

CITY OF LOWELL

ARKANSAS



Kathleen Johnson Memorial Park Frisbee Disc Golf Course

2020

BUDGET

City of Lowell, Arkansas

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Budget

Introduction



Budget Introduction

January 1, 2020

To: Citizens of Lowell
Lowell City Council

In accordance with Arkansas statutes the 2020 City of Lowell Budget has been prepared and has been submitted to the Lowell City Council. Under Arkansas statutes for a Mayor – Council form of government, the Mayor on or before December 1 of each year “shall submit to the governing body of the city or town, for its approval or disapproval, a proposed budget for the operation of the city or town from January 1 to December 31 of the forthcoming year.”

The 2020 overall expenditure budget of \$18,031,593 for the General Fund, Street Fund and Utilities Fund is substantially higher than the 2019 Budget due to the large costly Street construction projects that take place during 2020. The 2020 General Fund Budget as submitted is balanced, i.e. projected revenues within 2020 are sufficient to cover the general operations and the City’s program of work planned for 2020 without utilizing Reserve Funds. The 2020 Budget as proposed will produce a surplus in the General Fund of \$9,835. Reserves built up over several years and Federal grant funding will need to be utilized in the Street Department for large road construction projects, and Reserves in the Utilities Fund for operations in 2020. The Street Fund has utilized this pay-as-you-go method in the past by building up reserves over several years to pay for large street projects without incurring debt. The Utilities Fund has always relied upon a transfer from the General Fund each year to balance its budget. Sufficient funds from those General Fund transfers have built up in the Utilities Fund over the years that a transfer from the General Fund is not needed in 2020, and the Utilities Fund will utilize a portion of these built up reserve funds to balance its budget for 2020. Sales Tax continues to make up the “lion’s share” of Revenues for the General Fund of the City making up 63.6% of total revenues projected for 2020. Due to very strong collections during the second half of 2019, the 2020 Budget increased the combined City and County sales tax number by 6.4% over the 2019 Budgeted numbers. Street Fund revenues are slated to increase substantially in 2020 due to the transferring in of Escrow Funds, receipt of Federal grant funds, and Reserve funding for large street construction projects that are underway. Absent the Escrow, Federal, and Reserve transfer funding the Street Department revenue is projected to increase by a modest 5.8%. The Utilities Fund revenue dropped significantly during 2019 due to the near complete build out of the system and the resulting drop in hook - up fees to the system. From 2020 going forward the Utilities Fund revenue should be fairly steady as revenue will consist mainly of user fees.

Lowell’s cash position in the General Fund continued to improve during 2019, and the City has been able to maintain a one-million-dollar reserve in the General Fund. At that reserve level, the City meets the standard for reserve funds recently set by the Government Finance Officers Association. As presented, the 2020 Budget will likely not be able to add funds to the General Fund Project Reserve for upcoming needs of the City, thus no increase in reserves was factored into the 2020 Budget. Any increase in reserves will be due to an increase in revenues over what has been projected, or a decrease in expenditures from what has been projected for 2020. The cash position of the Street Fund will decrease during 2020 as street infrastructure projects take place within the City. The cash position of the Utilities Fund will also decrease during 2020 as built up reserve funds will be utilized for operations rather than transfers from the General Fund.

Included within the body of the 2020 Budget is a modest 3% wage increase for most staff. All increases in wages for the 2020 Budget year will be based on employee evaluations by the individual City Directors. Health insurance premiums will not be certain until renewal in May 2020, and projections are that they will hold steady. The City continues to solicit bids for Health coverage and explore both the employee’s cost and the employer’s cost to attempt to maintain a healthy balance. The numbers built into the 2020 Budget for Health Insurance are sufficient to withstand a small increase in premiums. Property and vehicle insurance costs fell for 2020, but Worker’s Compensation costs increased, thus there was no cost savings to be realized from those two insurance items.

Budget Introduction

January 1, 2020

The 2020 Budget presented several unique challenges. Personnel costs are slated to be higher, not only from the 3% wage increase, but 2020 includes an extra payroll for the City. Lowell operates on a Bi-weekly payroll system and 26 payrolls are normal for a calendar year. Occasionally, the City will experience a 27th payroll that falls within the calendar year. 2020 happens to be that year. Personnel costs will also rise in 2020 due to a scheduled lowering of the percentage of grant funding available in the third year of the Federal SAFER grant the City received to hire additional firefighters. The SAFER grant provided 75% of the funding needed for wages and benefits for the additional twelve firefighters hired by the City under the grant for the first two years, but the grant funding drops to 35% of wages and benefits during the third year, or 2020. During 2021 the full costs of wages and benefits of the twelve firefighters will be the responsibility of the City. Additionally, retirement costs in the Police and Fire Departments increased dramatically for 2020 due to the exhaustion of a State of Arkansas funded retirement reserve fund. Both the increased wages and benefits of the additional firefighters and the additional retirement costs in the Police and Fire Department will be an on – going cost for consideration in future budgets. Other items factored in during the 2020 Budget process were the costs of the 2020 election, and an additional audit on Federal Grant Funds funding the South Dixieland expansion highway project and the SAFER grant mentioned above.

Lowell will continue to promote business growth, and several retail projects will make significant progress during 2020. As western Lowell develops retail projects will add to the City's biggest revenue source – Sales tax. Lowell currently has a two percent sales tax. One percent of the sales tax is permanent while the other one percent has an expiration date of December 31, 2021 and must undergo a local election in order to be extended. The one percent sales tax that will undergo an election currently is split between the General Fund at 30% and the Street Fund at 70%. By reducing the percentage to a 50 -50 percent split during the election process funding could be secured to replace the loss of funding from the SAFER grant. Lowell also is in the process of reviewing property tax collections to fund the additional costs associated with the increase in retirement contribution responsibilities for Police and Fire department personnel.

My personal thanks go out to our staff for their hard work on the 2020 Budget. Understanding the need to control expenses is an essential part of remaining fiscally strong, and the staff has done a very good job in that regard for the 2020 Budget. I would also like to thank the Lowell City Council for its steadfast support for my administration and staff.

Best wishes for a great 2020,



Chris Moore, Mayor



City of Lowell, Arkansas

Lowell, incorporated in 1905, was originally a small community located along Old Wire Road named Bloomington. Bloomington was also known by early travelers as “Mudtown,” a name that has stuck with Lowell throughout the years. According to local legend, when the Butterfield Trail stagecoach stopped with passengers in the town of Bloomington, while the passengers refreshed themselves in the local tavern, the residents would water the dirt road sufficiently to get the stagecoach stuck in the mud. The passengers of the stagecoach were then “stuck” in Bloomington where they would have the opportunity to avail themselves to additional refreshments at the tavern, and perhaps a bed at the local hotel, until such time as the stagecoach could be pulled from the mud. Thus the nickname “Mudtown” was born. The enterprising “Mudtown” residents naturally blamed the muddy ruts in the roadway of Old Wire Road on the heavy lumber wagons that hauled lumber from the Van Winkle saw mill east of Rogers through Bloomington to the towns of Springdale and Fayetteville.

Old Wire Road was the main North-South commerce route in the region and was on the main line for the Butterfield Trail stagecoach. Bloomington businesses included a hotel, tavern, general store, and a blacksmith shop. Bloomington also was home to a school, a church, and a camping area for horse traders, but until 1881 there was no bank in town. That was probably a good thing for the town as the outlaw Jesse James was said to have spent one winter tucked away in the Bloomington Hotel, safe from Missouri lawmen.

Along with the bank opening up in 1881 the Frisco Railroad line was completed. The Frisco Railroad was built one mile west of Bloomington, and while the town folks talked about moving west to the railway, the business owners never decided to make the move. Little did it matter though, as several months after the completion of the railway a fierce storm blew through, and the town of Bloomington was no more. What little that was left of Bloomington did move west to the railroad and the little town of Lowell was placed on the map. While a small local railroad continues to operate to this day on the railway first put down for the Frisco Railroad, the main depot moved to Oklahoma and the railroad no longer has any real influence on the economy of Lowell or Northwest Arkansas.

Today Lowell has a population nearing 10,000 and is home office to American transportation giant J.B. Hunt that employs over 4,000 people in the home office. In 2018 J B Hunt completed a fourth four (4) story office building on its corporate campus in Lowell. Lowell is also the printing office and main distribution point for the northwest edition of the statewide newspaper, the Arkansas Democrat-Gazette. Shipping mogul Federal Express opened a 247,000 square foot distribution center in 2017, and Anheuser – Bush Inbev opened a 64,000 square foot distribution center for northwest Arkansas in 2018. A Travel Center covering 8.5 acres has opened offering much needed retail for the City, along with the opening of a 120,000-square foot appliance warehouse that offers both retail and wholesale sales. In December 2018 a local supermarket chain, Harp’s, opened a large supermarket on the west side of Lowell which has added greatly to the sales tax collections for Lowell. The little community of Lowell may have a small

population during the evening, but during the workday that population easily doubles the actual census population number due to the number of employees working at locations within the City. Exit 78 in Lowell on I – 49 is the most heavily used exit along the Fayetteville to Bella Vista interstate highway.

Major companies located in Lowell include:

Company	Product/Services
J.B. Hunt	Motor Freight Carrier
Federal Express	Shipping Distribution
Arvest Bank Operations Center	Banking
Wachter	Cabling/Telecommunications Services
Central States Manufacturing	Metal Building Components
Waste Management	Sanitation
Arkansas Democrat – Gazette	Newspaper Printing
BEI Electric, Inc.	Electrical Contractors
Advanced Environmental Recycling	Scrap Recycling
Tyson Employment Center	Human Resources Center
Zero Mountain	Cold Storage Facility

Lowell as a “bedroom community” is located “dead center” of the Benton County – Washington County Northwest Arkansas MSA with a total population of over 500,000, and counting. On average over 30 people move into the area each day. Benton County is the second largest county in the State of Arkansas with over 245,000 residents. With a cost of living index at 82.3 the Northwest Arkansas area is ranked well below the national average of 100. According to the Bureau of Economic Analysis of the U.S. Department of Commerce the 2014 per capita personal income of Northwest Arkansas was \$50,686, and the 10 – year average annual growth rate of per capita income was 3.35% compared to a national average of 2.2%. While Lowell, along with all Northwest Arkansas, experienced setbacks during the last recession, the economy remained stronger than the national average, and the recovery has been stronger than the national average.

Lowell continues to experience the same problems as every other city in Northwest Arkansas – the need for expansion of infrastructure in an expanding economy without sufficient current resources available to build the infrastructure now. The types of problems associated with growth are being overcome through strategic planning, partnerships, and the prudent utilization of the available resources.

Lowell at a Glance

Platted: 1881

Incorporated: August 14, 1905

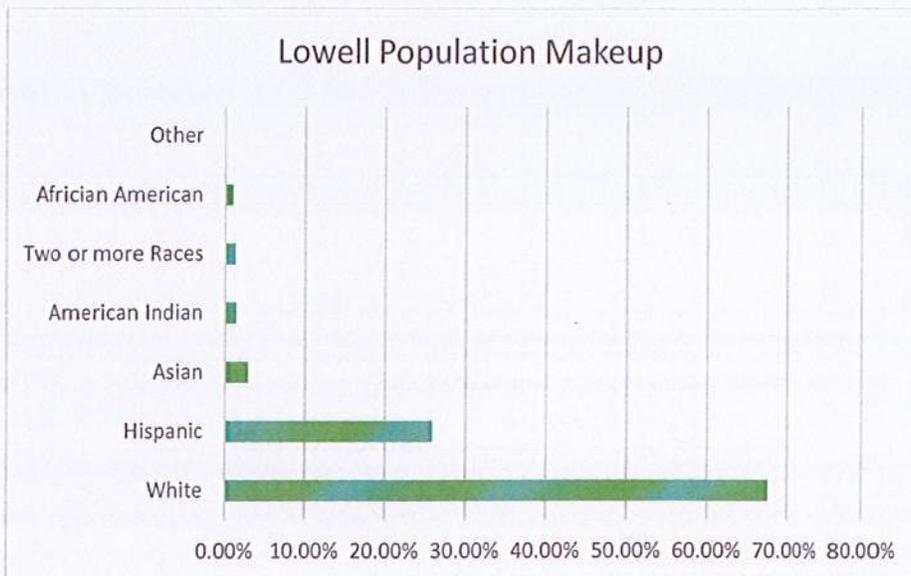
Total Area: 9.28 square miles

Elevation: 1,342 ft.

Zip Code: 72745

Density: 1,015/sq mile (2018 Estimated)

Population: 7,327 (2010 Census) Estimated 9,422 (2018)



Males: 50.8%

Median Resident Age: 31.5 years

Females: 49.2%

Arkansas Median Age: 38.1 years

Lowell at a Glance

Income and Housing

Estimated median household income (2017): Lowell - \$67,047
Arkansas - \$45,869

Estimated per capita income (2017): \$27,271

Unemployment Rate (March 2019): Lowell – 2.5%
Arkansas – 3.4%

Estimated median house or condo value (2017): Lowell - \$162,450
Arkansas - \$128,500

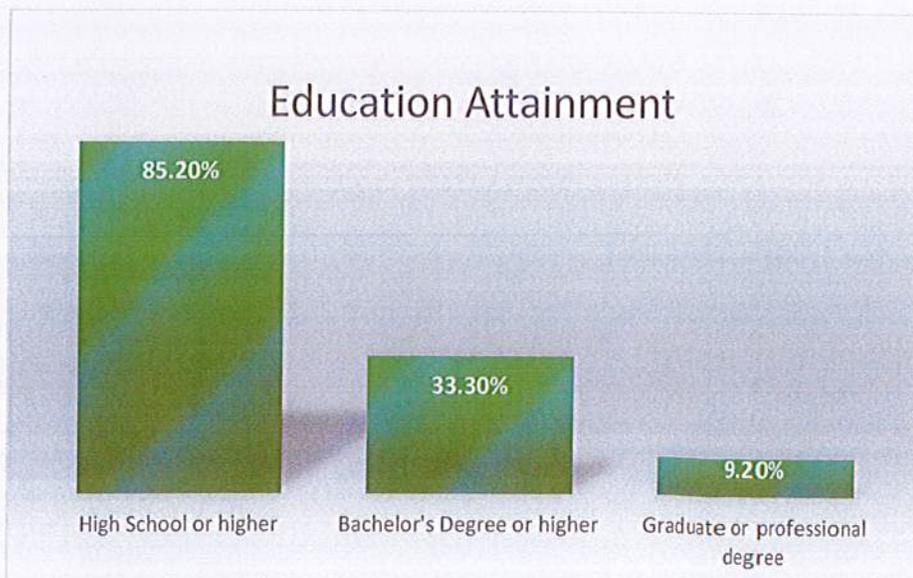
Single -Family New House Construction Average Cost (2017): \$286,600

Median gross Rent (2017): \$816

Education

Rogers School District: Rogers High School
Rogers Heritage High School
Lowell Elementary School – Located in Lowell
Elza R. Tucker Elementary School – Located in Lowell
Grace Lutheran School – Private School

Colleges/Universities: Northwest Arkansas Community College – 7 miles North
University of Arkansas – 14 miles South
John Brown University – 24 miles West



