



## **City Manager's Budget Message FY 2024-2025**

**May 14, 2024**

**Lowell Mayor Larry Simonds**

**Members of Lowell City Council**

**City of Lowell**

**North Carolina**

Dear Mayor and Council,

### **INTRODUCTION**

In accordance with Chapter 159, Article 3 of the NC General Statutes, the Local Government Budget and Fiscal Control Act, I am pleased to submit the proposed City of Lowell annual budget for Fiscal Year 2024-2025 for your review and consideration. The annual budget is our financial plan that will guide Lowell through the upcoming fiscal year. Under the general direction of the Mayor and City Council, staff will implement and manage the new budget in a way that takes advantages of opportunities and prepares the City for future challenges, while maintaining the character of the Lowell that we all appreciate. I would like to thank all of our employees for their hard work in preparing this budget.

Throughout the budget message, I will focus on the major characteristics of this proposed budget as they relate to the Council's FY 22-24 Strategic Vision and Goals. Also, highlighting the continuance of the General Fund Capital Improvement Plan (CIP), and the development of a Community Investment Fund (CIF). In the current year of budget planning, the new City Council have emphasized the importance of reducing fees and property taxes.

Two budget retreats were held in January and February, as well as budget work session Council meetings in March and April.

#### **Mission Statement**

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#### **Core Values**

*Integrity, Inclusiveness, Transparency, Fairness, Accountability, & Compassion*

## COMMUNITY INVESTMENT FUND (CIF) and PROPOSED TAX RATE

One cent of ad valorem property tax per \$100 of assessed value provides the City with \$66,329 of tax revenue to support City operations. These figures are subject to change with the final collection of the Gaston County Tax Office, but are representative of a 99% collection rate of FY24 ad valorem taxes.

Considering the increased rate of collection of ad valorem taxes, and the Council’s desire to reduce taxes and fees, the proposed budget contains a recommended tax rate decrease of 5.5 cents, from 49 cents to a tax rate of 43.5 cents per \$100 of assessed value, and provides 4.5 cents of the 43.5 cents, or \$298,480, to the Community Investment Fund (CIF) in order to begin and/or continue of the following projects within the CIP, in full or in part:

A	B	C	D
Projects Identified	Total Cost	Grant/Outside Funding	Net City Impact
<b>1 Projects Funded in Current CIP</b>			
2 Public Works Facility	6,000,000	(2,000,000)	4,000,000
3 City Hall / Police (Land)	285,419	-	285,419
4 Indoor Rec. Center (Land)*	500,000	-	500,000
5 Indoor Rec. Center (Reno.)	600,000	-	600,000
6 Harold Rankin Park (Initial)	1,200,000	(1,000,000)	200,000
7 Carolina Thread Trail	370,000	(277,080)	92,920
8 I-85 Betterments	1,892,167	(946,084)	946,083
9 Roads / Paving	600,000	(600,000)	-
10 Downtown Parking	75,000	(75,000)	-
11 Community Center Imp.	75,000	(75,000)	-
12 <b>Total</b>	<b>11,597,586</b>	<b>(4,973,164)</b>	<b>6,624,423</b>
<b>13 Projects NOT Funded in Current CIP</b>			
14 City Hall / Police Facility	11,500,000	-	11,500,000
15 Riverfront Park	12,340,000	-	12,340,000
16 Harold Rankin Park (Future)	3,800,000	-	3,800,000
17 Bob Bolick Park	1,800,000	-	1,800,000
18 <b>Total</b>	<b>29,440,000</b>	<b>-</b>	<b>29,440,000</b>

\*Funded from ARPA Revenue Replacement Funds previously transferred into the Capital Reserve.

Mitch Brigulio with Davenport Public Finance and the City Manager explained the background of establishing the CIF fund during the budget retreats in early 2024. The CIF fund is a type of fund for existing and future capital expenditures which laid out a best practice approach to capital planning and debt modeling which has been in use in cities for many years, and offers Lowell an opportunity to leverage a proven tool to help ensure future success.

The purpose of the fund is for all future capital needs of the City, including, but not limited to, city infrastructure projects, capital equipment, property acquisition, grant matches, etc. Funds that were traditionally spent out of the various general fund departments and shown in the capital

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budget will reside in this separate fund structure. This fund will specifically be funded by the current fund balance that exceeds 50% of General Fund Expenditures Goal and a specific allocation of the tax rate as mentioned above. The prior establishment of this fund has authorized staff to make transfers to the CIF and provide a continuous flow of funds to the CIF when there are funds available above the [future] fund balance % to GF expenditures goal.

The City has worked to plan and fund capital improvements using sound financial management and responsible stewardship alongside the Council’s priorities. Strong debt policies and debt modeling have served the City well, as reflected in Lowell’s Financial Statements. This proven tool will enable the City to continue funding the General Fund CIP. The proposed budget includes \$298,480 (or 4.5 cents) being allocated to the CIF Fund for capital projects and infrastructure. More funding will be needed in the future to address City Hall and Police Department facility needs.

### **COUNCIL GOALS**

The City Council reviewed their FY 22-24 Goals during the budget retreats in early 2024 and plan to complete a new strategic vision during the 24-25 fiscal year with increased citizen involvement. The strategic vision is the policy document that staff use to integrate the Council’s Vision into the relevant departments and service deliveries. Below are the existing goals that were not changed during the FY25 budget retreats. A new plan is planned for this Fall.

<b>Current Goals FY22-FY24</b>
Continuously Improve and Expand Water, Sewer, and Stormwater Infrastructure
Continuously Improve and Expand City Streets and Sidewalks
Develop and Update Public Facilities
Enhance Multi-Generational Parks and Recreational Activities
Develop Land Use Master Plans for Targeted Areas

### **STATE BUDGET GRANTS and OTHER DIRECT FUNDING**

During the adoption of the State of North Carolina’s last budget, the City of Lowell received \$8.25 million in direct appropriations for water and sewer projects and \$150,000 from the Regional Economic Development Reserve funds for the purchase of a downtown parking lot and interior repairs to the Lowell Community Center.

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## FISCAL SUMMARY

### General Fund

The City of Lowell's fiscal position is positive due to conservative fiscal management and strict adherence to the Fiscal Policy. With the approved residential and commercial developments that have occurred during prior years, there are future revenues that will continue to sustain operations and necessary planning for the future. Over the last four years the City has accomplished a number of strategic goals, all while increasing the City's General Fund Unobligated Fund balance to a healthy level. The current unassigned fund balance increased from \$2,107,230 to \$3,737,187 (up 77.35% since year prior) which equated to 79.8% of General Fund expenditures. Overall, maintaining a strong fund balance allows for fiscal resiliency that is needed to withstand uncertainty. This is an indicator that the City is in a much better position to deal with unexpected needs that may arise such as weather disasters, inflation, and aging infrastructure needs.

In accordance with the Council's Strategic Vision to *Develop and Update Public Facilities* for the citizens, the Council established the Community Investment Fund (CIF) during the February 14, 2023 Council meeting for revenues beyond the 50% goal of the General Fund Unobligated Balance. The current balance of the CIF is \$1,716,449.

### OTHER GRANTS

The City continues to be aggressive in seeking grant funding and will continue to do so with adequate resources. In this upcoming fiscal year, the City will prioritize state directed grants, complete the Water AIA mapping grant, and closeout prior CDBG grants and the Gaston County Township grant.

In accordance with the Council's Strategic Vision to *Enhance Multi-Generational Parks and Recreational Activities*, \$1 million in funding for Harold Rankin Park has been secured during FY 24 through the Parks and Recreation Trust Fund (PART-F) in the amount of \$500,000 and the Land and Water Conservation Fund (LWCF) in the amount of \$500,000. Each grant offsets the match from one another. Attention to grant requirements and project management is paramount to effectively utilizing these funds. Staff support is critical to aid in this grant administration, along with our on-call engineering partners. See the map on the following page of the Harold Rankin Park improvements that \$1 million in grant funds have been applied for:

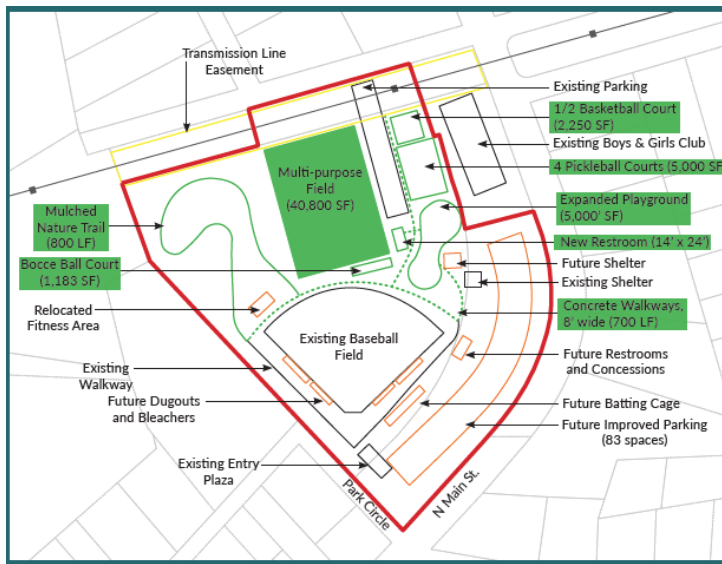
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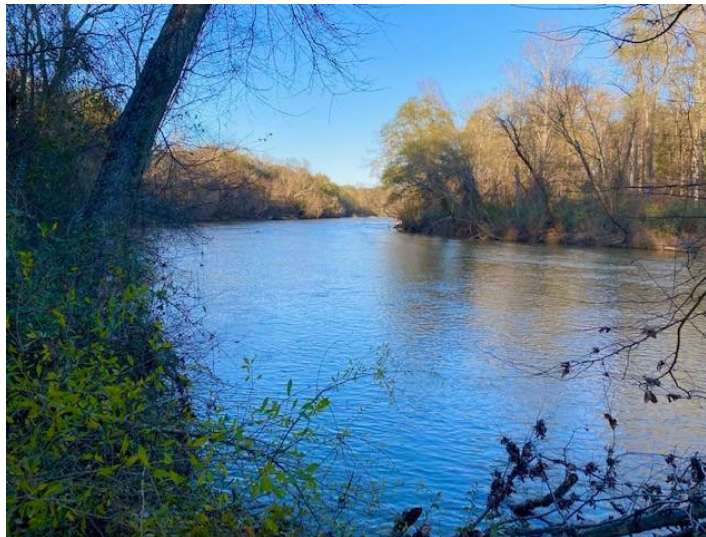


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The City was awarded a \$127,080 grant from the Carolina Thread Trail (CTT) during FY 23 and the City is expected to implement construction of the Carolina Thread Trail with the CTT grant and matching ARPA funds of \$50,000 during FY 25 jointly with Gaston County to connect substantially to Spencer Mountain and the future Spencer Ridge subdivision. This trail will be approximately 50% of the entire Lowell trail segment.



This project includes constructing a natural surface trail estimated to be 2,752 linear feet long and 6 feet wide

### Water/Sewer Fund

The sustainability of the Water and Sewer Enterprise Fund has been a major focus of the City Council. This self-sufficient fund may not be supported by tax dollars but by user fees. The unrestricted net position, per the FY 23 Audit is \$442,946. This fund balance will need to continue to grow to handle emergency repairs. It is imperative to maintain a plan to address the maintenance and capital improvements necessary to ensure the City can continue to provide water and sewer service to its customers well into the future. In 2024, the City Manager commissioned an update to the 2023-2024 Capital Improvement Plan (CIP) to ensure the best

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use of awarded grant funds from the State and an analysis of the water and sewer fees. This 10-year plan provides the blueprint to meet our current and future needs while the rate recommendations provide the recommended means to fund the CIP. System Development Fees (SDF) are estimated to substantially rise with new developments occurring in Lowell. This is an equitable way to distribute expenses to the water and sewer infrastructure and ensure that new development pays their fair share of system improvements and maintenance.

The NCDEQ Pre-Construction Planning Grant to engineer plans to send all of Lowell's wastewater to a Two Rivers pump station in McAdenville will be completed in June of 2024. The City also secured a State Revolving Fund (SRF) Loan/Grant for the construction of the pump station listed above and to decommission the Lowell WWTP. The SRF funding consists of a \$2,806,357 Sewer Overflow and Stormwater Reuse Grant and an SRF loan of up to \$5,098,357 that will be repayable at an interest rate of .76%. Up to \$500,000 of the principal amount of the loan will be forgiven. The City Council will continue to review this option to manage future increased demands from new sewer customers in the City of Lowell. A decision to proceed is required during 2024 to advance this project.

### **Stormwater Fund**

In January 2020, the State of North Carolina Department of Environmental Quality issued the City of Lowell a Notice of Violation regarding our MS4 Stormwater Permit. To avoid costly fines from NCDEQ and the EPA, Lowell was required to submit a Stormwater Management Plan (SWMP) that NCDEQ had a guiding hand in developing, in order to sufficiently address stormwater quality within our city limits.

