

*Intergovernmental Cooperation Authority for Harrisburg
Minutes of the Governing Board Meeting
September 16, 2020
Via Teleconference on the Zoom Meeting Platform
hbgica.org*

Members Present	Ms. Audry Carter, Mr. Douglas Hill, Ms. Kathy Speaker MacNett, and Mr. H. Ralph Vartan	
Ex-Officio Members Present	Mr. Neil Grover and Mr. Mark Ryan	
Staff Present	Mr. Jeffrey Stonehill, Authority Manager	
Call to Order	Mr. Stonehill reminded the participants that the meeting was being recorded and that they should mute themselves when not speaking. Ms. Carter called the meeting to order at 4:02 p.m. She informed the group that Jeff Engle, Esq., Independent General Counsel, would be absent due to an emergency dental procedure. Second, she welcomed a new member of the Board, Mr. Mark Ryan, the appointee from the State's Department of the Budget. He serves as a Special Advisor to the Budget Secretary and he serves in the same position for the Philadelphia ICA. Mr. Ryan stated that he appreciates the opportunity to serve on this Board on behalf of the Secretary of the Budget, Jen Swails.	
Approval of July 22, 2020 Minutes	Ms. Carter presented the minutes, which had been reviewed by herself and Mr. Vartan; on a motion to approve by Mr. Vartan, seconded by Mr. Hill.	Minutes; approved 4-0
Review of Bills Paid	Mr. Stonehill reviewed the bills paid since the last regular meeting of the Authority. Mr. Stonehill stated that this is the report as of September 16, 2020, and the Authority has a fund balance of \$108,833.17. He noted that this is a two-month report covering the time between the July meeting and this September meeting. Mr. Stonehill added that the Authority had received and deposited the Year Three partial allocation from the Pennsylvania Department of Community and Economic Development of \$42,000.	
Report of the Chairperson	Ms. Carter noted that six months of the current year have already passed. She reminded the group that there was much accomplished, but much more to do. She made a few comments regarding the City of Harrisburg mid-year report. Ms. Carter reiterated that Mr. Stonehill is available	

	<p>to assist the City. She noted that there is a vacancy in the Director of Finance position with the City. She reminded the Board that Sen. Costa has still not named a replacement for Ms. Tina Nixon who resigned from the ICA Board. Finally, she has been in touch with the City to advocate from the completion of the Intergovernmental Cooperation Agreement, but have emphasized that City Council should be a part of those negotiations. She concluded by added that it has been a year since the last negotiating meeting between Jeff Engle and Neil Grover, and we must and can move forward with an Intergovernmental Cooperation Agreement.</p>	
<p>Questions and Answers to the City Business Manager regarding Mid-Year Report</p>	<p>Ms. Carter noted that the City had issued their 2020 mid-year financial report and members of the Board have reviewed it. Mr. Woolley was unable to attend this meeting. Questions were submitted to Marc Woolley and he has responded. She encouraged Charlie and Bill from the Controllers Office to add their thoughts. Ms. Carter asked for comments.</p> <p>Ms. Carter wondered whether the State subsidy for fire services was received by the City. No one was sure.</p> <p>Mr. Vartan asked whether the City hiring freeze and the City Capital Projects' freeze had been lifted. Mr. Grover acknowledged that the hiring freeze was lifted when the City entered the Green phase of the Governor's Plan for the re-opening of the Commonwealth. As for capital projects, Mr. Grover stated that when projects require a cash match by the City, those funds were not frozen. Mr. Grover indicated he would try to get a list for the Authority of what grant projects are in the pipeline.</p> <p>Ms. Carter noted that some of the revenue categories were heartening.</p> <p>Ms. Carter concluded by noting that the City will submit a preliminary 2021 budget to the Act 47 Receiver in mid-October and the Annual Update to the Mayor's Five-Year Financial Plan to the Authority by October 31.</p>	
<p>Report of the Harrisburg City Controller</p>	<p>Ms. Carter introduced Mr. Charles DeBrunner, City Controller, and Mr. Bill Leinberger, Deputy City Controller. Documents were shared with the Board. Mr. DeBrunner gave an updated projection</p>	

of end of year fund balances. He noted that he is not a fan of debt and he observed that in 2023 the G.O. ("general obligation) debt goes away. The second category of debt is the money that Ambac loaned the City to make its debt payments. They stepped in as the insurance company. He said that the rate on that debt is 6.75%. He said that the City has made no payments and the Ambac debt has risen from about \$20 million to \$25 million. Mr. DeBrunner added that the Controller's Office likes to compare outstanding debt to available cash fund balances. In doing so, on August 31, 2020, the cash balance in the General Fund was \$51 million, which is an astonishingly good balance. On the same date, the outstanding debt to Ambac was \$25 million. In summary, in the August 31 projection for end of year fund balance, a required end-of-year \$8 million G.O. bond payment will reduce cash on hand. He added that the City is in a very good place especially given the impact of the pandemic on the local economy. He did note one area of concern, the priority parking arrangement.

He said the projected end of year general fund balance should be around \$32 million.

Mr. Grover noted that the term sheet agreement with Ambac was approved last year, no final agreement between the parties was executed, but time has passed, the timelines in the term sheet are no longer correct, the settlement requires judicial approval, and Council approval.

Mr. DeBrunner suggested that one option, for simplicity sake, is to propose making a significant payment to Ambac in order to reduce quickly the City's debt load and save interest. He added that this is a quite compelling use of fund balance.

Ms. MacNett asked if the Controller has talked with the Mayor about this pay down of the debt. Mr. DeBrunner said yes they regularly talk.

Mr. Grover said the Mayor is still negotiating with Ambac.

Mr. Grover noted that the cash balance is very important because the City has no credit rating and cannot borrow money.

Ms. MacNett asked whether paying off the debt faster improves the chances of the City obtaining a credit rating and reentering the debt market? Mr.

Grover said it is a very complex process. Mr. DeBrunner said that the City must reenter the capital markets somehow.

Mr. Grover mentioned that the Senators team has defaulted on the stadium debt, which is guaranteed by the City.

Mr. Grover mentioned that the end of the extraordinary taxing authority would result in a \$12 million hit on the operating budget of the City.

Mr. DeBrunner added that the extraordinary taxing authority could not be replaced.

Ms. MacNett pointed out that this is a kind of discussion that the Authority should have with the City.

Mr. DeBrunner pointed out there was no problem obtaining debt for the streetlights in a self-liquidating bond.

Mr. Stonehill added that when the City of New York entered into severe financial distress in the 1970s, the State created a financial authority, which sold its own bonds on behalf of the City in exchange for a dedicated sales tax levy. This scenario bypassed the City's junk bond status and allowed the City to reenter the debt marketplace.

Mr. DeBrunner said Harrisburg is almost debt free.

Mr. Hill confirmed that so far no payment has been made to Ambac, whereas the 2020 budget contemplated a \$5 million payment.

Mr. Hill added that the General Assembly was unlikely to allow a sales tax expansion for the City.

In summary, Ms. Carter pointed out the upcoming Five-Year Financial Plan includes the point where both the G.O. debt and the extraordinary taxing authority end and should be reflected. She added that any help from Mr. Grover in planning for the report would be helpful.

Mr. Vartan asked Mr. DeBrunner why the projected end of year cash balance in the Controller's debt report and the City's Mid-Year Financial Report seem significantly different.

Mr. DeBrunner said that they started in a different place and they ended in a different place. Mr. DeBrunner does not agree with the City's projections. He added that the City would not have expenditures as much as were budgeted before the end of the fiscal year.

