



City of Lowell Approved Budget

Fiscal Year 2019-2020

City of Lowell

www.lowellInc.com

FISCAL YEAR 2019 - 2020 ANNUAL OPERATING BUDGET

Approved June 11, 2019



LOWELL
NORTH CAROLINA

Kevin Krouse
City Manager

Kevin Haney
Finance Officer

ANNUAL OPERATING BUDGET
FISCAL YEAR 2019 – 2020
City of Lowell, North Carolina

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Members of the City Council



Sandy Railey
Mayor

Thomas S. Gillespie
Mayor Pro-Tem

Phil Bonham
Council Member

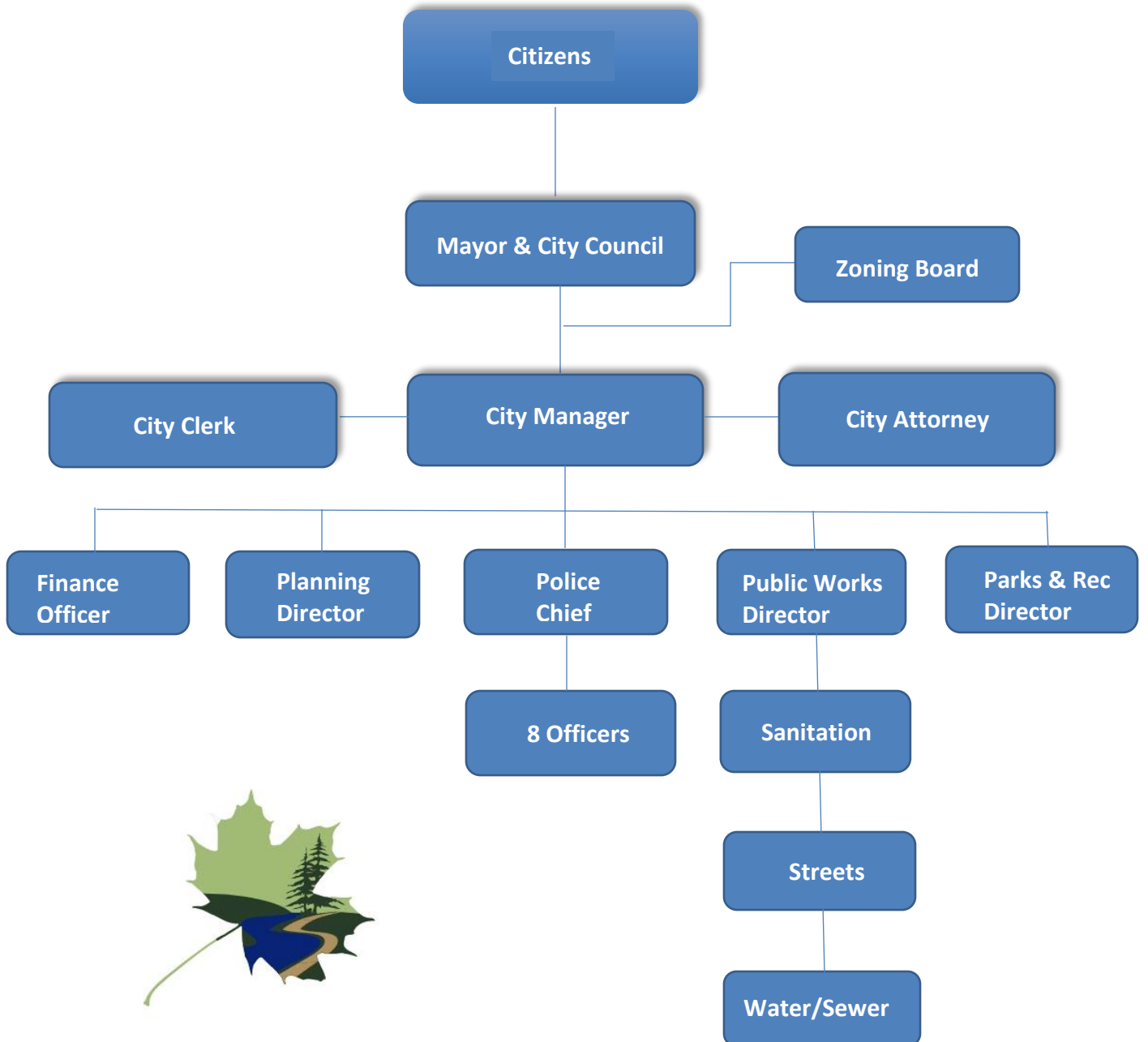
Dewayne Chitwood
Council Member

Ken Ervin
Council Member

Candy Funderburk
Council Member

CITY OF LOWELL

ORGANIZATION CHART



Proposed Fee Schedule

CITY OF LOWELL, NORTH CAROLINA

Rates, Fees, and Charges FY 2019-2020

WATER RATES

	<u>Inside</u>	<u>Outside</u>
RESIDENTIAL		
Minimum 1500 Gallons	\$9.32	\$18.64
Per 1000 Gallons after Minimum	\$7.16	\$14.32
COMMERCIAL		
Minimum 1500 Gallons	\$13.03	\$26.06
Per 1000 Gallons after Minimum	\$9.48	\$18.95
IRRIGATION - Per 1000 Gallons - \$7.16		

SEWER RATES

RESIDENTIAL		
Minimum 1500 Gallons	\$10.82	\$21.63
Per 1000 Gallons after Minimum	\$6.39	\$12.77
COMMERCIAL		
Minimum 1500 Gallons	\$15.14	\$23.54
Per 1000 Gallons after Minimum	\$8.14	\$13.34
SEWER ONLY CUSTOMER - Per 1000 Gallons - \$13.29		
SEPTIC SEWER - Minimum \$4.79 / Per 1000 Gallons \$2.83		

AVAILABILITY / TAP / METER FEES

AVAILABILITY FEES:	<u>Water</u>	<u>Sewer</u>
	¾ in - \$500	\$1,200
	1 in - \$830	\$2,000
	1.5in - \$1,660	\$4,000
	2 in - \$2,660	\$6,400