The FY24 budget included a full-time Stormwater Administrator to meet the needs as listed above. This department is funded entirely by user fees. Capital equipment is included in this budget to enable city crews to do stormwater repairs throughout the City. The Council indicated the desire to reduce the stormwater fee to \$4.75 per equivalent residential unit (ERU), which is a \$2 decrease from prior years. Compliance with NCDEQ MS4 requirements and minor in-house repairs are the focus of the Stormwater budget. More funding will be required to perform needed stormwater utility repairs in the future. It is recommended to pursue FEMA BRIC Grants and other funding to aid Lowell in this process.

### **LONG-TERM DEBT**

The City's total long-term debt across both major funds decreased from \$1,166,823 to \$1,008,082, a decrease of \$158,741. This is an extremely low debt service number and equates to about \$272 per person in the City. The City will utilize some of this debt capacity this fiscal year for needed capital items with long useful lives. The city's great fiscal standing permit low interest rates. The use of debt financing for capital equipment or infrastructure projects is justified and an equitable approach for the City due to the benefits received over many years that will benefit future users as well as current taxpayers. Therefore, the cost of the public investment should be borne by both. Using a portion of a taxpayer's dollars to pay off the debt for the capital expense is one way to ensure that future taxpayers bear their fair share of the cost. A list of capital projects is included in the budget document.

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## REVENUE-GENERAL FUND

The General Fund consists of most of the traditional governmental functions of the City of Lowell, such as police, administration, sanitation, public works, and parks and recreation. The proposed General Fund Revenue for FY24-25 totals \$5,659,163 which is approximately a 13.7% increase from the current fiscal year. This is due in part to an increased collection percentage, increase in sales tax revenue, and increased development and review fees.

The largest revenue source within the General Fund is Ad Valorem Taxes. The assessed value of all personal property values totals \$669,373,994 (a 16.3% increase from current FY) equating the total Ad Valorem Tax levy to \$2,885,300.02 based on our new proposed tax rate of .435 cents per \$100 of evaluation. This assumes a collection rate of 99%. This is the revenue source that you (the Council) have complete control over. Other revenues are controlled by the NC General Assembly or the Gaston County Board of Commissioners. Ad Valorem revenues account for 52% of total revenue.

Local sales tax continues to grow at rates that have not been observed before in Lowell, but this growth is beginning to flatten. This revenue accounts for \$850,000 (or 15%) of general fund revenues and is expected to increase by 6.25% from the current fiscal year. Plan review and inspections accounts for \$955,437 which is substantially used to pay for our on-call engineers to review plans and inspect construction activities of new development. The remaining funds are used for relevant general government operations. This revenue is anticipated to decline in future years after development occurs.

During the FY 2024, the Council has operated a full year of the Pay-As-You-Throw bulk program in effort to clean up the City and offer a service to our residents to dispose of items weekly, instead of waiting for the free quarterly bulk pickup. The Council has instructed staff to begin a monthly bulk pickup (instead of quarterly) in FY25. The impacts to the Pay-As-You-Throw revenue are yet to be known, but a decrease is accounted for in projected revenues. The current garbage collection fee of \$12.00 will remain unchanged for residential customers. Secondary containers will remain at \$8.00 for residential customers. Commercial customers will remain at \$22.00 for both primary and secondary containers. These fees result in a projected cost coverage of 68% of the expenses for the sanitation department, which includes the staffed recycling center. Per guidance from UNC School of Government, these user fees should sustain the total expenditures of the department and the City is making progress of reaching a 100% sustainable department and transitioning this department to an enterprise fund.

The City Council wishes to eliminate the vehicle license tax of \$10 per vehicle from the FY25 Budget. This revenue was previously dedicated to repairing and resurfacing our city streets and general government use. \$5.00 was previously used for General purposes and \$5.00 of the tax levied for maintaining, repairing, constructing, reconstructing, widening, or improving public streets in the city that do not form a part of the State highway system. This revenue formerly

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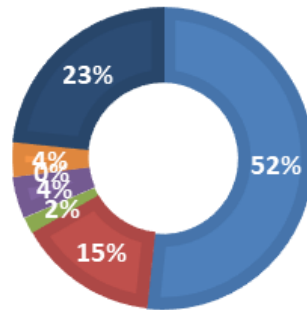
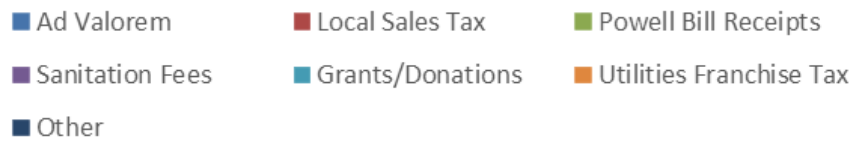
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supplemented the estimated \$100,000 that the City will receive annually in Powell Bill funding from the State of North Carolina. Powell Bill funding is the City’s portion of the state gasoline tax, and it is dedicated to transportation improvements such as street resurfacing and sidewalk repair. Additional funding will be needed to provide for street repairs.

Please see the graph below for sources of revenue within the General Fund:

### GENERAL FUND REVENUE SOURCES FY24-25



### EXPENDITURES–DEPARTMENT HIGHLIGHTS

In accordance with the mission statement: *The City of Lowell delivers excellent public services through transparent leadership and community engagement*, it has been paramount to provide professional personnel to meet the challenges of service delivery. In order to retain great employees, the City Manager ordered a pay and classification study during FY24 to update the pay scale during FY25.

The current analysis found that Lowell was deficient in certain positions for compensation. In prior years, this has resulted in an expensive turnover from staff leaving for increased pay elsewhere and department heads have been faced with vacancies and costly training for new hires. The Consumer Price Index indicated the need for a COLA increase of 3.5%. The salary study produced 2 options for implementing other recommended pay increases. Option 1 costs \$24,464 and Option 2 costs \$26,213. During the last Council work session in April, the Council indicated going forward with Option 1, a COLA increase of 2.5%, and a merit increase of 0-1%. This is a decrease from the FY24 merit increase of 0-3%. It is important for the City of Lowell to invest in their staff who work tirelessly to deliver excellent public services to Lowell residents.

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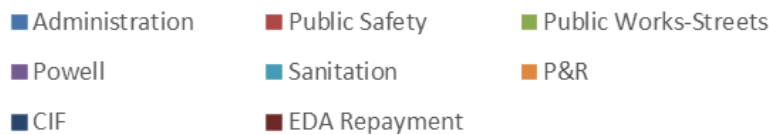


As we are nearly at the end of FY24, our turnover rate has increased to 28% for the fiscal year.

The proposed budget contains a 2.5% COLA, or, across the board, salary increase of employee salaries. The cost to implement this recommended increase of 2.5% COLA to existing employees and adjust the positions named above is \$56,296 and merit increases of up to 1% is approximately \$11,256. In the proposed budget, the wellness and training programs are scheduled to continue and vision insurance and a health assessment are included.

Additionally, the NC State Retirement System increased the City’s contribution percentage. The City will see an increase of .75% in retirement expenses for the non-police salaries and 1% for police salaries. This increase will cost the city an additional \$37,431 this fiscal year. The increases are as follows across the three funds: \$42,204.79 in General Fund, \$5,834 in Water/Sewer Fund, and a decrease of \$10,608 in the Stormwater Fund. The decrease in Stormwater Fund is indicative of a reallocation of employee salary percentages away from the Stormwater Fund to the General Fund. These increases include the new proposed positions. Below is a graph that depicts the operating expenditures across the FY24 Proposed Budget

### ALLOCATION OF GENERAL FUND EXPENDITURES



#### Administration

Administration encompasses a wide range of activities including Council expenses, Manager, Finance, Human Resources, Planning, Beautification and other general expenses.

Personnel	\$1,021,279
Operations	\$1,300,290
Capital	\$3,762
EDA Repayment	\$509,305
<b>Total</b>	<b>\$2,834,636</b>

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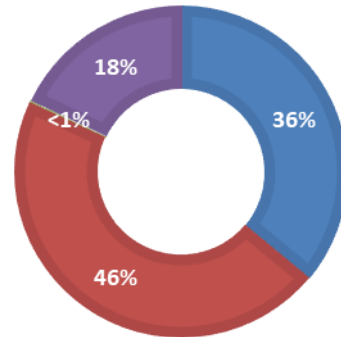


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Administration accounts for approximately 49.4% of General Fund expenditures in the proposed budget. Administration expenses are projected to increase by 26.3% from the current fiscal year due to several factors. Increased costs for plan review and inspections are required for ongoing developments, but they are directly subsidized by the fees the developers pay. Professional services and contracted services have increased due to increased costs for products and additional attorney needs for developments and operations. The Planning Board has scheduled training in FY24 for additional development hearings and additional training is continued for in the proposed FY 24-25 budget.

### ADMINISTRATION EXPENDITURES

■ Personnel ■ Operations ■ Capital ■ EDA Repayment



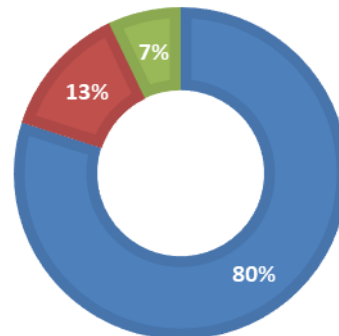
### Public Safety

Public safety makes up nearly one-fourth of the Lowell fiscal year budget at 24%. The Police Department received an Administrative Secretary position in FY24 to do many clerical and administrative duties during office hours, Monday through Friday. The continuation of a recently updated RMS system for the department is incorporated, the continuance of specialized training, and recruitment strategies are included.

Personnel	\$1,099,013
Operations	\$178,702
Capital	\$96,571
<b>Total</b>	<b>\$1,374,286</b>

### PUBLIC SAFETY EXPENDITURES

■ Personnel ■ Operations ■ Capital



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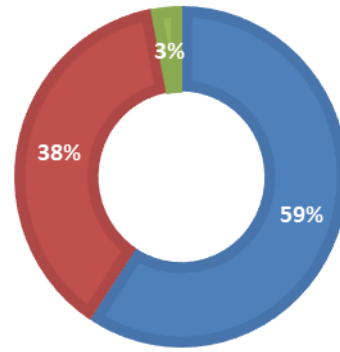
## Public Works-Streets

Personnel	\$232,166
Operations	\$148,870
Capital	\$11,730
<b>Total</b>	<b>\$392,766</b>

Public Works-Streets Department accounts for approximately 7% of the General Fund expenditures in the proposed budget. The proposed budget contains a 17% increase in expenditures from the current fiscal year. This increase is the result of an increase in salary allocations from the Stormwater Department. Public Works provides a variety of services that meet the needs of our citizens every day from streets to landscape maintenance.

## PUBLIC WORKS-STREETS EXPENDITURES

■ Personnel ■ Operations ■ Capital



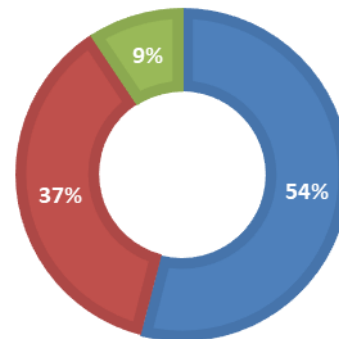
## Sanitation

Personnel	\$196,532
Operations	\$133,500
Capital	\$33,683
<b>Total</b>	<b>\$ 363,715</b>

The Sanitation Department accounts for 7% of General Fund expenditures, up 5% from the current fiscal year. The proposed FY 24-25 budget for Sanitation is partially supported by fees (68%) with the remainder supported by tax dollars. Increases in sanitation expenses result from increased costs from the Gaston County landfill, personnel, materials, and fuel. As stated above, there is not a proposed increase in sanitation rates in the proposed budget. The staffed recycling center continues to be a huge success and continues to be a model to neighboring municipalities as curbside recycling programs have become too costly due to excessive contamination. The Pay-As-You-Throw Bulk Program began in FY 23 as an effort to clean up the City and offer a service to our residents to dispose of items weekly, instead of waiting for the free bulk pickup, which the City Council has requested to increase to monthly instead of quarterly.

## SANITATION EXPENDITURES

■ Personnel ■ Operations ■ Capital



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## Parks and Recreation

Personnel	\$153,561
Operations	\$136,115
Capital	\$5,604
<b>Total</b>	<b>\$295,280</b>

Parks and Recreation is much more than athletics and the department has grown to provide a broad range of offerings to increase the quality of life for our residents. Parks and recreation is essential to create a sense of place and community people so commonly desire.



