City Manager Eileen M. Donoghue

FY2020 Proposed Budget

Conor Baldwin, CFO

Mayor William Samaras

Councilors

Karen Cirillo • David Conway • Rodney Elliott • Edward Kennedy • John Leahy • Rita Mercier • James Milinazzo • Vesna Nuon

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City of Lowell

Annual Budget

For the 2020 Fiscal Year (7/1/2019 – 6/30/2020)

Transmittal Letter	I
Summaries	II
Financial Plan	III
Departmental Details	IV
Capital Plan	V
Appropriation Order	VI
Appendices	VII
Index	VIII

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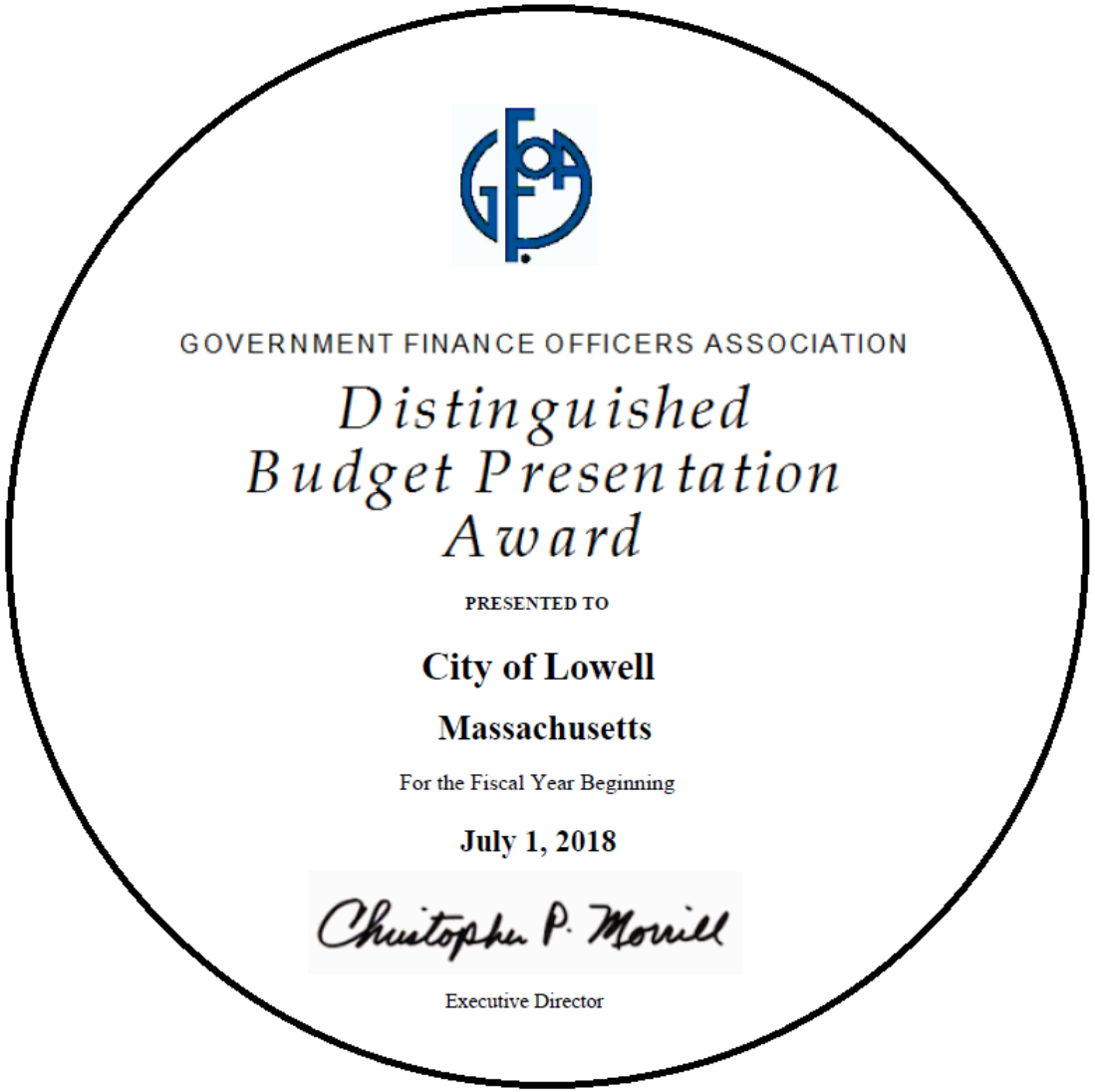

The Government Finance Officers Association of the United States and Canada (GFOA) presented an Award for Distinguished Budget Presentation to the City of Lowell for its annual budget for the fiscal year beginning July 1, 2018.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operation guide, as a financial plan and as a communication medium.

While the award is valid for a period of one year only, we believe our current budget continues to conform to program requirements, and we are submitting it to the GFOA to determine its eligibility for another Distinguished Budget Presentation Award.

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SECTION I - TRANSMITTAL LETTER I-1

City Manager's Budget Message I-3

SECTION II - SUMMARIES II-1

Budget Document Overview II-3

The Budget Process II-4

The Budget Calendar II-5

Organizational Chart By Function II-6

Organizational Chart By Department II-7

Department Directory II-8

A General Profile of the City of Lowell and Facts on File II-12

General II-13

Government II-14

Parks and Open Space II-15

Parks and Recreation II-16

Recreational Amenities in Lowell II-17

Housing II-20

Institutions of Higher Learning II-20

Industry and Commerce II-21

Lowell Employment By Industry II-22

The Ten Largest Employers in the City II-23

Tax Facts II-24

Strategic Goals, Objectives & Key Initiatives II-25

Key Focus Area 1 – Economic Development II-26

Key Focus Area 2 – Financial Management II-32

Key Focus Area 3 – Public Safety II-38

Key Focus Area 4 – Education II-44

Key Focus Area 5 – Partnerships II-50
Key Focus Area 6 – Strong Neighborhoods II-56
Basis of Accounting and Budgeting II-63
Financial Policies and Guidelines II-67
City of Lowell Average Tax Bill vs. MA Average II-69
Financial Management Team Policy II-70
Travel Allowance & Reimbursement Policy II-72
Investment Policy II-73
OPEB Funding Policy II-78
Debt Management Policy II-81
Debt Ratios II-84
Debt Service Financial Status Report II-85
General Debt Limit II-86
Debt Position II-88
Net Debt Service Forecast – Existing Debt (General Fund Only) II-89
City of Lowell Historic Debt Ratios II-90
Reserve Policy II-91
Appropriation by Function II-95
Revenue by Source II-96
Public Investment Appropriations – General Fund Capital Plan Investment II-97
FY20 Public Investment Financing Plan – Capital Project Breakdown II-98
FY20 Public Investment Financing Plan – All Funding Sources II-99
City Fund Structure II-100
City Fund Balances II-102
Major Fund Histories II-104
General Fund Five-Year History II-105
Parking Garage Enterprise Fund Five-Year History II-106

Wastewater Enterprise Fund Five-Year History II-107
Water Enterprise Fund Five-Year History II-108
Projected Five-Year Fund Forecasts/Balances II-109
General Fund Forecast/Balance II-110
Tax Levy Forecast/Balance II-112
Parking Enterprise Fund Forecast/Balance II-113
Wastewater Enterprise Fund Forecast/Balance II-114
Water Enterprise Fund Forecast/Balance II-115
Staffing Levels II-116
Department Staffing II-116
SECTION III - FINANCIAL PLAN III-1
Message from the Chief Financial Officer III-3
Building Permits III-5
Property Taxation III-6
Tax Levy Computation III-7
Average Single Family Tax Bill III-8
Assessed Valuations, Tax Levies, and New Growth III-9
Fiscal Year 2018 Audited Statements III-17
Y2019 Budget Review III-23
Net School Spending, Chapter 70, and Required Contribution Calculations III-25
FY2019 Fiscal Initiatives III-30
Fiscal Year 2020 ..... III-32
Local Aid & Assessments, Year-Over-Year Comparison III-34
Charter Schools in Lowell III-37
The Charter School Formula/ Underlying Calculations III-40
Mass Municipal Association Advocacy and Immediate Priorities for Lowell III-41

FY2020 Education Funding – Lowell Public Schools III-42
Lowell Budget Trends – By Category III-43
Lowell Fixed Costs – Pensions and Other Post-Employment Benefits (OPEB) III-44
Unclassified Expenses - Summary III-46
Financial Status Report – Revenues Related to Economic Grown III-50
Financial Status Report – Debt Service III-51
Conclusion III-53
Summary: Operating Budget III-54
Revenue History III-55
Revenue Assumptions and Projections III-56
Budgeted Revenues & Historic Collections – Summary III-63
Taxes - Summary III-65
New Growth III-66
Motor Vehicle and Boat Excise III-67
Hotel/Motel III-68
Meals Excise III-69
Penalties and Delinquent Interest III-70
Payment In-Lieu-of-Taxes (PILOT) III-71
Licenses & Permits - Summary III-73
Licenses III-74
Permits III-75
Intergovernmental Revenues - Summary III-77
Federal III-78
State Local III-79
Available Funds - Local III-80
Cherry Sheet - Summary III-81
Cherry Sheet - School - Local III-82

Cherry Sheet – Education Reimbursement III-83
Cherry Sheet – General Government Reimbursement III-84
Charges for Services - Summary III-85
Enterprise Reimbursement III-86
Fines and Forfeits III-87
Cable Franchise Fee III-88
Trash Fees III-89
Cemetery III-90
Ambulance Revenue III-91
Parking Enterprise III-92
Wastewater Utility III-93
Water Utility III-94
Miscellaneous Revenue - Summary III-95
Interest Earnings III-96
Free Cash III-97
Other Miscellaneous Revenue III-98
SECTION IV – DEPARTMENT DETAILS IV-1
Legislative IV-3
City Council IV-4
Office of the Mayor IV-6
Office of the City Clerk IV-12
City Manager IV-19
Office of the City Manager IV-20
Cultural Affairs & Special Events IV-29
Finance IV-37
General Finance IV-38

Budget Department IV-44
Office of the City Auditor IV-50
Purchasing IV-56
Assessors IV-62
Treasurer IV-70
Human Relations IV-76
Management Information Systems IV-83
Legal IV-93
Law IV-94
Elections IV-101
Planning & Development IV-107
Planning & Development IV-108
Public Safety IV-123
Police IV-124
Fire IV-133
Education IV-143
Lowell Public Schools IV-144
Greater Lowell Technical High School IV-147
Essex Agricultural and Technical High School IV-149
Public Works IV-151
Public Works IV-152
Health and Human Services IV-183
Health Department IV-186
Council on Aging IV-196
Veterans' Services IV-203
Recreation IV-210
Pollard Memorial Library IV-216

Fixed Costs IV-226
Debt Service IV-227
Workers Compensation IV-228
Unemployment IV-229
Health Insurance IV-230
Retirement/ Pension IV-231
Medicare Tax IV-232
Claims & Judgements IV-233
Other Insurance IV-234
Northern Middlesex Council of Governments (NMCOG) IV-235
Cherry Sheet IV-236
Cherry Sheet Financing Plan IV-237
Enterprise Funds IV-238
Lowell Regional Wastewater Utility Enterprise IV-239
Parking Garage Enterprise IV-248
Lowell Regional Water Utility Enterprise IV-255
MassHire Lowell Career Center IV-263
SECTION V - CAPITAL PLAN V-1
A Message from the City Manager V-3
Capital Plan Selection Criteria V-5
Capital Project Updates V-7
Fiscal Year 2020 Funded Projects V-15
Public Safety Communications Upgrades V-18
Relocation Costs V-19
Lord Overpass Construction Improvements V-22
Paving (City-Wide Street Improvement Program) V-29

Tanner Street Realignment Project V-40
City-Wide Network Infrastructure Upgrades V-44
National park – City – Land Swap V-46
City of Lowell Bridge Repair Program – Various Sites V-48
Lowell Fire Department – Apparatus Replacement – Engine 7 ..... V-51
Traffic Signalization – Various Intersections V-53
Various Park Improvements / Implementation of Open Space Plan V-56
Merrimack Riverwalk – Phase II V-58
Andover Street Sidewalks / Traffic Calming V-60
Hamilton Canal Innovation District ("HCID") Canalway V-61
Vault Abandonment Program V-64
Americans With Disabilities Act ("ADA") Transition / Implementation V-66
Total Project Costs – All Funding Sources V-68
FY20 Capital Investment Summary – By Project Type V-69
Financing Plan: Capital Budget V-70
Proposed Non-Vehicle Capital Projects – Five Year Outlook V-71
Proposed Vehicles – Five Year Outlook V-76
Financial Analysis V-82
City of Lowell FY2020 Proposed Capital Plan Loan Order to the Lowell City Council V-89
City of Lowell FY2020 Proposed Water Enterprise Loan Order to the Lowell City Council V-93
City of Lowell FY2020 Proposed Wastewater Enterprise Loan Order to the Lowell City Council V-97
SECTION VI - APPROPRIATION ORDER VI-1
SECTION VII - APPENDICES VII-1
Municipal Finances 101 ..... VII-3
Where the Money Comes From VII-4
Where the Money Goes VII-7

Budgeting Basics and the Budget Process VII-10
Investing for the Long Haul VII-12
Legacy Costs VII-16
Telling the Financial Story VII-19
Acronym Table VII-22
Glossary of Terms Commonly Used in Municipal Finance VII-24
SECTION VIII – INDEX VIII-1

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FISCAL YEAR

2020

SECTION I

TRANSMITTAL LETTER

Submitted budget message from the City Manager to the City Mayor, members of the City Council, businesses, and residents of the City of Lowell.

EILEEN M. DONOGHUE
CITY MANAGER

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The City of LOWELL *Alive. Unique. Inspiring.*

Eileen M. Donoghue, *City Manager*

May 28, 2019

To Mayor William J. Samaras and Members of the Lowell City Council:

In accordance with the requirements of the Massachusetts General Laws and the Charter of the City of Lowell, I herewith transmit the proposed $417,746,634 FY2020 operating budgets for the city's general fund and three enterprise funds, which begins on July 1, 2019, and the $25,243,294 capital budget associated with the city's five-year capital improvement plan.

This document represents the second fiscal budget of my administration and marks a renewed sense of opportunity and economic vitality for the City of Lowell. I truly believe that—when it comes to future for this great city—the sky is the limit. The first year of my Administration has been filled with careful planning, coordination, and preparation, but now the city stands ready at the commencement of a period of unprecedented growth. This budget funds the key priority areas of the Lowell City Council to ensure that the quality of life that Lowell residents expect are maintained and carefully balances the fiscal realities of a Massachusetts gateway community to retain Lowell's status as an affordable place for families to live. This balance can only be achieved through prudent fiscal policies and careful attention to ongoing practices in financial management. This document represents the city's plan to allocate resources to meet the most pressing current and future needs of the community, as well as City Council priorities.

At the cornerstone of my administration is economic development, but in order to strengthen and develop the Lowell economy for the betterment of all residents of the city, we must improve each of the pillars upon which economic development stands. One pillar is a balanced budget based on sound fiscal policies. This budget document communicates the financial strategy for each and every municipal service provided by the city. Arriving at a balanced budget was no easy task and much work was necessary to arrive at a budget that achieved the delicate balance of raising revenue to cover fixed costs like pensions and debt service with maintaining the affordability of residential taxes for the residents. The FY2020 budget is lean, but it provides funding for essential services to the city and to the goals set forth by the City Council and my administration. Fiscal management and economic development are intrinsically tied, as the city's ability to borrow money to fund capital projects critical to expanding the tax base is reliant upon our credit rating. With several large-scale capital investments on the horizon—most notably the Lowell High School project—maintaining and improving the city's credit rating and adhering to the principles of good fiscal management is more important than ever.

Another pillar in advancing economic development is public safety. If we do not have a safe city, we cannot attract new families nor can we retain the families who have called Lowell home for generations. Public safety is of utmost importance to a gateway city's development, as it is directly influences a company's decision to locate within the city limits. As part of the FY20 budget, I am proposing the Council appropriate funding to maintain the total number of budgeted

sworn officers. Our new Superintendent of Police has heard the call of the City Council to revitalize the department's community policing efforts and to expand public safety in the Central Business District. By working closely with our partners in the business community, my Administration has secured a new community police substation in the downtown to underscore the police presence. The Superintendent's plan and the creation of the "Charlie Sector" in the downtown are fully funded in the proposed FY2020 budget. The men and women of the Lowell Police Department work tirelessly to ensure the safety of the residents and businesses in the city and, as such, deserve the adequate resources to carry out their essential duties. In addition to the aforementioned funding in the operating budget, the city will continue to invest in critical emergency systems, such as the 911 center, in the capital budget. In the FY2020 Capital Plan, my Administration is recommending funding to finalize the upgrade to the 911 emergency CAD systems at over $6 million, which will have the added benefit of allowing for integration with mobile technology. The FY2020 appropriation in the operating budget for the Lowell Fire Department will also continue the City Council's commitment to maintaining the ranks. The total fire department uniformed personnel will be maintained, even though a significant federal grant has ended. In FY2020 the full department is funded by the tax levy, demonstrative of the commitment of the City Council. The FY2020 Capital Plan also includes $580,000 funding the replacement of Engine 7 at the Pine Street station. This capital funding is in line with the Fire Chief's replacement plan for fire apparatuses in the city.

A third pillar is partnerships. The City of Lowell has been blessed with many partners willing to work with the city to accomplish larger goals. Government cannot do everything on its own and must leverage every resource and partnership we have; we must nurture those partnerships with both businesses and nonprofits. In the first year of my Administration, the City Manager's Office has engaged each and every one of our partners to address two of the most pressing issues of our time: homelessness and the opioid epidemic. The city has set the framework for solutions through the Mayor's Opioid Epidemic Crisis Task Force, a collaborative effort that brings all stakeholders together on a regular basis. Through this effort, the Lowell City Council has demonstrated its commitment to funding these solutions in the public safety departments, as well as in the Health Department through the creation of a substance abuse coordinator position. These funding commitments are continued in FY2020. On the issue of homelessness, my Administration has engaged our partners in the human services and non-profit communities to looking to follow the lead of Worcester, which successfully moved to a sustainable housing model for homeless individuals, reducing the number of people in the shelter. These are but two examples of the many instances in which the city has—and will continue to—engage our partners in the everyday operation of the city to make it a strong city for everyone. Our partners in higher education, like UMass Lowell and Middlesex Community College, are likewise critical to the city's future. The opportunity for partnerships exists in many nexus points within the city budget. Under my administration, the City will help them all work together and will foster the symbiotic nature of our relationship. Relationships like those between the Health and Human Services Department and the Cambodian Mutual Assistance Association, whether with their after school and summer programs or with their senior citizen programs. Those partnerships can bring kids into healthy, constructive activities through the Recreation Department, and can strengthen and improve the community relations with the city's seniors through programming at the Council on Aging. By working together, the city can unlock state and federal grant opportunities for those agencies that can carry out specific missions unable to be advanced by city staff alone. Another partnership evident in the budget document is our commitment to working with nonprofit groups that provide community events focusing on the diverse arts and cultures of all residents. The Arts and Culture groups have a positive impact on the economic development within the city. Community outreach is at the heart of each of these partnerships. Funding for these cultural and special event activities is included in the FY2020 budget.

Perhaps most important to successful development of any city is its commitment to education in its school district. For most gateway cities, the primary source of funding for education comes from the Chapter 70 funding formula at the State House and in Lowell this is no different. However, for those communities whose funding for schools is disproportionately comprised of Chapter 70 revenue, their ability to increase funding from the tax levy is severely limited. This is where Lowell sets itself apart from its peers. The city reaffirms its commitment to education in FY2020 by increasing the amount of tax-levy support by the recommended amount by the Department of Elementary and Secondary Education ('DESE') equal to the municipal revenue growth factor ('MRGF') of 3.96%. For the FY2020 funding proposal to the Lowell Public Schools, Lowell has met that commitment. The City of Lowell exceeded its Net School Spending requirement by approximately $7.1 million in FY18—the most recent year that has been certified by DESE—and is projected to exceed the funding requirement FY2019. This spending certification does not include, however, the additional appropriations by the City Council over the past year towards facilities in the FY2019 capital budget. Nor does it consider the comprehensive facility assessment study completed in FY2019 which has unlocked funding by the Massachusetts

School Building Authority ('MSBA'). Public works will renew its effort to maintain and repair Lowell's schools through daily operations, but the projects submitted to the MSBA for funding in the Accelerated Repair Program will make significant progress in raising the standard for the physical education environment in the city's school buildings. Despite the fact that the debt service associated with these capital repairs cannot be credited towards the city's Net School Spending requirement and must be absorbed by the city's operational budget; this City Council has made it abundantly clear that the focus of capital funding must be directed towards the maintenance and upkeep school facilities.

Through these targeted investment in key priority areas, the city will continue to build on the economic development success in FY2019. This will be accomplished primarily through the funding proposal in the FY2020 capital plan, but also through strategic investments in the FY2020 operational budget. Among the chief priorities advocate for by the City Council in the past year has been the investment in infrastructure, particularly through city's transportation system. One of the unintended consequences of infrastructure investment and economic development-related construction is its impact on traffic. To help mitigate the impact to area residents and businesses associated with the city's pavement management program, TIGER bridge project, and various other ongoing city and state projects; the FY2020 budget proposal includes an additional staff member in Planning and Development to work specifically with the Transportation Engineer to coordinate and manage requests and concerns from residents and the City Council. Over $500,000 has been proposed in the FY2020 Capital Budget for traffic improvements, as well as funding in the parking enterprise to aid in painting and striping the roads, including crosswalks. The management of these projects, as well as the efforts to coordinate traffic mitigation planning through the DPD budget will save the city money to engage private firms for each of the individual projects.

Companies are coming to Massachusetts from all over the country. To date, the epicenter of this economic boom has been centered tightly on Boston and Cambridge. However, as is the case during any period of sustained economic growth, areas of early concentration quickly price-out residents and business alike, in time. If Lowell continues to position itself as it has, the city can—and will—find itself as the next stop for bio-tech or other emerging technology companies. Companies will see Lowell's ever expanding infrastructure, both in the Hamilton Canal Innovation District ('HCID') and in other opportunity zones like the Ayer's City Industrial District, as prime locations for relocation or expansion. These factors, coupled with Lowell's history, cultural diversity, and unique charm, will make the Mill City an even more attractive location. Growing the tax base through economic development will be the cornerstone of my tenure as City Manager. My Administration's key focus areas will allow for development that provides economic opportunity for everyone from young children to the elderly. Investing in these key focus areas will only increase the return on investment for future generations. In continuing this trend of long-term planning, I am proposing the aforementioned FY2020 Capital Plan update and loan order in conjunction with this year's operating budget. The five-year improvement plan continues my Administration's policy of addressing infrastructure needs through strategic investment and the leveraging of state and federal funds.

While I am proud of the initiatives presented in this budget, planning for the FY2020 fiscal cycle was not without its substantial challenges. Fixed costs continue to rise including a $1.7 million increase in our pension assessment. As of the date of this letter, "Cherry Sheet" assessments from the Commonwealth will increase in FY2020 as well, largely due to a $1.9 million increase to the city's assessment for charter tuition. Other fixed costs, like health insurance, have risen ahead of revenue growth, but no single expense increase is more onerous than the costs associated with trash and recycling collection. As part of the contract, the city must pay for so-called "contaminated recycling" and must assume the full impact of approximately $700,000 in the budget based on the city's current contamination level. However, an aggressive campaign in the DPW and Development Services comprised of a combination of education and enforcement is aimed to curb contamination and therefore reduce costs to the city. Personnel cost increases are partially unknown at this point for FY2020, as some collective bargaining agreements are yet to be finalized. The majority of these contracts have been settled, though, and a great debt of gratitude is owed to those employees who have proven to successfully settle contracts with affordable terms. These costs, combined with our financial commitment to our key focus areas, limited our ability to expand any discretionary funding for the various city departments. In fact, many line items were not just level-funded, but reduced. These necessary cuts in expenses were spread evenly across the departments and were focused on limiting any disruption to service delivery. While I'm confident in my department heads' ability to continue to do the great work they do each year with less, it is worth noting that these departments are as lean as they have ever been.

Many of the aforementioned initiatives and challenges represent a serious cost, but my administration has worked tirelessly to limit the impact to the taxpayer. This budget includes a levy increase of slightly above 2%, but less than the 2.5% allowed under Proposition 2 1/2. As history has shown, Lowell functions best with continuous, modest increases to the levy in order to fund the rising costs of goods and services, while not considerably raising taxes any single year. This is evidenced by the over $19 million in excess levy capacity; the amount of money below the tax levy limit prescribed by Proposition 2 1/2. In the coming years, we must continue to find creative ways to increase revenue streams, particularly as we look toward bonding the largest high school project in Massachusetts' history. Lowell is more heavily reliant on state aid than most Massachusetts municipalities, as approximately two-thirds of the entire city budget comes from the State budget. According to the current status of the FY2020 state budget, which has recently been approved by the House Ways & Means committee, the city is scheduled to receive an unprecedented increase in school funding of $9.13 million. By comparison, the amount the city will receive in Unrestricted Aid, the amount used to fund all other city departments, is scheduled to increase by only approximately $700,000 in FY2020.

This budget is the result of months of work by my finance team in conjunction with the City's department heads. While we were not able to meet every request, we tried to be as reasonable and fair with each department while still maintaining fiscal discipline. The result is a budget that addresses the City's fiscal difficulties while investing in key programs and initiatives. It is my hope that this budget will be a major first step toward my goal of improving the economic vitality of the city through sound fiscal planning, increased public safety, and strategic partnerships. I would like to thank Chief Financial Officer Conor Baldwin, Chief Information Officer Mirán Fernandez, Human Relations Director Mary Callery, and Executive Assistant Karen Moynihan, all of whom played an integral role in developing and producing this budget. I also thank the City Council for its vision and support; the residents are lucky to have leadership of this caliber at the local level. Finally—and most importantly—I wish to thank the city's greatest resource, its citizens; it is truly a pleasure to serve as your City Manager.

Sincerely,

Eileen M. Donoghue
City Manager

FISCAL YEAR

2020

SECTION II

SUMMARIES

General information about the City of Lowell, including the budget process, a profile of the City including key facts, the City's financial policies and best practices, and key initiatives.

CONOR BALDWIN
CHIEF FINANCIAL OFFICER

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BUDGET DOCUMENT OVERVIEW

This budget document for Fiscal Year 2020 continues to use the same award-winning format which has been previously presented to the City Council in terms of organization, scope, and depth, and is arranged into the following eight sections:

1. **Transmittal Letter:** This section includes the City Manager's budget message, which concisely communicates the City Council's policies and priorities which drive the budget process and highlights major changes to the Fiscal Year 2020 budget.

2. **Summaries:** This section includes a short guide to the document, an overview of the budget process, high-level organizational charts illustrating the functional structure and departmental structure of the City's government along with a departmental contact directory, a profile of the city's key facts, and the city's financial policies and best practices, and key initiatives.

3. **Financial Plan:** This section summarizes all sources of revenue used to fund the operating budget. Revenues are organized according to six commonly recognized categories: charges for services, fines and forfeits, intergovernmental revenue, licenses and permits, miscellaneous revenue, and taxes. This section is intended to clearly indicate where the money comes from.

4. **Departmental Details:** This section presents the proposed expenditures and financing plans for each City Department, and includes detailed organizational charts and information. This section is intended to clearly indicate where the money goes, and provides a financing plan for each city department.

5. **Capital Plan:** This section outlines the adopted financial plans and planned expenditures for the City's public investments, commonly referred to as capital projects.

6. **Appropriation Order:** This section summarizes the financial plans and planned expenditures for the operating budget for Fiscal Year 2020 which is presented to the City Council for their authorization and vote.

7. **Appendices:** This section includes ancillary content including Municipal Finances 101 (recommended for readers new to municipal finances), organizational staffing information, an acronym table, and a detailed glossary of budget related terms.

8. **Index:** This section includes an index of key words, or phrases used throughout this document, allowing for quick lookup.

As this budget continues to evolve, the plan is to consolidate the expense line details into more standardized groupings of expenses, and provide additional information on projected revenues and expenses.

THE BUDGET PROCESS

The preparation of the annual Budget for the City of Lowell is governed by the provisions of Chapter 44 of the Massachusetts General Laws. The budget cycle for FY20 was initiated in December of calendar year 2018. At that time, key members of the Finance Team responsible for compiling the budget met with the City Manager and Chief Financial Offer to update the city's 5-year financial projections in order to establish general budgetary guidelines and limitations for the coming year. A memorandum was distributed from the City Manager to all Department Heads detailing the economics and strategy to be followed in compiling their individual requests.

In the FY20 budget, some goals and measures were eliminated, replaced and/or expanded, resulting in goals and measures that are more comprehensive, significant or illustrative of the services and programs provided by City departments. In December, some of the major challenges facing the City of Lowell's FY20 operations were as follows:

- A $1.7 million increase in the city's pension assessment over FY19;
- An increased in state "cherry sheet" charges, including the assessment for charter schools in Lowell, of $1.7 million;
- Sufficient funding necessary for the schools to continue exceeding the net school spending requirement by the Commonwealth;
- Increases in health insurance premiums and debt service associated with the city's aggressive five-year capital improvement plan;
- An increase in cost associated with trash and recycling collections of $730,000;
- A reduction in one-time revenues in order to build a more sustainable funding model for city services.

The City Manager, in her guidelines, emphasized the need to reduce the growth in budgets by managing positions, reducing overtime, and identifying other cost reductions so that the following fixed cost increases could be absorbed without having an adverse effect on the total budget: possible COLA increase, the aforementioned Pension assessment from the Lowell Retirement System (PERAC); all non-personnel operating items known to be increasing due to contractual terms were required to be absorbed within the budget. In addition, major contracts for services were to be reviewed to ensure that departments have sufficient funds to meet contractual needs; budgets were directed to remain level funded; extraordinary expenditures were required to be reduced and one-time items from the current year eliminated. Departments were asked to expect that reductions would be made during the review process. The supplemental request process remained the same, with requests for new or expanded services submitted separately outside the base budget. If a request for supplemental funds was submitted, it was necessary to identify a corresponding decrease before this request could be considered. It was emphasized that the FY20 goal was to submit a budget to the City Council that supports Council priorities and programmatic and operational needs.

By state law, the budget must be submitted to the City Council within 170 days after the Council organizes in early January. A complete proposed budget was submitted to the City Council on May 28, 2019 to the City Council. From June 11th through approximately June 14th, the City Council will hold one or a series of public hearings to solicit citizen participation regarding departmental budget requests. The City Council has the jurisdiction to make reductions but cannot increase the proposed budget without the consent of the City Manager. Following

submission of the proposed budget, the City Council has 45 days within which to act. The City Council is projected to adopt the FY20 Budget on June 11, 2019. The Annual Budget for FY20 becomes effective July 1, 2019.

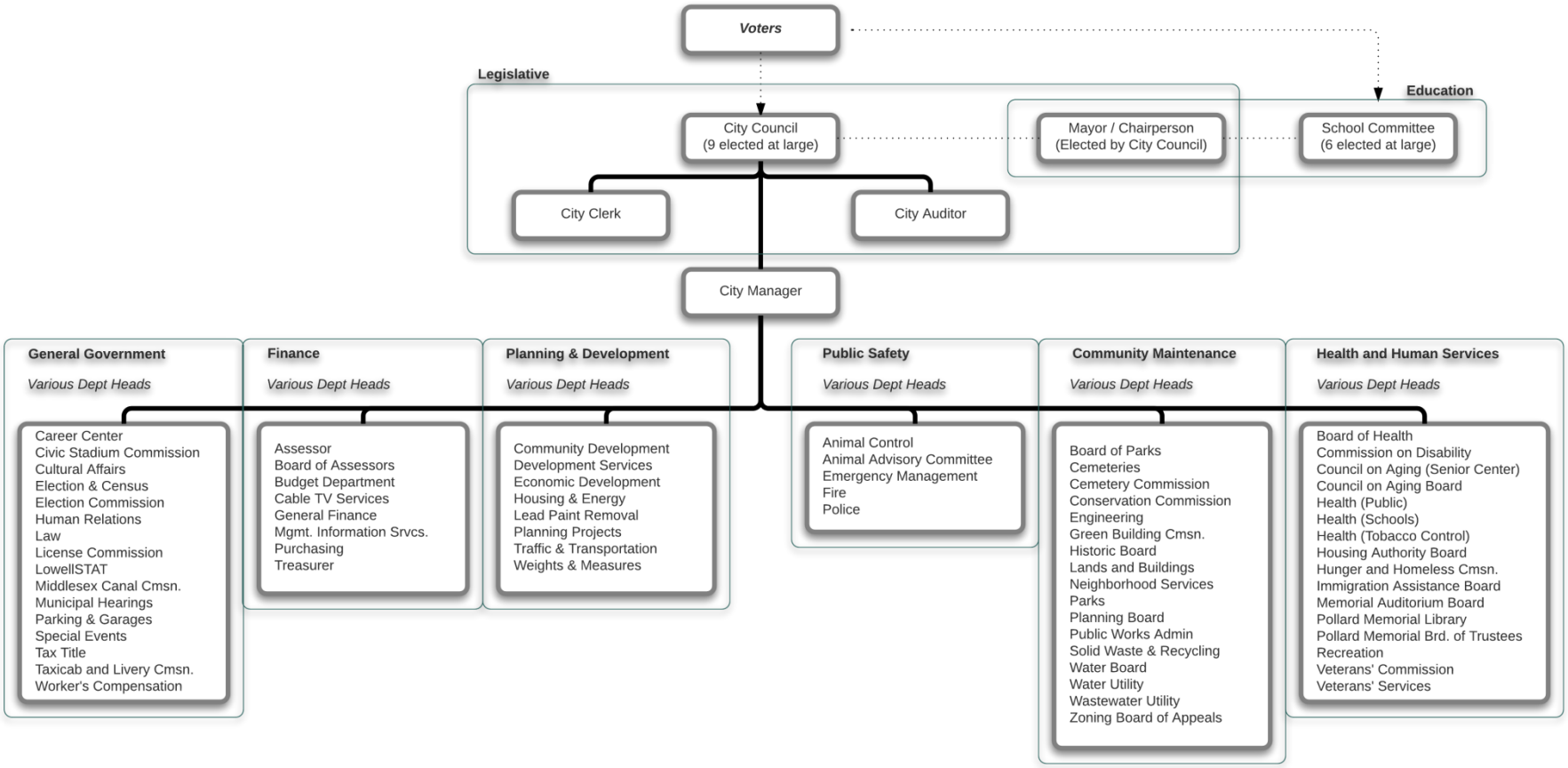
THE BUDGET CALENDAR

January 9, 2019	Budget Instructions and financial sheets distributed to Department Heads.
February 8, 2019	All department budget requests (financials) due to the Finance Department for review.
February 11, 2019 to February 22, 2019	Finance Department to work with departments to complete financial request submissions.
February 22, 2019	Departments' completed budget submissions due (all information emailed to Karen Moynihan, Executive Secretary).
March 1, 2019	Departments' completed budget submissions due to Finance Department (Goals, Mission Statement, Performance Measures, etc.).
March 18, 2019 to March 22, 2019	CFO, Budget staff, and/or City Manager may meet with Department Heads to discuss departmental budgets.

March 25, 2019 – May 10, 2019	Final Budget Preparation (Revenue forecast, expenditure review, cost/ benefit analysis, preliminary budget meetings, etc.)
May 28, 2019	Budget Introduction to Lowell City Council; City Council Votes to Accept Timely Submission of the FY2020 Operating Budget & Endorse Capital Plan
June 11, 2019	Public Hearing for FY2020 Capital Plan Loan Order & FY2020 Operating Budget Appropriation Order. Projected Adoption Date by the City Council.
June 27, 2019	Deadline for City Council adoption of the Budget (Mass General Law Chapter 44 § 32).
June 27, 2019	CFO/ Budget Department's transmittal of the Chart of Accounts/appropriations to the City Auditor.
July 1, 2019	Begin Fiscal Year 2020.

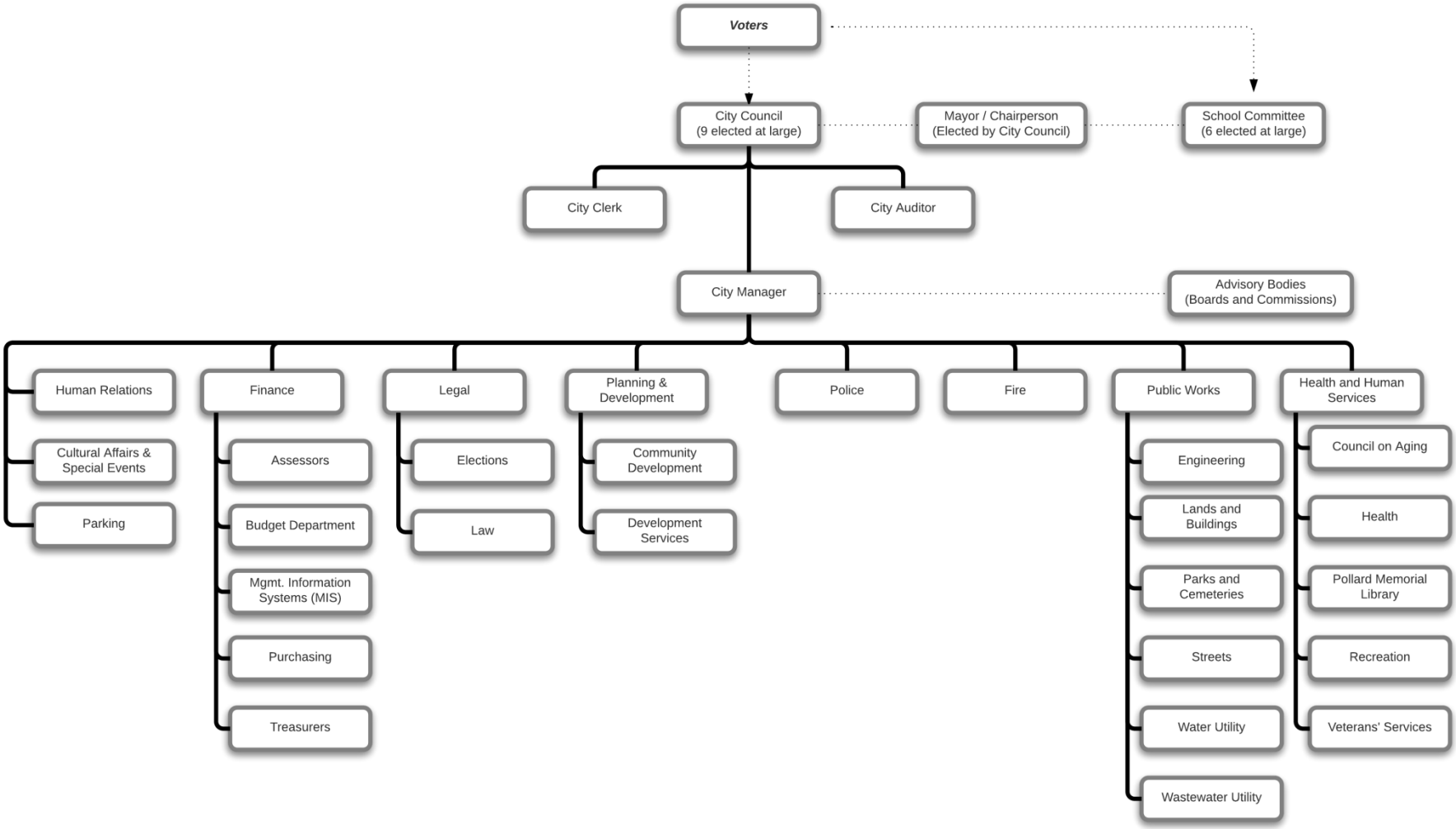
ORGANIZATIONAL CHART BY FUNCTION

City of Lowell, Massachusetts



ORGANIZATIONAL CHART BY DEPARTMENT

City of Lowell, Massachusetts



DEPARTMENT DIRECTORY

Department *(linked to website)*	**Contact Information *(with active links)***
Assessors	Chief Assessor: Susan LeMay 375 Merrimack Street, 1st Floor, Room 36 978-674-4200
Budget Department	Deputy Chief Financial Officer: Vacant 375 Merrimack Street, 2nd Floor, Room 43 978-674-4400
Career Center	Executive Director: Shannon Norton 107 Merrimack Street 978-458-2503
City Auditor	City Auditor: Bryan Perry 375 Merrimack Street, 1st Floor, Room 27 978-674-4080
City Clerk	City Clerk: Michael Geary 375 Merrimack Street, 1st Floor, Room 31 978-674-4161
City Manager	City Manager: Eileen M Donoghue 375 Merrimack Street, 2nd Floor, Room 43 978-674-4400
City Mayor	City Mayor: William Samaras 375 Merrimack Street, 2nd Floor, Room 50 978-674-4040

Council on Aging (at Senior Center)	Executive Director: Vacant 276 Broadway Street 978-674-4131
Cultural Affairs & Special Events	Director, Cultural Affairs and Special Events: Henri Marchand 50 Arcand Drive, 2nd floor 978-674-4260
Development Services	Director: Eric Slagle 375 Merrimack Street, 2nd Floor, Room 55 978-674-4144
Elections	Director: Eda Matchak 375 Merrimack Street, Basement, Room 5 978-674-4046
Finance General	Chief Financial Officer: Conor Baldwin 375 Merrimack Street, 2nd Floor, Room 43 978-674-4400
Fire	Chief: Jeff Winward 99 Moody Street 978-459-5553
Health and Human Services	Director: Kerran Vigroux 341 Pine Street 978-674-4010
Human Relations	Manager: Mary Callery 375 Merrimack Street, Basement, Room 19 978-674-4105

Law	City Solicitor: Christine O' Conner 375 Merrimack Street, 3rd Floor, Room 64 978-674-4050
Management Information Systems (MIS)	Chief Information Officer: Mirán Fernandez 375 Merrimack Street, Room 2 978-674-4099
Parking & Garages	Director: Tobias Marx 75 John Street 978-674-4014
Planning and Development	Director and Assistant City Manager: Diane Tradd 50 Arcand Drive, 2nd floor 978-674-4252
Police	Superintendent: Raymond K. Richardson 50 Arcand Drive 978-937-3200
Pollard Memorial Library	Director: Victoria Woodley 401 Merrimack Street 978-674-4120
Public Works	Commissioner: Ralph Snow, P.E. 1365 Middlesex Street 978-674-4111

Purchasing	City Procurement Officer: P. Michael Vaughn 375 Merrimack Street, 3rd Floor, Room 60 978-674-4110
Retirement	Board Administrator: Shannon Dowd 375 Merrimack Street, Basement, Room 3 978-674-4094
Schools	Acting Superintendent: Jeannine Durkin 155 Merrimack Street 978-674-4320
Treasurer / Collector	City Treasurer: Kelly Oakes 375 Merrimack Street, 1st Floor, Room 30 978-674-4222
Veterans' Services	Director: Eric Lamarche 276 Broadway Street, 2nd floor 978-674-4066
Wastewater Utility	Executive Director: Mark Young First Street Blvd (Rt 110) 978-674-4248
Water Utility	Executive Director: Mark Young 815 Pawtucket Boulevard 948-674-4240

A General Profile of the City of Lowell and Facts on File

The City of Lowell is the fourth largest city in the Commonwealth of Massachusetts and its strategic location at the intersections of Routes 495, 93 and 3, provides excellent access to all points of interest in Massachusetts as well as New Hampshire and Maine. Commuter rail also provides an easy 40-minute ride to Boston's North Station. Residents claim Lowell's National Park as this country's greatest tribute to the Industrial Revolution and the textile industry that boomed in New England in the nineteenth century.

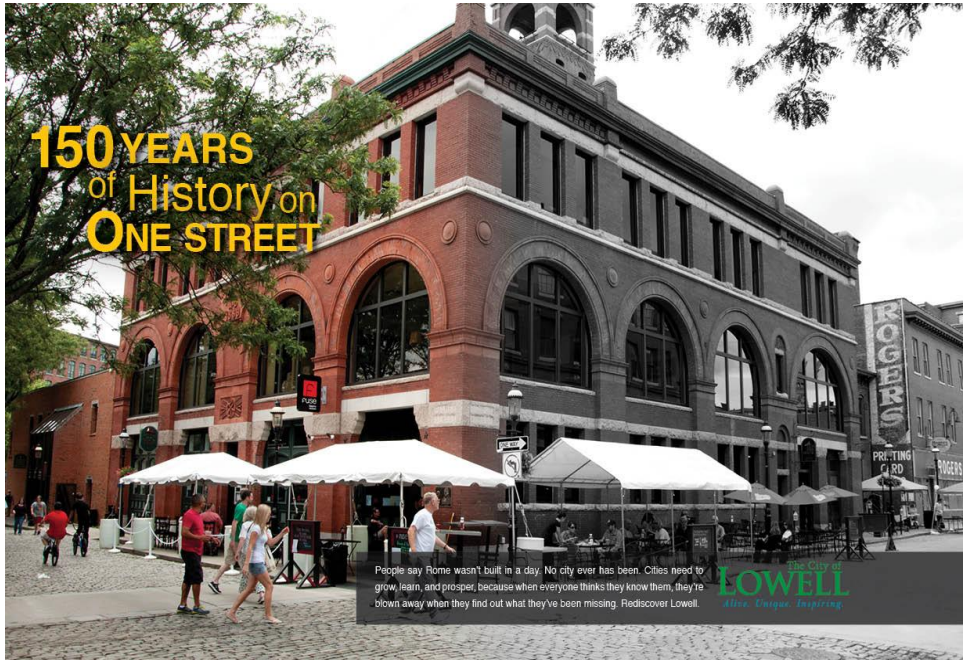
The rehabilitated mill buildings are further complemented by 2 1/2 miles of trolley and canal boat tours and several museums. The 3200-seat Lowell Auditorium hosts many of the country's best performers at affordable prices. The Merrimack Repertory Theater, which is also located in downtown Lowell, is one of the few self-sustaining repertory theater groups in the northeast. The 19th century mill buildings provide an excellent opportunity for low-cost acquisition and rehabilitation for small and large companies.

The City offers many unique financial incentives to encourage new growth and development. The City's workforce is computer literate and strongly supported by the local school district, which has recently completed nine new schools and five school rehabilitations. The education base also includes Middlesex Community College and University of Massachusetts Lowell. The student population further enhances the market for retail businesses in downtown Lowell and its surrounding neighborhoods. This planned urban community is built around the Merrimack River and its diverse canal system, which provided power to the early manufacturers. Today these water amenities add to the character of the city. Special events of the year include a folk festival which Lowell residents claim as the best in New England and which draws over 200,000 people annually, Riverfest, First Night, and Fourth of July fireworks. Residents say proudly that Lowell has something for everyone with its unmatched quality of life.

GENERAL

Population (*US Census Bureau, 7/1/2017 est.*)	111,346
Area (square miles):	13.58
Population Density (per mile^2)	7,300
Massachusetts Population Density (per mile^2)	839.4

Other Demographics	2000	2017
Total population	105,859	110,964
Persons Under 18	27.9%	26.7%
Persons 18 or Older	72.1%	73.4%



Median Age	Lowell	Massachusetts	United States
2010	32.6	39.1	37.2
2000	31.4	36.5	35.3
1990	29.4	33.6	32.9
1980	28.5	31.2	30.0

Median Family Income			
2010	$ 55,852	$ 81,165	$ 51,144
2000	45,901	61,664	50,046
1990	35,138	44,367	35,225
1980	17,942	21,166	19,908

Per Capita Income			
2010	$ 22,730	$ 33,966	$ 27,334
2000	17,557	25,952	21,587
1990	12,701	17,224	14,420
1980	6,016	7,459	7,313

GOVERNMENT

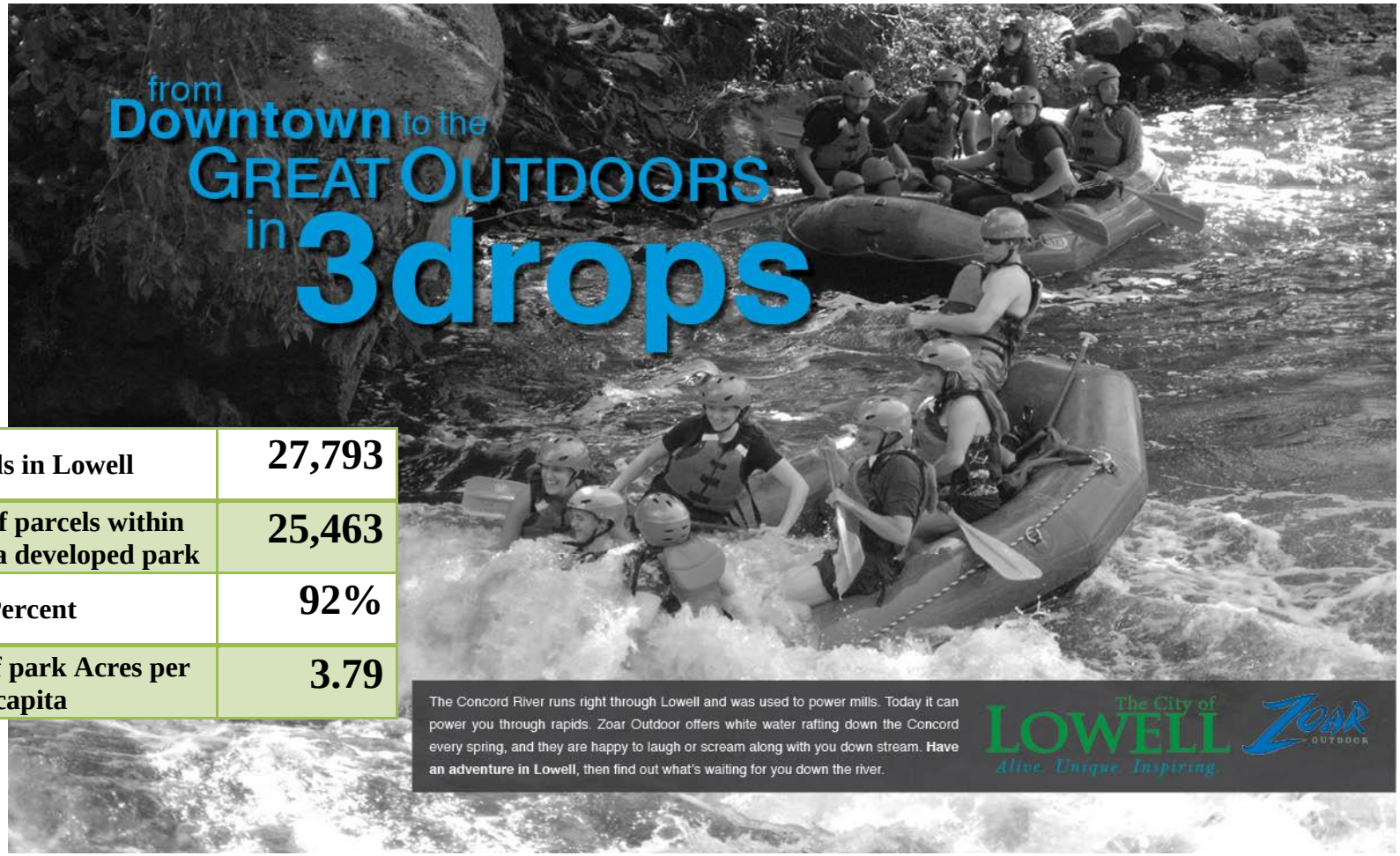
Date of Incorporation as a Town:	March 1, 1826
Date of Incorporation as a City:	April 1, 1836
Form of Government:	Massachusetts Plan E City Council /Manager
Mayor:	Elected by the City Council
Number of City Councilors:	Nine
Number of registered voters in Lowell	65,299

Standing L-R: Councilor David Conway, Councilor Rodney Elliott, Councilor James Milinazzo, Councilor Edward Kennedy, and Councilor John Leahy
Seated L-R: Councilor Rita M. Mercier, Mayor William Samaras, Vice Mayor Vesna Nuon, and Councilor Karen Cirillo.

PARKS AND OPEN SPACE

The City holds an extensive number of properties throughout the city used for a variety of public purposes. City properties are under the management of the following City authorities:

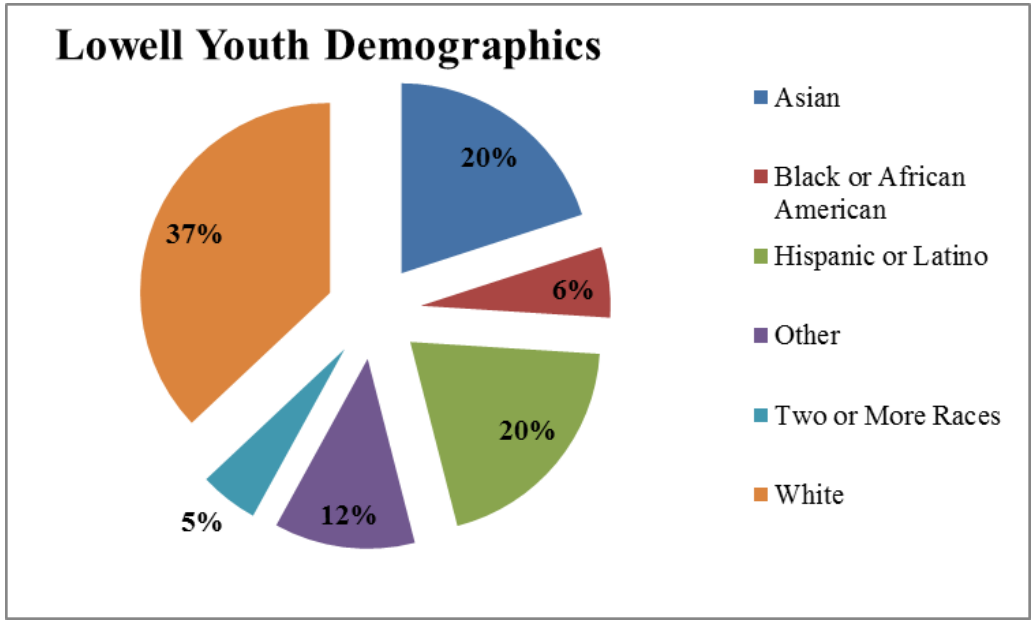
- Public School Department
- Water Utility Department
- Development Services
- Parks and Recreation Departments
- Public Works Department
- Fire Department
- Wastewater Department



Parcels in Lowell	**27,793**
Number of parcels within 1/3 mile of a developed park	**25,463**
Percent	**92%**
Number of park Acres per capita	**3.79**

PARKS AND RECREATION

During the past few years, the Lowell Parks & Recreation Departments have provided **1,242,266** hours of employment to over 250+ of Lowell's youth to assist with recreational programs. Thousands of children have participated in these programs at no cost to them or their families. Lowell residents make up nearly all of the employees, and studies indicate that the benefits of providing employment opportunities to local youth also have a positive effect on public safety.



RECREATIONAL AMENITIES IN LOWELL

There are LOTS of recreational amenities in Lowell, and LOTS of places to have fun doing them!

The following charts show (1) how many different recreational activities you can find and how many locations you can find them at, (2) how much recreational acreage the City has, and (3) what types of amenities are available at all of the parks throughout the City (as of 1/1/19).

Recreational Activity	Locations	Recreational Activity	Locations
Baseball Field(s)	16	Picnic Area(s)	11
Basketball Court(s)	27	Playgrounds(s)	36
Beach/ Boating	3	Pools	3
Bocce Court(s)	1	Skateboard Park(s)	4
Deck Hockey Rinks	2	Softball Field(s)	10
Football/ Lacrosse/Soccer/Field Hockey Field(s)	10	Splash/Spray Park(s)	3
Gardens	6	Tennis Court(s)	8
Gazeno/Pavillion/Stage(s)	5	Track & Field Area(s)	3
Greenspace(s)	50	Volleyball Court(s)	5
Handball Court(s)	1	Walking Path(s)	14
Multi-Purpose Field(s)	4	Wiffleball Field(s)	1

Public Conservation and Recreational Resources by Neighborhood				
Neighborhood	2010 Population	% Total	Current Recreational Acreage	% Total Acreage
The Acre	12,271	11.52%	28.58	6.9%
Back Central	5,367	5.04%	30.88	7.5%
Belvidere/ South Lowell	19,951	18.73%	121.8	29.6%
Centralville	15,237	14.30%	66.53	16.2%
Downtown	5,267	4.94%	2.86	0.7%
Highlands	30,190	28.34%	65.31	15.9%
Pawtucketville	15,020	14.10%	95.36	23.2%

Park / Facility	Address	After Hours Lighting	Baseball Field(s)	Basketball Court(s)	Beach	Boating Ramp(s)	Bocce Court(s)	Community Planting Garden(s)	Deck Hockey Rink(s)	Dog Park	Field Hockey Field(s)	Football Field(s)	Garden(s)	Gazebo / Pavillion / Stage	Greenspace	Handball Court(s)	Lacrosse Field(s)	Memorial/Monument	Multipurpose Field(s)	Picnic Area(s)	Playground(s)	Pool(s)	Skateboard Park(s)	Soccer Field(s)	Softball Field(s)	Splash Park	Tennis Court(s)	Track & Field Area(s)	Volleyball Court(s)	Walking Path(s)	Wedding Ceremony Site	Wiffleball Field(s)
Anne Dean Welcome Regatta Festival Field	381 Pawtucket Blvd														●				●													
Armory Park	50 Westford St														●			●		●	●											
Bourgeois Park	113 University Ave	●		●											●			●														
Callery Park	200 B St	●	●												●			●			●				●		●					
Campbell Park	30 Courtland St	●	●																		●											
Carter Street Park	25 Carter Ave	●		●																												
Cawley Memorial Stadium Complex	424 Douglas Rd	●	●								●	●					●							●	●			●				
Centerville Memorial Park	711 Aiken St														●			●														
Circuit Ave Park	136 Circuit Ave														●																	
Clemente Park	803 Middlesex St			●			●											●		●	●		●						●	●		
Coburn Park	845 Chelmsford St														●			●														
Doane Street Park	69 Doane St			●																												
Donahue Park	2 Stratham St	●	●	●											●			●		●	●				●							
Ducharme Park	367 Woburn St	●		●										●	●						●										●	
Durkin Park	294 Chelmsford St		●	●														●			●											
Edmund A. Bellegarde Boathouse	300 Pawtucket Blvd	●				●																										
Edwards St. Park	26 Edwards St																						●									
Father Grillo Park	853 Central St														●			●														
Fayette Street Playground	246 Fayette St			●																	●											
Fels Playground	260 Riverside St														●			●			●											
Ferry Landing Park	3 First St	●																●														
First St Playground	61 First St Blvd									●																						
Fort Hill Park	201 Rogers St														●					●												
Father Kirwin Playground	889 Lawrence St	●		●											●						●											
Father Maguire Playground	80 Woodward Ave	●		●											●			●			●				●		●		●	●		
Gage Field	78 Thirteenth St	●	●	●											●						●			●			●		●			
Hadley Park	1650 Middlesex St	●	●	●											●						●		●									
Harmony Park	1 Cork St														●			●		●												
Highland Park	150 Fleming St	●	●	●					●						●						●						●			●		
Hovey Field	266 Aiken Ave																				●			●								
Hunts Fall Greenspace	178 Stackpole St														●																	
Jollene Dubner Park	23 Rogers St.														●																	
Kerouac Park	93 Bridge St	●													●			●												●		
Kittredge Park	44 Nesmith St	●											●		●						●									●	●	
Knott Park	150 Douglas Rd														●					●	●											
Koumantzelis Park	480 Pawtucket St	●	●	●											●			●	●		●		●		●							
LeBlanc Park	38 Acropolis Rd		●												●						●			●								
Lincoln Square Park	2 Lincoln St														●			●														
Lowell Memorial Auditorium Greenspace	52 E Merrimack St														●			●												●		

Please visit www.lowellrec.com for additional details about each of these parks, their fields, and their availability!

Park / Facility	Address	After Hours Lighting	Baseball Field(s)	Basketball Court(s)	Beach	Boating Ramp(s)	Bocce Court(s)	Community Planting Garden(s)	Deck Hockey Rink(s)	Dog Park	Field Hockey Field(s)	Football Field(s)	Garden(s)	Gazebo / Pavilion / Stage	Greenspace	Handball Court(s)	Lacrosse Field(s)	Memorial/Monument	Multipurpose Field(s)	Picnic Area(s)	Playground(s)	Pool(s)	Skateboard Park(s)	Soccer Field(s)	Softball Field(s)	Splash Park	Tennis Court(s)	Track & Field Area(s)	Volleyball Court(s)	Walking Path(s)	Wedding Ceremony Site	Wiffleball Field(s)
Lucy Larcom Park	255 Merrimack St													●															●			
Manning Field	303 Boston Road		●																													
Martin Portuguese Park	424 Central St	●															●															
McDermott Reservoir	197 Beacon St	●											●				●															
McInerney Playground	213 W London St												●				●			●												
McPherson Park	185 Hildreth St	●		●															●	●	●			●		●						
Michael Rynne Bath House	160 Pawtucket Blvd				●																											
Monsignor Keenan Playground	95 W 6 St			●										●						●												
Moody Street Playground	497 Moody St			●																●												
Muldoon Park	31 Billerica St					●							●	●															●	●		
Mulligan Park	89 Plain St	●		●										●					●	●					●			●			●	
North Common	413 Fletcher St	●		●				●					●	●	●					●	●			●				●				
O'Donnel Park	1170 Gorham St	●	●	●																●					●	●						
Olga Nieves Playground	123 Adams St													●						●												
Oliveria Park	84 Newhall St	●	●	●																												
Pawtucket Memorial Park	465 W Meadow Rd	●	●																	●												
Perry Playground	36 Dover St			●																●												
Raven Road Greenspace	1 Raven Road												●	●																		
Reilly School Community Playground	111 Douglas Rd			●										●			●			●												
Rotary Club Park	16 Richmond Ave	●											●	●						●		●										
Scullin Park	50 Morey St													●						●												
Shedd Park	453 Rogers St	●	●	●										●	●			●		●	●				●	●	●	●		●	●	
Sheehy Park & Extension	501 Pawtucket St														●			●		●										●		
South Common	200 South St	●		●																	●	●		●			●	●		●		
St Louis Playground	406 W 6 St	●	●	●											●						●				●							
Stoklosa School Park	560 Broadway St	●		●											●				●													
Suffolk St. Park	140 Suffolk St														●			●														
Tenth Street Reservoir (water tank)	191 Mt Pleasant St														●																	
Thomas L. Crowley Park	78 Wedge St	●													●						●									●		
Tyler Park	51 Tyler Pk	●													●															●		
Utopia Park	305 Dutton St														●																	
Varnum Park	169 Third St	●												●	●			●													●	
Ventura Field	303 Boston Road																							●								
Veterans Memorial Park	17 Ennell St														●			●														
Victory Park	21 Woburn St														●			●														
Walter J. Lemieux Park	8 Mill St														●			●														
Wang Soccer Field	820 Pawtucket Blvd																						●									
Wannalancit Park	10 Varnum Ave																	●														
77	Parks / Facilities	33	16	27	1	2	1	1	1	1	1	1	5	5	50	1	1	29	3	10	36	3	4	7	10	3	8	3	5	13	5	1

Please visit www.lowellrec.com for additional details about each of these parks, their fields, and their availability!

HOUSING

Type	Average Value	Average Tax Bill	Parcels
One Family	$289,566	$4,065.51	11,875
Two Family	$300,169	$4,214.37	3,719
Three Family	$362,724	$5,092.64	794
Condominium	$173,943	$2,442.16	5,480

Source: City of Lowell Assessor's Office- 2018 Tax Rate Recapitulation

INSTITUTIONS OF HIGHER LEARNING

UNIVERSITY OF MASSACHUSETTS - LOWELL

Year	Undergrad	Graduate	Continuing Ed	Total Enrollment
2018	11,468	4,239	2,537	18,244
2017	11,258	4,308	2,755	18,316
2016	10,154	4,198	2,832	17,184
2015	10,500	4,200	2,800	17,500
2014	10,161	4,198	2,832	17,191
2013	9,832	4,117	2,960	16,969
2012	9,401	4,007	2,886	16,294
2011	9,026	3,702	2,703	15,431

MIDDLESEX COMMUNITY COLLEGE

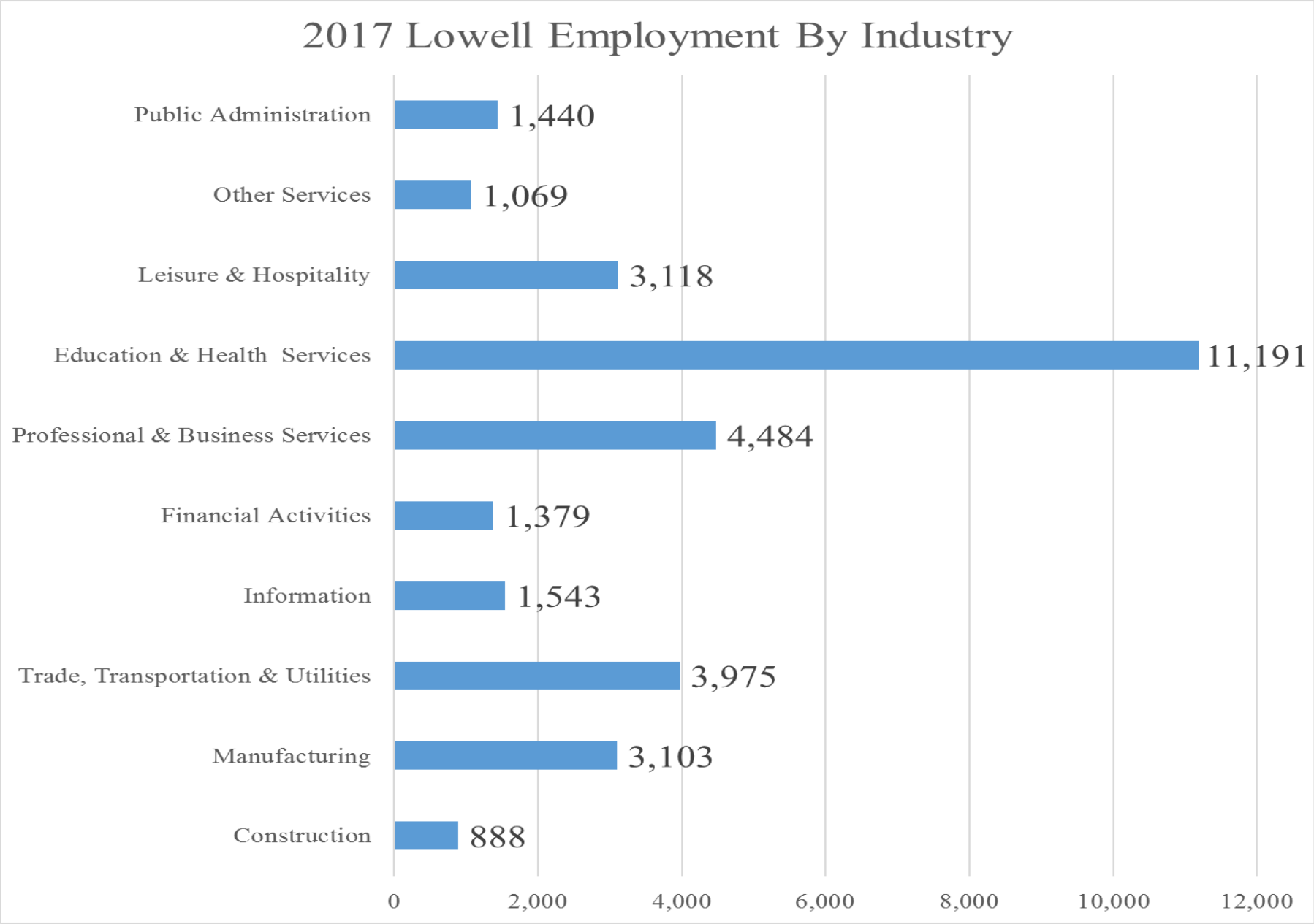
Year	Enrollment	Year	Enrollment
2018	11,217	2014	9,392
2017	12,009	2013	9,702
2016	12,254	2012	9,664
2015	13,267	2011	9,840

Source: City Department of Planning and Development

INDUSTRY AND COMMERCE

Lowell is a diversified industrial city. Education and health services are the largest sectors of the local economy with 41.6 % of total employment. Manufacturing, wholesale trade, transportation, public utilities, professional and business services, leisure and hospitality, and government are the other key sectors of economy.

Industry	2012	2013	2014	**2015**	**2016**	**2017**
Construction	1,003	879	724	867	878	888
Manufacturing	2,899	2,862	3,035	2,888	3,042	3,103
Trade, Transportation & Utilities	3,923	3,912	3,667	3,838	3,954	3,975
Information	703	1,025	1,227	1,052	1,428	1,543
Financial Services	1,854	1,585	1,514	1,475	1,435	1,379
Professional & Business Services	5,013	4,030	3,729	4,317	4,070	4,484
Education & Health Services	12,986	14,106	9,548	10,070	15,277	11,191
Leisure & Hospitality	2,773	3,143	2,929	2,880	3,388	3,118
Other Services	1,775	1,115	1,254	1,055	1,047	1,069
Public Administration	2,009	1,617	1,503	1,421	1,448	1,440
Total Employment	**34,938**	**34,274**	**29,130**	**29,863**	**35,967**	**32,195**
Number of Establishments	**2,335**	**2,493**	**2,750**	**2,953**	**3,134**	**3,244**
Average Weekly Wage	$1,045	$976	$1,002	$1,048	$1,057	$1,147


2017 Lowell Employment By Industry
Public Administration
1,440
Other Services
1,069
Leisure & Hospitality
3,118
Education & Health Services
11,191
Professional & Business Services
4,484
Financial Activities
1,379
Information
1,543
Trade, Transportation & Utilities
3,975
Manufacturing
3,103
Construction
888
0
2,000
4,000
6,000
8,000
10,000
12,000

The Ten Largest Employers in the City

Rank	Company Name	Nature of Business	Number of Employees
1	Lowell General Hospital (including Saints' Campus)	Healthcare	3,747
2	U-Mass Lowell	Education	2,221
3	Kronos	Software	1,603
4	Verizon	Communications	775
5	Demoulas /Market Basket	Supermarket	700
6	D'Youville Life & Wellness Community	Healthcare	516
7	Aramark Corporation	Hospitality/ Food Service	500
8	Community Teamwork ("CTI")	Social Services	496
9	Middlesex Community College	Education	455
10	Lowell Community Health Center	Healthcare	404

Source: City Department of Planning and Development, Survey as of FY19

TAX FACTS

ASSESSMENTS

Fiscal Year	Real Property	Personal Property	Total
2019	$7,866,099,577	$321,714,823	$8,187,814,400
2018	$7,371,290,220	$292,910,971	$7,664,201,191
2017	$6,815,418,064	$274,867,186	$7,090,285,250
2016	$6,420,432,601	$263,496,390	$6,883,928,991
2015	$6,087,839,751	$244,472,062	$6,332,311,813
2014	$5,881,952,844	$203,732,904	$6,085,685,748
2013	$5,876,323,278	$206,194,580	$6,082,517,858
2012	$5,894,041,178	$201,067,340	$6,095,108,518
2011	$5,958,492,115	$191,369,010	$6,149,861,125
2010	$6,217,029,491	$173,643,620	$6,390,673,111

TAX RATES

Fiscal Year	CIP	Residential
2019	28.59	14.04
2018	29.34	14.39
2017	30.64	14.92
2016	31.22	15.16
2015	32.46	15.48
2014	31.74	15.14
2013	31.32	15.01
2012	30.89	14.77
2011	29.73	14.27
2010	27.46	13.27

TAX LEVY

Fiscal Year	Total Levy
2019	$133,785,807
2018	$128,507,951
2017	$124,134,134
2016	$119,234,045
2015	$117,457,261
2014	$110,425,643
2013	$108,866,883
2012	$107,585,116
2011	$104,467,330
2010	$100,280,358

LARGEST TAXPAYERS
FISCAL YEAR 2018

Owner	Nature of Business	Assessed Valuation	% of Total Levy
CP Associates LLC	Office Building	$94,942,900	1.24%
National Grid (Electric)	Public Utility	$92,635,718	1.21%
Princeton Properties	Housing	$92,635,278	1.21%
National Grid (Gas)	Public Utility	$78,303,496	1.02%
Winn Residential	Housing/Subsidized	$77,517,775	1.01%
Coalition for a Better Acre	Housing/Subsidized	$39,729,878	0.52%
Farley White	R&D/Industrial	$35,452,021	0.46%
Related Westminster	Housing/Subsidized	$34,741,802	0.45%
Demoulas/Market basket	Local Shopping Centers	$29,828,964	0.39%
New England Heritage Property Inc.	Housing & Office Building	$28,765,233	0.38%
		$604,553,065	7.89%

STRATEGIC GOALS, OBJECTIVES & KEY INITIATIVES

The primary motive behind any concerted effort by municipal administrators to implement a performance management strategy stems from a general consensus that modern governments must both improve their focus on producing results that benefit the public and also give the public confidence that government has, in fact, produced those results by using clearly defined measures of progress. In order to achieve this end, public-sector management must become synonymous with performance management. It was with the overarching goal of becoming a result-oriented organization that the Lowell City Council and the City Administration embarked on the process of determining the City's goals and creating a framework for measuring and reporting progress on achieving those goals.

During Fiscal Year 2020, the City of Lowell continues building upon this same philosophy of accountability and performance management. The City has maintained our focus on Economic Development, Fiscal Management, Public Safety, Education, Partnerships and Strong Neighborhoods. These goals will serve both as a guide for prioritizing resources, as well as a foundation upon which an effective strategy can be built. This strategy will work to guarantee to the residents, businesses, and other stakeholders in Lowell that their local government is a well-managed, accountable, and efficient operation.

The following pages highlight the six Key Focus Area (KFA) initiatives for FY2020.

	Key Focus Area (KFA)	Scorecard
✓	*Economic Development*	*Scorecard*
✓	*Financial Management*	*Scorecard*
✓	*Public Safety*	*Scorecard*
✓	*Education*	*Scorecard*
✓	*Partnerships*	*Scorecard*
✓	*Strong Neighborhoods*	*Scorecard*

Each KFA includes a mission statement and goals, designed to guide the overall strategy. Subsequent charts will provide a set of key performance indicators (KPI) that gauge the current status of each initiative and serve as benchmarks for assessing future performance. These benchmarks will be re-evaluated and assessed each fiscal year to measure progress and direct improvements to the overall strategic objectives of the City.

KEY FOCUS AREA 1

ECONOMIC DEVELOPMENT

Mission Statement: **To promote a vibrant, sustainable economy offering diverse business opportunities and revitalizing neighborhoods**.

- ☑ Goal 1: Preserve the assets of yesterday, find solutions to the challenges of today, and plan for the City of tomorrow.

- ☑ Goal 2: Encourage economic development in the City of Lowell by retaining current businesses, seeking out new businesses, and working to make Lowell a place where companies want to locate.

- ☑ Goal 3: Support community development by investing in the Lowell's neighborhoods and physical infrastructure.

ECONOMIC DEVELOPMENT FOCUS

Key Performance Indicators for Goal 1

"**Preserve the assets of yesterday, find solutions to the challenges of today, and plan for the City of tomorrow.**"

Department	Key Performance Indicator	FY20 Target
Development Services	New single family building permits issued	30
Development Services	Number of land-use board pre-application consultations with developers and private companies	375
Development Services	Development project applications to land-use boards processed	130
Development Services	Total Inspectional 21D violation revenues	$75,000
DPD	Planning documents advanced	15
DPD	Grant and loan agreements executed with sub-recipients.	85
DPD	Brownfield sites addressed through assessment and remediation efforts	11
DPD	Infrastructure, parks and other capital improvement projects advanced	27
DPD	Number of grant applications and required grant reports	62

ECONOMIC DEVELOPMENT FOCUS

Key Performance Indicators for Goal 2

"Encourage economic development in the City of Lowell by retaining current businesses, seeking out new businesses, and working to make Lowell a place where companies want to locate."

Department	Key Performance Indicator	FY20 Target
Finance General	Standard and Poor's (S&P Bond Rating	AA
DPD	Businesses assisted by the Economic Development office	180
Development Services	Total building permit revenue	$1,100,000
Development Services	Number of development project applications to land-use boards processed	130
Parking	Total number of parking kiosk transactions	1,000,000
Parking	Total number of meter payments made with via smartphone app	125,000
DPD	Number of jobs created in the city that have a direct correlation with TIF agreements	119
CASE	Sponsorship dollars supporting city-sponsored programs	$220,000
CASE	Number of Lowell events promoted annually	2,000
DPD	Storefronts rehabilitated with façade improvement funds	3
CASE	Large-scale events (1,000-150,000 attendees) hosted and permitted	16
CASE	Overall attendance for events CASE staff coordinates and permits annually	250,000

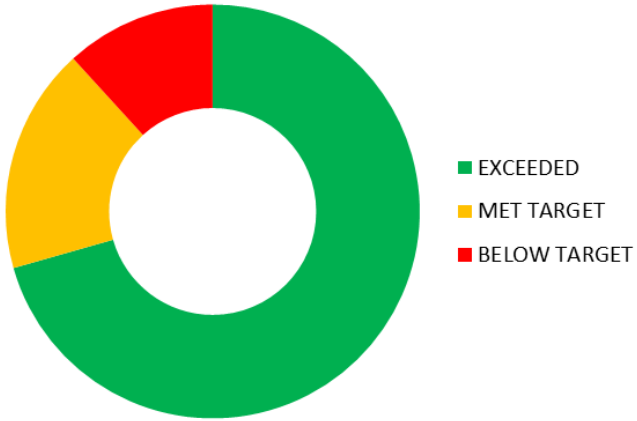
ECONOMIC DEVELOPMENT FOCUS

Key Performance Indicators for Goal 3

"Support community development by investing in the Lowell's neighborhoods and physical infrastructure."

Department	Key Performance Indicator	FY20 Target
DPD	Square feet of active community gardens and land under cultivation in Lowell neighborhoods	174,865
DPW	Number of streets accepted	4
DPW	Average time (days) to respond to street light outage requests	4
DPW	Number of potholes filled	2,500
DPW	Miles of road repaved	5
DPW	Miles of sidewalk refurbished	4
DPW	Graffiti work orders completed	300
DPW	Recycling rate	20%
DPW	Number of street opening permits issued	525
DPW	Number of total request tacker work orders completed	4,163
Water	Hydrants repaired	70
Wastewater	Odor complaints	0

ECONOMIC DEVELOPMENT



88%

Of reported departmental KPIs met (within 10%) or exceeded target

FY2020 – KEY PERFORMANCE INDICATORS

FINANCE GENERAL

	KEY PERFORMANCE INDICATOR	2017	2018	Trend
●	STANDARD AND POOR'S (S&P) BOND RATING	AA-	AA-	**STABLE**

DEVELOPMENT SERVICES

	KEY PERFORMANCE INDICATOR	2017	2018	Trend
●	INSPECTIONAL 21D VIOLATION REVENUE	$ 225,966	$ 61,006	**$ 164,960**
●	PLANNING BOARD REVENUE	$ 27,797	$ 58,905	**$ 31,108**

PUBLIC WORKS

	KEY PERFORMANCE INDICATOR	2017	2018	Trend
●	MILES OF SIDEWALK REFURBISHED	3.8	3.64	**-0.16**
●	NUMBER OF STREET OPENING PERMITS ISSUED	536	581	**45**
●	POTHOLES FILLED	1,379	3,139	**1,760**
●	RECYCLING RATE	23%	22.3	**-0.7%**
●	TOTAL NUMBER OF WORK ORDERS COMPLETED	3,792	4,163	**371**

PARKING

	KEY PERFORMANCE INDICATOR	2017	2018	Trend
●	TOTAL NUMBER OF PARKING KIOSK TRANSACTIONS	548,714	948,225	**399,511**
●	TOTAL NUMBER OF METER PAYMENTS MADE VIA SMARTPHONE APP	15,836	40,204	**24,368**

PLANNING AND DEVELOPMENT

	KEY PERFORMANCE INDICATOR	2017	2018	Trend
●	BUSINESSES ASSISTED BY ECONOMIC DEVELOPMENT OFFICE	120	203	**83**
●	STOREFRONTS REHABILITATED WITH FAÇADE IMPROVEMENT FUNDS	3	2	**-1**
●	NUMBER OF JOBS CREATED IN THE CITY THAT HAVE A DIRECT CORRELATION WITH TIF AGREEMENTS	186	335	**149**
●	LAND USE BOARD CONSULTATIONS WITH DEVELOPERS AND PRIVATE COMPANIES	352	286	**-66**
●	GRANT AND LOAN AGREEMENTS WITH SUB-RECIPIENTS	78	70	**-8**
●	SQUARE FEET OF ACTIVE COMMUNITY GARDENS AND LAND UNDER CULTIVATION	171,940	174,865	**2,925**
●	NUMBER OF DEVELOPMENT PROJECT APPLICATIONS TO LAND-USE BOARD PROCESSED	112	116	**4**

KEY FOCUS AREA 2

FINANCIAL MANAGEMENT

Mission Statement: **To implement operational principles and best practices to minimize the cost of government while maximizing constituent services**.

- ☑ Goal 1: Improve the City's long-term fiscal outlook through sound fiscal policies.
- ☑ Goal 2: Enhance the transparency of financial management.
- ☑ Goal 3: Operate and maintain physical assets to protect public investment and ensures achievement of the assets' maximum useful life.

FINANCIAL MANAGEMENT FOCUS

Key Performance Indicators for Goal 1

"Improve the City's long-term fiscal outlook through sound fiscal policies."

Department	Key Performance Indicator	FY20 Target
Finance General	Stabilization fund balance	$ 12,000,000
Finance General	Dollars over/under Net School Spending requirement	+ $ 6,000,000
Finance General	S&P Bond rating	AA
Finance General	Budget transfers approved	50
Finance General	Annual Free Cash certification	$ 2,000,000
Finance General	Percent Change in General Fund NET Position (Over Prior FY)	-2%
Finance General	Lowell Single Family Tax Bill – Dollars Below MA Average	- $ 1,500
Finance General	OPEB Liability (as of 6/30)	$ 625,000,000
Finance General	OPEB Trust Balance	$ 9,500,000
Finance General	Pension Liability	$ 655,000,000
Finance General	Pension fiduciary net position as a % of total pension liability	62%
Budget Department	GFOA Distinguished Budget Award	WIN

FINANCIAL MANAGEMENT FOCUS

Key Performance Indicators for Goal 2

"Enhance the transparency of financial management."

Department	Key Performance Indicator	FY20 Target
Auditor	Financial statements completed	12/31/2019
Auditor	Schedule A completed	11/30/2019
MIS	Digitally managed documents (non-MUNIS)	1,300,000
MIS	Digitally managed documents (MUNIS)	1,500,000
Treasurer	Percent of invoices paid online	12 %

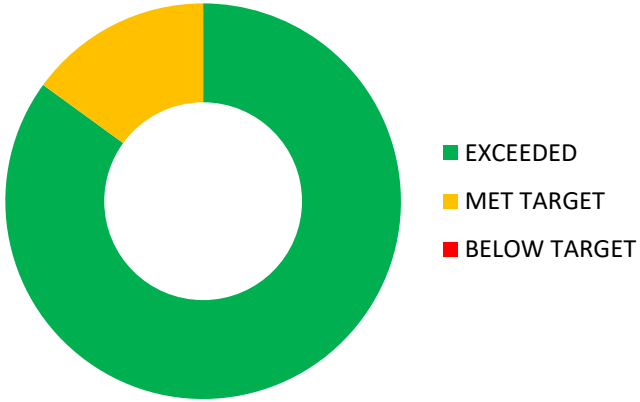
FINANCIAL MANAGEMENT FOCUS

Key Performance Indicators for Goal 3

"Operate and maintain physical assets to protect public investment and ensures achievement of the assets maximum useful life."

Department	Key Performance Indicator	FY20 Target
Budget Department	Capital plan appropriation (Total All Sources)	$ 62,013,235
Budget Department	Capital funds planned for public safety	$ 6,909,022
Budget Department	Capital funds planned for community development	$ 13,132,752
MIS	Average system uptime outside of scheduled maintenance	99.700%

FINANCIAL MANAGEMENT



100%

Of reported departmental KPIs met (within 10%) or exceeded target

FY2020 – KEY PERFORMANCE INDICATORS

FINANCE GENERAL

KEY PERFORMANCE INDICATOR		2017	2018	Trend
●	STABILIZATION FUND BALANCE	$ 10,632,884	$ 11,713,897	**$ 1,081,13**
●	MET NET SCHOOL SPENDING	EXCEEDED	EXCEEDED	**EXCEEDED**
●	BUDGET TRANSFERS APPROVED	72	80	**8**
●	S&P BOND RATING	AA-	AA-	**STABLE**
●	LOWELL SINGLE FAMILY TAX BILL, DOLLARS BELOW MA AVERAGE	- $ 1,617.02	- $ 1,647.57	**- $ 31**
●	ANNUAL FREE CASH CERTIFICATION	$ 4,873,124	$ 2,513,634	**$ 2,359,490**
●	PERCENT CHANGE IN NET POSITION (OVER PRIOR YEAR)	- 7.7 %	- 3.5 %	**- 4%**
●	OPEB LIABILITY (AS OF JUNE 30)	$ 606,209,254	$ 618,764,027	**$ 12,554,773**
●	OPEB TRUST BALANCE	$ 8,321,031	$ 8,716,721	**$ 395,691**
●	PENSION LIABILITY	$ 621,658,813	$ 637,262,487	**$ 15,603,674**

BUDGET DEPARTMENT

KEY PERFORMANCE INDICATOR		2017	2018	Trend
●	CAPITAL PLAN PUBLIC SAFETY	$ 736,000	$ 3,286560	**$ 2,550,560**
●	CAPITAL PLAN COMMUNITY DEVELOPMENT	$ 3,479,729	$ 3,730,720	**$ 250,991**
●	CAPITAL PLAN INFRASTRUCTURE	$ 6,280,095	$ 8,163,522	**$ 1,883,427**
●	GFOA DISTINGUISHED BUDGET AWARD	WON	WON	**WON**

AUDITOR

KEY PERFORMANCE INDICATOR		2017	2018	Trend
●	COMPLETE FINANCIAL STATEMENTS	12/31/2016	12/31/17	**ON TIME**
●	COMPLETE SCHEDULE A	10/31/2016	11/27/17	**ON TIME**

MIS

KEY PERFORMANCE INDICATOR		2017	2018	Trend
●	NUMBER OF DIGITALLY MANAGED DOCUMENTS (NON-MUNIS)	1,182,000	1,242,194	**60,194**
●	NUMBER OF DIGITALLY MANAGED DOCUMENTS (MUNIS)	472,337	846,751	**374,414**

TREASURER

KEY PERFORMANCE INDICATOR		2017	2018	Trend
●	PERCENT OF INVOICES PAID ONLINE	9 %	10 %	**1%**

KEY FOCUS AREA 3

PUBLIC SAFETY

Mission Statement: **To provide a safe, livable, and family-friendly community**.

- ☑ Goal 1: Enhance public safety in the City of Lowell's Neighborhoods.

- ☑ Goal 2: Improve the quality of life in the City of Lowell by providing fire protection and prevention, emergency response services, and public education activities. Protect all citizens, their property, and the environment from natural and man-made disasters.

- ☑ Goal 3: Promote clean, healthy, safe, and sustainable neighborhoods throughout the City of Lowell.

PUBLIC SAFETY FOCUS

Key Performance Indicators for Goal 1

"Enhance public safety in the City of Lowell's Neighborhoods."

Department	Key Performance Indicator	FY20 Target[1]
Police	Juvenile Incidents	137
Police	Group A Offenses	4,926
Police	Group B Offenses	1,202
Police	Compstat Meetings	26
Police	Hours Worked by LPD Volunteers	1,964
Police	Community Policing Problem Solving Activities – Case of Places	67
Police	State Grant Funding	$ 1,500,500
Police	Federal Grant Funding	$ 1,000,000
Police	Individuals Booked	3,136
Police	Firearm Permits Issued	497
Police	Police Computer Aided Dispatch (CAD) Calls	90,166
Police	Total Computer Aided Dispatch (CAD) Calls	107,753

[1] All Police Data is Based on the Calendar Year; all Other Data is Based on the Fiscal Year.

PUBLIC SAFETY FOCUS

Key Performance Indicators for Goal 2

"Improve the quality of life in the City of Lowell by providing fire protection and prevention, emergency response services, and public education activities. Protect all citizens, their property, and the environment from natural and man-made disasters."

Department	Key Performance Indicator	FY20 Target
Fire	Number receiving fire safety instruction (Adults & Children)	18,000
Fire	Total Number of Calls	16,299
Fire	Number of Fires	359
Fire	Number of Rescue/ EMS Calls	10,038
Fire	Hazardous Conditions Calls	784
Fire	Good Intent Calls	804
Fire	Total False Calls	2,885
Fire	Inspections performed by Fire Companies	660
Fire	Inspections performed by Fire Prevention Inspectors	3,676

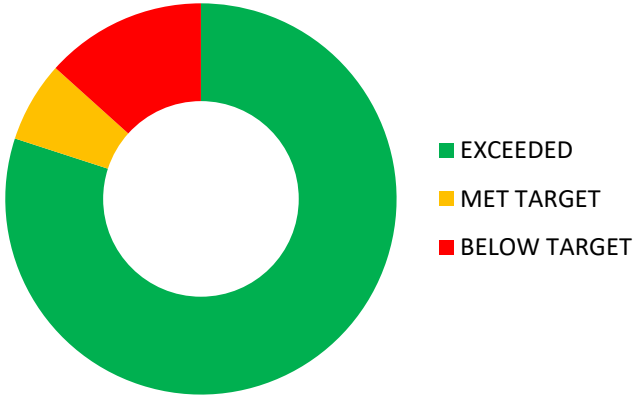
PUBLIC SAFETY FOCUS

Key Performance Indicators for Goal 3

"Promote clean, healthy, safe, and sustainable neighborhoods throughout the City of Lowell."

Department	Key Performance Indicator	FY20 Target
Development Services	Building and trades related inspections conducted	8,000
DPD	Square feet of active community gardens and land under cultivation in Lowell neighborhoods	174,865
Development Services	Number of COI Inspections Completed	400
Development Services	Sanitary Code Complaints Inspected	2,500
Development Services	Number of Accepted Registrations of Vacant/ Foreclosed Properties in Compliance with Ordinance	275
Development Services	Building, Electrical, Plumbing, Gas, and Mechanical Permit Applications Processed	7,500
DPD	Brownfield Sites Addressed Through Assessment or Remediation Efforts	11
Health	Reported Communicable Diseases	1,600
Health	Immunizations	300

PUBLIC SAFETY



87%

Of reported departmental KPIs met (within 10%) or exceeded target

FY2020 – KEY PERFORMANCE INDICATORS

POLICE (*CRIME DATA BASED CALENDAR YEAR*)

	KEY PERFORMANCE INDICATOR	2017	2018	Trend
●	NIBRS GROUP A OFFENSES	5,689	5,185	**- 415**
●	NIBRS GROUP B OFFENSES	1,336	1,265	**- 71**
●	JUVENILE INCIDENTS	177	144	**- 33**
●	CALLS FOR POLICE DISPATCH (PERCENT OF TOTAL)	85%	84%	**- 1%**
●	FIREARMS RECOVERED	57	89	**- 32**
●	INDIVIDUALS BOOKED	3,327	3,216	**- 111**
●	COMMUNITY POLICING PROBLEM SOLVING ACTIVITIES – CASE OF PLACES	31	61	**30**
●	LPD VOLUNTEERS	28	21	**- 7**

FIRE

	KEY PERFORMANCE INDICATOR	2017	2018	Trend
●	NUMBER RECEIVING FIRE SAFETY INSTRUCTION (ADULTS & CHILDREN)	14,871	21,341	**6,470**
●	AVERAGE RESPONSE TIME (IN MINUTES)	3.45	3.52	**0.07**
●	TOTAL FIRES	487	397	**-90**

DPD & DEVELOPMENT SERVICES

	KEY PERFORMANCE INDICATOR	2017	2018	Trend
●	REGISTRATION OF VACANT/FORECLOSED PROPERTIES	308	253	**-55**
●	COI INSPECTIONS COMPLETED	480	351	**-68**
●	SQUARE FEET OF ACTIVE COMMUNITY GARDENS AND LAND UNDER CULTIVATION IN LOWELL NEIGHBORHOODS	171,940	174,865	**2925**

HEALTH

	KEY PERFORMANCE INDICATOR	2017	2018	Trend
●	IMMUNIZATIONS	329	376	**47**

KEY FOCUS AREA 4

EDUCATION

Mission Statement: **To provide the opportunity for students to move from kindergarten to a post-graduate degree without ever having to leave the City.**

- ☑ Goal 1: Enhance the quality of the Lowell Public School System and the Greater Lowell Regional Technical High School.

- ☑ Goal 2: Enhance the services offered by City departments that encourage citizens of Lowell to participate in life-long learning opportunities.

- ☑ Goal 3: Ensure that the Lowell Public School System provides a quality education by tracking outcomes.

EDUCATION FOCUS

Key Performance Indicators for Goal 1

"Enhance the quality of the Lowell Public School System and the Greater Lowell Technical High School."

Department	Key Performance Indicator	FY20 Target
Schools	Student- Teacher Ratio	13.4:1
Schools	CH. 70 School Aid	$ 160,069,667
Schools	Total enrollment (District)	14,548
Schools	Students absent 10+ days per year	35%
Schools	Total Expenditures Per Pupil	$14,400
Schools	Percentage of LPS 10th Grade Students Scoring "Proficient or Higher" on MCAS – **English/ Language Arts**	85%
Schools	Percentage of LPS 10th Grade Students Scoring "Proficient or Higher" on MCAS – **Mathematics**	68%
Schools	Percentage of LPS 10th Grade Students Scoring "Proficient or Higher" on MCAS – **Science & Tech/Eng**	62%
Finance	Direct Cash Contribution from the General Fund to the Schools	$ 16,359,201
Health	Percentage of Students who Return to Class After Visiting a School Nurse	95%
DPW	Number of School Work Orders Completed	1,800
GLTHS	Lowell Assessment	$ 9,267,478

EDUCATION FOCUS

Key Performance Indicators for Goal 2

"Enhance the services offered by City departments that encourage citizens of Lowell to participate in life-long learning opportunities."

Department	Key Performance Indicator	FY20 Target
Library	E-book holdings	29,000
Library	Registered Borrowers	30,225
Library	Circulation	143,750
Library	Adult Programs Offered	278
Library	Adult Program Participants	2,955
Library	Young Adult Programs Offered	100
Library	Young Adult Participants	990
Library	Children's Programs Offered	196
Library	Children's Program Participants	7,310
Library	Grants (including State Aid)	$ 181,456
Career Center	Youth Placement in Employment or Education	83%
Career Center	Youth Degree of Certification attained	80%
Fire	Number receiving fire safety instruction (Adults & Children)	18,000

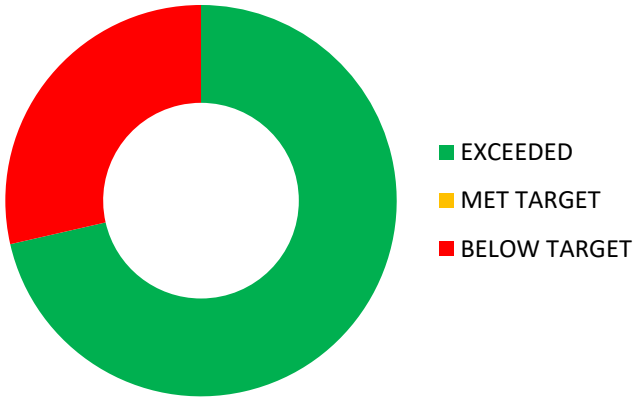
EDUCATION FOCUS

Key Performance Indicators for Goal 3

"Ensure that the Lowell Public School System provides a quality education by tracking outcomes."

Department	Key Performance Indicator	FY20 Target
Schools	Drop-out Rate	2%
Schools	Graduation Rate (4 years)	80%
Schools	Teacher Retention Rate	91%
Schools	Teachers Licensed in Teaching Assignment	99%
Schools	Stability Rate	92%
Schools	Graduates Attending Higher Ed Institutions	75%
Schools	Attendance Rate	95%

EDUCATION



71%

Of reported departmental KPIs met (within 10%) or exceeded target

FY2020 – KEY PERFORMANCE INDICATORS

SCHOOL FUNDING

KEY PERFORMANCE INDICATOR		2017	2018	Trend
●	CH, 70 FUNDING	$ 138,588,381	$ 144,067,633	**$ 5,479,252**
●	GLTHS ASSESSMENT	$ 7,664,312	$ 8,568,862	**$904,550**

LOWELL PUBLIC SCHOOLS

KEY PERFORMANCE INDICATOR		2017	2018	Trend
●	DROP OUT RATE (GRADE 9-12)	1.20%	2.8%	**1.6%**
●	4 YEAR GRADUATION RATE	82.40%	79.60%	**-3%**
●	STUDENTS ABSENT 10+ DAYS	36.80%	38.0%	**1.2%**
●	TOTAL ENROLLMENT (DISTRICT)	14,416	14,436	**20**
●	PERCENT OF STUDENTS WHO ARE AT OR ABOVE MCAS PROFICIENCY: **SCIENCE & TECH/ENG** (ALL GRADE LEVELS)	62%	59%	**-3%**
●	STUDENT - TEACHER RATIO	13.8 : 1	13.5 : 1	**0.3 : 1**

POLLARD MEMORIAL LIBRARY

	KEY PERFORMANCE INDICATOR	2017	2018	Trend
●	CHILDREN'S PROGRAMS	189	193	**4**
●	ADULT PROGRAMS	258	273	**15**
●	YOUNG ADULT PROGRAMS	116	99	**-17**
●	E-BOOK HOLDINGS	10,896	26,811	**15,195**

FIRE

	KEY PERFORMANCE INDICATOR	2017	2018	Trend
●	NUMBER RECEIVING FIRE SAFETY INSTRUCTION (ADULTS & CHILDREN)	14,871	21,341	**6,470**

MASSHIRE LOWELL CAREER CENTER

	KEY PERFORMANCE INDICATOR	2017	2018	Trend
●	YOUTH PLACEMENT IN EMPLOYMENT OR EDUCATION	73%	77%	**4%**

KEY FOCUS AREA 5

PARTNERSHIPS

Mission Statement: **Develop collaborations with local universities, colleges and non-profit organizations that are vital to driving economic growth, building vibrant communities, preparing students for the future and enhancing the quality of life for Lowell Residents.**

- ☑ Goal 1: Educate local youth and international students to create a talented diverse workforce.
- ☑ Goal 2: Coordinate efforts to better leverage resources to effectively solve problems.
- ☑ Goal 3: Foster innovation and research that can improve economic, environmental and social impacts.

PARTNERSHIP FOCUS

Key Performance Indicators for Goal 1

"Educate local youth and international students to create a talented diverse workforce."

Department	Key Performance Indicator	FY20 Target
UMASS Lowell	Total full time enrollment	15,000
UMASS Lowell	Total online enrollment	38,300
UMASS Lowell	Bachelor's degrees awarded	2,700
UMASS Lowell	Master's degrees awarded	1,100
UMASS Lowell	Doctoral degrees awarded	130
UMASS Lowell	Professional Co-Op programs	950
UMASS Lowell	International students enrolled	1,325
UMASS Lowell	Percent employed or enrolled in Graduate School	95%
Middlesex Community College	Associates degrees awarded	1,000
Middlesex Community College	Certificate awards	200
MassHire Lowell Career Center	Youth placement in enrollment or education	83%
MassHire Lowell Career Center	Youth degree of certification attained	80%
CASE	Ethnic festival processions	20
CASE	Number of Lowell events promoted annually	2,000
CASE	Number of grants funded per year	30
CASE	Flag raisings	20
Lowell Public Schools	Student-Teacher ratio	13.4:1
Lowell Public Schools	Ch. 70 School Aid	$ 160,069,667

PARTNERSHIP FOCUS

Key Performance Indicators for Goal 2

"Coordinate efforts to better leverage resources to effectively solve problems."

Department	Key Performance Indicator	FY20 Target
CASE	Groups engaged/ supported/ partnered	115
UMASS Lowell	Sustainability star points	72
Recreation	Registered summer program participants	1,600
CASE	Sponsorship dollars supporting city-sponsored programs	$ 220,000
Police	Number of LPD Volunteers	23
Police	Hours worked by LPD	2,700
MassHire Lowell Career Center	Employers Served	525
MassHire Lowell Career Center	Entered employment rate for dislocated workers	86%

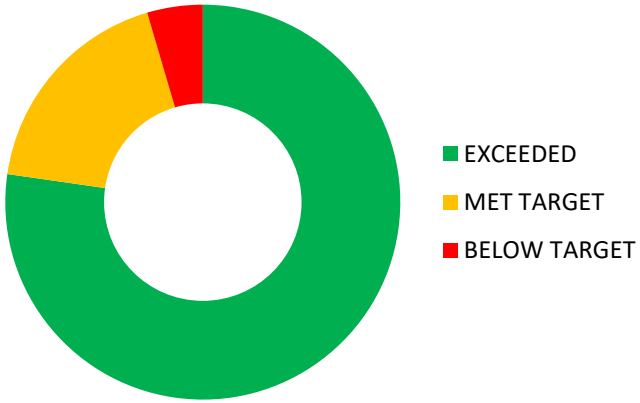
PARTNERSHIP FOCUS

Key Performance Indicators for Goal 3

"Foster innovation and research that can improve economic, environmental, and social impacts."

Department	Key Performance Indicator	FY20 Target
UMASS Lowell	Total R&D expenditures (millions)	$80
UMASS Lowell	Ranking among public research institutions in New England	1
UMASS Lowell	Research & community Co-Op	200
UMASS Lowell	State ranking among women-led businesses	1
UMASS Lowell	University square footage	4,900,000
DPD	Storefronts rehabilitated with façade improvement funds	3
DPD	Number of jobs created in the city that have a direct correlation with TIF agreements	119
DPD	Businesses assisted by the Economic Development office	180
Library	Number of Visitors entering Library building	144,585
Library	Amount spent on library materials	$ 148,000
Library	E-book holdings	29,000

PARTNERSHIPS



95%

Of reported departmental KPIs met (within 10%) or exceeded target

FY2020 – KEY PERFORMANCE INDICATORS

UMASS LOWELL

	KEY PERFORMANCE INDICATOR	2017	2018	Trend
●	TOTAL FULL TIME ENROLLMENT	14,423	14,601	**178**
●	ONLINE ENROLLMENT	28,790	30,932	**2,142**
●	BACHELOR'S DEGREES AWARDED	2,619	2,798	**179**
●	MASTER'S DEGREES AWARDED	1,018	1,102	**84**
●	DOCTORAL'S AWARDED	110	122	**12**
●	CO-OP PROGRAMS	830	933	**103**
●	PERCENT EMPLOYED OR ENROLLED IN GRADUATE SCHOOL	94%	96%	**2%**
●	INTERNATIONAL STUDENTS (UNDERGRAD & MASTERS)	1,274	1,175	**99**
●	TOTAL R&D EXPENDITURES (MILLIONS)	$ 69.7	$72.3	**$ 2.6**
●	UNIVERSITY SQUARE FOOTAGE (MILLIONS SF)	4.8	4.8	**0**
●	SUSTAINABILITY STARS POINTS	70.5	70.5	**72.0**

MIDDLESEX COMMUNITY COLLEGE

KEY PERFORMANCE INDICATOR	2017	2018	Trend
ASSOCIATE DEGREES AWARDED	1,098	1,036	-62
CERTIFICATES AWARDED	226	221	-5

CASE

KEY PERFORMANCE INDICATOR	2017	2018	Trend
NUMBER OF GRANTS FUNDED PER YEAR	42	35	-7

LOWELL PUBLIC SCHOOLS

KEY PERFORMANCE INDICATOR	2017	2018	Trend
STUDENT-TEACHER RATIO	13.8:1	13.5:1	.3:1
CHAPTER 70 SCHOOL AID	$ 138,588,381	$ 144,067,633	$ 5,479,252

MASSHIRE LOWELL CAREER CENTER

KEY PERFORMANCE INDICATOR	2017	2018	Trend
EMPLOYERS SERVED	412	509	97
ENTERED EMPLOYMENT RATE FOR DISLOCATED WORKERS	94%	96%	2%
YOUTH PLACEMENT IN EMPLOYMENT OR EDUCATION	73%	77%	4%

POLLARD MEMORIAL LIBRARY

KEY PERFORMANCE INDICATOR	2017	2018	Trend
NUMBER OF VISITORS ENTERING LIBRARY BUILDING	123,491	141,749	18,258
AMOUNT SPENT ON LIBRARY MATERIALS	$ 152,678	$ 169,209	$ 16,531
E-BOOK HOLDINGS	10,896	26,811	15,915

KEY FOCUS AREA 6

STRONG NEIGHBORHOODS

Mission Statement: **To provide an enhanced quality of life to residents in every neighborhood**.

- ☑ Goal 1: Improve public services that engage citizens within their neighborhoods through public art and social events.
- ☑ Goal 2: Focus on quality of life issues for all citizens with outreach and prevention programs.
- ☑ Goal 3: Enhance overall appearance of communities and neighborhoods within the city to improve quality of life.

STRONG NEIGHBORHOODS

Key Performance Indicators for Goal 1

"Improve public services that engage citizens within their neighborhoods through public art and social events."

Department	Key Performance Indicator	FY20 Target
Recreation	Registered summer program participants	1,700
Recreation	Number of Recreation Permits issued	17,500
Recreation	MyRec unique registrations	400
Recreation	MyRec Lowell resident registrants	1,500
Recreation	MyRec Facility/area reservations	650
Library	Number of programs available to adult patrons	278
Library	Number of programs available to children and caregivers	196
CASE	Number of large scale events (1,000-150,000 attendees) hosted and or permitted throughout the year	16
CASE	Flag raisings	20
CASE	Ethnic festivals and processions	20
CASE	Number of Lowell events promoted annually	2,000
CASE	Overall attendance for events CASE staff coordinate/ permit annually	250,000
COA	Total event sign-ins (duplicated seniors)	35,000

STRONG NEIGHBORHOODS

Key Performance Indicators for Goal 2

"Focus on quality of life issues for all citizens with outreach and prevention programs."

Department	Key Performance Indicator	FY20 Target
COA	Total number of grocery shopping trips from senior housing	90
COA	Number of COA programs offered annually	3,000
COA	Total meals served (Lunch)	15,000
Fire	Number of company closings	305
Health	Immunizations	300
Library	Adult Program participants	2,955

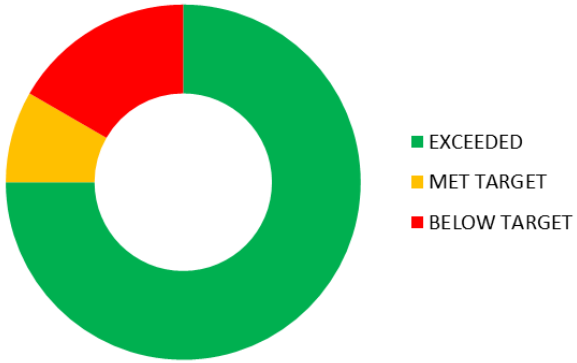
STRONG NEIGHBORHOODS

Key Performance Indicators for Goal 3

"Enhance overall appearance of communities and neighborhoods within the city to improve quality of life."

Department	Key Performance Indicator	FY20 Target
DPW	Miles of road repaved	5
DPW	Number of potholes fixed	2,500
DPW	Miles of sidewalk refurbished	4
DPW	Number of Request Tracker work orders completed	1,800
DPW	Recycling rate	20%
DPW	Average response time for streetlight outage	4
DPW	Number of tree issues responded to and addressed	500
DPW	Number of graffiti work orders completed	400
DPD	Infrastructure, parks and other capital improvement projects advanced	27
DPD	Number of accepted registrations of vacant/foreclosed properties in compliance with the ordinance	275
DPD	Square feet of active community gardens and land under cultivation in Lowell neighborhoods	174,865
Wastewater	Number of odor complaints	0
Wastewater	Number of catch basins repaired and replaced	135
Wastewater	Number of catch basins cleaned	400

STRONG NEIGHBORHOODS



83%

Of reported departmental KPIs met (within 10%) or exceeded target

FY2020 – KEY PERFORMANCE INDICATORS

PLANNING AND DEVELOPMENT

KEY PERFORMANCE INDICATOR	2017	2018	Trend
NUMBER OF ACCEPTED REGISTRATIONS OF VACANT/ FORECLOSED PROPERTIES IN COMPLIANCE WITH ORDINANCE	308	253	-55
SQUARE FEET OF ACTIVE COMMUNITIES GARDENS AND LAND UNDER CULTIVATION IN LOWELL NEIGHBORHOODS	171,940	174,865	2,925
INFRASTRUCTURE, PARKS AND OTHER CAPITAL IMRPOVEMENT PROJECTS ADVANCED	30	23	-7

PUBLIC WORKS

KEY PERFORMANCE INDICATOR	2017	2018	Trend
MILES OF ROAD REPAVED	5.0	4.46	-0.54
NUMBER OF POTHOLES FILLED	1,379	3,139	1,760
RECYCLING RATE	23.0%	22.3%	-0.7%
AVERAGE RESPONSE TIME FOR STREETLIGHT OUTAGE	4.7	4.4	-0.30
MILES OF SIDEWALK REFURBISHED	3.8	3.64	-0.16
NUMBER OF REQUEST TRACKER WORK ORDERS COMPLETED	3,792	4,163	371
NUMBER OF TREE ISSUES RESPONDED TO AND ADDRESSED	63	117	54
NUMBER OF GRAFFITI WORK ORDERS COMPLETED	242	602	360

CASE

KEY PERFORMANCE INDICATOR	2017	2018	Trend
OVERALL ATTENDANCE FOR EVENTS CASE STAFF COORDINATES	250,000	252,000	2,000
NUMBER OF LARGE SCALE EVENTS (1,000-150,000 ATTENDEES) HOSTED AND OR PERMITED THROUGHOUT THE YEAR	11	18	7
NUMBER OF FLAG RAISINGS	13	20	7
ETHNIC FESTIVALS & PROCESSIONS	20	25	5
LOWELL EVENTS PROMOTED ANNUALLY	1,000	1,300	300

COA

KEY PERFORMANCE INDICATOR	2017	2018	Trend
NUMBER OF PROGRAMS OFFERED ANNUALLY	3,224	2,259	-965
TOTAL MEALS SERVED (LUNCH)	8,200	11,884	3,684
TOTAL EVENT SIGN-INS (DUPLICATED SENIORS)	26,710	37,754	11,044

RECREATION

KEY PERFORMANCE INDICATOR	2017	2018	Trend
NUMBER OF RECREATION PERMITS ISSUED	15,924	19,521	3,597
MYREC UNIQUE REGISTRATIONS	3,315	4,354	1,039
MYREC LOWELL RESIDENT REGISTRANTS	3,068	3,948	880
MYREC FACILITY/AREA RESERVATIONS	516	625	109

HEALTH

KEY PERFORMANCE INDICATOR	2017	2018	Trend
IMMUNIZATIONS	329	376	47

POLLARD MEMORIAL LIBRARY

KEY PERFORMANCE INDICATOR	2017	2018	Trend
ADULT PROGRAMS	258	273	15
ADULT PROGRAM PARTICIPANTS	2,660	2,898	238
CHILDREN'S PROGRAMS	189	193	4

LOWELL REGIONAL WASTEWATER UTILITY

KEY PERFORMANCE INDICATOR		2017	2018	Trend
●	NUMBER OF ODOR COMPLAINTS	8	5	**-3**
●	NUMBER OF CATCH BASINS REPAIRED AND REPLACED	49	77	**28**
●	NUMBER OF CATCH BASINS CLEANED	207	231	**24**

BASIS OF ACCOUNTING AND BUDGETING

Generally Accepted Accounting Principles

The City prepares its comprehensive financial reports in accordance with generally accepted accounting principles (GAAP) as established by the Governmental Accounting Standards Board (GASB).

a) The accounts of the City are organized and operated on a fund basis. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance- related legal and contractual provisions.

b) Governmental Funds use the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are "susceptible to accrual" (i.e. both measurable and available). Property taxes are recorded as revenue in the year for which the taxes have been levied, provided they are collected within 60 days after year-end. Investment income is recorded as earned. Other revenues are recorded on a cash basis because they are generally not measurable until actually received. Expenditures are recorded when the liability is incurred except for (1) interest on general obligation debt, which is recorded when due; and (2) tax abatements, judgments and claims, all of which are recorded as expenditures to the extent that they have been paid or are expected to be paid with expendable available resources.

c) Proprietary Funds and Fiduciary Funds are accounted for using the flow of economic resources measurement focus and full accrual basis of accounting. Under this method, revenues are reported when earned and expenses are recorded at the time liabilities are incurred.

Budgetary Basis

Pursuant to Chapter 44 § 32 of the Massachusetts General Laws, the City adopts an annual budget for the General and Enterprise Funds for which the level of expenditure may not legally exceed appropriations for each department or undertaking classified in two statutory categories: **Personal Services and Ordinary Expenses**. These two categories are more fully delineated below. Each department of the City is unique in the number and types of expense accounts contained therein and the list is not exhaustive. It does, however, provide a general overview of what comprises the major categories.

I. Personal Services

- **a.** Salary & Wages – Permanent
- **b.** Salary & Wages – Temporary
- **c.** Overtime
- **d.** Shift Differential
- **e.** Various Stipends

II. Ordinary Expenses

- **a.** Electricity and Heating Costs
- **b.** Repairs and Maintenance
- **c.** Travel and Training
- **d.** Professional Services
- **e.** Program Costs for Services

Proposed expenditure appropriations for all departments and operations of the City, except those of the School Department, are prepared under the direction of the City Manager. All budget appropriations, including those of the School Department, are approved by the City Council. The School Department budget is prepared under the direction of the School Committee based upon guidelines provided by the City Manager. The City Manager may recommend additional sums for school purposes. In addition, the City Manager may submit to the City Council such supplementary appropriation orders as are deemed necessary. The City Manager may amend appropriations within the above mentioned categories for a department without seeking City Council approval. The City Council may reduce or reject any item in the budget submitted by the City Manager, but may not increase or add items without the recommendation of the City Manager.

The City follows a gross budgeting concept pursuant to which expenditures financed by special revenue funds and trusts are budgeted as general fund expenditures and are financed by transfers from these funds to the General Funds. Generally, expenditures may not exceed the legal level of spending authorized by the City Council. However, the payment of debt service is statutorily required, regardless of whether such amounts are appropriated. Additionally, expenditures for disasters, natural or otherwise, and final judgments may exceed the level of spending authorized by a two-thirds majority vote of the Council.

The City follows the accounting practices established by the Commonwealth of Massachusetts Department of Revenue, called the budgetary basis method of accounting, in the preparation of the Annual Budget and property tax certification process. Budgetary basis departs from GAAP in the following ways:

a) Real estate and personal property taxes are recorded as revenue when levied (budgetary), as opposed to when susceptible to accrual (GAAP);

b) Encumbrances and continuing appropriations are recorded as the equivalent to expenditures (budgetary), as opposed to a reservation of fund balance (GAAP);

c) Certain activities and transactions are presented as components of the general fund (budgetary), rather than as separate funds (GAAP);

d) Amounts raised for the prior years' deficits and available funds from prior years' surpluses are recorded as revenue items (budgetary), but have no effect on GAAP revenues.

For budgetary financial reporting purposes, the Uniform Municipal Accounting System basis of accounting (established by the Commonwealth) is followed, which differs from the GAAP basis of accounting. A reconciliation of budgetary-basis to GAAP-basis results for the general fund for the year ended June 30, 2018, is shown on the next page.

Reconciliation of Budgetary-basis to GAAP-basis

	2015	2016	2017	2018
Net Change in Fund Balance - budgetary basis	(1,262,262)	168,602	490,748	(4,949,037)
Perspective Difference:				
Stabilization Funds recorded in				
the General Fund for GAAP ……	(179,846)	298,478	310,869	545,072
Employee Benefit Trust recorded in				
the General Fund for GAAP ……	(575,989)	(1,080,823)	(707,997)	(812,128)
Basis of Accounting Differences				
Net change in recording 60-day receipts accrual …	113,512	426,002	(290,891)	42,563
Net change in recording tax refunds payable …	645,780	(949,547)	2,185,817	114,419
Net change in short term interest accrual …	16,502			
Net change in recording accrued expenditures …	-	-	-	701,190
Net change in unrecorded liabilities …	(130,349)	150,739	(444,500)	-
Increase in revenues due to on-behalf payments …	16,702,000	24,614,000	32,948,084	36,030,056
Increase in expenses due to on-behalf payments …	(16,702,000)	(24,614,000)	(32,948,084)	(36,030,056)
Net Change in Fund Balance - GAAP basis	$(1,372,652)	$ (986,459)	$ 1,548,046	$(4,357,921)

FINANCIAL POLICIES AND GUIDELINES

One of the principal reasons that the City has seen its standing in financial community elevate as of late is its development and implementation of a long-term financial plan. This plan is reviewed on an annual basis in conjunction with the City's bond sale and credit rating application process. However, the Finance Team regularly updates the five-year forecast to include the most recent actuals on a quarterly basis, and uses this data internally in order to better respond to challenges that occur in the short- and medium-term.

The budget for the current fiscal year is used as the base year upon which future year projections are built. All expenditures, revenues and property valuations are reviewed to ensure that the timeliest information is available to be used for future year projections. The budget for the current year is also compared to the projections for that year from previous five-year plans to determine the accuracy of the projections.
If modifications to the projection process are needed to ensure more accuracy, the City's financial staff will make changes accordingly.
After careful review, this plan is submitted to the rating agencies prior to their review of the City's financial condition. This plan serves as a basis upon which important decisions concerning the City's financial future are made.

Most recently the rating agency, Standard & Poor's (S&P), affirmed Lowell's stable outlook and affirmed their **Financial Management Analysis of Lowell's fiscal management as 'very strong'** during a bond issue in March of FY2018. The rating rationale was based on a number of factors, among them were:

- Very strong management, with "strong" financial policies and practices under [S&P's] Financial Management Assessment methodology;
- Strong budgetary performance, with an operating surplus in the general fund and a slight operating surplus at the total governmental fund level in fiscal 2017;
- Very strong liquidity, with total government available cash at 16.3% of total governmental fund expenditures and 6.9x governmental debt service, and access to external liquidity [S&P] considers strong.
- Strong institutional framework score.

When detailing the management conditions, S&P wrote:

"We view the city's management as very strong, with "strong" financial policies and practices under our Financial Management Assessment methodology, indicating financial practices are strong, well embedded, and likely sustainable. City officials are conservative with revenue and expenditure assumptions, and consider historical trends when developing the budget." (S&P Credit Report, March 2018)

The rating agencies have recognized the conservative nature of the City's budgeting and financial management processes. In the area of debt issuance, it is particularly important to maintain all of the relevant indices at or below national standards. These indices are detailed later in this section.

In 2016, Moody's Investment Services remarked further on Lowell's stable financial position with the following statements, "*Lowell's financial operations have been stable for the past four years driven by management's conservative budgeting and tight expenditure controls. […] The management team's commitment to conservative budgeting and tight expenditure controls have contributed to stable reserve levels in recent years. In addition, management has increased education spending and is now in compliance with state-mandated school spending requirements. Importantly, the increase in spending has been funded with recurring property tax revenues, not reserves, […]. The city also maintains a five year capital improvement plan and five years of budget forecasting.*"

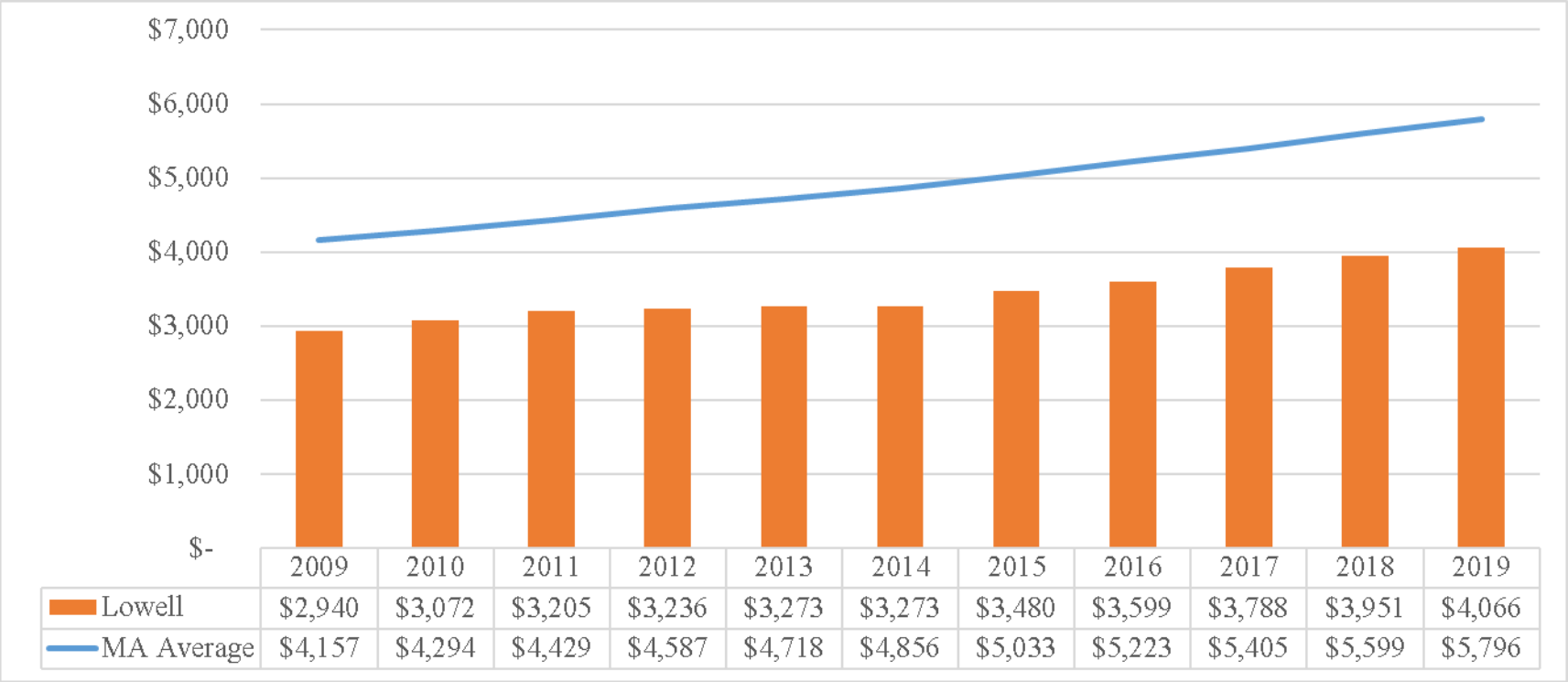
The following chart compares selected ratios of Lowell (in accordance with City of Lowell financial policies) with Commonwealth medians, as reported to the Massachusetts Department of Revenue in their most recent available report (2019).

	Assessed Valuation ("EQV")	Average Single Fam. Tax Bill	General Fund Spending	Education as % of Total GF Spending	Public Safety as % of total GF Spending	Tax Levy as % of Budget	State Aid as % of Budget
Median	$1,693,499,100	$5,789	$25,516,741	48.1%	11.6%	76.4%	10.6%
Lowell[2]	$8,192,976,800	$4,066	$332,099,756	51.6%	13.6%	34.2%	51.8%

	Excess Levy Capacity[3]	Free Cash[4]	Stabilization Account(s)	Available Resources[5]	Available Resources as % of Budget
Median	$120,980	$1,891,081	$1,464,399	$3,462,255	9.5%
Lowell	$18,774,682	$2,513,634	$12,483,707	$33,772,023	10.17%

[2] Based on the City Auditor's FY2018 Schedule A report to the Department of Revenue.
[3] City of Lowell Excess Levy Capacity calculated as an approximate FY19 value.
[4] Unlike some smaller municipalities, Lowell has historically chosen to appropriate Free Cash into interest-bearing stabilization accounts when it is certified by the Commissioner of the DOR, rather than accumulate a balance for use in the operating budget. Fiscal Year 2018's Free Cash was certified in January of 2019 at **$2,513,634**.
[5] Available Resources is the Total of Stabilization Account(s), Certified Free Cash, and Excess Levy Capacity.

AVERAGE SINGLE FAMILY TAX BILL



	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Lowell	$2,940	$3,072	$3,205	$3,236	$3,273	$3,273	$3,480	$3,599	$3,788	$3,951	$4,066
MA Average	$4,157	$4,294	$4,429	$4,587	$4,718	$4,856	$5,033	$5,223	$5,405	$5,599	$5,796

FINANCIAL MANAGEMENT TEAM POLICY

I. Purpose

A formal, financial management team provides an operational framework that can maximize effectiveness of financial practices by promoting optimal coordination of interdepartmental activities and long-term planning. Regular team meetings serve to enhance the City Manager's ongoing insight into progress on fiscal objectives and provide a valuable analytical resource for budget decision making. Another important benefit of the financial management team approach is institutional continuity during times of turnover in financial offices.

Team meetings open lines of communication among finance officers and reinforce awareness of their interdependence. These meetings help team members identify critical junctures, consider strategies to deal with anticipated areas of concern, and establish agreement about goals, deadlines, and each individual's role in meeting common objectives.

II. Applicability

This policy applies to the Chief Financial Officer, City Auditor, Deputy Chief Financial Officer (CFO), Treasurer/Collector, Assessing Board Chair, Chief Procurement Officer (CPO), School Business Manager, Chief Information Officer (CIO)/ Information Technology Director, and Human Resource Director.

III. Policy

Pursuant to the Ordinance creating the Finance Department (§20-62 of the Code of Ordinances of the City of Lowell), the City establishes a financial management team consisting of the Chief Financial Officer, City Auditor, Deputy Chief Financial Officer (CFO), Treasurer/Collector, Assessing Board Chair, Chief Procurement Officer (CPO), School Business Manager, Chief Information Officer (CIO)/ Information Technology Director, and Human Resource Director, and any relevant subordinate staff, who will be included in meetings depending on relevant agenda. Meetings of the financial team will be scheduled at a consistent time each month and more frequently when necessary. Agenda topics may include, but are not limited to the following:

- Status of projects requested by the City Manager, City Council, or School Committee;
- Review of revenue and expenditure reports and analysis of cash flow;
- Financial forecasting (e.g., discussion of new growth, fees, etc.);
- Analysis of capital funding sources;

- Creating and reporting on corrective action plans in response to management letter;
- Citations by the independent auditor;
- Reviewing the effectiveness of internal controls and proposing internal audits;
- Analysis for collective bargaining negotiations;
- Coordinating submissions to the Division of Local Services

IV. References

Division of Local Services Best Practice: Financial Management Team

Standard & Poor's article: The Top 10 Management Characteristics of Highly Rated U.S. Public Finance Issuers, 2012

V. Effective Date

Effective upon adoption by the Lowell City Council; last revised April 2018.

CITY OF LOWELL

TRAVEL ALLOWANCE & REIMBURSEMENT POLICY

PURPOSE: The City of Lowell recognizes the need to reimburse employees who incur certain expenses essential to the transaction of official city business. Approval must be given by the Department Head and City Manager (approved purchase or service order on file) before departure.

AUTHORIZATION: A Department Head or person in higher authority shall have the sole discretion in authorizing employees to expend personal funds for said purpose. Employees who have not received prior authorization from the correct authority will not be eligible to be reimbursed for expenses incurred.

APPROVAL: In order to be reimbursed an employee must submit travel reimbursement requests to the City Auditor within 45 days of the date of travel.

ELIGIBLE EXPENSES: Any employee who is authorized to use their personal motor vehicle in conjunction with conducting city business shall be reimbursed for mileage expenses at the per mile rate currently approved by the Internal Revenue Service. Employees will be reimbursed for miles traveled to the location from work, or miles travelled from home to the location, whichever is less. Employees who use other modes of transportation such as bus, taxi, airplane, motor rail or train will be reimbursed for the cost of the fare upon submission of a receipt for such expense(s). Travel expense may also include tolls and parking fees that are charged on route to the designated location and/or return trip (documentation is required). Parking or other traffic violations or maintenance charges do not apply. The City Auditor may require any other additional proof of expenditure such as copies of notices, vouchers, receipts, and canceled checks, prior to reimbursement.

LODGING AND MEALS: The city will allow a fixed per diem rate of $50.00 per day, for each day that an employee is traveling while conducting official city business. Reimbursement for meals may include gratuities up to 15% for breakfast/lunch and up to 20% for dinner, and other incidentals (excluding alcohol). Meal allowance and reimbursement forms are to be completed by all employees who wish to be compensated for meal expenses each month that they are incurred.

AIRFARE: Employees are required to use the lowest available coach accommodations for all flights.

Signed and approved: Eileen M. Donoghue

Eileen M. Donoghue, City Manager

INVESTMENT POLICY

Flow of Information

The Investment of General Funds (Including Stabilization and Capital Investment Funds), Special Revenue Funds, Enterprise Funds and Capital Projects Funds:

I. Scope

This section of the policy applies to most city funds such as general funds (including the city's stabilization and capital investment funds), special revenue funds, enterprise funds, bond proceeds and capital project funds. A separate contributory retirement board is responsible for the investment of the pension funds.

II. Objectives

Massachusetts General Laws Chapter 44 §55B requires the municipal/district treasurer to invest all public funds except those required to be kept divested for purposes of immediate distribution. Modern banking systems enable the public treasurer to maintain even these funds in interest bearing form until the date a disbursement order clears through the banking system.

The state law further requires that invested funds are to be placed at the highest possible rate of interest reasonably available, taking account of safety, liquidity and yield. Therefore, these guidelines are intended to further the objective of securing the highest return that is consistent with safety of principal while meeting the daily cash requirements for the operation of the entity's business.

- ***Safety*** of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital through the mitigation of credit risk and interest rate risk. These risks shall be mitigated by the diversification and prudent selection of investment instruments and choice of depository. Credit risk is the risk of loss due to the failure of the security issuer or backer. Interest rate risk is the risk that the market value of the security will fall due to changes in general interest rates.

- ***Liquidity*** is the next most important objective. The overall investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. Since all possible cash demands cannot be anticipated, the treasurer shall carry out investment activities in a manner that provides for meeting unusual cash demands without the liquidation of investments that could result in forfeiture of accrued interest earnings and loss of principal in some cases.

- ***Yield*** is the third, and last, objective. Investments shall be undertaken so as to achieve a fair market average rate of return, taking into account safety and liquidity constraints as well as all legal requirements.

III. Investment Instruments

Note: Public investments in Massachusetts are not protected through provisions in state law. Therefore, they are largely uncollateralized. Many banking institutions are willing to put up collateral, albeit at a cost to the entity of a lower interest rate. The treasurer negotiates for the highest rates possible, consistent with safety principles.

The treasurer may invest in the following instruments:

- Massachusetts State Pooled Fund: Unlimited amounts (pool is liquid).

- The Massachusetts Municipal Depository Trust (MMDT), an investment pool for state, local, county and other independent governmental authorities, is under the auspices of the State Treasurer and currently managed by Fidelity Investments. It invests in Bankers Acceptances, Commercial Paper of high quality, Bank Certificates of Deposit (C.D.s), Repurchase Agreements (Repos) and U. S. Treasury Obligations. It has Federal Deposit Insurance Corporation (F.D.I.C.) pass-through insurance on the C.D.'s and takes delivery on the Repos and Treasuries. Under Government Accounting Standards Board Regulation (GASB III), it is not considered an uncollateralized product.

- U. S. Treasuries that will be held to maturity: Unlimited amounts (up to one year maturity from date of purchase).

- U.S. Agency obligations that will be held to maturity: Unlimited amounts (up to one year maturity from date of purchase).

- Bank accounts or Certificates of Deposit, hitherto termed C.D.'s. (up to one year) which are fully collateralized through a third party agreement: Unlimited amounts.

- Bank accounts and C.D.'s (up to one year) insured by F.D.I.C. up to $100,000 limit. All bank accounts and C.D.'s in one institution are considered in the aggregate to receive the $100,000 insurance coverage. In some cases banking institutions carry additional insurance, Depository Insurance Fund of Massachusetts (D.I.F.M). Unsecured bank deposits of any kind such as other checking, savings, money market or Certificates of Deposit accounts at banks that do not fit the above categories. These investments are subject to the following limitations: These investments will be limited to no more than 5 percent of an institution's assets and no more than 10 percent of a municipality's cash. Their credit worthiness will be tracked by Veribanc, Sheshunoff, or other bank credit worthiness reporting systems. They will be diversified as much as possible. C.D.'s will be purchased for no more than three months and will be reviewed frequently.

- Money Market Mutual Funds that are registered with the Securities and Exchange Commission that have received the highest possible rating from at least one nationally recognized statistical rating organization and as otherwise referenced in the Massachusetts General Law Chapter 44 §55.

IV. Diversification

Diversification shall be interpreted in two ways: in terms of maturity, as well as instrument type and issuer. The diversification concept shall include prohibition against over-concentration of maturities as well as concentration in a specific institution. With the exception of U.S. Treasury obligations or investments fully collateralized by U.S. Treasuries or agencies, and state pools (MMDT), no more than 50 percent of the city's investments shall be invested in a single financial institution.

V. Authorization

The treasurer has authority to invest municipality/district funds, subject to the statutes of the Commonwealth of Massachusetts General Law Chapter 44 §§55,55A and 55B.

VI. Ethics

The treasurer (and any assistant treasurers) shall refrain from any personal activity that may conflict with the proper execution of the investment program or which could impair or appear to impair ability to make impartial investment decisions. Said individuals shall disclose to the chief executive officer any material financial interest in financial institutions that do business with the City. They shall also disclose any large personal financial investment positions or loans that could be related to the performance of the City's investments.

VII. Relationship with Financial Institutions

Financial institutions shall be selected first and foremost with regard to safety. Municipalities/districts shall subscribe to and use one or more of the recognized bank rating services, such as Veribanc or Sheshunoff. Brokers shall be recognized, reputable dealers.

When using the Veribanc rating service, the treasurer may invest in such banks that show a green rating in a particular quarter. If a rating is yellow, the treasurer shall contact the appropriate banking institution and request in writing an explanation of the change in rating and the expected time table for it to be changed to green.

If for a second quarter such rating has not been corrected, the treasurer shall consider removing all funds that are not collateralized, or carries some form of depositors insurance. If a rating moves to red, all money shall be immediately collateralized or covered by some form of depositors insurance or be removed from the banking institution. The treasurer shall require any brokerage houses and broker/dealers wishing to do business with the municipality to supply the following information to the treasurer:

- Audited financial statements.
- Proof of National Association of Security Dealers certification.
- A statement that the dealer has read the municipality's investment policy and will comply with it.
- Proof of credit worthiness (minimum standards: at least five years in operation and a minimum capital of 10 million dollars).

VIII. Reporting Requirements

On an annual basis, a report containing the following information will be prepared by the treasurer and distributed to the City Manager and the Chief Financial Officer. The annual report will include the following information, as a minimum requirement:

- A listing of the individual accounts and individual securities held at the end of the reporting period.
- A listing of the short-term investment portfolio by security type and maturity to ensure compliance with the diversification and maturity guidelines established in the "Diversification" section of this Investment Policy.
- A summary of the income earned on a monthly basis and year to date basis shall be reported.
- The municipal treasurer shall include in the report a brief statement of general market and economic conditions and other factors that may affect the City's cash position.
- The report shall demonstrate the degree of compliance with the tenets set forth in the Investment Policy.

IX. Restrictions

MGL Chapter 44 §55 set forth the several restrictions that the treasurer must be aware of when making investment selections, as follows:

- A treasurer shall not at any one time have on deposit in a bank or trust company an amount exceeding 60 percent of the capital and surplus of such bank or trust company, or banking company, unless satisfactory security is given to it by such bank or trust company, or banking company for such excess.
- The treasurer shall not make a deposit in any bank, trust company or banking company that he is associated as an officer or employee, or has been the same for any time during the three years immediately preceding the date of any such deposit.
- All securities shall have a maturity from date of purchase of one year or less.
- Purchases under an agreement with a trust company, national bank or banking company to repurchase at not less than original purchase price of said securities on a fixed date shall not exceed ninety days.

X. Legal References

Massachusetts General Law Chapter 44 §§ 55, 55A and 55B

XI. Effective date

This policy will become effective immediately upon passage by the City Council and will apply to all investments made after the adoption of this policy.

CITY OF LOWELL OPEB FUNDING POLICY

I. **POLICY STATEMENT** The purpose of this policy is to establish guidelines for the management of the impact of the City's Other Post-Employment Benefits (OPEB) liability on the overall budget and credit rating, within the context of the City's long-term obligations to its retirees. The Other Post-Employment Benefits (OPEB) Liability Trust Fund was initially established with the acceptance of Chapter 32B, Section 20, of the Massachusetts General Laws of the Lowell City Council, which requires the segregation of funds to address the City's actuarial liability. The custodian of the OPEB Trust Fund is the City Treasurer. The City of Lowell's OPEB trust fund is currently managed by Bartholomew & Company with the purpose of investing funds that are designated for addressing the City's OPEB liability. Transfers into, and withdrawals from, the OPEB Trust Fund require a vote by the City Council, upon recommendation by the City Manager.