WATER TAP FEES	<u>Inside</u>	<u>Outside</u>
¾"	\$800	\$1100
1"	\$1400	\$1800
1-1/2"	\$2000	\$2400
2"	\$2600	\$3000

SEWER TAP FEES: 4" - \$1000 6" - \$1500 **IRRIGATION METER:** \$300.00

GARBAGE COLLECTION CHARGES

RESIDENTIAL	
Roll Cart (1)	\$7.70
Ea. Add'l Roll Cart	\$7.70
COMMERCIAL	
Roll Cart (1)	\$15.00
Ea. Add'l Roll Cart	\$15.00

MISCELLANEOUS UTILITY SERVICE CHARGES

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 Check Fee	\$30.00
Delinquent Service Charge (<i>Scheduled for Cut</i>)	\$50.00
Water Meter Calibration Request (<i>Defective meter replaced free of charge</i>)	\$10.00
Replacement Meter (<i>Found to be damaged by customer</i>)	\$40.00
Tampering Fee (<i>Turning on water service that has been shut off by Public Works for non-pymt or hydrant tampering</i>).....	\$250.00
Copies (per sheet).....	.25 cents

Residential Zoning Permits

New Home Construction.....	\$100
Multi-Family	\$100 + \$10 per unit
Home Additions/Expansions	\$50.00
Internal Up-Fit/Remodel (No Expansion)	\$25.00
Accessory Structures (350 sq ft or less)	\$25.00
Accessory Structures (Greater than 350 sq ft) ... <i>(May also require a conditional use permit)</i>	\$50.00

Non-Residential Zoning Permits

Up to 5,000 sq ft.....	\$250.00
5,001 sq ft – 10,000 sq ft.....	\$350.00
Over 10,000.....	\$350.00*
<i>*(Plus \$100.00 for each additional 10,000 sq. ft + City Engineering Cost Billed Monthly During Project)</i>	

Sign Permits	\$50.00
Zoning Verification Letter	\$25.00
Home Occupation Permit	\$25.00
Temporary Use Permit	\$50.00
Telecommunications Tower Permit (New)	\$5,500.00
Telecommunications Tower Permit (Co-Location)	\$200.00
Zoning Map Amendment	\$350.00
Text Change Application	\$250.00
Conditional Use Permit	\$300.00
Variance Application	\$250.00
Appeals	\$250.00

Subdivision Review

Preliminary Plat Submission	(0-50 lots).....	\$250.00 + \$5.00 per lot
	(51+ lots).....	\$10.00 per lot
Preliminary Plat Resubmission	(0-50 lots)	\$250.00 per lot
	(51+ lots)	\$5.00 per lot
Construction Plan Submission		\$500.00*

**(Plus City Engineering and Construction Inspection Cost Billed Monthly During Project)*

(To be applied to all Site Plans and Subdivision Plans that involve infrastructure installations. Construction Inspection/Engineering services to cover: Potable water, sanitary sewer, storm drainage, curb and gutter, streets, and sidewalk facilities.)

Final Plat Submission.....	\$250.00*
	<i>*(Plus Final City Engineering Fees) (Balance of Above Fees Due Prior to Approval)</i>
Commercial / Industrial Site Plan Review	\$500.00*
	<i>*(Plus Applicable City Engineering Fees)</i>

Recombination/Exempt/Easement Plats

\$75.00

Driveway Cut Permit

Residential \$25.00 / All Other \$50.00

New Development Street Signage

The City of Lowell will provide street signage for new developments at cost plus twenty-five percent (25%).

RENTAL FEES

Community Center	<i>(Residents)</i> \$100 User Fee + \$100 Deposit = \$200 Total (Cash)
	<i>(Non-Residents)</i> \$150 User Fee + \$100 Deposit = \$250 Total (Cash)
Harold Rankin Park Picnic Shelter	\$15.00 (3-hour increments)
Truck Rental Charge (Must have active water account) <i>(Charge subject to weight and specifications)</i>	\$67.14 Minimum

PARKS & RECREATION FEES

Basketball Registration	<i>(Residents)</i> \$50.00 / <i>(Non-Residents)</i> \$65.00
Soccer (Fall & Spring) Registration	<i>(Residents)</i> \$50.00 / <i>(Non-Residents)</i> \$65.00
Baseball Registration	<i>(Residents)</i> \$50.00 / <i>(Non-Residents)</i> \$65.00
T-Ball Registration	<i>(Residents)</i> \$50.00 / <i>(Non-Residents)</i> \$65.00

*City Manager's
Budget Message*



EXECUTIVE OVERVIEW

Fiscal Summary

The City of Lowell's fiscal outlook is positive due to conservative fiscal management and adherence to the City Council's Strategic Master Plan. With the recent commercial development experienced in 2018-19 and approved residential developments coming online in the upcoming fiscal year, the City should continue to experience an upward trend.

Over the last three years the City has accomplished a number of set goals, all while increasing the City's General Fund Unobligated Fund balance to a healthy level. The current unobligated fund balance increased \$265,235 to \$786,133, which equates to 40.9% (up from 17% in 2016) of the annual operating expenses for the City. This is an indicator that the City is in much better position to deal with unexpected needs that may arise. The increased Fund Balance will also allow the City to fund future capital expenses on the horizon. In the 2019-20 fiscal year the City will undertake an Asset Inventory and Management Plan for its General

Fund as it did for the Water and Sewer Fund this current fiscal year. The plan ensures the City's assets are used in the most efficient manner.

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. It was imperative to develop a plan to address the maintenance and capital improvements necessary to ensure the City could continue to provide water and sewer service to its customers well into the future. In 2017 the City Council commissioned a Capital Improvement Plan (CIP) along with a Utility Rate Study, both of which were adopted. This 10-year plan provides the blueprint to meet our current and future needs, while the rate study provides the recommended means to fund the CIP.

The City continues to be aggressive in seeking grant funding and will continue to do so. In this upcoming fiscal year, the City will be administering two Community Development Block Grants (CDBG) awarded to the City in the first quarter of 2019. One grant for \$750,000

will fund home repairs for low/moderate income qualified applicants while \$155,000 will fund repairs to our Community Center. The other CDBG grant for \$2,000,000 will fund much needed sewer line replacement projects in the City. The sewer line replacements will also reduce Inflow/Infiltration (I&I) that will reduce the burden on the Waste Water Treatment Plant.