The proposed FY 24-25 budget includes 5% of all General Fund expenditures for the Parks and Recreation Department. During FY 24, staff began discussions with the YMCA regarding athletic programming and a possible partnership with the newly acquired recreation center, formerly the Lowell Boys and Girls Club. Discussions are ongoing and the City Council will decide on this possibility in the next few months. During the current fiscal year, staff also began a PART-F and LWCG Grant project at Harold Rankin Park to remodel and add amenities with \$1 million in grant funds. Additional funds have been acquired from direct state funding to make improvements to the interior of the Lowell Community Center in 2024-2025. The FY 25 opportunities will continue the focus on two (2) important goals of the City Council’s Strategic Vision; *(1) Develop and Update Public Facilities (2) Enhance Multi-Generational Parks and Recreational Activities*

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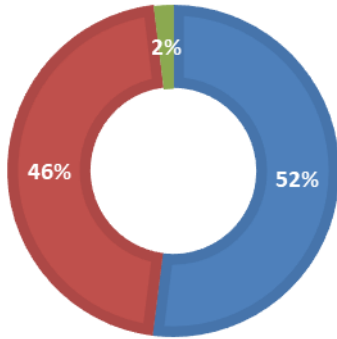


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## PARKS AND RECREATION EXPENDITURES

■ Personnel ■ Operations ■ Capital



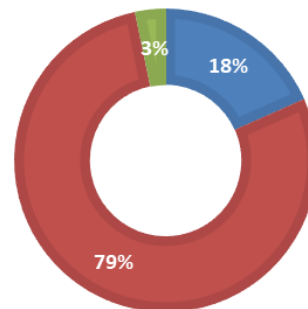
### Water and Sewer Fund

**Continuously Improve and Expand Water, Sewer and Stormwater Infrastructure** The proposed FY 24-25 budget contains a large increase, over the current fiscal year, of 96%, due to the increased amount of System Development Fees (SDF) that are anticipated from approved developments. These funds must be utilized in approved way per NCGS162A-211. An update to Water and Sewer CIP was completed in 2024 which lays out 10 years of maintenance and projects needed to keep the Water and Sewer Fund functioning appropriately. WWTP plans to regionalize with Two Rivers are being considered by the City Council, along with the grant funds needed to do so. The direct funds from the state budget were prioritized in the update to the Water and Sewer CIP. To cover increased costs from Two Rivers and to meet the demands of the Capital Improvement Plan a 6% increase in water and 3% increase in sewer is recommended for FY25. The EPA Lead Service Line Inventory continues with W/S staff and the GIS Analyst to meet this mandate.

Water and Sewer	
Personnel	\$563,408
Operations	\$2,339,457
Capital	\$102,063
<b>Sub-Total</b>	<b>\$3,004,928</b>
Wastewater Treatment	
Personnel	\$65,000
Operations	\$345,676
Capital	\$9,416
<b>Sub-Total</b>	<b>\$420,092</b>
<b>Total</b>	<b>\$3,439,340</b>

## WATER AND SEWER EXPENDITURES

■ Personnel ■ Operations ■ Capital



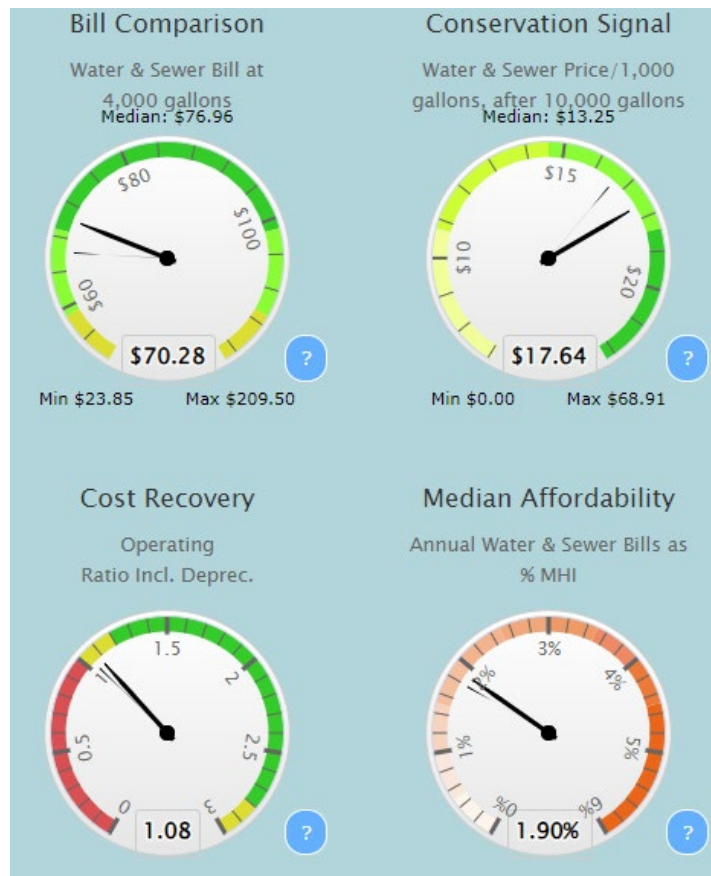
The City of Lowell's proposed rates, are below the median rate in the State of North Carolina.

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On the following page is a diagram that compares Lowell's average water and sewer bill against all other cities within North Carolina.



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## Stormwater Fund

### Continuously Improve and Expand Water, Sewer, and Stormwater Infrastructure

A Stormwater Utility was adopted in the FY 21-22 budget in order to create a sustainable revenue stream for the requirements of Lowell's MS4 Stormwater Permit. The National Pollutant Discharge Elimination System (NPDES) Municipal Separate Storm Sewer System (MS4) Program is mandated under the federal Clean Water Act. An NPDES MS4 permit is required for every MS4 owner or operator that has jurisdiction in a U.S. Census Bureau designated Urbanized Area. The City of Lowell is one of those areas because our population exceeds 1,000 and we are considered an urban area. The



Stormwater Department was formerly housed in the General Fund where it was minimally funded. This was prefaced by an audit of the City of Lowell's stormwater program in October of 2019 that resulted in a Notice of Violation from NCDEQ. Staff worked tirelessly on a way to resolve the violation and NCDEQ has accepted the City of Lowell's Stormwater Management Plan (SWMP) as of April 7, 2021. This is a 5-year plan that coincides with the 5-year MS4 permit. It provides a roadmap of how the City intends to address stormwater as it relates to public education, public involvement, illicit discharge and detection, construction site runoff control program, post construction site runoff controls, and good housekeeping and pollution prevention. The resulting SWMP lists 259 Best Management Practices (BMP's) that we are mandated to carry out for controlling flooding, reducing erosion and sedimentation, and improving water quality. The current adopted fee is \$6.75/month for all residential customers and \$6.75/month per 2,827 square feet of impervious surface for all non-residential customers. This methodology is the most widely used fee structure in the state of North Carolina. During the budget retreats and work sessions in 2024, the Council sought to bring the fee below \$5. The proposed fee for FY25 is \$4.75 per residential customer and \$4.75/ERU.

Personnel	\$178,292
Operations	\$59,173
Capital	\$49,856
<b>Total</b>	<b>\$ 287,320</b>

The proposed FY 24-25 budget contains a 68% decrease from the last fiscal year due to reallocation of salaries away from the Stormwater Fund and to the General Fund. The unrestricted net position of the Stormwater Department remains \$157,227 and the proposed

#### **Mission Statement**

*The City of Lowell delivers excellent public services through transparent leadership and community engagement.*



#### **Core Values**

*Integrity, Inclusiveness, Transparency, Fairness, Accountability, & Compassion*

revenue from a budgeted fund balance transfer of \$27,703.35 from FY24 may not be needed before June 30, 2024, therefore remaining in the fund balance.



## CAPITAL EXPENDITURES

New or expanded expenditures are carefully evaluated and need to be viewed as an investment to the City of Lowell. We must ask ourselves, is this the best use of scarce resources? Can we do it another way? Are we willing to decrease service delivery to offset the lack of equipment? Staff will continue to provide an excellent level of service with the addition of needed capital investments.

The total of all capital needs is \$95,000 in the proposed FY 2024-2025 Budget. The Water/Sewer Fund accounts for 100% of the proposed capital expenditure for a new dump truck to replace a 1997 model.

## CONCLUSION

In conclusion, the FY24-FY25 budget reflects our commitment to fiscal responsibility and strategic investment in the future of Lowell. Through meticulous planning and collaboration, we have crafted a budget that addresses critical needs while ensuring long-term sustainability and accomplishing the City Council's Strategic Vision for Lowell. I extend my deepest appreciation to the dedicated staff of the City of Lowell whose unwavering commitment and hard work have been instrumental in shaping this budget. Their dedication to serving our community is truly commendable, and it is their efforts that enable us to fulfill our mission of delivering essential services and positioning Lowell for a prosperous future.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Scott Attaway".

Scott Attaway

City Manager

### Mission Statement

*The City of Lowell delivers excellent public services through transparent leadership and community engagement.*



### Core Values

*Integrity, Inclusiveness, Transparency, Fairness, Accountability, & Compassion*



<b>General Fund Revenue</b>							
	FY 22	FY 22	FY 23	FY 23	FY 2023-2024	FY 2024-2025	
Line Item Description	Budget	Actual	Budget	Actual	Budget	Proposed Budget	Explanations/Comments
Ad Valorem Taxes-Prior Years	27,000	14,760	27,000.00	44,783.69	15,000.00	40,000.00	Prior year delinquent tax payments
Gross Receipts Rev Tax	100,000	178,919	150,000.00	139,877.43	165,000.00	150,000.00	Rental Car Tax - added Enterprise in FY 18
Ad Valorem Taxes	1,522,825	1,562,001	1,559,845.00	1,586,110.65	2,856,534.13	2,885,300.02	Real & Personnal
Tax Penalties & Interest	2,000	237	2,000.00	2,133.11	250.00	1,500.00	Assessed from Delinquent Taxes
Interest Income	16,000	2,906	12,000.00	1,908.40	5,000.00	150,000.00	Interest Earnings From Cash and Investments
Ballfield Rent		1,881.00	0.00	2,631.00	2,500.00	750.00	Harold Rankin fields(reduced for construction timeline) YMCA would zero out
Shelter Rentals			0.00	70.00	150.00	75.00	Harold Rankin shelter (reduced for construction timeline)
Beer & Wine Tax	17,500	14,546	17,500.00	17,086.90	15,000.00	17,500.00	
DMV Tag Tax	31,000	26,560	31,000.00	30,710.00	31,000.00	0.00	3153 Registered Tags (\$10.00) REMOVE TAG FEE
Asset Forfeiture		47	500.00	3,540.31	500.00	1,000.00	
Miscellaneous Revenue	2,000	48,317	2,000.00	23,191.30	2,000.00	2,000.00	Unclassified Revenue i.e. Insurance Claims
Insurance Proceeds	2,000	5,450	2,000.00	3,649.68	2,000.00	2,000.00	
Donations Received		0	10,000.00	0.00	10,500.00	500.00	
Utilities Franchise Tax	195,000	196,246	195,000.00	211,853.67	195,000.00	210,000.00	% of the revenues derived from sales of utilities
Solid Waste Disposal	2,900	2,838	2,900.00	2,212.76	2,800.00	2,800.00	From State on Per Capita Basis
Powell Bill Receipts	85,450	102,320	88,000.00	103,274.77	100,000.00	100,000.00	Per Gen Assembly calculation
Local Sales Tax	535,000	672,917	650,000.00	831,928.66	800,000.00	850,000.00	Local portion of Sales Tax
Zoning Permits	15,000	27,849	20,000.00	12,225.00	15,000.00	15,000.00	Zoning Permit Fees
Plan Review and Inspections				4,645.00	500,000.00	955,437.00	Willow Creek Meadows (Inspections), Spencer Ridge (Review/Construction Inspections), Misc. Commercial, etc
Development Agreements				0.00	15,000.00	5,250.00	5,250 per agreement
Sanitation Fees	152,000	157,842	239,000.00	227,344.31	240,000.00	240,000.00	Sanitation Service Revenue
Bulk/Pay as You Throw Fees				1,436.19	1,500.00	3,500.00	Pay as You Throw fees billed to customer
Other Landfill Fees	2,000	1,823	2,000.00	1,349.53	2,000.00	1,500.00	Rental truck landfill fee reimbursement
Athletics Revenue	9,675	3,522	3,941.00	7,879.63	8,000.00	0.00	YMCA Partnership to remove revenue
Community Center	1,000	1,160	2,500.00	0.00	2,500.00	15,000.00	Based off of 68% of available dates and possible downtime from construction
Festivals & Events	4,500	6,184	7,200.00	7,362.13	6,000.00	7,300.00	Offer Smaller Events (BBQ Cookoff, Senior Lunches, etc), Includes Caromont Grant of \$5,500
Merchandise		824	2,000.00	467.77	500.00	500.00	t-shirts, hats, stickers, mugs, etc
Concessions		0	0.00	0.00	0.00	0.00	
Grants - Recreation	48,156	0	5,000.00	0.00	5,000.00	250.00	
Lease Proceeds		0		0.00			
Sales of Fixed Assets		0	8,000.00	9,210.00	2,000.00	2,000.00	
Fund Balance Appropriated		0		215,000.00			
FB Powell Bill				0.00			
<b>Totals</b>	<b>\$2,916,007</b>	<b>\$3,029,148</b>	<b>3,254,386.00</b>	<b>3,741,881.89</b>	<b>5,000,734.13</b>	<b>5,659,163.00</b>	