Lowell at a Glance

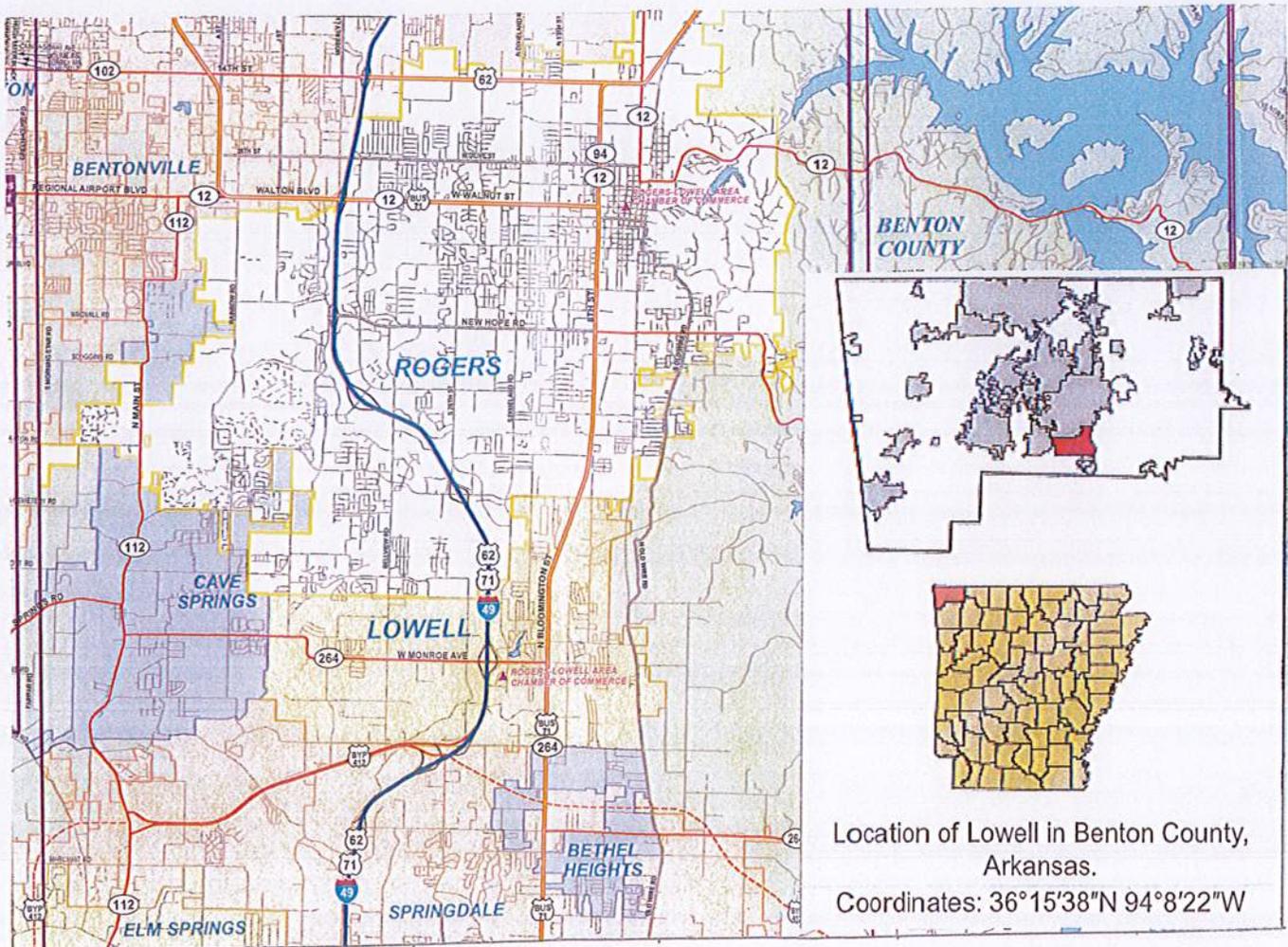
Nearest Cities:

Bethel Heights (1.6 miles)
Cave Springs (2.2 miles)
Rogers (2.2 miles)
Springdale (2.3 miles)

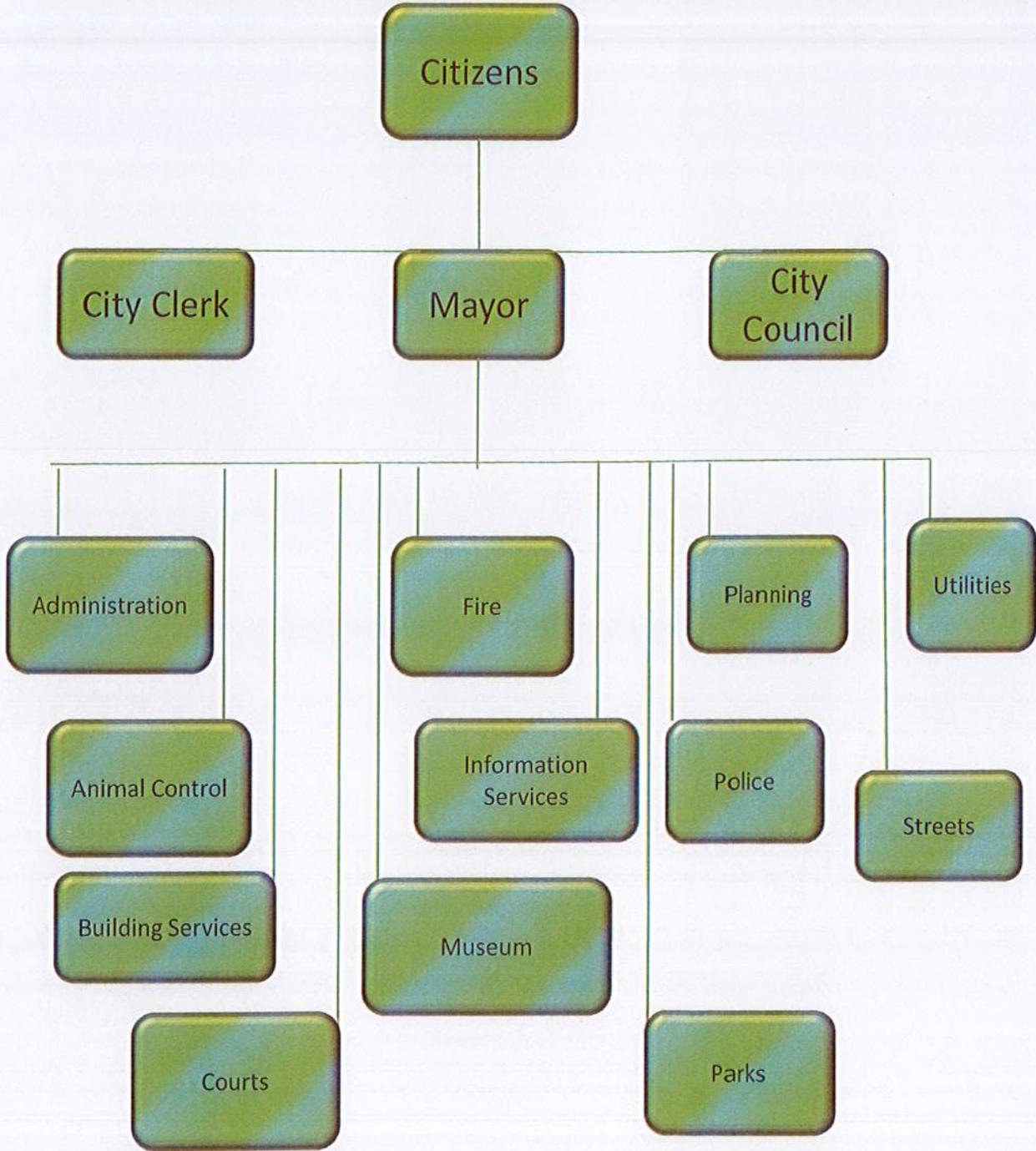
Elm Springs (2.4 miles)
Tontitown (2.9 miles)
Bentonville (2.9 miles)
Fayetteville (12.8 miles)

Nearest city with population 50,000+ : Rogers
Nearest city with population 200,000+ : Tulsa, OK
Nearest city with population 1,000,000+ : Dallas, TX

Northwest Arkansas National Airport : 14 miles



City of Lowell



2020 Lowell City Council

<u>NAME</u>	<u>WARD</u>	<u>POSITION</u>
Thomas Evers	1	1
Chasity Taylor	1	2
Todd Fenix	2	1
Eric Schein	2	2
Linda Vannoy	3	1
Lisa DiGifford	3	2
Dean Bitner	4	1
David Adams	4	2

2020 Lowell Elected Officials

<u>NAME</u>	<u>POSITION</u>
Chris Moore	Mayor
Elizabeth Estes	City Clerk/Treasurer

2020 Schedule of Key Personnel

<u>Position</u>	<u>Name</u>	<u>E - Mail</u>
Mayor*	Chris Moore	chris@lowellarkansas.gov
Assistant to the Mayor	Melanie Houston	mhouston@lowellarkansas.gov
City Clerk/Treasurer*	Elizabeth Estes	lestes@lowellarkansas.gov
Finance Director/HR	Jerry Hudlow	jhudlow@lowellarkansas.gov
Police Chief	Tim Kuth	tkuth@lowellarkansas.gov
Fire Chief	Peter Melnicki	pmelnicki@lowellarkansas.gov
Building Services Director	Nolan Jones III	njones@lowellarkansas.gov
Animal Control Director	Ray Drummond	rdrummond@lowellarkansas.gov
Planning	Karen Davis	kdavis@lowellarkansas.gov
Parks Director	James Hendrix	jhendrix@lowellarkansas.gov
Street Director	James Hendrix	jhendrix@lowellarkansas.gov
Utilities (S.T.E.P.) Director	Rick Stone	rstone@lowellarkansas.gov

Telephone:

Administration	(479) 770 - 2185
Police Department	(479) 659 - 8888
Fire Department	(479) 770 - 0166
Courts	(479) 770 - 0166 ext. 625
Street Department	(479) 770 - 0166 ext. 627
Emergencies	911

*Denotes Elected Official



The City of Lowell Stagecoach at the Mudtown Days Festival

Budget

Overview

City of Lowell Strategic Goals

Provide vision, planning, and direction for future City growth:

- Plan for and promote economic development
- Continuous improvement to Master Street Plan
- Provide opportunities for input into growth planning process
- Assess utilization of City property to promote highest and best usage of property
- Plan for and prioritize infrastructure needs

Provide a community supported service system that meets both the public safety and lifestyle needs of the City's citizens:

- Target economic development designed to provide economic stability within the City
- Continue to plan the build out sequence and utilization of the City Parks system
- Maintain and explore expansion of the City Trails system

Provide service information to Citizens:

- Maintain informative City web site
- Provide opportunities for public input
- Provide an informative Budget document
- Provide Citywide newsletter to citizens

Provide City services in a responsible and cost effective manner:

- Produce balanced City Budget
- Maintain required level of City reserves
- Explore public – private partnerships
- Explore grant and award opportunities
- Maintain professional staff

Execute our servant duty with the highest ethical and professional standards:

- Adhere to City Financial Policies
- Produce a balanced budget each year
- Maintain required level of reserves
- Earn GFOA Distinguished Budget Award

At the City of Lowell all Departments, to some degree, participate in the accomplishment of all the Strategic Goals. In a small City, job duties and execution of the Strategic Goals often cross departmental lines, and require participation from all department leaders for successful implementation.

City of Lowell

Mission

To manage economic growth while providing for the safety, transportation, and quality of life needs of Lowell citizens in a fiscally responsible manner.

Goals

Manage Economic Growth:

Enforce standards and inspect for quality construction,
Hold to high aesthetic standards,
Better utilize technology in implementation and planning,
Regulate zoning for maximum highest and best usage of available property,

Safety:

Continuous improvement in fire and ambulance response time,
Quality of ambulance services,
Safety of all citizens through utilization of crime suppression unit,
Plan for new Police facility,

Transportation:

Monitor priority of transportation projects,
Adapt priority of transportation projects to changing conditions,
Establish long – term funding sources,

Quality of Life:

Build out of amenities at Kathleen Johnson Memorial Park,
Promote Mudtown Festival,
Establish unique area science complex,

Fiscally Responsible:

Maintain balanced Budget,
Maintain adequate reserves for emergencies and opportunities,
Establish sustainable revenue sources.

City of Lowell: 2020

Strategic Goals	Goals	2020
Provide vision, planning, and direction for future City growth:	Manage Economic Growth Transportation	a. Pursue economic development efforts for City Growth b. Develop infrastructure plans and engineering for needed street improvements
Provide a community supported service system that meets both the public safety and lifestyle needs of the City's citizens:	Safety Quality of Life Transportation	a. Pursue economic development efforts for City growth b. Begin providing amenities for, and begin utilization of, Kathleen Johnson Memorial Park c. Purchase Police vehicles d. Expand Trail System e. Develop infrastructure plans and engineering for needed street improvements
Provide service information to citizens:	Transportation Fiscally Responsible	a. Explore and plan for sales tax extension election b. Produce balanced Budget for 2020 c. Continue citywide newsletter
Provide City services in a responsible and cost effective manner:	Fiscally Responsible	a. Produce Balanced Budget for 2020 b. Pursue economic development efforts for City growth c. Implement replacement program for heating and cooling units at City Hall d. Explore and plan for sales tax extension election e. Explore implementing additional millage for Police and Fire retirement funding
Execute our servant duty with the highest ethical and professional standards:	Manage Economic Growth Fiscally Responsible	a. Develop infrastructure plans and engineering for needed street improvements b. Produce balanced budget c. Pursue economic development efforts for City

City of Lowell

2020 Budget Guidelines

The leadership of the City of Lowell considered many factors as they set about the task of compiling the 2020 Budget. The City continues to use conservative projections for revenues, along with the utilization of actual historical expenditure numbers to produce an accurate budget that meets the needs of its citizens. Some of the short-term factors that went into the decision-making process for the 2020 Budget include:

- **General economic stability.** Northwest Arkansas suffered less in the last economic downturn and was able to recover much faster than the rest of the country. Housing starts and sales remain strong in the Northwest Arkansas region along with a growing economy and low unemployment in the region. The City will continue its policy of producing a balanced budget and continue to retain sufficient reserves.
- **Revenues.** Sales tax collections were especially strong during the second half of 2019. The opening of a major retailer in Lowell, combined with the collection of sales taxes on internet sales, can be attributed to this increase. Lowell's future depends upon its ability to continue to attract retail establishments in order to push sales tax collections higher. Plans submitted to Lowell's planning department show that during 2020 Lowell will continue to show growth in both residential housing and commercial development which will call for increased retail outlets and increasing retail sales to service this population growth. Additionally, during 2020 the City will need to develop a strategy for the extension of its one cent sales tax set to expire at the close of 2021.
- **Annual wage adjustment.** The City continues to reward productive staff with wage increases. The wage increases slated for 2020 is a 3% increase for all staff that meet the performance metrics set out by management. It is important to maintain the continuity of good staff members in order to best serve the citizens of Lowell, and given the low unemployment rate in Northwest Arkansas, a 3% increase in wages will increase the City's ability to retain good staff members. Also impacting the 2020 Budget annual payroll number is an additional payroll that will fall during the 2020 Budget year. The City pays on a bi-weekly basis, or normally 26 payrolls per year. The 2020 Budget contains a 27th payroll which must be factored into the budgeting process.
- **Employee Benefits.** The City continues to strive to offer low cost health insurance for its staff. Controlling costs in the health insurance arena became increasingly difficult with the changes made by the Federal Government over the last few years. The City continues to explore ways to provide the low-cost health insurance that employees have enjoyed over the last few years and will change insurance brokers during 2020 to assist in continuing that trend.
- **Public Safety.** The City added a second Fire Station on the west side of Lowell during 2018. This was made possible through a one - time donation of property and funds for the station, along with receiving a Federal grant for 75% of the wage and benefit costs of personnel at the station for the first two years of operation. During the third year, or 2020, the federal funding falls to 35% of wages and benefits. The 2020 Budget must consider the increased responsibility for the City concerning wages and benefits. The 2020 Budget must also consider an increased responsibility for required retirement plan payments for Police and Fire Department personnel. While the State of Arkansas partially funds the retirement plan costs for Police and Fire personnel, the State's funding has declined in recent years increasing the cost to the City. The City may explore increasing millage rates specifically for funding Police and Fire retirement plans.