<p>When Local Initiative Works: Social Capital, Civic Virtue, and the Contrasting Paths of Two Pennsylvania Communities [Harrisburg and Lancaster]</p>	<p>Kathy MacNett introduced a recent graduate of Gettysburg College, Mr. Ben Pontz, who had completed a thesis which she felt would be very interesting to the Authority, “When Local Initiative Works: Social Capital, Civic Virtue, and the Contrasting Paths of Two Pennsylvania Communities [Harrisburg and Lancaster]”.</p> <p>Ms. MacNett introduced Mr. Pontz who is about to start his Fulbright Scholarship in England and is going to law school in the fall. She add that back in 1959, a woman by the name of Commonwealth Judge Genevieve Blatt started talking about setting up an internship that happened in the 1960s, in honor of James Finnegan. In part, this how Ms. MacNett wound up in Harrisburg. Mr. Pontz was among the most recent James A. Finnegan Fellowship Foundation interns.</p> <p>Mr. Pontz’s presentation is enclosed.</p> <p>His thesis is: “Why is that some places are able to make policy that works at the local level and others are not? What is the ‘secret sauce?’”</p> <p>Mr. Pontz reviewed his research. The strength of local nonprofit organizations and the sense of shared vision are the most important factors.</p> <p>Mr. Hill asked whether Mr. Pontz had found a trend of new residential inner city development. Mr. Pontz said that the growth of housing has created other issues such as a shortage of affordable housing.</p>	
<p>Other Business</p>	<p>There was none.</p>	
<p>Public Comments</p>	<p>There were no public comments.</p> <p>Mr. Grover raised two points:</p> <p>First, Mr. Grover reiterated that he is fully authorized to negotiate the intergovernmental cooperation agreement on behalf of the City. He has never seen an agreement negotiated with the clients at the table.</p> <p>Second, he received a memorandum from “the hill” that suggested there is an effort to amend Act 124. It would suggest removing all the extraordinary taxing authority on January 1, 2023. The City will look at it.</p> <p>Ms. Carter confirmed that the Authority has never hired a lobbyist and never would.</p> <p>Ms. Carter said that while the Authority does not want the City to lose its extraordinary taxing</p>	

	<p>authority, there is a sense of urgency to complete negotiations of the agreement and to complete a good planning process.</p> <p>Mr. Vartan concurred and said there is no shared vision. Completing the agreement would be the first step in developing a shared vision.</p> <p>Ms. Carter reiterated that the Authority is supportive of the City and wants an agreement and a revised Five-Year Financial Plan. She asked Mr. Stonehill to set up a group meeting.</p> <p>Ms. Carter closed by saying this was a robust meeting.</p>	
Adjourn	At 5:37 p.m., on a motion by Ms. MacNett and a second by Mr. Vartan, the Authority adjourned.	Adjournment approved 4-0

Respectfully submitted:

Jeffrey Stonehill, Authority Manager
ICA for Harrisburg

APPENDIX DOCUMENTS

**City of Harrisburg
 Budgetary Fund Balance
 Period Ending August 2020**

	Cash Basis		Cash Basis		Budgetary Fund Balance 08/31/20
	Fund Balance 12/31/19	YTD Revenue 08/31/20	YTD Expense 08/31/20	Fund Balance 08/31/20	
General Fund (01)	\$ 28,394,997	\$ 40,356,455	\$ (31,617,886)	\$ 37,133,566	\$ 34,156,465
Capital Projects Fund	\$ 913,092	\$ 1,880,709	\$ (2,238,514)	\$ 555,288	\$ (954,891)
Hotel Tax Cash (060006202)	\$ 2,993,488	\$ 291,016	\$ -	\$ 3,284,504	\$ 3,284,504
Street Cut Cash (060006000)	\$ 830,707	\$ 426,308	\$ -	\$ 1,257,015	\$ 1,257,015
Debt Service Fund (07)	\$ 936,358	\$ 1,863,008	\$ (1,854,139)	\$ 945,227	\$ 945,227
State Liquid Fuels Fund (20)	\$ 3,156,936	\$ 1,419,250	\$ (1,086,742)	\$ 3,489,444	\$ 2,986,630
Host Municipality Fees Fund (21)	\$ 412,375	\$ 262,335	\$ (149,778)	\$ 524,932	\$ 486,877
Neighborhood Services Fund (25)	\$ 7,815,389	\$ 10,806,524	\$ (10,141,492)	\$ 8,480,421	\$ 7,515,145
Senators Fund (26)	\$ 178,697	\$ 335,293	\$ (513,990)	\$ -	\$ (25,000)
Neighborhood Mitigation Fund (50)	\$ 341,577	\$ 43,643	\$ (15,683)	\$ 369,537	\$ 342,572
Special Events Fund (51)	\$ 137,770	\$ 12,701	\$ -	\$ 150,470	\$ 145,220
Fire Protection Fund (52)	\$ 246,375	\$ 12,821	\$ (4,122)	\$ 255,074	\$ 255,074
Police Protection Fund (53)	\$ 412,626	\$ 99,032	\$ (42,970)	\$ 468,689	\$ 428,689
Parks & Recreation Fund (54)	\$ 365,411	\$ 88,237	\$ (33,793)	\$ 419,855	\$ 408,463
WHBG Fund (55)	\$ 33,774	\$ 206	\$ (21,010)	\$ 12,970	\$ 12,970
Events Fund (56)	\$ 118,252	\$ 48,522	\$ (47,549)	\$ 119,225	\$ 99,225
Total	\$ 47,287,822	\$ 57,946,061	\$ (47,767,668)	\$ 57,466,215	\$ 51,344,185

This report summarizes available cash balances by fund.

The City owes approximately \$24.64 million in loans to AMBAC and \$15.97 million for G.O. Series D & F bonds and notes.

City of Harrisburg

Projected General Fund Revenue

Revenue Source:	2020 Adjusted Budget	2020 Projected	2019 Actual	2018 Actual	2017 Actual	2020 Projected Revenue % Budget
Taxes:						
Real Estate	\$ 18,507,391	\$ 17,324,756	\$ 18,266,933	\$ 18,989,460	\$ 18,236,856	93.6%
Hotel Tax	900,000	\$ 900,000	900,000	-	-	100.0%
LST	6,714,405	\$ 6,452,971	6,824,394	6,726,219	7,413,159	96.1%
EIT	12,175,314	\$ 12,811,666	12,761,772	11,895,302	11,446,980	105.2%
Mercantile/Bus Priv	7,953,082	7,672,233	8,200,696	7,720,195	7,621,587	96.5%
Total Taxes	\$ 46,250,192	\$ 45,161,626	\$ 46,953,795	\$ 45,331,177	\$ 44,718,582	97.6%
Departmental:						
Administration	\$ 700,565	\$ 1,172,412	\$ 1,151,510	\$ 1,126,360	\$ 1,090,501	167.4%
Building & Housing	1,432,876	\$ 1,477,130	1,561,585	1,772,534	2,039,471	103.1%
Public Safety	6,899,860	\$ 6,995,116	6,949,364	6,978,978	7,002,925	101.4%
Public Works	551,256	\$ 563,910	610,176	633,302	665,914	102.3%
Parks & Recreation	10,260	247	13,801	5,181	10,110	2.4%
Total Departmental	\$ 9,594,816	\$ 10,208,816	\$ 10,286,436	\$ 10,516,354	\$ 10,808,922	106.4%
Other Revenues:						
Fines & Forfeits	\$ 845,102	\$ 538,687	\$ 745,232	\$ 874,079	\$ 855,222	63.7%
Business Lic	578,250	\$ 547,481	570,074	592,192	635,509	94.7%
Interest & Property	254,223	\$ 520,463	599,612	253,935	132,894	204.7%
Shared Costs-THA	-	\$ -	-	-	-	N/A
PILOTs & Contrib.	1,086,797	\$ 1,073,842	907,773	1,060,462	1,017,364	98.8%
Miscellaneous	1,394,703	1,206,500	1,623,964	988,085	2,485,402	86.5%
Total Other	\$ 4,159,076	\$ 3,886,972	\$ 4,446,655	\$ 3,768,753	\$ 5,126,391	93.5%
Intergovernmental						
Pension System Aid	\$ 3,310,806	\$ 3,309,922	\$ 3,310,806	\$ 2,894,903	\$ 2,639,729	100.0%
Priority Parking	2,370,716	\$ 518,719	3,516,973	3,557,620	2,641,350	21.9%
Fire Protection	-	\$ -	-	-	-	N/A
Miscellaneous	432,500	364,347	202,523	46,660	202,508	84.2%
Total Intergovernment	\$ 6,114,022	\$ 4,192,988	\$ 7,030,302	\$ 6,499,183	\$ 5,483,587	68.6%
Other Financing Sources						
Sale of Assets	\$ -	\$ 64,020	\$ 61,875	\$ -	\$ 27,412	N/A
Interfund Transfers	110,608	\$ 110,608	110,608	409,034	134,602	100.0%
Miscellaneous	-	-	19,956	-	-	N/A
Total Other Financing	\$ 110,608	\$ 174,628	\$ 192,439	\$ 409,034	\$ 162,014	N/A
Total General Fund	\$ 66,228,714	\$ 63,625,030	\$ 68,909,627	\$ 66,524,501	\$ 66,299,496	96.1%

