<ul style="list-style-type: none"> <li>• Decommission one tractor for six month period</li> <li>• Evaluate utilization of remaining tractor</li> <li>• Assess practicality of eliminating one tractor from the fleet</li> <li>• Schedule auction and sell tractor</li> <li>• Revise insurance roles</li> <li>• Report salvage value and insurance savings to Director of Financial Management</li> </ul>	Pending hire of fleet manager. Recruitment is underway.
FLEET05	Eliminate one box van and one sport utility vehicle (SUV) from the Department of Public Works' VMC fleet	N/A	Director of Public Works	In Process	Priority 1	July 2014	<ul style="list-style-type: none"> <li>• Decommission vehicle</li> <li>• Schedule auction and sell vehicle</li> </ul>	Surplus vehicle elimination is underway.

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							<ul style="list-style-type: none"> <li>• Revise insurance roles</li> <li>• Report salvage value and insurance savings to Director of Financial Management</li> </ul>	
FLEET06	Eliminate 21 inoperable vehicles from the Police Department's fleet	N/A	Police Chief	In Process	Priority 1	July 2014	<ul style="list-style-type: none"> <li>• Decommission vehicle</li> <li>• Schedule auction and sell vehicle</li> <li>• Revise insurance roles</li> <li>• Report salvage value and insurance savings to Director of Financial Management</li> </ul>	Surplus vehicle elimination is underway.
FLEET07	Eliminate one prisoner transport van from the Police Department's fleet	N/A	Police Chief	In Process	Priority 1	July 2014	<ul style="list-style-type: none"> <li>• Decommission vehicle</li> <li>• Schedule auction and sell vehicle</li> <li>• Revise insurance roles</li> <li>• Report salvage value and insurance savings to Director of Financial Management</li> </ul>	Surplus vehicle elimination is underway.
FLEET08	Eliminate three out of service fire apparatus and one duplicate surplus pickup truck from the Fire Department's fleet	N/A	Fire Chief	In Process	Priority 1	July 2014	<ul style="list-style-type: none"> <li>• Decommission vehicle</li> <li>• Schedule auction and sell vehicle</li> <li>• Revise insurance roles</li> <li>• Report salvage value and insurance savings to Director of Financial Management</li> </ul>	Surplus vehicle elimination is underway.
FLEET09	Return PEMA owned apparatus and specialty vehicles to the Commonwealth	N/A	Fire Chief	Pending	Priority 1	Pending	<ul style="list-style-type: none"> <li>• Initiate hand-over discussions with PEMA</li> <li>• Schedule transfer of vehicles</li> </ul>	Pending
FLEET10	Develop a vehicle pool for the Bureau of Housing, and reallocate surplus vehicles to support two additional code enforcement officer positions	N/A	Director of Housing; Fleet Manager	Pending	Priority 1	Pending	<ul style="list-style-type: none"> <li>• Decommission vehicle</li> <li>• Schedule auction and sell vehicle</li> <li>• Revise insurance roles</li> <li>• Report salvage value and insurance savings to Director of</li> </ul>	Pending

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							<ul style="list-style-type: none"> <li>Financial Management</li> <li>Develop vehicle pool scheduling system</li> <li>Communicate system to employees</li> </ul>	
FLEET11	Utilize fleet reduction savings to purchase and install a fleet and fuel management system	N/A	Fleet Manager	Pending	Priority 1	December 2014	<ul style="list-style-type: none"> <li>Solicit feedback from fleet users/departments regarding necessary scope of system</li> <li>Develop system specifications</li> <li>Evaluate options and purchase cost effective software</li> <li>Install software and test with one department.</li> <li>Address system deficiencies and issues</li> <li>Roll out system city-wide</li> <li>Develop data collection and tracking processes and protocols and reporting processes</li> </ul>	
FLEET12	Reclassify an Automotive Mechanic position to a Fleet Manager position	N/A	Director of Public Works	In Process	Priority 1	January 2014	<ul style="list-style-type: none"> <li>Develop job description</li> <li>Obtain funding and City Council approval</li> <li>Recruit and fill position</li> </ul>	Position is under recruitment
BH01	Increase fees, fines, and charges based on fee study results	N/A	Mayor & City Council	Completed	Priority 1	May 2013	<ul style="list-style-type: none"> <li>Develop revised fee schedule</li> <li>Submit fee schedule to City Council for review and approval</li> </ul>	City Council Legislative session met on June 11, 2013 and approved Bill 6 of 2013 which provides for the revised Bureau of Codes fee structure.
BH02	Quantify extent of inspections backlog and hire additional codes enforcement officers to clear and prevent backlogs	\$100,000	Director of Building and Housing Development	Complete	Priority 2	August 2013	<ul style="list-style-type: none"> <li>Conduct internal evaluation of inspection backlog by type</li> <li>Identify target efficiency</li> </ul>	Passage of amendments to the Rental Inspection Ordinance and Buyers

