

# **MUNICIPAL FINANCIAL RECOVERY ADVISORY COMMITTEE MEETING**

**November 13, 2013**

## **Harrisburg Strong Plan Implementation & Related Matters**

**The City of Harrisburg  
Hon. Linda D. Thompson  
Mayor**

Good morning General Lynch, Mayor Thompson, Madame President Williams, and Committee. The administration continues to implement the Harrisburg Strong Plan working closely with the Office of the Receiver and all planning partners.

City administrative and operational activities continue to accelerate in support of major Harrisburg Strong asset transactions.

I am Dr. Brenda Alton, Director of the Department of Parks, Recreation & Enrichment, and I am pleased to report this morning on behalf of the Mayor and Chief Operating Officer that the Administration continues to aggressively implement the Harrisburg Strong Plan initiatives.

Of the 133 Initiatives in the Harrisburg Strong Plan pertaining to the administration, approximately 46% have been completed to date; 36% are in progress to be completed; and the remaining 18%, are pending actions by other parties beyond the control of the administration.

Highlights of Administration departmental and bureau accomplishments for this reporting period are as follows:

**The Department of Administration** has successfully transitioned the Operations & Revenue Bureau and Department of Public Works Water and Sewer Bureaus, and to the reorganized Harrisburg Authority as scheduled. Five Operations & Revenue staff, 28 Water, and 29 Sewer employees were transferred, a total of 62 employees. The administration continues to work closely with the authority to assure the orderly transition of services to city residents.

The City **Law Bureau** continues to process legal documents supporting Harrisburg Strong Plan monetization transactions, dealing with complex matters relating to The Harrisburg Authority transfers, the Incinerator sale, the parking transactions and related matters.

**The Department of Administration's Bureau of Human Resources** continues to assist city employees involved in various transfers as a result of the plan. The Bureau continues to implement contractual changes for AFSCME and FOP City employees.

**FIRE04- Implement an engine company inspection program -**

Fire Inspector class for all fire officers is scheduled to start in January 2014. Fire Bureau members are going to start participating with the Fire Inspector for safety inspections when available in the near future. We are also updating our data collection software to better enable documentation of the inspections

**FIRE06 - Adjust false alarm fees to more accurately reflect costs and impacts-**

False alarm fee schedule was adjusted and increases were made by Bill No. 1 of 2013 which was passed by City Council and signed into law by Mayor Thompson on October 23, 2013. This Initiative is completed.

The **Department of Public Works** continues to implement various initiatives and projects in support of the Harrisburg Strong Plan.

The Recycling Program has been reviewed and the city will accelerate recycling public educational activities in advance of the February 2014 start of private sanitation services in the city. It is anticipated that the percentage of city recycled city trash will increase significantly over the next two years. Preliminary indications are that the city will greatly improve sanitation efficiency and save taxpayers approximately \$900,000 per year.

Contract negotiations are nearing completion with the selected vendor and a meeting with City Council will be scheduled to further review the contract before signing. DPW will also prepare a plan "B" cost/benefit analysis and comparison of the contract versus the cost for City improvement to in-house sanitation collection and disposal capabilities.

The Public Works Department has selected an appropriate site to relocate the City's Vehicle Motor Center upon completion of the Incinerator sale. Operational staff meetings were held and an architect is currently redesigning the property for conversion to meet the DPW specifications. Interviews have been conducted for a Fleet Manager.

A Street Light LED conversion study has been completed and negotiations are underway with Phillips Corporation, a PA Department of General Services Costar vender, to provide installation services for approximately 4,500 LED lights throughout the City.

Estimated savings in utility costs is approximately \$300 - 400,000 per year and the savings will be used to pay off the estimated \$2.4 million upgrade over approximately 7 years. There will be no out of pocket cost to the City.

The **Department of Administration's Bureau of Financial Management** reports the following activities:

The 2012 Audit is completed and will be available to the public this week.

The City remains in compliance with its financial reporting obligations to the secondary bond market.

Development of the City's 3<sup>rd</sup> Quarter Fiscal Report is underway and will be brought to City Council by November 14<sup>th</sup>.

The 2014 Proposed Budget development process continues. Departmental narratives have been distributed for update and revenue projections have been completed. A "Gap Analysis" process is under review now before submitting the 2014 Requested Budget to the Mayor for review. The Mayor's Proposed 2014 will be presented to City Council on November 26<sup>th</sup>.

**The Department of Administration City Tax & Enforcement office** continues to implement and enforce the revenue producing initiatives related to this office. Penalty and interest rates were increased for the business privilege/mercantile tax, and the City realized a 55% increase in the amount of penalty received for this period of the current year as compared with last year.

The Tax & Enforcement administrator is working with the Law Bureau to implement a comprehensive tax amnesty program that will incorporate not only the Local Services Tax, but will include the business privilege/mercantile and amusement taxes. The City will coordinate with the Capital Tax Collection Bureau and the School District of Harrisburg to advertise, coordinate and conduct this amnesty program next year.

The City is currently receiving ongoing payments from MuniServices who the City contracted to provide discovery and audit services for mercantile/business privilege and amusement taxes.

### **Bureau of Economic Development**

The Bureau has restructured the Revolving Loan Fund to include a Loan Review Committee, new underwriting guidelines and policies as well as targeting MBEs and WBEs as potential borrowers. It is not anticipated that loans will be issued before December 31, 2013. The Bureau continues to advertise for a Deputy Director of Economic Development to assist with the Long Term Economic Development Plan.

CREDC and Mullin and Lonergan continue to develop preliminary research and Economic Development components as part of the City's Comprehensive Plan as per (ED02).

### **Bureau of Codes**

The Bureau of Codes in conjunction with the Bureau of Human Resources continues to advertise for two Code Enforcement Officers. (BH02). The addition of two Code Enforcement Officers will facilitate and accelerate the demolition of blighted properties.

## **Bureau of Planning**

The Bureau is working with the Tri County Planning Commission to develop Harrisburg land use, travel, employment and traffic and congestion projects in the Harrisburg Area Transportation Study, 2040 Regional Transportation Plan.

This completes my presentation this morning.

The City administration remains committed to the operational implementation of the Harrisburg Strong Plan as it continues to shape the government of the City of Harrisburg to the benefit of its citizens, workers, and visitors. Thank you ladies and gentlemen.