2020 Projected includes actual revenue through 08/31/2020.

Budget figures exclude appropriation of prior year fund balance of \$10,054,842.

**CITY OF HARRISBURG
GENERAL FUND PROJECTION**

	<u>Amended Budget</u>	<u>Actual @ 08/31/20</u>	<u>Projected 12/31/2020</u>
Expenditures:			
Personnel	\$ 44,265,000	\$ 23,112,088	\$ 34,668,132 ⁽³⁾
Services	\$ 7,142,025	\$ 3,639,164	\$ 5,458,746 ⁽³⁾
Supplies	\$ 3,046,205	\$ 1,244,895	\$ 1,867,343 ⁽³⁾
Debt Service	\$ 14,797,106	\$ 1,854,139	\$ 14,797,106 ⁽¹⁾
Capital	\$ 3,357,287	\$ 445,285	\$ 667,928 ⁽³⁾
Other	\$ 3,675,306 ⁽²⁾	\$ 1,322,315	\$ 1,983,473 ⁽³⁾
Total Expenditures	<u>\$ 76,282,929</u>	<u>\$ 31,617,886</u>	<u>\$ 59,442,728</u>
Revenue:	\$ 76,283,556 ⁽⁴⁾	\$ 40,356,455	\$ 63,625,030
Fund Balance:	<u><u>\$ 28,395,624</u></u>	<u><u>\$ 37,133,566</u></u>	<u><u>\$ 32,577,299</u></u>

(1) Projection based on budget and includes \$5.0 million to AMBAC.

(2) Budget includes approximately \$2.0 million of Transfers to Capital Projects Fund for capital.

(3) Expenditures are straight line projections for informational purposes.

(4) Revenue budget includes \$10.1 million of prior year fund balance.

AMBAC-No More Loans After 03-15-17

Compound Period : Semiannual

Nominal Annual Rate : 6.750 %

Effective Annual Rate ... : 6.864 %

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1	Loan	03/15/2012	5,265,000.00	1	
2	Loan	09/15/2012	3,400,000.00	1	
3	Loan	03/15/2013	5,605,000.00	1	
4	Loan	09/15/2013	3,465,000.00	1	
5	Payment	12/23/2013	6,000,000.00	1	
6	Loan	03/15/2014	470,000.00	1	
7	Payment	03/15/2014	11,069.00	1	
8	Loan	09/15/2014	530,000.00	1	
9	Payment	09/15/2014	11,069.00	1	
10	Loan	03/15/2015	400,000.00	1	
11	Payment	03/15/2015	11,069.00	1	
12	Loan	09/15/2015	600,000.00	1	
13	Payment	09/15/2015	11,069.00	1	
14	Loan	03/15/2016	325,000.00	1	
15	Payment	03/15/2016	11,069.00	1	
16	Loan	09/15/2016	675,000.00	1	
17	Payment	09/15/2016	11,069.00	1	
18	Loan	03/15/2017	250,000.00	1	
19	Payment	03/15/2017	11,069.00	1	
20	Loan	09/15/2017	0.00	1	
21	Payment	09/15/2017	11,069.00	1	
22	Loan	03/15/2018	0.00	1	
23	Payment	03/15/2018	11,069.00	1	
24	Loan	09/15/2018	0.00	1	
25	Payment	09/15/2018	11,069.00	1	
26	Loan	03/15/2019	0.00	1	
27	Payment	03/15/2019	11,069.00	1	
28	Loan	09/15/2019	0.00	1	
29	Payment	09/15/2019	76,429.00	1	
30	Payment	03/15/2020	11,069.00	1	
31	Loan	09/15/2020	0.00	1	
32	Payment	09/15/2020	76,429.00	1	
33	Payment	03/15/2021	11,069.00	1	
34	Loan	09/15/2021	0.00	1	
35	Payment	09/15/2021	76,429.00	1	
36	Payment	03/15/2022	11,069.00	1	
37	Loan	09/15/2022	0.00	1	
38	Payment	09/15/2022	76,429.00	1	
39	Payment	03/15/2023	2,910,079.00	1	
40	Payment	09/15/2023	2,477,419.00	1	
41	Payment	03/15/2024	2,910,079.00	1	
42	Payment	09/15/2024	2,477,419.00	1	
43	Payment	03/15/2025	2,910,079.00	1	
44	Payment	09/15/2025	2,477,419.00	1	

 AMBAC-No More Loans After 03-15-17

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
45	Payment	03/15/2026	2,910,079.00	1	
46	Payment	09/15/2026	2,477,419.00	1	
47	Payment	03/15/2027	2,910,079.00	1	
48	Payment	09/15/2027	2,477,419.00	1	
49	Payment	03/15/2028	2,910,079.00	1	
50	Payment	09/15/2028	2,477,419.00	1	
51	Payment	03/15/2029	2,615,311.34	1	

