

NOTICE OF PUBLIC HEARING ON TAX INCREASE

A tax rate of 0.819736 per \$100 valuation has been proposed by the governing body of City of Lancaster.

PROPOSED TAX RATE	\$0.819736 per \$100
NO-NEW REVENUE TAX RATE	\$0.788948 per \$100
VOTER-APPROVAL TAX RATE	\$0.822966 per \$100
DE MINIMIS RATE	\$0.829710 per \$100

The no-new-revenue tax rate is the tax rate for the 2020 tax year that will raise the same amount of property tax revenue for City of Lancaster from the same properties in both the 2019 tax year and the 2020 tax year.

The voter-approval tax rate is the highest tax rate that City of Lancaster may adopt without holding an election to seek voter approval of the rate, unless the de minimis rate for City of Lancaster exceeds the voter-approval tax rate for City of Lancaster.

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate for City of Lancaster, the rate that will raise \$500,000, and the current debt rate for City of Lancaster.

The proposed tax rate is greater than the no-new-revenue tax rate. This means that City of Lancaster is proposing to increase property taxes for the 2020 tax year.

A public hearing on the proposed tax rate will be held on September 14th and 21st, 2020 at 7:00 pm at 211 N. Henry, Lancaster, TX

The proposed tax rate is not greater than the voter-approval tax rate. As a result, City of Lancaster is not required to hold an election at which voters may accept or reject the proposed tax rate. However, you may express your support for or opposition to the proposed tax rate by contacting the members of the City of Lancaster at their offices or by attending the public meeting mentioned above.

YOUR TAXES OWED UNDER ANY OF THE ABOVE RATES CAN BE CALCULATED AS FOLLOWS:

$$\text{property tax amount} = (\text{tax rate}) \times (\text{taxable value of your property}) / 100$$

The members of the governing body voted on the proposed tax increase as follows:

FOR: Mayor Clyde C. Hairston, Deputy Mayor Pro Tem Derrick D. Robinson, Councilmember Carol Strain-Burk, Councilmember Marco Mejia, Councilmember Nina L. Morris, Councilmember Stanley Jaglowski.

AGAINST: 0

PRESENT and not voting: 0

ABSENT: Mayor Pro Tem Racheal Hill

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state.

The following table compares the taxes imposed on the average residence homestead by City of Lancaster last year to the taxes proposed to be imposed on the average residence homestead by City of Lancaster this year:

	2019	2020	
Total Tax Rate (per \$100 of value)	\$0.840925	\$0.819736	<i>decrease of</i> -\$0.021189 or -2.52%
Average homestead taxable value	\$130,802	\$145,003	<i>increase of</i> 10.85%
Tax on average homestead	\$1,100	\$1,189	<i>increase of</i> \$89 or 8.06%
Total tax levy on all properties	\$25,425,599	\$27,272,631	<i>increase of</i> \$1,847,032 or 7.26%

For assistance with tax calculations, please contact the tax assessor for City of Lancaster at 214.653.7811 or TNTHELP@dallascounty.org, or visit www.dallascounty.org/tax/ for more information.

Notice of Public Hearing on City of Lancaster FY 2020-2021 Proposed Budget

The City Council of the City of Lancaster, Texas (the "City") annually adopts a budget under the provisions of Chapter 101 of the Texas Local Government Code (the "Act").

Pursuant to the Act, the City will conduct a public hearing at its regular meeting on Monday, September 14, 2020. The second public hearing will be held on Monday, September 21, 2020. Both public hearings will be held in the City Council Chambers at Lancaster Municipal Center (City Hall), 211 N. Henry Street, Lancaster, Texas 75146 at 7:00 p.m.