The City's total long-term debt across both major funds decreased \$124,307 last fiscal year to only \$170,088. This is an extremely low debt service number and equates to about \$43 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 and bond rating permit low interest rates. The use of debt financing for capital or infrastructure projects is justified by the benefits received principle, meaning that capital expenditures that will provide benefit over many years will benefit future users as well as current taxpayers, so 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.

Key Operational Focus Areas

The FY2019-20 budget addresses a range of operational needs with a specific focus on the following:

- **Public Safety** - Maintaining adequately staffed and trained Police Officers. Equip them with the necessary tools to perform their jobs at the highest level
- **Asset Inventory and Management Plan for both General Fund and Water and Sewer Fund** To ensure the General Government and Proprietary funds continue to provide a high level of service well into the future and prepare now for future needs so we

are well equipped to handle them.

- **Maintaining streets, roads, and public facilities**—Well- maintained streets, roads, parks and recreation facilities help protect property values and maintain Lowell's quality of life. It is fiscally responsible to maintain our streets, roads, and public facilities now, so they don't deteriorate and become more costly to fix in the future
- **Strengthening the Local Economy** — Programs that retain, attract, and help expand local businesses in Lowell are important to creating a diverse and vibrant economy
- **Improving our Utility Billing Efficiency** - The Meter Replacement Project will be underway in 2019. This project will improve productivity, reduce reading errors, reduce staff time, reduce water loss and reduce water purchase cost.
- **Land Use Planning** – To ensure the highest and best use for future development in Lowell. To promote the efficient use of land and encourage uses that promote and improve the quality of life for Lowell and its residents.

Revenue

This fiscal year will see the results of a property reappraisal by Gaston County. The key to understanding the reappraisal process is distinguishing the difference between tax base (your property value) and the tax rate (the rate at which you are taxed on your property value). Counties are required by General Statute to conduct reappraisals at least every eight years. Gaston County conducted a reappraisal in 2019 and the last reappraisal in Gaston County was conducted in 2015. When a reappraisal occurs, the tax base changes because real property values are pegged back to market value. When

a tax base changes and the tax rate remains unchanged, a change in revenue is also experienced, whether that be positive or negative. Lowell saw a decrease in 2015 revenues after the reappraisal and will realize an increase in 2020 due to an increase in property values. A revenue neutral tax rate is intended to show the tax rate that would keep the local government's revenue neutral given its new tax base.

To calculate the revenue-neutral tax rate, you first determine a rate that would produce revenues equal to those produced for the current fiscal year and then increase the rate by a growth factor equal to the average annual percentage increase in the tax base due to improvements since the last general reappraisal. This growth factor represents the expected percentage increase in the value of the tax base due to improvements during the next fiscal year. In Lowell the total assessed value increased from \$250,920,936 to \$283,655,610. It will not be known until the end of the upcoming fiscal year the true evaluation because the appeal process is still underway, which will ultimately reduce the total evaluation number but close to the current evaluation total. No tax rate increase is being proposed and it is recommended to maintain the current tax rate at 43 cents per \$100 of valuation. Because of the increase in property values the city will realize an increase of approximately \$146,247 in ad valorem property taxes. The revenue neutral tax rate is 40 cents per \$100 of evaluation.

Department Highlights

The City of Lowell Staff continues to provide a high level of service to Lowell residents. We have a dedicated group of public servants that care about the community. If you want to see results you must invest in your employees. The City is focused on providing our staff with the necessary tools to complete their jobs as efficiently as possible.

This proposed budget includes a 2.5% cost of living adjustment for all employees to maintain a

competitive advantage in the marketplace. This is also a recommendation of the personnel policy.

The City will see an increase in retirement expenses for the employees. The NC State Retirement System increased the City's contribution percentage. This increase will cost the city an additional \$12,243 this fiscal year.

Administration

Personnel	\$316,862
Operations	\$269,016
Capital Debt Service	0
Total	\$585,878

Administration expenses are projected to increase \$26,231 from the prior fiscal year. Administration encompasses a wide range of activities including Council expenses, Manager, Finance, Human Resources, Planning, Beautification and other general expenses.

Public Safety

Personnel	\$601,121
Operations	\$144,604
Fire Dept.	\$209,700
Capital Debt Service	\$33,000
Total	\$988,425

Public safety makes up almost half of the Lowell fiscal year budget at 46% (Police 36% and LVFD 10%). The highlights for the police department are the upcoming capital expenditures. This budget proposes two additional patrol cruisers to replace 2011 models. The existing vehicle fleet was poor in 2016 which resulted in extremely high vehicle repair bills as well as keeping vehicles out of service for repairs. We have replaced 5 of the 9 police cruisers over the last 3 years and continuing to replace the aging vehicles will reduce repair cost and keep our officers safe with cars with new safety features. We will continue to obtain the vehicles through the enterprise lease program which do date has

proven beneficial.

The Police Department will need to replace all their mobile emergency response radios as the County has moved to the 800MHz frequency rendering our existing radios obsolete and unusable. They will need to purchase 10 mobile radios and 10 portable radios for the vehicles. The cost from the preferred vendor Motorola is \$63,246. We have sought competitive financing rate and have received a rate offer (3.3%) which is lower than the rate the County secured.

The Police Department also desperately need new computers for the vehicles as well as for the office. The current computers are still functioning on the Windows XP platform and they are no longer supported. This expense is estimated to be \$20,000.

A change in this budget is the relocation of the LVFD expense from Administration to Police with the new department title of Public Safety. The Fire Department requested no increase in the upcoming fiscal year therefore the expense remained flat at \$209,700.

Public Works

Personnel	\$125,560
Operations	\$168,100
Capital Debt Service	\$5,332
Total	\$298,992

Public Works provides a variety of services that meet the needs of our citizens every day from streets to grass maintenance. Salaries saw and increase as the grass cutting has been brought back in house and the vacant ninth position was filled.