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

	Date	Loan	Payment	Interest	Principal	Balance
Loan	03/15/2012	5,265,000.00				5,265,000.00
Loan	09/15/2012	3,400,000.00		177,693.75	177,693.75-	8,842,693.75
2012 Totals		8,665,000.00	0.00	177,693.75	177,693.75-	
Loan	03/15/2013	5,605,000.00		298,440.91	298,440.91-	14,746,134.66
Loan	09/15/2013	3,465,000.00		497,682.04	497,682.04-	18,708,816.70
1	12/23/2013		6,000,000.00	347,282.41	5,652,717.59	13,056,099.11
2013 Totals		9,070,000.00	6,000,000.00	1,143,405.36	4,856,594.64	
Loan	03/15/2014	470,000.00		200,737.52	200,737.52-	13,726,836.63
2	03/15/2014		11,069.00	0.00	11,069.00	13,715,767.63
Loan	09/15/2014	530,000.00		462,907.16	462,907.16-	14,708,674.79
3	09/15/2014		11,069.00	0.00	11,069.00	14,697,605.79
2014 Totals		1,000,000.00	22,138.00	663,644.68	641,506.68-	
Loan	03/15/2015	400,000.00		496,044.20	496,044.20-	15,593,649.99
4	03/15/2015		11,069.00	0.00	11,069.00	15,582,580.99
Loan	09/15/2015	600,000.00		525,912.11	525,912.11-	16,708,493.10
5	09/15/2015		11,069.00	0.00	11,069.00	16,697,424.10
2015 Totals		1,000,000.00	22,138.00	1,021,956.31	999,818.31-	
Loan	03/15/2016	325,000.00		563,538.06	563,538.06-	17,585,962.16
6	03/15/2016		11,069.00	0.00	11,069.00	17,574,893.16
Loan	09/15/2016	675,000.00		593,152.64	593,152.64-	18,843,045.80
7	09/15/2016		11,069.00	0.00	11,069.00	18,831,976.80
2016 Totals		1,000,000.00	22,138.00	1,156,690.70	1,134,552.70-	
Loan	03/15/2017	250,000.00		635,579.22	635,579.22-	19,717,556.02
8	03/15/2017		11,069.00	0.00	11,069.00	19,706,487.02
Loan	09/15/2017	0.00		665,093.94	665,093.94-	20,371,580.96
9	09/15/2017		11,069.00	0.00	11,069.00	20,360,511.96
2017 Totals		250,000.00	22,138.00	1,300,673.16	1,278,535.16-	
Loan	03/15/2018	0.00		687,167.28	687,167.28-	21,047,679.24
10	03/15/2018		11,069.00	0.00	11,069.00	21,036,610.24
Loan	09/15/2018	0.00		709,985.60	709,985.60-	21,746,595.84
11	09/15/2018		11,069.00	0.00	11,069.00	21,735,526.84

 AMBAC-No More Loans After 03-15-17

Date	Loan	Payment	Interest	Principal	Balance
2018 Totals	0.00	22,138.00	1,397,152.88	1,375,014.88-	
Loan 03/15/2019	0.00		733,574.03	733,574.03-	22,469,100.87
12 03/15/2019		11,069.00	0.00	11,069.00	22,458,031.87
Loan 09/15/2019	0.00		757,958.58	757,958.58-	23,215,990.45
13 09/15/2019		76,429.00	0.00	76,429.00	23,139,561.45
2019 Totals	0.00	87,498.00	1,491,532.61	1,404,034.61-	
14 03/15/2020		11,069.00	780,960.20	769,891.20-	23,909,452.65
Loan 09/15/2020	0.00		806,944.03	806,944.03-	24,716,396.68
15 09/15/2020		76,429.00	0.00	76,429.00	24,639,967.68
2020 Totals	0.00	87,498.00	1,587,904.23	1,500,406.23-	
16 03/15/2021		11,069.00	831,598.91	820,529.91-	25,460,497.59
Loan 09/15/2021	0.00		859,291.79	859,291.79-	26,319,789.38
17 09/15/2021		76,429.00	0.00	76,429.00	26,243,360.38
2021 Totals	0.00	87,498.00	1,690,890.70	1,603,392.70-	
18 03/15/2022		11,069.00	885,713.41	874,644.41-	27,118,004.79
Loan 09/15/2022	0.00		915,232.66	915,232.66-	28,033,237.45
19 09/15/2022		76,429.00	0.00	76,429.00	27,956,808.45
2022 Totals	0.00	87,498.00	1,800,946.07	1,713,448.07-	
20 03/15/2023		2,910,079.00	943,542.29	1,966,536.71	25,990,271.74
21 09/15/2023		2,477,419.00	877,171.67	1,600,247.33	24,390,024.41
2023 Totals	0.00	5,387,498.00	1,820,713.96	3,566,784.04	
22 03/15/2024		2,910,079.00	823,163.32	2,086,915.68	22,303,108.73
23 09/15/2024		2,477,419.00	752,729.92	1,724,689.08	20,578,419.65
2024 Totals	0.00	5,387,498.00	1,575,893.24	3,811,604.76	
24 03/15/2025		2,910,079.00	694,521.66	2,215,557.34	18,362,862.31
25 09/15/2025		2,477,419.00	619,746.60	1,857,672.40	16,505,189.91
2025 Totals	0.00	5,387,498.00	1,314,268.26	4,073,229.74	
26 03/15/2026		2,910,079.00	557,050.16	2,353,028.84	14,152,161.07
27 09/15/2026		2,477,419.00	477,635.44	1,999,783.56	12,152,377.51
2026 Totals	0.00	5,387,498.00	1,034,685.60	4,352,812.40	
28 03/15/2027		2,910,079.00	410,142.74	2,499,936.26	9,652,441.25
29 09/15/2027		2,477,419.00	325,769.89	2,151,649.11	7,500,792.14
2027 Totals	0.00	5,387,498.00	735,912.63	4,651,585.37	
30 03/15/2028		2,910,079.00	253,151.73	2,656,927.27	4,843,864.87
31 09/15/2028		2,477,419.00	163,480.44	2,313,938.56	2,529,926.31
2028 Totals	0.00	5,387,498.00	416,632.17	4,970,865.83	
32 03/15/2029		2,615,311.34	85,385.03	2,529,926.31	0.00
2029 Totals	0.00	2,615,311.34	85,385.03	2,529,926.31	
Grand Totals	20,985,000.00	41,400,981.34	20,415,981.34	20,985,000.00	

AMBAC-No More Loans After 03-15-17

Last interest amount increased by 0.02 due to rounding.

AMBAC-No More Loans After 03-15-17

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of your credit as a yearly rate.	The dollar amount the credit will cost you.	The amount of credit provided to you or on your behalf.	The amount you will have paid after you have made all payments as scheduled.
6.750 %	\$ 20,415,981.34	\$ 20,985,000.00	\$ 41,400,981.34

 AMBAC-No More Loans After 03-15-17 And \$5 M Paydown

Compound Period : Semiannual

Nominal Annual Rate : 6.750 %

Effective Annual Rate ... : 6.864 %

CASH FLOW DATA

	Event	Date	Amount	Number	Period	End Date
1	Loan	03/15/2012	5,265,000.00	1		
2	Loan	09/15/2012	3,400,000.00	1		
3	Loan	03/15/2013	5,605,000.00	1		
4	Loan	09/15/2013	3,465,000.00	1		
5	Payment	12/23/2013	6,000,000.00	1		
6	Loan	03/15/2014	470,000.00	1		
7	Payment	03/15/2014	11,069.00	1		
8	Loan	09/15/2014	530,000.00	1		
9	Payment	09/15/2014	11,069.00	1		
10	Loan	03/15/2015	400,000.00	1		
11	Payment	03/15/2015	11,069.00	1		
12	Loan	09/15/2015	600,000.00	1		
13	Payment	09/15/2015	11,069.00	1		
14	Loan	03/15/2016	325,000.00	1		
15	Payment	03/15/2016	11,069.00	1		
16	Loan	09/15/2016	675,000.00	1		
17	Payment	09/15/2016	11,069.00	1		
18	Loan	03/15/2017	250,000.00	1		
19	Payment	03/15/2017	11,069.00	1		
20	Loan	09/15/2017	0.00	1		
21	Payment	09/15/2017	11,069.00	1		
22	Loan	03/15/2018	0.00	1		
23	Payment	03/15/2018	11,069.00	1		
24	Loan	09/15/2018	0.00	1		
25	Payment	09/15/2018	11,069.00	1		
26	Loan	03/15/2019	0.00	1		
27	Payment	03/15/2019	11,069.00	1		
28	Loan	09/15/2019	0.00	1		
29	Payment	09/15/2019	76,429.00	1		
30	Payment	03/15/2020	11,069.00	1		
31	Loan	09/15/2020	0.00	1		
32	Payment	09/15/2020	76,429.00	1		
33	Payment	03/15/2021	5,011,069.00	1		
34	Loan	09/15/2021	0.00	1		
35	Payment	09/15/2021	76,429.00	1		
36	Payment	03/15/2022	11,069.00	1		
37	Loan	09/15/2022	0.00	1		
38	Payment	09/15/2022	76,429.00	1		
39	Payment	03/15/2023	2,910,079.00	1		
40	Payment	09/15/2023	2,477,419.00	1		
41	Payment	03/15/2024	2,910,079.00	1		
42	Payment	09/15/2024	2,477,419.00	1		
43	Payment	03/15/2025	2,910,079.00	1		
44	Payment	09/15/2025	2,477,419.00	1		