The City Manager's Proposed Budget includes expenditures from each fund as follows:

Fund	2020-2021 Expenditures
General Fund	\$30,851,444
G.O. Debt Service	\$5,045,505
Street Maintenance	\$808,835
Water/Wastewater	\$17,260,379
Airport	\$484,516
Hotel/Motel	\$41,584
LEDC/4A	\$895,924
LRDC/4B	\$3,397,073
Golf Course	\$967,337
Sanitation	\$2,043,734
E911	\$295,290
Stormwater	\$1,646,706
Total	\$63,738,326

NOTICE ABOUT 2020 TAX RATES

Property Tax Rates in City of Lancaster

This notice concerns the 2020 property tax rates for City of Lancaster. This notice provides information about two tax rates. The no-new-revenue tax rate would impose the same amount of taxes as last year if you compare properties taxed in both years. The voter-approval tax rate is the highest tax rate a taxing unit can adopt without holding an election. In each case, these rates are calculated by dividing the total amount of taxes by the current taxable value with adjustments as required by state law. The rates are given per \$100 of property value.

This year's no-new-revenue tax rate: \$0.788948
 This year's voter-approval tax rate: \$0.822966

To see the full calculations, please visit www.dallascounty.org for a copy of the Tax Rate Calculation Worksheets.

Unencumbered Fund Balances

The following estimated balances will be left in the taxing unit's accounts at the end of the fiscal year. These balances are not encumbered by corresponding debt obligation.

Type of Fund	Balance
General Fund	14,935,088
Debt Service Fund	3,245,575

Current Year Debt Service

The unit plans to pay the following amounts for long-term debts that are secured by property taxes. These amounts will be paid from upcoming property tax revenues (or additional sales tax revenues, if applicable).

Description of Debt	Principal or Contract Payment to be Paid from Property Taxes	Interest to be Paid from Property Taxes	Other Amounts to be Paid	Total Payment
Debt service	4,190,000	2,727,036	221,682	7,138,718
Total required for 2020 debt service				7,138,718
- Amount (if any) paid from funds listed in unencumbered funds				0
- Amount (if any) paid from other resources				0
- Excess collections last year				0
= Total to be paid from taxes in 2020				7,138,718
collect only 100.00% of its taxes in 2020				0
=Total debt levy				7,138,718

This notice contains a summary of the no-new-revenue and voter-approval calculations as certified by John R. Ames, Tax Assessor Collector on August 20, 2020.

Tax Code Section 26.18

Posting of Tax Rate and Budget Information

Entity Name: City of Lancaster

Website: www.lancaster-tx.com

Mailing Address: 211 N. Henry St. Lancaster, TX 75146

Governing body name and contact information.

Name	Phone Number	Email Address
Clyde C. Hairston	469-970-4432	chairston@lancaster-tx.com
Racheal Hill	972-365-4511	rhill@lancaster-tx.com
Derrick D. Robinson	469-245-8700	drobinson@lancaster-tx.com
Carol Strain-Burk	972-218-1245	cstrainburk@lancaster-tx.com
Stanley Jaglowski	214-641-4682	sjaglowski@lancaster-tx.com
Nina Morris	972-218-1250	nmorris@lancaster-tx.com
Marco Mejia	972-218-1246	mmejia@lancaster-tx.com

Provide the preceding two years budget plus current year proposed or adopted budget.

FY 2017/2018: \$56,058,752
FY 2018/2019: \$60,749,816
FY 2019/2020: \$66,075,168

The change in the amount of the budget from the preceding year to the current year, by dollar amount and percentage.

\$5,325,352.00

8.8 %

Tax Code Section 26.18 Posting of Tax Rate and Budget Information

The amount of property tax budgeted for maintenance and operations for preceding two years plus the current year.

2018	13,519,510.00
2019	15,108,586.00
2020	18,216,028.14

The amount of property tax budgeted for debt service for the preceding two years plus the current year.

2018	5,508,373.00
2019	5,968,872.98
2020	7,520,386.00

The tax rate for maintenance and operations **adopted** for the preceding two years:

2018	<u>0.867500</u>
2019	<u>0.840925</u>

The tax rate for debt service **adopted** for the preceding two years:

2018	<u>0.266300</u>
2019	<u>0.245725</u>

The tax rate for maintenance and operations **proposed** for the current year:

2020	<u>0.595200</u>
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The tax rate for debt service **proposed** for the current year:

2020	<u>0.245725</u>
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Provide the most recent financial audit of the taxing unit.

To view the 2019 Annual Financial Report, click on the following link: http://www.lancaster-tx.com/DocumentCenter/View/13652/FY2019-CAFR
