

Introduction To the Commission's Questions

The voters have tasked the members of the Lancaster Government Study Commission with review of the current structure of the City under the Optional Charter Plan A Mayor Council and the Third Class City Code to determine whether the current form of government is able to adequately provide public services that meets the needs of City residents and businesses or should be changed to provide a more efficient and effective form of government.

In this role, study commissioners are “representing” all citizens in the City since each voter cannot take the time to study the complete governmental operation of their City.

The first task of the government study commission is a thorough review of the structure and operation of the City's existing form of government and of other forms of local government.

At this time our Commission would like to begin the process of education on the structure of the City's current government to gain a more thorough understanding of that government.

Following are questions for your response that we hope will allow us to understand the current administrative organization and methods of operation of the City. We appreciate your time and effort in responding to these questions and providing us with your opinions as to how, or if, the current structure could be improved to provide public services for all residents of the City.

As Commissioners, we believe it is important that we do not undertake our work with any preconceived notions. We believe that we must complete our study from the information we gather and this local interview process is an important stage in our work.

The following questions are to be used for this information gathering for the Government Study Commission to fulfill our duties:

- To study, review, analyze and evaluate City government; it is not an inquisition.
- To learn about the structure and operations of City government.
- To interview City government officials to determine our government's strengths and weaknesses.
- To study other forms of government structure including other Home Rule municipalities.
- To determine whether the current form of government adequately provides for the health, safety and welfare of Lancaster residents and if not, to consider other forms of government that would best meet those needs in an efficient and effective manner.
- To decide whether to recommend a Home Rule Charter to the voters.

PROPOSED QUESTIONS FOR LANCASTER CITY MAYOR

Please provide your written answers to the following questions.

1. Would you briefly describe in general terms your view of the duties and responsibilities in your role as Mayor.

The Mayor is the chief executive officer of the City, responsible for oversight and management of the various City departments, appointment (with the advice and consent of City Council) of the Executive Leadership Team¹, enforcement of ordinances adopted by City Council as codified in the City Code, and the appointment of the members of various City boards, commissions, and authorities (most requiring City Council approval).

As the City's chief executive officer, the Mayor is responsible for the creation and implementation of the City's overall strategic vision and mission, for ensuring that the various departments are working (individually and in tandem) to implement policies, practices and initiatives and making decisions that are in support of and are guided by the strategic plan. While creating and adopting a strategic plan for the City is not a legal requirement of either state law or local ordinance, City administrations since 2006 have adopted a strategic plan for each four-year mayoral term as an organizational best practice.

Under the Third-Class City Code, Optional Charter, the Mayor is also responsible for the creation, presentation to City Council for adoption and implementation of the City's approved annual budget, the process of which is described below.

In the case of the City of Lancaster, the Mayor is also effectively the chief executive officer of two Pennsylvania Public Utility Commission regulated utilities: a regional water utility and a wastewater utility, both of which serve not only Lancaster City, but also residents and businesses in surrounding municipalities (roughly a dozen) either directly or through bulk service agreements. This is unique among Pennsylvania cities as most other cities' water and sewer systems are run by municipal authorities or by private entities.

Finally, the Mayor also serves as a community advocate, connecting resident and business needs to City services and/or advocating on behalf of residents and businesses if their needs can only be met by other levels of government (county, state, federal) or through other, non-governmental organizations. As a community advocate, the Mayor regularly meets with School District of Lancaster, county, state and federal

¹ The Executive Leadership Team is currently comprised of the Directors of Public Works, Neighborhood Engagement, Community Planning and Economic Development, Administrative Services, the Solicitor, and Chiefs of Fire and Police.

representatives and non-governmental organizations who work closely with the city to advance strategic initiatives and advocate on behalf of the City and its residents and businesses.

2. The Optional Charter Plan A form of government vests the executive authority in the mayor. Do you believe it is important to have a separation of duties and authority between Council as the legislative body and the mayor as the executive of City government? How would you describe the current separation of duties and authority between the executive role of mayor and the legislative role of the city council?