II. **POLICY EFFECTIVE DATE:** Upon adoption of the FY2020 budget (July 1, 2019)

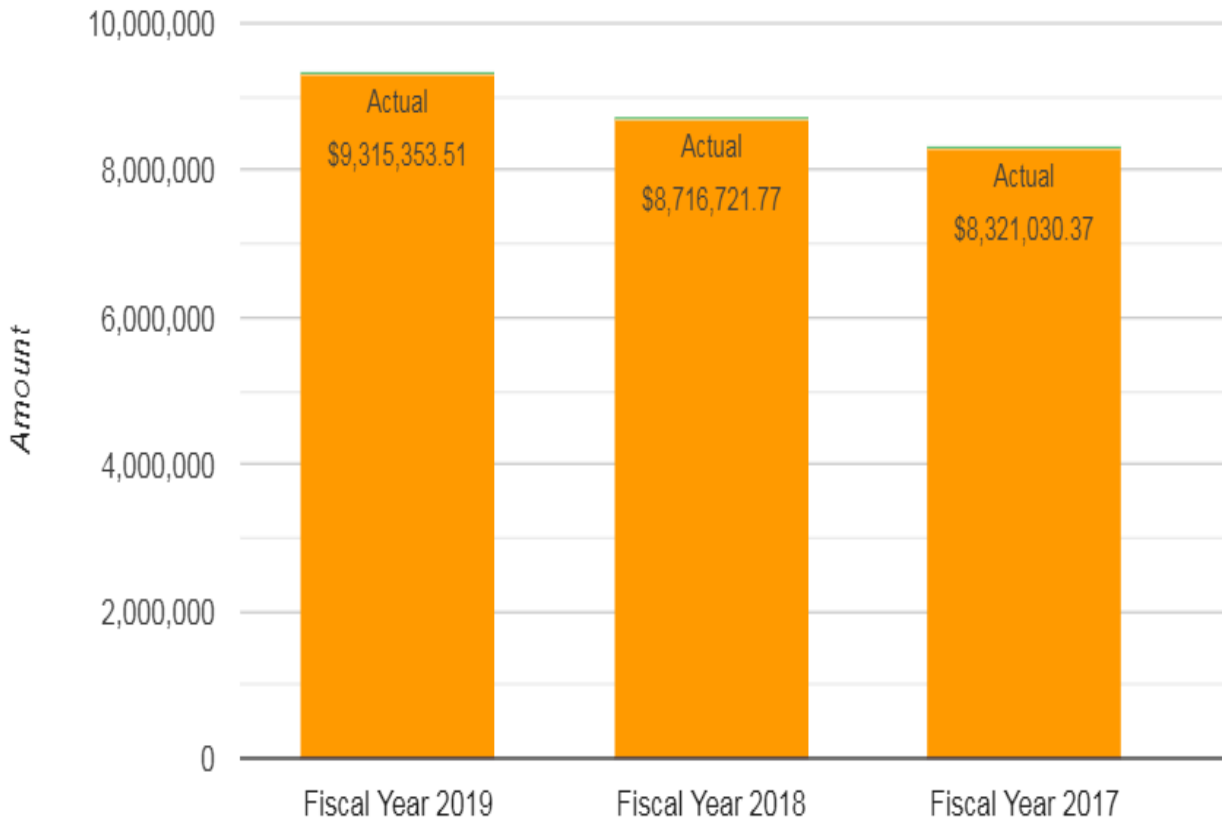
III. **FUNDING SOURCES** The OPEB Trust Fund shall be supported by transfers from multiple funding sources, potentially including taxation, enterprise fund revenue and/or "free cash".

a. At minimum, the City will seek to appropriate $500,000 as part of each fiscal year's operating budget, as well as an amount equivalent to at least 10% of certified General Fund "free cash" for deposit into the OPEB Trust Fund on an annual basis.

b. In addition, funding will be designated from the individual enterprise funds to offset the funds' overall share of assigned liabilities as determined by the most recent actuarial study. All interest proceeds generated by the accumulated deposits shall accrue to the Trust Fund.

c. When the City of Lowell fully funds its pension liability after approximately FY2036, the surplus available funding will be redirected towards OPEB in its entirety. The appropriation will not result in a reduction in the city's other funding commitments as outlined above.

CITY OF LOWELL – OPEB TRUST ACCOUNT BALANCE AS OF MAY 2019 (FY2019)



CITY OF LOWELL FUNDING STRATEGY - OPEB

	Projected PAYGO Cost	Plan Fiduciary Net Position	Delta for 1 year of PAYGO	Delta for 2 years of PAYGO	Cost to get to 1 year PAYGO ($894K per year flat)	Delta for 1 year of PAYGO	Cost to get to 2 years PAYGO ($2.67M per year flat)	Delta for 2 years of PAYGO		Cost to get to 1 year PAYGO ($650K at 3.5%)	Cost to get to 2 years PAYGO ($2M at 3.5%)
FY18	18,831,118	8,716,722	10,114,396	28,945,514							
FY19	19,142,424	9,021,807	10,120,617	29,263,041	894,140.47	9,226,476.53	2,670,276.21	26,592,764.79		650,000.00	2,000,000.00
FY20	19,673,362	9,337,570	10,335,792	30,009,154	1,788,280.95	8,547,511.05	5,340,552.42	24,668,601.58		1,322,750.00	4,070,000.00
FY21	19,604,149	9,664,385	9,939,764	29,543,913	2,682,421.42	7,257,342.58	8,010,828.63	21,533,084.37		2,019,046.25	6,212,450.00
FY22	19,817,912	10,002,638	9,815,274	29,633,186	3,576,561.89	6,238,712.11	10,681,104.84	18,952,081.16		2,739,712.87	8,429,885.75
FY23	20,446,681	10,352,730	10,093,951	30,540,632	4,470,702.37	5,623,248.63	13,351,381.05	17,189,250.95		3,485,602.82	10,724,931.75
FY24	20,882,978	10,715,076	10,167,902	31,050,880	5,364,842.84	4,803,059.16	16,021,657.26	15,029,222.74		4,257,598.92	13,100,304.36
FY25	21,517,717	11,090,104	10,427,613	31,945,330	6,258,983.32	4,168,629.68	18,691,933.47	13,253,396.53		5,056,614.88	15,558,815.02
FY26	22,393,563	11,478,258	10,915,305	33,308,868	7,153,123.79	3,762,181.21	21,362,209.68	11,946,658.32		5,883,596.40	18,103,373.54
FY27	23,489,774	11,879,997	11,609,777	35,099,551	8,047,264.26	3,562,512.74	24,032,485.89	11,067,065.11		6,739,522.27	20,736,991.61
FY28	24,488,321	12,295,797	12,192,524	36,680,845	8,941,404.74	3,251,119.26	26,702,762.11	9,978,082.89		7,625,405.55	23,462,786.32
FY29	25,411,963	12,726,150	12,685,813	38,097,776	9,835,545.21	2,850,267.79	29,373,038.32	8,724,737.68		8,542,294.75	26,283,983.84
FY30	26,384,815	13,171,565	13,213,250	39,598,065	10,729,685.68	2,483,564.32	32,043,314.53	7,554,750.47		9,491,275.07	29,203,923.28
FY31	27,367,836	13,632,570	13,735,266	41,103,102	11,623,826.16	2,111,439.84	34,713,590.74	6,389,511.26		10,473,469.69	32,226,060.59
FY32	28,339,312	14,109,710	14,229,602	42,568,914	12,517,966.63	1,711,635.37	37,383,866.95	5,185,047.05		11,490,041.13	35,353,972.71
FY33	29,542,647	14,603,550	14,939,097	44,481,744	13,412,107.11	1,526,989.89	40,054,143.16	4,427,600.84		12,542,192.57	38,591,361.76
FY34	30,360,310	15,114,674	15,245,636	45,605,946	14,306,247.58	939,388.42	42,724,419.37	2,881,526.63		13,631,169.31	41,942,059.42
FY35	31,432,382	15,643,688	15,788,694	47,221,076	15,200,388.05	588,305.95	45,394,695.58	1,826,380.42		14,758,260.24	45,410,031.50
FY36	32,583,490	16,191,217	16,392,273	48,975,763	16,094,528.53	297,744.47	48,064,971.79	910,791.21		15,924,799.35	48,999,382.60
FY37	33,746,579	16,757,910	16,988,669	50,735,248	16,988,669.00	-	50,735,248.00	-		17,132,167.32	52,714,360.99

DEBT MANAGEMENT POLICY

A. Introduction

The use of long-term debt is a common and often necessary way for a community to address major infrastructure and equipment needs. It is also a means of spreading the cost of large capital projects over a larger, changing population base. However, when a local government incurs long-term debt, it establishes a fixed obligation for many years. Accumulation of such fixed burdens can become so great that a local government finds it difficult to pay both its operational costs and debt service charges. Great care and planning must therefore be taken when incurring long-term debt to avoid placing a strain on future revenues. The purpose of this policy is to establish guidelines governing the use of long-term debt and demonstrate our commitment to full and timely repayment of all debt issued.

Massachusetts General Laws, Chapter 44, Sections 7 & 8 regulate the purposes for which municipalities may incur debt, and the maximum maturity for bonds issued for each purpose. MGL Ch. 44, Sec 10 specifies that the debt limit for towns is 5% of Equalized Valuation. Based upon Lowell's current valuation, the debt limit would be approximately $**409.6 million**. In accordance with MGL Ch. 58 § 10C, the Commissioner of Revenue has determined that the equalized valuation for the City for 2018 is $**8,192,976,800,** effective for fiscal years 2018, 2019, and 2020 (5% debt limit- Approximately $**409,648,840**).

There are two "annual" limitations applicable to municipal debt. First if a municipality borrows $5 million in a fiscal year, it may be subject to an arbitrage penalty. However, if it absolutely necessary to borrow that much in a year, the penalty may be avoided by spending the money within a certain time period (10% within 6 months; 45% within 12 months; 75% within 18 months; 100% within 2 years-5% contingency allowed). If a borrowing is over $10 million (in one calendar year), it is considered not to be "bank qualified" (N.B. These limitations do not apply to loans from a state agency, such as the MWRA and MCWT.) "Non-qualified" issues prohibit some banking and underwriting institutions from bidding on the city's debt. Since the bidder, if holding the security in portfolio, will not be allowed to deduct the interest expense (**IRS Code 1986 Section 265 (b)(3)**).

Massachusetts General Law allows communities, subject to voter approval, to exclude certain debt from the limits imposed by Proposition 2 ½. A voter-approved exclusion for the purpose of raising funds for debt service costs is referred to as a "debt exclusion."

B. Capital Improvement Plan

The City will establish and maintain a five (5) year Capital Improvement Plan (CIP), including all proposed projects and major pieces of equipment that may require debt financing. The City's long- term debt strategies will be structured to reflect its capital needs and ability to pay.

C. Bond Rating

The community's bond rating is important because it determines the rate of interest it pays when selling bonds and notes as well as the level of market participation (number of bidders). Other things being equal, the higher the bond rating, the lower the interest rate. Bond analysts (Moody's, Standard & Poor's, and Fitch) typically look at four sets of factors in assigning a credit rating:

1. Debt Factors: debt per capita, debt as a percentage of equalized valuation, rate of debt amortization and the amount of exempt versus non-exempt debt.

2. Financial Factors: operating surpluses or deficits, free cash as a percent of revenue, state aid reliance, property tax collection rates, and unfunded pension liability.

3. Economic Factors: property values, personal income levels, tax base growth, tax and economic base diversity, unemployment rates and population growth.

4. Management Factors: governmental structure, the existence of a capital improvement plan, the quality of accounting and financial reporting, etc.

The City will continually strive to improve its bond rating through sound financial management, improved receivables management, accounting and financial reporting, and increased reserves such as the Stabilization Fund.

D. Debt Guidelines

General Fund Debt Service: A limit on debt service costs as a percentage of the city's total budget is especially important because of Proposition 2 ½ constraints on the city's budget. At the same time, Lowell's regular and well-structured use of long-term debt signifies the municipality's commitment to maintaining and improving its infrastructure. Municipal credit analysts often use 10% as a maximum benchmark for financial soundness. The City of Lowell will, by policy, establish a debt service "ceiling" of 10%, meaning that annual debt service payable on bonded debt should not exceed 10% of the annual operating budget. The City will also, by policy, establish a debt service "floor" of 2% as an expression of support for continued investment in the town's roads, sewers, public facilities and other capital assets.

Debt Maturity Schedule: As previously stated, Chapter 44 of the General Laws specifies the maximum maturity for bonds issued for various purposes. A town may choose to borrow for a shorter period than allowed by the statutory limit. A reasonable maturity schedule not only reduces interest costs but balance the need to continually address capital improvements. The City of Lowell will, by policy, establish a goal of issuing debt for shorter periods than the maximum allowable when the statutory limit exceed 10 years. Exceptions may be made when grants, reimbursements or other situations warrant.

E. Debt Strategies

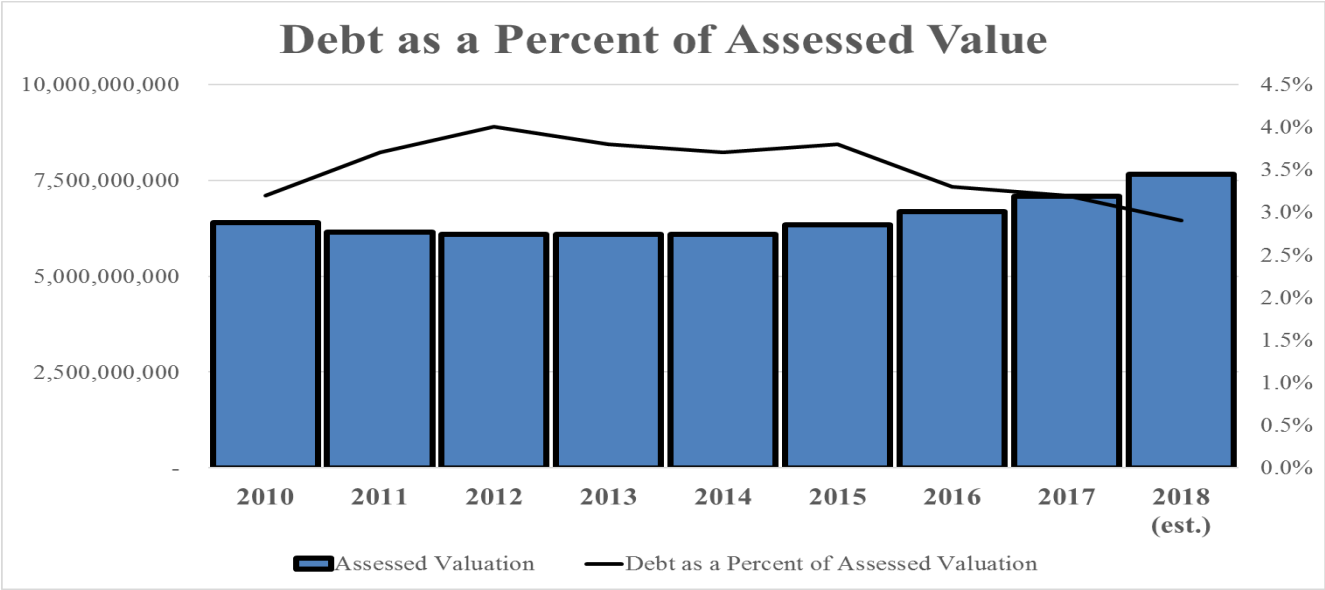
Alternative Financing Strategies: The City will continually pursue opportunities to acquire capital by means other than conventional borrowing; such as grants, and low-or zero- interest loans from state agencies such as the Mass. Clean Water Trust (MCWT) School Building Assistance (SBA) or the MWRA.

Debt Issuance: The City will work closely with the City's Financial Advisor and Bond Counsel to ensure that all legal requirements are met and that the lowest possible interest rate can be obtained. This includes preparation of the all-important disclosure document (official statement), as well as preparation of the required documents to be signed by the City Manager and the Treasurer, and signed and notarized by the City Clerk.

Revised: March, 2019

DEBT RATIOS

Fiscal Year	General Obligation Bonds Outstanding	Population	Assessed Valuation	Net Debt Per Capita	Debt as a Percent of Assessed Valuation
2018 (est.)	$224,464,495	110,558	$7,664,201,191	$1,893	2.9%
2017	$224,464,495	110,558	$7,090,285,250	$1,893	3.2%
2016	$236,079,708	110,699	$6,683,928,991	$2,132	3.3%
2015	$233,750,883	108,861	$6,332,311,813	$2,147	3.8%
2014	$225,286,056	108,861	$6,085,685,748	$2,069	3.7%
2013	$233,561,059	108,861	$6,082,517,858	$2,145	3.8%
2012	$242,943,543	106,519	$6,095,108,518	$2,281	4.0%
2011	$230,425,550	106,519	$6,149,861,125	$2,163	3.7%
2010	$204,910,795	106,519	$6,390,673,111	$1,924	3.2%



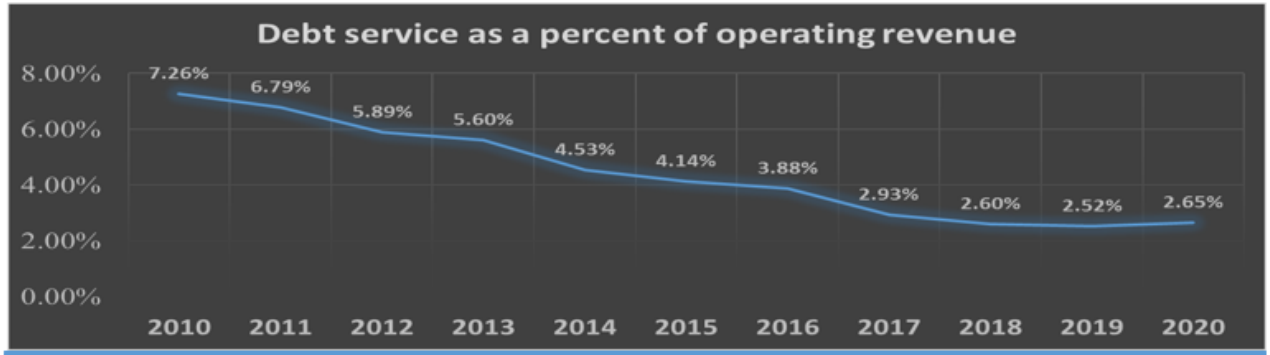
City of Lowell

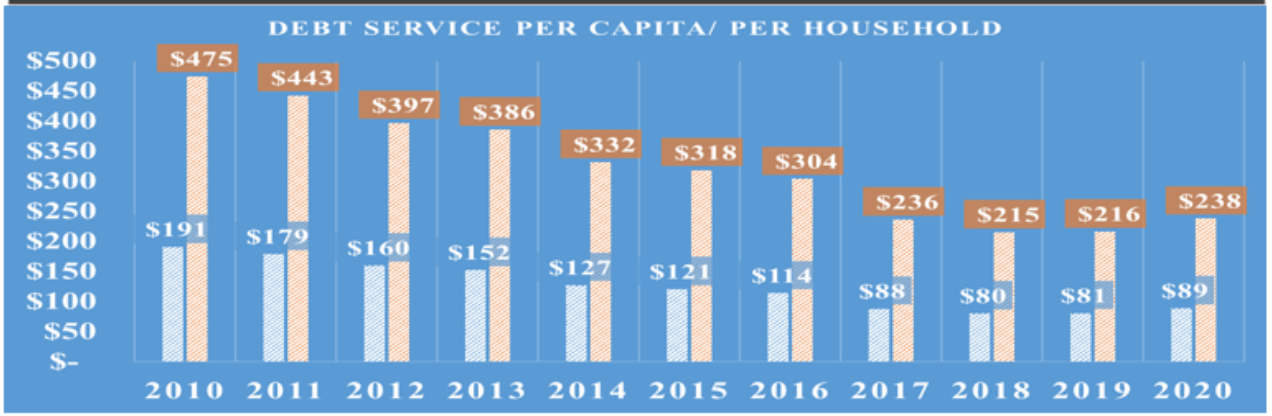
Financial Status Report - City of Lowell Operating Budget

Debt Service

Debt service exceeding 20 percent of operating revenues is considered a warning indicator by credit ratings agencies

Lowell Trend	
Favorable	X
Stable	
Marginal	
Unfavorable	
Uncertain	





Over the course of the last ten years, the City of Lowell has invested extensively in new capital projects. However, the debt service for these projects has not been fully realized by the General Fund. When the High School project comes on line, as well as the debt service for the capital plans, this number will increase, considerably.

Fiscal Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund Debt Service	$ 20,323,433	$ 19,148,222	$ 17,228,708	$ 16,503,031	$ 13,856,380	$ 13,198,490	$ 12,534,017	$ 9,742,713	$ 8,878,167	$ 8,927,893	$ 9,818,772
Gross Operating Revenue	$ 279,856,594	$ 281,933,791	$ 292,523,052	$ 294,651,953	$ 305,719,046	$ 319,129,748	$ 323,028,807	$ 332,591,186	$ 341,654,529	$ 354,284,972	$ 370,170,438
Population	106,519	107,096	107,676	108,259	108,845	109,434	110,027	110,622	110,622.00	110,622.00	110,622.00
Households	42,830	43,252	43,392	42,761	41,787	41,448	41,258	41,258	41,258	41,258	41,258
Debt Service as a % of GF Revenue	7.26%	6.79%	5.89%	5.60%	4.53%	4.14%	3.88%	2.93%	2.60%	2.52%	2.65%
Debt Service per Capita	$ 191	$ 179	$ 160	$ 152	$ 127	$ 121	$ 114	$ 88	$ 80	$ 81	$ 89
Debt Service per Household	$ 475	$ 443	$ 397	$ 386	$ 332	$ 318	$ 304	$ 236	$ 215	$ 216	$ 238

GENERAL DEBT LIMIT

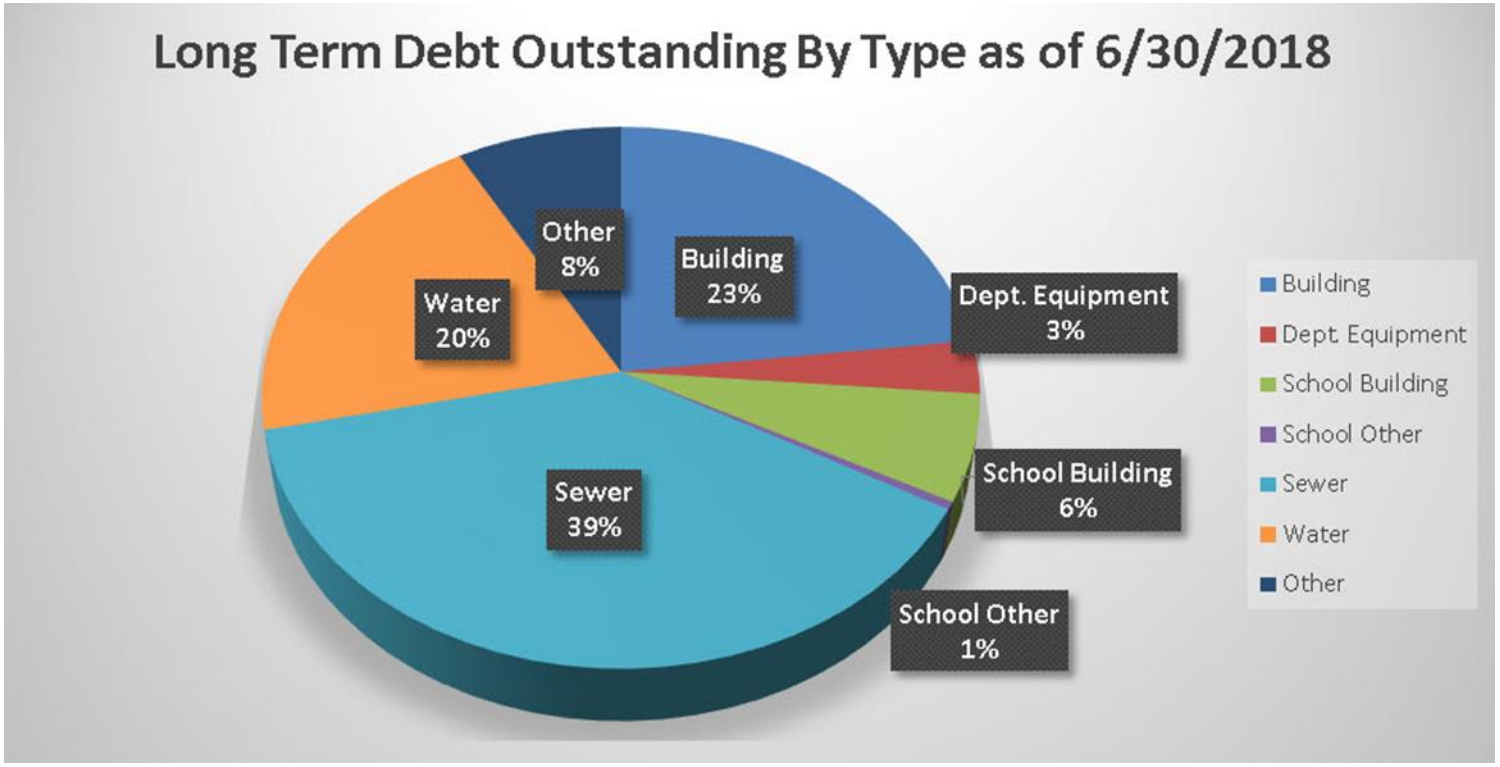
Under Massachusetts statutes, the General Debt Limit of the City of Lowell consists of a Normal Debt Limit (**Inside the Debt Limit**) and a Double Debt Limit **(Outside the Debt Limit**). The Normal Debt Limit of the City is 5% of the valuation of taxable property as last equalized by the State Department of Revenue (DOR). The City of Lowell can authorize debt up to this amount without State approval. It can authorize up to twice this amount (the Double Debt Limit) with the approval of the members of the municipal finance oversight board.

There are many categories of general obligation debt which are exempt from and do not count against the General Debt Limit. Among others, these exempt categories include revenue anticipation notes and grant anticipation notes, emergency loans, loans exempted by special laws, certain school bonds, sewer bonds, solid waste disposal facility bonds and, subject to special debt limits, bonds for water (limited to 10 percent of equalized valuation), housing urban renewal and economic development (subject to variation debt limits), electric and gas (subject to a separate limit equal to the General Debt Limit, including the same doubling provision). Industrial revenue bonds, electrical revenue bonds and water pollution abatement revenue bonds are not subject to these debt limits. The General Debt Limit and the special debt limit for water bonds apply at the time the debt is authorized. The other special debt limits generally apply at the time the debt is incurred.

DEBT LIMIT CALCULATION	
Equalized Valuation as of January 1, 2018	**$ 8,192,976,800**
Debt Limit (5% of Equalized Valuation)	**$ 409,648,840**
Total Outstanding Debt as of June 30, 2016	$ 246,269,331
Total Authorized/ Unissued Debt as of June 30, 2016 (Approximate)	$ 89,013,584
Total Outstanding Debt Plus Total Authorized/ Unissued Debt	**$ 335,282,915**
Amount of Outstanding Debt Outside the Debt Limit	$ 62,886,473
Appx. Amount of Authorized/ Unissued Debt Outside the Debt Limit	$ 19,155,785
Outstanding Debt plus Authorized/ Unissued Outside the Debt Limit	**$ 82,042,258**
Total Outstanding Debt Plus Total Authorized/ Unissued Debt	$ 335,282,915
Less: Outstanding Debt plus Authorized/ Unissued Outside the Debt Limit	$ 82,042,258
Debt Subject to the Debt Limit	**$ 253,240,657**
Debt Limit (5% of Equalized Valuation)	$ 409,648,840
Remaining Borrowing Capacity Under Debt Limit	**$ 156,408,183**

FY20 DEBT DISTRIBUTION – ALL FUNDS

	PRINCIPAL	INTEREST	SUBSIDY	FEE/ S/T INTEREST	Subsidy Reduction – IRS/ Sequestration	REQUIRED APPROPRIATION
Water	3,858,225	1,159,331	(299,466)	58,707		5,076,264
Sewer	4,883,016	2,508,319	(175,344)	93,757		7,309,748
Parking	2,404,500	1,009,715	-	-		3,414,215
General Fund	7,351,597	2,660,544	(205,536)	-	12,167	9,818,772
Total	**18,497,338**	**7,337,910**	**(680,345)**	**152,464**		**25,618,999**



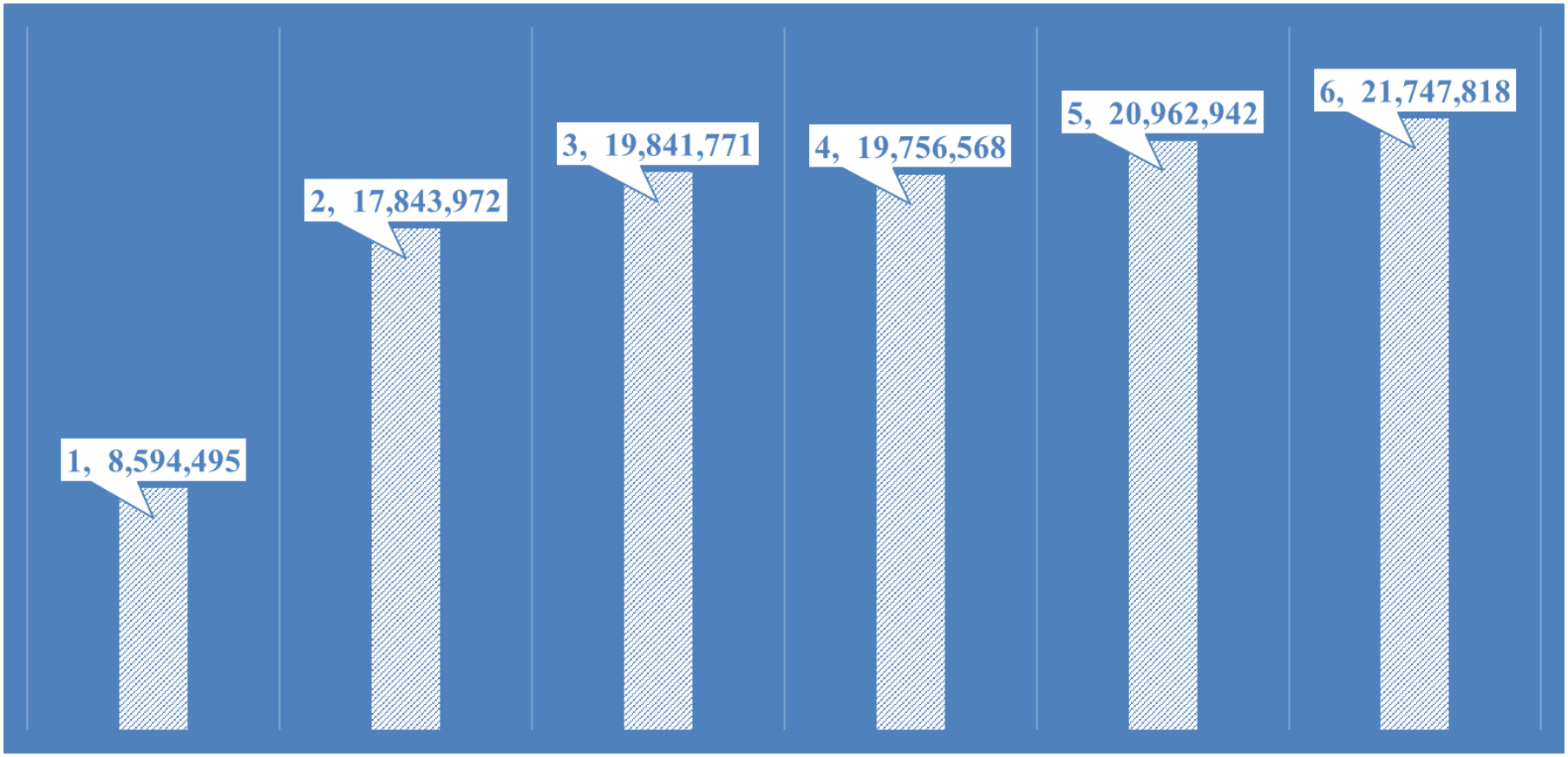
DEBT POSITION[6]

Debt Service Requirements As of June 30, 2018							
Fiscal	Currently Outstanding		QECB [7]	RZEDB[8]	MCWT[9]	MSBA[10]	Net
Year	Principal	Interest	Subsidy	Subsidy	Subsidy	Subsidy	Debt Service
2020	17,822,079	7,055,913	(57,276)	(148,259)	(471,188)	(1,192,791)	**23,008,478**
2021	17,802,032	6,327,799	(52,249)	(138,168)	(437,047)	(1,192,791)	**22,309,576**
2022	17,234,045	5,654,107	(47,222)	(127,008)	(188,416)	(1,192,791)	**21,332,716**
2023	15,608,160	4,995,606	(42,194)	(115,430)	(173,569)	(1,192,791)	**19,079,786**
2024	13,929,428	4,421,216	(37,167)	(103,433)	(59,132)	-	**18,150,913**
2025	14,127,903	3,899,532	(32,139)	(91,017)	(45,521)	-	**17,858,757**

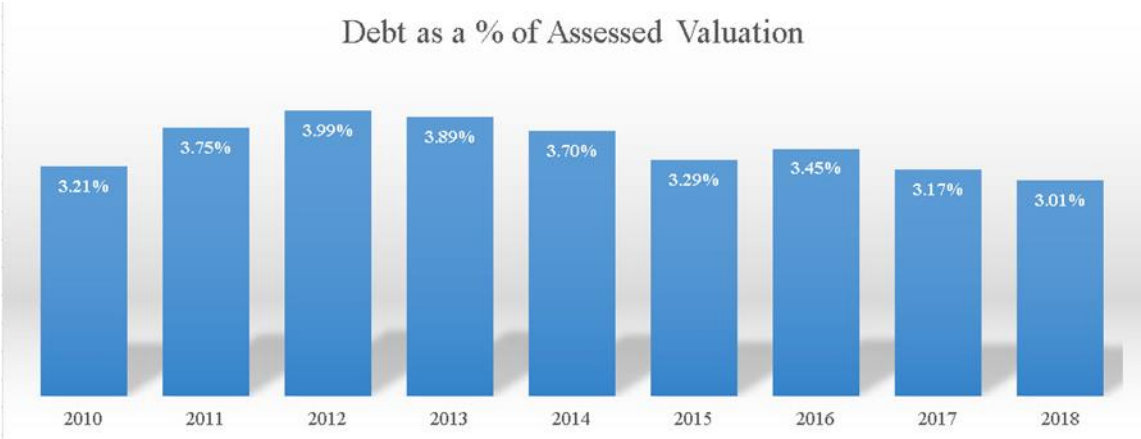
[6] Based on outstanding Debt as of 6/30/2016
[7] Qualified Energy Conservation Bonds
[8] Recovery Zone Economic Development Bonds
[9] Massachusetts Clean Water Trust
[10] Massachusetts School Building Authority

NET DEBT SERVICE FORECAST – EXISTING DEBT (GENERAL FUND ONLY)

FY2020 – FY2025



CITY OF LOWELL HISTORIC DEBT RATIOS



RESERVE POLICY

I. PURPOSE

The purpose of this policy is to

- Preserve the creditworthiness of the City for borrowing monies at favorable interest rates;
- Provide working capital to meet cash flow needs during the year;
- Attempt to stabilize fluctuations from year to year in property taxes paid by the city's taxpayers.

This policy statement reflects the long-term policy guidelines that have been used by the City's management team, which are now incorporated into the City's annual Budget and Capital Plan. Each year the City Manager will review these policy statements with the City Council, informing the public of the City's desire to maintain the highest standards of governance.

II. EFFECTIVE DATE OF POLICY

This policy shall take effect immediately upon adoption of the annual budget by the Lowell City Council for the fiscal year beginning 7/1/2019.

III. POLICY STATEMENT

Fund Balance is an important indicator of a community's financial position. An adequate fund balance must be maintained to allow the City to continue to meet its obligations in the event of an economic downturn and/or unexpected emergency. Therefore, the City of Lowell shall strive to achieve:

- An unassigned General Fund (GAAP) balance as of June 30 of each year equal to or greater than 15% of the ensuing fiscal year's operating revenue; and total general fund balance as of June 30 of each year equal to or greater than 25% of the ensuing fiscal year's operating revenue.

In order to achieve the goal of mitigating certain unforeseen future fiscal events, the City of Lowell shall annually appropriate an amount equal to at least 5% of the most recently certified "Free Cash" total by the Department of Revenue ("DOR").

The City shall further utilize "Free Cash" to replenish any reduction in fund balance in the prior year, according to the city's audited Basic Financial Statements. In the event that the fund balance on the most recent audited statements of greater than 5%, the City Manager shall recommend an additional 5% appropriation by the City Council from the "Free Cash" total.

IV. RESPONSIBILITY FOR POLICY

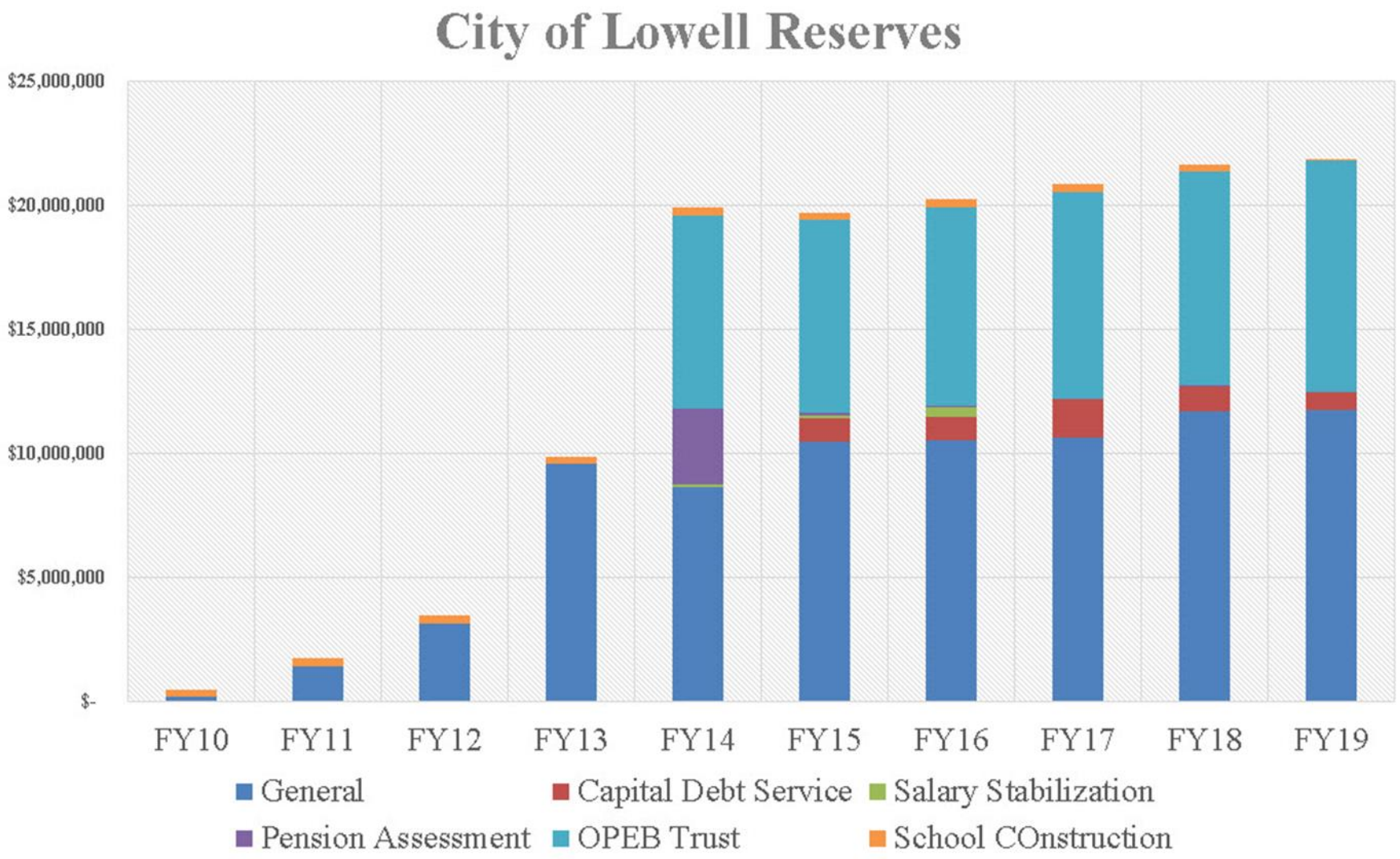
As part of the annual budget preparation process, the CFO and the Finance Team will estimate the surplus or deficit for the current year and prepare a projection of the year-end unreserved/undesignated general fund balance. Any anticipated balance in excess of the targeted maximum unreserved/undesignated fund balance may be budgeted to reduce the ensuing year's property tax levy or fund one-time capital projects.

This policy shall be reviewed during the City's Annual Budget and Public Investment Program process.

Last Updated: **May, 2019**

POLICY CALCULATIONS – FY2019 UPDATE

	FY18	FY17	FY16	FY15	FY14	FY13
Unassigned Fund Balance	$ 16,286,976	$ 18,711,279	$ 15,410,167	$ 14,915,961	$ 12,054,938	$ 15,358,929
Total Fund Balance (General Fund)	$ 19,353,838	$ 23,711,759	$ 22,163,713	$ 23,150,172	$ 24,522,824	$ 25,529,409
Budgeted Revenue	$326,197,052	$ 316,692,981	$ 312,096,432	$ 308,339,368	$ 295,895,725	$ 289,281,657
Unassigned FB as a % of next year's revenue	**4.87%**	**7.27%**	**4.87%**	**4.78%**	**3.91%**	**5.19%**
5% of next year's budgeted revenue (Policy Goal)	N/A	$16,309,853	$ 15,834,649	$ 15,604,822	$ 15,416,968	$ 14,794,786
Excess/ (Deficiency)	N/A	$ 2,401,426	$ (424,482)	$ (688,861)	$ (3,362,030)	$ 564,143
General Fund Balance as % of next year's revenue	**N/A**	**7.3%**	**7.0%**	**7.4%**	**8.0%**	**8.6%**

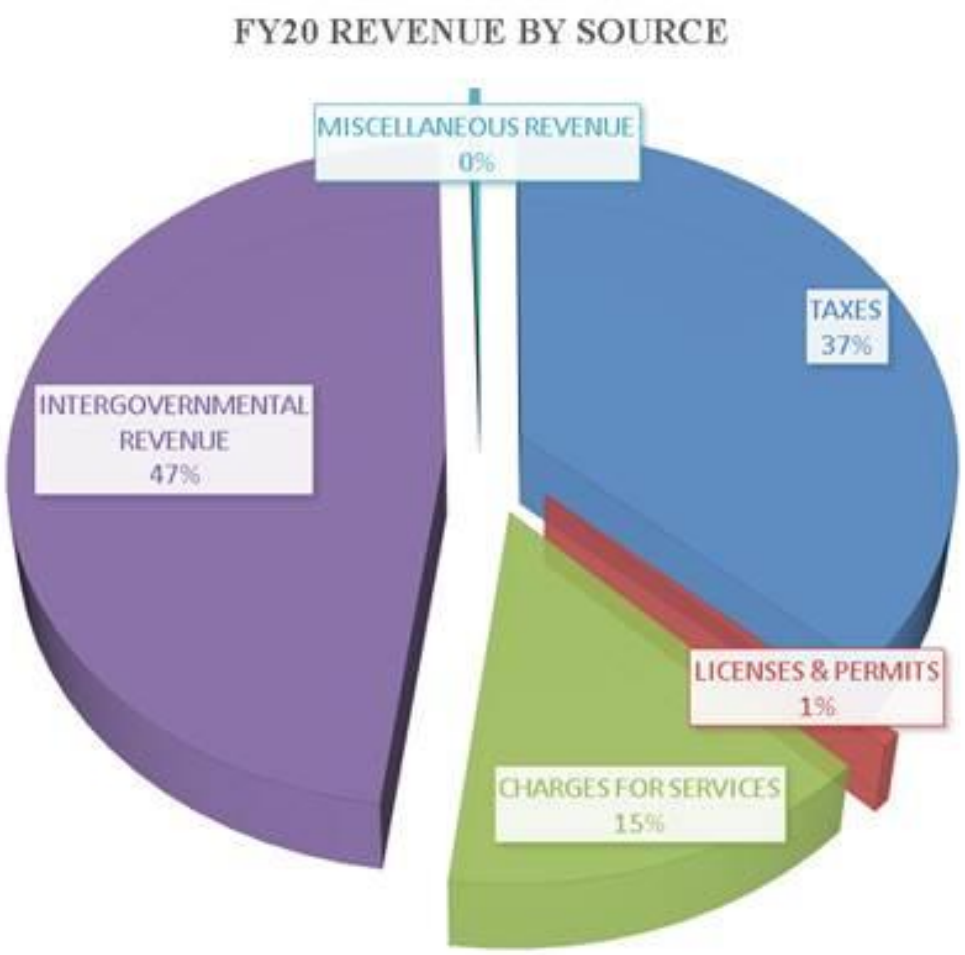

City of Lowell Reserves
$25,000,000
$20,000,000
$15,000,000
$10,000,000
$5,000,000
$-
FY10
FY11
FY12
FY13
FY14
FY15
FY16
FY17
FY18
FY19
General
Capital Debt Service
Salary Stabilization
Pension Assessment
OPEB Trust
School COnstruction

APPROPRIATION BY FUNCTION

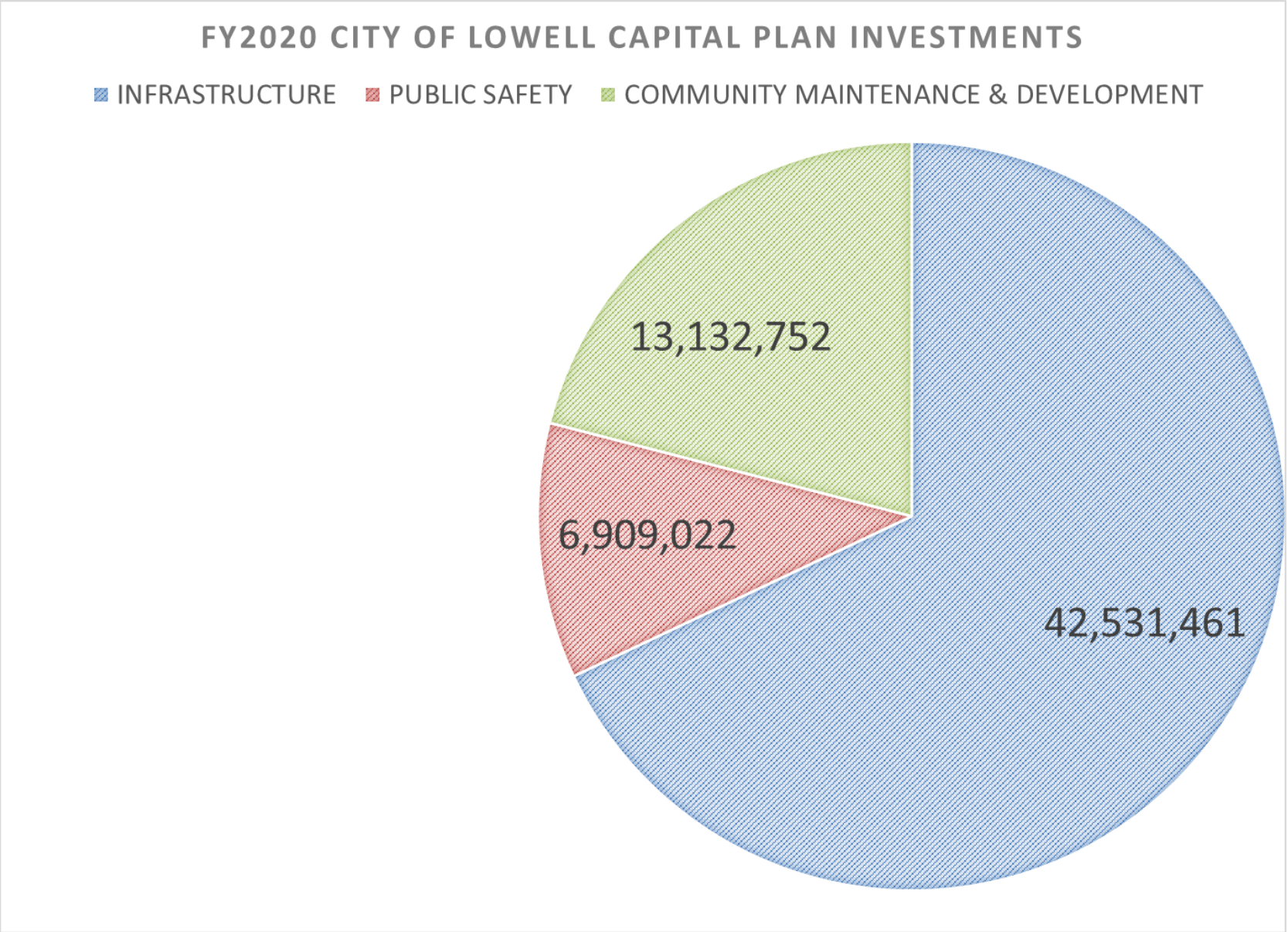
SUMMARY: FY20 OPERATIONS (ALL FUNDS)

PROGRAM EXPENDITURES	FY17 BUDGET	FY18 BUDGET	FY19 BUDGET	FY20 BUDGET
GENERAL GOVERNMENT	$ 90,740,895	$ 95,989,078	$ 101,255,724	$ 107,420,511
PUBLIC SAFETY	44,534,457	46,516,535	47,095,511	48,016,986
PUBLIC WORKS	39,828,794	39,819,790	40,682,044	40,626,186
HUMAN SERVICES	3,443,603	3,664,120	3,813,436	4,153,547
CULTURE/ RECREATION	2,040,531	2,289,294	2,180,484	2,145,870
EDUCATION	169,440,620	174,288,447	178,251,008	189,438,346
DEBT SERVICE (CAPITAL IMPROVEMENTS)	24,124,141	22,393,187	25,296,620	25,618,999
	374,153,041	384,960,452	398,574,827	$ 417,420,445

FINANCING PLAN	FY17 BUDGET	FY18 BUDGET	FY19 BUDGET	FY20 BUDGET
TAXES	$ 135,290,791	$ 141,045,987	$ 145,955,966	$ 150,238,988
LICENSES & PERMITS	2,618,400	2,756,500	2,479,675	2,543,450
CHARGES FOR SERVICES	56,383,641	56,778,220	59,710,976	61,832,351
INTERGOVERNMENTAL REVENUE	177,932,917	182,821,033	189,006,650	201,079,156
MISCELLANEOUS REVENUE	1,927,292	1,558,692	1,421,559	1,726,500
	374,153,041	384,960,432	398,574,826	417,420,445



TOTAL OPERATING BUDGET: $417,746,634



TOTAL CAPITAL BUDGET: $25,243,236

FY20 Public Investment Financing Plan – Capital Project Breakdown

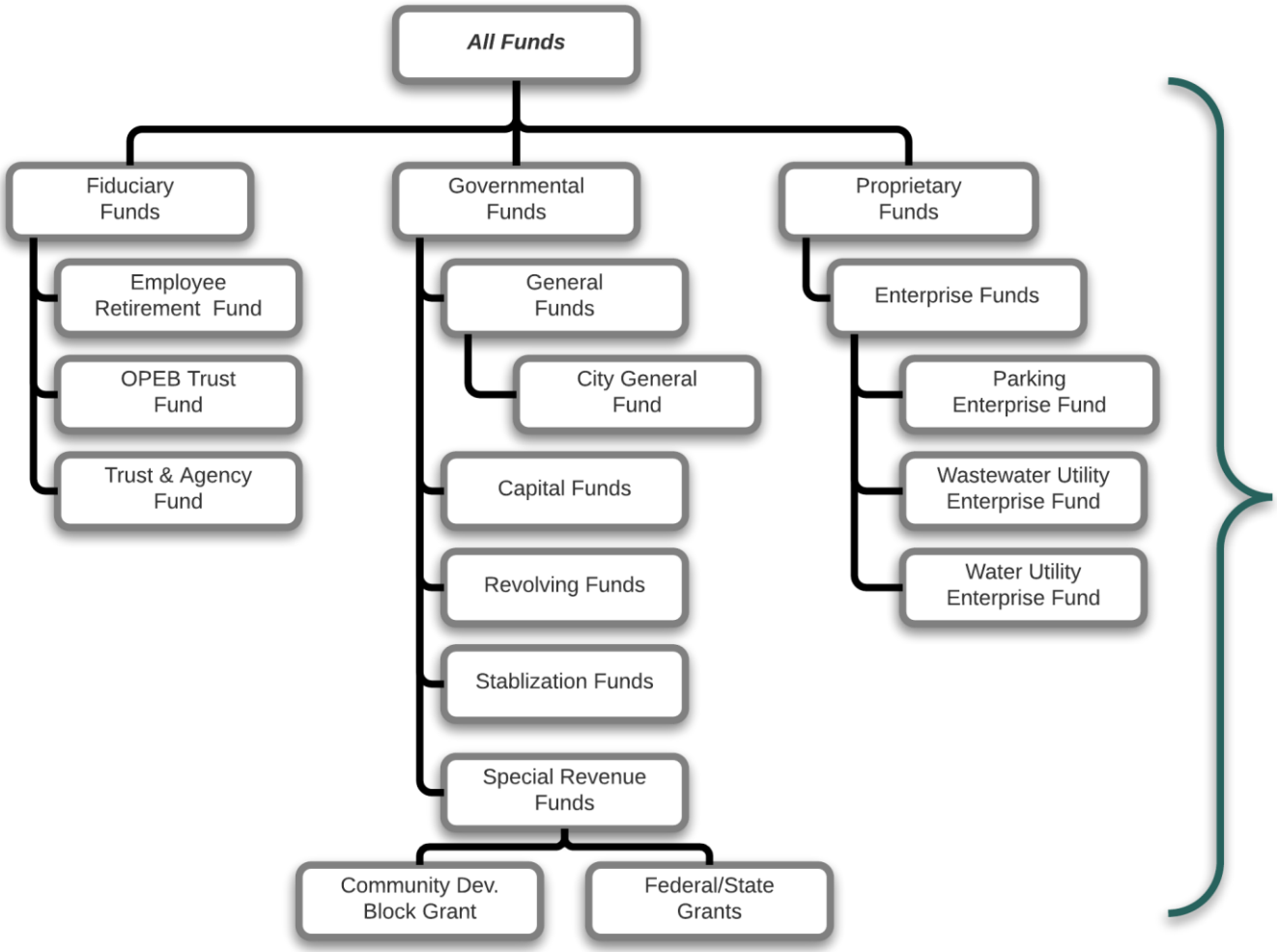
TOTAL PROJECT COSTS - ALL FUNDING SOURCES			
PROJECT TYPE		**COST**	**CATEGORY**
LORD OVERPASS CONSTRUCTION	$	21,300,000	INFRASTRUCTURE
TANNER STREET REALIGNMENT	$	12,600,000	INFRASTRUCTURE
CITY-WIDE PAVING & SIDEWALKS PROGRAM		4,000,170	INFRASTRUCTURE
NETWORK INFRASTRUCTURE UPGRADES		1,197,210	INFRASTRUCTURE
NATIONAL PARK ("NPS")/ LAND SWAP		1,488,470	INFRASTRUCTURE
TRAFFIC SIGNALIZATION		525,000	INFRASTRUCTURE
ANDOVER ST. IMPROVEMENTS & TRAFFIC CALMING		200,000	INFRASTRUCTURE
VAULT ABANDONMENT		35,000	INFRASTRUCTURE
ADA IMPLEMENTATION		1,185,611	INFRASTRUCTURE
PUBLIC SAFETY COMMUNICATIONS UPGRADES		6,329,022	PUBLIC SAFETY
FIRE APPARATUS REPLACEMENT		580,000	PUBLIC SAFETY
MERRIMACK RIVERWALK		4,016,376	COMMUNITY MAINT/DEV.
OPEN SPACE PLAN IMPLEMENTATION		500,000	COMMUNITY MAINT/DEV.
MERRIMACK RIVERWALK		4,016,376	COMMUNITY MAINT/DEV.
HCID CANALWAY		100,000	COMMUNITY MAINT/DEV.
RELOCATION COSTS		4,500,000	COMMUNITY MAINT/DEV.
	$	62,573,235	

FY20 PUBLIC INVESTMENT FINANCING PLAN – ALL FUNDING SOURCES

Approved FY19	PROGRAM EXPENDITURES	Budget FY20
18,874,331	INFRASTRUCTURE	42,531,461
1,663,837	PUBLIC SAFETY	6,909,022
900,000	COMMUNITY DEVELOPMENT	13,132,752
126,162	DEPARTMENT VEHICLES	-
21,564,330		**62,573,235**

Approved FY19	FINANCING PLAN	Budget FY20
1,855,090	CHAPTER 90 (HIGHWAY)	1,860,170
	LEGISLATIVE EARMARKS	250,000
	FHWA - FEDERAL LANDS GRANT	3,008,376
	FLAP GRANT	230,000
6,700,000	MASS WORKS GRANT	12,250,000
	MASSDOT FUNDING	15,000,000
2,500,000	EDA GRANT	
608,264	FEMA GRANT	
	PREVIOUSLY FUNDED - CITY CAPITAL	4,731,396
9,900,976	GENERAL FUND - FY2020 BOND PROCEEDS	25,243,294
21,564,330		**62,573,236**

CITY FUND STRUCTURE



Major Fund Descriptions:

General Fund - The City's primary operating fund, it accounts for all financial resources of the general fovernment, except those required to be accounted for in another fund.

Capital Funds - Accounts for financial resources to be used for the acquisition or construction of major public investments, often referred to as capital projects.

Parking Enterprise Fund - Accounts for activities related to on street and off street (garage) parking services to City residents.

Wastewater Utility Enterprise - Accounts for activities related to the sewer service to City residents

Water Utility Enterprise - Accounts for activities related to the preparation and delivery of water to City residents.

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CITY FUND BALANCES – FY2017 VS FY2018[11]

RECONCILIATION OF FUND EQUITY (RETAINED EARNINGS) FOR THE FISCAL YEAR END JUNE 30, 2018

	ITEM DESCRIPTION	GENERAL	SPECIAL REVENUE	CAPITAL PROJECTS	ENTERPRISE	TRUST	TOTAL
1	Total Revenue	328,060,958	51,807,942	9,019,722	40,925,078	15,403,885	445,217,585
2	Total Expenditure	342,032,831	53,132,067	25,288,303	32,047,466	15,547,575	468,048,242
3	**TOTAL EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES *LINE 1 – LINE 2***	**(13,971,873)**	**(1,324,125)**	**(16,268,581)**	**8,877,612**	**(143,690)**	**(22,830,657)**
4	Transfer From Other Funds	13,593,571	2,174,533	98,462		3,063,709	18,930,275
5	Other Financing Sources			22,194,305		650,000	22,844,305
6	Transfer To Other Funds	4,317,419	3,168,659		8,832,842	2,611,355	18,930,275
7	Other Financing Uses						
8	Transfer Other Financing Sources **(Uses)** *Sum of Lines 4 and 5 MINUS Lines 6 and 7*	9,276,152	(994,126)	22,292,767	(8,832,842)	1,102,354	22,844,305
9	**TOTAL EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES** (USES) *SUM OF LINES 3 AND 8*	**(4,695,721)**	**(2,318,251)**	**6,024,186**	**44,770**	**958,664**	**13,648**
10	Fund Equity (Retained Earnings) Beginning of Year	9,642,388	11,638,016	(6,868,547)	18,827,655	26,924,096	60,163,608
11	Other Adjustments		(78,829)		77,847		(982)
12	**TOTAL FUND EQUITY (RETAINED EARNINGS) END OF YEAR** *SUM OF LINES 9 THROUGH 11*	4,946,667	9,240,936	(844,361)	18,872,425	27,960,607	60,176,274

[11] Fund Balances are listed for the Fiscal Year 2016 as approved by the Department of Revenue on the FY2017/ FY2018 Schedule A Reports.

RECONCILIATION OF FUND EQUITY (RETAINED EARNINGS) FOR THE FISCAL YEAR END JUNE 30, 2017

	ITEM DESCRIPTION	GENERAL	SPECIAL REVENUE	CAPITAL PROJECTS	ENTERPRISE	TRUST	TOTAL
1	Total Revenue	320,180,747	48,831,242	8,137,409	39,154,567	14,652,361	430,956,326
2	Total Expenditure	330,017,478	49,961,228	22,546,407	31,455,250	15,190,626	449,170,989
3	**TOTAL EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES *LINE 1 – LINE 2***	**(9,836,731)**	**(1,129,986)**	**(14,408,998)**	**7,699,317**	**(538,265)**	**(18,214,663)**
4	Transfer From Other Funds	12,331,611	(223,502)			2,522,630	14,630,739
5	Other Financing Sources		71,735			250,000	321,735
6	Transfer To Other Funds	2,082,278	1,048,766		(8,932,317)	205,252	321,735
7	Other Financing Uses						
8	Transfer Other Financing Sources **(Uses)** *Sum of Lines 4 and 5 MINUS Lines 6 and 7*	10,249,333	(1,200,533)		(8,932,317)	205,252	321,735
9	**TOTAL EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES** (USES) *SUM OF LINES 3 AND 8*	**412,602**	**(2,330,519)**	**(14,408,998)**	**(1,233,000)**	**(333,013)**	**(17,892,928)**
10	Fund Equity (Retained Earnings) Beginning of Year	9,231,685	12,567,122	7,540,451	19,966,563	27,257,109	76,562,930
11	Other Adjustments	(1,899)	1,401,413		94,092		1,493,606
12	**TOTAL FUND EQUITY (RETAINED EARNINGS) END OF YEAR** *SUM OF LINES 9 THROUGH 11*	9,642,399	11,638,016	(6,868,547)	18,827,655	26,924,096	60,163,608

MAJOR FUND HISTORIES

Organizing the financial records of a municipality into multiple, segregated locations for money are an important concept in Massachusetts municipal accounting and finance. A fund is a distinct entity within the municipal government in which financial resources and activity (assets, liabilities, fund balances, revenues, and expenditures) are accounted for independently in accordance with specific regulations, restrictions or limitations. Examples of funds include the general fund and enterprise funds. Communities whose accounting records are organized according to the Uniform Municipal Accounting System (UMAS) use multiple funds.

The General Fund is the basic operating fund of the City, and is used to account for all financial resources except those required to be accounted for in another fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses the enterprise funds to account for its sewer, water, and parking operations. The difference between assets and liabilities reported in a governmental fund is known as "fund balance" or "fund equity". Enterprise funds provide accountants, finance department personnel, elected officials, and the public with a detailed analysis of the cost for a particular service. One purpose served by this type of accounting is in setting fees for services at a level proper to fund the entirety of the operation. If in any one particular year, the fund balance in any of the City's enterprise funds becomes negative, meaning that the expenses are greater than the annual revenue, then the General Fund must provide a subsidy to cover the deficit on the subsequent year's tax bill. This exercise therefore forces public officials to ensure that the fees associated with sewer, water, or parking operation are commensurate with the cost of staff, equipment, contract, and debt service related to the operation's annual operating and capital budgets.

The following charts provide a history of the General Fund, the Water and Wastewater Utility, and Parking enterprises' revenue and expenses over a five-year history. It is broken down into major expense categories and revenue sources to highlight year-to-year changes. There is also a column which represents the total of Department Heads' FY20 "wish lists," labeled as "FY20 Request." This column and the data included therein is intended to underscore the difficult decisions that must be made by the City Manager and the financial team in achieving a balanced budget. Had all departmental requests been incorporated into the budget, the deficit would have been in excess of $16.6 million in the General Fund for fiscal year 2020. Balancing the budget, a measure prescribed by the Massachusetts General Laws, required astute financial analysis by the Manager's office. Since the beginning of the FY20 budget process in the late fall of FY2019 careful analysis was undertaken to conclude where costs could be scaled-back, as well as diligent negotiations with city Department Heads in order to reduce requests to a reasonable amount without sacrificing the level of services that the residents and businesses expect.

GENERAL FUND FIVE-YEAR HISTORY

	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Property Taxes	119,234,045	124,134,134	128,507,951	133,328,110	137,711,524	138,295,988
Local Aid	163,683,640	167,268,887	173,251,315	180,081,250	190,143,457	191,797,335
Local Receipts	28,034,550	26,518,226	27,071,117	23,789,688	21,384,225	23,429,312
Available Funds	2,387,145	4,371,903	4,325,744	5,798,929	-	6,768,679
Free Cash			-	-		-
MSBA Reimbursement	4,825,429	3,584,624	1,192,791	1,192,794	1,192,791	1,192,791
Indirect Revenues	6,764,714	8,912,317	8,812,842	9,012,522	8,000,000	9,250,000
Total Receipts	324,929,523	334,790,091	343,161,761	353,203,293	358,431,997	370,734,105

	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personal Services	57,342,451	59,081,165	61,853,517	67,077,312	70,022,003	67,839,544
Ordinary Expenses	12,498,680	13,489,026	13,163,026	13,053,460	15,089,838	13,281,275
Debt Service	12,534,017	9,742,713	8,608,667	9,442,844	9,818,772	9,818,772
Health Insurance	21,899,697	21,789,936	22,837,570	23,678,000	24,437,924	24,150,000
Retirement	20,389,684	22,994,676	24,344,417	25,980,831	27,711,906	27,261,906
Medicare Tax	2,631,973	2,748,206	2,858,872	2,792,260	2,876,028	2,750,000
Unemployment	233,689	213,591	130,115	275,000	550,000	425,000
Workers Compensation	703,205	603,419	704,986	625,000	750,000	625,000
Legal Claims	1,187,603	1,126,229	1,341,501	725,000	900,000	775,000
Trash Removal	5,119,794	5,084,661	5,198,120	5,512,500	6,245,515	6,050,515
Street Lighting	528,733	568,327	542,539	449,000	416,000	416,000
Snow & Ice	1,389,422	3,131,201	2,659,544	1,350,000	1,350,000	1,350,000
Lowell Public Schools	158,935,805	162,767,690	162,073,324	165,522,325	174,991,853	176,428,868
Essex Agricultural			40,962	80,000	-	-
Gr Lowell Vocational	7,497,127	7,664,312	8,568,862	9,032,683	9,267,478	9,267,478
No. Middlesex	30,519	31,282	32,064	32,864	33,851	33,851
Transfers						
Total Expenditures	302,922,399	311,036,434	314,958,086	325,629,079	344,461,167	340,473,208
Subtotal Surplus/(Deficit)	**22,007,123**	**23,753,657**	**28,203,674**	**27,574,214**	**13,970,830**	**30,260,897**
Unappropriated funding:						
Estimated Snow & Ice Deficit	-			-	(500,000)	-
Less Cherry Sheet Assessments	(20,826,847)	(22,351,582)	(24,309,943)	(26,474,214)	(28,431,424)	(29,160,897)
Provision for Abatements and Exemptions	(1,608,847)	(1,100,000)	(1,111,806)	(1,100,000)	(1,600,000)	(1,100,000)
Less Other Deficits to be Raised	(215,654)	(269,004)				
Net "Recap"	**(844,225)**	**33,071**	**2,781,925**	**0**	**(16,560,594)**	**(0)**

PARKING GARAGE ENTERPRISE FUND FIVE-YEAR HISTORY

	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Garage Revenue	4,752,088	4,637,437	4,684,768	4,465,000	4,615,000	4,615,000
Meter Revenue	1,365,472	1,396,562	1,372,825	1,250,000	1,250,000	1,250,000
Other Revenue	625,760	24,125	22,561	105,110	134,768	134,768
Ticket Revenue	1,005,090	1,026,353	954,450	1,006,000	956,000	956,000
Total Revenue	**7,748,410**	**7,084,478**	**7,034,603**	**6,826,110**	**6,955,768**	**6,955,768**

	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personal Services	309,539	322,082	318,236	388,174	378,976	378,976
Ordinary Expenses	2,949,957	2,612,585	2,714,525	2,983,627	3,149,745	3,149,745
Debt Service	2,278,097	2,953,096	2,936,631	3,466,477	3,414,215	3,414,215
Indirect Costs	702,431	1,219,684	1,220,985	1,040,009	1,071,209	1,071,209
Transfers/Adjustments		19,999	693,919			
Total Expenditures	6,240,025	7,127,447	7,884,296	7,878,286	8,014,146	8,014,146
Surplus/(Deficit)	**1,508,386**	**(42,969)**	**(849,693)**	**(1,052,176)**	**(1,058,378)**	**(1,058,378)**
Beginning Fund Balance	3,493,946	5,002,332	4,959,363	4,109,670	3,057,494	3,057,494
Estimated Operations	-	-		(1,052,176)	(1,058,378)	(1,058,378)
Projected Ending Fund Balance	3,493,946	5,002,332	4,959,363	3,057,494	1,999,116	1,999,116
Actual Operations	1,508,386	(42,969)	(849,693)			
Projected Ending Fund Balance (must be >0)	5,002,332	4,959,363	4,109,670	3,057,494	1,999,116	1,999,116

WASTEWATER ENTERPRISE FUND FIVE-YEAR HISTORY

	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Revenues	19,007,436	21,132,544	22,485,361	23,128,388	22,607,336	22,607,337

	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personal Services	3,084,889	3,190,612	3,233,541	3,306,611	3,459,733	3,419,733
Ordinary Expenses	7,310,118	7,343,485	7,012,149	7,355,000	8,885,000	8,227,500
Debt Service	6,519,450	6,462,639	6,398,879	7,087,373	7,309,748	7,309,748
Indirect Costs	3,672,560	3,049,297	4,919,831	5,023,683	5,174,393	5,174,393
Transfers/Adjustments	67,520	1,593,059	802,076			
Total Expenditures	20,654,537	21,639,092	22,366,477	22,772,667	24,828,874	24,131,374
Surplus/(Deficit)	(1,647,101)	(506,548)	118,884	355,721	(2,221,538)	(1,524,037)
Beginning Fund Balance	4,899,858	3,252,757	2,745,229	2,864,113	3,219,834	3,219,834
Estimated Operations				355,721	(2,221,538)	(1,524,037)
Projected Ending Fund Balance	4,899,858	3,252,757	2,745,229	3,219,834	998,295	1,695,796
Actual Operations	(1,647,101)	(507,528)	118,884			
Projected Ending Fund Balance (must be >0)	3,252,757	2,745,229	2,864,113	3,219,834	998,295	1,695,796

WATER ENTERPRISE FUND FIVE-YEAR HISTORY

	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Revenues	12,211,562	10,937,545	11,012,378	11,321,489	11,321,489	11,321,489

	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personal Services	1,982,478	1,924,090	1,972,985	2,370,849	2,599,242	2,541,536
Ordinary Expenses	2,749,815	2,780,763	2,860,848	3,324,000	4,122,500	4,122,500
Debt Service	2,889,137	3,865,898	4,619,673	4,944,206	5,076,264	5,076,264
Indirect Costs	2,342,203	3,049,297	2,672,026	2,948,830	2,948,830	2,948,830
Transfers/Adjustments	682,236	885,467	1,523,950			
Total Expenditures	10,645,869	12,505,515	13,649,481	13,587,885	14,746,836	14,689,130
Surplus/(Deficit)	**1,565,693**	**(1,567,969)**	**(2,637,103)**	**(2,266,396)**	**(3,425,346)**	**(3,367,641)**
Beginning Fund Balance	9,557,638	11,123,331	10,237,598	7,600,494	5,334,099	5,334,099
Estimated Operations				**(2,266,396)**	**(3,425,346)**	**(3,367,641)**
Projected Ending Fund Balance	9,557,638	11,805,567	10,237,598	5,334,099	1,908,752	1,966,458
Actual Operations	1,565,693	**(1,567,969)**	**(2,637,103)**			
Projected Ending Fund Balance (must be >0)	**11,123,331**	**10,237,598**	**7,600,494**	**5,334,099**	**1,908,752**	**1,966,458**

PROJECTED FIVE-YEAR FUND FORECASTS/BALANCES

A forecast of projected revenues and expenditures is a useful management and policymaking tool that enables a municipality to evaluate the impact of various government decisions over time. Since policy decisions often affect financial conditions for years to come, it is beneficial to analyze their associated fiscal impacts over a multiyear period, as in the following examples:

- What is the impact of a multiyear collective bargaining agreement?
- What is the impact of financing a new school, and how will its debt service affect the tax rate?
- How much will a proposed development add to the tax levy, and what will be its added service costs?
- What is the impact of moving solid waste disposal to a full cost recovery basis over the next three years?

Financial forecasting provides an effective approach to evaluating these and other policy choices under consideration by a municipality. A forecast can serve as an early warning system to detect future gaps between revenues and expenditures. Although it cannot insulate a community from all potential surprises, analyzing the financial picture in this comprehensive and structured manner reduces the risk of overlooking key information. Detecting problems early gives management more time to consider corrective actions. Assuming the forecast is done with spreadsheet software, it is a simple matter to hold all the other components of the forecast constant and isolate in turn the impact of various potential policy decisions on the bottom line.

GENERAL FUND FORECAST/BALANCE

Line Number	Category	*Assumptions*	2020	2021	2022	2023	2024	2025
1	Prior Year Levy	*From last yr*	133,785,808	138,295,988	144,356,712	150,568,955	156,936,504	163,463,242
2	Prop 2 1/2 Increase	*2.5%*	3,344,645	3,457,400	3,608,918	3,764,224	3,923,413	4,601,773
3	New Growth	*Three year avg.*	1,500,000	2,603,325	2,603,325	2,603,325	2,603,325	1,600,000
4	Tax Increase/(Decrease)	*2.0% in FY19*	(334,465)	-	-	-	-	-
5	Tax Levy	*Calculated*	138,295,988	144,356,712	150,568,955	156,936,504	163,463,242	169,665,015
6	Local Aid	*5 Year Average*	191,983,332	198,724,740	205,722,036	212,985,560	220,526,411	228,356,528
7	Local Receipts	*Flat Estimate*	23,429,312	23,357,992	23,387,642	23,418,297	23,449,994	23,482,772
8	Available Funds	*Reduce 25%/ yr*	6,256,493	4,692,370	3,519,277	2,639,458	1,979,593	1,484,695
9	MSBA Reimbursement	*From MSBA*	1,192,791	1,192,791	1,192,791	1,192,791	-	-
10	**Subtotal Gross Revenues**	***Sum (Line 5-9)***	**361,157,916**	**372,324,606**	**384,390,701**	**397,172,610**	**409,419,241**	**422,989,011**
11	Overlay	*2.50%*	1,100,000	1,127,500	1,155,688	1,184,580	1,214,194	1,244,549
12	State and County Charges	*5 Year Average*	28,832,881	31,698,639	34,862,363	38,355,319	42,212,096	46,470,955
13	Snow & Ice Deficit (a)		-	-	-	-	-	-
14	**Subtotal To Be Raised**	***Sum (Line 11 - 13)***	**29,932,881**	**32,826,139**	**36,018,051**	**39,539,899**	**43,426,290**	**47,715,504**
15	Indirect Reimb (Enterprises)	*calculated*	9,618,860	10,032,629	10,364,046	10,714,856	10,878,546	11,188,287
16	**Net Revenue**	***Line 10 + 14 + 15***	**340,843,895**	**349,531,095**	**358,736,696**	**368,347,566**	**376,871,497**	**386,461,794**

Line Number	Category	*Assumptions*	2020	2021	2022	2023	2024	2025
17	School Budget (Chap 70)	*5 Year Average*	160,069,667	165,585,113	171,290,602	177,192,682	183,298,128	190,224,490
18	School Budget (local)	*3.95%*	16,359,201	17,005,389	17,677,102	18,375,348	19,101,174	19,855,670
19	**Subtotal School Spending**	***Line 17 + 18***	**176,428,868**	**182,590,502**	**188,967,704**	**195,568,030**	**203,009,846**	**210,772,797**
20	Salaries & Wages	*2.50%*	70,299,226	72,142,047	75,112,014	78,204,641	81,424,994	84,778,347
21	Health/Dental Insurance	*5.00%*	24,150,000	25,420,013	25,701,137	25,985,402	26,272,842	26,563,493
22	Medicare Tax	*2.50%*	2,750,000	2,818,750	2,889,219	2,961,449	3,035,485	3,111,373
23	Pension Assessments	*2015 Actuarial*	27,261,906	29,102,356	30,079,349	31,089,046	32,132,191	33,209,428
24	Unemployment	*2.00%*	425,000	433,500	442,170	451,013	460,034	469,234
25	Existing Debt Service*	*DS attached*	9,818,772	8,594,495	9,051,952	8,624,386	6,743,943	6,439,560
26	Projected Capital Plan DS	*DS attached*	-	-	504,866	2,927,884	4,723,875	6,235,381
27	Lowell HS Rennovation Debt	*Option 3A*	-	-	8,289,500	8,289,500	8,288,750	8,288,000
28	Trash Removal	*Calculated*	6,050,515	6,715,112	6,983,617	7,264,573	7,627,802	8,009,192
29	Utility Accounts	*3.00%*	1,390,500	1,432,215	1,475,181	1,519,437	1,565,020	1,611,971
30	Street Lights	*1.50%*	416,000	422,240	428,574	435,002	441,527	448,150
31	Greater Lowell Technical HS	*2.50%*	8,247,278	8,453,460	8,664,796	8,881,416	9,103,452	9,331,038
32	GLTHS Capital Assessment	*DS attached*	1,020,200	1,013,017	995,789	974,984	954,179	933,374
33	Snow & Ice	*2.50%*	1,418,344	1,453,802	1,490,147	1,527,401	1,565,586	1,604,726
34	Claims	*2.25%*	775,000	792,438	810,267	828,498	847,140	866,200
35	Essex Agricultural	*0.00%*	92,000	92,000	92,000	92,000	92,000	92,000
36	N Middlesex Area Comm	*2.50%*	36,772	37,691	38,633	39,599	40,589	41,604
37	All Other Expenses	*2.00%*	9,601,805	9,793,841	9,989,718	10,189,512	10,393,302	10,601,168
38	**Subtotal "City" Spending**	***Sum (Line 20 - 37)***	**163,753,317**	**168,716,977**	**183,038,930**	**190,285,746**	**195,712,712**	**202,634,240**
39	**Total Appropriations**	***Line 19 + 38***	**340,182,185**	**351,307,479**	**372,006,634**	**385,853,776**	**398,722,558**	**413,407,037**
40	**Surplus/(Deficit)**	***Line 16 - 39***	**661,710**	**(1,776,383)**	**(13,269,938)**	**(17,506,209)**	**(21,851,061)**	**(26,945,242)**

TAX LEVY FORECAST/BALANCE

Line Number	Category	*Assumptions*	2020	2021	2022	2023	2024	2025
1a	Prior Year Levy Limit	*From DOR*	152,560,490	157,874,502	164,424,690	171,138,632	178,020,423	184,070,933
	Plus amended prior yr growth		-	-	-	-	-	-
2a	*Plus Prop 2 1/2 Increase*	*Line 1 * 2.5%*	3,814,012	3,946,863	4,110,617	4,278,466	4,450,511	4,601,773
3a	*Plus New Growth*	*3 Year Average*	1,500,000	2,603,325	2,603,325	2,603,325	1,600,000	1,600,000
4a	**New Levy Limit**	***Sum Line 1a-3a***	157,874,502	164,424,690	171,138,632	178,020,423	184,070,933	190,272,707
5a	New Levy Limit	*Line 4a*	157,874,502	164,424,690	171,138,632	178,020,423	184,070,933	190,272,707
6a	*Less Tax Levy*	*Line 5 (above)*	(138,295,988)	(144,356,712)	(150,568,955)	(156,936,504)	(163,463,242)	(169,665,015)
7a	**Excess Levy Capacity**	***Line 5a + 6a***	**19,578,515**	**20,067,977**	**20,569,677**	**21,083,919**	**20,607,692**	**20,607,692**
Deficit (prior pg.) as % of the Levy		***Line 40 / Line 5a***	**0%**	**1%**	**9%**	**11%**	**13%**	**16%**

*Does not include subsidies

PARKING ENTERPRISE FUND FORECAST/BALANCE

Line Number	Category	*Assumptions*	2020	2021	2022	2023	2024	2025
1	Penalties & Interest	*0.00%*	306,000	306,000	306,000	306,000	306,000	306,000
2	Fines	*3.00%*	652,520	650,000	669,500	689,585	710,273	-
3	Streets	*2.00%*	1,250,000	1,275,000	1,300,500	1,326,510	1,353,040	1,380,101
4	Ayotte	*2.00%*	835,000	851,700	868,734	886,109	903,831	921,907
5	Downes	*2.00%*	1,100,000	1,122,000	1,144,440	1,167,329	1,190,675	1,214,489
6	Davidson Lot	*2.00%*	190,000	193,800	197,676	201,630	205,662	209,775
7	Roy	*2.00%*	1,040,000	1,060,800	1,082,016	1,103,656	1,125,729	1,148,244
8	Lower Locks	*2.00%*	475,000	484,500	494,190	504,074	514,155	524,438
9	Early	*1.75%*	975,000	994,500	1,014,390	1,034,678	1,055,371	1,076,479
10	Pass Cards	*5.00%*	30,000	31,500	33,075	34,729	36,465	38,288
11	NEW HCID Garage	*4.00%*	-	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
12	Misc	*5.00%*	102,268	185,942	187,270	187,688	188,910	25,526
13	**Revenues**	***Sum of Line 1 - 11***	**6,955,788**	**8,355,742**	**8,497,791**	**8,641,987**	**8,790,112**	**8,045,248**
14	Salaries & Wages	*3.00%*	378,976	418,820	436,117	454,129	472,884	492,415
15	plus General Fund indirect	*3.00%*	207,715	213,946	220,365	226,976	233,785	240,799
16	Health/Dental Insurance	*7.00%*	686,688	734,757	786,190	841,223	900,109	963,116
17	Medicare Tax (1.45% of wages)	*calculated*	5,495	6,073	6,324	6,585	6,857	7,140
18	Pension Assessments	*4.50%*	218,286	228,109	238,374	249,101	260,311	272,025
19	Debt Service	*attached*	3,414,215	3,179,096	3,172,021	3,034,546	2,680,006	2,913,326
20	HCD Garage Design/ Build	*attached*	-	2,081,884	2,081,884	2,081,884	2,081,884	467,000
21	Utility Accounts	*5.00%*	271,215	284,776	299,015	313,965	329,664	346,147
22	All Other Expenses	*2.00%*	2,542,341	2,593,188	2,645,051	2,697,952	2,751,911	2,806,950
23	plus General Fund indirect	*3.00%*	289,214	297,891	306,828	316,032	325,513	335,279
24	**Appropriations**	***Sum of Line 13 - 22***	**8,014,146**	**10,038,540**	**10,192,168**	**10,222,394**	**10,042,924**	**8,844,195**
25	**Surplus/(Deficit)**	***Line 23 - Line 12***	**(1,058,358)**	**(1,682,798)**	**(1,694,377)**	**(1,580,407)**	**(1,252,812)**	**(798,947)**
26	Beginning Fund Balance	*As Certified by DOR*	3,057,494	1,999,136	316,338	(1,378,039)	(2,958,446)	(4,211,258)
27	Operations	*Line 24*	(1,058,358)	(1,682,798)	(1,694,377)	(1,580,407)	(1,252,812)	(798,947)
28	**Ending Fund Balance**	***Line 25 + Line 26***	**1,999,136**	**316,338**	**(1,378,039)**	**(2,958,446)**	**(4,211,258)**	**(5,010,205)**

WASTEWATER ENTERPRISE FUND FORECAST/BALANCE

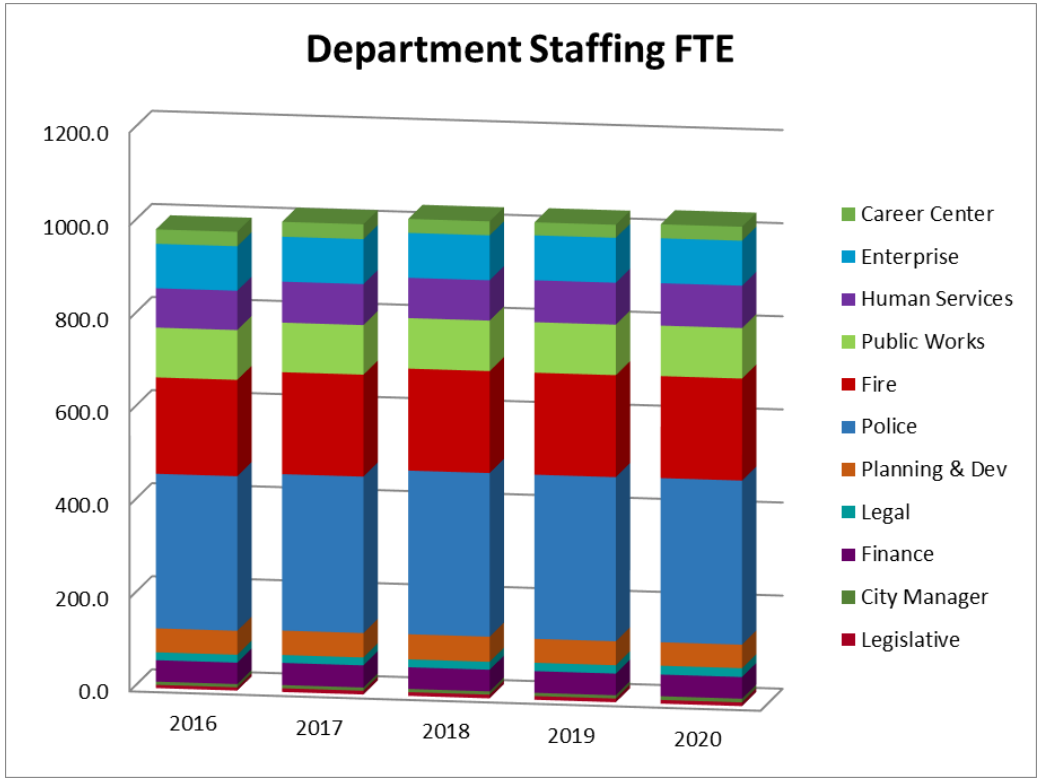
Line Number	Category	*Assumptions*	2020	2021	2022	2023	2024	2025
1	Local Revenues	*See below*	15,928,595	15,928,595	16,725,025	17,561,276	18,439,340	19,361,307
2	Tewksbury	*5.0%*	1,207,791	1,268,181	1,331,590	1,398,169	1,468,078	1,541,481
3	Chelmsford	*5.0%*	1,319,986	1,385,985	1,455,284	1,528,048	1,604,451	1,684,673
4	Dracut/Tyngsboro	*5.0%*	1,048,283	1,100,697	1,155,732	1,213,519	1,274,195	1,337,905
5	Septage	*3.0%*	1,875,000	1,975,000	2,075,000	2,175,000	2,275,000	2,375,000
6	Liens 201	*0.0%*	983,082	1,032,236	1,083,848	1,138,040	1,194,942	1,254,689
7	Lab	*2.0%*	18,100	18,462	18,831	19,208	19,592	19,984
8	Pre-Treatment	*0.0%*	-	-	-	-	-	-
9	Retained Earnings	*N/A*	1,523,538	-	-	-	-	
10	Misc Other	*5.0%*	227,000	238,350	250,268	262,781	275,920	1,914
11	**Revenues**	***Sum of Line 1-9***	**24,131,375**	**22,947,506**	**24,095,578**	**25,296,042**	**26,551,517**	**27,576,954**
12	Salaries & Wages	*3.0%*	3,476,240	3,567,665	3,715,010	3,868,440	4,028,206	4,194,571
13	plus General Fund indirect	*3.0%*	1,802,500	1,856,575	1,912,272	1,969,640	2,028,730	2,089,592
14	Health/Dental Insurance	*5.0%*	892,500	937,125	983,981	1,033,180	849,263	858,660
15	Medicare Tax (1.45% of wages)	*calculated*	50,405	51,731	53,868	56,092	58,409	60,821
16	Pension Assessments	*4.5%*	1,306,250	1,365,031	1,426,458	1,490,648	1,584,807	1,637,938
17	Debt Service	*attached*	7,309,748	6,785,618	6,717,557	6,562,953	6,146,564	5,509,090
19	CSO Debt Service	*attached*	-	1,280,708	1,280,708	1,280,708	1,280,708	1,280,708
20	Utility Accounts	*2.0%*	1,351,500	1,378,530	1,406,101	1,434,223	1,462,907	1,492,165
21	All Other Expenses	*3.0%*	6,597,909	6,795,846	6,999,722	7,209,713	7,426,005	7,648,785
22	plus General Fund indirect	*0.0%*	1,344,322	1,344,322	1,344,322	1,344,322	1,344,322	1,344,322
23	**Appropriations**	***Sum of Line 11-20***	**24,131,375**	**25,363,152**	**25,839,998**	**26,249,920**	**26,209,921**	**26,116,652**
24	**Surplus/(Deficit)**	***Line 10 - Line 21***	**0**	**(2,415,646)**	**(1,744,420)**	**(953,878)**	**341,597**	**1,460,302**
25	**Beginning Fund Balance**	*As Certified by DOR*	3,219,834	3,219,834	804,188	(940,232)	(1,894,110)	(1,552,513)
26	Operations	*Line 22*	0	(2,415,646)	(1,744,420)	(953,878)	341,597	1,460,302
27	**Ending Fund Balance**	***Line 23 + Line 24***	**3,219,834**	**804,188**	**(940,232)**	**(1,894,110)**	**(1,552,513)**	**(92,212)**
	Local Rate Increase	*For Discussion*	0.00%	5.00%	5.00%	5.00%	5.00%	5.00%

WATER ENTERPRISE FUND FORECAST/BALANCE

Line Number	Category	*Assumptions*	2020	2021	2022	2023	2024	2025
1	Water Revenues	1.00%	10,014,146	10,518,859	11,155,250	11,942,811	12,906,595	13,687,444
2	Liens	1.00%	702,343	737,741	782,374	837,610	905,205	959,970
3	SRECs	0.00%	-	-	-	-	-	-
4	Junk/ Scrap		10,000	-	-	-	-	-
5	Other Interest	0.00%	200,000	200,000	200,000	200,000	200,000	-
6	Misc Other	0.00%	275,000	275,000	275,000	275,000	275,000	275,000
7	Retained Earnings	N/A	3,068,174	-	-	-	-	-
8	**Revenues**	***Sum of Line 1-7***	**14,389,663**	**11,851,600**	**12,532,624**	**13,375,421**	**14,406,801**	**15,042,415**
9	Salaries & Wages	3.00%	2,569,460	2,637,037	2,745,947	2,859,354	2,977,446	3,100,414
10	plus General Fund indirect	3.00%	645,461	646,258	685,134	730,513	783,760	822,222
11	Health/Dental Insurance	5.00%	563,458	667,623	675,008	682,475	690,026	697,661
12	Medicare Tax (1.45% of wages	calculated	37,257	38,237	39,816	41,461	43,173	44,956
13	Pension Assessments	4.50%	1,120,498	1,196,143	1,236,299	1,277,798	1,320,673	1,364,949
14	Debt Service	separate file	4,776,798	4,469,301	3,997,792	3,919,766	3,802,063	3,802,603
15	Utility Accounts	2.00%	762,563	777,814	793,370	809,237	825,422	841,931
16	All Other Expenses	2.00%	1,948,285	1,987,251	2,026,996	2,067,536	2,108,886	2,401,064
17	plus General Fund indirect	0.00%	448,808	448,808	448,808	448,808	448,808	448,808
18	**Appropriations**	***Sum of Line 9-17***	**14,390,089**	**14,370,971**	**14,136,669**	**14,309,449**	**14,457,757**	**14,967,108**
19	**Surplus/(Deficit)**	***Line 8- Line 18***	**(426)**	**(2,519,371)**	**(1,604,045)**	**(934,029)**	**(50,957)**	75,306
19	**Beginning Fund Balance**	*As Certified by DOR*	5,334,099	5,333,673	2,814,302	1,210,257	276,228	225,271
20	Operations	*Line 19*	(426)	(2,519,371)	(1,604,045)	(934,029)	(50,957)	75,306
21	**Ending Fund Balance**	***Line 19 + Line 20***	**5,333,673**	**2,814,302**	**1,210,257**	**276,228**	**225,271**	**300,578**
	Local Rate Increase	*For Discussion*	0.00%	4.00%	5.00%	6.00%	7.00%	5.00%

Department Staffing FTE[12]

Function	2016	2017	2018	2019	2020
Legislative	7.0	8.0	8.0	8.0	8.0
City Manager	7.0	7.0	7.0	7.0	8.0
Finance	46.0	47.5	46.5	46.5	46.5
Legal	17.0	17.0	17.0	18.0	19.0
Planning & Dev	51.5	52.5	54.0	51.5	50.5
Police	332.0	336.0	351.5	352.5	352.5
Fire	207.0	219.0	219.0	219.0	219.0
Public Works	107.0	106.5	108.5	108.5	108.5
Human Services	84.5	88.0	86.5	90.0	91.0
Enterprise	95.5	96.5	96.5	96.5	96.5
Career Center	31.0	32.0	30.0	28.0	30.0
	985.5	1010.0	1024.5	1025.5	1029.5



[12] Full Time Equivalent (FTE) positions, as of April 2018

FISCAL YEAR

2019

SECTION III

FINANCIAL PLAN

Operating budget details, focused on the City of Lowell's projected revenues.

CONOR BALDWIN
CHIEF FINANCIAL OFFICER

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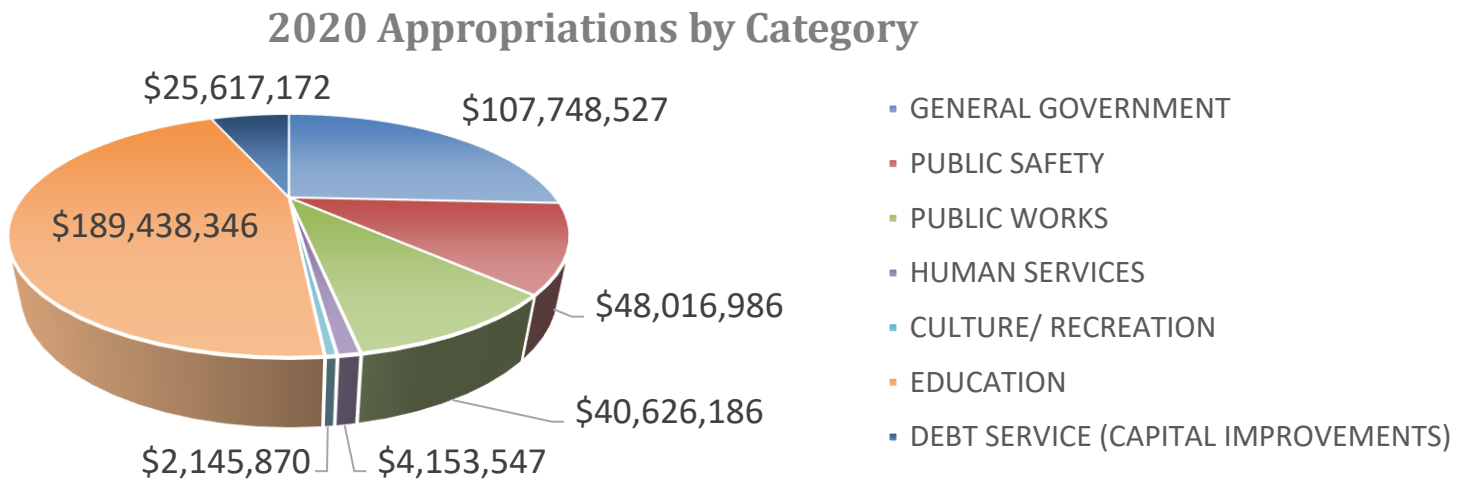
The City of LOWELL *Alive. Unique. Inspiring.*

Conor Baldwin, *Chief Financial Officer*

MESSAGE FROM THE CHIEF FINANCIAL OFFICER

With this budget, City Manager Eileen Donoghue submits to the Lowell City Council the funding plan for the second year of her Administration. This overview from her finance department sets out to review all facets of the city's finances in order to put the proposed FY2020 operating and capital budgets in the proper context. The funding capacity for a gateway city like Lowell is subject to many external factors, such as the availability of state and local funding. The city's ability to provide quality services to the residents is intrinsically tied to many of those outside factors and, therefore, a discussion of their relative impact in FY2020—as well as a historical review of the data—serves an important role in the understanding of the financial strategy included in this budget. The total appropriation proposed by the City Manager for all funds in FY2020 is **$372,044,456**. Of that total, $334,404,239 is appropriated in the General Fund. A high-level break down of those appropriations is included in the pie chart on this page. The chart clearly displays the commitment to education by the City Manager and City Council, as it accounts for over half of the annual operating budget. While a large portion of the funding for the Lowell public



schools is financed by the Commonwealth through the Chapter 70 education aid appropriation, this Administration has made a concerted effort to balance the needs of all public school students, whether in the public school district, charter schools, or the Greater Lowell Technical High School. The direct appropriation from the tax levy for the Lowell Public Schools is proposed at $16.4 million, an increase of 3.96%. This percentage is commensurate with the Municipal Revenue Growth Factor ("MRGF"), the amount recommended by the Department of Elementary and Secondary Education ("DESE") for districts to increase their local contribution year-to-year and is considered a best practice. Combined with the amount of Chapter 70 funding approved in the Massachusetts House of Representatives on April 25, 2019, the total line item appropriation for the school department is $176,428,868, an increase of $9,757,332 over FY2019. However, this does not represent the entirety of the tax support for the school system. "Maintenance of effort," as it is known in Massachusetts, further considers the various support provided by the district in the annual operation of the schools, outside of the line-item appropriation. These expenditures are budgeted in other departments—like school nurses in the health department, school resource officers in the police department budget, pensions for retired non-teacher school personnel, etc.—but are quantified and contributed, in the aggregate, towards the net school spending requirement for the district each fiscal year. These charges are spelled-out in a Memorandum of Agreement authorized by the Lowell School Committee. In FY2018, the most recent year that the net school spending compliance totals have been certified by the DESE, the total contribution from the city to the schools was $45.1 million.

Lowell, like all municipalities in the Commonwealth of Massachusetts, is subject to economic forces beyond its direct control. The state and national economies have improved significantly and while the rate of growth may be slowing, the general consensus among local and regional economists is that the Massachusetts economy will be stable. According to the Massachusetts Executive Office of Workforce and Training, in March of 2019 the City of Lowell had a total labor workforce of 58,050 individuals, of which 2,101 or 3.6% were unemployed as compared with 3.1% for the Commonwealth as a whole. The table below sets forth the City's average labor force and unemployment rates and the unemployment rates for the Commonwealth and the United States since 2013.

	City of Lowell		Massachusetts	United States
Calendar Year	**Labor Force**	**Unemployment Rate**	**Unemployment Rate**	**Unemployment Rate**
2018	57,506	3.8%	3.3%	3.9%
2017	54,764	4.2%	3.6%	4.2%
2016	54,407	4.2%	3.3%	5.0%
2015	54,118	6.5%	4.9%	5.3%
2014	53,954	7.4%	5.8%	6.2%
2013	52,207	8.8%	7.1%	7.4%

BUILDING PERMITS

Building permits, a leading indicator of economic growth, have rebounded significantly and in calendar year 2014 the total value of residential and non-residential new construction was over $26 million. In calendar year 2017, the total value of all permits, including new construction and additions/ alterations for residential and non-residential/ commercial properties was $67,879,466. The estimated dollar values reported to the city when permits are pulled are filed represents builders' estimates which are generally considered conservative. In fact, the number and value of permits issued surpassed any single year since the end of the recession. Total assessed valuation for the City of Lowell, including both real and personal property, has also returned to pre-recession levels at $7.4 billion in 2018. These economic indicators point towards prosperity more generally, but the positive effect on the City of Lowell's operating budget has yet to be fully realized

Year[13]	New Construction				Additions/ Alterations				**TOTAL**	
	Residential		*Non-Residential*		*Residential*		*Non-Residential*			
	No.	**$ Value**	**No.**	**$ Value**	**No.**	**$ Value**	**No.**	**$ Value**	**No.**	**$ Value**
2018	68	7,081,621	21	2,298,003	1,978	34,259,238	286	23,079,748	2,353	66,718,610
2017	63	5,323,255	17	2,313,334	1,308	30,891,585	283	29,351,292	1,671	67,879,466[14]
2016	59	27,143, 358	4	911,000	2,042	34,515,837	321	46,277,500	2,426	108,847,695[15]
2015	78	6,200,697	14	3,176,164	1,490	28,594,088	303	37,701,889	1,885	75,672,838[16]
2014	146	21,815,251	23	5,072,875	1,306	16,796,564	290	29,744,185	1,765	73,428,875[17]
2013	122	10,338,924	11	882,900	1,934	25,696,477	255	17,468,208	2,322	54,386,509[18]

[13] Calendar Year
[14] Includes 45 permits for tax exempt properties for $1,961,818
[15] Includes 102 permits for tax exempt properties for $24,430,400
[16] Includes 169 permits for tax exempt properties for $13,147,953
[17] Includes 155 permits for tax exempt properties for $17,748,366
[18] Includes 75 permits for tax exempt properties for $4,859,894

PROPERTY TAXATION

Lowell relies less heavily upon the tax levy than many other Commonwealth communities as a revenue source. Growth in spending has been limited, proportionally, to growth in local aid. The direction provided by the City Council has been to maintain service levels while limiting the increase in the tax levy below the amount allowed by law under Proposition 2 ½. Fiscal Year 2020 presents the City with another year of challenges in meeting rising fixed costs with limited revenue growth, but it also presents us with an opportunity to strategically realign resources to better reflect the City Manager's key priority areas. City Manager Eileen Donoghue has set the goals and expectation of her Administration to Department Heads and city employees. The Manager set goals and measurable benchmarks in each of these areas and the funding proposed in this budget sets forth to continue that same trend of progress and prosperity for residents, businesses, and all stakeholders in Lowell's future.

The amount to be levied in each year is the amount appropriated or required by law to be raised for municipal expenditures, less estimated receipts from other sources, and less appropriations voted from available funds. The total amount levied is subject to limitations prescribed by law. The estimated receipts for each fiscal year from other sources may not exceed the actual receipts during the preceding fiscal year from the same sources, unless approved by the State Commissioner of Revenue. Excepting special funds—the use of which is otherwise provided for by law—the deduction for appropriations voted from available funds for a fiscal year cannot exceed the "free cash" as of the beginning of the prior fiscal year, as certified by the State Director of Accounts, plus up to nine months' collections and receipts on account of earlier years' taxes after that date. Subject to certain adjustments, free cash is surplus revenue less uncollected overdue property taxes from earlier years. Although an allowance is made in the tax levy for abatements, no reserve is generally provided for uncollectible real property taxes. Since some of the levy is inevitably not collected, this creates a cash deficiency which may or may not be offset by other items.

The table that follows illustrates the manner in which the City of Lowell's tax levy was determined for the following fiscal years.

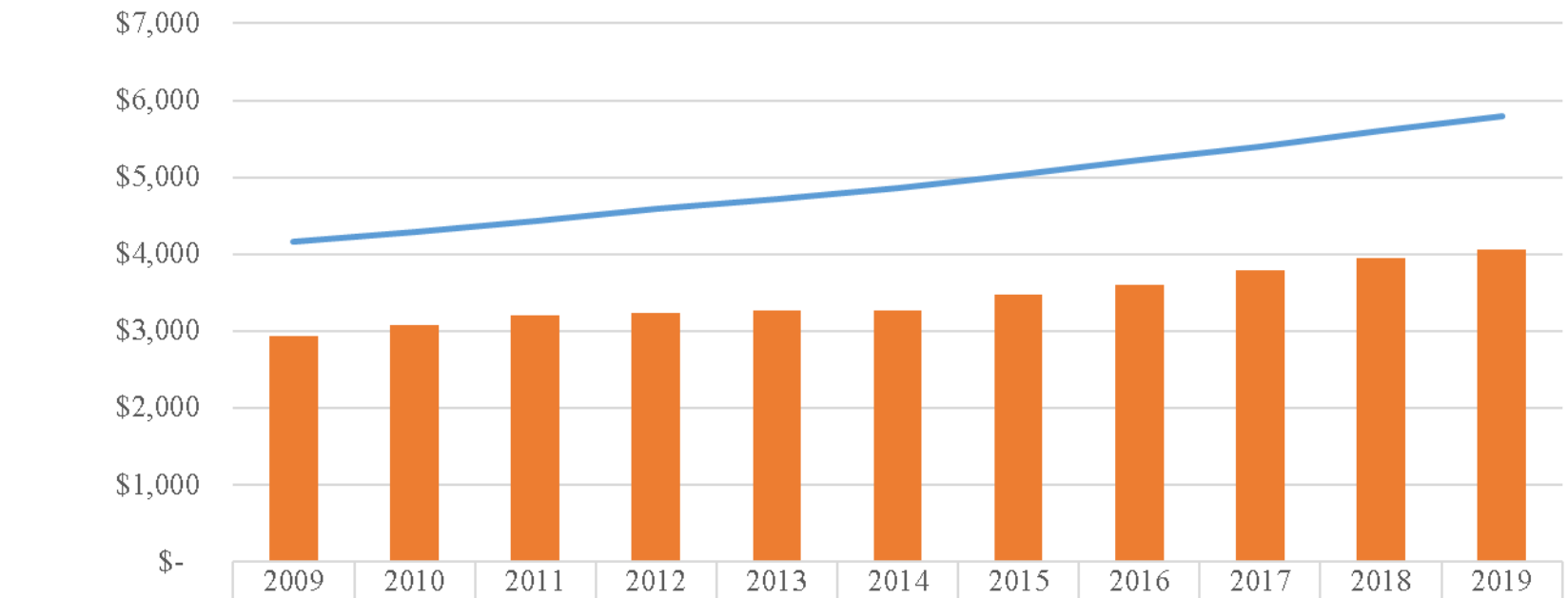
TAX LEVY COMPUTATION

	2015	2016	2017	2018	2019
Amounts to be raised:	$342,787,558	$334,949,487	$341,283,890	$350,042,591	$363,742,397
Appropriations[19]					
Other Local Expenditures[20]	793,260	666,653	664,261	391,230	250,142
State and County Assessments	18,111,285	20,826,847	22,845,988	24,703,156	26,755,700
Overlay Reserve	2,438,595	1,608,847	1,092,395	1,111,806	1,110,413
Gross Amounts to be Raised	364,130,698	358,051,834	365,886,534	376,248,783	391,858,652
Offsets:					
State Aid[21]	168,065,649	169,049,212	170,344,408	175,300,994	182,943,041
Local Receipts	25,559,302	28,403,566	66,256,197	65,674,489	68,705,804
Enterprise Receipts	40,256,067	39,275,697	-	-	-
Free Cash	5,840,081	-	-	-	-
Other Available Funds	6,952,338	2,089,314	5,151,795	6,765,349	6,423,999
Total Offsets	246,673,437	238,817,789	241,752,400	247,740,832	258,072,844
Tax Levy	117,457,261	119,234,045	$124,134,134	128,507,951	133,785,808

[19] Includes additional appropriations from taxation voted subsequent to adoption of the annual budget, but prior to the setting of the tax rate. Also includes the wastewater department budget.
[20] Primarily includes state aid offsets and snow and ice deficits.
[21] Estimated by the State Department of Revenue and required by law to be used in setting of the tax rate. Actual state aid payments may vary upward or downward from said estimates, and the State may withhold payments pending receipt of State and County assessments.

AVERAGE SINGLE FAMILY TAX BILL

The difference between the average tax bill in Lowell and the median community in Massachusetts was $508 in 1992. Last year (FY19) the gap was $1,730. By stepping back and looking at the trends that emerge from analysis of historical data, it should be easy to see how periods of small increases often require a much larger increase in subsequent years. On the other hand, an approach focused on moderate increases allows the city to expand services at a sustainable pace without overburdening the residential taxpayer. This is and will continue to be the policy of the Donoghue Administration, moving forward. The chart below displays the 10-year history of tax trends, both in Lowell and in the average Massachusetts municipality.



	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Lowell	$2,940	$3,072	$3,205	$3,236	$3,273	$3,273	$3,480	$3,599	$3,788	$3,951	$4,066
MA Average	$4,157	$4,294	$4,429	$4,587	$4,718	$4,856	$5,033	$5,223	$5,405	$5,599	$5,796

ASSESSED VALUATIONS, TAX LEVIES, AND NEW GROWTH

Property is classified for the purpose of taxation according to its use. The legislature has in substance created three classes of taxable property:

1. Residential real property,
2. Open space land, and
3. All other (commercial, industrial and personal property)

Within limits, cities and towns are given the option of determining the share of the annual levy to be borne by each of the three categories. The share required to be borne by residential real property is at least 50 percent of its share of the total taxable valuation; the effective rate for open space must be at least 75 percent of the effective rate for residential real property; and the share of commercial, industrial and personal property must not exceed 175 percent of their share of the total valuation. A city or town may also exempt up to 20 percent of the valuation of residential real property (where used as the taxpayer's principal residence) and up to 10 percent of the valuation of commercial real property (where occupied by certain small businesses).

Property may not be classified in a city or town until the State Commissioner of Revenue certifies that all property in the city or town has been assessed at its fair cash value. Such certification must take place every three years, or pursuant to a revised schedule as may be issued by the Commissioner. Related statutes provide that certain forest land, agricultural or horticultural land (assessed at the value it has for these purposes) and recreational land (assessed on the basis of its use at a maximum of 25 percent of its fair cash value) are all to be taxed at the rate applicable to commercial property. Land classified as forest land is valued for this purpose at five percent of fair cash value but not less than ten dollars per acre.

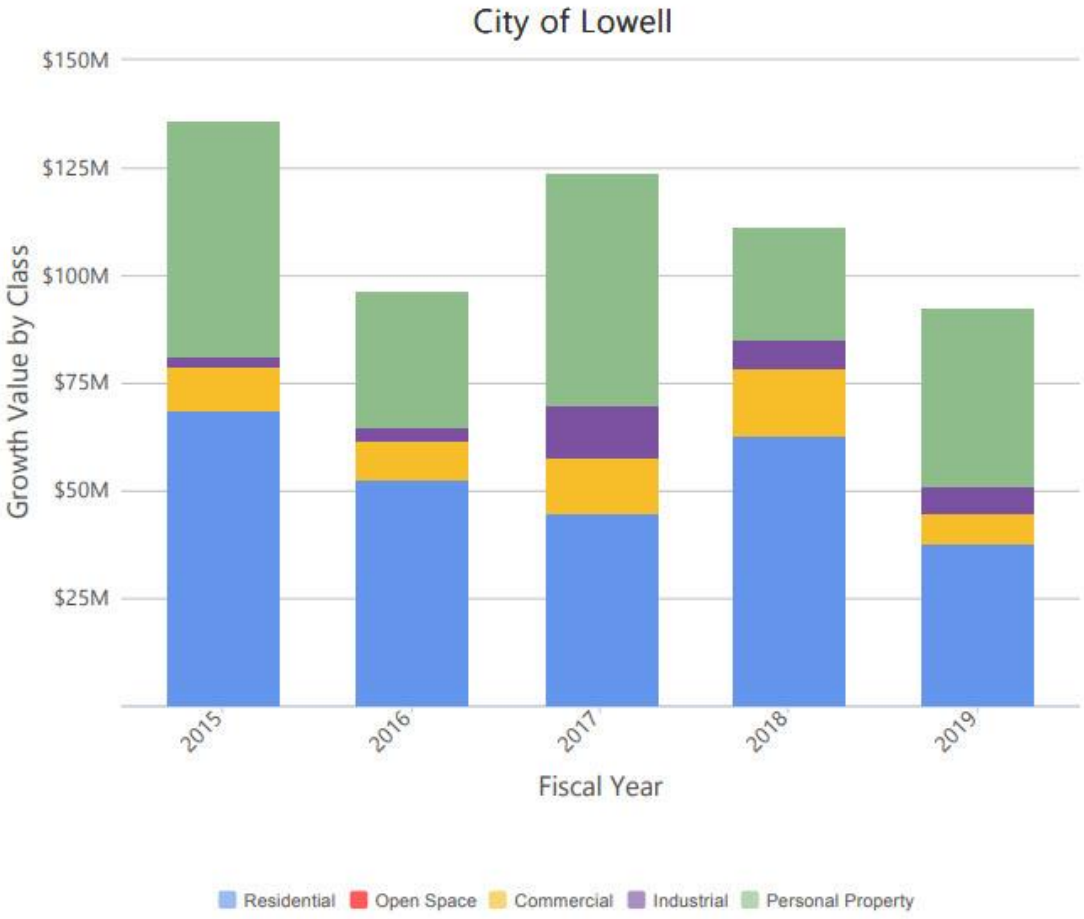
The table on the next page sets forth the trend in the City's assessed valuations, tax levies, and tax levies per capita for the following fiscal years.

Fiscal Year	Real Estate Valuation	Personal Property Valuation	Total Assessed Valuation	Tax Levy	Tax Levy Per Capita[22]
2019	7,866,099,577	321,714,823	8,187,814,400	133,785,808	1,256
2018	7,371,290,220	292,910,971	7.664,201,191	128,507,951	1,206
2017	6,815,418,064	274,867,186	7,090,285,250	124,134,134	1,165
2016	6,420,432,601	263,496,390	6,683,928,991	119,234,045	1,119
2015	6,087,839,751	244,472,062	6,332,311,813	117,457,261	1,103
2014[23]	5,881,952,844	203,732,904	6,085,685,748	110,425,643	1,037
2013	5,876,323,278	206,194,580	6,082,517,858	108,866,883	1,022
2012	5,894,041,178	201,067,340	6,095,108,518	107,585,116	1,010

The City of Lowell has seen a steady increase in the growth in the value of all property classes over the past few years, particularly in the personal property class. Improvements in the local and regional economy have increased Lowell's value as a valuable alternative for residential ownership. The finance department conservatively estimates the new growth to the levy as part of the budget process and includes the projection with the levy increase. **New Growth** is a term used in Massachusetts to mean new value that has been added to a community in a fiscal year, which can also be viewed as an indicator of local economic development. New growth is calculated by multiplying the increase in the assessed valuation of qualifying property by the prior year's tax rate for the appropriate class of property. Any increase in property valuation due to revaluation is not included in the calculation. A community is able to increase its levy limit each year to reflect new growth in the tax base. Because of Lowell's conservative tax policy, the city has accumulated Assessors are required to submit information on growth in the tax base for approval by the Department of Revenue as part of the tax rate setting process. The charts on the following pages detail the new growth in Lowell between FY12-FY19 attributable to taxable value from new construction and additions/ alterations to parcels in the residential, commercial, and personal property classes.

[22] Based on the 2010 U.S. Bureau of Census population figure for the City (106,519).

[23] Reflects results of professional revaluations of all real and personal property of the City.



CLASS	2015	2016	2017	2018	2019
Resitendial	68,854,915	52,398,207	44,695,200	62,982,182	37,891,626
Open Space	0	0	0	0	0
Commercial	9,992,575	8,974,700	12,935,200	15,186,547	6,776,835
Industrial	1,943,700	3,709,100	12,199,525	6,860,900	6,393,300
Personal Property	55,122,102	31,558,135	53,860,041	26,222,806	41,327,236
Total	135,913,292	96,640,142	123,689,966	111,252,435	92,388,997

[24]

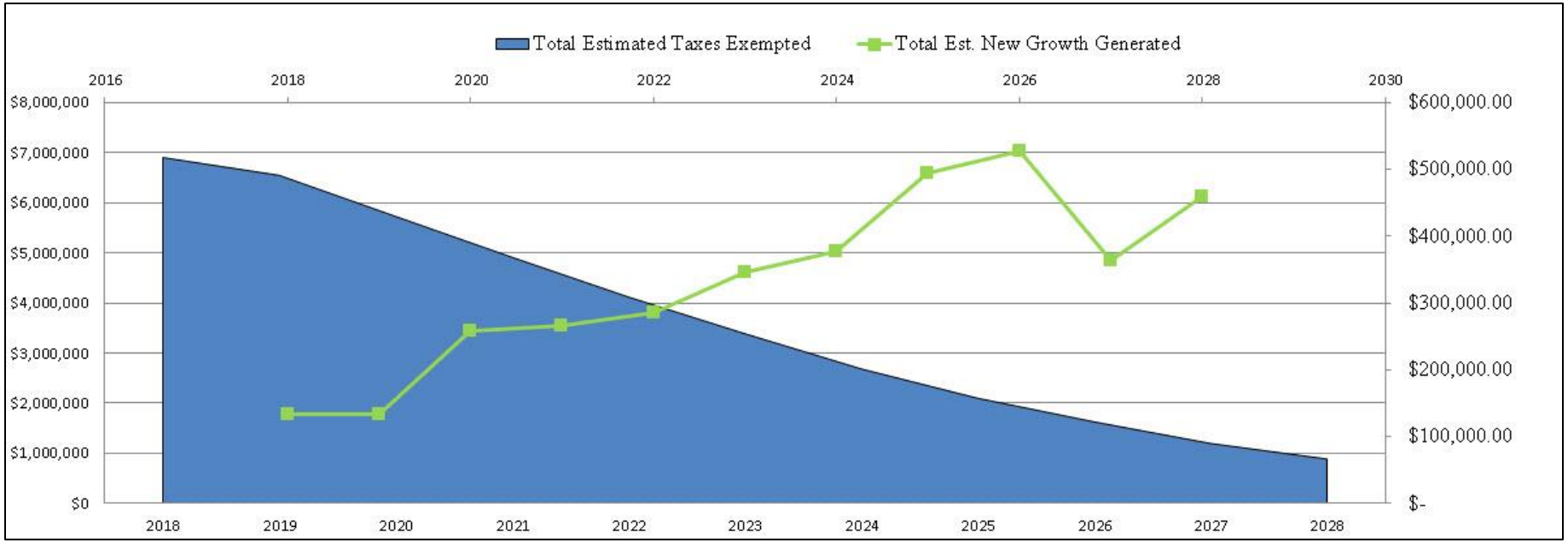
[24] Table data as reported by the MA DOR; the CLASS type labeled "Resitendial" should be labeled "Residential".

TAX INCENTIVE FINANCING (TIF)

Tax Incentive Financing (TIF) agreements are an often utilized tool for the City of Lowell's Economic Development Division of Planning and Development (DPD). TIF agreements provide a tax incentive to businesses in Massachusetts in order to encourage growth and development. In return for substantial job creation, a municipality may provide a business with real estate property tax relief on the business's incremental real estate property taxes for up to 20 years. In addition to a real estate property tax exemption, a business may be eligible for a personal property tax exemption for existing and new property (personal property is movable property, exclusive of land and buildings). Tax Increment Financing is not the same in MA as it is in most other states, where TIFs are used to fund infrastructure improvements using incremental property tax revenues. Massachusetts does utilize this mode of financing, but we refer to it as District Improvement Financing (DIF). These agreements, while exempting potential city tax revenue in the early years of investment, provide for an incremental addition to new growth and, eventually as the TIF agreement expires, provide for full tax revenue realization. The chart below provides a summary of existing TIF agreements, their exempted value, and the incremental revenue that will be added to the levy over the next several years.

Project Name	Location	Total Private Investment	Anticipated Increase in Property Value	TIF Duration (Yrs.)	TIF Agreement Execution Date	Anticipated New Revenue in Real Estate Taxes to the City (above baseline value)	Total # Retained + Created (proposed)
Markley Group	2 Prince Ave	$ 200,000,000	$ 109,610,233	20	May-15	$ 12,000,000	100
Somerset Industries	137 Phoenix Ave	$ 2,500,000	$ 405,435	10	Sep-15	$ 49,100	58
Metrigraphics	1001 Pawtucket St	$ 5,500,000	$ 545,202	13	Sep-14	$ 111,472	172
Kronos	900 Chelmsford St	$ 54,000,000	$ 40,851,593	12	Jul-16	$ 2,041,653	1,706
MACOM	100 Chelmsford St	$ 14,000,000	$ 7,578,830	10	May-16	$ 986,163	420
Plenus Group	101 Phoenix Ave	$ 4,600,000	$ 2,955,352	10	Sep-17	$ 541,716	82
Totals:		***$ 280,600,000***	***$ 161,946,645***			***$ 15,730,104***	***2,538***

The chart below aggregates the total estimated taxes exempted from all existing TIF agreements and projects the estimated new growth generated as the TIF exemptions come off-line over the next decade. Pursuant to the statute governing these agreements, certain job creation benchmarks must be met in order for the companies to retain their status with the Commonwealth of Massachusetts. Any failure to meet these benchmarks will result in decertification. Over the past several years, this tool has been instrumental in attracting companies like Kronos to Lowell and in furthering the city's reputation as a "tech hub".



TAX LIMITATIONS

Chapter 59, Section 21C of the General Laws, also known as "Proposition 2 ½", imposes two separate limits on the annual tax levy of a city or town.

The primary limitation is that the tax levy cannot exceed 2½ percent of the full and fair cash value. If a city or town exceeds the primary limitation, it must reduce its tax levy by at least 15 percent annually until it is in compliance, provided that the reduction can be reduced in any year to not less than 7½ percent by majority vote of the voters, or to less than 7½ percent by two thirds vote of the voters.

For cities and towns at or below the primary limit, a secondary limitation is that the tax levy cannot exceed the maximum levy limit for the preceding fiscal year as determined by the State Commissioner of Revenue by more than 2½ percent, subject to exceptions for property added to the tax rolls or property which has had an increase, other than as part of a general revaluation, in its assessed valuation over the prior year's valuation.

This "growth" limit on the tax levy may be exceeded in any year by a majority vote of the voters, but an increase in the secondary or growth limit under this procedure does not permit a tax levy in excess of the primary limitation, since the two limitations apply independently. In addition, if the voters vote to approve taxes in excess of the "growth" limit for the purpose of funding a stabilization fund, such increased amount may only be taken into account for purposes of calculating the maximum levy limit in each subsequent year if the board of selectmen of a town or the city council of a city votes by a two-thirds vote to appropriate such increased amount in such subsequent year to the stabilization fund. The applicable tax limits may also be reduced in any year by a majority vote of the voters. The State Commissioner of Revenue may adjust any tax limit "to counterbalance the effects of extraordinary, non-recurring events which occurred during the base year".

Proposition 2 ½ further provides that the voters may exclude from the taxes subject to the tax limits and from the calculation of the maximum tax levy (a) the amount required to pay debt service on bonds and notes issued before November 4, 1980, if the exclusion is approved by a majority vote of the voters, and (b) the amount required to pay debt service on any specific subsequent issue for which similar approval is obtained. Even with voter approval, the holders of the obligations for which unlimited taxes may be assessed do not have a statutory priority or security interest in the portion of the tax levy attributable to such obligations. It should be noted that Massachusetts General Laws Chapter 44, Section 20 requires that the taxes excluded from the levy limit to pay debt service on any such bonds and notes be calculated based on the true interest cost of the issue. Accordingly, the Department of Revenue limits the amount of taxes which may be levied in each year to pay debt service on any such bonds and notes to the amount of such debt service, less a pro rata portion of any original issue premium received by the city or town that was not applied to pay costs of issuance.

Voters may also exclude from the Proposition 2½ limits the amount required to pay specified capital outlay expenditures or for the city or town's apportioned share for certain capital outlay expenditures by a regional governmental unit. In addition, the city council of a city, with the approval of the mayor if required, or the board of selectmen or the town council of a town may vote to exclude from the Proposition 2½

limits taxes raised in lieu of sewer or water charges to pay debt service on bonds or notes issued by the municipality (or by an independent authority, commission or district) for water or sewer purposes, provided that the municipality's sewer or water charges are reduced accordingly.

In addition, Proposition 2½ limits the annual increase in the total assessments on cities and towns by any county, district, authority, the Commonwealth or any other governmental entity (except regional school districts, the MWRA and certain districts for which special legislation provides otherwise) to the sum of (a) 2½ percent of the prior year's assessments and (b) "any increases in costs, charges or fees for services customarily provided locally or for services subscribed to at local option". Regional water districts, regional sewerage districts and regional veterans districts may exceed these limitations under statutory procedures requiring a two thirds vote of the district's governing body and either approval of the local appropriating authorities (by two thirds vote in districts with more than two members or by majority vote in two member districts) or approval of the registered voters in a local election (in the case of two member districts). Under Proposition 2½ any State law to take effect on or after January 1, 1981 imposing a direct service or cost obligation on a city or town will become effective only if accepted or voluntarily funded by the city or town or if State funding is provided. Similarly, State rules or regulations imposing additional costs on a city or town or laws granting or increasing local tax exemptions are to take effect only if adequate State appropriations are provided. These statutory provisions do not apply to costs resulting from judicial decisions.

City of Lowell - Tax Levies and Tax Levy Limits

	Fiscal year				
	2019	2018	2017	2016	2015
Primary Levy Limit (2)	$ 204,695,360	$ 191,605,030	$ 177,257,131	$ 167,098,225	$ 158,307,795
Prior Fiscal Year Levy Limit	146,747,545	140,808,634	134,307,160	128,838,969	122,602,344
2.5% Levy Growth	3,668,690	3,520,216	3,357,679	3,220,974	3,065,059
New Growth (3)	2,144,212	2,418,695	3,143,795	2,247,217	3,171,566
Overrides	-	-	-	-	-
Growth Levy Limit	152,560,447	146,747,545	140,808,634	134,307,160	128,838,969
Debt Exclusions	-	-	-	-	-
Capital Expenditure Exclusions	-	-	-	-	-
Other Adjustments	-	-	-	-	-
Tax Levy Limit	152,560,447	146,747,545	140,808,634	134,307,160	128,838,969
Tax Levy	133,785,808	128,507,951	124,134,134	119,234,045	117,457,261
Unused Levy Capacity (4)	18,774,639	18,239,594	16,674,500	15,073,115	11,381,708
Unused Primary Levy Capacity (5)	$ 52,134,913	$ 44,857,485	$ 36,448,497	$ 32,791,065	$ 29,468,826

FISCAL YEAR 2018 AUDITED STATEMENTS

The difference between the original budget of $342.4 million and the final amended budget of $348.2 million amounted to a net increase of $5.8 million. During 2018, the Council approved transfers from free cash totaling $2.5 million to the general stabilization fund, $312,000 to the school construction stabilization fund, and $294,000 to the capital debt service stabilization fund. The Council further approved use of free cash within the general fund of $1 million for court judgments and the school department. The Council also approved various supplemental appropriations of $1.3 million to other available funds, as well as transfers between departments representing minor increases and decreases in various budget line items. Revenues came in higher than budgeted by $1.9 million while expenditures came in $1.2 million lower than budgeted. The largest revenue surplus related to motor vehicle and other excise taxes of $1.2 million. The education budget was overspent by $214,000 and will be raised in fiscal year 2019.

Net position, as reported on the Basic Financial Statements, may serve over time as a useful indicator of a Lowell's financial position. The City's overall liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by $496.2 million at the close of 2018, an overall decrease of $16.7 million from the prior year. Net position of $285.6 million reflects its net investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to the taxpayers of Lowell; consequently, these assets are *not* available for future spending. Although the investment in its capital assets is reported net of its related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. As of the end of the year, governmental funds reported combined ending fund balances of $32.4 million, a decrease of $8.6 million in comparison with the prior year. The decrease is primarily attributable to the timing of previously received grant revenues and the subsequent expenditure of these funds, offset by a decrease in the accrual related to appellate tax board cases of $2.2 million due to the majority of telecom personal property cases being settled.

At the end of fiscal year 2018, governmental funds reported combined ending fund balances of $31.7 million, a decrease of $743,000 in comparison with the prior year (FY2017). The decrease is primarily attributable to the decrease in the general fund. The general fund is the chief operating fund. The general fund is the chief operating fund. At the end of the current year, unassigned fund balance of the general fund equaled $16.3 million (which includes $11.7 million set aside as stabilization), while total fund balance was $19.4 million. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned and total fund balance represents 4.3% and 5.1% of general fund expenditures, respectively. The general fund decreased by $4.4 million during 2018. This was primarily due to the budgeted used of $4.9 million of free cash and $2.1 million of overlay reserves; offset by positive budgetary results. General fund revenues and other financing sources totaled $375.3 million for 2018, an increase of $3.7 million compared to the previous year. The increase primarily relates to real estate and personal property taxes and intergovernmental State aid.
Total general fund expenditures and other financing uses totaled $379.7 million, an increase of $9.6 million over the previous year. The increase in expenditures and other financing uses corresponds with the increase in revenues and other financing sources and is the result of an overall increased general fund budget for 2018. The following pages review the most recent audited fund balance sheet

FISCAL YEAR 2018 GOVERNMENTAL FUNDS BALANCE SHEET[25]

ASSETS	General	Non-major Governmental Funds	Total Governmental
Cash and Cash Equivalents	39,727,621	21,561,343	61,288,964
Investments	-	1,697,296	1,697,296
Receivables, net of uncollectables:			
Real estate and personal property taxes	2,229,603	-	2.229.603
Tax liens	2,065,186	-	2,065,186
Motor vehicle and other excise taxes	1,036,642	-	1,036,642
User Fees	658.921	-	658,921
Departmental and other	288,391	-	288,391
Intergovernmental	5,842,295	15,342,839	21,185,134
Loans	-	1,307,049	1,307,049
Tax foreclosures	4,374,317	-	4,374,317
Working capital deposit	211,500	-	211,500
TOTAL ASSETS	**56,434,476**	**39,908,827**	**96,343,303**

[25] Data from the City of Lowell's audited FY2018 Basic Financial Statements

LIABILITIES & FUND BALANCES	General	Non-major Governmental Funds	Total Governmental
LIABILITIES:			
Warrants payable	3,565,923	4,569,406	8,135,329
Accrued payroll	11,709,164	-	11,709,164
Tax refunds liability	451,500	-	451,500
Other liabilities	5,491,542	-	5,491,542
Notes payable	-	9,960,544	9,960,544
TOTAL LIABILITIES	**21,218,129**	**15,594,913**	**36,813,042**
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	15,862,509	11,970,114	27,832,623
FUND BALANCES			
Non-spendable	-	1,834,030	1,834,030
Restricted	1,150	15,341,999	15,343,149
Committed	2,687,900	-	2,687,900
Assigned	377,812	-	377,812
Unassigned	16,286,976	(4,832,229)	11,454,747
TOTAL FUND BALANCES	19,353,838	12,343,800	31,697,638
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	**76,736,607**	**34,101,462**	**110,838,069**

	June 30,2018	June 30, 2017	June 30, 2016	June 30, 2015
REVENUES[26]:				
Real estate & personal property taxes, net of tax refunds	$127,434,916	$124,474,447	$116,542,798	$116,676,033
Tax liens	754,170	1,150,353	857,661	1,854,627
Motor vehicle & other excise	9,920,727	9,431,194	8,364,664	8,219,813
Hotel/ motel tax	331,215	-	-	-
Meals tax	1,238,909	*	*	*[27]
Trash Disposal	3,135,830	3,184,930	3,101,426	3,266,202
Penalties and interest on taxes	1,348,397	1,324,504	1,211,000	1,322,666
Payments in lieu of taxes	433,476	560,602	1,106,289	840,811
Intergovernmental receipts	210,850,492	209,621,769	194,511,650	185,473,796
Departmental and other	8,489,107	9,147,063	9,599,316	8,086,894
Investment Income	406,100	379,505	415,024	522,249
TOTAL REVENUE	**364,343,339**	**359,274,367**	**335,709,828**	**326,263,091**

[26] Revenues as reported on the City's audited Basic Financial Statements for each year. Figures included are for general governmental funds and do not include non-major governmental funds. The non-major governmental funds consist of special revenue, capital projects and permanent funds that are aggregated.
[27] Hotel/ motel tax revenue included in other categories in prior fiscal years.

	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
EXPENDITURES[28]:				
General Government	16,727,497	15,447,569	15,562,918	15,157,213
Public Safety	46,883,810	44,898,386	43,749,124	43,125,398
Education	155,796,694	151,959,252	148,149,496	144,159,904
Public Works	14,363,568	14,546,153	12,475,724	15,425,917
Human Services	3,483,799	3,443,881	3,399,315	3,683,201
Culture and Recreation	4,203,854	4,014,211	4,190,593	4,001,266
Pension Benefits	24,344,417	55,942,760	45,003,684	37,116,750
Pension Benefits – MTRS	36,030,056	-	-	-
Employee Benefits	43,366,999	41,516,339	41,528,938	39,435,992
State and County Charges	24,350,905	22,351,582	20,722,575	17,979,997
Debt Service				
Principal	5,883,500	6,414,162	9,502,743	10,387,504
Interest	2,660,768	3,328,551	2,315,778	2,794,484
TOTAL EXPENSES	**378,095,867**	**363,862,846**	**346,600,888**	**333,267,626**

[28] Expenditures as reported on the City's audited Basic Financial Statements for each year. Figures included are for general governmental funds and do not include non-major governmental funds. The non-major governmental funds consist of special revenue, capital projects and permanent funds that are aggregated and presented in the *non-major governmental funds* column on the governmental funds financial statements.

	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
EXCESS/(DEFICIENCY)	**(13,752,528)**	**(4,588,479)**	**(10,891,060)**	**(7,004,535)**
OTHER FINANCING SOURCES (Uses)				
Proceeds from bonds	-	-	-	-
Proceeds from refunding bonds	-	1,877,500	3,775,000	905,000
Premium from issuance of bonds	-	83,890	1,993,431	56,169
Premium from issuance of refunding bonds	-	120,344	413,130	62,575
Payments to refunded bond escrow agent	-	**(6,090,177)**	**(4,405,626)**	**(967,575)**
Sale of capital assets	-	4,975	37,603	4,826
Transfers In	10,982,216	10,234,085	8,778,205	6,412,561
Transfers Out	**(1,587,609**	**(94,092)**	**(687,142)**	**(841,673)**
Total Other Financing Sources (Uses) Net	**9,394,607**	**6,136,525**	**9,904,601**	**5,631,883**
NET CHANGE IN FUND BALANCES	(4,357,921)	(986,459)	(986,459)	(1,372,652)
FUND BALANCE AT BEGINNING OF YEAR	23,711,759	23,150,172	23,150,172	24,522,824
FUND BALANCE (DEFICIT) AT END OF YEAR	**19,353,838**	**22,163,713**	**22,163,713**	**23,150,172**

FY2019 BUDGET REVIEW

Mayor William J. Samaras and the Lowell City Council unanimously approved the City Manager's proposed FY2019 general fund operating budget of $325.9 million on June 12, 2018 after a public hearing in the City Council Chambers at Lowell City Hall. The total increase in general fund appropriations over fiscal year 2018 was $8.88 million. Notable drivers of increased expenditures included fixed costs, such as a $1.6 million increase in the PERAC pension assessment, a $628,000 increase in the appropriation for health insurance costs, and a $2.1 million increase in Cherry Sheet assessments from the Commonwealth. The most significant of the Cherry Sheet expenses was a $1.9 million increase in the City's assessment for Charter Schools. Personnel costs also factored into the formulation of the 2019 budget as all of the municipal collective bargaining units' contracts expired on June 30, 2018. At the time the budget was approved, all contracts remained outstanding, but an amount was budgeted in the City Manager's contingency for salary reserve sufficient to fund the contracts once approved by the Lowell City Council.

The FY2019 budget included an overall $5.1 million increase in education spending, including both the Lowell Public School District and the assessment from the Greater Lowell Regional Technical High School. Of the $166.7 million appropriated by the City Council to the Lowell Public Schools, 90.6%, of the funding source is from the Commonwealth's Chapter 70 education aid and the balance of $15.7 million is funded through the tax levy in direct cash support. Other major priority areas of the budget, such as public safety, were level funded, despite the loss of significant federal grant money which had previously supported staffing in the Fire Department (LFD). The City of Lowell had received a federal SAFER grant in FY2017 in the amount of $658,206 to hire additional personnel in the LFD, but the grant expired after two years and communities were required to maintain staffing levels after the grant monies expired, absorbing their funding into the lax levy. In the Health and Human Services Department, the City Administration used the FY2019 budget to address the opioid crisis by adding personnel in the Health Department to conduct substance abuse outreach and clinical recovery services. In addition to the FY2019 budget for the general fund, the City Council approved the City Manager's budgets for City's three enterprise funds for water, sewer, and parking in the amounts of $10.7 million, $18.1 million, and $6.8 million, respectively. Appropriations for business-type activities increased year-over-year by $1.2 million in the water enterprise, $1.1 million in the sewer enterprise, and $543,000 in the parking enterprise. Major contributing factors to increases in the water enterprise fund's 2019 operating budget were related to a $1.08 million increase in water-related debt service payments associated with the ongoing capital improvements to the water infrastructure system related to a $22.8 million loan order. Debt service cost increases also played a significant role in the sewer and parking enterprise funds as well. In parking, debt service related to capital repairs on two downtown garages accounted for an increase of $530,000 and in the sewer enterprise, the year-over-year increase in debt service was $970,000 and was related to a $40 million loan for sewer improvements, including sewer separation projects to mitigate combined sewer outflows (CSOs) in the City. In the parking enterprise, other components operations remained relatively constant in FY2019. The City Manager introduced rate increases for each of the enterprise funds to support ongoing operational and capital needs, which were approved by the Lowell City Council along with the FY2019 budget on June 12, 2018. All enterprise funds are supported by user charges and fees and not supported by the tax levy or local aid. They also reimburse the general fund for indirect costs associated with their operation. In FY2019, the budget to reimburse the general fund for administrative overhead was $9.01 million.

Several targeted investments were incorporated by the City Manager into the FY2019 operating budget to support the priorities of the City Council, such as public safety and economic development. Concurrent with the FY2019 operating budget, the City Council unanimously approved the City Manager's proposed update to the City's comprehensive five-year capital improvement plan ("CIP") and a loan order in the amount of $9,903,000 to support strategic investments in the general fund. The loan order included funding for paving, building improvements, environmental remediation, and park improvements, among other projects. Aside from the projects incorporated in the City Manager's CIP, the City Council approved a $35.4 million loan order to fund the construction phase of a new public garage which will be sited in the City's Hamilton Canal Innovation District ("HCID"). The garage will support the parking needs of the nearly completed Judicial Center, which is scheduled to open in fiscal year 2019 and will serve as a catalyst for economic development in the area. The fiscal year 2019 tax levy was approved by the Department of Revenue on December 14, 2018, at $133,785,807, a budgeted increase of 2% plus the 2019 certified new growth. Total appropriations in all funds including the general fund and enterprise funds totaled $391,858,651, including $26,755,700 in "cherry sheet" charges and a $1,110,412 allowance for abatements and exemptions. The total estimated receipts and other revenue sources raised to support those appropriated and other unappropriated expenses totaled $258,072,844. Of that total, $181,750,247 came from local aid from the Commonwealth (Chapter 70, UGGA, and other "cherry sheet" receipts), $1,192,794 from MSBA reimbursements for completed projects, and $24,067,781 in local receipts. $44,638,023 of the total amount raised was from the City's enterprise funds and $6,423,999 was appropriated by the Lowell City Council in other available funds to support the budget.

Management continued to make strides in improving internal controls and strengthening the overall financial management of the City in FY2018 and into the FY2019 operating year. The Finance Department and Office of the City Auditor have developed new practices, as well as strengthened existing systems throughout the financial operation. For example, in FY2018 the Office of the City Treasurer finalized the implementation and began the integration of the cash reconciliation process through MUNIS to strengthen the overall internal control. In a report issued by Standard & Poor's related to the issuance of $17.6 million in bond anticipation notes in June of 2018, the ratings agency commented on Lowell's "very strong management", "strong budgetary performance", and "strong debt and contingent liability profile". In the report, S&P wrote, "we view the City's management as very strong, with "strong" financial policies and practices under our FMA methodology, indicating financial practices are strong, well embedded, and likely sustainable. Officials are conservative with revenue and expenditure assumptions, and they consider historical trends when developing the budget. They have the flexibility to amend the budget as needed, and management monitors performance regularly and makes monthly reports on budget to-actual results to the City Council. management performs formal financial forecasting and maintains a five-year CIP it updates annually."

NET SCHOOL SPENDING, CHAPTER 70, AND REQUIRED CONTRIBUTION CALCULATIONS

The City currently operates 12 elementary schools, 6 middle schools, 2 pre-K through grade 8 schools, 5 alternative schools, and 1 high school. Total estimated capacity of these buildings is approximately 16,800. Capacity in the High School is approximately 4,000, compared to current enrollment of 3,135. Capacity of elementary and middle schools is approximately 13,300, compared to current enrollment of 11,143. The City has completed a major school construction/renovation project to comply with a consent order requiring desegregation and to address space needs in the elementary, middle and high schools. The City authorized and borrowed $219,645,000 for these purposes since 1990 and received Massachusetts School Building Authority approval for grants reimbursing eligible project costs. The City also authorized an additional $44.5 million for the renovation of other schools, for which it is also entitled to grants reimbursing eligible project costs from the Authority.

