



CITY OF LANCASTER

FINAL REPORT
OF THE
CITY OF LANCASTER, PENNSYLVANIA

As Approved by the Government Study
Commission AUGUST 15, 2024

To the Residents of the City of Lancaster:

In May 2023, City of Lancaster residents approved the creation of the City of Lancaster Government Study Commission also known as the City of Lancaster Home Rule Study Commission. The Commission's duty was to study the City's existing form of government and to determine whether the City of Lancaster would be better served under a Home Rule Charter form of government.

After nine months of study and research, the Commission concluded the adoption of a Home Rule Charter would significantly improve the City's ability to meet the needs and expectations of its citizens.

Presented herewith is the Commission's Final Report and Proposed Home Rule Charter that was adopted by the Commission on August 15, 2024. The Charter retains the best features of the City's present form of government, while establishing new provisions including enhanced public participation in budget adoption, increased financial reporting, an ethics commission, and increased ability for citizens to propose legislation to Council and by voter referendum.

The question of adopting the proposed Charter will appear on the ballot in the form set forth on the preceding page at the general election on November 5, 2024. We encourage every City of Lancaster resident to review this Final Report and Charter so they can cast an informed vote.

For the specific reasons set forth in detail in the following Report, we believe the Charter is in the best interest of the future of the City of Lancaster. Therefore, we enthusiastically recommend that the citizens of the City of Lancaster vote to adopt the proposed Home Rule Charter on November 5, 2024.

Respectfully submitted,

Brian Adams, Chairman

City of Lancaster Home Rule Study Commission

Ballot Question

The following ballot question and plain English statement will be placed on the ballot on November 5, 2024, for your approval.

Lancaster Home Rule Referendum

Shall the Home Rule Charter Contained in the Report, dated August 15, 2024, of the Government Study Commission, prepared in accordance with the Home Rule Charter and Optional Plans Law, be adopted by the Third Class City of Lancaster?

YES

NO

A “yes” vote means that you are voting to adopt the proposed Home Rule Charter for the City of Lancaster, which will change the existing form of government. A “no” vote means you favor keeping the present form of government.

City of Lancaster Home Rule Study Commission Elected May 16, 2023

Commission Members and Staff		
Brian Adams, Chairman	Maxine Cook	Carl Feldman
Peter Barber	Tony Dastra	John McGrann
Darlene Byrd	Elizabeth Elias	Amy Ruffo, Vice Chair
City Solicitor Barry N. Handwerger, Esq.		
City Clerk Bernard Harris, Secretary		
Pennsylvania Economy League Central, General Staff		
2023 Public Meetings First Thursdays, Seven Regular Meetings, Two Special Meetings		
2024 Public Meetings First and Third Thursdays, 14 Regular Meetings, Two Special Meetings, One Public Hearing Meetings held at Lancaster City Hall, City Council Chambers, and others throughout the City		

Committee Structure

Committee	Members	Activities	Meetings
Finance: Recommendations for the Budget and Finance Article	John McGrann Darlene Byrd Carl Feldman	Interviewed city finance staff to determine potential improvements to city financial and budget processes	Eleven Public Meetings
Public Engagement: Educate the public on the process and contents of the Home Rule Charter	Amy Ruffo John McGrann Elizabeth Elias	Prepared numerous educational materials for website, presentations at community events, social media and related activities	Fourteen Public Meetings
Ethics: Recommendations for the Ethics Article	Carl Feldman Darlene Byrd Tony Dastra	Interviewed officials from the cities of Philadelphia, Scranton and Pittsburgh	Four Public Meetings
Preamble: Recommendations for the Home Rule Charter Preamble	Peter Barbar Tony Dastra Maxine Cook	Workshopped language for preamble based on Commissioner discussions	Two Public Meetings
City Council: Recommendation for the City Council Article	Tony Dastra Darlene Byrd Maxine Cook	Held meetings in various locations of city; gathered public input	Four Public Meetings

Purpose and Summary of Recommendations

The Commonwealth of Pennsylvania has authorized and created multiple forms of government structures, including counties, townships, boroughs, and cities.

