Intergovernmental Cooperation Authority for Harrisburg

Minutes of the Governing Board

Regular Meeting

April 22, 2026

Temple University Harrisburg, Strawberry Square, Harrisburg PA

hbgica.org

Members in Attendance	Mr. Doug Hill, Chair Ms. Kathy Speaker MacNett Mr. Kevin Hancock	A Quorum Was Recognized
Ex-Officio Members in Attendance	Mr. Bryan McCutcheon, City of Harrisburg Mr. Michael Wood, Pennsylvania Office of the Budget	
In Attendance	Mr. Jeffrey Stonehill, Authority Manager Mr. Michael Cassidy, General Counsel	
Meeting Begins		3:00 p.m.
Welcome by Doug Hill, Chair	Mr. Hill opened the meeting.	
Approval of the Minutes February 25, 2026	On a motion by Ms. MacNett, Second by Mr. Hancock, the minutes were approved.	The minutes were approved by a vote of 3-0.
Update on the CREDC Development of a Comprehensive Economic Development Plan	Mr. Hill introduced Ryan Unger, President & CEO Harrisburg Regional Chamber & the Capital Region Economic Development Corporation (CREDC). He indicated that the grant from the ICA was delivered to CREDC. A great deal of work has occurred and the ICA has participated. Mr. Unger thanked the Board for their support of the project. The Pennsylvania Downtown Center has been engaged and the project kicked-off. He reviewed a recent online survey, which is a common way to start such a project. It is a perception survey to allow	

	the stakeholders to identify areas that require attention. There was a large response. He added it had a good cross match of many different groups includes school district families, state workers, and local businesses. Mr. Unger reviewed who would be targeted by the PA Downtown Center. He reviewed all the stakeholders involved in the project. He reviewed the focus groups and development workshops on different specific items (i.e., greenspace, mobility, etc.) to allow small group conversations. He reviewed the deliverables. Mr. Unger explained that there needs to be short term items that can be done in the near-term, action items, and there are funds available from the Pennsylvania Department of Community and Economic Development, which is a partner in the project. He reviewed Market Square redevelopment. Mr. Unger noted existing events like Kipona Festival, and noted other types of events, which might be added. Mr. Unger talked about a cooperative project with Harris Town Development. Mr. Hancock asked about the Downtown Ambassador Program. Mr. Hill thanked Mr. Unger for outlining some specific project ideas. Mr. Unger outlined some of the financial challenges to downtown residential conversion projects such as historical preservation. Mr. Hill noted the ongoing discussion of the tax-exempt property owners and payments in lieu of real estate taxes. Mr. Unger said discussions have occurred.	

	Mr. Stonehill asked about how Transit Related Development can be involved in this project. Mr. Unger talked about Market Square after the bus transfer station is relocated to Cameron Street. Mr. Unger concluded by thanking the Board and expressing his appreciation for the partnership.	
Report by the Chair	Mr. Hill reported that he had met with the mayor a couple of times. He noted the new Fraternal Order of Police (police union) agreement, which is 3-year contract with 7% increases in wages per year. This is a considerable salary increase but he noted the importance of competing for talent with neighboring municipal police departments. The final dollar cost of the agreement will touch the five-year plan. Mr. Stonehill mentioned that there is currently a U.S. Department of Justice COPS grant available for hiring police officers. Ms. MacNett asked whether it had been ratified and Mr. Hill said it had. Ms. Hancock asked about benchmarks used to determine compensation. Mr. Hill welcomed Antonio Megna who was recently approved for promotion to become the City's Business Administrator. Mr. Hill also noted that the City has hired Special Counsel to examine its business privilege tax law. There is no particular threat but rather an understanding that it may need to be updated as a result of accumulated caselaw on various topics over the years. Mr. Hill reminded the Board that we hope to have a discussion on Payments in Lieu of Taxes (PILOTs) at the June Board meeting.	