Yes, I view the current separation of duties and authorities between the executive authority (Mayor) and legislative body (City Council) as necessary and appropriate to provide the most efficient and effective levels of service that can be provided, while also providing transparency for residents and taxpayers into the operations and decision making of their City government. Vesting the executive authority of the City in a full-time Mayor, elected to four-year terms, provides for a single point of authority, accountable to the voters, for the day-to-day operations of the City. Vesting the legislative authority of the City in City Council provides a layer of oversight of City government and its operations in separately elected officials, also accountable directly to the voters.

As described in the response to question #1, the Mayor is the chief executive officer of the City. That said, all department leadership positions appointed by the Mayor must also be approved by City Council. City Council also must approve any legislative proposal made by the City administration to change the City Code, and, perhaps most importantly, must approve the City administration's budget proposal, including any proposed tax or fee changes.

These separations of duties provide for efficient management of the City by the Mayor, but with oversight and ultimate authority to finance the City's operations vested in City Council's legislative role. This legislative role of City Council also ensures that the public is provided with multiple opportunities to hear and provide input on every legislative proposal, every mayoral appointment, and each annual budget proposal.

3. Does the separation of chief executive and legislative duties allow for the efficient and effective delivery of public services? If not, what in your view would be necessary to remove the obstacles to that efficient and effective delivery?

By separating the executive and legislative duties into separately elected officials, a certain level of public input and transparency is built into the system that some in the private sector might view as inefficient. The mayor's authority to decree or implement change is often limited by legally requiring the drafting of legislation, seeking public input, presenting to Council for consideration, and then only implementing the change following City Council approval.

By definition, these steps create time constraints on the operations of City government, sometimes adding months in the timeline from creation of a plan to its implementation. In my view those time constraints are necessary to ensure that City Council and those residents and/or businesses affected by a given proposal have time to review the proposal, weigh the pros and cons, discuss its impacts, and influence changes to the proposal before it can be voted on by City Council and then implemented by the administration.

A City administration that plans well, maintains positive relationships with City Council, and which regularly communicates with residents and other constituencies in the City, can operate efficiently and provide for the effective delivery of City services without any negative impacts from the time constraints that this process requires.

- 4. Does the separation of executive and legislative duties allow for the efficient and effective management of city employees in the delivery of public services? If not, what in your view would be necessary to remove the obstacles to that efficient and effective delivery?**

Yes, the Mayor's role as chief executive officer with appointment authority over senior management positions, namely the Director of Administrative Services to which the Human Resources Bureau Chief reports, ensures effective management of City employees. Having a full-time professional Mayor, supported by full-time professional staff, ensures that employment needs are being met and that the City is complying with state and federal employment laws as well as maintaining productive labor management relations. The City has three collective bargaining units for whom approximately 85% of the City's employees are members.

- 5. In your view, and thinking of the City as it is now, has the executive authority of the Mayor been strengthened or weakened over the 60 years since the City's adoption of the optional charter?**

Since adoption of the City's current structure under the Mayor-Council Plan A ("Strong Mayor" form of government), there have been few actual local legislative changes that would impact the strength/weakness of the mayor's executive authority. In the mid-1990s, City Council adopted a change to the City Code which provided for a somewhat expanded authority of City Council to approve budget transfers between different departments and provide some increased transparency of the City's fiscal management. However, these changes were minor and haven't had a noticeable impact on any Mayor's executive authority over the course of the last four administrations. The executive authority has remained as prescribed by the Optional Third-Class City Charter Law and the balance that law strikes between the legislative and executive authority of elected officials has provided an efficient and transparent structure for the City's operations.

6. Please describe your working relationship with City Council. What does the administration view as the process for resolving disagreements with Council? Does the process for considering legislation by the Council enable the administration to advance legislation that is necessary to advance the goals of the City?