The purchase of a new F-150 service truck is included in the budget and the anticipated debt service payment is included at \$5,332.

It is anticipated that a new back-hoe will be needed. This is a large capital expenditure we are planning for in the 2020-2021 fiscal year.

Sanitation

Personnel	\$144,563
Operations	\$110,743
Capital Debt Service	0
Total	\$255,306

The Sanitation Department is partially supported by fees with the remainder supported by tax dollars. No fee increase is recommended this year. The department saw the addition of recycling in 2019. This budget continues to fund the recycling center which has been a huge success to date. Zero contamination has been seen once the addition of security equipment was implemented.

The long-range plan has the department needing a new Trash Truck in the 2020-2021 Fiscal year, so we are planning ahead for that large capital purchase.

Parks and Recreation

Personnel	\$55,562
Operations	\$90,700
Capital Debt Service	0
Total	\$146,262

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 largest expense line item is for Special Events. This expense is offset by the revenue that is projects from the events as well as the sponsorships that the new staff has been successful in recruiting to help pay for the events.

Water and Sewer Fund

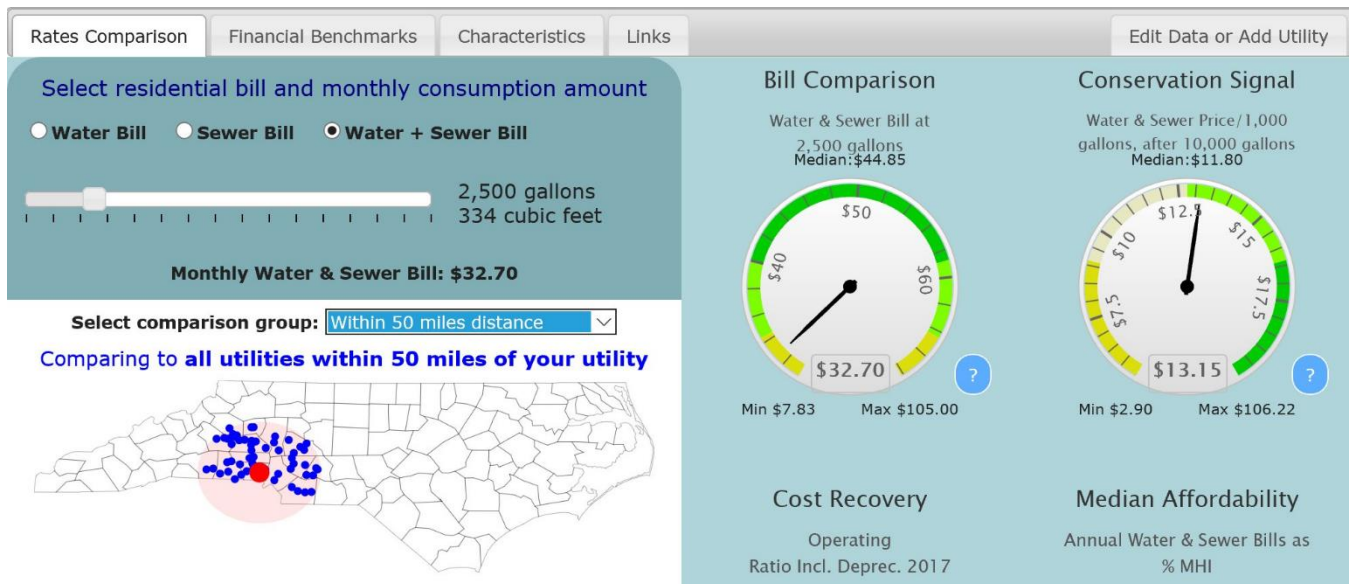
Water and Sewer	
Personnel	\$320,256
Operations	\$663,327
Capital Debt Service	\$42,000

Sub-Total	\$1,025,583
Waste Water Treatment	
Personnel	\$48,000
Operations	\$175,196
Capital Debt Service	\$8,704
Sub-Total	\$237,604
Total	\$1,263,187

To cover rising costs and meet the demands of the Capital Improvement Plan a 3% increase in water and sewer rates is recommended per the adopted rate study. The capital

expenditures required are a new Utility Service truck and a new Pump and the Waste Water Treatment Plant. The debt service payments for those items is estimated at \$50,704. while the 3% rate increase will realize approximately \$35,000 to offset part of the new debt service.

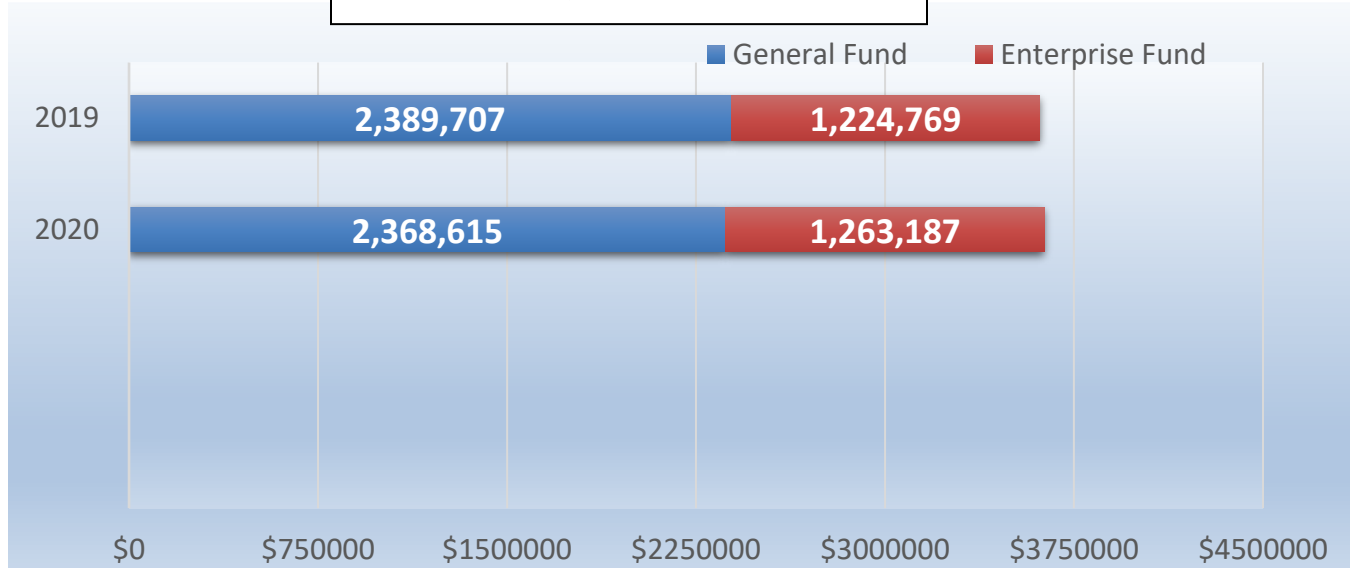
The City of Lowell's current rates even after recent rates increases are amongst the lowest in the State of North Carolina. Below is a diagram that compares Lowell's average water and sewer bill against all other cities within a 50 miles radius.