The City of Lancaster is a Third Class City operating under Plan A of the Optional Third Class City Charter Law, a plan referred to as a strong Mayor-Council structure. Under this plan, the Mayor is in charge of all administrative and executive functions of the City while City Council is responsible for all legislative actions of the City.

Currently, the City of Lancaster may only act and perform the duties and functions that are specifically authorized by the Third Class City Code, the Optional Third Class City Charter Law and other applicable laws of the Commonwealth of Pennsylvania. The current form of government also places limitations on the City of Lancaster with respect to finances and financial flexibility.

However, the Commonwealth of Pennsylvania has given citizens of municipalities the right to elect another form of government known as Home Rule. Unlike the Third Class City Charter Law, a municipality that adopts a Home Rule Charter is provided the authority to perform and act in any manner that it is not prohibited by the U.S. Constitution, the Pennsylvania Constitution or the Pennsylvania Legislature. In other words, a Home Rule Municipality has greater power of self-governance.

In accordance with the Pennsylvania Home Rule Charter and Optional Plans Law, residents in the City of Lancaster elected to form a Lancaster Home Rule Study Commission to review, analyze and evaluate Lancaster's governmental structure, study other governmental structures and determine whether the current governmental structure, including its designation as a Third Class City Optional Plan A City, works in the best interests of Lancaster's residents, or to recommend changes to the City's structure for subsequent vote by City residents through a referendum process.

The City of Lancaster's Home Rule Study Commission, after a nine-month study period, voted that it would be in the best interest of the residents of Lancaster to change the City's designation and structure from a Third Class City operating under the Third Class City Charter Law as an Optional Plan A City to a Home Rule Charter City and elected to begin the process of drafting a charter to accomplish the same.

At the outset of the drafting process, the Commission members reached a consensus to model the City's form of government upon the existing structure with modifications and improvements to the City's well-established practices to establish a foundation of an accessible, ethical, and transparent government, providing sound fiscal management, public health, safety and welfare, and local control.

Significant changes were made in four primary areas:

1. Improved budgetary and finance processes.
2. Addition of accessible, ethical and transparent government processes.
3. Reorganization of the structure of the government itself.
4. Increased citizen power through petition and referendum.

Major improvements include:

- A requirement for five-year capital budgeting, and a longer and more publicly engaged process for the adoption of annual budgets.
- Requirements for quarterly public budget reviews by the Administration with City Council,
- Elimination of the position of Treasurer, and expansion of the powers and responsibilities of the Controller.
- Requiring City Council to meet twice monthly,
- Creation of an ethics commission and more stringent requirements for elected officials both to qualify for their positions and to perform their duties,
- Expanded powers for residents to have ordinances adopted or repealed on their behalf either by City Council or through a referendum process,
- Expanded and enhanced provisions for the City to fill vacancies in its elected offices and to remove elected and appointed officials, and
- Increased flexibility on taxation to provide another tool to maintain and improve the City's finances.

Commission Study Process

The Commission held its first meeting on June 8, 2023. The meeting served as an organizational session at which time Commission members took an oath of office, elected officers, scheduled monthly meetings, appointed staff, and performed other similar tasks. Over the next nine months, the Pennsylvania Economy League Central, a non-profit organization contracted to assist the Commission, educated commission members on the charter drafting process, government structure options, and local government financial and tax information.

Commission members interviewed their own elected and appointed current and former officials to determine strengths, weaknesses, challenges and various forms of options under the Third Class City Code, the Optional Third Class City Charter Law, and the Home Rule Charter and Optional Plans Law and other forms of government. In addition, Commission members interviewed representatives from other municipalities including the cities of Hazleton, Altoona, and Williamsport.

Based on the results of their study, on January 24, 2024 the Commission voted to proceed with drafting a home rule charter for the City of Lancaster. In drafting the charter, the Commission chose to use the general format of the Optional Plan A structure under the Optional Third Class City Charter law while making improvements based upon their study. The process involved achieving consensus for language at Commission meetings as well as forming committees to work on drafting certain articles in small groups. As a result, the Commission formed the Budget and Finance, Ethics, and Preamble Committees early in the process, and later added the City Council Committee.