I view the current working relationship between me and my administration and City Council as very strong. I meet regularly with the President of City Council to discuss general matters of importance and upcoming legislative agenda items. Ideally, members of the Executive Leadership Team also meet regularly with Council Committee Chairs to review upcoming legislative proposals that will come in front of each committee, provide updates on their department's operations and to respond to Councilors' questions. The frequency of meetings is largely dependent on the legislative agenda with some committees including public works, community planning, and finance regularly having legislative items on the agenda. While the Personnel Committee also largely serves the Department of Community Planning and Economic Development, it also provides input and oversight to the operation of boards, commissions, and authorities serving the community as well as other internal departments/bureaus. All this to say, there is some variance of workload among Council Committees and therefore interaction between Councilors and members of the Executive Leadership Team.

Yes, the current process for considering legislation works well for the administration to be able to advance City goals. As noted in my response to Question #3, good planning and communication between the City administration and City Council provides for a healthy balance between efficiency and good government transparency.

7. Please describe your working relationship with the Treasurer, Controller and Solicitor. What do you see as the most effective avenues of oversight on city finances and budgetary activities?

My direct working relationship with the Treasurer and Controller is limited to our respective roles on the City's pension boards, which meet quarterly. Per City Code, the Controller serves the Fire, Non-Uniformed Employee, and Police Pension Boards (as well as the Long's Park Commission). The Treasurer serves on the Fire and Police Pension Boards. The mayor is the chair of all three pension boards. Current employees and retirees are also represented on the pension boards. The purpose of the quarterly meetings is to review performance, review investment policy, and have general awareness of economic trends which could be affecting returns positively or negatively.

In contrast, my working relationship with the City Solicitor is extensive, with rarely a day going by without some level of discussion on matters of importance relating to City legal issues and ongoing litigation, employee relations, legislative initiatives, etc. The City

Solicitor, who became the City's first full-time in-house attorney in 2020, is a member of the Executive Leadership Team and serves as counsel to all branches and departments of City governance, including City Council.

As described in response to previous questions, the current separation of duties between the mayor and City Council, paired with the City Council legislative process for the annual budget, provide for strong oversight of the City's finances and budgetary activities.

- 8. Does the separate elective offices of Treasurer and Controller and appointed office of business administrator² allow for the efficient and effective operation of the fiscal affairs of the City? If not, what in your view would be necessary to remove the obstacles to that efficient and effective delivery? Do you believe the current arrangement in which daily duties of the elected office of the Treasurer are signed over to the administration provides efficient customer service?**

Many of the duties of the Treasurer as provided for in the Third-Class City Code, of which tax collection is the most significant, are handled by the full-time staff in the City Treasury Bureau. The Treasury Bureau Chief, by contract with the City-elected Treasurer serves as the City's Deputy Tax Collector and performs the duties of the Tax Collector, as that role is defined by state law. The City's property taxes, sewer, stormwater, and water fees, as well as a variety of other City revenues are collected by Treasury Bureau staff, using the City's accounting and revenue collection system (Tyler Technologies' Munis software) with no involvement by the elected Treasurer in any of those operations. The City's Earned Income and Local Services Taxes are collected by the Lancaster County Tax Collection Bureau in accordance with Act 32 and remitted to the City on a monthly basis.

In my view, the role of City staff and management in these revenue collection roles is entirely appropriate and important to the efficient operations of the City. The customer service aspects of this work are now and have been for decades, handled directly by the staff in the City Treasury Bureau. When disputes arise on a particular taxpayer or utility customer's account, they can be escalated from the Treasury Bureau staff up through the Director of Administrative Services and ultimately to the Mayor, if necessary. This structure with issues handled by full-time staff and management is efficient, effective and customer service oriented.

² The 3rd Class City Code refers the position as Business Administrator; however, the titled of Director of Administrative Services was adopted by the City of Lancaster years ago to encompass their role leading the Human Resources, Data & Information Technology, Treasury and Finance Accounting & Accounting Finance Bbureaus.

Per Third Class City Code, the Controller countersigns all documents authorizing the payment of City monies if satisfied of the legality of the payment. The intention is to provide an additional, independent level of review and approval of expenditures before they occur.

This review is in addition to the internal controls created by the City's centralized purchasing system administered by Director of the Department of Administrative Services, the procurement policies and review administered by the Solicitor to assure legal compliance and best practices, budget controls which prevent approval of expenditures that are not budgeted for, organizational audits, program audits, and/or regulatory requirements that make such purchases necessary.