Administration							
	FY 22	FY 22	FY 23	FY 23	FY 2023-2024	FY 2024-2025	
Line Item Description	Budget	Actual	Budget	Actual	Budget	Proposed Budget	Explanations/Comments
Council	16,000	17,527	\$22,100	19,327.00	\$31,940	\$31,940	Salaries for Six Elected Officials / Travel and Training for Council
Administrative Salaries	325,116	216,441	\$323,000	304,375.76	\$559,729	\$714,619	Admin Salaries-Manager, Planning/Zoning Dir, Planning Technician/Inspections, Finance Dir, Clerk, CSR to Utility Billing Manager new grade, CSR/Account Tech, Payroll/Payables tech, 30%, GIS (now 50% was 30%), PT Communications Director
FICA Expenses	15,309	17,554	\$24,710	24,219.97	\$42,819	\$54,541	7.65% of salaries is FICA expense
Health Insurance	43,023	35,001	\$45,000	41,940.99	\$56,000	\$69,069	Health, Dental, Vision, Life, AD
Retirement Expenses	22,713	23,001	\$39,083	36,059.59	\$71,925	\$96,962	13.6% of salaries is retirement. Increased from 12.85% per NC
401(K) Retirement	10,006	9,984	\$16,150	14,900.65	\$27,986	\$35,648	5.0% 401K match
Unemployment Benefits	750	215	\$750	618.70	\$750	\$2,500	No change from FY22
Professional Services	94,663	145,953	\$120,000	118,517.23	\$120,000	\$125,429	Legal (\$35,000), Audit (\$42,700), NCLM (\$4,900), Southern Software Support (\$3,614), Misc. Engineering, Cavanaugh MacDonald (\$4,000)(OPEB), Misc.
Engineering Review and Inspections				0.00	\$425,000	\$812,121	Review and Inspections to on-call engineers
Telephone & Postage	13,900	13,873	\$17,500	11,296.90	\$18,000	\$18,500	VOIP Phones, Cell Phones, Postage, tablet service
Electric Utilities	5,750	5,560	\$13,500	7,410.09	\$13,600	\$14,000	Utilities for City Hall
Travel & Training	7,500	14,032	\$29,000	25,772.68	\$31,500	\$30,000	Professional Development:CZO; City Vision ; Clerk; NCLM; NCCCA ; ICMA Annual ; Planning ; GIS; Southern Software ; Finance ; Tuition Reimbursement Program; Clerk Academy; UNCISO; Leadership Gaston \$600
Main. & Repairs - Bldg	9,000	83,228	\$16,000	17,301.95	\$16,200	\$18,000	Facility Use, Downstairs Additional, Council Chambers
Main. & Repairs - Equip	4,000	3,232	\$4,000	2,455.89	\$7,422	\$8,000	General maintenance (HVAC, etc.)
Election Expenses	4,175	4,317	\$4,500	0.00	\$4,750	\$4,800	Per Gaston County Board of Elections
Checking Acct	5,000	6,525	\$5,250	5,251.86	\$6,550	\$6,000	Bank Fees
Advertising	4,000	4,681	\$6,000	4,068.70	\$6,500	\$6,500	Gaston Gazette Legal Fees
Supplies	15,000	17,599	\$31,231	30,780.50	\$32,000	\$36,000	Office supplies, new copier lease (\$2,484), 2 computers, 2 monitors (\$7,500), 2nd copier lease (\$2,500), etc
Auto Fuel				0.00	\$2,750	\$800	Bronco
Beautification	5,000	2,744	\$14,700	12,200.63	\$5,500	\$10,000	banners, flowers, downtown improvements
Christmas Decorations				0.00	\$6,000	\$6,000	X-mas trees, Christmas décor and repair
Zoning Board	1,800	1,900	\$5,100	1,025.00	\$5,100	\$4,000	Payment to Board Members for Attendance; Training Planning Board \$3,000
Code Enforcement	9,000	0	\$9,000	0.00	\$9,000	\$9,000	Inspection Fees / Title Searches / Minimum Housing
LCC/Master Planning Committee		125		0.00	\$12,500	\$12,500	Façade Grant(s) and other Projects
Rental Expense	9,000	8,700	\$9,000	8,355.00	\$9,000	\$7,140	McCord Park
Contracted Services	80,000	98,556	\$115,000	80,131.47	\$141,578	\$125,000	Master Planning, Architecture, Civil/Plans/Environmental,IT Cyber Security Compliance, CodeRed, Cleaning, Archive Social, Polimorphic, C.D.S., YMCA, Website, Misc. Comm Software, Misc.
Tax Collection Fees	9,900	14,577	\$15,000	19,950.38	\$15,000	\$22,000	Cost for Gaston County to Collect Taxes *Increase per Gaston County
Dues & Subscriptions	10,500	11,660	\$13,500	8,051.22	\$14,000	\$14,680	UNCISO (\$550), Centralina, MPO, Montcross, GBA, Civic Orgs, ICMA, NCCCA,CZO, etc.
Insurance & Bonds	7,325	10,182	\$8,000	10,548.75	\$13,671	\$16,000	Estimated workers comp & prop/liability (bronco insurance)* increase per ratio of salaries
Miscellaneous Expenses	6,500	2,510	\$9,000	9,056.63	\$10,000	\$10,000	Volunteer dinner, Employee Appreciation, Other Misc
Capital Outlay - Equip		0	\$4,000	0.00			
Capital Outlay-Building		0		0.00			
Principal Maturities				233.38	\$3,422	\$3,421	Vehicle for Code Enforcement, stormwater, planning (70%)
Interest on Debt		0		140.04	\$410	\$341	
	13,040		\$1,576	0.00			Contingency
EDA Repayment				0.00	525,305.00	\$509,305	Newell/Npoint Economic Development Agreement Grant
<b>Totals</b>	<b>\$747,970</b>	<b>\$769,675</b>	<b>\$996,649</b>	<b>\$814,224</b>	<b>\$2,245,908</b>	<b>\$2,834,636</b>	

<b>Public Safety</b>							
	<b>FY 22</b>	<b>FY 22</b>	<b>FY 23</b>	<b>FY 23</b>	<b>FY 2023-2024</b>	<b>FY 2024-2025</b>	
<b>Line Item Description</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>	<b>Proposed Budget</b>	<b>Explanations/Comments</b>
Police Salaries	560,856	507,258	\$625,473	642,953.89	\$728,047	\$716,916	11 Sworn LEO
Police Admin Salaries						\$44,180	Admin Asst
FICA Expenses	42,905	37,368	\$47,849	47,779.88	\$55,696	\$54,844	7.65% of salaries is FICA expense
FICA Expenses						\$3,380	7.65% of salaries is FICA expense
Retirement Expenses						\$6,008	13.6% for non sworn LEO
401(K) Retirement Expense						\$2,209	5% 401k
401(K) Retirement Expense	28,043	24,070	\$31,274	31,790.55	\$36,402	\$35,846	5.0% 401K match
Health Insurance	131,164	96,947	\$135,000	109,045.01	\$122,934	\$112,876	Health, Dental, Vision, Life, AD
Retirement Expenses	67,527	59,246	\$81,562	86,312.90	\$102,655	\$108,254	15.1% of salaries is retirement for LEO; increase from 14.10% per NC
Telephone & Postage	8,500	7,683	\$11,000	8,386.64	\$11,000	\$11,550	3 phones, aircards
Electric Utilities Expense	6,000	5,608	\$6,000	5,869.10	\$6,000	\$11,300	Utilities for Office, *Added Fiber \$400*12=\$4,800
Travel & Training	2,500	3,060	\$5,500	4,909.13	\$12,500	\$12,000	Training and meal reimbursement / Tuition reimbursement 4k, Specialized Training
Main & Repairs - Bldg	1,000	1,282	\$1,000	35.98	\$1,000	\$1,000	Maintenance for Building
Main & Repairs - Equip	1,000	1,762	\$2,279	458.50	\$2,500	\$2,500	Copier Contract, Hand Held & In Car Radios, Radars +5% anticipated increase from Motorola maintenance. +5% anticipated increase.
Main & Repairs - Autos	15,300	16,867	\$15,300	16,898.58	\$14,650	\$16,005	Vehicle Maintenance
Automotive Supplies / Fuel	30,000	40,239	\$37,000	37,384.65	\$44,334	\$43,648	Wex contract for 11 officers; carwash
Departmental Supplies	23,000	37,415	\$26,839	28,729.60	\$26,500	\$20,000	Office Supplies/copier/ammo/misc IT supplies
Police Uniforms	7,051	6,384	\$9,085	7,755.79	\$8,575	\$9,000	Replace 4 vests due to expire, Uniforms, Boots, Duty Gear
Contracted Services	6,200	8,111	\$11,200	6,883.48	\$35,630	\$43,949	Cleaning Contract \$3,900, Southern Software RMS Annual Support; Verizon Connect (GPS for vehicles)\$3,432; \$33,134.84 payment to Gaston County and Gastonia for RMS, \$2,782 Southern, misc.
Dues & Subscriptions	332	340	\$850	150.00	\$850	\$2,250	DCI Fee \$150 per car, Gaston County Law Enforcement Assoc, Chief memberships
Insurance & Bonds	20,865	8,837	\$26,000	33,170.23	\$13,671	\$14,500	Estimated workers comp & prop/liability
Miscellaneous Expenses	2,100	2,251	\$4,500	4,549.64	\$3,500	\$5,500	National Night Out and Miscellaneous expenses, Recruitment Program
Asset Forfeiture		-	\$500	510.00			
Capital Outlay	34,209	15,833	\$5,374	0.00	\$45,067	\$5,578	\$5373.92 for body cams through fy25-26
Principal Maturities	54,276	47,021	\$77,964	69,978.46	\$51,919	\$85,085	Generator (\$2,431), Police Radios (\$12,826), Police Vehicles (\$12,066), Police Computers (\$6,646.96) Enterprise (\$20,351) 3 police vehicles for 2 new positions (\$23,643)+ 2024 debt (\$25,250.17)
Interest on Debt	2,299	2,333	\$3,515	3,011.16	\$1,786	\$5,908	Generator (\$165), Police Radios (\$512), Police Vehicles (\$623), Police Computers (\$426.51), 3 police vehicles for 2 new positions (\$1,788), 2024 interest (\$4,708.61)
Fire Protection	292,059	-		0.00			* County Fire District began FY 23
<b>Totals</b>	<b>\$1,337,185</b>	<b>\$929,913</b>	<b>\$1,165,063</b>	<b>\$1,146,563</b>	<b>\$1,325,215</b>	<b>\$1,374,286</b>	

<b>Streets</b>							
	<b>FY 22</b>	<b>FY 22</b>	<b>FY 23</b>	<b>FY 23</b>	<b>FY 2023-2024</b>	<b>FY 2024-2025</b>	
<b>Line Item Description</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>	<b>Proposed Budget</b>	<b>Explanation/Comments</b>
Salaries and wages	71,017	61,336	81,050	55,433.72	\$106,540	\$149,483	Salaries & Wages (add new position that is 50/50 split with Stormwater)
FICA Expenses	5,433	4,324	6,200	4,072.86	8,150	11,435	Employer FICA (7.65% of wages)
Health Insurance	17,473	16,037	21,000	10,035.33	\$19,849	\$29,644	Health, Dental, Vision, Life, AD
Retirement Expenses	8,060	7,445	9,807	6,707.41	\$13,690	\$20,330	13.6% of salaries is retirement. Increase from 12.85% per NC
401(K) Retirement	3,551	2,938	4,053	2,771.72	\$5,327	\$7,474	5% of salaries is 401(K) expense
Professional Services		0		0.00			
Utilities	61,000	48,185	57,258	62,937.05	54,600	58,000	Utilities, Streetlights, etc.
Travel & Training	500	92	500	400.04	\$500	\$2,490	Training; NCDOA Pest License
Maint & Repairs-Building	1,500	1,306	8,500	6.94	\$1,500	\$1,500	Repair, Misc.
Maint & Repairs-Equipment	11,000	5,775	11,000	6,150.91	\$11,550	\$11,550	Mower maintenance, misc. equipment maintenance
Maint & Repairs-Trucks	7,000	4,588	15,000	6,998.26	\$8,000	\$8,000	Reg repairs, wash
Automotive Supplies/Fuel	10,000	16,994	15,000	17,965.54	\$15,500	17,500.00	Fuel increase and auto supplies
Departmental Supplies	15,000	11,346	18,000	14,365.99	\$16,000	\$16,000	Signage, Materials, etc
Uniforms	3,600	3,971	3,600	742.22	\$3,980	\$1,600	Uniform contract; 5% increase uniform
Contracted Services	37,000	14,954	77,000	13,384.61	\$15,000	\$31,230	Includes Verizon Connect tablets, tablet service, crosswalks, striping/markings
Insurance & Bonds	10,000	4,835	10,000	8,325.52	\$13,671	\$13,800	NCLM
Miscellaneous	1,000	916	1,000	200.00	\$1,000	\$1,000	
Capital Outlay-Improvement		0		0.00			
Capital Outlay-Equipment		0	3,300	0.00			
Principal Maturities	11,990	15,309	12,193	12,514.54	\$22,033	\$10,830	2019 Chevy 1500 paid in full in 2024, F-750 Dump Truck (\$6750.26), 2023 Capital (\$2025.38), need 2024 Capital
Interest	954	1,437	752	945.05	\$1,295	\$900	F-750 Dump Truck (\$315.03), 2023 Capital (\$201.80), need 2024 capital
<b>Totals</b>	<b>\$276,078</b>	<b>\$221,788</b>	<b>\$ 355,212</b>	<b>\$ 223,958</b>	<b>\$ 318,186</b>	<b>\$ 392,766</b>	