City of Lowell

2020 Budget Guidelines

- **Amenities.** The City is in the process of developing a 100-acre park property gifted to the City. The City has been awarded grant funding to develop trails within the park and is working with a large local foundation to provide additional funding to connect the park's trail with the Northwest Arkansas Greenway, which is a regional trail system. The 2020 Budget reflects the grant funding for the trail and the expenditure for the expansion of the trail within the park. Other amenities are planned for the park, but the build out of those amenities will be dependent upon funding sources.
- **Infrastructure.** Infrastructure needs, particularly street improvements, influenced the 2020 Budget. The South Dixieland Road extension, the North Goad Springs road expansion, and building Zion Road are listed within the 2020 Budget document, but the City also is in the process of engineering on the Monroe Street expansion, Bellview Road intersection, Robinson Road extension, and the Concord Road extension. The City will utilize Federal Funds, reserve funds, and escrowed funds for the construction of Dixieland, North Goad, and the Zion road projects, while utilizing current revenues for the engineering projects. The City's other major infrastructure need is in the area of water and sewer on the west side of Lowell. Much of the property on the west side of Lowell is rural in nature and still depends upon septic tanks for sewer service. As this rural property becomes commercial and business begins to locate in the western part of Lowell, sewer service becomes imperative if economic expansion is to continue in Lowell. The engineering for sewer service in western Lowell is currently underway and funding options are being explored to expand sewer service to all of Lowell.
- **Capital.** Capital items for 2020 will be limited. The Administration Building, or City Hall, is now over ten (10) years old and the heating and air conditioning units have experienced increasing maintenance issues. One unit was replaced in 2019 and one unit is scheduled to be replaced in 2020 at a cost of \$15,000 which is budgeted in the Administration Department budget. The plan is to replace one unit each year until all units have been replaced. As these units are replaced the City should realize energy efficiency and decreasing maintenance costs. The Fire Department needs to replace, or rebuild, the Cascade System it utilizes for filling the air tanks firefighters wear while fighting fires. \$10,000 was budgeted in the Fire Department budget to rebuild this system which should lead to lower maintenance costs and increased safety. The Police Department utilizes a rotation of replacement of three (3) Police vehicles each year at a cost of \$24,000 to \$35,000 for each vehicle depending upon the type of vehicle purchased. \$75,000 is budgeted in the Police Department budget for 2020 for the replacement of these three vehicles. Funding for the purchase will come out of two Special Revenue Funds, the Warrant Service Fund and the Liability Insurance Fund, and that funding is listed under General Fund Revenues, Transfers – In. The thought is that with a regular scheduled rotation of the Police fleet the Department should be able to hold maintenance costs steady. In today's world though, Police vehicles, like all vehicles, are increasingly becoming more complex to repair with a corresponding increase in costs when repairs are needed.

City of Lowell, Arkansas

Budget Process

The production of the annual budget is actually an on – going process. While goals for the budget, department requests for the budget, and formal discussions on the budget take place during the August to December timeframe, the budget is a fluid document that will experience change throughout the year. Each month detailed financial reports are provided to department heads, the Mayor, and the City Council in order to monitor the progress of goals adopted during the formal budgeting process. These detailed financial reports are also the basis on which the next budget cycle will be based.

During the formal production of the budget each year, held from the beginning of August until the adoption of the budget in December, staff, department heads, the Mayor, the Finance Director, the City Council, and citizens all find themselves involved in the process. A summary of that process is presented below beginning with the formal process that begins in August of each year.

August:

During the first weeks of August the Mayor and Finance Director will begin discussions on the revenue projections for the next year. Consideration is given to the state of the economy, historical trends, retail growth within the City, and many other factors that might have an effect on the revenues for the coming year. A conservative, yet rational, approach is taken when projecting revenues for the next year. The Mayor and Finance Director then set goals for human resource costs (wage and benefits) for the next year, and a meeting is held with all department heads in which historical budget files are distributed, along with information on goals selected for human resource costs.

September:

During September department heads submit their initial draft budget documents to the Finance Department where they are compiled into a single document. Basic and essential services for the City receive first priority for funding with additional personnel and capital requests being funded if surplus funds are available, and after approval of the Mayor. The initial budget document goes to the Finance Director and Mayor for review.

October:

Meetings with the Mayor and Finance Director are scheduled with each department head to discuss their initial budget proposal for their department. Department heads are given the opportunity to discuss how their department is progressing on the current year's programs and goals, increases and decreases in requests for funding in each line item for next year, personnel requests for the next year, and capital requests for the next year. Programs and service fees are discussed to insure a continued need for the program. Each department's initial budget submission will undergo a detailed review during the meeting to insure that the amounts requested are justified based on history, trends, and plans for the upcoming year. Limited resources will demand that the department's budget submission remain reasonable and within the overall scope of goals as set out for the City in the new year.

After the meetings with all department heads are complete the changes discussed during the budget discussions are made and the budget document is compiled by the Finance Department. The Mayor and Finance Director meet to review the document as a whole and finalize which items will be recommended to the Council for approval and which will not. At this point the budget must meet the City's policy of producing a balanced budget and will not go forward until that goal is met. The proposed budget is then produced by the Finance Department and packaged for delivery to the City Council for review. Arkansas State law requires that the Mayor submit a budget to the Council on or before December 1 of each year.

November:

After the City Council has sufficient time to review the proposed budget document open meetings of the Finance committee are held in which department heads may answer any questions the Council may have concerning their proposal. The Council may ask questions, request information, receive input from citizens, and initiate changes in the document by a majority vote. After input from the Council is completed and a consensus is formed on the document's contents the Finance Department will compile a final version of the proposed budget. A resolution is written for adoption by the City Council and the document is presented at the next scheduled City Council meeting.

December:

State law requires that the budget be adopted on or before February 1 of each year. The City of Lowell will adopt its budget for the next fiscal year at the regularly scheduled Council meeting in December each year unless production allows adoption of the document in November. After adoption final publication takes place and copies are made available to all interested parties. The final adopted budget is then entered into the computerized financial accounting system.

January:

January 1 of each year the new budget begins and the prior year budget ends. Funds remaining in the old budget are not carried forward and may no longer be utilized, but may be re-appropriated for usage by action of the City Council.

March:

Historical data is updated in the budget files for utilization in the next budget process.

Budget Adjustments:

Budget Adjustments may be made by Resolution at any scheduled meeting of the Lowell City Council. Amendments must be submitted by the department head, approved by the Mayor, and passed by a simple majority of the City Council

City of Lowell, Arkansas

2020

Budget Schedule

August 29, 2019	Department Worksheets released to Departments
September 18, 2019	Department Worksheets Completed and turned into Finance Department
September 23 – October 4, 2019	Department 2020 Budget discussions with Mayor and Finance Director
October 22, 2019	Preliminary 2020 Budget delivered to City Council
November 4 – November 15, 2019	2020 Budget discussions with City Council
November 19, 2019	City Council Meeting – 2020 Budget
December 17, 2019	City Council Meeting – 2020 Budget Adopted

Basis of Accounting and Budgeting

Basis of Accounting:

The term “basis of accounting” refers to when revenues, expenditures, and the related assets and liabilities are recognized in the accounts and reported in the financial statements. Specifically it relates to the timing of the measurements made. All governmental funds utilize a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are included on the Balance Sheet, while the operating statements of these funds present increases and decreases in net current assets.

All governmental fund types use the modified cash basis of accounting. Under the modified cash basis of accounting, revenues are recognized when received or available to finance the expenditures of the current period and expenditures are recognized when paid. The City of Lowell utilizes the Regulatory Basis of Accounting presentation as allowed by the State of Arkansas under Arkansas Code 10 – 4 – 412.

Basis of Budgeting:

At the beginning of the budgeting process each year the Finance Director projects revenues for the upcoming budget year. The annual operating budget balances operating expenditures, including current capital needs, with operating revenues for the year. The Budget for governmental funds, which includes the General, Street, and Utilities (S.T.E.P) Funds is based on the modified cash, or regulatory, basis where revenues are recognized when received or available to finance expenditures of the period and expenditures are recorded when paid.

Modifications specific to the City of Lowell to the modified cash basis of accounting are as follows:

- Sales tax revenues are recognized when received, which places these revenues two months behind the period in which the sale took place
- For projects spanning more than one year, the ability to expend expires with the expiration of the Budget year on December 31, and funds must be re-appropriated in the new budget year in order to continue the project, unless the project was funded during the budgeting process for the new year
- Inter –fund receivables and payables are recorded
- Liabilities for payroll withholdings are recorded when wages are paid
- The budget document and the audited financial statements utilize the regulatory basis of presentation allowed under the laws of the State of Arkansas rather than a GAAP presentation
- Debt service is recorded when paid

City of Lowell

Financial Policies



City of Lowell, Arkansas

Financial Policies

Resource Planning and Allocation:

The purpose of this policy is to establish procedures for resource planning and allocation of resources in accordance with the long – range goals established by the citizens and City Council.

1. The City budget will support the goals and policies of the Mayor, City Council and citizens of the City of Lowell. The City Council will adopt the long – range plans and service needs of the community. The Mayor and City Council have the responsibility and the legal authority for the adoption of City goals and policies to be accomplished through the annual budget. The City organization is committed to carrying out the adopted goals and policies through service delivery and application.

Funding for services should always consider if demand exists for maintaining a service or if funding should be utilized and allocated for other services.

2. The City will maintain financial systems which will develop budgets, provide control, and report revenues and expenditures at the line – item level.

Efficient utilization of public resources require that budget estimates be developed from a detailed level. This ensures that changes in the cost of individual line items are reflected and are neither over nor under estimated. Upon adoption, the line – item budget becomes the basis against which expenditure trends are measured. Spending control at the line – item level provides the ability to measure experience against expectation, and as the budget year progresses, allows department managers to identify positive and negative trends. The evaluation of these trends will then allow for more precise measurement of estimates of future budget needs.

3. Revenues, human resources, operating and capital expenditures, and any budgeted debt service will be projected each year.

Future revenues and expenditures will be projected annually on an aggregate basis looking beyond the current budget year. Based on the forecast, which should include consideration of various economic, service, and inflationary factors, the annual budget will attempt to portray what community plans can be supported. One of the essential attributes of these projections is the capability to project if a new program or project can be supported over the long – term.

Accounting and Financial Practices:

The purpose of this policy is to establish guidelines for which the City's financial reporting will be presented. This policy is applicable to all financial reporting and record keeping for the City.

1. The City will maintain an accounting and financial reporting system that conforms with generally accepted accounting principles and applicable State of Arkansas statutes, and will issue a comprehensive annual financial report (CAFR or audit report) each fiscal year. The City currently utilizes the regulatory presentation of its financial audit in accordance with the laws of the State of Arkansas. These standards are intended to assure that City funds are appropriately budgeted, recorded, and reported. The City utilizes the modified cash basis for both budgeting and audit purposes.
2. The City will manage its funds as independent financial entities in accordance with legal, administrative, and generally accepted accounting principles, and will ensure that one fund does not subsidize another fund. Transfers from the General Fund allocated in the budget process, and approved by the governing body, are to be allowed as budgeted.

The City's financial structure is composed of various funds; that is, self – balancing sets of accounts. Each fund is established as a result of statutory or administrative requirement. From a private – sector perspective, each fund could be considered a wholly – owned subsidiary of the City. Accordingly, each fund should be considered a separate business which must support all of the direct and indirect costs of operating services or capital maintenance and enhancement. The co – mingling of funds is generally prohibited by statute, administrative policy, and generally accepted accounting principles.

3. The General Fund will maintain an unrestricted fund balance in order to meet unanticipated requirements or opportunities during the budget year.

The budget is prepared prior to actual implementation. With the complexity of the organization and the dynamic environment in which the City provides services, it is not always possible to anticipate every expenditure requirement that will arise during the budget year. The City Council has established a requirement that the City maintain an unreserved fund balance of one million dollars (\$1,000,000) in order to meet emergency requirements necessary to maintain services, and/or to meet

unexpected opportunities as identified by the Mayor and/or Council. Should the unreserved fund balance fall below the one million dollar level, excess revenues are to be utilized to return the reserve to the one million dollar level.

4. With the exception of grants or earmarked donations the City will not normally earmark revenue for a specific purpose in general service funds such as the General Fund.

Earmarking or dedicating revenues can be a major deterrent to making the best utilization of available resources. Earmarking or dedicating revenues could force the City to spend funds in an area of lesser need, or no need, or to lose that source of revenue.

Revenue and Collection:

The purpose of this policy is to establish procedures for resource planning and allocation in accordance with the long range plans of the Mayor and City Council. This policy is applicable to all resource allocation and planning within the City.

COST RECOVERY

The City Council, with consultation from the Mayor and department managers, will establish cost recovery policies for fee – supported services which consider the relative public/private benefits received from the services being provided, and the desirability of providing services for specialized populations. These policies will determine the percentage of services costs to be recovered through fees. The level of cost recovery will periodically be reviewed to ensure that rates are current, equitable, competitive, and cover the percentage of the total cost deemed appropriate.

Many services provided by the City directly benefit individuals and not the community as a whole. These services include building permits, planning fees, recreational services, and many others. When services such as these are subsidized by the general taxpayer scarce resource dollars are unavailable for other City services. In these user – choice services, the customer has the opportunity to determine whether to use the service or not, with part of that decision being made through the normal pricing system. In some cases the City should consider recovering the full cost of providing the service, including both direct and indirect costs through a user fee or service charge. In some cases full cost recovery is not allowable because of statutory restrictions, and in other cases it may not be desirable due to social/community benefit reasons.

When developing user fees, or service charges it is important for the City to:

- A. Develop broad policies concerning the funding of services;
- B. Review all services to determine if a fee should be charged;

- C. Set fees that are comparable to other jurisdictions that recover the partial or full cost of providing the service;
- D. Consider the user's ability to pay and other social/community benefits of the service;
- E. Periodically evaluate the fee structure.