The following table sets forth the trend in public school enrollments.

Public School Enrollments – October 1,

Public School Enrollments – October 1,

	Actuals				
	2014	2015	2016	2017	2018
Elementary (PK-4)	6,664	6,757	6,783	6,614	6,921
Middle/Junior High (5-8)	4,350	4,248	4,360	4,478	4,740
Senior High (9-12)	3,061	3,145	3,135	3,155	3,430
SP/Other					346
Totals	14,075	14,150	14,278	14,247	15,437

Data Source: Lowell Public Schools

The City is also a member of the Greater Lowell Regional Vocational Technical High School District, which includes 4 communities: Lowell, Dracut, Tyngsborough, and Dunstable. As of October 1, 2017, the District enrollment was approximately 2,270 of which 1,695 were from Lowell.

On the following pages are illustrations using data from the Department of Elementary and Secondary Education (DESE) to highlight the FY20 net school spending requirement, as well as the FY18 compliance report and FY19 budgeted estimate from DESE. “Net School Spending” is a term of art used by the Commonwealth to measure adequate and equitable K-12 education funding in all 351 cities and towns. It takes into consideration factors like property values and median area income. Each year the number is revised to reflect the rising cost of services. For FY19, the numbers are estimated and compliance won’t be finalized by DESE until after the fiscal year has ended.

NET SCHOOL SPENDING COMPLIANCE – FY2018 CERTIFICATION

* **Massachusetts Department of Elementary and Secondary Education** May 2019
Office of School Finance
Chapter 70 Net School Spending Compliance, *FY18*

	Lowell	School Committee	City/Town	Total
1	Administration (1000)	3,498,966	1,433,693 *	4,932,659
2	Instruction (2000)	117,314,450	0 *	117,314,450
3	Attendance-Health (3100, 3200)	601,424	1,511,478 *	2,112,902
4	Food Services (3400)	0	0	0
5	Athletics/Student Activities/Security (3500, 3600)	1,908,403	1,072,058	2,980,461
6	Maintenance (4000)	4,642,231	4,447,772 *	9,090,004
7	Employer Retirement Contributions (5100)	1,112,707	6,573,692	7,686,399
8	Insurance (5200)	16,047,806	2,589,384	18,637,190
9	Retired Employee Insurance (5250)	0	7,210,478	7,210,478
10	Rentals (5300)	547,576	0 *	547,576
11	Short Term Interest (5400)	0	0	0
12	Tuition (9000)	6,265,033	21,422,747	27,687,780
13	Total School Spending (lines 1 through 12)	151,938,596	46,261,303	198,199,899
14	FY18 School Revenues			
	14a) FY18 School Revenues *	0	0	0
	14b) FY18 Charter Reimbursement	0	1,164,557	1,164,557
	14c) Subtotal, School Revenues (14a + 14b)	0	1,164,557	1,164,557
15	**FY18 Net School Spending (13 - 14)**	**151,938,596**	**45,096,746**	**197,035,343**
16	FY18 Chapter 70 Required Net School Spending			189,897,177
17	Carryover from FY17			0
18	**Total FY18 Net School Spending Requirement (16 + 17)**			**189,897,177**
19	Shortfall in Net School Spending (18 - 15)			0
20	Carryover/Penalty Calculation, Percent Unexpended (19 / 16)			0.0%
21	FY18 Carry-Over into FY19 (Line 19 or 5% of line 16)			0
22	Penalty (19 - 21)			0

* Budgeted amounts as reported on FY17 End of Year Pupil and Financial Report, Schedule 19

NET SCHOOL SPENDING COMPLIANCE – FY2019 PROJECTION

Massachusetts Department of Elementary and Secondary Education

Office of School Finance

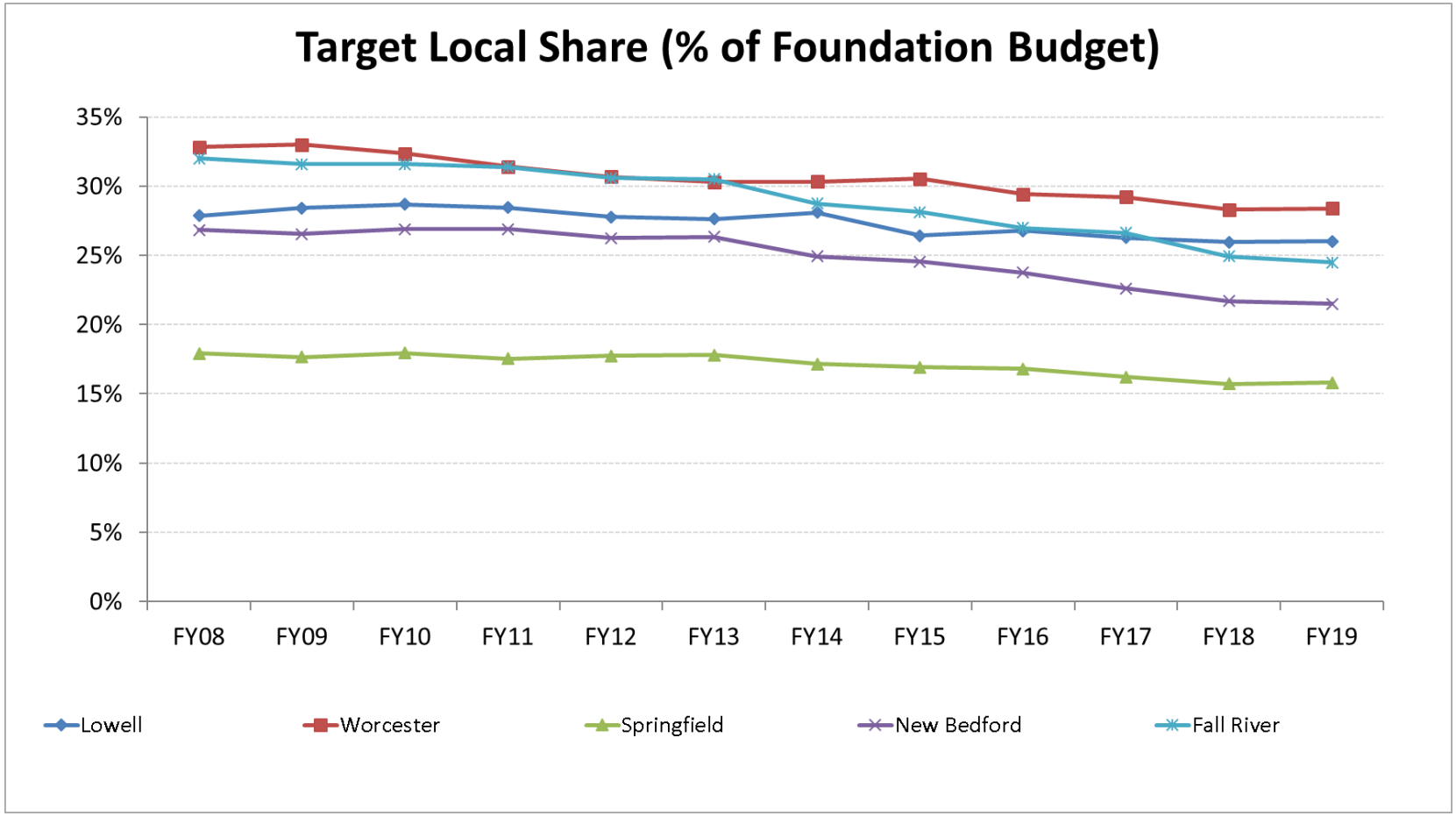
Chapter 70 Net School Spending Compliance, *Budgeted FY19*

	Lowell	School Committee	City/Town	Total
1	Administration (1000)	4,224,320	1,706,370	5,930,690
2	Instruction (2000)	119,056,605	0	119,056,605
3	Attendance-Health (3100, 3200)	646,400	1,839,050	2,485,450
4	Food Services (3400)	0	0	0
5	Athletics/Student Activities/Security (3500, 3600)	1,769,847	1,072,058	2,841,905
6	Maintenance (4000)	4,250,480	4,589,204	8,839,684
7	Employer Retirement Contributions (5100)	710,000	6,573,692	7,283,692
8	Insurance (5200)	16,409,923	2,589,384	18,999,307
9	Retired Employee Insurance (5250)	0	7,210,478	7,210,478
10	Rentals (5300)	685,686	0	685,686
11	Short Term Interest (5400)	0	0	0
12	Tuition (9000)	6,043,523	22,410,326	28,453,849
13	FY18 Budgeted School Spending (lines 1 through 12)	153,796,784	47,990,563	201,787,347
14	FY18 Budgeted School Revenues			
	14a) FY19 Budgeted School Revenues	0	0	0
	14b) FY19 Charter Reimb (local districts)	0	1,082,952	1,082,952
	14c) Subtotal, NSS Revenues (36a + 36b)	0	1,082,952	1,082,952
15	**FY19 Net School Spending (13 - 14)**	**153,796,784**	**46,907,611**	**200,704,395**
16	FY19 Chapter 70 Required Net School Spending			198,336,328
17	Carryover from FY18			0
18	**Total FY19 Requirement (16 + 17)**			**198,336,328**
19	Shortfall in Budgeted FY19 Net School Spending (18 - 15)			0
20	Carryover/Penalty Calculation, Percent Unexpended (19 / 16)			0.0%

HISTORIC NET SCHOOL SPENDING COMPLIANCE

	Foundation Enrollment	Foundation Budget	Required Local Contribution	Chapter 70 Aid *Reflects Penalties, where applicable*	*"Formula" Requirement* Required Net School Spending *Aid + Local Contribution*	*"Adjusted" Requirement* Required NSS *Includes Carryover*	Actual NSS	Dollars Over/Under Requirement
FY08	14,664	147,723,630	32,819,557	117,869,547	150,689,104	151,129,958	150,821,206	-308,752
FY09	14,350	150,534,733	34,088,424	107,274,461	153,970,159	141,671,637	145,689,670	4,018,033
FY10	14,277	154,968,735	33,789,587	117,484,100	151,273,687	151,273,687	153,079,509	1,805,822
FY11	14,263	151,465,732	34,730,786	114,495,103	149,225,889	149,225,889	153,200,851	3,974,962
FY12	14,402	157,898,865	36,240,147	121,658,718	157,898,865	157,898,865	157,830,466	-68,399
FY13	14,235	163,641,193	37,162,840	126,478,353	163,641,193	163,709,592	159,878,472	-3,831,121
FY14	14,588	168,760,617	38,859,325	129,901,292	168,760,617	172,591,738	168,862,045	-3,729,693
FY15	15,093	176,078,572	40,949,807	135,128,765	176,078,572	179,808,265	180,963,222	1,154,958
FY16	15,300	177,537,954	43,089,941	135,511,265	178,601,206	178,601,206	187,745,932	9,144,726
FY17	15,616	183,238,362	44,649,981	138,588,381	183,238,362	183,238,362	191,320,879	8,082,517
FY18	16,025	189,897,177	45,829,544	144,067,633	189,897,177	189,897,177	196,421,339	6,524,162
FY19	16,184	198,336,328	47,400,845	150,935,483	198,336,328	198,336,328	TBD	N/A
FY20	16,353	208,259,542	49,626,890	158,632,652*	208,259,542	208,259,542	TBD	N/A

NET SCHOOL SPENDING COMPLIANCE



FY2019 FISCAL INITIATIVES

In order to accommodate the financial impacts of the coming fiscal years (FY20) without seriously impacting the services that the residents of Lowell deserve from their local government agencies, the City Manager reactivated a number of control measures immediately upon entering the third quarter of the fiscal year (April of CY2019). The City Manager and key finance staff closely monitored and controlled all expenditures during the final five months in this fiscal year.

The following mandatory controls were continued in fiscal year 2019:

1.) **Vacancies**—The City Manager reactivated the "**Vacancy Review Committee**," comprised of the Assistant City Manager, Chief Financial Officer (CFO), and Human Relations Director. All requests to fill/post vacancies in all departments require the submission of a "Vacancy Notice" to this Committee, which meets regularly to analyze the relative necessity, in light of fiscal circumstances, in order make a recommendation to the City Manager.

2.) **Grants** –The City of Lowell receives significant grants each year from other governments and organizations to support our programs and activities. Often grants come with requirements that apply to operations, compliance, sub-recipient monitoring and reporting. Typically there are negative consequences for failing to meet these requirements, such as the need to return funds to the grantor. Likewise, a grant may result in a program that continues, or an asset that must be maintained, well beyond the expiration of the grant.

To help avoid these negative consequences or unanticipated financial burdens, and continue best practices in municipal finance, the Finance Department has continued the success of the **Grant Administrative Oversight Committee**. In FY18, the City Manager tasked this group with developing a formal grant administrative oversight policy for the city. The centralized grant oversight committee analyzes all grants before they are accepted, renewed, or continued to determine whether acceptance, renewal, or continuation would be appropriate. The committee is both interdisciplinary and permanent, and meets no less frequently than once each quarter. The composition of the oversight committee includes, initially, the Chief Financial Officer, Assistant City Manager, Deputy CFO, City Auditor, and one Department Head or his/her designee to be selected on a rotating basis. The committee also retains the flexibility to appoint subject matter experts on an ad hoc basis to help address specialized situations. As an example, there may be a need to deliberate human resources or legal issues. Depending on the need for these ad hoc members they may only need to be included for a short period of time.

In the short period of time that the committee has been in existence, a great deal of progress has been made. A formal policy for grant application, and management is in the final stages of development and the committee has provided guidance for city departments regarding best practices in grant management.

3.) **Expenses**—all requisition for the purchase of goods or services in any amount were reviewed, scrutinized, and—in some cases—rejected by the CFO and/or Deputy CFO. So-called "confirmation requisitions" were eliminated and are no longer allowed and are no longer tolerated.

4.) **Overtime**—Overtime continued to be a significant strain on the budget. It must be curtailed, as the current rate of spending is not sustainable. "Automatic overtime" such as forced work on Saturdays, or any other "recurring practice" was eliminated.

In addition to these fiscal controls, the City Manager and her finance team have greatly strengthened the cooperation and cohesion of the various financial activities of the organization. Thanks to the Lowell City Council's reorganization of the City's Finance Department in order to improve fiscal operations, making them more efficient and effective. Lowell has been moving incrementally in this direction since 2007 when the State Department of Revenue recommended these changes as part of their financial management review of the City. With the support of this City Council, the Administration is determined to increase the fiscal stability of the City which is the foundation of any strong municipal government.

The financial management of the city has been noted by outside ratings agencies, like Standard and Poor's ("S&P"). According

FISCAL YEAR 2020

As we introduce the proposed Fiscal Year 2020 operating budget to the City Council for approval, it is important to briefly review some of the major fiscal challenges that needed to be addressed in order to achieve a balanced budget, as well as highlight some of the major initiatives that have been included by the City Manager. The Manager is proposing a **level-service budget** without any interruption to services that the residents of Lowell have come to expect.

I. Major Challenges

- A $1.7 million increase in the city's pension assessment over FY19;
- An increased in state "cherry sheet" charges, including the assessment for charter schools in Lowell, of $1.7 million;
- Sufficient funding necessary for the schools to continue exceeding the net school spending requirement by the Commonwealth;
- Increases in health insurance premiums and debt service associated with the city's aggressive five-year capital improvement plan;
- An increase in cost associated with trash and recycling collections of $730,000;
- A reduction in one-time revenues in order to build a more sustainable funding model for city services.

II. Highlights/ Initiatives

- **Over $9.7 million** in additional funding to the Lowell Public Schools between local funding and Chapter 70 aid;
- The reconfiguration of the police department's public safety strategy, including the creation of a new, downtown sector known as the "Charlie Sector". This new presence in the downtown central business district will be anchored by a new downtown substation in the heart of the busy downtown commercial region;
- Additional resources to address the Opioid Crisis through the Health Department, including the creation of a Syringe Collection Program Coordinator and strengthened Substance Abuse Prevention to provide critical resources affected by addiction;
- Capital investments of **$25,243,294**;

PROJECTED REVENUES

With the release of the House Ways and Means ("HWM") version of the FY20 State budget in April, Lowell's revenue estimates began to solidify. A significant portion of the city's annual revenue stream is dependent upon local aid and once we had a more accurate picture of Chapter 70 education aid and Unrestricted General Government Aid ("UGGA") based on the House's proposed FY20 budget, we were able to finalize spending decisions. In fact, unlike many communities throughout the Commonwealth, state aid accounts for approximately 46% of Lowell's budget, as compared with the state-wide median of 11%. Most other communities rely more heavily on the tax levy for funding the annual budget than does Lowell. The median tax levy utilization as a percent of total budget in Massachusetts municipalities is 66%, according to the Department of Revenue; in Lowell it is 32%.

As the Finance Department began the FY20 budget preparations in the fall and early winter, we assumed level funding in all local aid accounts. The projections for state assessments—another component of the "cherry sheet"—was forecasted by analyzing historical actuals. The second quarter financial analysis included an updated 5-year forecast which estimated the FY20 funding gap to be a significant challenge. When all departmental requests for funding were entered into the budget model, the approximate funding gap was approximately $17.2 million. This estimate was predicated on very conservative local receipt estimates, level local aid, but included a moderate increase in the tax levy. It also included funding for a proposed increase in health insurance costs that had been alluded to at a meeting of the GIC commissioners, as well as another scheduled increase in our pension assessment in order to stay on our current funding schedule. The forecasts were continuously updated as we incorporated actual collections and expenditures through the third quarter of FY19. These forecasts are an important financial planning tool for budgeting purposes, but it is important to bear in mind that they are estimates based on assumptions which often change rapidly. They allow for the finance team to anticipate future issues and take proactive—rather than reactive—measures. As the budget process advanced towards final preparation, it became clear that the City Manager's office must significantly reduce departmental request to balance the budget. Nearly all departmental "wish list" items were eliminated and funding requests to maintain service levels were reduced to provide for only essential ordinary expenses.

Overall, estimated cherry sheet receipts were increased by $10.5 million over FY19 and estimated charges have increased by $2.1 million. The primary component of the FY20 increase in local aid is in Chapter 70 aid, which goes directly to the Lowell School System. Since 2012, Lowell's Chapter 70 allocation has typically increased by anywhere from 3-6%. The Governor's proposed increase for FY20 was 5.1% greater than what was appropriated in FY19, consistent with his promise to match revenue growth. The increase in FY20 included in the House of Representatives' budget brings the increase to 6% higher than FY19, and is representative of a $9.1 million overall increase. Early indications from the State House are that the Senate may again increase the funding amount, but the figures have not been finalized as of the date of publication of this document. Lowell's preliminary net school spending requirement for FY20 is $208,259,542. This figure includes the cost for "maintenance of effort" services provided for the school department in-kind, in support of their annual operations. The Office of School Finance at DESE recommends communities increase the local contribution each year at a rate consistent with the Municipal Growth Factor, as determined by the Department of Revenue. Despite DESE's recommendations, the City Council and the Administration have consistently pledged a funding amount in excess of the requirement.

The following tables are an informational overview of the House's proposed FY20 budget for receipts and charges, as compared with the FY19 "cherry sheet" amounts.

LOCAL AID & ASSESSMENTS, YEAR-OVER-YEAR COMPARISON

Education	FY2019 Final Estimate	FY2020 Governor's Estimate	FY2020 HWM Proposal	FY2020 Increase/ (Decrease)
Chapter 70	150,935,483	158,632,652	160,069,667	**9,134,184**
Charter Tuition Reimbursement	3,018,590	3,772,731	4,175,591	**1,157,001**
Offset Receipts				**-**
School Choice Receiving Tuition	75,653	79,903	79,903	**4,250**
Sub-Total - Education Items	**154,029,726**	**162,485,286**	**164,325,161**	**10,295,435**
General Government				
Unrestricted Aid (UGGA)	26,043,352	26,746,523	26,746,523	**703,171**
Urban Revitalization	509,000	-	-	**(509,000)**
Veterans Benefits	511,345	507,446	507,446	**(3,899)**
State Owned Land	198,479	199,746	199,746	**1,267**
Exemptions: VMB & Elderly	283,856	284,359	284,359	**503**
				-
Offset Receipts				**-**
Public Libraries	174,489	176,827	176,827	**2,338**
Sub-Total - General Government	**27,720,521**	**27,914,901**	**27,914,901**	**194,380**
TOTAL ESTIMATED RECEIPTS	**181,750,247**	**190,400,187**	**192,240,062**	**10,489,815**

LOCAL AID & ASSESSMENTS, YEAR-OVER-YEAR COMPARISON

	FY2019 Final Est.	FY2020 Governor's Proposal	FY2020 HWM Proposal	Increase/ (Decrease)
State Assessments and Charges				
Mosquito Control Projects	71,875	77,923	77,923	6,048
Air Pollution Districts	26,148	26,911	26,911	763
RMV Non-Renewal Surcharge	313,660	313,660	325,900	12,240
Sub-Total - Assessments & Charges	**411,683**	**418,494**	**430,734**	**19,051**
Transportation Authorities				
Regional Transit	1,018,868	1,044,338	1,044,338	25,470
Sub-Total - Transportation Authorities	**1,018,868**	**1,044,338**	**1,044,338**	**25,470**
Annual Charges Against Receipts				
Special Education	84,709	62,020	62,020	(22,689)
Sub-Total - Annual Charges	**84,709**	**62,020**	**62,020**	**(22,689)**
Tuition Assessments				
School Choice Sending Tuition	952,934	1,042,592	1,042,592	89,658
Charter School Sending Tuition	24,287,506	25,863,980	26,253,197	1,965,691
Sub-Total - Tuition Assessments	**25,240,440**	**26,906,572**	**27,295,789**	**2,055,349**
Grand Total - Cherry Sheet Assessments	**26,755,700**	**28,431,424**	**28,832,881**	**2,077,181**

LOCAL AID & ASSESSMENTS, YEAR-OVER-YEAR COMPARISON - SUMMARY

	FY2019 FINAL ESTIMATE	FY2020 GOV PROPOSAL	FY2020 HWM PROPOSAL	DIFFERENCE (FY20 HWM OVER FY19)
TOTAL GENERAL GOV'T	27,720,521	27,914,901	27,914,901	194,380
TOTAL EDUCATIONAL AID	154,029,726	162,485,286	164,325,161	10,295,435
SUB-TOTAL LOCAL AID	181,750,247	190,400,187	192,240,062	10,489,815
ASSESSMENTS & CHARGES	411,683	418,494	430,734	19,051
TRANSPORTATION AUTHORITIES	1,018,868	1,044,338	1,044,338	25,470
ANNUAL CHARGES AGAINST RECEIPTS	84,709	62,020	62,020	(22,689)
TUITION ASSESSMENTS	25,240,440	26,906,572	27,295,789	2,055,349
SUB-TOTAL ASSESSMENTS	26,755,700	28,431,424	28,832,881	2,077,181
NET AID (*RECEIPT - ASSESSMENT*)	154,994,547	161,968,763	163,407,181	8,412,634

CHARTER SCHOOLS IN LOWELL

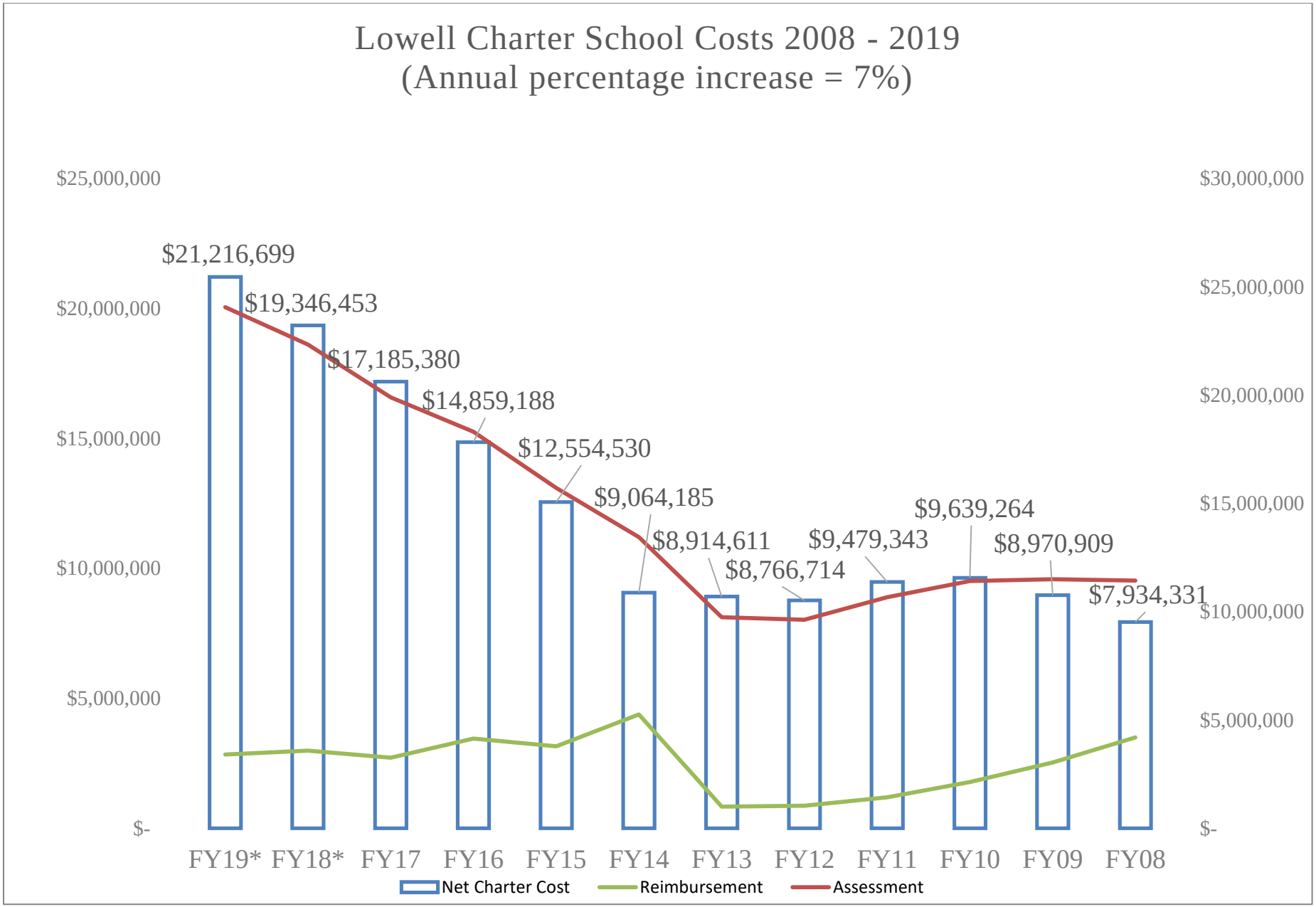
When a student moves from a traditional district to a charter school, the amount of funding spent by the district for that child follows the child in the form of a charter school tuition payment. The state provides some transitional aid to communities as they face these new costs. That funding, however, is temporary and has been significantly underfunded in the state budget.

Thus, the school district and City Administration must find ways to cover the new tuition payment expense. Because students leave from different grades and schools, it is not easy—if at all possible—to reduce the number of classes in a district. Without closing classes, a district cannot eliminate teacher salaries, which are its biggest expense. Also noteworthy, assuming current patterns continue, the students who remain in the traditional district will disproportionately be higher-needs children. The current and proposed law creates a disincentive for charters to serve high-needs children. The Massachusetts Taxpayer's Foundation's chief finding from their 2016 detailed report[29], which some Boston-area news outlets embraced as resolving questions related to municipal finance, is that per-pupil spending has not been negatively affected by charter expansions. They conclude, thus, that there's no evidence that district finances have been harmed.

However, a closer look at the dynamics of municipal financing and operations shows quite the opposite. Because of the all-too-real challenges mentioned in the report's caveat and described in the report, we expect families and students in Lowell will struggle with higher fees, bigger classes, displacement from neighborhood schools, and lost programming even as per pupil spending remains stable or increases.

While the expansion of charter schools did not pass the ballot referendum, funding to support the cohabitation of existing charter schools with the various facilities in the Lowell Public School System continues to be one of the most pressing fiscal challenges of our time. On the one hand, the need to maintain and repair our existing facilities grows greater each day, while on the other, our ability to devote much needed resources to the various ordinary and capital expenses necessary to address these needs is constrained by the net effect of the year-over year increase in the city's charter school assessment and decreases to reimbursement aid from the state. The following chart illustrates what is referred to as the "net charter effect" on Lowell's budget and places it in historical context.

[29] https://www.masstaxpayers.org/sites/masstaxpayers.org/files/MTF%20Charter%20School%20Funding%20September%202016.pdf


Lowell Charter School Costs 2008 - 2019
(Annual percentage increase = 7%)
$25,000,000
$20,000,000
$15,000,000
$10,000,000
$5,000,000
$-
$30,000,000
$25,000,000
$20,000,000
$15,000,000
$10,000,000
$5,000,000
$-
$21,216,699
$19,346,453
$17,185,380
$14,859,188
$12,554,530
$9,064,185
$8,914,611
$8,766,714
$9,479,343
$9,639,264
$8,970,909
$7,934,331
FY19* FY18* FY17 FY16 FY15 FY14 FY13 FY12 FY11 FY10 FY09 FY08
Net Charter Cost
Reimbursement
Assessment

	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019
Charter School Assessment	$19,901,774.00	$21,977,227.00	$24,059,562.00
Charter School Reimbursement	$2,716,394.00	$2,728,228.00	$1,750,131.00
"Net Charter Cost"	$17,191,380	$19,248,999	$22,309,431
Increase over prior year	$2,332,192	$2,057,619	$3,060,432

THE CHARTER SCHOOL FORMULA/ UNDERLYING CALCULATIONS

Each year DESE calculates the assessment based on 603 CMR 1.07(2)(a). The tuition payments shall be equal to the appropriate charter school tuition rate, as determined in accordance with 603 CMR 1.07(2)(a), multiplied by the number of students attending the charter school from the sending district in the current year. If any students attend the charter school for less than the full school year, the tuition payment shall be reduced based on the number of days of enrollment (pro-rated).

For each sending district, a separate foundation budget dollar amount and charter school tuition rate is calculated as follows for each charter school to which the district sends students:

1. The foundation budget dollar amount is be calculated, based on the foundation budget factors used for the distribution of Chapter 70 aid in the current year, provided that the out-of-district special education tuition component of the foundation budget is excluded from the calculation. The student data for the calculation is the foundation enrollment information reported by the charter school as of October 1st of the prior school year. The tuition rate is equal to the foundation budget dollar amount divided by the number of students. If no students attended a particular charter school from a particular sending district in the prior year, then the sending district's average foundation budget per pupil will be used as the tuition rate.

2. Each tuition rate is increased by the ratio of the sending district's current year budgeted net school spending, as reported on schedule 19 of the Department's end of year pupil and financial returns, to the sending district's total current year foundation budget. Amounts reported on schedule 19 for out-of-district special education tuition and retired teachers' health insurance are be excluded from this calculation.

3. Each tuition rate shall be increased by a per pupil capital needs component calculated in accordance with M.G.L. c. 71, § 89(ff), and each year's general appropriations act.

MASS MUNICIPAL ASSOCIATION ADVOCACY AND IMMEDIATE PRIORITIES FOR LOWELL

According to the MMA, the Governor's several proposed changes to the Charter School Reimbursement Program in the FY2020 H1 Budget do not come close to achieving the needed permanent fix necessary to ease the burden on cities like Lowell. Reimbursements this year are set at $90 million, $72 million below the full funding level of $162 million. The governor would increase charter school reimbursements to $106 million in fiscal 2020, while changing the six-year statutory funding schedule of 100 percent reimbursement in the first year and 25 percent in each of the subsequent five years to a new three-year schedule of 100-60-40, phased in over three years. The plan would also increase the facilities assessment payments to charter schools, and make other changes.

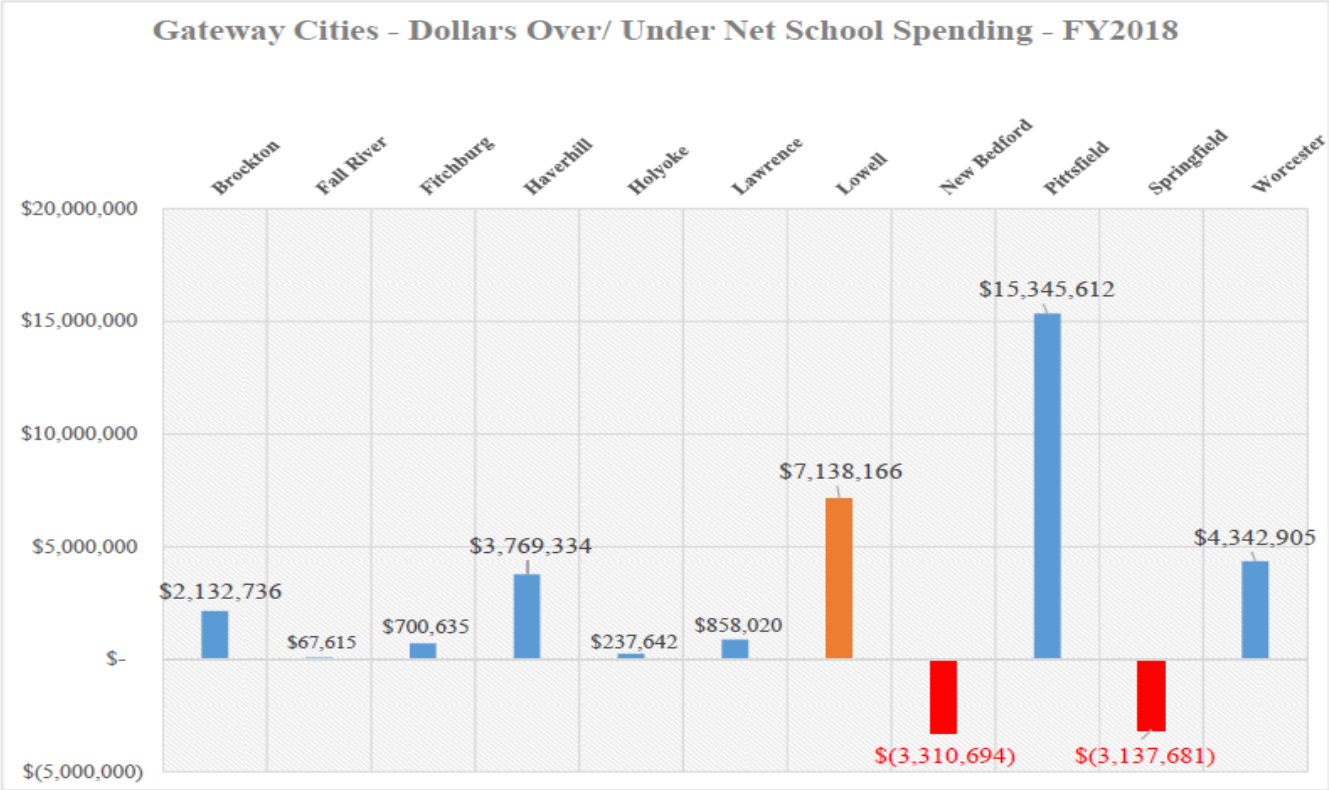
The MMA's immediate analysis is that charter school reimbursements would continue to fall far short. This would continue to divert Chapter 70 funds away from municipally operated school districts and place greater strain on the districts that serve 96 percent of public schoolchildren. No matter what changes are made to the Chapter 70 formula, major problems will continue unless a true resolution of the charter school funding problem is fully integrated into any reform or update of the school finance system.

In addition, House 1 would add only $4.5 million to the Special Education Circuit Breaker Program, for a total of $323.9 million, an increase of only 1.4 percent. Because these costs are expected to rise in fiscal 2020, this means that the governor's budget would substantially underfund the statutory reimbursement amount. Officials from the Department of Elementary and Secondary Education have said the House 1 appropriation would result in a 70 percent reimbursement amount for high-cost, out-of-district placements, rather than the statutory 75 percent, which indicates a shortfall of approximately $18 million. This is a vital account that every city, town and school district relies on to fund state-mandated services. Lowell will be hit especially hard considering the makeup of the public school enrollment population. Legislation that would require additional funding in this area, or mandate that the pace of funding remain on par with the rate of cost escalation; would be incredibly helpful to gateway cities like Lowell.

FY2020 EDUCATION FUNDING – LOWELL PUBLIC SCHOOLS

At the close of the third quarter of fiscal year 2019, City Manager Eileen Donoghue provided an update the City Council of the ongoing preparations for the FY2020 budget and, shortly thereafter, provided a letter to the Acting Superintendent of Schools regarding the FY2020 funding amount. The Department of Elementary and Secondary Education ("DESE") had recently published official compliance report for the district's spending requirements. I am pleased to report to the City Council that the City of Lowell exceeded the Commonwealth's "net school spending" requirement for FY2018 by $7,138,166. This figure is especially notable amongst gateway cities.

Education is a key component of each pillar of the City Manager's Administration. The Manager has proposed an increase to the direct cash contribution of 3.96%, an amount equal to the municipal revenue growth factor ("MRGF"). The MRGF has been calculated each year since FY94 by the state Department of Revenue and quantifies the most recent annual percentage change in each community's local revenues. Including the additional direct tax support, the total proposed single line appropriation support to the Lowell Public Schools in FY20 will be approximately $174,991,853. This figure, however, does not take into account the approximately $45 million in costs to support the district funded by the city budget, nor the aggressive capital investment campaign in the schools.



LOWELL BUDGET TRENDS – BY CATEGORY

The table below sets forth the trend in general and enterprise fund budgets for the following fiscal years. The budgets summarized below exclude expenditures for "non-operating" or extraordinary items.

	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019
General Government[30, 31]	$ 66,046,289	$ 61,435,012	$ 66,576,236	$ 70,037,672	$101,255,724
Public Safety	$ 42,394,288	$ 43,326,634	$ 44,534,457	$ 46,516,535	$47,095,511
Public Works	$ 38,189,076	$ 37,784,719	$ 39,328,795	$ 39,365,035	$40,682,044
Human Services	$ 3,977,142	$ 3,946,751	$ 3,443,603	$ 3,664,120	$3,813,436
Culture/Recreation	$ 1,943,865	$ 1,979,913	$ 2,215,616	$ 2,473,012	$2,180,484
Education[32]	$ 162,784,357	$ 165,165,243	$ 169,980,620	$ 174,288,447	$178,251,008
Debt Service	$ 26,382,512	$ 23,197,777	$ 23,747,712	$ 32,862,912	$25,296,620
TOTAL	**$ 341,717,529**	**$ 336,836,049**	**$ 349,827,039**	**$ 369,207,733**	**$398,574,826**

[30] Includes pensions, annuities, retirement, other employee benefits, and City Parking facilities.
[31] Contains $1,000,000 in 2013 to settle union contracts that will be allocated to other categories
[32] This category includes the Greater Lowell Regional Technical School District assessment.

LOWELL FIXED COSTS – PENSIONS AND OTHER POST-EMPLOYMENT BENEFITS (OPEB)

The City contributes to the Lowell Retirement System (the "System"). Public school teachers are covered by The Commonwealth of Massachusetts Retirement System (TRS) to which the City of Lowell does not contribute. The System and the TRS are contributory defined benefit plans covering all City employees and teachers deemed eligible and include the Lowell Regional Transit Authority and the Lowell Housing Authority. The City pays the entire retirement allowance for certain retirees who are eligible for non-contributory benefits and are not members of the System. The City's fiscal 2017 appropriation was $33,857. The City's FY18 budget is $60,000.

Instituted in 1937, the System is a member of the Massachusetts Contributory System and is governed by Chapter 32 of the Massachusetts General Laws. Membership in the System is mandatory immediately upon the commencement of employment for all permanent, full-time employees. Both the System and TRS provide for retirement allowance benefits up to a maximum of 80% of a member's highest three-year average annual rate of regular compensation. Benefit payments are based upon a member's age, length of creditable service, level of compensation and group classification.

Members of the System and TRS become vested after 10 years of creditable service. A retirement allowance may be received upon reaching age 65 or upon attaining twenty years of service. The systems also provide for early retirement at age 55 if a participant (1) has a record of 10 years of creditable service, (2) was on the City payroll on January 1, 1978, (3) voluntarily left City employment on or after that date, and (4) left accumulated annuity deductions in the fund. Active members contribute from 5% to 11% of their gross regular compensation depending on the date upon which their membership began. The systems provide death and disability benefits. In addition to these benefits provided by the System and TRS, the City provides other benefits to retirees and survivors, most notably, health insurance coverage.

The City is required to contribute in each fiscal year an amount approximating the pension benefits (less certain interest credits) expected to be paid during the year.

The City's contributions to the System for the following fiscal years were:

Fiscal Year	Contribution
2019 (*budgeted*)	25,945,831
2018	24,310,905
2017	23,026,642
2016	20,354,632
2015	20,411,365
2014	17,077,418
2013	16,096,391

Funding Status and Progress

The amount shown below as the "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess the funding status of the System on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due and make comparisons among employers. The measure is the actuarial present value of credited projected benefits and is independent of the funding method used to determine contributions to the System.

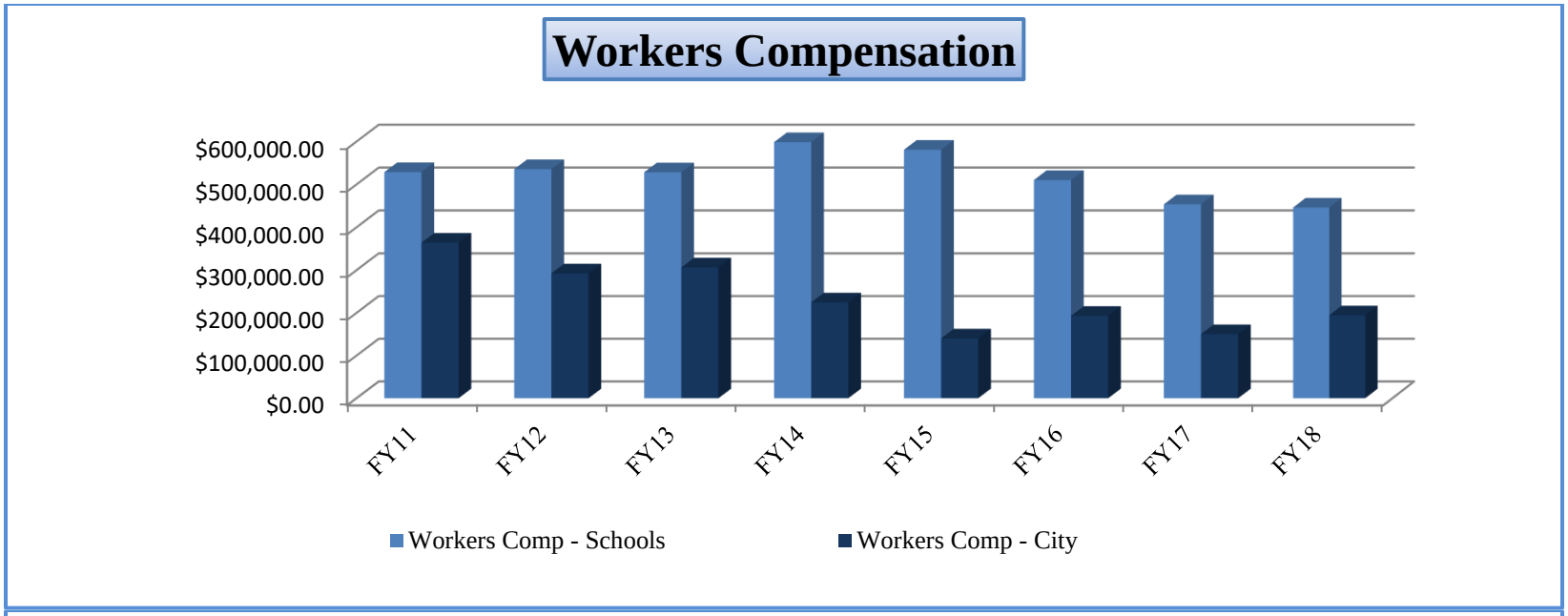
The last full actuarial study was done by KMS Actuaries, LLC as of January 1, 2017. The unfunded pension benefit obligation at that time was $252,728,064 assuming an 7.75% investment rate of return; the funded ratio was 56%. As of 2015, the City's funding schedule was extended to 2036.

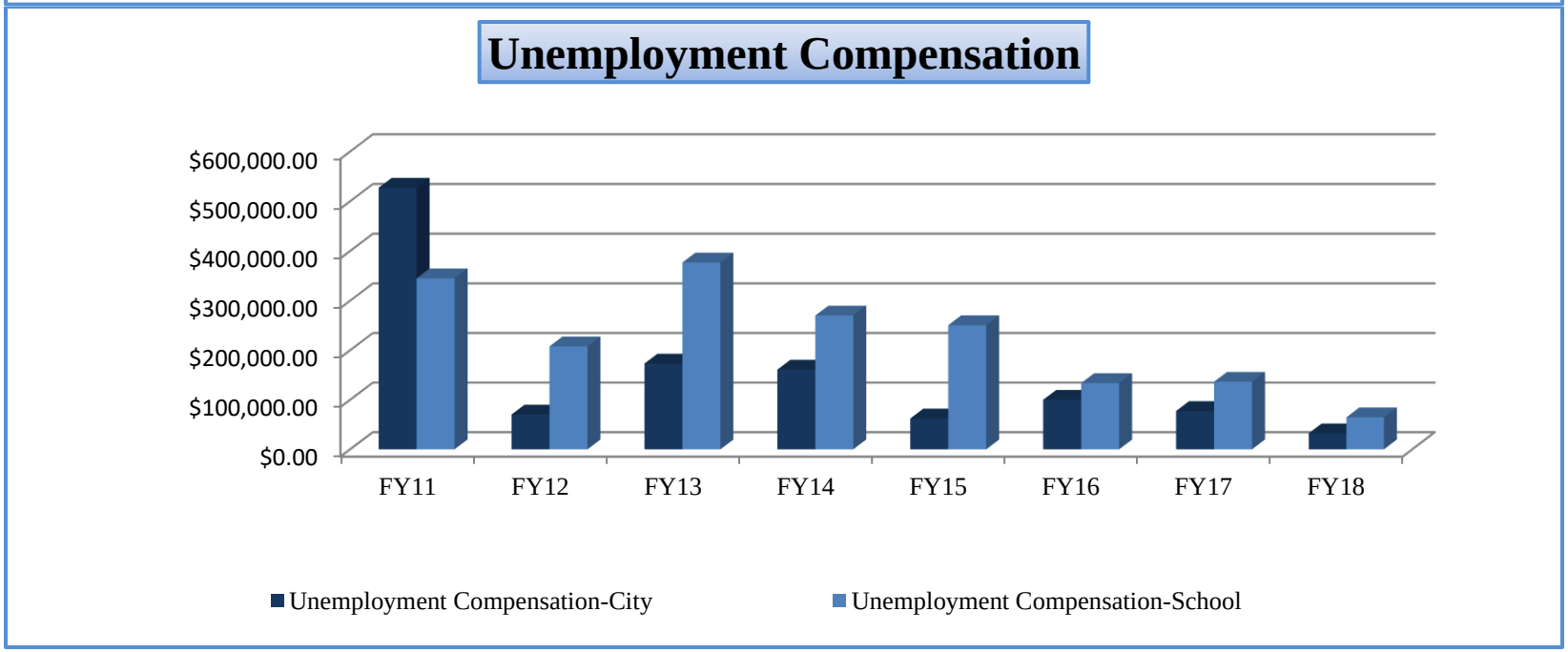
The amortization of the City's unfunded pension benefit obligation is shown below.

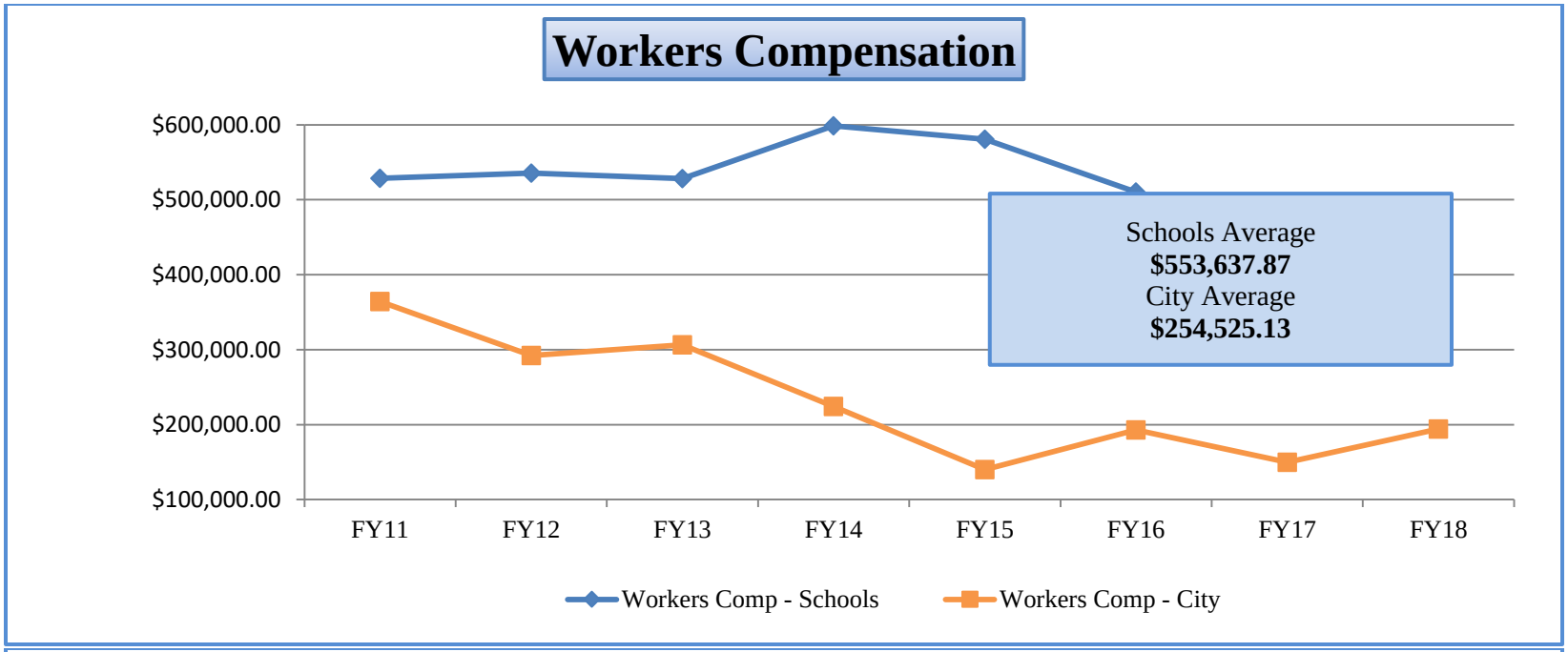
Fiscal Year Ending	Total Normal Cost	Employee Contributions	Employer Normal Cost	Amortization Payment of UAL	Amortization Payment of ERI 2002	Amortization Payment of ERI 2003	Total Employer Cost	Unfunded Actuarial Accrued Liability
2018	$15,884,063	$8,816,692	$7,067,371	$18,552,825	$0	$521,535	$26,141,731	$269,764,647
2019	16,440,004	9,186,389	7,253,615	19,673,667	-	521,536	27,448,818	270,871,707
2020	17,015,405	9,571,164	7,444,241	20,855,481	-	521,537	28,821,259	270,901,099
2021	17,610,944	9,971,621	7,639,323	22,520,825	-	-	30,160,148	269,706,013
2022	18,227,327	10,388,385	7,838,942	23,421,659	-	-	31,260,601	267,231,006
2023	18,865,284	10,822,107	8,043,177	24,358,525	-	-	32,401,702	263,629,095
2024	19,525,569	11,273,464	8,252,105	25,332,866	-	-	33,584,971	258,775,544
2025	20,208,963	11,743,159	8,465,804	26,346,180	-	-	34,811,984	252,534,451
2026	20,916,277	12,231,922	8,684,355	27,400,027	-	-	36,084,382	244,757,825
2027	21,648,346	12,740,514	8,907,832	28,496,029	-	-	37,403,861	235,284,590
2028	22,406,039	13,269,723	9,136,316	29,635,869	-	-	38,772,185	223,939,499
2029	23,190,250	13,820,368	9,369,882	30,821,303	-	-	40,191,185	210,531,978
2030	24,001,910	14,393,305	9,608,605	32,054,156	-	-	41,662,761	194,854,862
2031	24,841,976	14,989,416	9,852,560	33,336,322	-	-	43,188,882	176,683,036
2032	25,711,445	15,609,623	10,101,822	34,669,775	-	-	44,771,597	155,771,969
2033	26,611,346	16,254,884	10,356,462	36,056,567	-	-	46,413,029	131,856,135
2034	27,542,743	16,926,190	10,616,553	37,498,829	-	-	48,115,382	104,647,297
2035	28,506,739	17,624,576	10,882,163	38,998,782	-	-	49,880,945	73,832,666
2036	29,504,475	18,351,115	11,153,360	40,558,734	-	-	51,712,094	39,072,909
2037	30,537,131	19,106,920	11,430,211	-	-	-	11,430,211	-
2038	31,605,930	19,893,153	11,712,777	-	-	-	11,712,777	-
2039	32,712,138	20,711,015	12,001,123	-	-	-	12,001,123	-
2040	33,857,063	21,561,758	12,295,305	-	-	-	12,295,305	-
2041	35,042,060	22,316,419	12,725,641	-	-	-	12,725,641	-
2042	36,268,533	23,097,494	13,171,039	-	-	-	13,171,039	-
2043	37,537,932	23,905,907	13,632,025	-	-	-	13,632,025	-
2044	38,851,759	24,742,613	14,109,146	-	-	-	14,109,146	-
2045	40,211,571	25,608,605	14,602,966	-	-	-	14,602,966	-
2046	41,618,975	26,504,906	15,114,069	-	-	-	15,114,069	-
2047	43,075,640	27,432,577	15,643,063	-	-	-	15,643,063	-

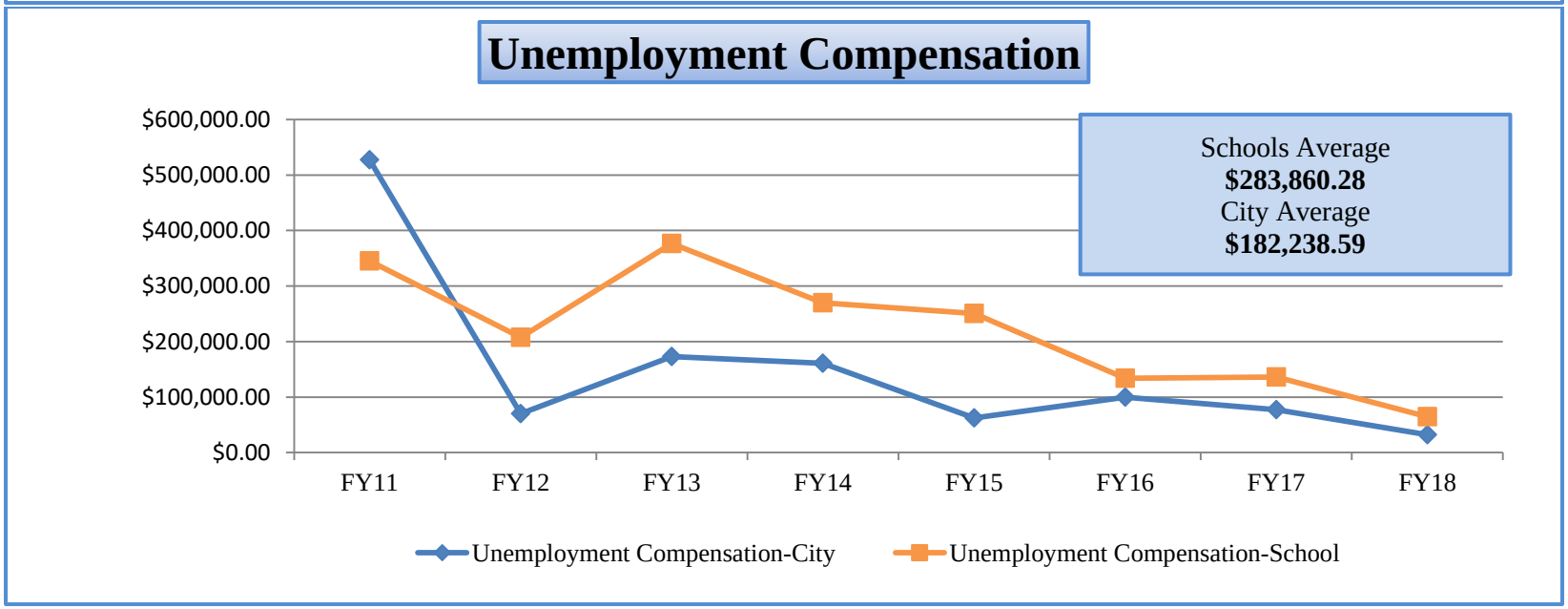
UNCLASSIFIED EXPENSES - SUMMARY

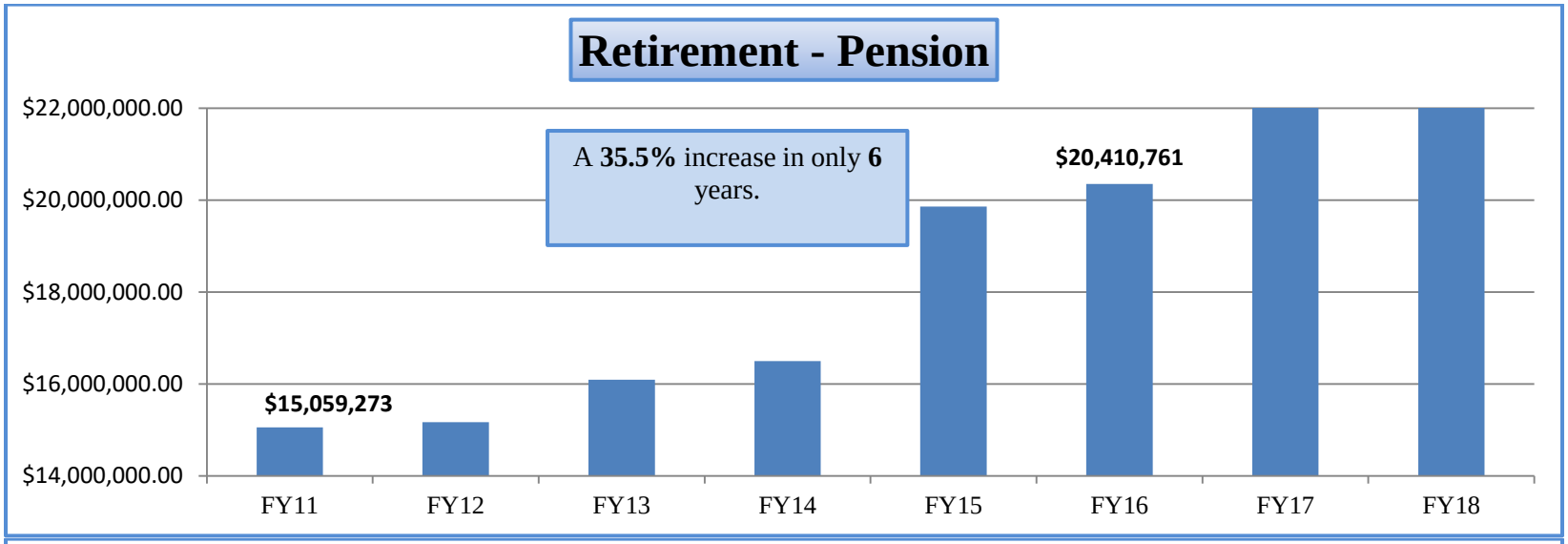
ACCOUNT NAME	FY13	FY14	FY15	FY16	FY17	FY18
Workers Comp - Schools	$528,229.68	$598,488.40	$580,865.64	$510,206.42	$453,485.84	$445,880.00
Workers Comp - City	$306,271.42	$224,331.42	$139,998.64	$192,998.69	$149,933.24	$194,154.20
Unemployment Compensation-City	$173,031.10	$160,882.34	$62,134.73	$100,000.00	$77,279.30	$32,229.62
Unemployment Compensation-School	$376,804.01	$270,033.14	$250,530.16	$133,689.39	$136,311.97	$64,557.83
Early Retirement Expense/ Workforce Reduction	$497,622.00	$497,622.00	$493,084.00			
Retirement - Pension	$16,096,391.12	$16,498,546.30	$19,861,030.97	$20,354,632.12	$22,960,819.34	$24,357,055.73
Court Judgments	$170,201.00	$635,124.00	$118,166.87	$109,802.72	$366,555.96	563.890.22
Claims (Law) General	$278,310.36	$198,784.20	$235,316.50	$241,122.29	$219,500.00	$19,194.08
Claims (Law) Police/Fire - Active	$248,921.59	$357,513.98	$485,227.60	$696,794.40	$456,092.52	$335,181.82
Claims (Law) Police/Fire - Retired	$146,545.46	$141,522.35	$139,049.41	$139,883.56	$84,080.56	$138,022.50
TOTAL BUDGET	**$18,822,327.74**	**$19,582,848.13**	**$22,365,404.52**	**$22,479,129.59**	**$24,904,058.73**	**$25,586,275.78**

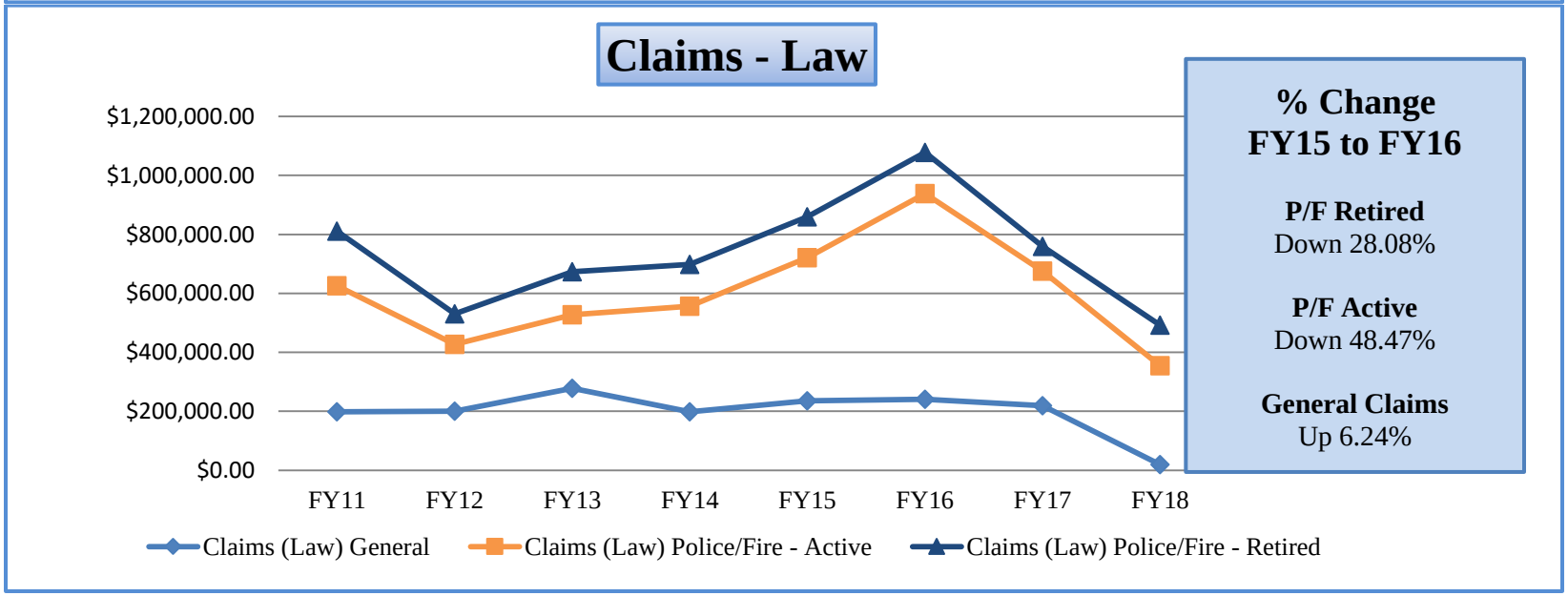

Workers Compensation
$600,000.00
$500,000.00
$400,000.00
$300,000.00
$200,000.00
$100,000.00
$0.00
FY11
FY12
FY13
FY14
FY15
FY16
FY17
FY18
Workers Comp - Schools
Workers Comp - City


Unemployment Compensation
$600,000.00
$500,000.00
$400,000.00
$300,000.00
$200,000.00
$100,000.00
$0.00
FY11
FY12
FY13
FY14
FY15
FY16
FY17
FY18
Unemployment Compensation-City
Unemployment Compensation-School


Workers Compensation
$600,000.00
$500,000.00
$400,000.00
$300,000.00
$200,000.00
$100,000.00
FY11
FY12
FY13
FY14
FY15
FY16
FY17
FY18
Schools Average
$553,637.87
City Average
$254,525.13
Workers Comp - Schools
Workers Comp - City


Unemployment Compensation
$600,000.00
$500,000.00
$400,000.00
$300,000.00
$200,000.00
$100,000.00
$0.00
FY11
FY12
FY13
FY14
FY15
FY16
FY17
FY18
Schools Average
$283,860.28
City Average
$182,238.59
Unemployment Compensation-City
Unemployment Compensation-School


Retirement - Pension
$22,000,000.00
$20,000,000.00
$18,000,000.00
$16,000,000.00
$14,000,000.00
A 35.5% increase in only 6 years.
$15,059,273
$20,410,761
FY11
FY12
FY13
FY14
FY15
FY16
FY17
FY18


Claims - Law
$1,200,000.00
$1,000,000.00
$800,000.00
$600,000.00
$400,000.00
$200,000.00
$0.00
FY11
FY12
FY13
FY14
FY15
FY16
FY17
FY18
% Change FY15 to FY16
P/F Retired
Down 28.08%
P/F Active
Down 48.47%
General Claims
Up 6.24%
Claims (Law) General
Claims (Law) Police/Fire - Active
Claims (Law) Police/Fire - Retired

City of Lowell

Financial Status Report – City of Lowell Operating Budget

Revenues Related to Economic Growth

Decreasing economic growth revenues, as a percentage of net operating revenues, is considered a warning indicator.

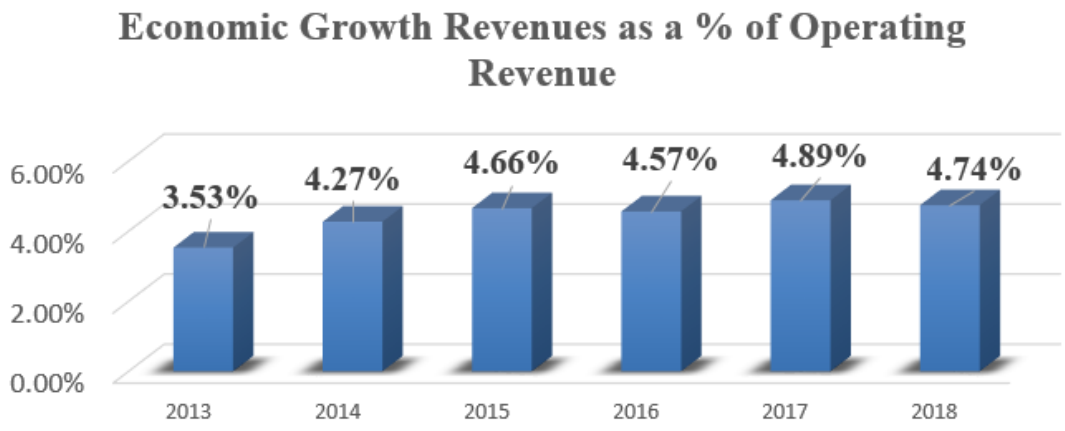
Lowell Trend	
Favorable	X
Stable	
Marginal	
Unfavorable	
Uncertain	

Revenues Related to Economic Growth:

Economic growth revenues are responsive to changes in the economic base and inflation. A balance between growth and other (non-growth) revenues mitigates the effects of economic growth or decline.

During a recession, a high percentage of non-growth revenues is an advantage. During a slowing economy, Lowell should commit sufficient reserves to protect against slowing revenue growth.

A decrease in building permit fees may also be a leading indicator of smaller future increases in the tax levy.



Formula: SUM(Economic Growth Revenue) / Operating Revenue

Fiscal Year	2013	2014	2015	2016	2017	2018
Operating revenue/ transfers	$ 294,665,078	$ 305,703,350	$ 319,145,444	$ 322,902,459	$ 332,512,358	$ 341,654,529.00
Licenses & Permit Fee Revenue	$ 1,734,326	$ 1,930,373	$ 2,161,132	$ 2,705,227	$ 2,446,047	$ 2,301,893.00
Motor Vehicle Excise Revenue	$ 6,222,648	$ 8,356,182	$ 8,217,038	$ 8,361,373	$ 9,120,033	$ 9,918,611.00
Meals Tax Revenue	$ 914,916	$ 997,395	$ 1,041,016	$ 1,117,074	$ 1,227,302	$ 1,238,909.23
Hotel/ Motel Tax Revenue	$ 243,545	$ 230,170	$ 282,189	$ 314,119	$ 308,650	$ 331,215.44
Levy Growth from New Construction - Commercial	$ 249,035	$ 268,568	$ 317,264	$ 291,319	$ 403,837	$ 465,316.00
Levy Growth from New Construction - Industrial	$ 30,631	$ 84,844	$ 61,712	$ 120,397	$ 380,869	$ 210,218.00
Levy Growth from New Construction - Residential	$ 694,778	$ 512,013	$ 1,042,463	$ 811,124	$ 677,579	$ 939,694.00
Levy Growth from New Personal Property	$ 321,757	$ 685,031	$ 1,750,127	$ 1,024,377	$ 1,681,510	$ 803,467.00
Total: Economic Growth Revenue	$ 10,411,636	$ 13,064,576	$ 14,872,942	$ 14,745,009	$ 16,245,827	$ 16,209,324
Economic Growth Revenue as a % of Operating Revenue	**3.53%**	**4.27%**	**4.66%**	**4.57%**	**4.89%**	**4.74%**

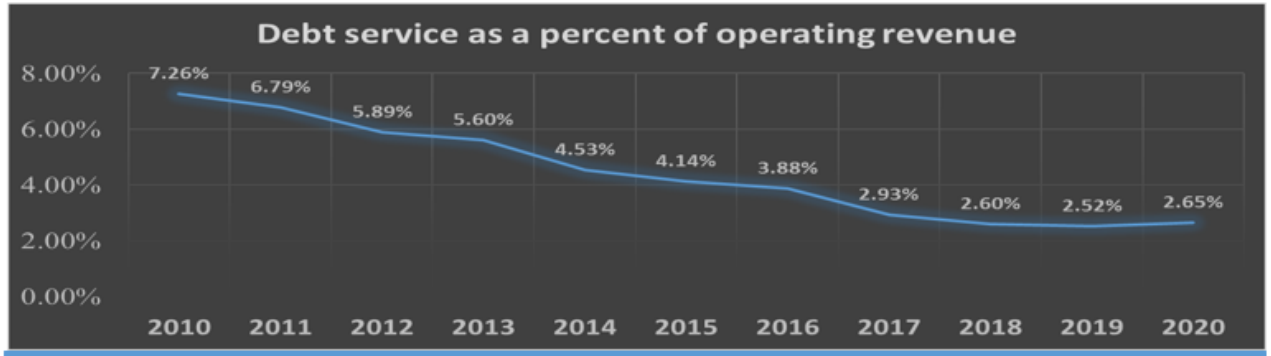
City of Lowell

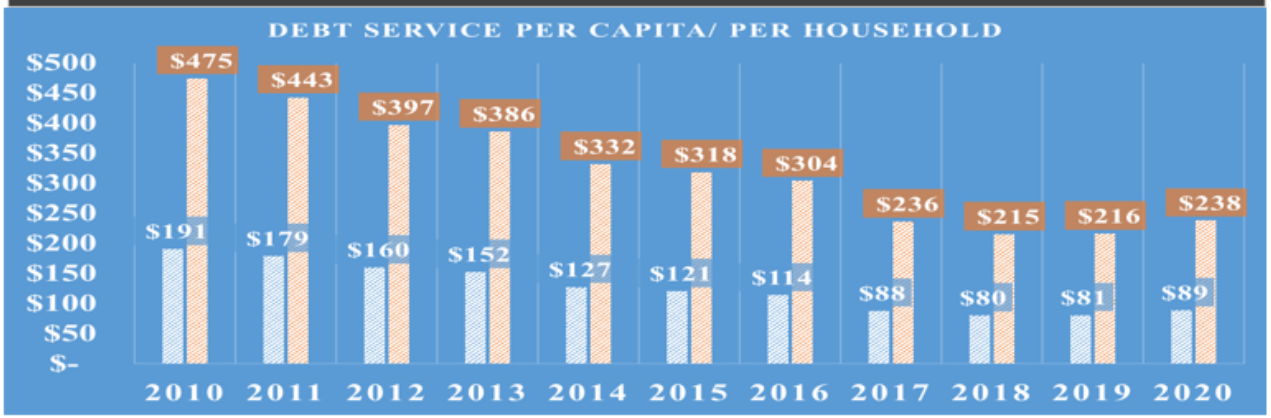
Financial Status Report - City of Lowell Operating Budget

Debt Service

Debt service exceeding 20 percent of operating revenues is considered a warning indicator by credit ratings agencies

Lowell Trend	
Favorable	X
Stable	
Marginal	
Unfavorable	
Uncertain	





Over the course of the last ten years, the City of Lowell has invested extensively in new capital projects. However, the debt service for these projects has not been fully realized by the General Fund. When the High School project comes on line, as well as the debt service for the capital plans, this number will increase, considerably.

Fiscal Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund Debt Service	$ 20,323,433	$ 19,148,222	$ 17,228,708	$ 16,503,031	$ 13,856,380	$ 13,198,490	$ 12,534,017	$ 9,742,713	$ 8,878,167	$ 8,927,893	$ 9,818,772
Gross Operating Revenue	$279,856,594	$281,933,791	$292,523,052	$294,651,953	$305,719,046	$319,129,748	$323,028,807	$332,591,186	$ 341,654,529	$354,284,972	$370,170,438
Population	106,519	107,096	107,676	108,259	108,845	109,434	110,027	110,622	110,622.00	110,622.00	110,622.00
Households	42,830	43,252	43,392	42,761	41,787	41,448	41,258	41,258	41,258	41,258	41,258
Debt Service as a % of GF Revenue	7.26%	6.79%	5.89%	5.60%	4.53%	4.14%	3.88%	2.93%	2.60%	2.52%	2.65%
Debt Service per Capita	$ 191	$ 179	$ 160	$ 152	$ 127	$ 121	$ 114	$ 88	$ 80	$ 81	$ 89
Debt Service per Household	$ 475	$ 443	$ 397	$ 386	$ 332	$ 318	$ 304	$ 236	$ 215	$ 216	$ 238

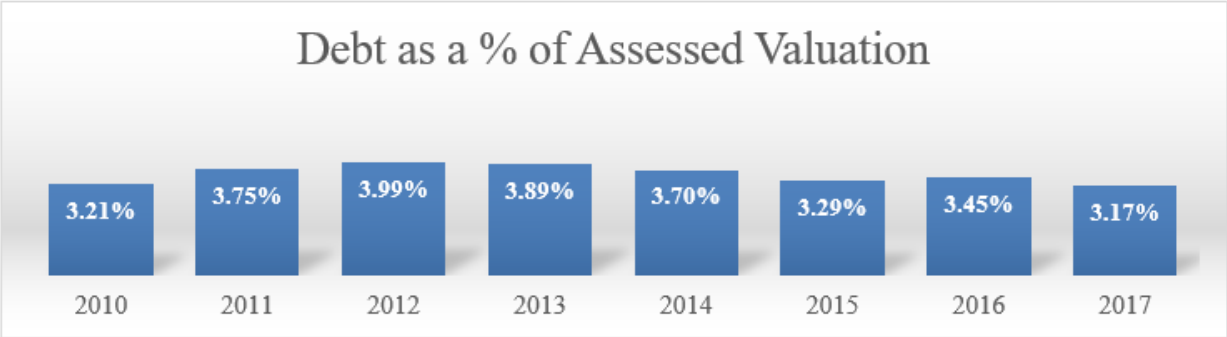
City of Lowell

Financial Status Report – City of Lowell Operating Budget

Debt Service

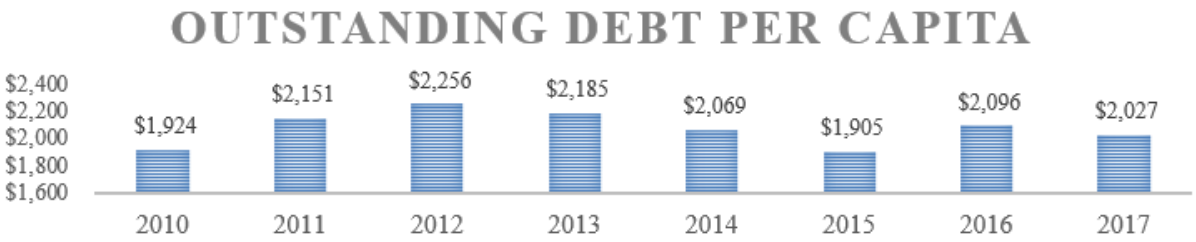
Debt exceeding 10% of assessed valuation is considered a warning indicator by bond rating agencies

Lowell Trend	
Favorable	X
Stable	
Marginal	
Unfavorable	
Uncertain	



These financial indicators are evaluated by the credit rating organizations because they are measures of both the community's debt burden, as well as its level of effort in investing in its capital facilities.

On both measures, Lowell has a strong profile.



Fiscal Year	2010	2011	2012	2013	2014	2015	2016	2017
Debt Outstanding (All Funds)	$ 204,910,595	$ 230,425,550	$ 242,943,545	$ 236,675,510	$ 225,286,056	$ 208,630,405	$ 230,785,081	$ 224,464,694
Assessed Valuation	$ 6,390,673,111	$ 6,149,861,125	$ 6,095,108,518	$ 6,082,517,858	$ 6,085,685,748	$ 6,332,311,813	$ 6,683,928,991	$ 7,090,285,250
Population	106,519	107,112	107,709	108,309	108,913	109,520	110,130	110,743
Debt as a % of Assessed Valuation	3.21%	3.75%	3.99%	3.89%	3.70%	3.29%	3.45%	3.17%
Outstanding Debt per Capita	$ 1,924	$ 2,151	$ 2,256	$ 2,185	$ 2,069	$ 1,905	$ 2,096	$ 2,027

CONCLUSION

The City Manager is submitting a budget to the City Council that supports the Council's priorities and the general programmatic and operational needs of the residents, while holding the line on taxes. Funding has been appropriated strategically and deliberately, taking great care to utilize taxpayer's money only where and when it is needed to provide the residential and business community in a Gateway City like Lowell require. A particular emphasis has been placed on the goal to evaluate all expenditures with a view of maintaining the strong fiscal position the City has attained over the past several years. It is a responsible budget that provides for the essential services to residents, while making critical investments to infrastructure in order to preserve the physical assets of the city and avoid deterioration.

We will continue to use our five-year financial and capital plan, debt, and reserve policies and the City Council's priorities as a guide in our long-term planning to maintain stability and predictability in our budgeting and financial planning processes. The City Council and City Administration understand that choices made today impact future spending decisions. Our effective short and long-term financial, economic, and programmatic planning strategies will help ensure that Lowell can continue to provide the level of services that residents desire while maintaining the modest tax implications taxpayers have come to expect. The initiatives and spending priorities recommended in this budget submission reflect not only the goals of the City Council, but also the priorities of the residents and taxpayers of Lowell.

SUMMARY: OPERATING BUDGET

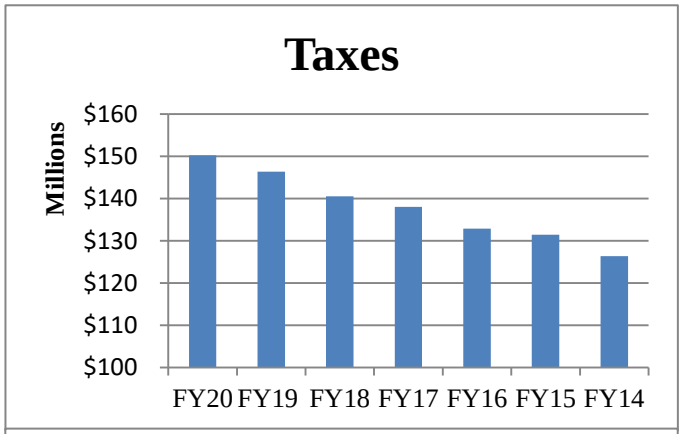
SUMMARY: FY20 OPERATIONS (ALL FUNDS)

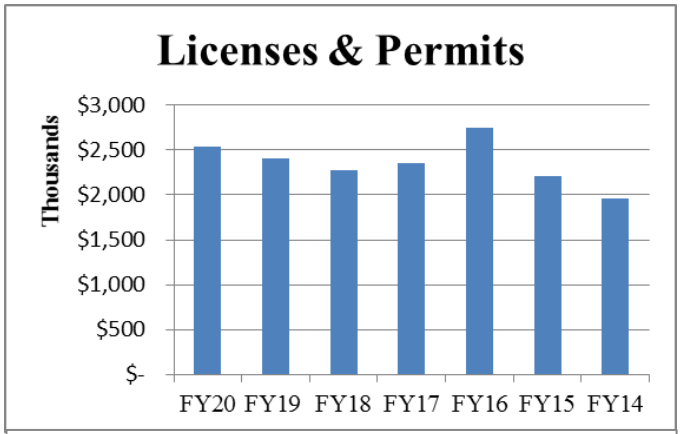
PROGRAM EXPENDITURES	FY17 BUDGET	FY18 BUDGET	FY19 BUDGET	FY20 BUDGET
GENERAL GOVERNMENT	$ 90,740,895	$ 95,989,078	$ 101,255,724	$ 107,748,527
PUBLIC SAFETY	44,534,457	46,516,535	47,095,511	48,016,986
PUBLIC WORKS	39,828,794	39,819,790	40,682,044	40,626,186
HUMAN SERVICES	3,443,603	3,664,120	3,813,436	4,153,547
CULTURE/ RECREATION	2,040,531	2,289,294	2,180,484	2,145,870
EDUCATION	169,440,620	174,288,447	178,251,008	189,438,346
DEBT SERVICE (CAPITAL IMPROVEMENTS)	24,124,141	22,393,187	25,296,620	25,617,172
	374,153,041	384,960,452	398,574,827	$ 417,746,634

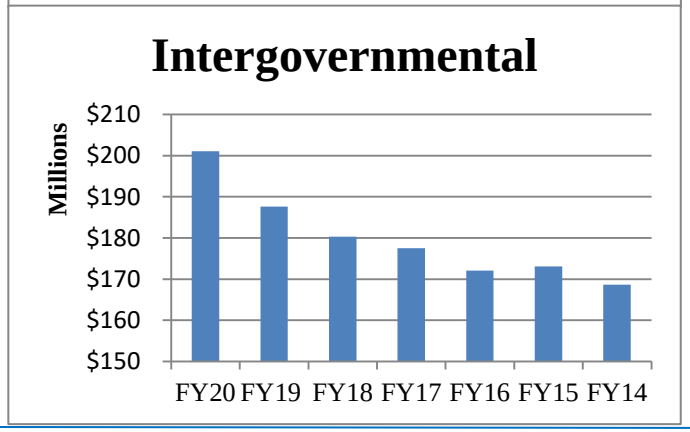
FINANCING PLAN	FY17 BUDGET	FY18 BUDGET	FY19 BUDGET	FY20 BUDGET
TAXES	$ 135,290,791	$ 141,045,987	$ 145,955,966	$ 150,238,988
LICENSES & PERMITS	2,618,400	2,756,500	2,479,675	2,543,450
CHARGES FOR SERVICES	56,383,641	56,778,220	59,710,976	61,832,351
INTERGOVERNMENTAL REVENUE	177,932,917	182,821,033	189,006,650	201,405,345
MISCELLANEOUS REVENUE	1,927,292	1,558,692	1,421,559	1,726,500
	374,153,041	384,960,432	398,574,826	417,746,634

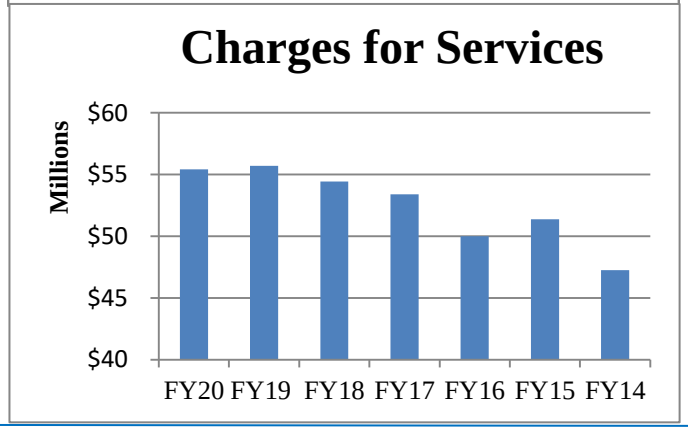
REVENUE HISTORY

Fiscal Year	Taxes	Licenses and Permits	Intergovernmental Revenue	Charges for Services	Miscellaneous Revenue
FY20	**$ 150,238,988**	**$ 2,543,450**	**$ 201,063,818**	**$ 55,411,938**	**$ 1,726,500**
FY19	146,393,664	2,406,875	187,579,890	55,702,110	1,550,559
FY18	140,557,873	2,269,139	180,284,445	54,429,315	1,760,778
FY17	138,068,417	2,359,272	177,482,444	53,391,824	1,496,128
FY16	132,910,363	2,750,871	172,086,190	49,991,904	1,685,500
FY15	131,480,224	2,211,117	173,100,192	51,379,332	1,292,650
FY14	126,394,092	1,958,138	168,622,458	47,242,829	3,272,084









REVENUE ASSUMPTIONS AND PROJECTIONS

Overall, the City's practice is to budget revenues conservatively and to plan growth based on historical data. Revenue projections for FY2020 are based on audited, actual collections from the past two completed fiscal years (FY17 and FY18) and projected collections, based on YTD figures from the city's accounting system (MUNIS) for the most recent fiscal year (FY19). In preparing the budget, the finance department analyzes current year collections, historical trends, and anticipated changes that impact particular revenues. This practice has served the City well during tumultuous economic times, since the City met or exceeded most of its FY18 budgeted revenues and expects to do the same in FY19. While many of the City's revenues—such as local aid and taxes—are stable and dependable from one year to the next, other revenue sources such as local receipts are projected and budgeted conservatively as has been the practice of the City for many years. This is because local receipts are volatile from one year to the next, so budgeting conservatively is a financial best practice.

I. TAXES

Revenues from Taxes are projected to be approximately $150,238,988 and are based on the following sources:

a. REAL ESTATE AND PERSONAL PROPERTY

i. Real property tax is one of the primary sources of revenue for municipalities in the Commonwealth. Real property refers to land, buildings and improvements built on or attached to the land. The value of all taxable land is determined by the City's Board of Assessors. On a triennial basis, the State Department of Revenue recertifies property values. During intervening years, the city performs a statistical validation of values that is approved by the State.

ii. According to Massachusetts General Laws Ch. 59 § 2D, if real estate is improved in assessed value of over 50% by new construction and is issued an occupancy permit, the owner shall pay a pro rata amount.

b. NEW GROWTH

i. Under Proposition 2 ½, municipalities are able to raise the levy limit annually to reflect the increased value of new development and other growth in the tax base. The purpose of the provision is to recognize the new development results in additional municipal costs. New growth includes increased assessed valuation because of development, exempt real property returning to the tax roll and new personal property as well as new subdivision parcels and condominium conversions. DOR requires the Assessors to submit growth information in the tax base as part of the rate setting process. New growth is calculated by multiplying the value associated with new construction by the prior year's tax rate. Increases in property valuation due to revaluation are not included.

MOTOR VEHICLE EXCISE TAX

ii. An excise tax is imposed on motor vehicles by the municipalities in which it is garaged at the time of registration. The State of Massachusetts sets the rate, which is currently $25.00 per $1,000.00 valuation. The RMV determines vehicle valuations using a formula based on manufacturer's list price and the year the vehicle was manufactured.

iii. An excise tax is also imposed on nautical vessels by the municipalities in which the vessel is habitually docked or situated. The boat's fair cash value is determined by the municipal assessor to compute the excise tax per vessel.

c. HOTEL/ MOTEL EXCISE TAX

i. An excise tax is imposed on rental rooms in hotels, motels and lodging houses by municipalities. The local room occupancy is currently 6% on the transfer of occupancy for $15.00 or more. The Hotel/Motel excise tax revenue is collected by the State and then distributed quarterly to appropriate municipalities.

d. MEALS EXCISE TAX

i. The State of Massachusetts gives municipalities the ability to impose a 0.75% meals excise tax upon local acceptance for local use. The local meals excise tax is imposed in addition to the 6.25% state sales tax.

e. PENALTIES AND DELINQUENT INTEREST

i. Taxpayers are assessed both a penalty and interest for late payments of property tax bills, motor vehicle excise bills and other payments. This category includes delinquent interests on tax liens redeemed, outstanding personal property taxes, personal property, real property, motor vehicle excise tax, tax liens and lien certificates.

f. IN LIEU OF TAXES PAYMENTS

i. In lieu of tax payments from tax-exempt institutions are voluntary contributions for services such as police and fire protection, street cleaning and snow removal. PILOTs are voluntary payments made by tax-exempt private nonprofits as a substitute for property taxes. Tax-exempt institutions include hospitals, universities and cultural institutions.

II. LICENSES & PERMITS

Revenues from Licenses & Permits are projected to be approximately $2,479,675 and are based on the following sources:

a. LICENSES

License revenues arise from the City's regulation of certain activities including selling alcoholic beverages and driving a taxi cab. A person or organization pays a licensing fee to engage in the activity for a specified period. Licenses include:

- ✓ Liquor
- ✓ Special Alcohol
- ✓ Beer and Wine
- ✓ Amusement
- ✓ Auto-2nd Hand
- ✓ Health- Wagon
- ✓ Common Victualler
- ✓ Misc. Licenses
- ✓ Auto Used Car Licenses
- ✓ Funeral Director Licenses
- ✓ Health-Catering
- ✓ Auto Junk Dealer Licenses
- ✓ Sunday Entertainment
- ✓ Taxi Licenses
- ✓ Tobacco Licenses
- ✓ Marriage Licenses
- ✓ Health-Body Art Licenses
- ✓ Health- Misc. Licenses
- ✓ Health- Dumpster

b. PERMITS

Permits are required when a person or business wants to perform a municipally regulated activity including building, electrical or plumbing services. The bulk of permit revenue is brought in through building permits collected by the Inspectional Services Department. All construction and development in the city must be issued a building permit based on the cost of construction. Permits include:

- ✓ DPW- Street Openings
- ✓ Health Dept. – Misc.
- ✓ Police- Firearms
- ✓ Fire- Smoke Detectors
- ✓ Business Permits
- ✓ City Clerk – Mortgage
- ✓ Health- Burial
- ✓ Health- Bakery
- ✓ Plumbing
- ✓ Garage & Gas
- ✓ Gas Permits
- ✓ Canteen Trucks
- ✓ Ice Cream- Manufacturer
- ✓ Rental Units
- ✓ Fire- Misc. Permits
- ✓ Health – Public Pools
- ✓ Occupancy Permits
- ✓ Lodging House
- ✓ Parks & Rec
- ✓ Marriage- JP Fees
- ✓ Sheet Metal
- ✓ Special Events Permits
- ✓ Misc. Permits

III. CHARGES FOR SERVICES

Charges for services are an important revenue source for the City to maintain the level of services provided to the community. With a limit on tax revenues, the City must impose charges for the delivery of some services that were formerly financed through the property tax.

Revenues from Charges for Services are projected to be approximately $61,832,351 and are based on the following sources:

a. INDIRECT COST OF THE ENTERPRISE FUNDS
   i. An indirect cost is one that cannot be directly or exclusively assigned to one service. Enterprises often benefit from expenditures made by the general fund. Indirect costs should be identified and allocated to the enterprise fund using clearly established formula to prorate the expense among departments. Indirect costs are appropriated in the general fund, and operating transfers made by auditor to reimburse the general fund from the enterprise fund. All operating transfers from the enterprise fund are credited to the general fund's cash account, at no time is an operating transfer made to replenish an operating department appropriation.

b. TRASH/ RECYCLING SERVICES

c. FINES AND FOREFEITS
   i. Penalties levied for violations of the City's municipal code.

d. BASEBALL REVENUE

e. CEMETERY REVENUE
   i. The Public Works department maintains the Lowell Cemetery. Fees help support the cost of operating the cemetery.

f. AMBULANCE REVENUE

g. CABLE FRANCHISE FEE
   i. The payments to the City are derived through revenues received from Comcast. As Comcast Cable television revenues increase or decrease, the municipal access to fees received by the City will increase or decrease proportionately and are used to support municipal programming.

h. ENTERPRISE REVENUES – WATER

i. The municipality owned and operated public water utility system provides water to residents of Lowell. The city currently bills users on a quarterly basis for water use. The Water Utility Department collects revenue for water bills, liens on bills, junk/ scrap, and solar renewable energy credits.

ii. The water department receives miscellaneous revenue from service renewals, hydrant rentals, cross connection inspections, meter replacements, water works construction permits, fines, meter transmitter unit instillations, fire service fees, final bill, reading fees, laboratory bacterial testing and other services.

i. ENTERPRISE REVENUES – WASTEWATER

i. The City authorizes annual/quarterly sewer service charge to shift sewer expenditures away from property taxes to the tax-exempt institutions in the city, which are among the largest water users. The Wastewater Utility Department collects revenue for local usage, septage receipts, sewer liens, pretreatment permits, and laboratory analysis. Lowell's Wastewater facilities also collect revenue for service from surrounding communities such as Tewksbury, Chelmsford, Dracut and Tyngsboro.

j. ENTERPRISE REVENUES - PARKING

i. An important source of revenue for the City is the parking fund. This fund consists of the revenue from meter permits, meter collections, resident parking stickers, parking lots and garages, parking fines and interest earnings. These revenues are then distributed to help fund programs permitted under Ch. 844 of the Massachusetts General Laws. With limited tax revenues, the parking fund is a critical source of City revenue, and includes:

1. On-Street Parking Meter Collections
2. Off-Street Parking Lot Meter Collections- City operates nine lots with pay stations that accept cash and credit cards.
3. Parking Garages- There are 5,059 parking spaces in these facilities.
4. Use of meters- Payment is received when a request is made to use meter spaces in conjunction with street obstruction or closing permit, when granted by the department.
5. Resident stickers- To prevent commuter parking in residential areas, the department issues resident parking stickers/signs to Lowell residents to allow them to park in permit only areas.

IV. INTERGOVERNMENTAL REVENUE

GRANT FUNDS - In FY18, the City will continue to accept, appropriate and expend grants in a special revenue fund. Grants are accepted and appropriated year-round by the City Council at the time of notification by the grantor to the City. However, a small number of federal and state grants, imperative to the operating budgets of some departments, will be appropriated in the General Fund budget process.

CHERRY SHEET REVENUES - State Cherry Sheet revenue funds are the primary intergovernmental revenue. Cherry Sheet revenue consists of direct school aid, local aid and specific reimbursements and distributions such as aid to public libraries, veterans' benefits, and number of school related items.

Revenues from Intergovernmental Revenue are projected to be approximately $187,917,168 and are based on the following sources:

a. FEDERAL GRANTS
   i. Various federal grants, as detailed within this document, will be appropriated in FY19 General Fund budget process. All other federal grants will be accepted and appropriated individually by the City Council upon receipt of the grant award notice to the City.

b. STATE GRANTS
   i. Various state grants, as detailed within this document, will be appropriated in the General Fund in FY19. All other state grants will be appropriated in the Grant Fund during the fiscal year.

c. STATE CHERRY SHEET REVENUE
   i. Every year the Commonwealth sends to each municipality a "Cherry Sheet", named for the pink colored paper on which it was originally printed. The Cherry Sheet comes in two parts, one listing the state assessments to municipalities for MBTA, MAPC, air pollution control districts and other state programs; the other section lists the financial aid the City will receive from the state for funding local programs. Each Cherry Sheet receipt is detailed on the following pages. Cherry Sheet revenue is used in funding

d. AVAILABLE FUNDS - LOCAL

V. MISCELLANEOUS REVENUE

The General Fund includes a variety of revenues that cannot be categorized in the other five accounting designations. Interest earnings on investments, rental income from City property and transfers from non-operating budget funds comprise the bulk of revenues in this category.

Revenues from taxes are projected to be approximately $1,726,500 and are based on the following sources:

a. INTEREST EARNINGS
   i. The City regularly invests temporarily idle cash in the Massachusetts Municipal Trust Depository- Cash Fund and through our semiannual Certified Deposit (CD) bids. The City emails bid requests to all local banks semiannually to request CD rates for 6-9 month CD denominations as low as $250,000 and as high as $10,000,000. Over the years, the City has successfully invested idle cash into many local banks.

b. RENT/SALE OF CITY PROPERTY

c. FREE CASH

d. OTHER MISCELLANEOUS RECEIPTS
   i. The largest source of revenue in this category include: Treasurer's Miscellaneous, Wire Miscellaneous, City Clerk Miscellaneous and Miscellaneous Enterprise.

BUDGETED REVENUES & HISTORIC COLLECTIONS - SUMMARY

Actual FY17	Actual FY18	Projected FY19		Budget FY20
138,068,417	140,557,873	146,393,664	TAXES	150,238,988
2,359,272	2,269,139	2,406,875	LICENSES & PERMITS	2,543,450
53,391,824	54,429,315	55,702,110	CHARGES FOR SERVICES	61,832,351
177,482,444	180,284,445	187,579,890	INTERGOVERNMENTAL REVENUE	201,079,156
1,496,128	1,760,778	1,550,559	MISCELLANEOUS REVENUE	1,726,500
372,798,085	**379,301,550**	**393,633,097**		**417,420,445**

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TAXES
SUMMARY

Actual FY17	Actual FY18	Projected FY19		Budget FY20
124,134,134	128,507,951	133,785,808	Tax Levy	**136,795,988**
			New Growth *	**1,500,000**
9,122,545	7,394,004	8,752,000	Motor Vehicle Excise Tax	**8,252,000**
308,650	331,215	340,000	Hotel/ Motel Excise Tax	**340,000**
1,227,302	1,238,909	1,350,000	Meals Excise Tax	**1,350,000**
2,640,184	2,589,817	1,505,254	Penalties & Delinq. Int.	**1,426,000**
635,602	495,976	660,602	In Lieu of Tax Payments	**575,000**
138,068,417	**140,557,873**	**146,393,664**		**150,238,988**

** New Growth is a certification of new taxable value in the City. The amount is projected for the budget year, but included in the levy for all years prior*

TAXES
NEW GROWTH

Actual FY17	Actual FY18	Projected FY19		Budget FY20
3,143,795	2,418,695	2,144,212	New Growth*	1,500,000
3,143,795	**2,418,695**	**2,144,212**		**1,500,000**

**New growth from prior years included in tax levy total in summary page, shown here for context*

CLASS	2015	2016	2017	2018	2019
Resitendial	68,854,915	52,398,207	44,695,200	62,982,182	37,891,626
Open Space	0	0	0	0	0
Commercial	9,992,575	8,974,700	12,935,200	15,186,547	6,776,835
Industrial	1,943,700	3,709,100	12,199,525	6,860,900	6,393,300
Personal Property	55,122,102	31,558,135	53,860,041	26,222,806	41,327,236
Total	135,913,292	96,640,142	123,689,966	111,252,435	92,388,997

[33]

[33] Table data as reported by the MA DOR; the CLASS type labeled "Resitendial" should be labeled "Residential".

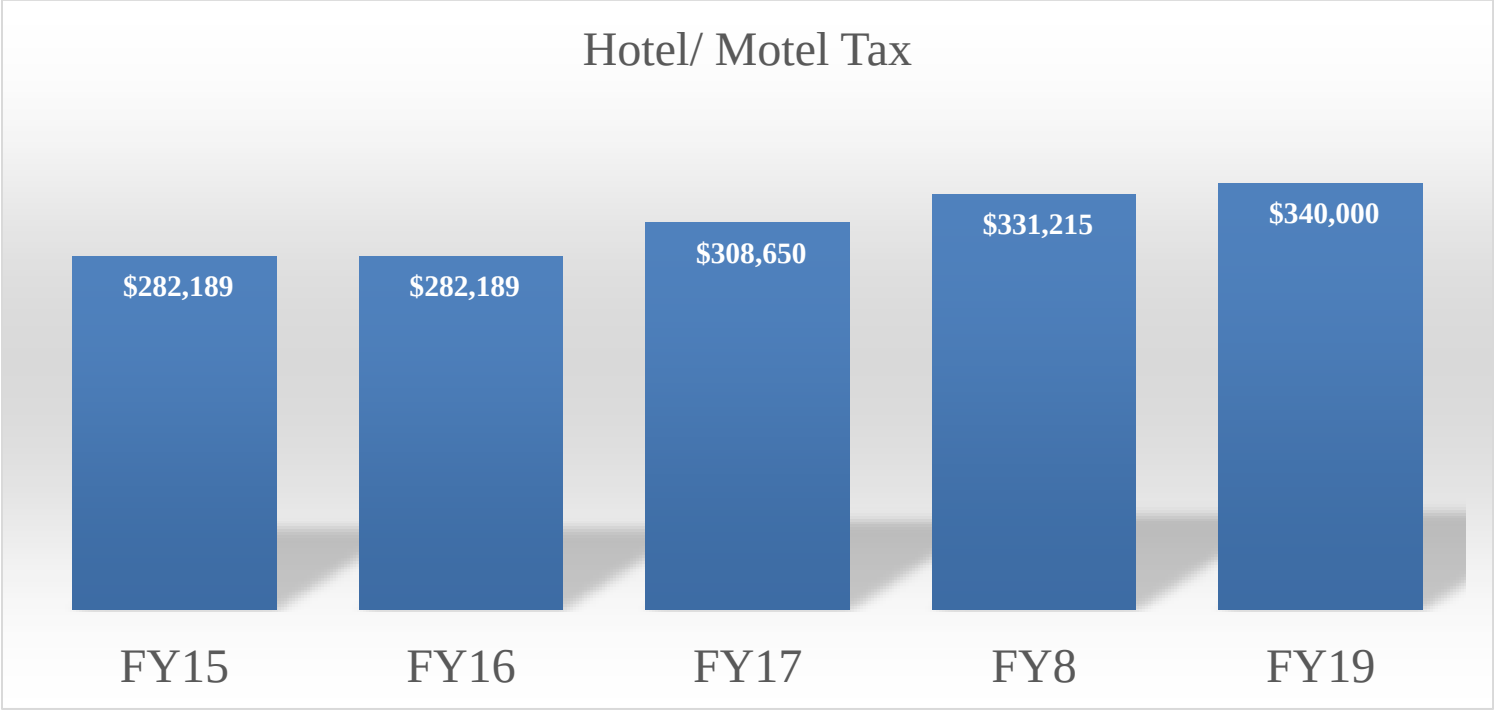
TAXES

MOTOR VEHICLE AND BOAT EXCISE TAXES

Actual FY17	Actual FY18	Projected FY19		Budget FY20
9,120,033	7,391,889	8,750,000	Motor Vehicle Excise	8,250,000
2,512	2,115	2,000	Boat Excise	2,000
9,122,545	**7,394,004**	**8,752,000**		**8,252,000**

TAXES
HOTEL/MOTEL

Actual FY17	Actual FY18	Projected FY19		Budget FY20
308,650	331,215	340,000	Hotel/ Motel Tax	340,000
308,650	**331,215**	**340,000**		**340,000**



TAXES
MEALS EXCISE TAXES

Actual FY17	Actual FY18	Projected FY19		Budget FY20
1,227,302	1,238,909	1,350,000	Meals Excise Tax	1,350,000
				1,350,000

TAXES

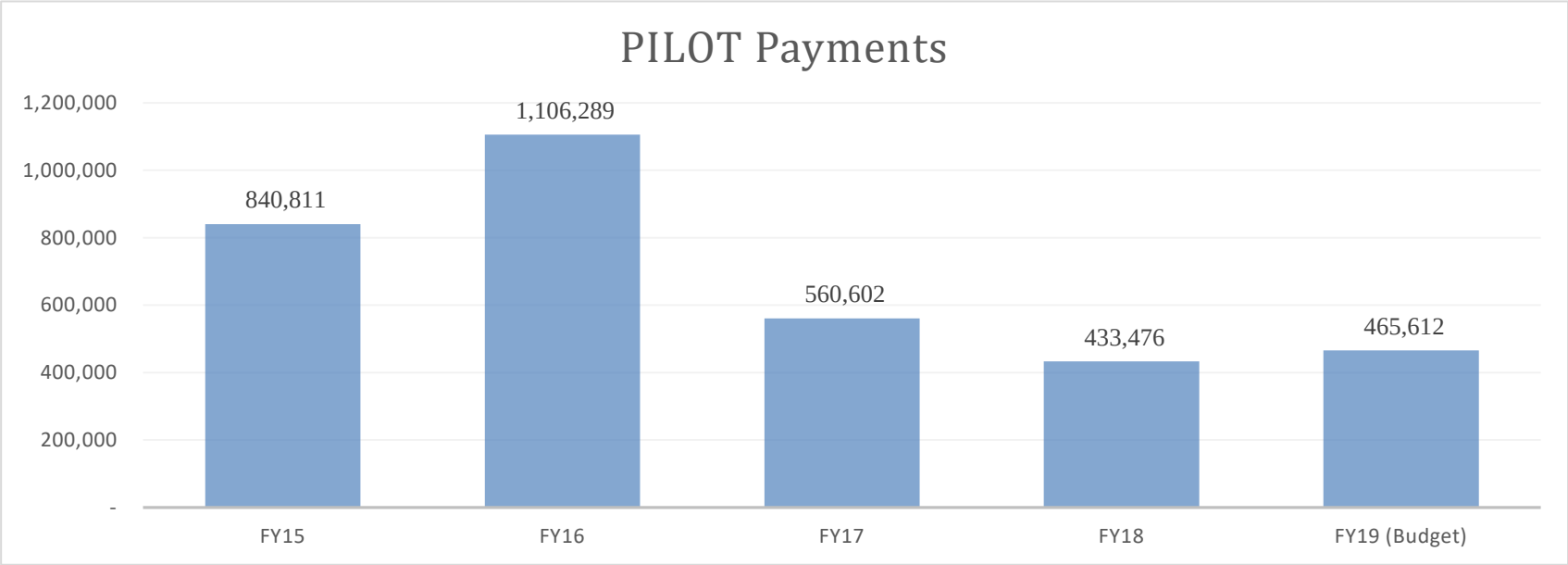
PENALTIES AND DELINQUENT INTEREST

Actual FY17	Actual FY18	Projected FY19		Budget FY20
1,150,353	754,170	-	Tax Liens Redeemed	-
84,383	31,770	70,000	Personal Property (Penalty/ Interest)	50,000
257,321	256,618	257,000	Real Property (Penalty/ Interest)	255,000
126,275	149,982	126,275	Real Estate Return Fines	140,000
728,144	814,506	742,979	Motor Vehicle (Penalty/ Interest)	750,000
128,021	94,272	128,000	Tax Lien (Penalty/ Interest)	90,000
-	350,026	-	Misc. Other Fees	-
59,128	41,962	71,000	Pro Forma Tax (Ch. 59 §2D)	41,000
106,559	96,510	110,000	Lien Certificates	100,000
2,640,184	**2,589,817**	**1,505,254**		**1,426,000**

TAXES

PAYMENT IN-LIEU-OF-TAXES (PILOT)

Actual FY17	Actual FY18	Projected FY19		Budget FY20
560,602	433,476	560,602	Payments in Leiu of Taxes ("PILOT")	425,000
75,000	62,500	100,000	Urban Redevelopment (Ch. 121a)	150,000
635,602	**495,976**	**660,602**		**575,000**



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LICENSES AND PERMITS
SUMMARY

Actual FY17	Actual FY18	Projected FY19		Budget FY20
491,304	488,642	503,775	Licenses	486,050
1,867,968	1,780,497	1,903,100	Permits	2,057,400
2,359,272	**2,269,139**	**2,406,875**		**2,543,450**

LICENSES AND PERMITS

LICENSES

Actual FY7	Actual FY18	Projected FY19		Budget FY20
283,175	278,595	283,175	Liquor Licenses	275,000
16,975	13,000	16,250	Special Alcohol Licenses	13,000
49,450	49,775	50,000	Beer & Wine Licenses	50,000
9,250	12,238	10,000	Amusement Licenses	12,000
1,400	1,400	2,000	Auto - 2nd Hand Licenses	1,500
200	200	-	Health - Wagon	200
14,850	14,175	16,000	Common Victualler	15,000
33,549	32,394	37,500	Misc. Licenses	32,000
11,400	13,200	13,000	Auto Used Car Licenses	13,000
2,000	2,000	2,200	Funeral Director Licenses	2,000
3,750	8,200	3,000	Health - Catering	6,000
2,400	1,000	1,200	Auto Junk Dealer Licenses	1,000
100	100	1,000	Sunday Entertainment	100
8,400	5,750	9,000	Taxi Licenses	6,000
16,725	16,125	17,750	Tobacco Licenses	17,750
29,555	29,290	30,000	Marriage Licenses	30,000
4,000	4,250	4,500	Health - Body Art Licenses	4,500
1,900	3,900	5,000	Health - Misc. Licenses	4,000
2,225	3,050	2,200	Health - Dumpster	3,000
491,304	**488,642**	**503,775**		**486,050**

LICENSES AND PERMITS

PERMITS

Actual FY17	Actual FY18	Projected FY19		Budget FY20
89,169	117,775	89,000	DPW - Street Openings	100,000
-	3,900	-	Health Dept. - Misc.	3,900
10,425	14,100	9,000	Police - Firearms	15,000
88,210	81,818	80,000	Fire - Smoke Detectors	80,000
21,090	30,525	25,000	Business Permits	30,000
-	-	1,000	City Clerk - Mortgage	-
21,495	20,515	22,000	Health - Burial	22,000
3,625	5,200	5,000	Health - Bakery	5,000
1,068,938	857,116	1,100,000	Building Permits	1,100,000
79,859	93,715	85,000	Plumbing	90,000
13,275	19,275	16,000	Garage & Gas	20,000
44,466	67,854	42,000	Gas Permits	60,000
4,500	4,800	1,600	Canteen Trucks	4,500
900	1,350	500	Ice Cream - Manufacturer	1,000
-	59,000	-	Rental Units	100,000
43,871	46,455	55,000	Fire - Misc. Permits	50,000
2,400	1,800	2,500	Health - Public Pools	2,000
158,575	168,430	175,000	Occupancy Permits	175,000
1,050	900	1,500	Lodging House	1,000
38,565	59,884	50,000	Parks & Rec	60,000
29,555	38,400	40,000	Marriage - JP Fees	40,000
106,279	39,662	60,000	Sheet Metal	50,000
3,156	3,166	3,000	Special Events Permits	3,000
38,565	44,858	40,000	Misc. Permits	45,000
1,867,968	**1,780,497**	**1,903,100**		**2,057,400**

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INTERGOVERNMENTAL REVENUE

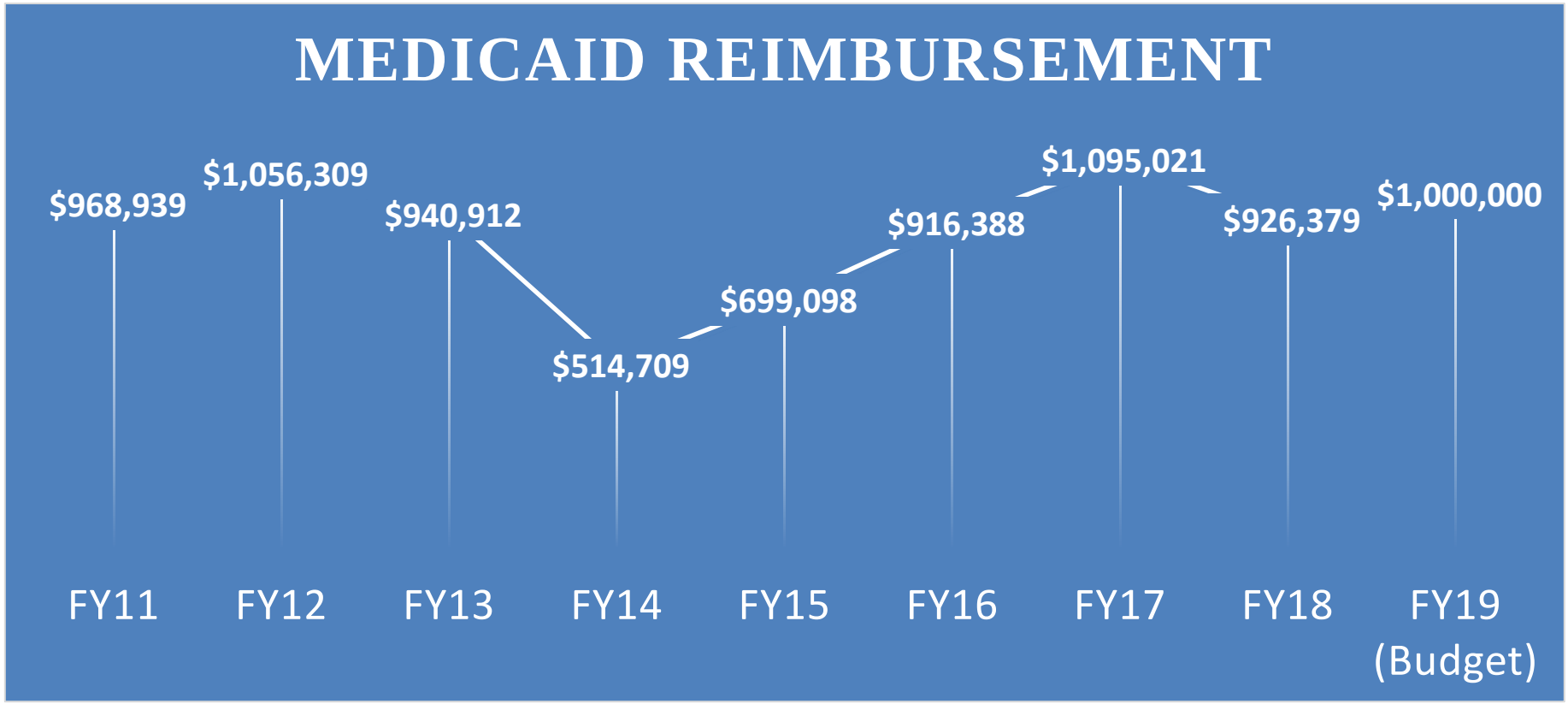
SUMMARY

FY17 Actual	FY18 Actual	FY19 Projection		Budget FY20
1,695,071	1,298,786	1,372,406	Federal Grants	1,295,000
561,959	527,871	148,591	State Grants	351,540
170,853,511	174,444,106	181,274,044	State Cherry Sheet Revenue	192,990,126
4,371,903	4,013,683	4,784,848	Available Funds - Local	6,768,679
177,482,444	**180,284,445**	**187,579,890**		**201,405,345**

INTERGOVERNMENTAL REVENUE

FEDERAL

FY17 Actual	FY18 Actual	FY19 Projection		Budget FY20
1,095,021	926,379	1,000,000	Medicaid Reimbursement	925,000
600,050	372,406	372,406	Medicare Part D Reimbursement	370,000
1,695,071	**1,298,786**	**1,372,406**		**1,295,000**



INTERGOVERNMENTAL REVENUE

STATE LOCAL

FY17 Actual	FY18 Actual	FY19 Projection		Budget FY20
-	210,000	-	40R Revenue	200,000
149,280	151,541	148,591	UML Debt Reimbursement	151,540
412,679	166,330	-	Various Grant - Reimbursement to General Fund	-
561,959	527,871	148,591		351,540

INTERGOVERNMENTAL REVENUE

AVAILABLE FUNDS - LOCAL

Actual FY17	Actual FY18	Projected FY19		Budget FY20
375,000	-	-	Property Maintenance (Revolving)	100,000
255,000	200,000	100,000	Sale of City Property (Special Revenue)	-
365,002	200,000	100,000	Vacant/ Foreclosed Property (Revolving)	319,155
250,000	-	-	Health Funding	-
-	-	-	Mitigation Funding	30,000
400,000	-	1,695	Salary Reserve (Stabilization)	1,000,000
1,750,000	-	-	Overlay Surplus	-
955,290	841,149	800,000	Capital Debt Service (Stabilization)	600,000
21,611	-	-	Police Training (Receipt Reserved)	-
-	1,314,389	1,490,000	PEG Access Revenue (Cable Franchise)	1,115,338
-	-	-	Ballpark Capital (Spinners)	192,000
-	1,458,145	2,178,153	General Stabilization	3,262,186
-	-	115,000	148A Violations (Special Revenue)	150,000
4,371,903	**4,013,683**	**4,784,848**		**6,768,679**

INTERGOVERNMENTAL REVENUE

CHERRY SHEET - SUMMARY

FY17 Actual	FY18 Actual	FY19 Projection		Budget FY20
138,588,379	144,067,631	149,786,272	School Funding (Chapter 70)	160,069,667
6,301,018	3,921,019	4,035,657	Education Reimbursement	5,368,382
25,964,114	26,455,456	27,452,115	General Gov't Reimbursement/ Distribution	27,738,074
170,853,511	**174,444,106**	**181,274,044**		**193,176,123**

INTERGOVERNMENTAL REVENUE

CHERRY SHEET - SCHOOL – LOCAL AID (CHAPTER 70)

FY17 Actual	FY18 Actual	FY19 Projection		Budget FY20
138,588,379	144,067,631	149,786,272	School/ Chapter 70	160,069,667
138,588,379	**144,067,631**	**149,786,272**		**160,069,667**

INTERGOVERNMENTAL REVENUE

CHERRY SHEET – EDUCATION REIMBURSEMENT

FY17 Actual	FY18 Actual	FY19 Projection		Budget FY20
2,716,394	2,728,228	2,842,863	Charter School Tuition Reimbursement	4,175,591
3,584,624	1,192,791	1,192,794	School Building Authority Reimbursement (MSBA)	1,192,791
6,301,018	**3,921,019**	**4,035,657**		**5,368,382**

INTERGOVERNMENTAL REVENUE

GENERAL GOVERNMENT REIMBURSEMENT

FY17 Actual	FY18 Actual	FY19 Projection		Budget FY20
24,218,151	25,162,659	26,043,352	Unrestricted General Government Aid (UGGA)	26,746,523
748,434	490,440	511,345	Veterans' Benefits	507,446
198,668	198,479	178,003	State Owned Land	199,746
289,861	94,878	283,856	Vets/ Blind Exemption	284,359
509,000	509,000	435,559	ACRE Redevelopment Reimbursement	-
25,964,114	**26,455,456**	**27,452,115**		**27,738,074**

CHARGES FOR SERVICES

SUMMARY

Actual FY17	Actual FY18	Projected FY19		Budget FY20
8,912,317	8,812,842	9,012,522	Indirect Cost of the Enterprise Funds	9,012,522
3,187,155	3,151,195	3,187,130	Trash/ Recycling Services	3,203,000
1,600,455	1,453,554	1,639,125	Fines and Forefeits	1,517,200
75,000	62,500	100,000	HOST revenue (Marijuana)	150,000
190,357	194,009	196,000	Cemetery Revenue	196,000
271,974	-	291,345	Ambulance Revenue	448,622
10,937,545	11,012,378	11,321,489	Enterprise Revenues - Water	11,321,489
21,132,544	22,485,361	23,128,388	Enterprise Revenues - Wastewater	22,607,337
7,084,478	7,257,476	6,826,110	Enterprise Revenues - Parking	6,955,768
			Other Funds - Charges/ Services	6,420,413
53,391,824	**54,429,315**	**55,702,110**		**61,832,351**

CHARGES FOR SERVICES

ENTERPRISE REIMBURSEMENT

FY17 Actual	FY18 Actual	FY19 Projection		Budget FY19
3,049,297	2,672,026	2,948,830	Water Utility - Indirect Costs (Reimburse General Fund)	2,877,264
4,643,336	4,919,831	5,023,683	Wastewater Utility - Indirect Costs (Reimburse General Fund)	4,919,830
1,219,684	1,220,985	1,040,009	Parking Enterprise - Indirect Costs (Reimburse General Fund)	1,215,427
8,912,317	**8,812,842**	**9,012,522**		**9,012,522**

CHARGES FOR SERVICES

FINES AND FORFEITS

Actual FY17	Actual FY18	Projected FY19		Budget FY20
3,041	1,450	2,000	Constable Fees	2,000
225,966	61,006	90,000	Inspectional - 21D Violations	75,000
554,323	536,971	775,000	Court Fines	575,000
142,448	159,261	160,000	Motor Vehicle Non-renewal Fees	160,000
354,711	377,542	300,000	Police Towing Reimbursement	350,000
269,268	257,307	250,000	Police - Special Detail Receipts	250,000
15,823	15,910	17,500	Code & Inspection Fines	16,000
27,625	19,432	27,625	Code & Inspection Signs	20,000
1,100	1,700	1,000	Health - Tobacco Fines	1,700
-	15,025	10,000	Health - 21D Violations	60,000
6,150	7,950	6,000	Health - Night Soil	7,500
1,600,455	**1,453,554**	**1,639,125**		**1,517,200**

CHARGES FOR SERVICES

CABLE FRANCHISE FEE

Actual FY17	Actual FY18	Projected FY19		Budget FY20
724,612	-	-	Cable Franchise Fee	-
			Comcast Capital	-
724,612	**-**	**-**		**-**

** Changed to Receipt Reserved in FY18*
prior to FY18 was GF revenue.

CHARGES FOR SERVICES

TRASH FEES

Actual FY17	Actual FY18	Projected FY19		Budget FY20
3,184,930	3,135,830	3,184,930	Trash/ Recycling Services	3,200,000
2,225	3,050	2,200	Dumpster Fees	3,000
-	12,315	-	Clean Up Cost Reimbursement	-
3,187,155	**3,151,195**	**3,187,130**		**3,203,000**

CHARGES FOR SERVICES

CEMETERY

Actual FY17	Actual FY18	Projected FY19		Budget FY20
176,075	177,397	180,000	Cemetery Openings	180,000
14,282	16,612	16,000	Cemetery Misc.	16,000
190,357	**194,009**	**196,000**		**196,000**

CHARGES FOR SERVICES

AMBULANCE REVENUE

Actual FY17	Actual FY18	Projected FY19		Budget FY20
271,974	-	291,345	Ambulance Recoverable Costs	448,622
271,974	**-**	**291,345**		**448,622**

CHARGES FOR SERVICES
PARKING ENTERPRISE

Actual FY17	Actual FY18	Projected FY19		Budget FY20
880,459	846,906	820,000	Garage Fees - Ayotte	835,000
1,087,895	1,121,227	1,040,000	Garage Fees - Downes	1,100,000
194,129	193,495	190,000	Lot Fees - Davidson	190,000
1,001,515	1,038,586	1,040,000	Garage Fees - Roy	1,040,000
1,396,562	1,372,825	1,250,000	Parking Meters/ Kiosks	1,250,000
1,005,710	1,170,214	900,000	Garage Fees - Early	975,000
436,258	507,836	425,000	Garage Fees - Lower Locks	475,000
97,050	91,190	91,000	Parking Ticket - Late Fees	91,000
218,358	208,323	215,000	Parking Ticket - Mark Fees	215,000
31,472	29,378	50,000	Rental - Pass Card Fees	30,000
20,550	22,561	20,000	Sign Permits	20,000
710,945	654,937	700,000	Parking Tickets - Fines	650,000
3,575	-	2,500	Other Interest	2,500
-	-	82,610	UML Debt Reimbursement	82,268
7,084,478	**7,257,476**	**6,826,110**		**6,955,768**

CHARGES FOR SERVICES
WASTEWATER UTILITY

Actual FY17	Actual FY18	Projected FY19		Budget FY20
13,989,479	15,685,090	15,928,595	Local Usage	15,928,595
1,780,842	1,926,779	1,600,000	Septage Receipts	1,875,000
983,082	1,066,411	983,082	Sewer Leins	983,082
-	-	-	Pre-Treatment Permits	-
19,159	20,225	18,100	Laboratory Analysis	18,100
1,347,901	603,300	1,207,791	Tewksbury Assessment	1,207,791
1,651,171	1,393,950	1,581,981	Chelmsford Assessment	1,319,986
1,223,032	1,542,190	1,412,791	Dracut/ Tyngsboro Assessment	1,048,283
136,694	245,973	136,694	Miscellaneous Other	225,000
1,183	1,444	151	Junk/ Scrap	1,500
-	-	259,203	Retained Earnings of the Utility	-
21,132,544	**22,485,361**	**23,128,388**		**22,607,337**

CHARGES FOR SERVICES
WATER UTILITY

Actual FY17	Actual FY18	Projected FY19		Budget FY20
702,343	654,243	702,343	Water Lien Revenue	702,343
9,796,895	9,495,027	10,014,146	Water Usage	10,014,146
247,676	245,261	275,000	Water Miscellaneous	275,000
8,174	4,610	10,000	Junk/ Scrap	10,000
-	379,425	120,000	Solar Renewable Energy Credits	120,000
-	2,430	-	Water Bulk	-
182,457	231,382	200,000	Water Fund Interest	200,000
-	-	-	Retained Earnings of the Utility	
10,937,545	**11,012,378**	**11,321,489**		**11,321,489**

MISCELLANEOUS REVENUE
SUMMARY

Actual FY17	Actual FY18	Projected FY19		Budget FY20
303,388	313,382	300,000	Interest Earnings	320,000
1,192,740	1,447,396	1,250,559	Other Miscellaneous Receipts	1,406,500
1,496,128	**1,760,778**	**1,550,559**		**1,726,500**

MISCELLANEOUS REVENUE

INTEREST EARNINGS

Actual FY17	Actual FY18	Projected FY19		Budget FY20
135,201	135,507	150,000	Interest on Investments	150,000
168,187	177,875	150,000	Other Misc. Interest	170,000
303,388	**313,382**	**300,000**		**320,000**

MISCELLANEOUS REVENUE
FREE CASH

Actual FY16	Actual FY17	Projected FY18		Budget FY19
942,033	1,333,385	4,873,124	Free Cash *	-
942,033	**1,333,385**	**4,873,124**		**-**

** Free cash is certified by the Dept. of Revenue (DOR) in the subsequent fiscal year. Only certified figures are included.*

MISCELLANEOUS REVENUE

OTHER MISCELLANEOUS REVENUE

Actual FY17	Actual FY18	Projected FY19		Budget FY20
114,685	159,272	115,000	Treasurer's Miscellaneous	140,000
622	2,207	2,000	Junk Revenue Miscellaneous	2,000
-	30,100	-	Various Department Bids & Specs	-
22,059	20,864	22,059	Library Miscellaneous	20,000
4,766	8,350	5,000	Assessors' Miscellaneous	8,000
5,302	13,725	10,000	Data Processing - Misc.	10,000
261,035	322,638	350,000	City Clerk Miscellaneous	350,000
179	314	2,000	Elections Miscellaneous	500
27,797	58,905	25,000	Planning Board - Advertising & Recording	55,000
14,630	11,150	25,000	Board of Appeals Fees	11,000
24,737	63,037	25,000	Police Department Misc.	50,000
11,037	125	7,000	Fire Department Misc.	5,000
16,804	12,896	7,500	Code and Inspection - Misc.	10,000
32,395	31,210	35,000	Sealer Misc.	35,000
41,896	40,906	40,000	Engineers Misc.	40,000
386,767	326,295	280,000	Wire Misc.	325,000
58,425	113,600	100,000	Health - Food Establishments	100,000
-	2,975	-	Reimbursement - Prior Years	-
72,346	107,363	80,000	Energy Aggregation	100,000
14,400	-	20,000	Rental - Alumni Field	20,000
82,858	121,464	100,000	Auditorium Revenue	125,000
1,192,740	**1,447,396**	**1,250,559**		**1,406,500**

FISCAL YEAR

2020

SECTION IV

DEPARTMENTAL DETAILS

Operating budget details, focused on the City of Lowell's projected expenses by applicable department, service program, or area.

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LEGISLATIVE

SUMMARY

DEPARTMENT STAFFING FTE (PAGE II-116)

Actual FY17	Actual FY18	Approved FY19	PROGRAM EXPENDITURES	Budget FY20
146,849	190,194	237,500	CITY COUNCIL	237,500
58,109	52,524	64,777	OFFICE OF THE MAYOR	65,722
384,082	398,710	415,425	CITY CLERK	463,244
589,040	**641,428**	**717,702**		**766,466**

FINANCING PLAN	Budget FY20
TAXES	194,330
LICENSES AND PERMITS	-
CHARGES FOR SERVICES	-
INTERGOVERNMENTAL REVENUE	109,392
MISCELLANEOUS REVENUE	462,744
	766,466

LEGISLATIVE
CITY COUNCIL

WILLIAM SAMARAS
MAYOR

PERSONAL SERVICES	$230,000
ORDINARY EXPENSES	$7,500
TOTAL FY20 BUDGETED EXPENDITURES	**$237,500**

MISSION & SERVICES OVERVIEW

By Charter, the City of Lowell follows a Plan E form of government, in which the popular vote of the City of Lowell's residents elects nine members to the City Council to serve a two year term of office. City Councilors then elect one of their fellow Councilors to serve as the City's Mayor. The Mayor serves as the official head of the City presiding over City Council and School Committee meetings.

The City Council is the legislative body of the City of Lowell. All local ordinances and budget appropriations are approved by this body. The City Council conducts public hearings on significant decisions, providing the public an opportunity to express their opinion. The City Council can also request information on various topics from the City Manager and her administration. The City Council also offers public recognition and proclamations on behalf of the City of Lowell.

The City Council appoints a City Manager (responsible for the administration of the City), a City Auditor (responsible for the approval, payment, and recording of all financial transactions for the City), and a City Clerk (responsible for the administration of the legislative function of the City).

EXPENSE DETAILS

CITY COUNCIL - 111	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
S & W Perm.	141,774	185,500	230,000	230,000	230,000
Total	141,774	185,500	230,000	230,000	230,000
Expenses					
Advertising	5,075	4,694	7,500	7,500	7,500
Total	5,075	4,694	7,500	7,500	7,500
TOTAL BUDGET	**146,849**	**190,194**	**237,500**	**237,500**	**237,500**

EXPENSE SUMMARY & FINANCING PLAN

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		$ 230,000
ORDINARY EXPENDITURES		$ 7,500
TOTAL FY20 BUDGETED EXPENDITURES		$ 237,500

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 141,000**
REAL ESTATE TAXES	141,000	
INTERGOVERNMENTAL REVENUE		**$ 96,500**
UNRESTRICTED AID (UGGA)	96,500	
TOTAL FY20 BUDGETED REVENUES		$ 237,500

LEGISLATIVE
OFFICE OF THE MAYOR

WILLIAM SAMARAS

CITY MAYOR

PERSONAL SERVICES	$51,822
ORDINARY EXPENSES	$13,900
TOTAL FY20 BUDGETED EXPENDITURES	**$65,722**

MISSION & SERVICES OVERVIEW

The Mayor's Office serves as a vital link between the residents of Lowell and the municipal government.

The Office of the Mayor is uniquely positioned to serve as a vital link between citizens and their municipal government, as well as to foster greater communication and collaboration among all divisions and levels of government. As Chair of the City Council, the Mayor also leads in conducting Council oversight of the City Auditor, Clerk, and Manager. With the public platform afforded the position, the Mayor can highlight important issues in the community and use his office as a clearinghouse for well-researched ideas that could, when translated into meaningful policy initiatives with the City Council and School Committee, improve the quality of life for residents of Lowell. Similarly, the Mayor's Office also highlights the many community events, citizen activities, and success stories that take place within Lowell each day.

As the official head of the City, the Mayor represents Lowell at formal functions, such as presiding over School Committee and City Council meetings, hosting and attending events, and helping to grow partnerships--publicly and privately--that further the City's cultural and economic development. Accordingly, the Mayor collaborates with municipalities in the Merrimack Valley, as well as his counterparts in other cities across the state, nation, and world, in order to identify common challenges and opportunities, and better promote our own city as an exciting place to live, work, learn, and play.

FY19 ACCOMPLISHMENTS

- Launched Lowell City of Learning effort in collaboration with public, private, nonprofit, and institutional partners. Hosted Pilot Festival in 2018 and plans for larger festival in 2019. Worked closely with UNESCO Learning City in Cork, Ireland on the endeavor.
- Worked collaboratively with various community groups on outreach including supporting the creation of a Lowell Black Caucus and hosting meetings with the Asian and Latino communities at City Hall.
- Extensively communicated Mayor's Office and City activities through Social and Traditional Media and the Return to Room 50 Blog
- Relaunched the Mayor's Youth Commission, bringing together young people to advise the City Council on matters important to them
- Helped support City's legislative priorities through working with the State House delegation, including delivering resolutions, letters, and providing testimony.

- Continued to work with area nonprofit organizations in supporting causes such as reducing youth homelessness in Lowell, through the Mayor's Holiday Fest, and co-sponsoring citizenship clinics and English language classes for newcomers.
- Hosted and honored various community groups at City Hall and in the community through traditional flag raisings and ribbon cuttings, including three new flag raisings.
- Ceremonial Duties including hosting representatives from Cape Verde, Japan, Greece, Ghana, Nigeria, and Quebec, among others.
- Represented the City by participating in several partnership organizations including the North South Rail Link Working Group and the Massachusetts Asian American Commission.
- Referred all constituent requests to proper departments under the Plan E system of government

GOALS

Fiscal Year	Strategic Goal or Objective	Status
FY18	Continue to aggressively market the Hamilton Canal Innovation District. **Update**: *The Mayor's Office along with the subcommittee on Economic Development, working with the city administration continued to aggressively market the Hamilton Canal Innovation District throughout the Fiscal Year. Most notable was a presentation meeting for developments at 110 Canal St in which the mayor invited representatives from the University of Massachusetts and Executive Office of Housing and Economic Development to the District.*	**Completed**
FY18	Advocate for having the City participate in the Clean River Project with other communities along the Merrimack River. **Update**: *City entered into an agreement in August 2017 for the Clean River Project to work on environmental testing and cleaning of the riverbanks within Lowell city limits.*	**Completed**
FY19	Expand reach of the Mayor's Office through improved multimedia public communication with the launch of a multimedia blog, and increased social media presence. **Update**: *Blog launched in 2018, with a circulation of over 11,000 views.*	**Completed**
FY19	Work with area nonprofit organizations and private donors to help reduce youth homelessness in the City. **Update**: *Mayor's Holiday Fest raised over $18,000 for Homeless Youth.*	*Ongoing*
FY19	Launch a collaborative effort to see Lowell embrace its identity as a City of Learning with the eventual goal of being included in the UNESCO Global Network of Learning Cities.	*Ongoing*

	Update: *Festival of Learning held in April-May 2019 and the City Council has endorsed both applying to UNESCO and collaborating with the UNESCO Learning City in Cork to continue the initiative.*	
FY20	Work collaboratively with city departments and community partners to offer new programs to spur economic development for entrepreneurs in vacant commercial storefronts.	New
FY20	Support Lowell Waterways Vitality Initiative by convening key stakeholders and public and private partners.	New
FY20	Provide support for the launch of 2020 Census Complete Count Committee.	New
FY20	Work with the city and school administrations to move the Lowell High School project forward.	New

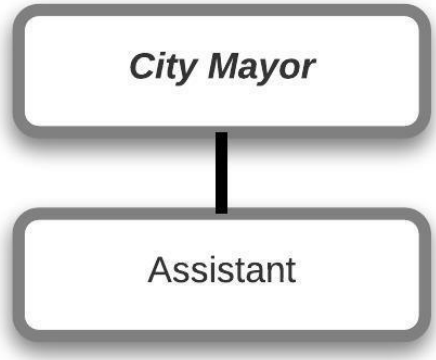
PERFORMANCE METRICS

Measurement	Prior Year Actuals CY2017	CY2018	YTD [34] CY2019	CY2020 Target
Meetings attended by Mayor with statewide and regional organizations.	20	21	24	30
Meetings brokered between business leaders from Lowell's ethnic communities and diplomatic representatives of those communities' nations of origin.	10	12	20	25
Number of municipal issues highlighted	25	20	40	50
Number of joint meetings between city and school committee and subcommittees	2	3		
Press releases issued	3	4	147	200
Ribbon cuttings & Grand Openings	34	40	45	50
Facebook "likes"	118	1,315	1,500	2,500

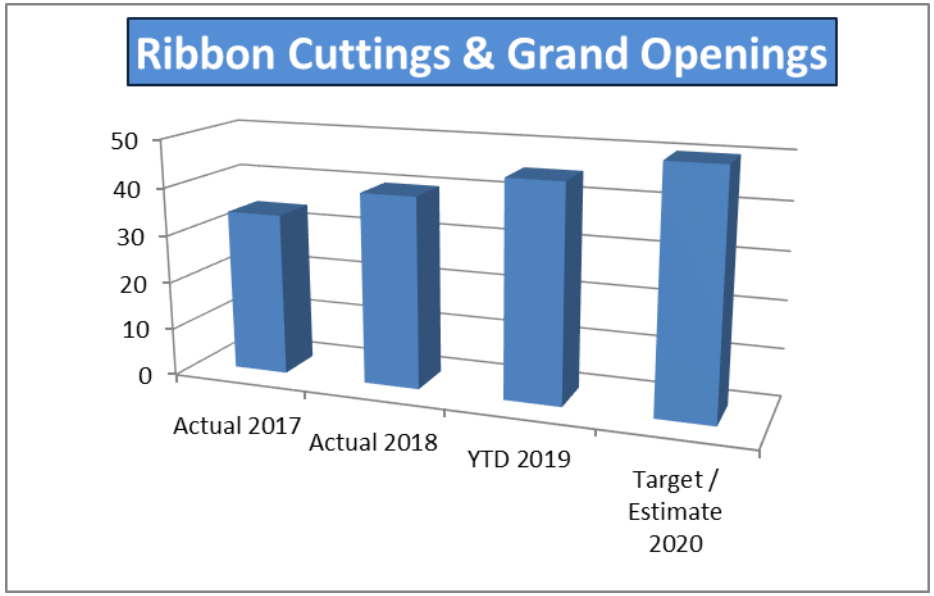
[34] While YTD date ranges may vary, they typically cover the period from the start of the fiscal year (7/1) through the middle of Q3 of the fiscal year (approximately 2/15)

ORGANIZATIONAL CHART

OFFICE OF THE MAYOR
WILLIAM SAMARAS ***CITY MAYOR***



LOWELLSTAT CHART(S)



As the ceremonial head of the City's government, the Mayor represents the City Council at various events, most notably the opening of new businesses in Lowell.