<b>Powell Bill</b>							
	<b>FY 22</b>	<b>FY 22</b>	<b>FY 23</b>	<b>FY 23</b>	<b>FY 2023-2024</b>	<b>FY 2024-2025</b>	
<b>Line Item Description</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>	<b>Proposed Budget</b>	<b>Explanations/Comments</b>
Professional Services	\$ 2,000	\$ 936	\$ 2,000	\$ 829	\$ 2,000	\$ 2,000	Engineering and Surveying
Departmental Supplies		\$ 1,175	\$ 3,000	\$ 3,019	\$ 3,000	\$ 3,000	Directional Signs, cones, lights, caution tape
Sidewalks	\$ 20,000	\$ 150	\$ 46,000	\$ 16,600	\$ 44,090	\$ 15,000	Sidewalk Repair
Contracted Maintenance	\$ 65,000	\$ 177,704	\$ 35,000	\$ 15,555	\$ 45,000	\$ 20,000	Street Repairs not water and sewer related
Miscellaneous		\$ -		\$ -			
Cap. Outlay - Other Imp.		\$ -		\$ -			Downtown Improvements
Cap. Outlay - Equipment				\$ -	\$ 5,910		
City Signs	\$ 2,000	\$ 2,000	\$ 2,000	\$ -			Signs
Transfer to Capital Project						\$ 60,000	Road Projects combined with fund balance
<b>Totals</b>	<b>\$ 89,000</b>	<b>\$ 181,965</b>	<b>\$ 88,000</b>	<b>\$ 36,002</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	

<b>Sanitation</b>									
	FY 21	FY 21	FY 22	FY 22	FY 23	FY 23	FY 2023-2024	FY 2024-2025	
Line Item Description	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Proposed Budget	Explanations/Comments
Sanitation Salaries	65,876	84,167	95,745	89,721	\$115,630	113,802.37	\$123,000	\$127,744	Salaries & Wages
FICA Expenses	4,993	6,356	7,324	6,697	\$8,846	8,557.93	\$9,410	\$9,772	Employer FICA (7.65% of wages)
Health Insurance	15,586	17,497	19,642	21,169	\$18,000	21,641.66	\$23,215	\$21,755	Health, Dental, Vision, Life, AD
Retirement	4,761	7,390	10,867	9,009	\$13,991	11,936.73	\$15,806	\$17,373	13.6% of salaries retirement. Increased from 12.85% per NC
401K	2,254	3,640	4,787	3,969	\$5,782	4,932.44	\$6,150	\$6,387	5.0% 401K match
Main. & Repairs	12,000	26,991	12,000	15,692	\$16,500	13,837.70	\$18,000	\$18,000	Maintenance to Trash Truck, Tires twice per year
Automotive/Fuel	9,100	12,049	9,500	13,533	\$10,500	13,512.65	\$12,000	\$14,000	Fuel for Trash Truck
Departmental Supplies	6,500	5,757	6,500	7,498	\$10,770	19,851.53	\$7,700	\$7,500	General Supplies
Recycling/Contract Svcs	14,500	26,777	14,500	29,855	\$45,000	29,014.18	\$30,000	\$31,500	Recycling Costs are 28-30k
Landfill Tipping Fees	44,253	52,589	45,000	46,173	\$50,000	45,500.93	\$52,500	\$62,000	Cost of Landfill Disposal; Increase Proposed by GC; Bulk increase pickup; Add \$500/month for monthly bulk
Insurance & Bonds	5,000	7,476	5,000	3,117	\$5,000	10,834.70	\$13,671	\$13,500	Estimated workers comp & prop/liability
Miscellaneous	500	536		243	\$500	307.53	\$500	\$500	Small Miscellaneous Uncategorized Expenses
Capital Outlay	35,850	125,287		\$300.00		0.00			
Principal Maturities		7,656	30,929	30,929	\$31,424	31,423.87	\$31,926	\$32,437	New Trash Truck Payment
Interest on Debt		765	2,753	2,753	\$2,259	2,258.77	\$1,756	\$1,245	Interest paid on trash truck
<b>Totals</b>	<b>\$221,173</b>	<b>\$384,933</b>	<b>\$264,548</b>	<b>280,658</b>	<b>\$334,201</b>	<b>\$327,413</b>	<b>\$345,634</b>	<b>\$363,714</b>	

<b>Parks &amp; Recreation</b>							
	<b>FY 22</b>	<b>FY 22</b>	<b>FY 23</b>	<b>FY 23</b>	<b>FY 2023-2024</b>	<b>FY 2024-2025</b>	
<b>Line Item Description</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>	<b>Proposed Budget</b>	<b>Explanations/Comments</b>
Salaries	75,716	52,517	60,000.00	54,600.34	102,730.00	104,100.00	1 full-time position and 1 PT Gym/Athletics Supervisor, 1 PT 10 hour Maintenance Tech position
FICA	4,262	4,018	4,590.00	4,176.92	7,858.85	7,963.65	7.65% of salaries is FICA expense
Health Insurance		-		0.00	8,463.60	8,463.60	Health, Dental, Vision, Life, AD
Retirement	3,991	4,377	7,260.00	5,132.65	13,200.81	14,157.60	13.6% of salaries is retirement
401(K)		-	-	0.00	5,136.50	5,205.00	5.0% 401K match
Telephone & Postage	2,800	1,501	2,800.00	1,512.50	3,400.00	4,570.00	Cell Phone (\$720) / VOIP Line (\$2,340) and postage/misc. \$349
CC Telephone & Postage							
Utilities Harold Rankin	5,000	5,111	5,000.00	6,052.87	5,000.00	6,100.00	Utilities at Recreation Facilities
Utilities Community Center	4,500	4,013	5,000.00	3,981.89	5,000.00	4,400.00	Utilities at Community Center *Simplisafe Security
Utilities Recreation Center						22,395.00	*New Dominion, Duke (\$4,500), AT&T, Fire Monitoring/Security
Travel & Training	1,500	315	1,500.00	575.00	5,000.00	3,000.00	Conferences (\$2,000), Training, Memberships (NCRPA \$205, NCFE \$156)
Main.& Repairs	51,906	7,463	11,000.00	10,680.91	16,600.00	16,600.00	Field Surfacing (4k), Fire Ant Treatment (1600), Mulch (3K,) Misc, Repairs (5K);
Main.& Repairs CC		(385)	100,000.00	48,946.38	5,000.00	5,000.00	Community Center Repairs, misc.
Main.& Repairs RC							
P&R Vehicle Repairs						250.00	
Automotive Fuel*Change to Auto Expenses	750	-	750.00	151.80	750.00	800.00	Fuel for Truck and Reimbursement money to Staff in the event truck is in use
Supplies	4,500	1,897	4,500.00	4,237.42	5,000.00	11,700.00	Field Chalk, staff shirts, Basic Office Supplies, Cleaners, 2 New Computers; Retractable Bed Cover \$1,500, Advanced Copier \$3,600 lease
Athletics	7,000	3,845	7,000.00	9,225.57	9,000.00		Stack Sports Fees, Uniforms for 3 seasons, League Fees, Umpire Fees, baseball Equipment; not budgeted due to YMCA
Special Events	16,400	18,668	30,350.00	22,031.12	40,000.00	42,000.00	Community Events, *increased cost for food and enlarged events*
Contracted Services	22,000	17,750	67,060.00	6,785.00	5,800.00	19,300.00	Terminix (\$1850), Cleaning CC, Cleaning Recreation Center
Insurance & Bonds	2,900	2,727	2,900.00	3,404.20	13,671.00	\$13,671	Estimated workers comp & prop/liability
Capital Outlay		-	5,550.00	0.00			
Principal Maturities		-		811.41	4,981.40	5,096.31	Ford Ranger Principal
Interest on Debt		0		486.91	596.06	507.78	Ford Ranger Interest
<b>Totals</b>	<b>\$203,225</b>	<b>123,818</b>	<b>\$315,260</b>	<b>\$182,792.89</b>	<b>257,188.22</b>	<b>295,279.94</b>	

<b>Water/Sewer Utility Fund Revenues</b>							
	<b>FY 22</b>	<b>FY 22</b>	<b>FY 23</b>	<b>FY 23</b>	<b>FY 2023-2024</b>	<b>FY 2024-2025</b>	
<b>Line Item Description</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>	<b>Proposed Budget</b>	<b>Explanations/Comments</b>
Interest-Investments	5	8	5	248.91	\$5	\$30,000	Increased interest yield*
Loan Proceeds		0		0.00	\$0		
Miscellaneous Income	2,500	4,814	18,000	22,520.30	\$21,000	\$204,400	Debt Setoff; Meter Set Fee (\$350*584=\$17,500)
Water Revenue	728,228	640,623	852,026	803,331.93	\$850,104	\$947,866	increase of 6% and 4% increase for growth
Sewer Revenue	550,868	557,300	662,676	639,880.51	\$665,380	\$741,898	increase of 3% and 4% increase for growth
Water Tap Fees	4,000	6,000	5,000	2,500.00	\$5,500	\$5,000	Based on 5 taps (\$1000 per tap):
Sewer Tap Fees	5,000	5,200	6,875	1,250.00	\$6,720	\$6,875	Based on 5 taps (\$1375 per tap)
System Development Fee-Water	10,000	8,100	27,000	30,780.00	\$32,400	\$315,360	(\$540 per home) 584
System Development Fee-Sewer	24,000	15,600	95,500	114,600.00	\$114,600	\$1,115,440	(\$1910 per home) 584
Reconnects & Late Fee	15,000	46,695	15,000	59,406.51	\$42,000	\$50,000	Reconnects and Late Fees
Activation Fee	10,000	11,732	10,000	15,450.00	\$18,000	\$22,500	New Customer Activation Fee \$18k normal + 70*50=3500
Fund Balance Appropriated		0		0.00			
Sale of Fixed Assets		0	4000	0.00			Surplus vehicle
<b>Totals</b>	<b>\$1,384,601</b>	<b>\$1,296,071</b>	<b>\$ 1,696,082.00</b>	<b>\$ 1,689,968.16</b>	<b>\$ 1,755,709.24</b>	<b>\$ 3,439,340.00</b>	