Update on City Finances	Mr. Hill introduced Bryan McCutcheon, Accounting Manager for the City of Harrisburg, who reviewed several handouts. Mr. McCutcheon reviewed the General Fund handout. Mr. McCutcheon noted the impact of the larger than originally planned Capital Fire Protection Payment from the Commonwealth. Mr. McCutcheon pointed out the impact of the layout of all expenses for the ongoing design and reconstruction of the Board Street Market. There was a detailed handout on the source of General Fund revenue by category. He noted the use of Fund Balance as was encumbered but not yet used year-to-date. Mr. McCutcheon noted on the third handout there was a list of all major and minor funds associated with budget approvals. These accounts are not all discussed at each review but he highlighted the encumbrances by fund, and pointed out the difference between cash and encumbrance. The Broad Street Market project has resulted in a significant encumbrance. Mr. Stonehill asked if an encumbrance can be in excess of a budget. Mr. McCutcheon explained how this would work with budget adjustments and use of fund balance. With respect to the Neighborhood Services Fund, Mr. McCutcheon said the cash position is in relatively good shape. He said the balance fluctuates throughout the year. Mr. McCutcheon highlighted the Senators Fund, which is related to the	

	stadium. He noted that the upgrade project is close to being completed, if not already done, and 50% of the annual rent has already been received. He concluded with discussing the General Fund cash balance. Mr. McCutcheon reviewed the status of city audits with the ICA Board. He said that the FY2023 audit is done and in draft format. As a result, he requires that there be an Audit Committee meeting. Mr. Stonehill asked for the ICA Board to be invited to attend. Mr. McCutcheon noted there is an ongoing pension audit for FY2023 and FY2024 by the Auditor General's office. He added that the Act 205 actuarial evaluation, which is done every other year, is underway at the City. Mr. McCutcheon noted his work with Mr. Stonehill on the Section 203 Annual Report of City Activities for the end of April 2026. Ms. MacNett asked if the pension audit is routine. Mr. Hill noted that the Police Pension plan in Harrisburg is fully funded.	
Update on Appointments to the ICA Board	Mr. Hill noted that he has outreach from both caucuses. While we do not have news to announce he remained confident that appointees will be announced shortly.	
Authority Manager's Report	Mr. Stonehill provided the financial report for April 2026. Mr. Stonehill noted that he has been working with Mr. Hill and Mr. McCutcheon the Section 203 Annual	Authorization to Approve an Increase in the General Counsel Legal Services Rate, approved 3-0.

	Report of City Activities for submission to the Governor and General Assembly. He said that full copies of the draft report will be shared with the full board before being sent to the State. Mr. Hill summarized the challenges outlined in the Executive Summary of the proposed report. Mr. Hancock asked if there was information about the Incinerator Litigation in the proposed report. Mr. Stonehill explained the impact of the ongoing litigation on the City, its Act 47 Status, and the term of the ICA Board. Mr. Hill has asked the Board to move the next meeting from Wednesday June 24th to Wednesday July 8th.	
Other Business	Mr. Hancock asked that Mr. Megna be placed for an update on all future ICA Board agenda. Mr. McCutcheon gave an update on the e-payments issue, the Treasurer, and accounting staff working on this digital pay platform update.	
Public Comments	There were none.	
Adjourn meeting at 4:30 p.m.	Motion by Mr. Hancock. A second was not required.	Approved 3-0.

Respectfully submitted:

Jeffrey Stonehill

Jeffrey M. Stonehill, Authority Manager

Appendix Documents

SIGN-IN SHEET (ICA) 4/22/2026

Required of all attendees for an official record of public participation

Name (please print)	Address	Email	Phone
Troy Kieser	DCED		
Antonio Megna	City of HBG		
Bob Kennick	COH	rckennick@harrisburgpa.gov	
Alex Brashtein	City of Hbg.		
Brian Kimmetz			