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							standards per inspection by type <ul style="list-style-type: none"> <li>Assess staffing needs based on inspection backlog and incorporate additional position requests into the process</li> </ul>	Notification Ordinance have restructured the Codes inspection programs and reduced unnecessary inspections.
BH03	Contract for demolition of blighted structures	N/A	Director of Building and Housing Development	Complete	Priority 2	July 2012	<ul style="list-style-type: none"> <li>Develop and issue RFP</li> <li>Assemble RFP review committee</li> <li>Review proposals and select the lowest responsible bidder</li> <li>Develop demolition schedule based on safety priority</li> </ul>	RFP is not required to obtain bids for emergency demolitions. There is no formal RFP Review Committee. RFPs are reviewed by: DBHD, the Purchasing Manager, Office of the Mayor and if needed the Law Bureau. RFP bid responses are awarded to the lowest and most qualified bidder. All properties scheduled for demolition that are based on public safety are reviewed and triaged by the Codes Administrator and staff. Requests for demolition bids are also based on available funds.
BH04	Assemble and systematically deploy code enforcement teams	N/A	Deputy Codes Administrator	Complete	Priority 2	December 2012	<ul style="list-style-type: none"> <li>Develop composition and structure of teams</li> <li>Conduct assessment of "problem areas"</li> <li>Based on assessment, develop work plan and measurable goals for teams</li> </ul>	Composition of Team completed. Meeting to be scheduled for DBHD, Fire and Police Departments.

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BH05	Adopt legislation requiring a local responsible agent for rental properties within the City	N//A	City Council	Complete	Priority 1	July 2012	<ul style="list-style-type: none"> <li>Draft ordinance and associated fine structure</li> <li>Develop registration process</li> <li>Submit ordinance to City Council for consideration</li> <li>Conduct public notification and registration campaign before effective date</li> </ul>	The measure was passed by City Council in October 2011, Ordinance 9-2011. In lieu of a registration process, Bureau of Codes maintains an electronic database of rental unit applications. Public notification was accomplished prior to passage of Ordinance.
BH06	Fill vacant HUD funded positions	N/A	Director of Building and Housing Development and Director of Human Resources	Complete	Priority 1	July 2013	<ul style="list-style-type: none"> <li>Conduct recruitment and hiring processes</li> </ul>	Offer of employment made to selected candidate for Rehabilitation Specialist I on June 13, 2013. Start date: July 15, 2013.
BH07	Update the City's Comprehensive Plan	To be determined	Director of Building and Housing Development	In Process	Priority 3	December 2015	<ul style="list-style-type: none"> <li>Develop and issue RFP</li> <li>Assemble RFP review committee</li> <li>Review proposals and select the lowest responsible bidder</li> <li>Conduct public engagement and planning processes</li> </ul>	The comprehensive plan update process is underway. RFP responses from planning firms were submitted to the City on December 19, 2014. The process is expected to be completed by the close of 2015.
HS01	Designate a Housing Coordinator	N/A	Mayor	Complete	Priority 1	July 2013	<ul style="list-style-type: none"> <li>Identify and evaluate interested candidates</li> <li>Designate a Housing Coordinator</li> </ul>	The Housing Coordinator functions have been assumed by the Director of Community and Economic Development



