



**NOTICE OF SPECIAL MEETING AGENDA
LANCASTER CITY COUNCIL
MUNICIPAL CENTER CITY COUNCIL CHAMBERS
211 N. HENRY STREET, LANCASTER, TEXAS**



Thursday, September 12, 2019 - 7:00 PM

CALL TO ORDER

PUBLIC TESTIMONY:

At this time citizens who have pre-registered before the call to order will be allowed to speak on consent or action item on the agenda, with the exception of public hearings, for a length of time not to exceed three minutes. Anyone desiring to speak on an item scheduled for a public hearing is requested to hold their comments until the public hearing on that item.

PUBLIC HEARING:

1. Conduct a public hearing and discuss an ordinance regarding the proposed fiscal year 2019/2020 budget for the fiscal year beginning October 1, 2019 and ending September 30, 2020; providing that expenditures for said fiscal year shall be in accordance with said budget.
2. Conduct a public hearing and discuss an ordinance regarding the proposed revenue increase from levying ad valorem taxes for fiscal year 2019/2020 at \$0.840925 per one hundred dollars assessed valuation of all taxable property within the corporate limits to provide revenues for current maintenance and operation expenses and interest and sinking fund requirements; providing due and delinquent dates; penalties and interest; providing a homestead exemption and disability exemption.

ADJOURNMENT

EXECUTIVE SESSION: The City Council reserve the right to convene into executive session on any posted agenda item pursuant to Section 551.071(2) of the Texas Government Code to seek legal advice concerning such subject.

ACCESSIBILITY STATEMENT: Meetings of the City Council are held in municipal facilities are wheelchair-accessible. For sign interpretive services, call the City Secretary's office, 972-218-1311, or TDD 1-800-735-2989, at least 72 hours prior to the meeting. Reasonable accommodation will be made to assist your needs.

PURSUANT TO SECTION 30.06 PENAL CODE (TRESPASS BY HOLDER WITH A CONCEALED HANDGUN), A PERSON LICENSED UNDER SUBCHAPTER H, CHAPTER 411, GOVERNMENT CODE (HANDGUN LICENSING LAW), MAY NOT ENTER THIS PROPERTY WITH A CONCEALED HANDGUN.

CONFORME A LA SECCION 30.06 DEL CODIGO PENAL (TRASPASAR PORTANDO ARMAS DE FUEGO CON LICENCIA) PERSONAS CON LICENCIA BAJO DEL SUB-CAPITULO 411, CODIGO DEL GOBIERNO (LEY DE PORTAR ARMAS), NO DEBEN ENTRAR A ESTA PROPIEDAD PORTANDO UN ARMA DE FUEGO OCULTADA.

PURSUANT TO SECTION 30.07 PENAL CODE (TRESPASS BY HOLDER WITH AN OPENLY CARRIED HANDGUN), A PERSON LICENSED UNDER SUBCHAPTER H, CHAPTER 411, GOVERNMENT CODE (HANDGUN LICENSING LAW), MAY NOT ENTER THIS PROPERTY WITH A HANDGUN THAT IS CARRIED OPENLY.

CONFORME A LA SECCION 30.07 DEL CODIGO PENAL (TRASPASAR PORTANDO ARMAS DE FUEGO AL AIRE LIBRE CON LICENCIA) PERSONAS CON LICENCIA BAJO DEL SUB-CAPITULO H, CAPITULO 411, CODIGO DE GOBIERNO (LEY DE PORTAR ARMAS), NO DEBEN ENTRAR A ESTA PROPIEDAD PORTANDO UN ARMA DE FUEGO AL AIRE LIBRE.

Certificate

I hereby certify the above Notice of Meeting was posted at the Lancaster City Hall on September 9, 2019 @ 5:00 p.m. and copies thereof were provided to the Mayor, Mayor Pro-Tempore, Deputy Mayor Pro-Tempore and Council members.



Sorangel O. Arenas
City Secretary

LANCASTER CITY COUNCIL

City Council Special Meeting

1.