Summary of Bills Paid – Intergovernmental Cooperation Authority for Harrisburg

Report – March 1, 2026 to April 22, 2026

Starting balance (March 1):			$131,184.74
3/2/26	Johnson Duffie (Jan)	$2,660.00	
3/2/26	Johnson Duffie (Williams v HCC)	$9,082.50	
3/2/26	Pursuit Coworking (Startup Harrisburg)	$98.15	
3/2/26	Target (Memory Stick)	$27.55	
3/2/26	Digital Ocean	$12.72	
3/2/26	Digital Ocean	$7.65	
3/31/26	Monthly Interest on Checking Account	+$1.05	
4/1/26	Pursuit Coworking (Startup Harrisburg)	$98.15	
4/1/26	Digital Ocean	$12.72	
4/1/26	Digital Ocean	$7.65	
4/9/26	CREDC Grant Payment	$50,000.00	
4/16/26	Zoom Subscription	$180.09	
4/22/26	PA Media Group (Apr Ad)	$187.74	
4/22/26	Johnson Duffie (Feb-Mar)	$4,926.00	
4/22/26	MESH PA 2 (Apr-May)	$8,400.00	
4/22/26	Gunn & Mowery (D&O Insurance Premium)	$5,676.00	
Estimated Balance (February 25, 2026)			$49,808.87

CITY OF HARRISBURG
GENERAL FUND SUMMARY - REVENUE, EXPENDITURES, AND CHANGE IN CASH FUND BALANCE
For the Month ended March 31, 2026

DESCRIPTION	Month ended 01/31/26	Month ended 02/28/26	Month ended 03/31/26	QTD Three Months thru 03/31/26
Beginning cash basis fund balance	14,363,623	18,139,916	19,739,260	14,363,623
Revenue				
Total revenue	9,799,307	7,993,157	13,660,046	31,452,510
Expenditures				
General Government	180,718	197,047	229,662	607,427
Administration	2,917,452	2,248,884	2,698,367	7,864,703
Building and Housing	24,637	26,418	25,174	76,229
Public Safety	2,223,197	2,595,900	2,499,642	7,318,739
Public Works	618,744	1,273,566	1,829,152	3,721,462
Parks and Recreation	58,266	51,998	63,558	173,822
Total expenditures	6,023,014	6,393,813	7,345,555	19,762,382
Net Revenue Over (Under) Expenditures	3,776,293	1,599,344	6,314,491	11,690,128
Ending cash basis fund balance	18,139,916	19,739,260	26,053,751	26,053,751

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CITY OF HARRISBURG
GENERAL FUND SUMMARY - REVENUE AND EXPENDITURES, YEAR-TO-DATE COMPARISONS
03/31/2026

DESCRIPTION/MONTH	Current Year 2026	Prior Year 2025	Change Increase (Decrease)	Attribution Comments
YTD Revenue				
thru January	9,799,307	2,887,977	6,911,330	increase over the prior year is largely attributed to finally receiving the 2025 appropriation in capitol fire protection allocation from the Commonwealth, the receipt of which being delayed due to the drawn out State budget process impasse during the prior year; this allocation was received at the newly increased amount of $7 million, up from $5 million as in prior years
thru February	17,792,464	11,372,475	6,419,989	same explanation as noted above for year-to-date total thru January
thru March	31,452,510	23,600,247	7,852,263	same explanation as noted above for year-to-date total thru January
YTD Expenditures				
thru January	6,023,014	6,762,684	(739,670)	change represents a reasonable comparison based on relative materiality
thru February	12,416,827	12,098,557	318,270	change represents a reasonable comparison based on relative materiality
thru March	19,762,382	18,646,730	1,115,652	increase over the prior year can be attributed to the approximate $1.2 million increase in expenditures related to the Broad Street Market fire loss restoration project