While the current arrangements and processes for collection of revenue and expenditure of funds are effective, some other cities with similar structures which have adopted Home Rule Charters have modified, changed or eliminated the roles of these two positions.

As for the Director of Administrative Services, this is a vital role in all of the City's fiscal affairs. The Director of Administrative Services is effectively the chief administrative and financial officer of the City, responsible for creation and oversight of the City's annual operating and capital budgets, as well as oversight of the City's Bureaus of Human Resources, Accounting and Finance, Treasury and Data and Information Technology. The direct appointment of the Director of Administrative Services by the Mayor (with City Council approval) provides for efficient and effective oversight of all aspects of the City's finances by the elected mayor, who is then accountable to the voters on these same matters.

9. Please describe your working relationship with the City's Business Administrator. Please describe your working relationship with the City's Department Directors. What is the policy for department heads (and City staff generally) to interact with members of the council?

As you know, Patrick Hopkins served as the City's appointed Director of Administrative Services for a total of 21 years, serving under three different mayors. He retired at the end of June. We are in the midst of welcoming a new Director of Administrative Services, Tina Campbell. The administration is bringing a resolution approving this appointment to the September 5th council meeting.

As noted in the previous response, the Director of Administrative Services role is as the City's chief administrative and financial officer. As such, in all matters that have fiscal implications, the Director of Administrative Services and I have direct discussions to carry out the work of the City.

Given the size of the City's budget and workforce, my work with the Director of Administrative Services has been and will continue to involve nearly daily interaction. Given the importance of the Director of Administrative Services's role in the efficient and effective management of the City and to the delivery of City services, any Mayor will rely heavily on the expertise, independent judgement and knowledge of the Director of Administrative Services. As such, the mayor's direct appointment of the Director of Administrative Services with City Council consent is vital in the current form of government the City operates under, which as I've previously noted, is a structure that I believe works well for the efficient and effective delivery of services to our residents and businesses.

My working relationship with members of the Executive Leadership Team is also strong. I have individual meetings and team meetings to support and advance their work and their respective areas of oversight. I also work to ensure alignment with strategic policy priorities, local, state, and federal advocacy objectives. Since I represent their work in all arenas, it is important for me to maintain a clear understanding of the work at hand.

As referenced in my answer to question #6, it is my expectation that members of the Executive Leadership Team have regular and ongoing communications with the Councilor who leads the committee(s) relevant to their department.

For communications among Councilors and City staff generally, we prefer that those communications go through the department director initially so the director can refer the question or concern to the City staff who can most directly and appropriately address the issue.

10. Do you feel that Council is responsive in sharing constituent concerns with the administration? How often does this happen? Do the council committee chairs develop relationships with the department heads to be well informed of the department's area of responsibility?

Yes, I believe that Councilors are responsive and share constituent concerns with the administration. As Mayor and a former member of City Council, constituents expect elected officials to be responsive to their questions and concerns. Councilors take the time to respond directly to their constituents and to bring me, a member of the Executive Leadership Team, or individual staff members into the discussion where necessary. This most often occurs via email or phone call initially, though at times a face-to-face meeting may be the start of a discussion on a more complicated matter. Councilors can also ask constituents to engage with the Administration regarding concerns through some other platforms discussed in later answers, such as Engage Lancaster and our 311 "Fix it Lancaster" system.

Successive City Council Presidents have also tasked the City Clerk, the only City employee who reports directly to City Council and not through the administration, to also serve as a liaison for the public to ask questions of or resolve issues with both Councilors and the administration. The City Clerk regularly passes along questions or concerns from members of the public to the Mayor's Office or a given department for response or resolution.

As noted in the previous response, my expectation is that each department director works closely with the Councilor(s) on their committees of relevance to develop and maintain a strong working relationship. These interactions ensure Councilors are well informed regarding matters that will come before them at City Council and for Executive Leadership Team members to get feedback about constituent issues.

11. In your experience do you believe that the Optional Charter Plan A - Third Class City Law – limits the City's flexibility in carrying out some of its responsibilities? If yes, in what areas? Administratively, operationally, financially?