Measurement	FY17 Actual	FY18 Actual	FY19 Year to Date	FY20 Estimate/Target
Ribbon Cuttings & Grand Openings	34	40	45	50

EXPENSE DETAILS

MAYOR'S OFFICE - 121	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
S & W-Perm	51,674	46,751	47,377	51,822	51,822
Total	51,674	46,751	47,377	51,822	51,822
Expenses					
Office Supplies	393	2,482	1,900	1,900	1,900
Office Operations	158	2,432	2,000	2,000	2,000
Council Travel/ Training/ Seminars	5,184	860	10,000	10,000	10,000
Mayoral Portrait	700	-	3,500	-	-
Total	6,435	5,774	17,400	13,900	13,900
TOTAL BUDGET	**58,109**	**52,524**	**64,777**	**65,722**	**65,722**

EXPENSE SUMMARY & FINANCING PLAN

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		$ 51,822
ORDINARY EXPENDITURES		$ 13,900
TOTAL FY20 BUDGETED EXPENDITURES		$ 65,722

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 52,830**
REAL ESTATE TAXES	52,830	
INTERGOVERNMENTAL REVENUE		**$ 12,892**
UNRESTRICTED AID (UGGA)	12,892	
TOTAL FY20 BUDGETED REVENUES		$ 65,722

LEGISLATIVE

OFFICE OF THE CITY CLERK

MICHAEL GEARY

CITY CLERK

PERSONAL SERVICES	$422,394
ORDINARY EXPENSES	$40,850
TOTAL FY20 BUDGETED EXPENDITURES	**$463,244**

MISSION & SERVICES OVERVIEW

To facilitate the operations of the City of Lowell as a municipal corporation in accordance with the General Laws and regulations of the Commonwealth as well as ordinances of the City of Lowell; provide exemplary service to the public in meeting their needs and inquiries; and provide critical clerical assistance at all City Council Meetings as well as at Council Subcommittee Meetings.

As per Massachusetts General Laws and the Ordinances of the City of Lowell, the City Clerk's Office is where all of the official actions of the City are documented and stored. The City Clerk creates and maintains all of the Agendas and Minutes of each City Council Meeting and Council Subcommittee Meetings. In accordance with Massachusetts Open Meeting Law, the Clerk posts all public meetings as statutorily required. The Clerk provides clerical assistance at each City Council and Subcommittee Meeting and fully informs the public of City Council actions. In addition, the City Clerk's Office keeps many of the official records of the City and is the most comprehensive source of information on local government allowing the Office to respond to numerous public inquiries. The signature of the City Clerk is needed on all actions of the City as to orders, resolutions, votes, ordinances, and appropriations. The City Clerk is the keeper of the City Seal.

The Clerk's Office provides documentation and information regarding the vital statistics of citizens' individual lives (i.e. birth, marriage and death records). It also issues many "permissions" such as dog licenses; marriage licenses; birth and record certificates; and "doing business as" certificates. In addition, the Office of the Clerk acts as the Custodian of the City Seal; administers the Oath of Office to all Officials who apply to be sworn; provides Notary and Justice of Peace (marriage ceremonies) services; performs all legal advertising for the City; schedules, coordinates, and plans special events and functions for the City Council; oversees the work of the Archives Commission; collects all animal violations; issues and administers Fuel Storage Licenses and registration renewals on a yearly basis; files and provides copies of Planning Board and Zoning Board of Appeals decisions; issues and administers Canvassing and Soliciting Licenses; processes Taxi Inspection Applications; and issues and administers Raffle & Bazaar applications and permits.

Massachusetts General Laws mandates that the City Clerk provides and tracks information regarding employees' ethics regulations as well as open meeting law regulations to each employee of the City of Lowell including all members of the boards and commissions of the City of Lowell.

FY19 ACCOMPLISHMENTS

- Provided staff for 21 City Council Subcommittees, including conduction of meetings off the premises.
- With assistance of volunteers, inventoried and reorganized existing historical records (vital and otherwise) within City Hall.
- Successfully provided information to all City employees and board members to register and complete State Ethics and Open Meeting Law requirements.
- Digitized vital records dating back 1944 - 2010 to enable easier access to images, less physical interaction with original records, and increased storage space within Clerk's Office.

GOALS

Fiscal Year	Strategic Goal or Objective	Status
FY18	Prepare 2018 City Council Inauguration Ceremony. **Update**: *2018 City Council was successfully inaugurated.*	**Complete**
FY18	Present before City Council regarding digitization of vital records. **Update**: *Prepared and delivered a presentation to the City Council.*	**Complete**
FY18	Present before City Council regarding inventorying and reorganization of historical and vital records. **Update**: *Prepared and delivered a presentation to the City Council.*	**Complete**
FY19	Implementation of City Physician Registration program **Update**: *Working with various organizations towards implementation.*	*Ongoing*
FY19	Physical re-organization of City Clerk's office space **Update**: *Assessing best manner in which to re-organize the office space.*	*Ongoing*
FY19	Update web presence on City Website **Update**: *Updating website presence to include relevant materials.*	*Ongoing*
FY20	Prepare 2020 City Council Inauguration Ceremony.	New
FY20	Increase storage space for vital records.	New

PERFORMANCE METRICS[35]

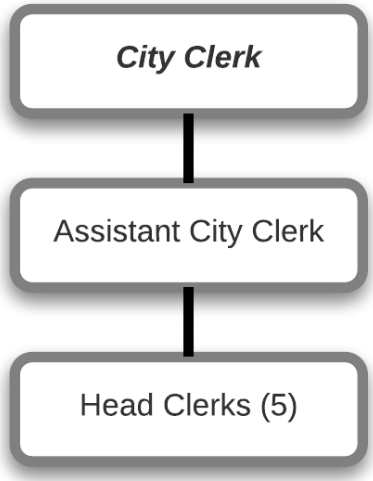
Measurement	Prior Year Actuals CY2017	CY2018	YTD[36] CY2019	CY2020 Estimate
Birth Record Requests	11,635	14,514	5,512	14,000
Death Record Requests	5,169	5,298	1,753	5,300
Marriage Record Requests	2,194	2,300	822	2,300
Marriage Intentions	784	762	220	775

[35] All City Clerk Data is reported by Calendar Year
[36] While YTD date ranges may vary, they typically cover the first few months of the calendar year

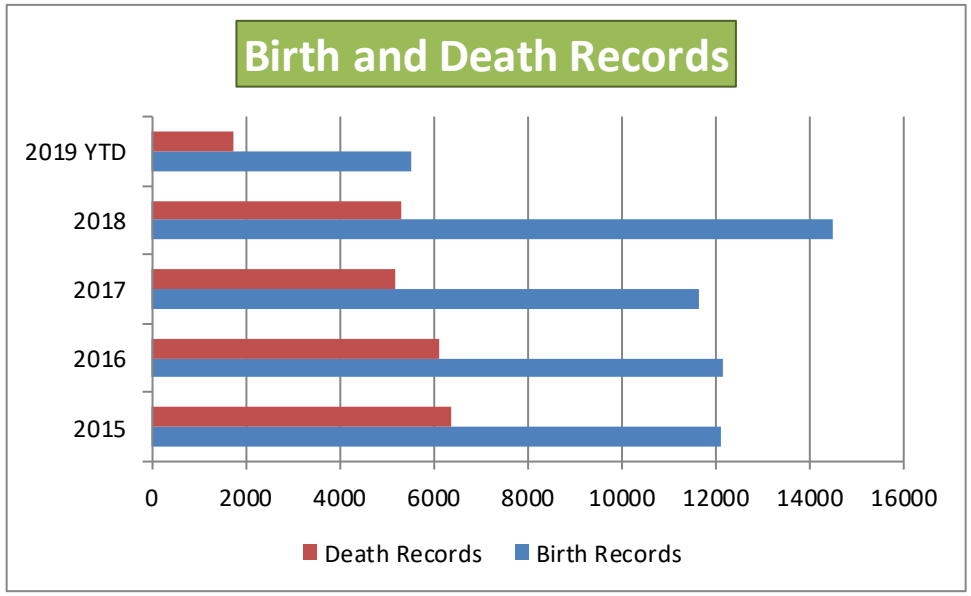
ORGANIZATIONAL CHART

OFFICE OF THE CITY CLERK

MICHAEL GEARY
CITY CLERK



LOWELLSTAT CHART(S)



Lowell records the number of births and the number of deaths in the city through the Clerk's Office. These rates have been relatively steady for the past five years.

Measurement	2015	2016	2017	2018	2019 YTD
Birth Records	12,119	12,183	11,635	14,514	5,512
Death Records	6,387	6,111	5,169	5,298	1,753

EXPENSE DETAILS

CITY CLERK - 161	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
S & W - Perm	369,231	389,380	399,275	422,394	422,394
Total	369,231	389,380	399,275	422,394	422,394
Expenses					
Repair & Maint. Equipment	793	722	750	750	750
Professional Services	6,000	900	6,000	28,000	28,000
Printing & Binding	595	595	600	600	600
Office Supplies	2,457	2,412	3,500	3,500	3,500
Dues & Subscriptions	250	305	300	3,000	3,000
Computer Equip/ Soft.	4,755	4,394	5,000	5,000	5,000
Total	14,851	9,330	16,150	40,850	40,850
TOTAL BUDGET	**384,082**	**398,710**	**415,425**	**463,244**	**463,244**

EXPENSE SUMMARY & FINANCING PLAN

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		$ 422,394
ORDINARY EXPENDITURES		$ 40,850
TOTAL FY20 BUDGETED EXPENDITURES		$ 463,244

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 500**
REAL ESTATE TAXES	500.00	
MISCELLANEOUS REVENUE		**$ 462,744**
CITY CLERK MISCELLANEOUS	350,000.00	
MARRIAGE LICENSES	25,744.00	
ADVERTISING & RECORDING - PLANNING BRD	17,000.00	
BUSINESS PERMITS	30,000.00	
MARRIAGE - JP FEES	40,000.00	
TOTAL FY20 BUDGETED REVENUES		$ 463,244

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CITY MANAGER

SUMMARY

EILEEN M. DONOGHUE

CITY MANAGER

DEPARTMENT STAFFING FTE (PAGE II-116)

Actual FY17	Actual FY18	Approved FY19	PROGRAM EXPENDITURES	Budget FY20
5,407,057	6,057,738	5,585,451	OFFICE OF THE CITY MANAGER	5,614,121
43,253	33,159	100,000	MANAGER - TRANSFER TO SCHOOLS	50,000
428,916	490,078	495,000	MARKETING & DEVELOPMENT	505,000
-	-	400,000	CONTINGENCY	389,167
-	-	1,614,853	RESERVE FOR WAGES	744,039
182,355	325,902	322,576	CABLE ACCESS	412,914
134,709	182,763	185,633	CULTURAL AFFAIRS/ SPECIAL EVENTS	189,273
6,196,289	**7,089,642**	**8,703,513**		**7,904,514**

FINANCING PLAN	Budget FY20
TAXES	3,362,686
LICENSES AND PERMITS	3,100
CHARGES FOR SERVICES	2,321,073
INTERGOVERNMENTAL REVENUE	2,217,655
	7,904,514

CITY MANAGER

OFFICE OF THE CITY MANAGER

EILEEN M. DONOGHUE

CITY MANAGER

PERSONAL SERVICES	$1,796,121
ORDINARY EXPENSES	$3,818,000
TOTAL FY20 BUDGETED EXPENDITURES	**$5,614,121**

MISSION & SERVICES OVERVIEW

To better the community by strengthening the commitment to public safety, education, economic development and quality of life within the City of Lowell.

The City Manager, as Chief Executive Officer of the City, is responsible for providing leadership to and administration of all City departments and services. The Manager and her staff are responsible for the enforcement of all relevant laws and ordinances; the appointment of department heads and members of numerous boards and commissions; and for the submission of the annual budget to the City Council. The City Manager also recommends policies and programs to the City Council and implements Council legislation. The City Manager and her staff respond to citizen inquiries and requests regarding City services and departmental policies.

In addition to these responsibilities, there are other specific activities that are controlled through this department. These including marketing development, cable access support, cultural affairs, and special events. Staff also supports the logistics of major events such as WinterFest.

FY19 ACCOMPLISHMENTS

- Allocated over $45 million in city-funded support to the Lowell Public Schools, including $15.7 million in direct cash to exceed the City's Net School Spending requirements. The City of Lowell exceeded its Net School Spending requirement by over $7 million in FY18, the most recent year of certification by the Department of Elementary and Secondary Education ('DESE').
- Oversaw a holistic approach to public safety by revitalizing the Neighborhood Walks program. This initiative includes representatives from the City Manager's Neighborhood Services division, the Lowell Police Department, Lowell Fire Department, Development Services (i.e. Inspectional Services), and the Department of Public Works, to meet with neighborhood leaders and resident stakeholders to pinpoint quality of life issues from all municipal services and offer direct, target resolutions to problems.
- Proposed a FY2019 budget that saw Police (250) and Fire (213) maintain staffing levels not seen in decades. These staffing levels helped fuel decreases in most crime categories. The proposed budget was unanimously approved by the Lowell City Council.

- Developed a comprehensive partnership with various human service agencies to address the issue of homelessness in Lowell. The City Manager's task force has made great strides in pulling together all stakeholders to facilitate dialogue on strategies to address this matter. A full report and action plan will be presented to the City Council some time in FY2020.
- Completed a comprehensive facility study by EMG on all municipal facilities, including school buildings which inventoried the key components of all building systems, including mechanical systems and pieces of the building envelope. This report provided the City Manager's office and the Lands & Buildings division of DPW with much needed data on such components like boilers, roofs, and windows, which unlocked the city's ability to apply for funding of up to 80% cost reimbursement through the MSBA's Accelerated Repair Program ("ARP").
- Submitted nine (9) applications for funding to the MSBA thorough the authority's ARP program and spearheaded the process on behalf of the city.
- Worked closely with the School Department Administration to address several building maintenance issues in the school facilities, including HVAC repairs and funded $4.15 million in capital repairs in late FY18 and FY19.
- Expanded the role of the Neighborhood Liaison position in the Neighborhood Services Division of the City Manager's Office to provide a direct presence at all neighborhood group meetings, better facilitating communication between City Hall and the residents of Lowell and providing a better understanding and awareness of access to municipal services by the neighborhoods.
- Improved the City of Lowell's social media and web presence through the increased usage of Facebook and Twitter.
- Proposed a $9.9 million loan order to fund the FY2019 Capital Plan, which was unanimously approved by the Lowell City Council for critical infrastructure projects, as well as proposed the $35.4 million loan order for the Hamilton Canal Innovation District garage. The latter of the two will unlock the economic development potential of the HCID.
- Successfully implemented a new bike sharing program in Lowell, called VeoRide, in response to a motion approved by the City Council and proposed regulations for allowing such a program in Lowell, which were adopted by the Council. The program was officially launched in April FY2019 and, as of the date of this document, has been a tremendous success. As of April 25, just a few weeks after implementation, **over 3,315 rides** were taken on the bicycles and over **2,100** unique riders had utilized the opportunity to use the bikes.

GOALS

Fiscal Year	Strategic Goal or Objective	Status
FY18	Continue progress on the Lowell High School project, including development of the Preferred Schematic Report. **Update**: *The City has proceeded with the downtown location based on the input of the community and the will of the City Council. The PSR is expected to begin at the beginning of FY19.*	*Ongoing*
FY18	Continue to develop the Hamilton Canal District, the Ayre's City Industrial, and other business corridors in the city. **Update**: *The city has continued progress with the HCID garage as well as the design for Streets F and G. Part of Street G construction funding will be included in the FY19 Capital Plan.*	*Ongoing*
FY18	Improve public safety through investment in technology and infrastructure improvements. **Update**: *As part of the FY19 Capital Plan, the City will include a number of projects for public safety that includes a new 911 center, as well as infrastructure improvements to a number of fire stations.*	*Ongoing*
FY19	Develop collaborations with local universities, colleges and non-profit organizations that are vital to driving economic growth, building vibrant communities, and preparing students for the future. **Update**: *Met Regularly with City and University Officials to work collaboratively in addressing issues which impact both the City and UML, such as student housing and neighborhood improvements, among other matters. The City Manager and the Chancellor have forged a strong partnership in addressing these issues in an ongoing manner. The City Manager has also formed partnerships with the various Human Service agencies to address homelessness and has partnered with other stakeholders, like the Lowell Plan and the Chamber of Commerce, among other economic development institutions, to improve the economic and social development of the region.*	New
FY19	To provide an enhanced quality of life to residents in every neighborhood. **Update**: *Expanded the roles and responsibilities of the Neighborhood Services Division of the City Manager's Office and the Neighborhood Liaison position.*	New
FY20	To improve communications with all city stakeholders	New
FY20	To improve the city's web presence and re-vamp the City of Lowell website	New

FY20	To address the issue of homelessness in the city through a partnership/ task-force approach	New

PERFORMANCE METRICS

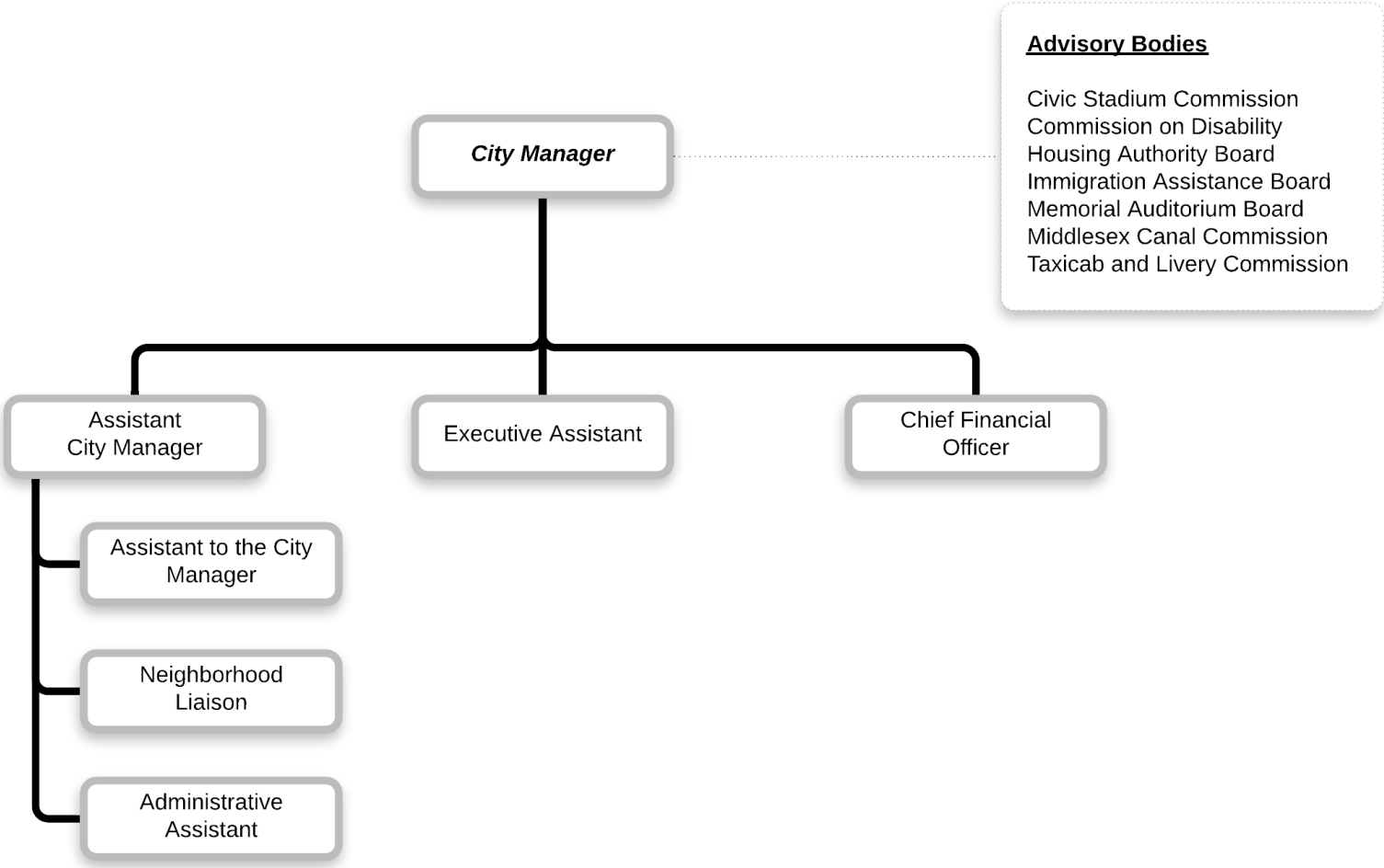
Measurement	Prior Year Actuals FY2017	FY2018	YTD [37] FY2019	FY2020 Target
City Council Motions Responded To	211			
Average Response Time (Days) to Citizen Requests (Through Website)	35	18.2	18.2	18.2
Development Services	40	42	42	42
Health & Human Services	93	18.9	18.9	18.9
Law	36	N/A	N/A	N/A
Manager's Office	23	20	20	7
School Department	30	30	30	25
Parking	26	26	26	20
Planning & Development	35	35	35	25
Police	29	29	29	29
Public Works	15	15	15	15
Wastewater	15	15	15	15
Water	27	27	27	27
Multiple Departments	61	61	61	61
Number of motions responded to per City Council meeting	7	9	8	N/A
Number of followers on City's Twitter	6,392	6,392	6,392	10,000
Number of City's Facebook Likes	5,495	5,495	5,495	7,500

[37] While YTD date ranges may vary, they typically cover the period from the start of the fiscal year (7/1) through the middle of Q3 of the fiscal year (approximately 2/15)

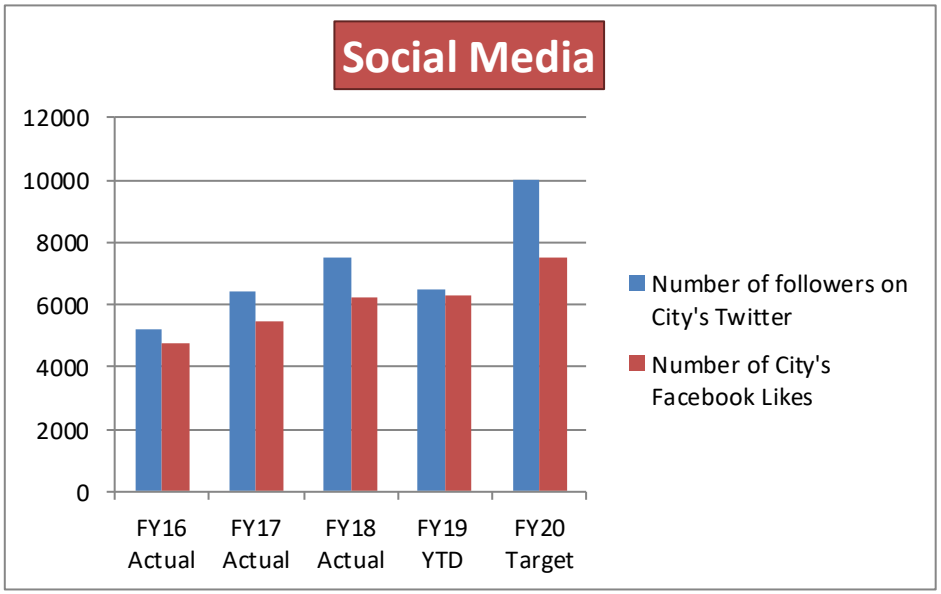
ORGANIZATIONAL CHART

OFFICE OF THE CITY MANAGER

EILEEN M. DONOGHUE
CITY MANAGER



LOWELLSTAT CHART(S)



The City Manager's Office manages the City's social media accounts for both Facebook and Twitter. Social Media is often used as a form of communication to notify the public of events and documents as they become available.

Measurement	FY16 Actual	FY17 Actual	FY18 Actual	FY19 YTD	FY20 Target
Number of followers on City's Twitter	5,222	6,392	7,524	6,502	10,000
Number of City's Facebook Likes	4,736	5,495	6,259	6,301	7,500

EXPENSE DETAILS

CITY MANAGER - 123	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
Salaries & Wages - Permanent	429,855	503,066	494,451	546,121	546,121
Salaries & Wages - Temporary	-	-	-	20,000	-
Sick Leave Incentive	1,486,252	1,572,072	1,400,000	1,600,000	1,250,000
Total	1,916,107	2,075,138	1,894,451	2,166,121	1,796,121
Expenses					
School Electricity	2,362,948	2,515,981	2,323,000	2,436,000	2,436,000
School Heating/Gas	1,074,049	1,334,897	1,293,000	1,306,000	1,306,000
Repair & Maint. Equipment	-	-	500	500	500
Leasing Equipment & Service	-	-	1,600	1,600	1,600
Professional Services	28,747	105,073	30,000	30,000	30,000
Advertising	-	-	2,000	2,000	2,000
Office Supplies	3,288	4,976	5,000	5,000	5,000
Misc.- Supplies - Other	17	-	-	-	-
Mass. Municipal Association Dues	16,397	16,493	17,000	17,000	17,000
In-State Travel Reimbursement	1,089	2,783	1,000	2,000	2,000
Transportation Reimbursement & Seminar	2,880	257	5,000	5,000	5,000
Conferences/Seminars/Eduction	-	-	5,000	5,000	5,000
Out of State Travel	-	-	5,000	5,000	5,000
Office Furniture & Equip	-	665	500	500	500
Computer Equipment & Seminar	-	-	400	400	400
Dues & Subscriptions	1,535	1,475	2,000	2,000	2,000
Total	3,490,950	3,982,600	3,691,000	3,818,000	3,818,000
TOTAL BUDGET	**5,407,057**	**6,057,738**	**5,585,451**	**5,984,121**	**5,614,121**

LOWELL SCHOOL SYSTEM	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Medicaid Reimbursement Expense	43,253	33,159	100,000	100,000	50,000
Total	43,253	33,159	100,000	100,000	50,000
TOTAL BUDGET	**43,253**	**33,159**	**100,000**	**100,000**	**50,000**

MARKETING DEVELOPMENT	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Professional Auditorium	190,109	194,863	190,000	200,000	200,000
Business/Marketing Development, CVB	163,477	191,375	200,000	200,000	200,000
Cultural Development	-	-	-	-	-
Special Events	50,329	78,840	80,000	80,000	80,000
Merrimack Repertory Theatre	25,000	25,000	25,000	25,000	25,000
Total	428,916	490,078	495,000	505,000	505,000
TOTAL BUDGET	**428,916**	**490,078**	**495,000**	**505,000**	**505,000**

MANAGER'S CONTINGENCY	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Reserve Fund	-	-	400,000	1,000,000	389,167
Reserve for wages	-	-	1,614,853	1,600,000	744,039
Total	-	-	2,014,853	2,600,000	1,133,206
TOTAL BUDGET	**-**	**-**	**2,014,853**	**2,600,000**	**1,133,206**

CABLE ACCESS	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
Salaries & Wages - Stipends	10,000	11,036	10,000	10,000	10,000
Salaries & Wages - Education (CH 22)	-	108,562	108,145	108,145	113,883
Total	10,000	119,598	118,145	118,145	123,883
Expenses					
Legal & filing Fees	-	1,800	-	-	-
Contracted Services - Lowell Telecom	125,000	149,350	153,831	153,831	163,431
Misc - Supplies - Other	-	500	500	500	500
Dues & Subscriptions	-	100	100	100	100
Equipment - Other	15,000	50,000	50,000	50,000	50,000
Transfer to Lowell Schools	19,555	-	-	125,690	75,000
Transfer to Lowell Voc.	12,800	-	-	-	-
Total	172,355	201,750	204,431	330,121	289,031
TOTAL BUDGET	**182,355**	**321,348**	**322,576**	**448,266**	**412,914**

EXPENSE SUMMARY & FINANCING PLAN

PROGRAM EXPENDITURES	DETAIL	SUMMARY
EXECUTIVE - OFFICE OF THE MANAGER		**$ 5,614,121**
PERSONAL SERVICES	1,796,121	
ORDINARY EXPENDITURES	3,818,000	
MANAGER - MEDICAID EXPENSE		**$ 50,000**
ORDINARY EXPENDITURES	50,000	
MARKETING DEVELOPMENT		**$ 505,000**
ORDINARY EXPENDITURES	505,000	
CONTINGENCY		**$ 389,167**
ORDINARY EXPENDITURES	389,167	
RESERVE FOR WAGES		**$ 744,039**
ORDINARY EXPENDITURES	744,039	
CABLE ACCESS		**$ 412,914**
PERSONAL SERVICES	123,883	
ORDINARY EXPENDITURES	214,031	
TRANSFER TO SCHOOL (GLRTHS/ LPS)	75,000	
	TOTAL FY20 BUDGETED EXPENDITURES	$ 7,715,241

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 3,226,513**
REAL ESTATE TAXES	2,476,513	
LOCAL MEAL TAX	500,000	
HOTEL/ MOTEL TAXES	250,000	
INTERGOVERNMENTAL REVENUE		**$ 2,217,655**
40R REVENUE	200,000	
UNRESTRICTED AID (UGGA)	2,017,655	
CHARGES FOR SERVICES		**$ 2,271,073**
PEG ACCESS (SPECIAL REVENUE FUND)	1,042,575	
HOST AGREEMENT - REVENUE	25,000	
WATER - INDIRECT COSTS (REIMBURSE GF)	315,458	
WASTEWATER - INDIRECT COSTS (REIMBURSE GF)	634,861	
PARKING - INDIRECT COSTS (REIMBURSE GF)	253,179	
	TOTAL FY20 BUDGETED REVENUES	$ 7,715,241

CITY MANAGER
CULTURAL AFFAIRS & SPECIAL EVENTS

HENRI MARCHAND
DIRECTOR

PERSONAL SERVICES	$189,273
ORDINARY EXPENSES	$0
TOTAL FY20 BUDGETED EXPENDITURES	**$189,273**

MISSION & SERVICES OVERVIEW

To help create and promote a high quality cultural environment that offers appealing experiences to the City's diverse population, stimulates economic development, enhances quality of life and encourages people to experience and participate in the culture of the community.

The **Office of Cultural Affairs & Special Events (CASE)** is the official arts and events agency for the City of Lowell, established by City ordinance in May of 2008. CASE accomplishes its mission by planning four community events— WinterFest (February); 4th of July celebration; Kiwanis' Monster Bash/Trick or Treating Trail (October); City of Lights Parade and Celebration (November); as well as the annual St. Patrick's Day Dinner (March). A key CASE responsibility is managing the City's marketing campaign.

In addition, CASE, working in partnership with other city departments, provides logistical support for major events such as the Lowell Folk Festival, Southeast Asian Water Festival, Bay State Marathon and Lowell Kinetic Sculpture Race. For smaller community organizations and independent event organizers, CASE provides assistance with the special event permitting process and advises on public safety and other city services that may be necessary, working wherever possible to minimize City support costs.

CASE works with the city's Economic Development Department in support of their mission to market the city to potential developers and businesses. CASE also partners with the Cultural Organization of Lowell (COOL), Lowell National Historical Park, Lowell Festival Foundation and the Greater Merrimack Valley Convention and Visitors Bureau on projects and programs that enhance Lowell's reputation as the arts and cultural hub of the Merrimack Valley.

FY19 ACCOMPLISHMENTS

- **Canalway Cultural District (CCD)**
  - Successfully applied for Mass Cultural Council Cultural Districts Initiative Funding, receiving $5,000 to promote Lowell's Cultural District (CCD) and worked with CCD Advisory Committee and GMVCVB to develop promotional plan for the district
  - Maintained a 2-month rotation of kiosk and garage poster informational inserts

- **Marketing**
  - Maintained and enhanced the Likelowell web site and events calendar as well as event specific pages for WinterFest, July 4th, Monster Bash and City of Lights
  - Regularly assessed street banner conditions and quickly replaced any that were damaged or missing in order to maintain streetscape image
  - Expanded digital reach and impact to promote the City's image as well as increase awareness of, and attendance at arts, cultural attractions and special events via social media, online ads, newsletters and email blasts
  - Placed image and event specific print and radio ads (Sun, Merrimack Valley Magazine, Globe North, Improper Magazine, Khmer Post, WCAP and The River 92.5) and produced collateral materials

- **Events**
  - Refined and managed city logistical support for Folk Festival and expanded Destination Lowell component along Merrimack Street
  - Provided advisory services for and permitted new events including DIY's Midsummer Dream, Blues and Brews and Brazilian Food Festivals
  - Replaced and enhanced significant number of tree lighting and added new activities to the City of Lights celebration; attendance was estimated at 12,000
  - Continued to enhance WinterFest, which drew an estimated 9,000 attendees
  - Partnered with the Spinners on another capacity July 4th Celebration at LeLacheur Park and with the Kiwanis Club for the popular Monster Bash Halloween event

- **Public Art**
  - Launched a street piano program in the Fall with a piano creatively decorated by a Lowell artist, combining visual and performance art
  - Hydro—assisted COOL in completing first phase—foundation installation—of this project; installation of the sculpture in Utopian Park/Hamilton Canal Innovation District is expected to be completed by May
  - Partnered with COOL and City Parking Department to install "The Fish" sculpture in the Leo Roy Garage entry
  - Created a formal partnership with COOL to assist in carrying out arts-related projects, managing the street piano program and facilitating creative activities during City festivals and programming for Kerouac Park

- **Infrastructure**
  - Partnered with DPD staff to successfully apply for a $25,000 Commonwealth Places place making grant and secured matching crowd funding for refurbishment of Kerouac Park as a more active event space
  - Worked with MIS and contractor to create access to color control of the Merrimack Canal lights, allowing CASE to create temporary color schemes for special requests
  - Encouraged enhancement to electrical capacity at Utopian Park and other sites for facilitating event support

- **Lowell Cultural Council**
  - Provided administrative support to the Lowell Cultural Council which awarded $69,381 to support 29 Lowell-based arts, cultural, and humanities projects
  - LCC allocated $10,000 for use of American Sign Language services for meetings and/or grants for performances as needed

- **By the Numbers** (FY Year To Date)
  - 218,396 event attendees
  - 2,770,212 total organic reach (unique users via unpaid boosts-LikeLowell and WinterFest Facebook and web sites)
  - 9,056 followers on Facebook (a 16% increase over 2018)
  - 635 unique events posted on events calendar (July-December, 2018))
  - 99 events permitted
  - 474 volunteer hours
  - 96 unique countries reached via LikeLowell.com
  - 88% Facebook response rate within 1 hour, 12 minutes (Facebook average is 68% for similar community pages)

GOALS

Fiscal Year	Strategic Goal or Objective	Status
FY18	Develop fact sheets including maps and other information on potential special event venues that can be used internally as well as reference by outside groups in selecting an event site. **Update**: *Fact sheets available.*	**Complete**
FY18	Renew Canalway Cultural District designation. **Update**: *Approved by Mass Cultural Council for another 5 years.*	**Complete**
FY18	Advance Utopian Park Public Art Project **Update**: *Expected completion June, 2019.*	**Complete**
FY18	Explore ways to streamline event permitting process using online application and approvals. **Update**: *New writable forms developed, online application established.*	**Complete**
FY19	Develop new cultural district brochures; identify new advertising opportunities; explore feasibility of adding dedicated public relations component. **Update**: *Expected completion June 2019.*	**Complete**
FY19	Implement new round of security block/public art project utilizing local artists. **Update**: *Announcements have been made to artists, with a July 2019 completion.*	*Ongoing*
FY20	Work with Economic Development to support their initiatives	*Ongoing*
FY20	Work with COOL and Parking Department to create public art installations in 2-3 City garages	New
FY20	Implement Canalway Cultural District promotional campaign (brochure, videos, social media) in concert with CVB and CCD Advisory Committee with MCC grant, CASE and CVB funding	New
FY20	Explore art installation along JFK/Arcand Drive concrete wall/stair separators	New
FY20	Enhance LikeLowell social media presence and posts	New
FY20	Add second street piano	New

FY20	Update and refine event data tracking systems	New

PERFORMANCE METRICS

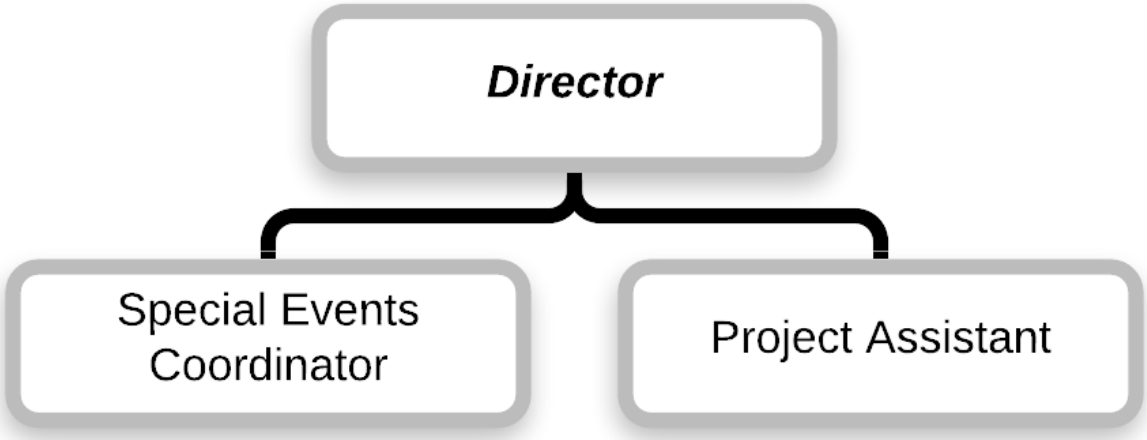
Measurement	Prior Year Actuals FY2017	FY2018	YTD [38] FY2019	FY2020 Target
Overall attendance for events CASE staff coordinates and/or permits annually	250,000	254,000	222,511	250,000
Number of Large-Scale Events (1,000-150,000 attendees) hosted and/or permitted throughout the year	11	18	14	16
Number of Mid-Scale events (under 1,000) hosted and permitted throughout the year	57	61	132	140
Number of volunteers coordinated	200	111	62	70
Number of volunteer hours logged	1,200	373	474	480
Number of corporate sponsors recruited to support City-sponsored programs	200	210	176	180
Amount of sponsorship dollars supporting City-sponsored programs	$200,000	$216,650	$187,295	$220,000
Number of grant applications processed	65	63	46	75
Number of grants made	42	35	29	30
Number of community informational meetings	9	18	10	20
Number of partner & community planning meetings attended to coordinate logistics, programming, marketing, etc.	225	109	78	115
Community planning partners (no financial)	75	75	45	50
Number of informational e-blasts circulated to local community	170	158	85	100
Events Calendar-direct visits	4,916	18,647	11,864	22,000
Number of Lowell events promoted annually	1,000	1,300	1,400	2,000
Ethnic Festival processions	20	25	9	20
Flag Raisings	13	20	12	20
Groups engaged/ supported/ partnered	225	109	85	115

[38] While YTD date ranges may vary, they typically cover the period from the start of the fiscal year (7/1) through the middle of Q3 of the fiscal year (approximately 2/15)

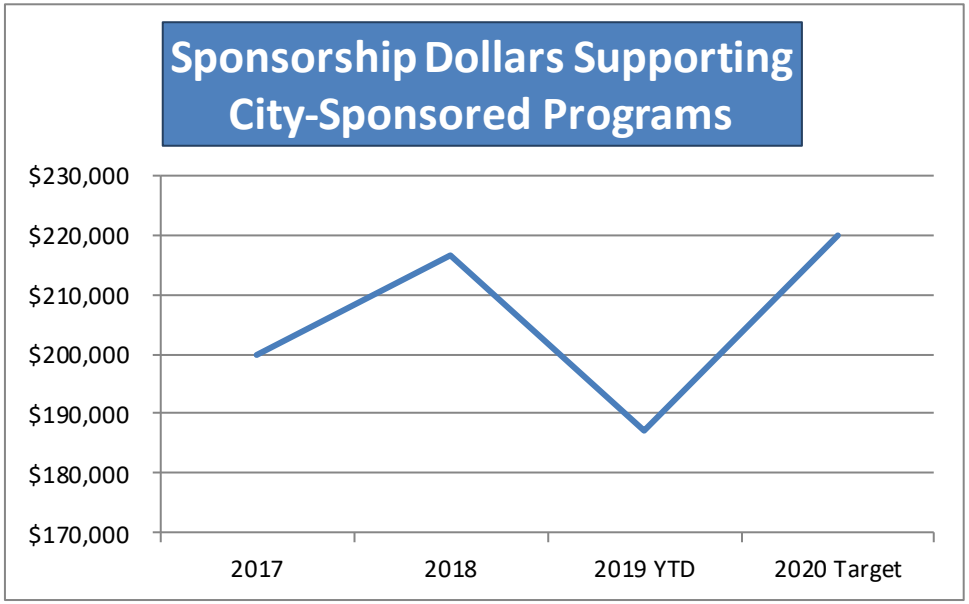
ORGANIZATIONAL CHART

CULTURAL AFFAIRS & SPECIAL EVENTS (CASE)

HENRI MARCHAND
DIRECTOR



LOWELLSTAT CHART(S)



Many of City-sponsored events are funded through partnering with local businesses or organizations.

Measurement	2017	2018	2019 YTD	2020 Target
Amount of sponsorship dollars supporting City-sponsored programs	$200,000	$216,650	$187,295	$220,000

EXPENSE DETAILS

CULTURAL AFFAIRS & SPECIAL EVENTS - 124	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
S & W-Perm.	132,039	182,763	185,633	189,273	189,273
S & W-Temp.	2,670	-	-	-	-
TOTAL BUDGET	**134,709**	**182,763**	**185,633**	**189,273**	**189,273**

EXPENSE SUMMARY & FINANCING PLAN

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		$ 189,273
ORDINARY EXPENDITURES		
	TOTAL FY20 BUDGETED EXPENDITURES	$ 189,273

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 136,173**
REAL ESTATE TAXES	28,293	
LOCAL MEALS TAX	42,211	
HOTEL/ MOTEL TAXES	65,669	
CHARGES FOR SERVICES		**$ 50,000**
HOST AGREEMENT - REVENUE	50,000	
LICENSES AND PERMITS		**$ 3,100**
SUNDAY ENTERTAINMENT	100	
SPECIAL EVENTS PERMITS	3,000	
	TOTAL FY20 BUDGETED REVENUES	$ 189,273

FINANCE

SUMMARY

CONOR BALDWIN

CHIEF FINANCIAL OFFICER

DEPARTMENT STAFFING FTE (PAGE II-116)

Actual FY17	Actual FY18	Approved FY19	PROGRAM EXPENDITURES	Budget FY20
280,533	173,672	129,676	FINANCE - GENERAL	163,325
-	109,480	128,344	BUDGET DEPARTMENT	138,787
510,716	527,191	533,618	AUDITING	604,292
342,855	376,517	365,764	PURCHASING	378,859
614,647	513,632	563,233	ASSESSING	575,083
805,009	807,797	843,765	TREASURER/ COLLECTOR	847,569
292,514	308,655	325,973	HUMAN RELATIONS	347,351
1,511,656	1,897,998	1,820,722	MANAGEMENT INFORMATION SYSTEMS	1,812,347
4,357,929	**4,714,942**	**4,711,094**		**4,867,613**

FINANCING PLAN	Budget FY20
TAXES	3,449,706
LICENSES AND PERMITS	-
CHARGES FOR SERVICES	398,364
INTERGOVERNMENTAL REVENUE	823,993
MISCELLANEOUS REVENUE	195,550
	4,867,613

FINANCE

GENERAL FINANCE

CONOR BALDWIN

CHIEF FINANCIAL OFFICER

PERSONAL SERVICES	$161,825
ORDINARY EXPENSES	$1,500
TOTAL FY20 BUDGETED EXPENDITURES	**$163,325**

MISSION & SERVICES OVERVIEW

To provide financial services in an efficient, effective manner as well as act as a conduit between the financial offices of the City to set forth operational principles and best practices to minimize the cost of government while maximizing constituent services and the public policy goals of the City Manager.

The Finance Department is led by the City's Chief Financial Officer and oversees all of the financial departments of the City. It prepares annual operating and capital budgets. It also provides ongoing support of the budget throughout the year such as approving transfers, preparing quarterly reports, reviewing monthly data, and preparing trend analyses.

Finance also maintains dynamic 5-year forecasts for all operating funds, including Enterprise Funds. This model is continually updated for changes in union contracts, debt authorizations, financing transactions, general economic trends, rate and fee changes, and budget updates. Specialized analyses such as health insurance monitoring and utility analysis are generated from Finance. Finance contributes analysis to any substantial operational change that has a fiscal impact. Finally, the Finance Department is the point of contact for any debt financing issues.

FY19 ACCOMPLISHMENTS

- City was awarded the GFOA Distinguished Budget Award for FY18.
- Limited the tax increase to a 2% increase in FY19, providing the residents of Lowell with one of the lowest average single family tax bills in the Commonwealth (244th lowest of 335 provided to the DOR).
- Provided support and financial planning to fully fund the City's Net School Spending obligation without the aid of federal funds consecutively for FY18 and projected for FY19.
- Coordinated monthly meetings among finance department heads as well as introduced a monthly meeting between other key finance personnel from various City departments.
- Guided the city's key financial departments to implement controls to improve business functions, such as cash management and full monthly reconciliation of cash.

GOALS

Fiscal Year	Strategic Goal or Objective	Status
FY17	Continue to improve the City's long-term financial outlook through sound fiscal policies. **Update**: *The Finance Team regularly updates the five-year forecast to incorporate quarterly analysis to effectively and efficiently respond to short term challenges. The department has worked with the City's Financial Advisor and Bond Counsel to obtain the lowest possible interest rates.*	*Ongoing*
FY18	Manage the city's new initiative around electronic financial transactions between departments and allow the city departments to accept payments electronically. **Update**: *The Finance departments have worked together to implement a corporate credit card enabling departments to obtain a price advantage with increased competition. The departments have also implemented an electronic payment system through certain departments such as online bill payments in the Treasurers' Office.*	*Ongoing*
FY18	Manage the General and Debt Stabilization funds to minimize the impact on property tax bills as it relates to debt service while maintaining a balance that supports the City of Lowell five year capital plan. **Update**: *The Finance team has utilized efficient management of the general and debt stabilization funds to reduce the impact on residential property tax bills.*	*Ongoing*
FY18	Provide professional financial support to the city's OPM for the ongoing Lowell High School project **Update**: *The CFO has attended the regular School Building Committee meetings, community meetings and city meetings regarding the project.*	*Ongoing*
FY19	Develop an effective grant management policy for all departments to properly monitor grant receipts and expenditures. **Update**: *Worked with the Grant Review Committee to formulate a new policy, drafted a policy for incorporation to the FY2021 budget, for approval by City Council.*	*Ongoing*
FY19	Incorporate disaster preparedness and management into the capital planning process to produce a sustainable community and mitigate the effect of disasters. **Update**: *Met with Planning and Development, as well as Lowell Fire's Emergency Management staff to formulate priorities, will implement into FY2021 Capital Loan Order.*	*Ongoing*

FY19	Establish a comprehensive risk management program that identifies, reduces and minimizes risk to property, interest and employees. **Update**: *Worked with the city's insurance agent to investigate a new program, work ongoing into FY2020.*	*Ongoing*
FY20	Fully fund the city's commitment to the OPEB Policy	New
FY20	Raise the city's bond rating to AA	New
FY20	Provide professional financial consultation to all ongoing capital projects in the city	New

PERFORMANCE METRICS

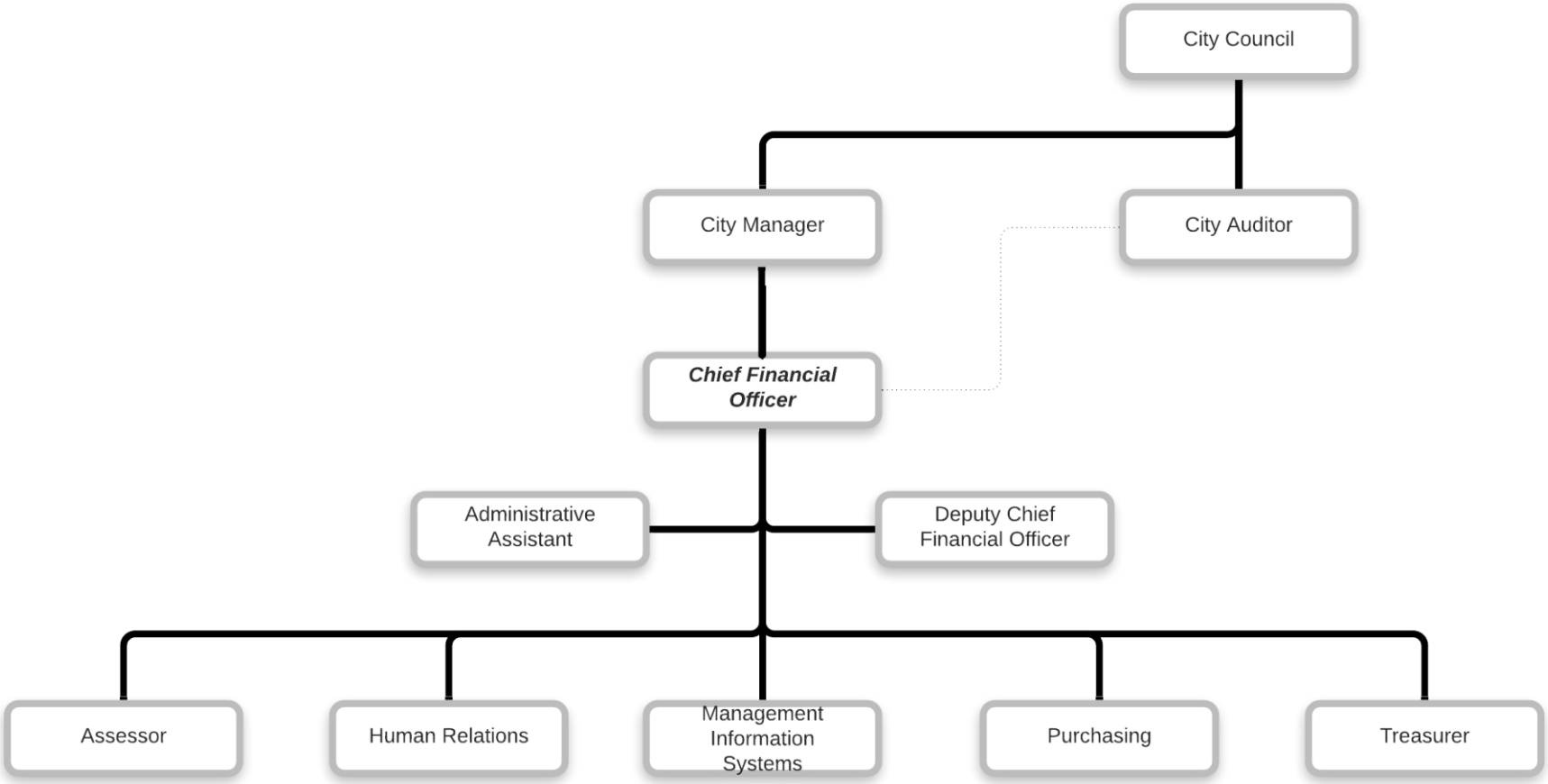
Measurement	Prior Year Actuals FY2017	Prior Year Actuals FY2018	YTD [39] FY2019	FY2020 Target
Standard and Poor's (S&P) Bond Rating	AA-	AA-	AA-	AA
Stabilization Fund Balance	$ 10,632,884	$ 11,713,897	$ 11,776,556	$ 12,000,000
Annual Free Cash certification	$ 4,873,124	$ 2,513,634	$ N/A	$ 2,000,000
Percent Change in General Fund NET Position (Over prior FY)[40]	- 7.7%	- 3.5%	N/A	- 2%
Lowell Single Family Tax Bill – Dollars Below MA Average	- $ 1,617.02	- $ 1,647.57	- $ 1,730.20	- $ 1,500
Direct cash contribution from the General Fund to the Schools	$ 19,856,851	$ 18,005,691	$ 15,736,053	$ 16,359,201
Met NET school spending	EXCEEDED	EXCEEDED	EXCEEDED	EXCEEDED
Dollars over (+) /under (-) Net School Spending Requirement	+ $ 8,082,517	+ $ 7,138,166	+ $ 2,476,250	+ $ 6,000,000
Budget Transfers Approved	72	80	50	50
OPEB Liability (as of June 30)	$ 606,209,254	$ 618,764,027	TBD	$ 625,000,000
OPEB Trust Balance	$ 8,321,030	$ 8,716,721	$ 9,315,353	$ 9,500,000
Pension Liability	$ 621,658,813	$ 637,262,487	TBD	$ 655,000,000
Pension Fiduciary Net Position as a % of Total Pension Liability	52.99 %	59.57 %	TBD	62 %

[39] While YTD date ranges may vary, they typically cover the period from the start of the fiscal year (7/1) through the middle of Q3 of the fiscal year (approximately 2/15)
[40] Beginning net position of the government activities has been revised to reflect the implementation of GASB Statement #75. The implementation of this standard required the OPEB liability to be revised due to the use of different methods and assumptions as previously required by GASB Statement #45.

ORGANIZATIONAL CHART

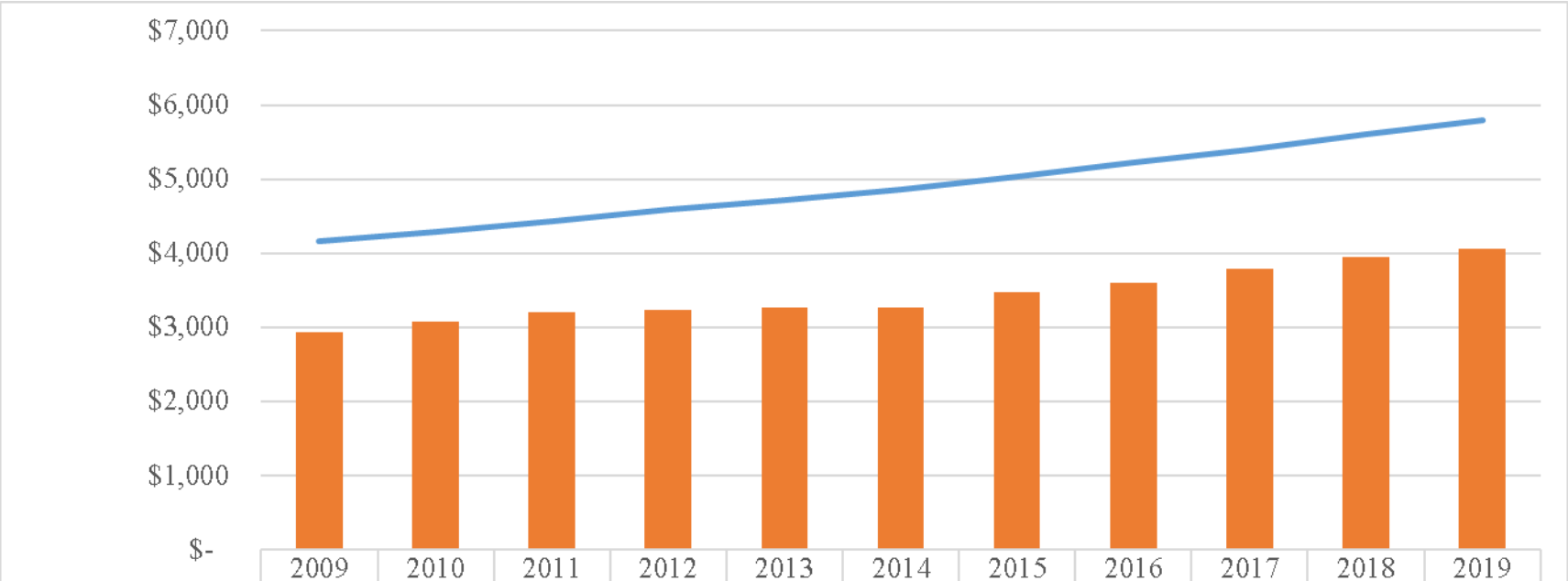
FINANCE

CONOR BALDWIN
CHIEF FINANCIAL OFFICER



LOWELLSTAT CHART(S)

This metric shows the affordability of living in Lowell. The City has significant excess levy capacity, which is evident when Lowell's average single family tax bill is compared to the Massachusetts median.



	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Lowell	$2,940	$3,072	$3,205	$3,236	$3,273	$3,273	$3,480	$3,599	$3,788	$3,951	$4,066
MA Average	$4,157	$4,294	$4,429	$4,587	$4,718	$4,856	$5,033	$5,223	$5,405	$5,599	$5,796

EXPENSE DETAILS

FINANCE GENERAL - 133	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
Salaries-Perm	233,049	125,302	128,176	161,825	161,825
Salaries - Temp	47,484	48,370	-	-	-
Total	280,533	173,672	128,176	161,825	161,825
Expenses					
Office Supplies	-	-	1,500	1,500	1,500
Total	-	200	1,500	1,500	1,500
TOTAL BUDGET	**280,533**	**173,872**	**129,676**	**163,325**	**163,325**

EXPENSE SUMMARY & FINANCING PLAN

PROGRAM EXPENDITURES	DETAIL	SUMMARY	
PERSONAL SERVICES		$	161,825
ORDINARY EXPENDITURES		$	1,500
TOTAL FY20 BUDGETED EXPENDITURES		$	163,325

FINANCING PLAN	DETAIL	SUMMARY	
TAXES		**$**	**64,579**
IN LIEU OF TAX PAYMENTS (PILOT)	62,548		
REAL ESTATE TAXES	2,031		
MISCELLANEOUS REVENUE		**$**	**98,746**
INTEREST ON INVESTMENTS	75,000		
OTHER MISC. INTEREST	23,746		
TOTAL FY20 BUDGETED REVENUES		$	163,325

FINANCE
BUDGET DEPARTMENT

VACANT

DEPUTY CHIEF FINANCIAL OFFICER

PERSONAL SERVICES	$138,787
ORDINARY EXPENSES	$0
TOTAL FY20 BUDGETED EXPENDITURES	**$138,787**

MISSION & SERVICES OVERVIEW

To optimize the City's fiscal resources while assisting the City in operating as transparent, efficient, and effective as possible.

The Budget Department was created in 2016 by unanimous vote of the Lowell City Council and consists of the Deputy Chief Financial Officer and Data Analyst. The department oversees the production and implementation of the City's operating and capital budgets as well as the City Manager's LowellSTAT program.

LowellSTAT is a performance management program used to improve the transparency, efficiency, and effectiveness of Lowell's municipal government. LowellSTAT utilizes financial, personnel, and operational data to better identify trends and to assist in the strategic planning process. In regular LowellSTAT meetings, which include a panel of senior city officials, the City Manager and the LowellSTAT analysts gather to identify opportunities for improvement and then track the implementation of those plans.

In addition to regular meetings, LowellSTAT continuously tracks performance metrics, budget information, and other data in order to advise the City Manager and Chief Financial Officer. Public reports are often presented to the City Council as well as posted on the City website.

FY19 ACCOMPLISHMENTS

- Received the GFOA's Distinguished Budget Presentation Award for the FY18 capital and operating budgets.
- Held LowellSTAT meetings with various departments such as Health and Human Services, Development Services and Energy.
- Continued development of an "overtime tracker" for the City Manager that combines historical usage with current trends and forecasts.
- Worked with Department Staff to resolve issues from the FY2017 Audit Management Letter.
- Met regularly with Department finance staff to implement best practices in fiscal policy/ management.

GOALS

Fiscal Year	Strategic Goal or Objective	Status
FY18	Rate Outstanding/Proficient in all 31 GFOA review criteria for the FY18 Budget **Update**: *Overall the FY18 Budget received outstanding/proficient ratings on the GFOA review criteria, only one reviewer marked one item as "does not satisfy". This has been noted and corrected for the FY19 Budget submission.*	**Complete**
FY18	Complete three in-depth LowellSTAT studies that lead to measurable cost savings. **Update**: *Conducted an in depth HHS overview of policies and procedures prior to the start of a new Deputy HHS Director. The LowellSTAT team assessed Development Services in terms of projects and inspections. The Energy LowellSTAT meeting reviewed the cost savings of the LED Street Conversion, Municipal Aggregation as well as the Net Metering Credit Agreements.*	**Complete**
FY19	Incorporate interactive graphics on the City website in regards to finances and funding for transparent budgeting. **Update**: *Working with Civic Plus to incorporate existing graphics*	New
FY19	Monitor revenue and expenditures in order to maintain the City's long-term financial stability with forecasting. **Update**: *Implemented new systems for tracking*	**Complete**
FY19	Review and recommend performance metrics for all departments that are aligned with strategic goals of the City. **Update**: *Met with City staff. Process ongoing.*	New
FY20	Provide online tools and access to financial data	New
FY20	Revamp Budget Document	New
FY20	Provide online tools and access to financial data	New

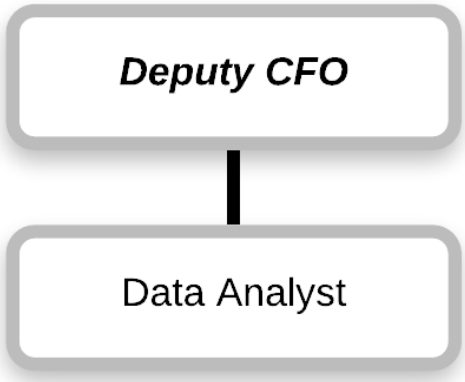
PERFORMANCE METRICS

Measurement	Prior Year Actuals FY2017	Prior Year Actuals FY2018	YTD [41] FY2019	FY2020 Target
GFOA Distinguished Budget Award	Won	Won	Won	WIN
GFOA Criteria Rated Outstanding or Proficient	98.9%	99.9%	98.7%	100%
Capital plan appropriation (Total All Sources)	$ 11,100,415	$ 15,414,518	$ 71,964,330	$ 62,013,235
Capital funds planned for infrastructure improvements	$ 6,280,095	$ 8,163,522	$ 69,274,331	$ 41,971,461
Capital funds planned for public safety improvements	$ 736,000	$ 3,286,560	$ 1,663,837	$ 6,909,022
Capital funds planned for community development	$ 3,479,729	$ 3,730,720	$ 900,000	$ 13,132,752
Capital funds planned for department equipment	$ 604,591	$ 233,716	$ 126,162	$ 0

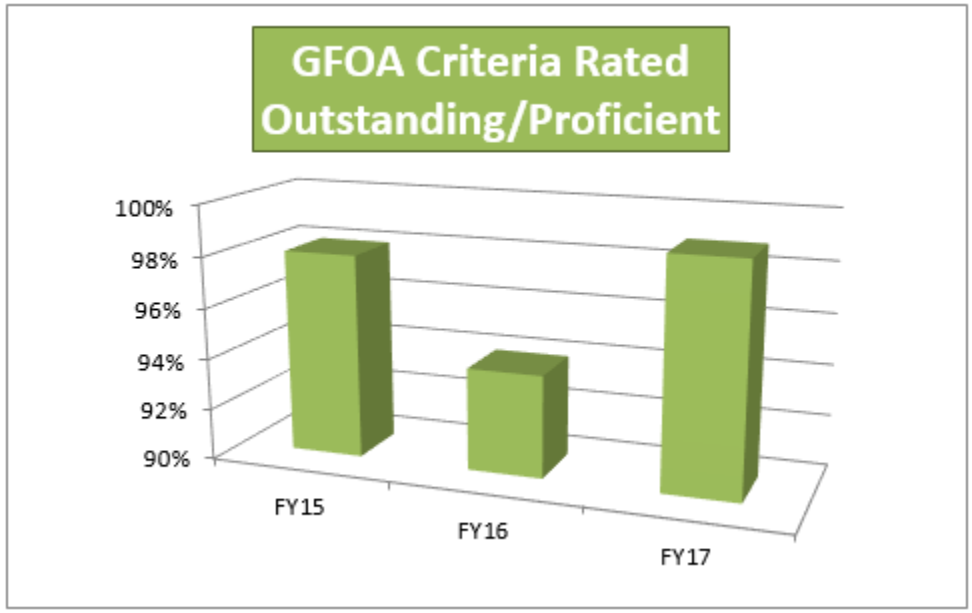
[41] While YTD date ranges may vary, they typically cover the period from the start of the fiscal year (7/1) through the middle of Q3 of the fiscal year (approximately 2/15)

ORGANIZATIONAL CHART

BUDGET DEPARTMENT
VACANT *DEPUTY CHIEF FINANCIAL OFFICER*



LOWELLSTAT CHART(S)



The City of Lowell won the Government Finance Officers Association Distinguished Budget Presentation Award for the first time in FY15. The City won the award again in FY16 and FY17. As part of the process, the City's budget is scored by three reviewers based on 31 criteria. Each item is rated either Outstanding, Proficient, Does Not Satisfy, or Information Not Present.

Measurement	FY15	FY16	FY17	FY18 YTD	FY19 Target
GFOA Criteria Rated Outstanding/Proficient	98%	94%	98.9%	N/A	100%

EXPENSE DETAILS

BUDGET DEPARTMENT - 133	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
Salaries-Perm	121,433	109,480	128,344	145,211	138,787
Total	121,433	109,480	128,344	145,211	138,787
TOTAL BUDGET	**121,433**	**109,480**	**128,344**	**145,211**	**138,787**

EXPENSE SUMMARY & FINANCING PLAN

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		$ 138,787
ORDINARY EXPENDITURES		$ -
TOTAL FY20 BUDGETED EXPENDITURES		$ 138,787

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 138,787**
REAL ESTATE TAXES	138,787	
TOTAL FY20 BUDGETED REVENUES		$ 138,787

FINANCE

OFFICE OF THE CITY AUDITOR

BRYAN PERRY

CITY AUDITOR

PERSONAL SERVICES	$494,399
ORDINARY EXPENSES	$58,600
TOTAL FY20 BUDGETED EXPENDITURES	**$552,999**

MISSION & SERVICES OVERVIEW

To work in collaboration with the Finance Team to maintain the City's fiscal stability and accountability.

The Auditor's Department is responsible for the general oversight of all City financial records. This oversight includes processing and recording all of the financial transactions of the City. The department safeguards the financial resources of the City to ensure compliance with all applicable laws, and coordinates the annual outside audit.

The department is responsible for processing weekly payrolls for all city and school employees including, but not limited to: deductions, W-2 Federal and State Reporting, and the reporting of sick, vacation, and personal time accruals.

The department reviews and approves contracts, purchase orders, invoices, and processes all payments made by the City.

The Auditor, along with the Finance Department, implements recommendations made by the City's outside auditors through the annual management letter. The department also prepares and manages year-end close, and prepares various reports and analyses for the State and other governmental units.

FY19 ACCOMPLISHMENTS

- Continued the year-end process that allowed the City to have two fiscal years open at the same time, which allowed there to be no disruption in financial processes.
- Completed all signed union contract conversions to January accrual date.
- Implemented new contract pay scales and requirements, including the calculation and payment of the new freeze and buyback provisions.
- Payroll direct deposit percentage continues to remains at a very high percentage (over 98%) for all full time city employees.
- Recently implemented internal reviews and procedures for audit quality improvements to reduce future management comments in the independent audit report led to the direct removal of multiple comments in the upcoming management letter.
- Continued to work with the Treasury to streamline cash reconciliation monthly and ensure compliance with the revenue receipt policy.

- All invoices continue to be scanned within the department for electronic storage within Munis. This aids in document management and retrieval.

GOALS

Fiscal Year	Strategic Goal or Objective	Status
FY18	Complete all financial statements and reporting on time: Schedule A, Free Cash, Recap, and GASB statements. **Update**: *All statements and reporting were completed on time.*	**Complete**
FY18	Employee Self Service (ESS) & electronic delivery for w-2 option for employees to continue with management's green/paperless initiatives. **Update**: *Ongoing, employees are expected to have the ability to opt-in and receive their W-2 electronically via ESS.*	*Ongoing*
FY18	Work with Treasury and Accounts Payable to utilize ACH payments for selected vendors. **Update**: *During FY18, the Auditor's Office has worked with the Treasury to utilize ACH payments for a selected group of vendors. The departments will continue to work together to determine which vendors may be open to receiving ACH payments.*	**Complete**
FY19	Decentralize invoice scanning and paperless submission to create an electronic workflow to improve invoice processing time and align with green initiatives. **Update**: *Rolled out to a few selected departments with the expectations of expanding it throughout the year.*	*Ongoing*
FY19	Complete implementation and user acceptance with the Treasury Cash Management system, including monthly reconciliation between the city's cash and treasury cash book. Any reconciling items will be documented with Treasury. **Update**: *Continuing to work with the Treasury towards this goal.*	*Ongoing*
FY19	Formalize an internal controls policy consistent with the COSO Guidelines and the U.S. Office of Management and Budget's Uniform Guidance. This policy will support the five (5) major components of internal control and be used together with operational best practices to minimize/avoid material weaknesses or significant deficiencies.	*Ongoing*

	Update: *Continuing to work with external auditors to formalize this.*	
FY20	Complete all financial statements and reporting on time: Schedule A, Free Cash, Recap, and GASB statements.	New
FY20	Continue to work with Treasury, Accounts Payable, and other operational departments to identify potential vendors to utilize ACH payments. This will reduce paperwork, stock costs, and reduce any potential void/reissue payments.	New
FY20	Develop efficiencies and identify timing issues to optimize the Accounts Payable scheduling to best maximize cash flow.	New

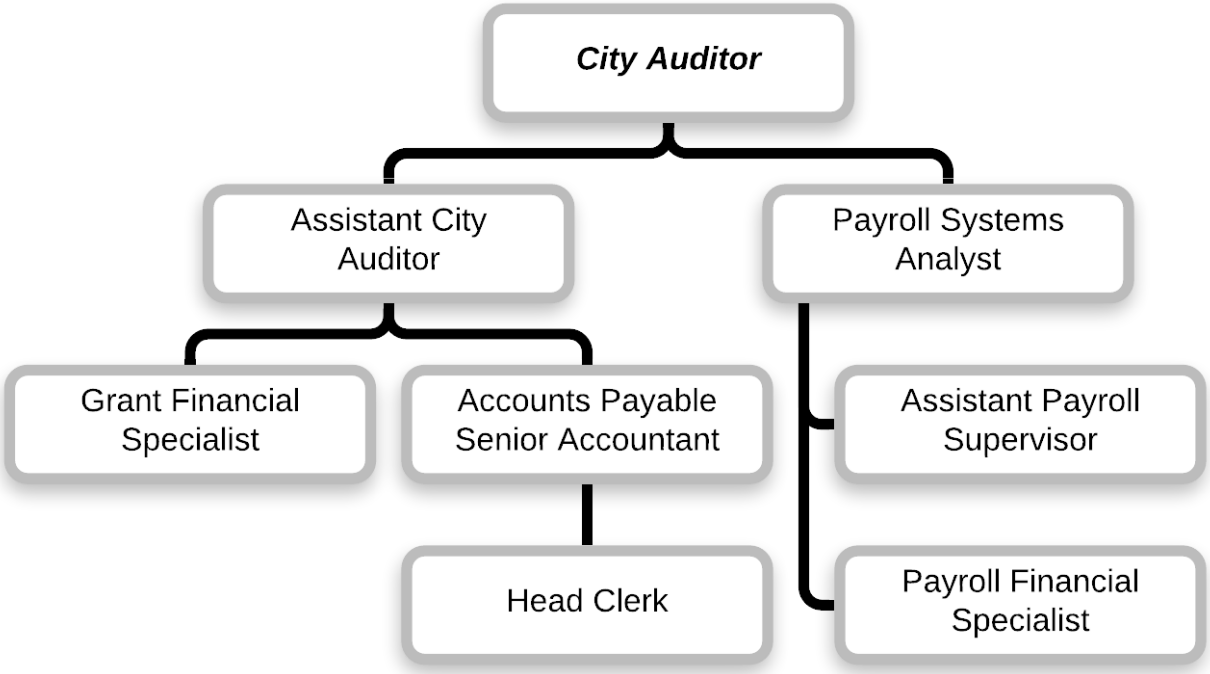
PERFORMANCE METRICS

Measurement	Prior Year Actuals FY2017	Prior Year Actuals FY2018	YTD [42] FY2019	FY2020 Target
Complete financials on time	12/31/2016	12/31/2017	11/7/18	12/31/19
Complete Schedule A on time	10/31/2016	11/27/2017	11/8/18	11/30/19
Expenditure reports to the City Council	4	2	2	4
Number of budget adjustments	442	487	789	500
Number of general journal adjustments	367	660	719	800
Number of invoices processed	24,780	21,587	17,474	22,500
Number of requisitions approved	5,453	5,441	4,475	5,500
Number of payroll research requests	32	40	18	36
Payroll Advices Issued	121,000	121,636	100,567	120,000
BuyBack Sick Leave processed	603	538	545	525
Electronic Payroll Advice Percentage	30%	35%	33%	35%

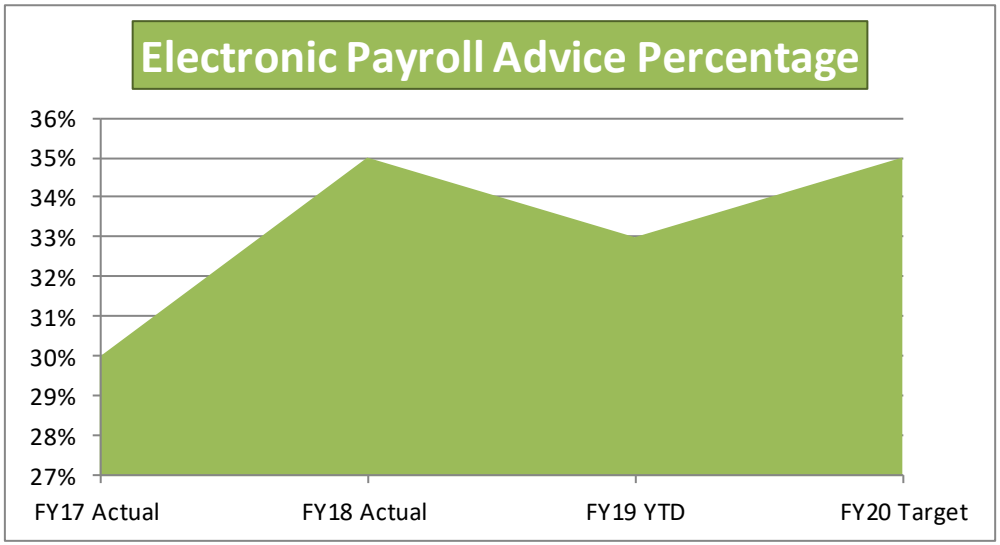
[42] While YTD date ranges may vary, they typically cover the period from the start of the fiscal year (7/1) through the middle of Q3 of the fiscal year (approximately 2/15)

ORGANIZATIONAL CHART

OFFICE OF THE CITY AUDITOR
BRYAN PERRY *CITY AUDITOR*



LOWELLSTAT CHART(S)



The Auditor's Office, in conjunction with MIS, has been actively encouraging city employees to have their payroll advixes delivered via email versus printed. The increasing percentage of advixes sent cia electronic delivery will save staff time and reduce paper costs, contributing to the City's goal of continuing to "go green".

Measurement	FY17 Actual	FY18 Actual	FY19 YTD	FY20 Target
Electronic Payroll Advice Percentage	30%	35%	33%	35%

EXPENSE DETAILS

CITY AUDITOR - 135	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
Salaries-Perm	502,200	518,067	523,845	545,692	545,692
Outside Funding (Non Tax Levy)	(46,899)	(46,899)	(48,827)	(51,293)	(51,293)
Total	455,301	471,168	475,018	494,399	494,399
Expenses					
Forms & Supplies	2,276	3,674	5,000	5,000	5,000
In-State Travel & Training MUNIS/UMAS/MMA	1,114	466	1,500	1,500	1,500
License	125	90	200	200	200
Independent Audit (total cost $94,000 allocated)	50,000	50,000	50,000	50,000	50,000
Leasing Equipment	1,800	1,692	1,800	1,800	1,800
Ins. Premium -Bond	100	100	100	100	100
Total	55,415	56,022	58,600	58,600	58,600
TOTAL BUDGET	**510,716**	**527,191**	**533,618**	**552,999**	**552,999**

EXPENSE SUMMARY & FINANCING PLAN

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		$ 545,692
ORDINARY EXPENDITURES		$ 58,600
TOTAL FY20 BUDGETED EXPENDITURES **(GROSS)**		$ 604,292

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 456,100**
REAL ESTATE TAXES	456,100	
INTERGOVERNMENTAL REVENUE		**$ 148,192**
UNRESTRICTED AID (UGGA)	96,899	
COMMUNITY DEVELOPMENT BLOCK GRANT	51,293	
TOTAL FY20 BUDGETED REVENUES		$ 604,292

FINANCE
PURCHASING

P. MICHAEL VAUGHN

CHIEF PROCUREMENT OFFICER

PERSONAL SERVICES	$240,609
ORDINARY EXPENSES	$138,250
TOTAL FY20 BUDGETED EXPENDITURES	**$378,859**

MISSION & SERVICES OVERVIEW

To assist City departments in obtaining the best possible value of services and supplies in a timely fashion and ensure compliance with all state statutes and local ordinances.

Purchasing procures all goods and services requested by City departments, the school department, or any other agency operating through the City of Lowell. Each transaction must meet statutory requirements with regard for bidding, whether it is an informal quote, a written quote, a sealed bid, or a response to a request for proposal. In addition, Purchasing has meetings with all departments to discuss policies and procedures and work with them to provide the materials and services needed. Notices of procurements are listed on the City's website, the state's website, posted on the Purchasing Bulletin Board and in the local newspaper if appropriate. The City's Invitation for Bids (IFB) and Request for Proposals (RFP) can be downloaded directly from the City's website.

FY19 ACCOMPLISHMENTS

- Developed the RFR for the HCID Parking Garage's Owners Project Manager, step one of a CM at Risk procurement.
- Developed RFP's and assisted the School Department for multiple procurements for new boilers, boiler replacement parts, elevator maintenance and a construction bid for the Lowell High School Roof.
- Developed and issued the bid for the Water and Wastewater's emergency water, drain and sewer lines, on-call contract.
- Working with MIS, developed and issued a RFP to install Fiber Optic Cable throughout the City.
- Developed IFB for Lowell Memorial Auditorium's loading dock and bathroom addition and renovation project.
- Developed and issued bids for the both the security and management of the Parking Garages.
- Developed bids for the LeLacheur Park Right Field Concourse Project, first to obtain the designer, then for the construction.
- Issued a bid to purchase a brand new bus for the senior center.

GOALS

Fiscal Year	Strategic Goal or Objective	Status
FY17	Conduct Purchasing Initiatives outreach sessions with all department Users. **Update**: *Have teamed with multiple departments to help with their Purchasing needs as well as conducted presentations at multiple leadership and finance meetings.*	**Complete**
FY18	Reduce paper contracts from 3 originals & 3 copies to 2 originals and an electronic version. **Update**: *(Purchasing has begun scanning contracts electronically)*	**Complete**
FY18	Continue working with City & School Departments to develop multi-year bids. **Update**: *Purchasing & Schools are working together for all bids*	**Complete**
FY19	Assist Department Heads to develop bids that meet their requirements and contain costs **Update**: *Assisted multiple departments creating bids for the goods and services required, schools in particular.*	**Complete**
FY19	Continue to work with Auditing to reduce the number of invoices that are submitted with purchase orders created after goods and services are already provided. **Update**: *Reissued procurement policies and discussed with all departments what protocols must be followed.*	**Complete**
FY19	Continue to work with MIS to implement a new phone system that expands on utilizing VoIP technology. **Update**: *Successfully migrated to new phone system*.	**Complete**
FY20	85% of all contracts from FY18 and FY19 are scanned and in the vendor electronic file. The remaining 15% are being scanned and should be done by the end of the fiscal year.	New
FY20	Work with all departments to facilitate greater communication regarding which step a contract is in until fully executed (then scanned).	New
FY20	Work with the school department, to help them develop bids for food service, class room space and all other goods and services needed for their day to day activities.	New

PERFORMANCE METRICS

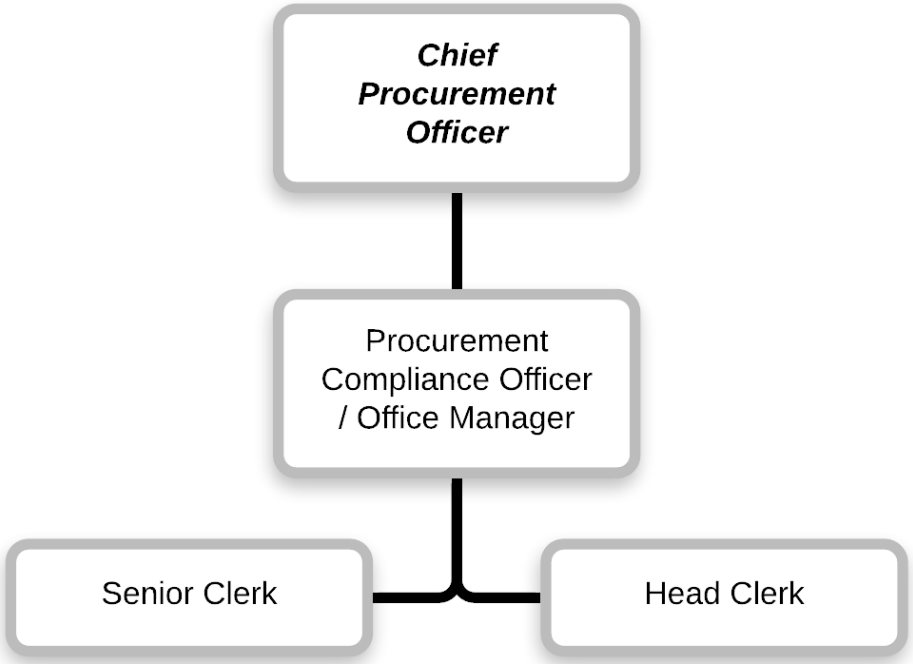
Measurement	Prior Year Actuals FY2017	FY2018	YTD [43] FY2019	FY2020 Target
Records added, updated, deleted in vendor database	46,850	47,150	46,975	47,000
Number of contracts processed	325	410	250	400
Purchase orders under $10,000	4,665	6,939	3,742	6,800
Purchase orders over $35,000	274	305	188	300
Purchase orders processed	5,616	7,629	4,174	7,500
Purchase orders requiring 3 written quotes	677	385	244	375
RFP's and IFB's fully developed	68	108	46	100

[43] While YTD date ranges may vary, they typically cover the period from the start of the fiscal year (7/1) through the middle of Q3 of the fiscal year (approximately 2/15)

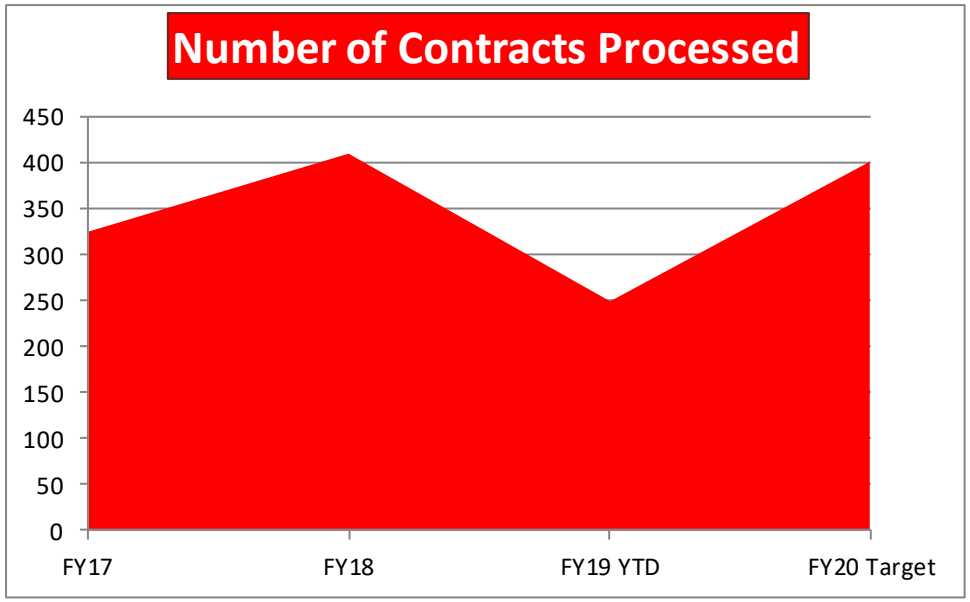
ORGANIZATIONAL CHART

PURCHASING

P. MICHAEL VAUGHN
CHIEF PROCUREMENT OFFICER



LOWELLSTAT CHART(S)



The number of contracts processed by the Purchasing Department tends to fluctuate, based on a variety of factors ranging from projects to funding.

Measurement	FY17	FY18	FY19 YTD	FY20 Target
Number of contracts processed	325	410	250	400

EXPENSE DETAILS

PURCHASING DEPARTMENT - 138	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
S & W-Perm.	214,453	225,756	229,308	240,303	240,303
Longevity	305	305	306	306	306
Total	214,758	226,062	229,614	240,609	240,609
Expenses					
Repair & Maint. Equip	493	500	500	500	500
Advertising	11,975	12,000	12,000	20,000	15,000
Printing & Binding	150	150	150	150	150
Office Supplies	1,892	2,220	2,000	2,000	2,000
Dues & Subscriptions	1,000	850	1,000	1,000	100
Trans. Reimbursement & Seminars	500	500	500	500	500
Purchase of Services	112,086	134,235	120,000	135,000	120,000
Total	128,096	150,455	136,150	159,150	138,250
TOTAL BUDGET	**342,855**	**376,517**	**365,764**	**399,759**	**378,859**

EXPENSE SUMMARY & FINANCING PLAN

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		$ 240,609
ORDINARY EXPENDITURES		$ 138,250
	TOTAL FY20 BUDGETED EXPENDITURES	$ 378,859

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 216,998**
REAL ESTATE TAXES	216,998	
INTERGOVERNMENTAL REVENUE		**$ 161,861**
UNRESTRICTED AID (UGGA)	161,861	
	TOTAL FY20 BUDGETED REVENUES	$ 378,859

FINANCE
ASSESSORS

SUSAN LEMAY
CHIEF ASSESSOR

PERSONAL SERVICES	$514,579
ORDINARY EXPENSES	$60,504
TOTAL FY20 BUDGETED EXPENDITURES	**$575,083**

MISSION & SERVICES OVERVIEW

To value all real and personal property fairly and equitably in accordance with the laws of the Commonwealth of Massachusetts along with billing and administering motor vehicle excise, personal exemptions, elderly and Veterans' volunteer work programs and abatement programs. The department's ultimate objective is to address the concerns of the citizens of the City as efficiently, effectively and as courteously as possible.

Each year the Assessors must assign a full and fair cash value to all properties located within the City of Lowell. Every fifth year, starting in FY2022, the Board of Assessors is charged with the duty of conducting a Full Revaluation pursuant to Massachusetts General Law as required and directed by the Massachusetts Department of Revenue. Every year, each property sale that takes place in the city is researched and evaluated for its "arms-length" quality. These sales are used in the valuation of property and are then reviewed and approved by the Massachusetts Department of Revenue. The full revaluation is more detailed than the annual interim assessment adjustments and involves DOR staff looking at the assessment valuation modeling system and assessed values including the delineation of neighborhood lines and land adjustments. In addition, a field advisor from the Department of Revenue's Bureau of Local Assessment samples a quarter of Lowell's properties for accuracy pursuant to the classification, the condition and the details of the properties noted by the Assessors.

For over ten years now, the Lowell Assessing Department has conducted the State-mandated Citywide Cyclical Inspection Program in-house with existing staff. The department continues to inspect as many properties as possible while working closely with the Development Services Department to identify properties for which building permits or certificates of occupancy have been issued. Assessors make special visits to these properties, along with all properties that change hands during the year, to capture new growth valuation. In addition to real estate inspections, the Assessing Department Inspectors are also responsible for inspecting businesses across the city for personal property assessments.

FY19 ACCOMPLISHMENTS

- The Assessing Team completed the Cyclical Real Estate and Personal Property Inspections in the Centralville section of the City with just a few straggler appointments left to do throughout that section when the residents are ready. The Belvidere section of the City was started early in FY19 and is close to 40% complete at this point.
- The assessing team discovered over $2.1 million in new growth in FY19 through building permits, cyclical visits, personal property and other property visits.
- Ownership changes have been kept up to date for billing and abutter list purposes through deeds and change of addresses, decreasing the number of returned Real Estate & Personal Property bills. The deeds are now downloaded on a daily basis by this office from the Registry of Deeds and entered daily as a future sale.
- Due to the number of interior and exterior site visits that the assessing team has conducted the number of over-valuation abatement applications are down to 41 in total for FY19. That is less than 1% of the number of taxable accounts in the city despite an increase in values across all classes of properties once again this year.

GOALS

Fiscal Year	Strategic Goal or Objective	Status
FY17	Establish cohesive relationship with business owners to improve filing of annual Forms of Lists. **Update**: *Have seen a significant increase in the amount of forms submitted via email.*	**Complete**
FY18	Develop Personal Property plan for new 5 year relist program. **Update**: *Plan in place.*	**Complete**
FY18	Retrieve recorded deeds from the Registry of Deeds on a bi-monthly basis to ensure the new owners are listed in the system for mailing purposes. **Update**: *Deeds are now downloaded and data entered on a daily basis.*	**Complete**
FY19	Cross train employees within the Assessor's Office to improve department operating efficiencies. **Update**: *Employees are cross-trained on a regular basis.*	**Complete**
FY19	Establish a Sales Verification Program to validate the condition of the property at the time of the sale to provide insight into the unpredictable real estate market. **Update**: *Program in place to validate the condition of the property at the time of the sale as appropriate.*	**Complete**
FY19	Develop an emailing list of forms that are accepted and submitted to the Assessor's Office to assist residents in search of documentation. **Update**: *List of forms in place.*	**Complete**
FY20	Print deeds daily from the Registry of Deeds, code them and enter them into the Vision Database system as a "Future Sale" to get the new owners into the system for mailing purposes. This saves steps from entering as a change of address in addition to entering the deeds two to three months after the sale.	New
FY20	As the deeds are printed from the Registry on a daily basis and we identify any sale price(s) where the assessed ratio is skewed beyond the acceptable range, we isolate those sales for immediate property review.	New
FY20	Train two new people on Revision and lot splits and start them as soon as the Vision (static database) was installed. The main objective was to insure that the revisions would be finalized by the new Fiscal year due to the loss of experienced personnel and the number of revisions coming through the city.	New

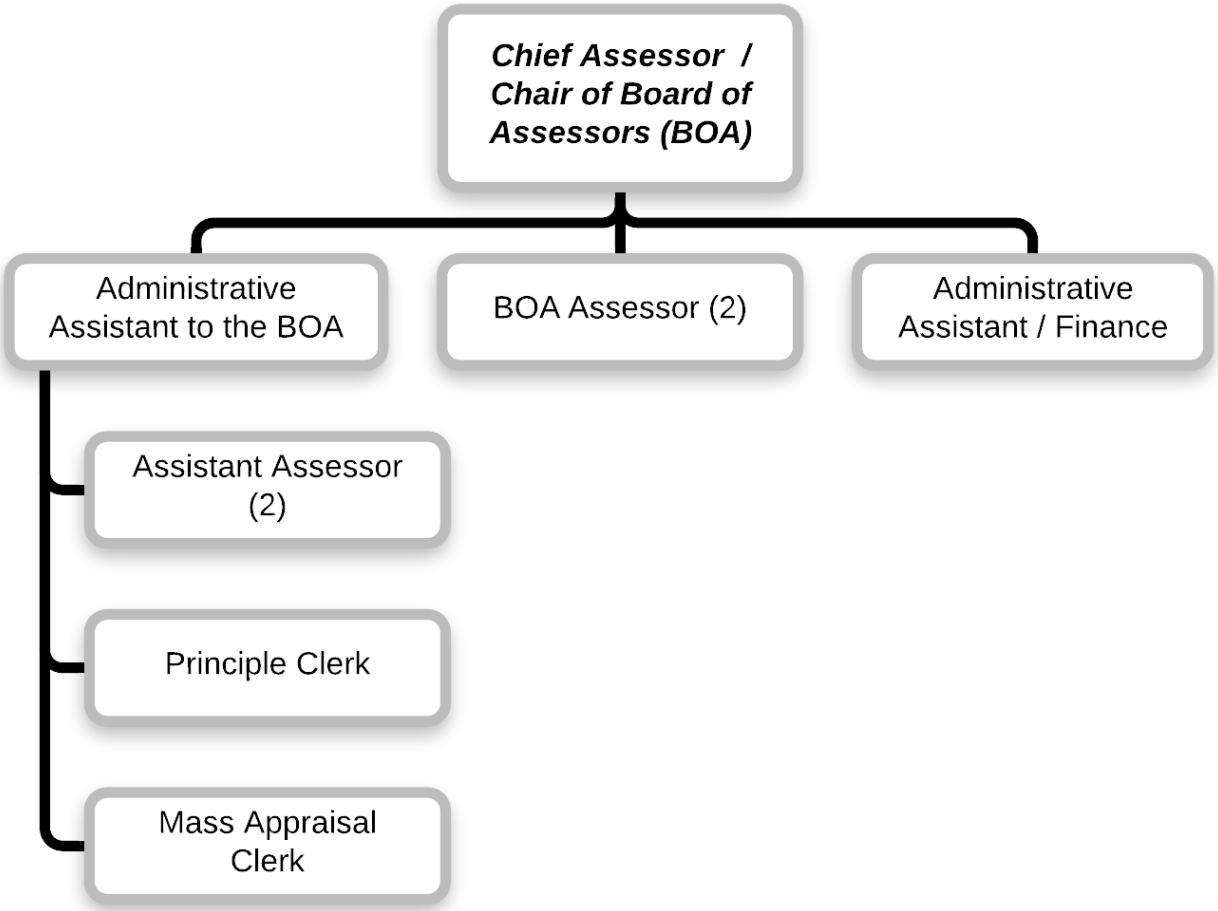
PERFORMANCE METRICS

Measurement	Prior Year Actuals FY2017	FY2018	YTD [44] FY2019	FY2020 Target
Building Permit Inspections	2,559	1661	815	15,000
Building Permit Inspections conducted per employee	639	831	407	500
Cyclical Inspections	3,021	3440	1528	1,650
Cyclical Inspections conducted per employee	755	1720	764	550
Sale Verification Inspections	673	645	283	350
Personal Property Assessment Visits per employee	801	507	274	300
Deeds, Instruments, Tax Takings Processed, Revisions, Status Changes	200	254	137	100
Personal Property Inspections	3,057	2797	1371	2,500
Property History Updates Processed	24,658	40,137	17,201	29,000
Overvalue RE Abatement Applications processed	80	71	23	80
PP abatement Applications Processed	7	7	9	10
Statutory Exemptions processed	625	610	606	625
Sr. Volunteer Work Program Exemptions processed	30	30	14	30
Vet. Volunteer Work Program Exemptions processed	0	0	4	15

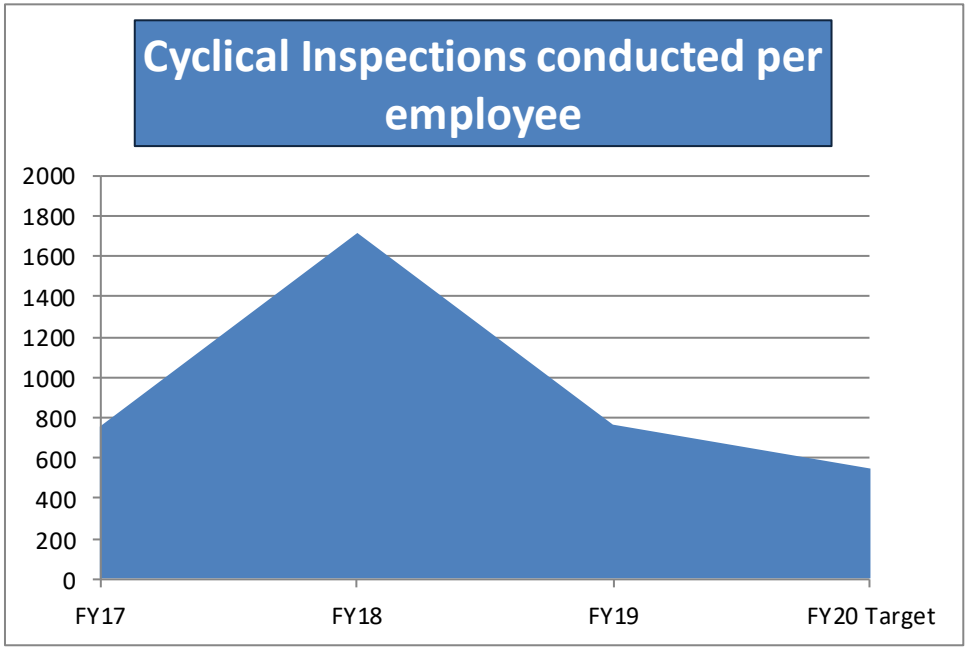
[44] While YTD date ranges may vary, they typically cover the period from the start of the fiscal year (7/1) through the middle of Q3 of the fiscal year (approximately 2/15)

ORGANIZATIONAL CHART

ASSESSOR
SUSAN LEMAY *CHIEF ASSESSOR*



LOWELLSTAT CHART(S)



Cyclical Inspections keep property information accurate and up to date, which can directly impact New Growth, which is the measure of new property development within the City. All activities which increase property value also increase property tax thus providing accurately distributed taxation. This new growth rate reflects the additional taxes collected from these property improvements.

Measurement	FY17	FY18	FY19 YTD	FY20 Target
Cyclical Inspections conducted per employee	755	1,720	764	550

EXPENSE DETAILS

ASSESSORS - 141	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
S & W - Perm	475,073	486,071	499,773	514,219	514,219
Longevity	360	360	360	360	360
Total	475,433	486,431	500,133	514,579	514,579
Expenses					
Repair & Maint. Equipment	1,290	1,258	1,300	1,300	1,300
Appraisals	17,277	6,050	15,000	12,000	12,000
Prof Service - Interim Reval/P.P. Relist/Tri Reval	103,140	2,000	25,000	25,000	25,000
Advertising	635	595	1,200	1,200	1,200
Printing & Binding	121	1,387	1,500	1,500	1,500
Data Proc- Equipment & Supply	925	939	1,000	1,000	1,000
Office Supplies	1,136	1,034	1,500	1,500	1,500
Tuition Reimbursement	896	135	1,000	1,000	1,000
Dues & Subscriptions	2,050	1,180	2,000	2,000	2,000
Trans Reimburse & Seminars	9,780	11,002	10,000	10,000	10,000
Miscellaneous Charges	750	731	750	700	700
Office Furniture & Equipment	270	676	750	700	700
Data Processing - Spec Projects	944	215	1,200	900	900
Leasing of copier	-	-	900	1,704	1,704
Total	139,214	27,201	63,100	60,504	60,504
TOTAL BUDGET	**614,647**	**513,632**	**563,233**	**575,083**	**575,083**

EXPENSE SUMMARY & FINANCING PLAN

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		$ 514,579
ORDINARY EXPENDITURES		$ 60,504
TOTAL FY20 BUDGETED EXPENDITURES		$ 575,083

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 567,083**
NEW GROWTH	267,338	
PERSONAL PROPERTY TAX	250,597	
PRO FORMA TAX	41,000	
REAL ESTATE TAX	8,148	
MISCELLANEOUS REVENUE		**$ 8,000**
ASSESSORS' MISCELLANEOUS	8,000	
TOTAL FY20 BUDGETED REVENUES		$ 575,083

FINANCE

TREASURER

KELLY OAKES

CITY TREASURER

PERSONAL SERVICES	$592,969
ORDINARY EXPENSES	$254,600
TOTAL FY20 BUDGETED EXPENDITURES	**$847,569**

MISSION & SERVICES OVERVIEW

To efficiently manage assets, including cash and receivables, as well as to collect all receipts due to the City while maintaining the highest level of customer service.

The Treasurer's Office ensures that all assets are accounted for and all receipts due the City are collected. In accordance with Mass General Laws Ch44 Section 55B, the Treasurer is responsible for ensuring the safety and liquidity of City funds while earning the highest yield possible. The Treasurer also maintains banking relationships; manages electronic payments; and assists the Chief Financial Officer in the issuance of City debt.

Treasurer's Office issues and collects over 300,000 bills each year, including real estate, personal property, water/sewer, and motor vehicle excise bills. The Treasurer's Office also handles all electronic funds transfers from federal and state governments and monies from private entities.

FY19 ACCOMPLISHMENTS

- Developed and implemented a Treasurer's Office Customer's Bill of Rights.
- Successfully implemented two major cash control systems: Tyler Cashiering for collection of payments in the Treasurer's Office and Tyler Cash Management for reconciliation of bank statements to the Treasurer's Book and General Ledger.
- Managed improvements to the physical office to make for a more conducive area for customers and staff to conduct business.
- Successfully rolled out

GOALS

Fiscal Year	Strategic Goal or Objective	Status
FY18	Implement Munis Tyler Cashiering in the Collector's Office. **Update**: *Implemented and functional.*	**Complete**

FY18	Implement Munis Tyler Cash Management System in the Treasurer's Office. **Update**: *Implemented and functional.*	**Complete**
FY18	Implement new uncollectible Receivable Write -off Policy for balances over 7 years in accordance with the outside auditors. **Update**: *Treasurer continues to work with CFO and Assessor to finalize and implement write-off policy*.	*Ongoing*
FY19	Improve cash reconciliation process and remove as a comment on independent audit management letter. **Update**: *Working on various methods to facilitate this.*	*Ongoing*
FY19	Create and implement a consistent procedure for the issuing of a license or permit to ensure the applicant is in good standing with regard to taxes due the City. **Update**: *Working with various departments to identify and implement the best way to do this.*	*Ongoing*
FY20	Measure customer service in the Treasurer's Office via online and in-person surveys in order to improve overall customer satisfaction.	New
FY20	Implement Munis Tyler Cashiering in another city office to facilitate payments	New

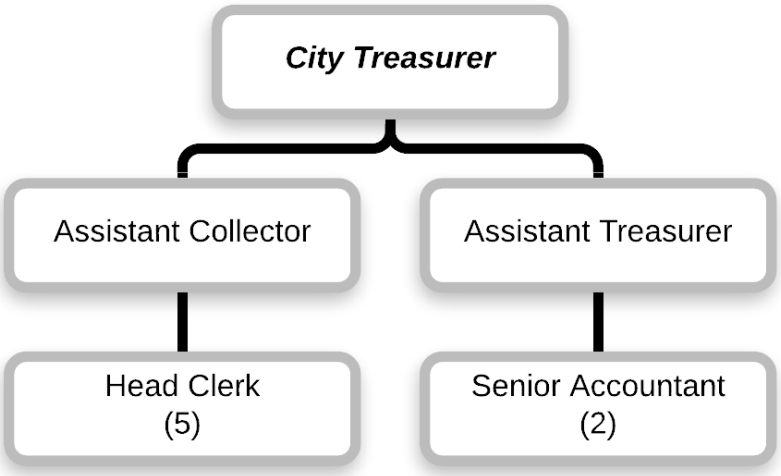
PERFORMANCE METRICS

Measurement	Prior Year Actuals FY2017	FY2018	YTD [45] FY2019	FY2020 Target
Overall Tax Collection Percentage	97.38%	97.73%	95.75%	98%
Motor Vehicle Excise Collection Percentage	90.43%	89.47%	75.36%	90%
Real Estate Tax Collection Percentage	97.95%	98.42%	97.42%	99%
Personal Property Tax Collection Percentage	98.20%	98.12%	95.59%	99%
Motor Vehicle Excise Bills (1st Commitment)	88,535	89,351	72,453	89,500
Real Estate Tax Bills Issued	27,002	26,998	27,497	27,500
Personal Property Tax Bills Issued	1,889	2,151	2,259	2,270
Total Paperless Customers	3,375	3,553	3,740	3,900

[45] While YTD date ranges may vary, they typically cover the period from the start of the fiscal year (7/1) through the middle of Q3 of the fiscal year (approximately 2/15)

ORGANIZATIONAL CHART

TREASURER
KELLY OAKES *CITY TREASURER*



LOWELLSTAT CHART(S)

The Treasurer's Office has seen an increase in the number of paperless customers, but it still isn't as high as it should be!

Measurement	FY17	FY18	FY19	FY20
Total Paperless Customers	3,375	3,553	3,740	3,900

EXPENSE DETAILS

TREASURER - 145	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
S & W-Perm.	564,716	553,100	574,165	592,969	592,969
Total	564,716	553,100	574,165	592,969	592,969
Expenses					
Repair & Maint. Equipment	1,145	1,301	1,500	1,500	1,500
Professional Services	21,385	37,581	30,000	40,000	30,000
Banking Services	21,183	25,553	28,000	28,000	28,000
Postage	182,949	175,005	190,000	210,000	175,000
Equipment Leasing	6,410	4,218	6,500	6,500	6,500
Office Supplies	2,275	4,612	5,000	5,000	5,000
Dues & Subscriptions	510	450	600	600	600
Transportation Reimbursement	711	2,654	4,000	4,000	4,000
Ins. Premiums - Bonds	3,726	3,323	4,000	4,000	4,000
Total	240,293	254,696	269,600	299,600	254,600
TOTAL BUDGET	**805,009**	**807,797**	**843,765**	**892,569**	**847,569**

EXPENSE SUMMARY & FINANCING PLAN

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		$ 592,969
ORDINARY EXPENDITURES		$ 254,600
TOTAL FY20 BUDGETED EXPENDITURES		$ 847,569

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 586,122**
REAL PROPERTY (PENALTIES & INTEREST)	236,434	
MOTOR VEHICLE (PENALTIES & INTEREST)	168,537	
MOTOR VEHICLE EXCISE TAX	181,151	
MISCELLANEOUS REVENUE		**$ 88,804**
TREASURER'S MISCELLANEOUS	88,804	
CHARGES FOR SERVICES		**$ 172,643**
WATER - INDIRECT COSTS (REIMBURSE GF)	48,347	
WASTEWATER - INDIRECT COSTS (REIMBURSE GF)	94,761	
PARKING - INDIRECT COSTS (REIMBURSE GF)	29,535	
TOTAL FY20 BUDGETED REVENUES		$ 847,569

FINANCE
HUMAN RELATIONS

MARY CALLERY

HUMAN RELATIONS DIRECTOR

PERSONAL SERVICES	$319,801
ORDINARY EXPENSES	$27,550
TOTAL FY20 BUDGETED EXPENDITURES	**$347,351**

MISSION & SERVICES OVERVIEW

To provide excellent customer oriented service to the public, applicants, vendors, employees, and retirees in a legally, morally, and ethically appropriate manner. Human Relations collaborates with various departments to develop, maintain, and support a diverse workforce that is vital to the City's success and reputation. Human Relations creates and implements programs to improve and increase organizational effectiveness in the most fiscally responsible manner that fosters and results in a positive and productive work environment that meets the challenges of a changing world.

The Human Relations department is charged with developing and administering fair and equitable human resources policies for the City and its employees, including the Career Center. The department is responsible for assisting all City departments with the recruitment and selection of new employees, while ensuring compliance with all applicable federal, state, and local laws that govern this process. It develops and distributes policies regarding a number of different employment issues, including the City's Sexual Harassment Policy. The department also maintains compensation systems for all positions within the city; provides training to employees on important employment issues; assists in the negotiation and administration of labor contracts; administers pre-employment physicals and CORI checks; and performs any other functions assigned by the City Manager. Additionally, Human Relations is responsible for evaluating and implementing all employee benefits programs; administering group health and life insurance; ensuring compliance with state and federal mandates on health insurance; and monitoring unemployment compensation for all City and School employees.

FY19 ACCOMPLISHMENTS

- Continued coordination of the enrollment and transition of all Active & Retired Employees to the Group Insurance Commission.
- Provide ongoing assistance to all Active & Retired employees with questions, problems, concerns, and any other issues related to their health insurance plans including all plan benefit changes.
- Continue to provide one-on-one informational sessions, as needed, regarding the Health Reimbursement Arrangement (HRA) to educate employees on how to use this program to mitigate out-of-pocket expenses.

- Held annual open enrollment period for all benefits to active City and School employees and retirees including a Benefits Informational Session.
- Ongoing assistance with the implementation of electronic Direct Deposit advices for City employees choosing to voluntarily receive advices via secure email.
- Continued use of an internal tracking database to monitor City and School unemployment claims, City's sick buyback program, retirements, and FMLA leave.
- Implemented ongoing and continuous audit cycle pertaining to health, dental, and life insurance to ensure proper eligibility and reduce costs incurred to City and School
- Ensured continued licensure compliance for all employees requiring specific job related licenses and or certifications including but not limited to CDL, DOT Medical Certificates, and Hoisting.
- Facilitated and assisted in various job description modifications with Union representatives to ensure current and accurate job requirements for City positions.
- Collaborated and assisted the Law Department with the consolidation of all collective bargaining labor contracts.
- Compiled and processed all 1095-C forms required under the Affordable Care Act (ACA) for school and city employees; ongoing efforts to maintain compliance under the ACA.
- Completed negotiations for eleven collective bargaining agreements; continued negotiations with the remaining unions.
- Management of the City HR webpage to ensure consistent and accurate information is available to the public as well as employees.
- Update of HR forms (New Hire Checklist, Application, etc) to streamline new hire process as well as maintain consistent data collection.
- Initiated a City-wide employee personal information update with specific attention to demographics and EEO information.
- Initiated the process of implementing the Applicant Tracking System.
- Distributed the Pregnant Workers Fairness Act issued by the State and ensured all City employees acknowledged the Act
- Participated in a two day MUNIS HR Investment Assessment with MIS and Tyler to assess the benefits of other system functionality currently not in use.

GOALS

Fiscal Year	Strategic Goal or Objective	Status
FY18	Website Maintenance and ensuring up to date information is posted. **Update**: *HRs webpage is monitored for accuracy on ongoing basis.*	**Complete**
FY18	Become environmentally green; overall consumption reduction **Update**: *Reducing paper use and also reducing the amount of paper being ordered has been implemented.*	**Complete**
FY18	Electronic document submissions versus paper based. **Update**: *Departments have been transitioning to submitting documents electronically rather than by paper.*	**Complete**
FY19	Continue to cordially assist the public and employees with locating City job postings, providing applications and redirecting inquiries to the appropriate department. **Update**: *Established policies and procedures to meet this goal.*	**Complete**
FY19	Provide employees city-wide applicable learning opportunities that will allow employees to further develop their knowledge and expertise in their line of work. **Update**: *Assessing different options to improve learning opportunities.*	*Ongoing*
FY19	Conduct internal audits to ensure organizational compliance as well as accurate data collection. **Update**: *In the process of collecting data.*	*Ongoing*
FY20	Fully implement the Applicant Tracking System to provide applicants with the ability to apply through a portal; this will be the first step to phasing out the paper based application. This will be beneficial to centralizing applicant data for statistical and reporting purposes.	New
FY20	Work with various departments to further explore programs to engage employees in improving and achieving a work life balance as well as programs to increase employee satisfaction.	New
FY20	Provide more trainings and seminars to educate employees on various topics relative to their general employment with the City. Improve transparency and access to information so employees have information such as policies and benefits readily available.	New

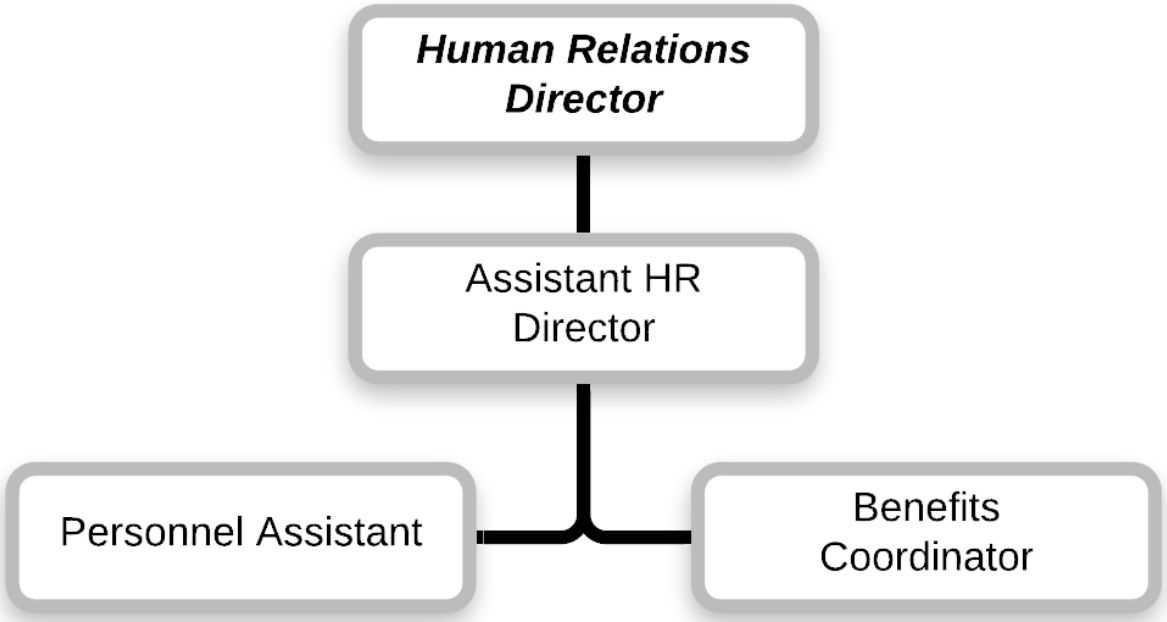
PERFORMANCE METRICS

Measurement	Prior Year Actuals FY2017	FY2018	YTD [46] FY2019	FY2020 Target
Unemployment claims paid by the City	84	81	68	80
Unemployment costs	$74,864	$40,337	75,658.17	80,000
Number of job requisitions	131	120	69	125
Number of job applications processed	1595	1,973	1369	2000
Revise and distribute new personnel action form	5/1/2017		5/1/2019	7/1/2019
Provide professional development class for employees	5/1/2017		11/1/2018	1/1/2020
Average number of sick hours taken per employee annually	53.49	55.25	38.33	35
Number of licenses and professional certifications tracked	280	315	562	570
Average applicants per job posting	10.6	16.44	19.84	20

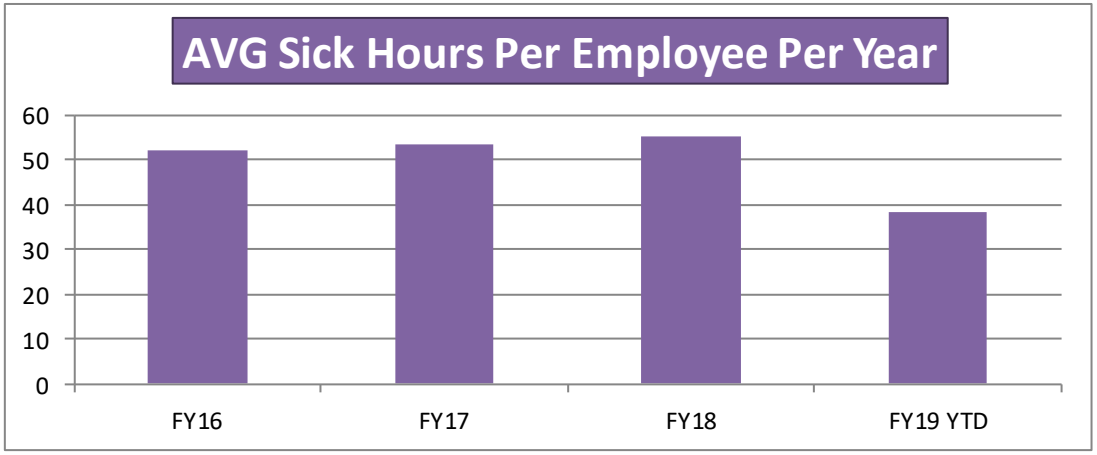
[46] While YTD date ranges may vary, they typically cover the period from the start of the fiscal year (7/1) through the middle of Q3 of the fiscal year (approximately 2/15)

ORGANIZATIONAL CHART

HUMAN RELATIONS
MARY CALLERY *HUMAN RELATIONS DIRECTOR*



LOWELLSTAT CHART(S)



Human Relations plays a key role in the City's attempt to reduce risk leave usage by informing City employees of the resources available to them and monitoring usage with the assistance of the relevant Department Heads and LowellSTAT.

Measurement	FY16	FY17	FY18	FY19 YTD
AVG Sick Hours Per Employee Per Year	52.04	53.49	55.25	38.33

EXPENSE DETAILS

HUMAN RELATIONS - 152	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
S & W - Perm.	263,863	282,514	292,276	313,653	313,653
S & W - Temp.	5,560	-	6,000	6,000	6,000
Longevity	147	147	147	148	148
Total	269,570	282,661	298,423	319,801	319,801
Expenses					
Drug Program	1,800	1,800	2,000	2,000	2,000
Economic/Prof. Development	2,500	2,414	2,500	2,500	2,500
Professional Services	6,858	6,956	7,000	7,000	7,000
Pre-employment physicals	8,000	8,000	9,000	9,000	9,000
Advertising	616	2,920	3,000	3,000	3,000
Printing & Binding	1,500	2,000	2,000	2,000	2,000
Office Supplies	790	987	1,000	1,000	1,000
Transportation, Reimbursement & Seminars	80	122	250	250	250
Dues & Subscriptions	450	450	450	450	450
Misc.	350	346	350	350	350
Total	22,944	25,994	27,550	27,550	27,550
TOTAL BUDGET	**292,514**	**308,655**	**325,973**	**347,351**	**347,351**

EXPENSE SUMMARY & FINANCING PLAN

PROGRAM EXPENDITURES	DETAIL	SUMMARY	
PERSONAL SERVICES		$	319,801
ORDINARY EXPENDITURES		$	27,550
	TOTAL FY20 BUDGETED EXPENDITURES	$	347,351

FINANCING PLAN	DETAIL	SUMMARY	
TAXES		**$**	**197,351**
REAL ESTATE TAXES	197,351		
INTERGOVERNMENTAL REVENUE		**$**	**150,000**
UNRESTRICTED GENERAL AID (UGGA)	150,000		
	TOTAL FY20 BUDGETED REVENUES	$	347,351

FINANCE
MANAGEMENT INFORMATION SYSTEMS

MIRÁN FERNANDEZ
CHIEF INFORMATION OFFICER

PERSONAL SERVICES	$696,447
ORDINARY EXPENSES	$1,113,400
TOTAL FY20 BUDGETED EXPENDITURES	**$1,809,847**

MISSION & SERVICES OVERVIEW

To provide, maintain, promote, and support a cohesive and centralized technology roadmap designed to enable City departments with the information necessary to ensure their successful operations and respective missions, by focusing on the use of technology as a tool for the delivery of better government services.

MIS provides centralized systems, technologies, and services that develop and support City personnel with information relative to their operations and respective missions, support day-to-day technology operations and strategic planning of the City's overall technology roadmap, promote effective data and technology resource management, and enhance constituent services. MIS strives to ensure that the technology employed by the City is effectively implemented, utilized, operational, and current. As modern telephony systems, cable television, video technology, security access, smart devices, "bring your own devices", and other new and emerging technologies have been integrated and linked into the City's various MIS systems, MIS is increasingly called upon to be involved in their implementation and support. In order to do so, MIS delivers long-term, and sustainable technical solutions and support services to City departments by focusing on several key areas, including:

Help Desk – Responsible for coordinating all support work orders between City, Fire, and Police MIS staff, and supporting all City personnel's use of MIS systems, services, and technology (e.g., computers, printers, phones, software, etc.) on a daily basis.

Systems Administration – Responsible for the support and administration of the numerous MIS systems, servers, services, and technologies which City personnel interact with on a daily basis (e.g., server/system build out, system authentication, security, disaster recovery activities, VoIP servers, etc.).

Network Administration – Responsible for the support and administration of the City's enterprise technology infrastructure (e.g., cabling, switches/routers, wired and wireless connectivity, network management system, etc.) allowing City personnel access to MIS systems, services and technology. Note that this area of responsibility includes interconnectivity among and between all public safety facilities and Lowell Public School sites and other sites on the City's extensive wide area network.

Application Systems – Responsible for the support, training, administration, and development of the City's key enterprise resource planning systems and applications (e.g., websites, financial system, etc.).

Geographic Information Systems (GIS) – Responsible for coordinating the capture, storage, retrieval, analysis, and display of geographically defined data (often referred to as spatial or geo-referenced data) for City departments, state and federal offices, and the public.

Technology Administration – Responsible for providing continuous coordination and project management of activities, strategic planning/support to all technology-related aspects of the City's government, and ensuring a strategic and cohesive approach to technology throughout the City and in accordance with an established technology roadmap.

FY19 ACCOMPLISHMENTS

Help Desk

- Completed 7,635 help desk work order requests.
- Began deployment of Windows 10 for completion prior to Windows 7 end of life.
- Conducted employee 966 training sessions, including 201 on the use of the City's MUNIS financial system.
- Increased number of public access counter machines to assist residents in researching information.
- Continued to diligently manage our technology inventory in order to optimize equipment placement and maximize the taxpayer's return on investment.

Systems Administration

- Upgrade of entire citywide Exchange environment for 1100+ mailboxes for City, Police, and Fire employees.
- Expanded use of existing card access system to Water Department and Police as a shared infrastructure service.
- Creation of Federated services infrastructure for Munis 2018 rollout and authentication as a single sign-on portal for City, Fire, Police, and School departments.
- Expansion of Exchange calendaring for meeting room and shared resources.
- Planned migration of HMIS Cemetery management system to a web based system for improved access to residents.

Network Administration

- Coordinated plan for upgrade of existing camera systems with Police with planned expansion to Parking and Water utility.
- Assisted Creegan studio with the upgrade of failed equipment to ensure a secure IP-based video solution for broadcasting on LET22.
- Worked in conjunction with Water and Wastewater on overhauling SCADA infrastructure for expanded use cases.
- Replacement of existing unsupported wireless WAN to fiber backbone leverage City allocated fiber infrastructure.

- Upgraded Pollard Library wireless and firewall services to improve coverage and service levels for patrons.
- Assisted LPD with radio console upgrade project in FY19 and consulted with LPD on upcoming FY20 radio capital project.
- Created working group to identify connectivity options as new sites come online including LPD Precinct Charlie and FY20 Justice Center as part of City framework for shadow conduit.

Application Development

- Conducted a substantial upgrade to the City's primary financial system.
- Conducted training with numerous City departments on the expanded use of MUNIS (HR, DPW, Parking, DPD, Development Services, Utility Billing).
- Expanded use of MyRec Portal to allow signup of educational programs for Lowell Public Schools.
- Completed conversion to DocOrigin within Tyler Technologies suite of products.
- Rollout of Enterprise Asset Management to Parking department to further assist with Parking ongoing maintenance needs.
- Assisting in rollout and configuration of Executime timesheet management system with DPW, Auditing and Payroll.
- Expanded use of Munis Self Service components to Development Services Department,
- Continued with the roll out MUNIS document management across departments, representing a twofold growth in the amount of documents getting stored year over year online, and significantly mitigating the risk of losing essential documents.
- Continued with the implementation of Citizen Self Services for integration into MUNIS.
- Continued with the implementation of Business Licenses for integration into MUNIS.
- Continued with the implementation of General Billing for late fees and liens within MUNIS.

Geographic Information Systems (GIS)

- Rolled out utility field application using Collector/Survey 123 (Water/Wastewater Departments)
- Updated 4200+ layers of georeferenced data.
- Enabled numerous data share agreements with various organizations.
- Continued GIS data expansion with updates to various critical City and Public Safety applications.
- Creation of historical sewer map scans website in Engineer’s office utilizing ArcGIS online.
- Completed geocoding all addresses for City Election and Census office for delivery to Census Bureau in preparation of 2020 Census.
- Completed digitized Water service card integration into websites for increased field access.

Administration / Other / General

- Continued weekly meetings between Police, Fire and City MIS departments to communicate ongoing projects, issues and coordinate support.
- Issued RFP for adding additional Internet service providers with the City.

- Management of School department phone project across 20+ Schools to increase safety and service levels.
- Completed upgrading of entire existing VoIP phone system to cloud based services to increase service levels and flexibility.
- Started detail inventory of existing Verizon services within the City to identify additional cost savings long-term.
- Began systematic rollout of new device management standards across city owned devices to maximize functionality.

GOALS

Fiscal Year	Strategic Goal or Objective	Status
FY18	Upgrade City-wide telecommunication system **Update**: *Working with various departments to implement.*	**Complete**
FY18	Implement MUNIS Citizen Self Services **Update**: *Working with various departments to implement.*	*Ongoing*
FY18	Implement remote field access for inspectors and other essential personnel **Update**: *Working with various department to implement.*	*Ongoing*
FY19	Upgrade MUNIS to version 2018 **Update**: *Successfully upgraded.*	**Complete**
FY19	Upgrade existing email environment **Update**: *Successfully upgraded.*	**Complete**
FY19	Upgrade existing desktop environment **Update**: *Finalizing specifications.*	*Ongoing*
FY20	Upgrade network switching environment	New
FY20	Roll out of mobile device management solution	New

PERFORMANCE METRICS

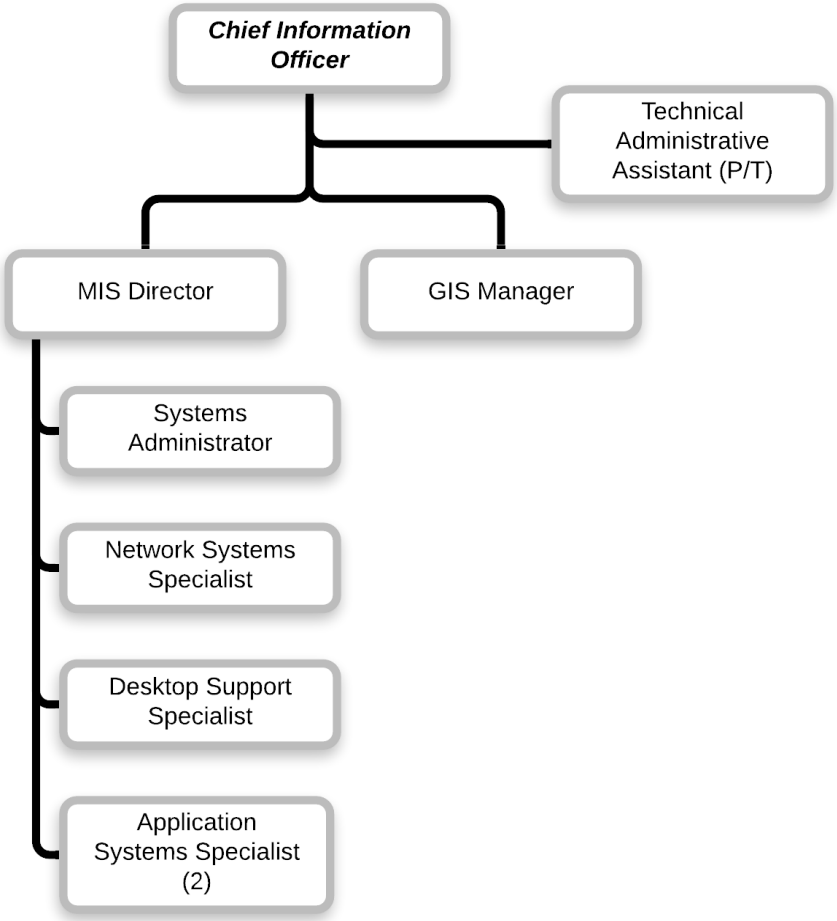
Measurement	Prior Year Actuals FY2017	FY2018	YTD [47] FY2019	FY2020 Target
Completed work order service/ticket requests	8,210	7,410	7,635	7,500
General-use systems and services managed/maintained	200	205	170	175
Department-specific systems and services managed/maintained	256	260	258	250
Average system uptime outside of scheduled maintenance	99.85%	99%	99.7%	99.7%
Technology-related training events	743	875	966	800
Technology-related training hours delivered	1,134	1,211	2,357	1,000
Desktop systems managed	1,174	1,182	1,162	1,150
Desktop systems on supported versions	100%	100%	100%	100%
VoIP phones managed	774	776	612	620
Digitally managed documents (non MUNIS)	1,182,000	1,242,194	1,276,240	1,300,000
Digitally managed documents (MUNIS)	472,337	846,751	1,374,148	1,500,000
Georeferenced layers of data	17,000	17,000	19,000	19,200

[47] While YTD date ranges may vary, they typically cover the period from the start of the fiscal year (7/1) through the middle of Q3 of the fiscal year (approximately 2/15)

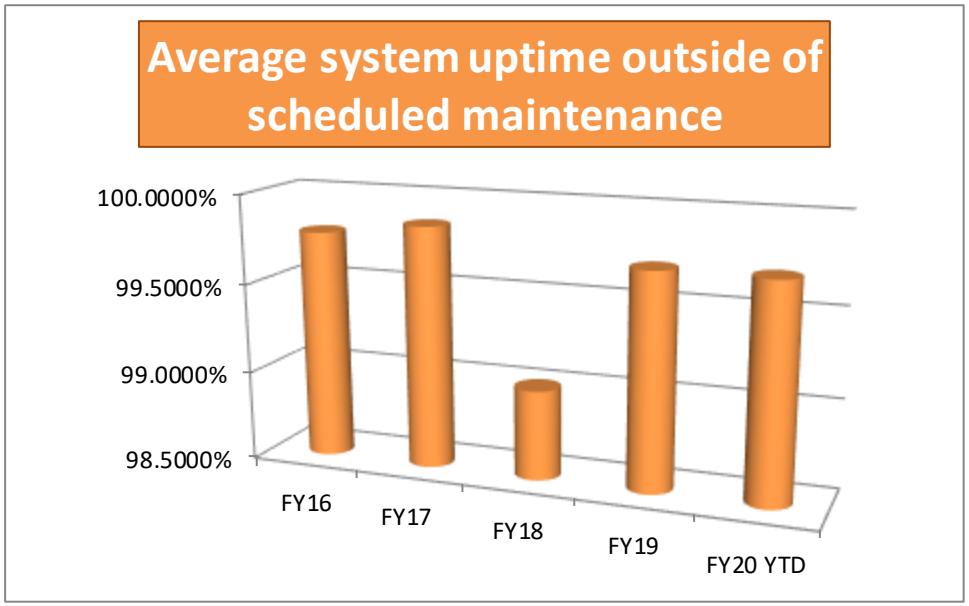
ORGANIZATIONAL CHART

MANAGEMENT INFORMATION SYSTEMS

MIRÁN FERNANDEZ
CHIEF INFORMATION OFFICER



LOWELLSTAT CHART(S)



System uptime is critical to a municipality such as Lowell. Public Safety and consituent services are 24/7 operations that require systems be functional without impediment.

Measurement	FY16	FY17	FY18	FY19 YTD	FY20 Target
Average system uptime outside of scheduled maintenance	99.7800%	99.8500%	99.0000%	99.7000%	99.7000%

EXPENSE DETAILS

MANAGEMENT INFORMATION SYSTEMS - 155	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
S & W-Perm.	540,873	610,887	668,108	690,250	690,250
S & W- Temp.	-	-	-	-	-
Overtime	9,014	5,533	6,197	6,197	6,197
Total	549,887	616,420	674,305	696,447	696,447
Expenses					
Repair & Maint of Equipment	67,570	64,909	69,000	69,000	69,000
Data Processing - Spec Projects	9,438	8,369	9,000	9,000	9,000
Leasing Equip. & Software	97,466	346,677	200,000	200,000	175,000
Professional Services	34,979	21,221	30,000	30,000	30,000
Employee Training	12,532	10,801	11,000	11,000	11,000
Data Proc - Equip & Supply	38,750	35,482	36,500	36,500	36,500
Office Supplies	2,978	2,743	2,900	2,900	2,900
Software Licensing & Support	624,917	690,636	683,017	708,247	675,000
Computer Equip/Software	73,141	100,741	105,000	105,000	105,000
Total	961,769	1,281,578	1,146,417	1,171,647	1,113,400
TOTAL BUDGET	**1,511,656**	**1,897,998**	**1,820,722**	**1,868,094**	**1,809,847**

EXPENSE SUMMARY & FINANCING PLAN

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		$ 698,947
ORDINARY EXPENDITURES		$ 1,113,400
TOTAL FY20 BUDGETED EXPENDITURES **(GROSS)**		$ 1,812,347

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 1,222,685**
REAL ESTATE TAXES	1,222,685	
INTERGOVERNMENTAL REVENUE		**$ 363,940**
PEG ACCESS - SPECIAL REVENUE	57,425	
CIC GRANT - TECHNOLOGY COLLABORATIVE	5,000	
CHARGES FOR SERVICES		**$ 225,722**
WATER - INDIRECT COSTS (REIMBURSE GF)	85,871	
WASTEWATER - INDIRECT COSTS (REIMBURSE GF)	87,879	
PARKING - INDIRECT COSTS (REIMBURSE GF)	51,971	
TOTAL FY20 BUDGETED REVENUES		$ 1,812,347

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LEGAL

SUMMARY

CHRISTINE P. O'CONNOR

CITY SOLICITOR

DEPARTMENT STAFFING FTE (PAGE II-116)

Actual FY18	Approved FY19	PROGRAM EXPENDITURES	Budget FY20
1,236,112	1,382,207	LEGAL	1,511,023
286,258	265,286	ELECTIONS	352,572
1,522,369	**1,647,493**		**1,863,595**

FINANCING PLAN	Budget FY20
TAXES	1,138,694
LICENSES AND PERMITS	288,000
CHARGES FOR SERVICES	236,939
INTERGOVERNMENTAL REVENUE	199,462
MISCELLANEOUS REVENUE	500
	1,863,595

LEGAL
LAW

CHRISTINE P. O'CONNOR

CITY SOLICITOR

PERSONAL SERVICES	$1,154,768
ORDINARY EXPENSES	$287,100
TOTAL FY20 BUDGETED EXPENDITURES	**$1,441,868**

MISSION & SERVICES OVERVIEW

To provide a high level of professional legal services to its clients: the City Manager; City Council; School Committee; all Boards and Commissions; and all various City departments and their department heads, including the School Department.

The Law Department is responsible for providing legal representation and advice to the City in numerous areas of the law, including but not limited to: zoning; employment; civil rights; contracts; tax title takings; workers' compensation; §111F; union negotiations; real estate; administrative proceedings; drafting local legislation; drafting opinions; school law; and defense of various tort claims.

In addition, the Law Department also oversees the Election and Census Office, the License Commission Office, the Tax Title division, the Municipal Hearing Officer Program, the Workers' Compensation office, and in-house nurse case manager and City physician services.

The Workers' Compensation office oversees all injured on-duty claims for City, school, and public safety officers. This office is staffed primarily by a full time workers' compensation agent; a part-time nurse case manager; a part-time city physician; a part-time medical billing claims processor; along with assistance of Law Department attorneys and other Law Department support staff. In recent years, this office has seen great success in overseeing the significant reduction in the average duration of employees receiving injured benefits as well as an overall reduction in the expenditure of such benefits. This office is committed to ensuring that all employees receive prompt, high quality medical treatment.

The License Commission Office services the needs of the License Commission, as well as residents and license holders. The office is staffed primarily by a full-time administrator, along with the assistance of Law Department attorneys and other Law Department support staff. The office has increased public access to all License Commission agendas, minutes, and relevant forms by making such material available on its own City web page. Such efforts will continue this year by making the Commission's calendar and rules and regulations available online.

The Tax Title Division oversees efforts to collect all delinquent tax bills due the City. The Tax Title Division works closely with other municipal offices, most particularly the Treasurer's office and municipal permit-granting departments such as Development Services. The

Tax Title Division also oversees tax title payment plans; lien auction sales and live auction property sales for properties acquired through foreclosure.

The Municipal Hearing Officer program commenced June 2011. Currently, this program includes appeals for Zoning and Sanitary violations, Animal Control violations, and Parking violations. In the near future, the program will expand to include 21D violations and both Fire and Building Code violations.