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YEAR-TO-DATE BUDGET REPORT

FOR 2026 03

ACCOUNTS FOR: 10 GENERAL

10100000 REVENUE

ACCOUNTS FOR: 10 GENERAL	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
AA REAL ESTATE TAXES	-16,605,200	-16,605,200	-12,332,612.46	-9,633,232.35	.00	-4,272,587.54	74.3%
AB RE TRANSFER TAX	-1,125,000	-1,125,000	-227,124.51	-51,711.30	.00	-897,875.49	20.2%
AC HOTEL TAX REVENUE	-1,000,000	-1,000,000	.00	.00	.00	-1,000,000.00	.0%
AD EARNED INCOME TAX	-18,937,969	-18,937,969	-4,946,252.93	-1,749,168.70	.00	-13,991,716.07	26.1%
AE LOCAL SERVICES TAX	-6,868,170	-6,868,170	-1,682,610.82	-133,144.30	.00	-5,185,559.18	24.5%
AF MERCANT/BUS PRIV TAX	-8,700,000	-8,700,000	-2,235,754.13	-1,222,189.89	.00	-6,464,245.87	25.7%
AG DEPT ADMIN REVENUE	-469,882	-469,882	-166,148.34	-61,958.19	.00	-303,733.66	35.4%
AH DEPT BLDG & HOUSING	-1,900,000	-1,900,000	-746,689.40	-108,614.50	.00	-1,153,310.60	39.3%
AI DEPT PUBLIC SAFETY	-2,000,000	-2,000,000	-618,895.97	-408,657.15	.00	-1,381,104.03	30.9%
AJ UTILITY BILLING REV	-1,653	-1,653	-22.10	-10.46	.00	-1,630.90	1.3%
AK DEPT OF PUBLIC WORKS	-616,018	-616,018	-2,320.79	-1,142.70	.00	-613,697.21	.4%
AL DEPT PARKS/RECREATN	-18,566	-18,566	-167.50	.00	.00	-18,398.50	.9%
AM FINES AND FORFEITS	-858,329	-858,329	-163,326.61	-40,599.66	.00	-695,002.39	19.0%
AN LICENSES AND PERMITS	-305,000	-305,000	-92,474.87	-22,250.00	.00	-212,525.13	30.3%
AO RENTAL REVENUE	-95,481	-95,481	-162,077.79	-41,858.51	.00	66,596.79	169.7%
AP INTERGOVERNMENTL REV	-11,850,000	-18,850,000	-7,000,000.00	.00	.00	-11,850,000.00	37.1%
AQ MISC REVENUE	-9,665,900	-9,665,900	-941,339.54	-133,245.74	.00	-8,724,560.46	9.7%
AR INT/INVESTMT INCOME	-650,000	-650,000	-134,691.85	-52,262.71	.00	-515,308.15	20.7%
AS OTH FINANCING SOURCE	-75,000	-75,000	.00	.00	.00	-75,000.00	.0%
AT INTERFUND TRANSFERS	-8,587,269	-8,587,269	.00	.00	.00	-8,587,269.00	.0%
AU FUND BAL APPROPRIATN	-2,000,000	-12,408,270	.00	.00	.00	-12,408,269.85	.0%
TOTAL REVENUE	-92,329,437	-109,737,707	-31,452,509.61	-13,660,046.16	.00	-78,285,197.24	28.7%
TOTAL GENERAL	-92,329,437	-109,737,707	-31,452,509.61	-13,660,046.16	.00	-78,285,197.24	28.7%

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User: BMcCutcheon
Program ID: glytdbud

Revenue - GF
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YEAR-TO-DATE BUDGET REPORT