Meeting Date: 09/12/2019

Policy Statement: This request supports the City Council 2019-2020 Policy Agenda

Goal(s): Financially Sound City Government

Submitted by: Carey Neal, Assistant to the City Manager

Agenda Caption:

Conduct a public hearing and discuss an ordinance regarding the proposed fiscal year 2019/2020 budget for the fiscal year beginning October 1, 2019 and ending September 30, 2020; providing that expenditures for said fiscal year shall be in accordance with said budget.

Background:

State Truth-in-Taxation and the City Charter require the City of Lancaster to conduct a public hearing on the proposed annual budget. The proposed total tax rate required to provide revenue for maintenance and operations and interest and sinking fund requirements is \$0.840925 cents per \$100 assessed valuation. The approval of the proposed ordinance will adopt the FY 2019/2020 budget and appropriate necessary funds for the City's operation, maintenance and debt service requirements.

The proposed budget was presented to the Lancaster City Council at a work session held on Monday, August 5, 2019, and a Town Hall meeting held on Thursday, August 8, 2019. The first public hearing was held on Monday, August 19, 2019 and (1) citizen provided comment. The City Council closed the public hearing and announced the date and time of the next public hearing. The second public hearing was held on Monday, August 26, 2019 and (0) citizens provided comment. An additional public hearing was held on September 9, 2019.

This is the final public hearing on the proposed budget. Consideration of the budget is scheduled for Monday, September 16, 2019. The meeting is planned for 7:00 p.m. at Lancaster Municipal Center, 211 N. Henry Street, Lancaster, Texas. A copy of the proposed budget is available for public review in the City Secretary's office.

Operational Considerations:

The proposed tax rate is \$0.840925 per \$100 assessed valuation to be assessed on taxable property to generate revenues for the maintenance and operations, and interest and sinking fund requirements. The proposed maintenance and operations portion is \$0.5952 per \$100 assessed value and the interest and sinking fund requirement is \$0.245725. This is a decrease from our previous year tax rate of \$0.867500, \$0.6021 for the maintenance and operations, and \$0.2663 for the interest and sinking fund.

The total budget for all funds is \$64,544,796.

General Fund	\$31,421,288
G.O. Debt Service	\$5,591,820
Street Maintenance	\$944,000
Water/Wastewater	\$16,100,832
Airport	\$498,857

Hotel/Motel	\$40,750
LEDC/4A	\$1,465,916
LRDC/4B	\$3,729,699
Golf Course	\$802,628
Sanitation	\$2,041,738
E911	\$287,227
Stormwater	\$1,620,041

Legal Considerations:

The ordinance has been reviewed and approved as to form by the City Attorney.

Public Information Considerations:

Notice regarding this public hearing was posted in accordance with state law in the City's newspaper of record, Focus Daily News on Wednesday, August 28, 2019 and on the City of Lancaster website.

Fiscal Impact:

The proposed budget is a plan for revenues and expenditures related to the operations of the City.

Options/Alternatives:

1. City Council may conduct and close the public hearing and announce date, time, and location of the meeting for consideration of the proposed FY 2019/2020 budget which is Monday, September 16, 2019 at 7:00 p.m. at Lancaster Municipal Center, Council Chambers, 211 North Henry Street, Lancaster, Texas.
2. City Council may conduct and continue the public hearing until the next special meeting September 16, 2019, at 7:00 p.m. at Lancaster Municipal Center, Council Chambers, 211 North Henry Street, Lancaster, Texas.

Recommendation:

Staff recommends closing the public hearing and announcing consideration for adoption will be held on Monday, September 16, 2019 at 7:00 p.m. at Lancaster Municipal Center Council Chambers located at 211 North Henry Street, Lancaster, Texas.