FY19 ACCOMPLISHMENTS

- Eliminated nearly all paper subscriptions of legal books and subscriptions.
- Scanned and filed numerous documents and organized a bank of file cabinets.
- The Tax Title Division organized and executed first live auction of five tax possession parcels producing $675,500 in unbudgeted revenue for the City.
- This year the Law Department again successfully litigated and/or disposed of several cases that presented substantive exposure to the City.
- Brought foreclosure legal services in-house and have saved on legal costs

GOALS

Fiscal Year	Strategic Goal or Objective	Status
FY18	Work collaboratively with other city departments such as HR and Purchasing to host in-house seminars. **Update**: *Hosted several in-house seminars.*	**Complete**
FY18	Develop in-house seminar series for City departments on various topics such as contract management, public records, procurement and City policies. **Update**: *Developed and conducted seminars on Contracts and Employee Auto Accidents.*	*Ongoing*
FY18	Work with Purchasing Office to introduce a near paperless contract process. **Update**: *Working to reduce the number of paper contracts circulated.*	*Ongoing*
FY19	Identify, scan and shred stale documents in order to reduce paperwork in the office. **Update**: *Completed on an ongoing basis.*	**Complete**

FY19	Reorganize Worker's Compensation Division work space to create a customer service oriented space for reporting and processing claims. **Update**: *Reorganized work space.*	**Complete**
FY19	Clean attic space to organize closed case files. **Update**: *Completed annually.*	*Ongoing*
FY20	Identify areas in which the law department can work with various departments and take affirmative steps, implement standard procedures, etc. to prevent grievances and lawsuits.	New
FY20	Working with the City Engineer's Office to adopt procedures and software for the processing and tracking of all municipal contracts.	New
FY20	Implement various Wellness initiatives within the office	New

PERFORMANCE METRICS

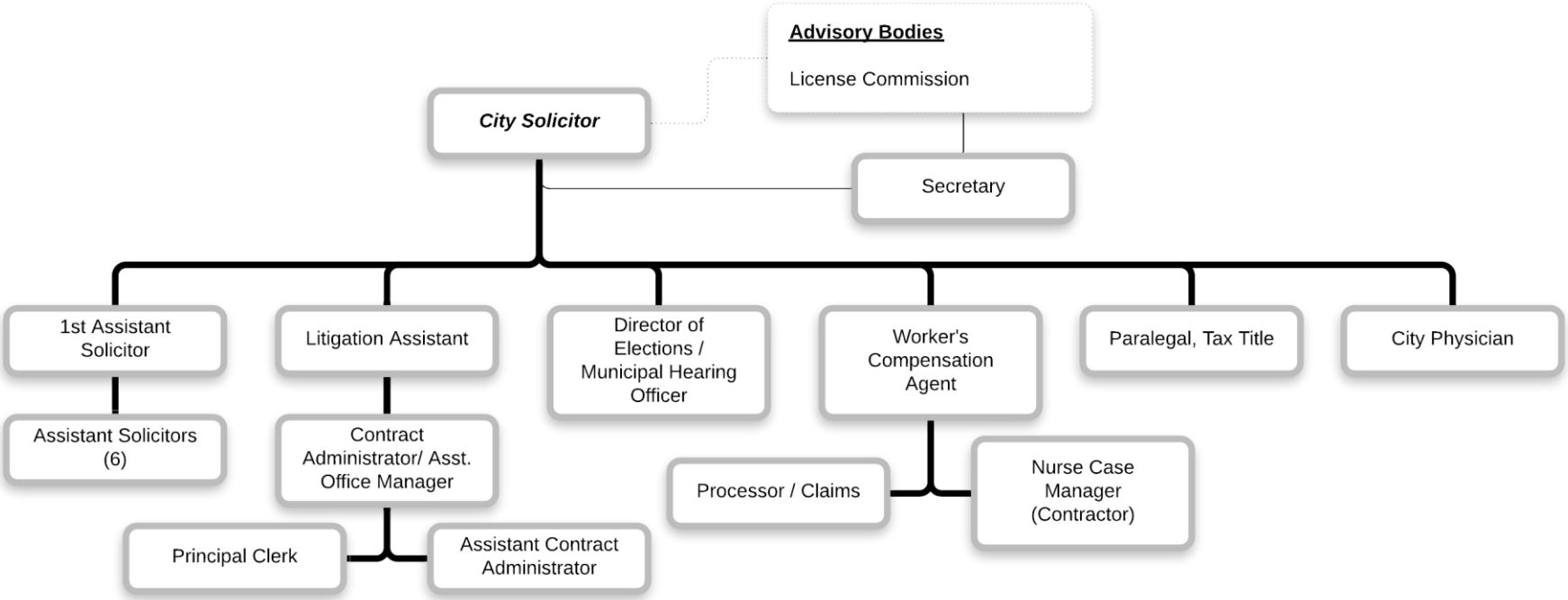
Measurement	Prior Year Actuals FY2017	FY2018	YTD [48] FY2019	FY2020 Target
Average monthly injury-related claims processed	33	33	20	0
Reported Injuries – City	54	58	50	0
Reported Injuries - School Department	197	208	119	0
Reported police/fire injuries	143	125	72	0
Workers Compensation cases handled	32	29	32	0
§111F Claims reviewed	67	69	23	0
Contracts reviewed	474	472	360	400
Leases, Licenses, and Easements	37	26	21	25
Motions/Petitions	41	45	35	40
Resolutions, Orders, and Ordinances	50	43	35	43
Votes (City Council)	116	124	98	100
Tax title payment agreements	0	0	0	0
Total accounts in tax title	135	256	377	100
Total delinquent taxes collected	$1,150,353	$754,170	$1,008,316	$1,000,000

[48] While YTD date ranges may vary, they typically cover the period from the start of the fiscal year (7/1) through the middle of Q3 of the fiscal year (approximately 2/15)

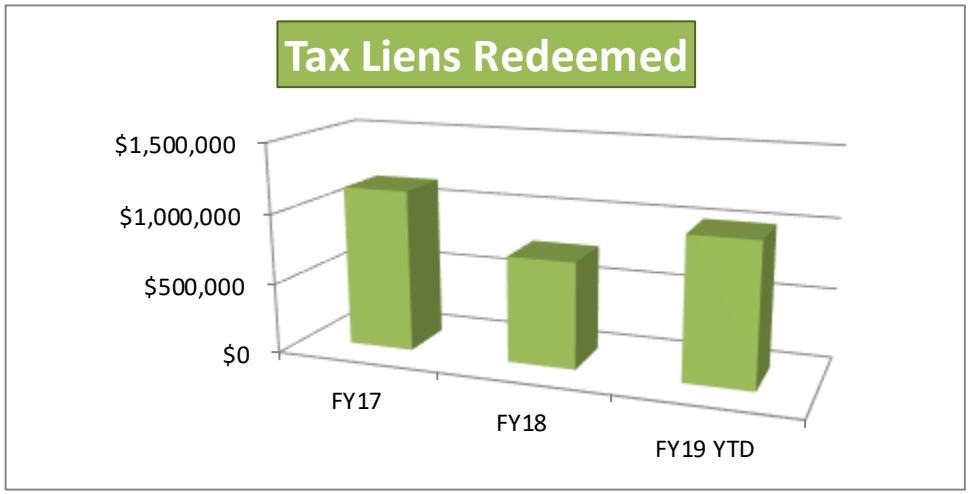
ORGANIZATIONAL CHART

LAW DEPARTMENT

CHRISTINE P. O'CONNOR
CITY SOLICITOR



LOWELLSTAT CHART(S)



The Law Department has been able to bring in significant delinquent tax revenue in the past few years via the tax title process. A decreasing trend is evidence that this process has resulted in increased tax.

MEASUREMENT	FY17	FY18	FY19 YTD
Tax Liens Redeemed	$ 1,150,353	$ 754,170	$ 1,008,316

EXPENSE DETAILS

LAW DEPARTMENT - 151	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
S & W Perm.	986,454	1,047,341	1,135,724	1,252,366	1,154,218
S & W Temp.	14,980	12,024	17,000	-	-
Longevity	550	550	550	550	550
Outside Funding (Non Tax Levy)	(59,999)	(69,999)	(66,667)	-	(69,155)
Total	941,985	989,915	1,086,607	1,252,916	1,085,613
Expenses					
Repair/Maint. Equip.	2,532	3,419	4,000	4,600	4,000
Legal & Filing Fees	6,000	267	6,000	7,500	6,000
Legal Research	2,142	365	2,000	3,200	2,000
Professional Services	178,134	123,315	160,000	182,000	150,000
Printing & Binding	459	966	1,000	2,300	1,000
Research Materials	43,290	48,944	46,000	4,600	35,000
Office Supplies	1,800	1,943	2,000	3,500	2,000
Dues & Subscriptions	1,325	2,101	3,500	4,500	3,500
Trans. Reim../Seminars	4,862	7,253	10,000	20,000	10,000
Tax Title Fees	48,681	56,327	60,000	85,000	72,500
Office Furn./Equip.	224	1,195	1,000	4,000	1,000
Ins. Premiums - Other	100	100	100	100	100
Professional/Medical Services		-	-	125,000	-
Computer Equip./Software	-	-	-	-	-
Total	289,547	246,197	295,600	446,300	287,100
TOTAL BUDGET	**1,231,532**	**1,236,112**	**1,382,207**	**1,699,216**	**1,372,713**

EXPENSE SUMMARY & FINANCING PLAN

PROGRAM EXPENDITURES	DETAIL	SUMMARY	
PERSONAL SERVICES		$	1,223,923
ORDINARY EXPENDITURES		$	287,100
TOTAL FY20 BUDGETED EXPENDITURES **(GROSS)**		$	1,511,023

FINANCING PLAN	DETAIL	SUMMARY	
TAXES		**$**	**916,084**
REAL ESTATE TAXES	916,084		
INTERGOVERNMENTAL REVENUE		**$**	**70,000**
VACANT/ FORECLOSED PROPERTY - REVOLVING	70,000		
CHARGES FOR SERVICES		**$**	**236,939**
WATER - INDIRECT COSTS (REIMBURSE GF)	66,799		
WASTEWATER - INDIRECT COSTS (REIMBURSE GF)	129,712		
PARKING - INDIRECT COSTS (REIMBURSE GF)	40,428		
LICENSES AND PERMITS		**$**	**288,000**
LIQUOR LICENSES	275,000		
SPECIAL ALCOHOL LICENSES	13,000		
TOTAL FY20 BUDGETED REVENUES		$	1,511,023

LEGAL
ELECTIONS

EDA MATCHAK

DIRECTOR OF ELECTIONS / MUNICIPAL HEARING OFFICER

PERSONAL SERVICES	$264,572
ORDINARY EXPENSES	$88,000
TOTAL FY20 BUDGETED EXPENDITURES	**$352,572**

MISSION & SERVICES OVERVIEW

To provide election services for the citizens of the community; to protect the integrity of votes; and to maintain a transparent, accurate, and fair electoral process.

The Election and Census Office is responsible for all aspects of the voting process including registering residents to vote; coordinating voter education and outreach; and hosting student-voter registration drives. Additionally, the Election and Census Office oversees polling location assignment and assessment, hiring and training over 220 election workers, and all Election Day operations including multidepartment coordinating. The Election and Census Office also administers the annual Street Listing (City Census) and maintains historic voter lists and election documents.

FY19 ACCOMPLISHMENTS

- Established a Complete Count Committee for the 2020 Census
- Successfully administrated a recount of the 10th Congressional State Primary
- Expanded poll worker recruitment of multilingual election workers
- Digitized voter registration cards for 2016, 2017 and 2018
- Received an Early Voting Weekend Grant from the Secretary of the Commonwealth of Massachusetts

GOALS

Fiscal Year	Strategic Goal or Objective	Status
FY17	Commence scanning of all voter registration cards and create a searchable database of voter registration cards for current and past years. **Update**: *Historic voter cards have been scanned; currently in the process of organizing digital records.*	*Ongoing*
FY17	Establish quarterly open forums with election workers and the public to discuss voting policies, changes to regulations and trends. **Update**: *Established forums and debriefs with election workers.*	**Complete**
FY17	Increase the number of outreach events to further promote voter education for young adults in the community. **Update**: *Hosted voter registration events at both Lowell High School and Greater Lowell Technical High School. Attended community events including Centralville's Take Back the Night and the Lowell Reads Happy City Block Party.*	**Complete**
FY19	Increase voter outreach events to recruit multilingual election workers within the City of Lowell. **Update**: *Hosted multiple outreach events, and continued to recruit multilingual election workers through community partners.*	**Complete**
FY19	Expand Early Voting Community Partnerships. **Update**: *Hosted a successful early voting period for the 2018 State elections*	**Complete**
FY19	Pilot electronic check in options as allowed by updates to MGL ch. 54. **Update**: *Piloted electronic check in at early voting.*	**Complete**
FY19	Increase annual street listing response rate with continued implementation of trilingual forms. **Update**: *Mailed 42,000 trilingual forms to residents within the city.*	*Ongoing*
FY20	Participate in equipment acquisition opportunities with the Secretary of the Commonwealth of Massachusetts	New
FY20	Use the 2020 Census Complete Count Committee to recruit additional multilingual election workers	New

FY20	Work collaboratively with the Pollard Memorial Library and Lowell Historic Board to inventory and archive historic street listings, voter lists and records	New

PERFORMANCE METRICS

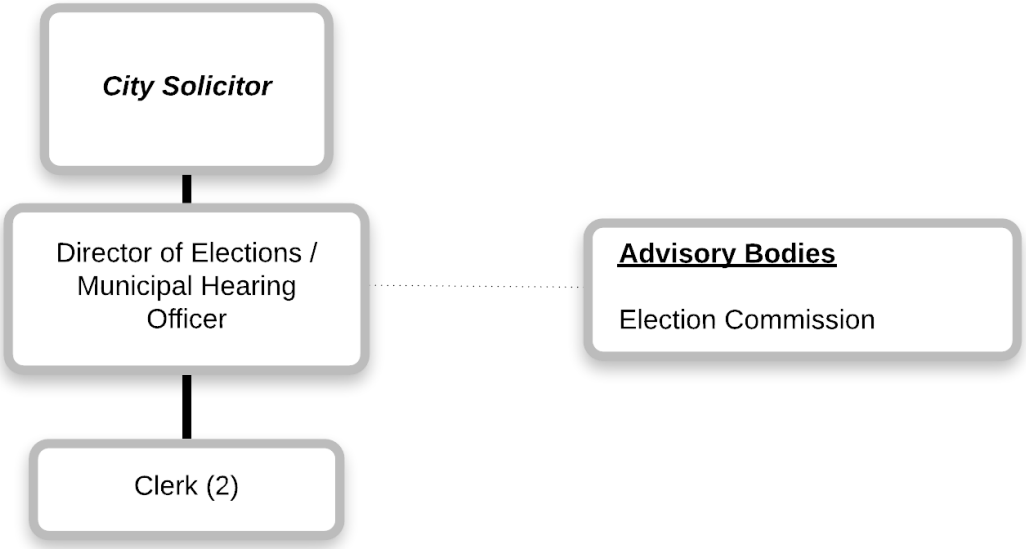
Measurement	Prior Year Actuals FY2017	FY2018	YTD [49] FY2019	FY2020 Target
Number of newly registered voters	7,092	6,130	635	5,000
Number of registered voters	65,299	60,950	58,185	65,000
Voter turnout - average per year	32.93%	16.54%	33%	25%
Census forms mailed	48,293	42,971	41,871	45,000
Poll workers recruited and hired	233	298	N/A	350
Municipal hearings scheduled	121	158	117	100

[49] While YTD date ranges may vary, they typically cover the period from the start of the fiscal year (7/1) through the middle of Q3 of the fiscal year (approximately 2/15)

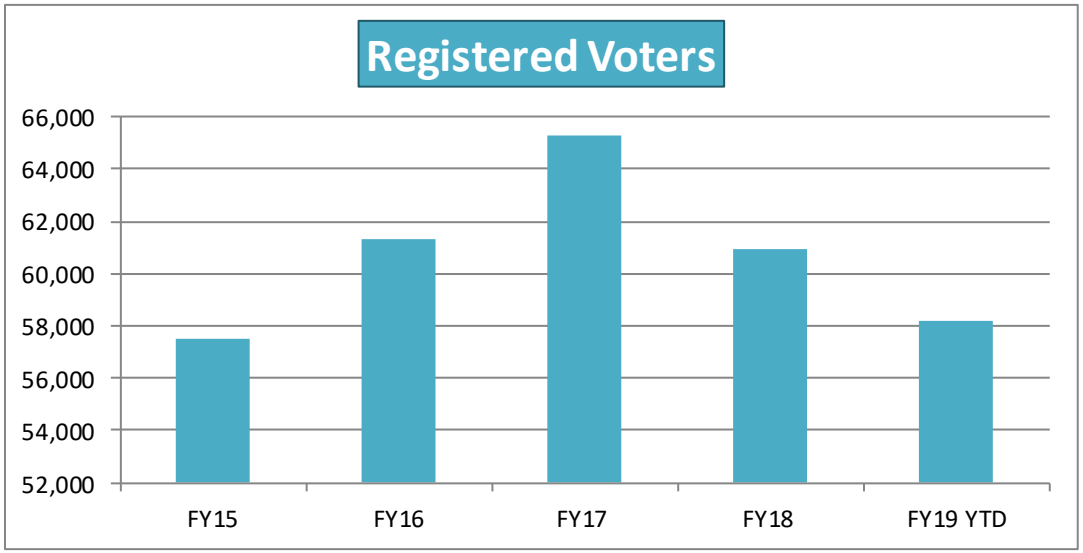
ORGANIZATIONAL CHART

ELECTIONS

EDA MATCHACK
DIRECTOR OF ELECTIONS / MUNICIPAL HEARING OFFICER



LOWELLSTAT CHART(S)



Voter registration is a key function of the Elections Department. A significant voter registration effort is conducted yearly.

Measurement	FY15	FY16	FY17	FY18	FY19 YTD
Registered Voters	57,486	61,296	65,299	60,950	58,185

EXPENSE DETAILS

ELECTION OFFICE - 162	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
Salaries & Wages - Perm	90,441	99,597	101,286	102,572	102,572
Salaries & Wages - Temp	64,804	93,634	83,000	211,500	150,000
Overtime	14,768	6,217	7,000	12,000	12,000
Total	170,013	199,448	191,286	326,072	264,572
Expenses					
Rental of Halls	1,665	1,525	2,000	6,000	6,000
Professional Services	10,000	8,056	15,000	15,000	15,000
Printing & Binding	4,985	29,097	5,000	44,000	15,000
Census Forms Printing	21,886	21,923	20,000	25,000	20,000
Postage	14,215	9,585	15,000	15,000	15,000
Voting Machine Supplies	12,093	11,827	12,000	458,000	12,000
Office Supplies	2,500	4,798	5,000	5,000	5,000
Total	67,344	86,810	74,000	568,000	88,000
TOTAL BUDGET	**237,356**	**286,258**	**265,286**	**894,072**	**352,572**

EXPENSE SUMMARY & FINANCING PLAN

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		$ 264,572
ORDINARY EXPENDITURES		$ 88,000
	TOTAL FY20 BUDGETED EXPENDITURES	$ 352,572

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 223,110**
REAL ESTATE TAXES	223,110	
INTERGOVERNMENTAL REVENUE		**$ 129,462**
UNRESTRICTED AID (UGGA)	129,462	
MISCELLANEOUS REVENUE		**$ 500**
ELECTIONS MISCELLANEOUS	500	
	TOTAL FY20 BUDGETED REVENUES	$ 352,572

PLANNING & DEVELOPMENT

DIANE TRADD

SUMMARY

DIRECTOR & ASSISTANT CITY MANAGER

DEPARTMENT STAFFING FTE (PAGE II-116)

Actual FY17	Actual FY18	Approved FY19	PROGRAM EXPENDITURES	Budget FY20
2,711,489	2,576,253	2,840,463	PLANNING AND DEVELOPMENT	3,689,090
2,711,489	**2,576,253**	**2,840,463**		**3,689,090**

FINANCING PLAN	Budget FY20
TAXES	2,043
LICENSES AND PERMITS	1,510,000
CHARGES FOR SERVICES	379,000
INTERGOVERNMENTAL REVENUE	1,710,063
MISCELLANEOUS REVENUE	87,984
	3,689,090

PLANNING & DEVELOPMENT

DIANE TRADD

DIRECTOR & ASSISTANT CITY MANAGER

PERSONAL SERVICES	$2,737,474
ORDINARY EXPENSES	$297,648
TOTAL FY20 BUDGETED EXPENDITURES	**$3,035,122**

MISSION & SERVICES OVERVIEW

To preserve the assets of yesterday, find solutions to the challenges of today, and plan for the City of tomorrow; DPD staff works to build community, housing, jobs, and a quality of life that makes Lowell an enjoyable place to live, a satisfying place to work, an exciting place to visit, and a profitable place to invest.

In 2013, DPD completed an update to Lowell's Comprehensive Master Plan, a policy statement that establishes long-term goals and provides a shared vision aimed at the unified and coordinated development of the City. The long-range policies within the plan serve as a framework for future development, outline specific goals for the City over the next 20 years, and guide the decision-making of the department. The plan places a greater emphasis on environmental, economic, and social sustainability.

In addition to the Master Plan, DPD's planners develop and work to implement Urban Renewal Plans, Neighborhood Plans, Economic Development Plans, and Downtown Plans. In all of these endeavors, DPD works to engage stakeholders from the public, private, and institutional sectors, including residents, business people, community leaders, and visitors.

DPD is also actively engaged in helping both the City and the community implement and take actions in accordance with these plans toward the underlying objective of making Lowell a better place. DPD takes advantage of State and Federal programs to help stimulate development, including the State MassWorks Grant Program, and administration of the Community Development Block Grant (CDBG), HOME, ESG and HOPWA programs, which are annual funds provided by the Federal Department of Housing and Urban Development.

DPD uses resources from these and other grant programs to implement capital improvements to parks, traffic, infrastructure, and amenities within the City. The department also provides services to residents and businesses aimed at expanding employment opportunities, the tax base, and the quality and quantity of housing available in Lowell.

In 2011, the Department of Planning and Development absorbed the code enforcement and inspectional services functions formerly housed in the Inspectional Services, Health, and Public Works Departments to create the Division of Development Services. Development Services

operates a cohesive, one-stop permit and code enforcement office that furthers the objectives of the City through review and regulation of development. Development Services provides a clearer path of access for both proponents of major economic development projects and for residents interested in construction activity in their neighborhoods.

DPD's Development Services division also works to protect public safety and health through enforcement, permitting, and inspections associated with the state building code, plumbing code, electrical code, sanitary code, and related local ordinances, while also responding to complaints of public nuisances and potential code violations. DPD is also responsible for conducting testing and inspections to confirm the accuracy of devices used throughout the City for measuring and weighing goods in commerce.

FY19 ACCOMPLISHMENTS

Development Services

- Continued the targeted Receivership Program in conjunction with the Attorney General's Office to address abandoned buildings, specifically in the Centralville neighborhood.
- Continued a highly successful proactive Certificate of Inspection program under the purview of the Senior Building Inspector/Plans Reviewer which has increased the number of residential dwellings that are compliant with their Certificates of Inspection.
- Continued to utilize the Problem Property Impact Team, which is a multi-departmental task force that specifically targets properties that have a history of recent criminal activity. Used these techniques in assisting LPD with the DART Grant Program, which uses grant funds to target properties with drug activity.
- Ongoing follow-up with the landlords in the Neighborhood Enhanced Enforcement Directive (NEED), which targets landlords in the City with the highest incidents of violations for progressive levels of enforcement action.
- Continued initiatives to address certificates of inspection, fire escapes, under sidewalk vaults, legal use determination, and other code compliance measures designed to protect public safety.
- Continued improvement of the integration of land use board review processes and increased public access to information regarding applications before the land use boards.
- Continued bi-weekly meetings with Water, Wastewater, and Engineering Departments for review of upcoming projects to improve inter-departmental communication and streamline the overall development process.
- DPD Staff prepared an Open Space and Recreation Plan to establish a vision for the City's parks, open spaces, and recreational programming. This 2018 plan updates the 2013 edition and covers the next seven years through 2024. The plan identifies the changing needs of Lowell residents, and sets a course to respond to them. The Lowell Open Space and Recreation Plan establishes a vision for preserving, maintaining, and enhancing existing open spaces in line with the needs and desires of the community. Lowell strives to be a City where everyone, regardless of their neighborhood, has access to recreational activities. This plan documents the current development, demographic, socioeconomic, and environmental conditions of the City. DPD Staff also inventoried parks, open spaces,

and recreational programs. This research and an extensive public outreach process informed the plan objectives and guides implementation.

- Staff continued their review of proposals for cannabis businesses in the City. Also drafted and negotiated multiple Host Community Agreements for cultivation facilities across the City.
- Began a comprehensive review and recreation of the City's sign code, with the focus to modernize our code and acknowledge and regulate new and innovative technologies.
- Continued the process of review and creation of the regulations regarding the bike-sharing program across the City; including the RFP process.

Planning and Community Development

Project Management

- Broke ground on the Lowell Canal Bridges (TIGER) project which includes the replacement or rehabilitation of five canal bridges. Where feasible, the bridges were designed with "Complete Streets" treatment including upgraded sidewalks and bike lanes on the bridges and bridge approaches, providing multi-modal connectivity through the City. Construction is due to be complete by April 2022.
- Completed construction of improvements to Thorndike Street from Hale Street to Gallagher Terminal. Funding for the project is provided by a $2.0 million MassWorks state grant. These improvements will mitigate traffic safety issues at one of the Commonwealth's most dangerous intersections and improve access to the Gallagher Terminal and the adjacent Thorndike Exchange mill redevelopment.
- Broke ground on the construction of infrastructure in the undeveloped HCID northern section. The project will provide the necessary utilities to unlock the development opportunity for the HCID garage, new canal-side housing, and more than 200,000 square feet of pre-permitting commercial development space. This project is funded with a $4.7 million MassWorks state grant and $2.5 million from the federal Economic Development Administration. The project will be completed by June 2019.
- Furthered the design and engineering of the approximately 925 space Hamilton Canal Innovation District Parking Garage. After receiving bids for the project in November, 2019 it was determined that DPD should employ an alternate method for project delivery and thus hired a third-party Owner's Project Manager. The design and engineering phase of the project is on schedule to finish by end of March 2019, with construction to begin summer 2019. The project will employ a "Construction Manager at Risk" project delivery method with a Guaranteed Maximum price to be determined. Construction is scheduled for completion by the end of November 2020.
- Furthered design and engineering of the Lord Overpass to near completion with the project due to advertise in March 2019. MassDOT's transformative investment of $15 million for the design and construction of multi-modal improvements has been guided by a robust community planning process.
- Completed the design and engineering to extend the Riverwalk behind Massachusetts Mills, cantilever around Mass Mills Boiler House, and construct a bridge over the Concord River terminating in front of the Lowell Memorial Auditorium. The project utilizes

$2.4 million from Public Lands Discretionary Highway (FHWA), $230,000 from FLAP, and $58,000 in City funds for both design and construction. The project is due to advertise for construction in March 2019.

- In partnership Habitat for Humanity, constructed and opened a public park at 16 Franklin Street and broke ground on new, owner-occupied housing on a previously City owned parcel on Adams Street in the Acre. These projects enabled DPD to meet a longtime goal of the Acre Urban Revitalization and Development plan for housing on Adams Street and a park on Franklin Street.
- Furthered development strategy with private partners at 250 Mount Vernon Street in the Acre neighborhood. The development will clean up a contaminated gas station area, and build commercial and retail condominiums for the expansion of local businesses.
- The City recently completed designs for the remaining sections of the Concord River Greenway from the Lawrence Street end to the Davidson Street Parking Lots. Construction is anticipated to be completed in two phases beginning in Fiscal Year 2020.
- Successfully implemented Year 2 of the Federal Reserve Bank of Boston's award to the City of the Working Cities Designation. This was a collective effort of 12 Lowell organizations who came together to accomplish set goals surrounding poverty issues within the Acre Neighborhood. The Working Cities collaboration was awarded a $500,000 grant for this effort.
- Furthered design and engineering for the proposed Tanner Street realignment with the existing signalized intersection at Tanner and Plain Streets. This work augmented the Ayer City Industrial Park Plan which has been in the planning stage for many years. The work was funded with a $250,000 earmark and also included a series of land swaps duly voted by the City Council after two public hearings and open processes. Ultimately, the goal of this work is to open more areas within the Tanner Street region for commercial development for the City.
- The City successfully applied and received an additional 180 hours of Technical Assistance from the Northern Middlesex Council of Governments for planning for projected growth in the area of Appleton, Middlesex and Jackson Streets. Building on the progress made with 2018's DLTA award, DPD expanded the scope of the project to include studies of these primary routes through the JAM area. These studies extend to Appleton Street between the Lord Overpass (Thorndike) and Gorham Street, and Middlesex Street, also between the Lord Overpass and the Gorham/Central/Green Streets intersection, taking existing City plans and suggestions made at past Complete Streets workshop into account while providing recommendations for future planning activities, and for short, middle and long term interventions.

Energy

- Managed the Community Choice Power Supply Program for the City that allows residents in Lowell to have a stable supply rate for electricity. In the first 54 months of the program, this program has helped its residents save over $1.1 million compared to National Grid's Basic Service Rates.
- Implemented utility bill and budgetary analysis program that resulted in $280,968 in cancelled charges, reallocation of mis-applied payments, or refunds to City and Enterprise accounts since last fiscal year's update.
- Substantial completion achieved of LED retrofit of streetlights throughout the City. Fixtures converted are already showing between 33-85% savings on utility bills.. Once completed, the project is anticipated to save the City $390,000 and 2.3 million kWh annually.

- Applied for and received a $250,000 Green Communities Competitive grant to complete interior LED lighting upgrades at the Reilly Elementary School, Morey Elementary, and Stoklosa Middle School and energy management system upgrades at the Butler and Sullivan Middle Schools. These measures are estimated to save 96,902 kWh, 6024 therms, and $24,110 annually.
- Applied for and received a $12,500 Municipal Energy Technical Assistance grant for a feasibility study on utilizing energy storage at the Stoklosa Middle School. The grant will assess energy savings and revenue potential from integrating storage at this facility.
- Applied for and received an $8,500 grant from the Massachusetts Clean Energy Center to implement a Solarize Mass Plus campaign to help residents and businesses go solar at a reduced cost.
- Compiled the first Progress Report on the City Council's 100% Renewable that highlights the municipality's progress in reducing fossil fuel usage and encouraging/integrating more renewable energy resources.

Economic Development

- The Economic Development Office continues to work with developers of market rate housing to access local and state incentives through the Housing Development Incentive Program (HDIP). Most recently, it has worked with the Lupoli Companies on its efforts to finalize receipt of state tax credits for its Thorndike Exchange project, and the potential to seek additional tax credits for Phase II of the project; it has also worked with Heritage Properties on its project at 850 Lawrence Street (the Waterhead Mill). Completion of both phases of the Thorndike Exchange project will yield 140 new residential dwelling units, almost 11,000 square feet of new commercial space, and almost 10,000 square feet for a new restaurant. The Housing Development (HD) Zone, which governs areas for eligible HDIP projects, was recently expanded to include portions of the Acre and Sacred Heart neighborhoods. The aforementioned project at 850 Lawrence Street, which is in the expanded area, will have 71 market rate residential units.
- The current vacancy rate in the Downtown stands at approximately 12% for ground floor units and 20% for upper floors. The City welcomed nine (9) new storefront businesses to downtown: Big Poke, PowerHouse Juice, Purple Carrot Bread Company, Pups, The Keep, La Cocina Tropical, Lao' De Café, Panela, and Vinaan Café. The Economic Development Office utilizes site finder capabilities that it has through CoStar (a subscription-based commercial real estate database) and its own internal database of properties that it maintains. These services help businesses such as the ones noted above to locate appropriate spaces.
- Worked with the Lowell Development and Financial Corporation (LDFC) to provide local Downtown- based businesses with access to the Downtown Venture Fund (DVF). Four (4) loans were executed in 2018, totaling $235,000 in capital that went to these businesses, to support startup and growth activities. The Economic Development Office also worked with the LDFC to expand the boundaries for the DVF program, in order to allow for more local businesses to be eligible to access this important source of financing.
- Is currently working with or have recently completed projects for three (3) businesses accessing the City's Sign and Façade grants, which the Economic Development Office manages.
- Manages the "Retention" and "Relocation" loan programs, which provides capital to businesses that does not need to be paid back if the businesses receiving them remain in Lowell for at least three (3) years. Businesses that have recently accessed these funds

included Ymittos Artisan Candles, which utilized funds to move from Dutton Street to a manufacturing facility on Chelmsford Street; as well as PowerHouse Juice, which used funds to aid its startup activities on Merrimack Street.

- Provides opportunities for local businesses to receive technical assistance. The Economic Development Office is currently overseeing a four part marketing workshop for small businesses that is being supported by the City's CDBG allocation and being run by a local marketing expert. The Office will provide opportunities for businesses that successfully complete the workshop to apply for grant funds to support marketing activities.
- Works closely with the UMass Lowell Innovation Hub (iHub) on helping growing startups find permanent office space in Lowell. Four (4) companies have recently moved from the iHub to other locations in Lowell. They include StitchDX (digital marketing), Horsepower Technologies (high-tech), invisaWear (wearable tech), and CAIDE Systems (artificial intelligence software).
- Currently the managing the disbursement of grant funds secured via State earmarks, to assist companies moving into Downtown Lowell office spaces. So far, $216,000 has been awarded to three (3) companies moving into Downtown lab and office space. This investment will support the creation of at least 38 jobs and approximately 13,000 square feet of newly occupied lab and office space. Two of companies moved from the iHub, and the third is moving from Knoxville, TN. They all represent emerging industries in Massachusetts, such as high-technology, artificial intelligence/software, and clean chemistry.
- Organized and hosted well attended events that highlighted the City's business community and development opportunities, such as Mass Innovation Nights (over 170 attendees), and a Middlesex 3 Coalition event held at the new Middlesex Community College Performing Arts Center.
- Represents the City at regional conferences and trade shows, such as the International Council of Shopping Centers (ICSC) New England Conference, the BIO International Convention, and the LOCUS (Smart Growth America) Leadership Summit. These events provide opportunities to network with brokers, developers, and business, as well as to showcase the City's strengths, assets, and development opportunities.
- Hosts tours and visits from various entities that want to learn more about the City, its history, its economic resurgence, and business development opportunities. Visits were recently hosted for the MIT Sloan School of Management Fellows Program, the City of Somerville Economic Development Office, the British Consulate of Boston, the Harvard Graduate School of Design, Smart Growth America, and a delegation representing the Thetford Mines region of Quebec, Canada.
- Meets regularly with neighborhood business groups, including Downtown, Acre, and the Branch and Middlesex Street area. Also hosts regular weekly office hours at the UMass Lowell iHub.
- Applied for and successfully received designation of Lowell's Downtown Canalway Cultural District as one of the American Planning Association's (APA) "Great Neighborhoods" of 2018. Including Downtown Lowell, there were 15 places across the country that received similar designations.
- Spearheaded the successful application and designation of five (5) federal Opportunity Zones. The new federal program will incentivize investment in these areas by offering preferential federal tax treatment.

Brownfields

- To date, managed over $4,000,000 in EPA funding that has contributed to the assessment, remediation and/or redevelopment of over 70 acres of land.

Community Development Team

- The Community Development Office will organize and promote HUD's annual National Community Development Week celebration (April 22-April 26), featuring a number of tours of local organizations and funded programs in the City and all tours were filmed by Lowell Telecommunications.
- The Community Development office is in the process of putting together HUD's Annual Action Plan for FY 19-20. This plan will available for public comment from March 29 – April 29 and then submitted to the City Council for a final vote prior to submission and approval by HUD in May. This plan provides a concise summary of the actions, activities, and the specific federal and non-federal resources that will be used each year to address the priority needs and specific goals identified by the Consolidated Plan.
- The Community Development Office continues to work with the City of Lynn and Lynn Housing Authority and Neighborhood Development to coordinate the distribution of HOPWA funds in Essex County. As the largest City in the county, Lowell currently administers HOPWA entitlement funds for all of Middlesex County and Essex County through the Lynn Housing Authority and Neighborhood Development group. During the last fiscal year HOPWA funds were increased from $1,250,530.00 to $1,416,588.00 as the allocation of these funds will be distributed among projects in Middlesex and Essex Counties.
- The Community Development Office continues to monitor grant recipients in the field as well as desk top monitoring for program compliance as required by HUD.
- The Community Development Office successfully completed HUD's annual Consolidated Annual Performance and Evaluation Report for FY 17-18. This report shows progress and accomplishments toward the 5 year Consolidated Plan.
- The Community Development team continues to lead the City of Lowell Continuum of Care, which is the spectrum of services and housing to assist chronically homeless individuals and families. The annual budget is approximately $900,000.
- In support of the Continuum of Care goals and outcomes, the Community Development office completed HUD's Annual Homeless Point in Time (PIT) count in January as there were 16 unsheltered and 190 sheltered folks counted and the Community Development Office will be taking part in HUD's annual Youth Homeless count in April.
- The Community Development team continues to explore regional and state-wide opportunities to address the critical issue of street homelessness and unsheltered individuals and families. New opportunities in FY20, in partnership with a City-led working group on homelessness, have the potential to dramatically improve the outcomes for individuals and families experience brief and/or chronic homelessness.

Transportation Engineering Management

- Progressed with the design and engineering for the Merrimack Street Pedestrian and Bicycle Improvement Project, including applying for a MassWorks Grant to fund design and construction.

- Progressed with the design and engineering for the Church Street/Green Street/Central Street/Gorham Street/Appleton Street Improvements Project.
- Completed the design for the Traffic Signalization Improvement project at Bridge and French Streets, including 100% Plans, Specifications and Cost Estimate.
- Restriped 156,749 LF of pavement markings (double yellow, single white and white skips) in the City.
- Initiated design of the Mammoth Road/East Meadow Traffic Signal Improvement project.
- Initiated preliminary conceptual design of sidewalk improvement project on Inland Street.
- Coordinated numerous transportation improvements for Old Ferry Road, Varnum Road and Pawtucket Boulevard in conjunction with the new Market Basket development.
- Coordinated with MassDOT project managers for multiple City of Lowell projects under design and construction, including Route 38 Improvements project, Lowell Connector at Gorham Road and traffic signal improvements at VFW/Aiken and 113/Mammoth.
- Successfully applied for and received 300 hours of Technical Assistance from the Northern Middlesex Council of Governments for an inventory of pedestrian infrastructure, including sidewalks, Wheelchair ramps, detectable warning panels, walk/don't walk signs at signalized intersections and crosswalks. The program, called *DLTA XI,* will accomplish the scope of the work between June and October 2019.
- Responded to City Council motions, petitions filed with the City Clerk and investigated and resolved multiple citizen complaints.
- Collaborated with DPD staff and the City Engineer on the Lord Overpass project, to be bid this spring.

GOALS

Fiscal Year	Strategic Goal or Objective	Status
FY18	Move the Division of Development Services towards fully digital documentation. **Update**: *Development Services is working with MIS to make online permit applications a reality, plus we are working to scan all of our existing property files into MUNIS*	**Complete**
FY18	Increase the use and effectiveness of Project Meetings for proposed development projects, soliciting early input from various City Departments to improve efficiency and provide developers with early feedback on potential issues. **Update**: *Development Services staff have worked to increase our project meetings with applicants and have instituted weekly meetings with Water and Wastewater to discuss upcoming projects.*	**Complete**
FY18	DPD staff will work with other appropriate departments and stakeholders to enact the Complete Streets policies adopted by the City Council. **Update**: *Design of the Lord Overpass, TIGER bridges, South Common Improvements, and river trails have all progressed with multi-modal "Complete Streets" treatment.*	**Complete**
FY19	Community Development staff will continue its efforts to work with HUD and sub recipients to ensure HUD funds are dispersed in a timely manner. Staff will closely monitor and determine if program activities are progressing in compliance within the grant specifications and ensure the national objective is being met. **Update**: *Staff are ensuring that all program activities are progressing appropriately.*	**Complete**
FY19	Improve processes to verify, track, utilize and report energy data in order to maximize efficiency throughout the City, while reducing energy use and costs. **Update**: *During the last two years, the City of Lowell has hired a person to track, audit, and authorize payment of its utility bills. In addition, that person utilizes electronic methods and software to expedite payments in a timely manner.*	**Complete**
FY19	Planning and Development will begin to evaluate the extension of the Acre and JAM urban renewal plans due to expire in 2020 and continue study of other identified planning areas including the Gallagher Terminal area, Appleton and Middlesex Streets, Upper Merrimack Street and other areas as assigned.	**Complete**

	Update: *Specific plans are in place for those projects due to expire in 2020, and staff are seeking additional assistance to move the other planning initiatives forward.*	
FY20	DPD Planning staff will work with the Owner's Project Manager and the Construction Manager to bring the HCID garage to at least 50% completion. This is the first time the City has constructed a City project using this pathway, which we hope will serve as a model for the upcoming Lowell High School process.	New
FY20	DPD Planning staff, collaborating with a multi-departmental working group, will help to oversee and manage ongoing construction and traffic mitigation for the Lord Overpass.	New
FY20	DPD staff in both Planning and Economic Development and Development Services will continue our multi-year process of the digitization of critical records for loss prevention and Citywide use.	New

PERFORMANCE METRICS

Measurement	Prior Year Actuals FY2017	Prior Year Actuals FY2018	YTD [50] FY2019	FY2020 Target
Infrastructure, parks, and other capital improvement projects advanced	30	23	24	27
Number of accepted registrations of vacant/foreclosed properties in compliance with ordinance	308	253	134	275
Planning documents advanced	7	10	13	15
Planning Board revenue	$ 27,797	$ 58,905	$41,869	$ 55,000
Square feet of active community gardens and land under cultivation in Lowell neighborhoods.	171,940	174,865	174,865	174,865
Number of COI Inspections completed	419	351	287	400
Number of new single family building permits issued	25	22	13	30
Total building permit revenue	$ 1,068,938	$ 857,116	$ 1,186,141	$ 1,100,000
Number of development project applications to land-use boards processed	112	116	110	130
Brownfields sites addressed through assessment or remediation efforts	12	13	11	11
Building and trades related inspections conducted	9,703	6,154	3,902	8,000
Building, electrical, plumbing, gas, and mechanical permit applications processed	8,509	6,574	4,541	7,500

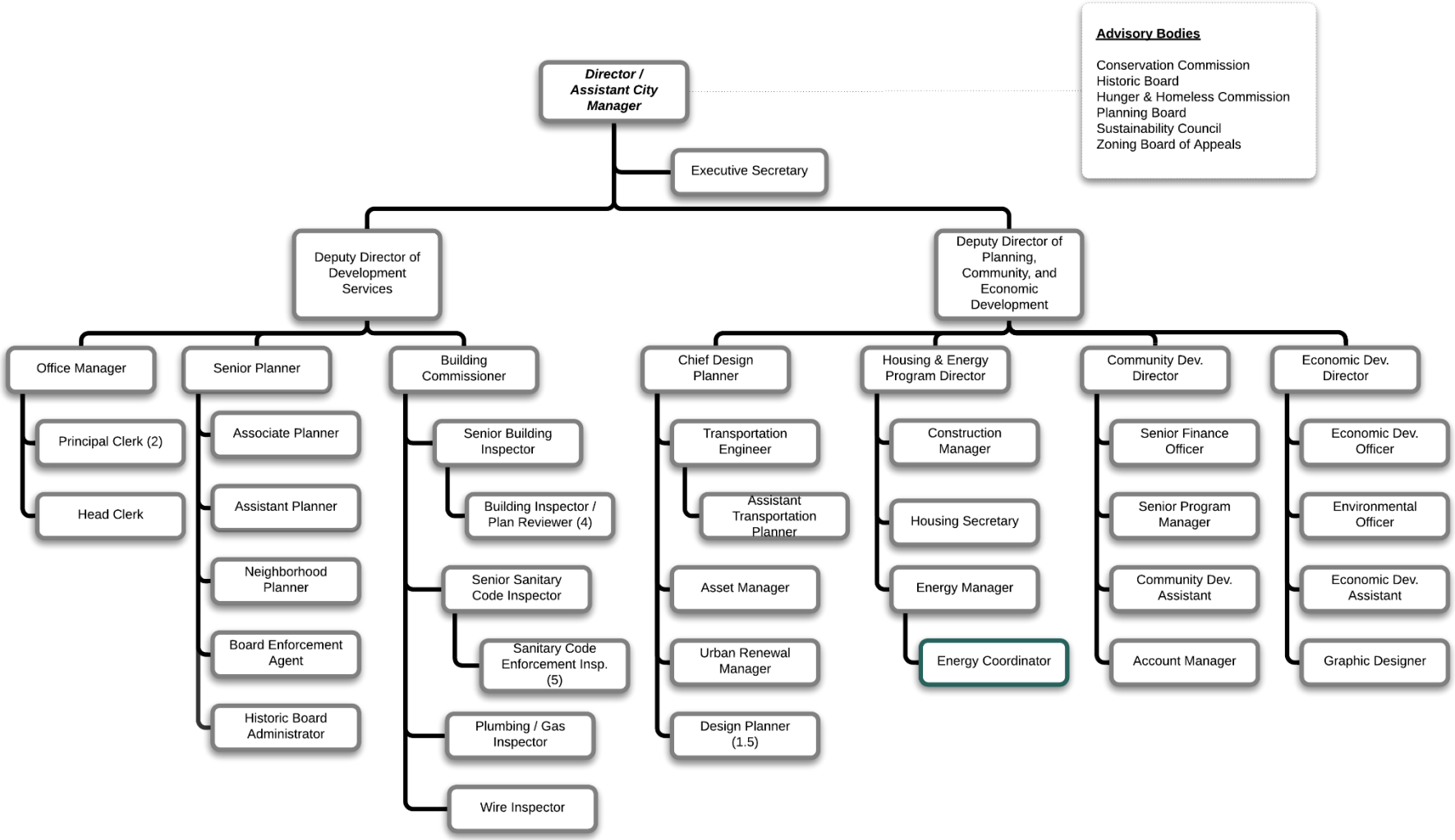
[50] While YTD date ranges may vary, they typically cover the period from the start of the fiscal year (7/1) through the middle of Q3 of the fiscal year (approximately 2/15)

Businesses assisted by the Economic Development Office	120	203	122	180
Number of jobs created in the city that have a direct correlation with TIFF agreements	1,86	335	48	119
Storefronts rehabilitated with façade improvement funds	3	2	2	3
City Council motions and requests addressed	75	68	69	70
Grant and loan agreements executed with sub-recipients	78	70	83	85
Number of land-use board pre-application consultations with developers and private companies	352	286	310	375
Total Inspectional 21D violation revenues	$ 225,966	$ 61,006	$ 8,150	$ 75,000
Sanitary code complaints inspected	1,258	2,130	2.051	2,500
Sanitary code permit applications processed and inspected	3,025	2,284	1,780	2,500
Number of grant applications and required grant reports	24	54	70	62
Revenue collected from sale of surplus real estate assets sold	$ 397,101	$ 684,500	0	$ 730,000
Permit Fees Collected via Final Cost Affidavit	$ 144,864	$ 110,076	$10,770	$ 100,000
Transportation Requests from Businesses and Residents	78	80	123	100
Transportation Engineer - 60 Day Trials	81	78	45	70

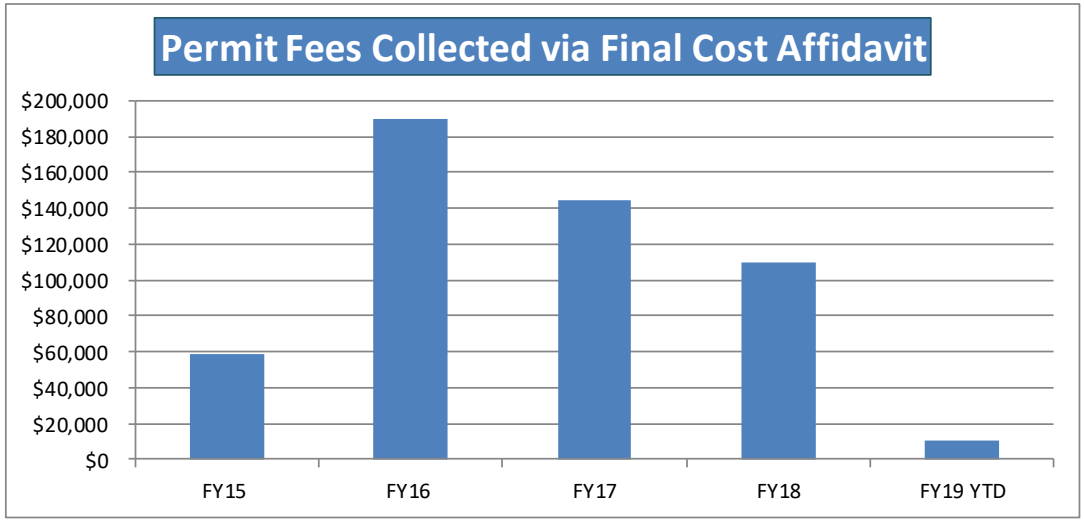
ORGANIZATIONAL CHART

PLANNING AND DEVELOPMENT

DIANE TRADD
DIRECTOR &
ASSISTANT CITY MANAGER



LOWELLSTAT CHART(S)



Development Services now requires all commercial projects to submit a "Final Cost Affidavit" at the end of the project which will capture all of the change orders, cost overruns, or simply low estimates of project costs. Permits issued by Development Services are based on the cost of the project, so Final Cost Affidavit often result in increased permitting fees to the City. In addition, these figures will be submitted to the Assessor's Office, and should result in an increase in new growth. Overall, this policy does not increase permitting fees, but rather more accurately assesses the fees to projects based on their real cost, not a pre-construction estimate.

Measurement	FY15	FY16	FY17	FY18	FY19 YTD
Permit Fees Collected via Final Cost Affidavit	$58,725	$189,725	$144,864	$ 110,076	$ 10,770

EXPENSE DETAILS

PLANNING & DEVELOPMENT 182	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
S & W-Perm.	3,266,690	2,209,181	3,272,024	3,385,203	3,375,790
Overtime	15,179	22,236	13,000	15,000	15,000
Longevity	652	652	652	652	652
Outside Funding (Non Tax Levy)	(898,646)	(937,268)	(754,190)	(653,968)	(653,968)
Total	2,383,874	1,294,800	2,531,486	2,746,887	2,737,474
Expenses					
Telephone	10,786	9,481	11,000	11,000	11,000
Repair & Maintenance Equipment	-	285	500	500	500
Leasing Equipment & Service	-	-	4,164	4,164	4,164
Professional Services	98,491	39,662	10,000	10,000	10,000
Advertising	2,789	2,096	7,500	7,500	7,500
Appraisals/ Property Transfer	-	-	-	15,000	-
Printing & Binding	5,550	1,293	2,500	2,500	2,500
Office Supplies	4,985	9,962	10,000	10,000	10,000
Uniforms & Other Clothing/Protective gear	-	1,500	1,000	1,000	1,000
Dues & Subscriptions	2,084	2,183	2,500	2,500	2,500
Trans. - Monthly Allowance	57,050	56,167	58,800	58,800	58,800
Trans. Reimbursement & Seminars	16,412	13,952	15,000	15,000	15,000
Trans. Reimbursement & Seminars - Adder	-	-	-	-	-
Education Reimbursements	4,458	3,290	1,200	1,200	1,200
Miscellaneous Charges	3,788	4,449	5,000	5,000	5,000
Office Furniture	1,027	3,453	1,500	1,500	1,500
Capital Improvements	-	3,000	3,000	3,000	3,000
ACRE Urban Renewal	-	-	-	-	-
Urban Renewal	101,252	-	-	50,000	-
Lowell Landfill	14,000	6,200	-	-	-
Bldg Insp Training/Educ./Enforcement	4,943	2,724	5,000	5,000	5,000
Sealer of Weights and Measures	-	-	42,000	44,000	44,000
Homelessness/ Continuum HMIS	-	-	125,313	111,984	111,984
UML Work Study	-	-	3,000	3,000	3,000
Total	327,615	159,697	308,977	362,648	297,648
TOTAL BUDGET	2,711,489	1,454,497	2,840,463	3,109,535	3,035,122

EXPENSE SUMMARY & FINANCING PLAN

PROGRAM EXPENDITURES	DETAIL	SUMMARY	
PERSONAL SERVICES		$	3,391,442
ORDINARY EXPENDITURES		$	297,648
TOTAL FY20 BUDGETED EXPENDITURES **(GROSS)**		$	3,689,090

FINANCING PLAN	DETAIL	SUMMARY	
TAXES		**$**	**2,043**
REAL ESTATE TAXES	2,043		
LICENSES AND PERMITS		**$**	**1,510,000**
BUILDING PERMITS	1,100,000		
PLUMBING PERMITS	85,000		
RENTAL UNITS	100,000		
OCCUPANCY PERMITS	175,000		
SHEET METAL PERMITS	50,000		
CHARGES FOR SERVICES		**$**	**379,000**
CODE & INSPECTION FINES	12,500		
WIRE - MISC.	325,000		
INSPECTIONAL - 21D VIOLATIONS	41,500		
INTERGOVERNMENTAL REVENUE		**$**	**1,710,063**
COMMUNITY DEVELOPMENT BLOCK GRANT	310,000		
HOME GRANT	65,000		
HOPWA GRANT	20,000		
ESG GRANT	10,000		
LEAD HAZARD REDUCTION	60,000		
MCKINNEY GRANT	20,000		
STATE OWNED LAND	178,003		
UNRESTRICTED LOCAL AID (UGGA)	695,076		
AGGREGATION ADDER	80,000		
148A BUILDING/ FIRE CODE FINES	150,000		
DPD - OTHER FUNDING (MISCELLANEOUS)	111,984		
VACANT/ FORECLOSED REVOLVING	10,000		
MISCELLANEOUS REVENUE		**$**	**87,984**
SEALER REVENUE	31,000		
DPD - OTHER PROJECT DELIVERY	56,984		
TOTAL FY20 BUDGETED REVENUES		$	3,689,090

PUBLIC SAFETY

SUMMARY

DEPARTMENT STAFFING FTE (PAGE II-116)

Actual FY17	Actual FY18	Approved FY19
26,267,450	27,324,522	27,609,606
17,395,688	18,438,800	19,485,903
43,663,138	**45,763,323**	**47,095,510**

PROGRAM EXPENDITURES	Budget FY20
POLICE	29,599,025
FIRE	19,698,792
	49,297,817

FINANCING PLAN	Budget FY20
TAXES	44,379,573
LICENSES AND PERMITS	145,000
CHARGES FOR SERVICES	2,437,413
INTERGOVERNMENTAL REVENUE	1,962,939
MISCELLANEOUS REVENUE	372,892
	49,297,817

PUBLIC SAFETY
POLICE

RAYMOND KELLY RICHARDSON

SUPERINTENDENT OF POLICE

PERSONAL SERVICES	$27,219,711
ORDINARY EXPENSES	$1,416,375
TOTAL FY20 BUDGETED EXPENDITURES	**$28,636,086**

MISSION & SERVICES OVERVIEW

To work with the community to reduce crime, the fear of crime, and to improve the quality of life in the City of Lowell.

The Lowell Police Department is committed to the ideals of Community Policing. Those ideals are evident in programs such as the Citizen Police Academy, the Police Volunteer Program and the Community Relations Council. The Department stresses partnership, professionalism, integrity, and fairness. The LPD's strategy is to focus on prevention utilizing problem solving and partnerships.

Patrols are assigned by geographic sector. Geographic assignment encourages officers to become intimately associated with neighborhoods and their residents, better enabling them to fight and prevent crime.

The Department maintains specialized staffing to address narrow responsibilities such as crime analysis, technology, and research & development.

CALENDAR YEAR 18 ACCOMPLISHMENTS

- 12% decrease in NIBRS offenses.
- 37% decrease in Robbery offenses.
- 51.2% decrease in Theft from a Motor Vehicle.
- 60.3% decrease in Motor Vehicle Theft.
- 14.8% decrease in Destruction/Damage/Vandalism of Property.
- 36.5% decrease in Burglary/Breaking & Entering Offenses
- Continued increased community collaboration.
- Continued increased bicycle, Segway, foot patrols and added boat patrols of the Merrimack River.
- Received $2,203,602 in Federal, State and Private grant funds, which included (but was not limited to):
    - Municipal Staffing Grant for overtime funds to boost community policing efforts

  - Shannon Community Safety Initiative which focuses on gang prevention, intervention and suppression strategies; majority of funding is subcontracted to social service agencies in Lowell
  - Funds to purchase Narcan for front line cruisers, cell block, and main desk
  - Funds from the Office on Violence Against Women to help provide services to victims of intimate partner violence
- Hosted a hiring and recruiting session to increase awareness of the Civil Service Exam for Officers
- Held second annual Autism Awareness Day and participated in Light it Up Blue Autism Speaks Campaign
- Hosted five Safe Summer Movie Nights
- Welcomed K-9 Randy
- Participated in National Night Out at three sites across the City
- Participated in Multi-Agency Preparedness training exercise at LeLacheur Park

GOALS

Fiscal Year	Strategic Goal or Objective	Status
FY18	Strive to reduce traffic congestion at major intersections. **Update**: *The LPD has expanded efforts to reduce traffic congestion in the City. The LPD has increased enforcement and worked collaboratively with UML Transportation Committee to find creative solutions to traffic congestion especially at the river crossings during peak traffic times. The LPD also continues to receive funding through the Executive Office of Public Safety and Security's Highway Safety Division to increase enforcement of traffic laws. As part of this ongoing effort, the LPD is in the process of converting to electronic traffic citation and accident reports, which will increase the efficiency of the officers conducting traffic enforcement.*	**Complete**
FY18	Increase capacity and efficiency of evidence control systems. **Update**: *Monthly random evidence audits are conducted by rotating Command Staff Personnel. The LPD also has approved capital project to update the evidence location and house all evidence in one location.*	**Complete**
FY19	Create a plan to upgrade the public safety radio used by Police and Fire Departments as the current system is antiquated at the end of its useful life **Update**: *A plan is in place and consoles have been upgraded. The next phase of this goal is subject to capital funding.*	**Complete**
FY19	Increase capacity to patrol Merrimack River for enforcement of recent ordinances. **Update**: *The new LPD river patrol craft purchase was completed in FY19 and will officially launch in the summer of 2019. LPD officers have been trained for river patrols and patrols will be on-going every summer.*	**Complete**
FY19	Implement upgrades for the locker rooms to ensure that there is enough lockers and space to support LPD officers. **Update**: *Due to various extenuating factors, this project is being re-bid via a new RFP*	*Ongoing*
FY20	Reorganize city into 3 sectors by adding the C Sector in Downtown	New
FY20	Increase capacity to patrol hard to reach areas such as the Homeless Encampments and Dracut State Forest	New

FY20	Restructure the Training Section in order to increase the capacity of the LPD to provide trainings.	New
FY20	Upgrade the public safety radio used by Police and Fire Departments as the current system is antiquated at the end of its useful life, subject to capital funding.	New

PERFORMANCE METRICS[51]

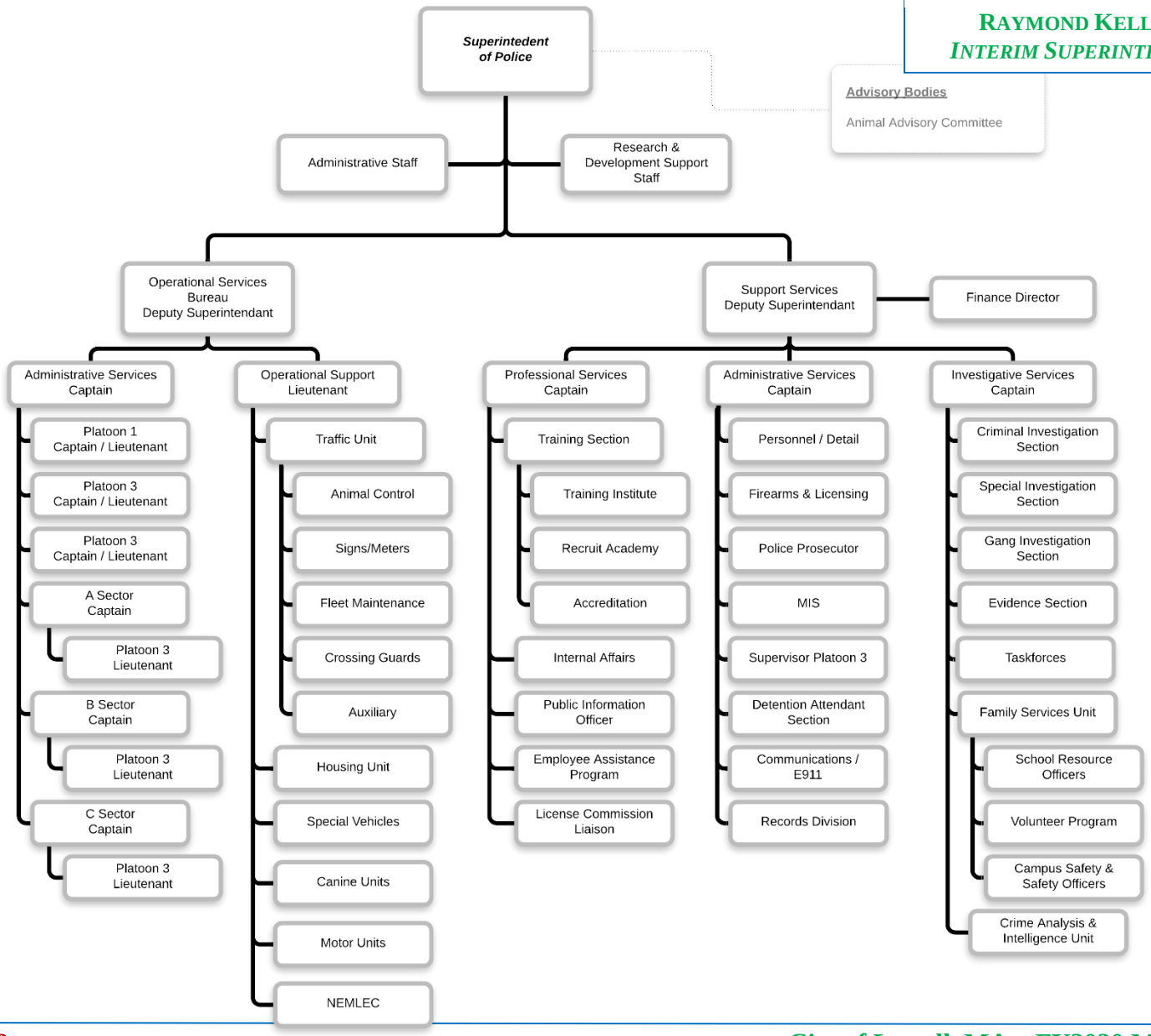
Measurement	Prior Year Actuals CY2017	CY2018	YTD [52] CY2019	CY2020 Target
Firearms Recovered	57	89	2	82
Juvenile Incidents	177	144	4	137
NIBRS Group A Offenses	5,689	5,185	319	4,926
NIBRS Group B Offenses	1,336	1,265	88	1,202
Total amount of federal grant funding received	$74,971	$541,772	$0	$1,000,000
Total amount of state grant funding received	$1,612,959	$1,661,830	$131,200	$1,500,500
Total Computer Aided Dispatch (CAD) Calls	115,889	110,516	9,077	107,753
Police Only Computer Aided Dispatch (CAD) Calls	98,034	92,478	7,652	90,166
Calls for Police dispatch (percent of total)	85%	84%	84%	84%
Number of CompStat meetings	26	26	2	26
Number of hours worked by LPD volunteers	2,450	1,785	75	1,964
Number of LPD volunteers	28	21	3	23
Individuals Booked	3,327	3,216	203	3,136
Number of firearm permits issued	444	473	69	497
Community Policing Problem Solving Activities – Case of Places	31	61	5	67

[51] All Police Data is reported by Calendar Year
[52] While YTD date ranges may vary, this column's data is limited to the month of January

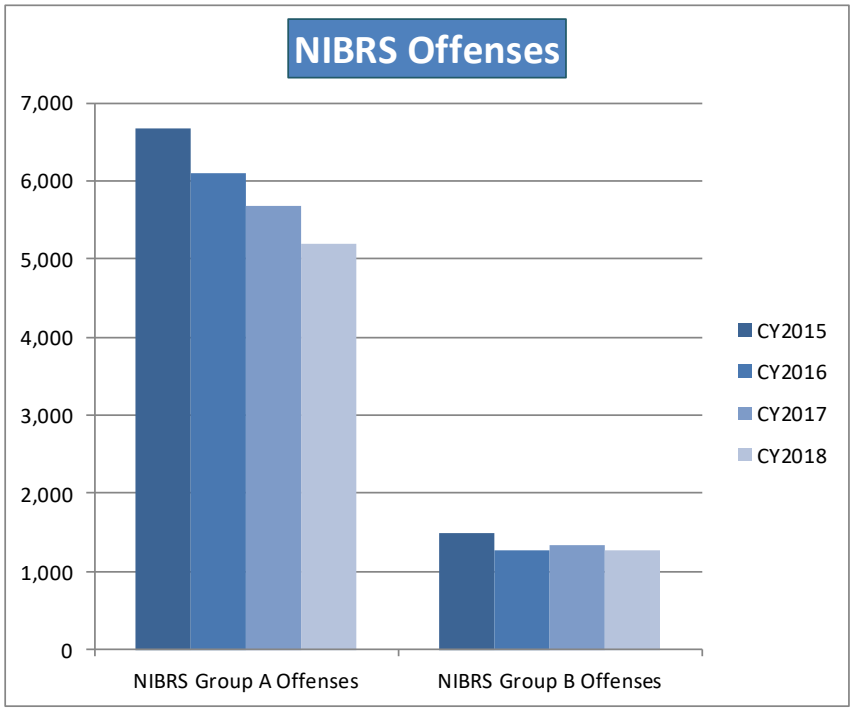
ORGANIZATIONAL CHART

POLICE DEPARTMENT

RAYMOND KELLY RICHARDSON
INTERIM SUPERINTENDENT OF POLICE



LOWELLSTAT CHART(S)



NIBRS stands for National Incident Based Reporting System

The Group A Offenses include: Arson, Assault Offenses, Bribery, Burgulary/ Breaking and Entering, Counterfeiting/ Forgery, Destruction/Damage/Vandalism of Property, Drug/Narcotic Offenses, Embezzlement, Ectortion/Blackmail, Fraud Offenses, Gambling Offenses, Homicide Offenses, Kidnapping/Abduction, Larceny/Theft Offenses, Motor Vehicle Theft, Pornography/Oscene Material, Prostitution Offenses, Robbery, Sex Offenses, Forcible, Sex Offenses, Nonfocible, Stolen Property Offenses, Weapon Law Violations.

The Group B Offenses include: Bad Checks, Curfew/ Loitering/ Vagrancy Violations, Disorderly Conduct, Driving Under the Influence, Drinkenness, Family Offenses Nonviolent, Liquor Law Violations, Peeping Tom, Runaway, Trespass of Real Property, All Other Offenses.

Measurement	CY2015	CY2016	CY2017	CY2018
NIBRS Group A Offenses	6,663	6,104	5,689	5,185
NIBRS Group B Offenses	1,482	1,263	1,336	1,265

EXPENSE DETAILS

POLICE -210	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
S W - Perm	23,935,560	24,476,589	25,140,875	25,881,197	25,893,130
S W - Temp	12,630	12,226	15,000	22,841	15,000
Overtime	954,600	951,384	760,000	934,970	900,000
Holiday	323,288	343,005	430,000	430,000	430,000
Shift Differential	35,524	39,529	40,000	43,000	43,000
Special Events	40,000	33,138	40,000	40,000	40,000
Longevity	5,729	4,978	5,950	2,657	2,657
Court Time	398,081	419,940	470,000	470,000	470,000
Comp Time	63,229	78,960	65,000	80,000	80,000
Out of Grade	7,769	9,191	16,000	22,285	22,285
Physical Fitness Incentive/Out of Grade Compensation	87,500	96,750	82,250	160,000	97,000
K-9 Stipends	35,550	36,480	36,481	50,910	50,910
Contractual Allowances	22,910	95,532	24,050	28,600	28,600
Professional Services for EAP	21,114	21,413	21,528	21,528	21,528
Uniform Allowance	57,445	46,785	82,540	82,540	82,540
Uniform - Traffic Supervisors	3,391	1,778	6,000	6,000	6,000
Outside Funding (Non Tax Levy)	(1,365,791)	(936,761)	(960,543)	(962,938)	(962,939)
	24,638,528	25,730,917	26,275,131	27,313,590	27,219,711
Expenses					
Telephone	4,832	3,967	5,000	5,000	5,000
Repair & Maintenance of Equipment	99,936	98,797	100,000	100,000	100,000
Garage Repair - Service Vehicle	80,000	79,864	80,000	80,000	80,000
Repair & Maint Microcomputer	199,041	197,457	200,000	236,833	200,000
Police Jail Area Maint	13,003	17,965	13,000	13,000	13,000
Hepatitis Shots	558	595	600	600	600
Animal Control - Chg/Expense	8,069	8,701	9,000	9,000	9,000
Animal Expenses	2,734	4,369	6,000	8,000	8,000
Police - Rental Sub-Station	58,334	58,457	58,550	60,950	85,950
Paint/Meter Division (50% to Parking)	28,446	26,546	30,000	30,000	30,000
Rental of Equipment	7,807	7,329	7,450	7,450	7,450
Kennel Services	38,779	27,160	35,000	35,000	35,000
Psychological Exams	15,797	28,900	18,000	18,000	18,000
Training/Evaluation Program	110,656	92,051	40,000	40,000	40,000
Communications - CDMA	49,942	49,804	50,000	50,000	50,000
Food Service Supplies	11,410	12,379	9,500	14,500	12,000
Gas & Motor Oil Supplies	228,593	262,354	240,000	240,000	240,000

Garage/Auto Parts Supplies	77,345	76,919	80,000	80,000	80,000
Office Supplies	7,473	9,874	5,000	5,000	5,000
Misc. Supplies Other	5,000	4,835	5,000	5,000	5,000
Service Legal Defense Fund	59,375	58,375	61,750	61,750	61,750
Dues & Subscriptions	9,775	7,321	9,000	9,000	9,000
In State Travel Reimbursement & Seminars	1,731	1,990	2,000	2,000	2,000
No Middlesex Law Enforce County	5,925	5,925	5,925	5,925	5,925
Miscellaneous Charges	10,260	9,939	10,000	10,000	10,000
Dive/Rescue Team Equipment	4,301	4,995	5,000	5,000	5,000
Police Cars	245,218	244,404	100,000	321,150	150,000
Police Photo Lab & Equipment	2,494	2,500	2,500	2,500	2,500
Police Equipment Other	131,168	80,168	35,000	35,000	35,000
Portable Radios & Other	13,600	13,220	13,600	13,600	13,600
Office Furniture & Equipment	4,612	5,785	5,000	5,000	5,000
Insurance Premium	92,706	-	-	12,000	-
Computer Equipment		90,661	92,600	92,600	92,600
Total	1,628,922	1,593,605	1,334,475	1,613,858	1,416,375
TOTAL BUDGET	**26,267,450**	**27,324,522**	**27,609,606**	**28,927,448**	**28,636,086**

EXPENSE SUMMARY & FINANCING PLAN

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		$ 28,182,650
ORDINARY EXPENDITURES		$ 1,416,375
TOTAL FY20 BUDGETED EXPENDITURES **(GROSS)**		$ 29,599,025

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 26,133,673**
REAL ESTATE TAXES	14,931,515	
PERSONAL PROPERTY TAXES	5,000,000	
NEW GROWTH	1,232,662	
MOTOR VEHICLE EXCISE TAX	4,969,496	
LICENSES AND PERMITS		**$ 15,000**
POLICE - FIREARMS	15,000	
CHARGES FOR SERVICES		**$ 2,437,413**
POLICE TOWING REIMBURSEMENT	350,000	
WASTEWATER INDIRECT (REIMBURSE GF)	364,190	
WATER INDIRECT (REIMBURSE GF)	450,000	
AMBULANCE RECOVERABLE COSTS	448,223	
SPECIAL DETAIL RECEIPTS	250,000	
COURT FINES	575,000	
INTERGOVERNMENTAL REVENUE		**$ 962,939**
FIRE DEPARTMENT FUNDING	19,349	
LOWELL HOUSING AUTHORITY	40,000	
MIDDLESEX COLLEGE - GRANT	73,717	
VIOLENCE AGAINST WOMEN GRANT	99,740	
MISCELLANEOUS GRANTS (*AGGREGATE*)	227,133	
SAFE AND SUCCESSFUL YOUTH GRANT	23,000	
STATE 911 INCENTIVE GRANT	280,000	
OTHER GRANTS - POLICE	200,000	
MISCELLANEOUS REVENUE		**$ 50,000**
POLICE DEPARTMENT MISCELLANEOUS	50,000	
TOTAL FY20 BUDGETED REVENUES		$ 29,599,025

PUBLIC SAFETY
FIRE

JEFF WINWARD

FIRE CHIEF

PERSONAL SERVICES	$18,570,200
ORDINARY EXPENSES	$810,700
TOTAL FY20 BUDGETED EXPENDITURES	**$19,380,900**

MISSION & SERVICES OVERVIEW

To improve the quality of life in the City of Lowell by providing fire protection, emergency response services, prevention, and public education activities. The department's goal is to protect all citizens, their property, and the environment from natural and man-made disasters. The Lowell Fire Department strives to accomplish this in a courteous and professional manner.

The Lowell Fire Department provides emergency response service to a number of different incident types including:

- Fires (structures, automobiles, brush, etc.)
- Emergency medical services
- Community Opioid Outreach Program – CO-OP Team
- Hazardous materials incidents
- Water/ice rescues and recoveries
- Automobile/industrial accidents and extrications
- Elevator rescues
- Technical, trench, and other high-angle rescues
- Emergency management for large emergencies and special events in the City including but not limited to: festivals, marathons, severe weather events

In addition, the Fire Department conducts quarterly inspections of all schools, nursing homes, and boarding houses in the City, and provides fire safety instruction to school-age children and to seniors through our Public Education Division.

Training and education are paramount to fulfilling the mission of the Lowell Fire Department. All members are trained to the levels of First Responder and Hazardous Material Awareness, and over half are certified Massachusetts Hazardous Materials Technicians. Since 1994, all new members are required to successfully complete the Massachusetts Firefighting Academy Recruit Training Program. Over half of our members are certified Massachusetts Emergency Medical Technicians.

FY19 ACCOMPLISHMENTS

- Maintained a policy of closing zero or one fire company, depending on available staffing and funding. The City is maintaining a staffing level of 213 uniformed firefighters and pursuing federal grant opportunities to maintain that staffing. Several years ago, the department had 187 uniformed firefighters, and closed up to 3 fire companies on some shifts.
- Building fire decreased 20% from FY17 to FY18, and remained steady from FY18 to FY19, due mainly to fire prevention efforts. Strong enforcement of fire codes, inspections, and fire watches throughout the past few years has led to a decrease in building fires.
- Attacked the Opiate epidemic from several fronts:
  - One firefighter was dedicated to the City CO-OP Team to assist overdose victims.
  - Performed rescue breathing and administered life-saving Narcan to overdose victims.
  - Distributed Substance Abuse Guides to those in need.
  - Helped educate high school and middle school children on the dangers of opiates and other illegal drugs.
  - Participated in the Mayor's Opiate Epidemic Crisis Task Force and the DA's Opiate Epidemic Task Force.
  - Participated in the Middlesex DA's C.A.R.E project to assist children of overdose patients.
- The number of opiate overdoses in the City rose steadily each year from 2013 to 2017, and then leveled off in 2018, averaging 2.2 per day. However, in the first quarter of 2019, we have seen a 30% decrease in the number of overdoses from the same quarter in 2018. This is due to the efforts of the firefighters and other public safety officers through rapid response, Narcan administration, and rescue breathing efforts.
- Received an Assistance to Firefighters Grant from FEMA for $917,007 for 129 set of turnout gear, 80 Self Contained Breathing Apparatus, and a new SCBA Cascade Air Bottle Filling Station. This new gear will not only keep our firefighters safe while fighting fires, but it will also allow us to equip each firefighter two sets of gear.
- We purchased eight heavy duty washing machine/extractors. After a fire, turnout gear is covered in soot, asbestos, and other carcinogenic material. Firefighters can now wash their dirty turnout gear while using their second set of gear. This will improve firefighter health and safety and to reduce cancer rates among firefighters.
- Performed 5,191 fire inspections – including schools, nursing homes, boarding houses, smoke detector inspections on home sales, and follow-up inspections on code violations in various buildings in the City.
- Conducted fire safety and instruction for 7,489 children and elderly at various public education events in the City.
- Replaced two of our twenty year old rescue boats and motors that are used to rescue drowning victims in our rivers and canals.

GOALS

Fiscal Year	Strategic Goal or Objective	Status
FY18	Develop a new procedure along with Lowell Police, LGH Paramedics, and Trinity EMS to rescue victims of a mass shooting. **Update**: *A procedure has been put in place to manage a mass shooting incident in the City.*	**Complete**
FY18	Develop a new program to reduce the high cancer rate among firefighters. Work to purchase a second set of turnout gear for all firefighters, and replace residential washing machines in fire stations with commercial extractors. **Update**: *Equipment has been acquired or is on final order.*	**Complete**
FY19	Combat the Opioid epidemic on multiple fronts: Fire Department will continue to contribute one full time firefighter to the COOP Team, and is seeking funding to develop a transportation program to bring people to detox and recovery programs; a Public Education Officer will educate high school and middle school children on the perils of illegal drug use **Update**: *One full time firefighter currently works with the COOP Team. We continue to seek funding for the transportation program. The Public Education Officer will begin educating students on illegal drug use during the next school year.*	*Ongoing*
FY19	Upgrade Fire Department radio communication infrastructure, as well as mobile and portable radios. **Update**: *While some infrastructure has been replaced, additional funding is being sought to complete the goal.*	*Ongoing*
FY19	Replace two fire engines that are over twenty years old, and in need frequent repairs. **Update**: *Applied for a grant to fund this goal.*	*Ongoing*
FY20	Perform repairs to our aging fire stations, and relocate our Fire Prevention Office to another safer, healthier building.	New
FY20	Replace 3 of our oldest pumpers.	New
FY20	Bring our stations, policies, and procedures into MA Department of Labor Standards compliance.	New

PERFORMANCE METRICS

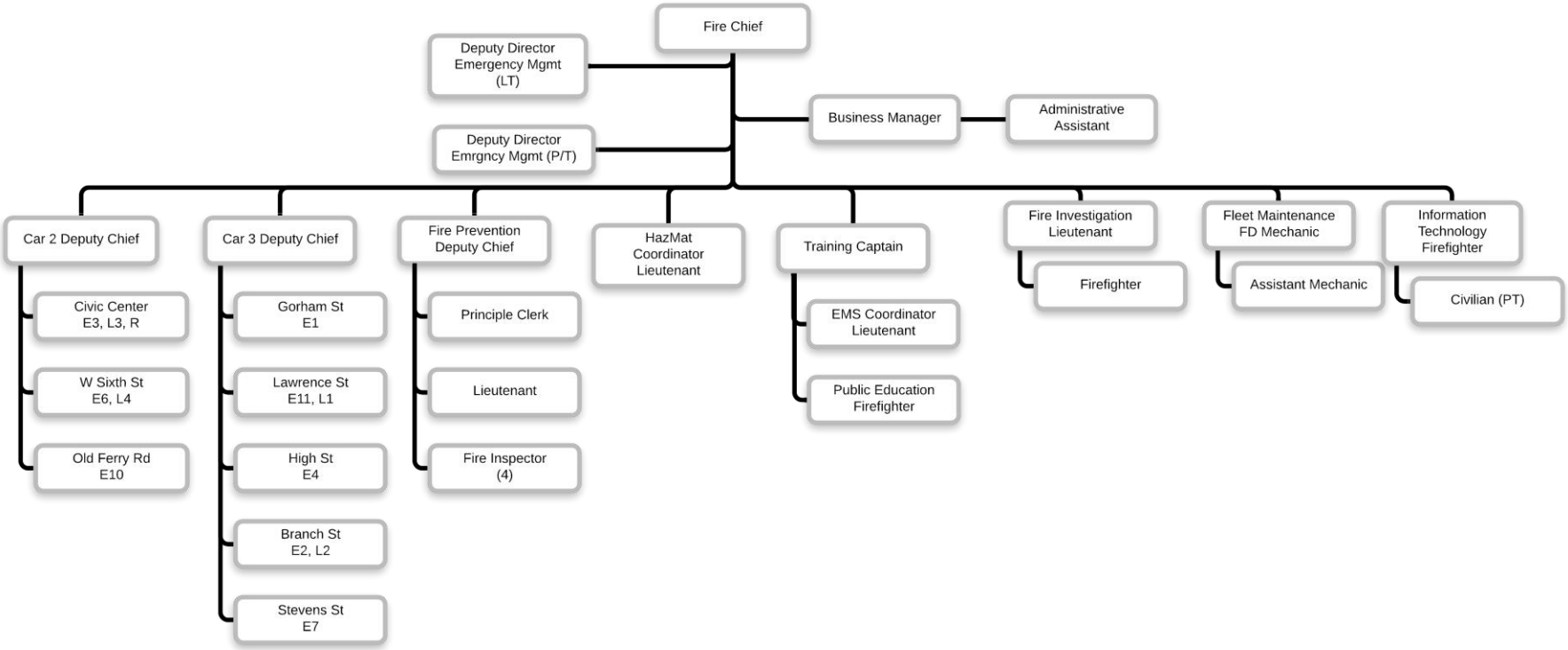
Measurement	Prior Year Actuals FY2017	FY2018	YTD [53] FY2019	FY2020 Target
Fires, Total	487	397	205	359
- Building Fires	81	69	38	67
- Vehicle Fires	31	31	19	33
- Cooking Fires	196	159	83	145
- Other Fires	179	138	65	114
Rescues/EMS Calls, Total	10,001	10,376	5,720	10,038
- Med Assist, assist EMS crew	8,614	9,051	4,970	8,721
- Motor Vehicle Accidents	1,126	1,051	590	1,035
- Other Rescue	261	274	160	282
Hazardous Conditions Calls	699	823	447	784
Service Calls	1,187	1,436	744	1,306
Good Intent Calls	791	757	458	804
False Calls, Total	2,556	2,665	1,644	2,885
- Malicious Calls	76	84	50	88
- Other False Calls	2,480	2,581	1,594	2,797
Other Calls	106	275	70	123
TOTAL CALLS	15,827	16,729	9,288	16,299
City average response time in minutes	3.45	3.52	3.52	3.52
Commonwealth raking for average response time in minutes	5.86	6.4	n/a	n/a
Company Closings (Brownouts)	266	362	174	305
Number of inspections performed by Fire Companies	660	660	376	660
Number of inspections performed by Fire Prevention Inspectors	3,077	3,442	2,115	3,676
Number receiving fire safety instruction (Adults & Children)	14,871	21,341	7,489	18,000

[53] While YTD date ranges may vary, they typically cover the period from the start of the fiscal year (7/1) through the middle of Q3 of the fiscal year (approximately 2/15)

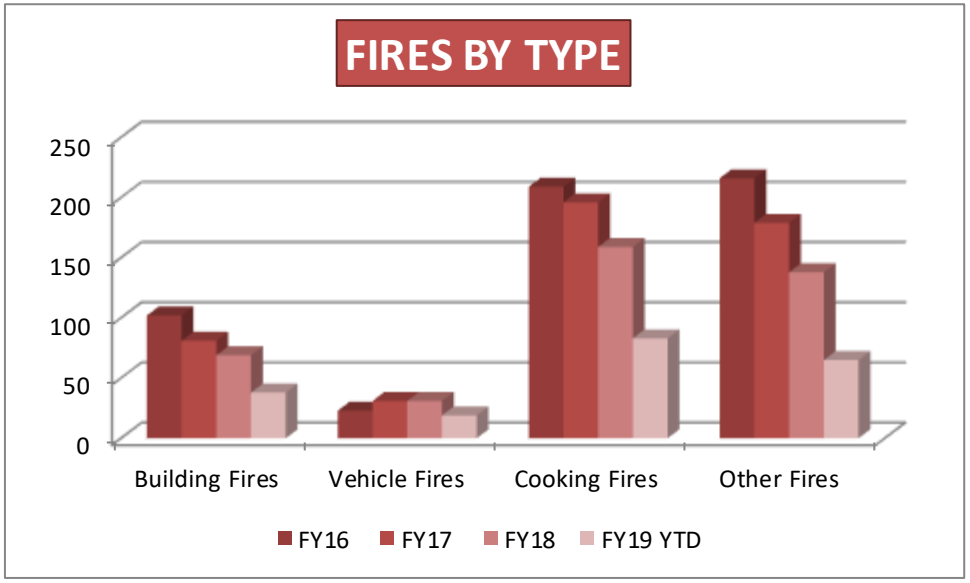
ORGANIZATIONAL CHART

FIRE DEPARTMENT

JEFF WINWARD
FIRE CHIEF



LOWELLSTAT CHART(S)



The Fire Department tracks fires by type which helps the department monitor for trends. Cookine fires continue to be a large percentage of the incidents.

Measurement	FY16	FY17	FY18	FY19 YTD
Building Fires	102	81	69	38
Vehicle Fires	23	31	31	19
Cooking Fires	209	196	159	83
Other Fires	216	179	138	65

EXPENSE DETAILS

FIRE DEPARTMENT - 220	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
Salaries & Wages -Perm	15,400,733	15,809,622	16,594,636	16,609,159	16,291,267
Apparatus Detail Pay	28,357	32,103	41,200	41,200	41,200
Overtime	770,831	841,600	741,600	741,600	741,600
Overtime - Public Education	15,450	15,914	15,914	15,914	15,914
Overtime/Holiday	212,540	220,888	218,000	218,000	218,000
Holiday	932,234	970,693	1,028,632	1,028,632	1,028,632
Longevity	9,196	5,965	9,000	9,000	9,000
Court Time	1,982	2,200	2,200	2,200	2,200
Out of Grade Compensation	133,385	137,387	137,387	137,387	137,387
Hazardous Material Compensation	(2,239)	(492)	35,000	35,000	35,000
Buy Back Vacation (IOD)	70,804	30,095	148,526	148,526	50,000
	(783,206)	(454,103)	(317,892)	(167,892)	(317,892)
Total	16,790,067	17,611,873	18,654,203	18,818,726	18,252,308
Expenses					
Education Incentive	5,030	5,500	5,500	6,500	6,500
Out-Of-State Travel	1,560	4,200	4,200	4,200	4,200
Utility Electricity	40,587	40,000	40,000	39,000	39,000
Utility Heating/Gas	59,782	62,000	62,000	62,000	62,000
Repair & Maint. Equipment	6,508	10,000	10,000	10,000	10,000
Repair & Maint of Vehicle	125,388	125,000	150,000	150,000	150,000
Hazardous Waste Collection	3,935	6,500	6,500	6,500	6,500
Ladder Testing	4,895	5,500	5,500	5,500	5,500
Health & Safety/Contract	34,792	35,000	35,000	35,000	35,000
Professional Services	-	1,500	1,500	1,500	1,500
Prof. Svc - EMT/Ambulance	5,150	8,000	8,000	8,000	8,000
Physicals	18,015	15,000	15,000	20,000	20,000
Training/Evaluation Prog	7,896	10,000	10,000	10,000	10,000
Printing & Binding	2,032	2,300	2,300	2,300	2,300
Emergency Notification - CivicReady	-	10,100	10,100	10,100	10,100
Cellular Service - Emergency MGMT	-	6,000	6,000	6,000	6,000
Alarm Monitoring Service	-	59,650	62,000	62,160	62,160
Firefighter Supplies	5,898	15,000	30,000	30,000	25,000
LEPC - Supplies/Travel/Misc	6,134	12,500	12,500	12,500	12,500
Computer Equip & Software	11,933	12,000	14,600	14,600	14,600
Medical & Surgical Supplies	22,230	32,000	32,000	32,000	32,000
Gas & Motor Oil - Supplies	71,606	85,000	85,000	85,000	85,000
Automotive - Tires & Tubes	9,979	10,000	10,000	20,000	10,000

PROJECTED EXPENSES

	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Hardware - Supplies	1,444	2,000	2,000	2,000	2,000
Office Supplies	1,469	2,000	3,500	3,500	3,500
Dues & Subscriptions	5,144	6,500	6,500	6,500	6,500
In-State Travel Reimbursement & Seminars	1,436	3,000	3,000	3,000	3,000
Education Reimbursements	5,000	5,000	5,000	5,000	5,000
Upgrade Radio System	1,978	12,500	12,500	15,000	15,000
Other Equipment (Scuba, etc.)	7,500	7,500	7,500	7,500	7,500
SCBA-Equipment (Air Tanks)	44,998	45,000	45,000	21,340	21,340
4"Hose & Hardware	-	10,000	10,000	15,000	10,000
Office Furniture & Equipment	855	1,500	3,000	3,000	3,000
Replace - Repair Apparel	76,738	50,000	50,000	50,000	50,000
Turnout Gear	-	50,000	50,000	50,000	50,000
Improvements - Buildings	1,951	2,000	4,000	4,000	4,000
Repair & Maint - Buildings	6,756	5,000	5,000	5,000	5,000
Custodial - Supplies	7,000	7,000	7,000	7,000	7,000
Total	605,621	781,750	831,700	830,700	810,700
TOTAL BUDGET	**17,395,688**	**18,393,623**	**19,485,903**	**19,649,426**	**19,063,008**

EXPENSE SUMMARY & FINANCING PLAN

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		$ 18,888,092
ORDINARY EXPENDITURES		$ 810,700
TOTAL FY20 BUDGETED EXPENDITURES **(GROSS)**		$ 19,698,792

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 18,245,900**
REAL ESTATE TAXES	16,074,660	
PERSONAL PROPERTY TAXES	2,171,240	
INTERGOVERNMENTAL REVENUE		**$ 1,000,000**
UNRESTRICTED AID (UGGA)	1,000,000	
LICENSES AND PERMITS		**$ 130,000**
FIRE - SMOKE DETECTORS	80,000	
FIRE - MISC. PERMITS	50,000	
MISCELLANEOUS REVENUE		**$ 322,892**
FIRE DEPARTMENT MISCELLANEOUS	5,000	
SAFER GRANT	167,892	
HISTORICAL STAFFING TURNOVER	150,000	
TOTAL FY20 BUDGETED REVENUES		$ 19,698,792

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EDUCATION

SUMMARY

Actual FY17	Actual FY18	Approved FY19	PROGRAM EXPENDITURES	Budget FY20
158,445,232	162,073,324	166,671,536	LOWELL PUBLIC SCHOOLS*	176,428,868
7,664,312	8,568,862	9,032,683	GREATER LOWELL TECH.	9,267,478
-	40,962	80,000	ESSEX AGRICULTURAL & TECH. **	-
166,109,544	**170,683,148**	**175,784,219**		**185,696,346**

FINANCING PLAN	Budget FY20
TAXES	18,729,552
LICENSES AND PERMITS	-
CHARGES FOR SERVICES	-
INTERGOVERNMENTAL REVENUE	166,966,794
MISCELLANEOUS REVENUE	-
	185,696,346

**Line item appropriation only (Chapter 70 & Tax Support)*
does not include any other supplemental funding
transfers, or Capital Expenditues

** *Prior to FY18 Assessment listed on Cherry Sheet*

EDUCATION

LOWELL PUBLIC SCHOOLS

JEANNINE M. DURKIN

ACTING SUPERINTENDENT

LOWELL PUBLIC SCHOOLS WEBSITE

HTTP://WWW.LOWELL.K12.MA.US/PAGES/LPSD

ORDINARY EXPENSES (SINGLE LINE)	$176,428,868
TOTAL FY20 BUDGETED EXPENDITURES	**$176,428,868**

MISSION & SERVICES OVERVIEW

The Lowell Public School system is the public school district for the City of Lowell, providing pre-kindergarten through grade 12 education programs throughout the district. Lowell Public Schools strive to provide excellence in teaching and learning for 14,075 enrolled students, setting high standards for both its students and teachers, as well as incorporating targeted instruction for all students, narrowing the achievement and growth gap for high needs student populations.

There are over twenty public school buildings within the Lowell School District. In addition to the base curriculum the Lowell Public Schools also provides special education, English language learner classes, and pre-school aged classes, including a pre-K through 2 STEM school.

The Lowell Public Schools are funded by a combination of State Aid and General Funds from the City. The Commonwealth's school finance statute, Chapter 70 of the Massachusetts General Laws, establishes an annual "net school spending" requirement for each school district. Net school spending includes the school department's general fund expenditures as well as municipal indirect spending for schools, excluding capital expenditures, student transportation, grants, and revolving funds.

PERFORMANCE METRICS[54]

Measurement	Prior Year Actuals FY2017	FY2018	YTD FY2019	FY2020 Target
Total enrollment	14,416	14,436	14,548	no data yet
Student-Teacher ratio	13.8:1	13.5:1	no data yet	13.4:1
Ch. 70 School Aid	$ 138,588,381	$ 144,067,633	$ 150,935,483	$ 160,069,667
Total expenditures per pupil	$ 14,354	$ no data yet	$ no data yet	$ 14,400
Classrooms on the Internet	100 %	100 %	100 %	100 %
Students absent 10+ days per year				
Drop-out rate	1.2 %	2.8 %	% no data yet	1.8 %
Percentage of LPS 10th grade students scoring "Proficient or Higher" on MCAS – **English/ Language Arts**	83 %	82 %	% no data yet	85 %
Percentage of LPS 10th grade students scoring "Proficient or Higher" on MCAS – **Mathematics**	65 %	66 %	% no data yet	68 %
Percentage of LPS 10th grade students scoring "Proficient or Higher" on MCAS – **Science & Technology**	62 %	59 %	% no data yet	62 %
Graduation rate (4 years)	82.4 %	79.6 %	% no data yet	80 %
Teacher retention rate	92.9 %	90.7 %	% no data yet	91 %
Teachers licensed in teaching assignment	99.5 %	98 %	% no data yet	99 %
Stability rate	92.6 %	92.3 %	% no data yet	92 %
Graduates attending Higher Ed institutions	76.6 %	70.7 %	% no data yet	75 %
Attendance rate	94 %	93.9 %	% no data yet	95 %

[54] Based on data published at the Massachusetts Department of Elementary and Secondary Education, School and District profiles, accessible via http://profiles.doe.mass.edu/

EXPENSE DETAILS

LOWELL SCHOOL DEPARTMENT		FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
	Local Schools					
Funded by Chapter 70		138,588,381	144,067,633	150,935,483	158,632,652	160,069,667
Local Cash Contribution		19,856,851	18,005,691	15,736,053	16,359,201	16,359,201
	Total	158,445,232	162,073,324	166,671,536	174,991,853	176,428,868

EXPENSE SUMMARY & FINANCING PLAN

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		
ORDINARY EXPENDITURES (SINGLE LINE)		$ 176,428,868
TOTAL FY20 BUDGETED EXPENDITURES		$ 176,428,868

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 16,359,201**
REAL ESTATE TAXES	16,359,201	
INTERGOVERNMENTAL REVENUE		**$ 160,069,667**
CHAPTER 70 EDUCATION AID	160,069,667	
TOTAL FY20 BUDGETED REVENUES		$ 176,428,868

EDUCATION

GREATER LOWELL TECHNICAL HIGH SCHOOL[55]

JOSEPH MASTROCOLA

SUPERINTENDENT – DIRECTOR

GREATER LOWELL TECHNICAL HIGH SCHOOL WEBSITE

HTTP://WWW.GLTECH.ORG/

ORDINARY EXPENSES (SINGLE LINE)	$9,267,478
TOTAL FY20 BUDGETED EXPENDITURES	**$9,267,478**

MISSION & SERVICES OVERVIEW

The Greater Lowell Technical Institute is a public school for the students of Lowell that provides vocational and technical training for high school grades 9 thru 12. The Greater Lowell Technical Institute provides over 20 technical programs to its students, as well as an on-site restaurant run by the Culinary Arts group, and bank run by the school's marketing students.

High level academic opportunities are ingrained in the mission of the Greater Lowell Technical Institute as well as the technical training provided; preparing students to either attend college or immediately enter the workforce. The Greater Lowell Technical Institute is also able to offer its students a robust cooperative education program, providing students with relevant, paid on the job experience.

The Greater Lowell Technical Institute is funded by a combination of State Aid and local assessments to the communities of Lowell, Dracut, Dunstable , and Tyngsboro. The City of Lowell is the greatest local contributor, providing over $8 million in local assessments to the school in FY18 alone.

[55] Represents Regional Assessments

EXPENSE DETAILS

REGIONAL ASSESSMENTS	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Greater Lowell Regional Technical School	7,664,312	8,568,862	7,178,096	7,588,601	7,588,601
Greater Lowell Capital Assessment - Building			1,047,961	1,020,200	1,020,200
Greater Lowell Capital Assessment - Transportation			806,626	658,677	658,677
Total	7,664,312	8,568,862	9,032,683	9,267,478	9,267,478

EXPENSE SUMMARY & FINANCING PLAN

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		
ORDINARY EXPENDITURES (SINGLE LINE)		$ 9,267,478
TOTAL FY20 BUDGETED EXPENDITURES		$ 9,267,478

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 2,370,351**
REAL ESTATE TAXES	2,370,351	
INTERGOVERNMENTAL REVENUE		**$ 6,897,127**
UNRESTRICTED AID (UGGA)	6,897,127	
TOTAL FY20 BUDGETED REVENUES		$ 9,267,478

EDUCATION

ESSEX AGRICULTURAL AND TECHNICAL HIGH SCHOOL[56,57]

HEIDI T. RICCIO

SUPERINTENDENT – DIRECTOR

ESSEX AGRICULTURAL AND TECHNICAL HIGH SCHOOL

HTTP://WWW.ESSEXTECH.NET/

ORDINARY EXPENSES (SINGLE LINE)	$0
TOTAL FY20 BUDGETED EXPENDITURES	**$0**

[56] Represents Out of District Regional Assessment

[57] Prior to FY18, this Assessment was listed on the Cherry Sheet.

EXPENSE DETAILS

OUT OF DISTRICT REGIONAL	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Essex Agricultural Assessment	92,000	40,962	80,000	-	-
Total	92,000	40,962	80,000	-	-

EXPENSE SUMMARY & FINANCING PLAN

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		
ORDINARY EXPENDITURES (SINGLE LINE)		$ -
TOTAL FY20 BUDGETED EXPENDITURES		$ -

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ -**
REAL ESTATE TAXES	$ -	
INTERGOVERNMENTAL REVENUE		**$ -**
UNRESTRICTED AID (UGGA)	$ -	
TOTAL FY20 BUDGETED REVENUES		$ -

PUBLIC WORKS

SUMMARY

RALPH SNOW, P.E.

COMMISSIONER

DEPARTMENT STAFFING FTE (PAGE II-116)

Actual FY17	Actual FY18	Approved FY19	PROGRAM EXPENDITURES	Budget FY20
1,492,761	1,534,204	1,413,476	DPW ADMINISTRATION	1,463,468
412,936	368,637	475,470	ENGINEERING	544,156
2,332,696	2,565,458	2,653,798	LANDS & BUILDINGS	2,642,451
1,287,342	1,239,811	1,346,004	STREETS	1,362,472
2,143,741	2,089,286	2,086,300	PARKS	2,038,118
451,638	462,555	436,574	CEMETERY	439,389
3,131,201	2,659,544	1,350,000	SNOW & ICE	1,350,000
568,327	542,539	449,000	STREET LIGHTING	416,000
5,084,661	5,198,120	5,512,500	WASTE COLLECTION/ DISPOSAL & RECYCLING	6,050,515
16,905,303	**16,660,154**	**15,723,121**		**16,306,569**

FINANCING PLAN	Budget FY20
TAXES	11,655,421
LICENSES AND PERMITS	160,000
CHARGES FOR SERVICES	3,572,062
INTERGOVERNMENTAL REVENUE	879,086
MISCELLANEOUS REVENUE	40,000
	16,306,569

PUBLIC WORKS

RALPH SNOW, P.E.

COMMISSIONER

PERSONAL SERVICES	$6,188,634
ORDINARY EXPENSES	$10,117,935
TOTAL FY20 BUDGETED EXPENDITURES	**$16,306,569**

MISSION & SERVICES OVERVIEW

To provide high-quality services to the residents of Lowell while maintaining the City's infrastructure and guaranteeing a clean and safe environment to sustain a high quality of life.

The Department of Public Works (DPW) has broad responsibilities in the City including: maintenance and repair of City-owned streets and sidewalks; maintenance and repair of streetlights and traffic signals; maintenance and repair of public buildings, including public schools; maintenance of city parks, playgrounds, and public shade trees; operation and maintenance of city owned cemeteries; assuring proper collection and disposal of residential solid waste and recycling; delivering safe, potable drinking water; and collection, treatment and disposal of sewerage and storm water.

The Department is comprised of seven (7) divisions. In addition to the five (5) internal DPW divisions, the Water and Wastewater departments report to the DPW commissioner, even though the accounting is done through a separate enterprise system. Each division is staffed by administrators, equipment operators, and laborers as well as specialists such as plumbers, electricians, and carpenters. Many of the divisions, such as the utilities, work around the clock. Even those that do not are on-call in case of emergency.

Administration and Finance Division

This division manages customer service, capital project cash flows, personnel, payroll, accounts payable and receivables, trash accounts, snow and ice contracts, city property damage claims, insurance on City-owned buildings, dumpsters, street-opening and trench permits, citizen requests, and various other administrative and financial activities related to the department including tracking Chapter 90 Highway Funds, and preparing responses to City Council/City Manager requests.

Engineering Division

This division is responsible for civil engineering, design of improvements within the street right-of-way, and construction management and administration services. The division is responsible for the design and construction of all streets, sidewalks, bridges, culverts, and traffic signals and devices. Typical projects include reconstruction, rehabilitation, and resurfacing of roadways. The City Engineer also maintains the Infrastructure Asset Management database which includes pavement conditions, traffic signal timings, and bridge inspections. Additional

responsibilities include private street acceptance, flood control projects, permitting, planning board reviews and support for other Public Works Divisions.

Land and Buildings Division
This division is responsible for the maintenance and repair of over 2.7 million square feet of City-owned buildings, including public schools. In addition to work completed by in-house employees, this division is also responsible for oversight of contractors performing construction and/or repairs to City buildings. Custodial responsibilities include City Hall, the JFK Civic Center, and the Pollard Memorial Library.

Streets Division
This division is responsible for street and sidewalk maintenance, pothole repair, central garage activities, miscellaneous litter pick-up, winter snow plowing and salting operations, miscellaneous street sweeping, maintenance of City-owned shade trees, and oversight of the solid waste and recycling program/contract.

Parks and Cemeteries Division
The Parks division is responsible for maintenance and management of over 500 acres of the City's 92 parks and playgrounds, 59 road islands and squares as well as many miles of grass median strips and the litter control in the downtown area. This division is also responsible for boarding up buildings for security purposes and managing the City's tree planting program. The Cemeteries division provides for public and private internments, lot sales, marker and monument installation and proper maintenance of 6 City owned cemeteries encompassing over 110 acres. Staff and technical support is also given to the Cemetery Commission and the Parks Commission.

FY19 ACCOMPLISHMENTS

Administration and Finance

- Provided administrative support to Operating Budget of $13.5M, Capital Projects Budget of $4.2M, and $1.1M in Chapter 90 projects
- Processed nearly 1000 purchase order requests and invoices associated with each vendor
- Began the process to centralize payroll for entire DPW
- Solicited and originated over 80 contracts for snow plow, sanding, and snow hauling operations
- Consolidated inter-departmental purchase order process to increase buying power and decreasing costs with bulk purchasing
- Served as frontline customer service at DPW offices
- Responded to over 3600 Civic Plus requests including potholes, sidewalk damage, tree issues, streetlight outages, snow plow service/damage
- Supported Solid Waste & Recycling efforts to reduce contamination by processing violations and work orders
- Served as primary liaison between all Cemetery vendors, monument dealers, funeral directors and providing the front line management of Cemetery operations

- Prepared extensive FEMA report to recover monies and costs associated with March 13, 2018 storm
- Provided Engineering administrative support responsible for facilitating nearly 300 street opening and construction permits

Cemeteries

- Maintained six (6) municipal cemeteries containing approximately one hundred and ten (110) acres of green space
- Performed one seventy seven (177) burials to date
- Generated $134,210 in revenue to date
- Repaired multiple broken water faucets in Edson, Westlawn I and Westlawn II Cemeteries (spring project)
- Filled approximately one hundred (100) winter graves (spring project)
- Removed over thirty (30) trees in the Edson and Westlawn I Cemeteries
- Maintained multiple gardens at each entrance and throughout the 3 cemeteries
- Maintained ornamental gardens in the Edson, Westlawn I and Westlawn II Cemeteries
- Completed over thirty five (35) work orders to date
- Repaired/serviced approximately three hundred fifty (350) linear feet of chain link fencing
- Repaired/serviced fences at all Municipal cemeteries
- Completed the Edson Cemetery Expansion Project (Section P)
- Continued mapping Edson/Westlawn Cemeteries (all monuments, shrubs, and trees)
- Continued partnerships with R.O.T.C, Historical Society, Greater Lowell Veteran's Council, Global War Veteran's Group, Billerica House of Correction and other non-profit organizations
- Restriped all parking spaces in Edson and Westlawn I Cemetery (Spring Project)
- Repaired/replaced multiple street signs and posts in the Edson, Westlawn I and Westlawn II Cemeteries
- Maintained the supply depot in the Westlawn I Cemetery
- Sold approximately one hundred fifty three (153) graves in the Edson, Westlawn I and Westlawn II Cemeteries to date
- Wrote out, typed and mailed approximately thirty six (36) deeds to date
- Completed approximately one hundred fifty (150) genealogy requests to date
- Helped approximately one thousand (1,000) people at the counter (complaints, directions, questions on purchasing lots as well as funeral/burial information) to date
- Completed application process for approximately twenty (20) government markers to date
- Installed approximately twenty (20) government markers to date
- Laid out approximately fifty five (55) foundations for monuments and markers in Edson, Westlawn I and Westlawn II Cemeteries to date
- Maintained Interment and Lot Owner card catalogs, multiple spreadsheets, etc.

- Completed monthly paperwork (funeral billing, auditing report, Stat Sheet, Turn in/Monies Received sheets, Cemetery Commission agenda, correspondence and all related information)
- Processed one hundred seventy seven (177) sets of burial paperwork (including interment information form, order form, burial paperwork for Board of Health, Interment and Lot Owner cards, 2 burial books, computer logging, etc.
- Inputted approximately 60% of the Lot owner/burial information into the HMIS computer system
- Continued the process of scanning old cemetery books into digital format
- Continued the process of mapping out the 3 older cemeteries (Old English, Mammoth Road, School Street)
- Started the process of digitizing all Cemetery Office Forms (Interment Orders and Interment Information Forms, Work Orders, Deeds, Interment Cards, Time Sheets, Payroll, Data Entry Sheets, Change Sheets, Injury Reports, as well as other various forms as needed).
- Continued the process of mapping individual sections in the cemeteries and creating color coated excel spreadsheet maps that detail ownership/monuments or markers on the lots, etc.
- Updated the City website to include digitized forms and excel maps for customer use/access
- Started the process of scanning all Cemetery Owner files into PDF format to preserve these files to prevent loss

Engineering

- Repaved 4.7 miles of roadways
- Refurbished 1.3 miles of sidewalks
- Processed 1920 deeds
- Completed crack sealing project in various locations throughout the City
- Completed a flexipave pilot installation at tree pits on Lee Street and Andover Street
- Completed intersection improvements on Merrimack Street between Dutton Street and Kearney Square
- Continued construction of the Lawrence Street Bridge Replacement Project
- Completed construction of Thorndike Street widening from YMCA to Gallagher Station including three new traffic signals
- Continued construction services for the HCID streets F&G project
- Continued to provide design support for the Lord Overpass Project
- Supported MassDOT with construction services for the Tiger Bridge Replacement Program
- Supported MassDOT with construction services for the Market Street over Western Canal Bridge Replacement Project
- Began construction services for the repair of the Lowell High School 1922 Building Roof
- Supported MassDOT with the design and easement process of the Route 38 Intersection Improvements Project

Lands and Buildings

- Supervised installation of unit heaters and 2 boilers in LHS Field House
- Completed painting project at Cardinal O'Connell School
- Completed renovation of Alumni Stadium outfield walls and padding and reconstruction of team dugouts
- Repaired stone wall at Crowley Park
- Installed industrial laundry facilities, drainage improvements and water services at all City fire houses
- Completed a full remodel of boiler room ceiling (frame and sheet rock) at Moody School
- Replaced entire classroom floor at Moody School
- Completed Bartlett School renovations included a girls' restroom, new sinks, toilets, urinals, and fixtures in various other bathrooms
- Completed over 1700 school work orders and serviced over 500 City requests for work to be completed
- Electrical Division of L&B completed 151 School work orders
- City Electricians performed 447 streetlight repairs, responded to 26 traffic knockdowns and 181 traffic signal calls
- Completed required fire alarm testing and emergency generator preventive maintenance for all City Schools and Public Buildings
- Completed an energy savings project that converted Pollard Library Reading Room to LED lighting
- Successfully wired new LED lighting for Cox Bridge and several TIGER Bridges
- Installed new field lighting and walkway lighting at South Common
- Completed school electrical projects including new a/c units for SPED classrooms at Bartlett School, LED conversion at Stoklosa, Reilly, Bartlett, and Morey, and installation of a new emergency generator for the Bartlett School
- Public safety initiatives included installation of new UPS system at JFK Police station, wiring for new IT storage servers at JFK Plaza, installing control boxes at JFK Plaza and Lucy Larcom for security lighting and special events, camera installation at the direction of Lowell Police, and response to over 100 after hours calls from Fire and Police
- Completed electrical and energy savings initiatives at Shedd Park, Franklin St. Park, Hadley Park
- Completed fire alarm replacements at LeLacheur Park and Bailey School
- Installed an Electric Vehicle Charging Station for City's Parking Enterprise

Parks

- Maintained over 550 acres of parkland and open space
- Maintained and serviced over 92 Parks, 13 soccer fields, 36 baseball fields, 26 tennis courts, 43 playgrounds, 4 skate parks, 40 basketball courts, 1 auditorium, 1stadium, 12 volleyball courts, 4 jogging tracks, 2 reservoirs, 100 flag poles, 2 handball courts, 3 pools, 2 splash pads, 3 football fields, and 2 lacrosse fields
- Facilitated/oversaw over 700 events/games at Cawley Stadium
- Maintained and serviced 124 city owned sites at various locations
- Maintained and serviced over 60 road islands, circles and squares
- Maintained and serviced downtown center city on general year round maintenance schedule

- Provided year round support including labor, supplies, and technical assistance for all City of Lowell special events, festivals, neighborhood cleanups, parades, etc.
- Carried out City of Lowell snow and ice master plan for city wide municipal buildings, parking lots, bus stops, sidewalks, park walks, etc.
- Developed partnerships with sport organizations, neighborhood groups, garden clubs, nonprofit organizations, various schools, private residents, Lowell Humane Society, and Greater Lowell Veteran's Council
- Daily regular maintenance to all parks and green space-snow removal as needed-Special events, Festivals, etc. Monument and pool maintenance, Island maintenance, planting numerous trees city wide, Cemetery maintenance as needed
- Installed approximately eighty (80) trees at various park/street locations
- Started installation of Autistic Playground at the J.G. Pyne School
- Re-mulched all play areas in parks and schools throughout the City
- Laid/spread new clay on seven (7) ballfields throughout the City

Streets

- Repaired over 2,800 potholes
- Increased technical training for Streets staff including safety training, required licensing, and cross training for potential promotions and insurance credit
- Implemented remote salt storage locations which maximize efficiency of the salt operations, thus reducing storm related operating costs
- Supported community programs and events such as UMass/Lowell Graduation, Mill City Grows and other community based clean ups
- Collaborated with various City Departments (Elections, Water Utility, Wastewater Utility) to reduce specific job related operating costs including street sweepings, brush cutting of the levee, voting booth/ballot delivery
- Supported fleet maintenance for all City Departments and Enterprises and continue to consolidate fleet maintenance
- Continued to consolidate Snow and Ice repair and maintenance operations to reduce costs and improve efficiency
- Provided logistical support for City Festivals such as Lowell Folk Festival, City of Lights Parade, and Winterfest

Solid Waste and Recycling

- Oversaw the collection & disposal of nearly 25,000 tons of trash, 6,400 tons of recycling and 5,000 tons of yard waste.
- Managed a Division budget of $5.6M to provide curbside collection to over 25,000 residents.
- Maintained a curbside recycling rate of 22.3% and a city-wide diversion rate of 32.5%.

- Scheduled and managed drop-off events, including 5 Household Hazardous Waste Days and 6 every-other month CHARM (Center Hard to Recycle Material) events.
- Relocated and continued monthly "Material Saturday" event.
- Managed 'LowellRecycle' Smart phone App (11,000 addresses and 4500 members) and the official website of SW&R lowellrecycle.org
- Acquired more than $75,000 in outside (DEP) grant funding.
- Collaborated with UML interns to maintain "Disaster Debris Management Plan" submitted to Mass DEP & MEMA.
- Continued weekly "Talking Trash" episodes on WCAP 980 AM radio.
- Managed the State's first mattress collection/recycling program – now in 5th year, UTEC collected over 3,000 pieces.
- Expanded curbside outreach, education, and enforcement providing immediate reduction of contamination by approximately 15% from audited levels

GOALS

Fiscal Year	Strategic Goal or Objective	Status
FY18	Renovation of Alumni Stadium **Update**: *Wall padding and batters' eye completed. Full dugout renovations, including masonry, painting, new benches, equipment racks, roofing, and flooring completed and under budget.*	**Completed**
FY18	LED Conversion of 3 schools exterior lights **Update**: *Several schools exterior lighting completed during FY19. Schools included Reilly, Stoklosa and Morey. Exterior lights converted at Bartlett.*	**Completed**
FY19	Successfully manage the construction of the Lord Overpass, TIGER Bridges, and HCID infrastructure projects. **Update**: *Working closely with various departments and organizations.*	*Ongoing*
FY19	Cemetery Improvements identified to increase capacity of Cemeteries and to identify future revenue source for the cemetery operations. **Update**: *The Cemetery identified an area to increase the number of lots towards the rear of Westlawn, which will be submitted as a capital project. Existing roadways were paved, cracks sealed, and improved signage/wayfinding added within the cemeteries. An extensive repair to the retaining wall on School St is also being worked on.*	*Ongoing*
FY19	Public Buildings Preventive Maintenance Plan to be developed with collaboration from City School Department, Inspectional Services, and other relevant divisions/departments. **Update**: *Working closely with the MIS Department to implement the Munis Enterprise Asset Management module.*	*Ongoing*
FY20	Upgrade several parks to comply with ADA standards and promote inclusion.	New
FY20	Develop Section #8 of the cemetery to include new roadways, improved drainage, markings, landscaping, and building improvements.	New
FY20	Reduce the contamination percentage of the City's recycling operations.	New

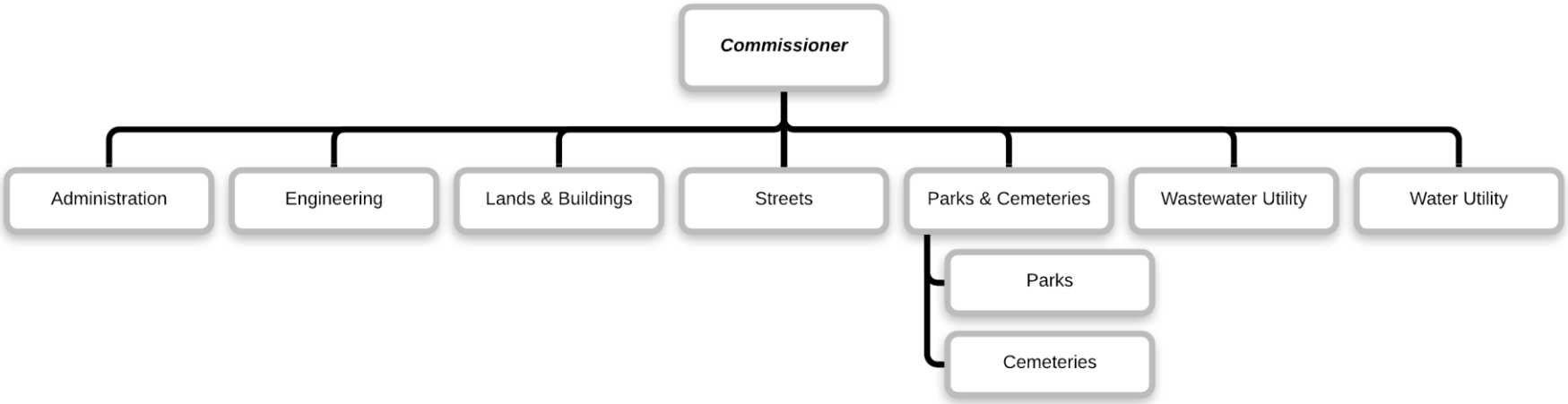
PERFORMANCE METRICS

Measurement	Prior Year Actuals FY2017	FY2018	YTD [58] FY2019	FY2020 Target
Average response time in days for streetlight outage complaints	4.7	4.4	5.8	4
Number of streets accepted	3	3	0	4
Pavement condition index	70	71.2	69.15	70
Recycling Rate	23%	22.3%	32%	20%
Total tonnage disposed of	17,625	21,892	18,660	<25,000
Miles of road repaved	5	4.46	4.7	5
Miles of sidewalk refurbished	3.8	3.64	1.3	4
Number of Street Opening Permits Issued	536	581	399	525
Number of Driveway Permits Issued	249	199	229	250
Number of Cemetery trees planted	69	70	0	25
Number of Cemetery trees removed	15	49	30	25
Number of graffiti work orders completed	242	602	165	400
Number of city work orders completed	998	526	616	750
Number of potholes filled	1,379	3,139	2,802	2,500
Number of school work orders completed	1,622	1,699	2,030	1,800
Number of total request tracker work orders completed	3,792	4,163	6,813	7,000
Number of tree issues responded to and addressed	262	674	338	500
Snowfall (in inches)	63	117	26	50

[58] While YTD date ranges may vary, they typically cover the period from the start of the fiscal year (7/1) through the middle of Q3 of the fiscal year (approximately 2/15)

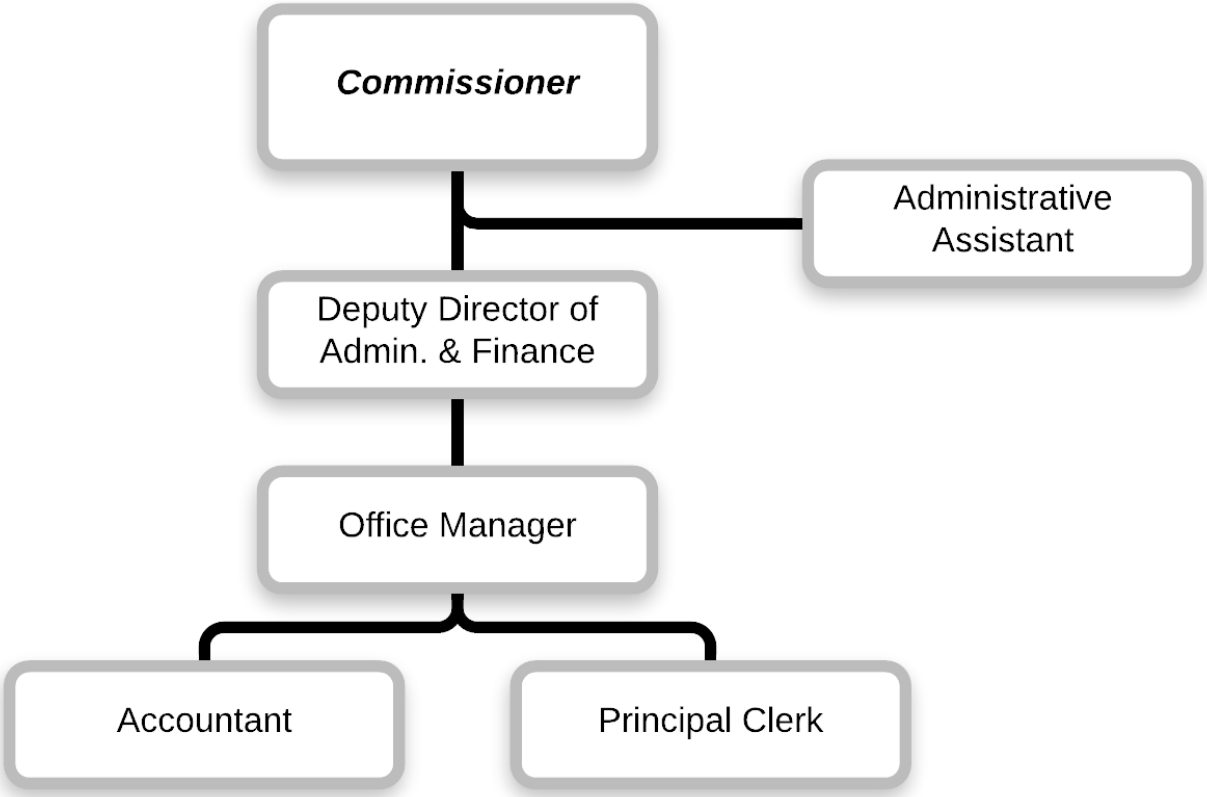
ORGANIZATIONAL CHART

DIVISION OF PUBLIC WORKS (DPW)
RALPH SNOW, P.E. *COMMISSIONER*

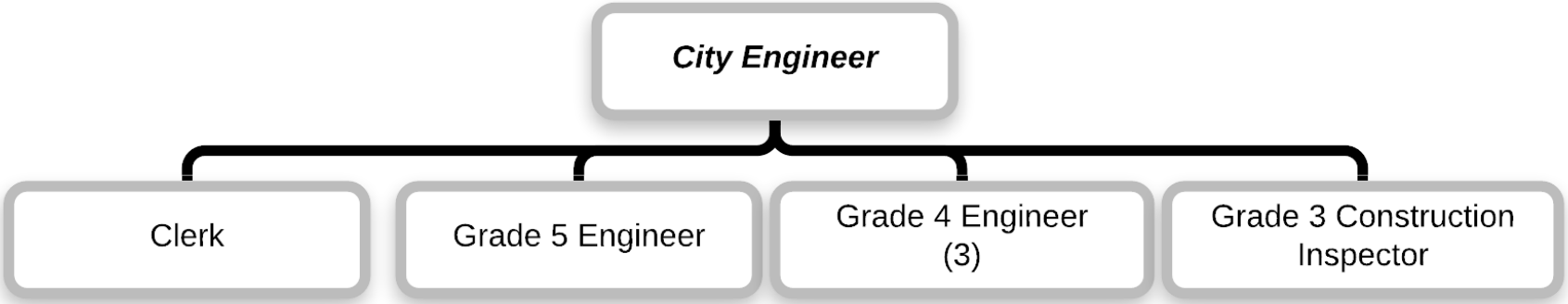


DPW, ADMINISTRATION

JAMES TROUP
DEPUTY DIRECTOR, ADMINISTRATION AND FINANCE

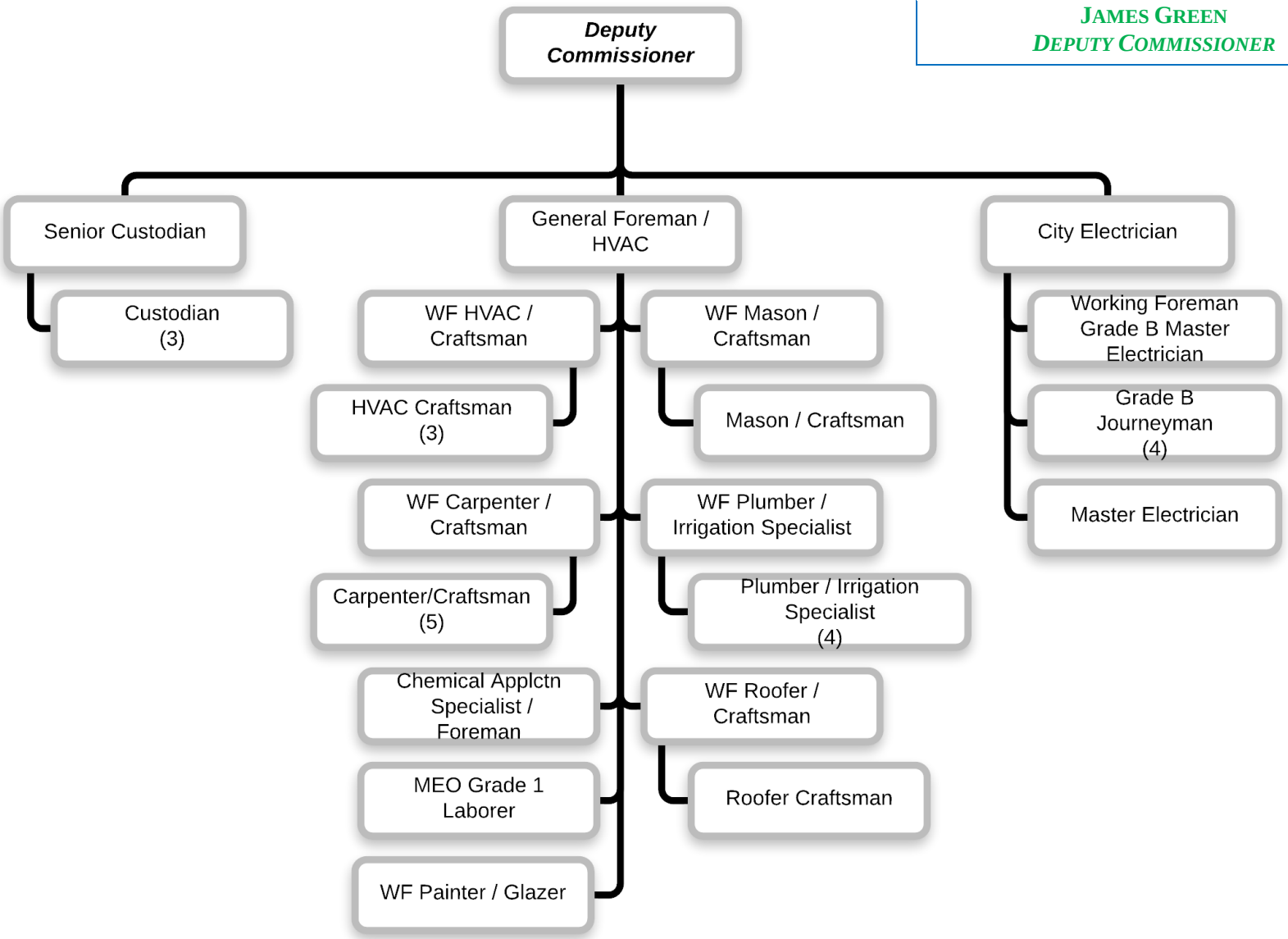


DPW, Engineering
CHRISTINE CLANCY, P.E. *CITY ENGINEER*



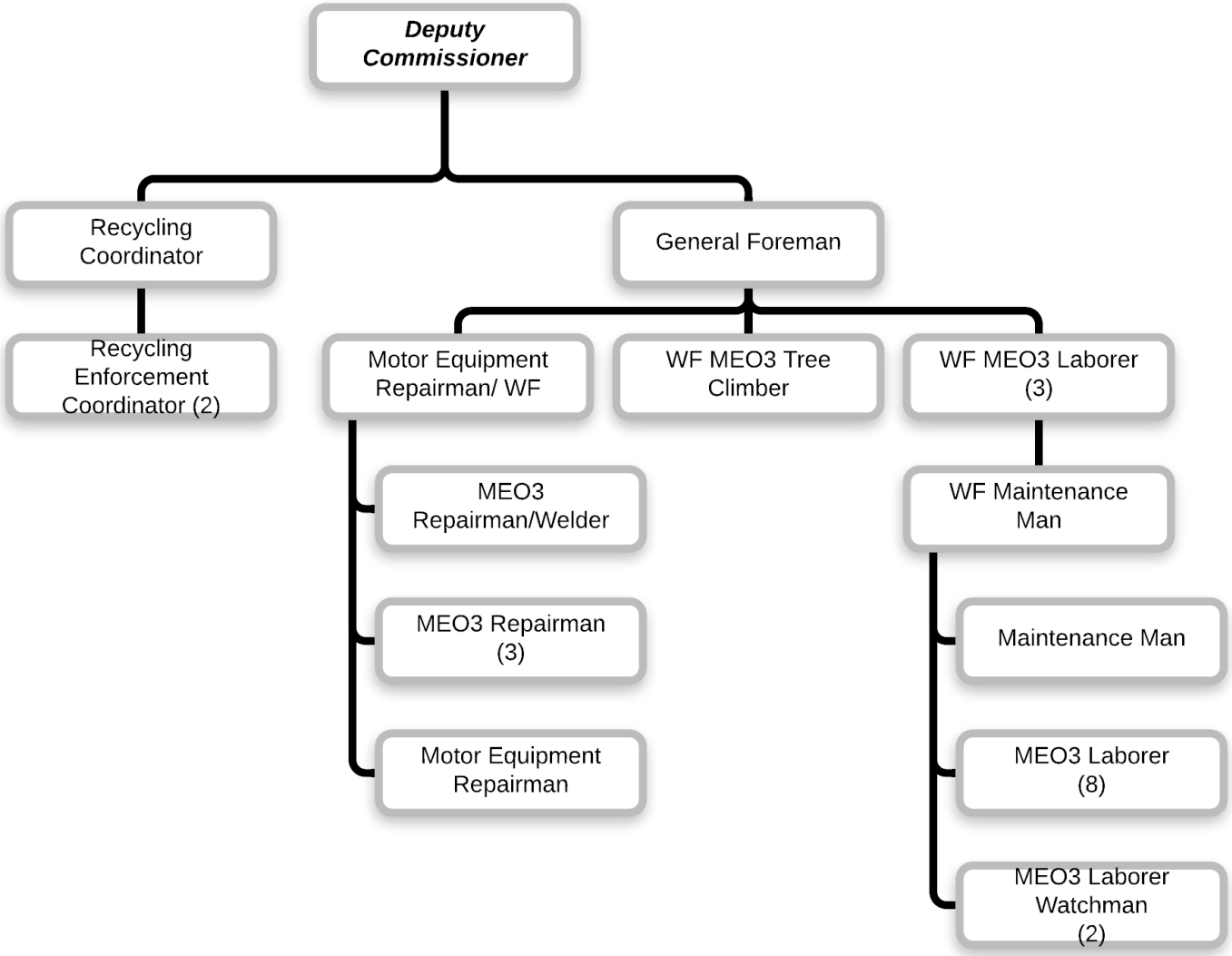
DPW, LANDS & BUILDINGS

JAMES GREEN
DEPUTY COMMISSIONER



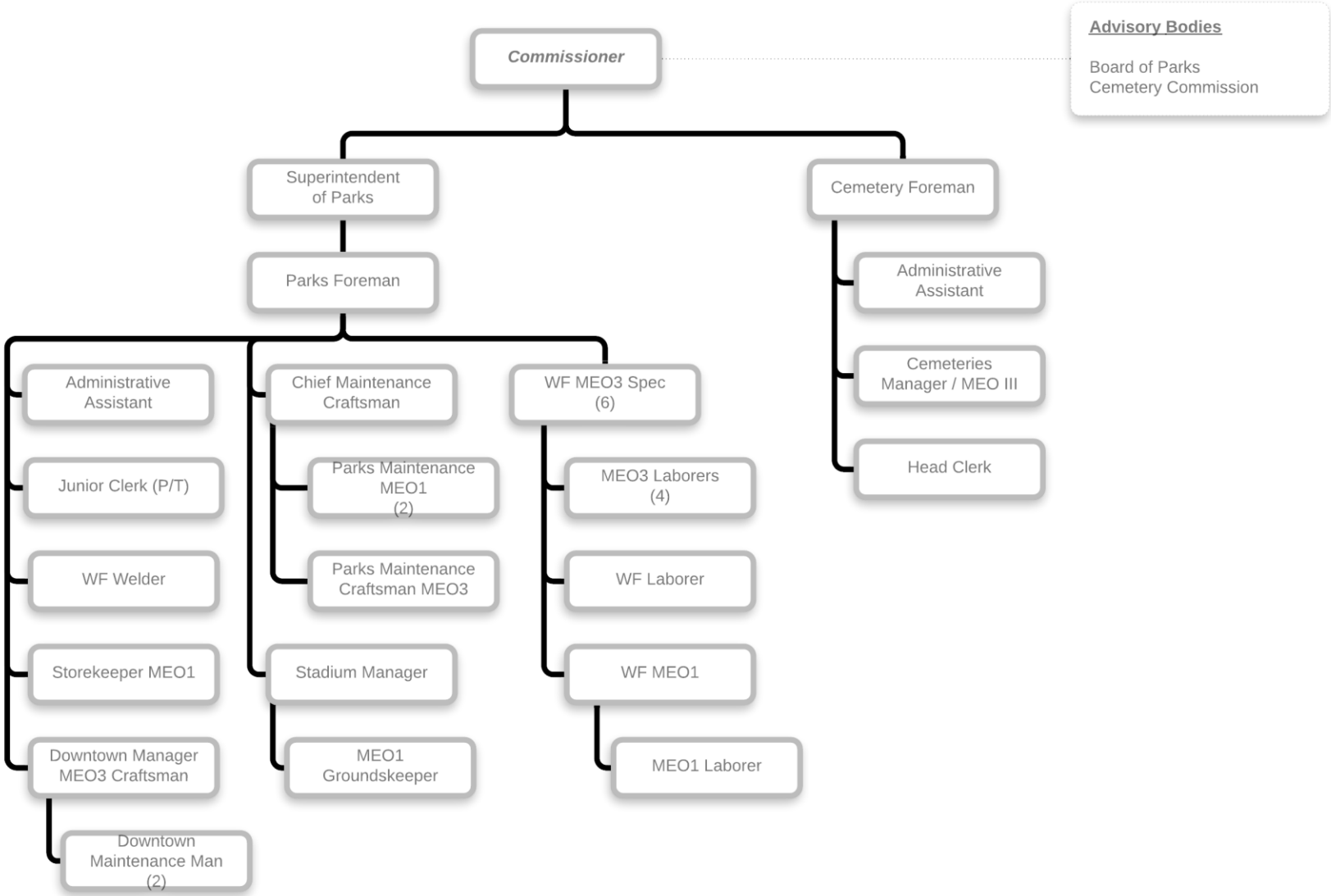
DPW, STREETS

DAVID DYMENT
INTERIM DEPUTY COMMISSIONER

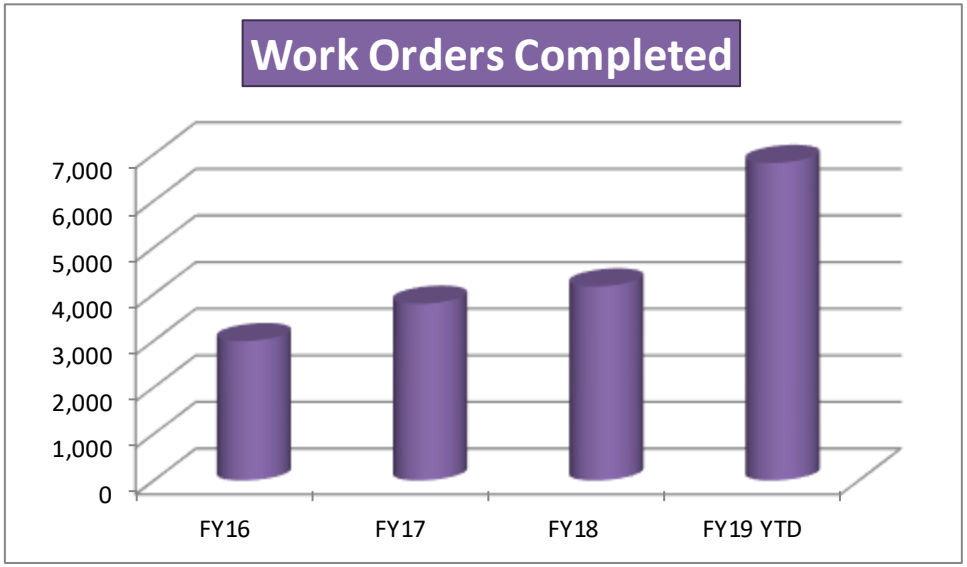


DPW, PARKS, AND CEMETERIES

SHANNON COHEN
SUPERINTENDENT

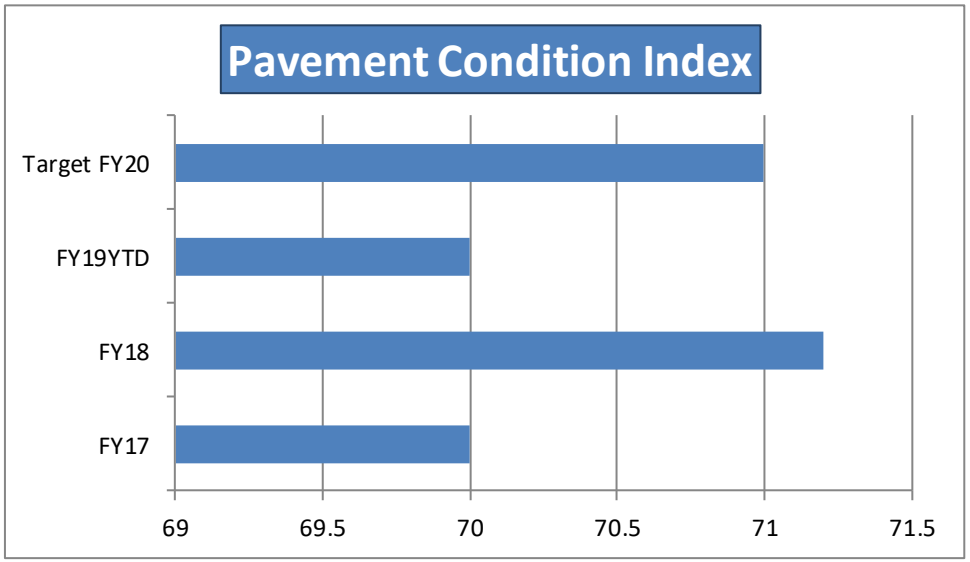


LOWELLSTAT CHART(S)



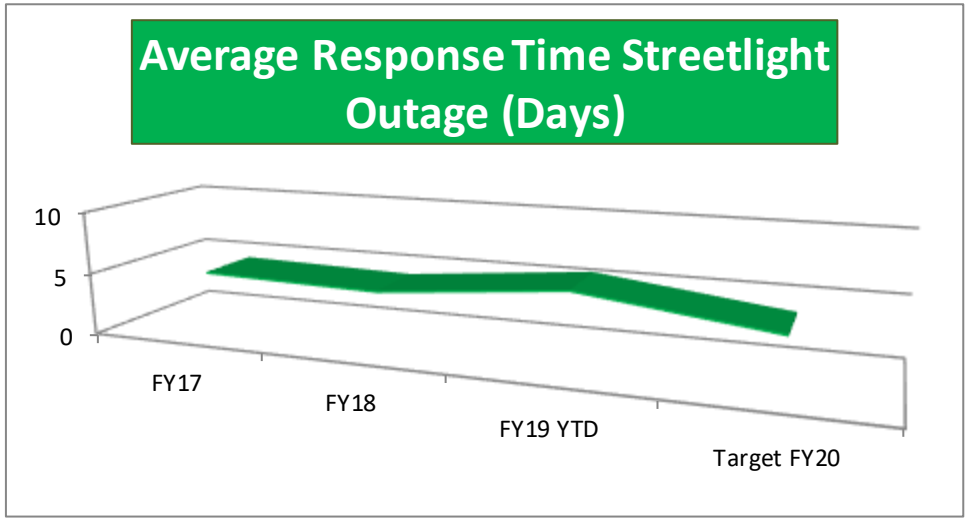
The City has continued its initiative to track work order requests. The implementation of the new City website has enabled the department to monitor efficiency in completing work orders.

Measurement	FY16	FY17	FY18	FY19 YTD
Number of total request tracker work orders completed	2,991	3,792	4,163	6,813



The Engineering Department has continuously worked towards improving the pavement condition index of the City streets with a combination of local and state funding.

Measurement	FY17	FY18	FY19YTD	Target FY20
Pavement condition index	70	71.2	70	71



The average response time for street light outages has been impacted by the warranty vendor.