Lowell, like all cities in Arkansas, is heavily dependent upon sales tax revenues as its major revenue source; therefore, the City will pursue a long term economic strategy of attracting and maintaining retail trade organizations. The City will project revenues utilizing a conservative historical basis in order to consistently meet or exceed budgeted revenue projections. One – time revenue sources, such as grants and donations, must be appropriated before being expended, and will be removed from the expenditure line – item during the next budget process unless the funding is known to be re-occurring during the next budget year. Other one time revenue, unless specific utilization is required by law or is earmarked for a specific purpose by the grantee, or donor, will be placed in the General Fund unreserved balance. All revenue streams that are unpredictable will be considered on a very conservative historical basis.

Organization:

The purpose of this policy is to ensure the proper organizational structure to carry out the goals and policies adopted by the City Council.

The Mayor, as the CEO of the City, maintains the responsibility to review the organizational structure to assure that it is responsive to current conditions and minimizes service duplication within the organization and with other local governmental jurisdictions. As the community and the organization grow the City must continually examine its structure to ensure maximum efficiency and response to changes in its operating environment. Areas of duplication should be eliminated and delivery of service should be coordinated with other jurisdictions to ensure the most efficient and effective utilization of public resources.

Authorized Signatures:

The purpose of this policy is to outline the positions authorized to act on the City's behalf for the signature on checks and wire transfers. This policy is applicable for the signing of all checks and wire transfers for the City of Lowell.

The Mayor, Mayor's assistant, and Finance Director are authorized to sign checks on behalf of the City of Lowell. Each check will require that two out of the three authorized signatures appear in order to be valid. Currently manual signatures are being utilized by two out of the three authorized signatures. ACH transfers for payment of payroll, payroll liabilities, and tax liabilities are authorized by the Finance Director, or an authorized designee.

Investments:

The purpose of this policy is to establish investment guidelines. This policy is applicable to all available cash for the City of Lowell.

1. Investment Objectives

When making investments, the City will follow state statutes and local investment guidelines, and will abide by the following criteria in priority order:

- A. Preservation of capital
- B. Maintenance of a liquid position
- C. Maximum yield.

The primary objective of the City's investment activities is the preservation of capital.

As a municipality the City cannot make investments for the purpose of trading or speculation, such as anticipating an appreciation of capital value through changes in market interest rates. The City will not assume unreasonable investment risk in order to obtain current income. The City will diversify its investments, as allowed by law, to avoid incurring unreasonable and avoidable risks regarding individual financial institutions.

The City's investment portfolio should remain sufficiently liquid to enable the City to meet all operating, capital, and debt service requirements which might reasonably be anticipated. The need for investment liquidity may be tempered by the City's ability to issue bonds or obtain short term financing as allowed by State of Arkansas statutes.

In managing its investment portfolio, the City is specifically limited to those investments authorized by the statutes of the State of Arkansas. Investment of any tax – exempt borrowing proceeds and of any debt service funds will comply with the arbitrage restrictions of Section 148 of the Internal Revenue Code.

2. Investment Maturities

To the extent possible the City will attempt to match its investments to anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in instruments with maturities greater than thirty months. With the approval of the City Council and Mayor, the City will be permitted to invest in securities maturing in not more than three years if the investment is related to a specific cash flow requirement or particular capital project. The City recognizes that unnecessary liquidity may adversely affect the return earned on its investment portfolio, while also realizing a lack of liquidity could lead to cash flow problems.

3. Time Certificates of Deposit

The City will invest excess cash in time certificates of deposit in accordance with State of Arkansas statutes. Deposits may be placed in a single institution or spread among several institutions depending upon the City's needs, the ability to preserve capital, and to maximize the rate of return. The City will not normally deposit in any one institution more than 25% of its general deposits. Interest rate spreads and the inability to obtain sufficient bid offerings from institutions may require that the investment of funds exceed the 25% threshold for short periods of time. The City will also favor placing deposits in institutions located in the City of Lowell all other factors being equal. The Finance Director will be responsible for insuring that the institution furnishes the security for the deposits as outlined in Arkansas statutes.

4. Competitive Selection

The Finance Director, or authorized designee, will obtain quotes before placing funds in an investment instrument. Considerations will include rate of return, maturity requested, strength of the financial institution, and location of the financial institution.

5. Accounting Method

Investments will be carried at book value unless otherwise required to be held at fair market value (FMV). Gains or losses will be credited or charged to investment income at the time of sale.

6. Cash Management

The Finance Director will maximize the City's investment income by monitoring cash balances. Excess cash will be invested.

7. Reporting Requirements

The Finance Director will maintain and provide the Mayor and City Council with reports on investment holdings.

8. Authority and Control

The Finance Director will act only upon such authority as is provided for within this policy, state statute, and by authorization of the Mayor and City Council.

9. Indemnity Clause

The City will indemnify staff from losses that may occur in the administration of this investment policy. City staff should utilize the “prudent person” rule in making investment decisions on behalf of the City. The Finance Director will be bonded in an amount deemed sufficient by state statute.

Debt:

The purpose of this policy is to establish debt issuance guidelines. This policy is applicable to all debt issued by the City of Lowell. Debt managed by a trustee will be excluded from current revenues and current expenditures for budgeting purposes, and will be recorded in restricted bonds funds specific to that Bond.

1. Bond Rating

The City will seek to maintain, and if possible improve, its current bond rating in order to minimize borrowing costs and preserve its access to credit markets. Sound financial practices, debt management and capacity, and competent management support the maintenance of the City’s current bond rating. In its relationship with citizens, rating agencies, and the investment community the City will follow a policy of full disclosure as required by legal and professional practices.

2. Debt Issuance Guidelines

The City will utilize debt issuance consistent with federal, state and local laws and policies. All debt issued by the City will reconcile how much debt the community can support. Debt will not be used for the routine operations of the City unless it is for short term cash flow purposes only. Debt should not be issued for a period longer than the estimated useful life of an improvement or asset. Debt issued by the City shall be authorized by ordinance of the City Council, and long term debt (Bonds) shall be approved by a majority of the qualified electors of the City.

The City will comply with state law that limits the amount of debt the City may issue depending upon the type of revenue utilized to service the debt:

- General obligation bond debt is limited to 25% of the total assessed value for tax purposes of the real and personal property as determined by the most recent tax assessment;

- Amendment 78, short – term debt not to exceed five years, is limited to 5% of the total assessed value for tax purposes of the real and personal property as determined by the most recent tax assessment; and
- Sales tax debt has no prescribed limit on the amount of issuance, but must mature at such time not to exceed 40 years from the date of issuance.

3. Credit Worthiness

The City will seek to maintain, and as possible, improve its credit rating in order that short term borrowing costs are minimized and its credit is preserved and enhanced. The City will follow a policy of full disclosure which meets or exceeds disclosure guidelines.

4. Borrowing Purposes

The City will not fund current operations from the proceeds of borrowed funds. Short – term financing of Council approved projects or equipment, not to exceed five years, may be utilized in order to maximize opportunities or finance needed projects and/or equipment. The City will confine long – term borrowing (Bonds) to capital improvements, projects, or equipment which cannot be funded from current revenues, and for which a detailed strategic plan for the usage of the proceeds has been developed.

5. Debt Repayment

When utilizing long – term debt financing, the City will repay the debt within a period not to exceed the useful life of the improvements of equipment without the express approval of the City Council. The City is authorized to pledge all, or any part, of the revenues from the tax levied for the payment of principle and interest on the bonds issued; however, bonds must mature at such time or times, not to exceed 40 years from the date of issuance.

Whenever possible debt will be self-supporting, and may be sales tax revenue debt or revenue backed with a general obligation pledge.

General obligation debt will be used only for projects which have a general benefit to City residents which cannot be self-supporting.

Lease – purchase agreements may be considered as an alternative to debt when cost effective, or deemed appropriate due to time constraints. Such debt will be subject to annual appropriation of the City Council and will be included in the Budget process.

Purchasing:

1. Introduction

The purpose of this policy is to establish guidelines for purchases made for the City. This policy is applicable for all purchases made of behalf of the City.

The City's purchasing policy has been established in order to ensure that needed goods and services are obtained in a timely manner, at the lowest pricing possible, consistent with acceptable quality standards, and within the requirements of public purchasing laws.

Consistent with these objectives, the City's procurement activity is decentralized. In recognition of the cost of staff time and in order to reduce the cost of making small purchases, City credit cards and charge accounts are utilized by each department when making operational purchases. Credit Card receipts and Invoices received in the purchasing process are to be expenditure coded and signed by the department head and turned in to the finance department for payment. Department heads must produce coded credit card receipts and/or invoices in order for purchases to be paid. The current size of the City prohibits centralized purchasing from being cost effective.

Procedures which apply to purchases made directly by City staff, along with ethical standards that shape the City's purchasing activities, are described below.

- A. Governing laws and regulations: Procurements by the City are governed by State and local laws and regulations. This financial policy, along with State statutes and the City's administrative policies and procedures describe the procurement process: Public bidding, bid opening, bid evaluation, and bid award.
- B. Principles and ethics: All Staff of the City of Lowell subscribe to the following principles and ethics:
 - We believe in the dignity and worth of the service rendered by government and our own social responsibility as trusted public servants. We consider, first, the interest of the City in all our transactions. We abide by and carry out the City's established policies, ordinances, and laws of the State of Arkansas.
 - We keep the City informed, through appropriate channels, on problems and progress of the agency we serve by emphasizing the importance of facts.
 - We are governed by the highest ideas of honesty and integrity in all public and personal relationships in order to merit the respect of the public which we serve.
 - We strive to stimulate competitive bidding in order to obtain goods and services at the lowest possible cost, and provide all interested vendors the opportunity to offer their products to the City.

- We strive to provide a prompt and courteous reception, so far as conditions will permit, to all who call on a legitimate business mission.
- We believe that personal gain or benefit obtained through misuse of public or personal relationships is dishonest.

C. Conflict of Interest: Employees and officials of the City are prohibited from engaging in a transaction, contract, activity, or service of the City in which they personally have a direct or predictable effect on their financial interests or the financial interests of an immediate family member without express legislative consent from the Lowell City Council.

D. Personal Purchases: It is prohibited for an employee or official of the City to make purchases for their own personal purposes with City funds or to ask for, or receive, special pricing from a vendor utilizing the City's name or reputation.

E. Unauthorized purchases: No individual has the authority to enter into purchase agreements or contracts on the City's behalf unless specifically authorized to do so. Elected Officials, department heads, or their authorized representative, are authorized to expend within their yearly approved budget up to the limit of their department as necessary to continue the daily operations of the City while still complying with all City ordinances, City regulations, and laws of the State of Arkansas. Any purchase classified as unauthorized will be considered a personal expense and will become an obligation of the purchaser.

2. General Rules:

All purchases for goods or services of any kind or description, payment for which is to be made from City funds shall be made in the following manner:

- Under \$20,000 – Items used on a day – to – day basis for the operations of the City may be purchased without competitive bidding with the approval of the Department head. Purchases should be secured from the lowest cost vendor consistent with the quality needed, and periodic checks should be made to insure the lowest possible cost. Preference should be given to local vendors when the quality of the product is equal or better and the difference in delivered price is negligible. Convenience and emergency needs may also determine the vendor utilized for a purchase. Department heads, as the Mayor's duly authorized representative, may authorize staff to purchase budgeted items, but must approve for payment purchases made within this category.
- \$20,000 and up – Items purchased in this category must be purchased through a formal bid process unless specifically waived by action of the Lowell City Council. Formal bids will be secured by advertisement. Vendors who qualify, or who have in the past indicated an interest in bidding, may be forwarded a copy of bid specifications. The City Council may, by formal action, waive the requirements for

competitive bidding in exceptional situations where the procedure is deemed not practical or feasible. The City reserves the right to reject any and all bid received.

- The responsibility for the advertising of formal bids will be that of the City Clerk. The City Clerk will also have the responsibility of contacting qualified vendors who in the past have expressed a desire to bid. It will be the responsibility of the Department head to provide the City Clerk with specifications or advertisement notices to be used in the bidding process. It is required that an advertisement for a formal bid be placed in the newspaper 10 days prior to the bid opening.
- Bids received pursuant to the advertisement will be opened and read on the date and time set for receiving the bids in the presence of the Mayor, or the Mayor's duly authorized representative.
- The City Clerk will be given sufficient notice by the department head in order that deadlines for the purchase of any equipment or service by bid may be met.
- Award of items in this category, if made, will be made by the Mayor, or his duly authorized representative, based upon the department head's recommendations if the item is an appropriated budget item. If the item is not an appropriated budgeted item, the bid award will be made after the expenditure has been authorized by the City Council at a regularly scheduled meeting.

3. Bidding:

- A. The City Clerk should maintain a listing of vendors that wish to bid on City equipment and projects.
- B. Respective bidders on the listing should be notified and given sufficient time to make a bid when applicable.
- C. All formal bid purchases will be advertised, will state the time and place of opening, and will be placed in the newspaper at least 10 days before the bid opening.
- D. Notices and solicitation of bids will include the information that these are sealed bids, that they should be so identified on the envelope, and to whom the bid should be addressed.
- E. The City will reserve the right to reject any and all bids, and reserves the right to select the lowest/best bidder as determined by the City at its sole discretion.
- F. The City reserves the right to utilize reverse internet auctions as a bidding process.
- G. The City will obtain as many quotes or bids as possible from as many vendors as possible in order to insure a competitive marketing atmosphere and advantageous pricing.

4. Maintenance Agreements:

If the need for a maintenance agreement is anticipated at the time of purchase, the terms of the agreement must be included in the bid specifications.

5. Emergency Purchases:

In case of an emergency which requires the immediate purchase of supplies, equipment, or services where time is of the essence, the Mayor will have the authority to authorize such a purchase or secure services up to \$20,000 without the need to comply with the procedures as outlined above. An emergency purchase is construed to be the need of a good or service which was unable to be anticipated where time is a crucial factor and would cause a disservice to the citizens of the community if the item or service is not immediately purchased.

6. Exclusive Service:

In the event that there is only one firm or company capable of providing a particular good or service, referred to as a sole source vendor, and such goods and services cannot be secured from any other person or company, then the Mayor may authorize securing such items without the bidding process. Approval of the City Council must be sought if the item is above \$20,000, and the department head will be required to submit a detailed explanation as to why this is the only person/company from which to purchase. Confirmed research must accompany the explanation.

Collections:

Checks returned to the City due to insufficient funds will be turned over to the City Attorney for collection and/or prosecution. If the check in question concerns a service in process the responsible department will cease City services until the debt and any required fees are paid in full.

Payments to the City's Utilities Fund for sewer services that become delinquent will be notified that services will be discontinued if their account is not brought current. Accounts that continue to be delinquent will have services discontinued and a re – connection fee will be assessed.

