

FINANCIAL EMERGENCY ACTION SUMMARY AND SCHEDULE

This Emergency Plan consists of many different actions to address the three components of the City's fiscal emergency. To become fiscally solvent and in a position to sustain itself in the years ahead, the City needs to implement all of these recommendations. We recognize, though, that the City cannot do everything at once, that various actions will require different time frames for completion. Therefore, we present Table 2 as a recommended guide for timing the various steps requiring the City's action.

TABLE 2: RECOMMENDED ACTIONS AND TIMING

	Action Summary	Schedule 2010
1	Develop a monthly consolidated general fund/debt service fund cash flow model for the year 2010, and a monthly cash flow model for THA.	January 22
2	Pre-pay all 2010 budgeted water, sewer and parking utilities administrative charges due to the General Fund in accordance with cash flow requirements set forth in the cash flow model.	February 1
3	Make arrangements for short-term adjustments to support long-term solutions: <ul style="list-style-type: none"> o Allocate 2009 carryover balance of \$2.8 million of RRF debt service guarantees. o Make no increases in city staffing. o Defer capital expenditures that are not financed entirely by external resources. o Cap General Fund spending during the first quarter of 2010 at 20% of the total 2010 adopted budget, with the exception of debt service. o Incorporate management audit recommendations into approved 2010 budget. o Authorize study of city imposed fee structure and development of a fee setting model. 	February 11
4	Update financial model to incorporate revised 2010 budget decisions.	February 15

	Action Summary	Schedule 2010
5	Arrange for market value appraisals to be completed by March 31 for the following City owned assets: <ul style="list-style-type: none"> o Parking facilities o City Island, including all sports facilities o Broad Street Market o Water Utility o Land under parking facilities o Sewerage Utility o Resource Recovery Facility o City owned museums o Historic artifacts 	February 15
6	Begin reviewing emergency financial plan with Dauphin County and arrange for County to make its debt service guarantee payments consistent with the cash flow model.	February 15
7	Begin reviewing emergency financial plan with RRF bond insurance vendor and arrange for bond insurer to make City's direct debt service guarantee payments consistent with the cash flow model.	February 15
8	Begin reviewing emergency financial plan with bond holder trustees.	February 15
9	Negotiate a 90% deferral of monthly refunding of RRF debt service reserves with the balance to be paid no later than December 31, 2010.	February 28
10	Initiate financial analysis and management audit of The Harrisburg Authority.	March 1
11	Begin negotiations with Covanta for long-term lease/sale of RRF and conclude negotiations by May 7, 2010.	April 7
12	Reopen bargaining with labor unions for long term agreements.	May 1
13	Identify City assets for sale/lease.	June 1
14	Begin preparation of multi-year capital plan and budget to be concluded by September 30, 2010.	June 1
15	Receive proposals for sale/lease of City assets.	July 31
16	Select preferred proposals for sale/lease of City assets.	September 1
17	Close on sale/lease of assets.	November 1
18	Repay Dauphin County and bond insurer for earlier debt service guarantee payments made.	November 15
19	Refinance or payoff \$34 million RRF debt obligation.	December 1
20	Submit 2011 Proposed Budget, updated financial projection for 2011 to 2015, and multi-year capital plan to City Council.	December 1
21	As a fundamental component of the 2011 proposed budget, consider and propose alternative revenue sources or commensurate expenditure reductions that equal or exceed operating transfers lost through City asset disposal.	December 1