Measurement	FY17	FY18	FY19 YTD	Target FY20
Average response time in days for streetlight outage complaints	4.7	4.4	5.8	4

EXPENSE DETAILS – DPW FINANCE & ADMINISTRATION

FINANCE & ADMINISTRATION - 400	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
Salaries - Permanent	493,912	512,819	502,526	521,518	521,518
S & W-Temp.	-	13,898	15,000	15,000	15,000
Overtime	-	-	-	-	-
Out of Grade Compensation	-	-	-	-	-
Total	493,912	526,717	517,526	536,518	536,518
Expenses					
Utility Electricity	181,496	170,000	156,000	178,000	178,000
Utility Heating/Gas	34,111	30,000	35,000	37,000	37,000
Telephone	5,372	2,500	2,500	2,500	2,500
Repair & Maint. Equipment	38,876	42,250	42,250	42,250	42,250
Electrical Repair & Parts	52,064	45,000	45,000	45,000	45,000
Tree Work	92,380	75,000	75,000	75,000	75,000
Rental of Equipment	9,720	7,500	7,500	7,500	7,500
Rental of Uniforms	8,408	7,500	12,000	12,000	12,000
Lease/Purchase - DPW Equipment	6,335	10,000	10,000	10,000	10,000
Professional Services	55,767	50,000	70,000	70,000	70,000
Inspection Stickers	9,774	12,000	12,000	12,000	12,000
Training	2,460	5,000	5,000	5,000	5,000
Advertising	3,449	3,000	3,000	3,000	3,000
Automotive - Tires & Tubes	94,062	90,000	90,000	90,000	90,000
Gas & Motor Oil-Supplies	61,438	70,000	70,000	70,000	70,000
Public Works - Supplies	9,936	12,500	12,500	12,500	12,500
Rep & Maint Electric Supplies	95,119	85,000	85,000	85,000	85,000
Office Supplies	5,587	3,500	3,500	3,500	3,500
Trans. Reimbursement	4,370	3,700	3,700	3,700	3,700
DPW - Various School Projects	191,397	118,000	118,000	200,000	125,000
Miscellaneous Charges	10,278	5,500	5,500	5,500	5,500
Plows & Frames	1,300	10,000	10,000	10,000	10,000
Fire Alarm Systems	21,965	17,500	17,500	17,500	17,500
Irrigation Equip/Supplies	3,186	5,000	5,000	5,000	5,000
Total	998,850	880,450	895,950	1,001,950	926,950
TOTAL BUDGET	**1,492,761**	**1,407,167**	**1,413,476**	**1,538,468**	**1,463,468**

EXPENSE SUMMARY & FINANCING PLAN – DPW FINANCE & ADMINISTRATION

PROGRAM EXPENDITURES	DETAIL	SUMMARY	
PERSONAL SERVICES		$	536,518
ORDINARY EXPENDITURES		$	926,950
TOTAL FY20 BUDGETED EXPENDITURES		$	1,463,468

FINANCING PLAN	DETAIL	SUMMARY	
TAXES		**$**	**602,789**
REAL ESTATE TAXES	602,789		
LICENSES AND PERMITS		**$**	**100,000**
DPW STREET OPENINGS	100,000		
CHARGES FOR SERVICES		**$**	**148,062**
WASTEWATER - INDIRECT COSTS (REIMBURSE GF)	148,062		
INTERGOVERNMENTAL REVENUE		**$**	**612,617**
UNRESTRICTED AID (UGGA)	612,617		
TOTAL FY20 BUDGETED REVENUES		$	1,463,468

EXPENSE DETAILS – DPW ENGINEERING

ENGINEERING	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
Salaries -Permanent	476,838	417,985	505,380	704,156	529,156
Overtime	6,580	24,472	7,000	15,000	15,000
Outside Funding	(70,482)	(73,820)	(36,910)	(37,728)	-
TOTAL BUDGET	**412,936**	**368,637**	**475,470**	**681,428**	**544,156**

EXPENSE SUMMARY & FINANCING PLAN – DPW ENGINEERING

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		$ 544,156
ORDINARY EXPENDITURES		$ -
TOTAL FY20 BUDGETED EXPENDITURES **(GROSS)**		$ 544,156

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 504,156**
MOTOR VEHICLE EXCISE TAX	504,156	
MISCELLANEOUS REVENUE		**$ 40,000**
ENGINEERS MISC.	40,000	
TOTAL FY20 BUDGETED REVENUES		$ 544,156

EXPENSE DETAILS – DPW LANDS & BUILDINGS

LAND & BUILDINGS	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
Salaries - Permanent	1,686,403	1,788,918	1,898,798	1,921,451	1,921,451
Overtime	116,107	179,810	87,000	87,000	87,000
Total	1,802,510	1,968,728	1,985,798	2,008,451	2,008,451
Expenses					
Utility Electricity	244,559	292,591	281,000	241,000	241,000
Utility Heating/Gas	127,222	129,323	123,000	129,000	129,000
Repair & Maint - Buildings	64,782	54,863	90,000	90,000	90,000
Custodial - Supplies	4,975	14,764	10,000	10,000	10,000
Graffiti Supplies	5,350	8,186	9,000	9,000	9,000
Building - Supplies	81,704	69,316	75,000	75,000	75,000
Building Improvements	1,594	27,686	80,000	80,000	80,000
Total	530,186	596,730	668,000	634,000	634,000
TOTAL BUDGET	**2,332,696**	**2,565,458**	**2,653,798**	**2,642,451**	**2,642,451**

EXPENSE SUMMARY & FINANCING PLAN – DPW LANDS & BUILDINGS

PROGRAM EXPENDITURES	DETAIL	SUMMARY	
PERSONAL SERVICES		$	2,008,451
ORDINARY EXPENDITURES		$	634,000
TOTAL FY20 BUDGETED EXPENDITURES		$	2,642,451

FINANCING PLAN	DETAIL	SUMMARY	
TAXES		**$**	**2,617,451**
REAL ESTATE TAXES	1,867,451		
PERSONAL PROPERTY TAXES	750,000		
CHARGES FOR SERVICES		**$**	**25,000**
ENTERPRISE REIMBURSEMENT (WASTEWATER)	25,000		
TOTAL FY20 BUDGETED REVENUES		$	2,642,451

EXPENSE DETAILS – DPW STREETS

STREETS	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
Salaries - Permanent	1,214,972	1,167,738	1,305,004	1,323,299	1,321,472
Overtime	42,667	42,573	21,000	21,000	21,000
Total	1,257,639	1,210,311	1,326,004	1,344,299	1,342,472
Expenses					
Improv - Highway - Sidewalks	29,704	29,500	20,000	20,000	20,000
Total	29,704	29,500	20,000	20,000	20,000
TOTAL BUDGET	**1,287,342**	**1,239,811**	**1,346,004**	**1,364,299**	**1,362,472**

EXPENSE SUMMARY & FINANCING PLAN – DPW STREETS

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		$ 1,342,472
ORDINARY EXPENDITURES		$ 20,000
TOTAL FY20 BUDGETED EXPENDITURES		$ 1,362,472

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 1,096,004**
REAL ESTATE TAXES	161,473	
PERSONAL PROPERTY TAXES	139,894	
MOTOR VEHICLE EXCISE TAX	794,637	
INTERGOVERNMENTAL REVENUE		**$ 266,469**
UNRESTRICTED AID (UGGA)	266,469	
TOTAL FY20 BUDGETED REVENUES		$ 1,362,472

EXPENSE DETAILS – DPW PARKS

PARKS	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
S & W-Perm.	1,295,184	1,293,031	1,327,480	1,336,114	1,328,298
S & W-Temp.	104,571	111,886	100,000	100,000	75,000
Overtime	156,610	123,845	117,000	117,000	107,000
Dedications, Special Events	9,296	-	10,000	10,000	10,000
S&W Shift Differential	681	1,247	1,000	1,000	1,000
Longevity	1,020	-	-	-	-
Total	1,567,362	1,530,009	1,555,480	1,564,114	1,521,298
Expenses					
Utility Electricity	136,746	126,646	141,000	121,000	121,000
Utility Heating/Gas	35,200	43,116	33,000	39,000	39,000
Telephone	819	1,480	2,000	2,000	2,000
Repair & Maintenance Equip.	68,237	58,983	58,000	58,000	58,000
Gateway Cities Program	3,523	4,000	-	-	-
Pool Maintenance	7,510	7,070	7,500	7,500	7,500
Professional Services	33,079	33,228	37,500	37,500	37,500
Training/Evaluation Program	500	-	500	500	500
Botanical Gardens	4,888	4,990	5,000	5,000	5,000
Advertising	676	676	750	750	750
Parks Supplies - Other	37,735	34,137	35,000	35,000	35,000
Gas & Motor Oil - Supplies	34,499	30,000	30,000	30,000	30,000
Office Supplies	952	811	1,000	1,000	1,000
Misc.- Supplies - Other	9,896	9,186	9,750	9,750	9,750
Trans. Reimbursement & Seminars.	136	555	-	-	-
Licenses	4,927	4,307	5,000	5,000	5,000
Misc. Equipment Parks Department	9,296	9,504	9,620	9,620	9,620
Fences	25,037	22,982	22,250	22,250	22,250
Trimmers, Mowers, etc.	1,498	1,499	1,500	1,500	1,500
Communication Equipment/Expense	1,391	1,450	1,450	1,450	1,450
Field Maint./Other	10,160	9,920	5,000	5,000	5,000
Varnum Park Improvement	3,500	2,850	3,500	3,500	3,500
Pool Renovations	1,218	7,316	4,000	4,000	4,000

	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Computer Equipment/Software	2,220	2,500	2,500	2,500	2,500
Improvements - Parks & Playgrounds	118,189	115,681	90,000	90,000	90,000
Building Supplies	3,683	3,442	4,000	4,000	4,000
Tires, Tubes, Misc Equipment	4,000	3,940	4,000	4,000	4,000
Fertilization, Ornamental/Open Space	3,845	5,965	4,000	4,000	4,000
Flags/Other	2,500	2,500	2,500	2,500	2,500
Physicals/Testing/Other	1,525	1,545	1,500	1,500	1,500
Misc Disposal/Dumpsters	3,500	3,500	3,500	3,500	3,500
Spraying/Weed Control	5,495	5,500	5,500	5,500	5,500
Total	576,379	559,278	530,820	516,820	516,820
TOTAL BUDGET	**2,143,741**	**2,089,286**	**2,086,300**	**2,080,934**	**2,038,118**

EXPENSE SUMMARY & FINANCING PLAN – DPW PARKS

PROGRAM EXPENDITURES	DETAIL	SUMMARY	
PERSONAL SERVICES		$	1,521,298
ORDINARY EXPENDITURES		$	516,820
TOTAL FY20 BUDGETED EXPENDITURES		$	2,038,118

FINANCING PLAN	DETAIL	SUMMARY	
TAXES		**$**	**1,978,118**
REAL ESTATE TAXES	1,378,118		
LOCAL MEALS TAX	600,000		
LICENSES AND PERMITS		**$**	**60,000**
PARKS AND RECREATION PERMITS	60,000		
TOTAL FY20 BUDGETED REVENUES		$	2,038,118

EXPENSE DETAILS – DPW CEMETERIES

CEMETERY	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
S & W-Perm.	130,661	154,773	204,798	207,613	207,613
S & W-Temp.	19,628	10,200	10,000	10,000	10,000
Overtime	50,350	53,479	18,126	18,126	18,126
Total	200,638	218,453	232,924	235,739	235,739
Expenses					
Utility Heating/Gas	7,660	8,027	9,000	9,000	9,000
Utility Electricity	2,926	4,533	5,000	5,000	5,000
Rental of Equipment	3,500	-	-	-	-
Professional Services	172,677	197,215	163,000	163,000	163,000
Miscellaneous Charges	131	749	900	900	900
Cemetery General Improvement	44,368	18,507	3,750	3,750	3,750
Fences	9,294	7,797	10,000	10,000	10,000
Westlawn II - Cemetery Improve	3,500	857	3,500	3,500	3,500
Renovate Cemetery Office (Construction- Misc Work)	1,799	-	-	-	-
Improvement - Cemetery Ave	-	-	-	-	-
Groundskeeping - Supplies	3,750	1,757	3,750	3,750	3,750
Office Supplies	888	1,500	1,500	1,500	1,500
Cemetery - Flowers/Bushes	508	3,000	3,000	3,000	3,000
Misc. - Supplies - Other	-	160	250	250	250
Total	251,000	244,102	203,650	203,650	203,650
TOTAL BUDGET	**451,638**	**462,555**	**436,574**	**439,389**	**439,389**

EXPENSE SUMMARY & FINANCING PLAN – DPW CEMETERIES

PROGRAM EXPENDITURES	DETAIL	SUMMARY	
PERSONAL SERVICES		$	235,739
ORDINARY EXPENDITURES		$	203,650
TOTAL FY20 BUDGETED EXPENDITURES		$	439,389

FINANCING PLAN	DETAIL	SUMMARY	
TAXES		**$**	**243,389**
REAL ESTATE TAXES	243,389		
CHARGES FOR SERVICES		**$**	**196,000**
CEMETERY OPENINGS	180,000		
CEMETERY MISC.	16,000		
TOTAL FY20 BUDGETED REVENUES		$	439,389

EXPENSE DETAILS – DPW SNOW & ICE

SNOW & ICE	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
Overtime	398,012	374,523	200,000	200,000	200,000
Total	398,012	374,523	200,000	200,000	200,000
Expenses					
Purchase of Services (Snow and Ice Removal Contracts)	1,427,810	1,286,547	775,000	775,000	775,000
Other Charges & Expenses (Misc. Charges)	224,818	253,479	50,000	50,000	50,000
Salt & Sand	1,080,561	744,994	325,000	325,000	325,000
Total	2,733,189	2,285,021	1,150,000	1,150,000	1,150,000
TOTAL BUDGET	**3,131,201**	**2,659,544**	**1,350,000**	**1,350,000**	**1,350,000**

EXPENSE SUMMARY & FINANCING PLAN – DPW SNOW & ICE

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		$ 1,350,000
ORDINARY EXPENDITURES		
	TOTAL FY20 BUDGETED EXPENDITURES	$ 1,350,000

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 1,350,000**
MOTOR VEHICLE EXCISE TAX	1,350,000	
	TOTAL FY20 BUDGETED REVENUES	$ 1,350,000

EXPENSE DETAILS – DPW STREET LIGHTING

STREET LIGHTING	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Expenses					
Energy - Street Lighting	543,422	517,617	424,000	391,000	391,000
Rep & Maint - Downtown Light Sup	24,905	24,922	25,000	25,000	25,000
Total	568,327	542,539	449,000	416,000	416,000
TOTAL BUDGET	**568,327**	**542,539**	**449,000**	**416,000**	**416,000**

EXPENSE SUMMARY & FINANCING PLAN – DPW STREET LIGHTING

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		
ORDINARY EXPENDITURES		$ 416,000
	TOTAL FY20 BUDGETED EXPENDITURES	$ 416,000

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 416,000**
MOTOR VEHICLE EXCISE TAX	416,000	
	TOTAL FY20 BUDGETED REVENUES	$ 416,000

EXPENSE DETAILS – DPW SOLID WASTE COLLECTION & DISPOSAL

WASTE COLLECTION & DISPOSAL	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Expenses					
Hazardous Waste Collection	20,000	15,554	17,500	17,500	17,500
Trash Collection & Disposal	5,049,881	5,147,752	5,455,000	5,993,015	5,993,015
Recycling Supplies & Services	14,780	9,963	10,000	10,000	10,000
Overflow Bags	-	24,851	30,000	30,000	30,000
Trash Cart Replacement/Repair (taken out of contract)				20,000	-
City Trash Truck Outfitting to handle carts				10,000	-
Mailing Allowance for outreach and education (taken out of contract)				10,000	-
Waste Management Scholarship Allowance (taken out of contract)				5,000	-
RFID Program (Tracking and Enforcement Initiative)				150,000	-
Total	5,084,661	5,198,120	5,512,500	6,245,515	6,050,515
TOTAL BUDGET	**5,084,661**	**5,198,120**	**5,512,500**	**6,245,515**	**6,050,515**

EXPENSE SUMMARY & FINANCING PLAN – DPW SOLID WASTE COLLECTION & DISPOSAL

PROGRAM EXPENDITURES	DETAIL	SUMMARY	
PERSONAL SERVICES			
ORDINARY EXPENDITURES		$	6,050,515
TOTAL FY20 BUDGETED EXPENDITURES		$	6,050,515

FINANCING PLAN	DETAIL	SUMMARY	
TAXES		**$**	**2,847,515**
REAL ESTATE TAXES	2,485,063		
PAYMENT IN LIEU OF TAXES (PILOT)	362,452		
CHARGES FOR SERVICES		**$**	**3,203,000**
TRASH FEES	3,200,000		
DUMPSTER FEES	3,000		
TOTAL FY20 BUDGETED REVENUES		$	6,050,515

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HEALTH AND HUMAN SERVICES

SUMMARY

KERRAN VIGROUX

DIRECTOR

DEPARTMENT STAFFING FTE (PAGE II-116)

Actual FY17	Actual FY18	Approved FY19	PROGRAM EXPENDITURES	Budget FY20
2,254,062	2,316,393	2,627,236	HEALTH	3,227,630
339,488	356,467	382,420	COUNCIL ON AGING	521,304
827,920	789,109	803,780	VETERANS' SERVICES	810,272
677,059	758,588	823,188	RECREATION	776,855
1,193,497	1,355,977	1,374,308	LIBRARY	1,569,463
5,292,027	**5,576,534**	**6,010,931**		**6,905,522**

FINANCING PLAN	Budget FY20
TAXES	4,211,205
LICENSES AND PERMITS	128,200
CHARGES FOR SERVICES	69,200
INTERGOVERNMENTAL REVENUE	2,376,919
MISCELLANEOUS REVENUE	119,999
	6,905,523

HEALTH AND HUMAN SERVICES

SUMMARY

KERRAN VIGROUX

DIRECTOR

MISSION & SERVICES OVERVIEW

To oversee all public health and human service related issues. The Health and Human Services Department strives to improve collaboration between departments with the goal of enhancing service delivery and enhancing programs offered to city residents.

The Health and Human Services Department was created in the spring of 2015 in efforts to reorganize departments that share a common human service mission. The Health Department, Library, Council on Aging (COA), Veterans Services and Recreation Department will report directly to the Health and Human Services Director. The reorganization of these departments under one umbrella will enable services to be delivered in a more efficient and effective manner. The merge fosters a collaborative partnership between the departments. The Library, COA, and Veterans Services underwent minimal changes in the reorganization other than respective Directors reporting to the new HHS Director. The Recreation division, which previously resided with Parks and Cemeteries, also saw no staffing changes during the transition other than its division head reporting to the new HHS Director as well.

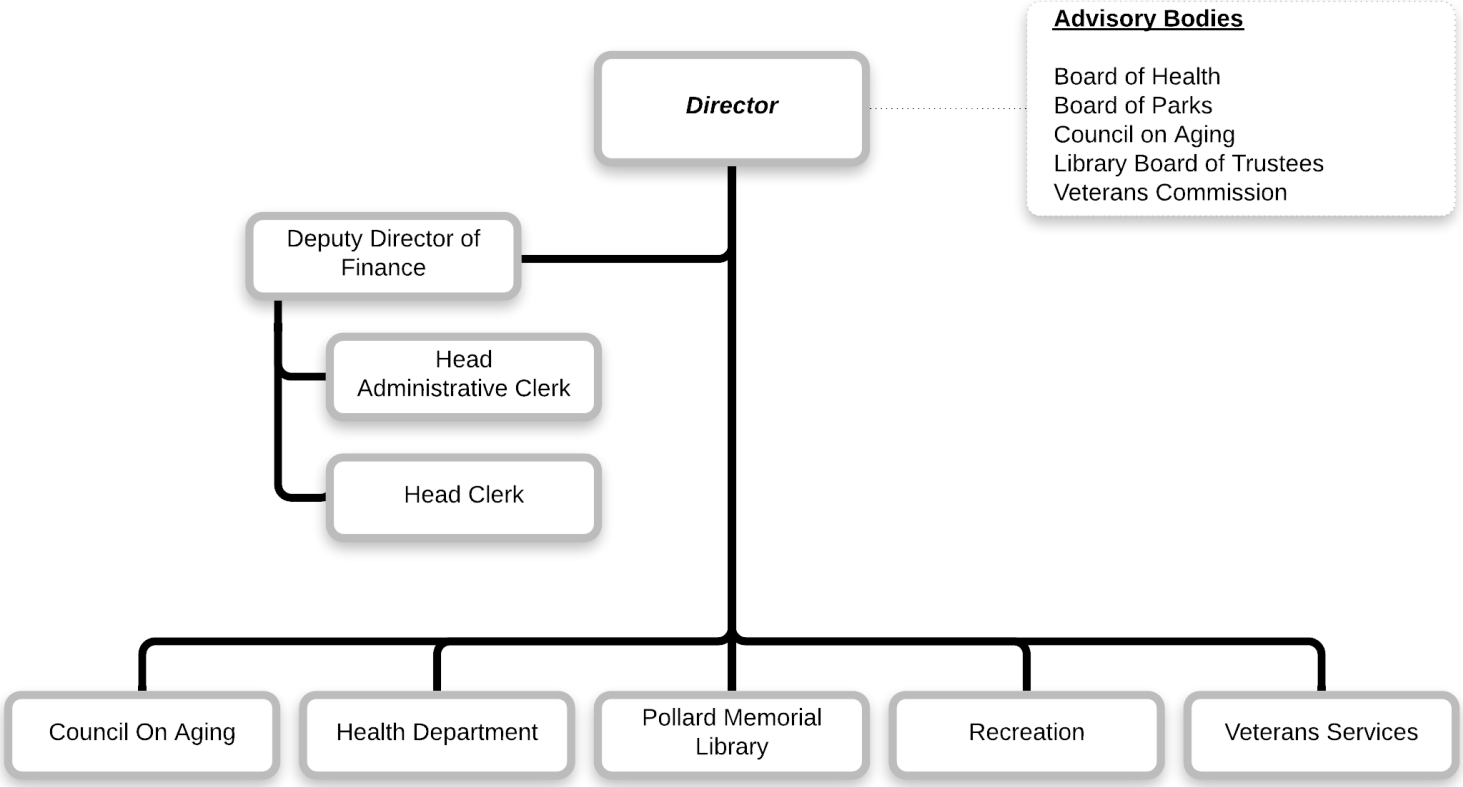
The HHS Director is able to provide direct leadership that key services require; a more cohesive link to boards and commissions; as well as offer daily support to various departments and divisions. The HHS Director acts as the point person, reporting to the City Manager, to carry out the vision of the Administration and Council.

The HHS Department promotes collaboration increasing opportunities for interdepartmental partnerships. Recreation and the Library enhance coordination of activities for the city's youth. Recreation also works with the COA and Veterans Services for volunteer opportunities. The Library continues to build its relationship with the Council on Aging, including the satellite branch at the Senior Center. The Health and Human Services Department also has increased partnerships with nonprofits, health organizations, and schools in Lowell who work tirelessly to make life better for city residents of all ages.

ORGANIZATIONAL CHART

HEALTH AND HUMAN SERVICES

KERRAN VIGROUX
HEALTH DIRECTOR



HEALTH AND HUMAN SERVICES
HEALTH DEPARTMENT

KERRAN VIGROUX
HEALTH DIRECTOR

PERSONAL SERVICES	$2,783,416
ORDINARY EXPENSES	$147,750
TOTAL FY20 BUDGETED EXPENDITURES	**$2,931,166**

MISSION & SERVICES OVERVIEW

To preserve, maintain, and advance the City's public health standards. The Health Department strives to promote and protect the health and wellness of the people within Lowell: residents, workers, and visitors. We fulfill our mission through a wide range of public health programs and outreach health education in a variety of areas inclusive of Communicable Disease prevention, Vaccination Initiatives, Emergency Preparedness and Response, School Health, and Public Health outreach programs such as Healthy Eating and Active Living, Tobacco Control, and Substance Abuse Prevention and Education programs.

The Administrative Division is comprised of the Department Head, Deputy Director – Finance, Community Health Coordinator, Administrative Head Clerk, Head Clerk and a part-time custodian. The Administrative Division oversees the day to day operations of the Health Department as well as the other four departments within Health and Human Services (Library, Council on Aging, Veterans Services and Recreation). The Clerks are responsible for the annual renewal of Funeral Director licenses, processing of all Lowell Tobacco Permits, Lowell Burial Permits, and Body Art Practitioner Licenses as well as all financial transactions and general customer service for the Health Department. The Administrative Head Clerk serves as the Secretary to the Board of Health (BOH), supporting the five (5) appointed members. The BOH meetings are held on the first Wednesday of the Month at 6:00 p.m. in the Mayor's Reception Room in City Hall. The BOH is responsible for the oversight of the contract for the City's ambulance provider as well as oversight of the Health Department and the inspectional services provided by the Developmental Services Department's Sanitary Code Inspectors (Health Inspectors). The BOH and Department Head were instrumental in facilitating Syringe Service Programs to become established in Lowell this year.

The Public Health Nursing Division oversees prevention and education activities through surveillance of more than seventy (70) reportable diseases. This type of work is often unseen by the public as it involves confidential tracking and patient contact investigations to prevent further spread of diseases in the community. The Public Health nurses were heavily engaged in the Measles outbreak that occurred in Lowell this year, and were instrumental in providing services and immunizations to clients to contain the outbreak. The Public Health Nurses also provide clinical case management and follow-up care patients with Tuberculosis. This Division is also involved in emergency preparedness activities and medical response to public health challenges. The Public Health nurses conduct health education sessions in the community, including at the Lowell Transitional Center, Life Connections and the Cambodian Mutual Assistance Association, and assist local organizations with health programming and guidance on areas such as healthy eating, active living and Infection Control practices.

The School Nurses and their Managers serve on multiple committees and task forces to create policies that impact the health and safety of the student body. The School Nurses attained 100% Immunization Compliance in the schools district wide, with the exception of those students with medical & religious exemptions. The School nurses provide nursing support for the Lowell Public Schools as part of the Enhanced School Health Grant from the Massachusetts Department of Public Health. Today's school nurses are supporting students with significant medical and behavioral health needs such as insertion of feeding tubes, diabetes management, wound care, and medication dispensing that totals over 44,000 administrations per year. The number of nurse visits between July 1, 2017 – June 30, 2018 totaled 151,903; an average of 5,238 visits per nurse. Students today have intricate treatment plans and complicated medication administration schedules, all of which the school nurse must ensure are followed without deviation.

The Substance Abuse and Prevention Division (SAPD) consists of a Substance Abuse Coordinator who oversees the Massachusetts Opiate Abuse Prevention Coalition (MOAPC) Coordinator, the Partnerships for Success (PFS) Outreach Health Educator, the Syringe Collection Program Coordinator, and the six-member Community Opioid Outreach Program (CO-OP) team. The staff lead, and are engaged with, many of the organizations, task forces and committees in and around the Greater Lowell region to provide substance use prevention and education. The staff of the SAPD Division were instrumental in the planning and implementation of the first ever Merrimack Valley Substance Use Disorder Symposium, which was hosted in Lowell and had over 280 attendees. The creation and planning of the new Syringe Collection Program was a collaboration between the SAPD Division, Trinity Ambulance, Lowell Police, Fire and City Manager, and was voted in unanimously by the Lowell City Council. This Division is responsible for the quarterly Medication and Sharps Take Back events and collected over 150 pounds of unwanted medications at the first two events this year.

The Tobacco Control Program is subsidized by a regional grant from the Massachusetts Department of Public Health which allows the Tobacco Control Program Coordinator to provide services to the cities of Lowell and Lawrence. The Program Director conducts unannounced inspections in both cities, as well as those generated by complaints, and also participates in undercover sting operations to ensure vendors are complying with the Over 21 sales legislation. There are 125 licensed establishments in Lowell, and 133 in Lawrence. The Health Department also promotes, implements, and enforces tobacco regulations regionally (Lowell and Lawrence) to protect the public from the harmful effects of secondhand smoke and to reduce youth access to tobacco products.

This year saw the creation of two new programs within the Health Department: the Syringe Collection Program, which was mentioned above, and the Health Outreach, Prevention and Education (HOPE) Program. The HOPE Program coordinates all health education and outreach activities within the Health Department, including social media activities, marketing strategies, serving as Point of Contact on multiple community task forces and committees focused on Community Health Assessments and program implementation, and recently oversaw the collaborative process of working with Middlesex Community College to develop a new logo and branding strategy for the Health Department. In addition, the HOPE Coordinator serves as the coordinator for the City's newly funded Employee Health and Wellness Committee. The Committee has many programs and incentives planned for Lowell employees to help optimize their overall health and wellbeing.

FY19 ACCOMPLISHMENTS

Public Health Division

- 1652 "Confirmed", "Suspect", and "Contact" communicable disease events were reported to and investigated by the Public Health Nurses.
- Participated in response to measles event at Lowell Community Health Center, with a total of 226 patients immunized with MMR vaccine
- Conducted Flu Clinics and provided a total of 376 at City Hall and Summit Elder Care for city employees and retirees. Additionally held flu and clinics at Lowell Transitional Living Center, Life Connections, and the Cambodian Mutual Assistance Association to reach these vulnerable populations.
- Provided flu vaccinations to dispatch staff at Lowell EOC.
- Provided surveillance and case monitoring/management of 5 Active Tuberculosis cases with 224 latent TB cases reported. Provided contact testing of 4 close contacts to active cases.
- Provided 178 Directly Observed Therapy (DOT) visits to active TB cases
- Emergency Preparedness –Attended monthly meetings of Upper Merrimack Valley Public Health Coalition. Public Health Nurse Manager participated as member of Board of Governors for Health and Medical Care Coalition Region 3.

School Health Division

- 151,903 Office Visits due to Illness and Injury were conducted for the purpose of Acute Care Management & Health Maintenance.
- Nursing Assessment and treatments including 6,786 blood glucose monitoring, 9,475 vision screenings, 2,587 feeding tube care/usage, 325 pulse oximetry readings, & 4,323 Postural Screenings.
- Administered 44,499 medication doses.
- Conducted over 12,000 communications with parents and guardians regarding the health & safety of their children.
- 100% Immunization compliance of student body with the exception of medical & religious exemptions.
- Eleven of the Lowell School Nurses have attained their Masters' degree, while three and currently working toward their degree. Eight Nurses have their National Certification.

Substance Abuse and Prevention Division

- Continued to serve as the lead community addressing the opioid epidemic through a collaborative agreement with the City of Lowell and the Towns of Billerica, Chelmsford, Dracut, Westford, Wilmington, and Tewksbury via the Massachusetts Opioid Abuse Prevention Collaboration (MOAPC) Coalition.
- Was a leading community partner in the planning and implementation of the first ever Merrimack Valley Substance Use Disorder Symposium; this event was hosted in Lowell and had over 280 attendees.
- Conducted Life Skills Trainings curriculum trainings for educational staff and professionals working with youth.
- Implemented the Strategic Plan for the Partnership For Success grant which is working to implement key strategies to work with high school athletes, and their parents and coaches to decrease the misuse of prescription medication in this population.
- Hired a full-time Lowell CO-OP Supervisor to oversee the day-to-day operations of the Lowell Community Opioid Outreach Project (CO-OP).
- Lowell CO-OP transitioned from a police-lead effort to a public health-lead effort.
- Hired a full-time Syringe Collection Program Coordinator to respond to syringe pick-up requests, educate the community as to proper syringe disposal and what to do when finding a discarded syringe, act as liaison with Lowell's two Syringe Services Programs ("needle exchanges"), and implement harm reduction education.
- Implemented two Unwanted Medication and Sharps Disposal Days, with two more Disposal Days scheduled for March and June 2019. During the first two Disposal Days, over 150 pounds of unwanted medication was collected.
- Conducted 15 outreach and educational events between July 2018 and February 2019.

Administrative Division

- 1,070 Burial permits processed
- Administration and oversight of a budget totaling over $3.04 million dollars.
- Processed multiple licenses including: Tobacco (130); Funeral Directors (20); and Body Art (17).

Tobacco Control Program

- Conducted 221 Compliance checks where minor attempts to purchase tobacco at retail stores conducted to date
- Assisted the State Bureau of Substance Abuse Services with 161 Pricing surveys
- Conducted 456 Inspections for regulatory compliance

GOALS

Fiscal Year	Strategic Goal or Objective	Status
FY19	Develop public health programs to be presented at City Hall during lunch hours, on a quarterly basis. Initial topics under consideration include "Stop the Bleed", "Run, Hide, Fight" for active shooter	*Ongoing*

	response, and presentations regarding the importance of early cancer screening and detection. **Update**: *Staff coordinated with Lowell General Hospital to train for and conduct this presentation. All School Nurses were trained during FY 19, and the program will be offered to all City employees in FY20.*	
FY19	Collaborate with the Human Relations Department to create an Employee Health and Wellness Program. **Update**: *The Employee Health and Wellness Program was launched and has completed its first offering of mindfulness and meditation. The group also conducted an employee survey which will assist in identifying employee interests and needs for worksite wellness.*	*Ongoing*
FY19	Conduct outreach sessions during the year to bring awareness to substance misuse, and prevention and treatment resources. **Update**: *Conducted 15 outreach events, two Medication and Sharps Disposal events, chaired a regional Symposium with over 280 attendees. Goal for FY 20 is to increase to 20 outreach events for the year, including quarterly Medication and Sharps Disposal events.*	*Ongoing*
FY20	Fully implement the Syringe Collection Program as a means to respond to discarded syringe pick-up requests, be proactive about syringe cleanup, educate schools, community agencies and coalitions, City departments, and community members to what to do when encountering a discarded syringe.	New
FY20	Design and develop a walk-in vaccination clinic for the public.	New
FY20	Relocate and establish Health Department operations in a new, ADA-compliant, energy efficient, appropriate location that is accessible to all and provides a healthy work environment.	New

PERFORMANCE METRICS

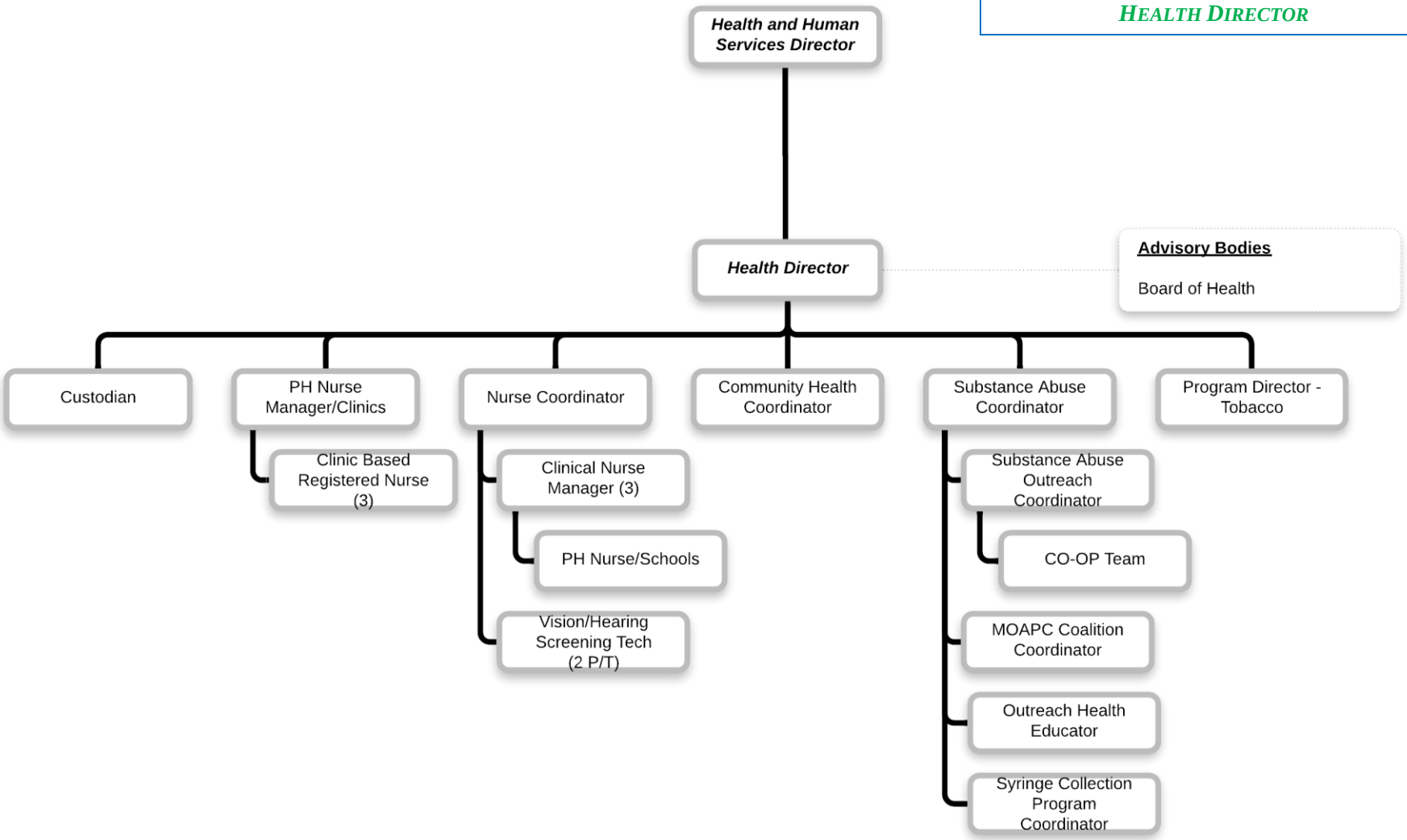
Measurement	Prior Year Actuals FY2017	FY2018	YTD [59] FY2019	FY2020 Target
Reported communicable diseases	1,587	1,652	430	1,600
Nurse/ Student encounters	152,552	151,903	71,632	130,000
Nurse Assessments/Treatments	92,525	86,879	47,189	80,000
Doses Administered (Scheduled & PRN)	44,264	44,499	20,756	40,000
Percentage of students who return to class after visiting a school nurse	95%	95%	94%	95%
Immunizations	329	376	270	300
Burial Permits Issued	1,176	1,070	996	As needed
Tobacco Compliance Checks	325	221	50	220
Tobacco Inspections	678	456	213	450

[59] While YTD date ranges may vary, they typically cover the period from the start of the fiscal year (7/1) through the middle of Q3 of the fiscal year (approximately 2/15)

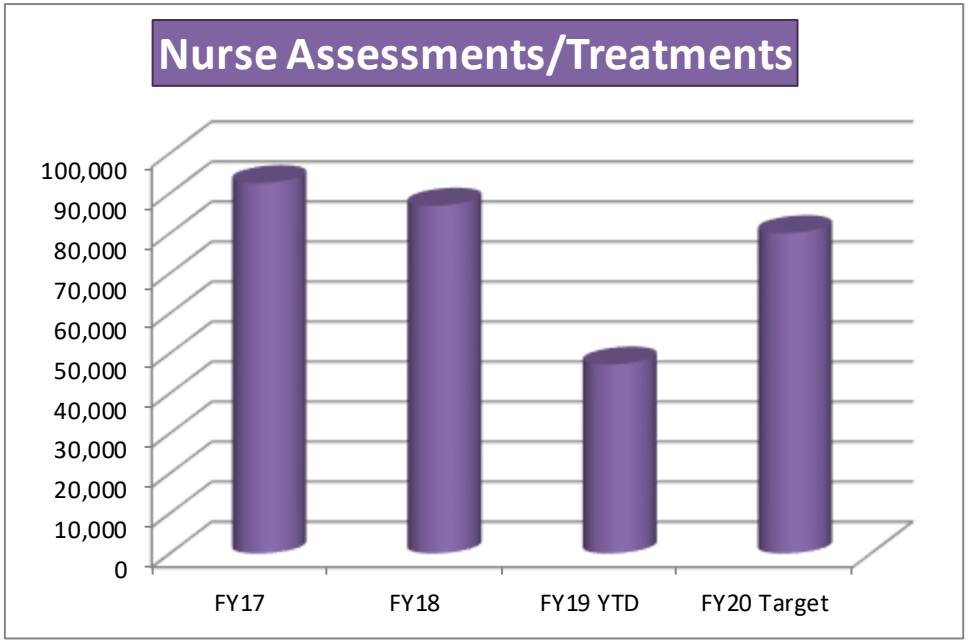
ORGANIZATIONAL CHART

HEALTH DEPARTMENT

KERRAN VIGROUX
HEALTH DIRECTOR



LOWELLSTAT CHART(S)



The number of nurse assessments/ treatments has been consistent over the past fiscal years. The School Department will make an effort to ensure students are adequately treated .

Measure	FY17	FY18	FY19 YTD	FY20 Target
Nurse Assessments/Treatments	92,525	86,879	47,189	80,000

EXPENSE DETAILS

HEALTH DEPARTMENT 510	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
S & W - Perm.	2,471,925	2,569,443	2,885,349	3,074,440	3,014,440
S & W - Temp	2,508	11,513	7,800	61,702	25,000
Stipend - Other	29,633	25,217	33,850	38,900	38,900
Overtime	1,603	1,687	1,540	1,540	1,540
Longevity	131	-	-	-	-
Outside Funding (Outside Tax Levy)	(300,100)	(359,771)	(406,053)	(296,464)	(296,464)
Total	2,205,700	2,248,089	2,522,486	2,880,118	2,783,416
Expenses					
Utilities-Gas/Electricity.	21,701	21,282	25,000	25,000	25,000
Telephone	2,000	1,333	5,000	5,000	5,000
Repair & Maint. Equipment	1,284	2,886	3,600	3,600	3,600
Repair & Maint - Vehicles	3,100	-	2,000	2,000	2,000
Professional Services	408	11,307	50,000	50,000	30,000
Advertising	606	285	1,000	1,000	1,000
Printing & Binding	-	99	1,500	1,500	1,500
Computer Equip & Software	1,316	6,049	10,500	10,500	5,000
Gas & Motor Oil Supplies	7,903	-	3,500	3,500	3,500
Dues & Subscriptions	592	2,033	2,900	2,900	1,900
Trans. Reimburse. & Seminars	750	7,575	25,000	25,000	14,000
CO-OP Team Equipment & Apparel	7,788	-	2,000	2,000	2,000
Equipment - Other	761	1,397	4,500	4,500	4,500
Office Furniture & Equip	152	743	25,750	25,750	25,750
Health Nurse Supplies	-	11,999	16,000	16,000	16,000
Office Supplies	-	822	1,000	1,000	1,000
Misc - Supplies - Other		494	500	500	500
Outreach and Education		-	5,000	5,000	5,000
Custodial Supplies		-	500	500	500
Total	48,362	68,304	185,250	185,250	141,750
TOTAL BUDGET	**2,254,062**	**2,316,393**	**2,707,736**	**3,065,368**	**2,925,166**

EXPENSE SUMMARY & FINANCING PLAN

PROGRAM EXPENDITURES	DETAIL	SUMMARY	
PERSONAL SERVICES		$	3,079,880
ORDINARY EXPENDITURES		$	147,750
TOTAL FY20 BUDGETED EXPENDITURES **(GROSS)**		$	3,227,630

FINANCING PLAN	DETAIL	SUMMARY	
TAXES		**$**	**2,633,766**
REAL ESTATE TAXES	2,633,766		
LICENSES AND PERMITS		**$**	**128,200**
FUNERAL DIRECTOR LICENSES	2,000		
HEALTH - CATERING	6,000		
HEALTH WAGON LICENSE	200		
MANUFACTURER - ICE CREAM	1,000		
TOBACCO LICENSES	17,750		
BODY ART LICENSES	3,750		
DUMPSTER	60,000		
MISC. HEALTH LICENSES	4,000		
BURIAL PERMITS	22,000		
BAKERY	4,000		
CANTEEN TRUCKS	4,500		
PUBLIC POOLS	2,000		
LODGING HOUSE	1,000		
CHARGES FOR SERVICES		**$**	**69,200**
TOBACCO FINES	1,700		
21D VIOLATIONS - HEALTH CODE	60,000		
NIGHT SOIL	7,500		
INTERGOVERNMENTAL REVENUE		**$**	**296,464**
TOBACCO CONTROL GRANT	63,197		
ENHANCED SCHOOL FUNDING	-		
PFS GRANT	48,391		
PERSCRIPTION DRUG MONITORING GRANT	129,186		
MOAPC GRANT	55,690		
MISCELLANEOUS REVENUE		**$**	**100,000**
FOOD ESTABLISHMENTS	100,000		
TOTAL FY20 BUDGETED REVENUES		$	3,227,630

HEALTH AND HUMAN SERVICES
COUNCIL ON AGING

VACANT
DIRECTOR

PERSONAL SERVICES	$323,734
ORDINARY EXPENSES	$88,375
TOTAL FY20 BUDGETED EXPENDITURES	**$412,109**

MISSION & SERVICES OVERVIEW

Enhancing the lives of the older adult population and enrich the community at large. The Lowell Council on Aging is deeply committed to providing programs that reflect the health, wellness, and diversity of our senior population. The COA works to promote and safeguard the health and independence of seniors by advocating for them in many areas, arranging services, and providing meaningful social and recreational options to enhance their lives.

The Lowell Council on Aging (LCOA) is a senior center that offers programming in the areas of nutrition, health/fitness, outreach, education, socialization, transportation and more. By offering these services within the City, seniors are able to meet many of their daily needs. The Senior Center is a multi-purpose center that plays a major role in Healthy Aging, and assisting seniors with aging in place and remaining independent in their community. With the help of over one hundred volunteers and a hard working staff we are able to meet a multitude of these needs and assist the senior community with accessing these very important supportive services.

The Council on Aging is open seven days per week. Monday-Friday, from 6:30 am - 4:00 pm. Saturday and Sunday, from 7:00 am - 12:00 pm (Breakfast and Lunch only, administrational offices closed).

A full lunch is available daily at 11:30 am. Meals are prepared on site daily by a Food Safe Certified Chef/Cook. The monthly menu is approved by a licensed dietician through Elder Services of the Merrimack Valley. Transportation is available by calling the Council on Aging before 9:00 am on the day transportation is needed.

A daily breakfast program is also available, from 7 am – 9 am. The breakfast consists of oatmeal, fruit, muffins, juice, milk, coffee & tea. A Veteran's breakfast is held on the second Friday of each month at 9 am. A full course, hot breakfast is served.

A variety of exercise and health programs are held weekly including: an exercise equipment fitness room, Tai Chi, Yoga, Strength training Bone Builders Class, Aerobics, Reiki, Country line dancing, and Stress and anxiety support.

Many health and well-being services are available such as: blood pressure clinics, blood glucose testing, health screenings, fall prevention, podiatry, Medication Safety seminars, Physicians, Chiropractors, Pharmacy information, prescription check-ups, ping-pong, art classes, stroke awareness, podiatry, cholesterol screenings, memory screenings, vision and hearing tests, podiatry, dental screenings, diabetes support/education, chronic illness seminars, on site farmers market, stress and anxiety support group.

The center has a team of diverse outreach workers that assist seniors with a variety of services and application assistance such as: SNAP benefits (Food Stamps), over 55 working programs, fuel assistance, benefits check-up, Wish Project referrals, housing assistance, various health insurance information, tax preparation, social security, welfare, legal services, call reassurance programs, intergenaerational activities, picture id's, Shine Councel (insurance specialist) services, and referrals for Meals on Wheels, In-Home Care Services, and Adult Day Care. The Council on Aging Outreach Staff are able to offer assistance in various languages including: English, Spanish, Portuguese, and others as needed through the assistance of community partners.

Educational programs are available throughout the year and include a wide variety of seminars and educational classes, computer classes, medical/health related informational meetings, CPR certification, and physician seminars on joint replacement, cancer awareness, medication safety, brain games, fall prevention, and alzheimers/dementia early detection.

We also offer such social activities as Cards/Gaming, pool room, Wii game tournaments, movie days, library annex (new Veteran book section) with public computers, computer lab for complimentary computer classes, tv/lounge, quilting, knitting & crochetting, Bingo, choral group, crafting classes, holiday theme parties, dancing socials, special dinners, trips, trivia game days, intergenerational activities, community puzzle table, many volunteer opportunities.

The benefits of the Council on Aging in Lowell are widespread. Increased socialization and involvement in the community are critical to Healthy Aging and therefore a good investment. The LCOA provides seniors with a way to enjoy recreational and social activities, as well as being able to develop and continue to age gracefully and in place.

FY19 ACCOMPLISHMENTS

- To date this fiscal year, the LCOA has served 735 unduplicated seniors on site using the swipe card system (These represent seniors that have swiped in during FY18-19). There has been a total event sign-in of 25,131. Many other senior participants are served that have not yet obtained a card. Several other seniors are served annually through drop in visits, telephone contacts, and referrals.
- The LCOA has partnered with Elder Services to offer a monthly program for income eligible seniors to receive free fresh produce. Once per month on a Friday, approximately one-hundred (100) seniors receive this complimentary resource bag.
- The LCOA has partnered with Assurance wireless. A representative visits the senior center every Wednesday to offer income eligible seniors access to a free cell phone.

PROJECTED EXPENSES

- The LCOA was able to assist 30 seniors with the City of Lowell Tax Incentive Program. Each senior receives a $750 rebate off their real estate tax bill by volunteering/working in various City departments where they perform 100 hours to receive this abatement.
- The LCOA was able to assist over 250 seniors with free tax preparation by partnering with free AARP tax services.
- The LCOA non-profit fundraiser group, The Friends of Lowell COA" has contributed $11,066.00 towards purchases for the senior center. To include kitchen equipment, repairs, supplies, printing and more.
- The LCOA volunteer Knitting and crocheting group have donated #1,000 hats to the City of Lowell school children, as well as newborn babies at Lowell General hospital, comfort blankets for nursing home residence, cancer patients and children affected by parental drug usage and overdoses.
- The LCOA's will be acquiring a new thirty eight (38) passenger, handicapped accessible bus. Thanks to the hard-work and planning of the City of Lowell City Manager and her Administration staff. This new bus will be replacing the older bus that was no longer safe to transport seniors. This will allow for our local seniors to travel to several areas of interest, to include; shows/plays, shopping, restaurants, and more.

GOALS

Fiscal Year	Strategic Goal or Objective	Status
FY17	Beautify the surrounding green spaces with the creation of Adams St. pocket park with facilities for use for Lowell Seniors and Veterans. **Update**: *Facility improvements have been completed..*	**Complete**
FY18	Develop a new Dementia Initiative and assist seniors with getting their brain health scores by offering free on-line brain health testing **Update**: *The program recently kicked off with an event taking place at the end of March 2019.*	**Complete**
FY18	Develop an Active Trails Program partnering with the National Historic Park. **Update**: *A $3,500.00 was sought and approved for COA trips to local National park locations, for seniors. Boat trips, museums, restaurants.*	**Complete**
FY18	COA will be partnering with the Veterans Office to start a "Veteran of the month" program. **Update**: *The COA and Veterans department have decided to make this program a "Veteran of the quarter" program.*	**Complete**
FY19	Establish a social day programming once a month for seniors with a caregiver. **Update**: *There has been a lack of participation and interest from Senior Center patrons, so additional*	*Ongoing*

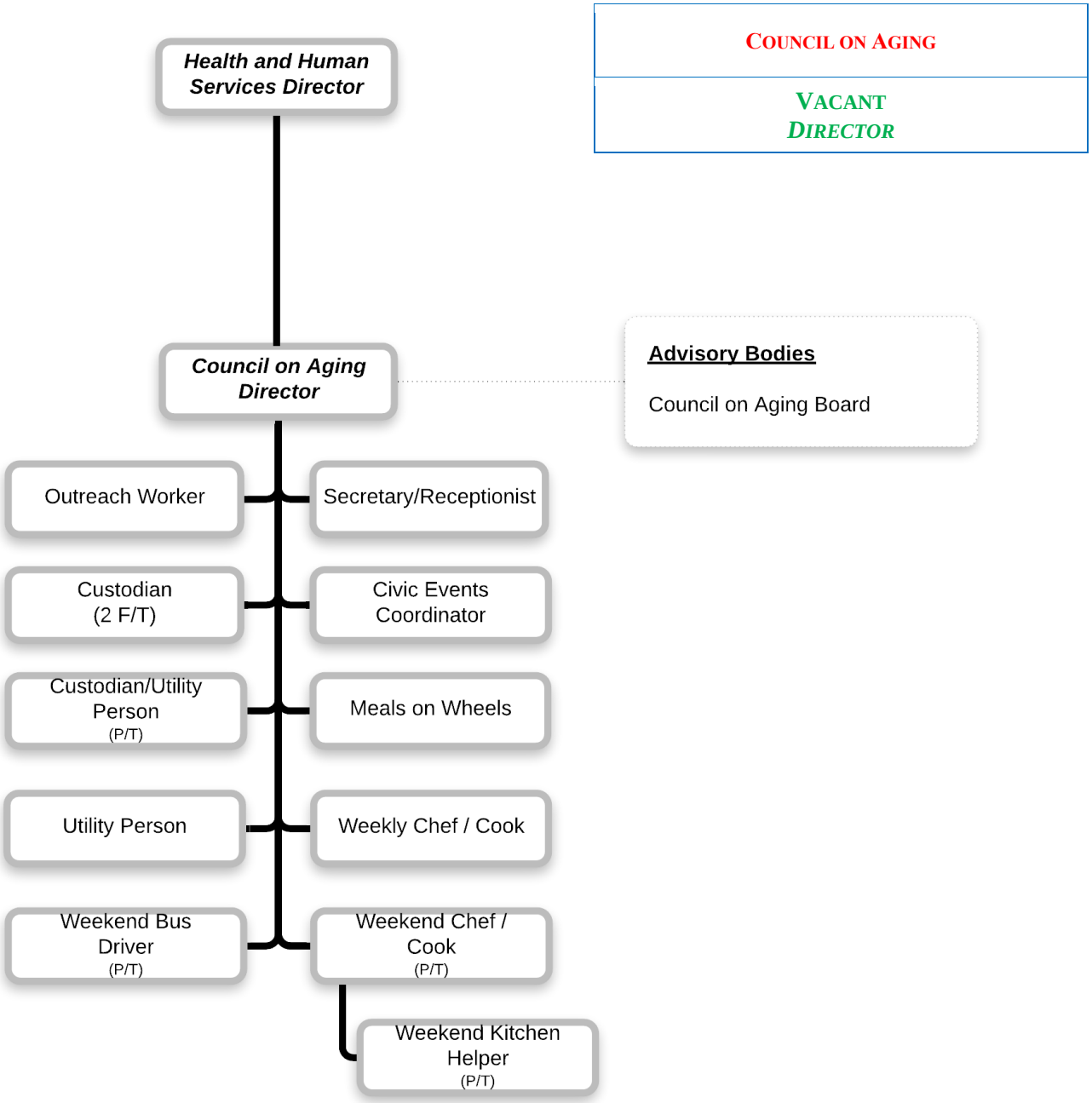
	effort and research will be undertaken to determine if this is a service the seniors want going forward.	
FY19	Senior Center Program assessment with UMASS Lowell. Program outcomes. **Update**: *This programming is still in the planning phase.*	*Ongoing*
FY19	Friendly Visitors Volunteer Program. To visit nursing home residents of prior senior participant's. **Update**: *The program is still being evaluated, as there are logistical issues yet to be worked out.*	*Ongoing*
FY20	Grandparent as parents/support group. Social gatherings, informative/educational speakers (on-site)	New
FY20	Improve senior parking issues, by working with Walgreens pharmacy, City Barns-Nick Sarris and Planning and development.	New

PERFORMANCE METRICS

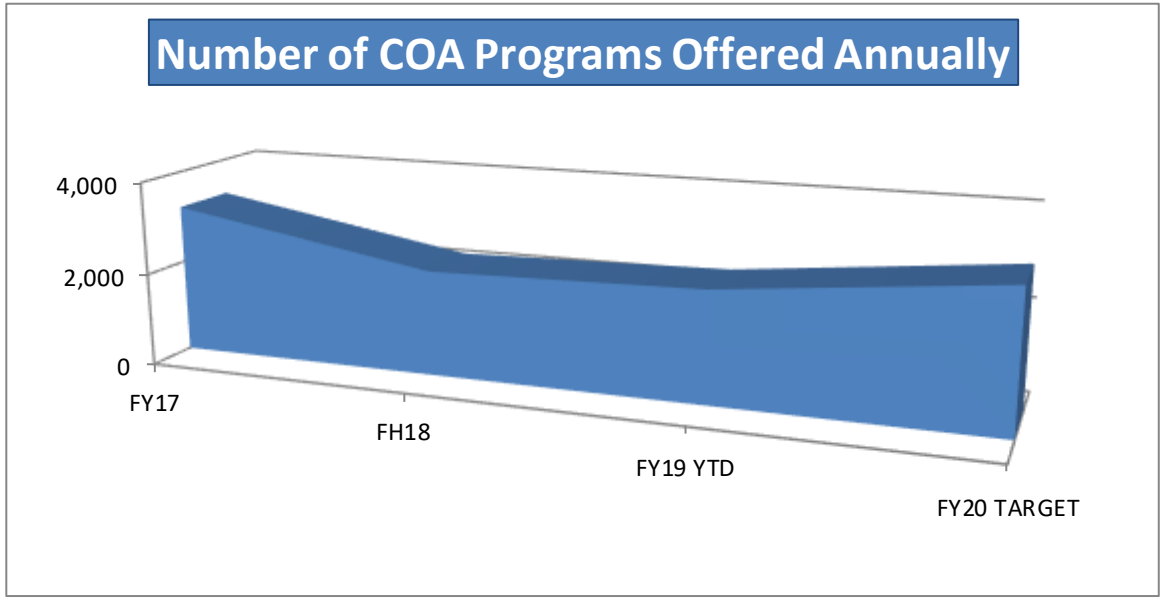
Measurement	Prior Year Actuals FY2017	FY2018	YTD [60] FY2019	FY2020 Target
Total number of Senior Tax Incentive participants with job placement	30	26	23	30
Number of programs offered annually	3,224	2,259	2391	3,000
Number of programs offered per week	65	50	48	67
Total number of annual COA bus trips to various places of interest	87	77	70	100
Total number of grocery shopping trips from senior housing	84	75	70	90
Total number of Seniors that received free tax preparation	167	375	426	350
Unduplicated number of low-income seniors receiving monthly brown bag grocery program	264	173	112	300
Approximate number of phone calls and referrals for COA staff	9,000	9,500	9,800	13,000
Total meals served (Lunch)	8,200	11,884	9,306	15,000
Number of unduplicated seniors served	850	785	720	1,000
Total event sign-ins (duplicated seniors)	26,710	37,754	30,370	35,000

[60] While YTD date ranges may vary, they typically cover the period from the start of the fiscal year (7/1) through the middle of Q3 of the fiscal year (approximately 2/15)

ORGANIZATIONAL CHART



LOWELLSTAT CHART(S)



The Council on Aging (COA) tracks the number of programs offered annualy to senior citizens. These programs includes yoga classes, themed dances, seminars and other events.

Measurement	FY17	FY18	FY19 YTD	FY20 TARGET
Number of programs offered annually	3,224	2,259	2,391	3,000

EXPENSE DETAILS

COUNCIL ON AGING - 541	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
S & W Perm.	394,320	358,821	398,699	432,929	432,929
Outside Funding	(136,799)	(110,529)	(110,529)	(109,195)	(109,195)
Total	257,521	248,292	288,170	323,734	323,734
Expenses					
Utility Electricity	44,733	44,000	48,000	50,000	50,000
Utility Heating/Gas	13,662	14,000	14,000	16,000	16,000
Repair & Maint of Vehicles	490	2,000	2,000	2,000	2,000
Senior Lunch Program	14,805	20,000	20,000	10,000	10,000
Gas & Motor Oil	2,892	3,500	3,500	3,500	3,500
Cleaning Supplies	1,929	2,000	2,000	2,000	2,000
Office Supplies	152	1,000	1,000	1,000	1,000
Senior Recreation Program	1,500	1,500	1,500	1,500	1,500
Reimbursements (for union)	187	250	250	375	375
Center Equipment	1,616	2,000	2,000	2,000	2,000
Total	81,967	90,250	94,250	88,375	88,375
TOTAL GENERAL FUND BUDGET	**339,488**	**338,542**	**382,420**	**412,109**	**412,109**

EXPENSE SUMMARY & FINANCING PLAN

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		$ 432,929
ORDINARY EXPENDITURES		$ 88,375
TOTAL FY20 BUDGETED EXPENDITURES (GROSS)		$ 521,304

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 191,026**
REAL ESTATE TAXES	$ 191,026	
INTERGOVERNMENTAL REVENUE		**$ 330,278**
UNRESTRICTED AID (UGGA)	$ 219,748	
STATE FORMULA - SENIOR CENTER	$ 110,530	
TOTAL FY20 BUDGETED REVENUES		$ 521,304

HEALTH AND HUMAN SERVICES
VETERANS' SERVICES

ERIC LAMARCHE
DIRECTOR

PERSONAL SERVICES	$157,122
ORDINARY EXPENSES	$653,150
TOTAL FY20 BUDGETED EXPENDITURES	**$810,272**

MISSION & SERVICES OVERVIEW

To advocate on behalf of the entire Commonwealth's Veterans, to provide quality supportive services, and direct an emergency financial assistance program for Veterans and their dependents. To furnish information, advice, and assistance to Veterans and their dependents as may be necessary to enable them to procure the benefits to which they may be entitled to relative to employment, vocational, or other educational opportunities, hospitalization, medical care, pensions and other Veterans benefits.

In accordance with Massachusetts General Law Chapter 115, Section 108, the Veterans Services Department is charged with taking applications for veterans' benefits and for providing financial and medical assistance to qualified, indigent veterans and their dependents. The department is also responsible for dispensing other state-sponsored benefits and assisting veterans and their dependents or survivors in obtaining federal benefits. The department acts as the burial agent for the City and arranges for proper internment of deceased veterans in accordance with state regulations. The Veterans' Services Department offers assistance to any person who served this country in the United States armed forces and who may be entitled to receive benefits from either local, State or Federal agencies. The Department of Veterans' Services is a State mandated office that provides information and services to Veterans, Veterans' spouses, and their dependents.

FY19 ACCOMPLISHMENTS

- Edward Gillis Dedication WWI Veteran
- Ad hoc Board member of the Lowell Veterans Commission.
- Board Member of the Veterans Assisting Veterans Charity.
- Board member of the Lowell Council on Aging.
- Member of the Northeast Veterans service officer association meeting monthly.
- ASPA Distinguished Veteran of the Year
- Participated in numerous Veterans Day ceremonies throughout the City and surrounding towns.
- Successfully completed Veterans Service Officer training from the Department of Veterans Services, and Mass. Veterans Service Officer association.
- Veterans Identification program adding 5 companies to offer discounts

- Continued to achieve 100% approval of all Veterans benefits by filing precise and accurate claims to the State Department of Veterans Services.
- Organized Veterans of the Month Quarterly Ceremonies
- Veterans of the Month program within the senior center in collaboration with the senior center

GOALS

Fiscal Year	Strategic Goal or Objective	Status
FY17	Conduct wellness/residency visits on bi-annual basis. **Update**: *Program fully implemented in FY18 and is working as designed.*	**Complete**
FY17	Implement new system to track military discharge document requests. **Update**: *New system completed in 2019.*	**Complete**
FY17	Implement Veteran's ID Program. **Update**: *Fully implemented with 143 card holders at this time.*	**Complete**
FY18	Veteran of the Month Breakfast **Update**: *This program has been fully implemented, and further modified to become a quarterly breakfast.*	**Complete**
FY18	Create a "Veterans Corner" in the satellite Library at the Senior Center and possibly at the City Library. **Update**: *The "Corner" was completed during FY2019, is very active, and materials are updated quarterly.*	**Complete**
FY18	Collaborate with the Department of Veterans Affairs peer support staff to provide a space to hold weekly coffee socials. **Update**: *Weekly socials are now occurring in the Senior Center Board Room.*	**Complete**
FY19	Senior Veterans of the Month program. We will work with the Lowell Senior Center and its board of directors to honor a Veteran at each Veterans breakfast. **Update**: *This program has been fully implemented, and further modified to become a quarterly breakfast.*	**Complete**
FY19	Outreach. Begin a Monthly Informational session, to include various Elderly Daycare and senior	Complete

	residential residences. **Update**: *The program launched in the fall of 2018, and has continually met monthly since.*	
FY19	In collaboration with the Lowell High School ROTC program, we would like to expand the number of Lowell based business to provide a discount to Lowell Veterans that possess the Lowell Veterans Identification card. **Update**: *Local businesses were reluctant to participate in a program represented by High School ROTC. The Department Director will be conducting outreach personally to reinvigorate the program.*	*Ongoing*
FY20	Work with the Department of Veteran Services to train and certify Lowell Veteran Services staff members.	New
FY20	Work with Middlesex County Sheriff's office to aide in placement of 'grave flags' at Veterans graves in honor of Memorial Day.	New

PERFORMANCE METRICS

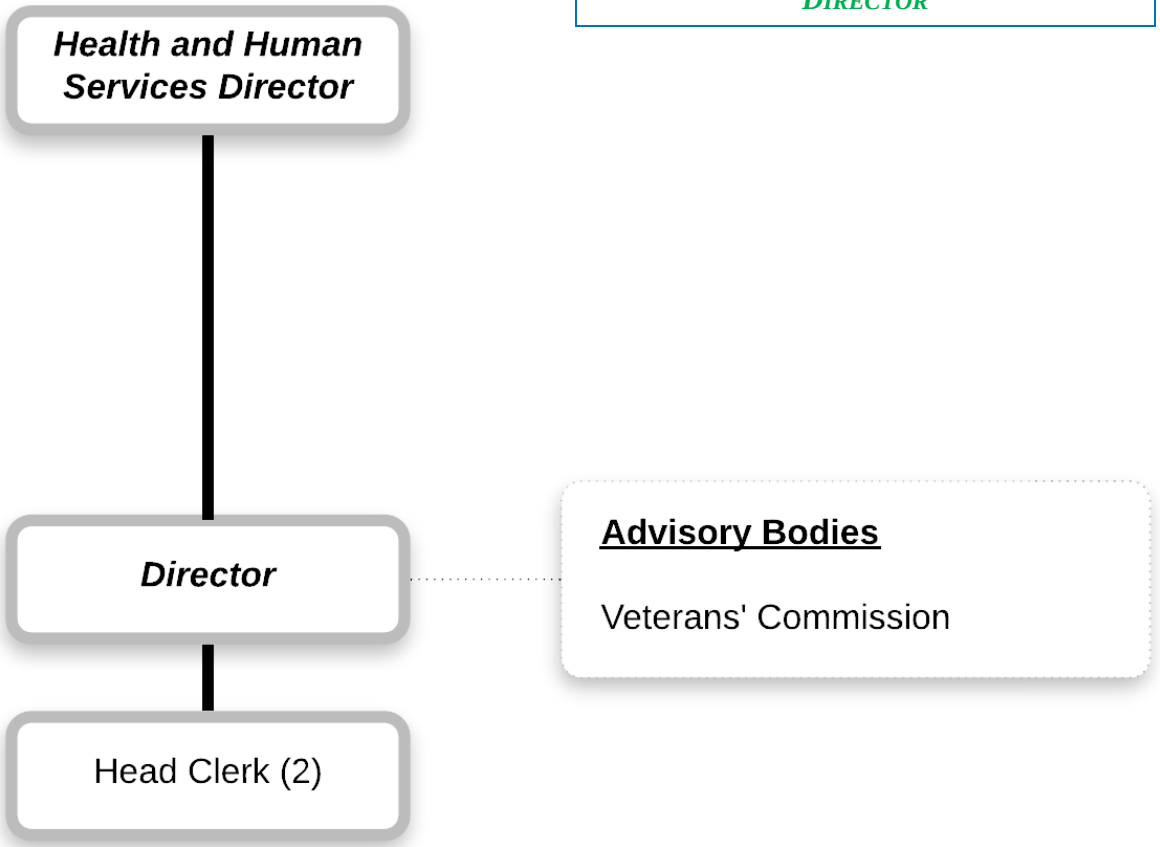
Measurement	Prior Year Actuals FY2017	FY2018	YTD [61] FY2019	FY2020 Target
Average monthly benefits per case	$344	$380	$371	$400
Percentage of eligible reimbursement received by the City for Veterans' benefits	100%	100%	100%	100%
Average monthly benefit	$55,040	$55,584	$52,072	$55,000
Approximate number of job searches assisted	1,100	800	400	500
Approximate number of applications for veteran's compensation claims and widow's pensions filed by Veterans' Services	102	152	129	170
Approximate number of phone calls fielded	2,500	2,500	2,592	3,200
Approximate number of walk-ins serviced	1,100	800	900	1,200
Current active caseload	160	145	132	150
Health care applications taken since completion of S.H.I.N.E. program	12	12	18	25
Home visits to Veterans/widows	20	30	12	20
Monthly Average of veterans/widows who receive benefits and are assisted by staff	158	162	140	150

[61] While YTD date ranges may vary, they typically cover the period from the start of the fiscal year (7/1) through the middle of Q3 of the fiscal year (approximately 2/15)

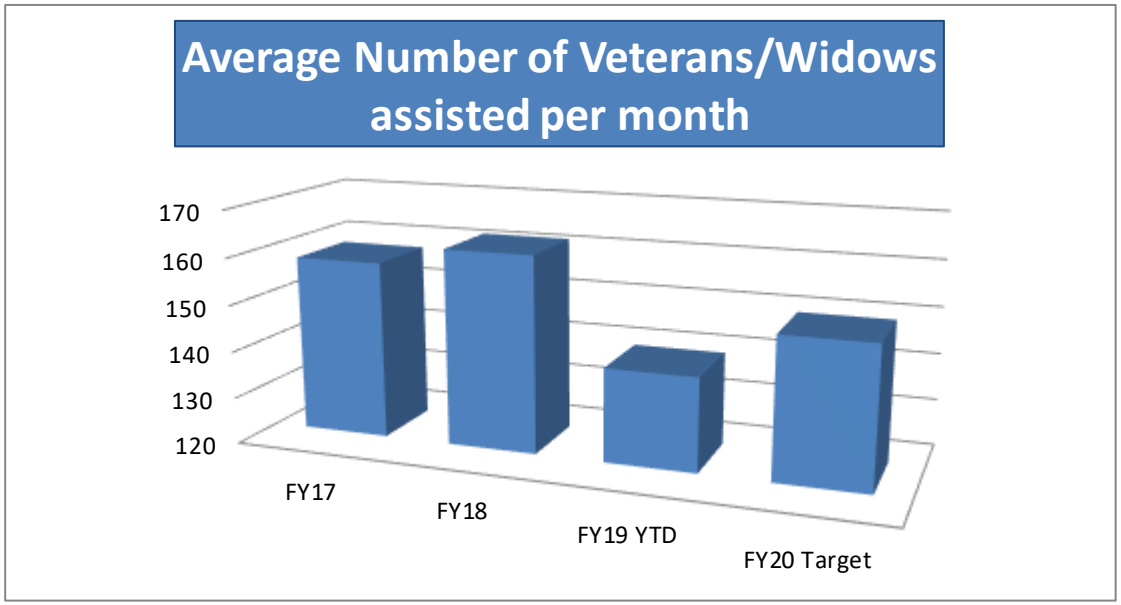
Number of burial applications for wartime veterans processed	8	5	7	10
Number of payments made to prevent homelessness through payment of rent to landlords for arrearages	4	3	3	5
Number of veterans that were assisted with the application process to the V.A.S.H. program	4	4	4	5
Veterans' grave flags placed and provided annually for Memorial Day	5,000	5,000	5,000	5,000
Veterans ID’s issued	83	69	36	50
Food packages issued from donations received	100	120	50	100

ORGANIZATIONAL CHART

VETERANS' SERVICES
ERIC LAMARCHE *DIRECTOR*



LOWELLSTAT CHART(S)



The City of Lowell is committed to providing excellent care and services to Veterans and their families. The average number of individuals receiving assistance monthly has begun to increase in recent years. The City's Veterans Services Department actively engages in proactively seeking out those veterans who may need assistance.

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Measurement	FY17	FY18	FY19 YTD	FY20 Target
Average Number of Veterans/Widows assisted per month	158	162	140	150

EXPENSE DETAILS

VETERANS - 543	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
S & W-Perm.	148,805	154,130	154,130	157,122	157,122
Total	148,805	154,130	154,130	157,122	157,122
Expenses					
Leasing Equipment & Services				3,500	3,500
Celebrations	13,603	7,000	7,000	7,000	7,000
Office Supplies	483	1,000	1,000	1,000	1,000
Trans. Reimb., & Seminar	347	1,650	1,650	1,650	1,650
Veterans Services	664,682	640,000	640,000	680,000	640,000
Total	679,115	649,650	649,650	693,150	653,150
TOTAL BUDGET	**827,920**	**803,780**	**803,780**	**850,272**	**810,272**

EXPENSE SUMMARY & FINANCING PLAN

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		$ 157,122
ORDINARY EXPENDITURES		$ 653,150
TOTAL FY20 BUDGETED EXPENDITURES		$ 810,272

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 18,437**
REAL ESTATE TAXES	$ 18,437	
INTERGOVERNMENTAL REVENUE		**$ 791,835**
VETERANS' BENEFITS	$ 507,446	
VETS/ BLIND EXEMPTION	$ 284,389	
TOTAL FY20 BUDGETED REVENUES		$ 810,272

HEALTH AND HUMAN SERVICES
RECREATION

PETER FATICANTI
PROGRAM DIRECTOR

PERSONAL SERVICES	$678,170
ORDINARY EXPENSES	$47,485
TOTAL FY20 BUDGETED EXPENDITURES	**$725,655**

MISSION & SERVICES OVERVIEW

To promote positive and healthy activities by offering the most diverse programming possible, in a year round environment, focusing on various programs designed to engage and entertain the City's population while utilizing the City's public facilities and various other locations.

The City's Recreation Division provides programming and permitting of all parks and playground facilities. This includes permitting for City Youth Sports organizations, special events, and various school activities, as well as summer programming. The Recreation Division also serves the City in various programs offered during out-of-school time including nights, weekends, and vacations. This includes, but is not limited to: special events, Swim Lessons, Tae Kwon Do, Basketball, Floor Hockey, Lifeguard/CPR/1st Aid trainings, Dance, Tennis, Summer Day programs, and more. For the adult population, classes in Dance, Adult Fitness, and Swim Lessons are offered.

FY19 ACCOMPLISHMENTS

- Served 2,000 Lowell youth and adult participants with out-of-school, night and weekend activities, as well as summer programming at no cost to the public.
- Provided staff assistance for special events like the Monster Bash, Folk Festival, South East Asian Water Festival, Winterfest, KIDSWEEK, Bike Rodeo, National Night Out, Triathlons, Harvest Fest, Acre Fest, etc.
- With the help of various partners like CTI, Lowell School Department, Merrimack Valley Food Bank, and Project Bread, approximately 11,000 meals were served to youth participants in the summer programs.
- Provided approximately 75 CPR/AED, First Aid, and Lifeguard Trainings to prospective employees, as well as recertification training for current employees.
- Ensured proper trainings and current certifications for all aquatics staff. 100% were certified or recertified in-house due to the ability to offer these classes at no or reduced cost to participants.

- Trained 175 summer participants in swim lessons, and another 240 in winter swim lessons.
- Employed 171 summer staff and 43 winter staff, 61% of which are under the age of 18.
- Beneficiary of two (2) substantial grant opportunities with funding from the Shannon Grant, and the National Recreation and Park Association.
- Included Supervisors specializing in Special Needs and Autistic youth work to our summer programming with all summer staff receiving Autism training provided by UML.
- Expanded our web presence directing people to the website that now has 2940 household accounts containing 6588 individual members.
- Started a social media presence on Facebook that has 557 followers and individual posts reaching over 7000 people. This puts on par with youth organizations that have had a social media presence for over 5 years.

GOALS

Fiscal Year	Strategic Goal or Objective	Status
FY19	Create a larger online social media presence. **Update**: *We currently use Facebook to a good deal of success. We use it to advertise programs, jobs, and receive feedback. People ask questions, receive cancellation notices, and get information about upcoming events. Social media allows us to share events from other organizations, and also have ours shared as well.*	**Completed**
FY19	Move splash pad staff to be used at other sites and have unmanned splash pads. **Update**: *Were not allowed to run splash pads unstaffed.*	**Completed**
FY19	Increase our winter program registrations. **Update**: *Winter registrations were on par with last year. The exception was the loss of LHS pool. Our swim lessons numbers were reduced as we did not start the program in October as usual. Additionally, we were limited to 4 hours of pool time instead of the usual 6 hours, so we had to reduce the number of lessons offered.*	*Ongoing*
FY20	Add school teams to our floor hockey program by meeting with the Athletic Director and individual schools to gauge interest increase program size.	New
FY20	Increase February Vacation week offerings and add in new April Vacation week programming.	New
FY20	Add more special event vendors to our summer programming, providing a more well-rounded summer offering.	New

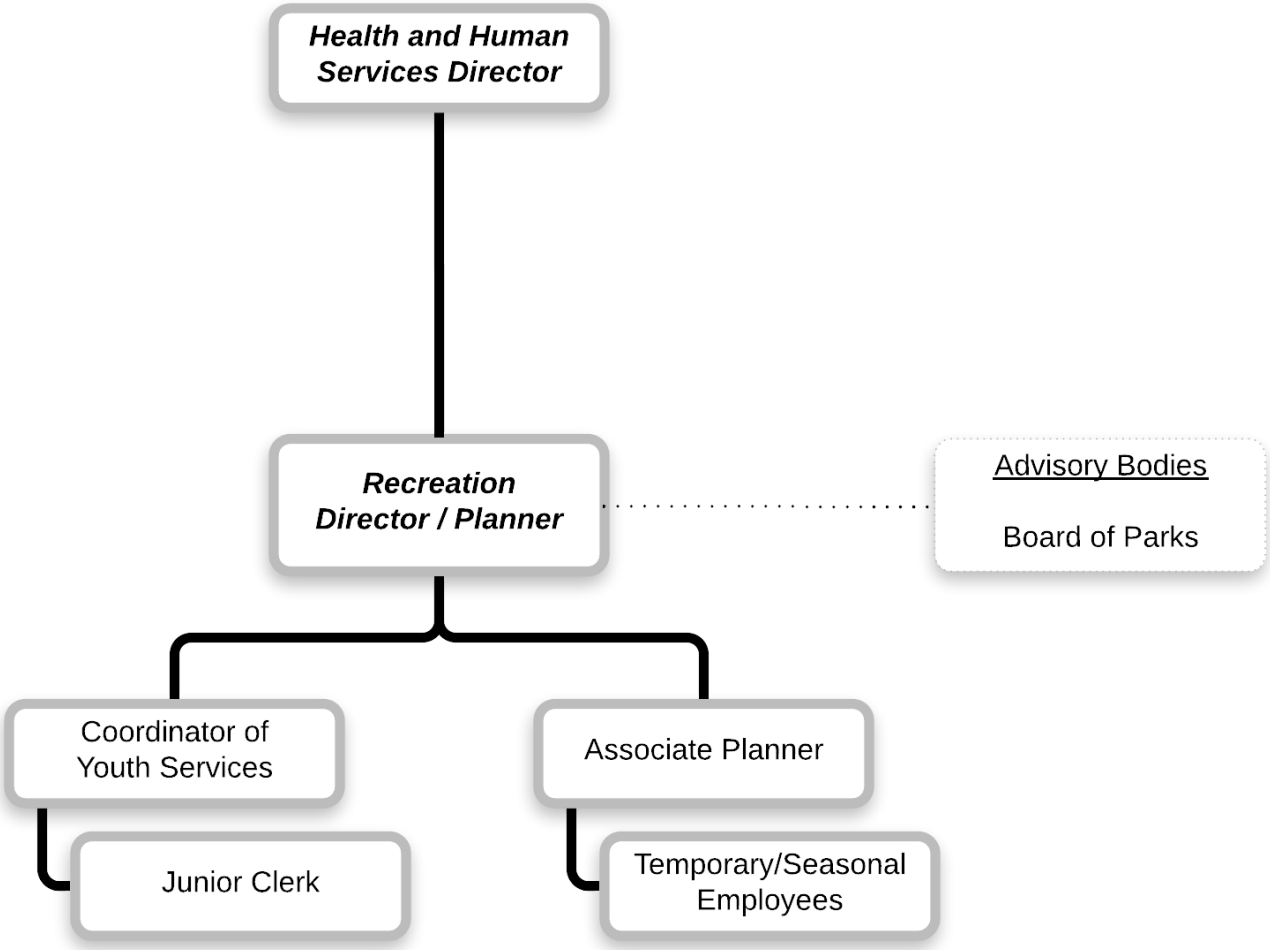
PERFORMANCE METRICS

Measurement	Prior Year Actuals FY2017	FY2018	YTD [62] FY2019	FY2020 Target
Unique Permit Holders	164	154	105	180
Number of Recreation Permits issued	15,924	19,521	10,533	17,500
Registered Summer Program Participants	1,454	1,856	1,541	1,600
Breakfast served during summer program	10,174	18,124	3,852	5,000
Lunches served during summer program	13,335	11,141	6,963	7,500
MyRec unique registrations	3,315	4,354	2,199	2,000
MyRec first time registrants	1,532	682	381	400
MyRec Lowell resident registrants	3,068	3,948	2,009	1,500
MyRec non-Lowell resident registrants	247	406	190	150
MyRec activities running	348	198	242	250
MyRec facility/area reservations	516	625	398	650
MyRec facility/area reservation revenue	$ 48,580	$ 73,265	$ 32,345	$ 75,000

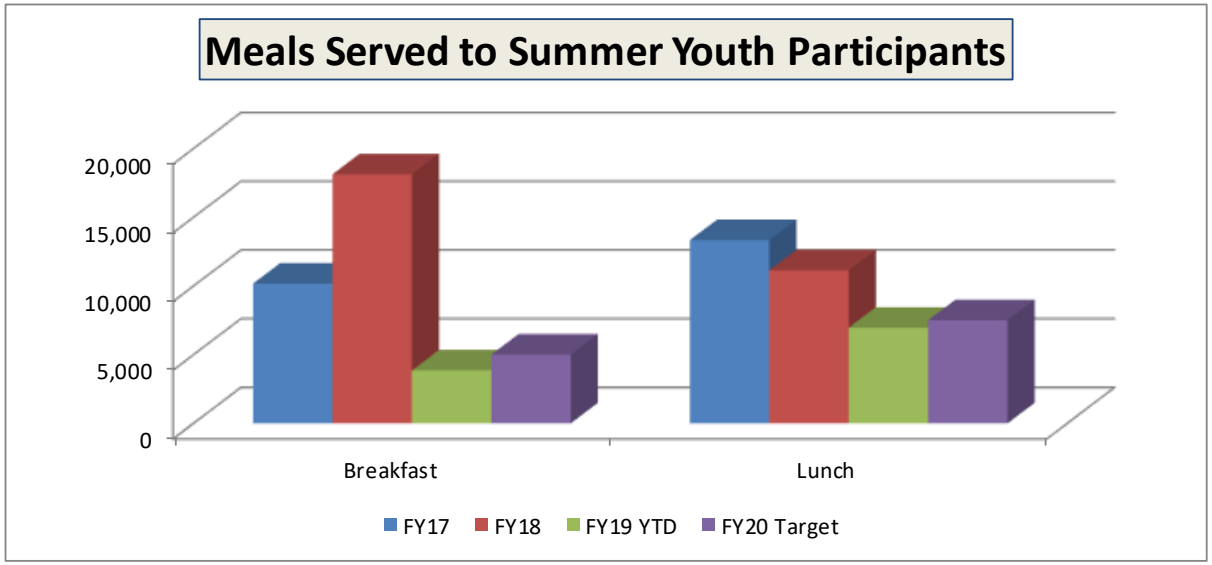
[62] While YTD date ranges may vary, they typically cover the period from the start of the fiscal year (7/1) through the middle of Q3 of the fiscal year (approximately 2/15)

ORGANIZATIONAL CHART

RECREATION
PETER FATICANTI *PROGRAM DIRECTOR*



LOWELLSTAT CHART(S)



With the help of various partners, approximately 30,000 meals were served to youth participants in the FY 18 summer programs. The goal will be to increase this number moving forward.

Measurement	FY17	FY18	FY19 YTD	FY20 Target
Breakfast	10,174	18,124	3,852	5,000
Lunch	13,335	11,141	6,963	7,500

EXPENSE DETAILS

RECREATION - 630	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
S & W-Perm.	170,300	221,168	222,159	225,523	225,523
S & W-Temp.	473,395	591,976	549,697	655,729	500,000
S & W-Temp.-Summer	-	-	-	-	-
Overtime	4,217	4,050	3,847	3,847	3,847
Outside Funding				(51,200)	(51,200)
Total	647,912	817,194	775,703	833,899	678,170
Expenses					
Winter Recreation Program	1,860	2,500	2,500	2,500	2,500
Rec. Program	11,528	13,000	13,000	13,000	13,000
Postage	85	85	85	85	85
Summer Supplies	2,351	15,000	15,000	15,000	15,000
Office Supplies	744	900	900	900	900
Transportation Reimbursements	4,231	6,500	6,500	6,500	6,500
Physical/ Drug Screen (Summer)	8,347	8,000	-	2,000	2,000
Misc. Charges			9,500	7,500	7,500
Total	859,573	45,985	47,485	47,485	47,485
TOTAL BUDGET	**1,507,485**	**863,179**	**823,188**	**881,384**	**725,655**

EXPENSE SUMMARY & FINANCING PLAN

PROGRAM EXPENDITURES	DETAIL	SUMMARY	
PERSONAL SERVICES		$	729,370
ORDINARY EXPENDITURES		$	47,485
TOTAL FY20 BUDGETED EXPENDITURES		$	776,855

FINANCING PLAN	DETAIL	SUMMARY	
TAXES		**$**	**415,917**
REAL ESTATE TAXES	415,917		
INTERGOVERNMENTAL REVENUE		**$**	**360,938**
SHANNON GRANT	47,000		
SCHOOL DEPARTMENT FUNDING	4,200		
UNRESTRICTED AID (UGGA)	360,938		
TOTAL FY20 BUDGETED REVENUES		$	776,855

HEALTH AND HUMAN SERVICES
POLLARD MEMORIAL LIBRARY

VICTORIA WOODLEY

DIRECTOR

PERSONAL SERVICES	$1,044,796
ORDINARY EXPENSES	$375,420
TOTAL FY20 BUDGETED EXPENDITURES	**$1,420,216**

MISSION & SERVICES OVERVIEW

To provide diverse collections; state of the art technology; and appealing programs and services to Lowell's diverse population in a safe and welcoming environment.

The Lowell Library is a vibrant community hub and Lowell's gateway to knowledge; meeting the information needs and enriching the quality of life in our community. The Library Department operates two physical branches, the Pollard Memorial Library Main Branch and the Senior Center Branch. We also have a virtual branch (www.LowellLibrary.org) accessible on the Internet that allows users to access our catalog and electronic books, music, videos, and databases. It is the responsibility of the Library to acquire and make available to the public works of fact and fiction that are of interest to the population of the City of Lowell. This includes works in formats such as books, DVD's, CD's; and electronic formats like e-books, downloadable music, and videos. Technology has become a large part of the library's offerings. We have expanded beyond electronic catalogs to include Internet access, job searches, consortium networks, e-books, electronic databases, and, ~~recently~~, the lending of mobile hotspots (Wi-Fi). In a city as diverse as Lowell, a challenge is to keep language and cultural offerings relevant.

Lowell's library also includes community / literary events such as lectures by authors, readings, book clubs, an adult literacy program, as well as children and teen programs. The library staff is making an effort to serve our special needs population and partner with the many non-profits in our community to bring more variety and relevance to our programming. We also strive to meet the needs of our varied immigrant residents by offering free citizenship classes.

It is the responsibility of our professional and para-professional staff to acquire, process, and circulate materials to the public. We also fill requests for information from our own residents and those of other towns. Our staff creates original programs that are of interest to Lowell residents of various ages and cultural backgrounds. The staff often brings our programs to other locations in the City.

FY19 ACCOMPLISHMENTS

- The Reference department continues to catalog all the individual Local History records and artifacts in our Library. Staff has created a Finding Aid for all those records so users can find the correct box to search for information on a particular subject.
- Restoration of the "George Washington at Dorchester Heights" portrait hanging over the Grand Staircase at the PML Main Branch with funding from the Library Board of Trustees and the PML Foundation.
- Preparations for the 175th anniversary of Library's founding are underway, including limited edition commemorative library cards, installation of a plaque to commemorate the 2002 Renovation of the PML Main Branch, and special author programs. We'll be highlighting accomplishments, hosting various celebrations, and sharing the ways that the library has changed, offering various exhibits and much more!
- Participation by multiple staff in a Consortium-wide initiative to eliminate barriers to library service for underserved populations.
- Ongoing efforts to improve the main floor (Floor 1) in order to provide: a clearly separate accessibility area, more seating for patrons, more spots for patrons to charge and use their devices, more & clearer signage, more displays, and more intuitive organization of library materials for ease of use. Promotion was made of the library's new video phone with a special press release going out to the public as well as being shared with the Disability commission.
- Installation of Wi-Fi Access Points throughout library, greatly improved Wi-Fi connection for patron and staff use.
- Installation of 66 new computers; 31 for staff and 35 for patrons.
- Recovery of audio book collection after flood damage in January 2018. Audio books were evaluated, cleaned, and repackaged.
- Since our Literacy Director started in Dec. 2017, she has built the program back up after it was in limbo for about 18 months. She has increased the number of tutors by 57% and active students by 71%. As of now, we have 40 active tutors and serve 52 students not including those that attend our two weekly conversation groups. Soon she will be adding 2 new ABE tutors to the list and I have 8 new ESOL tutor trainees that will begin their training in March.
- The Library served on the Welcoming Week committee and hosted a series of events to make Lowell a more welcoming community, including a special conversation café and the Suitcase Stories presentation at the National Park.
- Lowell Reads – This year's Lowell Reads selection, *One Goal: A Coach, A Team, and the Game the Brought a Divided Town Together*, gave us the opportunity to push the program beyond our walls. Collaborating with UMass Lowell, the National Park Service, International Institute, Middlesex Community College, and Lowell High School, we took the opportunity to present the idea of embracing differences and building a better community. Activities included discussions with native and non-native English speakers, allowing immigrants/refugees to present their stories, sharing the success of the focus of the book – Lewiston, Maine – and how one of the members of the high school team is now part of the Lowell community. This book selection and accompanying programs helped to share with the community how we can appreciate each other's uniqueness while building a strong community.
- Library staff is participating in the Lowell Archives Committee, a local collaboration of organizations that hold materials related to the city's history. Led by the National Park Service, the group includes members from the Registry of Deeds, UMass Lowell, Lowell Historical Society and more. The goal is to create a listing of historical assets in the city and also work together to provide researchers

opportunities to access all historical information available in the city. Current website is under construction and can be found at https://lowell-archives.libguides.com/home.

- The Library participated in and/or collaborated with a number of community events including Points of Light, Earth Day, Lowell Walks, Midsummer Dream Festival, Harvest Festival & City of Lights.
- The library has been testing community web resource archiving by collecting documentation of Lowell City sites and businesses. Captures of the history of the City, including the library's flood in 2018, can be found at https://archive-it.org/home/lowelllibrary. Next steps will include adding monthly captures of local non-profits, art and culture organizations, as well as large scale community events (i.e. Welcoming Week, Folk Festival, Winterfest, etc.)
- In order to further emphasize library resources, Alison Zaya has been creating a monthly bookmark of tools for patrons – started in January, focus has included using our Libby application (e-books) and making sure patrons don't miss the best books of 2018.
- The staff has been putting together special information and interest displays through the year, including a special display on Juneteenth, the Flu Pandemic of 1918 (to promote a special presentation by Lowell Historical Society member Walter Hickey), the Lowell Quarter unveiling, and Preservation Month.
- In 2019, we introduced a new series of monthly programs, called Be Curious & Learn Something. Topics to date include overcoming procrastination and avoiding identity theft. March's topic is Stress Management.
- The website redesign project took place over the summer. The website was updated in August to allow patrons to access the library's website more easily form various devices. Special focus was made to make the page more user-friendly; especially for those with accessibility issues (screen readers, color adjustments, etc.).
- Sean Thibodeau will be contributing a book related column to the Lowell Sun's Weekender section in the Lowell Sun. This will be an opportunity to promote the library and its author visits and literacy in general in the Greater Lowell area.
- Part-time Librarian, Tony Sampas, has given tours of the library, run local history workshops with UMass Lowell Instructors Kathleen Ralls and Shanna Thompson, and has promoted the use of the Pollard for UMass Lowell students as it holds unique resources to help them with their studies, especially in the area of local history.

GOALS

Fiscal Year	Strategic Goal or Objective	Status
FY18	Increase collaboration with LPS, Adult Ed, and other educational institutions to increase literacy. **Update**: *Since we have re-staffed our Literacy Dept. we have been collaborating with other Lowell City Depts and non-profits.*	**Complete**
FY18	Assist immigrant residents to become U.S. Citizens. **Update**: *Through our Citizenship classes and one-on-one assistance, our volunteer teacher has assisted 14 patrons to attain their U.S. Citizenship.*	**Complete**
FY18	Attain effective climate control in the library. **Update**: *An evaluation of the HVAC equipment, system, and controls has been completed. Given the scope of the work required, the goal of "Attaining effective climate control" has been incorporated into a new goal for FY 2020*	**Complete**
FY19	Increase services at the Senior Center Branch by installing dedicated staff equipment for circulation functions, staff part-time, and possibly do programming. **Update**: *Dedicated staff computer, receipt printer, and barcode scanner for circulation has been installed. The Branch is staffed from 9-1 on weekdays.*	**Complete**
FY19	Assess and update materials, equipment, services, and programming to make the Library as accessible as possible for all patrons, e.g. using ASL interpreters for programs. **Update**: *Door closers on Ground Floor bathrooms have been changed to ADA-qualified equipment. VRS Videophone has been installed in Library so patrons who are deaf can communicate with others. The library building was recently evaluated by the NILP to see if it meets ADA requirements as a public building. An outcome is still pending.*	*Ongoing*
FY19	Purchase software to allow for seamless Wi-Fi printing from mobile devices. **Update**: *Software has been evaluated and chosen for Wi-Fi printing from mobile devices. It will be purchased and installed by the end of FY19.*	*Ongoing*
FY20	Reconfigure and repair piping and mechanical equipment for A/C system, and update the HVAC System Controls.	New

FY20	Identify funding to purchase a van/bookmobile as a mobile branch of the library for offsite programming and delivery to homebound patrons and nursing homes.	New
FY20	Identify monitoring equipment to alert staff re water leaks within the library.	New

PERFORMANCE METRICS

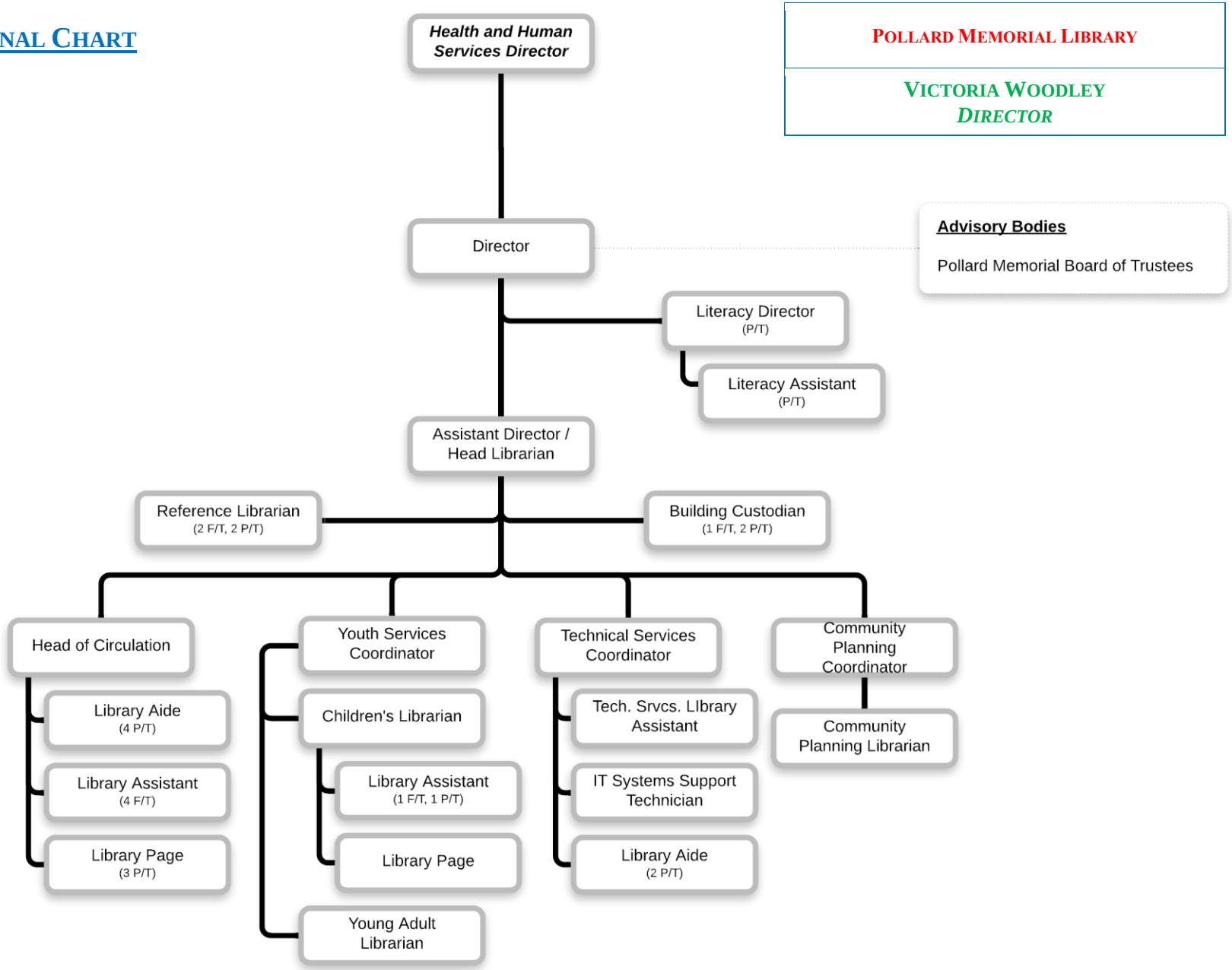
Measurement	Prior Year Actuals FY2017	FY2018	YTD [63] FY2019	FY2020 Target
Adult Programs	258	273	169	278
Adult Program Participants	2660	2,898	1,638	2,955
Children's Programs	189	193	151	196
Children's Program participants	7,370	7,167	4,325	7,310
Grants (including State Aid to Libraries)	$176,096	$174,477	$87,102	$181,456
Young Adult Program	116	99	84	100
Young Adult program participants	902	972	832	990
Acquisitions for Collection	6,300	3,735	3,327	3,809
Amount spent on library materials	$152,678	$169,209	$91,673	$148,000
E-book holdings	10,896	26,811	27,794	29,000
Circulation	165,939	140,930	104,219	143,750
Registered Borrowers	45,002	29,631	25,462	30,225
Number of Visitors Entering Library Building	123,491	141,749	100,480	144,585

[63] While YTD date ranges may vary, they typically cover the period from the start of the fiscal year (7/1) through the middle of Q3 of the fiscal year (approximately 2/15)

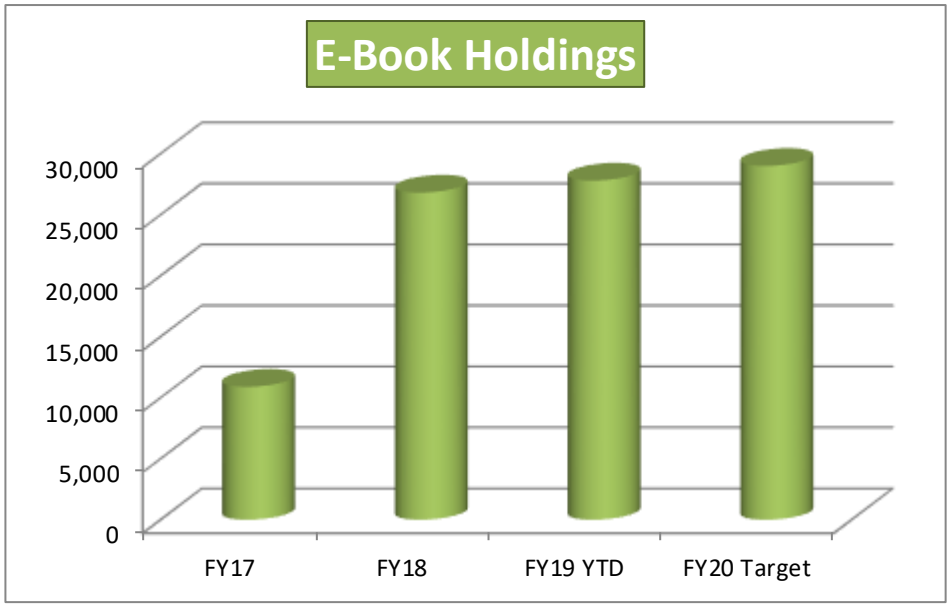
ORGANIZATIONAL CHART

POLLARD MEMORIAL LIBRARY

VICTORIA WOODLEY
DIRECTOR



LOWELLSTAT CHART(S)



Electronic books, or e-books, have become increasingly popular every year. To keep up with demand, the Library has added thousands of electronic books to their collection.

Measurement	FY17	FY18	FY19 YTD	FY20 Target
E-Book Holdings	10,896	26,811	27,794	29,000

EXPENSE DETAILS

LIBRARY - 610	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
S & W-Perm.	961,432	1,070,746	1,069,549	1,133,127	1,113,527
S & W-PT.	51,489	57,180	73,749	75,000	75,000
S & W - Shift Differential	4,985	5,272	5,388	5,516	5,516
Outside Funding (Outside Tax Levy)	(130,131)	(130,131)	(139,521)	(148,590)	(148,590)
Total	887,775	1,003,067	1,009,165	1,065,053	1,045,453
Expenses					
Electricity	64,778	70,000	76,000	76,000	76,000
Repair & Maintenance Equipment	5,871	6,000	6,000	6,000	6,000
Equipment Leasing	31,919	33,000	33,000	33,000	33,000
MV-Library-Consortium	53,860	54,598	54,598	54,598	54,598
Professional Services (security guard)	27,989	28,600	28,600	35,822	35,822
Library - Aud/Micro/Bks/Sup.	100,470	130,841	139,557	148,000	148,000
Office Supplies	18,024	19,000	19,000	19,000	19,000
Custodial Supplies	2,811	3,000	3,000	3,000	3,000
Total	305,722	345,039	359,755	375,420	375,420
TOTAL BUDGET	**1,193,497**	**1,348,106**	**1,368,920**	**1,440,473**	**1,420,873**

EXPENSE SUMMARY & FINANCING PLAN

PROGRAM EXPENDITURES	DETAIL	SUMMARY	
PERSONAL SERVICES		$	1,194,043
ORDINARY EXPENDITURES		$	375,420
TOTAL FY20 BUDGETED EXPENDITURES **(GROSS)**		$	1,569,463

FINANCING PLAN	DETAIL	SUMMARY	
TAXES		**$**	**952,059**
REAL ESTATE TAXES	952,059		
INTERGOVERNMENTAL REVENUE		**$**	**597,404**
UNRESTRICTED AID (UGGA)	448,814		
STATE AID - LIRBRARY FUNDING	135,590		
LITERACY GRANT	13,000		
PUBLIC ACCESS REVENUE	-		
MISCELLANEOUS REVENUE		**$**	**20,000**
LIBRARY MISCELLANEOUS	20,000		
TOTAL FY20 BUDGETED REVENUES		$	1,569,463

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FIXED COSTS

SUMMARY

(REFERENCED AS "UNCLASSIFIED" IN PRIOR BUDGETS)

Actual FY17	Actual FY18	Approved FY19	PROGRAM EXPENDITURES	Budget FY20
9,742,713	8,608,667	8,927,893	DEBT SERVICE	9,818,772
603,419	704,986	625,000	WORKERS' COMPENSATION	625,000
213,591	130,115	275,000	UNEMPLOYMENT	425,000
21,789,936	22,837,570	23,678,000	HEALTH INSURANCE	24,150,000
22,994,676	24,344,417	25,980,831	PENSION	27,261,906
2,748,206	2,858,872	2,792,260	MEDICARE TAX	2,750,000
1,126,229	1,341,501	693,260	CLAIMS & JUDGEMENTS	775,000
252,809	250,362	326,617	OTHER INSURANCE	286,617
31,282	32,064	32,865	NMCOG	33,851
59,502,862	**61,108,554**	**63,331,726**		**66,126,146**

FINANCING PLAN	Budget FY20
TAXES	53,277,315
LICENSES AND PERMITS	-
CHARGES FOR SERVICES	5,126,021
INTERGOVERNMENTAL REVENUE	7,501,556
MISCELLANEOUS REVENUE	221,254
	66,126,146

FIXED COSTS

DEBT SERVICE

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		
ORDINARY EXPENDITURES		$ 9,818,772
TOTAL FY20 BUDGETED EXPENDITURES		$ 9,818,772

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 5,390,962**
REAL ESTATE TAXES	4,254,221	
REAL ESTATE RETURN FINES	140,000	
MEALS TAX	175,278	
TAX LIEN PENALTY & INTEREST	90,000	
PERSONAL PROPERTY PENALTY & INTEREST	50,000	
LIEN CERTIFICATES	100,000	
MV PENALTIES & INTEREST	581,463	
INTERGOVERNMENTAL REVENUE		**$ 4,206,556**
CAPITAL DEBT SERVICE STABILIZATION	600,000	
BALLPARK CAPITAL	192,000	
VACANT/ FORECLOSED REVOLVING	239,155	
GENERAL STABILIZATION	1,831,070	
UML DEBT REIMBURSEMENT (TIGER BRIDGES)	151,540	
MSBA DEBT REIMBURSEMENT	1,192,791	
MISCELLANEOUS REVENUE		**$ 221,254**
INTEREST ON INVESTMENTS	75,000	
OTHER MISCELLANEOUS INTEREST	146,254	
TOTAL FY20 BUDGETED REVENUES		$ 9,818,772

FIXED COSTS

WORKERS COMPENSATION

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		$ -
ORDINARY EXPENDITURES		$ 625,000
TOTAL FY20 BUDGETED EXPENDITURES		$ 625,000

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 625,000**
REAL ESTATE TAXES	625,000	
TOTAL FY20 BUDGETED REVENUES		$ 625,000

FIXED COSTS

UNEMPLOYMENT

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		$ -
ORDINARY EXPENDITURES		$ 425,000
TOTAL FY20 BUDGETED EXPENDITURES		$ 425,000

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 425,000**
REAL ESTATE TAXES	425,000	
TOTAL FY20 BUDGETED REVENUES		$ 425,000

FIXED COSTS

HEALTH INSURANCE

PROGRAM EXPENDITURES	DETAIL	SUMMARY	
PERSONAL SERVICES		$	-
ORDINARY EXPENDITURES		$	24,150,000
TOTAL FY20 BUDGETED EXPENDITURES		$	24,150,000

FINANCING PLAN	DETAIL	SUMMARY	
TAXES		**$**	**20,077,702**
REAL ESTATE TAXES	20,077,702		
CHARGE FOR SERVICES		**$**	**2,777,298**
WATER UTILITY - REIMBURSE GF FOR INDIRECT	1,005,240		
WASTEWATER UTILITY - REIMBURSE GF FOR INDIRECT	1,172,278		
PARKING ENTERPRISE - REIMBURSE GF FOR INDIRECT	599,780		
INTERGOVERNMENTAL REVENUE		**$**	**1,295,000**
MEDICAID REIMBURSEMENT	925,000		
MEDICARE PART D REIMBURSEMENT	370,000		
TOTAL FY20 BUDGETED REVENUES		$	24,150,000

FIXED COSTS

RETIREMENT/ PENSION

PROGRAM EXPENDITURES	DETAIL	SUMMARY	
PERSONAL SERVICES		$	-
ORDINARY EXPENDITURES		$	27,261,906
TOTAL FY20 BUDGETED EXPENDITURES		$	27,261,906

FINANCING PLAN	DETAIL	SUMMARY	
TAXES		**$**	**22,913,183**
REAL ESTATE TAXES	22,913,183		
CHARGE FOR SERVICES		**$**	**2,348,723**
WATER UTILITY - REIMBURSE GF FOR INDIRECT	924,498		
WASTEWATER UTILITY - REIMBURSE GF FOR INDIRECT	1,224,334		
PARKING ENTERPRISE - REIMBURSE GF FOR INDIRECT	199,891		
INTERGOVERNMENTAL REVENUE		**$**	**2,000,000**
GENERAL STABILIZATION	1,000,000		
SALARY STABILIZATION	1,000,000		
TOTAL FY20 BUDGETED REVENUES		$	27,261,906

FIXED COSTS

MEDICARE TAX

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		$ -
ORDINARY EXPENDITURES		$ 2,750,000
TOTAL FY20 BUDGETED EXPENDITURES		$ 2,750,000

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 2,750,000**
REAL ESTATE TAXES	2,750,000	
TOTAL FY20 BUDGETED REVENUES		$ 2,750,000

FIXED COSTS

CLAIMS & JUDGEMENTS

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		$ -
ORDINARY EXPENDITURES		$ 775,000
TOTAL FY20 BUDGETED EXPENDITURES		$ 775,000

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 775,000**
REAL ESTATE TAXES	775,000	
TOTAL FY20 BUDGETED REVENUES		$ 775,000

FIXED COSTS

OTHER INSURANCE

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		$ -
ORDINARY EXPENDITURES		$ 286,617
TOTAL FY20 BUDGETED EXPENDITURES		$ 286,617

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 286,617**
REAL ESTATE TAXES	286,617	
TOTAL FY20 BUDGETED REVENUES		$ 286,617

FIXED COSTS

NORTHERN MIDDLESEX COUNCIL OF GOVERNMENTS (NMCOG)

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		$ -
ORDINARY EXPENDITURES		$ 33,851
TOTAL FY20 BUDGETED EXPENDITURES		$ 33,851

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 33,851**
REAL ESTATE TAXES	33,851	
TOTAL FY20 BUDGETED REVENUES		$ 33,851

CHERRY SHEET

SUMMARY

SUMMARY

(REFERENCED AS "UNAPPROPRIATED EXPENSES" IN PRIOR BUDGETS)

Actual FY17	Actual FY18	Approved FY19		Budget FY20
69,437	72,487	71,875	MOSQUITO CONTROL	77,923
25,123	25,540	26,148	AIR POLLUTION DISTRICTS	26,911
313,660	313,660	313,660	RMV NON-RENWAL	325,900
969,772	994,016	1,018,868	REGIONAL TRANSIT (LRTA)	1,044,338
69,939	-	84,709	SPECIAL EDUCATION	62,020
874,063	927,013	952,934	SCHOOL CHOICE SENDING TUITION	1,042,592
19,901,774	21,977,227	24,287,506	CHARTER SCHOOL SENDING TUITION	26,253,197
22,223,768		**26,755,700**		**28,832,881**

FINANCING PLAN	Budget FY20
TAXES	10,436,129
LICENSES AND PERMITS	-
CHARGES FOR SERVICES	-
INTERGOVERNMENTAL REVENUE	18,396,752
MISCELLANEOUS REVENUE	-
	28,832,881

CHERRY SHEET
FINANCING PLAN

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PERSONAL SERVICES		$ -
ORDINARY EXPENDITURES		$ 28,832,881
TOTAL FY20 BUDGETED EXPENDITURES		$ 28,832,881

FINANCING PLAN	DETAIL	SUMMARY
TAXES		**$ 10,436,129**
REAL ESTATE TAXES	10,401,569	
MOTOR VEHICLE EXCISE TAX	34,560	
INTERGOVERNMENTAL REVENUE		**$ 18,396,752**
UNRESTRICTED AID (UGGA)	14,091,161	
CHARTER SCHOOL TUITION REIMBURSEMENT	4,175,591	
MITIGATION	30,000	
PROPERTY MAINTENANCE	100,000	
TOTAL FY20 BUDGETED REVENUES		$ 28,832,881

ENTERPRISE FUNDS

SUMMARY

DEPARTMENT STAFFING FTE (PAGE II-116)

SUMMARY: ENTERPRISE FUNDS

Actual FY17	Actual FY18	Approved FY19		Budget FY20
21,640,072	21,564,401	18,104,705	WASTEWATER	18,956,981
6,140,788	6,294,611	6,838,277	PARKING	6,942,936
9,363,154	9,502,510	10,682,519	WATER	11,740,300
8,912,317	9,012,522	9,012,522	INDIRECT COSTS (ALL ENTERPRISE)	9,012,522
46,056,332	**46,374,044**	**44,638,023**		**46,652,739**

ENTERPRISE FUNDS

LOWELL REGIONAL WASTEWATER UTILITY ENTERPRISE

MARK YOUNG

EXECUTIVE DIRECTOR

MISSION & SERVICES OVERVIEW

To effectively manage wastewater and storm water transport and treatment systems in a professional manner. LRWWU strives to meet all applicable permit conditions and environmental standards while delivering outstanding service to our customers at fair and reasonable rates.

The Lowell Regional Wastewater Utility (LRWWU), a department of the City of Lowell, operates and maintains the Duck Island Wastewater Treatment Facility (WWTF); three hundred miles of sewerage and drainage systems; and two dozen remote facilities that collect, transport, and treat wastewater and stormwater. Each day, the Duck Island WWTF discharges an average of 25 million gallons of treated water into the Merrimack River.

This and other discharges from the collection systems are regulated through LRWWU's National Pollutant Discharge Elimination (NPDES) permits, which are issued jointly by the United States Environmental Protection Agency (USEPA) and the Massachusetts Department of Environmental Protection (MassDEP).

The Lowell Regional Wastewater Utility, an ISO 14001 certified facility with a staff of 48 employees, has been designed to treat the combined wastewater, storm water, and domestic septage from the City of Lowell and the towns of Chelmsford, Dracut, Tewksbury and Tyngsboro. Hundreds of miles of sewer pipes lie under the streets of these five municipalities and convey wastewater to the Duck Island wastewater treatment plant located on Route 110 near the Lowell-Dracut line.

The sewer pipes, which range from 6 inches to interceptors 10 feet in diameter, direct wastewater to the headworks of the wastewater treatment plant. At several locations along the interceptor routes, siphons convey wastewater under the Concord and Merrimack Rivers. There are nine diversion structures along the interceptor sewers that serve to control flow through the siphons and to divert, if necessary, a portion of wet weather flows.

The Duck Island wastewater treatment plant is a primary and secondary activated sludge plant. The primary treatment removes settle-able solids, grit, and floatable materials. The secondary treatment deals with the removal and/or conversion of biodegradable organic contaminants.

Typically, the facility will remove a minimum of eighty-five percent (85%) of the contaminants that enter the treatment plant. The two primary contaminants that the plant is designed to remove are Total Suspended Solids (TSS) and Biochemical Oxygen Demand (BOD). The plant is designed to treat wastewater flows averaging 32 million gallons per day (MGD). During wet weather conditions, the plant can treat as much as 110 MGD of combined sewage and storm water.

After the primary and secondary treatment processes, liquid Chlorine (Sodium Hypochlorite) is introduced into the wastewater for disinfection. Any chlorine residual remaining in the treated water is then removed through the addition of Sodium Bisulphite before the plant effluent is discharged to the Merrimack River.

The solids, or sludge, produced by the removal of pollutants go through a solids dewatering process and are transported off site to a composting facility.

The Wastewater Utility is also responsible for the City's flood protection system and the administration of the Inter-municipal Agreements with the towns as well the inspection and permitting of industries, through the Industrial Pretreatment Program, that discharge into the sewer system.

FY19 ACCOMPLISHMENTS

- Maintained ISO 14001 Environmental Management System (EMS) certification for eighteen straight years.
- Recycled over 10,500,000 pounds of biosolids, metal, wood, cardboard, paper and co-mingled glass and plastic, medical sharps, and rechargeable batteries.
- Increased Septage and Hauled Waste revenue to $1,694,132
- Started construction for major infrastructure upgrades to Duck Island, and remote pump stations.
- Finished construction for major infrastructure upgrades to Duck Island and Flood pumping station and CSO Interceptor storage.
- Continuing the "Clean Stream Initiative" River sampling program.

GOALS

Fiscal Year	Strategic Goal or Objective	Status
FY18	Optimize aeration process for process efficiency and energy savings. **Update**: *Optimized for efficient operation of the aeration process.*	**Complete**
FY18	Win NACWA Gold Award. **Update**: *Won 2016 and 2017 NACWA Gold Awards*	**Complete**
FY18	Negotiate with EPA and DEP to eliminate phosphorous limit in the NPDES Permit. **Update**: *The department continues to negotiation with EPA and DEP.*	*Ongoing*
FY19	Present test results of the "Clean Stream Initiative" River Sampling Program **Update**: *Test results were presented to the EPA and DEP agencies.*	**Complete**
FY19	Win NACWA Gold Award for 2018 **Update**: *Waiting on recipient announcement.*	*Ongoing*
FY19	Form River Coalition with other treatment plants **Update**: *Meeting with other communities towards the formation of a coalition.*	*Ongoing*
FY20	Conduct a Wastewater/Water Rate Survey	New
FY20	Begin integration of Wastewater and Water Utilities	New

PERFORMANCE METRICS

Measurement	Prior Year Actuals FY2017	Prior Year Actuals FY2018	YTD [64] FY2019	FY2020 Target
Number of odor complaints	8	5	1	0
Total CSO Diversion Volume in Million Gallons	89	90	137	125
Number of catch basin, sewer backup, and street flooding requests resolved	405	273	377	750

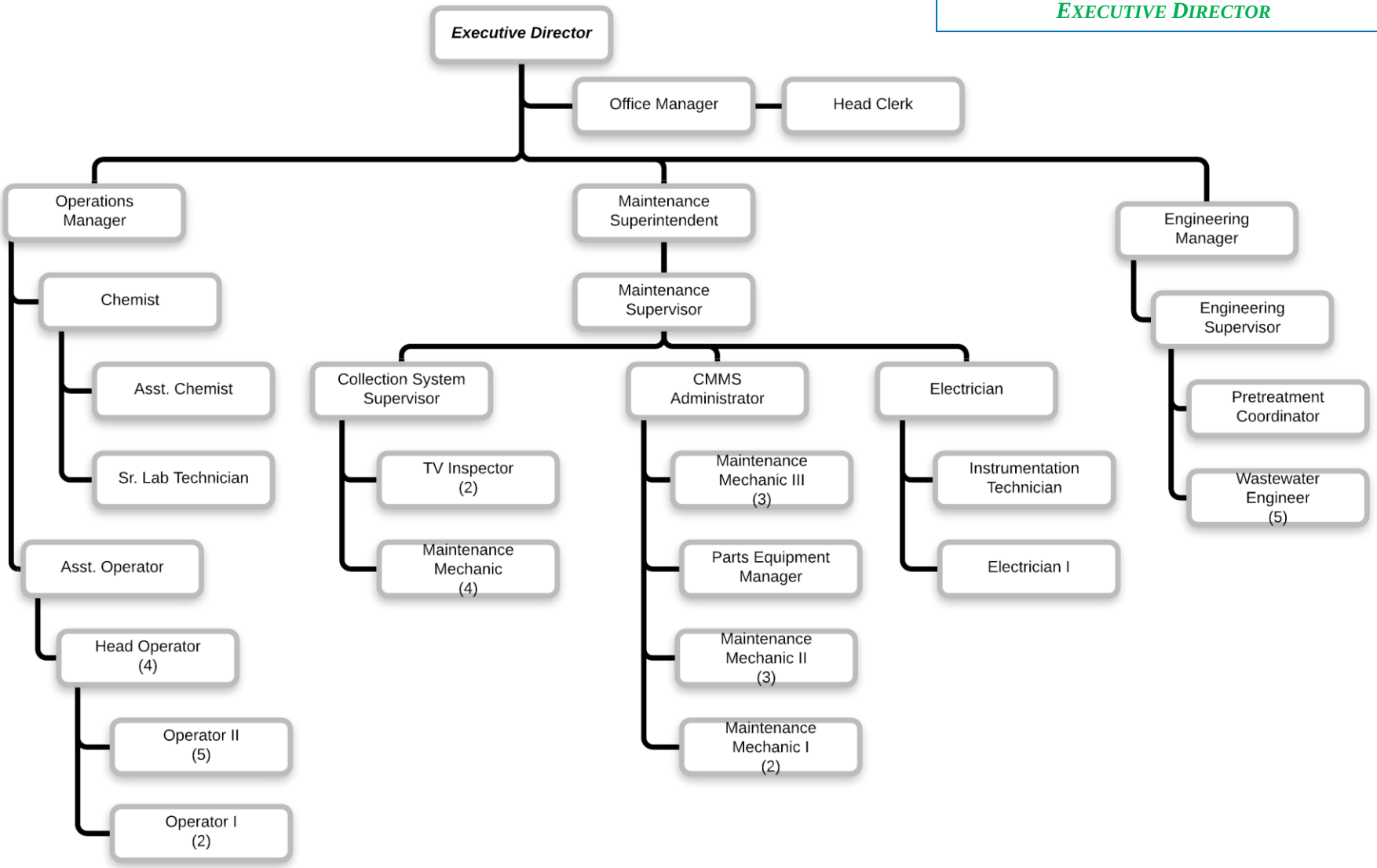
[64] While YTD date ranges may vary, they typically cover the period from the start of the fiscal year (7/1) through the middle of Q3 of the fiscal year (approximately 2/15)

Number of catch basins repaired and replaced	49	77	42	135
Number of Manholes repaired and replaced	7	4	11	15
Number of catch basins cleaned by LRWWU staff	207	231	159	400
Number of catch basins cleaned by Contractor	0	0	0	500
Number of collection system calls responded to	608	271	366	750
Total length of sewer/drain lines inspected in feet	39,804	46,250	45,511	90,000
Total length of sewer/drain line rodded/cleaned in feet	24,996	33,500	14,456	51,000
Total length of sewer/drain pipe lined in feet	1,968	6,850	1,320	8,000
Total length of new sewer pipe laid in feet	1,449	852	1,249	1,500
Total length of drain lines replaced in feet	103	140	282	300
Total Number of work orders completed	960	872	923	1,600
Total amount of grit and screenings collected in tons	364	290	361	600
Total amount of street sweeping debris collected in tons	0	240	99	400
Total amount of Citizen used oil recycled in gallons	156	210	499	1,000
Total length of fluorescent bulbs recycled in linear feet	276	140	1,168	2,000
Total amount of medical sharps collected in pounds	252	330	179	500
Total amount of material recycled in pounds (Wood, Metal, Rechargeable Batteries, Bio solids to Hawk Ridge Compost, Comingle, Cardboard, and Paper)	4,319,327	20,820,000	10,479,692	34,000,000
Number of Lost-Time Accidents	1	1	1	0
Number of industries inspected	26	24	24	37
Number of external spill responses	1	3	4	0
Total Electricity usage at LRWWU in Kw	5,775,303	5,422,000	6,551,595	8,600,000
Total Gas usage at LRWWU in ccf	37,957	30,000	12,054	60,000
Amount of Industrial Hauled Waste Revenue in dollars	1,763,208	1,175,000	1,694,132	2,300,000
Amount of Inter-municipal Sewer Charges in dollars	4,674,769	2,349,727	2,369,762	4,250,000

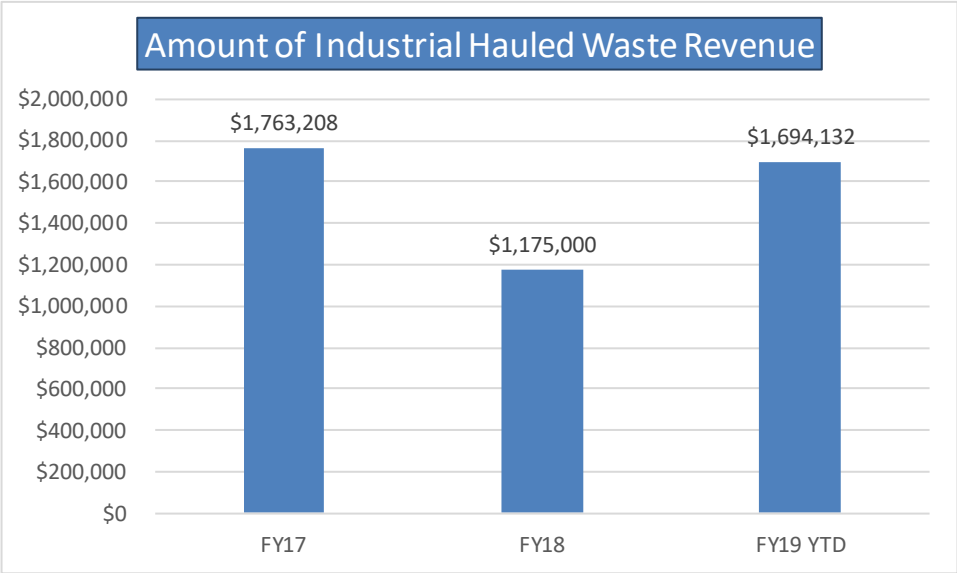
ORGANIZATIONAL CHART

REGIONAL WASTEWATER UTILITY

MARK YOUNG
EXECUTIVE DIRECTOR



LOWELLSTAT CHART(S)



For disposal of Industrial Waste, the City charges a separate fee. This revenue has increased in recent years.

Measurement	FY17	FY18	FY19 YTD	FY20 Target
Amount of Industrial Hauled Waste Revenue	$1,736,208	$1,175,000	$1,694,132	$2,300,000

EXPENSE SUMMARY & FINANCING PLAN

WASTEWATER	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
Salaries & Wages - Perm	2,843,665	2,869,263	2,977,961	3,029,083	3,029,083
Salaries & Wages - Temp	21,814	18,343	26,000	60,000	45,000
Overtime	209,977	238,613	175,000	200,000	175,000
Overtime - Special Projects	13,657	7,475	7,500	7,500	7,500
Holiday	22,326	26,977	30,000	32,000	32,000
Shift Differential	37,882	38,822	42,000	45,000	45,000
License Incentive	10,050	9,800	15,000	15,000	15,000
Longevity	1,142	1,142	1,150	1,150	1,150
Sick Leave Incentive	30,099	23,106	32,000	70,000	70,000
Total	3,190,612	3,233,541	3,306,611	3,459,733	3,419,733
Expenses					
Utility Heating/Gas	170	-	-	-	-
Energy - Heating/Gas	1,425,392	1,529,267	1,325,000	1,500,000	1,500,000
Repair & Maint Bldgs & Grounds	519,539	536,930	600,000	700,000	700,000
Sludge Removal	2,525,769	2,501,209	2,600,000	2,850,000	2,750,000
Police - Special Detail	98,450	110,290	100,000	100,000	100,000
Rental of Equipment	1,171	6,307	8,500	8,500	8,500
Uniform Rental	13,116	4,385	17,000	17,000	17,000
Professional Services	273,778	368,422	407,500	407,500	375,000
Settlements	150	640	5,000	5,000	5,000
CMMS	5,000	4,219	5,000	5,000	5,000
Training Safety	6,187	22,976	40,000	40,000	40,000
Postage	975	1,500	1,500	1,500	1,500
Gas & Motor Oil Supplies	28,158	35,000	35,000	35,000	35,000
Chemical Supplies	630,447	600,380	750,000	1,100,000	850,000
Laboratory Supplies	19,373	16,288	45,000	45,000	45,000
Office Supplies	4,140	4,234	6,000	6,000	6,000
Misc. Supplies - Other	505	1,601	4,000	4,000	4,000
In- State Seminars	160	531	1,000	1,000	1,000
Out of State Travel	500	783	1,000	1,000	1,000
Misc Charges	10,669	11,631	15,000	25,000	25,000
Vehicle Capital Plan	123,065	-	-	250,000	250,000
Office Furn. & Equipment	11,812	3,762	13,500	13,500	13,500
Environmental Monitoring	-	-	-	65,000	65,000
Elevator Repairs	-	-	-	-	-
ISO 14001	5,000	-	-	-	-
TOTAL OPERATIONS & MAINTENANCE	5,703,526	5,760,355	5,980,000	7,180,000	6,797,500

WASTEWATER Expenses	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
WWTP COLLECTION DIVISION					
Contract Street Sweeping/CB Cleaning	88,080	27,169	70,000	150,000	125,000
Remote Diversions	764	13,765	21,000	21,000	21,000
GIS Computer Systems	11,108	14,000	14,000	14,000	14,000
Improve Sewers & Drains	1,132,078	857,581	850,000	1,100,000	900,000
CIPP - Pipe Lining	394,848	339,280	400,000	400,000	350,000
Heavy Cleaning - Sewer Lines	13,083	-	20,000	20,000	20,000
SUBTOTAL COLLECTION DIVISION	1,639,959	1,251,794	1,375,000	1,705,000	1,430,000
TOTAL BUDGET	10,534,097	10,245,690	10,661,611	12,344,733	11,647,233

WASTEWATER ENTERPRISE SUMMARY

	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Revenues	19,007,436	21,132,544	22,485,361	23,128,388	22,607,336	22,607,337

	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personal Services	3,084,889	3,190,612	3,233,541	3,306,611	3,459,733	3,419,733
Ordinary Expenses	7,310,118	7,343,485	7,012,149	7,355,000	8,885,000	8,227,500
Debt Service	6,519,450	6,462,639	6,398,879	7,087,373	7,309,748	7,309,748
Indirect Costs	3,672,560	3,049,297	4,919,831	5,023,683	5,174,393	5,174,393
Transfers/Adjustments	67,520	1,593,059	802,076			
Total Expenditures	20,654,537	21,639,092	22,366,477	22,772,667	24,828,874	24,131,374
Surplus/(Deficit)	(1,647,101)	(506,548)	118,884	355,721	(2,221,538)	(1,524,037)
Beginning Fund Balance	4,899,858	3,252,757	2,745,229	2,864,113	3,219,834	3,219,834
Estimated Operations				355,721	(2,221,538)	(1,524,037)
Projected Ending Fund Balance	4,899,858	3,252,757	2,745,229	3,219,834	998,295	1,695,796
Actual Operations	(1,647,101)	(507,528)	118,884			
Projected Ending Fund Balance (must be >0)	3,252,757	2,745,229	2,864,113	3,219,834	998,295	1,695,796

ENTERPRISE FUNDS
PARKING GARAGE ENTERPRISE

TOBIAS MARX
PARKING DIRECTOR

MISSION & SERVICES OVERVIEW

To provide an effective, efficient parking infrastructure that gets people where they need to be, as well as diligently enforcing local and statewide parking regulations, all while preserving the priority of customer service.

The City of Lowell Parking Department works to provide and maintain accessible, convenient, and appealing on and off-street public parking for residents and visitors of Lowell.
The Lowell Parking Department supports the parking needs of local businesses and institutions with 1,706 metered on-street parking spaces, 5,277 parking spaces in 24/7 accessible garages, as well as 753 parking spaces on other municipal owned lots. The personnel of the Lowell Parking Department monitor residential parking programs and the Enforcement Team ensures parking compliance by applying fair and consistent enforcement.

FY19 ACCOMPLISHMENTS

- Implemented Maintenance Plan for On-Street Metric Pay Stations (Kiosk) and improved functionality and up-rate average from 65% to 87%
- Successfully implemented new rate structure for on and off-street parking and increased citation fees
- Researched and implemented new Enforcement Technology
- Collaborated with COOL and CASE to install “The Fish” Art piece in the Leo Roy Garage
- Worked collaboratively with DPD, Purchasing and Finance Team to move the Hamilton Canal Innovation District Parking Garage forward
- Installed additional signage and continued to grow utilization of the pay-by-space smartphone application to increase steadily month-over-month, providing an additional avenue for compliance to grow Pay-By-Phone utilization.
- Made significant updates to the Parking Departments online presence on LowellMa.gov
- Upgraded waste management in Joseph Downes Garage by adding recycling barrels on every garage level.

GOALS

Fiscal Year	Strategic Goal or Objective	Status
FY18	Implement best management practices and parking management strategies to better manage our off-street parking inventory. **Update***: Worked closely with our Facilities management company to identify areas to improve efficiency and productivity that result in financial savings and better customer service.*	**Complete**
FY18	Adopt a new parking management information system. **Update***: Under review.*	*Ongoing*
FY19	Transform our garages into "transportation hubs" which include bike and car share opportunities, and regional walking and bicycle maps. **Update**: *Currently working with DPD to implement Bike Share opportunities in selected or potentially all Parking Facilities. Launch Date for BikeShare is April 1, 2019*	**Complete**
FY19	Create or adopt a system for on-line permit renewal of our residential parking programs. **Update**: *In the process of implementing a new program and technology to make residential parking permit applications and renewals available online*	*Ongoing*
FY19	Connect our garages to the City's institutional network via fiber optics. **Update**: Connectivity completed.	**Complete**
FY20	Research and plan conversion of our on-street parking system from "pay-by-space" to "pay-by-plate" to increase parking compliance, reduce operational costs and implement innovative new technologies.	New
FY20	Enhance wayfinding and improve first impressions by installing new and improved signage in the Leo Roy and Joseph Downes Garage	New
FY20	Create additional revenue stream and add more dynamic and flexibility to our on-street parking system by adding new parking areas and implanting new monthly on-street permits.	New
FY20	Transition Enforcement Team to new and upgraded enforcement technology and implement LPR (License Plate Recognition) enforcement tools and strategy.	New
FY20	Make the Downtown Parking Office a One-Stop-Shop for all Parking related issues including Citation management and appeals.	New
FY20	Significantly expand our EV-Charging Station network to improve access and quality of live for residents.	New

FY20	Develop and implement preventative maintenance plan for all Parking Facilities	New

PERFORMANCE METRICS

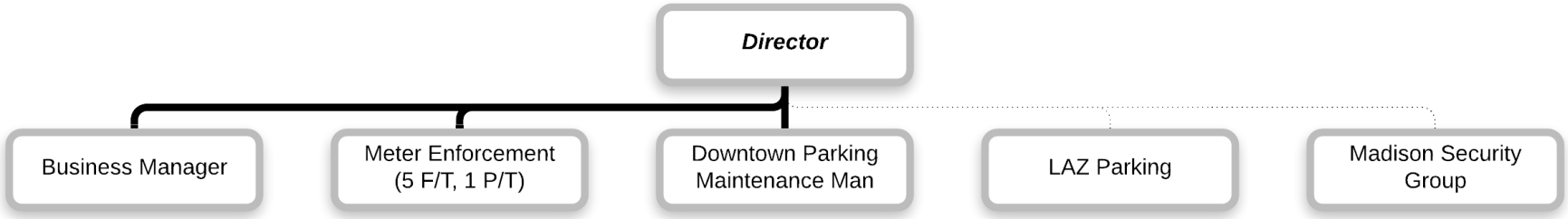
Measurement	Prior Year Actuals FY2017	FY2018	YTD [65] FY2019	FY2020 Target
Total number of parking kiosk transactions	548,714	948,225	562,140	1,000,000
Total number of meter payments made with the smartphone app	15,836	40204	55,013	125,000
Total number of citations issued	19,836	34153	22431	45,000
Percentage of violations dismissed due to appeal/error	5.13%	5.56%	5.89%	4.50%
Parking Energy Costs	170,000	188,282	95,761	170,000

[65] While YTD date ranges may vary, they typically cover the period from the start of the fiscal year (7/1) through the middle of Q3 of the fiscal year (approximately 2/15)

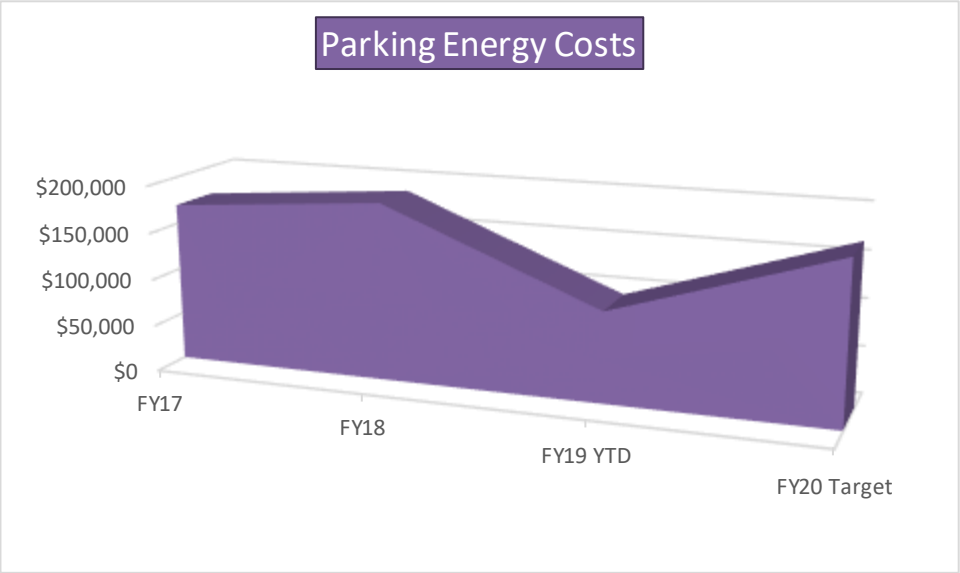
ORGANIZATIONAL CHART

PARKING

TOBIAS MARX
PARKING DIRECTOR



LOWELLSTAT CHART(S)



By taking advantage of rebate opportunities, the Parking Department has been able to retrofit most of the garage lighting with LED. This will result in signicant savings, some of which are alrady being realized in FY18.

Measurement	FY17	FY18	FY19 YTD	FY20 Target
Parking Energy Costs	$170,000	$188,282	$95,761	$170,000

EXPENSE SUMMARY & FINANCING PLAN

PARKING	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
Salaries & Wages - Perm	310,498	306,457	373,594	366,476	366,476
Overtime	11,584	11,779	14,580	12,500	12,500
Total	322,082	318,236	388,174	378,976	378,976
Expenses					
Utility Electricity	299,203	188,282	200,000	200,000	200,000
Telecommunications	36,678	36,170	37,000	37,000	37,000
Repair & Maintenance Equipment	89,656	109,871	130,000	75,000	75,000
Repair & Maintenance - Building	115,554	277,544	175,000	215,000	215,000
Elevators	39,943	23,691	39,000	42,000	42,000
Paint/Meter Division (50% to Parking)	31,428	32,485	32,500	30,000	30,000
Uniform Rental	1,265	2,213	2,500	2,500	2,500
Independent Audit	3,000	1,830	3,000	2,000	2,000
Professional Service	972,634	1,065,942	1,240,608	1,264,971	1,264,971
Roadway Line Striping & Marking	-	6,270	50,000	75,000	75,000
Management - Fee & Incentive	40,400	-	-	-	-
Kisok Maintenance and Collection Service	54,682	53,947	54,747	40,000	40,000
Security	724,175	721,654	783,772	776,524	776,524
Surface Lot Repair & Maintenance	7,032	10,215	15,000	12,500	12,500
Online Payment Convenience Fee	-	-	-	73,000	73,000
Other Services	5,101	13,260	13,000	6,000	6,000
Printing & Binding	11,228	16,178	17,500	17,500	17,500
Ins. Premiums - Bonds	-	-	-	-	-
Credit Card Charges	164,629	127,826	152,000	227,000	227,000
Miscellaneous Charges	8,387	1,023	5,000	2,500	2,500
Disability Commission	-	-	20,000	20,000	20,000
Custodial - Supplies	1,549	1,637	5,000	3,750	3,750
Office Supplies	6,044	4,487	8,000	7,500	7,500
Interfund Transfer - Disability Commission Revolving	-	20,000	-	20,000	20,000
Improv-signalization	-	-	-	-	-
Total	2,606,542	2,694,525	2,983,627	3,129,745	3,129,745
TOTAL BUDGET	**2,928,624**	**3,012,761**	**3,371,801**	**3,508,721**	**3,508,721**

PARKING GARAGE ENTERPRISE SUMMARY

	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Garage Revenue	4,752,088	4,637,437	4,684,768	4,465,000	4,615,000	4,615,000
Meter Revenue	1,365,472	1,396,562	1,372,825	1,250,000	1,250,000	1,250,000
Other Revenue	625,760	24,125	22,561	105,110	134,768	134,768
Ticket Revenue	1,005,090	1,026,353	954,450	1,006,000	956,000	956,000
Total Revenue	**7,748,410**	**7,084,478**	**7,034,603**	**6,826,110**	**6,955,768**	**6,955,768**

	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personal Services	309,539	322,082	318,236	388,174	378,976	378,976
Ordinary Expenses	2,949,957	2,612,585	2,714,525	2,983,627	3,149,745	3,149,745
Debt Service	2,278,097	2,953,096	2,936,631	3,466,477	3,414,215	3,414,215
Indirect Costs	702,431	1,219,684	1,220,985	1,040,009	1,071,209	1,071,209
Transfers/Adjustments		19,999	693,919			
Total Expenditures	6,240,025	7,127,447	7,884,296	7,878,286	8,014,146	8,014,146
Surplus/(Deficit)	**1,508,386**	**(42,969)**	**(849,693)**	**(1,052,176)**	**(1,058,378)**	**(1,058,378)**
Beginning Fund Balance	3,493,946	5,002,332	4,959,363	4,109,670	3,057,494	3,057,494
Estimated Operations	-	-		(1,052,176)	(1,058,378)	(1,058,378)
Projected Ending Fund Balance	3,493,946	5,002,332	4,959,363	3,057,494	1,999,116	1,999,116
Actual Operations	1,508,386	(42,969)	(849,693)			
Projected Ending Fund Balance (must be >0)	5,002,332	4,959,363	4,109,670	3,057,494	1,999,116	1,999,116

ENTERPRISE FUNDS
LOWELL REGIONAL WATER UTILITY ENTERPRISE

MARK YOUNG
EXECUTIVE DIRECTOR

MISSION & SERVICES OVERVIEW

To provide a sufficient supply of safe, potable water to the citizens and businesses of the City of Lowell and surrounding communities in order to ensure their health and safety in a cost effective manner.