Balanced Budget:

The City of Lowell is committed to producing a balanced Budget each year. The Budget for the City of Lowell will be considered balanced when current revenues are sufficient to meet the current expenditures without any reliance on the unreserved fund balance. Exceptions to the commitment of a balanced Budget each year may come about on large Street projects where reserve funds for that specific projects are built up over several years, and then expended during the construction phase of the project. Current expenditures are considered to be current human resource expenditures, current operations and maintenance expenditures, and current capital items. Basic and essential services provided by the City will receive first priority for funding in the budget process while additional personnel and current capital items requested will be funded on a priority basis with current revenues funds remaining after funding basic and essential services. All budget appropriations expire at the end of the budget year, or December 31, and in cases where projects are incomplete at the end of the budget cycle funding must be encumbered

or re – appropriated in the new budget year. Additional appropriations, or budget amendments, are permitted during the budget year through a resolution and approval of the City Council.

Long – Term capital projects for improvements or projects financed with long – term debt, or bonds, with the debt managed by an outside trustee will be excluded from the budgeting process. Long – term debt will be included in the annual audit process. Short – term debt managed by the City’s finance department will be included in the budget process and appropriated just like other expenditures each year.

The budget process each year will include the three major funds. The General, Street, and Utilities Funds will utilize the modified cash basis of accounting and will end with the adoption of the budget through resolution by the City Council. Due to the unpredictable nature and restricted usage of the minor seventeen (17) funds utilized for specific purposes they are not a part of the budgeting process and adjustments are made to them on a year-end basis. Both major and minor funds are subject to an annual independent audit.

“When dealing with the taxpayer’s money it is important to apply high ethical standards and sound financial policies in order to ensure prudent budgeting methods”

Jerry Hudlow, Finance Director
City of Lowell, Arkansas

2020 BUDGET REVENUE & EXPENSE SUMMARY

Department Number	Department	Revenues	Human Resources	Operating & Maintenance	Category B Requests	1/1/2020 Totals
GENERAL FUND:						
	REVENUES	8,633,941				8,633,941
	EXPENDITURES					
172	Administration		486,246	300,300	15,000.00	801,546
350	Animal Services		231,727	59,800	-	291,527
740	Building Services/Code		264,598	34,200	-	298,798
140	Court		142,525	56,571	-	199,096
336	Fire		2,160,481	434,600	10,000	2,605,081
228	Information Services		56,825	131,550	-	188,375
804	Museum		-	7,000	-	7,000
751	Parks		143,655	251,440	-	395,095
742	Planning & Economic		139,575	111,610	-	251,185
301	Police		1,598,954	312,449	75,000	1,986,403
						-
999	Transfers Out					1,600,000
	TOTALS		5,224,586	1,699,520	100,000	8,624,106
GENERAL FUND:	SURPLUS/(DEFICIT)					9,835
STREET FUND:						
	REVENUES	9,126,947				9,126,947
	EXPENDITURES		556,447	8,503,500	67,000	9,126,947
STREET FUND:	SURPLUS/(DEFICIT)					-
UTILITIES (STEP) FUND:						
	REVENUES	280,540				280,540
	EXPENDITURES		154,240	126,300	-	280,540
UTILITIES FUND:	SURPLUS/(DEFICIT)					-
SURPLUS/(DEFICIT)						9,835

2020 Consolidated Funds Statement

Revenues/Sources	General Fund	Street Fund	Utilities Fund	Total Adopted For Year 2020
State Turnback	120,000	350,000		470,000
Property Taxes	800,000	150,000		950,000
Sales Taxes	5,488,000	1,517,500		7,005,500
Franchise Taxes	560,000			560,000
Fines & Fees	1,294,600		165,800	1,460,400
Donations & Grants	231,609	-		231,609
Investment Income	7,000	5,000	144	12,144
Miscellaneous	41,732	3,500,000		3,541,732
	8,542,941	5,522,500	165,944	14,231,385
Other Financing Sources:				-
Transfers In	91,000	3,604,447	114,596	3,810,043
	-	-	-	-
Total Available Resources	8,633,941	9,126,947	280,540	18,041,428
Expenditures/Uses				
Personnel	5,224,584	556,448	154,240	5,935,272
Supplies	232,150	63,500	11,600	307,250
Other	1,467,372	8,439,999	114,700	10,022,071
Capital	100,000	67,000	-	167,000
Debt Service	-	-	-	-
	7,024,106	9,126,947	280,540	16,431,593
Other Financing Uses:				
Transfers Out	1,600,000			1,600,000
Projected Fund Balance	9,835	-	-	9,835
Total Uses and Fund Balance	8,633,941	9,126,947	280,540	18,041,428

Four - Year Combined Funds Summary

Revenues/Sources	2017 Actual	2018 Actual	2019 Actual	2020 Budget
State Turnback	463,372	460,669	464,651	470,000
Property Taxes	1,498,186	1,627,682	982,910	950,000
Sales Taxes	6,168,327	6,578,736	7,950,227	7,005,500
Franchise Taxes	488,544	550,089	516,245	560,000
Fines & Fees	1,590,663	1,173,595	1,478,202	1,460,400
Donations & Grants	688,747	2,051,707	3,445,598	231,609
Investment Income	16,260	46,582	67,409	12,144
Miscellaneous	51,977	646,196	629,524	3,541,732
	10,966,076	13,135,256	15,534,766	14,231,385
Other Financing Sources:				
Transfers In	257,380	1,777,549	750,592	3,810,043
Total Available Resources	11,223,456	14,912,805	16,285,358	18,041,428
Expenditures/Uses				
Personnel	4,257,467	4,951,199	5,159,415	5,935,272
Supplies	443,693	253,732	271,199	307,250
Other	1,943,865	3,995,201	5,502,480	10,022,071
Capital	1,506,668	1,770,728	678,168	167,000
Debt Service	-	-	-	-
	8,151,693	10,970,860	11,611,262	16,431,593
Other Financing Uses:				
Transfers Out	2,249,430	2,446,651	2,060,517	1,600,000
	10,401,123	13,417,511	13,671,779	18,031,593
Net Increase (Decrease) in Fund Balance	822,333	1,495,294	2,613,579	9,835
Fund Balance 01/01	7,502,482	8,324,815	9,820,109	12,433,688
(Fractions & Deposits)				
Fund Balance - 12/31	8,324,815	9,820,109	12,433,688	12,443,523

General Fund Summary

	2017	2018	2019	2020
Revenues/Sources	Actual	Actual	Actual	Budget
State Turnback	116,206	116,058	115,834	120,000
Property Taxes	1,360,106	1,482,479	826,001	800,000
Sales Taxes	4,847,945	5,324,615	6,219,982	5,488,000
Franchise Taxes	488,544	550,089	516,245	560,000
Fines & Fees	1,296,157	1,173,595	1,248,735	1,294,600
Donations & Grants	597,665	2,023,370	741,121	231,609
Investment Income	5,713	20,352	36,182	7,000
Miscellaneous	39,229	280,999	370,201	41,732
	8,751,565	10,971,557	10,074,301	8,542,941
Other Financing Sources:				
Transfers In	47,240	1,545,601	229,739	91,000
Total Available Resources	8,798,805	12,517,158	10,304,040	8,633,941
Expenditures/Uses				
Personnel	3,704,096	4,391,710	4,565,339	5,224,584
Supplies	155,274	205,754	187,509	232,150
Other	1,112,879	1,336,774	2,003,167	1,467,372
Capital	1,299,511	1,629,824	665,758	100,000
Debt Service	-	-	-	-
	6,271,760	7,564,062	7,421,773	7,024,106
Other Financing Uses:				
Transfers Out	2,249,430	2,446,651	2,060,517	1,600,000
	8,521,190	10,010,713	9,482,290	8,624,106
Net Increase (Decrease) in Fund Balance	277,615	2,506,445	821,750	9,835
Fund Balance 01/01	4,076,989	4,354,604	6,861,056	7,682,806
(Fractions)		7	-	
Fund Balance - 12/31	4,354,604	6,861,056	7,682,806	7,692,641

Street Fund Summary

	2017	2018	2019	2020
Revenues/Sources	Actual	Actual	Actual	Budget
State Turnback	347,166	344,611	348,817	350,000
Property Taxes	138,080	145,203	156,909	150,000
Sales Taxes	1,163,514	1,254,121	1,553,719	1,347,500
Arkansas Street Sales Tax	156,868	168,572	176,526	170,000
Miscellaneous	12,748	7,117	-	-
Donations & Grants	91,082	28,337	2,704,477	-
Investment Income	10,519	25,890	30,903	5,000
Reserves			243,057	3,500,000
	1,919,977	1,973,851	5,214,408	5,522,500
Other Financing Sources:				
Transfers In	30,000	55,387	104,298	3,604,447
Total Available Resources	1,949,977	2,029,238	5,318,706	9,126,947
Expenditures/Uses				
Personnel	383,143	379,305	441,137	556,448
Supplies	281,152	33,781	77,665	63,500
Other	602,765	2,377,569	3,344,994	8,439,999
Capital	169,266	122,020	12,410	67,000
Debt Service				-
	1,436,326	2,912,675	3,876,206	9,126,947
Other Financing Uses:				
Transfers Out				-
	1,436,326	2,912,675	3,876,206	9,126,947
Net Increase (Decrease) in Fund Balance	53,651	(883,437)	1,442,500	-
Fund Balance 01/01	3,293,346	3,806,997	2,923,561	4,366,061
(Fractions)		1		
Fund Balance - 12/31	3,806,997	2,923,561	4,366,061	4,366,061

Human Resources Summary

General Fund

	Wages	%	Benefits	%	Total	% of Total
Administration	356,810	73%	129,436	27%	486,246	8%
Animal Control Services	166,921	72%	64,806	28%	231,727	4%
Building Services & Code Enforcement	186,513	70%	78,084	30%	264,597	4%
Court	101,784	71%	40,741	29%	142,525	2%
Fire Department	1,609,603	75%	550,878	25%	2,160,481	36%
Information Services	41,290	73%	15,535	27%	56,825	1%
Museum	-		-		-	0%
Parks Department	101,716	71%	41,939	29%	143,655	2%
Planning	107,381	77%	32,193	23%	139,574	2%
Police Department	1,179,742	74%	419,212	26%	1,598,954	27%
Totals	3,851,760	74%	1,372,824	26%	5,224,584	88%

Street Fund

Street Department	389,045	70%	167,403	30%	556,448	9%
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Utilities Fund

Utilities Department	110,469	72%	43,771	28%	154,240	3%
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Fund Totals

4,351,274	1,583,998	5,935,272	100%
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Total Expenditure Budget (Less GF Transfers and Street Projects) 8,619,593

Percentage of Human Resources to Total 2020 Expenditure Budget: 69%

Personnel Count

<u>General Fund</u>	2017	2018	2019	2020
Administration	5	5.5	5.5	4.5
Animal Control Services	4	4	4	4
Building Services & Code Enforcement	5	5	4	4
Court	2.5	2.5	2.5	2
Fire Department	18	30	30	30
Information Services	1	1	1	1
Museum	1	1	1	0
Parks Department	3	3	3	3
Planning	2	2	2	2
Police Department	25	26	26	25
	66.5	80	79	75.5
<u>Street Fund</u>				
Street Department	8	9	9	9
<u>Utilities Fund</u>				
Utilities Department	3	3	3	2
Total Personnel Count	77.5	92	91	86.5

2020 Personnel Changes

Administration	-1
Court	-0.5
Museum	-1
Police	-1
Utilities	-1

Net Loss/Gain **-4.5**

Personnel Changes

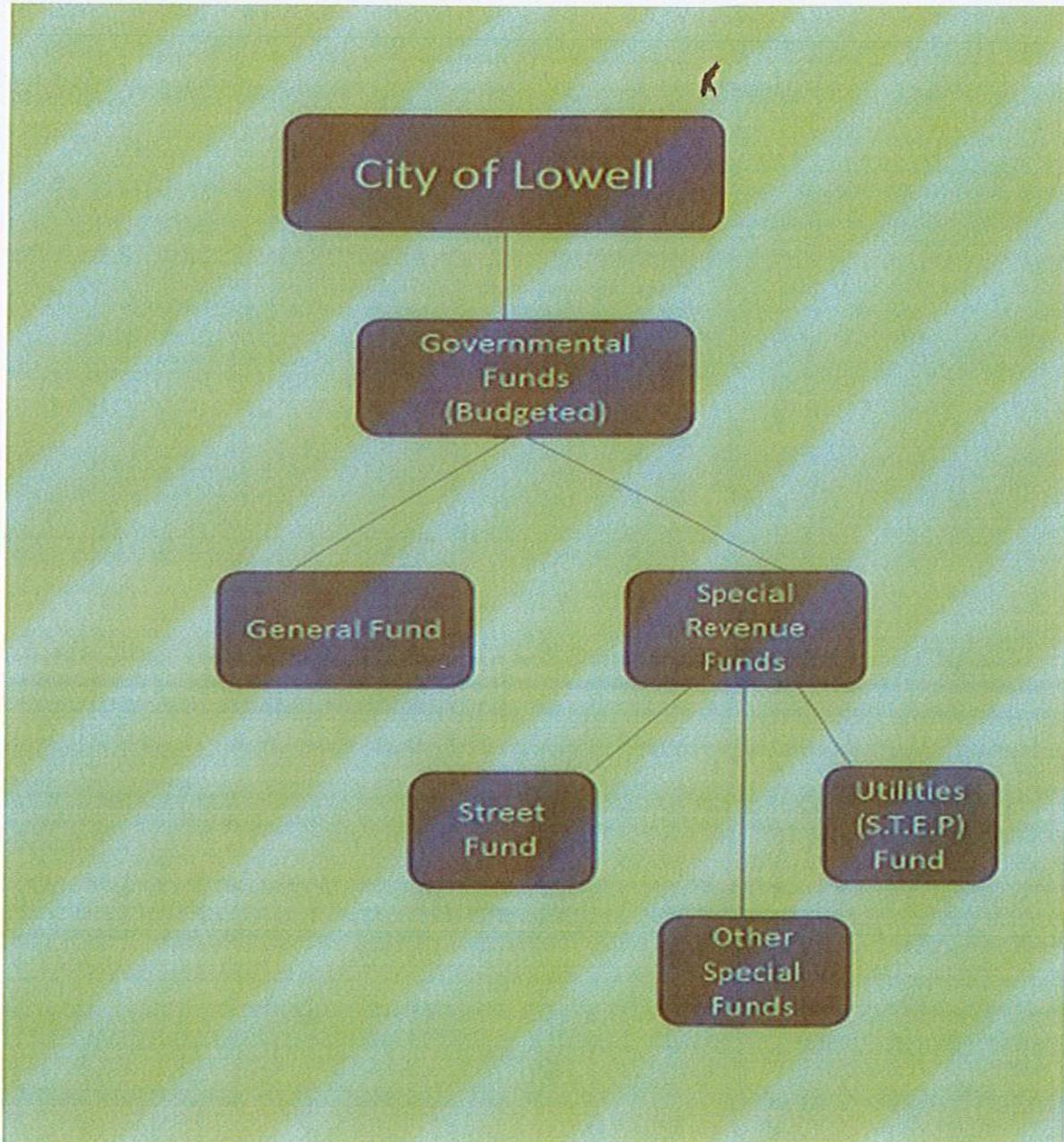
- **Administration** – The receptionist position at City Hall was eliminated and duties were assigned to the Building Services Permit Tech and the Mayor’s Administrative Assistant. The elimination of this position brought about a cost savings of \$42,000.
- **Courts** – By increasing technology utilization in the Court the City was able to eliminate a part – time position with a cost savings of \$18,000.
- **Museum** – The Lowell Museum operated on a five (5) day per week schedule utilizing two paid part – time individuals and several volunteers. After assessing the number of visitors to the Museum and the timeframe in which visitors came to tour the Museum, a decision was made to change the schedule of operations at the Museum. The Museum for 2020 will be open on two Saturdays per month and the paid staff has been eliminated. The Museum will be staffed with volunteers only, thus human resource costs have been reduced by \$32,500. This reduction in the hours of operation has also reduced Operations and Maintenance costs by an additional \$11,500
- **Police Department** – The Police Department witnessed its long time Police Chief retire during the first months of 2019. As the search for a new Police Chief progressed it became apparent that the individual serving as the Police Capitan should be promoted to the Chief’s position. The Capitan’s position was then eliminated, and the department restructured with a cost savings of \$105,000 to wages and benefits.
- **Utilities (S.T.E.P.)** – With the build out of the three subdivisions located in Lowell utilizing the S.T.E.P. sewer system maintenance of the system, rather than expansion of the system, became the primary concern of the staff. Without the necessity of further building of the system one staff member position was eliminated leaving two staff members to focus on maintenance of the system. Cost savings due to the elimination of this position was \$48,000.