The Commission has been steadfast in its commitment to an open and transparent process that seeks to obtain and consider public input. As a result, the Commission created the Public Engagement Committee, which produced an extensive amount of public information materials, social media posts, held presentations at community events and more. Feedback was sought through a website form, during regular public Commission meetings, at special public information sessions, and during the Commission's public hearing on August 8, 2024.

Summary of the City of Lancaster Home Rule Charter

Article I General Powers. The article continues the City name, its authority and current boundaries. It authorizes the City government to exercise all powers not denied by the Constitutions of the United States and Pennsylvania, applicable law, or the Charter, and provides that all grants of power be broadly construed in favor of the City. The article provides for the City to enter into intergovernmental relations and contains a severability clause to keep the Charter in effect if any part of the Charter is required to be removed by Court action or subsequent laws.

Article II City Council. City Council will have the power of a legislature and is composed of seven-members who are elected at-large. The qualification to be a Council member is to be at least eighteen years old and have been a City resident for at least two years immediately prior to their election. Council meetings must be held no earlier than 6 PM to maximize citizen participation and must occur at least twice a month. A Council member cannot hold another elected office and cannot be an employee of the City. Other requirements include that all Council deliberations or actions take place at a public meeting, permits participation of a Council member by remote means, and requires a record of Council voting and meeting minutes be kept for public review. The Article also maintains Council's current salary and prohibits Council from receiving health care related benefits. There are also specific procedures in case of forfeiture of office and vacancy of a Council seat.

Article III Mayor. The Mayor is granted the executive, administrative and law enforcement powers and establishes the Mayor as the Chief Executive Officer of the City and the official representative of City government. The Mayor must be at least 18 years of age and have lived in the City for four years immediately prior to their election. For a newly elected Mayor there is a required orientation or training on the Home Rule Charter. As is the case with a Council member, the Mayor is prohibited from holding other elected office and cannot be an officer or employee of the City. City Council sets the Mayor's compensation by ordinance. The powers and duties of the Mayor includes preparing annual general and capital budgets; requiring monthly financial reporting to Council and quarterly fiscal reporting to Council and the public. The Mayor's duties also includes proposing legislation, appointing department heads (with Council consent), oversight of City personnel, and executing bonds and contracts. The Mayor has a veto power over ordinances passed by Council. Council can override the veto by a supermajority vote. The Mayor may voluntarily attend Council meetings but has no vote on regular matters. The Mayor will break a tie vote in the case of filling a Council vacancy. In the event of a public emergency the Mayor has the authority to declare a state of emergency.

Article IV Controller. This Article maintains an elected Controller for a term of four years. The Controller must be 21 years of age, have been a City resident for at least one year immediately prior to the election, and be an accountant. The Controller may not have any other paid City employment and cannot be employed at a paid city office for one year after their term ends. The Controller may not hold elected office at the State or local level during their term. The Controller's compensation will not be greater than that of a member of Council. The Controller shall have financial review over city accounts, the ability to review and provide non-binding recommendations on the annual budget, and will recommend independent auditors to the Mayor and Council. The Controller may conduct performance audits of the City and any City department. The Controller may recommend that Council appoint a Deputy Controller to assist in Controller duties. The Deputy Controller shall be a licensed public accountant.

Article V Solicitor. The Solicitor will be the City's chief attorney representing the City as their client. The Solicitor is appointed by the Mayor and approved by Council. The term of office is four years to coincide with the Mayor's term. The Mayor may remove the Solicitor at any time. The Solicitor may request Council appoint an assistant solicitor. The Solicitor may request that Council appoint outside counsel to assist the Solicitor in specialized legal matters

Article VI Other Appointed Officials. The Mayor may appoint and the Council may approve other officials to head the other City departments. The Director of Administrative Service is appointed based on executive abilities and administrative qualifications as evidenced by professional preparation, training, and experience.

Council will provide for the manner of appointment of a City Engineer who shall be a licensed professional engineer in Pennsylvania. A Deputy Mayor may serve in the absence of the Mayor or inability of the Mayor to serve for no longer than 120 days. Members of Council may not be department heads.