The Lowell Regional Water Utility works to ensure the highest water quality and purify some 4.2 billion gallons of water to over 135,000 customers while meeting all state and federal water quality compliances.

The personnel of the LRWU are DEP certified and consistently monitor daily water production. They also repair and maintain 215 miles of water main, 2,400 fire hydrants, and approximately 26,000 water service connections.

FY19 ACCOMPLISHMENTS

- Won Fluoride Award for eighth consecutive year presented by the Mass Department of Public Health: By maintaining fluoride levels within strict parameters set by MassDEP Guidelines
- Utility had over 100% efficiency raw water to finish water ratio, due to recycling of backwash water
- Approved by MassDEP for reduced lead and copper monitoring from 100 samples bi-annually to 50 annually
- All chemical addition sheets were updated on XLReporter for new MassDEP monthly reporting requirements
- All State and Federal required reports were completed and submitted ahead of schedule
- All employees were certified for CPR/First Aid/AED Training
- Laboratory Director completed microbiology testing lab certification mandated by MassDEP
- Initiated new excavation safety sheets for public employees according to OSHA guidelines
- Inspection of High Hazard Dam (Open Reservoir) successful with reports submitted to Department of Conservation and Recreation
- Fire Hydrant Program: Installed 65 new fire hydrants throughout the City

- Responded to over 5500 service calls
- Assisted the Wastewater Utility with the Clean Stream Initiative River Sampling Program
- All Operations Division personnel hold MassDEP professional licenses

GOALS

Fiscal Year	Strategic Goal or Objective	Status
FY18	Establish gate/ valve exercise program **Update**: *Established a gate and valve exercise program.*	**Complete**
FY19	Remove sludge residual from Lagoon number two **Update**: *Removed*	**Complete**
FY19	Electronic conversion of all 28,000 water tie cards **Update**: *All water tie cards have been digitized.*	**Complete**
FY19	Convert paper maps and plans to the City's GIS system **Update**: *Have begun the process of identifying, gathering, and converting paper maps/plans.*	*Ongoing*
FY20	Establish gate turning/valve exercise program	New
FY20	Convert paper maps and plans to the City's GIS system	New
FY20	Inter-Municipal Meter Replacements	New
FY20	Implement gate turning exercise program starting with Pawtucketville	New
FY20	Remove sludge residual from Lagoon number one	New
FY20	Conduct a Water/Wastewater rate survey	New
FY20	Conduct a leak detection survey	New
FY20	Conduct a large meter and backflow device survey	New
FY20	Upgrade to latest technology for the meter reader program	New

FY20	Begin integration of Water and Wastewater Utilities	New

PERFORMANCE METRICS

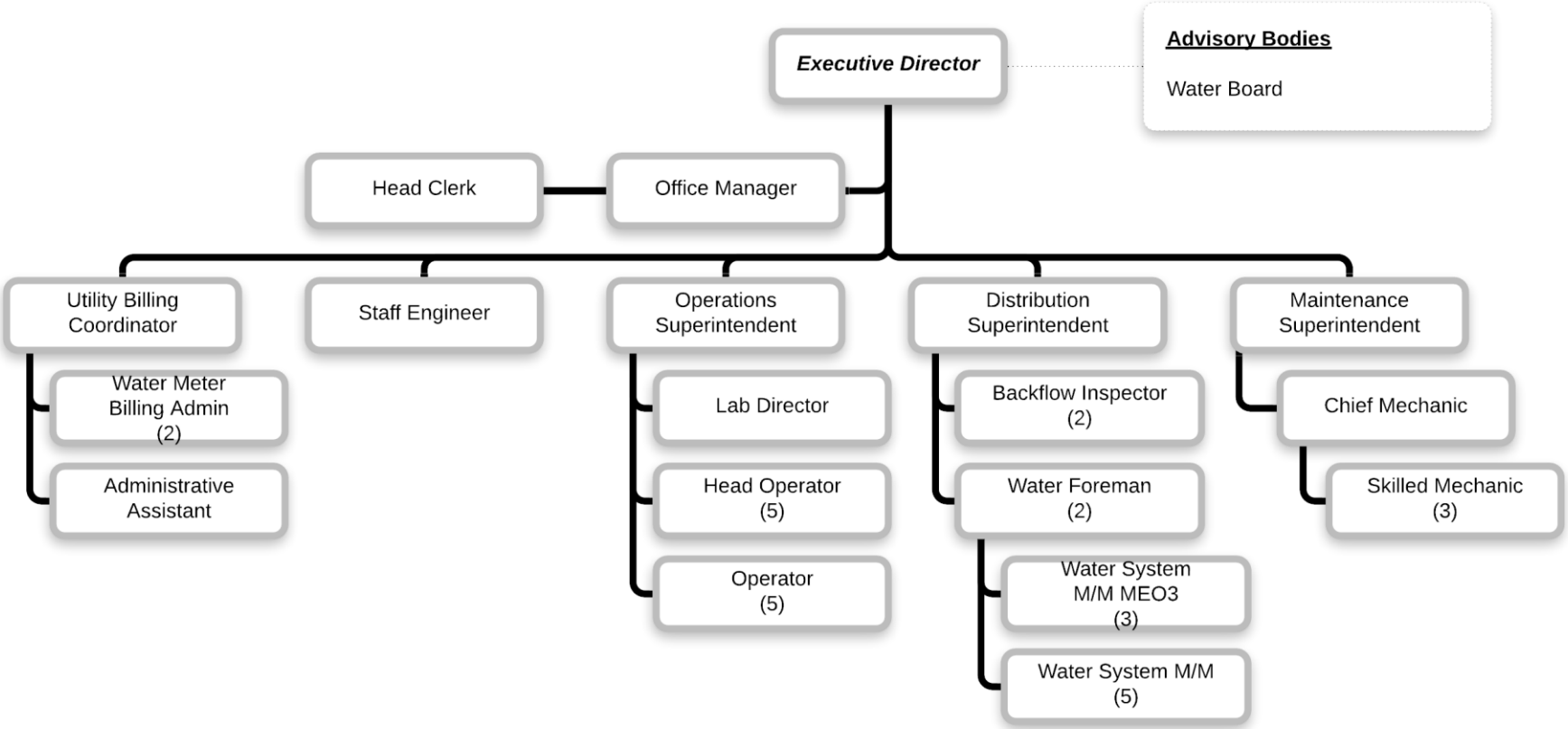
Measurement	Prior Year Actuals FY2017	FY2018	YTD [66] FY2019	FY2020 Target
Accuracy of initial water bills that are sent out	98%	98.5%	98.5%	99%
Ratio of raw water pumped to finished water pumped	97%	98%	100%	100%
Maximum response time to emergency calls (in minutes)	30	30	30	30
Number of emergency calls responded to	63	71	81	100
Percentage of meter reads that are estimates	2%	2%	<1%	<1%
Number of hydrants repaired	87	54	60	70
Number of service calls	6,553	3,288	5664	2000
Number of trenches repaired	204	103	151	125
Number of water line mark outs	8	399	699	800
Number of water main breaks repaired	15	31	27	15
Number of water meters installed	5,394	21,686	208	Complete
Number of water services repaired	82	123	78	125

[66] While YTD date ranges may vary, they typically cover the period from the start of the fiscal year (7/1) through the middle of Q3 of the fiscal year (approximately 2/15)

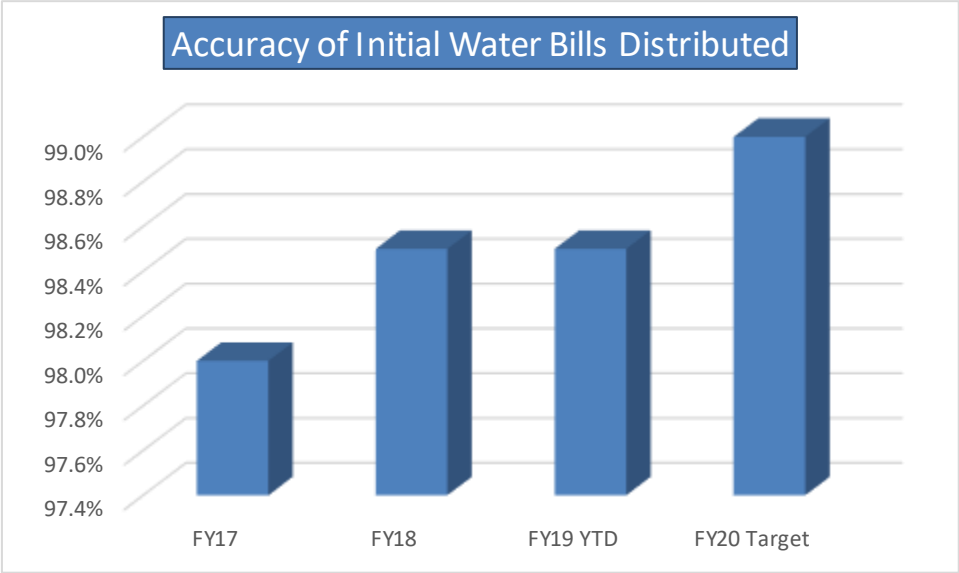
ORGANIZATIONAL CHART

REGIONAL WATER UTILITY

MARK YOUNG
EXECUTIVE DIRECTOR



LOWELLSTAT CHART(S)



The continued replacement of water meters and conversion to automated readings will greatly enhance the accuracy of water billing.

Measurement	FY17	FY18	FY19 YTD	FY20 Target
Accuracy of Initial Water Bills Distributed	98%	98.5%	98.5%	99%

EXPENSE SUMMARY & FINANCING PLAN

WATER UTILITY - 450	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personnel					
S & W-Perm.	1,729,768	1,799,952	2,170,796	2,288,439	2,255,733
S & W-Temp.	16,077	22,023	25,000	80,000	80,000
S & W-O.T.	141,695	111,680	120,000	150,000	150,000
Special Projects O.T.	-	1,109	5,000	5,000	5,000
S & W-Holiday.	16,470	19,234	25,000	25,500	25,500
Shift Differential	16,129	18,935	25,000	25,250	25,250
Longevity	52	52	53	53	53
Incentive BB Active Employee	3,900	-	-	25,000	-
Total	1,924,090	1,972,985	2,370,849	2,599,242	2,541,536
Expenses					
Electricity	829,068	827,019	900,000	900,000	900,000
Gas Heat	63,420	79,073	70,000	70,000	70,000
Repair & Maint of Bldg & Equipment	66,101	41,972	60,000	60,000	60,000
Emergency water main repair/trench repair	74,686	58,983	100,000	200,000	200,000
Preventive Maintenance	60,522	39,699	145,000	145,000	145,000
Safety Training Program	-	7,698	10,000	10,000	10,000
Rental of Equipment	10,846	10,749	13,000	13,000	13,000
Professional Services	67,585	41,595	122,500	250,000	250,000
Police Details	19,281	30,984	20,000	20,000	20,000
Consumer Confidence	1,315	1,704	3,500	3,500	3,500
Automotive	15,022	21,285	25,000	30,000	30,000
Gas & Motor Oil	21,495	37,080	25,000	35,000	35,000
Chemicals	718,224	769,392	800,000	1,000,000	1,000,000
Lab Supplies	29,661	29,868	60,000	60,000	60,000
Public Works Supplies	93,599	64,306	100,000	125,000	125,000
Building Supplies	21,224	15,204	25,000	25,000	25,000
Safe Drinking Water Assessment	32,279	33,922	41,000	41,000	41,000
License Reimbursement	2,207	1,877	5,000	5,000	5,000
Conferences/Seminars/Education/Training	19,164	7,495	20,000	20,000	20,000
Transportation/Reimbursements/Seminars	2,164	178	9,000	9,000	9,000
Miscellaneous Charges	3,337	5,804	5,000	5,000	5,000
Carbon Replacement	252,825	247,825	265,000	265,000	265,000
Building Improvement	35,355	33,959	40,000	40,000	40,000
Electrical Wrok	-	-	-	-	-

PROJECTED EXPENSES

	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Hydrants	148,404	99,998	100,000	100,000	100,000
Meters	38,525	57,076	40,000	80,000	80,000
PLC/SCADA Equipment and Repair	5,046	5,467	20,000	25,000	25,000
New Vehicles	149,409	-	-	226,000	226,000
Leak Detection & Back Flow Prevention	-	-	-	60,000	60,000
Lagoon Cleaning/Sludge Hauling	-	290,637	300,000	300,000	300,000
Total	2,780,763	2,570,211	3,024,000	3,822,500	3,822,500
TOTAL BUDGET	4,704,853	4,543,196	5,394,849	6,421,742	6,364,036

WATER ENTERPRISE SUMMARY

	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Revenues	12,211,562	10,937,545	11,012,378	11,321,489	11,321,489	11,321,489

	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Approved	FY20 Request	FY20 Manager
Personal Services	1,982,478	1,924,090	1,972,985	2,370,849	2,599,242	2,541,536
Ordinary Expenses	2,749,815	2,780,763	2,860,848	3,324,000	4,122,500	4,122,500
Debt Service	2,889,137	3,865,898	4,619,673	4,944,206	5,076,264	5,076,264
Indirect Costs	2,342,203	3,049,297	2,672,026	2,948,830	2,948,830	2,948,830
Transfers/Adjustments	682,236	885,467	1,523,950			
Total Expenditures	10,645,869	12,505,515	13,649,481	13,587,885	14,746,836	14,689,130
Surplus/(Deficit)	**1,565,693**	**(1,567,969)**	**(2,637,103)**	**(2,266,396)**	**(3,425,346)**	**(3,367,641)**
Beginning Fund Balance	9,557,638	11,123,331	10,237,598	7,600,494	5,334,099	5,334,099
Estimated Operations				**(2,266,396)**	**(3,425,346)**	**(3,367,641)**
Projected Ending Fund Balance	9,557,638	11,805,567	10,237,598	5,334,099	1,908,752	1,966,458
Actual Operations	1,565,693	**(1,567,969)**	**(2,637,103)**			
Projected Ending Fund Balance (must be >0)	**11,123,331**	**10,237,598**	**7,600,494**	**5,334,099**	**1,908,752**	**1,966,458**

MASSHIRE LOWELL CAREER CENTER[67]

SHANNON NORTON

EXECUTIVE DIRECTOR

MISSION & SERVICES OVERVIEW

To work closely with the business community to identify and meet their employment needs and to provide job seekers with a wide range of job search and training service.

The MassHire Lowell MassHire Lowell Career Center (MHLCC) is part of the Massachusetts One-Stop MassHire Lowell Career Center system, operating under the direction of the City of Lowell and chartered by the MassHire Greater Lowell Workforce Board (MHGLWB). The MassHire Lowell Career Center is a collaboration between the Massachusetts Executive Office of Labor and Workforce Development and the City of Lowell. The MassHire Lowell Career Center served 6,684 job seekers and 509 employers during FY18, a 7% and 23% increase over FY17 respectively.

The MassHire Lowell Career Center provides comprehensive services to Job Seekers including training workshops and case management to help unemployed individuals re-enter the job market and obtain employment ensuring self-sufficiency and a high quality of life. Services are provided to dislocated workers including veterans, youth, persons with disabilities, young adults, older adults as well as low-income/low skilled population groups. Through the Business Services team the MassHire Lowell Career Center assists local companies with job postings pre-screening, matching and referral of qualified applicants and conducts several job fairs throughout the year. For more information about the MassHire Lowell Career Center please go to www.masshirelowellcc.com or call 978-458-2503

FY19 ACCOMPLISHMENTS

- On September 10th, the Greater Lowell Workforce Development Board and Career Center of Lowell officially transitioned to *MassHire Greater Lowell Workforce Board and MassHire Lowell Career Center*. The MassHire initiative is to unify all state career centers and workforce boards under one, recognizable name was undertaken with two interrelated objectives – help job seekers develop critical new job skills and find sustainable, satisfying employment, and help Massachusetts businesses recruit top talent to fuel growth, productivity, and profitability.

[67] *MassHire Lowell Career Center information is included for memo purposes only, as the numbers shown are not reflected in any City totals*

- The MassHire Greater Lowell Workforce Board successfully completed the three phases, of a two year workforce board recertification process. The Board is certified in accordance with federal and Massachusetts policy. The certification is effective July 1, 2018 through June 30, 2020.

- In coordination with Merrimack Valley and the North Shore workforce development, education, and economic development partners, the goals and strategies outlined in the Northeast Labor Market Blueprint were implemented. The Blueprint focuses on addressing the skills gap and regionals needs with a focus on the healthcare, information technology (IT), and advanced manufacturing sectors.

- Through the School-to-Career, Connecting Activities program, over 120 high school students were hired in part-time jobs in retail, food services, banking and other industries. For many of the young adults this was their first job and a valuable learning experience. Youth Job Fairs were held at Lowell High School and Greater Lowell Technical High School with over 60 employers and 400 young adults in attendance.

- The MassHire Greater Lowell Workforce Board developed a 4-year local plan spanning through June 30, 2021. The plan describes the local workforce developments policies, procedures, and activities that are carried out in the Greater Lowell service delivery area.

- Through the Workforce Innovation and Opportunity Act (WIOA), the MassHire Greater Lowell Workforce Board funded the following in-school and out-of-school youth programs: Partnership in Achievement of Lowell Students (PALS), Community Teamwork, Inc. (CTI)/YouthBuild, Middlesex Community College, and MassHire Lowell Career Center. In FY'19, the funded programs served a total of 80 low income youth.

- The MassHire Lowell Career Center had another successful job fair in August at LeLacheur park. Over 70 employers and over 450 job seekers attended the event.

- The MassHire Lowell Career Center implemented a job seeker newsletter, with job search related articles and hot job listing.

- To date we have increased our Apprenticeships from 8 to 35 with various advanced manufacturing companies around the region.

- We have successfully implemented a GED/Hi-Set program enrolling low income Adults and young adults in need of a High School degree equivalent.

- Our Young Adult Supervisor presented at the FDIC headquarters in Washington DC on the work with do with high school students and financial literacy with our local banks.

- We have been selected by Community Teamwork to provide job development and job placement services for participants in their YouthBuild program.

GOALS

Fiscal Year	Strategic Goal or Objective	Status
FY19	Develop Career Pathway charts for each of the region's priority industries that details Occupational Tracks, Salary Ranges, and Education/Training Required. **Update**: *A new staff person was hired with Connecting Activities funds. Work with Middlesex Community College, the local vocational schools and high schools will be commencing soon on a regional approach to this work.*	**Complete**
FY19	Create a robust technology based customer survey system in conjunction with a program evaluation system. **Update**: *Surveys for our Orientation, workshops and career services have been developed and deployed. We are in the process of collecting the data from these surveys.*	**Complete**
FY19	Conduct Industry specific focus groups and business round-tables to better understand hiring needs and to align and coordinate activities, resources, and best practices around local employer's needs. **Update**: *During the month of April 2019 MCC, the MHGWB and Middlesex 3 Coalition will be conducting roundtables with three industries: IT, Healthcare and Advanced Manufacturing.*	**Complete**
FY20	Create a "2 Gen/Young Adult" Career Center as part of our Career Center space	New
FY20	Develop a robust referral system with the Billerica House of Correction including providing services in the jail.	New
FY20	Pursue resources and grand development with a focus on industry sectors specifically: IT, Healthcare and Advanced Manufacturing	New

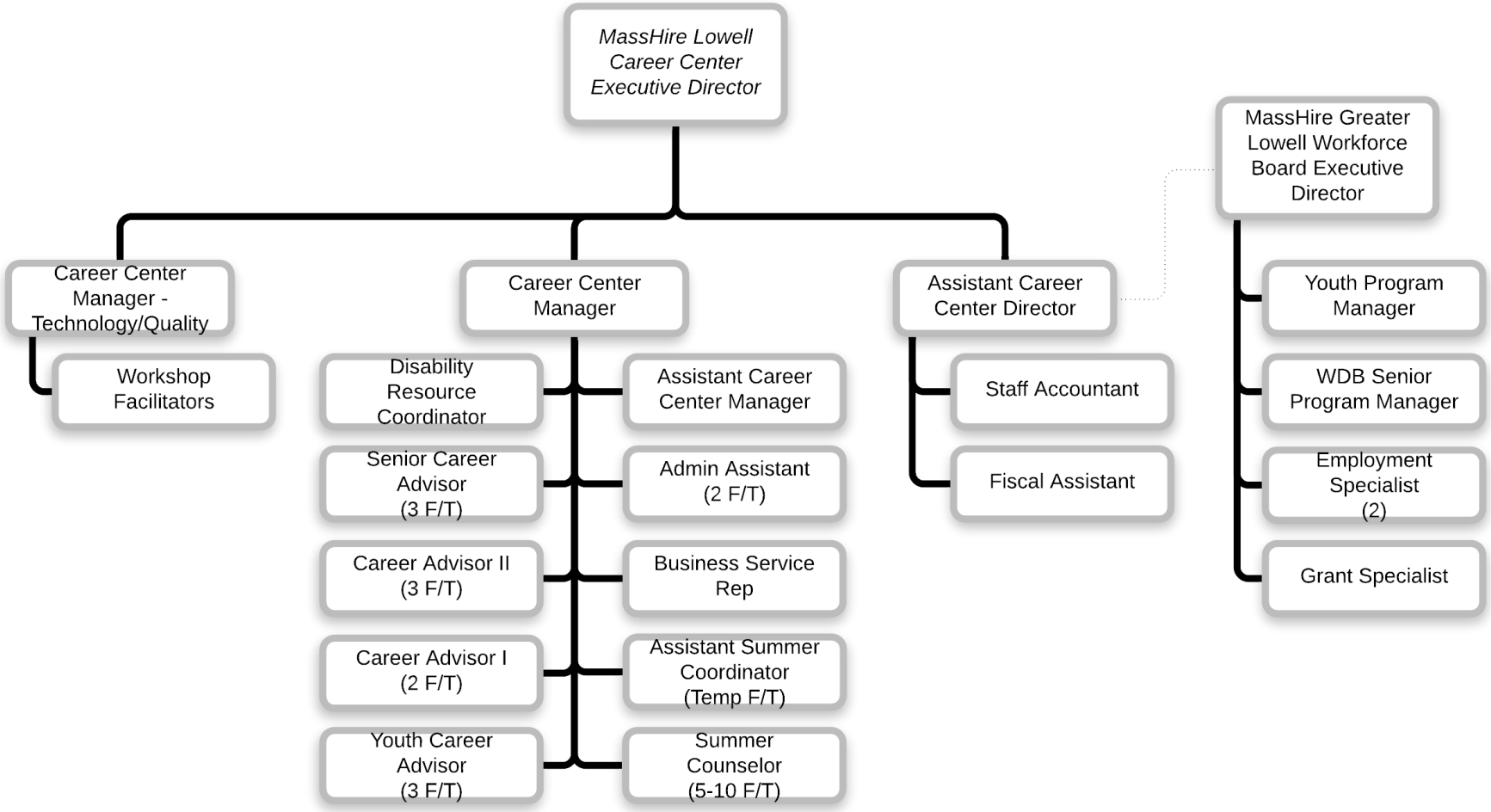
PERFORMANCE METRICS

Measurement	Prior Year Actuals FY2017	FY2018	YTD FY2019	FY2020 Target
Number of findings during audit/system certification by EOLWD	0	0	0	0
Entered employment rate for dislocated workers	94%	96%	87%	86%
Entered employment rate for Low Income/"Adult" Workers	100%	94%	100%	86%
Youth placement in employment or education	73%	77%	34%	83%
Youth Degree of Certification Attained	67%	84%	20%	80%
Employers Served	412	509	309	525

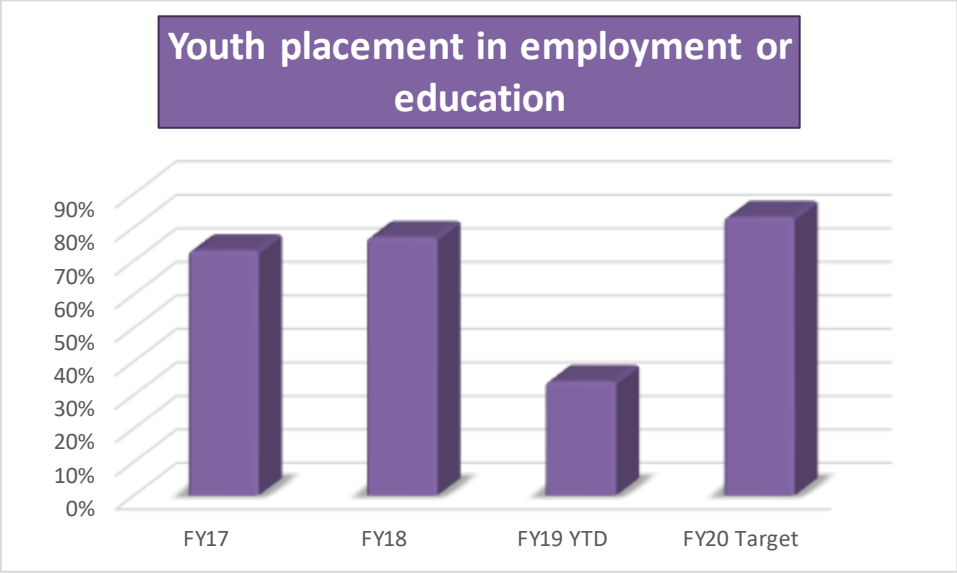
ORGANIZATIONAL CHART

MASSHIRE LOWELL CAREER CENTER

SHANNON NORTON
EXECUTIVE DIRECTOR



LOWELLSTAT CHART(S)



This chart provides the results of youth placement in employment or education. This data was provided by the Career Center based on the percentage of young adults that were placed into positions or enrolled in courses.

Measurement	FY17	FY18	FY19 YTD	FY20 Target
Youth placement in employment or education	73%	77%	34%	83%

EXPENSE DETAILS

CAREER CENTER	FY18 Approved	FY19 Request	FY19 Manager	FY20 Requested
Personnel	1,729,396	1,619,984	1,619,984	1,896,448
Salaries	415,055	372,436	372,436	322,396
Fringe Benefits	2,000	2,000	2,000	2,000
Overtime				
Total	**2,146,451**	**1,994,420**	**1,994,420**	**2,220,845**
Expenses				
Advertising	1,800	1,500	1,500	1,500
Child Care				-
Clothing Allowance				-
Conferences/Meetings	10,000	10,000	10,000	10,000
Contractor Reimbursement	308,545	226,279	226,279	221,295
Custodial Supplies	3,600	3,600	3,600	3,600
Data Processing	38,645	19,025	19,025	19,025
Dues & Subscriptions	12,317	14,011	14,011	12,500
Electricity	33,000	62,000	62,000	40,300
Equipment Rental (Copiers)	22,966	16,898	16,898	13,900
Furniture & Equipment	1,000	1,000	1,000	1,000
Gas	7,500	15,000	15,000	11,600
Gasoline Allowance (Customers)	-	-	-	-
Independent Audit	10,000	10,000	10,000	10,000
Instructional Supplies	2,000	8,000	8,000	8,000
Insurance & Bonding	11,077	7,888	7,888	7,888
Licenses & Fees	4,000	4,000	4,000	4,000
Misc Rental (Storage)	1,000	1,000	1,000	1,000
Misc Supplies (Customers)	-	-	-	-
Needs Based Payments	-	-	-	-
Network Access Fee	5,725	5,376	5,376	11,476
Office Supplies	18,000	16,500	16,500	14,000
Parking	7,640	8,600	8,600	8,600
Participant Fringe	37,669	42,769	42,769	42,769
Participant Wages	493,838	560,748	560,748	488,571
Postage	5,000	5,000	5,000	5,000
Printing & Binding	3,000	3,000	3,000	3,000

CAREER CENTER	FY18 Approved	FY19 Request	FY19 Manager	FY20 Requested
Expenses				
Professional Services	62,300	105,200	105,200	105,200
Promotional Activities	1,200	1,200	1,200	1,200
Rent	376,767	376,767	376,767	198,674
Repair & Maint of Equipment	14,042	7,599	7,599	7,599
Repair & Maintenance of Vehicle (Customers)	-	-	-	-
Stabilization	-	-	-	-
Staff Training	3,000	10,000	10,000	10,000
Telephone	23,201	28,800	28,800	28,800
Training Payments (Customers)	-	3,000	3,000	3,000
Transportation	6,220	6,220	6,220	6,220
Travel - In State	7,000	7,000	7,000	7,000
Travel - Out State	2,000	7,400	7,400	7,400
Tuition Reimbursement (Customers)	440,921	338,824	338,824	338,824
Uniforms/Other Clothing (Customers)	-	-	-	-
Total	**1,974,973**	**1,934,204**	**1,934,204**	**1,652,941**
TOTAL BUDGET	**4,121,423**	**3,928,624**	**3,928,624**	**3,873,786**

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FISCAL YEAR

2020

SECTION V

CAPITAL PLAN

Capital Budget details, focused on the City of Lowell's public investment plan.

CONOR BALDWIN
CHIEF FINANCIAL OFFICER

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The City of LOWELL *Alive. Unique. Inspiring.*

Eileen M. Donoghue, *City Manager*

Conor M. Baldwin, *Chief Financial Officer*

A MESSAGE FROM THE CITY MANAGER

This capital plan submission represents the second year of a revamped five-year capital improvement plan ("CIP") under my Administration. When I became City Manager in April 2018, I shared my vision for the City; a vision focused on key areas including economic development, fiscal management, public safety, education, partnerships, strong neighborhoods, and diverse cultural and arts programs. The City of Lowell has seen marked improvement in all statistical measures of those key focus, as identified in the annual operating budget. This success vindicates the capital funding decisions of the Council and the focused direction of the priorities of the residents. Coupled with the Administrations operational austerity each year, the capital position of the City is well poised to undertake the pending infrastructure needs, including the most significant school building project in the history of the Commonwealth.

The capital budget is one of the most significant components of the city's financial plan. Decisions made during this process will have an impact on the City of Lowell and its budgets for years to many years to come. In order to glean the most efficient outcome from this task, the Capital Improvement Committee – which includes the Chief Financial Officer, Assistant City Manager, and the heads of the Finance, Planning and Development, Public Works, Schools, Police, and Fire Departments– have met to ensure that citywide needs are addressed adequately through this plan. The city uses its five-year financial projections for revenue and expenditures, in addition to its five-year capital plan, to formulate budget guidelines for departments. Despite the tight deadline presented to department heads for submitting projects to the finance department, every department submitted projects for consideration in a timely manner.

I am thankful for the diligent efforts of my staff to coordinate this worthy endeavor. Capital planning is critical component of municipal governance. Buildings, infrastructure, technology, and major equipment are the physical foundation for providing services to constituents. The procurement, construction, and maintenance of capital assets require careful planning and therefore a prescribed process for prioritization of the many projects must be followed. A properly prepared capital plan—one which contains recommendations from subject matter experts at City Hall and balances fiscal realities with the desires of the residents and the direction of the City Council—is essential to the future financial health of the organization.

Included with this comprehensive capital plan is a capital planning policy which takes into account the City of Lowell's unique organizational characteristics. A message from Chief Financial Officer Conor Baldwin analyzes the financial impact of the proposed plan on the City's operating budget, and details the process by why the Capital Improvement Committee derived the proposed list of projects included in the capital plan. While it will not be possible to fund all necessary projects in an accelerated time frame, it is important to at least consider them. In the short term, we may have to spend more from our operating budget on repair and maintenance of our equipment, vehicles and buildings. We may also need to amend the priorities of this plan as it is being implemented. It is imperative that we monitor these situations carefully and shift priorities if it appears that maintenance costs are too high relative to replacement costs.

CAPITAL PLAN SELECTION CRITERIA

The basic criteria for a project to be included in the capital plan remained unchanged for FY2020. A project must cost at least $25,000 and it must have a useful life of at least five years. The project itself can be an improvement to land, buildings or infrastructure, or it can be for vehicles or equipment. We have waived the $25,000 requirement for vehicles, since we often need many at one time. We have excluded police cruisers from the capital since cruisers only have a life of two to three years. We need to replace so many cruisers on an annual basis that they are more appropriate for the operating and/or grant budgets.

The following are the key criteria that are used to prioritize each project:

- The level of effect on public health & safety
- Whether the project is mandated now, or could be in the future
- Effect on operating costs
- Whether the project fits in with the City Manager's strategic goals
- The level of external funding available to leverage City resources
- Impact on economic development
- Financial return or cost
- Potential public support or opposition
- Breadth of benefit based on the population served
- Priority given by the submitting department
- Whether the project is a prerequisite to another project

As part of this year's Capital Plan, and keeping with the administration's management philosophy of empowering the department heads, I asked the various departments to update their list of priorities based on the aforementioned criteria. The department heads are the most knowledgeable in their particular area and are best suited to decide what infrastructure and equipment needs associated with their department are most vital to helping the City thrive. They were given broad guidelines on what we were looking to accomplish this year as well as an estimate of what was financially feasible. Their submissions were reviewed and weighed based on the above set criteria as well as how they fit into the City's overall focus on infrastructure and the three pillars of public safety, education, and economic development.

This year we reviewed all projects that were submitted in prior plans but not yet funded. Many were eliminated because the need for them no longer exists, or because other solutions have been employed.

Vehicles were rated slightly differently. Each department head was asked to rank the replacement priorities in their departments. The team that prepared the capital plan then looked in depth at each vehicle's level and type of usage. They then consulted with the staff that maintains

and repairs the vehicles to approximate an interdepartmental priority. Other factors such as the vehicle's mileage and its expected life were also considered. To a large extent, we relied on past evaluations unless something changed radically. All vehicles purchased last year were moved to the end of the replacement cycle. Funding will address the most urgent needs, with the remainder of the replacements scheduled for future years.

Although it would be easy to justify the inclusion of more vehicles each year, we must balance the need for both vehicles and infrastructure improvements. Ideally, our fleet should average no more than one half the expected lives of the vehicles. At that point half of the vehicles would be fairly young and half fairly old. Until we get to that point, we will continue to adjust replacement plans for considerations beyond expected life, but as we approach our targets, replacement will become more uniform and predictable.

In general, our primary focus this year is on infrastructure projects with "curb appeal." By that we mean those projects that enhance the physical appearance of the City. Other projects that have been selected for funding are in the areas of public safety, education, or economic development.

Finally, in prioritizing the vehicles, we relied quite heavily on the expertise of the staff that repairs the vehicles, as well as the department heads themselves. Some of the requested funds are in amounts that differ from the replacement cost. Vehicles to be replaced with ones of a slightly different type are marked with an asterisk.

PRIOR YEARS - SELECTIVE CAPITAL PROJECT UPDATES

LOWELL POLICE DEPARTMENT (LPD) PROJECTS

FY16 **Police Holding Cell Upgrades** **$44,000**

Original Budget	Amount Spent (To Date)	Amounts Encumbered	Amount Available
$44,000	$12,611.64	$1,847.88	$29,540.48

The electronic holding cell monitoring system has been installed and is currently operational. The prisoner transport van video monitoring and archive system completed. The final phase of this project includes updating the computer and backup system for viewing the cameras. The LPD will also relocate the monitors so that prisoners in holding cells cannot be viewed by individuals being booked, ensuring the privacy of individuals in holding cells. This project will be complete by June 30, 2020.

FY17 **LPD Locker Room Upgrades** **$475,000**

Original Budget	Amount Spent (To Date)	Amounts Encumbered	Amount Available
$475,000	$8,100	$1,950	$464,950

Due to changes in personnel within the LPD, there was a lapse in contract for this project. The new RFP will be posted on 05/01/2019. In the meantime, an inspection of the shower walls was completed to assess the location structure. This was completed and it was determined there are no structural issues in the location. The LPD expects this project to be completed by June 30, 2020.

FY17 **LPD Security Improvements** **$105,000**

Original Budget	Amount Spent (To Date)	Amounts Encumbered	Amount Available
$105,000	$105,000	$0	$0

The LPD installed key card access system throughout the Arcand Drive station. This includes approximately 86 points of access. Forty (40) of these access points are in high-risk/ critical areas including Evidence, Exterior Doors (not main entrance), Cell Block, Dispatch Center, Firearms and the Sergeants Office (which has cruiser keys/Tasers/firearms). The LPD has not updated or changed locks in decades and managing a key system has been proven ineffective due to the size of the department. With the current swipe card system, if an employee leaves, it is very easy to turn off their access. The system increases the safety of our officers and also mitigates risk in our most critical areas. This project has been completed.

FY16 **Video Surveillance Equipment** **$500,000**

Original Budget	Amount Spent (To Date)	Amounts Encumbered	Amount Available
$500,000	$298,908.14	$61,458.88	$139,632.98

The LPD is in the final stages of this project. To date, the LPD was able to increase the number of cameras city-wide in hot spot and heavily travelled locations. The LPD currently has 93 cameras both within the main station on Arcand Drive and throughout the City. Additionally, the LPD was able to upgrade the video server to support the additional cameras. The final phase will be completed by June 30, 2020 and includes the installation of approximately a dozen or so additional cameras in hot spot locations identified by Command Staff members and the Crime Analysts. The number of cameras is dependent on cost per camera. Depending on the location, camera cost can fluctuate based on technological needs of the area.

FY18 **CAD System Upgrade** **$375,536**

Original Budget	Amount Spent (To Date)	Amounts Encumbered	Amount Available
$375,536	$271,950.85	$54,509.65	$49,075.50

The LPD has been completing these upgrades by phases. The old COBOL programming, which was previously supported has become obsolete and would no longer be supported through our vendor, Larimore. The COBOL programming was updated to C-Sharp programming. Larimore had to rewrite all the programming, which was done by modules. The majority of the modules within Larimore have been updated and the LPD expects this project to be complete no later than June 30, 2020. However, there is a possibility it could be completed as early as December 31, 2019.

FY18 **LPD Swipe Card** **$25,000**

Original Budget	Amount Spent (To Date)	Amounts Encumbered	Amount Available
$25,000	$25,000	$0	$0

The LPD utilized this funding for the final phases of the key card access system throughout Arcand Drive. This project has been completed.

FY19 **Police & Fire Dept. Software/Equipment** **$152,988**

Original Budget	Amount Spent (To Date)	Amounts Encumbered	Amount Available
$152,988	$33,961	$14,984	$104,043

This LPD utilized this funding for the necessary Records Management System upgrades (Larimore). The majority of the modules within Larimore have been updated and the LPD expects this project to be complete no later than June 30, 2020. However, there is a possibility it could be completed as early as December 31, 2019.

FY19 **Police & Fire Dept. Equipment** **$610,000**

Original Budget	Amount Spent (To Date)	Amounts Encumbered	Amount Available
$610,000	$351,104	$235,472.23	$5,423.77

The LPD has completed the update of the 7 consoles, including all computers, in the 911 Dispatch Center and hired a Radio Communications Consultant Macro, a division of Ross & Baruzzini to assist in all aspects of the Communications System Upgrade. Additionally, two new computers that control the consoles, along with other related equipment were installed the LPD server room. Three back up mobiles (2 police and 1 fire) were purchased. A new VHF antenna for the Fire mobile was installed on the roof of the police/fire headquarters. The majority of this project is completed; however the consultant portion will be ongoing. The consultant will continue to work on the Communications Upgrade (*subject to appropriation*).

DEPARTMENT OF PLANNING AND DEVELOPMENT (DPD) PROJECTS

FY18 **Street LED Conversion** **$3,208,432**

Original Budget	Amount Spent (To Date)	Amounts Encumbered	Amount Available
$3,208,432	$3,147,186	$61,246	$0

The City of Lowell began upgrading 6,333 lights in December 2017 as part of the FY18 Capital Plan approved by the City Council. The project is currently 98% complete with some lingering punch list items. Lights included in the scope of the project include: traditional highway streetlights (cobra heads), decorative lighting (such as Victorian and Acorn fixtures), flood lights, and shoebox lighting (found in parking lots and top levels of City garages). Utility accounts that will receive positive benefits of the project include: Schools, DPW, Parks, and Parking Departments.

FY18 **Grand Manor Remediation** **$939,000**

Original Budget	Amount Spent (To Date)	Amounts Encumbered	Amount Available
$939,000	$118,920	$294,900	$525,180

Grand Manor Remediation: TRC is under contract to conduct additional assessment and remediation oversight activities with this funding. TRC, on behalf of the City, recently completed a round of sampling that will help to finalize the remedial design. Once the design is finalized, the City will put the remediation contract out to bid with the remainder of the FY18 funds.

FY18 **LMA Improvements** **$400,000**

Original Budget	Amount Spent (To Date)	Amounts Encumbered	Amount Available
$400,000	$29,468	$212,543	$142,443

The City is in the process of installing two new handicap bathrooms located on the 1st floor concourse, and remodeling two existing bathrooms in the basement. Additionally, the loading dock improvements will be completed, including removing and replacing the existing loading dock entrance and window transom. Remaining funds will be used to make lighting repairs to both the interior and exterior of the building; to remove and replace existing counters in the concessions are; to repair compromised ceilings in the basement ; and to repair existing concrete sidewalks located in the rear of the building.

FY18 **Traffic Signalization** **$150,000**

Original Budget	Amount Spent (To Date)	Amounts Encumbered	Amount Available
$150,000	$0	$0	$150,000

Traffic Signalization: The City is currently evaluating critical traffic infrastructure improvements for the utilization of this funding. Some of the improvements may require the combining of this authorization with anticipated capital funding for traffic signalization from the FY20 Capital Plan.

FY18 **Westford Street Landfill** **$129,720** `

Original Budget	Amount Spent (To Date)	Amounts Encumbered	Amount Available
$129,720	$11,100	$61,700	$56,920

Westford Street Landfill: Langdon Environmental is under contract to conduct Landfill sampling and monitoring. The remainder of these funds will be expended this summer when groundwater monitoring wells are installed at the landfill.

FY18 **LeLacheur Park Improvements** **$1,550,000**

Original Budget	Amount Spent (To Date)	Amounts Encumbered	Amount Available
$1,550,000	$693,114	$49,629	$807,257

LeLacheur Park Improvements: This funding was used to engage a firm for engineering services for the ballpark improvements, to install new electrical service and lighting for the ballfield, and to install new turf for the field.

FY19 **Lord Overpass Paving** **$2,000,000**

Original Budget	Amount Spent (To Date)	Amounts Encumbered	Amount Available
$2,000,000	$71,273	$34,188	$1,894,535

Lord Overpass Paving: Design is underway and almost complete. Final Plans shall be submitted by early-mid May of 2019 and the project will be put out to bid by mid-late May of 2019.

FY19 **Street G – Design and Construction** **$764,500**

Original Budget	Amount Spent (To Date)	Amounts Encumbered	Amount Available
$764,500	$0	$0	$764,500

Street G Design/Construction: Design of the roadway has not yet commenced. The roadway will be completed as a part of the HCID Garage project. The garage will begin construction in July of 2019.

FY19 **O'Donnell Field Remediation** **$750,000**

Original Budget	Amount Spent (To Date)	Amounts Encumbered	Amount Available
$750,000	$2,455	$14,625	$732,920

O'Donnell Field Remediation: The City completed its final assessment and associated reporting for this project last fall. This assessment altered the proposed remedial plans for the O'Donnell Field. Remediation is expected to be completed this summer.

FY19 **Tanner Street Right-of-Way** **$150,000**

Original Budget	Amount Spent (To Date)	Amounts Encumbered	Amount Available
$150,000	$0	$37,300	$112,700

Tanner Street Right of Way Acquisition and Traffic Signalization: The Law Department and counsel for the VFW are finalizing closing documents, so the City anticipates closing in the coming weeks. Additionally, we have received a quote for the Traffic Signalization work and are awaiting approval for the PO in order for this item to commence.

FY19 Westford Street Landfill $50,000

Original Budget	Amount Spent (To Date)	Amounts Encumbered	Amount Available
$50,000	$0	$0	$50,000

Westford Street Landfill: The City is currently negotiating access for sampling at a property immediately abutting the landfill. Funds will be utilized for this sampling once access is obtained. Additionally, funds will be utilized for ongoing landfill monitoring and inspection.

FY19 LeLacheur Park Improvements $50,000

Original Budget	Amount Spent (To Date)	Amounts Encumbered	Amount Available
$50,000	$0	$0	$50,000

LeLacheur Park Improvements: This funding has been allocated for ballpark/field improvements anticipated for the spring/summer of 2019.

FY19 VFW at Beaver Brook Remediation $50,000

Original Budget	Amount Spent (To Date)	Amounts Encumbered	Amount Available
$50,000	$21,490	$17,310	$11,200

VFW at Beaver Brook Remediation: Weston and Sampson is currently under contract to conduct LSP oversight and reporting. Remaining funds are expected to be fully expended by the end of the fiscal year.

FISCAL YEAR 2020 FUNDED PROJECTS

This plan lays out the capital priorities for the City of Lowell through FY2024, but the projects proposed for funding are solely within the current fiscal year (FY2020). All additional projects and vehicle replacements are presented here for discussion purposes only and will be reassessed depending on future funding needs and fiscal realities. Also, two other major capital investments are occurring concurrently with the advancement of the capital plan: the TIGER bridge project and the Lowell High School project. The former is funded primarily through a federal TIGER grant, while the latter has recently completed design development ("DD") and will be advancing to the construction phase of the MSBA process in the early months of FY2020. In the late spring/ early summer of FY2019, the city will enter into a Project Funding Agreement with the MSBA and authorize a loan order to fund the project costs. While the financing for these two projects undoubtedly impacts the future operations of the city and carry significant budgetary considerations, the scale of these two projects and the size of funding other than city bond proceeds warrant separate discussion, outside of the capital improvement plan.

The City of Lowell is positioned well to solidify its revitalization and through strategic investments in education, public safety, and infrastructure. By doing so, Lowell will jump-start the next wave of investment in our most valuable resource: our residents. The proposed investments in roads, buildings, traffic signalization improvements, public safety, and parks and recreation amenities dovetail nicely with available state and federal dollars destined for the city. Through this plan we are making a significant investment in the building and infrastructure improvements.

Older mill cities face unique challenges in combating urban decay and Lowell has, time and again, shown its leadership by encouraging redevelopment of historic buildings throughout the city. Unfortunately, the main thoroughfares of the city have continued to deteriorate and recent engineering studies of our Pavement Condition Index (PCI) have shown that repaving and repairing using only the funding allocated from the Commonwealth through the Chapter 90 program is insufficient. That is why I have included an increased recommendation of $2.14 million in paving, sidewalks, and curbing (up from $1.35 million) to be included in this capital plan request to the City Council. This is in addition to the approximately $1.88 million appropriated by the Commonwealth through Chapter 90 for a total of over $4 million in FY2020. The supplemental City appropriation allows us to also focus on unaccepted streets, providing greater flexibility for what streets can be paved and repaired.

While every project submission from Department Heads was worthy of consideration and deserving in its own right, our funding capacity is limited by the Administration's desire to keep any increase in residential and commercial taxes minimal. However, I am confident this capital request represents a set of initiatives that represent the priorities of the Administration and will not significantly burden the operating budget. A summary of the projects is listed on the next page, with additional detailed descriptions and financing plans immediately following, for information and discussion purposes.

FY2020 PROJECTS – CITY SHARE ONLY (SUMMARY)

PROJECT	FY20 COST - CITY SHARE (DOLLARS)
Public Safety Communications Upgrade	6,329,022
Relocation Costs	4,500,000
Lord Overpass Construction/ Infrastructure Upgrades	4,300,000
City-Wide Paving and Sidewalks Program	2,140,000
Tanner Street Realignment Project	1,500,000
City-Wide Network Infrastructure Upgrades	1,197,210
National Park Service Land Swap	1,000,000
Bridge Repair Program	715,000
Lowell Fire Department – Engine 7 Replacement	580,000
City-Wide Traffic Signalization Upgrades	525,000
Various Park Improvements/ Open Space Plan Implementation	500,000
Merrimack Riverwalk Project – Phase II	420,000
Andover Street Sidewalks/ Traffic Calming	200,000
HCID Canalway Improvement Project	100,000
Downtown Vault Abandonment Project	35,000
ADA Transition Plan Implementation	1,202,062
TOTAL	**$25,243,294**

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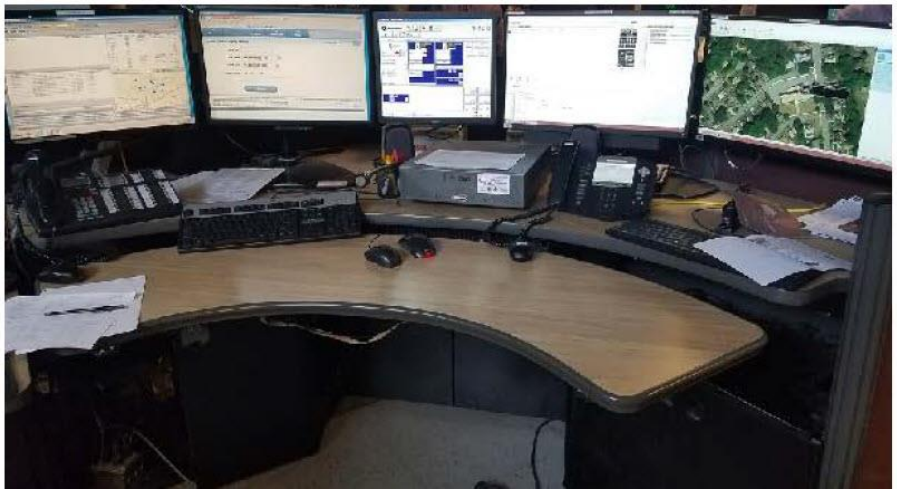
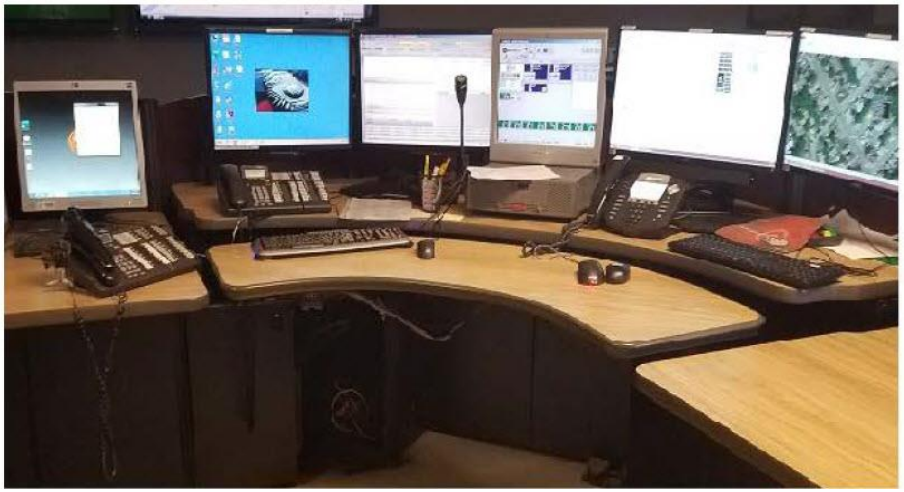
PUBLIC SAFETY COMMUNICATIONS UPGRADES

IMPACT ON THE OPERATING BUDGET:

THIS EQUIPMENT UPGRADE PROJECT IS CRITICAL FOR THE CITY'S PUBLIC SAFETY INFRASTRUCTURE. MUCH OF THE EXISTING NETWORK HARDWARE AND EQUIPMENT HAVE REACHED THE END OF THEIR USEFUL LIFE AND A MAJOR OVERHAUL IS WARRANTED TO ENSURE THE SAFETY OF THE CITY'S RESIDENTS. IN THE FY2019 CAPITAL PLAN, THE CITY HAS AUTHORIZED PHASE I OF THIS PROJECT, WHICH INCLUDED FUNDING FOR PROJECT MANAGEMENT AND CONSULTATION FROM INDUSTRY EXPERTS. THIS UPGRADE WILL PROVIDE FOR NEW EQUIPMENT FOR THE POLICE AND FIRE DEPARTMENTS AND WILL REDUCE THE COST IN THE OPERATING BUDGET FOR REPLACEMENT AND REPAIRS OF EXISTING EQUIPMENT.

Motorola Solutions is proposing a communications system consisting of six (6) channels at five (5) RF sites utilizing a mix of existing and new sites. All channels will consist of a main transmit site, a backup transmit/full time receive site and three (3) receiver only sites. The backup transmitter site at the Lowell General Hospital will be a mix of simulcast and receive only; simulcast will be used for the Police and Fire. The channels will differ in the mode of operation – analog, digital or mixed analog/digital and will utilize Motorola Solutions' proven G series infrastructure platform that has been deployed in numerous systems city / town, county and statewide. The proposed systems include both UHF and VHF frequencies.





FINANCING PLAN: PUBLIC SAFETY COMMUNICATIONS UPGRADES

PROGRAM EXPENDITURES	DETAIL	SUMMARY
PUBLIC SAFETY COMMUNICATIONS UPGRADES		**$ 6,329,022**
MAIN PUBLIC SAFETY SYSTEM PLACEMENT	$ 2,999,529	
DPW FIXED SYSTEM REPLACEMENT	$ 271,897	
MOBILE EQUIPMENT (HANDSETS, RADIOS, ETC)	$ 2,963,924	
OTHER INCIDENTAL COSTS	$ 93,672	
TOTAL FY20 BUDGETED EXPENDITURES		$ 6,329,022

FINANCING PLAN	DETAIL	SUMMARY
CITY FINANCING		**$ 6,329,022**
BOND PROCEEDS	$ 6,329,022	
TOTAL FY20 BUDGETED REVENUES		$ 6,329,022

RELOCATION COSTS

IMPACT ON THE OPERATING BUDGET:

THESE COSTS WILL FACILITATE THE RELOCATION EXPENSES ASSOCIATED WITH THE LOWELL HIGH SCHOOL ADD/RENO PROJECT, BUT WILL ALSO FACILITATE THE MOVEMENT OF OTHER CITY DEPARTMENTS TO EFFECTUATE A PLAN TO MAXIMIZE EFFICIENCY AND EFFECTIVENESS OF CITY DEPARTMENT AND REDUCE COSTS AT THE EXISTING SITES.

These proposed costs will fund relocation expenses associated with the LHS project incidental to the taking of 75 Arcand Drive. They will also facilitate a plan by the City Manager to move the physical location of some city departments/ divisions to allow for better efficiency and effectiveness of service delivery to the residents of Lowell. Expenses will be incurred, however, to pay for moving services.

FINANCING PLAN: RELOCATION COSTS

PROGRAM EXPENDITURES	DETAIL	SUMMARY
RELOCATION COSTS		**$ 4,500,000**
RELOCATION COSTS/ SERVICES	4,500,000	
	TOTAL FY20 BUDGETED EXPENDITURES	$ 4,500,000

FINANCING PLAN	DETAIL	SUMMARY
CITY FINANCING		**$ 4,500,000**
FY2020 - BOND PROCEEDS	4,500,000	
	TOTAL FY20 BUDGETED REVENUES	$ 4,500,000

LORD OVERPASS CONSTRUCTION IMPROVEMENTS

IMPACT ON THE OPERATING BUDGET:

THE SIGNIFICANT AMOUNT OF FUNDING ALLOCATED FOR PAVING WILL ALLEVIATE THE NEED TO CONTINUOUSLY REPAIR THE STREETSCAPE AROUND THE LORD OVERPASS NEAR THE DOWNTOWN. THE PAVING WILL ALSO PROVIDE AN ADDED BENEFIT TOWARD PUBLIC SAFETY, ECONOMIC DEVELOPMENT, AND THE GENERAL QUALITY OF LIFE OF THOSE IMPACTED. THE IMPROVEMENTS ARE CRITICAL TO FACILITATING ECONOMIC DEVELOPMENT IN THE NEARBY HAMILTON CANAL DISTRICT AND WORK TO EXPAND THE CITY'S COMMERCIAL TAX BASE.

The Lord Overpass project is a large municipally managed transportation modernization project being undertaken by the City of Lowell. The project has been separated into three segments. Currently, the Lord Overpass is nearing 100% design completion.

Segment 1

Segment 1 of this project extends along Thorndike Street between Dutton Street and Gallagher Station. This includes portions of the Dutton, Fletcher, and Jackson Street intersection, the Jackson Street extension, the Middlesex Street intersection as well as the Appleton and Chelmsford Street intersection. Segment 1 was originally awarded $15 million in funding from MassDOT of which $2.3 million was allocated to design and engineering of the project and construction of the Jackson Street extension. There is $12,664,182 remaining in MassDOT funds for the project. In FY2019, the City Council awarded the project $2 million of a $4 million request, thus the project has secured $14,664,182.

As of the time of this submission (March of CY2019), the total construction cost for this project is $17,096,033. The Department of Public Works and the Department of Planning and Development have requested $4.3 million in FY2020, in addition to the $2 million awarded to the project in FY2019; $1.5 million of which will be to cover the services of a resident engineer over the roughly 3 year life of the project, $2.8 million in additional construction funds. Five percent (5.0%) of the total construction cost for the project (approximately $800,000) for escalation costs is included in the $2.8 million request.

Resident engineering services were originally considered to be provided by internal city staff but given the location, complexity, and size of the project, of which will sometimes require 24/7 onsite coverage; the resident engineering services component of this project is recommended to be external staff. This service is a critical asset to the success of the construction.

Existing Conditions:
Currently multi-modal designs and routes are planned on a project by project basis leaving the City with an incomplete, uninformed network of bicycle routes and sidewalk accommodations. At the first of three planned public meetings held on November 12, 2015, the city heard from community members and stakeholders about the need for better pedestrian and bicycle accommodations along the Thorndike Street Corridor. DPD conducted a public survey to assess community concerns about the current configuration of the Lord Overpass and to solicit suggestions for ways to improve the Lord Overpass design.

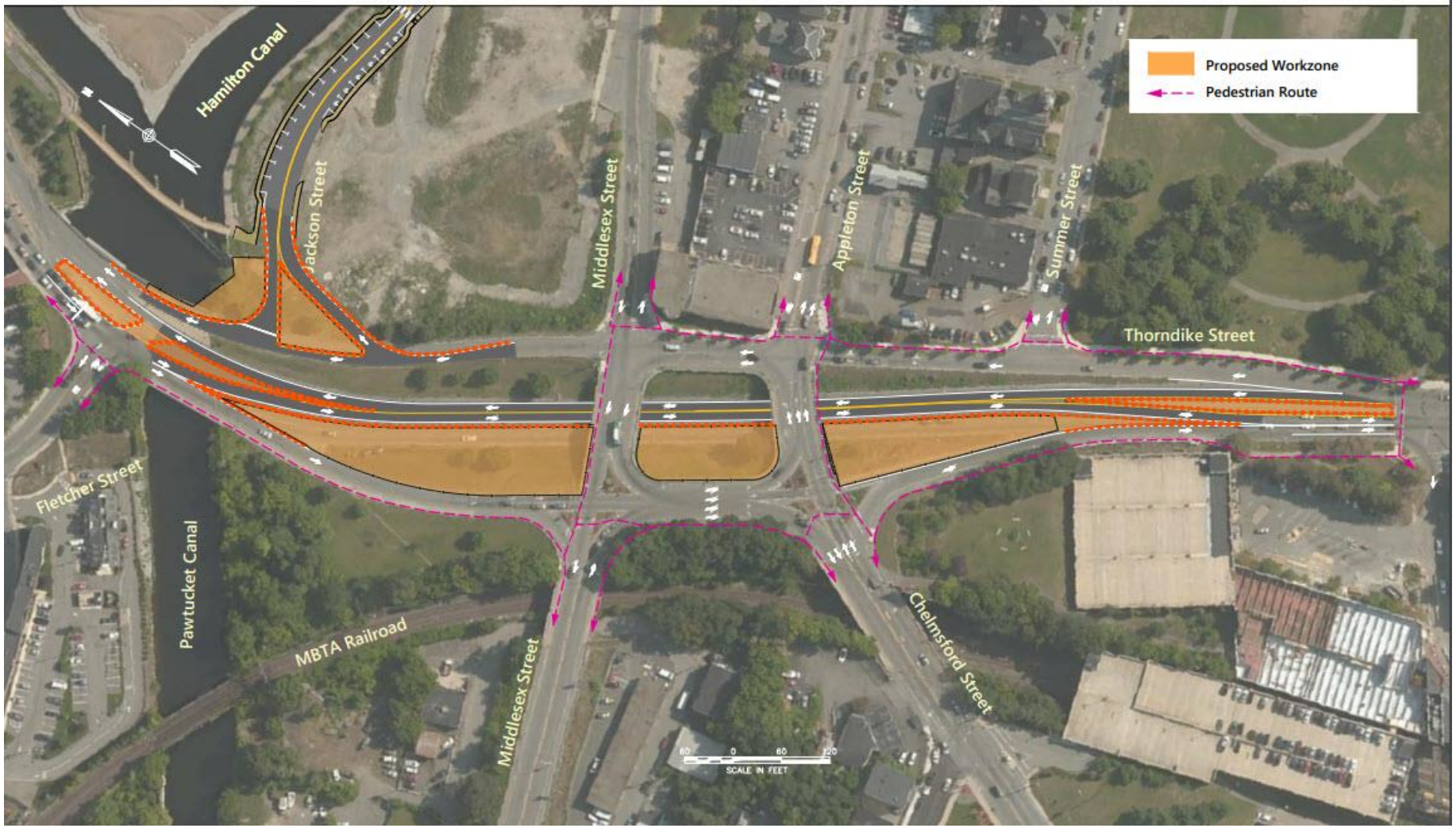
Public Process and Design Development:
The City held the third of three planned public meetings on January 17th, 2017 to update the community on the status of the project design, present the results of the community survey, and present three alternative design concepts for the Lord Overpass. The presentation is available on the city's website at http://www.lowellma.gov/DocumentCenter/View/2463.

A Road Safety Audit (RSA) was conducted on March 18, 2016 with members of MassDOT, as well as the City of Lowell's police and fire departments, NMCOG, the LRTA, and city engineers. The RSA included a site walk during many of the safety issues and barriers to mobility were experienced first-hand. Twelve design elements were derived from the RSA safety analysis, the public outreach survey and background traffic data. A copy of the Lord Overpass Safety Audit can be found on the city website here: http://www.lowellma.gov/DocumentCenter/View/2462. The project's purpose was to create an access point to the Hamilton Canal Innovation District (HCD), create a transit oriented, mixed-use, urban neighborhood, and mitigate traffic to the district.

City staff and their transportation consultants presented the concepts in detail and solicited comments from meeting attendees. The City will continue to accept comments about the three concepts via email as additional engineering work and stakeholder input defines the final concept design. The proposed final Lord Overpass plan will be presented publicly later this year and reviewed with MassDOT for final design and construction.

Lord Overpass Redesign - Stage 1: Lane Shift and Grade Fill

Lowell, Massachusetts

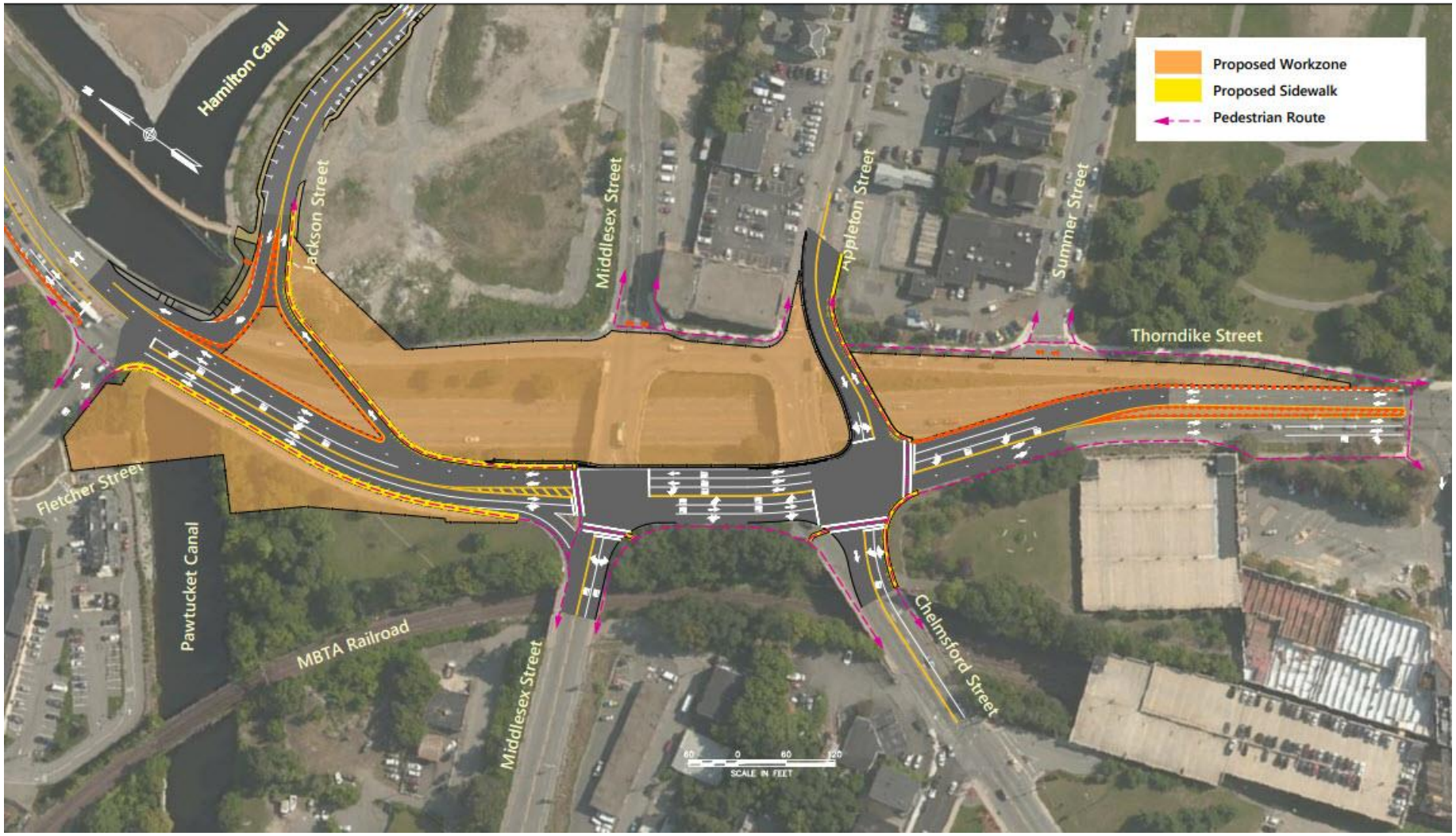


Lord Overpass Redesign - Stage 2: Complete Grade Fill

Lowell, Massachusetts

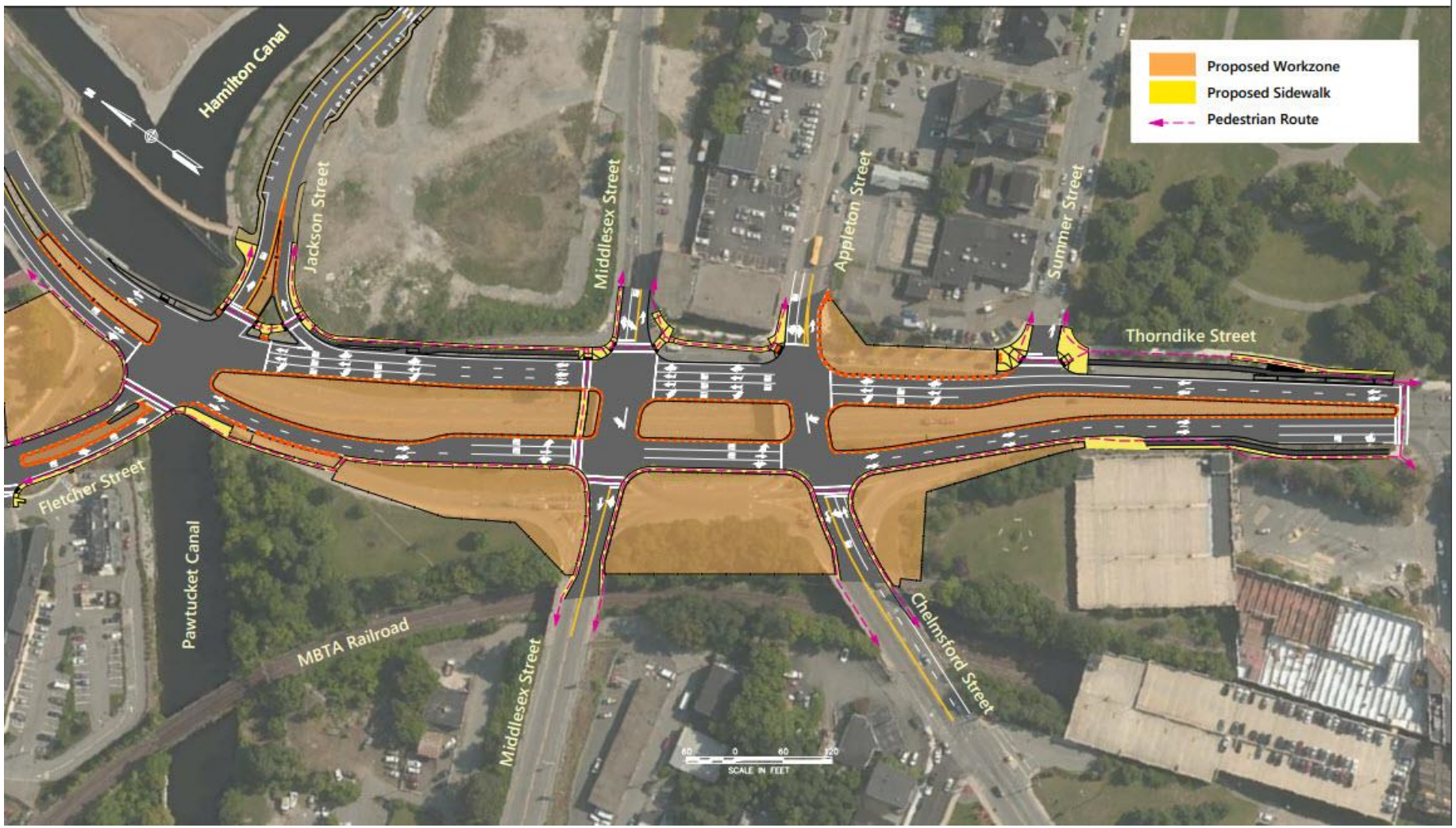
Lord Overpass Redesign - Stage 3: Surface Road Shift

Lowell, Massachusetts



Lord Overpass Redesign - Stage 4: Surface Road Constructed

Lowell, Massachusetts



FINANCING PLAN: LORD OVERPASS CONSTRUCTION

PROGRAM EXPENDITURES	DETAIL	SUMMARY
LORD OVERPASS CONSTRUCTION		**$ 21,300,000**
DESIGN & ENGINEERING - MASSDOT	$ 2,300,000	
DESIGN & ENGINEERING - CITY OF LOWELL	2,000,000	
CONSTRUCTION COSTS - MASSDOT	12,700,000	
CONSTRUCTION COSTS - CITY OF LOWELL	2,000,000	
CONSTRUCTION OVERSIGHT - CITY OF LOWELL	1,500,000	
ESCALATION - CITY OF LOWELL	800,000	
TOTAL FY20 BUDGETED EXPENDITURES		$ 21,300,000

FINANCING PLAN	DETAIL	SUMMARY
INTERGOVERNMENTAL REVENUE		**$ 15,000,000**
MASSDOT FUNDING	$ 15,000,000	
CITY FINANCING		**$ 6,300,000**
BOND PROCEEDS - PREVIOUSLY FUNDED	$ 2,000,000	
FY2020 - BOND PROCEEDS	4,300,000	
TOTAL FY20 BUDGETED REVENUES		$ 21,300,000

PAVING (CITY-WIDE STREET IMPROVEMENT PROGRAM)

IMPACT ON THE OPERATING BUDGET:

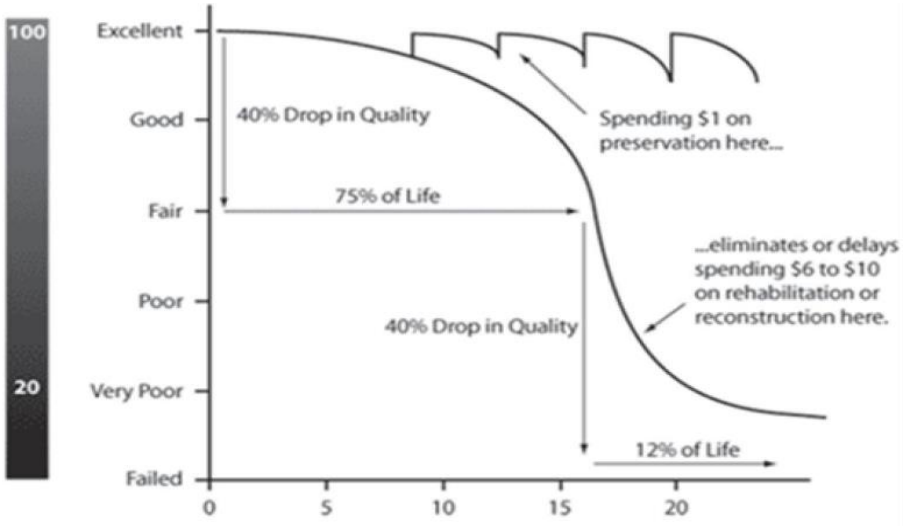
THE SIGNIFICANT AMOUNT OF FUNDING ALLOCATED FOR PAVING WILL ALLEVIATE THE NEED TO CONTINUOUSLY REPAIR SOME OF THE STREETS AND SIDEWALKS IN WORST SHAPE IN THE CITY. THE PAVING WILL ALSO PROVIDE AN ADDED BENEFIT TOWARD PUBLIC SAFETY, ECONOMIC DEVELOPMENT, AND THE GENERAL QUALITY OF LIFE OF THOSE IMPACTED.

To help the City of Lowell consistently provide a first-class roadway network to its citizens, BETA Group, Inc. was retained to maintain a Pavement Management Program (PMP) for the City's 235 miles of maintained roadways. A PMP involves the identification of the existing network, evaluation of the roadway surface conditions, and the specification of its maintenance practices with associated costs. Pavement management software utilizes roadway inventory and distresses to create an extensive and powerful database used for subsequent analysis and report generation. This database was created by evaluating actual roadway infrastructure conditions that allowed for the formulation of a prioritized list of roadways and improvements. Ultimately, the objective of this study was to gain a greater understanding of the City's roadways and to develop short and long range Capital Improvement Plan. During FY17, the city received approximately $1.8 million from the state for pavement work. In addition to this amount, the city invested $1.3 million during the last fiscal year.

Pavement Management Concepts

Pavement management is the basis of the development of a city-wide roadway improvement program. This system accurately models roadway conditions, predicting future deterioration. The key concept of maintaining a high level of service to users is to make timely repairs, to avert more expensive reconstructions.

A pavement management program formalizes the prediction process by collecting, organizing, and maintaining a complete database that describes a particular roadway; traffic volume, repair service life, condition, and cost for the suggested repair method. This database then becomes the basis for a historical record of the City infrastructure that will help manage and evaluate existing and projected roadway conditions. Pavement deteriorates in an accelerated fashion, so the goal is to save money and resources in both the short and long term by developing a repair strategy that utilizes available funding efficiently and responsibly, maximizing expenditures, while meeting the overall goals set by community leaders.



Roadway Survey

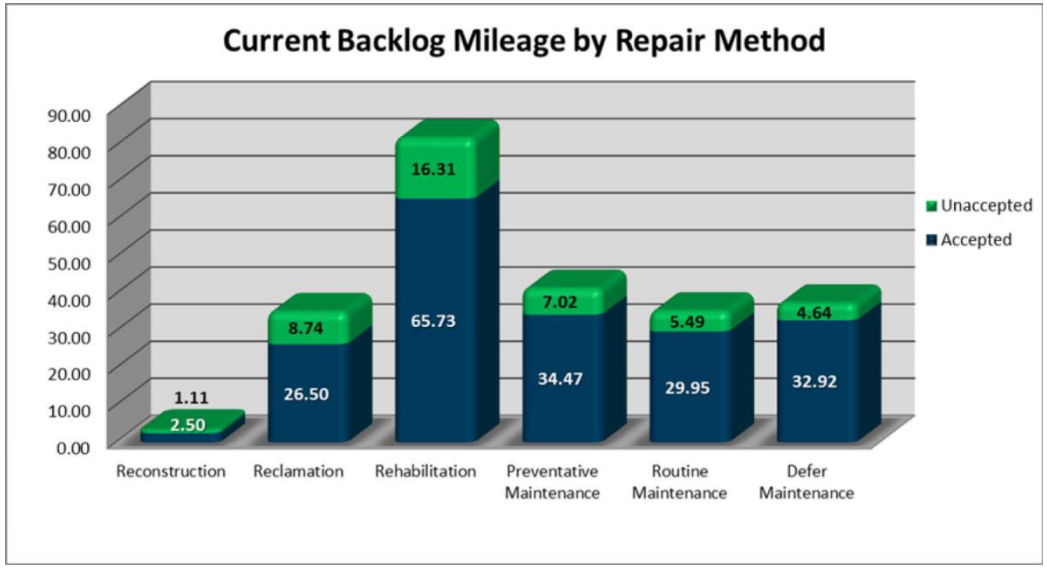
The survey of all Lowell roads, classified as both accepted and unaccepted, was completed in the fall of 2016. The pavement inspection data provided a complete description of the roadway on the day of the survey. The data was collected in the field using the Pavement Management Program (PMP), a tablet laptop, and a two person team consisting of a trained pavement inspector and an assistant. Each roadway segment was driven while making visual observations of street characteristics; curb type, sidewalk material, line striping, street width, street length, pavement material, and more importantly, pavement distresses were documented. The severity and extent of each distress type was then recorded in the field survey form to ultimately generate a Road Surface Rating (RSR) value for each segment. The RSR value ranges from 0 to 100, a road in very poor condition receives a 0, while a road with no visible defects receives a 100. An RSR value is derived by recording existing field conditions from a variety of roadway elements:

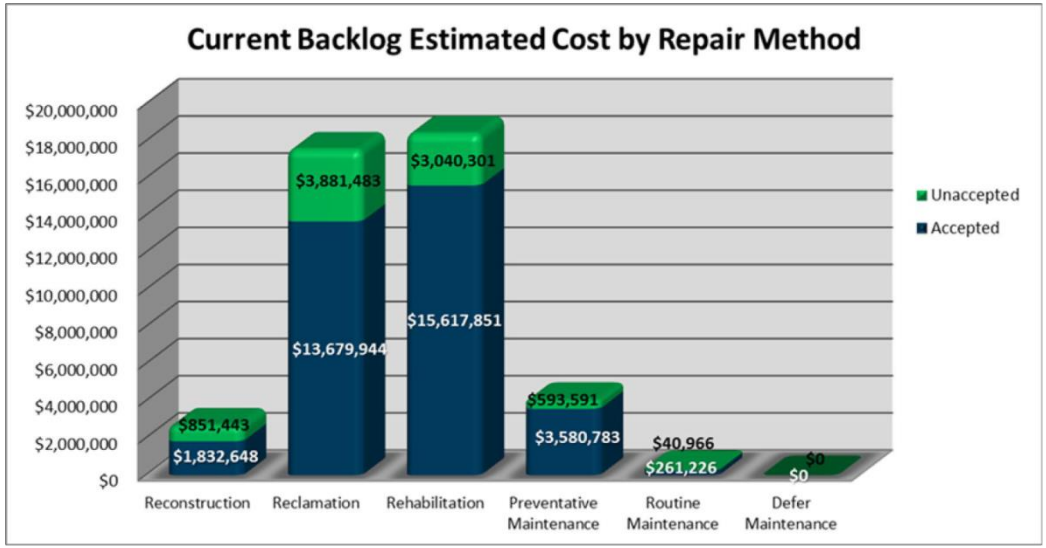
- Linear Cracking (Longitudinal and Transverse)
- Alligator Cracking
- Edge Cracking
- Potholes
- Patching
- Roughness
- Rutting
- Drainage

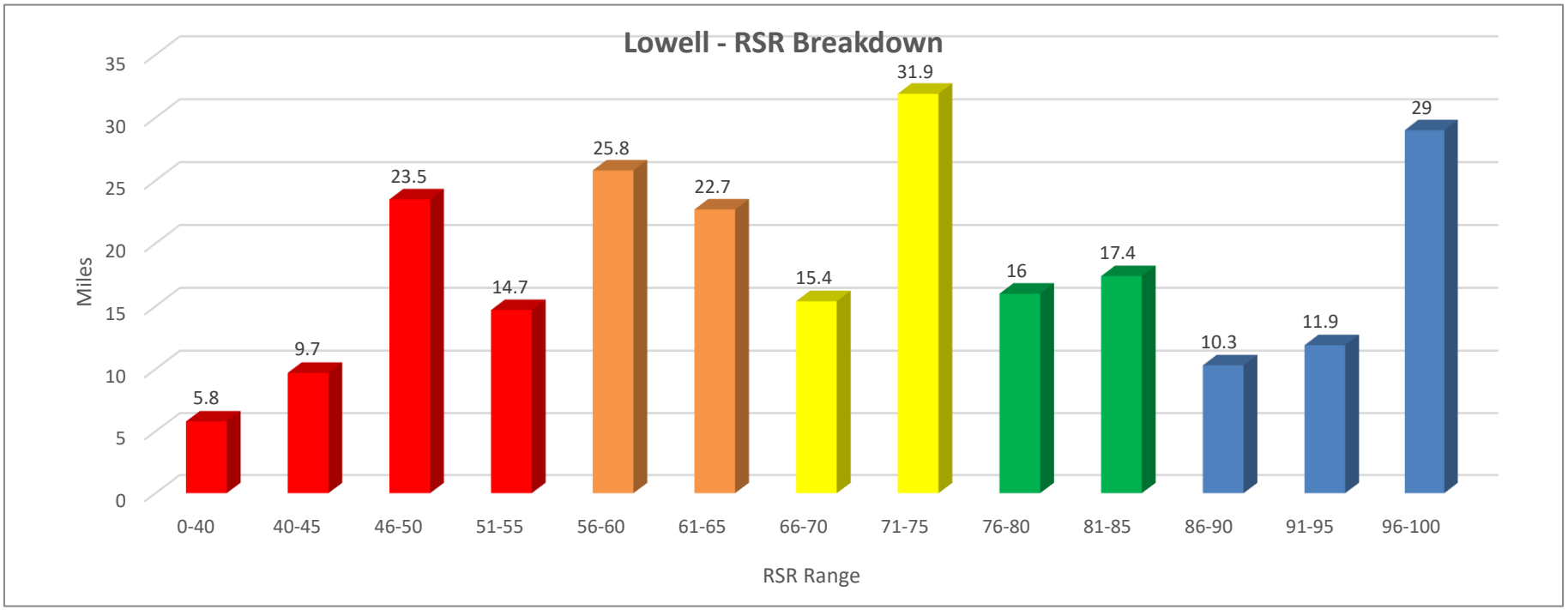
Quality Assurance/Quality Control Program

BETA's Quality Assurance/Quality Control (QA/QC) Program was developed as an effort to minimize and remove possible errors that may occur during the inspection process. By conducting this program, BETA can deliver results that are accurate and meaningful. This process includes verification of roadway conditions and database entries, taken in the field by experienced BETA pavement management personnel. Photos that best represent each repair method were recorded to confirm and exemplify that suggested repair method. Once all of the data was recorded and confirmed a final RSR was generated.

BETA conducted pavement inspections of the City's 235 miles of roadway throughout the summer and fall of 2016. The average RSR of Lowell's roadway network is currently 70. An RSR of 72 is considered to be in fair condition. This Backlog Summary summarizes both the amount of roadway with its specific repair method and the estimated cost for doing each of those repairs.


Current Backlog Mileage by Repair Method
90.00
80.00
70.00
60.00
50.00
40.00
30.00
20.00
10.00
0.00
1.11
2.50
8.74
26.50
16.31
65.73
7.02
34.47
5.49
29.95
4.64
32.92
Reconstruction
Reclamation
Rehabilitation
Preventative Maintenance
Routine Maintenance
Defer Maintenance
Unaccepted
Accepted


Current Backlog Estimated Cost by Repair Method
$20,000,000
$18,000,000
$16,000,000
$14,000,000
$12,000,000
$10,000,000
$8,000,000
$6,000,000
$4,000,000
$2,000,000
$0
$851,443
$1,832,648
$3,881,483
$13,679,944
$3,040,301
$15,617,851
$593,591
$3,580,783
$40,966
$261,226
$0
$0
Reconstruction
Reclamation
Rehabilitation
Preventative Maintenance
Routine Maintenance
Defer Maintenance
Unaccepted
Accepted


Lowell - RSR Breakdown
Miles
35
30
25
20
15
10
5
0
5.8
9.7
23.5
14.7
25.8
22.7
15.4
31.9
16
17.4
10.3
11.9
29
0-40
40-45
46-50
51-55
56-60
61-65
66-70
71-75
76-80
81-85
86-90
91-95
96-100
RSR Range

City of Lowell Roadway Capital Improvement Plan

BETA was able to utilize analysis tools within our Pavement Management Program to prioritize repairs and develop a realistic Capital Improvement Plan (CIP) that includes both reconstruction and maintenance practices. The plan presented is completely customized to The City of Lowell.

As part of the CIP process, BETA has:

- Provided a report of street evaluation findings and Roadway RSR's.
- Evaluated the City's current roadway maintenance budget as it relates to the computed network backlog and associated costs.
- Conducted a life-cycle cost analysis of different repair strategies that identify the cost benefit value (CBV) of different approaches.
- Developed a 3-Year pavement repair work plan based on selected optimal repair strategies and priority analysis inputs.
- Developed short and long- range forecasting models based on a variety of funding scenarios and maintenance alternatives.
- Developed a PowerPoint presentation to inform key stakeholders of existing roadway conditions and roadway forecasts based on established funding scenarios and attended public meetings to present findings.
- Prepared customized reports.

City of Lowell, Massachusetts

Roadway Repair Backlog Summary - Overall

Repair Method	Length (Miles)	Square Yards	Percent Repair	Estimated Cost
Reconstruction	3.61	59,646.46	1.53%	$2,684,090.50
Reclamation	35.24	548,794.59	14.97%	$17,561,426.85
Rehabilitation	82.04	1,332,725.16	34.85%	$18,658,152.28
Preventative Maintenance	41.49	695,729.01	17.63%	$4,174,374.06
Routine Maintenance	35.43	604,385.96	15.05%	$302,192.98
Defer Maintenance	37.56	632,511.38	15.96%	$0.00
Total:	235.38	3,873,792.56	100.00%	$43,380,236.68

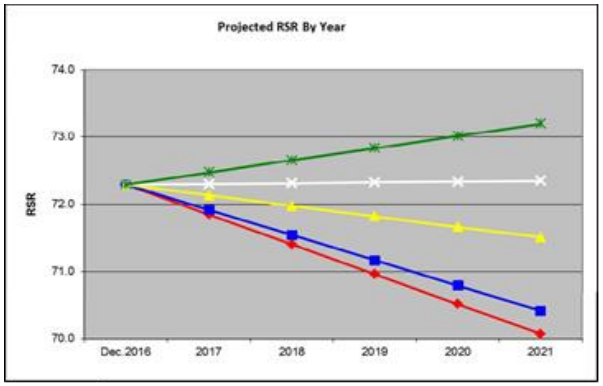
Average RSR By Segment:	72.21

Conclusion

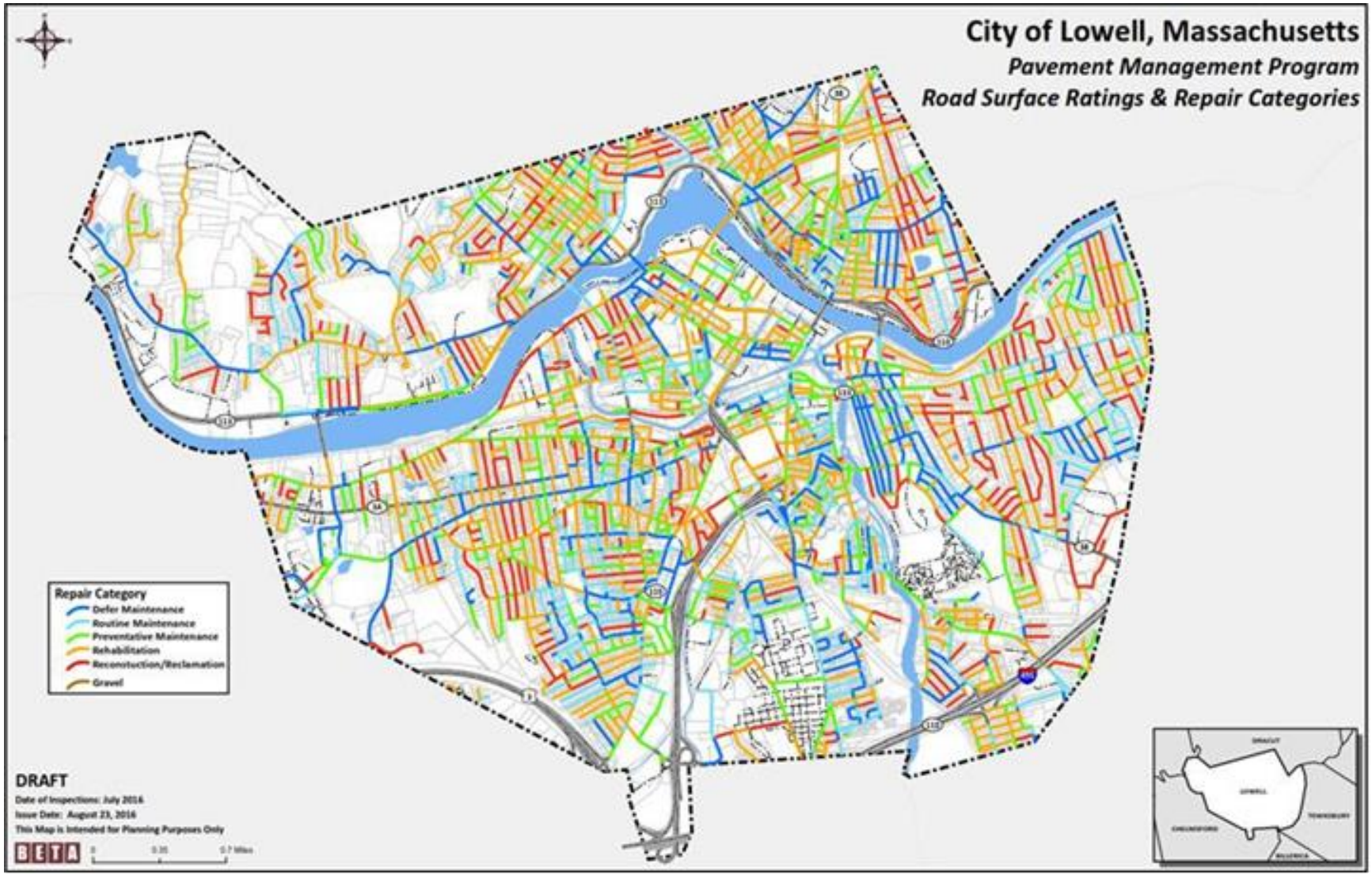
The City of Lowell now has access to its roadway inventory located in the Pavement Management Program. This database provides City staff and elected officials with valuable information of existing roadway conditions, cost estimate to protect and repair its roadways, and recommended capital improvement plan strategies to meet City goals.

To best manage and update the Lowell roadway database, the following practices are recommended:

- Post all annual road improvements into the database.
- Add any new roadway network descriptions to the database.
- Update repair type unit costs annually to provide accurate work plan reports.
- Assign one or more individuals with the responsibility of overseeing system upkeep. This individual should be responsible for requesting annual pavement condition survey updates.
- Undertake annual street surveys on approximately 25% of the system.
- Review developments in pavement technology that might offer a more cost effective alternative to pavement maintenance or rehabilitation over the pavement's life cycle.



Lowell's updated Pavement management Program will continue to provide the City with essential planning, reporting, and management tools to help advance its progressive approach to providing a roadway network with a high level of service. The improvements to be seen will deliver vision to and garner trust from elected officials and citizens alike while producing satisfaction that public funding has been spent effectively and responsibly.


City of Lowell, Massachusetts
Pavement Management Program
Road Surface Ratings & Repair Categories
Repair Category
Defer Maintenance
Routine Maintenance
Preventative Maintenance
Rehabilitation
Reconstruction/Reclamation
Gravel
DRAFT
Date of Inspections: July 2016
Issue Date: August 23, 2016
This Map is Intended for Planning Purposes Only
BETA

Infrastructure Project Status/ Notes[68]
From the City Engineer's Office

Ref #	Street Name	Street Limits	Description of Work	Estimated Value
2020-1	Old Canal Drive	Steadman Street to End of Public Way	Reclaim and Pave	$ 1,505,000
2020-2	O'neil Street	Anderson Street to Lundberg Street		
2020-3	Carriage Drive	Andover Street to End		
2020-4	Butler Drive	Carriage Drive to End		
2020-5	Vaughn Street	Mt Hope Street to End		
2020-6	Heritage Drive	Geana Lane to End		
2020-7	Evergreen Road	Fairmont Street to End		
2020-8	Sanborn Street	Beacon Street to Vernon Street		
2020-9	Starr Avenue	Mansur Street to Hovey Street		
2020-10	Mansur Street	Nesmith Street to Butman Road		
2020-11	Wyman Street	Nesmith Street to Belmont		
2020-12	Belmont Street	Mansur Street to Whitman Street		
2020-13	Warren Court	Church Street to End		
2020-14	Liberty Street	Pine Street to Chelmsford Street	Roadway and Sidewalk Reconstruction	$ 735,000
2020-15	Arthur Street	Sagamore Street to Hutchinson Street		
2020-16	Hutchinson Street	Liberty Street to Chelmsford Street		

[68] This chart includes items listed among separate Capital Plan projects and CH. 90 funding projects which are grouped together here to provide an overall perspective on roadway and sidewalk infrastructure improvements throughout the City under the DPW/Engineering Department. Because this list requires careful coordination with public and private utilities, it should be viewed as tentative, and subject to change due to coordination with the utility companies, weather, or other unforeseen circumstances.

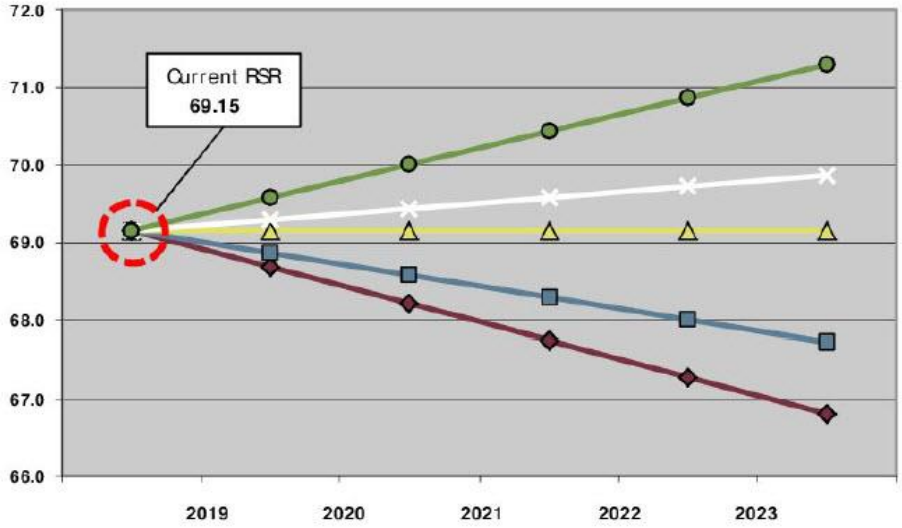
Ref #	Street Name	Street Limits	Description of Work	Estimated Value
2020-17	Inland Street	Chelmsford Street to Wilder Street	Roadway and Sidewalk Reconstruction on Inland Street; sidewalks on Avery and S. Wilder adjacent to Washington School	$ 510,000
2020-18	Avery Street	Wilder Street to S. Wilder Street		
2020-19	S. Wilder Street	Avery Street to Midland Street		
2020-20	Birch Street	Fairmount Street to Wentworth Avenue	Roadway and Sidewalk Reconstruction	$ 1,786,650
2020-21	Sycamore Street	Fairmount Street to Wentworth Avenue		
2020-22	Wentworth Street	Andover Street to Mansur Street		
2020-23	Dummer Street	Market Street to Broadway Street		
2020-24	Highland Street	Thorndike Street to Gorham Street		
2020-25	Hildreth Street	Bridge Street to Aiken Avenue		
2020-26	Perkins Street	Aiken Street to Cabot Street		
2020-27	Williams Street	George Street to Central Street		
2020-28	Andover Street	Various Locations	Sidewalk Improvements and Traffic Calming	$ 200,000
			Total:	**$ 4,736,650**

Roadway Forecast Model
Lowell, MA

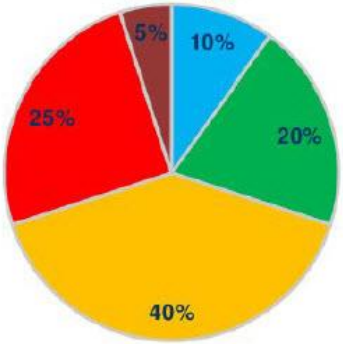
ManageMyRoads by BETA

Community Profile

Road Miles = 235.37
Ch. 90 Allotment = $1,860,170



Funding Distribution by Repair Type



- Routine Maintenance
- Preventative Maintenance
- Rehabilitation
- Reclamation
- Reconstruction

Funding Scenarios

Scenario 1*	$1,860,000
Scenario 2	$2,500,000
Scenario 3	$3,500,000
Scenario 4	$4,000,000
Scenario 5	$5,000,000

* Approximate FY2018 Ch. 90 Allotment

**Please Note: Unit pricing accounts for curb to curb improvements only; does not include any drainage, sidewalk, ADA, gravel sub-base or utility improvements.*

Community Type: U
3/11/2019

BETA

FINANCING PLAN: CITY-WIDE PAVING PROGRAM

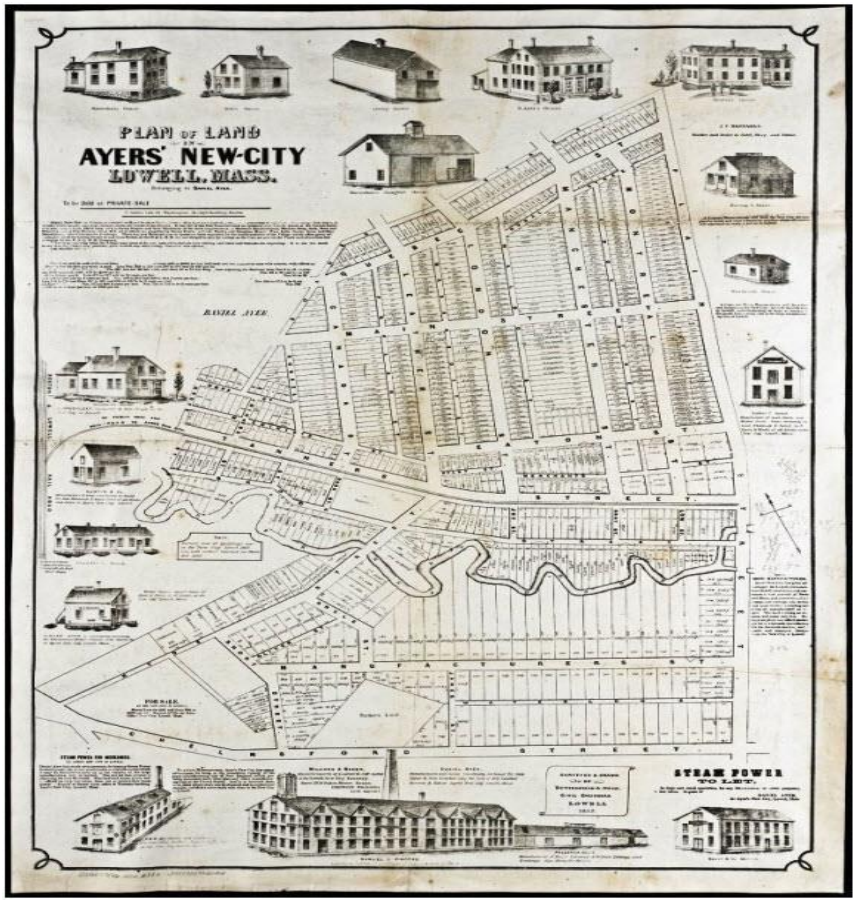
PROGRAM EXPENDITURES	DETAIL	SUMMARY
CITY-WIDE PAVING & SIDEWALKS PROGRAM		**$ 4,000,170**
PAVING - STREETS	$ 3,250,170	
SIDEWALKS & CURBING - IMPROVEMENTS	750,000	
TOTAL FY20 BUDGETED EXPENDITURES		$ 4,000,170

FINANCING PLAN	DETAIL	SUMMARY
INTERGOVERNMENTAL REVENUE		**$ 1,860,170**
CHAPTER 90 STATE FUNDING	$ 1,860,170	
CITY FINANCING		**$ 2,140,000**
FY2020 - BOND PROCEEDS	2,140,000	
TOTAL FY20 BUDGETED REVENUES		$ 4,000,170

TANNER STREET REALIGNMENT PROJECT

IMPACT ON THE OPERATING BUDGET:

THIS PROJECT IS A KEY COMPONENT OF THE CITY'S ECONOMIC DEVELOPMENT STRATEGY IN THE AYER'S CITY INDUSTRIAL DISTRICT. THE COMPONENTS OF THE PROJECT, WHICH WILL BE FUNDED IN FY2020, ARE THE SECOND PART OF A MULTI-PHASED PROJECT. FUNDS WERE AUTHORIZED IN FY2019 TO BEGIN THE NECESSARY RIGHT OF WAY ("ROW") ACQUISITIONS AND SURVEY WORK. THIS NEXT PHASE WILL POISE THE CITY TO APPLY FOR A MULTI-MILLION MASSWORKS GRANT TO FUND THE INFRASTRUCTURE NEEDS OF THE DISTRICT. ONCE COMPLETED, THE PLAN CONTEMPLATES 334,000 SQUARE FEET OF NEW DEVELOPMENT AND APPROXIMATELY $1.38 MILLION IN NEW ANNUAL TAX REVENUE.



BACKGROUND

The Ayer's City Industrial Park Urban Revitalization and Development Project (Tanner Street Initiative) seeks to revitalize a traditional industrial area of Lowell with the potential to drive the next decade of job creation and industrial resurgence. The Ayer's City Industrial Park encompasses approximately 108 acres of land located one mile south of Lowell's central business district. Today, most of the area is zoned as heavy industry, with some commercial and residential areas identified on the periphery.

The Ayer's City Industrial Park is a 20-year redevelopment plan for the section of Lowell around Tanner Street roughly bounded by the railroad tracks, Lowell Connector right-of-way and Plain Street. Ayer's City Industrial Park is the culmination of several recent planning efforts for the Tanner Street corridor.

Commencing concurrent with the City of Lowell's 2013 comprehensive plan update, and funded through an innovative funding program at the federal Environmental Protection Agency, the planning process for Ayer's City Industrial Park engaged a diverse group of neighborhood and City-wide stakeholders for detailed discussion and received comments from a broad range of participants in several public meetings to craft a vision of neighborhood transformation.

Plan Goals

The development of an urban revitalization and development project will allow the City to build on the Industrial Park's strengths to turn Tanner Street into the Ayer's City Industrial Park.

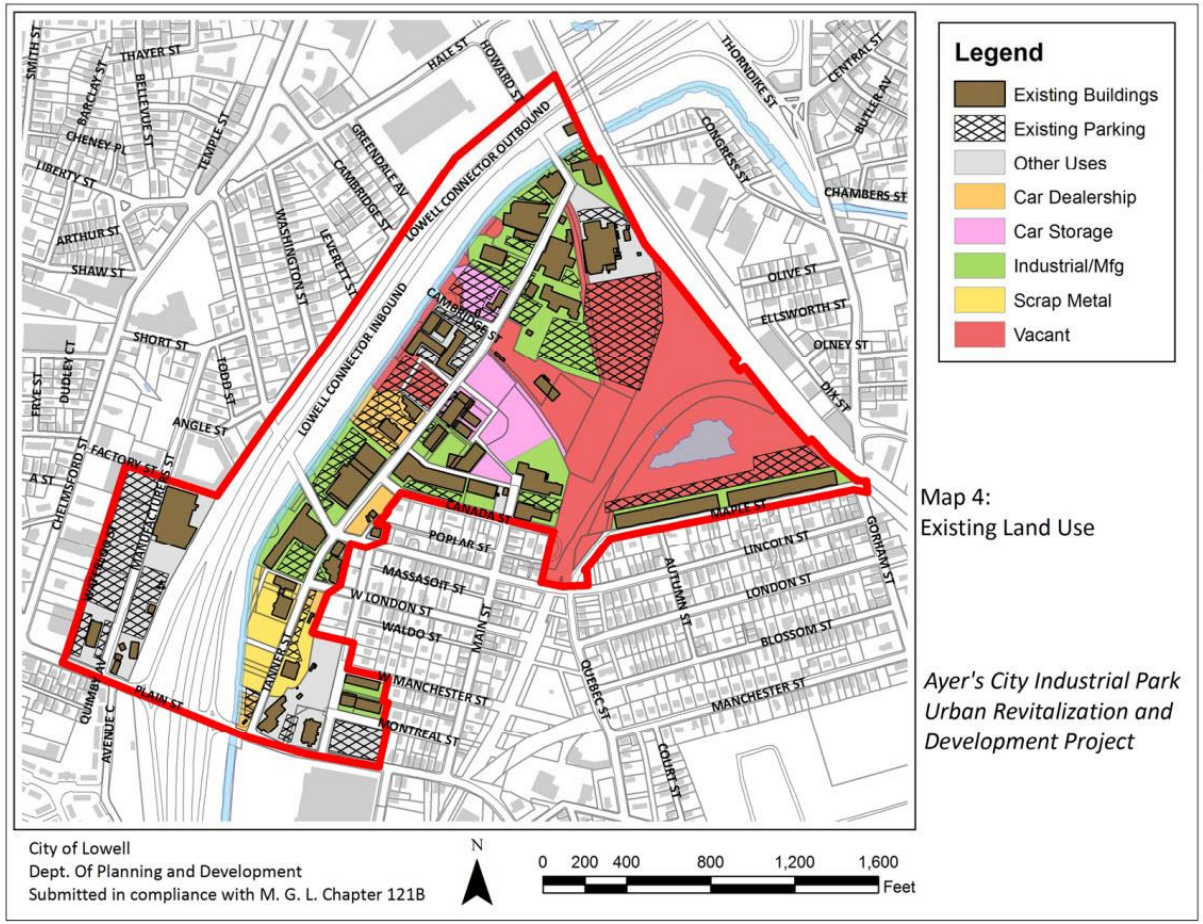
All of the recommendations in this revitalization plan are designed to support the transformation of Ayer's City Industrial Park into an area that is both economically and environmentally sustainable with new clean industries creating jobs.

The plan will also increase tax revenues and help create an attractive, healthy environment with improved multi-modal transportation opportunities and access to natural resources. A copy of the plan can be obtained from the City of Lowell website at this address: https://www.lowellma.gov/DocumentCenter/View/1563

Plan Implementation

When implemented, the plan will result in:

- $1.38 million in new annual tax revenues
- 334,000 square feet of new development
- Brownfields clean-up and redevelopment
- Enhanced streetscapes to improve marketability
- Improved gateways to and signage for the Plan Area
- New and improved multi-modal access to and circulation within the Plan Area
- New zoning to support redevelopment
- Two new parks and a new greenway

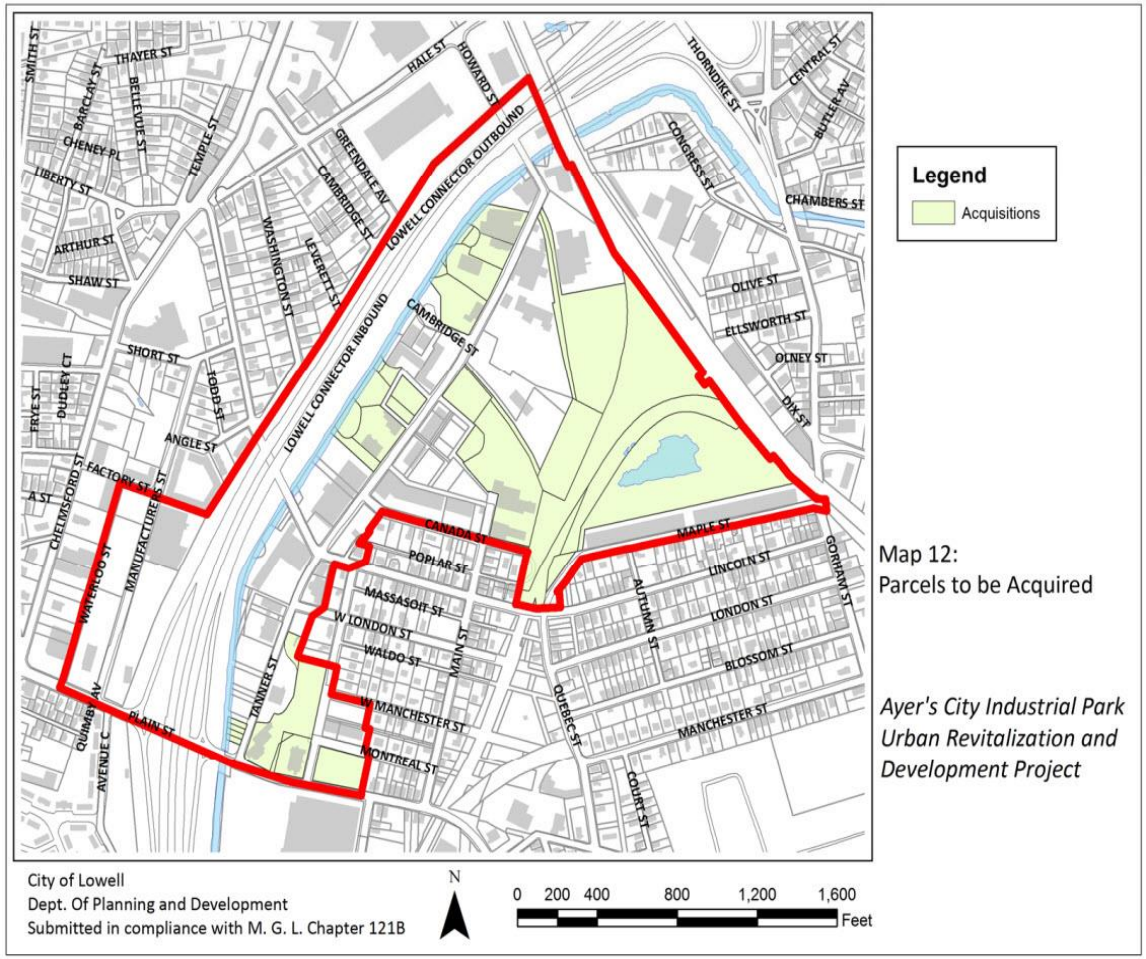


Map 4:
Existing Land Use

Ayer's City Industrial Park Urban Revitalization and Development Project

FY2020 PROJECT DESCRIPTION

In furtherance of the Ayer's City Industrial Park Revitalization and Development plan, the Department of Planning and Development's ("DPD") FY2020 request correlates with the plan's catalyst project – the realignment of Tanner Street. This project will facilitate redevelopment by allowing for the reconfiguration of parcels into more marketable, development-ready space while improving traffic patterns within the district as well as along Plain Street. This request is for the City to be able to acquire private property necessary to construct the realignment of the new Tanner Street. The plan is for the City to acquire this area in order to be able to apply for MassWorks funding in FY20.



Current conditions at the intersection of Tanner and Plain Street make left turns into the industrial area difficult for large trucks. Realignment of the intersection will allow for free movement of trucks and materials into the district. There are a number of properties that will be impacted by this project. The attached plan provides the preliminary design for the realignment plan in full.

Original estimates for property acquisition were made when DPD appraised adjacent property to facilitate a land exchange with the VFW. Given the amount of time that has passed since the appraisals were conducted, the additional impacts of the project identified as design has progressed, initial conversations with private property owners, and the realities of the real estate market, DPD is requesting additional funding

FINANCING PLAN: TANNER STREET REALIGNMENT

PROGRAM EXPENDITURES	DETAIL	SUMMARY
TANNER STREET REALIGNMENT		**$ 12,600,000**
ACQUISITION OF PROPERTIES	$ 1,500,000	
ACQUISITION FUNDS - PREVIOUSLY AUTHORIZED	350,000	
DESIGN/ ENGINEERING - REALIGNMENT	250,000	
CONSTRUCTION OVERSIGHT - ENGINEERING	500,000	
CONTRUCTION SERVICES - REALIGNMENT	10,000,000	
TOTAL FY20 BUDGETED EXPENDITURES		$ 12,600,000

FINANCING PLAN	DETAIL	SUMMARY
INTERGOVERNMENTAL REVENUE		**$ 12,250,000**
MASSWORK GRANT (*PENDING APPROVAL - ESTIMATE*)	$ 12,250,000	
LEGISLATIVE EARMARK (*PREVIOUSLY SECURED*)	250,000	
CITY FINANCING		**$ 350,000**
FY2020 - BOND PROCEEDS	$ 1,500,000	
FY2019 - BOND PROCEEDS	350,000	
TOTAL FY20 BUDGETED REVENUES		$ 12,600,000

CITY-WIDE NETWORK INFRASTRUCTURE UPGRADES

IMPACT ON THE OPERATING BUDGET:

THIS PROJECT WILL FUND MUCH-NEEDED UPGRADES TO NETWORK INFRASTRUCTURE AND EQUIPMENT, THEREBY REDUCING REPLACEMENT COSTS. IT WILL ALSO FACILITATE FASTER SPEED CONNECTIONS, IMPROVING EFFICIENCY OF CITY DEPARTMENTS. FINALLY, THE PROJECT WILL RESULT IN COST SAVINGS IN THE OPERATING BUDGET AS MANY DUPLICATIVE SERVICES WILL BE ABLE TO BE REMOVED THROUGH THE UPGRADE PROCESS.

The FY2020 network project will upgrade and replace the aging fiber infrastructure originally installed in 1991, which has reached the end of its useful life, along with aging network equipment which for which support ends in 2020.

This is a multiyear phased project, broken out to accommodate realistic timeframes, given the sheer amount of work that will need to be conducted. Year 1 of the project allows for the upgrade of the primary/key network switching equipment. Year 2 of the project allows for the upgrade of all secondary network switching equipment. Year 3 of the project allows for the upgrade of all fiber cabling.

The City Hall plaza buildings currently relies on an obsolete, extremely slow, and cabling plant which interconnects 17 data closets back to one of two data centers within the buildings, and with all other city offices. This cabling plant was originally installed in 1991, and functions in a “hub and spoke” like fashion, delivering network connectivity to all of the city’s government offices. While originally expected to last 10-15 years, it is quickly approaching 30 years – well beyond its useful life – and is beginning to show significant signs of degradation. As a result, it has become extremely difficult to manage, maintain, and integrate into current technology, presents security vulnerabilities, and will no longer allow for any further increases in network speed or connectivity within or between City Hall and other city offices. Coupled with the fact that support for the network equipment (the “electronics”) which the cabling plant connects into ends in 2020, it is reasonable to state that our existing cabling plant and network infrastructure has reached the end of its useful life.

FINANCING PLAN: CITY-WIDE NETWORK INFRASTRUCTURE UPGRADES

PROGRAM EXPENDITURES	DETAIL	SUMMARY
NETWORK INFRASTRUCTURE UPGRADES		**$ 1,197,210**
PHASE I - UPGRADE OF PRIMARY NETWORK SWITCHING EQUIPMENT	$ 995,210	
VCX - SCHOOL PHONE UPGRADES - PHASE II	95,000	
MUNIS/ VISION SYSTEM UPGRADES	107,000	
TOTAL FY20 BUDGETED EXPENDITURES		$ 1,197,210

FINANCING PLAN	DETAIL	SUMMARY
CITY FINANCING		**$ 1,197,210**
FY2020 - BOND PROCEEDS	$ 1,197,210	
TOTAL FY20 BUDGETED REVENUES		$ 1,197,210

NATIONAL PARK – CITY – LAND SWAP

IMPACT ON THE OPERATING BUDGET:

THIS PROJECT WILL ADVANCE A KEY COMPONENT OF THE PROCESS TO FACILITATE A COMPLICATED LAND TRANSACTION NECESSARY TO OPEN UP ONE OF THE LARGEST SINGLE DEVELOPABLE PARCELS OF LAND IN THE HAMILTON CANAL INNOVATION DISTRICT ("HCID") WHICH WILL PRODUCE SIGNIFICANT TAXABLE VALUE ONCE FULLY DEVELOPED.

The land swap with the Lowell National Historical Park of the National Park Service (NPS) is a long-running project that is entering the final stages. DPD is working to complete the swap, which requires the above funding, in the second half of 2019. The swap is actually a land acquisition project of NPS land by the City. The land is the largest share of the two biggest commercial development sites in the Hamilton Canal Innovation District (HCID), the City's priority redevelopment site adjacent to downtown. NPS technically cannot sell property, which results in a need to "swap" property rights with the City. The Dept. of Planning and Development is finishing the assembly of property that the City will swap with NPS to acquire the critical sites in the HCID.

The funding will be used as follows, based upon the funding request above:

- Engineering, Survey and Environmental Review – creation of necessary plans, construction documents and/or Environmental Site Assessments. The exact final document suite is not certain, but all of the items listed will be required, and, potentially, more. This may include title work and/or additional appraisal work.

- Final Access Drive Work – MBTA and MassDOT – the final rights the City is securing are for access to the City-owned bus parking area near the MBTA terminal and adjacent to MassDOT land. Final site improvements are needed to complete the necessary NPS access.

- Final Value Equalization Payment – as stated, NPS does not sell land. Instead, the conduct a swap. The swap is based upon an appraisal, at City expense using previously approved funding, of the rights NPS and the City are each trading. If there is a difference in the appraised values then a payment is needed to create equivalent value for the swap (land acquisition by the City). This equalization amount is an estimate based upon the City swapping easements to NPS for fee simple ownership of NPS parking lots.

FINANCING PLAN: NATIONAL PARK/ LAND SWAP

PROGRAM EXPENDITURES	DETAIL	SUMMARY
NATIONAL PARK ("NPS")/ LAND SWAP		**$ 1,488,470**
ENGINEERING/ SURVEY/ ENVIRONMETNAL REVIEW	$ 100,000	
CONSTRUCTION COST - ACCESS DRIVE	400,000	
FINAL VALUE - EQUALIZATION/ LAND ACQUISITION	500,000	
MBTA ACQUISITION/ LAND PREPARATION	488,470	
TOTAL FY20 BUDGETED EXPENDITURES		$ 1,488,470

FINANCING PLAN	DETAIL	SUMMARY
CITY FINANCING		**$ 1,488,470**
FY2020 - BOND PROCEEDS	$ 1,000,000	
FY2017 - CITY FUNDING (*PREVIOUSLY AUTHORIZED*)	488,470	
TOTAL FY20 BUDGETED REVENUES		$ 1,488,470

CITY OF LOWELL BRIDGE REPAIR PROGRAM – VARIOUS SITES

IMPACT ON THE OPERATING BUDGET:

THE CITY OF LOWELL HAS EMBARKED ON A SIGNIFICANT, CITY-WIDE BRIDGE REPAIR PROGRAM OVER THE PAST SEVERAL YEARS WHICH HAS INCLUDED THE COMPLETE REPLACEMENT OF THE LAWRENCE STREET BRIDGE AND THE REPLACEMENT OF 13 CITY BRIDGES, FUNDED THROUGH A COOPERATIVE AGREEMENT BETWEEN THE CITY AND UMASS LOWELL AND A LARGE TIGER GRANT FROM FEDERAL HIGHWAY. TO CONTINUE MOMENTUM ON THE OTHER BRIDGES THROUGHOUT THE CITY, THE CITY IS INCLUDING FUNDING FOR DESIGN AND CONSTRUCTION IN FY2020. THESE IMPROVEMENTS WILL REDUCE REPAIR AND MAINTENANCE COSTS ON CITY-OWNED BRIDGES AND HAVE POSITIVE IMPACTS ON PUBLIC SAFETY AND ECONOMIC DEVELOPMENT.

EXISTING CONDITIONS/ COMMENTS:

This project funding request from the Department of Public Works is a continuation of a comprehensive program to repair city-owned bridges. The first, Lawrence Street over the Concord River, was previously funded and construction is nearing completion. The next bridges that are proposed to be funded include Beaver Street over Beaver Brook and Newhall Street over River Meadowbrook. This scope includes design and construction of both bridges. Final estimated construction costs will be evaluated pending further bridge condition evaluations and the finalization of estimated construction costs.

The City recently completed an emergency structural repair of the Beaver Brook Bridge per MassDOT inspection results. The repair was considered a necessary repair to maintain traffic on the bridge. Additional structural deficiencies exist on the bridge and are required for repair. The Newhall Street Bridge currently has temporary concrete barriers on either side of the bridge to provide vehicular safety. The existing railing and fencing is deteriorating and falling into the brook, offering little to no fall protection for pedestrians and vehicles. The sidewalks along the bridge are deteriorated and heaved as a result of previous flooding. Previous capital requests in 2014 and 2018 listed Market Street over Merrimack Canal and Lawrence Street over River Meadow Brook as other bridges within this program. These are still anticipated to be submitted in future year capital requests, however, given the location of other construction, including the Tiger Bridge Replacement Program and recent work completed on Lawrence Street, other bridges are proposed to be prioritized in FY2020. Newhall Street is being added to this request. The original 2014 request included efforts to replace the bridge at Market Street over Western Canal. MassDOT funded the construction of this project, which makes other city bridge repairs possible. The Market Street over Western Canal Bridge is anticipated to be completed in spring 2019.

FIGURE 1 – BEAVER BROOK

FIGURE 2 – NEWHALL STREET BRIDGE

FINANCING PLAN: BRIDGE REPAIR PROGRAM

PROGRAM EXPENDITURES	DETAIL	SUMMARY
CITY-WIDE BRIDGE REPAIR PROGRAM		**$ 715,000**
DESIGN/ ENGINEERING	$ 71,500	
CONSTRUCTION	643,500	
TOTAL FY20 BUDGETED EXPENDITURES		$ 715,000

FINANCING PLAN	DETAIL	SUMMARY
CITY FINANCING		**$ 715,000**
FY2020 - BOND PROCEEDS	715,000	
TOTAL FY20 BUDGETED REVENUES		$ 715,000

LOWELL FIRE DEPARTMENT – APPARATUS REPLACEMENT – ENGINE 7

IMPACT ON THE OPERATING BUDGET:

THIS MAJOR VEHICLE/ APPARATUS REPAIR WILL ALLEVIATE OPERATIONAL COSTS IN THE LOWELL FIRE DEPARTMENT REPAIR & MAINTENANCE/ VEHICLES ACCOUNT FROM THE GENERAL FUND AND WILL ADVANCE THE DEPARTMENT'S VEHICLE REPLACEMENT PLAN. THE FIRE CHIEF'S APPARATUS REPLACEMENT PLAN IS DESIGNED TO REDUCE OPERATIONAL COSTS AND MAXIMIZE PUBLIC SAFETY IN LOWELL IN ACCORDANCE WITH THE CITY MANAGER'S PRIORITIES.

LOWELL FIRE DEPARTMENT APPARATUS REPLACEMENT

Engine #7 is a piece of Fire Apparatus which is twenty two (22) years old (Model year - 1997) and currently needs frequent repairs. The apparatus goes out of service frequently, the body is rusted, and the interior is in poor condition. According to the Lowell Fire Department, this piece of equipment is in the most need of replacement and has been identified as being in the most need of replacement by the Fire Chief. The City Manager has worked with the LFD to incorporate one piece of equipment into the city's capital plan funding rotation, in order to ensure the most effective funding mechanism to ensure public safety in Lowell.

FINANCING PLAN: FIRE APPARATUS REPLACEMENT

PROGRAM EXPENDITURES	DETAIL	SUMMARY
FIRE APPARATUS REPLACEMENT		**$ 580,000**
ENGINE 7 - PUMPER - REPLACEMENT	$ 580,000	
TOTAL FY20 BUDGETED EXPENDITURES		$ 580,000

FINANCING PLAN	DETAIL	SUMMARY
CITY FINANCING		**$ 580,000**
FY2020 - BOND PROCEEDS	$ 580,000	
TOTAL FY20 BUDGETED REVENUES		$ 580,000

TRAFFIC SIGNALIZATION – VARIOUS INTERSECTIONS

IMPACT ON THE OPERATING BUDGET:

THIS PROJECT WILL IMPROVE TRAFFIC SIGNALIZATION EQUIPMENT AT VARIOUS, HIGH-CRASH INCIDENT LOCATIONS, THEREBY IMPROVING PUBLIC SAFETY AND QUALITY OF LIFE IN CITY NEIGHBORHOODS. THE FUNDING WILL ALSO ALLOW FOR UPGRADES TO EXISTING EQUIPMENT, REDUCING REPAIR COST AND EASING THE BURDEN ON THE OPERATING BUDGET.

FY2020 Projects:

Design and construction of traffic signal improvements including associated intersection infrastructure upgrades such as sidewalk and ADA accessibility. Each year, projects are selected based on a City-wide assessment of signal conditions, traffic conditions and safety/crash information.

The FY20 projects tentatively proposed include:

A. Construction of Bridge and French Street Traffic Signal improvements – the project is designed and the City has 100% Plans, specifications and estimate;

B. Upgrade/design of signalized intersections at Middlesex/School Street and School/Branch Street due to multiple knockdowns;

C. Design of signalized intersections at Stedman Street at Westford Street and Wilder Street at Westford Street – traffic signals are warranted per a completed traffic study, but need additional funds for design and construction;

D. Signal upgrades at Mammoth Road at East Meadow Road – traffic signal is warranted and currently under design;

E. Finalize design of upper Merrimack Street complete street improvements including intersection of Cabot Street at Merrimack Street;

The 2019 Capital Plan did not include funding for traffic signalization improvement projects because the position of Transportation Engineer was not filled at the time capital planning was underway. Funding is necessary to keep momentum going on many traffic improvement requests.

TEC, Inc. is under contract in the amount of $124,000.00 (RFP# 17-32) to provide engineering consulting services to study and design signalization improvements at the following locations:

1. Church Street from Gorham Street to George Street – Potential conversion of Church Street to two-way traffic and signalization improvements at Gorham Street, Central Street, and George Street; currently in alternatives analysis; moving to design phase in 2019.

2. Completed the study and analysis for the signalization needs at the following un-signalized intersections, which all warrant traffic signals:

    a. Mammoth Road at E. Meadow Road;

    b. Stedman Street at Westford Street;

    c. Westford Street at Wilder Street;

    d. Middlesex Street at Baldwin Street.

3. Progressing on design for implementing Complete Street improvements to the upper Merrimack Street corridor (from Dutton Street to Aiken Street), which will include adding a traffic signal at Cardinal O'Connell at Merrimack Street and signalization upgrades to the intersection of Merrimack Street at Cabot Street.

FINANCING PLAN: TRAFFIC SIGNALIZATION

PROGRAM EXPENDITURES	DETAIL	SUMMARY
TRAFFIC SIGNALIZATION UPGRADES		**$ 525,000**
BRIDGE/ FRENCH STREETS	$ 350,000	
MIDDLESEX/ SCHOOL STREET & SCHOOL/ BRANCH STREET	$ 10,000	
STEDMAN/ WESTFORD STEET & WILDER/ WESTFORD STREET	$ 15,000	
MAMMOTH ROAD/ EAST MEADOW RD.	$ 150,000	
	TOTAL FY20 BUDGETED EXPENDITURES	$ 525,000

FINANCING PLAN	DETAIL	SUMMARY
CITY FINANCING		**$ 525,000**
FY2020 - BOND PROCEEDS	$ 525,000	
	TOTAL FY20 BUDGETED REVENUES	$ 525,000

VARIOUS PARK IMPROVEMENTS / IMPLEMENTATION OF OPEN SPACE PLAN

IMPACT ON THE OPERATING BUDGET:

THESE INVESTMENT IN THE CITY'S VARIOUS PARKS WILL PROVIDE EQUAL OPPORTUNITY FOR ALL RESIDENTS, INCLUDING THOSE WITH DISABILITIES AND WILL REPLACE AGEING PLAYGROUND EQUIPMENT; REDUCING MAINTENANCE AND REPAIR COSTS IN THE PARKS DEPARTMENT BUDGET.

The Lowell Open Space and Recreation Plan establishes a vision for preserving, maintaining, and enhancing existing open spaces that represent the needs and desire of community residents. The goals and action items set forth in this plan will enhance the quality of our open spaces, and help the City prioritize necessary improvements to our infrastructure. We all want Lowell to be a community where everyone, regardless of the neighborhood they reside in, has access to recreational activities they enjoy. We want to protect our natural and historic resources, and provide equal access to all residents to enjoy them.

The plan documents the current demographic, development, socioeconomic conditions and environmental resources for the city. An analysis of the current environmental conditions and inventory of recreational amenities along with an extensive public outreach process was conducted to inform the goals and objectives guiding the implementation. Throughout the public process several common themes began to emerge. This showed that although our community is very diverse there were common themes and priorities shared across our community. Based on direct feedback offered through public outreach activities the 2018 Open Space and Recreation Plan emphasizes the following general themes:

- **Connections**: people want to utilize their neighborhood parks but also want to be able to access other open spaces across the city in more convenient ways that are not always car dependent.

- **Cycling**: Residents want to make Lowell a more bike friendly community and a place where residents can use cycling as a means to exercise and as an accessible mode of transportation.

- **Water**: With two major rivers running through the city and miles of canals throughout our downtown, Lowell has an abundance of water in the community, but residents are looking for more opportunities to interact with our water resources and want more accessibility to water within the city.

- **Maintenance & amenities**: Residents want to ensure sound capital planning, adequate funding, and staffing is available within the city to create and maintain the parks, open spaces and recreational programming they want to see provided in the community.

- **Information**: Residents want to understand the volume of information that is available to them about recreational opportunities and are looking to the city to streamline the information and present it in accessible ways within the community.

FINANCING PLAN: VARIOUS PARK IMPROVEMENTS/ OPEN SPACE PLAN

PROGRAM EXPENDITURES	DETAIL	SUMMARY
OPEN SPACE PLAN IMPLEMENTATION		**$ 500,000**
VARIOUS PARK IMPROVEMENTS	$ 500,000	
TOTAL FY20 BUDGETED EXPENDITURES		$ 500,000

FINANCING PLAN	DETAIL	SUMMARY
CITY FINANCING		**$ 525,000**
FY2020 - BOND PROCEEDS	$ 525,000	
TOTAL FY20 BUDGETED REVENUES		$ 525,000

MERRIMACK RIVERWALK – PHASE II

IMPACT ON THE OPERATING BUDGET:

THIS PROJECT WILL PROVIDE QUALITY OF LIFE IMPROVEMENTS TO A UNIQUE PARK AMENITY IN LOWELL ALONG THE MERRIMACK RIVER.

The City of Lowell has partnered with the Lowell National Historical Park in the design of the Merrimack Riverwalk Phase II project, which will provide more direct and visible access to the Merrimack Riverwalk from a major thoroughfare, closing a loop and inducing additional visitors and residents to use the Riverwalk/Canalway system. The project includes an extension behind Mass Mills, a cantilever around Mass Mills Boiler House, and a bridge over the Concord River terminating in front of the Lowell Memorial Auditorium. The bridge is one of the most dramatic features of this project, and is anticipated to be a signature draw in itself and connect the Concord River Greenway with the Merrimack Riverwalk at Merrimack Street.

The project is funded by $3.0M from Public Lands Discretionary Highway (FHWA), $230k from FLAP, and $358,000 in local funds, totaling $3,596,386.52 for both design and construction. The majority of these funds were awarded in 2010-2011. The total cost for design and construction is $3,584,056.40, with only a $12,330 surplus. The project has been completely designed. Construction is anticipated to begin in late spring of calendar year 2019, pending the completion of acquisition of necessary easements. This request from the Department of Planning and Development would increase the construction contingency to 5% of total construction costs, which is the recommended minimum contingency for city projects. This request would also carry 10% of total construction costs for resident engineering services.

The "Mile of Mills" Merrimack Riverwalk currently terminates behind a historic mill complex, impacting the path's visibility from the downtown core and negatively impacting use.

FINANCING PLAN: MERRIMACK RIVERWALK

PROGRAM EXPENDITURES	DETAIL	SUMMARY
MERRIMACK RIVERWALK		**$ 4,016,376**
DESIGN/ ENGINEERING	$ 392,695	
SITE PREPARATION	100,169	
CONSTRUCTION	3,063,768	
CONSTRUCTION OVERSIGHT/ ENGINEERING	306,377	
CONTINGENCY	153,367	
TOTAL FY20 BUDGETED EXPENDITURES		$ 4,016,376

FINANCING PLAN	DETAIL	SUMMARY
INTERGOVERNMENTAL REVENUE		**$ 3,238,376**
PUBLIC LANDS DISCRETIONARY GRANT (FHWA)	$ 3,008,376	
FEDERAL LANDS ACCESS PROGRAM (FLAP) GRANT	230,000	
CITY FINANCING		**$ 778,000**
OTHER LOCAL FUNDING (FY16 & FY17 CAPITAL PLAN)	$ 358,000	
FY2020 - BOND PROCEEDS	420,000	
TOTAL FY20 BUDGETED REVENUES		$ 4,016,376

ANDOVER STREET SIDEWALKS / TRAFFIC CALMING

IMPACT ON THE OPERATING BUDGET:

THE ANDOVER STREET CORRIDOR IS A HIGHLY TRAFFICKED SECTION OF THE CITY AND THESE IMPROVEMENTS WILL REDUCE THE INCIDENCES OF MOTOR VEHICLE CRASHES, THEREBY IMPROVING PUBLIC SAFETY AND REDUCE THE NEED FOR THE LOWELL POLICE TO CONDUCT DIRECTED PATROLS IN THE AREA FOR SPEEDING. THE IMPROVEMENTS WILL ALSO ENSURE ADA COMPLIANCE.

This project funding request from the Department of Planning and Development will evaluate and address ADA accessibility and sidewalk condition deficiencies along Andover Street as well as evaluate opportunities for traffic calming improvements. Focus areas will include intersections along Andover Street.

The sidewalk materials vary between asphalt and concrete. Both sides of Andover Street have areas where sidewalk accessibility is deficient. Tree roots have pushed through asphalt and sidewalk panels are lifted at many locations. Pedestrian ramps are deficient and sidewalk widths are inadequate. Traffic calming opportunities for additional pedestrian safety such as raised crosswalks or modified curb alignments will be evaluated where accessibility is improved. Separate MassDOT projects are ongoing on either end of Andover Street at the intersection with Nesmith Street and River

The scope of work in this project will be outside the limits of these MassDOT projects. This project does not address any repairs to the concrete roadway surface, which has been addressed in part through previous capital plans.

FINANCING PLAN: ANDOVER STREET IMPROVEMENTS & TRAFFIC CALMING

PROGRAM EXPENDITURES	DETAIL	SUMMARY
ANDOVER ST. IMPROVEMENTS & TRAFFIC CALMING		**$ 200,000**
CONSTRUCTION	200,000	
	TOTAL FY20 BUDGETED EXPENDITURES	$ 200,000

FINANCING PLAN	DETAIL	SUMMARY
CITY FINANCING		**$ 200,000**
FY2020 - BOND PROCEEDS	200,000	
	TOTAL FY20 BUDGETED REVENUES	$ 200,000

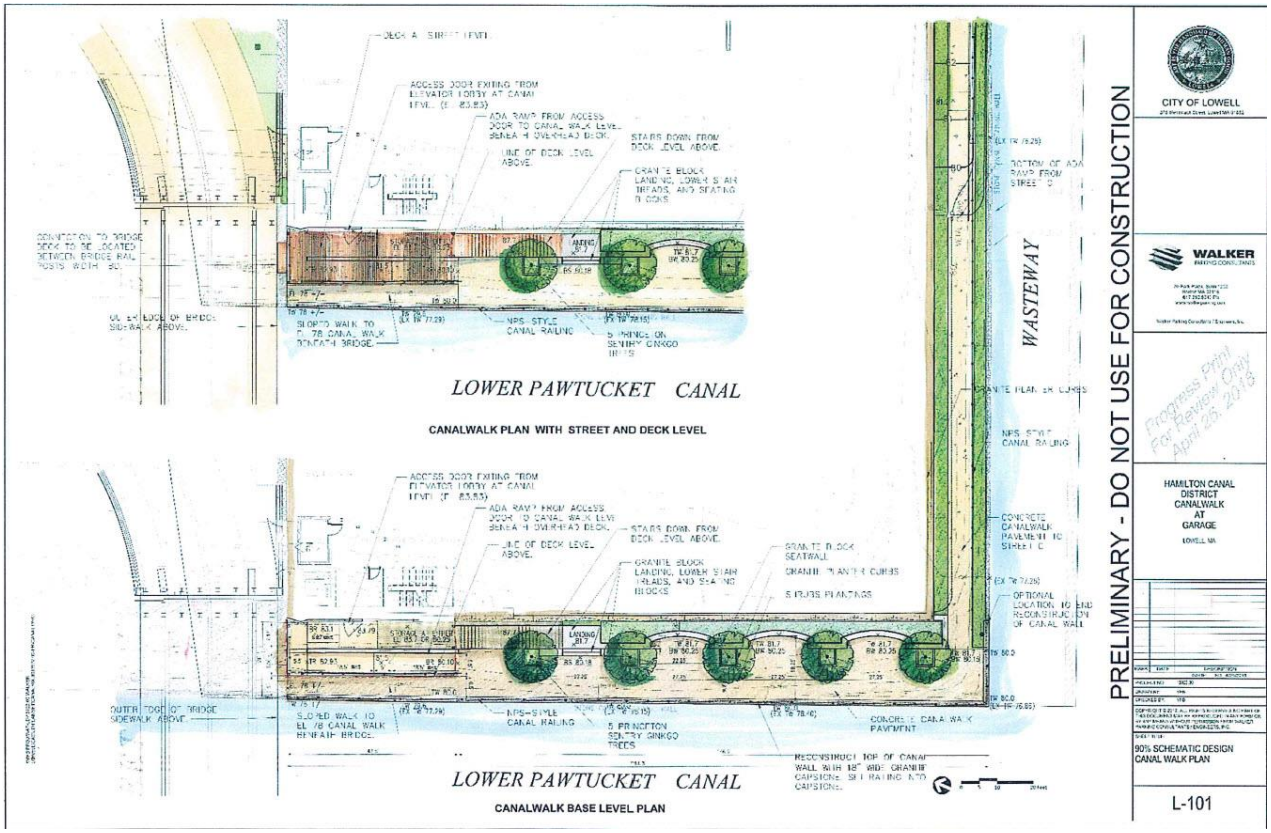
HAMILTON CANAL INNOVATION DISTRICT ("HCID") CANALWAY

IMPACT ON THE OPERATING BUDGET:

THE CANALWAY ALONG THE SITE OF THE NEW GARAGE WILL PROVIDE A CRITICAL LINK/ PASSAGEWAY IN THE HCID. THE AMENITY WILL HELP FURTHER THE ECONOMIC DEVELOPMENT OF THE DISTRICT TO EXPAND LOWELL'S TAX BASE.