Department

Information

Fund Structure

The Fund Structure for the City of Lowell is made up of governmental fund types. All governmental fund types at the City of Lowell are subject to, and included in, annual audited financial statements. Annual audits for all funds, excluding sewer related funds, are performed by the Division of Legislative Audit, State of Arkansas. Sewer related funds are audited by a private accounting firm.



Governmental

General Fund - Functions as the operating fund and is comprised of 10 different departments providing the citizens with the normal reoccurring functions of a municipal government. All departments in the General Fund are included in the budget process and funding in each department is subject to appropriation by the Lowell City Council. These departments and a brief description are as follows:

Administration – contains the Mayor’s Office, the Office of the City Clerk, the Finance Department, and the front desk reception. The Mayor is essentially the CEO of the City; the City Clerk records and maintains the records of all meetings, along with codification of any legislation passed; the Finance Department performs the accounting and HR functions for the City; and the front desk reception greets citizens visiting City Hall, answers and routes incoming telephone calls, and produces the quarterly City newsletter

Animal Control Services – responsible for animal control within the City along with the return to owners of loose animals and the housing, care, adoption, and euthanasia of stray, sick and abandoned animals

Building Services/Code Enforcement – issues permits and collects fees for building, electrical, and plumbing permits; conducts field inspections of construction to ensure that all work conforms to safety codes; monitors and enforces City code violations

Courts – is responsible for all misdemeanor charges written by the Lowell Police Department; handles cases and charges written by the Arkansas State Police, Arkansas Game & Fish, Benton County Sheriff’s Office, and other authorities within the City of Lowell

Fire Department – provides public service for fire prevention, suppression, investigation, emergency medical care, ambulance service, public information and education, and inspection of new and existing construction

Information Services – provides for the hardware, software, and network capabilities of the City; administers access control

Museum – educates the public about the history of Lowell; collects historical exhibits and artifacts; provides programs for business, civic, and school groups

Parks Department – maintains park and trail system within the City

Planning Department – provides technical expertise to elected officials, the planning commission, public agencies, developers, and citizens of developmental design quality, environmental integrity, and zoning issues

Police Department – provides for the public safety of the citizens of Lowell through education, crime suppression, traffic control, and dispatch of Police vehicles

Special Revenue Funds – Special Revenue Funds are utilized to account for the proceeds of special revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes. The City has two (2) major funds, the Street Fund and the Utilities (S.T.E.P) Fund, along with seventeen (17) minor (Other) funds. The Special Revenue major funds are included in the budget process and the funding for these funds is subject to appropriation by the Lowell City Council.

Street Fund: contains one department, the Street Department, accounts for resources related to street, drainage, and traffic control operations. Minor maintenance repair and construction of streets, drainage systems, street lighting, street traffic control signals, and landscaping along streets are included in this fund

Utilities (S.T.E.P.) Fund: contains one department, the Utilities Department, accounts for resources related to the construction and maintenance of the sanitary sewer system located in three (3) subdivisions within the City. The Utilities Fund relies upon the General Fund to supplement funding for its operations

Other Funds – Minor Funds with specific special revenue sources that have legally restricted expenditure requirements. These funds have limited usage and insignificant amounts of revenues and expenditures. These funds are **not** included in the budget process, but are subject to appropriation by the Lowell City Council when expenditures occur.



City of Lowell

General Fund



Departments

Administration
Court
Museum

Animal Services
Fire Department
Parks Department
Planning and Economic Development

Building Services
Information Services
Police Department

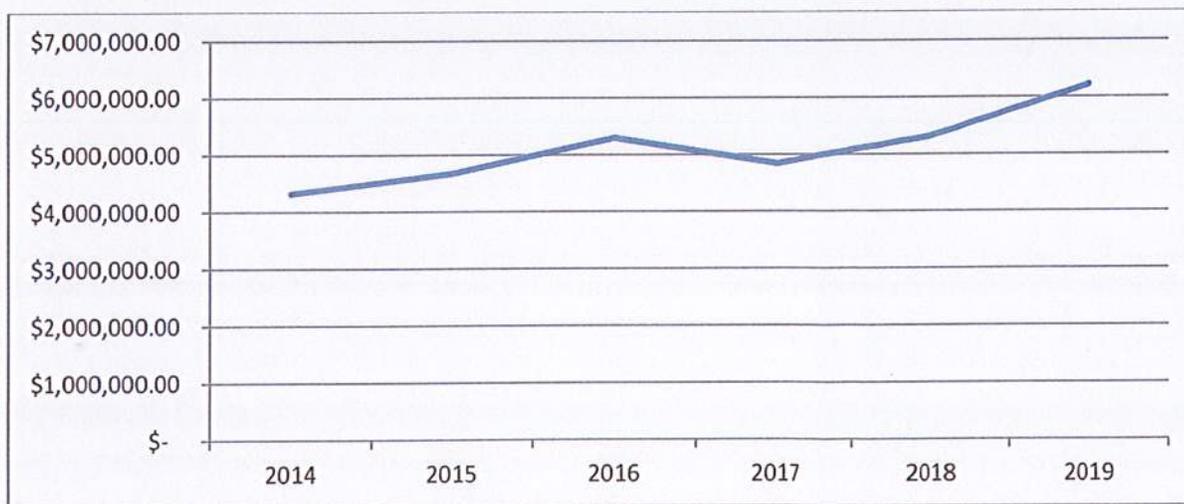
General Fund:

The General Fund for the City of Lowell functions as the general operating fund for the City. The General Fund is comprised of ten (10) different departments: Administration, Animal Control, Building Services & Code Compliance, Court, Fire Department, Information Systems, Parks, Planning & Economic Development, Police Department, and Museum. These ten (10) departments provide the citizens of Lowell with the normal recurring functions and services of a municipal government in Arkansas.

REVENUES

2020 Revenues for the General Fund are projected to be \$8,633,941 which would be an increase of 2.5 %, or \$208,216 over projected 2019 Budget revenues of \$8,425,725. Actual revenues for 2019 exceeded Budget expectations mainly due to higher than projected sales tax collections, along with receipt of unanticipated grant funds, donations, the sale of some older City assets, and the transfer in of funds to the General Fund from Special Revenue Funds for projects. Lowell always takes a historical conservative approach to projecting revenues, and that methods appears to serve the City well. Northwest Arkansas continues to experience moderate economic growth which provides the possibility of higher than projected revenues for Lowell, but the City continues to believe that a conservative approach for its projections is the best approach.

COMBINED CITY AND COUNTY SALES TAX COLLECTIONS IN DOLLARS



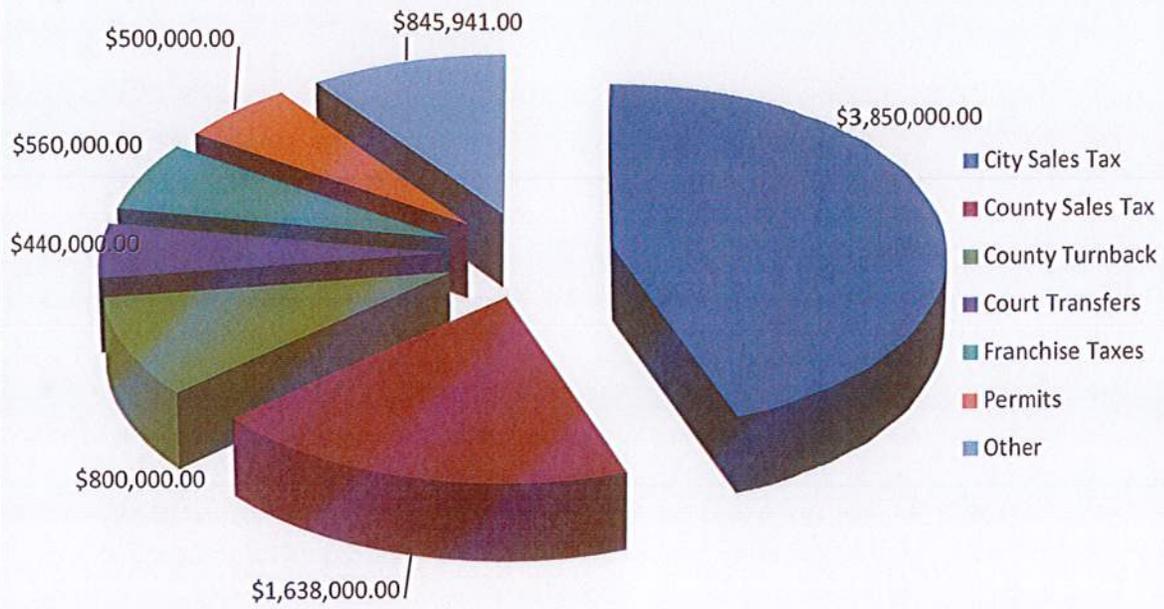
Six categories make - up 90.2% percent of the 2020 Budget revenue projected for the General Fund. Sales tax collections, as in most Arkansas cities, continues to “lead the way” in revenue collections making up 63.56% of the 2020 revenue budget picture. County Turn back, or property taxes, make up 9.27% of the General Fund revenue picture, and was not projected to increase for 2020. Property taxes are assessed in Arkansas during the first months of each year and are not due until the following year in October. Due to this time lag, of up to eighteen (18) months between assessment and collection, trends on the collection of this tax can prove to be somewhat difficult to properly project. Adding to the time lag mentioned above, real property is assessed by the County appraiser only once every three years in Arkansas, causing a possible

additional time lag for collections of tax on improvements that have been made to real property. The City can expect property taxes to experience increases over the next several years due to new construction taking place within the City, but until a firm trend is established projecting just how much collections will increase can prove to be difficult. Franchise taxes, making up 6.49%, or \$560,000 of the 2020 revenue budget, are projected to rise by \$60,000 due to the addition of several residential neighborhoods and commercial properties. Court transfers of fines and fees are projected to make up 5.1%, or \$440,000, of the revenue stream for the City in the 2020 Budget. The City has averaged Court transfers of \$433,413 over the past five (5) years and came in at \$441,374 for 2019 so the \$440,000 projection is in line with historical numbers for this category. Permits make up 5.8%, or \$500,000, of the projected revenue stream for the City for 2020. Revenue from Permits can experience wide swings in collections from year to year due to the size of construction projects started within the City during the year. The five (5) year average for Permits revenue is \$557,987 with actual revenue from 2019 being \$488,264. Lowell does continue to see aggressive building in the residential arena, so the \$500,000 projection for Permits should be in line with collections for 2020.

Lowell is fortunate that it is positioned in the middle, distance wise, of the Fayetteville to Bentonville business district that comprises the Northwest Arkansas MSA. With a central location, many families find that Lowell is a convenient, yet still rural, place to reside with great access to transportation for work, shopping, and recreation both to the North and to the South sides of Lowell. Lowell is beginning to capitalize on the residential influx by attracting retail establishments to service the growing population. Sales tax collections were especially strong during the second half of 2019. Some of this strength can be attributed to the opening of a new chain grocery store in the City, but it appears that new laws concerning on – line sales, and the collection of sales taxes on those sales, has also had an impact on collections.



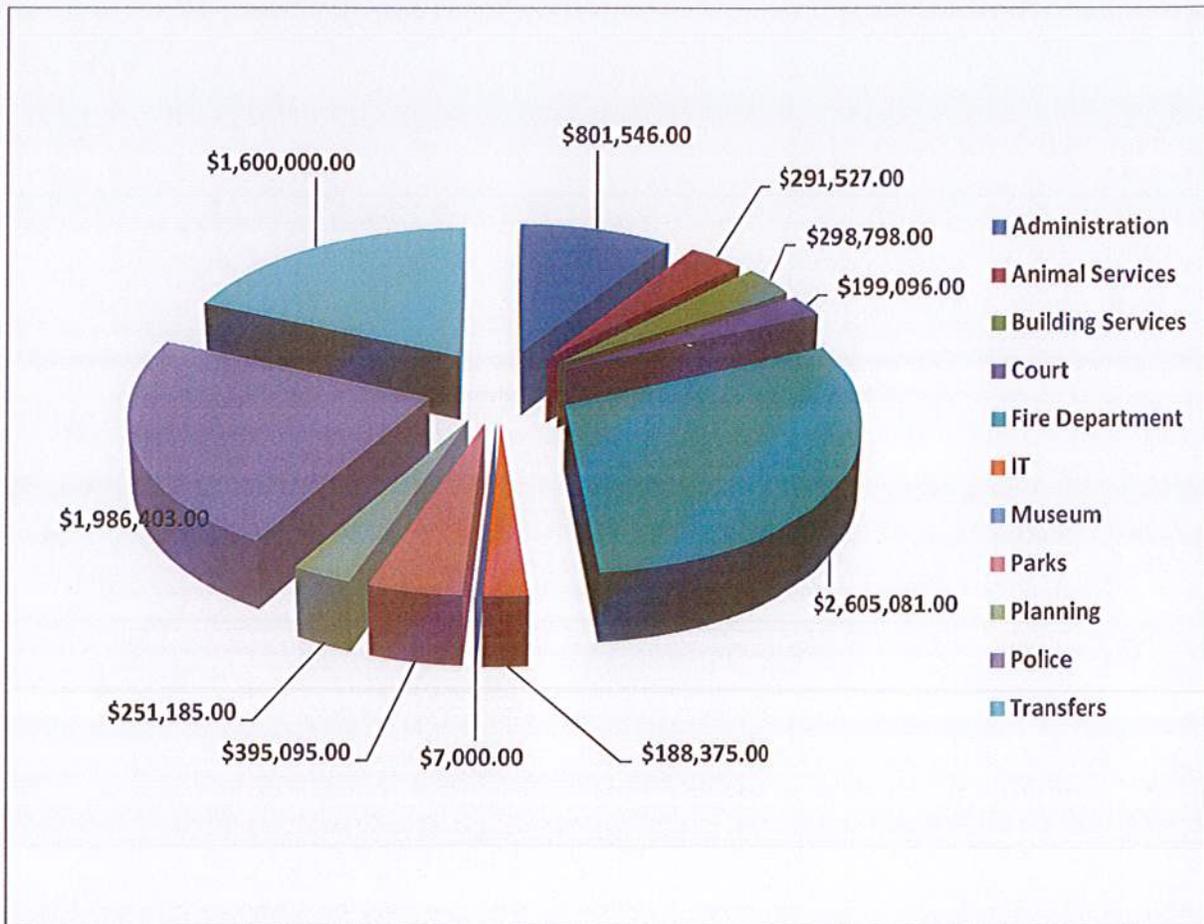
General Fund Revenue Sources 2020



EXPENDITURES

Expenditures; combined human resource costs, operations and maintenance costs, and capital costs are projected to be \$8,624,106 and increase by \$232,478 or 2.8%, over the 2019 Budget. The increase is due to one main factor within the 2020 Budget – Increased Human Resource costs. The City operates on a bi – weekly payroll system with staff being paid every two weeks, or 26 times each year. Occasionally the calendar year will fall where an additional payroll must be paid out during that year, and 2020 happens to be the year in which a 27th payroll must be paid out. The 27th payroll added approximately \$190,000 to the 2020 Budget. Staff were also given a 3 % wage increase for 2020 which added approximately \$150,000 to the 2020 Budget. Retirement costs for Police and Fire personnel increased in 2020 by almost \$320,000 due to the exhaustion of a State of Arkansas funded Reserve Fund in 2019. The Federal SAFER grant that has supplied 75% of the wages and benefits for twelve (12) additional firefighters hired by the City in 2018 to man a second fire station in the City drops to supplying only 35% of those costs in 2020 which added approximately \$220,000 to the 2020 Budget. For the 2021 Budget year and going forward the City will be required to absorb all the costs associated with the firefighters hired under the SAFER grant. Overall, human resource costs increased by nearly \$660,000 for the 2020 Budget year over actual 2019 HR costs. Some savings were realized in human resources through a reduction of staff. (See Page 40 and 41)