Article VII Ordinances and Resolutions. Council has the authority to enact ordinances as are necessary to carry out their duties. Council may amend, repeal, or revise existing ordinances by the enactment of subsequent ordinances. Legislative acts requiring ordinances include developing the Administrative Code and the Ethics Code; amending and approving budgets and related tax ordinances; approve borrowing; establishing or abolishing a City department, authority, board or commission; control over real property, land, zoning, and development; and fines and penalties. Resolutions may be adopted for subjects that do not require ordinances. Ordinances are read twice, at introduction and at enactment and must be published in a local newspaper or by other widely available means to increase citizen awareness and public participation.

Article VIII Budget and Finance. Establishes the procedures for the adoption of the City's annual budgets and other actions and limits the annual growth in total tax revenues to no more than six percent. The Mayor is responsible for preparing a balanced budget and presenting it to City Council by the last Council meeting in October. The budget must be available for public inspection for at least 30 days prior to adoption and at least one public hearing must be held. A comparison of the current fiscal year and four preceding years must be included in the Mayor's budget. There must be financial projections for the next two years so that public knowledge of future needs is increased.

The Mayor and the Director of Administrative Services must present a five-year capital program and plan annually by June 30th. A public hearing must be held on the five-year Capital Plan and Council may amend the capital plan following the public hearing. Council will adopt the capital plan on or before September 30th. The public may submit questions regarding either the operating budget or capital plan. A summary of the public questions and the answers to these questions must be publicized in enough time to be reviewed by the public before the budgets are approved. Budget adoption and budget changes must be by ordinance.

Ongoing reporting on the budget performance throughout the fiscal year will be the responsibility of the Mayor and the Director of Administrative Services. These reports will be made monthly to Council and quarterly at a public meeting of Council. There will also be quarterly reviews and reporting on the progress of capital projects.

Article IX Authorities. This Article authorizes the establishment of authorities, boards, and commissions by City Council ordinance. The Mayor appoints and Council approves

all members of each authority, board and commission, except as otherwise required by other applicable law. Members of authorities, boards and commission must be City residents unless waived by Council or permitted under applicable law.

Article X Administrative Code. An Administrative Code will be the plan for the organization, administrative structure, procedures, and operations of the City and must be written and approved within 18 months after the Charter takes effect. The Administrative Code must include:

1. A listing of the departments, offices, authorities, boards, commissions, and other administrative units of the City government, their scope of responsibility, and the internal procedures for their operations;
2. Budgeting, accounting and other financial procedures;
3. Purchasing and acquisition procedures;
4. Policies and procedures governing personnel policies, position descriptions, employee recruitment, selection, orientation, training, benefits, promotion, discipline and discharge;
5. Any other policies, practices, and procedures desirable for the efficient and effective administration of City government.

Until the Administrative Code is adopted, the City will continue to operate under the Third Class City Code and Optional Third Class City law to the extent these laws are not inconsistent with the Charter.

Article XI Petition and Referendum. Provides citizens with the power to:

1. Propose an ordinance for consideration by City Council.
2. If Council fails to approve the ordinance a referendum may be held for a public decision on the ordinance.
3. Repeal recently enacted ordinances of City Council.
4. Petition City Council to place an item on its agenda or to hold a special meeting to consider a single issue requested by citizens.

Petitions to initiate an ordinance and to reconsider an ordinance must be signed by 20 percent of those voting for Mayor at the last mayoral election and must be collected within 45 days. A special meeting or single agenda item requires signatures of only 3 percent of those voting for Mayor at the last mayoral election.

There is also a requirement for voter approval by referendum of any action to sell a city-owned regulated public utility system property; to eliminate the Police and/or Fire

Bureaus; and to eliminate the Department of Administration or any department required by the Charter.

Article XII Ethics Commission. The Charter requires the adoption by Council of an Ethics Code as well as the establishment of an independent, seven-member Ethics Commission. The Commission's duties are to educate public officials and the public on the conduct under and compliance with the City's Ethics Code, to investigate complaints and issues advisory opinions as requested by the Mayor, Council, Controller and other officials and employees of the City.

Members of the Ethic Commission will be selected from a public register of nominees. From this register two members are selected by the Mayor, three members by City Council, and two members by the Controller. Appointments from the register will be made to reflect the City's diversity with respect to race, color, creed, religion, gender, familial status, sexual orientation, national origin, gender identity, age, disability and geographic location of residence.