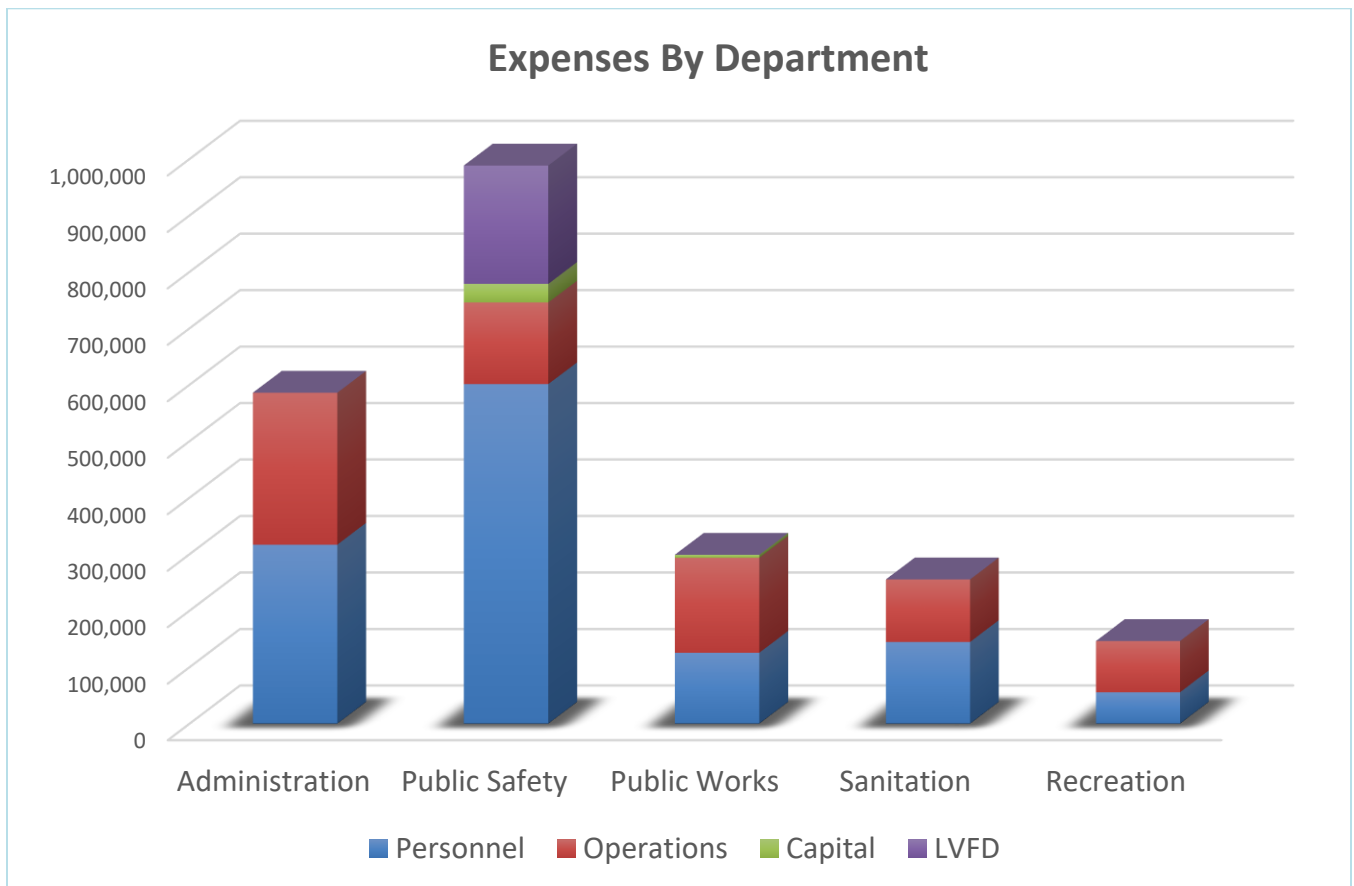
The Chart above compares an average water and sewer bill (based on the average consumption of 2,500 gallons) with all other towns within a 50 mile radius of Lowell. The average cost of water and sewer per month is \$44.85 and in Lowell that same amount of water would cost \$32.70 which is \$12 below the average.

CITY OF LOWELL
 FISCAL BUDGET SNAPSHOT
 2019-2020

Revenue Comparison



Expenses By Department



...