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HS02	Develop a comprehensive Housing Strategy	\$10,000	Mayor, Business Administrator, Housing Coordinator.	In process	Priority 2	December 2015	<ul style="list-style-type: none"> <li>Convene a working group to guide strategy development</li> <li>Develop working group charter and objectives</li> <li>Develop project plan and process to develop housing strategy</li> <li>Develop draft plan for review and comment by elected officials and partner agencies</li> <li>Finalize plan based on feedback</li> <li>Incorporate plan elements into the work plan of the housing coordinator and other relevant staff</li> </ul>	Slated for inclusion in the comprehensive plan development process.
HS03	Utilize Vacant Property Reinvestment Board	N/A	Mayor, Business Administrator, & Housing Coordinator	In Process	Priority 2	December 2015	<ul style="list-style-type: none"> <li>Develop work plan and goals for the board based on comprehensive housing strategy</li> <li>Develop implementation plan to engage private redevelopment groups and civic groups</li> </ul>	Slated for inclusion in the comprehensive plan development process.
ED01	Designate an Economic Development Coordinator	\$75,000	Mayor	In process	Priority 1	July 2013	<ul style="list-style-type: none"> <li>Develop position work plan and priorities</li> <li>Conduct recruitment and hiring process</li> </ul>	Director of Community and Economic Development appointed in February 2014
ED02	Develop a coordinated long-term economic development strategic plan	N/A	Mayor & City Council	In process	Priority 2	December 2014	<ul style="list-style-type: none"> <li>Develop and issue RFP</li> <li>Assemble RFP review committee</li> <li>Review proposals and select the lowest responsible bidder</li> <li>Conduct planning processes</li> <li>Incorporate planning process results into the Economic</li> </ul>	Slated for inclusion in the comprehensive plan development process.

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							Development work plan	
ED03	Evaluate the City's tax abatement strategy	N/A	Mayor & City Council	In Process	Priority 1	July 2014	<ul style="list-style-type: none"> <li>Conduct best practice research to identify successful tax abatement programs</li> <li>Develop tax abatement strategy alternatives</li> <li>Submit alternatives to City Council for consideration</li> <li>Finalize abatement packages and strategies</li> <li>Conduct proactive education and recruitment campaign to solicit program participants</li> </ul>	The Law Bureau has developed a new Tax Abatement program that was approved by City Council.
ED04	Improve management of the City's MOED Loan Portfolio	N/A	Mayor, Business Administrator, & Economic Development Coordinator	In Process	Priority 2	June 2014	<ul style="list-style-type: none"> <li>Evaluate options available to centralize management of the MOED portfolio</li> <li>Develop monitoring and enforcement processes and contract with vendors/partners as appropriate</li> </ul>	City Administration will verify with the Revolving Loan Fund Board as to the status of completing its Bylaws. Appointments to the Revolving Loan Fund were approved by City Council on February 12, 2013 and board has been reengaged since 2014.
CIP01	Establish and maintain a multi-year (5-7) Capital Improvement Program	(22,227,548)	Director of Financial Management, with assistance from the Director of Public Works & Department Directors	In Process	Priority 2	July 2014	<ul style="list-style-type: none"> <li>Conduct inventory and condition assessment of existing capital assets</li> <li>Prioritize capital improvement needs based on key considerations such as infrastructure use, condition, safety, cost, etc.</li> <li>Identify long-term Improvement</li> </ul>	Capital budget planning and development processes will be developed to interface with the infrastructure non-profit funding silo established through the debt resolution and asset monetization process.,

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							<ul style="list-style-type: none"> <li>plan based on resource estimates</li> <li>Conduct capital budget development process and incorporate 5-7 year CIP development into the process</li> </ul>	
CIP02	Establish a CIP development process	N/A	Director of Financial Management, with assistance from the Director of Public Works & Department Directors	In Process	Priority 1	July 2014	<ul style="list-style-type: none"> <li>Develop calendar to include resource estimates, target development, department budget submission, internal review and amendment, executive review, internal budget hearing, and recommended budget formulation</li> <li>Develop associated templates and processes</li> <li>Communicate processes to staff, the public, and elected officials in advance</li> <li>Train staff on capital budget schedule, process, roles, responsibilities, and obligations</li> </ul>	Capital budget planning and development processes will be developed to interface with the infrastructure non-profit funding silo established through the debt resolution and asset monetization process
CIP03	Establish and maintain an asset management system	(187,500)	Director of Financial Management & Director of Public Works	In Progress	Priority 3	Pending	<ul style="list-style-type: none"> <li>Develop infrastructure condition rating systems and processes and incorporate into department work plans</li> <li>Conduct inventory and condition assessment of existing capital assets</li> <li>Incorporate infrastructure condition assessments into the capital budget development</li> </ul>	Pending

