

## Act 47 Testimony

Thank you for your consideration of my testimony. My name is Mary Schwanger. I am honored to serve as the Council Director for the AFSCME District Council 90, the American Federation of State, County and Municipal Employees of Dauphin County. Our offices are located at 4031 Executive Park Drive, Harrisburg, PA 17111.

AFSCME District Council 90 is the exclusive representative for AFSCME Local 521, which represents the non-uniformed employees at the City of Harrisburg and a second bargaining unit representing the non-professional employees at the Harrisburg Parking Authority.

I am submitting this testimony concerning the financial crisis at the City of Harrisburg. As other individuals have already stated, much of the City of Harrisburg's financial crisis is unique for two reasons. One reason is that this crisis is due in large part to the actions of the Harrisburg Authority. The second reason is that the current elected officials in the City of Harrisburg have not been able to agree on a plan to address its financial crisis. That lack of consensus has made governing in the City of Harrisburg extremely difficult.

As many other stakeholders have testified, it is the failure of The Harrisburg Authority to make their debt payments that has created the huge debt burden for the residents of the City of Harrisburg, many of which are members of AFSCME District Council 90.

In order to address this crisis, one must examine the financial management of The Harrisburg Authority not just the financial management of the City of the Harrisburg. We urge the Department of Community and Economic Development to examine The Harrisburg Authority's financial management since its inception in the early 1990's.

We believe that the examination of The Harrisburg Authority's practices and strong recommendations from this review will prevent further abuses, which could again result in harm to the City of Harrisburg's financial future.

Finally, during the past calendar year, our members employed at the City of Harrisburg have had two payroll periods where overtime compensation earned was not paid on time. On the surface, those incidents would indicate the severe level of financial crisis that we are experiencing at the City of Harrisburg. However, those delayed overtime payments were more related to the lack of coordination or communication among the elected officials at the City of Harrisburg than the financial inability to make those payments.

In addition, it is our belief that it was the inability of the City's elected officials to develop and implement the early intervention program that has brought us to this hearing and a designation as a distressed city under Act 47.

In conclusion, it is our hope that the Act 47 program can provide the necessary services to the City to develop a consensus among a majority of the elected City officials to resolve this crisis. If not, all the stakeholders in the City will continue to suffer with this crushing debt that only results in diminished services and a resulting decline in the City's population.

Thank you again for your consideration of my testimony.