Proposed Budget Line Items

Revenues and Expenses

GENERAL FUND REVENUE

Description	FY 2017 Budget	FY 2018 Budget	FY 2019 Budget	FY 2020 Proposed
Ad Valorem Taxes Prior Years	\$24,500	\$10,000	\$10,000	\$8,000
Rental Car Gross Rcpts. Rev.	\$26,000	\$15,000	\$20,000	\$97,000
Ad Valorem Tax Current Year	\$1,132,000	\$1,135,000	\$1,171,517	\$1,317,764
Tax Penalties and Interest	\$6,800	\$6,000	\$5,000	\$5,000
Interest	\$1,300	\$2,000	\$3,500	\$7,500
Beer & Wine Tax	\$17,000	\$17,000	\$16,600	\$16,200
Miscellaneous	\$7,800	\$3,900	\$3,700	\$2,000
Utilities Franchise Tax	\$207,000	\$205,000	\$199,500	\$200,670
Solid Waste Disposal	\$2,300	\$1,700	\$2,400	\$2,480
Powell Bill (Streets)	\$94,525	\$93,750	\$93,740	\$94,291
Local Gov Sales Tax	\$388,896	\$388,896	\$388,896	\$430,000
Zoning Permits	\$5,000	\$2,000	\$3,000	\$3,500
Sanitation Fees	\$105,000	\$105,000	\$143,219	\$137,560
Other Landfill Fees	\$2,000	\$1,500	\$1,500	\$1,650
Athletics	\$24,500	\$12,500	\$11,000	\$13,000
Community Center	\$5,000	\$7,000	\$7,000	\$7,000
Festivals and Events	\$0	\$13,500	\$0	\$25,000
Sale of Fixed Assets	\$3,500	\$2,000	\$2,000	\$0
Grant Funds	\$177,750	\$2,250	\$188,000	\$0
Lease Proceeds	\$56,110	\$0	\$0	\$0
Fund Balance Appropriated	\$0	\$0	\$56,335	\$0
Fund Balance Appropriated-PB	\$0	\$0	\$62,800	\$0
Total General Fund Revenue	\$2,286,981	\$2,023,996	\$2,389,707	\$2,368,615

GENERAL FUND EXPENSES BY DEPARTMENT

Administration Description	FY 2017 Budget	FY 2018 Budget	FY 2019 Budget	FY 2020 Proposed
Council	\$15,600	\$15,600	\$15,600	\$16,000
Salaries	\$158,945	\$139,265	\$162,432	\$218,305
FICA Expenses	\$12,159	\$10,654	\$12,426	\$16,700
Health Insurance	\$21,230	\$24,265	\$26,879	\$34,653
Retirement	\$11,524	\$10,445	\$12,588	\$19,538
401(K)	\$7,947	\$6,963	\$8,122	\$10,915
Unemployment Benefits	\$750	\$750	\$750	\$750
Professional Services	\$57,000	\$55,350	\$61,000	\$65,000
Telephone & Postage	\$10,750	\$11,000	\$9,350	\$9,200
Electric Utilities	\$6,000	\$6,000	\$6,000	\$6,000
Travel & Training	\$5,500	\$7,000	\$9,000	\$6,000
Main. & Repairs - Bldg	\$3,000	\$2,300	\$11,000	\$15,000
Main. & Repairs - Equip	\$5,400	\$5,000	\$5,000	\$3,500
Election Expenses	\$0	\$3,760		\$4,100
Checking Acct Exp	\$3,500	\$5,700	\$5,400	\$5,400
Advertising	\$3,600	\$3,600	\$3,500	\$2,000
Supplies	\$7,500	\$8,000	\$7,000	\$11,000
Beautification	\$4,500	\$5,000	\$11,000	\$25,000
Fire Protection	\$204,200	\$209,700	\$209,700	Moved to Public safety
Zoning Board	\$800	\$500	\$500	\$500
Code Enforcement	\$200	\$500	\$1,100	\$2,500
Rental Expense	\$2,400	\$2,400	\$2,400	\$3,000
Contracted Services	\$33,250	\$65,201	\$77,206	\$62,064
Tax Collection Fees	\$8,000	\$7,900	\$7,900	\$8,050
Dues & Subscriptions	\$6,600	\$7,000	\$7,000	\$7,500
Insurance & Bonds	\$5,500	\$6,255	\$7,070	\$7,000
Intern Pay				\$2,400
Miscellaneous	\$7,500	\$10,270	\$5,000	\$5,000
CIA Committee	\$19,500	\$5,000		
Grants	\$50,000		\$40,000	
Capital Debt Service	\$7,400		\$4,890	
Principal Maturities	\$3,641	\$3,721	\$3,700	\$3,721
Interest on Debt	\$161	\$82	\$82	\$81
Contingency	\$10,502		\$10,000	\$15,000
Administration Sub Total	\$694,559	\$639,181	\$743,595	\$ 585,878

Public Safety	2017	FY 2018	FY 2019	FY 2020
Description	Budget	Budget	Budget	Proposed
Police Salaries	355,000	392,918	392,918	428,792
FICA	27,158	30,058	30,058	32,803
Health Insurance	59,426	67,929	74,004	76,495
Retirement	28,400	32,416	33,398	41,593
401(K)	17,750	19,646	19,646	21,440
Telephone & Postage	13,457	9,500	9,300	9,330
Electric Utilities	4,850	5,000	5,000	6,000
Travel & Training	500	500	1,000	2,000
Main & Repairs - Bldg	1,000	1,000	1,000	1,000
Main & Repairs - Equip	1,200	2,200	2,000	1,500
Main & Repairs - Autos	10,000	13,000	11,000	17,000
Fuel	19,000	22,000	27,000	29,000
Supplies	9,615	12,250	10,000	14,000
Police Uniforms	4,100	10,250	4,100	5,500
Contracted Services	6,500	7,000	6,500	5,300
Fire Protection				209,700
Dues & Subscriptions	465	465	465	465
Insurance & Bonds	13,912	16,020	16,800	16,500
Contingency	200	200	500	500
Capital Debt Service	56,110		26,832	33,000
Principal Maturities	9,075	13,405	13,500	35,000
Interest on Debt	630	1,321	1,600	1,509
Public Safety Sub Total	\$638,347	\$657,078	\$686,621	\$988,425

Public Works	FY 2017	FY 2018	FY 2019	FY 2020
Description	Budget	Budget	Budget	Proposed
Salaries	104,907	83,338	51,557	90,875
FICA Expenses	8,025	6,375	3,944	6,952
Health Insurance	22,630	23,427	14,719	15,056
Retirement	7,606	6,250	3,996	8,133
401(K)	5,245	4,167	2,578	4,544
Professional Services	2,000	2,000	2,000	1,000
Utilities (Power & Gas)	57,500	58,000	58,000	58,350
Travel & Training	-	250	250	500
Main & Repairs - Bldg.	750	500	500	1,500
Main & Repairs - Equip	6,000	7,000	12,000	9,000
Main & Repairs - Trucks	9,000	12,000	15,000	12,000
Automotive Fuel	6,600	7,200	7,200	8,000
Supplies	12,000	13,000	16,000	16,000