As noted in several of the previous responses, I believe that the Optional Charter Plan A (Strong Mayor) structure generally provides for the administrative and operational flexibility needed to provide necessary City services. The financial constraints under which the City has been forced to manage and the general lack of a menu of revenue options, is not a function of any shortcoming in the City's current government structure, but rather limitations established by certain elements of the Third-Class City Code, the Local Tax Enabling Act, other state laws and court decisions.

12. In your experience do you believe there are duplicative, fragmented and/or overlapping areas in the administrative functions of City government?

If there is any silver lining in the fiscal challenges the City has faced over the last several decades, it is that there is no room in the budget for duplicative or overlapping administrative functions of City government. There is room for continuously seeking out operational efficiencies, which is an ongoing process.

13. Describe the City's budget process and how you view your role in this process. Also describe the process by which you administer and implement the budget.

The annual budget process typically begins with an internal process in August (though we began the 2024 budget process in June this year) when the accounting team opens the City's Munis budget module for each department to begin entry of an initial budget draft in line-item form. The initial draft budgets for each department are submitted by individual bureaus. During this phase of budget development, departments are also reviewing and updating proposed staffing schedules for their respective areas so that

accounting can develop salary budget line items based on labor contract wage increases and anticipated salary increases for non-bargaining personnel.

Successive levels of budget drafts are prepared by the Executive Leadership Team after internal department reviews, followed by meetings with the Mayor, Director of Administrative Services, Accounting & Finance Bureau Chief, and Human Resources Bureau Chief. These meetings focus on the initial budget drafts and staffing schedules to identify areas where proposed expenses have increased or decreased in response to changes in service levels anticipated for the coming year, changes in expected pricing (e.g., fuel, chemicals for water treatment), etc.

While the department expense budgets are being developed, the Director of Administrative Services and Accounting & Finance Bureau Chief also work to develop revenue projections for the various line items in the five operating fund budgets that combine to make up the City's annual operating budget (General Fund and the Stormwater, Sewer, Water, and Solid Waste & Recycling Funds).

Every year there are gaps between the anticipated revenue estimates and the draft expense budgets from each department. During the internal department reviews and the reviews of the department budgets done by the Mayor, Director of Administrative Services, Accounting & Finance Bureau Chief, and Human Resources Bureau Chief decisions are made to reduce proposed expenditures to close these gaps. Ultimately, the Mayor, with recommendations from the Executive Leadership Team, makes the final decisions on expenditure levels and whether or not revenue increases (increase in property taxes, utility rates, or fees) will be proposed to City Council. The City is legally mandated to adopt a balanced general fund budget where anticipated revenues equal the budgeted expenditures.

In accordance with the Third-Class City Code, the annual operating budget is introduced to City Council no later than the second City Council meeting in November. City Council is presented with a budget that includes City and department organizational charts, narratives describing each department's operations and goals for the coming year, summary and line-item detail of every revenue and expense category in each department and operating fund, and staffing schedules for each department that include position titles and the anticipated annual wages/salary to be paid for each employee.

The annual operating budget is introduced as an Appropriations Ordinance along with a separate Real Estate (Property) Tax Ordinance. When necessary, Resolutions that provide for proposed increases in utility (stormwater, sewer, water, solid waste & recycling) rates are also introduced to City Council. At the first introduction of the budget to City Council, the Mayor presents City Council with a budget address which outlines the general

confines of the proposed budget, strategic goals being addressed in the budget, discussion of any proposed tax or utility rate increases, and challenges faced in creating the proposed budget.

Following introduction of the budget, the Director of Administrative Services has typically made a budget overview presentation at a subsequent City Council meeting to present much of the information provided in the Mayor's Budget Address in graphical form, to explain the highlights of the proposed budget, summarize specific challenges faced in developing the budget (e.g., rising medical claims, pension cost increases, etc.), and note positive developments during the current year (e.g., higher than expected Earned Income Tax returns). This budget overview also always includes a review of the City's five-year general fund projection, showing how decisions made in the proposed budget affect the next several years' revenues and expenses.