<b>Water and Sewer</b>							
	FY 22	FY 22	FY 23	FY 23	FY 2023-2024	FY 2024-2025	
Line Item Description	Budget	Actual	Budget	Actual	Budget	Proposed Budget	Explanation/Comments
Salaries	224,906	226,788	\$301,900	292,244.89	\$343,204	\$381,495	5 FT Employees @100%; 45% PW Director
FICA	17,205	16,662	\$23,095	21,553.90	\$26,255	\$29,184	7.65% of salaries is FICA expense
Health Insurance	50,163	40,508	\$66,000	52,691.04	\$54,984	\$60,770	Health, Dental, Vision, Life, AD
Retirement	25,527		\$36,530	35,361.73	\$44,102	\$51,883	13.6% of salaries is retirement. Increase from 12.85%
401(K)	11,245	10,852	\$15,095	14,612.50	\$17,160	\$19,075	5.0% 401K match
Professional Services	35,000	47,646	\$40,000	30,033.13	\$40,000	\$22,000	Inspections Engineering
Telephone & Postage	12,450	10,901	\$7,000	14,703.22	\$11,000	\$18,000	Postage Water Bills & Cell Phones and Desk Phones (50% of postage due to SW, add tablets and service) Increase in Postage*
Electric Utilities	18,500	13,432	\$20,000	15,934.52		\$18,000	For all facilities i.e. lift stations
Travel & Training	1,000	382	\$2,000	920.69	\$3,000	\$3,000	Water and Sewer Certification classes and testing
Main. & Repairs	24,000	29,322	\$30,000	26,531.53	\$30,000	\$20,000	In-House and outsource repairs / Lift Stations
Main. & Repairs Trucks		65		1,161.72		\$10,000	added
Checking Acct Expense	1,500	115	\$1,500	1,730.54	\$1,500	\$3,900	Bank Fees
Automotive Suplies (Fuel)	10,000	11,216	\$18,500	10,954.42	\$18,500	\$15,000	Wex fuel Contract
Supplies	34,058	56,455	\$40,000	59,660.57	\$50,000	\$99,777	Repair parts, supplies and tools; Water meters parts increase offset by SW materials being expensed to that fund
Uniforms	3,000	199	\$3,000	1,569.53	\$3,000	\$3,000	Uniform Contract
Contracted Services	34,000	52,194	\$82,224	97,866.23	\$75,000	\$75,000	Outsourced repairs, Lift Station Pump and Haul; Mueller \$18,915; Sentryx
Water Purchase	434,000	411,564	\$460,000	451,443.13	\$475,000	\$542,380	Water purchased from TRU, 7.5% TRU increase, 10% customer base increase
Sewer Treatment	80,010	71,781	\$85,000	61,600.08	\$85,000	\$72,000	Fair Street Lift Station - TRU, 7.5% increase TRU
Dues & Subscriptions	2,500	3,696	\$2,800	2,543.00	\$3,250	\$3,100	NCRWA,WPCSOCC,AWWA,DWR
Insurance & Bonds	12,895	8,961	\$12,895	13,987.60	\$20,506	\$21,000	Estimated workers comp & prop/liability
Misc Expenses						\$3,500	Violations/Fines from spills
USE SDF for system wide repairs and expansion						\$1,430,800	Per CIP and statute
Capital Outlay-Equipment	39,644	19,006	\$8,400	0.00	\$13,716	\$25,081	2023 F-650 Dump Truck (\$17,249.28 principal) and (\$4208.28 interest)
Prin. Maturities			\$39,494	39,971.15	\$47,261	57,213.04	2019 3500-Paid in full; Push Cam (\$1272.68); Jet Vac (\$6474.25); Water Meters (\$20276.90); Backhoe loader (\$7456.09); 2023 Capital (\$7607.62); 2024 Capital (\$15152.79) Total \$58240.33
Interest on Debt	21,916	38,229	\$17,789	19,052.82	\$18,283	19,768.78	Push Cam (\$28.06); Jet Vac (\$248.59); Water meters (\$15782.96); Backhoe loader (\$317.07); 2023 Capital (\$757.99); 2024 Capital (\$2825.67). Total \$19960.34
Contingency				0.00			
<b>Totals</b>	<b>1,093,520</b>	<b>1,069,973</b>	<b>\$1,313,222</b>	<b>\$1,266,128</b>	<b>\$1,380,721</b>	<b>\$3,004,928</b>	

<b>Wastewater</b>							
<b>Treatment Plant</b>							
<b>Line Item Description</b>	<b>FY 22 Budget</b>	<b>FY 22 Actual</b>	<b>FY 23 Budget</b>	<b>FY 23 Actual</b>	<b>FY 2023-2024 Budget</b>	<b>FY 2024-2025 Proposed Budget</b>	<b>Explanation/Comments</b>
Professional Services	4,000	11,989	\$ 10,000	527.63	\$ 10,000	\$10,000	Engineering
Telephone and Internet	780	277	\$ 800	6,856.67	\$ 800	\$1,000	Land Line, Fax, Internet, Mix Network
Electric Utilities	37,000	29,229	\$ 40,000	34,225.92	\$ 40,000	\$40,000	Looked at Current Year Duke Billing
Maint-Buildings & Grounds	13,000	208	\$ 69,967	0.00	\$ 62,092	\$81,956	Sandblast and Paint Building/CIP Related/Maint update
Maint & Repair-Equipment	10,000	15,789	\$ 10,000	13,441.55	\$ 10,000	\$15,000	WWTP Repairs
Chemical Supplies	35,000	33,612	\$ 40,000	36,478.46	\$ 40,000	\$47,500	Atco, Jones Chemical, Univar, Maryland Biochemical, Bio Chem Resources*increase
Departmental Supplies	4,500	8,266	\$ 9,000	10,277.47	\$ 9,000	\$10,000	Bluebook Purchases
Contract Services	48,000	42,730	\$ 55,180	54,842.50	\$ 55,180	\$62,000	Plant Operator
Sampling and Analysis	45,000	48,931	\$ 48,000	48,498.00	\$ 48,000	\$52,400	K&W Labs Increased sampling cost
Sludge Disposal	45,000	15,296	\$ 45,000	31,134.62	\$ 45,000	\$45,000	EMA Pump and Haul plus Republic Services Dumpsters
Contract Maintenance	35,000	3,775	\$ 40,000	20,169.50	\$ 40,000	\$40,000	Kemp Inc, Snyder Tech, Piedmont Chlorinator, Fortech, LB Electric, Kemp Inc (dry-bed maintenance)
Dues and Subscriptions	1,470	1,820	\$ 1,500	1,820.00	\$ 1,500	\$1,820	Required Dues to State NCDEQ
Miscellaneous	500	378	\$ 1,000	1,628.16	\$ 1,000	\$1,000	Misc
Insurance & Bonds	2,415	2,727	\$ 3,000	3,246.74	\$ 3,000	\$3,000	Estimated workers comp & prop/liability
Capital Outlay				0.00			
Principal on Debt	8,658	8,658	\$ 8,851	8,854.05	\$9,054	\$9,259	(\$8,851) WWTP Pump
Interest on Debt	\$ 758	\$ 758	\$ 562	561.75	\$361	\$157	WWTP Pump (\$562)
<b>Totals</b>	<b>291,081</b>	<b>224,442</b>	<b>\$ 382,860</b>	<b>\$ 272,563</b>	<b>\$ 374,988</b>	<b>\$ 420,092</b>	

**Stormwater Utility Fund Revenues**

Line Item Description	FY 2021-22 Budget	FY 2022 Actual	FY 2022-2023 Budget	FY 23 Actual	FY 2023-2024 Budget	FY 2024-2025 Proposed Budget	Explanations/Comments
Fees	337,919.00	312,116.99	392,919.00	397,270.63	395,571.09	287,120.40	Stormwater Fees
Fund Balance Appropriated				0.00	27,703.35		for Stormwater Repairs
Stormwater Merchandise				57.00	500.00	200.00	
<b>Totals</b>	<b>\$337,919</b>	<b>\$312,117</b>	<b>\$392,919</b>	<b>\$397,328</b>	<b>\$423,774</b>	<b>\$ 287,320.40</b>	

<b>Stormwater</b>							
<b>Acct Description</b>	<b>FY 22 Budget</b>	<b>FY 22 Actual</b>	<b>FY 23 Budget</b>	<b>FY 23 Actual</b>	<b>FY 2023-2024 Budget</b>	<b>FY 2024-2025 Proposed Budget</b>	<b>Explanations/Comments</b>
Salaries	\$ 88,173	\$ 72,448	\$ 170,630	139,551.40	\$ 209,573	\$ 124,816	Salaries & Wages; Reclassify existing staff percentages away from SW fund; 20% GIS; 15% Both UB employees; 15% PW Director; 50/50 Streets Position
FICA	\$ 6,745	\$ 5,448	\$ 13,053	10,420.64	\$ 16,032	\$ 9,548	Employer FICA (7.65% of wages)
Health Insurance	\$ 21,060	\$ 16,195	\$ 40,000	21,952.80	\$ 34,894	\$ 19,211	Health, Dental, Vision, Life, AD
Retirement	\$ 10,008	\$ 8,006	\$ 20,646	16,885.83	\$ 26,930	\$ 16,975	13.6% of salaries is retirement. Increase from 12.10%
401(K)	\$ 4,409	\$ 2,996	\$ 8,532	6,977.40	\$ 10,479	\$ 6,241	5% of salaries is 401(K) expense
Professional Services	\$ 50,000	\$ 7,861	\$ 32,302	0.00	\$ 5,000	\$ 13,000	Engineering, Mapping of infrastructure/outfalls, SWMP/CIP; BRIC App
Postage	\$ 500	\$ 3,514	\$ 5,000	5,673.98	\$ 7,000	\$ 9,325	BMP #'s mailers, Utility bills increase
Travel & Training	\$ 1,750	\$ -	\$ 3,100	419.30	\$ 1,000	\$ 1,000	Swater Finance and Budgeting, Other training and travel
Main. & Repairs	\$ 15,000	\$ 618	\$ 15,774	2,020.00	\$ 24,122	\$ 20,647	Grates, Pipes, Boxes, Repairs; In house repairs
Checking Acct Expense	\$ 1,500	\$ 76	\$ 1,500	0.00	\$ 250	\$ 50	BB&T Fees for Utility Fund
Automotive Supplies (Fuel)	\$ 3,500	\$ -	\$ 4,000	530.82	\$ 2,000	\$ 800	Auto fuel; (Using 35% of PW Fuel* ); wash
Supplies	\$ 8,500	\$ 1,952	\$ 10,501	10,524.17	\$ 10,500	\$ 9,500	10 Spill Kits (\$550), Educational Materials, Promo materials for events*
Contracted Services		\$ -	\$ 25,000	3,638.48	\$ 14,000	\$ 3,201	Verizon, outsourced repairs, misc.
Dues & Subscriptions	\$ 1,350	\$ 1,610	\$ 2,169	2,124.25	\$ 2,250	\$ 1,650	Permit Fee (\$860) and Regional SW Partnership Dues (\$825)
Insurance & Bonds		\$ 1,948		120.77	\$ 6,835	\$ 1,500	WC and Prop Liability
Capital Outlay		\$ 1,181	\$ 2,220	0.00	\$ 12,043		
Prin. Maturities	\$ 31,547	\$ 28,936	\$ 36,081	36,671.35	\$ 38,721	46,110.00	Leaf Vac 100% (\$14,506.69), Backhoe 50% (\$7456.09), F-750 Dump Truck 40% (\$4,500.17), Jet Vac 40% (\$4,316), Push Cam 50% (\$1272.68) Bronco, +\$13,320.81 for 2024 debt, \$1,764.50 for 2023 debt
Interest on Debt	\$ 2,730	\$ 2,450	\$ 2,481	2,835.30	\$ 2,145	\$ 3,746	Leaf Vac (\$557.03), Backhoe 50% (\$317.07), F-750 Dump Truck 40% (\$210), Jet Vac 40% (\$166), Push Cam 50% (\$28.06) Bronco, \$2,484.04 for 2024 interest, (\$175.81) for 2023 interest
Anticipated Fund Balance Transfer		\$ 157,731		0.00			
<b>Totals</b>	<b>\$246,771</b>	<b>\$312,971</b>	<b>\$ 392,989</b>	<b>\$ 260,346</b>	<b>\$ 423,774</b>	<b>\$ 287,320</b>	

New Capital Expenses							
WATER SEWER FUND	Cost	Priority	FY	Useful Life	Explanation	Annual Payment	Terms
Dump Truck	\$95,000.00	High	24/25	10 years	Dump truck needed to replace the 1997 F800	25,081.00	5 years
<b>TOTAL</b>	<b>\$95,000.00</b>					<b>25,081.00</b>	

**Budget Ordinance-Fiscal Year 2024-2025  
City of Lowell**

**BE IT ORDAINED** by the City Council of the City of Lowell, North Carolina:

**Section 1:** The following amounts are hereby appropriated in the General Fund for the operation of the city government and its activities for the fiscal year beginning July 1, 2024 and ending June 30, 2025, in accordance with the chart of accounts heretofore established for this City:

<b>Purpose</b>	<b>Amount</b>
Administration	\$2,834,636
Public Safety	\$1,374,286
Public Works	\$392,766
Sanitation	\$363,715
Parks and Recreation	\$295,280
Powell Bill	\$100,000
Community Investment Fund (CIF) Capital Projects	\$298,480
<b>Total Appropriations</b>	<b>\$5,659,163</b>

**Section 2:** It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

<b>Revenue Source</b>	<b>Amount</b>
Current year Property Tax & Vehicle Motor Tax	\$2,926,800
Local Sales Tax	\$850,000
Fees for Services	\$1,243,813
Powell Bill for Streets	\$100,000
All other revenues	\$1,338,550
<b>Total Revenues</b>	<b>\$5,659,163</b>

**Section 3:** The following amounts are hereby appropriated in the Water and Sewer Fund for the operation of the water and sewer utilities for the fiscal year beginning July 1, 2024 and ending June 30, 2025, in accordance with the chart of accounts heretofore approved for the City:

<b>Purpose</b>	<b>Amount</b>
Water & Sewer Collection & Distribution	\$3,004,928
Wastewater Treatment	\$420,092
<b>Total Appropriations</b>	<b>\$3,439,340</b>

**Section 4:** It is estimated that the following revenues will be available in the Water and Sewer Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

<b>Revenue Source</b>	<b>Amount</b>
Water User Charges	\$947,866

Wastewater User Charges	\$741,898
All Other	\$1,749,576
Total Revenues	\$3,439,340

**Section 5:** The following amounts are hereby appropriated in the Stormwater Utility Fund for the operation of the stormwater department for the fiscal year beginning July 1, 2024 and ending June 30, 2025, in accordance with the chart of accounts heretofore approved for the City:

Purpose	Amount
Stormwater Personnel	\$178,292
Operation and Maintenance	\$59,173
Debt Service	\$49,855
Total Appropriations	\$287,320

**Section 6:** It is estimated that the following revenues will be available in the Stormwater Utility Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Revenue Source	Amount
Stormwater User Fees	\$287,120
Stormwater Merchandise	\$200
Total Revenues	\$287,320

**Section 7:** There is hereby levied a tax at the rate of forty-three and a half cents (\$0.435) per one hundred dollars (\$100) valuation of property as listed for taxes as of January 1, 2024, for the purpose of raising the revenue listed “Current Year’s Property Taxes” in the General Fund in Section 2 of this ordinance.