AMBAC-No More Loans After 03-15-17 And \$5 M Paydown

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
45 Payment	03/15/2026	2,910,079.00	1		
46 Payment	09/15/2026	2,477,419.00	1		
47 Payment	03/15/2027	2,910,079.00	1		
48 Payment	09/15/2027	2,280,319.43	1		

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

Date	Loan	Payment	Interest	Principal	Balance
Loan 03/15/2012	5,265,000.00				5,265,000.00
Loan 09/15/2012	3,400,000.00		177,693.75	177,693.75-	8,842,693.75
2012 Totals	8,665,000.00	0.00	177,693.75	177,693.75-	
Loan 03/15/2013	5,605,000.00		298,440.91	298,440.91-	14,746,134.66
Loan 09/15/2013	3,465,000.00		497,682.04	497,682.04-	18,708,816.70
1 12/23/2013		6,000,000.00	347,282.41	5,652,717.59	13,056,099.11
2013 Totals	9,070,000.00	6,000,000.00	1,143,405.36	4,856,594.64	
Loan 03/15/2014	470,000.00		200,737.52	200,737.52-	13,726,836.63
2 03/15/2014		11,069.00	0.00	11,069.00	13,715,767.63
Loan 09/15/2014	530,000.00		462,907.16	462,907.16-	14,708,674.79
3 09/15/2014		11,069.00	0.00	11,069.00	14,697,605.79
2014 Totals	1,000,000.00	22,138.00	663,644.68	641,506.68-	
Loan 03/15/2015	400,000.00		496,044.20	496,044.20-	15,593,649.99
4 03/15/2015		11,069.00	0.00	11,069.00	15,582,580.99
Loan 09/15/2015	600,000.00		525,912.11	525,912.11-	16,708,493.10
5 09/15/2015		11,069.00	0.00	11,069.00	16,697,424.10
2015 Totals	1,000,000.00	22,138.00	1,021,956.31	999,818.31-	
Loan 03/15/2016	325,000.00		563,538.06	563,538.06-	17,585,962.16
6 03/15/2016		11,069.00	0.00	11,069.00	17,574,893.16
Loan 09/15/2016	675,000.00		593,152.64	593,152.64-	18,843,045.80
7 09/15/2016		11,069.00	0.00	11,069.00	18,831,976.80
2016 Totals	1,000,000.00	22,138.00	1,156,690.70	1,134,552.70-	
Loan 03/15/2017	250,000.00		635,579.22	635,579.22-	19,717,556.02
8 03/15/2017		11,069.00	0.00	11,069.00	19,706,487.02
Loan 09/15/2017	0.00		665,093.94	665,093.94-	20,371,580.96
9 09/15/2017		11,069.00	0.00	11,069.00	20,360,511.96
2017 Totals	250,000.00	22,138.00	1,300,673.16	1,278,535.16-	
Loan 03/15/2018	0.00		687,167.28	687,167.28-	21,047,679.24
10 03/15/2018		11,069.00	0.00	11,069.00	21,036,610.24
Loan 09/15/2018	0.00		709,985.60	709,985.60-	21,746,595.84
11 09/15/2018		11,069.00	0.00	11,069.00	21,735,526.84
2018 Totals	0.00	22,138.00	1,397,152.88	1,375,014.88-	
Loan 03/15/2019	0.00		733,574.03	733,574.03-	22,469,100.87

 AMBAC-No More Loans After 03-15-17 And \$5 M Paydown

Date	Loan	Payment	Interest	Principal	Balance
12 03/15/2019		11,069.00	0.00	11,069.00	22,458,031.87
Loan 09/15/2019	0.00		757,958.58	757,958.58-	23,215,990.45
13 09/15/2019		76,429.00	0.00	76,429.00	23,139,561.45
2019 Totals	0.00	87,498.00	1,491,532.61	1,404,034.61-	
14 03/15/2020		11,069.00	780,960.20	769,891.20-	23,909,452.65
Loan 09/15/2020	0.00		806,944.03	806,944.03-	24,716,396.68
15 09/15/2020		76,429.00	0.00	76,429.00	24,639,967.68
2020 Totals	0.00	87,498.00	1,587,904.23	1,500,406.23-	
16 03/15/2021		5,011,069.00	831,598.91	4,179,470.09	20,460,497.59
Loan 09/15/2021	0.00		690,541.79	690,541.79-	21,151,039.38
17 09/15/2021		76,429.00	0.00	76,429.00	21,074,610.38
2021 Totals	0.00	5,087,498.00	1,522,140.70	3,565,357.30	
18 03/15/2022		11,069.00	711,268.10	700,199.10-	21,774,809.48
Loan 09/15/2022	0.00		734,899.82	734,899.82-	22,509,709.30
19 09/15/2022		76,429.00	0.00	76,429.00	22,433,280.30
2022 Totals	0.00	87,498.00	1,446,167.92	1,358,669.92-	
20 03/15/2023		2,910,079.00	757,123.21	2,152,955.79	20,280,324.51
21 09/15/2023		2,477,419.00	684,460.95	1,792,958.05	18,487,366.46
2023 Totals	0.00	5,387,498.00	1,441,584.16	3,945,913.84	
22 03/15/2024		2,910,079.00	623,948.62	2,286,130.38	16,201,236.08
23 09/15/2024		2,477,419.00	546,791.72	1,930,627.28	14,270,608.80
2024 Totals	0.00	5,387,498.00	1,170,740.34	4,216,757.66	
24 03/15/2025		2,910,079.00	481,633.05	2,428,445.95	11,842,162.85
25 09/15/2025		2,477,419.00	399,673.00	2,077,746.00	9,764,416.85
2025 Totals	0.00	5,387,498.00	881,306.05	4,506,191.95	
26 03/15/2026		2,910,079.00	329,549.07	2,580,529.93	7,183,886.92
27 09/15/2026		2,477,419.00	242,456.18	2,234,962.82	4,948,924.10
2026 Totals	0.00	5,387,498.00	572,005.25	4,815,492.75	
28 03/15/2027		2,910,079.00	167,026.19	2,743,052.81	2,205,871.29
29 09/15/2027		2,280,319.43	74,448.14	2,205,871.29	0.00
2027 Totals	0.00	5,190,398.43	241,474.33	4,948,924.10	
Grand Totals	20,985,000.00	38,201,072.43	17,216,072.43	20,985,000.00	

AMBAC-No More Loans After 03-15-17 And \$5 M Paydown

Last interest amount decreased by 0.02 due to rounding.