The HCID Canalway will create a canal walk/park adjacent to the new garage being built in the Hamilton Canal Innovation District. This canalway will provide additional pedestrian amenities for residents and visitors in the HCID and will expand upon the city's existing network of canal walks throughout the Downtown.

The capital funds being requested will be used to complete construction design plans. Walker Consultants and VHB have already created 25% design plans for this project. These additional funds will be used to bring the 25% designs to completion and create a bid set for construction. The 25% design plans were paid for with funds via the federal FLAP program and were developed in concert with the garage design project, as it was critical that the Canalway plans be included the initial concept of the HCID Canalway so there would be no conflicts between the two projects.



FINANCING PLAN: HCID CANALWAY

PROGRAM EXPENDITURES	DETAIL	SUMMARY
HCID CANALWAY		**$ 100,000**
CONSTRUCTION/ EQUIPMENT	100,000	
TOTAL FY20 BUDGETED EXPENDITURES		$ 100,000

FINANCING PLAN	DETAIL	SUMMARY
CITY FINANCING		**$ 100,000**
FY2020 - BOND PROCEEDS	100,000	
TOTAL FY20 BUDGETED REVENUES		$ 100,000

VAULT ABANDONMENT PROGRAM

IMPACT ON THE OPERATING BUDGET:

BY ACQUIRING RIGHTS TO THE PRIVATE VAULTS ALONG THE DOWNTOWN STREETSCAPE, THE CITY WILL EVENTUALLY BE IN A POSITION TO IMPROVE AND REPAIR THESE STRETCHES OF SIDEWALK BY USING VARIOUS FUNDING STREAMS. THIS WILL HAVE A POSITIVE EFFECT ON PUBLIC SAFETY AND QUALITY OF LIFE AND THE DIRECT INVESTMENT WILL REDUCE REPAIR COSTS.

This funding will develop a city-wide program and policy to abandon sidewalk vaults in various locations throughout the City as vaults are found to be in deteriorated condition and/or to address ADA accessibility constraints. This program will provide a mechanism for the City to partner with property owners that are interested in abandoning these spaces that extend beneath City sidewalks.

The City has a preliminary inventory of vaults that exist throughout the City. Hundreds of vaults beneath City sidewalks exist throughout the City, and primarily within the downtown area. These are extensions of building foundations that extend beneath the City's sidewalk. Some of these vaults have deteriorated to a condition where property owners have pursued abandonment of these vaults due to water leaking into the vault and basements, failing at the vault surface, or for other reasons. These locations may also provide ADA accessibility constraints.

A formal vault abandonment policy will be adopted by the City prior to implementation of this program. This program will be recommended for funding in future years dependent on the success of this year's implementation of the program.

FINANCING PLAN: VAULT ABANDONMENT PROGRAM

PROGRAM EXPENDITURES	DETAIL	SUMMARY
VAULT ABANDONMENT PROGRAM		**$ 35,000**
ACQUISITION	35,000	
TOTAL FY20 BUDGETED EXPENDITURES		$ 35,000

FINANCING PLAN	DETAIL	SUMMARY
CITY FINANCING		**$ 35,000**
FY2020 - BOND PROCEEDS	35,000	
TOTAL FY20 BUDGETED REVENUES		$ 35,000

AMERICANS WITH DISABILITIES ACT ("ADA") TRANSITION / IMPLEMENTATION

IMPACT ON THE OPERATING BUDGET:

THIS FUNDING WILL IMPROVE THE QUALITY OF LIFE FOR RESIDENTS AND VISITORS OF LOWELL WHO HAVE DISABILITIES. THE CITY OF LOWELL IS COMMITTED TO PROVIDING ACCESS OPPORTUNITIES IN ALL PUBLIC SPACES AND HAS COMMITTED FUNDING TOWARDS THAT END. THESE FUNDS WILL SERVE TO SUPPLEMENT OTHER CAPITAL MONIES TO IMPROVE STREETS, SIDEWALKS, AND CURBING, FURTHER REDUCING OPERATING COSTS WHILE ALLOWING FOR ACCESSIBILITY.

Capital Plan funding is being requested to begin to implement the ADA Transition Plan that is currently being prepared for several City buildings (City Hall, 50 Arcand Dr., Senior Center, LMA, DPW Headquarters, the City Garages, the Water Dept., the Wastewater Dept.), and to act as matching funds for a second round of ADA Transition Plan preparation.

The City Manager has pledged an amount equal to 5% of the subtotal of capital projects.

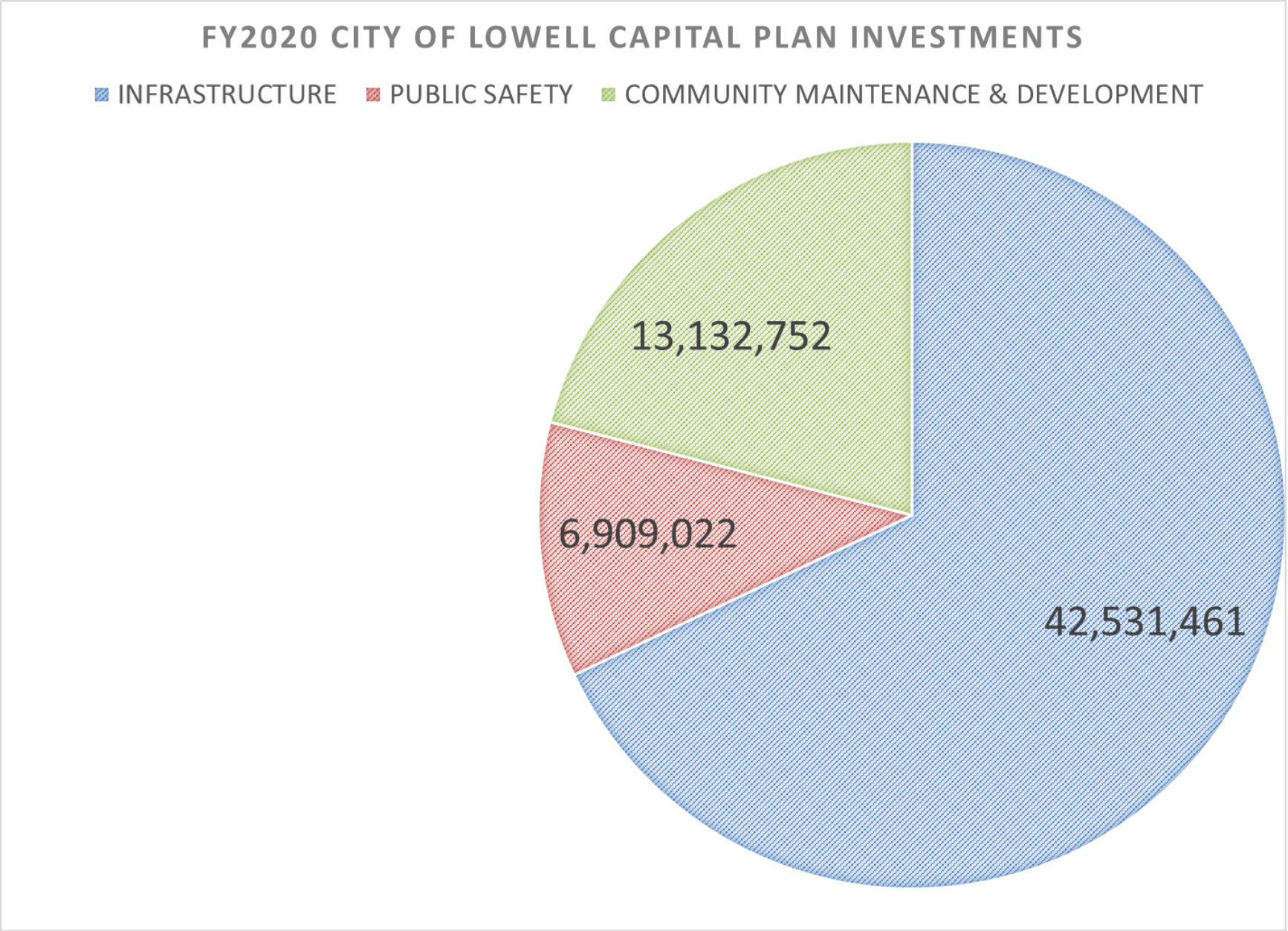
FINANCING PLAN: ADA PLAN IMPLEMENTATION

PROGRAM EXPENDITURES	DETAIL	SUMMARY
ADA IMPLEMENTATION		**$ 1,185,611**
SIDEWALKS/ PARKS/ CURBING/ ETC.	1,185,611	
TOTAL FY20 BUDGETED EXPENDITURES		$ 1,185,611

FINANCING PLAN	DETAIL	SUMMARY
CITY FINANCING		**$ 1,185,611**
FY2020 - BOND PROCEEDS	1,185,611	
TOTAL FY20 BUDGETED REVENUES		$ 1,185,611

TOTAL PROJECT COSTS - ALL FUNDING SOURCES

PROJECT TYPE	COST	CATEGORY
LORD OVERPASS CONSTRUCTION	$ 21,300,000	INFRASTRUCTURE
TANNER STREET REALIGNMENT	$ 12,600,000	INFRASTRUCTURE
CITY-WIDE PAVING & SIDEWALKS PROGRAM	4,000,170	INFRASTRUCTURE
NETWORK INFRASTRUCTURE UPGRADES	1,197,210	INFRASTRUCTURE
NATIONAL PARK ("NPS")/ LAND SWAP	1,488,470	INFRASTRUCTURE
TRAFFIC SIGNALIZATION	525,000	INFRASTRUCTURE
ANDOVER ST. IMPROVEMENTS & TRAFFIC CALMING	200,000	INFRASTRUCTURE
VAULT ABANDONMENT	35,000	INFRASTRUCTURE
ADA IMPLEMENTATION	1,185,611	INFRASTRUCTURE
PUBLIC SAFETY COMMUNICATIONS UPGRADES	6,329,022	PUBLIC SAFETY
FIRE APPARATUS REPLACEMENT	580,000	PUBLIC SAFETY
MERRIMACK RIVERWALK	4,016,376	COMMUNITY MAINT/DEV.
OPEN SPACE PLAN IMPLEMENTATION	500,000	COMMUNITY MAINT/DEV.
MERRIMACK RIVERWALK	4,016,376	COMMUNITY MAINT/DEV.
HCID CANALWAY	100,000	COMMUNITY MAINT/DEV.
RELOCATION COSTS	4,500,000	COMMUNITY MAINT/DEV.
	$ 62,573,235	


FY2020 CITY OF LOWELL CAPITAL PLAN INVESTMENTS
INFRASTRUCTURE
PUBLIC SAFETY
COMMUNITY MAINTENANCE & DEVELOPMENT
13,132,752
6,909,022
42,531,461

FINANCING PLAN: CAPITAL BUDGET

Approved FY19	PROGRAM EXPENDITURES	Budget FY20
18,874,331	INFRASTRUCTURE	42,531,461
1,663,837	PUBLIC SAFETY	6,909,022
900,000	COMMUNITY DEVELOPMENT	13,132,752
126,162	DEPARTMENT VEHICLES	-
21,564,330		**62,573,235**

Approved FY19	FINANCING PLAN	Budget FY20
1,855,090	CHAPTER 90 (HIGHWAY)	1,860,170
	LEGISLATIVE EARMARKS	250,000
	FHWA - FEDERAL LANDS GRANT	3,008,376
	FLAP GRANT	230,000
6,700,000	MASS WORKS GRANT	12,250,000
	MASSDOT FUNDING	15,000,000
2,500,000	EDA GRANT	
608,264	FEMA GRANT	
	PREVIOUSLY FUNDED - CITY CAPITAL	4,731,396
9,900,976	GENERAL FUND - FY2020 BOND PROCEEDS	25,243,294
21,564,330		**62,573,236**

PROPOSED NON-VEHICLE CAPITAL PROJECTS – FIVE YEAR OUTLOOK

Project Number	Project Description	Estimated Cost (Total - Includes Previously Funded Amounts)	2020	2021	2022	2023	2024
2020-01	Public Safety Communications Upgrades	$ 6,329,022	$ 6,329,022				
2020-02	Relocation Costs	$ 4,500,000	$ 4,500,000				
2020-03	Lord Overpass Construction	$ 4,300,000	$ 4,300,000				
2020-04	City-Wide Paving & Sidewalk Program	$ 2,140,000	$ 2,140,000	$ -			
2020-05	Tanner Street Realignment Project	$ 12,775,000	$ 1,500,000				
2020-06	City-Wide Network Infrastructure Upgrades	$ 2,972,460	$ 1,197,210	$ 762,350	$ 1,012,900		
2020-07	NPS Land Swap	$ 1,100,000	$ 1,000,000				
2020-08	Bridge Repair Program	$ 3,454,200	$ 715,000	$ 1,369,600	$ 1,369,600		
2020-09	Engine 7 Replacement	$ 580,000	$ 580,000				
2020-10	Traffic Signalization (Various Intersections)	$ 1,275,000	$ 525,000	$ 300,000	$ 300,000	$ 150,000	$ 150,000
2020-11	Various Park Improvements/ Open Space Plan	$ 500,000	$ 500,000				
2020-12	Merrimack Riverwalk - Phase II	$ 3,596,387	$ 420,000				
2020-13	Andover Street Sidewalks/ Traffic Calming	$ 200,000	$ 200,000				
2020-14	HCID Canalway	$ 100,000	$ 100,000				
2020-15	Vault Abandonment Program	$ 35,000	$ 35,000				
FY2020 Subtotal (Excluding ADA**)**			**$ 24,041,232**				
ADA	*ADA Transition Plan*	*5% of Each Year's Actual Total*	$ 1,202,062	$ 510,586.25	$ 500,073.30	$ 235,893.50	
FY2020 Grand Total			**$ 25,243,294**				

Project Number	Project Description	Estimated Cost (Total - Includes Previously Funded Amounts)	2020	2021	2022	2023	2024
2021-01	HCID Canalway & Parcel 13 Park Construction	$ 2,250,000		$ 2,250,000			
2021-02	Various School Improvement Projects	$ 1,970,000		$ 1,970,000			
2021-03	Cawley Stadium Improvements	$ 600,000		$ 600,000			
2021-04	Replace Engine 1	$ 550,000		$ 550,000			
2021-05	DPW Admin Building - Roof Replacement	$ 500,000		$ 500,000			
2021-06	Rennovate Fire Prevention (Mammoth Rd./ Rogers)	$ 400,000		$ 400,000			
2021-07	Washington School/ Inland Street Improvements	$ 380,000		$ 380,000			
2021-08	Mt. Vernon St 234-268	$ 325,000		$ 325,000			
2021-09	DPW Admin Building - Ventilation System	$ 300,000		$ 300,000			
2021-10	DPW Garage Improvements (Ventilation)	$ 300,000		$ 300,000			
2021-11	JFK Plaza Repairs	$ 300,000		$ 200,000	$ 100,000		
2021-12	Lower Locks Rehabilitation Design	$ 250,000		$ 250,000			
2021-13	Traffic Signalization - Chelmsford/ Liberty St.	$ 225,000		$ 225,000			
2021-14	Voting Machine Upgrades	$ 221,500		$ 221,500			
2021-15	Voting Booth Upgrades	$ 200,000		$ 200,000			
2021-16	Field Lighting - Alumni Field	$ 200,000		$ 200,000			
2021-17	Martin Softball Field Improvement	$ 175,000		$ 175,000			
2021-18	Westford St. Landfill Compliance	$ 100,000		$ 100,000			
2021-19	Generator - Robinson/ June St.	$ 130,000		$ 130,000			
2021-20	Poll Pads	$ 92,225		$ 92,225			
2021-21	Fire Alarm - Shaughnessy School	$ 90,000		$ 90,000			
2021-22	Fire Alarm - Bartlett School	$ 90,000		$ 90,000			
2021-23	Schooll Street Cemetery Wall Improvement	$ 75,000		$ 75,000			
2021-24	St. Louis Park Improvements	$ 80,000		$ 80,000			
2021-25	Health Department HVAC Repair (Pine St.)	$ 75,000		$ 75,000			
2021-26	Gallagher Terminal Transit Oriented Development Master Plar	$ 75,000		$ 75,000			
2021-27	Portable Back-up Generator	$ 65,000		$ 65,000			
2021-28	Fire Alarm - Lincoln School	$ 60,000		$ 60,000			
2021-29	Bartlett School Parking Lot Paving	$ 60,000		$ 60,000			
2021-30	SW&R Storage Facility	$ 58,000		$ 58,000			
2021-31	Field Lighting - Shedd Park	$ 50,000		$ 50,000			
2021-32	Heavy Duty Lift Replacement	$ 40,000		$ 40,000			
2021-33	Bridge Street Node	$ 25,000		$ 25,000			
FY2021 Total				**$ 10,211,725**			

Project Number	Project Description	Estimated Cost (Total - Includes Previously Funded Amounts)	2020	2021	2022	2023	2024
2022-01	Replace Ladder 3	$ 850,000			$ 850,000		
2022-02	Carvalho Varsity Soccer Complex Artificial Turf	$ 550,000			$ 550,000		
2022-03	Cawley Stadium Sports Complex Improvements	$ 480,772			$ 480,772		
2022-04	Appleton Street Design	$ 480,750			$ 480,750		
2022-05	LFD Mechanic's Garage & Lift Purchase	$ 440,000			$ 440,000		
2022-05	Green School Adult Education Restrooms	$ 400,000			$ 400,000		
2022-06	Molloy Windows	$ 320,000			$ 320,000		
2022-07	Parks Building Metal Roof Repair	$ 315,000			$ 315,000		
2022-08	DPW Admin Building - Recycling Center Bay	$ 300,000			$ 300,000		
2022-09	Convert/ Retrofit Firing Range to Evidence	$ 200,000			$ 200,000		
2022-10	Vehicle Evidence Processing	$ 200,000			$ 200,000		
2022-11	Hovey Park Improvements	$ 194,444			$ 194,444		
2022-12	Bridge Street Riverwalk Access	$ 150,000			$ 150,000		
2022-13	Field Lighting - North Common	$ 150,000			$ 150,000		
2022-14	Generator - Shaugnessy/ Gorham St.	$ 130,000			$ 130,000		
2022-15	School/Branch St. Signal Improvements	$ 125,000			$ 125,000		
2022-16	Middlesex CC Walkway (Lower Locks)	$ 103,000			$ 103,000		
2022-17	Clay Pit Brook Culvert Assessment, Design, and Repair	$ 100,000			$ 100,000		
2022-18	Field Lighting - Ryan Field	$ 100,000			$ 100,000		
2022-19	Father Maguire Park Improvements	$ 90,000			$ 90,000		
2022-20	Field Lighting - Campbell Field	$ 90,000			$ 90,000		
2022-21	North Common Improvements	$ 70,000			$ 70,000		
2022-22	Manning Renovation	$ 65,000			$ 65,000		
2022-23	Health Department Paving	$ 60,000			$ 60,000		
2022-24	Field Lighting - Olivera/ St. Louis Park	$ 60,000			$ 60,000		
2022-25	Repair Robinson School Driveway	$ 55,000			$ 55,000		
2022-26	Municiapl Vehicles - Hybrid Upfits	$ 50,000			$ 50,000		
2022-26	Field Lighting - O'Donnell Park	$ 40,000			$ 40,000		
FY2022 Total					**$ 10,001,466**		

Project Number	Project Description	Estimated Cost (Total - Includes Previously Funded Amounts)	2020	2021	2022	2023	2024
2023-01	Replace Engine 4	$ 550,000				$ 550,000	
2023-02	Replace Engine 3	$ 550,000				$ 550,000	
2023-03	Cardinal O'Connell Restrooms	$ 400,000				$ 400,000	
2023-04	LMA Renovation	$ 400,000				$ 400,000	
2023-05	LMA Maintenance/ Repairs (Bathroom) LMA Renovations	$ 800,000				$ 400,000	
2023-06	Cardinal O'Connell Windows	$ 340,000				$ 340,000	
2023-07	Various School Generator/ Fire Alarms	$ 310,000				$ 310,000	
2023-08	Green School Adult Education Windows	$ 300,000				$ 300,000	
2023-09	Security Cameras	$ 280,000				$ 280,000	
2023-10	City Hall Windows	$ 227,870				$ 227,870	
2023-11	Field Lighting - Cawley Stadium	$ 150,000				$ 150,000	
2023-12	O'Donnell Park/ Tennis Court Improvements	$ 135,000				$ 135,000	
2023-13	Cardinal O'Connell Reuse	$ 125,000				$ 125,000	
2023-14	Concord River Greenway	$ 1,670,000				$ 120,000	
2023-15	Campbell Park Improvements	$ 95,000				$ 95,000	
2023-16	City Wide Bicycle/ Pedestrian Plan	$ 75,000				$ 75,000	
2023-17	City Hall Remote Switch/Shutoff Boilers	$ 75,000				$ 75,000	
2023-18	Hadley Field	$ 65,000				$ 65,000	
2023-19	Topsoil Screening System	$ 45,000				$ 45,000	
2023-20	Bartlett School Bathroom Reconfiguration	$ 40,000				$ 40,000	
2023-21	Donahoe Park Improvements	$ 35,000				$ 35,000	
FY2023 Total						**$ 4,717,870**	

Project Number	Project Description	Estimated Cost (Total - Includes Previously Funded Amounts)	2020	2021	2022	2023	2024
2024-01	Rosemont Neighborhood Flood Mitigation	$ 3,000,000					$ 3,000,000
2024-02	First Street Sidewalks & Guardrails	$ 900,000					$ 900,000
2024-03	DPW Admin Building - Additional Storage	$ 900,000					$ 900,000
2024-04	Salt Shed Roof	$ 185,000					$ 185,000
2024-05	Cemetery Garage Improvements	$ 40,000					40000
FY2024 Total							**$ 5,025,000**

PROPOSED VEHICLES – FIVE YEAR OUTLOOK

VEHICLE NUMBER	VEHICLE	MODEL YEAR	DEPARTMENT	2020	2021	2022	2023	2024
E-2	Int'l Aerial Lift	2002	DPW - ELECTRICIAN		$165,000			
E-11	Ford F-150	2003	DPW - ELECTRICIAN		$32,000			
205	Ford Explorer	1999	DPW - STREETS		$32,000			
91	Ford E-150 Van	1999	DPW - STREETS		$35,000			
206	Ford Ranger 4x4 Pickup	1997	DPW - STREETS		$35,000			
46	Chevy GMT400 Pickup	1998	DPW - STREETS		$40,000			
84	Ford F-250 Pickup	2000	DPW - STREETS		$35,000			
86	Ford F-150	2003	DPW - STREETS		$40,000			
129	Bandit Chipper	1999	DPW - STREETS		$50,000			
72	Caterpillar	2002	DPW - STREETS		$80,000			
66	Ford F-550 Sander/Dump	1999	DPW - STREETS		$90,000			
55	Int'l Trash Truck	1987	DPW - STREETS		$150,000			
30	Sander/Dump	2006	DPW - STREETS		$150,000			
127	Int'l Skyworker	1987	DPW - STREETS		$180,000			
49	Volvo Loader	2005	DPW - STREETS		$220,000			
77	Int'l 4700 Sander/Dump	2006	DPW - STREETS		$230,000			
78	Int'l 4701 Sander/Dump	2006	DPW - STREETS		$230,000			
79	Int'l 4702 Sander/Dump	2006	DPW - STREETS		$230,000			
37	Elgin Sweeper	2002	DPW - STREETS		$235,000			
LB-8	Ford F-250	2000	DPW - L&B		$35,000			
LB-5	Ford F-250	2003	DPW - L&B		$35,000			
LB- 102	Ford F-350	2000	DPW - L&B		$45,000			
LB-119	Ford F-350	2000	DPW - L&B		$45,000			
LB-25	Ford F-350	2001	DPW - L&B		$75,000			
TR3	Flatbed Trailer	1993	DPW - GENERAL		$75,000			
N/A	Generator	N/A	DPW - GENERAL		$85,000			
TR4	Big Tex Trailer	2001	DPW - GENERAL		$20,000			
P-23	Ford F-650 Medium Dump Truck	2018	DPW - PARKS		$121,963			
P-24	Ford F-650 Medium Dump Truck	2018	DPW - PARKS		$121,963			
FY2021 TOTAL					**$2,917,927**			

VEHICLE NUMBER	VEHICLE	MODEL YEAR	DEPARTMENT	2020	2021	2022	2023	2024
N/A	Hustler Super 2 HD Mower 36 Vang	2018	DPW-PARKS			$11,330		
N/A	Tennant Vacuum ATL	2018	DPW- PARKS			$47,852		
N/A	Kaswasaki Mule SX 4x 4 610 Hard Cab	2018	DPW - PARKS			$15,598		
ASL-300	Terex Track Loader	2018	DPW-PARKS			$38,540		
LB-17	Ford E-250	2011	DPW - L&B			$38,000		
LB-18	Ford E-250	2011	DPW - L&B			$38,000		
LB-28	Ford E-250	2011	DPW - L&B			$38,000		
LB- 2	Ford F-150	2013	DPW - L&B			$40,000		
LB-19	Ford E-250	2013	DPW - L&B			$40,000		
LB-85	Ford F-350	2011	DPW - L&B			$45,000		
42	Ford Transit	2012	DPW - STREETS			$35,000		
N/A	Smith Air Compressor	1986	DPW - STREETS			$85,000		
74	Int'l 4900 Hotbox/Sander	2002	DPW - STREETS			$180,000		
75	Int'l 4900 Sander/Dump	2002	DPW - STREETS			$180,000		
56	Int'l Sander/Dump	2012	DPW - STREETS			$230,000		
57	Int'l Sander/Dump	2012	DPW - STREETS			$230,000		
58	Int'l Sander/Dump	2012	DPW - STREETS			$230,000		
60	Int'l Sander/Dump	2012	DPW - STREETS			$230,000		
61	Int'l 4x4 Sander/Dump	2012	DPW - STREETS			$230,000		
62	Sander	2012	DPW - STREETS			$230,000		
33	Elgin Sweeper	2013	DPW - STREETS			$240,000		
59	Int'l Sander/Dump	2012	DPW - STREETS			$245,000		
N/A	Power Wash Trailer	N/A	DPW - GENERAL			$45,000		
TR2	Trailer	2011	DPW - GENERAL			$90,000		
FY2022 TOTAL						**$2,832,320**		

VEHICLE NUMBER	VEHICLE	MODEL YEAR	DEPARTMENT	2020	2021	2022	2023	2024
LB-88	Logan Lift	1996	DPW - L&B				$180,000	
E-7	Aerial Lift	2011	DPW - ELECTRICIAN				$170,000	
43	Ford Transit	2013	DPW - STREETS				$35,000	
44	Ford Transit	2012	DPW - STREETS				$35,000	
1	Ford Escape	2011	DPW - STREETS				$40,000	
89	Ford F-150	2013	DPW - STREETS				$40,000	
87	Ford F-350	2011	DPW - STREETS				$45,000	
88	Ford F-350	2012	DPW - STREETS				$50,000	
64	Leroi Compressor	N/A	DPW - STREETS				$70,000	
128	Int'l Skyworker	2012	DPW - STREETS				$175,000	
50	Volvo Loader	2011	DPW - STREETS				$230,000	
65	Int'l Sander/Dump	2012	DPW - STREETS				$250,000	
TR5	Trailer	2012	DPW - GENERAL				$20,000	
TR1	Trailer	N/A	DPW - GENERAL				$80,000	
FY2023 TOTAL							**$1,420,000**	

VEHICLE NUMBER	VEHICLE	MODEL YEAR	DEPARTMENT	2020	2021	2022	2023	2024
LB-3	Ford Transit	2016	DPW - L&B					$40,000
LB-4	Ford Transit	2016	DPW - L&B					$40,000
LB-7	Ford F-250	2016	DPW - L&B					$48,000
131	Bandit Chipper	2015	DPW - STREETS					$90,000
47	John Deere Excavator	2014	DPW - STREETS					$130,000
76	Int'l 4700 Trash Truck	2001	DPW - STREETS					$185,000
51	Deere 624K Loader	2016	DPW - STREETS					$225,000
32	Elgin Sweeper	2014	DPW - STREETS					$245,000
63	Freightliner Sander	2017	DPW - STREETS					$250,000
67	Freightliner Sander/Dump	2014	DPW - STREETS					$250,000
68	Freightliner Sander/Dump	2014	DPW - STREETS					$250,000
69	Freightliner Sander/Dump	2014	DPW - STREETS					$250,000
E-4	Ford Escape	2016	DPW - ELECTRICIAN					$40,000
E-9	Ford Transit	2016	DPW - ELECTRICIAN					$40,000
E-8	Ford F-450 Crane Truck	2014	DPW - ELECTRICIAN					$90,000
E-1	Int'l Aerial Lift	2013	DPW - ELECTRICIAN					$185,000
N/A	Utility Trailer	2001	DPW - GENERAL					$30,000
N/A	Mixer	N/A	DPW - GENERAL					$30,000
N/A	Mixer	N/A	DPW - GENERAL					$30,000
N/A	Light Tower	N/A	DPW - GENERAL					$30,000
TR6	Trailer	2014	DPW - GENERAL					$50,000
N/A	Ditch Witch	1999	DPW - GENERAL					$75,000
N/A	Plunkett Paver	N/A	DPW - GENERAL					$80,000
N/A	Snogo Snowblower	2011	DPW - GENERAL					$105,000
FY2024 TOTAL								**$2,788,000**

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FINANCIAL ANALYSIS

One financing strategy for capital plans is to use the budgetary capacity created by paying off existing debt to issue more bonds to finance capital projects. In theory this accomplishes two objectives. First by financing capital with debt, it matches payments for the asset with the useful life of the asset itself. Secondly, by replacing a declining expense with a new expense, the operating budget is not burdened further. The number we will arrive at as the "target debt service" would represent a net zero impact on the General Fund.

To begin these calculations, we start with the forecast of current debt service and deduct ongoing reimbursements from the Massachusetts School Building Authority ("MSBA"). From this, we arrive at our target debt service number for the next five years. Next, we include potential savings forecasted from issuing refunding bonds. This occurs when new debt is issued to replace or redeem old debt before the maturity or call date of the old debt. Under these circumstances, the proceeds of the new debt must be placed in escrow and used to pay interest on old, outstanding debt as it becomes due, and to pay the principal on the old debt either as it matures or at an earlier call date. While Lowell has already taken advantage of many refunding opportunities, there are additional prospects being pursued currently by the City Administration which will reduce future debt service costs. These savings are incorporated in the model presented below.

The analysis includes previously authorized capital expenditures which have been spent, but not permanently financed. These future costs are layered into the analysis to provide a more accurate forecast, including all financial considerations. The results of the analysis show

A less attractive, but more generous strategy is to perform the same calculations, but to assume that the City's budget has the capacity to increase at 2 ½% per year. This is consistent with Proposition 2 ½ and with the long-term historical revenue growth. Along the bottom line of the chart, the revised target includes an increase of 2.5% of the prior year's forecasted debt service for comparison. The capital planning process has run concurrently with preparations for the upcoming year's operating budget. The symbiotic relationship between capital planning and preparation of the operating budget has long-since been a goal of the city, which has finally come to fruition.

Preparation of a five-year capital improvement plan (CIP) is a best practice in municipal finance. Department Heads were asked to submit their short and medium term priorities to the Finance Office this winter for consideration and inclusion in a comprehensive plan. Buildings, infrastructure, technology, and major equipment are the physical foundation for providing services to constituents. The procurement, construction, and maintenance of capital assets are a critical activity of state and local governments, school districts, and other government agencies, and therefore require careful planning.

Capital planning is critical to maintaining essential public services. It is also an important component of a community's economic development program and strategic plan. Capital facilities and infrastructure are important legacies that serve current and future generations. It is extremely difficult for governments to address the current and long-term needs of their constituents without a sound multi-year capital plan that clearly identifies capital and major equipment needs, maintenance requirements, funding options, and operating budget impacts.

The debt service payments related to financing all of these projects have been incorporated into our General Fund forecasts. Also included in the plan is one major parking-related project in the Hamilton Canal District, which will be funded without tax support through the Parking Enterprise.

FINANCIAL ANALYSIS – ACTUAL AND BUDGETED REVENUES

Fiscal Year	Total Amounts to Be Raised	Annual Growth Rate	Compounded Annual Growth Factor (CAGF)
2008	$ 308,711,540	*N/a*	
2009	$ 318,636,488	3.21%	
2010	$ 308,847,270	-3.07%	
2011	$ 311,646,472	0.91%	
2012	$ 321,111,145	3.04%	
2013	$ 328,095,926	2.18%	
2014	$ 342,975,498	4.54%	2.2%
2015	$ 364,130,698	6.17%	
2016	$ 358,051,834	-1.67%	
2017	$ 365,886,534	2.19%	
2018	$ 376,248,783	2.83%	
2019	$ 391,858,652	4.15%	
2020	$ 400,447,413	2.19%	
2021	$ 409,224,423	2.19%	
2022	$ 418,193,807	2.19%	
2023	$ 427,359,782	2.19%	
2024	$ 436,726,658	2.19%	
2025	$ 446,298,836	2.19%	
2026	$ 456,080,818	2.19%	
2027	$ 466,077,201	2.19%	
2028	$ 476,292,685	2.19%	
2029	$ 486,732,072	2.19%	
2030	$ 497,400,269	2.19%	

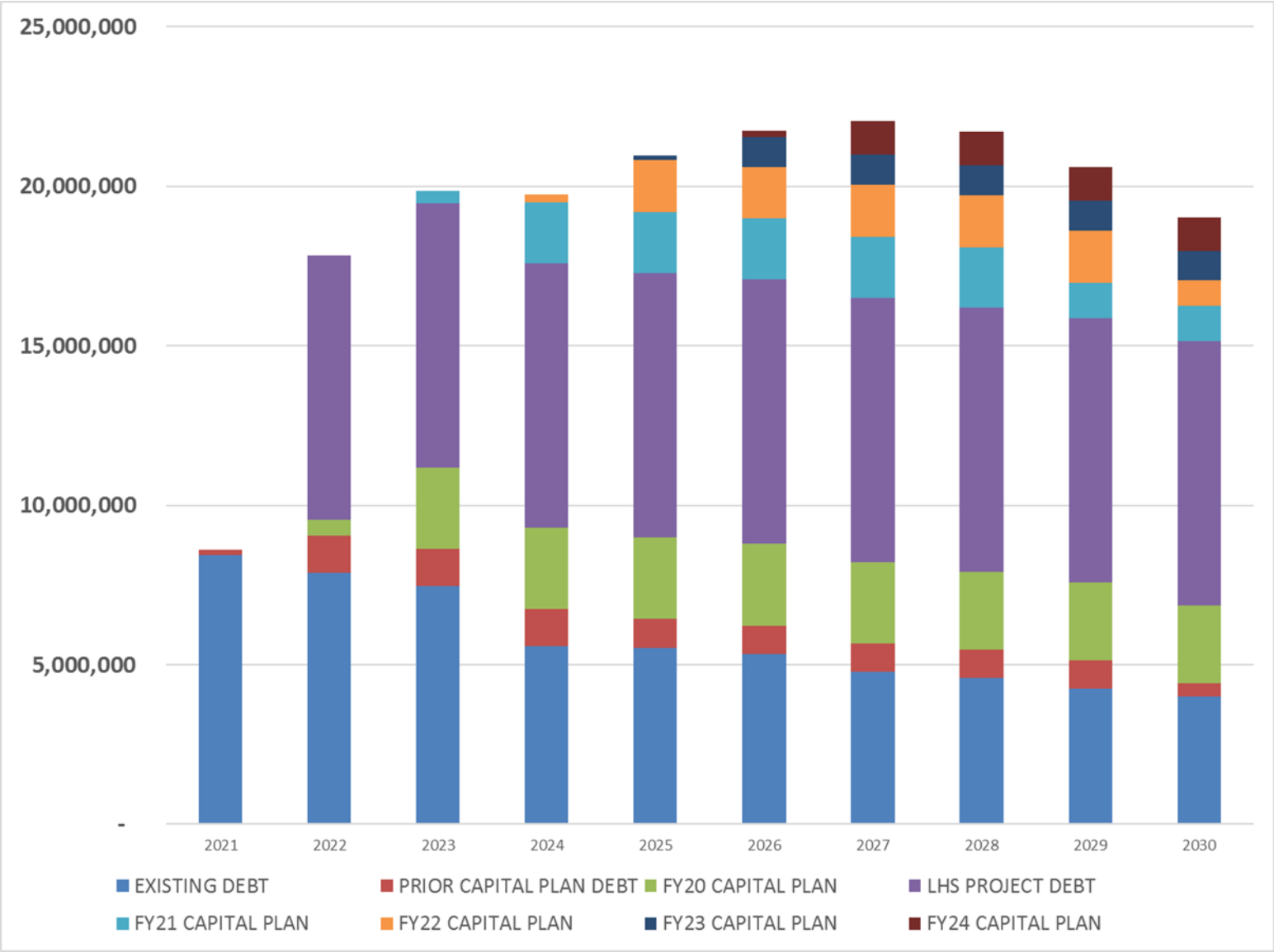
FINANCIAL ANALYSIS – EXISTING DEBT OBLIGATION AS A PERCENTAGE OF BUDGETED REVENUES

Fiscal Year	Existing Net Debt Service Obligation (ALL FUNDS)	Projected Budgeted Revenue	Debt Service as a Percentage (%) of Projected Budgeted Revenue
2020	$ 23,008,478	$ 400,447,413	5.75%
2021	$ 22,309,576	$ 409,224,423	5.45%
2022	$ 21,332,716	$ 418,193,807	5.10%
2023	$ 19,079,786	$ 427,359,782	4.46%
2024	$ 18,150,913	$ 436,726,658	4.16%
2025	$ 17,858,757	$ 446,298,836	4.00%
2026	$ 16,409,214	$ 456,080,818	3.60%
2027	$ 15,831,136	$ 466,077,201	3.40%
2028	$ 15,227,993	$ 476,292,685	3.20%
2029	$ 12,252,991	$ 486,732,072	2.52%
2030	$ 11,609,705	$ 497,400,269	2.33%

FINANCIAL ANALYSIS – DEBT LIMIT CALCULATIONS

Equalizaed Valuation as of January 1, 2018	$	8,192,976,800
Debt Limit (5% of Equalized Valuation)	**$**	**409,648,840**
Total Outstanding Debt as of June 30, 2018	$	246,269,331
Total Authorized/ Unissued Debt as of June 30, 2018 (Approximate)	$	89,013,584
Total Outstanding Debt Plus Total Authorized/ Unissued Debt	**$**	**335,282,915**
Amount of Outstanding Debt Outside the Debt Limit	$	62,886,473
Approximate Amout of Authorized/ Unissued Debt Outside the Debt Limit	$	19,155,785
Outstanding Debt plus Authorized/ Unissued Outside the Debt Limit	**$**	**82,042,258**
Total Outstanding Debt Plus Total Authorized/ Unissued Debt	$	335,282,915
Less: Outstanding Debt plus Authorized/ Unissued Outside the Debt Limit	$	82,042,258
Debt Subject to the Debt Limit	**$**	**253,240,657**
Debt Limit (5% of Equalized Valuation)	$	409,648,840
Remaining Borrowing Capacity Under Debt Limit	**$**	**156,408,183**

FINANCIAL ANALYSIS – 10 YEAR DEBT SERVICE FORECAST (INCLUDES LHS DEBT)



Projected Interest Rate on Bonds Dated September 1, 2019:	3.50%
Projected Interest Rate on Bonds Dated September 1, 2020:	4.00%
Projected Interest Rate on Bonds Dated September 1, 2021-2023:	4.50%
Projected Interest Rate on Bonds Dated September 1, 2024:	5.00%

5-Year General Fund Capital Plan

	A	B	C	D	E	F	G	H	I	J	K
Fiscal Year	Existing General Fund Debt Service	Less: Existing QECB & RZEDB Subsidies	Less: Existing MSBA Subsidies	Equals: Net Existing General Fund Debt Service	Plus: Bonds dated 9/1/19 (see pages 4-7)	Plus: Bonds dated 9/1/20 (see pages 8-10)	Plus: Bonds dated 9/1/21 (see pages 11-14)	Plus: Bonds dated 9/1/22 (see pages 15-18)	Plus: Bonds dated 9/1/23 (see pages 19-22)	Plus: Bonds dated 9/1/23 (see pages 23-24)	**Equals: Existing and Projected General Fund Debt Service**
2020	9,815,824	(192,793)	(1,192,791)	8,430,241	164,254	-	-	-	-	-	**8,594,495**
2021	9,258,769	(178,611)	(1,192,791)	7,887,367	1,164,585	504,866	-	-	-	-	**9,556,818**
2022	8,812,366	(163,427)	(1,192,790)	7,456,149	1,168,238	2,566,260	361,624	-	-	-	**11,552,271**
2023	6,912,931	(147,851)	(1,192,787)	5,572,293	1,171,650	2,558,300	1,893,500	272,075	-	-	**11,467,818**
2024	5,662,880	(131,882)	-	5,530,998	908,563	2,561,100	1,901,025	1,626,472	146,785	-	**12,674,942**
2025	5,443,241	(115,521)	-	5,327,721	899,325	2,561,100	1,912,750	1,628,225	932,623	199,075	**13,460,818**
2026	4,883,029	(98,767)	-	4,784,262	889,563	2,553,400	1,901,775	1,624,900	958,175	1,044,575	**13,756,650**
2027	4,667,593	(80,417)	-	4,587,176	889,100	2,430,400	1,898,325	1,624,213	950,663	1,047,500	**13,427,376**
2028	4,316,174	(61,637)	-	4,254,537	887,763	2,436,800	1,110,175	1,621,050	946,913	1,051,500	**12,308,737**
2029	4,048,315	(42,367)	-	4,005,947	409,038	2,435,100	1,103,113	799,200	941,813	1,048,625	**10,742,835**
2030	3,748,339	(22,607)	-	3,725,731	408,188	2,440,200	1,099,813	794,450	319,538	1,053,750	**9,841,669**
2031	2,530,605	(2,274)	-	2,528,331	397,163	2,432,100	1,109,825	793,688	320,538	413,125	**7,994,768**
2032	2,027,784	-	-	2,027,784	400,875	1,401,800	1,103,150	791,800	306,425	417,500	**6,449,334**
2033	1,381,100	-	-	1,381,100	408,975	1,390,100	753,000	788,788	307,200	416,250	**5,445,413**
2034	1,106,531	-	-	1,106,531	239,525	1,396,600	739,825	457,188	302,638	414,500	**4,656,806**
2035	969,375	-	-	969,375	237,788	1,400,900	740,863	447,450	248,975	412,250	**4,457,600**
2036	831,425	-	-	831,425	250,613	1,398,100	745,663	442,375	246,213	282,750	**4,197,138**
2037	234,850	-	-	234,850	248,000	148,700	749,113	446,625	243,225	276,250	**2,346,763**
2038	227,425	-	-	227,425	245,213	143,700	648,575	445,088	249,788	279,500	**2,239,288**
2039	-	-	-	-	242,250	143,600	654,050	301,138	250,788	277,375	**1,869,200**
2040	-	-	-	-	239,113	143,300	648,400	309,663	212,238	279,875	**1,832,588**
2041	-	-	-	-	-	142,800	641,850	302,625	204,363	277,000	**1,568,638**
2042	-	-	-	-	-	-	644,175	305,138	196,488	278,750	**1,424,550**
2043	-	-	-	-	-	-	-	311,863	208,163	284,875	**804,900**
2044	-	-	-	-	-	-	-	-	199,388	280,500	**479,888**
2045	-	-	-	-	-	-	-	-	-	280,750	**280,750**
2046	-	-	-	-	-	-	-	-	-	192,750	**192,750**
2047	-	-	-	-	-	-	-	-	-	191,625	**191,625**
2048	-	-	-	-	-	-	-	-	-	190,250	**190,250**
2049	-	-	-	-	-	-	-	-	-	193,500	**193,500**
2050	-	-	-	-	-	-	-	-	-	191,375	**191,375**
2051	-	-	-	-	-	-	-	-	-	193,875	**193,875**
2052	-	-	-	-	-	-	-	-	-	191,000	**191,000**
2053	-	-	-	-	-	-	-	-	-	192,750	**192,750**
2054	-	-	-	-	-	-	-	-	-	194,000	**194,000**
2055	-	-	-	-	-	-	-	-	-	194,750	**194,750**
Total	76,878,557	(1,238,155)	(4,771,159)	70,869,244	11,869,777	33,189,226	22,360,586	16,134,010	8,692,932	12,242,150	**175,357,925**

Assumptions:

- Existing General Fund Debt Outstanding Projected as of June 30, 2019.
- Proposed issues structured on a level debt basis.

City of Lowell FY2020 Proposed Capital Plan Loan Order to the Lowell City Council

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COMMONWEALTH OF MASSACHUSETTS
CITY OF LOWELL

In City Council
LOAN ORDER
(General Fund Capital Improvements)

To borrow $25,243,294 for the purpose of financing various capital improvements and purchases and any related architectural and engineering services in connection therewith and any costs incidental and related thereto.

IT IS ORDERED BY THE CITY COUNCIL OF THE CITY OF LOWELL BY A TWO-THIRDS VOTE OF ALL OF ITS MEMBERS, as follows:

Ordered: That the sum of $25,243,294 is appropriated for the purpose of financing the following capital improvements, and any related architectural and engineering services in connection therewith and any costs incidental and related thereto: (1) public safety communication upgrades, (2) relocation costs, (3) Lord Overpass construction, (4) City-wide paving and sidewalk program, (5) Tanner Street realignment project, (6) City-wide network Infrastructure upgrades, (7) NPS land swap, (8) bridge repair program, (9) Engine 7 replacement, (10) traffic signalization improvements at various intersections, (11) various park improvements/open space plan, (12) Merrimack Riverwalk improvements – Phase II, (13) Andover Street sidewalks/traffic calming improvements, (14) HCID Canalway improvements, (15) vault abandonment program, and (16) ADA transition plan – building, park and sidewalk improvements; that to meet this appropriation the Treasurer, with the approval of the City Manager, is authorized to borrow $25,243,294 and to issue bonds or notes therefor under G.L. c.44 or any other enabling authority; that the City Manager is authorized to contract for and expend any federal or state aid available for the projects; that the City Manager is authorized to take any action necessary to carry out the projects; and that the Treasurer is authorized to file an application with the Municipal Finance Oversight Board to qualify any or all of the bonds under G.L. c.44A and to provide such information and execute such documents as such board may require for these purposes. Any premium received upon the sale of any bonds or notes approved by this loan order, or upon the sale of any other bonds or notes approved by any other loan order of the City adopted prior to the date of this loan order, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with G.L. c. 44, §20, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.

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City of Lowell FY2020 Proposed Water Enterprise Loan Order to the Lowell City Council

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COMMONWEALTH OF MASSACHUSETTS
CITY OF LOWELL

In City Council

LOAN ORDER
(Water Enterprise Capital Improvements)

To borrow $45,000,000 for the purpose of financing various water enterprise capital improvements and purchases and any related architectural and engineering services in connection therewith and any costs incidental and related thereto.

IT IS ORDERED BY THE CITY COUNCIL OF THE CITY OF LOWELL BY A TWO-THIRDS VOTE OF ALL OF ITS MEMBERS, as follows:

Ordered: That the sum of $45,000,000 is appropriated for the purpose of financing the following water system capital improvements, and any related architectural and engineering services in connection therewith and any costs incidental and related thereto: (1) constructing a redundant transmission line (finished water main), (2) constructing a finished water storage tank (Fort Hill), (3) replacement of lead water service lines (distribution system), (4) replacement of large water meters (distribution system), (5) elimination of water main vulnerabilities (distribution system), (6) drinking water facility upgrades (Ferry Crossing), and (7) permitting, planning, design and construction services (legal and engineering services); that to meet this appropriation the Treasurer, with the approval of the City Manager, is authorized to borrow $45,000,000 and to issue bonds or notes therefor under G.L. c.44 or any other enabling authority; that the City Manager is authorized to contract for and expend any federal or state aid available for the projects; that the City Manager is authorized to take any action necessary to carry out the projects; and that the Treasurer is authorized to file an application with the Municipal Finance Oversight Board to qualify any or all of the bonds under G.L. c.44A and to provide such information and execute such documents as such board may require for these purposes. Any premium received upon the sale of any bonds or notes approved by this loan order, or upon the sale of any other bonds or notes approved by any other loan order of the City adopted prior to the date of this loan order, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with G.L. c. 44, §20, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.

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City of Lowell FY2020 Proposed Wastewater Enterprise Loan Order to the Lowell City Council

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COMMONWEALTH OF MASSACHUSETTS
CITY OF LOWELL

In City Council

LOAN ORDER
(Wastewater Enterprise Capital Improvements)

To borrow $67,000,000 for the purpose of financing various wastewater enterprise capital improvements and purchases and any related architectural and engineering services in connection therewith and any costs incidental and related thereto.

IT IS ORDERED BY THE CITY COUNCIL OF THE CITY OF LOWELL BY A TWO-THIRDS VOTE OF ALL OF ITS MEMBERS, as follows:

Ordered: That the sum of $67,000,000 is appropriated for the purpose of financing the following wastewater system capital improvements, and any related architectural and engineering services in connection therewith and any costs incidental and related thereto: (1) construction of a wet weather storage facility (Pevey/Broadway and Douglas Road), (2) construction of sewer separation and green infrastructure facilities (Decatur East/North Common), (3) conveyance/siphon upgrades (Beaver Brook Station), (4) construction of a wet weather storage facility (Walker Station), (5) construction of a wet weather storage facility (North Bank), (6) construction of remote station upgrades (various pump stations), (7) construction of wastewater facility upgrades (Duck Island), and (8) permitting, planning, design and construction services (legal and engineering); that to meet this appropriation the Treasurer, with the approval of the City Manager, is authorized to borrow $67,000,000 and to issue bonds or notes therefor under G.L. c.44 or any other enabling authority; that the City Manager is authorized to contract for and expend any federal or state aid available for the projects; that the City Manager is authorized to take any action necessary to carry out the projects; and that the Treasurer is authorized to file an application with the Municipal Finance Oversight Board to qualify any or all of the bonds under G.L. c.44A and to provide such information and execute such documents as such board may require for these purposes. Any premium received upon the sale of any bonds or notes approved by this loan order, or upon the sale of any other bonds or notes approved by any other loan order of the City adopted prior to the date of this loan order, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with G.L. c. 44, §20, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.

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FISCAL YEAR

2020

SECTION VI

APPROPRIATION ORDER

Proposed FY2019 Budget Resolution of the City Council to be voted on for appropriation.

EILEEN M. DONOGHUE
CITY MANAGER

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COMMONWEALTH OF MASSACHUSETTS

CITY OF LOWELL

In City Council
VOTE

Approving Budget for the City of Lowell for Fiscal Year 2020

WHEREAS, pursuant to Mass. G.L. c.44 §32, the City Manager submitted a proposed budget for fiscal year 2020 to the City Council on May 28, 2019 and the appropriation order was accepted by vote of the City Council; and

WHEREAS, the City Council held advertised public hearings to consider the proposed budget on June 11, 2019 and any other dates necessary, as advertised in the public hearing notice; and

WHEREAS, upon motion the City Council accepted the budget as submitted by the City Manager, after reductions otherwise separately voted, if any.

NOW, THEREFORE, BE IT VOTED BY THE CITY COUNCIL OF THE CITY OF LOWELL:

That the City Council of the City of Lowell hereby adopts and approves the budget for fiscal year 2020 for the City of Lowell, including all line items therein as if separately voted thereon, in the sum of $372,044,456 which sum shall be appropriated and raised by taxation and other sources, including but not limited to intergovernmental revenue, charges for services, licenses and permits, miscellaneous, etc. The full list of appropriations follows this vote.

WHEREAS, THE City of Lowell enterprise funds may have insufficient operating revenues to fund all expenditures of the funds in fiscal year 2020 and appropriation of retained earnings may required to fund the fiscal year's operations.

NOW, THEREFORE, BE IT FURTHER VOTED BY THE CITY COUNCIL OF THE CITY OF LOWELL:

That the City Council of the City of Lowell hereby raises and appropriates the following retained earnings:

Fund	Amount	Fund Number
Wastewater Enterprise Fund	1,524,037	6000
Parking Enterprise Fund	1,058,378	4450
Water Enterprise Fund	3,367,641	6001

and that the City Council of the City of Lowell hereby raises and appropraites the following from other funds:

Fund		Amount	Fund Number
Property Maintenance	$	100,000	1107
Vacant Foreclosed Properties		319,155	1109
Capital Debt Service Stab		600,000	8397
Mitigation		30,000	8417
PEG Access Special Revenue		1,115,338	1710
Ballpark Capital		192,000	1741
Salary Stabilization		1,000,000	8398
148A Fines (Building/ Fire)		150,000	1721
General Stabilization		3,262,186	8401

Line Number	Department	Description	FY2020 Appropriation - City Manager Recommendation
2020-01	City Council	Personal Services	230,000
2020-02	City Council	Ordinary Expenses	7,500
2020-03	Mayor	Personal Services	51,822
2020-04	Mayor	Ordinary Expenses	13,900
2020-05	City Clerk	Personal Services	422,394
2020-06	City Clerk	Ordinary Expenses	40,850
2020-07	City Manager	Personal Services	1,796,121
2020-08	City Manager	Ordinary Expenses	3,818,000
2020-09	City Manager - Lowell School System	Ordinary Expenses	50,000
2020-10	City Manager - Marketing Development	Personal Services	
2020-11	City Manager - Marketing Development	Ordinary Expenses	505,000
2020-12	City Manager - Contingency	Ordinary Expenses	389,167
2020-13	City Manager - Contingency	Reserve for Wages	744,039
2020-14	City Manager - Cable Access	Personal Services	123,883
2020-15	City Manager - Cable Access	Ordinary Expenses	289,031
2020-16	City Manager - Cable Access	Transfers to Schools	75,000
2020-17	City Manager - Cultural Affairs & Special Events	Personal Services	189,273
2020-18	City Manager - Cultural Affairs & Special Events	Ordinary Expenses	-
2020-19	Finance	Personal Services	161,825
2020-20	Finance	Ordinary Expenses	1,500
2020-21	Budget	Personal Services	138,787
2020-22	Budget	Ordinary Expenses	-
2020-23	Auditing	Personal Services	494,399
2020-24	Auditing	Ordinary Expenses	58,600
2020-25	Purchasing	Personal Services	240,609
2020-26	Purchasing	Ordinary Expenses	138,250

Line Number	Department	Description	Appropriation - City Manager Recommendation
2020-27	Assessing	Personal Services	514,579
2020-28	Assessing	Ordinary Expenses	60,504
2020-29	Treasurer	Personal Services	592,969
2020-30	Treasurer	Ordinary Expenses	254,600
2020-31	Human Relations	Personal Services	319,801
2020-32	Human Relations	Ordinary Expenses	27,550
2020-33	Management Information Systems	Personal Services	696,447
2020-34	Management Information Systems	Ordinary Expenses	1,113,400
2020-35	Law	Personal Services	1,154,768
2020-36	Law	Ordinary Expenses	287,100
2020-37	Elections	Personal Services	264,572
2020-38	Elections	Ordinary Expenses	88,000
2020-39	Planning & Development	Personal Services	2,737,474
2020-40	Planning & Development	Ordinary Expenses	297,648
2020-41	Police	Personal Services	27,219,711
2020-42	Police	Ordinary Expenses	1,416,375
2020-43	Fire	Personal Services	18,570,200
2020-44	Fire	Ordinary Expenses	810,700
2020-45	Lowell Public Schools	Single Line Appropriation	176,428,868
2020-46	Greater Lowell Technical School	Ordinary Expenses	9,267,478
2020-47	Essex Agricultural High School	Ordinary Expenses	-
2020-48	DPW Administration	Personal Services	536,518
2020-49	DPW Administration	Ordinary Expenses	926,950
2020-50	DPW Engineering	Personal Services	544,156
2020-51	DPW Engineering	Ordinary Expenses	-

Line Number	Department	Description	Appropriation - City Manager Recommendation
2020-52	DPW Land & Buildings	Personal Services	2,008,451
2020-53	DPW Land & Buildings	Ordinary Expenses	634,000
2020-54	DPW Streets	Personal Services	1,342,472
2020-55	DPW Streets	Ordinary Expenses	20,000
2020-56	Parks	Personal Services	1,521,298
2020-57	Parks	Ordinary Expenses	516,820
2020-58	Cemetery	Personal Services	235,739
2020-59	Cemetery	Ordinary Expenses	203,650
2020-60	DPW Other	Snow & Ice	1,350,000
2020-61	DPW Other	Street Lighting	416,000
2020-62	DPW Other	Waste Collection & Disposal	6,050,515
2020-63	Health	Personal Services	2,783,416
2020-64	Health	Ordinary Expenses	147,750
2020-65	Council on Aging	Personal Services	323,734
2020-66	Council on Aging	Ordinary Expenses	88,375
2020-67	Veterans'	Personal Services	157,122
2020-68	Veterans'	Ordinary Expenses	653,150
2020-69	Recreation	Personal Services	678,170
2020-70	Recreation	Ordinary Expenses	47,485
2020-71	Library	Personal Services	1,044,796
2020-72	Library	Ordinary Expenses	375,420
2020-73	Unclassified	Debt Service	9,818,772
2020-74	Unclassified	Workers Comp	625,000
2020-75	Unclassified	Unemployment	425,000
2020-76	Unclassified	Health Insurance	24,150,000

Line Number	Department	Description	Appropriation - City Manager Recommendation
2020-77	Unclassified	Retirement	27,261,906
2020-78	Unclassified	Medicare Tax	2,750,000
2020-79	Unclassified	Claims & Judgments	775,000
2020-80	Unclassified	Other Insurance	286,617
2020-81	Unclassified	No. Middlesex	33,851
Subtotal	**General Fund**		**334,404,239**
2020-82	Wastewater	Personal Services	3,419,733
2020-83	Wastewater	Ordinary Expenses	8,227,500
2020-84	Wastewater	Debt Service	7,309,748
Subtotal	**Wastewater Enterprise Fund**		**18,956,981**
2020-85	Parking	Personal Services	378,976
2020-86	Parking	Ordinary Expenses	3,149,745
2020-87	Parking	Debt Service	3,414,215
Subtotal	**Parking Enterprise Fund**		**6,942,936**
2020-88	Water	Personal Services	2,541,536
2020-87	Water	Ordinary Expenses	4,122,500
2020-88	Water	Debt Service	5,076,264
Subtotal	**Water Enterprise Fund**		**11,740,300**
Grand Total All Funds			**372,044,456**

Furthermore, the following projected needs are costs to the City, but according to accounting rules established by the Department of Revenue, are not to be included in the appropriation order.

2020-89	General Fund - Cherry Sheet Assessments	29,160,897
2020-90	General Fund - Provision for Abatements & Exemptions	1,100,000
2020-91	Indirect costs of the enterprise funds	9,012,522

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FISCAL YEAR

2020

SECTION VII

APPENDICES

Additional ancillary information, including an introduction to municipal finances, organizational staffing information, acronym table, and glossary of terms.

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MUNICIPAL FINANCES 101

Financial literacy is a process.

Maybe you want to fight poverty or reform public schools. Maybe you want to cut taxes or privatize government services. Maybe you think government mostly gets it right, so you want to protect policies or programs. Regardless you've probably realized by now, that you can't accomplish much in the way of change if you can't speak the language of public finance.

The goal of this Appendix is to help you speak that language. Put differently, it is to help you become financially literate. You're financially literate if you understand your municipality's "financial story." That story has several parts, and those parts are the major sections of this Appendix.

The first and most important step toward public financial literacy is to "know what you don't know."

In other words, it is important to recognize that your current knowledge on a specific subject may be lacking. Knowing how to get informed about things you don't know, and knowing where to focus the limited time you can devote to becoming informed, is just as important as what you already know.

The City of Lowell's budget for the fiscal year ending June 30, 2019 was $362M+. Where did the funding come from? How was the money spent? Why did it need so much? How does the City finance big ticket items like infrastructure improvements? Is the City in sound financial shape?

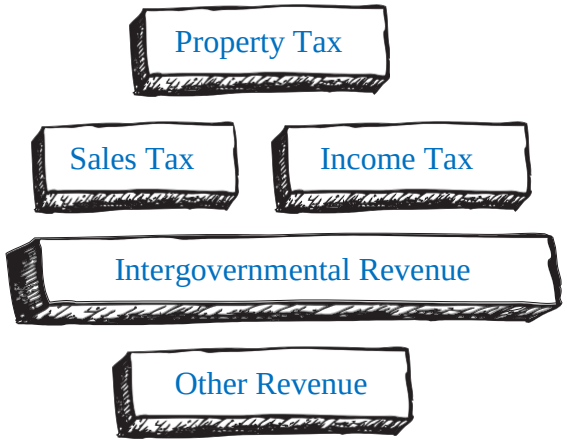
This section is intended to introduce you to, and briefly discuss, those key components which factor into your municipality's financial story, how to think about that story, and how to connect that story to the priorities and objectives laid out by your municipal leaders.

While this section attempts to establish a foundation for understanding municipal government finances, true financial literacy is a commitment to keep learning, asking questions, and constantly and constructively revisit financial assumptions.

Where appropriate, this section includes links to other areas within this budget document related to the various topics discussed, with the hope of providing fundamental financial literacy essential to understanding a municipality's general financing, its nuances, and issues.

The majority of the material in this section are based on the *GOVERNING Guide to Financial Literacy © 2014*, which has been modified by the City of Lowell with permission by GOVERNING, a Division of e.REPUBLIC, for inclusion within the City's budget document.

The City encourages readers to "go back to the basics", by visiting GOVERNING's *FINANCE 101 Special Series* which is available online at http://www.governing.com/finance101.



WHERE THE MONEY COMES FROM

There are five primary revenue sources available for most municipalities.

Arthur Godfrey, the famous 1950s television and radio personality, once said, "I'm proud to pay taxes in America, but I could be just as proud for half the money." This quote nicely captures the principle challenge to financial policymakers. While citizens may embrace the idea that they should pay for government, they also expect government to find a better, fairer, and cheaper way to deliver the government services they want.

Let us start off with a look at how government is funded. The five main sources of local revenue are: property tax, income tax, sales tax, intergovernmental revenue, and a category of "other" revenues. It is important to understand each of these, how much your municipality may depend on them, and why.

Property Taxes

Property taxes are considered a "local revenue workhorse" because they are often seen as simple and straight forward to predict – the municipal assessor determines how much a property owner owes; and easy for citizens to comply – the owner simply needs to pay the property tax bill when it arrives in the mail. However, some also view property taxes as a "necessary evil" of local revenue systems - taxpayers get angry when their property tax bill increases, but their income doesn't, and they struggle to understand how the government determines their property value.

The amount of property taxes a municipality collects is called the tax levy. The tax levy is determined by three factors: the tax base, the tax rate, and any preferential treatment for certain types of taxpayers. Most taxes follow this same basic formula of base-rate-exceptions.

The property tax base is the value of all private land and buildings, and all business-related land and buildings within a municipality. The assessor's job is to determine the price someone would pay for a property and/or building in the current real estate market. This is broadly known as a property's market value. It's difficult to determine market value because real estate is not bought or sold that often. Assessors solve this challenge by using statistical models to infer the market price of properties from the prices of similar properties that were recently sold. Policymakers decide what percentage of the market value is subject to taxation. This is known as the assessed value. They must also decide the amount of the tax as a percent of the assessed value. This is called the tax rate.

While tax rates are important, some of the most crucial decisions about property taxes are about when to make exceptions to the

base-rate relationship. For example, nonprofit organizations like hospitals, universities, churches, synagogues and museums, among others, are not required to pay property taxes. Many senior citizens and others on fixed incomes pay reduced property taxes. The goal here is to keep home ownership affordable even if property values increase. Some municipalities offer property tax abatements, or temporary property tax reductions or exemptions, to encourage businesses to locate, stay or grow within their municipalities. It is essential to understand that there are benefits from these exemptions.

If a property's assessed value increases, but the tax rate stays constant, the tax levy will still increase. In fact, if a property is subject to special assessments, or property taxes that apply only to certain properties, its levy can increase even if it's assessed value decreases.

Income Taxes

Similar to property taxes, the income tax a person or corporation pays is determined by the tax base, the tax rate and any applicable exceptions. For income taxes, the tax base is taxable income, or total income minus any tax preferences. The state income tax is viewed by the Commonwealth of Massachusetts as one of its largest revenue sources. Though Massachusetts is often referred to as "Taxachusetts", our state's tax rate doesn't lead the nation, and the state offers standard exemptions, or reductions of taxable income due to certain expenses which all taxpayers can claim, ranging from retirement savings, to health insurance, to investments in equipment and technology and dozens of other areas.

The income tax which a tax payer pays is usually expressed in terms of their effective tax rate, or the taxes paid per dollar of total taxable income. Income taxes are progressive because in general, higher income taxpayers pay a higher effective rate. Proponents say this is fair because those with higher incomes should contribute more to the public. Critics say this tax structure discourages individuals and businesses from investing. For that reason, many systems tax capital gains, or income related to investments, at a lower rate.

Sales Taxes

Most states and local governments in the U.S. collect some form of sales tax, and it is estimated that about 1/3 of state revenues are from sales taxes. A municipality's sales tax base is composed of all the retail sales of personal property, and certain services (e.g., meals, hotels, etc.) that take place within its borders.

The biggest challenge in determining sales tax is that it isn't always clear what is included in that base. For instance, a business pays state sales tax only if it has a substantial portion of its business, known as a sales tax nexus, in that state. When a company conducts business in multiple states, it must use complicated calculations, known as tax apportionment formulas, to determine the sales tax it owes in each state. Online retailers like Amazon.com have argued that they should not pay state sales tax because they do not have a nexus in any one state. Some states require consumers to pay a use tax if they purchase a good without paying sales tax. Some states tax construction, personal trainers, catering and other professional services, while many don't, leading to complex and costly sales tax administration.

Once the sales tax base is established, sales tax collections are simple to calculate. Municipal sales tax collections are simply the sales tax base, however defined, multiplied by its sales tax rate.

While sales taxes are flexible and adaptable, they are often viewed as regressive. In other words, those who are least able to pay it often pay comparatively more of it. Consider for example an item like children's school supplies. Most families need to buy them and they are usually not sales tax exempt. If a family with an annual income of $25,000 buys the same supplies as a family with an annual income of $250,000, and both pay $25 in sales taxes for these same essential items, then the lower-income family is paying a much larger portion of its total income in sales tax. Sales tax opponents argue that this is what makes the concept of a state sales tax inherently unfair.

Intergovernmental Revenues

Intergovernmental revenue is a combination of state and federal money made available to aid municipalities, accounts for a significant amount of municipal revenue, and allows municipalities to deliver many services they could not afford otherwise. Intergovernmental revenue is calculated through complex formulas for the distribution of aid to municipalities, but also introduces enormous uncertainty, as it cuts to it may threaten a municipality's long-term fiscal health.

"Other Revenues"

This final category of revenue includes dozens of much smaller sources ranging from permit and license fees, to animal license fees, to cable television fees. Some non-profits make payments in lieu of taxes (commonly referred to as PILOTs) to offset some of what they don't pay in other taxes. While charges and fees are generally acceptable, they are often more difficult to forecast and plan.

WHERE THE MONEY GOES

How to think about cost.

A typical local government spends tens of millions of dollars each year on dozens of different programs and services. At the state level, the numbers are often tenfold! While it is the finance and accounting staff's responsibility to keep track of every penny, it is the elected official's responsibility to set the priorities, and the management team's responsibility to ensure that the money stays connected to those priorities.

The municipal budget essentially serves as the financial center – this is where the priorities are laid out in a plan to spend the municipality's limited resources. Unlike the federal government, municipalities generally can't spend more money than they collect. This is where the conflict of having anything you want vs having everything you want comes into play. This is why it is important to know what your programs and services cost, and how those costs may change as either policies or priorities change.

As with many things, cost is not always an obvious or black and white number. As such, it is important to understand the different types of costs that need to be factored into the total cost of what something actually costs. These costs essentially break down into:

Direct Costs – These are factors that contribute exclusively to the total cost of one product or service. *For example, the lease, maintenance and repairs, and commodities such as toner and paper are all direct costs to factor when making the printer budget.*

Indirect Costs – These are costs that are not directly accountable to an individual product or service. *For example, in the printer budget example, electricity, physical office space, and employee time to manage the printers are instances of indirect costs.*

Full Costs – These are the cost of the service, including the direct and indirect costs to produce that product or service.

Fixed Costs – These are costs that do not depend on the volume of product or services provided. *For example, in the printer budget example, the lease is a fixed cost, because it is the same regardless of the volume printed.*

Variable Costs – These are costs that vary directly with the volume of product or services provided. *For example, in the printer budget example, paper and toner are variable costs, because they increase in proportion to the volume printed.*

For example, consider a municipality's community development division is putting together its printing budget for the coming year. It has three departments that share a multifunction printer. The building department uses the copier occasionally, however, the planning department uses it more frequently, and the licensing department uses it the most. How much of each department's budget should be allocated to the printing costs?

The division leases the printer, so it should plan to pay a vendor a set lease payment each month. It should also budget for repairs, and for commodities like toner and paper. The lease, maintenance, and commodities are all direct costs, or costs

related only to printing. But the direct costs are only one part of the total cost.

The printer needs electricity and space within the office. Additionally, the department office manager will spend some of his or her time paying the lease, coordinating the repairs and ordering supplies. These are indirect costs, or costs that apply both to printing and to other parts of the division's operations. Indirect costs are often called overhead or administrate costs.

Indirect costs are more difficult to measure. The division needs to know how much of the total electricity the printer uses, how much space the printer occupies and how much time the office manager spends managing the printer. This information isn't always available, so analysts and accountants usually have to estimate these costs. With those estimates in place, the department can then calculate the full cost, or the direct costs plus the indirect costs, of printing. More complicated programs and services can have dozens of indirect cost items.

How much of these costs should each department cover? The division could simply assign each department one third of the full costs. In this case, the building department and the planning department will need to either locate more funding, or cut other services to allow licensing to contribute less than its share of the full cost. This isn't wrong or bad, per se. And in fact, these types of "subsidies" can be part of a clear policy priority. For services like licenses, the recipient or in this case a business, must pay the license fees. Most municipalities set the license fee equal to the full cost of issuing the license. The municipality might deliberately set its license fee well below full cost to issue it as a way of supporting local businesses. The trade-off is that building and planning department users will likely pay higher costs or experience lower quality service.

The biggest issue with subsidies is that we often don't know much about them. Many municipalities don't collect or analyze the information needed to get to full cost. Instead, they use simple cost allocation rules like the 1/3 rule cited in the printer example above. Or even worse, they ignore indirect costs altogether. In the simple printer example, a better cost allocation method might be to track the number of copies each department makes and to assign each department a share of the total cost equal to its share of the total number of pages printed. That sort of direct measurement and allocation is quite difficult for more complex services, especially when indirect costs are shared across multiple programs, services, or municipalities. Once you understand full costs and subsidies, you also realize that across-the-board cuts, hiring freezes, and other similar budgeting strategies rarely affect all programs equally.

The printer example above also illustrates a crucial cost principle. Always question "average costs." Some of the costs like the lease payments are fixed costs, meaning they're the same regardless of the number of pages printed. Paper is a variable cost, meaning it increases exactly in proportion to the number of pages printed. Other costs, like maintenance, have both a fixed and a variable component. Every program or service has a different cost behavior, or blend of fixed and variable costs.

Fixed costs are a key part of the cost behavior for the printer. As the division prints more, those fixed costs are distributed across a larger number of pages printed. In other words, there is an economy of scale in printing. The cost per printing for 1,000 pages will be much more than the cost per printing for 10,000 pages.

This brings us back to the concept of "average costs." When someone quotes an average cost per unit of a program or service, the most obvious questions that needs to be asked are: Average

of what? At what level of service or output? Under what assumptions about fixed and variable costs? Does average include both the direct and indirect costs?

So what do these cost concepts mean for policy decisions? Say that the division in this example is facing a large budget shortfall and is considering changing its printing practices to save money. It might consider outsourcing its printing to a local printer. But without detailed knowledge of the full cost per copy at different quantities, it isn't possible to know if outsourcing will actually save money. It might allow other departments to use the printer for a small fee. This would require accurate information about the full cost to set a fee that covers the full costs plus an additional "profit." It might try to reduce printing costs by spending less on maintenance or repairs. This might not matter to the building or planning departments, but a prolonged printer breakdown might mean longer license turnaround times. It is important to weigh the full cost of licensing's printing needs against the saved money and the potential risk of a decline in service quality.

BUDGETING BASICS AND THE BUDGET PROCESS

Budget basics and general timelines.

The budget process is an opportunity to discuss a municipality's future, since everything that is going to get funded, needs to be listed in the budget. Technically speaking, the budget is the plan on how the municipality will spend money, articulated as a series of appropriations. Unlike accounting rules or auditing standards, there aren't any uniform policies or procedures for establishing a municipal budget, or its format. A quick review of most municipal budgets over the past 15 years will likely show that municipal budgets have evolved through various formats, with each subsequent budget including additional information and data, with an ever-increasing focus on transparency.

In some ways, a municipal budget isn't all that different from a personal budget. There are revenues (income) and there are expenses (costs). The fundamental goal is to ensure that you have enough revenues to cover your expenses. While everyone may agree on the services these costs represent, no one wants their taxes to go up, and everyone wants the municipality to find a better, fairer or cheaper way of delivering on the services they want.

Most municipal budgets are line-item budgets, meaning that they are organized around spending areas. The largest spending areas are usually personnel, commodities, and capital projects. Municipalities typically arrange their budgets around how much each department or agency will spend in these main areas. This is useful if the goal is to scrutinize the largest numbers in department-level budgets. It is less useful if the goal is to understand what programs and services cost, especially if multiple departments or agencies help to deliver a service.

The budget is process itself is considered successful if the budget is passed on time. That often means making spending decisions on short notice and without carefully considering the long-term consequences. When projected revenues and spending don't exactly add up, it's often tempting to balance the budget with accounting gimmicks. Some of the most popular are:

- Rosy revenue estimates, which assume revenues will grow faster than you might otherwise expect.
- One-shot revenues, such as including proceeds from a land sale or legal settlement, or borrowing money from a rainy-day fund, into the operating budget.
- Fund smoke and mirrors, where you transfer resources from the general fund to other funds and vice versa.
- Strategic bubbles, where you move revenue collections ahead of schedule from the next fiscal year into this one.
- Kick the can, where you pass a budget that assumes next year's legislature will pass a supplemental appropriation or otherwise take care of the budget deficit.
- Shift and shaft, where you argue that another level of government should pay for a program.
- Magic asterisk, where you identify savings you expect to materialize throughout the fiscal year.

While each of these gimmicks can help solve a short term budget problem, they can easily mask or amplify gaps between revenues

and spending over time. Shortsighted tricks like these can also seriously damage a municipality's fiscal health and ability to achieve its long-term goals.

Most municipality budgets processes share some common characteristics. Most follow these same basic steps and timeline:

1. Strategic planning should begin five to six months prior to the next fiscal year. Department and agency directors develop goals and objectives for the coming fiscal year. Ideally, these goals are connected to the municipality's broader strategic plan.

2. Department-level preparation should begin four to five months prior to the fiscal year. The municipality's administrative executive should transmit his or her budget priorities for the coming fiscal year. Department and agency leaders will propose budgets based on those priorities and on their own projected spending needs.

3. Revenue forecasting should be an ongoing process for two to six months prior to the fiscal year. Revenue officials will track economic trends and project revenues for the coming fiscal year. The final revenue forecast is usually the basis for the final budgeted revenues.

4. Executive preparation needs to occur two to three months prior to the fiscal year. The executive should review the department's proposed budgets and develop his or her final proposed budget. Most municipalities prepare a budget for annual programs and operations, usually called the operating budget, and a separate budget for purchases of building, land, equipment and other long-term public investment items, which is usually called the capital budget.

5. Legislative reviews should occur one to two months prior to the start of the fiscal year. Legislators will review the executive's proposed budget, question department and agency heads about their spending plans, and suggest changes.

6. Public hearings will occur one month prior to the fiscal year. Legislators should hold public hearings and receive citizen input. For most municipalities, budget hearings are stand-alone special public meetings.

7. Adoption is one of the last steps, which should occur two to three weeks prior to the beginning of the fiscal year. At this time, legislators should pass the budget. In some municipalities, legislators may only reduce budget line items, with the budget being passed once legislators approve it.

8. Execution of the passed budget is an ongoing process. Executives and legislature monitor the budget implementation and adjust the next year's budget planning accordingly. Most local governments allow for minor budget adjustments during the course of the budget year.

INVESTING FOR THE LONG HAUL

Investing in big-ticket items.

State and local governments are in the business of long-term stability. Infrastructure is a crucial ingredient of that stability. Infrastructure systems, such as roads for public transit, buildings for education, water and telecommunications systems, are the backbone a community's long-term social and economic health. Therefore, public moneys must be carefully invested in order to preserve, maintain and extend these systems.

Which projects can you afford to take on?

Municipalities devote a considerable portion of their spending on items designed to last more than one year. These are called capital assets. They include vehicles, buildings, land, roads, and water treatment facilities, among many others. Governments also invest in expensive intangible items like information technology systems or licenses to use certain products and services. These investments don't result in a physical item, but they are an essential part of delivering services.

Demands for capital investments are endless, but resources are limited. Like budgeting for operations, the principal challenge with capital investments is to set priorities. Priority-setting tends to happen through a planned capital budget, or based on debt capacity.

The Capital Budget – This is where your municipality identifies the capital investments it plans to make in the near future, usually within the next three to five years. Most local governments also develop a capital improvement plan. This is a document that identifies all long-term capital spending needs, usually 10-20 years in the future. Think of the capital budget as the highest priority projects from the capital improvement plan. Most municipalities use different methods to identify projects, evaluate the benefits and costs, and connect projects to broader strategic goals.

Debt Capacity – Most state and local governments finance the bulk of their major capital projects with debt. To finance a project with debt simply means that someone lends you the money, you do the project, then you pay back the borrowed money, plus some interest, over the next several years. Debt capacity has two components:

> Debt limits are state or local laws that restrict the amount of money a municipality can borrow. Sometimes they apply to certain types of debt but not to others, and sometimes a government can exceed them if voters approve. Regardless of the details, debt limits make it more difficult to finance capital projects, and that forces priority-setting.
>
> Debt affordability is a municipality's future ability to pay down debt. It's difficult to evaluate because future financial resources are closely linked to growth in a municipality's tax base, its population growth and other factors. At the same time, debt affordability is a crucial part of priority-setting because it's entirely possible for a government to take on debt it can't repay while staying well below its legal debt limit.

Which financing tool is best for you?

There are three main ways to finance local capital investments: pay-as-you-go, municipal bonds, and public-private partnerships.

Many capital investments are financed pay-as-you-go. This means that the municipality pays for the project with existing financial resources. Sources of pay-as-you-go financing include savings from previous budgets and special capital project funds where the municipality saves up money for projects over time.

However, most municipalities cannot save up enough to finance multimillion dollar capital improvements. So instead, they issue municipal bonds. A bond is like a mortgage. The borrower takes money from a lender and agrees to pay it back over time with interest. A municipal bond is any bond issued by a state or local government.

There are four basic types of municipal bonds, with each type corresponding to the revenues the issuing government uses to pay back the loan as follows:

General Obligation (GO): GO bonds are backed by the government's "full faith and credit" or "taxing power." This means it is willing to use whatever revenues it has available for repayment. GOs are generally seen as the most credit worth in the market, and fund a variety of general public projects like municipal buildings, parks, and schools.

Essential Revenue: These are bonds that are paid off by a specific revenue source from an essential service like a water utility or electric utility. These bonds are also credit worthy because citizens generally cannot do without these services, so the issuing government will always have access to revenues needed for repayment.

Non-Essential Revenue: These are bonds that are backed by a specific revenue stream from public housing, recreation centers, college dormitories, and other projects that are important by not necessarily essential to all taxpayers.

Lease Revenue: In a typical lease revenue structure, a special district like a public building commission issues the bonds, builds a facility and then leases that facility to a general government to use to deliver services. The special district then pays off the bonds with the lease payments. Lease revenue bonds are similar to GO bonds in that the issuer can appropriate different types of revenues to service the debt, and that bond investors tend to view them similar to other forms of debt. Nonetheless, they are not a formal general obligation pledge, so many municipalities are not required to count them as debt.

The vast majority of "munis" – as investors call municipal bonds – are tax exempt. Investors who buy them receive interest payments from the issuing government, but do not pay federal income taxes on those interest payments. Those interest proceeds are also exempt from most state and local invoice taxes. This tax exemption makes munis an attractive option for investors who want to earn stable, predictable income for retirement, college savings or other long-term investments. More than half of the $4 trillion in municipal bonds currently in circulation are held by individual investors.

In a public-private partnership (PPP or P3), an outside investor finances and builds a project on behalf of the government. In exchange, that investor(s) takes some or all of the future revenues generated by the project. The private partner can make money if it can properly manage the financing and construction risks, and the government can save money and preserve debt capacity for other projects. PPPs have worked well for projects that have a clear user charge, such as toll roads, water filtration

facilities and port infrastructure. Many state governments and federal government agencies offer tools to facilitate PPPs.

How do we get the money?

Once you've decided to access the capital markets, you must confront a number of policy and strategy questions.

Should we seek a bond rating?

A bond rating is an outside expert's opinion on whether your municipality will repay a bond. Or put differently, ratings agencies assess the likelihood an issuer will default, or fail to repay a bond. Three major companies issue most of the ratings on municipal bonds. Each applies its own criteria when rating a jurisdiction, but all three pay careful attention to some of the same factors:

Stable revenue streams. Bonds backed by robust, predictable revenue streams (e.g., property taxes) earn better ratings than bonds backed by revenues from more speculative projects (e.g., convention centers).

Demographics. Municipalities with growing populations and wealthy residents earn better ratings than those with stagnant populations or below average incomes.

Financial management and governance. A municipality will be better rated if it produces financial reports on time, maintains a rainy day fund or other budget stabilization tools, effectively manages its cash flow, has a clear capital budgeting plan, and has policies to prepare for contingencies.

Bond ratings matter. Improving your rating even by one notch can save money – perhaps hundreds of thousands of dollars – in borrowing costs. That said, some policymakers treat their municipality's bond rating as a grade on the quality of life in their community or on their effectiveness as a leader. Leadership and quality of life are only indirectly related to ratings. Fundamentally, a bond rating is nothing more than a statement about whether you will make good on a bond obligation.

Should we hire a financial advisor?

Most state and local governments do not have the staff expertise to navigate the municipal bond market. A financial adviser is an outside expert, sometimes connected to an investment bank, who can help your municipality manage the risks of assessing the public capital markets. Financial advisers can add tremendous value to your debt management process. At the same time, the municipal bond market's regulators have begun to carefully scrutinize relationships among issuers and financial advisers.

Competitive or negotiated sale?

An underwriter is a "middleman" between you and investors. Underwriters make money by lending you money, charging you a fee and then selling your bonds to investors at a higher price than what they paid you. When the underwriting process is complete, you have the money to begin your project. When an underwriter or other broker sells the bonds to an investor they notify the paying agent for the bonds. Later on, you pay your principal and interest on the bonds to the paying agent, and they distribute those payments to the investors.

There are two ways to engage an underwriter. One is a competitive sale. In this model, you develop the basic terms of the sale – how much money to borrow, what revenues to pledge for repayment, etc. – and then select an underwriter through an

auction. The underwriter who offers to loan you money at the stated terms for the lowest interest rate wins the auction. The alternative is a negotiated sale in which you select the underwriter in advance and negotiate the terms. Negotiated sales typically happen through teams of underwriters known as an underwriting syndicate.

There are advantages and disadvantages to each method of sale. Competitive sales are generally more transparent and as such, some think they're more accountable. Negotiated sales are less transparent, but they do offer the issuer more reliability in how and when to go to the market.

Should you seek credit enhancement?

Some bonds are backed by a third party that agrees to make principal and interest payments if the issuer cannot. This assurance, known as credit enhancement, is available from private insurers and from several state-level enhancement programs. For many BBB- and A- rated issuers it is cost effective to spend a few thousand dollars on a credit enhancement in exchange for several thousand dollars in saved borrowing costs.

LEGACY COSTS

Pensions and other post-employment benefits.

Few words can create as much of a stir to a state or municipal employee than the word "pension." Pensions are front and center in the ongoing fiscal drams being played out in Detroit and Stockton (CA). Yet pensions are only part of the story, since many governments also offer their retired subsidized health insurance, life insurance, and other benefits. But unlike pensions, most municipalities have not set aside resources to cover those other post-employment benefits (OPEB). When combined with the backlog of maintenance for state and local infrastructure, the unfunded costs for state and local governments continue to grow.

Pensions

A pension is a regular payment or annuity, to a retiree that is funded in part by his or her former employer. There are approximately 4,000 state and local government pension plans in the U.S., falling into two basic categories: defined contribution plans and defined benefit plans.

Defined contribution plans are, in effect, an employer-sponsored retirement savings account. Many state and local governments contribute to and manage these accounts on behalf of employees. By pooling many employees' savings together, a government's input into the retirement system is known, even if the employee's eventual retirement benefit is not.

The mechanics of a defined benefit pension are straightforward. Employees earn a guaranteed pension benefit during their years of active service to the government. While the employee is working, the government sets aside money in a pension plan to pay those future benefits. Pension plan managers invest that money. Employees start to receive their benefits when they retire. The pension plan pays those benefits with the proceeds earned from its investments. Employees, or their dependents stop receiving that benefit when they die.

For a government that offers a defined benefit plan, the central financial question is, "How much money must it set aside while an employee is active to pay that employee's future pension benefits?" To estimate that number, several questions must be answered.

Are pension benefits protected by state or local law?
Or by the state constitution? These restrictions limit the government's ability to change pension benefits later.

Do pension benefits automatically increase over time?
Do retirees receive periodic cost of living adjustments (COLAs)? Do active employees receive a COLA, either through state law or through collective bargaining agreements (CBAs)?

How many years must an employee work to earn a guaranteed benefit?
This is called vesting. Most state and local plans require at least 10 years of service to become fully vested.

How does the pension plan invest its assets?
Some plans are subject to strict rules about the types of stocks, bonds, and other assets they can pursue. This can limit the plan's expected investment returns. By contract, some plans have aggressively moved assets into alternative investments like hedge funds and private equity funds. These are large pools of money that require up-front investment and are managed according to a sophisticated investment strategy. Compared to traditional

investments, they usually carry greater risk, greater return, and higher fees paid to investment advisers.

An individual employee's pension benefit is based on three main factors:

- Final average salary (FDAS) over the final three to five years before retirement.
- Years of service
- A percent of FAS attributable to each year.

This is also knowns as units of service. Units of service, multiplied by years of service is often called the replacement rate, because it indicates how much pre-retirement income is replaced by the defined pension benefit.

A government's pension liability is simply the projected total cost of pension benefits for retirees and active employees who will eventually retire and draw benefits. There are two technical challenges to determine that liability. For one, the government must assume when retirees will die and when current employees will retire. Actuaries supply these assumptions. An actuary is a processional who uses sophisticated statistical analysis to predict life expectancy, risks in financial markets and other factors relevant to pensions. The total cost to provide pension benefits for the foreseeable future is known as the actuarial accrued liability (AAL).

Second, the actuarial liability must reflect differences in the time value of money. That is, the actuary must adjust the estimate to account for the fact that money the government will spend on these benefits in the future has less buying power – due to inflation and other factors – than money it will spend today. The number used to adjust the liability is known as the discount rate. Discount rates have emerged as one of the most controversial dimensions of public pension management. Critics believe state and local governments use discount rates that are too high, and therefore understate their pension liabilities. Proponents say those rates are appropriate given long-term trends in financial markets and funding risks.

Of the many numbers discussed in the pension context, the most important to policymakers is the annual required contribution or ARC. The ARC has two components. The first is the normal cost. This is the portion of the AAL the government must cover in a given year. The second is called the supplemental cost. If the plans' AAL exceeds its assets, it accrues an unfunded actuarial liability (UAL). Supplemental cost is the portion of the UAL the government must also cover in the current year. The ARC is highly sensitive to the actuarial assumptions on which it is based. Many municipalities pay into multiple pension plans, each with its own ARC.

Other Post-Employment Benefits

Many government employees, especially those in the police and fire service, are able to retire several years before they are eligible for Medicare at age 65. Many governments offer these retirees a way to offset the costs of health and life insurance during the interim period. Some offer access to the group health insurance plan that's available to active employees. Others go a step further and pay the insurance premiums on group health insurance on behalf of retirees. These benefits are known as other post-employment benefits (OPEB).

OPEB is similar to a defined benefit pension in that retirees earn a benefit that is known when an employee retires. The benefit is not a pension, bur rather access to health insurance at pre-determined price. And like defined benefit pensions, we can estimate the future cost of these benefits as a function of

employees' demographics, health care cost inflation and other actuarial information.

But OPEB is different from pensions in two crucial ways. First, most state and local governments have not set aside assets to cover future OPEB payments, choosing instead to fund it on a pay-as-you-go basis. Second, unlike pensions, OPENs are typically not guaranteed or protected by state law. State and local governments have much more latitude to scale back OPEBs and share OPEB-related costs with retirees. Many have implemented several changes to that effect.

TELLING THE FINANCIAL STORY

Accounting and auditing.

When the fiscal year is over, you need to be able to tell your municipal financial story to taxpayers, investors and other stakeholders, by explaining how the municipality connected its financial resources to its broader priorities. Accounting and auditing standards are the rules of the game for how to tell that story.

Basis of Accounting

The rules and concepts that guide accounting are known as Generally Accepted Accounting Principles (GAAP). Most state and large local governments follow the version of GAAP promulgated by a nonprofit organization called the Governmental Account Standards Board (GASB). Smaller local governments tend to follow any one of several alternative versions of GAAP known broadly as Other Comprehensive Basis of Accounting (OCBOA).

The GASB version of GAAP dictates a set of principles for when and how to recognize that a transaction has affected a government's finances. There are three distinct bases of accounting:

Cash Basis

This recognizes revenue when cash is received and expenses when a resource is paid for in cash. Cash basis accounting is helpful if the goal is to know exactly how much money is available to cover expenses in the near future.

Accrual Basis

This recognizes revenue when the jurisdiction delivers a good or service, even if it does not receive cash, and expenses when a resource is used to deliver those goods or services, even if it does not pay cash. Accrual accounting is ideal when the goal is to understand the government's long-term financial conditions.

Modified Accrual Basis

This recognizes revenues when they become available and measurable, and expenses when they are incurred. This basis is unique to state and local governments. It is designed to reflect the cash flows related to government revenues.

Fund accounting is also designed to acknowledge that many state and local government revenues are for specific purposes, and cannot be mixed with other revenues. Governments create funds to ensure that resources are applied to their appropriate purposes. A fund is a self-balancing account where the government recognizes all the transactions related to a certain type of revenue. Most have a series of special revenue funds for earmarked revenues, enterprise funds to account for business-type activities like utilities or parking facilities, and a general fund that covers general sales, income and property taxes. Each fund is reported separately in the basic financial statements.

Basic Financial Statements

Once the government has completed its fiscal year(s), it prepares a set of financial statements that report on its financial activity during that most recent fiscal year. Most produce a set of annual financial statements known as a comprehensive annual financial report (CAFR). A CAFT contains two financial statements that speak to the government's overall finances, and several fund statements that report on the finances of specific funds or groups

of funds. The two main government-wide financial statements are:

Statement of Net Position

This statement shows the relationship between the government's assets and liabilities. An asset is anything that has long-term value, such as cash, property and equipment. A liability is any outside claim on an asset. A key indicator of a government's financial condition is net assets, or the difference between assets and liabilities. The statement of net position is similar to the balance sheet for a nonprofit or profit company, and is prepared on the accrual basis.

Statement of Activities

This statement is similar to the income statement for a nonprofit or for profit company. It identifies the government's revenues and expenses. However, unlike nonprofits and corporations, where we expect revenues to exceed expenses, expenses for governmental activities often exceed revenues. This is because general government services that do not charge a fee will incur more expenses than revenue. This statement is prepared on the accrual basis.

A typical CAFR also contains three additional financial statements for each of the government's major funds or group of funds. For governmental funds, these statements are prepared on the modified basis of accounting. For enterprise funds, they are prepared on the full accrual basis.

Balance Sheet

This statement covers assets and liabilities within the fund. At the fund level, the difference between assets and liabilities is known as fund balance. Fund balance in the general fund is one of the most closely watched indicators of financial condition.

Statement of Revenues, Expenditures, and Changes in Fund Balance

This statement identifies the revenues and expenditures within the fund, and how the difference between revenues and expenditures affected fund balance.

Reconciliation

This is similar to the cash flow statement for a nonprofit or corporation. It shows how changes in revenues and expenditures within the fund added or subtracted to the government-wide net position.

The Audit Process

Once a government has prepared its financial statements, or hired an outside accountant to prepare its statements, it calls in an external auditor to review those statements. Some governments are required to engage an auditor from their state government, while others are expected to hire an outside auditor.

The auditor's main task is to offer a professional opinion on whether the financial statements fairly represent the government's actual financial position. To reach this conclusion, the auditor reviews the government's financial records and processes according to national generally accepted auditing standards (GAAS). This includes testing a sample of the government's financial records to ensure that financial staff process transactions in similar ways, and interviewing staff to better understand the policies and procedures for how to interpret certain types of transactions, among other procedures. The ideal outcome for the financial audit is an unqualified – or clean – audit opinion. This means there was no evidence the government's financial statements misrepresent its actual financial position.

The point of a financial audit is to ensure that your municipality has the accounting systems, management policies and trained staff in place to make sure resources are used as they should be. There is a misnomer that financial audits are designed to uncover fraud, waste and abuse. Audits occasionally identify these problems, but most cases of identified fraud are from whistleblowers and self-reporters, not audits. Governments that receive a lot of federal money are also required to undergo an annual Single Audit. The Single Audit is a program audit, meaning its purpose is to provide assurance that the government is using federal money according to its intended purpose. Most outside auditors can perform the Single Audit as part of the overall financial audit process. Many auditors will perform a review of internal controls as part of their audit planning. This report sometimes called "the management letter," notes any weaknesses in internal controls that came to the auditor's attention. The terminology has shifted over time; these are findings, which used to be called "material weaknesses" in internal control, and are real red flags.

Acronym Table

ACH	Automated Clearing House
ADA	Americans with Disabilities Act
AMR	Automatic Meter Reading
AICPA	American Institute of Certified Public Accountants
BAN	Bond Anticipated Note
BTU	British Thermal Unit
CAD	Computer Aided Dispatch
CAFR	Comprehensive Annual Financial Report
CAMA	Computer Assisted Mass Appraisal
CAMEO	Computer Assisted Management of Emergency Operations
CASE	Cultural Affairs and Special Events
CD	Certificate of Deposit
CDBG	Community Development Block Grant
CFC	Chlorofluorocarbons
CIP	Capital Improvement Plan
COA	Council on Aging
CoC	Continuum of Care
COI	Certificate of Inspection
COLA	Cost of Living Allowance
COOL	Cultural Organization of Lowell
CSO	Combined Sewage Overflow
CTI	Community Teamwork Inc.
CY	Calendar Year
DBA	Doing Business As
DCR	Massachusetts Department of Conservation and Recreation
DEP	Massachusetts Department of Environmental Protection
DESE	Massachusetts Department of Elementary and Secondary Education
DHCD	Massachusetts Department of Housing and Community Development
DOE	U.S. Department of Energey or Massachusetts Department of Education
DOR	Massachusetts Department of Revenue
DPD	Department of Planning and Development
DPW	Department of Public Works
EEO	Equal Employment Opportunity
EEOC	Equal Employment Opportunity Commission
EFT	Electronic Funds Transfer
EMS	Emergency Medical Services
EOEA	Massachusetts Executive Office of Environmental Affairs
EPA	U.S. Environmental Protection Agency
EQV	Equalized Valuation
ESCO	Energy Savings/Service Company
FASAB	Federal Accounting Standards Advisory Board
FASB	Financial Accounting Standards Board
FEMA	Federal Emergency Management Agency
FTE	Full Time Equivalent
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
GAAS	Generally Accepted Auditing Standards
GAGAS	Generally Accepted Government Auditing Standards
GAO	Government Accountability Office
GASB	Government Accounting Standards Board
GFOA	Government Finance Officers Association
GIC	Group Insurance Commission
GIS	Geographic Information Systems
GLRTHS	Greater Lowell Regional Technical High School
HIPAA	Health Insurance Portability and Accountability Act

HMO	Health Maintenance Organization
HUD	U.S. Department of Housing and Urban Development
IRS	Internal Revenue Service
LCHC	Lowell Community Health Center
LFD	Lowell Fire Department
LHA	Lowell Housing Authority
LMA	Lowell Memorial Auditorium
LPCT	Lowell Parks and Conservation Trust
LPD	Lowell Police Department
LPS	Lowell Public School
MCAS	Massachusetts Comprehensive Assessment System
MCC	Middlesex Community College
MCWT	Massachusetts Clean Water Trust
MGL	Massachusetts General Law
MGLA	Massachusetts General Law Annotated
MHC	Massachusetts Historical Commission
MIS	Management Information Systems
MMDT	Massachusetts Municipal Depository Trust
MSRB	Municipal Securities Rulemaking Board
MWRA	Massachusetts Water Resources Authority
NIBRS	National Incident Based Reporting Systems
NSS	Net School Spending
OCBOA	Other Comprehensive Basis of Accounting
PERAC	Public Employee Retirement Administration Commission
PILOT	Payment In-Lieu-Of Tax
RAN	Revenue Anticipated Note
SEC	Securities and Exchange Commission
SBAP	School Building Assistance Program
SRF	State Revolving Fund
TBI	To Be Issued
UGGA	Unrestricted General Government Aid

UMAS	Uniform Municipal Accounting System
UML	University of Massachusetts Lowell
VA	U.S. Department of Veterans Affairs
VoIP	Voice Over Internet Protocol

Glossary of Terms Commonly Used in Municipal Finance

Abatement: A reduction or elimination of a level imposed by a governmental unit, most often applicable to tax levies, motor vehicle excise, fees, charges and special assessments.

Accounting System: The total structure of records and procedures that identify, record, classify and report information on the financial position and operations of a governmental unit or any of its funds, balanced account groups or organizational components.

Accrued Interest: In an original governmental bond sale, accrued interest is the amount of interest that has accumulated on the bonds from the day they are dated up to, but not including, the date of delivery (settlement date).

Actual (e.g., FY15 Actual): The actual amount expended on a line item in the stated fiscal year.

American Institute of Certified Public Accountants (AICPA): This organization represents the CPA profession and sets professional standards and rules of conduct for accountants.

Amortization: The gradual elimination of an obligation, such as a bond, according to a specified schedule of times and amounts. The principal amount of a home mortgage, for example, is amortized by monthly payments.

Appropriation: An authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and the time in which it may be expended. Only a town meeting, council or the school committee can authorize money appropriated for one purpose to be used for another. Any amount that is appropriated may be encumbered (see ***Encumbrance***). Any part of an appropriation not spent or encumbered by June 30 automatically reverts to the undesignated fund balance that may result in free cash. If departments know of remaining unpaid bills at the close of the fiscal year and properly notify the accountant (C 41, s 58), the departmental appropriation is encumbered to extend the general spending authorization until such time that the bill is paid or it is decided not to spend the funds.

If these encumbrances are not acted on within a year, the accountant generally notifies the department and closes them out. A special warrant article/appropriation, however, may carry forward from year to year until spent for the designated purpose or until it is transferred by a town meeting vote to another account.

Approved (e.g., FY15 Approved): The amount approved by the City Council to be expended on this line item in the stated fiscal year.

Arbitrage: As applied to municipal debt, the investment of tax-exempt bond or note proceeds in taxable higher yielding securities. This practice is restricted under Section 103 of the IRS Code, and (beyond certain limits) earnings are required to be rebated (paid) to the IRS.

Assessed Valuation: A valuation set upon real estate or other property by a government as a basis for levying taxes. In Massachusetts assessed valuation is based on *full and fair cash value*, the amount a willing buyer would pay a willing seller on the open market. Assessors must collect, record and analyze information about the physical characteristics of the property and the market in order to estimate the fair market value of all taxable properties in their communities.

Audit: An examination of systems, procedures and financial data by a certified accountant, reporting on the fairness of financial statements and compliance with statutes and regulations. (Audits can be valuable management tools for evaluating the fiscal performance of communities.)

Audit Report: The product of an audit prepared by an independent auditor. The report often includes: (a) a statement of the scope of the audit; (b) explanatory comments as to application of auditing procedures; (c) findings and opinions; (d) financial statements and schedules; and (e) statistical tables, supplementary comments and recommendations.

Available Funds: These are funds established through previous appropriations or results of favorable conditions. These may be appropriated to meet emergency or unforeseen expenses, large one-time or capital expenditures. Examples: Free Cash, Stabilization Fund, Overlay Surplus, Water Surplus and enterprise retained earnings.

Balance Sheet: A statement that discloses the assets, liabilities, reserves and equities of a fund or governmental unit at a specified date.

Balanced Budget: A budget in which revenues are equal to expenditures. Thus neither a budget deficit nor a budget surplus exists (e.g., "the accounts balance"). More often, it refers to a budget that has no budget deficit, but could possibly have a budget surplus.

Basis of Accounting: Basis of accounting refers to when revenues and expenditures or expenses are recognized in accounts and reported on financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds and expendable trust and agency funds could be accounted for using the modified accrual basis of accounting. Under this method revenues are recognized when they become measurable and available as net current assets with the following guidelines:

- Property taxes, excise taxes, departmental and governmental receivables are recorded as revenue when received in cash as are monies received during the first 60 days of the following fiscal year; and

- Expenditures are generally recognized under the accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt, which is recognized when due.

- All proprietary funds and nonexpendable trust and pension trust funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

Betterments (Special Assessments): Whenever a specific area of a community receives benefit from a public improvement (e.g., water, sewer, sidewalk, etc.), special property taxes may be assessed to reimburse the governmental entity for all or part of the costs it incurred. Each parcel receiving benefit from the improvement is assessed for its proportionate share of the cost of such improvements. The proportionate share may be paid in full or the property owner may request that the assessors apportion the betterment over 20 years. Over the life of the betterment, one year's apportionment along with one year's committed interest computed from October 1 to October 1 is added to the tax bill until the betterment has been paid.

Bond: A written promise to pay a specified sum of money, call the face value (par value) or principal amount, at a specified date or dates in the future, called maturity date(s), together with periodic interest at a specified rate. The difference between a note and a bond is that the latter runs for a longer period of time.

Bond and Interest Record: The permanent and complete record maintained by a treasurer for each bond issue. It shows the amount of interest and principal coming due each date, the bond and coupon numbers, and all other pertinent information concerning the bond issue. The term is synonymous with Bond Register.

Bond Anticipation Note (BAN): Once borrowing for a specific project has been approved by two-thirds vote of town meeting or city council and prior to issuing long-term bonds, short-term notes may be issued to provide cash for initial project costs. BANs may be issued for a period not to exceed five years but with a reduction of principal after two years (Ch. 44, s 17). The final maturity date of the project borrowing, beginning from the date the short-term note was issued, may not exceed the term specified by statute (Ch. 44, s 7 and 8). BANs are full faith and credit obligations.

Bond Authorization: *See* ***Debt Authorization***.

Bonds Authorized and Unissued: Bonds that a government has been authorized to sell but has not yet done so. Issuance at this point is only contingent upon action by the treasurer and mayor or selectmen.

Bond Issue: Generally, the sale of a certain number of bonds at one time by a governmental unit.

Budget: A plan of financial operation embodying an estimate of proposed revenues and expenditures for a given period and the proposed means of financing them. A budget may be *preliminary* (the financial plan presented to the town meeting) or *final* (the plan approved by that body). The budget should be separated into basic units, either by department, program or service. The format is important because by classifying by service or department, the budget is clearly defined and more easily understood by both local officials and town meeting.

Budget Message: A statement by the town's policymakers summarizing the plans and policies contained in the budget report, including an explanation of the principal budget items, an outline of the municipality's experience during the past year and its financial status at the time of the message, and recommendations regarding financial policy for the coming fiscal year.

Budget Unit: A department to which the City Council appropriates funds.

Calendar Year (CY): The period of January 1 through 12/31 of any given year, usually written as CYnnnn (for example, CY2015 would denote the calendar year ending on 12/31/2015.

Capital Budget: An annual appropriation or spending plan for capital expenditures (tangible assets or projects that cost at least $25,000 and have a useful life of at least five years). This type of budget should recommend the method of financing for each item recommended and identify those items that are recommended to be deferred due to scarce resources.

Capital Expenditures/Improvements: These are items generally found in the capital budget such as construction, acquisitions, site development, major repairs or replacement to capital facilities and public ways and overhead costs. The fees for architects, engineers, lawyers, and other professional services, plus the cost of financing advance planning, may be included.

Capital Improvements Program: A comprehensive schedule for planning a community's capital expenditures. It coordinates community planning, fiscal capacity and physical development. While all of a community's needs should be identified in the program, there should also be a set of criteria that prioritizes expenditures. A capital program is a plan for capital expenditures that extends five years beyond the capital budget and is updated yearly.

Capital Outlay Expenditure Exclusion: A vote by a community at an election to exclude payments for a single year capital project from the levy limit. The exclusion is limited to one year and may temporarily increase the levy above the levy ceiling.

Cash: Currency, coin, checks, postal and express money orders and bankers' drafts on hand or on deposit with an official or agent designated as custodian of cash and bank deposits.

Cash Management: The process of managing monies of a local government in order to ensure maximum cash availability and maximum yield on short-term investment of idle cash.

Cemetery Perpetual Care: These funds are donated by individuals for the care of grave sites. According to Ch. 114, s 25, funds from this account must be invested and spent as directed by perpetual care agreements. If no agreements exist, interest (but not principal) may be used as directed by the cemetery commissioners for the purpose of maintaining cemeteries.

Certification: The action of a bank or trust company (or DOR's Bureau of Accounts for State House Notes) in certifying the genuineness of the municipal signatures and seal on a bond issue. The certifying agency may also supervise the printing of bonds and otherwise safeguard their preparation against fraud, counterfeiting, or over-issue. Also known as Authentication.

Certificate of Deposit (CD): A bank deposit evidenced by a negotiable or non-negotiable instrument, which provides on its face that the amount of such deposit plus a specified interest payable to a bearer or to any specified person on a certain specified date, at the expiration of a certain specified time, or upon notice in writing.

Cherry Sheet: Named for the cherry colored paper on which it was originally printed, the Cherry Sheet is the official notification from the Commissioner of Revenue of the next fiscal year's state aid and assessments to communities and regional school districts. State aid to municipalities and regional school districts consists of two types: distributions and reimbursements. Distributions provide funds based on formulas, while reimbursements provide funds for costs incurred during a prior period for certain programs or services. In addition, communities may receive "offset items" that must be spent on specific programs. Cherry Sheet Assessments are advanced estimates of state assessments and charges and county tax assessments. Local assessors are required to use these figures in setting the local tax rate. (Because these figures are estimates, it should be noted that the final aid or assessment may differ based on filing requirement and/or actual data information.)

Cherry Sheet Offset Items: Local aid accounts that may be spent without appropriation in the budget but which must be spent for specific municipal and regional school district programs. Current offset items include racial equality grants, school lunch grants and public libraries grants.

City Council: By charter, the City of Lowell follows a Plan E Form of government, in which the popular vote of the City of Lowell's residents elects nine members to the City Council to serve a two year term of office. City Councilors then elect one of their members to serve as City Mayor, who serves as the official head of the City, presiding over City Council and School Committee meetings. The City Council appoints: a City Auditor, to be responsible for the approval, payment, and recording of all financial transactions for the City; a City Clerk, to be responsible as the administrator to the legislative function of City government; and a City Manager, to be the Chief Executive Officer of the City.

Classification of Real Property: Assessors are required to classify all real property according to use into one of four classes: residential, open space, commercial, and industrial. Having classified its real properties, local officials are permitted to determine locally, within

limitations established by statute and the Commissioner of Revenue, what percentage of the tax burden is to be borne by each class of real property and by personal property owners (*see* ***Classification of the Tax Rate***).

Classification of the Tax Rate: In accordance with M.G.L. Ch. 40, s 56, the selectmen vote to determine the tax rate options. Based on the residential factor adopted (*see* ***Residential Factor***), any community may set as many as three different tax rates for : residential property; open space; and commercial, industrial and personal property.

Collective Bargaining: The negotiations between an employer and union representative regarding wages, hours and working conditions.

Conservation Fund: This fund may be expended for lawful conservation purposes as described in Ch. 40, s 8C. This fund may also be expended for damages related to the taking of land by eminent domain, provided that such taking has first been approved by a two-thirds vote of city council or town meeting.

Consumer Price Index: The statistical measure of changes in the overall price level of consumer goods and services based on prices of goods and services purchased by urban wage earners and clerical workers, including families and single persons. The index is often called the "cost-of-living index."

Cost-Benefit Analysis: An analytical approach to solving problems of choice. First, different ways to achieve an objective are identified. Then an alternative is chosen to produce the required benefits at the lowest cost or greatest benefits for a given cost.

Cost of Living Allowance (COLA): An annual adjustment in wages to offset a change (usually a loss) in purchasing power, as measured by the Consumer Price Index, with the purpose of offsetting inflation as experienced by the consumer.

Crosswalk: A clear path linking separate considerations, such as a crosswalk between a line item and program budget. For example, all department appropriations are set up the same way. However, because of the programmatic and reporting responsibilities a school department has to the Department of Education (DOE), a school department generally has a very detailed set of line items by program. Expenditures must be tracked for DOE purposes, yet must also be easily communicated to the town accountant. Therefore, a crosswalk is established from the infinitesimal school detail to the larger picture of the town's appropriation.

Debt Authorization: Formal approval to incur debt by municipal officials, in accordance with procedures stated in M.G.L. Ch. 44, specifically 2 1, 2, 3, 4a and 6-15.

Debt Burden: The level of debt of an issuer, usually as compared to a measure of value (debt as a percentage of assessed value, debt per capital, etc.). Sometimes debt burden is used in referring to debt service costs as a percentage of the annual budget.

Debt Exclusion: This is a vote by a municipality at an election to exclude debt service payments for a particular capital project from the levy limit. The amount necessary to cover the annual debt service payment is added to the levy limit for the life of the debt only. A debt exclusion may temporarily increase the levy above the levy ceiling (*see* ***School Building Assistance Program***).

Debt Limit: The maximum amount of debt that a municipality may have authorized for qualified purposes under state and self-imposed ceilings.

Debt Service: The cost (usually stated in annual terms) of the principal retirement and interest of any particular issue.

Default: Failure to pay principal or interest when due.

Direct Debt: Debt a municipality has incurred in its own name as opposed to overlapping debt.

Effective Interest Rate: For a municipal borrower, the net cost of borrowing (expressed as an interest rate) after costs associated with a loan is accumulated and added to the nominal interest rate.

Encumbrance: Obligations in the form of purchase orders, contract or salary commitments that are chargeable to an appropriation and for which a part of the appropriation is reserved.

Enterprise Funds: An accounting mechanism allowing a community to demonstrate to the public the portion of total costs of a service that is recovered through user charges and the portion that is subsidized by the tax levy. With an enterprise fund all costs of service delivery—direct, indirect and capital costs—are identified. This allows the community to recover total service costs through user fees if it so chooses. Enterprise accounting also enables communities to reserve the "surplus" or retained earnings generated by the operation of the enterprise rather than closing it out at yearend. According to Ch. 44 s 53F the services that may be treated as enterprises include, but are not limited to, water, sewer, hospital and airport services.

Equalized Valuations (EQVs): The determination of the full and fair cash value of all property in the commonwealth that is subject to local taxation. EQVs have historically been used as variables in distributing certain state aid accounts and for determining county assessments and certain other costs. The Commissioner of Revenue, in accordance with M.G.L. Ch. 58 s 10C, is charged with the responsibility of bi-annually determining an equalized valuation for each town and city in the Commonwealth.

Estimated Receipts: Estimates of state and local miscellaneous receipts based on previous year's receipts deducted by the assessors from gross amount to be raised by taxation.

Excess and Deficiency: Also called the "surplus revenue" account, this is the amount by which cash, accounts receivable and other assets exceed the liabilities and reserves.

Excess Levy Capacity: The difference between the levy limit and the amount of real and personal property taxes actually levied in a given year. Annually, the board of selectmen or council must be informed of excess levying capacity and evidence of such acknowledgment must be submitted to DOR when setting the tax rate.

Exemptions: Upon approval of an application to the board of assessors, these are full or partial discharges from the obligation to pay a property tax by statute on particular categories of property or persons. Examples include hospitals, schools, houses of worship and cultural institutions that are of benefit to the community. In addition, exemptions may be granted for qualified veterans, persons over 70 years of age and certain financial hardships.

Expenditure: The spending of money by municipalities for programs within their approved budgets.

- **Federal Accounting Standards Advisory Board (FASAB)**: This board advises the U.S. Department of Treasury on accounting rules for federal government agencies, and serves the public interest by improving federal financial reporting through issuing federal financial accounting standards and providing guidance after considering the needs of external and internal users of federal financial information.

Fiduciary Funds: Fiduciary funds account for assets held by the municipality in a trustee capacity or as an agent for individuals, private organizations, other governments and other funds. These include expendable trust, nonexpendable trust, pension trust and agency funds. Nonexpendable trust and pension trust funds are accounted for in essentially the same manner as proprietary funds since capital maintenance is critical. Expendable trust funds are accounted for in essentially the same manner as governmental funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

- **Financial Accounting Standards Board (FASB):** Sets standards of financial accounting that govern the preparation of financial reports by public companies and nonprofit organizations. Focused on credible, concise, and understandable financial information.

Fiscal Year (FY): The Commonwealth and municipalities operate on a fiscal year that begins on July 1 and ends on June 30. The number of the fiscal year is that of the calendar year in which the fiscal year ends; e.g., the 2011 fiscal year, July 1, 2010, to June 30, 2011, is usually written as FY11. This, however, no longer coincides with the fiscal year followed by the federal government, which begins on October 1 and end on September 30.

Fixed Costs: These are costs that are legally or contractually mandated (e.g., retirement, FICA/Social Security, insurances, debt service or interest, etc.).

Float: The amount of money making up the difference between the bank balance for a local government's account and its book balance at the end of the day. The primary factor creating float is clearing time on checks and deposits. Delays in receiving deposit and withdrawal information also influence float.

Foundation Budget: The target set for each school district defining the spending level necessary to provide an adequate education for all students. The foundation budget is comprised of both local effort and state aid.

Free Cash: (Also Budgetary Fund Balance) Funds remaining from the operations of the previous fiscal year that are certified by DOR's director of accounts as available for appropriation. Remaining funds include unexpended free cash from the previous year, receipts in excess of estimates shown on the tax recapitulation sheet and unspent amounts in budget line items. Unpaid property taxes and certain deficits reduce the amount of remaining funds that can be certified as free cash.

The calculation of free cash is made based on the balance sheet, which is submitted by the community's auditor, accountant or comptroller. Typically, a community will attempt to maintain a free cash balance of between three and five percent of its total budget as a hedge against unforeseen expenditures, to ensure there will be an adequate reserve to prevent sharp fluctuations in the tax rate, and to prevent expensive short-term borrowing. (Maintenance of an adequate free cash level is not a luxury but a necessary component of sound local fiscal management. Credit rating agencies and other members of the financial community expect municipalities to maintain free cash reserves; judgments regarding a community's fiscal stability are made, in part, on the basis of free cash.) Also *see* ***Available Funds***.

Full Faith and Credit: A legal pledge of the general taxing powers for the payment of governmental obligations. Bonds carrying such pledges are usually referred to as general obligation or full faith and credit bonds.

Fund: An accounting entity with a self-balancing set of accounts that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with specific regulations, restrictions or limitations.

Fund Accounting: Organizing the financial records of a municipality into multiple funds. A fund is a distinct entity within the municipal government in which financial resources and activity (assets, liabilities, fund balances, revenues and expenditures) are accounted for independently in accordance with specific regulations, restrictions or limitations. Examples of funds include the Massachusetts General Fund and enterprise funds. Communities whose accounting records are organized according to the Uniform Municipal Accounting System (UMAS) use multiple funds.

Fund Balance: The difference between a governmental fund's current assets – cash, short-term investments, inventories, receivables, and other unrestricted assets expected to be available to finance operations in the immediate future – and its current liabilities.

Generally Accepted Accounting Principles (GAAP): A standardized framework of guidelines, conventions, and rules related to financial accounting practices and reporting.

General Fund: This non-earmarked fund is used to account for most financial resources and activity governed by the normal town meeting/city council appropriation process.

General Obligation Bonds: Bonds issued by a municipality that are backed by the full faith and credit of its taxing authority.

Generally Accepted Auditing Standards (GAAS): A standardized framework of guidelines, conventions, and rules related to audit quality and professional conduct of auditors. The Auditing Standards Board of the AICPA sets these standards.

Generally Accepted Government Auditing Standards (GAGAS): A standardized framework of guidelines, conventions, and rules related to audit quality and professional conduct specifically for government audits; set by the Government Accountability Office.

- **Government Accountability Office (GAO):** Audit and evaluation agency that works for the U.S. Congress, and is responsible for investigating how the federal government spends taxpayer dollars. The GAO is responsible for setting the Generally Accepted Government Auditing Standards.

- **Government Accounting Standards Board (GASB):** Independent, nonprofit organization that establishes governmental accounting rules (e.g., GAAP), which is followed by most governmental entities.

- **Government Finance Officers Association (GFOA):** A professional organization of public officials united to enhance and promote professional management of government financial resources by identifying, developing and advancing fiscal strategies, policies, and practices for the public benefit. This is the primary association for state and local government finance professionals.

Governing Body: The board, committee, commissioners or other legislative body of a governmental unit including the school committee of a municipality.

Group Insurance Commission: Group established in 1955 to provide and administer health insurance benefits to the Commonwealth's employees and retirees. Now also allows municipalities to participate.

Indirect Cost: Costs of a service not reflected in the service's operating budget. A determination of these costs is necessary to analyze the total cost of service delivery. (An example of an indirect cost of providing water service would be health insurance costs for water employees.)

Interest: Compensation paid or to be paid for the use of money, including interest payable at periodic intervals or as discount at the time a loan is made.

Interest Rate: The interest payable, expressed as a percentage of the principal available for use during a specified period of time. It is always expressed in annual terms.

Internal Revenue Service (IRS): Federal Government organization which establishes federal tax laws, collects federal government taxes, and monitors compliance and enforcement of federal tax laws. Among its many duties, the IRS also monitors the tax-exempt status of municipal bonds.

Investments: Securities and real estate held for the production of income in the form of interest, dividends, rentals or lease payments. The term does not include fixed assets used in governmental operations.

JAM: The Jackson, Appleton, Middlesex redevelopment area.

Land Fund: A fund established in FY86 to which municipalities may add an annual appropriation earmarked for the acquisition of land or debt service on designated land purchases.

Law Enforcement Trust Fund: A revolving fund established to account for a portion of the proceeds from the sale of property seized from illegal drug-related activities. Funds may be expended to defray certain qualified law enforcement costs as outlined in Ch. 94C, s 47. Funds from this account may be expended by the police chief without further appropriation.

Levy Ceiling: The maximum tax assessed on real and personal property may not exceed 2 percent of the total full and fair cash value of all taxable property (M.G.L. Ch. 59 s 21C). Property taxes levied may exceed this limit only if the community passes a capital outlay expenditure exclusion, a debt exclusion or a special exclusion.

Levy Limit: The maximum amount a community can levy in a given year. The limit can grow each year by 2 percent of the prior year's levy limit (M.G.L. CH. 59 x 21C (f,g,k)) plus new growth and any overrides. The levy limit can exceed the levy ceiling only if the community passes a capital expenditure exclusion, debt exclusion or special exclusion.

Line Item Budget: A budget that focuses on inputs of categories of spending, such as supplies, equipment maintenance or salaries, as opposed to a program budget.

Local Aid: Revenue allocated by the Commonwealth to towns, cities and regional school districts. Estimates of local aid are transmitted to towns, cities and districts annually by the "Cherry Sheet." Most of the Cherry Sheet aid programs are considered revenues of the municipality's or regional school district's general fund and may be spent for any purpose subject, subject to appropriation.

Local Appropriation Authority: In a town, the town meeting has the power to levy directly a property tax. In a city, the city council has this power.

Local Receipts: Locally generated revenues other than real and personal property taxes and excluding enterprise fund revenues. Examples include motor vehicle excise, investment income, hotel/motel tax, fees, rentals, and charges. Annual estimates of local receipts are shown on the tax rate recapitulation sheet.

Manager (e.g., FY15 Manager): The final proposed budget amount for the stated line item as determined by the City Manager. This is the number submitted to for approval by the City Council.

Maturity: The date upon which the principal of a bond becomes due and payable.

Massachusetts Municipal Depository Trust (MMDT): Founded in 1977 it is an investment program in which municipalities may pool excess cash. It is under the supervision of the state treasurer.

Minimum Required Local Contribution: The minimum that a town or city must appropriate from property taxes and other local revenues for the support of schools.

Moody's Investment Services, Inc.: One of the leading municipal bond rating agencies.

Municipal(s): (As used in the bond trade) "Municipal" refers to any governmental unit below or subordinate to the state. "Municipals" (i.e., municipal bonds) include not only the bonds of all local subdivisions such as towns, cities, school districts and special districts, but also bonds of states and agencies of the state.

Municipal Revenue Growth Factor: An estimate of the percentage change in a municipality's revenue growth for a fiscal year. It represents the combined percentage increase in the following revenue components: automatic 2 percent increase in the levy limit, estimated new growth, the change in selected unrestricted state aid categories and the change in selected unrestricted local receipts.

Municipal Securities Rulemaking Board (MSRB): This organization, which is subject to oversight by the SEC, regulates the municipal bond market by setting the rules and standards for municipal bond underwriters, brokers and advisors.

M.G.L. (or MGLA): Massachusetts General Laws, Annotated.

Net School Spending (NSS): Includes both school budget and municipal budget amounts attributable to education, excluding long-term debt service, student transportation, school lunches and certain other specified school expenditures. A community's NSS funding must equal or exceed the NSS Requirement established annually by the Department of Education.

New Growth: The taxing capacity added by new construction and other increases in the property tax base. New growth is calculated by multiplying the value associated with new construction by the tax rate of the previous fiscal year. For example, FY11 new growth is determined by multiplying the value of new construction in calendar 2009 (as valued on January 1, 2010) by the FY10 tax rate.

Note: A short-term loan, typically of a year or less in maturity.

Objects of Expenditures: A classification of expenditures that is used for coding any department disbursement, such as "personal services," "expenses," or "capital outlay."

Official Statement: A document containing information about a prospective bond issue or a note issue which contains information about the issue and the issuer and is intended for the potential investor. The official statement is sometimes published with the notice of sale. It is sometimes called an offering circular or prospectus.

Offset Receipts: Includes certain education programs and the aid to public libraries program which are designated on the Cherry Sheet as offset items. These amounts can be spent without appropriation but must be spent only for these specific programs.

Operating Budget: The plan of proposed expenditures for personnel, supplies, and other expenses for the coming fiscal year.

Other Amounts to be Raised: Amounts raised through taxation but which are not appropriations items. Generally, these are locally generated expenditures (e.g., overlay, teacher pay deferral, deficits) as well as state, county and other special district charges. Because these must be funded in the annual budget, special consideration should be given to them when finalizing the budget recommendations to town meeting. (*See* Tax Recapitulation).

Other Comprehensive Basis of Accounting (OCBOA): These are accounting rules followed by some governments, especially small jurisdictions that do not follow GAAP as set by GASB.

Overlapping Debt: The share of regional school district and/or other regional agency debt which is allocable to and payable by a municipality as part of the fees or assessment from the regional entity.

Overlay: (Overlay Reserve or Reserve for Abatements and Exemptions) An Account established annually to fund anticipated property tax abatements and exemptions in that year. The overlay reserve is not established by the normal appropriation process, but rather is raised on the tax rate recapitulation sheet.

Overlay Deficit: A deficit that occurs when the amount of overlay raised in a given year is insufficient to cover abatements and statutory exemptions for that year. Overlay deficits must be provided for in the next fiscal year.

Overlay Surplus: Any balance in the overlay account of a given year in excess of the amount remaining to be collected or abated can be transferred into this account (See Overlay). Within 10 days of a written request by the chief executive officer of a town or city, the assessors must provide a certification of the excess amount of overlay available to transfer. Overlay surplus may be appropriated for any lawful purpose. At the end of each fiscal year, unused overlay surplus is "closed" to surplus revenue, i.e., it becomes a part of free cash.

Override: A vote by a community at an election to permanently increase the levy limit. An override vote may increase the levy limit to no higher than the levy ceiling. The override question on the election ballot must state a purpose for the override and the dollar amount. (*See* ***Underride***.)

Override Capacity: The difference between a community's levy ceiling and its levy limit. It is the maximum amount by which a community may override its levy limit.

Payment In-Lieu Of Tax (PILOT): An agreement between a municipality and an entity not subject to taxation, such as charitable or educational organizations in which the payer agrees to make a voluntary payment to the municipality.

Performance Budget: A budget that stresses output both in terms of economy and efficiency.

Personnel Services: The cost of salaries, wages and related employment benefits.

Price Index: A statistical measure of change in overall prices. There are different indices, but they all compare the change in cost of a certain "bundle" of goods and services over a given period of time.

Principal: The face amount of a bond, exclusive of accrued interest.

Program: A combination of activities to accomplish an end.

Program Budget: A budget that relates expenditures to the programs they fund. The emphasis of a program budget is on output.

Property Tax Levy: The amount a community can raise through the property tax. The levy can be any amount up to the levy limit plus exclusions.

Purchased Services: The cost of services that are provided by a vendor.

Ratings: Designations used by credit rating services to give relative indications of quality. Moody's ratings range from the highest Aaa down through Aa, A-1, A, Baa-1, Baa, Ba, B, Caa, Ca, C. Standard and Poor'' ratings include: AAA, AA, A, BBB, BB, B, CCC, CC, C, DDD, DD, and D.

Refunding: System by which an issue is redeemed by a new bond issue under conditions generally more favorable to the issuer.

Registered Bond: A bond whose owner is registered with the issuer or its agents, either as to both principal and interest or principal only.

Request (e.g., FY15 Request): The line item amount requested by the Department Head or other City Official which was then submitted to the City Manager for approval.

Reserve for Abatements and Exemptions: See ***Overlay***.

Reserve Fund An amount set aside annually within the budget of a town (not to exceed five percent of the tax levy for the preceding year) or city (not to exceed three percent of the tax levy for the preceding year) to provide a funding source for extraordinary and unforeseen expenditures. In a town, the finance committee can authorize transfers from this fund for "extraordinary and unforeseen" expenditures. Other uses of the fund require budgetary transfers by town meeting. In a city, transfers from this fund may be voted by the city council upon recommendation of the mayor.

Revaluation (or re-certification of property values): The assessors of each community are responsible for developing a reasonable and realistic program to achieve a fair cash valuation of property in accordance with constitutional and statutory requirements. The nature and extent of that program will depend on the assessors' analysis and consideration of many factors, including, but not limited to, the following: the status of the existing valuation system; the results of an in-depth sales ratio study; the location and style of properties; and the accuracy of existing property record information.

Every three years, assessors must submit property values to the state Department of Revenue for certification. Assessors must also maintain these values in the years between certifications. This is done so that each property taxpayer in the community pays his or her share of the cost of local government—no more or less—in proportion to the amount of money the property in worth.

Revenue Anticipation Borrowing: Cities, towns and districts may issue temporary notes in anticipation of taxes (TANs) or other revenue (RANs). The amount of this type of borrowing is limited to the total of the prior year's tax levy, the net amount collected in motor vehicle and trailer excise in the prior year and payments made by the Commonwealth in lieu of taxes in the prior year. According to Ch. 44 s 4, towns, cities and districts may borrow for up to one year in anticipation of such revenue.

Revenue Anticipation Note (RAN): A short-term loan issued to be paid off by revenues, such as tax collections and state aid. RANs are full faith and credit obligations.

Revenue Bond: A bond payable from and secured solely by specific revenues and thereby not full faith and credit obligations.

Revolving Fund: Allows a community to raise revenues from a specific service and use those revenues to support the service without appropriation. For departmental revolving funds, Ch. 44 s 53E stipulates that each fund must be reauthorized each year at annual town meeting or by city council action and that a limit on the total amount that may be spent from each fund must be established at that time. The aggregate of all revolving funds may not exceed 10 percent of the amount raised by taxation by the town or city in the most recent fiscal year, and no more than one percent of the amount raised by taxation may be administered by a single department or board.

No revolving fund expenditures shall be made for the purpose of paying any wages or salaries for full-time employees. Revolving funds for other programs as provided by statue are still allowed, and a departmental revolving fund may be implemented in addition to or in conjunction with other existing statutory revolving funds, provided that the departmental revolving fund does not conflict with provisions of other revolving funds.

Sale of Cemetery Lots Fund: This fund is established to account for proceeds of the sale of cemetery lots. The proceeds must be used to offset certain expenses of the cemetery department under provisions of Ch. 114 s 43C.

Sale of Real Estate Fund: This fund is established to account for the proceeds of the sale of municipal real estate other than proceeds acquired through tax title foreclosure. Chapter 44 s 63 states that such proceeds shall be applied first to the retirement of debt on the property sold. In the absence of such debt, funds may generally be used for purposes for which the town or city is authorized to borrow for a period of five years or more.

School Building Assistance Program (SBAP): This program provides state grants for local and regional school construction projects. The SBA program is administered by the Office of the State Treasurer. If a community votes a debt exclusion to fund a school construction project, the amount of SBA funds received towards any school construction debt must be deducted before determining the net school debt exclusion. For example, a town receives a $10.0M SBA grant on one project. The debt service due on this project is $25.0M; therefore the town's maximum debt exclusion to be raised for this project would be $15.M.

Securities and Exchange Commission (SEC): This federal organization is responsible with protecting investors, maintaining fair, orderly and efficient markets, and facilitating capital formation. This organization is particularly important to local governments because it regulates the financial markets and monitors banks and other companies that buy and sell municipal bonds

Security: For Massachusetts municipalities, bonds or notes evidencing a legal debt on the part of the issuer.

Serial Bond: A bond of an issue that has maturities scheduled annually over a period of years.

Special Assessment Bonds: These bonds are payable from the proceeds of special assessments. If, in addition to the assessments, the full faith and credit of the governmental unit are pledged, they are known as "general obligation special assessment bonds."

Special Assessments: *See **Betterments***.

Special Exclusion: For a few limited capital purposes, a community may assess taxes above the amount of its levy limit or levy ceiling without voter approval. Otherwise, special debt and capital outlay exclusions are like voter approved exclusions. Presently, there are two special exclusions:

- Water and sewer project debt service costs that reduce the water and sewer rates by the same amount; and
- a program to assist homeowners to repair or replace faulty septic systems, removal of underground fuel storage tanks, or removal of dangerous levels of lead paint to meet public health and safety code requirements. In the second special exclusion, homeowners repay the municipality for the cost plus interest added apportioned over a period of time not to exceed 20 years similar to betterments.

Stabilization Fund: An account from which amounts may be appropriated for any lawful purpose. Prior to FY92, use of the stabilization fund was restricted to purposes for which towns and cities could legally borrow. Revisions to Ch. 40 s 5B removed this restriction, and amounts from the stabilization fund can now be appropriated for any legal purpose. Towns may appropriate into this fund in any year an amount not to exceed 10 percent of the prior year's tax levy or a larger amount with the approval of the emergency finance board. The aggregate of the stabilization fund shall not exceed ten percent of the town's equalized value, and any interest shall be added to and become a part of the fund.

A two-thirds vote of town meeting or city council is required to appropriate money from the stabilization fund.

State Revolving Fund (SRF): A low-interest loan program run by the Massachusetts Water Pollution Abatement Trust. Wastewater loans are indicated by the "CW," or clean water distinction and water loans are indicated by "DW," or drinking water.

Supplemental Appropriation: Appropriation made by the City Council after an initial appropriation, to cover expenditures beyond original estimates..

Surplus Revenue: The amount by which cash, accounts receivable and other floating assets exceed the liabilities and reserves.

Tax Rate: The amount of tax stated in terms of a unit of the tax base; for example, $14.80 per $1,000 of assessed valuation of taxable property.

Tax Rate Recapitulation Sheet (also Recap Sheet): A document submitted by a town or city to the Department of Revenue in order to set a property tax rate. The recap sheet shows all estimated revenues and actual appropriations that affect the property tax rate. (In order to issue the third quarter property tax bills before January 1, the recap sheet should be submitted to the Department of Revenue before December.

Tax Title: A Collection procedure that secures a lien on real property and protects the municipality's right to payment of overdue property taxes.

Without following this procedure, the lien on real property expires if three years elapse from the October 1 following the assessment date, and the property is transferred. If amounts remain outstanding on the property after issuing a demand for overdue property taxes and after publishing a notice of tax taking, the collector may take the property for the city or town. After property recording the instrument of taking, the collector transfers responsibility for collecting the overdue amounts to the treasurer.

Term Bond: Bonds for which the entire principal matures on one date. Massachusetts municipal general obligation bonds are required by law to be retired on a serial basis.

To Be Issued (TBI): Bonds or notes that have budgeted debt service, but have not yet been issued.

Trust Fund: In general, a fund held for the specific purpose stipulated by a trust agreement. The treasurer acts as custodian of trust funds and invests and expends such funds as stipulated by trust agreements or as directed by the commissioners of trust funds or by town meeting. Both principal and interest may be used if the trust is established as an expendable trust. For non-expendable trust funds, interest but not principal may be expended as directed.

Uncollected Funds: Recently deposited checks included in an account's balance but drawn on other banks and not yet credited by the Federal Reserve Bank or local clearinghouse to the bank cashing the checks. (These funds may not be loaned or used as part of the bank's reserves and they are not available for disbursement.)

Underride: A vote by a community to permanently decrease the tax levy limit. As such, it is the opposite of an override.

Uniform Municipal Accounting System (UMAS): A comprehensive and practical municipal accounting system that conforms to Generally Accepted Accounting Principles (GAAP) for local governments. UMAS is regarded by the Department of Revenue as the professional standard for modern municipal accounting in Massachusetts. (Among the benefits of conversion to UMAS are increased consistency in reporting and record keeping and enhanced comparability of date among cities and towns.)

Unreserved Fund Balance: also referred to as the "surplus revenue account," this is the amount by which cash, accounts receivable, and other assets exceed liabilities and restricted reserves. It is akin to a "stockholders' equity" account on a cooperate balance sheet. It is not, however, available for appropriation in full because a portion of the assets listed as "accounts receivable" may be taxes receivable and uncollected. (*see* ***Free Cash***)

Valuation (100 Percent) Requirement that the assessed valuation must be the same as the market value for all properties; 100 percent valuation may offer greater equity in the redistribution of state aid to cities and towns based upon local real estate values.

Warrant: A list of items to be acted on by town meeting. (A treasury warrant and the assessors' warrant authorize the treasurer to pay specific bills and the tax collector to collect taxes in the amount and from the persons listed, respectively.)

Yield: The net annual percentage of income derived from an investment. The yield of a bond reflects interest rate, length of time to maturity and write-off of premium or accrual of discount. (Also referred to as "yield to maturity.")

FISCAL YEAR

2020

SECTION VIII

INDEX

Index of key terms, words, or phrases used throughout this document for quick lookup.

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Index

Acronym Table VII-22
Appropriation by Function II-93, II-95
Assessors IV-62
Budget Calendar II-5
Career Center IV-263
Charges for Services III-85
City Auditor IV-44, IV-50
City Clerk IV-12
City Council IV-4
City Manager IV-20
Council on Aging IV-196
Cultural Affairs & Special Events IV-29
Debt Management Policy II-81
Demographics II-13
Department Directory II-8
Elections IV-101
Finance IV-38
Financial Policies and Guidelines II-67
Fire IV-133
Fund Structure II-100, II-102, II-103
Glossary VII-24
Government II-14
Greater Lowell Technical High School IV-147, IV-149
Health Department IV-186
Human Relations IV-76
Industry and Commerce II-21
Intergovernmental Revenue III-77
Investment Policy II-70, II-73
Law IV-94
LICENSES AND PERMITS III-73
Lowell Public Schools IV-144
Lowell Regional Wastewater Utility IV-239
Lowell Regional Water Utility IV-255
Management Information Systems IV-83
Mayor IV-6
Miscellaneous Revenue III-95
Municipal Finances 101 ..... VII-3
Organizational Chart By Department II-7
Organizational Chart By Function II-6
Parking IV-248
Planning & Development IV-108
Police IV-124
Pollard Memorial Library IV-216
Public Works IV-152
Purchasing IV-56
Recreation IV-210
Recreational Amenities II-17
Reserve Policy II-91
Staffing Levels II-116
Strategic Goals II-25
Tax Facts II-24
TAXES III-65
Treasurer IV-70
Veterans' Services IV-203

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