This rate is based on estimated total valuation of taxable real property and motor vehicles within the city limits totaling \$611,852,757 based on a 99% rate of collection, and the estimated taxable value of Public Service Companies of \$20,072,360 with a 100% collection rate, and the estimated total taxable value of personal property listed in the corporate limits of \$37,448,877 at an estimated collection rate of 99%.

**Section 8:** A registration tag fee of \$10.00 per vehicle will be removed and not collected beginning FY25.

**Section 9:** The City Manager or a designee is hereby authorized to transfer appropriations as contained herein under the following conditions:

- a. Transfers between line-item expenditures within a department without limitation and without a report being required. These changes must not result in increases in recurring obligations such as salaries.
- b. Transfers between departments within the same fund, including contingency appropriations, not to exceed 10% of the appropriated monies for the department

whose allocation is reduced. Notice of all such transfers shall be made to the Council at the next regular meeting of the Council.

- c. The budget officer is hereby authorized to carry over appropriations in the fiscal year any previously approved purchase orders and accompanying budget
- d. Grant funding not depleted during the prior fiscal year may be carried over with the City Manager's approval. Special Revenue funding not depleted during the prior fiscal year may be carried over with the City Manager's approval.
- e. Transfer \$298,480 to the Community Investment Fund (CIF).
- f. Excess revenues above the 50% General Fund Balance goal shall be transferred to the Community Investment Fund (CIF).

**Section 10:** The City Manager or a designee may make cash advances between funds for periods not to exceed 60 days without reporting to the Governing Board. Any advances that extend beyond 60 days must be approved by the Board. All advances that will be outstanding at the end of the fiscal year must be approved by the Board.

**Section 11:** Copies of this Budget Ordinance shall be furnished to the Clerk to the Board and to the Budget Officer and Finance Officer to be kept on file by them for their direction in the disbursement of funds.

**Section 12:** The attached document entitled, “Rates, Fees and Charges FY 2024-2025” is hereby incorporated and adopted as part of this ordinance.

**Section 13:** The attached document entitled, “City of Lowell Classification and Pay Update” is hereby incorporated and adopted as part of this ordinance.

Adopted this \_\_\_<sup>th</sup> day of June, 2024.

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Larry Simonds, Mayor

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Mayor Temp Scott Bates

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Councilmember Phil Bonham



Attest:

\_\_\_\_\_  
Cheryl Ramsey, City Clerk

\_\_\_\_\_  
Councilmember DeWayne Chitwood

\_\_\_\_\_  
Councilmember Shane Robinson

\_\_\_\_\_  
Councilmember Travis Smith

# CITY OF LOWELL, NORTH CAROLINA

FY 202 -202 Proposed Rates Fees, and  
Charges (Proposed changes shown in red)

WATER RATES		
<b>RESIDENTIAL</b>	<u>Inside City Limits</u>	<u>Outside City Limits</u>
Minimum 1,500 Gallons	\$11.67 <span style="color: red;">12.37</span>	\$23.34 <span style="color: red;">24.74</span>
Per 1,000 Gallons after Minimum	\$8.96 <span style="color: red;">9.50</span>	\$17.92 <span style="color: red;">19.00</span>
<b>COMMERCIAL</b>		
Minimum 1,500 Gallons	\$16.32 <span style="color: red;">17.30</span>	\$32.63 <span style="color: red;">34.59</span>
Per 1,000 Gallons after Minimum	\$11.86 <span style="color: red;">12.57</span>	\$23.76 <span style="color: red;">25.15</span>
<b>IRRIGATION</b>		
Per 1,000 Gallons	\$7.37 <span style="color: red;">7.81</span>	\$7.37 <span style="color: red;">7.81</span>
SEWER RATES		
<b>RESIDENTIAL</b>	<u>Inside City Limits</u>	<u>Outside City Limits</u>
Minimum 1,500 Gallons	\$13.03 <span style="color: red;">13.42</span>	\$26.04 <span style="color: red;">26.82</span>
Per 1,000 Gallons after Minimum	\$7.68 <span style="color: red;">7.91</span>	\$15.38 <span style="color: red;">15.84</span>
<b>COMMERCIAL</b>		
Minimum 1,500 Gallons	\$18.22 <span style="color: red;">18.77</span>	\$28.34 <span style="color: red;">29.19</span>
Per 1,000 Gallons after Minimum	\$9.80 <span style="color: red;">10.09</span>	\$15.99 <span style="color: red;">16.47</span>
<b>SEWER CUSTOMER ONLY</b>		
Per 1,000 Gallons	\$13.29 <span style="color: red;">13.68</span>	\$13.29 <span style="color: red;">13.68</span>
<b>SEPTIC SEWER - Minimum \$4.84</b>		
<b>Per 1,000 Gallons</b>	<span style="color: red;">\$2.86</span> <span style="color: red;">2.94</span>	<span style="color: red;">\$2.86</span> <span style="color: red;">2.94</span>
SYSTEM DEVELOPMENT FEE (SDF)		
***No System Development Fees for Fire Protection Meters***		
<b>Water Tap Size</b>	<b>Water Fee</b>	<b>Sewer Fee</b>
¾ in	\$540	\$1,910
1 in	\$1,350	\$4,775

**CITY OF LOWELL, NORTH CAROLINA**  
**FY 2023-2024 Adopted Rates, Fees, and Charges**

SYSTEM DEVELOPMENT FEE (SDF) continued	***No System Development Fees for Fire Protection Meters***	
Water Tap Size	Water Fee	Sewer Fee
6 in	\$27,000	\$95,500
8 in	\$43,200	\$152,800
10 in	\$62,100	\$219,650
12 in	\$121,500	\$429,750

WATER TAP FEES / SEWER TAP FEES / METER SET FEE / IRRIGATION METER / BACKFLOW		
WATER TAP FEES		
WATER TAP SIZE	<u>Inside City Limits</u>	<u>Outside City Limits</u>
¾ in	\$1,000	\$1,375
1 in	\$1,750	\$2,250
1.5 in	\$2,500	\$3,000
2in	\$3,250	\$3,750
SEWER TAP FEES		
SEWER TAP SIZE	<u>Inside City Limits</u>	<u>Outside City Limits</u>
4 in	\$1,250	\$1,680
6 in	\$1,800	\$2,280
8 in	\$3,600	\$4,200
METER SET FEE		
\$350.00 for 3/4 inch meter, larger sized meters will be quoted upon request		
IRRIGATION METER		
\$600.00 for 3/4 inch meter; \$1,000 for 1 inch meter, \$1,200 for 1.5 inch meter		
BACKFLOW TESTING ADMIN FEE		
\$75.00		

**CITY OF LOWELL, NORTH CAROLINA**  
**FY 2023-2024 Adopted Rates, Fees, and Charges**

<b>GARBAGE COLLECTION CHARGES</b>	
<b>RESIDENTIAL</b>	
Roll Cart (1)	\$12.00
Each Additional Roll Cart	\$8.00
<b>COMMERCIAL</b>	
Roll Cart (1)	\$22.00
Each Additional Roll Cart	\$22.00
<b>BULK ITEMS CHARGES</b>	
Electronics Curbside Collection (per Item)	\$25.00
White Goods/Appliances Collection (per item)	\$25.00
Tires ON RIM (per tire)	\$8.00
Tires OFF RIM (per tire)	\$5.00
Excess Household Trash, Less Than or Equal to 100lbs	\$15.00
Excess Household Trash, Greater than 100 lbs.	\$25.00
Excess Household Trash, Greater than 300 lbs.	Work will require heavy equipment removal and will be billed according to equipment costs.

<b>STORMWATER CHARGES (BILLED MONTHLY)</b>	
Residential Stormwater Charge	\$6.75
Non-Residential Stormwater Charge	\$6.75 PER 2,827 square feet of impervious surface

<b>MISCELLANEOUS UTILITY SERVICE CHARGES</b>	
New Account Activation Fee	\$50.00
Deposit ( <i>Waived for homeowners - but must show proof of ownership</i> )	\$150.00
Penalty / Late Fee - If not paid by due date on bill	\$5.00
Returned Item Fee	\$30.00
Delinquent Service Charge ( <i>Scheduled for Cut-Off</i> )	\$50.00
Water Meter Calibration Request ( <i>Defective meter replaced free of charge</i> )	\$10.00

**CITY OF LOWELL, NORTH CAROLINA**  
**FY 2023-2024 Adopted Rates, Fees, and Charges**

MISCELLANEOUS UTILITY SERVICE CHARGES (continued)	
Replacement Meter ( <i>Found to be damaged by customer</i> )	\$350.00
Copies ( <i>per sheet</i> )	\$0.25

<b>PLANNING AND ZONING FEES</b> ***Where construction begins without the appropriate permits in place, permit cost shall be doubled. ***	
RESIDENTIAL ZONING PERMITS	
New Home Construction (Single, Two-Family structures and mobile homes)	\$125.00
Single Family Attached / Multi-Family (condo, apartments, townhomes, etc.)	\$100 Per Dwelling Unit
Per Dwelling Unit Fee	\$50
Home Additions/Expansions and Accessory Structures (including solar panels)	\$50
Internal Up-Fit/Remodel (no expansion)	\$25.00
Demolition (residence and/or accessory structures)	\$25.00
As-Built Foundation Survey Review	\$45
NON-RESIDENTIAL ZONING PERMITS	
Change of Use	\$100.00
Internal Up-Fit/Remodel (no expansion, re-roof)	\$100.00
Accessory Structures (including solar panels)	\$200.00
Demolition (building and/or accessory structures)	\$100.00
As-Built Foundation Survey Review	\$45
New Construction (including additions to existing buildings) - Up to 5,000 sq ft	\$250.00
New Construction (including additions to existing buildings) - 5,001 sq ft - 10,000 sq ft	\$350.00
New Construction (including additions to existing buildings) - Over 10,000 sq ft	\$450.00
Sign Permits	\$100
Permanent Sign	\$100
Outdoor Advertising Sign (Billboard)	\$200

**CITY OF LOWELL, NORTH CAROLINA**  
**FY 2023-2024 Adopted Rates, Fees, and Charges**

Temporary Sign	\$25
Zoning Verification Letter	\$100
Home Occupation Permit	\$75
Temporary Use Permit	\$75
Telecommunication Tower Permit	
New	\$5,500.00
Co-Location	\$300.00
<b>PUBLIC HEARING APPLICATIONS</b>	
Zoning Map Amendment - General	\$800 + Per Acre Charge + Advertising Cost
Per Acre Charge	\$35
Advertising Cost	\$250
Zoning Map Amendment -Conditional	\$2,000 + Per Acre Charge + Advertising Cost
Per Acre Charge	\$35
Advertising Cost	\$250
Text Amendment	\$550 + Advertising Cost
Advertising Cost	\$250
Master Sign Plan Application	\$500 + Advertising Cost
Advertising Cost	\$250
Development Agreement	\$5,000 + Advertising Cost
Advertising Cost	\$250
Permanent Closing of Public Streets and Alleys	\$2,000
Annexation - voluntary	\$500 + Per Acre Charge + Advertising Cost
Per Acre Charge	\$40
Advertising Cost	\$250
Special Use Permit / Conditional Use Permit	\$600.00 + Per Acre Charge + Advertising Cost
Per Acre Charge	\$40
Advertising Cost	\$250
<b>PUBLIC HEARING APPLICATIONS (continued)</b>	