Uniforms	3,900	3,200	3,000	2,900
Contracted Services	40,000	41,200	40,000	40,000
Insurance & Bonds	7,073	11,500	11,856	11,850
Contingency	300	1,000	2,000	7,000
Capital Debt Service	-		2,890	5,332
Grants	137,750		70,000	
Public Works Sub Total	\$431,286	\$280,407	\$317,490	\$298,992

Sanitation	FY 2017	FY 2018	FY 2019	FY 2020
Description	Budget	Budget	Budget	Proposed
Sanitation Salaries	78,067	91,539	93,766	98,531
FICA Expenses	5,972	7,003	7,173	7,538
Health Insurance	18,745	19,344	23,993	24,750
Retirement	5,660	6,865	7,267	8,818
401K	3,903	4,577	4,688	4,927
Main. & Repairs	4,000	5,350	10,000	14,000
Fuel	6,500	6,500	6,500	8,600
Supplies	3,800	3,500	6,250	9,000
Recycling	21,250		30,000	31,000
Landfill Tipping Fees	40,425	41,000	39,000	40,000
Insurance & Bonds	5,411	5,575	5,870	6,143
Contingency	500	500	3,000	2,000
Capital Debt Service	-		1,300	
Principal Maturities	40,721	41,527	21,000	
Interest on Debt	1,836	1,030	2,000	
Sanitation Sub Total	\$236,790	\$234,310	\$261,807	\$255,306

Parks and Recreation	FY 2017	FY 2018	FY 2019	FY 2020
Description	Budget	Budget	Budget	Proposed
Salaries	53,598	29,000	56,160	48,830
FICA	4,100	2,219	4,296	3,736
Health Insurance	8,453			-
Retirement	3,886		4,352	2,996
401(K)	2,680			-
Telephone	2,440	720	1,925	1,200
Utilities Rec Facilities	6,500	6,500	6,600	6,000
Utilities Community Center	2,500	4,000	3,500	3,500
Travel & Training	800	800	1,000	1,000
Main. & Repairs	6,000	7,500	7,500	8,750
Automotive Fuel	1,100	1,000	500	750
Supplies	5,800	6,700	6,700	4,500
Athletics	10,000	10,000	14,000	8,000

Special Events	35,500	34,781	12,000	35,000
Contracted Services	3,450	9,500	9,500	20,500
Insurance & Bonds	2,194	2,050	2,314	1,500
Capital Debt Service			88,480	
Parks and Recreation Sub Total	\$149,001	\$114,770	\$218,828	\$146,262

Powell Bill Description	FY 2017 Budget	FY 2018 Budget	FY 2019 Budget	FY 2020 Proposed
Professional Services	5,000	5,000	10,000	751
Departmental Supplies	5,000		3,000	
Sidewalks	2,695	5,000	5,000	
Contracted Maintenance	25,000	55,000	63,028	90,000
Miscellaneous	1,000		5,000	
Capital Debt Service	52,830	25,000	62,800	
City Signs	3,000	3,000	3,000	3,000
Powell Bill Sub Total	\$94,525	\$93,000	\$151,828	\$93,751
Total General Fund Expenditures	\$2,286,981	\$2,023,996	\$2,389,707	\$2,368,615

**ENTERPRISE FUND
WATER AND SEWER REVENUES**

Description	FY 2017 Budget	FY 2018 Budget	FY 2019 Budget	FY 2020 Proposed
Interest	200		-	15
Reimbursements	450	450		5,000
Water Revenue	646,237	652,000	637,060	656,172
Sewer Revenue	469,576	491,000	530,000	545,900
Water Tap Fees	2,000	2,000	2,400	800
Sewer Tap Fees	2,000	2,000	3,000	1,000
Access Fee-Water	3,000		7,300	12,300
Access Fee-Sewer	6,000		11,000	19,500
Reconnects & Late Fee	40,500	35,000	15,000	14,500
Activation Fee			1,000	8,000
Fund Balance Appropriated	-	87,007	18,009	
Loan Proceeds	-		-	
Total Enterprise Fund Revenue	\$1,169,963	\$1,269,457	\$1,224,769	\$1,263,187

**ENTERPRISE FUND
WATER AND SEWER EXPENSES**

Water and Collection Description	FY 2017 Budget	FY 2018 Budget	FY 2019 Budget	FY 2020 Proposed
Salaries	194,765	195,703	207,087	219,694
FICA	14,900	14,971	15,842	16,807
Health Insurance	34,683	42,376	51,751	53,109
Retirement	14,120	14,678	16,049	19,663
401(K)	9,738	9,785	10,354	10,985
Professional Services	17,000	5,000	10,000	35,000
Telephone & Postage	15,500	7,000	10,800	13,500
Electric Utilities	16,500	16,000	16,000	16,000
Travel & Training	2,500	2,000	1,000	1,000
Main. & Repairs	25,000	29,000	25,000	20,000
Checking Acct Expense	-	1,200	1,200	500
Automotive Supplies (Fuel)	6,750	7,000	8,500	12,150
Supplies	25,000	25,000	30,000	34,000
Uniforms	2,500	3,200	3,200	3,377
Contracted Services	33,500	34,000	30,000	35,000
Water Purchase	393,000	397,000	405,000	400,000
Lift Station	73,300	70,000	70,000	70,000

Dues & Subscriptions	1,510	3,200	3,000	2,800
Insurance & Bonds	11,104	10,610	11,682	11,000
Capital Debt Service	-		21,990	42,000
Prin. Maturities - Bonds	6,237	6,513		
Interest on Bonds	419	143	550	
Contingency	14,260	33,860	5,708	9,000
Water and Collection Sub Total	\$912,286	\$928,239	\$954,714	\$1,025,583