General Fund Budgeted 2020 Expenditures by Department



While the General Fund 2020 Budget was balanced, the 2020 Budget proved to be a challenge due to the additional pressure brought about through increased human resource costs. It will be several years before Lowell will again experience a 27th payroll falling within the calendar year, but the 3% wage increase, the additional retirement costs for Police and Fire staff, and the exhaustion of the SAFER grant funding are costs that will continue into the future and must be factored into future budgets. Lowell was able to balance its 2020 Budget through reductions in the Operations and Maintenance part of the budget, reductions in Capital spending, and increases in the projections of collections of sales taxes. While continued reductions in Operations and Maintenance and Capital are not viable options for the future, Lowell's growth will produce additional sales taxes with which to help provide the increasing cost of City services.

Lowell currently has a two percent sales tax. One of the two cents per dollar sales tax is a permanent sales tax while one cent can sunset and expire unless extended by an election. The one cent that can sunset is currently being divided with 70% dedicated to the Street Fund and 30% dedicated to the General Fund. This one cent will sunset on December 31, 2021, so an election to extend this one cent will need to take place in early 2021. During the election to extend the one percent sales tax it would be prudent to change the distribution to a 50% – 50% split between the General Fund and the Street Fund which would produce around \$450,000 additional dollars each year to relieve the human resource budgetary pressures mentioned above. The City Council may also consider in September 2020 enacting a millage for the purpose of funding the increased cost of Police and Fire retirement funding. By increasing the millage by .9 mills nearly \$230,000 can be generated to relieve those budgetary pressures.

Lowell will enter 2020 with its required one million-dollar Unrestricted Reserves in place, giving Lowell an economic cushion with which to react if the economy begins to slow down. Lowell has, and will continue, through prudent budgeting, planning, and utilization of its resources, strive to improve the services and quality of life its citizens have come to enjoy.

Accomplishments Planned for 2020:

- Produce balanced Budget for 2020
- Pursue economic development efforts for City growth
- Begin providing amenities for, and begin utilization of, Kathleen Johnson Memorial Park
- Implement replacement program for heating and cooling units at City Hall
- Purchase three (3) replacement vehicles in Police Department
- Explore and plan for sales tax extension election
- Explore implementing additional millage on property taxes exclusively for required Police and Fire Department personnel retirement funding
- Expand Trail System
- Develop infrastructure plans and engineering for needed street improvements

2020

General Fund

Revenues

2020 GENERAL FUND REVENUES

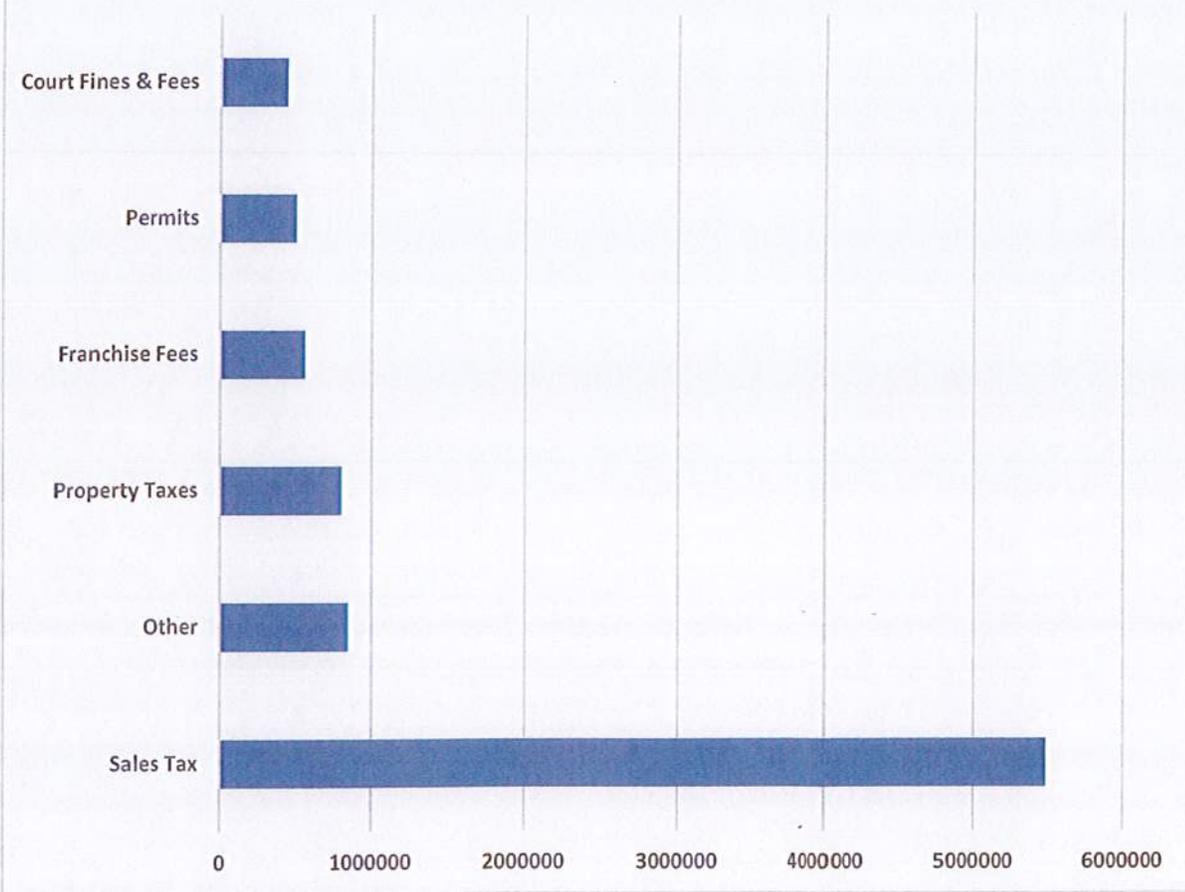
Department 101 - 000							1/1/2020
Account Number	Account Description	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
REVENUES							
421.000	County Turnback	1,224,809.97	1,224,942.32	1,360,106.28	1,482,479.34	826,001.40	800,000
422.000	State Turnback	115,889.34	117,020.57	116,205.60	116,057.67	115,833.95	120,000
425.000	Franchise Taxes	505,691.05	486,608.83	488,543.88	550,089.36	516,244.93	560,000
435.000	County Sales Tax	1,395,508.21	1,436,381.72	1,523,618.69	1,741,411.95	1,780,784.66	1,638,000
436.000	City Sales Tax	3,281,950.46	3,865,107.16	3,324,325.93	3,583,203.15	4,439,197.45	3,850,000
437.000	Alcohol Sales Tax	8,253.31	8,272.27	7,938.75	7,097.34	8,472.16	10,000
451.000	Business License	56,981.00	60,257.00	63,127.50	64,921.15	70,929.00	70,000
452.000	Permits	562,666.17	578,486.44	560,780.95	599,740.87	488,264.67	500,000
453.000	Business Directory Ad	575.00	825.00	2,750.00	2,550.00	1,025.00	1,500
454.000	Farmers Market Vendor						
478.000	Animal Pick - up	3,165.00	5,198.25	8,565.00	6,325.00	4,968.00	5,000
478.001	Animal Adoption	4,724.00	5,947.31	4,963.18	5,093.00	3,035.00	4,000
541.000	Grant - Police	705.10	1,600.00	5,269.48	43,301.92	8,030.47	
545.000	Grant - Fire	500.00	15,500.00	1,000.00	392,539.22	371,926.09	231,609
547.000	Grant - Parks	93,060.00	-	-	427,606.00	288,520.00	-
606.000	Court Transfers	441,190.82	421,014.00	424,783.14	438,702.02	441,374.36	440,000
606.001	City Jail Fees	41,312.12	40,055.00	30,729.50	37,912.72	26,595.00	36,000
609.000	Special Events						
610.000	Accident Reports	2,200.00	4,138.38	2,410.00	2,700.00	2,047.00	2,400
610.100	Ambulance Fees		109,531.51	186,760.58	211,651.29	190,024.61	190,000
612.000	Planning Fees	11,250.00	8,750.00	16,300.00	8,950.00	11,000.00	10,000
613.000	Hazmat Revenue					-	
614.000		-	-	-	-	-	
665.000	Interest - Checking	884.12	1,368.57	3,387.87	5,340.30	14,308.76	1,000
665.037	Interest - CD Revenue	3,602.82	2,127.01	2,325.17	15,010.70	21,873.26	6,000
667.000	Lock Box Revenue	1,932.75	2,628.25	2,700.00	2,025.00	2,025.00	3,800
667.001	Trash Bag Sales			6,935.00	5,738.00	8,062.00	6,000
671.000	Miscellaneous	10,622.07	15,782.22	2,559.82	5,952.33	54,648.29	29,232
671.100	Misc. Prof. Services					16,305.91	23,400
674.100	Donations	21,145.37	500.00	577,452.87	1,151,984.00	550.00	-
674.200	Donations - Mudtown	3,571.05	4,820.00	5,625.00	5,429.14	65,160.00	5,000
675.000	Donations - Parks	4,770.00	2,917.00	8,298.75	2,517.00	3,810.00	-
675.001	Donations - Museum	240.60	69.00	19.00	120.00	-	
675.004	Museum Cookbook Sale	10.00	115.00	150.00	5.00	45.00	
676.000	Insurance Claims	67,017.44	34,113.35	842.22	6,251.36	3,440.33	
687.000	Refund	2,149.89	6,555.48	5,362.30	40,487.83	101.70	
687.002	Bethel Heights Fire	4,474.00	5,025.00	5,141.00	5,278.00	95,075.00	-
693.000	Fixed Asset - Sale	6,506.80	3,000.00	2,587.50	3,086.09	194,622.25	
	Other	145.00	60,000.00	-	-	-	
697.000	Loan Proceeds						
	Total	7,877,503.46	8,528,656.64	8,751,564.96	10,971,557	10,074,301	8,542,941

2020 GENERAL FUND REVENUES

Department 101 - 000 1/1/2020

Account Number	Account Description	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
	REVENUES						
	TRANSFERS IN						
699.000	Sewer Accounts				337,157.00	37,700.00	
699.021	Improvement Bond						
699.023	Education Act 474	50.00	625.00	240.00	-	800.00	
699.024	Fire Act 833				149,997.00	22,155.00	
699.025	Fire Reserves		44,000.00	-	118,004.00	40,000.00	-
699.027	Liability Insurance	47,000.00	23,500.00	23,500.00	23,500.00	48,000.00	50,000
699.028	Warrant Service Fund	30,000.00	23,500.00	23,500.00	50,407.00	24,000.00	25,000
699.030	J.A.G.						
699.063	Fire Impact				866,536.00	57,084.00	16,000
699.064	General Fund Reserves Court Automation						
	Other	175,950.00	-	-	-	-	
	Total Transfers In	253,000.00	91,625.00	47,240.00	1,545,601.00	229,739.00	91,000
	TOTAL REVENUES	8,130,503.46	8,620,281.64	8,798,804.96	12,517,158	10,304,040	
	2020 GENERAL FUND REVENUES						8,633,941
	GENERAL FUND DEPARTMENTS:						
	Administration				Information Services		
	Animal Services				Museum		
	Building Services/Code Enforcement				Parks Department		
	District Court				Planning and Economic Development		
	Fire Department				Police Department		

General Fund Revenues



2020

General Fund

Expenditures

2020 ADMINISTRATION

Department 101 - 172

1/1/2020

Account Number	Account Description	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
	EXPENDITURES						
	HUMAN RESOURCES						
	Payroll						
702.000	Salaries & Wages	291,923.77	303,947.75	317,032.10	328,842.46	325,841.40	288,313
702.001	Overtime						1,897
702.002	Other						66,600
	Total Payroll	291,923.77	303,947.75	317,032.10	328,842.46	325,841.40	356,810
	HR Overhead						
715.001	Medicare	4,055.79	4,257.90	4,450.42	4,623.36	4,590.87	5,161
715.002	Social Security	17,393.27	18,206.10	19,029.33	19,768.70	19,629.84	22,066
715.003	Health Insurance	42,231.89	39,977.93	41,582.52	42,493.01	54,468.51	58,718
715.004	Retirement	36,484.11	38,101.63	40,292.07	42,577.66	42,745.29	42,783
716.000	Unemployment	544.50	715.45	287.96	713.96	(551.31)	350
717.000	Worker's Compensation	1,480.52	382.00	358.01	306.00	204.22	358
	Total HR Overhead	102,190.08	101,641.01	106,000.31	110,482.69	121,087.42	129,436
	Total HR Expenditures	394,113.85	405,588.76	423,032.41	439,325.15	446,928.82	486,246
	OPERATIONS & MAINTENANCE						
727.000	Supplies	10,391.28	15,172.84	10,510.52	10,300.15	10,844.88	12,000
729.000	Uniforms	513.12	-	409.37	-	125.71	-
730.000	Postage	9,057.63	8,476.45	6,747.95	6,807.44	10,040.12	9,000
802.000	Professional Services	71,624.56	72,087.71	78,773.57	89,955.75	97,217.11	87,300
803.000	Legal Publications	3,049.78	5,130.52	3,684.20	5,436.00	9,291.26	5,500
835.000	Medical Expenses	-	-	-	-	-	-
801.000	Contract Labor	-	-	-	-	-	-
850.000	Communications	26,100.97	33,931.90	37,046.49	34,579.44	31,838.39	34,000
855.000	Communications - Cell	2,471.52	2,894.86	4,271.51	2,902.63	3,419.75	2,700
861.000	Travel & Training	7,651.01	3,273.90	5,744.88	7,088.82	6,877.15	5,000
900.000	Dues & Subscriptions	25,626.47	34,228.17	28,210.99	35,321.00	28,946.66	23,800
901.000	Advertising/Public Rel.	999.74	262.80	-	-	-	-
920.000	Utilities	12,371.02	10,394.78	10,768.88	12,255.83	11,532.60	12,500
921.000	Fuel & Oil	1,474.70	799.11	667.56	722.18	275.39	1,500
930.000	Maintenance-Building	15,222.96	14,990.60	24,816.46	24,632.50	25,084.91	5,000
932.000	Maintenance-Equip.	229.84	-	208.62	-	-	-
933.000	Maintenance-Vehicles	4,122.87	1,350.14	196.66	1,264.37	216.17	1,500
940.000	Machinery - Lease	26,888.07	20,770.71	18,661.30	18,091.68	15,271.30	16,500
950.000	Bank Fees Expense	-	-	-	291.98	-	-
955.000	Miscellaneous	2,248.64	9,986.54	2,969.49	2,088.54	5,574.56	30,000
961.000	Insurance - Property	48,995.00	49,996.00	54,867.00	57,998.00	62,899.00	53,000
964.000	Refund	-	-	-	-	-	-
973.000	Equipment	496.53	4,639.86	2,690.26	742.08	4,467.75	1000