AMBAC-No More Loans After 03-15-17 And \$5 M Paydown

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of your credit as a yearly rate.	The dollar amount the credit will cost you.	The amount of credit provided to you or on your behalf.	The amount you will have paid after you have made all payments as scheduled.
6.750 %	\$ 17,216,072.43	\$ 20,985,000.00	\$ 38,201,072.43

AMBAC-No More Loans After 03-15-17 And \$10 M Paydown

Compound Period : Semiannual

Nominal Annual Rate : 6.750 %

Effective Annual Rate ... : 6.864 %

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1	Loan	03/15/2012	5,265,000.00	1	
2	Loan	09/15/2012	3,400,000.00	1	
3	Loan	03/15/2013	5,605,000.00	1	
4	Loan	09/15/2013	3,465,000.00	1	
5	Payment	12/23/2013	6,000,000.00	1	
6	Loan	03/15/2014	470,000.00	1	
7	Payment	03/15/2014	11,069.00	1	
8	Loan	09/15/2014	530,000.00	1	
9	Payment	09/15/2014	11,069.00	1	
10	Loan	03/15/2015	400,000.00	1	
11	Payment	03/15/2015	11,069.00	1	
12	Loan	09/15/2015	600,000.00	1	
13	Payment	09/15/2015	11,069.00	1	
14	Loan	03/15/2016	325,000.00	1	
15	Payment	03/15/2016	11,069.00	1	
16	Loan	09/15/2016	675,000.00	1	
17	Payment	09/15/2016	11,069.00	1	
18	Loan	03/15/2017	250,000.00	1	
19	Payment	03/15/2017	11,069.00	1	
20	Loan	09/15/2017	0.00	1	
21	Payment	09/15/2017	11,069.00	1	
22	Loan	03/15/2018	0.00	1	
23	Payment	03/15/2018	11,069.00	1	
24	Loan	09/15/2018	0.00	1	
25	Payment	09/15/2018	11,069.00	1	
26	Loan	03/15/2019	0.00	1	
27	Payment	03/15/2019	11,069.00	1	
28	Loan	09/15/2019	0.00	1	
29	Payment	09/15/2019	76,429.00	1	
30	Payment	03/15/2020	11,069.00	1	
31	Loan	09/15/2020	0.00	1	
32	Payment	09/15/2020	76,429.00	1	
33	Payment	03/15/2021	10,011,069.00	1	
34	Loan	09/15/2021	0.00	1	
35	Payment	09/15/2021	76,429.00	1	
36	Payment	03/15/2022	11,069.00	1	
37	Loan	09/15/2022	0.00	1	
38	Payment	09/15/2022	76,429.00	1	
39	Payment	03/15/2023	2,910,079.00	1	
40	Payment	09/15/2023	2,477,419.00	1	
41	Payment	03/15/2024	2,910,079.00	1	
42	Payment	09/15/2024	2,477,419.00	1	
43	Payment	03/15/2025	2,910,079.00	1	
44	Payment	09/15/2025	2,477,419.00	1	

AMBAC-No More Loans After 03-15-17 And \$10 M Paydown

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
45 Payment	03/15/2026	2,910,079.00	1		
46 Payment	09/15/2026	222,889.67	1		

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

Date	Loan	Payment	Interest	Principal	Balance
Loan 03/15/2012	5,265,000.00				5,265,000.00
Loan 09/15/2012	3,400,000.00		177,693.75	177,693.75-	8,842,693.75
2012 Totals	8,665,000.00	0.00	177,693.75	177,693.75-	
Loan 03/15/2013	5,605,000.00		298,440.91	298,440.91-	14,746,134.66
Loan 09/15/2013	3,465,000.00		497,682.04	497,682.04-	18,708,816.70
1 12/23/2013		6,000,000.00	347,282.41	5,652,717.59	13,056,099.11
2013 Totals	9,070,000.00	6,000,000.00	1,143,405.36	4,856,594.64	
Loan 03/15/2014	470,000.00		200,737.52	200,737.52-	13,726,836.63
2 03/15/2014		11,069.00	0.00	11,069.00	13,715,767.63
Loan 09/15/2014	530,000.00		462,907.16	462,907.16-	14,708,674.79
3 09/15/2014		11,069.00	0.00	11,069.00	14,697,605.79
2014 Totals	1,000,000.00	22,138.00	663,644.68	641,506.68-	
Loan 03/15/2015	400,000.00		496,044.20	496,044.20-	15,593,649.99
4 03/15/2015		11,069.00	0.00	11,069.00	15,582,580.99
Loan 09/15/2015	600,000.00		525,912.11	525,912.11-	16,708,493.10
5 09/15/2015		11,069.00	0.00	11,069.00	16,697,424.10
2015 Totals	1,000,000.00	22,138.00	1,021,956.31	999,818.31-	
Loan 03/15/2016	325,000.00		563,538.06	563,538.06-	17,585,962.16
6 03/15/2016		11,069.00	0.00	11,069.00	17,574,893.16
Loan 09/15/2016	675,000.00		593,152.64	593,152.64-	18,843,045.80
7 09/15/2016		11,069.00	0.00	11,069.00	18,831,976.80
2016 Totals	1,000,000.00	22,138.00	1,156,690.70	1,134,552.70-	
Loan 03/15/2017	250,000.00		635,579.22	635,579.22-	19,717,556.02
8 03/15/2017		11,069.00	0.00	11,069.00	19,706,487.02
Loan 09/15/2017	0.00		665,093.94	665,093.94-	20,371,580.96
9 09/15/2017		11,069.00	0.00	11,069.00	20,360,511.96
2017 Totals	250,000.00	22,138.00	1,300,673.16	1,278,535.16-	
Loan 03/15/2018	0.00		687,167.28	687,167.28-	21,047,679.24
10 03/15/2018		11,069.00	0.00	11,069.00	21,036,610.24
Loan 09/15/2018	0.00		709,985.60	709,985.60-	21,746,595.84
11 09/15/2018		11,069.00	0.00	11,069.00	21,735,526.84
2018 Totals	0.00	22,138.00	1,397,152.88	1,375,014.88-	
Loan 03/15/2019	0.00		733,574.03	733,574.03-	22,469,100.87
12 03/15/2019		11,069.00	0.00	11,069.00	22,458,031.87
Loan 09/15/2019	0.00		757,958.58	757,958.58-	23,215,990.45

AMBAC-No More Loans After 03-15-17 And \$10 M Paydown

Date	Loan	Payment	Interest	Principal	Balance
13 09/15/2019		76,429.00	0.00	76,429.00	23,139,561.45
2019 Totals	0.00	87,498.00	1,491,532.61	1,404,034.61-	
14 03/15/2020		11,069.00	780,960.20	769,891.20-	23,909,452.65
Loan 09/15/2020	0.00		806,944.03	806,944.03-	24,716,396.68
15 09/15/2020		76,429.00	0.00	76,429.00	24,639,967.68
2020 Totals	0.00	87,498.00	1,587,904.23	1,500,406.23-	
16 03/15/2021		10,011,069.00	831,598.91	9,179,470.09	15,460,497.59
Loan 09/15/2021	0.00		521,791.79	521,791.79-	15,982,289.38
17 09/15/2021		76,429.00	0.00	76,429.00	15,905,860.38
2021 Totals	0.00	10,087,498.00	1,353,390.70	8,734,107.30	
18 03/15/2022		11,069.00	536,822.79	525,753.79-	16,431,614.17
Loan 09/15/2022	0.00		554,566.98	554,566.98-	16,986,181.15
19 09/15/2022		76,429.00	0.00	76,429.00	16,909,752.15
2022 Totals	0.00	87,498.00	1,091,389.77	1,003,891.77-	
20 03/15/2023		2,910,079.00	570,704.14	2,339,374.86	14,570,377.29
21 09/15/2023		2,477,419.00	491,750.23	1,985,668.77	12,584,708.52
2023 Totals	0.00	5,387,498.00	1,062,454.37	4,325,043.63	
22 03/15/2024		2,910,079.00	424,733.91	2,485,345.09	10,099,363.43
23 09/15/2024		2,477,419.00	340,853.52	2,136,565.48	7,962,797.95
2024 Totals	0.00	5,387,498.00	765,587.43	4,621,910.57	
24 03/15/2025		2,910,079.00	268,744.43	2,641,334.57	5,321,463.38
25 09/15/2025		2,477,419.00	179,599.39	2,297,819.61	3,023,643.77
2025 Totals	0.00	5,387,498.00	448,343.82	4,939,154.18	
26 03/15/2026		2,910,079.00	102,047.98	2,808,031.02	215,612.75
27 09/15/2026		222,889.67	7,276.92	215,612.75	0.00
2026 Totals	0.00	3,132,968.67	109,324.90	3,023,643.77	
Grand Totals	20,985,000.00	35,756,144.67	14,771,144.67	20,985,000.00	

AMBAC-No More Loans After 03-15-17 And \$10 M Paydown

Last interest amount decreased by 0.01 due to rounding.