Attachments

Ordinance
Exhibit A

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, APPROVING AND ADOPTING A BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2019 AND ENDING SEPTEMBER 30, 2020; PROVIDING THAT EXPENDITURES FOR SAID FISCAL YEAR SHALL BE IN ACCORDANCE WITH SAID BUDGET; PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City Manager of the City of Lancaster has submitted to the City Council a proposed budget of the revenues and expenditures for conducting the affairs of the City and providing a complete financial plan for fiscal year 2019-2020; and

WHEREAS, the City Council has received the City Manager's proposed budget, a copy of which has been filed with the City Secretary of the City of Lancaster;

WHEREAS, THIS BUDGET WILL RAISE MORE TOTAL PROPERTY TAXES THAN LAST YEAR'S BUDGET BY \$3,476,081 OR 15.42%, AND OF THAT AMOUNT, \$1,909,851 IS TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS:

SECTION 1. That the Budget of the revenues and expenditures necessary for conducting the affairs of the City of Lancaster and providing a financial plan for the ensuing fiscal year beginning October 1, 2019 and ending September 30, 2020, as submitted by the City Manager, after the required public hearing, be and the same is hereby adopted as the Budget of the City of Lancaster for the fiscal year beginning October 1, 2019 and ending September 30, 2020 a copy of which is maintained in the office of the City Secretary, and; said budget contains all of the proposed projects and expenditures in accordance with law. (Exhibit A)

SECTION 2. That the appropriation for the fiscal year including the budgets of the Lancaster Economic Development Corporation (Type A) and Lancaster Recreational Development Corporation (Type B), which are hereby approved beginning October 1, 2019, and ending September 30, 2020, for the various funds and purposes of the City of Lancaster, which is attached hereto and incorporated herein as Exhibit A.

SECTION 3. Those expenditures during the fiscal year shall be made in accordance with the budget approved by this ordinance and made part hereof for all purposes unless otherwise authorized by a duly enacted ordinance of the City; and, said budget may be amended from time to time as authorized by ordinance of the City Council.

SECTION 4. That all notices and public hearings required by law have been duly completed.

SECTION 5. That all provisions of the ordinances of the City of Lancaster in conflict with the provisions of this ordinance be and the same are hereby repealed, and all other provisions of the ordinances of the City of Lancaster not in conflict with the provisions of this ordinance shall remain in full force and effect.

SECTION 6. That should any sentence, paragraph, subdivision, clause, phase or section of this ordinance be adjudged or held to be unconstitutional, illegal, or invalid, the same shall not affect the validity of this ordinance as a whole, or any part or provision thereof other than the part so decided to be invalid, illegal or unconstitutional.

DULY PASSED and approved by the City Council of the City of Lancaster, Texas, on this the 16th day of September, 2019.

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Clyde C. Hairston, Mayor

APPROVED AS TO FORM:

David T. Ritter, City Attorney

CITY-WIDE OPERATING FUND TOTALS

Fund Summary as of: 8/3/2019

TOTAL REVENUES		2017	2018	2019		2020
Fund Number	Fund	Actual	Actual	Year to Date	Budget	Proposed
	1 General Fund	27,033,240	29,649,178	25,783,694	29,032,709	31,206,246
	2 G.O. Debt Service	12,408,278	7,600,008	7,097,618	5,822,623	7,632,626
	4 Street Maintenance	-	-	-	-	765,122
	5 WaterWastewater	17,950,222	17,394,697	14,866,310	16,499,447	17,598,657
	9 Airport	494,610	414,390	348,394	482,600	565,700
	14 HotelMotel	139,955	149,662	137,101	187,544	183,429
	16 LEDC/4A	1,264,079	2,634,623	1,021,822	1,372,321	1,476,902
	17 LRDC/4B	3,333,935	3,508,775	2,507,672	3,255,142	3,670,906
	18 Golf Course	114,785	420,420	422,871	686,506	646,977
	19 Sanitation	2,698,959	2,568,625	2,220,278	2,321,649	2,512,355
	21 E911	284,429	292,509	219,564	218,800	239,985
	53 Stormwater	1,796,829	1,783,439	1,525,197	1,612,000	1,642,000
Total		\$ 67,519,320	\$ 66,416,326	\$ 56,150,520	\$ 61,491,341	\$ 68,140,906
TOTAL EXPENDITURES		2017	2018	2019		2020
Fund Number	Fund	Actual	Actual	Year to Date	Budget	Proposed
	1 General Fund	24,807,289	25,560,465	21,931,057	29,029,718	31,421,288
	2 G.O. Debt Service	11,467,210	7,400,441	4,486,194	4,887,248	5,591,820
	4 Street Maintenance	-	-	-	-	944,000
	5 WaterWastewater	14,282,254	16,086,124	14,425,679	17,021,398	16,100,832
	9 Airport	(175,245)	483,447	316,083	455,842	498,857
	14 HotelMotel	43,169	41,040	51,710	65,542	40,750
	16 LEDC/4A	861,344	1,027,098	953,884	1,582,599	1,465,916
	17 LRDC/4B	2,924,430	3,216,755	2,647,234	3,446,284	3,729,699
	18 Golf Course	179,867	1,068,617	780,914	725,656	802,628
	19 Sanitation	1,681,087	1,655,851	1,279,676	1,746,094	2,041,738
	21 E911	116,341	186,641	212,145	213,028	287,227
	53 Stormwater	1,366,846	1,195,801	988,649	1,576,407	1,620,041
Total		\$ 57,554,592	\$ 57,922,281	\$ 48,073,225	\$ 60,749,816	\$ 64,544,796
BALANCES		2017	2018	2019		2020
		Actual	Actual	Year to Date	Budget	Proposed
	Net Gain (Loss)	9,964,728	8,494,045	8,077,294	741,525	3,596,110
	Beginning Balance	9,167,699	19,132,427	27,626,472	35,703,766	35,703,766
	Ending Balance	19,132,427	27,626,472	35,703,766	36,445,291	39,299,876
	Fund Balance (audited)	27,844,362	23,006,965			
Ending Balance as % of Expenditures		33.24%	47.70%	74.27%	59.99%	60.89%

LANCASTER CITY COUNCIL

City Council Special Meeting

2.

Meeting Date: 09/12/2019

Policy Statement: This request supports the City Council 2019-2020 Policy Agenda

Goal(s): Financially Sound City Government

Submitted by: Carey Neal, Assistant to the City Manager

Agenda Caption:

Conduct a public hearing and discuss an ordinance regarding the proposed revenue increase from levying ad valorem taxes for fiscal year 2019/2020 at \$0.840925 per one hundred dollars assessed valuation of all taxable property within the corporate limits to provide revenues for current maintenance and operation expenses and interest and sinking fund requirements; providing due and delinquent dates; penalties and interest; providing a homestead exemption and disability exemption.

Background:

State Truth-in-Taxation law, Local Government Code and the City Charter require that an ordinance levying the ad valorem taxes be read and a public hearing held at a regular or special meeting of the Lancaster City Council.

The tax rate proposed for fiscal year 2019/2020 is \$0.840925 per one hundred dollars assessed valuation on taxable property within the corporate limits. These tax dollars provide revenue for current operating and maintenance expenses and interest and sinking fund requirements. The total tax revenue will increase from properties on the tax roll in the preceding tax year by 7.1% (percentage by which the tax rate will be higher than effective tax rate calculated under Chapter 26, Tax Code.) Individual taxes may increase or decrease at a rate greater or lesser depending on the change in the taxable value of each property.

The City Council conducted public hearings on Monday, August 19, 2019, Monday, August 26, 2019, and Monday, September 9, 2019. The governing body may not adopt the tax rate at either of the public hearings. The governing body must announce the date, time and place of the meeting at which it will officially vote on the tax rate. The vote on the tax rate is scheduled for Monday, September 16, 2019 at 7:00 p.m. at Lancaster Municipal Center, City Council Chambers located at 211 North Henry Street, Lancaster, Texas.

Operational Considerations:

The proposed tax rate of \$0.840925 on each one hundred dollars (\$100.00) assessed value of taxable property to be apportioned and distributed as follows: \$0.5952 for the purpose of maintenance and operations, and \$0.245725 for interest and sinking fund requirements.