FOR 2026 04

ACCOUNTS FOR: 10 GENERAL	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
10100000 REVENUE							
AA REAL ESTATE TAXES	-16,605,200	-16,605,200	-12,831,110.65	-498,498.19	.00	-3,774,089.35	77.3%
AB RE TRANSFER TAX	-1,125,000	-1,125,000	-227,124.51	.00	.00	-897,875.49	20.2%
AC HOTEL TAX REVENUE	-1,000,000	-1,000,000	.00	.00	.00	-1,000,000.00	.0%
AD EARNED INCOME TAX	-18,937,969	-18,937,969	-5,616,508.20	-670,255.27	.00	-13,321,460.80	29.7%
AE LOCAL SERVICES TAX	-6,868,170	-6,868,170	-1,762,823.20	-80,212.38	.00	-5,105,346.80	25.7%
AF MERCANT/BUS PRIV TAX	-8,700,000	-8,700,000	-2,760,001.48	-524,247.35	.00	-5,939,998.52	31.7%
AG DEPT ADMIN REVENUE	-469,882	-469,882	-178,551.93	-12,403.59	.00	-291,330.07	38.0%
AH DEPT BLDG & HOUSING	-1,900,000	-1,900,000	-798,740.60	-52,051.20	.00	-1,101,259.40	42.0%
AI DEPT PUBLIC SAFETY	-2,000,000	-2,000,000	-794,453.15	-175,557.18	.00	-1,205,546.85	39.7%
AJ UTILITY BILLING REV	-1,653	-1,653	-22.10	.00	.00	-1,630.90	1.3%
AK DEPT OF PUBLIC WORKS	-616,018	-616,018	-2,320.79	.00	.00	-613,697.21	.4%
AL DEPT PARKS/RECREATN	-18,566	-18,566	-167.50	.00	.00	-18,398.50	.9%
AM FINES AND FORFEITS	-858,329	-858,329	-249,780.03	-86,453.42	.00	-608,548.97	29.1%
AN LICENSES AND PERMITS	-305,000	-305,000	-92,474.87	.00	.00	-212,525.13	30.3%
AO RENTAL REVENUE	-95,481	-95,481	-162,365.30	-287.51	.00	66,884.30	170.0%
AP INTERGOVERNMENTL REV	-11,850,000	-18,850,000	-7,000,000.00	.00	.00	-11,850,000.00	37.1%
AQ MISC REVENUE	-9,665,900	-9,665,900	-979,650.85	-38,311.31	.00	-8,686,249.15	10.1%
AR INT/INVESTMT INCOME	-650,000	-650,000	-134,691.85	.00	.00	-515,308.15	20.7%
AS OTH FINANCING SOURCE	-75,000	-75,000	.00	.00	.00	-75,000.00	.0%
AT INTERFUND TRANSFERS	-8,587,269	-8,587,269	.00	.00	.00	-8,587,269.00	.0%
TOTAL REVENUE	-90,329,437	-97,329,437	-33,590,787.01	-2,138,277.40	.00	-63,738,649.99	34.5%
TOTAL GENERAL	-90,329,437	-97,329,437	-33,590,787.01	-2,138,277.40	.00	-63,738,649.99	34.5%

Revenue-GF
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CITY OF HARRISBURG
SUMMARY SCHEDULE
CASH FUND BALANCES @ 3/31/2026

DESCRIPTION	Cash FB @ 3/31/25	Cash FB @ 12/31/25	Cash FB @ 3/31/26	Encumbrances @ 3/31/26	Budgetary FB @ 3/31/26	Current Cash FB @ 4/21/26
General Fund	23,422,771	14,363,623	26,053,751	23,062,263	2,991,488	23,165,350
State Liquid Fuels Tax Fund	1,766,564	2,157,784	1,191,765	271,147	920,618	2,477,234
Host Municipalities Fee Fund	806,820	787,841	803,666	500,000	303,666	791,445
Neighborhood Services Fund	5,635,069	5,061,001	5,154,566	713,840	4,440,726	4,809,400
Harrisburg Senators Fund	6,361,729	300,974	458,039	381,666	76,373	571,044
Blight Remediation Fund	454,115	284,305	295,064	19,071	275,993	296,786
Special Events/Project Reimbursement Fund	370,026	161,232	170,516	-	170,516	170,516
Fire Protection Fund	140,365	150,872	160,596	-	160,596	160,596
Police Protection Fund	951,888	502,261	500,289	57,399	442,890	500,289
Parks and Recreation Fund	776,694	686,324	691,295	149,917	541,378	716,069
WHBG-TV Fund	15,633	16,217	16,743	-	16,743	16,743
Events Fund	403,483	388,062	436,243	18,795	417,448	452,913
Capital Projects Fund	4,170,624	2,452,144	2,459,625	1,715,096	744,529	2,406,575
Debt Service Fund	341,073	54,644	56,964	-	56,964	56,964
Totals	45,616,854	27,367,284	38,449,122	26,889,194	11,559,928	36,591,924

EXECUTIVE SUMMARY.