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

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

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								general public. The city Department of Building, Housing and Development is apprising all land development plan applicants of the revised ordinance and directing stormwater related questions to the Office of the City Engineer. Also, this office has been notifying land development plan applicants and others with stormwater related issues of the ordinance revision informally, over the past year.
REV01	Increase the Earned Income Tax (EIT) rate as required to eliminate operating deficits	N/A	City Council & City Tax Administrator	Complete	Priority 1	July 2013	<ul style="list-style-type: none"> <li>• Draft enabling ordinance</li> <li>• Submit to City Council for consideration and approval</li> <li>• Communicate rate change to the public</li> <li>• Adjust revenue projections</li> </ul>	City Council approved the EIT tax increase on October 24, 2012. The new tax rate will be effective on January 1, 2013.
REV02	Increase the Real Estate Tax rate as required to eliminate	NA/	Mayor & City Council	Complete	Priority 1	July 2013	<ul style="list-style-type: none"> <li>• Draft enabling ordinance</li> <li>• Submit to City Council for consideration and approval</li> <li>• Communicate rate change to the public</li> <li>• Adjust revenue projections</li> </ul>	.8 increase included in 2012 budget

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REV03	Review Real Estate Taxable Assessments	N/A	City Treasurer with County Assessment Office and School District Business Manager	Pending	Priority 2	April 2013	<ul style="list-style-type: none"> <li>Initiate discussions with partner governments</li> <li>Develop assessment plan and funding structure</li> <li>Conduct reassessment</li> <li>Evaluate revenue impact and revise revenue projections</li> </ul>	
REV04	Review and increase utilization of Payment in Lieu of Property Tax (PILOT) Agreements; consider impact in sale of government owned property	N/A	Mayor, Business Administrator with County Assessment Office and School District Business Manager	Pending	Priority 1	July 2012	<ul style="list-style-type: none"> <li>Adopt a practice of evaluating property tax revenue impact associated with selling city owned property to non-profits</li> <li>Identify and analyze opportunities to create new pilot agreements with tax exempt agencies that heavily utilize City services</li> <li>Initiate discussions to establish PILOT agreements and draft agreements</li> <li>Submit draft agreements to City Council for consideration and approval</li> <li>Develop payment schedule and processes</li> </ul>	
REV05	Increase business license fees; improve compliance with Business Privilege and Mercantile Tax	N/A	City Council & City Tax Administrator	Complete	Priority 1	July 2012	<ul style="list-style-type: none"> <li>Develop new schedule of fees</li> <li>Increase penalties for non-payment</li> <li>Submit revised fee schedule to City Council for adoption</li> <li>Conduct public information process</li> <li>Institute amnesty period for delinquent remittances</li> <li>Begin enforcement</li> </ul>	The Business Privilege license fee is currently in line with the Maximus fee study results. The contract with Muniservices to help Improve compliance with the Business Privilege tax was signed by the Controller's office on