City Council then holds a day-long meeting in early December where each department director presents an overview of their department budget, noting successes or challenges in the current year, goals for the coming year and how the proposed budget helps to meet those goals, and highlights any significant change (increase or decrease) in any given line items. This meeting is the best opportunity for both City Council and the public to get insights into the details of the various departments' operations and to understand how the services the City provides are to be funded with the proposed budget.

In total, the budget process from introduction to City Council to final approval typically involves public discussion at four or five public meetings between the end of November and when the budget is adopted by City Council at the second meeting in December.

The Mayor's role in the entire budget development effort is to provide overall guidance to the Executive Leadership Team on the strategic priorities to be made in each department. Where fiscal realities mean that certain strategic efforts can't be met in a given year, the Mayor and relevant department directors work to find alternatives (grant funding, delayed implementation of a given effort, etc.). As noted above, the Mayor is the final decision maker on the budget that will be introduced to City Council and the public.

The Mayor's role in the budget process continues after budget introduction as noted above regarding the Mayor's Budget Address, with and through ongoing public discussion and explanation of the proposed budget at City Council meetings, neighborhood meetings, meetings with other elected officials, business leaders and constituents. The City's engagement platforms and process provide additional opportunities for input into the City's budget.

Once the budget has been approved by City Council, it goes into effect on January 1 of the following year as the City operates on a January 1-December 31 fiscal year. From that point forward, the Mayor and Executive Leadership Team receive monthly financial reports from the Accounting & Finance Bureau Chief and also have ongoing real-time access to the City's accounting system and various report options to track revenue and expense trends during the year. Monthly financial reports are also provided to City Council.

If revenues are expected to fall below budget based on trends seen during the year, the Mayor and Executive Leadership Team will discuss options to reduce expenditures during the year. This is done by holding vacant positions open, finding operating cost savings, or simply deciding not to pursue a given effort originally planned for in the budget. This budget management and implementation process is ongoing throughout the year and leads directly into the subsequent year's budget development process. It is an ongoing and never-ending cycle, year after year to ensure the City's fiscal health remains as strong as possible, balancing the service needs of City residents and businesses within the fiscal constraints under which the City must operate.

14. In your view do you believe the City has the resources to provide for the health, safety and welfare of its residents? If not, what are the shortcomings? How could they be addressed?

No. As noted in response to previous questions, the City currently lacks the legal authority to raise revenues from a variety of sources that would allow us to provide necessary levels of services, chiefly police and fire services, without over-burdening property owners with onerous property tax rates. The City's current legal constraints as they relate to raising revenues has caused an over-reliance on property taxes as the only source of revenue under the direct control of the mayor and city council.

The City's other main sources of revenues, the earned income, local services, and real estate transfer taxes are all capped at their current levels by various State laws and court decisions. Unlike most other Pennsylvania cities, Lancaster does not have the legal authority to implement a business tax. These constraints, coupled with unfunded mandates from the State related to employee compensation and benefits (primarily pension related costs) have created significant financial concerns for the City.

The City has made many efforts with the Lancaster County legislative delegation and the Governor's Office to effectuate changes in state law to allow for new revenues streams to support city government services. None of these efforts over the last two administrations has produced any significant changes. The Home Rule Charter Study Commission review process was begun primarily to allow for the possibility of our City

to better control its own future by providing for the additional revenue flexibility under a new City Charter.

15. Describe how you receive and consider input from the public at large. Do you receive input from smaller sections of the public such as those from locally recognized areas (quadrants, annexes, neighborhoods).

As Mayor, I receive input in a wide variety of ways, from direct emails and phone calls to me or my office, to posts on the City's various social media platforms, resident comments at City Council meetings, neighborhood meetings, individual neighborhood organized functions, business leader meetings organized by the Lancaster City Alliance, or Downtown Investment District, among others, and simply from informal conversations with residents while I am out in various parts of the City at any time of day or evening.