AMBAC-No More Loans After 03-15-17 And \$10 M Paydown

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of your credit as a yearly rate.	The dollar amount the credit will cost you.	The amount of credit provided to you or on your behalf.	The amount you will have paid after you have made all payments as scheduled.
6.750 %	\$ 14,771,144.67	\$ 20,985,000.00	\$ 35,756,144.67

 AMBAC-No More Loans After 03-15-17 And \$15 M Paydown

Compound Period : Semiannual

Nominal Annual Rate : 6.750 %

Effective Annual Rate ... : 6.864 %

CASH FLOW DATA

	Event	Date	Amount	Number	Period	End Date
1	Loan	03/15/2012	5,265,000.00	1		
2	Loan	09/15/2012	3,400,000.00	1		
3	Loan	03/15/2013	5,605,000.00	1		
4	Loan	09/15/2013	3,465,000.00	1		
5	Payment	12/23/2013	6,000,000.00	1		
6	Loan	03/15/2014	470,000.00	1		
7	Payment	03/15/2014	11,069.00	1		
8	Loan	09/15/2014	530,000.00	1		
9	Payment	09/15/2014	11,069.00	1		
10	Loan	03/15/2015	400,000.00	1		
11	Payment	03/15/2015	11,069.00	1		
12	Loan	09/15/2015	600,000.00	1		
13	Payment	09/15/2015	11,069.00	1		
14	Loan	03/15/2016	325,000.00	1		
15	Payment	03/15/2016	11,069.00	1		
16	Loan	09/15/2016	675,000.00	1		
17	Payment	09/15/2016	11,069.00	1		
18	Loan	03/15/2017	250,000.00	1		
19	Payment	03/15/2017	11,069.00	1		
20	Loan	09/15/2017	0.00	1		
21	Payment	09/15/2017	11,069.00	1		
22	Loan	03/15/2018	0.00	1		
23	Payment	03/15/2018	11,069.00	1		
24	Loan	09/15/2018	0.00	1		
25	Payment	09/15/2018	11,069.00	1		
26	Loan	03/15/2019	0.00	1		
27	Payment	03/15/2019	11,069.00	1		
28	Loan	09/15/2019	0.00	1		
29	Payment	09/15/2019	76,429.00	1		
30	Payment	03/15/2020	11,069.00	1		
31	Loan	09/15/2020	0.00	1		
32	Payment	09/15/2020	76,429.00	1		
33	Payment	03/15/2021	15,011,069.00	1		
34	Loan	09/15/2021	0.00	1		
35	Payment	09/15/2021	76,429.00	1		
36	Payment	03/15/2022	11,069.00	1		
37	Loan	09/15/2022	0.00	1		
38	Payment	09/15/2022	76,429.00	1		
39	Payment	03/15/2023	2,910,079.00	1		
40	Payment	09/15/2023	2,477,419.00	1		
41	Payment	03/15/2024	2,910,079.00	1		
42	Payment	09/15/2024	2,477,419.00	1		
43	Payment	03/15/2025	1,710,842.90	1		

AMBAC-No More Loans After 03-15-17 And \$15 M Paydown

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

	Date	Loan	Payment	Interest	Principal	Balance
Loan	03/15/2012	5,265,000.00				5,265,000.00
Loan	09/15/2012	3,400,000.00		177,693.75	177,693.75-	8,842,693.75
2012 Totals		8,665,000.00	0.00	177,693.75	177,693.75-	
Loan	03/15/2013	5,605,000.00		298,440.91	298,440.91-	14,746,134.66
Loan	09/15/2013	3,465,000.00		497,682.04	497,682.04-	18,708,816.70
1	12/23/2013		6,000,000.00	347,282.41	5,652,717.59	13,056,099.11
2013 Totals		9,070,000.00	6,000,000.00	1,143,405.36	4,856,594.64	
Loan	03/15/2014	470,000.00		200,737.52	200,737.52-	13,726,836.63
2	03/15/2014		11,069.00	0.00	11,069.00	13,715,767.63
Loan	09/15/2014	530,000.00		462,907.16	462,907.16-	14,708,674.79
3	09/15/2014		11,069.00	0.00	11,069.00	14,697,605.79
2014 Totals		1,000,000.00	22,138.00	663,644.68	641,506.68-	
Loan	03/15/2015	400,000.00		496,044.20	496,044.20-	15,593,649.99
4	03/15/2015		11,069.00	0.00	11,069.00	15,582,580.99
Loan	09/15/2015	600,000.00		525,912.11	525,912.11-	16,708,493.10
5	09/15/2015		11,069.00	0.00	11,069.00	16,697,424.10
2015 Totals		1,000,000.00	22,138.00	1,021,956.31	999,818.31-	
Loan	03/15/2016	325,000.00		563,538.06	563,538.06-	17,585,962.16
6	03/15/2016		11,069.00	0.00	11,069.00	17,574,893.16
Loan	09/15/2016	675,000.00		593,152.64	593,152.64-	18,843,045.80
7	09/15/2016		11,069.00	0.00	11,069.00	18,831,976.80
2016 Totals		1,000,000.00	22,138.00	1,156,690.70	1,134,552.70-	
Loan	03/15/2017	250,000.00		635,579.22	635,579.22-	19,717,556.02
8	03/15/2017		11,069.00	0.00	11,069.00	19,706,487.02
Loan	09/15/2017	0.00		665,093.94	665,093.94-	20,371,580.96
9	09/15/2017		11,069.00	0.00	11,069.00	20,360,511.96
2017 Totals		250,000.00	22,138.00	1,300,673.16	1,278,535.16-	
Loan	03/15/2018	0.00		687,167.28	687,167.28-	21,047,679.24
10	03/15/2018		11,069.00	0.00	11,069.00	21,036,610.24
Loan	09/15/2018	0.00		709,985.60	709,985.60-	21,746,595.84
11	09/15/2018		11,069.00	0.00	11,069.00	21,735,526.84
2018 Totals		0.00	22,138.00	1,397,152.88	1,375,014.88-	
Loan	03/15/2019	0.00		733,574.03	733,574.03-	22,469,100.87
12	03/15/2019		11,069.00	0.00	11,069.00	22,458,031.87
Loan	09/15/2019	0.00		757,958.58	757,958.58-	23,215,990.45
13	09/15/2019		76,429.00	0.00	76,429.00	23,139,561.45
2019 Totals		0.00	87,498.00	1,491,532.61	1,404,034.61-	
14	03/15/2020		11,069.00	780,960.20	769,891.20-	23,909,452.65
Loan	09/15/2020	0.00		806,944.03	806,944.03-	24,716,396.68
15	09/15/2020		76,429.00	0.00	76,429.00	24,639,967.68
2020 Totals		0.00	87,498.00	1,587,904.23	1,500,406.23-	