Ethics Commission members may not hold City appointed or elected office for up to one year immediately prior to serving on the Commission or from holding any political party office or political action committee position for one year immediately prior.

The Code of Ethics must be adopted by City Council within one year of the Charter's effective date. The Code of Ethics must contain prohibitions so that no City elected or appointed official or City employee, whether paid or unpaid, engage in any business or transaction or have any financial or other private interest, direct or indirect, which is incompatible with their official duties or which would impair their independence of judgment or action in the performance of their official duties.

Article XIII Transition. This article establishes the effective date of the new form of government as the first business day in January 2025 and provides that current elected officials, including the Treasurer, remain in office until the end of their term. There are procedures for initial elections after adoption and permits the current Treasurer to remain until their current term ends. The Article permits the continuation of current authorities, boards, and commissions without change, and maintains the current rights of former and current employees without change. The legal continuity of currently enacted City laws, its legal actions, property, facilities, records and equipment is provided for under this Article. Council will have the power to enact temporary ordinances to facilitate the transition.

Council is required to adopt the Administrative Code within the first 18 months and the Ethics Code within the first 12 months.

There is a three-member Transition Commission to include the Mayor, one Council member, and one City of Lancaster Government Study Commission member. The Transition Committee is responsible for the required transition activities and City Council must report quarterly to the Transition Committee regarding the progress made toward drafting and adopting the necessary items.


Expenditure Report
City of Lancaster Home Rule Study Commission

Expense type	Spending to Date - 08.15.2024	Total Actual and Estimated Expenditures	Total In-Kind Services Received
Legal Assistance			
City Solicitor			\$55,000
Neil Albert	\$2,738	\$2,738	
Professional Services			
<i>Pennsylvania Economy League</i>	\$73,500	\$88,250	
<i>Public Finance Management LLC</i>	\$14,773	\$14,773	
Advertising, Equipment, Printing, Postage			
<i>Technology (Computers and website hosting)</i>		\$12,000	
<i>Printing and copying</i>			\$6,000
<i>Advertising and Postage</i>	\$5,810	\$10,000	
Travel	\$2,282	\$3,582	
Other			
<i>Misc Supplies/Expenses</i>	\$816	\$1,000	
<i>Court Reporting Services</i>	\$711	\$711	
Administrative Expenses			
<i>Staff Assistance (City Clerk, Communication and Neighborhood Engagement Staff)</i>			\$25,000
Total	\$100,629	\$133,053	\$86,000

The City of Lancaster provided use of City of Lancaster Council Chambers for public meetings. Other City in-kind support included services of the City Solicitor, the City Clerk, and the City’s Communications and Neighborhood Engagement staff.

Certification

The undersigned, Tina Campbell, Director of Administrative Services for the City of Lancaster, hereby certifies that the City, under her direction, provided all services required of the treasurer of the City of Lancaster Government Study Commission, and does hereby affirm that the listing of actual and estimated expenditures for goods, materials and services used by the Commission in the performance of its work and the preparation and filing of the report as set forth in this Final Report are true and correct to the best of her information and knowledge and accurately reflects all funds, goods, materials, and services used by the Government Study Commission in the performance of its work and the preparation and filing of this Final Report. I understand that any false statements herein are made subject to penalties of 18 Pa. C.S.A. § 4904, relating to unsworn falsification to authorities.



Tina Campbell, Director of Administrative Services

8/19/24

Date

Certification

We, the undersigned members of the City of Lancaster Government Study Commission, do hereby affirm that the listing of actual and estimated expenditures for goods, materials and services used by the Commission in the performance of its work and the preparation and filing of the report as set forth in this Final Report are true and correct to the best of our information and knowledge and accurately reflects all funds, goods, materials, and services used by the Government Study Commission in the performance of its work and the preparation and filing of this Final Report. We understand that any false statements herein are made subject to penalties of 18 Pa. C.S.A. § 4904, relating to unsworn falsification to authorities.

We have hereby affixed an original or electronic signature below.

SIGNATURE ON CERTIFIED COPY
Brian Adams, Chairman

SIGNATURE ON CERTIFIED COPY
Amy Ruffo, Vice-Chairman

SIGNATURE ON CERTIFIED COPY
Peter Barber

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Darlene Byrd

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Maxine Cook

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