**CITY OF LOWELL, NORTH CAROLINA**  
**FY 2023-2024 Adopted Rates, Fees, and Charges**

Variance	\$450.00 + Per Acre Charge + Advertising Cost
Per Acre Charge	\$40
Advertising Cost	\$250
Appeals	\$350.00
<b>SUBDIVISION REVIEW &amp; INSPECTIONS</b>	
<b>Pre-Submittal Meeting - Payment required prior to meeting.</b>	
Pre-Submittal Meeting - Sketch plat review (1 acre or less)	\$100.00
Pre-Submittal Meeting - Sketch plat review (greater than 1 acre)	\$200.00 + Per Dwelling Unit Charge
Per Dwelling Unit Charge	\$5.00
<b>PRELIMINARY PLAT REVIEW</b>	
(0-50 lots) / Proposed - Less than 24 Lots	\$760.00
(51+ lots) / Proposed - 24 or More lots	\$3,000
Per lot charge over 100 lots	\$60
<b>Preliminary Plat Resubmission</b>	
<b>Proposed: Initial fee covers 3 reviews. 4th Resubmittal</b>	75% of initial review fee
<b>FINAL PLAT REVIEW</b>	
Major Subdivision	\$500 + Per Lot Charge
Minor Subdivision	\$250 + Per Lot Charge
Per Lot Charge	\$25
Letter of Credit/Bond/Performance Guarantee Review	\$500
Time Extension for Plat Approval	\$500

**CITY OF LOWELL, NORTH CAROLINA**  
**FY 2023-2024 Adopted Rates, Fees, and Charges**

<b>PLAN REVIEW AND CONSTRUCTION ADMINISTRATION FEES</b> <b>Fees apply to Subdivisions and Site Plans.</b> <b>*** If a fourth (4th) review is required, 75% of the initial Plan Review will be charged. ***</b>	
<b>PLAN REVIEW</b> <b>Payment due prior to plan review.</b>	
Roadway Plan (public and/or private)	\$2.70 per linear foot of street centerline
Parking/Loading Areas (including access/driveways)	\$0.15 per square foot
Storm Drainage	\$3.00 per linear of street centerline
Water Lines	\$1.80 per linear foot pipe
Sewer Lines	\$2.40 per linear foot pipe
Stormwater Quality and/or Stormwater Detention Facilities	\$10,500 per plan or per subdivision
Revisions To Approved Plan (RTAP)	\$75 per page
<b>CONSTRUCTION ADMINISTRATION &amp; INSPECTIONS</b> <b>Payment due Prior to the issuance of stamped/approved plans to the applicant. More than two (2) failed inspections will result in additional fees being charged to the developer as stated in the Failed Inspection Notice. Final plats will not be reviewed until all Failed Inspection fees have been paid to the City of Lowell.</b>	
Roadway Plan (public and/or private)	\$10.00 per linear foot of street centerline
Storm Drainage	\$10.00 per linear of street centerline
Water Lines	\$6.00 per linear foot pipe
Sewer Lines	\$7.00 per linear foot pipe
Stormwater Quality and/or Stormwater Detention Facilities	\$31,000.00 per plan or per subdivision
<b>UTILITY ALLOCATION AND EXTENSION REVIEW FEE</b> <b>Payment due prior to plan review</b>	
Preliminary Capacity Assurance Review (PCAR) Greater than 5,000 gpd	\$400
Full Capacity Assurance Review (FCAR) Greater than 5,000 gpd	\$1,000
Preliminary Capacity Assurance Review (PCAR) 5,000 gpd or less	\$250
Full Capacity Assurance Review (FCAR) 5,000 gpd or less	\$400
<b>ZONING SITE PLAN &amp; CONTRUCTION REVIEW</b> <b>Payment due prior to plan review.</b>	
Pre-Submittal Meeting Sketch Plan Review and Consultation	\$200.00 + Per Dwelling Unit Fee (if applicable)
Per Dwelling Unit Fee	\$5.00



**CITY OF LOWELL, NORTH CAROLINA**  
**FY 2023-2024 Adopted Rates, Fees, and Charges**

Site Plan Review	\$500.00 + Per Acre Fee
Per Acre Fee	\$25.00
Recombination/Exempt/Easement Plats	\$100.00
Driveway Cut Permit	
Residential	\$25.00
All other	\$50.00
New Development Street Signage	The City of Lowell will provide street signage for new development at cost <u>PLUS</u> twenty-five percent (25%).

RENTAL FEES	
Community Center	
Residents	\$30/hour (minimum 4 hours) User Fee + \$100 Deposit (Cash)
Non-residents	\$45/hour (minimum 4 hours) + \$100 Deposit (Cash)
Harold Rankin Park Picnic Shelter	
Residents	\$20.00 (4 Hour increments)
Non-residents	\$30.00 (4 Hour increments)
Harold Rankin Park Field Rental	
Residents	\$10.00
Non-residents	\$15.00
Truck Rental	
Must have an active water account. Charge subject to weight and specifications.	\$67.47 - Minimum charge

PARKS & RECREATION	
Youth Athletics Registration	
Residents	\$50.00
Non-residents	\$75.00

**CITY OF LOWELL**

**CLASSIFICATION AND PAY UPDATE**

**APRIL 2024**

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**The Management and Personnel Services Group  
(MAPS) Inc.**

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## STUDY METHODOLOGY

This study updates the classification and pay plan for the City of Lowell. The MAPS Group has conducted previous studies for the City, the most recent being April 2021.

**Classification.** The study assigns positions to classifications based on their degree of similarity and difference in the following factors:

- \* difficulty of work (complexity and variety);
- \* judgement and responsibility;
- \* education and experience requirements;
- \* nature and extent of public contact;
- \* physical effort and hazards; and
- \* supervision given and received.

**Compensation.** As part of this study, recommendations are being made for a salary schedule, position classification plan, and costs for implementing the salary plan. In selecting which classes to survey for salary comparisons, we chose at least one entry level and one supervisory position in each occupational series. We then evaluated salary data to determine if there was a comparable position and whether the position was stronger or weaker in terms of scope of responsibilities.

The labor market was selected to provide the following information:

- \* the prevailing rate of pay in the immediate geographic area;
- \* comparison of jobs similar to those in the City of Lowell; and
- \* prevailing rates of pay with employers who directly compete with the City for the same or similar pool of workers with specific job skills.

The prevailing rate of pay in the immediate geographic area is important because these wage rates reflect the cost of living in the area and the employment rate. Employers in the same geographic area who hire for similar jobs are also those employers with whom the City competes most directly for skilled workers. Setting competitive salaries that allow the City to hire qualified employees and retain the experienced and valuable workforce it has are important components of any salary survey. Salary grade assignments are based on an analysis of the labor market as to which comparison positions are stronger, weaker, and the closest match, and on reporting relationships of which positions within the City are stronger, weaker, and similar and the degree of these differences.

# **PAY PLAN RECOMMENDATIONS**

## **PAY PLAN IMPLEMENTATION**

### **Overview**

MAPS conducted a market survey of minimum and maximum salaries for the selected jobs. Range percentages (the difference between the minimum and maximum of the range) varied as follows:

Belmont	50%
Bessemer City	50%
Dallas	50%
Forest City	50%
Gastonia	varies
Kings Mountain	50%
Mt. Holly	50%
Shelby	52%
Gaston County	70%
Average	53.14%
<b>Lowell Recommended</b>	<b>55%</b>

The salary ranges in the recommended pay table are approximately 55% from hiring to maximum salary. Grades 5% apart have been established. An open range salary schedule has been recommended to provide flexibility in providing in-range salary increases. These ranges provide for employee advancement as a result of increased value to the City because of increased experience, and as an incentive and reward for increased performance. When annual market adjustments (cost of living adjustments) are made to pay ranges to account for inflation and local labor market changes, the whole table should reflect the adjustment, thus maintaining competitive entry rates of pay. A linked spreadsheet has been provided to the City to facilitate this process.

Compression. Normally, given the seniority of City employees, one would expect to find half of the City's employees below Midpoint and half above Midpoint. When this is not the case, as we have found, we call this a compressed distribution. There are two primary disadvantages to a compressed distribution. The first is that long term high performing employees are making the same pay or nearly the same pay as employees with less tenure. There are often morale problems associated with this and it can lead to turnover. The second problem is that when the City has the opportunity to hire highly qualified candidates, it is very difficult to offer such prospects salaries above entry level when employees with a number of years of service are compensated near those same entry levels.

### **Implementation Strategy**

#### **Option I:**

Employee salaries are adjusted to at least the Hiring Rate of the new range and at least at the Minimum of the range if the employee has passed probation, consistent with the personnel policy recommendation. In addition, employees are moved into the range based on 1/4% per year of service in their current position.

Initial cost to implement Option I	\$24,464 for a full year
Cost as a percentage of payroll	1.2%

#### **Option II:**

In this option employees are adjusted to at least the Hiring Rate of the new range and at least at the Minimum of the range if the employee has passed probation. In addition, employees are moved into the range based on 1/2% per year of service in their current position.

Initial cost to implement Option II  
Cost as a percentage of payroll

\$26,213 for a full year  
1.3%

**Recommendations:**

Because of the minor impact of the cost of implementation, we recommend Option II be considered the desired implementation strategy. Employees should be placed in the new pay ranges at the beginning of the fiscal year and receive any associated change in pay. The full cost to implement Option II will need to be included in the FY2025 budget.

Additionally, it is also recommended that the City maintain its practice of granting a cost of living adjustment for its employees. While this adjustment may typically be implemented effective July 1, the cost of living adjustment for FY2025 could be deferred to later in the fiscal year, perhaps until January 1, 2025, to reduce overall personnel costs for FY2025. At the time any cost of living adjustment may be granted, it is strongly recommended that the City adjust the pay ranges by the same amount as the cost of living adjustment to take into account movement of pay ranges at other jurisdictions that were used for study comparisons. Additionally, based on discussions with the City Manager, the City of Lowell is to be commended for utilizing merit pay for its employees and it is recommended that merit pay also be incorporated into the FY2025 budget.

Because the recommendations are based on jobs, not people, we also recommend that the City Manager have the authority to withhold or delay increases for any individual employee where there are documented disciplinary actions indicating that the employee is not fulfilling job requirements.

**Important Notes:**

1. The costs identified above reflect the annual implementation cost.
2. The costs reflected above represent salary cost only and do not reflect the cost of benefits associated with salaries.
3. The ranges recommended are competitive as of now. Effective July 1, 2024, many of the same organizations we surveyed will adjust their ranges with market adjustments/cost of living adjustments. This means that if the City does not also adjust the ranges each year, the ranges will fall behind the City's competition.

**City of Lowell**  
**List of Classifications by Grade**

<b>GRADE</b>	<b>CLASSIFICATION</b>	<b>FLSA STATUS</b>	<b>HIRING RATE</b>	<b>MAXIMUM</b>
8	Sanitation Technician		33,771	52,345
9	Public Works Technician I Utility Accounts Technician		35,460	54,963
10	Public Works Technician II		37,233	57,711
11	Sanitation Equipment Operator		39,095	60,597
12	Administrative Assistant Utility Technician		41,050	63,628
13			43,103	66,810
14	Utility Services Manager		45,258	70,150
15	Finance Technician Water/Sewer Supervisor		47,521	73,658
16	Police Officer		49,897	77,340
17	Planner		52,392	81,208
18	GIS Specialist Police Sergeant Stormwater Administrator		55,012	85,269
19	City Clerk/Human Resource Director Communications Director (part time-30 hours/wk)		57,763	89,533
20			60,651	94,009
21	Police Captain		63,684	98,710
22			66,868	103,645

**City of Lowell**  
**List of Classifications by Grade**

23 Parks & Recreation Director Planning Director	70,211	108,827
24 Police Asst. Chief	73,722	114,269
25 Finance Director Public Works Director	77,408	119,982
26	81,278	125,981
27	85,342	132,280
28 Police Chief	89,609	138,894



Salary Schedule  
July 1, 2024

GRADE	HIRING RATE	MINIMUM	MID POINT	MAXIMUM	GRADE
6	30,631	32,163	39,055	47,478	6
7	32,163	33,771	41,008	49,853	7
8	33,771	35,460	43,058	52,345	8
9	35,460	37,233	45,212	54,963	9
10	37,233	39,095	47,472	57,711	10
11	39,095	41,050	49,846	60,597	11
12	41,050	43,103	52,339	63,628	12
13	43,103	45,258	54,957	66,810	13
14	45,258	47,521	57,704	70,150	14
15	47,521	49,897	60,590	73,658	15
16	49,897	52,392	63,619	77,340	16
17	52,392	55,012	66,800	81,208	17
18	55,012	57,763	70,141	85,269	18
19	57,763	60,651	73,648	89,533	19
20	60,651	63,684	77,330	94,009	20
21	63,684	66,868	81,197	98,710	21
22	66,868	70,211	85,257	103,645	22
23	70,211	73,722	89,519	108,827	23
24	73,722	77,408	93,996	114,269	24
25	77,408	81,278	98,695	119,982	25
26	81,278	85,342	103,630	125,981	26
27	85,342	89,609	108,811	132,280	27
28	89,609	94,089	114,252	138,894	28
29	94,089	98,793	119,964	145,838	29
30	98,793	103,733	125,961	153,129	30
31	103,733	108,920	132,260	160,786	31
32	108,920	114,366	138,873	168,826	32
33	114,366	120,084	145,817	177,267	33