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								2/8/13.
REV06	Increase enforcement of the Local Services Tax	N/A	City Council, Mayor & Business Administrator	In Process	Priority 1	September 2014	<ul style="list-style-type: none"> <li>• Increase penalties for non-payment</li> <li>• Conduct public information process</li> <li>• Institute amnesty period for delinquent remittances</li> <li>• Begin enforcement</li> </ul>	A proposed Ordinance to increase interest and penalty for the LST along with creating an amnesty period was sent to City Council and is currently in committee. However, the ordinance has been tabled for revision to include language regarding amnesty options relating to other tax revenue sources.
REV07	Pursue Legislative Change for the Local Services Tax Levy	N/A	Mayor & City Council	Pending	Priority 1	September 2012	<ul style="list-style-type: none"> <li>• Work with local legislator(s) to draft legislation to increase Local Services Tax</li> </ul>	
REV08	Pursue Department of Revenue determination for additional tax, penalty, and interest regarding realty transfer tax	N/A	Law Bureau	Pending	Priority 1	September 2012	<ul style="list-style-type: none"> <li>• Contact Department of Revenue to clarify process</li> <li>• Develop agreement with the Department of Revenue</li> <li>• Submit agreement and cost benefit analysis to City Council for consideration and approval</li> <li>• Develop administrative process</li> <li>• Train relevant personnel on process.</li> </ul>	
REV09	Increase Interest & Penalty Provisions Where Permitted	90,000	City Council & Tax Administrator	Complete	Priority 1	July 2012	<ul style="list-style-type: none"> <li>• Conduct benchmark analysis of interest and penalty provisions</li> <li>• Develop revised interest and penalty framework</li> <li>• Submit ordinance to City Council for consideration and</li> </ul>	Bill 21-2012 was passed by City Council on January 22, 2013 increasing the penalty and interest provisions of the Business



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							<ul style="list-style-type: none"> <li>approval</li> <li>Conduct public information process</li> <li>Institute amnesty period for delinquent remittances</li> <li>Begin enforcement</li> </ul>	Privilege and Mercantile tax.
REV10	Improve Taxpayer Information	N/A	Tax Enforcement Administrator & IT Director	Complete	Priority 2	July 2012	<ul style="list-style-type: none"> <li>Create repository of tax related documents and forms</li> <li>Design tax webpage and add tax document and forms</li> <li>Test webpage</li> <li>Go live with webpage and conduct public outreach process</li> </ul>	Website updated
REV11	Improve real estate taxpayer collection rate	N/A	City Treasurer, Business Administrator, & Tax Enforcement Administrator	In Process	Priority 1	July 2014	<ul style="list-style-type: none"> <li>Evaluate opportunities to increase the collection rate</li> <li>Develop implementation plan and associated targets</li> <li>Develop improved system for notification of unpaid tax accounts</li> <li>Meet quarterly to review real estate tax collections, identify issues, and develop interventions where possible to maintain to improve collections</li> </ul>	
REV12	Generate revenue through Market Based Revenue Opportunities	800,000	Business Administrator	Pending	Priority 1	July 2012	<ul style="list-style-type: none"> <li>Develop and issue RFP for broker to identify potential City assets for an MRBO program</li> <li>Assemble RFP review committee</li> <li>Review proposals and select the lowest responsible bidder</li> <li>Develop policy framework and market MRBO opportunities</li> </ul>	

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							<ul style="list-style-type: none"> <li>Enter into agreements with potential partners</li> </ul>	
REV13	Sell City acquired historical artifacts	500,000	Mayor & City Council	Complete	Priority 1	September 2012	<ul style="list-style-type: none"> <li>Conduct asset value study</li> <li>Develop parameters for determining whether a property should be sold or maintained as a City asset</li> <li>Place eligible properties on the market</li> </ul>	Auction commenced on July 15, 2013 and will conclude on July 21, 2013. 7,500 bidders pre-registered for the auction and \$1 million was committed on day 1 of the auction.
REV14	Revise Host Fee agreement between the City and the Harrisburg Authority	N/A	Mayor, City Council, & THA	Complete	Priority 1	September 2012	<ul style="list-style-type: none"> <li>Amend waste disposal agreement</li> <li>Submit revised agreement to City Council for consideration and approval</li> <li>Develop environmental compliance programs that will be supported by the host fee</li> </ul>	Complete
REV15	Collection of \$1 million in Ordinance and Parking Violation Fine	Estimated \$1 million in fines	Bureau of Police, Constables, Codes Enforcement	In Progress	Priority 1	2014	<ul style="list-style-type: none"> <li>In Place</li> </ul>	This Initiative calls for the organization of a task force made up of special unit police, constables and codes officers to identify, locate and issue arrest warrants for individuals with the highest amount of parking and ordinance violations in the City of Harrisburg. A collection plan and task force has been organized, and a Memorandum of Understanding is

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								currently being drafted by the City Law Bureau. Arrests and public announcements will be scheduled in the near future. This Initiative will address collection of approximately \$1 million in outstanding parking and ordinance violation fines.