AMBAC-No More Loans After 03-15-17 And \$15 M Paydown

Date	Loan	Payment	Interest	Principal	Balance
16 03/15/2021		15,011,069.00	831,598.91	14,179,470.09	10,460,497.59
Loan 09/15/2021	0.00		353,041.79	353,041.79-	10,813,539.38
17 09/15/2021		76,429.00	0.00	76,429.00	10,737,110.38
2021 Totals	0.00	15,087,498.00	1,184,640.70	13,902,857.30	
18 03/15/2022		11,069.00	362,377.48	351,308.48-	11,088,418.86
Loan 09/15/2022	0.00		374,234.14	374,234.14-	11,462,653.00
19 09/15/2022		76,429.00	0.00	76,429.00	11,386,224.00
2022 Totals	0.00	87,498.00	736,611.62	649,113.62-	
20 03/15/2023		2,910,079.00	384,285.06	2,525,793.94	8,860,430.06
21 09/15/2023		2,477,419.00	299,039.51	2,178,379.49	6,682,050.57
2023 Totals	0.00	5,387,498.00	683,324.57	4,704,173.43	
22 03/15/2024		2,910,079.00	225,519.21	2,684,559.79	3,997,490.78
23 09/15/2024		2,477,419.00	134,915.31	2,342,503.69	1,654,987.09
2024 Totals	0.00	5,387,498.00	360,434.52	5,027,063.48	
24 03/15/2025		1,710,842.90	55,855.81	1,654,987.09	0.00
2025 Totals	0.00	1,710,842.90	55,855.81	1,654,987.09	
Grand Totals	20,985,000.00	33,946,520.90	12,961,520.90	20,985,000.00	

AMBAC-No More Loans After 03-15-17 And \$15 M Paydown

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of your credit as a yearly rate.	The dollar amount the credit will cost you.	The amount of credit provided to you or on your behalf.	The amount you will have paid after you have made all payments as scheduled.
6.750 %	\$ 12,961,520.90	\$ 20,985,000.00	\$ 33,946,520.90

**CITY OF HARRISBURG
DEBT ANALYSIS**

	<u>Payoff Date</u>	<u>Interest Cost</u>
Do Nothing-No Paydown	03/15/29	\$ 20,415,981
\$5 Million Paydown	09/15/27	\$ 17,216,072
\$10 Million Paydown	09/15/26	\$ 14,771,145
\$15 Million Paydown	03/15/25	\$ 12,961,521

Calculations at 6.75%
Calculations exclude any impact from negotiations.

G.O. Debt Ends	09/15/22	~ \$8.65 million
AMBAC Debt Begins	03/15/23	~ \$5.4 million

Questions Regarding the COH 2020 Mid-Year Fiscal Report

1. With respect to public safety expenditures, on the 2020 General Fund summary table, the City notes that there is a \$1.1 million savings in personnel expenses from the Police Department. Can you please explain this in more detail? The understanding was that due to the new collective bargaining agreement with the police union, police related personnel expenses would rise in 2020.

The budget amount for personnel is based on a full complement. The budget savings are a result of the retirements/voluntary separations and the subsequent unfilled vacancies in the police department.

2. With respect to capital expenditures, the 2020 General Fund summary table indicates anticipate expenditures over \$443,722 more than budget. Can you provide any summary of this deviation from budget? What are these expenditures, which projects? Do they have any relationship to the 2020 Capital Budget approved in December 2019? What happened to the freeze on capital expenditures discussed earlier this year?

The 2020 Budgeted Capital Expense in the mid-year report is based on the original budget passed in December 2019. The City passed an adjusted budget early in 2020 with an increased Capital Expenses. There are no anticipated deviations from that adjusted budget.

3. With respect to the Ambac settlement payment, the report indicates that the City is still anticipating a \$500,000 payment to Ambac in this fiscal year. When does the term sheet provided to Council and the Authority expire? Has the terms of the repayment changes in the intervening nine months? Why would the City wait so long to make a payment that was approved in concept last December 2019?

The City anticipated major revenue pressure as a result of the COVID pandemic and related economic shutdown. Since the anticipated Ambac payment is \$5,000,000 dollars and not \$500,000 dollars, the City elected to assess the General Fund ramifications of the pandemic before making a major cash outlay to prepay the Ambac liability.

The City and Ambac are in regular contact and the City is evaluating the most appropriate course of action given current circumstances.

4. With respect to the slow payment of real estate taxes throughout 2020:

a. Is it possible that the City would pursue foreclosures in 2021 for unpaid taxes and is there a policy on tax liens and sheriff sales?

b. It was stated that the City has the ability to avoid cuts using potential savings and cash reserves. Does this question the accuracy of the adopted 2020 budget?

Building and preserving a strong cash reserve is not a reflection on the city's inability to accurately budget revenues, but rather the result of disciplined adherence to best practice reserve policy standards.

Since our collections rates remain strong in spite of the economic impact of the COVID pandemic, any deviations from budgeted real-estate tax revenues (both current and delinquent) will be primarily attributed to the COVID pandemic and related ability-to-pay issues of real-estate tax payors.

The City has had a long-standing contract with Dauphin County (Tax Claim Bureau) for the collection on delinquent property taxes. At the end of the year, all properties with unpaid property taxes are forwarded to the County for collection. The first year of delinquent collections involves sending notice and tacking on additional collection fees. Once the property is delinquent for over two years, it is then listed for tax sale during the third year of the delinquency. Once/if sold, the City receives that tax amount plus penalty.

5. What specific actions is the City taking to trim expenses in 2020? Other than the reduction in self-insured health expenses, what other expenses are coming in lower than budgeted and is this a result of City actions or over-budgeted line items? Now that the hiring freeze and the capital project freeze have both been lifted, can the City point to any other examples of actions taken to avoid expenditures in light of the poor performance of General Fund revenues?

As noted in the report, the primary cost savings initiatives have been related to salaries (in the form of a hiring freeze) and medical insurance costs. Personnel costs combined with debt service represents about 85% of the operating budget. The city has experienced lower costs compared to budget in other areas, mainly related to the shutdown, including utilities costs, training, and travel. In addition, the Mayor and Business Administrator review all purchase orders and contracts. Senior Staff has been instructed to continually monitor departmental spending levels and ensure that all expenses are reasonable and necessary.

The City has begun developing the 2021 budget and is currently reexamining its operating expenses as a standard part of that process.

6. With respect to the end of year numbers, how were these forecasts made and what models were utilized? How confident are we in these forecasts?

The method and approach to year-end revenue projection is different based each particular revenue line item. In general, the projections were based on a gradual, but modest local economic recovery that would not reach pre-COVID levels of activity by the end of the year. The uncertainty related to the pandemic make projecting this year's revenues more difficult than most. For this reason, the Finance Department is monitoring collections closely on a week by week basis to anticipate variances from the mid-year financial plan.

Summary of Bills Paid – Intergovernmental Cooperation Authority for Harrisburg

Report – September 16, 2020

• Digital Ocean <i>Website software licenses</i>	\$10.60	August 3, 2020
• Digital Ocean <i>Web Host</i>	\$5.72	August 3, 2020
• PA Media Group <i>Legal Advertisement</i>	\$103.44	August 18, 2020
• Digital Ocean <i>Website software licenses</i>	\$10.60	September 1, 2020
• Digital Ocean <i>Web Host</i>	\$5.72	September 1, 2020
• Shaffer & Engle Law Offices, LLC <i>Legal services</i>	\$1,290.00	September 16, 2020
• MESH PA, LLC <i>Authority Manager</i>	\$9,450.00	September 16, 2020
• PA Department of Community and Economic Development (Year Three Partial) <i>Allocation</i>	+\$42,000	August 18, 2020

Starting balance: \$77,707.61

Ending balance: \$108,833.17

- | | |
|---------------------------|---------|
| • Interest earnings Y-T-D | \$14.80 |
| • Fees Y-T-D | \$ -0- |