Waste Water Treatment Description	FY 2017 Budget	FY 2018 Budget	FY 2019 Budget	FY 2020 Proposed
Professional Services	500		1,500	10,000
Telephone and Internet	1,800	650	700	1,800
Electric Utilities	30,000	31,000	31,000	27,000
Buildings & Grounds	-	200	1,000	1,000
Chemical Supplies	31,000	39,000	40,000	35,000
Departmental Supplies	5,750	6,000	6,000	3,000
Contract Services	38,500	43,700	45,000	48,000
Sampling and Analysis	29,750	30,000	29,000	31,000
Sludge Disposal	16,000	20,000	26,000	38,000
Contract Maintenance	19,000	23,000	27,000	30,000
Dues and Subscriptions	1,335	1,335	1,335	1,100
Contingency	800		500	1,000
Insurance & Bonds	1,777	1,975	2,279	2,000
Capital Debt Service	-		1,390	8,704
Principal on Debt	71,405	53,974	55,247	
Interest on Debt	10,060	3,378	2,105	
Waste Water Sub Total	\$242,677	\$254,211	\$270,056	\$237,604
Total Enterprise Fund Expenses	\$1,169,963	\$1,269,457	\$1,224,769	\$1,263,187

GENERAL FUND
CAPITAL OUTLAY – FY 2019-2020

DEPARTMENT	CAPITAL DESCRIPTION	COST	DEBT SERVICE PAYMENT
POLICE	10 Mobile+10 In Car 800 MHz Emergency Response Radios	\$63,246	\$12,000
POLICE	9 Patrol Car Rugged Laptops + 4 Desktop Computers	\$20,754	\$6000
POLICE	2 Police Vehicles	\$58,000	\$14,000
PUBLIC WORKS	Service Truck – F150	\$24,500	\$5,332
TOTAL		\$166,500	\$37,332

WATER & SEWER FUND
CAPITAL OUTLAY – FY 2019 – 2020

DEPARTMENT	CAPITAL DESCRIPTION	COST	DEBT SERVICE PAYMENT
WATER	Service Utility Tool Truck – F350	\$49,000	\$10,663
SEWER	Pump and Main Lift	\$39,000	\$14,038
TOTAL		\$88,000	\$24,701

Current Financial Analysis

On the following page are the results of an economic analysis performed by City Staff to provide a snapshot of Lowell's overall financial health

This matrix is a quantitative look at the current financial condition of the City of Lowell. This analysis looks at the key indicators of financial health and compares us with other cities of similar size. This provides helpful benchmarking data to evaluate our financial health on a year to year basis to ensure financial stability. The highest possible score indicating the strongest financial position is 20 and the City of Lowell's score of 12 indicates an overall healthy financial condition. The areas in which the City scored in the top 75%-100% are highlighted in green. The scores highlighted in yellow show the areas that should be closely monitored and make changes if needed to ensure these areas trend toward a healthy condition.

Current Financial Condition Analysis

City of Lowell					Quartile based on Towns of Similar Size				Score	Notes
					1	2	3	4		
Ratio					(Worst) 0-25%	25-50%	50-75%	(Best) 75-100%		
					-1	0	+1	+2		
			Quartile	Score						
Short-run Financial Position	Unassigned General Fund Balance	\$ 786,133	0.36	2	0	0.33	0.33	0.44	0.5	High suggests larger reserves for dealing with unexpected needs in near term
	General Fund Revenues	\$ 2,180,320				or less	to 0.44	to 0.50	or more	
Liquidity	General Fund Cash and Investments	\$ 829,059	26.60	4	2	7.71	7.71	10.57	20.37	High suggests a greater capacity for paying off short run obligations
	GF Liabilities minus deferred (unearned) revenues	\$ 31,162				or less	to 10.56	to 20.376	or more	
Financial Performance	Change in Governmental Activities net assets	\$ 72,700	0.03	2	0	0.02	0.02	0.04	0.07	High suggests that annual costs are being adequately financed and financial position is improving
	Total Governmental Activities net assets	\$ 2,230,566				or less	to 0.04	0.071	or more	
Solvency	Primary Government liabilities minus deferred (unearned) revenue	\$ 1,201,346	0.32	4	2	1.21	0.77	0.38	0.38	Low suggest that outstanding obligation can more easily be met with annual revenues
	Primary Government Revenues	\$ 3,811,304				or more	to 1.218	to 0.777	or less	
Revenues (A)	Primary Government Operating grants and contributions + unrestricted aid	\$ 101,869	0.03	4	2	0.27	0.06	0.04	0.03	Low suggests a government is not heavily reliant on intergovernmental revenue
	Primary Government Revenues	\$ 3,811,304				or more	to 0.27	to 0.06	or less	
Revenues (B)	Net (expense) revenue for governmental activities	\$ (1,879,899)	0.89	1	-1	0.82	0.75	0.7	0.7	Low suggests basic governmental services are more self-sufficient through charges, fees, etc. and rely less on general tax support
	Total governmental activities expense	\$ 2,117,300				or more	to 0.82	to 0.758	or less	
Debt Burden	Total outstanding debt for the primary government	\$ 90,173	\$ 23.12	4	2	\$1,462	826 -	\$396	\$395.00	Low suggests less burden on taxpayers and greater capacity for additional borrowing
	population	\$ 3,900				or more	\$1,461	to \$825	or less	
Coverage (A)	Debt Service	\$ 63,390	0.03	3	1	0.08	0.04	0.02	0.02	Low suggests general government long term debt can be more easily repaid when due
	noncapital governmental funds expenditures	\$ 1,829,267				or more	to 0.08	to 0.04	or less	
Coverage (B)	Enterprise funds operating revenue + interest expense	\$ 1,205,119	654.96	4	2	23.58	23.59	52.8	150.3	High suggests greater resources available for repaying the debts of enterprise activities when due
	interest expense	\$ 1,840				or less	to 52.80	to 150.29	or more	
Capital Assets	Ending net value of primary government capital assets - beg. net value	\$ 263,510	0.07	4	2	-0.01	0.01	0.04	0.04	High suggests that a government is keeping pace, on average, with the aging of its capital assets and replenishing them
	Beginning net value	\$ 3,762,585				or less	to -0.01	to 0.01	or more	
				Total Score	12					