In addition to these direct forms of communication with residents, my administration created the Department of Neighborhood Engagement (DONE) in 2018 for the purpose of improving communications and transparency for our residents. Engagement efforts are both in person and online via social media and the City's dedicated online engagement platform called Engage Lancaster (engage.cityoflancasterpa.gov). In 2023, we also introduced the Fix It! Lancaster app which allows residents to notify the City of neighborhood quality of life issues.

The Department of Neighborhood Engagement also hosts monthly meetings with neighborhood group leaders where they are identifying challenges in their neighborhoods, how the city can support and collaborate. I receive debriefs from staff regarding the content of these meetings and follow up as needed.

Additionally, I meet all of the individuals participating in the Neighborhood Leaders Academy, which is a six-week civic training and grant program for community leaders looking to expand their knowledge of Lancaster City government and learn community-building skills. A specialized Neighborhood Leaders Academy for JP McCaskey students held in partnership with the School District of Lancaster also provides me an opportunity to hear directly from young people about the things they observe in their neighborhoods.

These communications efforts have also employed the City's language access programs to ensure that City residents for whom English is not their first language have the ability to communicate with City staff, including the Mayor and Executive Leadership Team, in their own language. These language access efforts have grown significantly over the last several years so that we can gather input, ideas and feedback from all City residents,

regardless of what language they speak or write. You can read more about the City's engagement efforts [here](#).

From all of the input I gather individually or that the City gathers through all of the means described above, we are growing in our ability to track and analyze data to improve City services, response times, and service quality to best meet our residents' needs. While some residents' needs may be very individual and resolved through direct conversation with City staff or referral to another organization, we have found that using the various means of communication and information gathering above is allowing departments to meet residents' needs more efficiently and effectively than before.

16. In your view what are the biggest challenges facing the City? What are the solutions? Does the City have the authority and ability to address these challenges under the Optional Charter Plan A form of government?

The City of Lancaster is by many measures a highly successful city. Our population is growing with increased housing development. We have a vibrant downtown that is anchored by a strong business community committed to the city's success. We are considered a model city in Pennsylvania and have been recognized nationally for our neighborhood engagement efforts.

At the same time, the City government faces ever increasing needs for services from residents that outpace the City's ability to raise the revenues needed to fund those services. As noted throughout my responses, the City is severely limited in its ability to raise revenues to fund services outside of the imposition of increased property taxes, the only form of tax revenue the City controls. The lack of legal authority to provide for a menu of revenue options that would provide the best and most equitable mix of revenues to keep pace with projected increases in expenses we see in the five-year projections discussed in response to Question #13.

The services provided by the City are extraordinarily labor intensive, with nearly 80% of the City's general fund budget dedicated to employee salary and benefit expenses. The increasing costs of employees' salaries needed to compete in a very tight labor market and the rapidly rising cost of employee benefits (primarily medical insurance and pension obligations) requires revenue options that have natural growth year over year as expenses also increase (property taxes do not annually grow at a sufficient rate).

The City does not have the legal authority under the Optional Charter Plan A form of government to address the revenue issues I have described. As noted previously, I and my predecessor Mayor Gray spent many years trying to get legislative changes at the

State level that would have addressed both the expense problems (e.g., pension obligations) as well as the revenue challenges of the City. To date none of these efforts with the PA General Assembly have come to fruition and the City is running out of time and options to address its financial constraints.

A new City Charter, designed with the same basic government structure we now have, but with increased flexibility for raising revenues in new ways is necessary to allow the City to continue to remain the vibrant and growing city we are right now, for decades into the future.

- 17. In your view do you believe the City's current form of government adequately provides for the necessary services for Lancaster residents, or if not, do you believe the City should consider other forms of government that would best meet those needs in an effective and efficient manner. If you believe a restructuring is needed, why, and what changes would you recommend? If not, why not?**

As noted in several previous responses, I believe that the current structure of City government under the Option Charter Plan A form does provide for the right balance of operational efficiency, legislative oversight, transparency and accountability to provide necessary services to our residents. The challenges we face are more financial in nature than structural and can be resolved, or at least mitigated, by adopting a charter that provides for revenue raising flexibility, still under the legislative control of an elected City Council and with all of the transparency and accountability to our residents that we currently have.