Legal Considerations:

The required notice and vote are being held in accordance with state law and the City Charter. The ordinance has been reviewed and approved as to form by the City Attorney.

Public Information Considerations:

Public notice for this hearing was published on August 28, 2019 in the official City publication of record, Focus Daily News and on the City of Lancaster website. Information regarding the proposed tax rate is being made available in accordance with state law and the City Charter.

Fiscal Impact:

The proposed tax rate is to cover the cost of the maintenance and operations and interest and sinking fund requirements.

Options/Alternatives:

City Council may conduct the Public hearing and announce date, time, and location of the meeting where Council will consider the tax rate.

Recommendation:

Staff recommends City Council conduct and close the public hearing, and announce the date, time and location of the meeting for consideration.

Consideration is scheduled for Monday, September 16, 2019, 7:00 p.m. at the Lancaster Municipal Center, Council Chambers, 211 North Henry, Lancaster, Texas.

Attachments

Ordinance

ORDINANCE NO.

AN ORDINANCE OF THE CITY OF LANCASTER, TEXAS LEVYING AD VALOREM TAXES FOR FISCAL YEAR 2019/2020 AT \$0.840925 PER ONE HUNDRED DOLLARS ASSESSED VALUATION OF ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS TO PROVIDE REVENUES FOR CURRENT MAINTENANCE AND OPERATIONAL EXPENSES AND INTEREST AND SINKING FUND REQUIREMENTS; PROVIDING DUE AND DELINQUENT DATES; PENALTIES AND INTEREST; PROVIDING A HOMESTEAD EXEMPTION AND DISABILITY EXEMPTION; AND PROVIDING AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS:

SECTION 1. There be and is hereby levied for the fiscal year 2019/2020 on all taxable property, real, personal and mixed, situated within the corporate limits of the City of Lancaster, Texas, and not exempt by the Constitution of the State and valid State laws, a tax of \$0.840925 on each \$100.00 assessed value of taxable property, and shall be apportioned and distributed as follows: \$0.5952 for the purpose of paying maintenance and operation, and, defraying the expenses of current operations, and \$0.245725 for interest and sinking fund requirements of the municipal government of the City.

SECTION 2. THAT THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

SECTION 3. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 7.10 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$-6.00.

SECTION 4. All 2019/2020 ad valorem taxes shall become due and payable on October 1, 2019, and shall become delinquent after January 31, 2020. If any person fails to pay the ad valorem taxes on or before the 31st day of January 2020, the penalties and interest as set forth under Section 33.01 of the Texas State Property Tax Code shall apply.

SECTION 5. Taxes are payable to the Dallas County Tax Assessor-Collector, Records Building, Dallas, Texas, by contract dated November 12, 2001 and amended April 2014. The City shall have available all the rights and remedies provided by law for the enforcement of the collection of taxes levied under this ordinance.

SECTION 6. The tax rolls as presented to the City Council, together with any supplement thereto, be and the same are hereby approved.

SECTION 7. All delinquent taxes shall accrue interest at the rate of one percent (1%) per month, in addition to the penalties provided for herein. All taxes that remain delinquent on July 1st of the year in which they become delinquent shall incur an additional penalty to defray costs of collection, of an amount not to exceed 20% of the amount of taxes, penalty and interest due.

SECTION 8. In accordance with the Texas State Property Tax Code, and effective with the passage of the ordinance, there is hereby provided an exemption of \$30,000 on homestead property for those head-of-household persons who have attained the age of 65 years prior to January 1, 2020 and an exemption of \$30,000 on disability designations.

SECTION 9. This Ordinance shall become effective upon its adoption as the law in such cases provides.

SECTION 10. All recitals are incorporated herein by reference as if fully written.

DULY PASSED and approved by the City Council of the City of Lancaster, Texas, on this the 16th day of September, 2019

ATTEST:

APPROVED:

Sorangel O. Arenas, City Secretary

Clyde C. Hairston, Mayor

APPROVED AS TO FORM:

David T. Ritter, City Attorney