The Intergovernmental Cooperation Authority for Harrisburg (the "Authority") views the city's financial condition as challenged. While over the last several years the city has improved budgeting, fiscal management, and program management sufficiently to qualify for exit from distressed status, it faces a potential fiscal turning point driven by national economic instability and a declining Central Business District. To achieve long-term goals, the city must implement a rigorous planning process, secure immediate investment in projects that result in sustainable revenue, and reimagine both the downtown area and the State government's role in Harrisburg's future.

Mayor Wanda R.D. Williams is prioritizing fiscal consistency, yet the city faces significant hurdles. Urban areas and state capitals are grappling with a post-COVID-office-space economy and the permanence of remote work, with a less-present state and corporate workforce creating downward pressure on retail businesses and restaurants, coupled with commercial property assessment reductions. Increasingly the tax burden is shifting unfairly onto the shoulders of residential property owners who are least equipped to bear the cost of the city's essential spending.

The Authority is a key stakeholder in a vital new initiative undertaken by the city, the Capital Region Economic Development Corporation (CREDC) and the Commonwealth: a comprehensive economic development plan in an urgent response to Harrisburg's evolving needs. It is not a study; it is a plan to provide the strategy for transformational change — restructuring the downtown area and redefining the State's partnership with the city — and it will demand significant investment that the city cannot shoulder alone. Alternate funding sources need to be developed, such as a dedicated funding stream from the Commonwealth, exploration of revenue sources that acknowledge the significant proportion of tax-exempt property, and improved commercial vitality, to begin to reimagine Harrisburg for the future.

The Authority remains active in its consultative and monitoring role. Early this year, following the city's successful adoption of its 2026 budget, the City Council and Mayor became embroiled in a dispute that began with the budget approval process and ultimately resulted in litigation between the Mayor and Council. The Authority, under the criteria set forth in Act 124, intervened in the litigation as a friend of the court and was accepted as a neutral voice in the discussions which eventually led to a joint stipulation ending the dispute. This experience is illustrative of the role of the Authority in focusing on positive outcomes for Harrisburg.

In summarizing this report, there are three issues which the Authority would like to note. First, the Authority is encouraging the Harrisburg stakeholders, of which the Authority is a member, to complete and implement the wide-ranging economic development strategy. The objective is to improve downtown vitality, grow the city's tax base and create sustainable revenue for city operations. Second, the Authority supports the city to work with the Governor to address the impact of the State workforce on local businesses and the local vacancy rates for commercial real estate, and the concurrent related impacts on parking revenue, real estate tax valuations, and income from state worker taxes. Finally, the Authority is concerned about the maintenance of healthy fund balances in both the General Fund and the Neighborhood Services Fund of the city. Although we acknowledge program and service contract improvements, the Neighborhood Services Fund continues to feel the effect of historic misdirected cost accounting, as well as chronic undercollection of fees and long-term receivables. These three issues are identified as concerns in this edition of the report.

Under the current timetable agreed to by the Authority and the city, each year the city will submit an update of the city's Five-Year Financial Plan on August 31. This plan will inform fall development of the next year's operating budget for the city, which must be adopted by December 31 pursuant to statute. In 2025, the Authority and the city successfully cooperated on this implemented timetable.

Harrisburg remains on the cusp of exit from Act 47 distressed city status. Working together with the courts and the Pennsylvania Department of Community and Economic Development, the city needs to resolve the long-standing litigation associated with the Harrisburg Incinerator. The litigation is impeding the ability of the city to exit Act 47 distressed city status. It is the opinion of the Authority that should that litigation be resolved, with the cooperation of the city and the Authority, the appointment of an Act 47 Coordinator and the processes established by Act 47 becomes redundant to the ICA process. The Authority feels well equipped to work cooperatively with the city on ensuring future fiscal planning to guarantee the city's financial stability.

Pursuant to Act 124, the ICA will sunset five-years following city exit from Act 47 distressed city status, which marks the effective date for the Intergovernmental Cooperation Agreement between the City of Harrisburg and the Authority. In the intervening time, the essential planning necessary to navigate the city's finances into the future remains the major focus of the work of the Authority.