2020 ADMINISTRATION

Department 101 - 172

1/1/2020

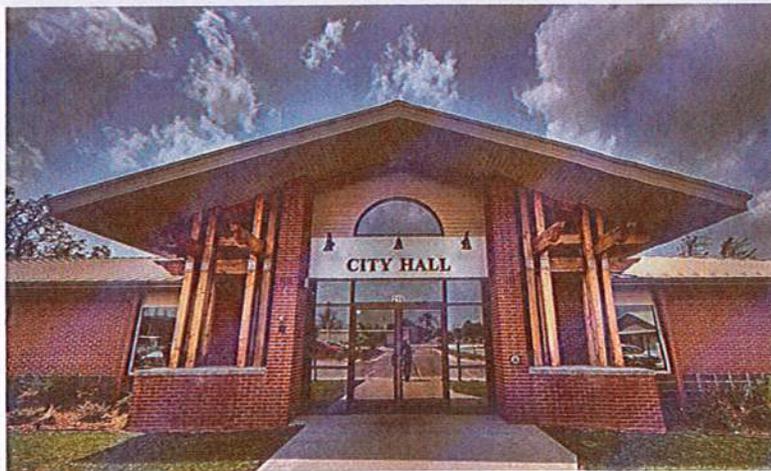
Account Number	Account Description	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
	EXPENDITURES						
	OPERATIONS & MAINTENANCE						
972.001	Other Projects	499,709.72	-	-	206,088.88	-	
			113,381.35	37,394.59	-	598,213.04	
	Total O & M	769,245.43	401,768.24	328,640.30	516,567.27	922,135.75	300,300
	Total Expenditures	1,163,359.28	807,357.00	751,672.71	955,892.42	1,369,064.57	786,546
970.000	CAPITAL						
970.000	Capital Expense	-	31,792.00	432,911.97	-	-	15,000
	Capital Expense						
	Total Capital Expense	-	31,792.00	432,911.97	-	-	15,000

**TOTAL EXPENDITURES
And CAPITAL**

1,163,359.28	839,149.00	1,184,584.68	955,892.42	1,369,064.57
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2020 ADMINISTRATION BUDGET EXPENDITURES AND CAPITAL

801,546



2020 ANIMAL SERVICES

Department 101 - 350

1/1/2020

Account Number	Account Description	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
EXPENDITURES							
HUMAN RESOURCES							
Payroll							
702.000	Salaries & Wages	59,021.39	69,014.54	66,543.93	136,416.04	129,518.39	166,121
702.001	Overtime						
702.002	Other						800
	Total Payroll	59,021.39	69,014.54	66,543.93	136,416.04	129,518.39	166,921
HR Overhead							
715.001	Medicare	835.99	985.01	939.89	1,945.05	1,816.31	2,420
715.002	Social Security	3,574.56	4,211.70	4,018.84	8,316.76	7,766.32	10,349
715.003	Health Insurance	8,151.69	7,413.27	8,041.63	19,905.89	24,060.10	23,700
715.004	Retirement	8,635.94	10,007.05	9,719.06	20,521.51	19,842.10	27,615
716.000	Unemployment	341.32	300.39	178.35	564.64	600.00	400
717.000	Worker's Compensation	540.38	757.00	804.10	776.00	562.50	321
	Total HR Overhead	22,079.88	23,674.42	23,701.87	52,029.85	54,647.33	64,805
	Total HR Expenditures	81,101.27	92,688.96	90,245.80	188,445.89	184,165.72	231,726
OPERATIONS & MAINTENANCE							
727.000	Supplies	11,503.07	12,756.66	10,922.06	13,808.27	10,380.97	12,000
729.000	Uniforms	4,098.48	3,011.94	5,118.55	4,675.51	1,631.34	5,000
801.000	Contract Labor	-	-	1,218.00	-	-	-
802.000	Professional Services	1,372.50	814.00	1,708.77	1,659.50	600.00	2,500
802.002	Veterinary Expenses	6,767.97	13,244.06	8,070.42	4,864.84	9,181.99	7,500
835.000	Medical Expenses	2,111.93	1,121.90	150.00	115.00	-	1,200
855.000	Communications - Cell	934.50	1,658.23	1,494.06	2,372.34	1,093.99	-
861.000	Travel & Training	2,333.81	774.40	343.38	895.18	250.00	5,000
901.000	Advertising	-	-	564.00	-	-	-
920.000	Utilities	5,804.77	6,327.34	5,374.00	7,037.32	5,941.40	9,000
921.000	Fuel & Oil	2,027.61	1,978.70	2,117.93	2,512.13	2,146.27	4,000
930.000	Maintenance-Building	1,790.43	1,308.38	1,400.26	2,603.28	1,428.92	2,000
932.000	Maintenance-Equip.	1,086.24	72.86	673.52	974.91	721.52	1,000
933.000	Maintenance-Vehicles	253.97	1,288.94	3,015.91	2,091.73	173.21	3,000
955.000	Miscellaneous	966.00	421.17	320.94	-	58.49	100
973.000	Equipment	7,548.47	5,730.82	10,202.85	6,286.65	10,289.26	7,500
	Other		-	-			

2020 ANIMAL SERVICES

Department 101 - 350

1/1/2020

Account Number	Account Description	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
	EXPENDITURES						
	OPERATIONS & MAINTENANCE						
972.001	Debt Service						
	Total O & M	48,599.75	50,509.40	52,694.65	49,896.66	43,897.36	59,800
	Total Expenditures	129,701.02	143,198.36	142,940.45	238,342.55	228,063.08	291,526
	CAPITAL						
970.000	Capital Expense	-	67,790.62	17,991.86	31,320.65	14,440.04	-
970.000	Capital Expense						
	Total Capital Expense	-	67,790.62	17,991.86	31,320.65	14,440.04	-
	TOTAL EXPENDITURES And CAPITAL	129,701.02	210,988.98	160,932.31	269,663.20	242,503.12	

2020 ANIMAL SERVICES BUDGET EXPENDITURES AND CAPITAL

291,526



Girl Scouts Donate to the Lowell Animal Shelter

2020 BUILDING SERVICES/CODE ENFORCEMENT

Department 101 - 740

1/1/2020

Account Number	Account Description	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
	EXPENDITURES						
	HUMAN RESOURCES						
	Payroll						
702.000	Salaries & Wages	195,277.27	184,363.84	186,705.61	173,727.66	169,117.65	185,113
702.001	Overtime						600
702.002	Other					600	800
	Total Payroll	195,277.27	184,363.84	186,705.61	173,727.66	169,717.65	186,513
	HR Overhead						
715.001	Medicare	2,673.79	2,497.17	2,470.79	2,346.57	2,332.19	2,700
715.002	Social Security	11,432.73	10,677.55	10,564.73	10,033.57	9,972.14	11,545
715.003	Health Insurance	35,010.38	39,739.17	50,369.74	39,385.63	26,495.61	33,561
715.004	Retirement	28,256.88	26,134.30	27,289.88	25,703.95	25,375.69	28,436
716.000	Unemployment	787.69	784.11	360.00	917.10	680.00	400
717.000	Worker's Compensation	1,480.51	2,268.00	1,657.05	1,677.00	1,345.69	1,442
	Total HR Overhead	79,641.98	82,100.30	92,712.19	80,063.82	66,201.32	78,084
	Total HR Expenditures	274,919.25	266,464.14	279,417.80	253,791.48	235,918.97	264,597
	OPERATIONS & MAINTENANCE						
727.000	Supplies	1,170.26	2,117.98	8,154.18	9,628.61	6,588.37	10,200
729.000	Uniforms	830.83	226.15	120.44	398.43	1,290.82	1,000
835.000	Medical Expenses	115.00	345.00	-	230.00	-	300
855.000	Communications - Cell	3,000.11	3,847.09	4,643.05	5,192.95	2,751.89	3,200
861.000	Travel & Training	8,487.97	4,521.61	3,494.16	3,714.00	380.01	7,000
900.000	Dues & Subscriptions	1,254.00	6,369.48	1,703.00	1,083.29	1,395.00	2,500
901.000	Advertising/Public Rel.	161.29	-	-	-	-	-
921.000	Fuel & Oil	5,121.61	3,853.48	4,038.81	2,826.56	2,344.86	4,000
932.000	Maintenance-Equip.	164.21	-	-	-	-	500
933.000	Maintenance-Vehicles	528.60	5,166.08	1,504.18	873.95	934.61	
955.000	Miscellaneous	21.92	765.00	85.00	485.78	13.70	1,000
973.000	Equipment	971.95	3,767.77	231.94	610.71	175.91	500
	Other						

2020 BUILDING SERVICES/CODE ENFORCEMENT

Department 101 - 740

1/1/2020

Account Number	Account Description	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
	EXPENDITURES						
	OPERATIONS & MAINTENANCE						
972.001	Debt Service						
	Total O & M	21,827.75	30,979.64	23,974.76	25,044.28	15,875.17	30,200
	Total Expenditures	296,747.00	297,443.78	303,392.56	278,835.76	251,794.14	294,797
	CAPITAL						
970.000	Capital Expense	26,568.00	-	-	17,850.00	-	-
970.000	Capital Expense						
	Total Capital Expense	26,568.00	-	-	17,850.00	-	-
	TOTAL EXPENDITURES And CAPITAL	<u>323,315.00</u>	<u>297,443.78</u>	<u>303,392.56</u>	<u>296,685.76</u>	<u>251,794.14</u>	

2020 BUILDING SERVICES BUDGET EXPENDITURES AND CAPITAL

294,797



EAST ELEVATION

Lowell Courtroom



2020 DISTRICT COURT

Department 101 - 140

1/1/2020

Account Number	Account Description	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
EXPENDITURES							
HUMAN RESOURCES							
Payroll							
702.000	Salaries & Wages	89,023.40	92,498.68	97,695.41	102,438.61	95,877.43	101,384
702.001	Overtime						-
702.002	Other						400
	Total Payroll	89,023.40	92,498.68	97,695.41	102,438.61	95,877.43	101,784
HR Overhead							
715.001	Medicare	1,244.84	1,270.70	1,338.32	1,405.40	1,324.25	1,476
715.002	Social Security	5,322.74	5,433.29	5,722.48	6,009.27	5,662.29	6,311
715.003	Health Insurance	11,911.37	15,258.30	15,644.52	16,274.71	16,121.10	17,112
715.004	Retirement	13,019.19	13,412.17	14,280.12	15,377.66	14,688.33	15,593
716.000	Unemployment	387.65	324.00	216.00	450.00	335.34	200
717.000	Worker's Compensation	-	77.00	63.93	60.00	92.85	49
	Total HR Overhead	31,885.79	35,775.46	37,265.37	39,577.04	38,224.16	40,741
	Total HR Expenditures	120,909.19	128,274.14	134,960.78	142,015.65	134,101.59	142,525
OPERATIONS & MAINTENANCE							
727.000	Supplies	1,230.57	1,337.69	1,093.05	2,076.09	1,837.83	2,500
802.000	Professional Services	39,039.57	43,653.78	41,451.11	43,364.45	41,428.73	22,800
802.100	Court Attorney	-	-	-	-	-	24,000
861.000	Travel & Training	323.14	102.09	50.97	91.28	321.25	1,571
900.000	Dues & Subscriptions	902.99	1,047.80	927.42	1,261.65	716.87	1,000
930.000	Maintenance-Building	15.57	191.88	22.96	314.70	7,747.10	4,700
955.000	Miscellaneous			225.00	460.54	-	-
973.000	Equipment			476.16	-	-	
	Other						
	Total O & M	41,511.84	46,333.24	44,246.67	47,568.71	52,051.78	56,571
	Total Expenditures	162,421.03	174,607.38	179,207.45	189,584.36	186,153.37	199,096
CAPITAL							
972.000	Capital Expense	-	-				
	Total Capital Expense	-	-				
TOTAL EXPENDITURES And CAPITAL		162,421.03	174,607.38	179,207.45	189,584.36	186,153.37	
2020 DISTRICT COURT BUDGET EXPENDITURES AND CAPITAL							199,096

2020 FIRE DEPARTMENT

Department 101 - 336							1/1/2020
Account Number	Account Description	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
EXPENDITURES							
HUMAN RESOURCES							
Payroll							
702.000	Salaries & Wages	614,223.85	878,234.02	929,177.47	1,368,208.69	1,494,554.57	1,498,603
702.001	Overtime						100,000
702.002	Other						11,000
	Total Payroll	614,223.85	878,234.02	929,177.47	1,368,208.69	1,494,554.57	1,609,603
HR Overhead							
715.001	Medicare	8,554.39	12,289.82	12,987.60	18,993.53	20,732.85	23,267
715.002	Social Security	1,740.32	1,726.75	1,873.21	1,909.81	1,826.44	2,233
715.003	Health Insurance	78,953.37	108,396.81	117,509.75	220,924.15	241,670.77	261,279
715.004	Retirement	4,312.24	4,487.74	4,680.35	4,918.89	5,155.14	230,010
716.000	Unemployment	1,812.81	1,923.35	1,317.50	4,722.87	4,935.90	8,153
717.000	Worker's Compensation	15,504.75	19,577.00	21,405.94	17,900.00	13,887.51	25,937
	Total HR Overhead	110,877.88	148,401.47	159,774.35	269,369.25	288,208.61	550,879
	Total HR Expenditures	725,101.73	1,026,635.49	1,088,951.82	1,637,577.94	1,782,763.18	2,160,482
OPERATIONS & MAINTENANCE							
727.000	Supplies	104.38	172.41	75.11	6.90	3,098.63	-
727.010	Supplies - Office	1,017.62	1,400.47	1,167.58	3,628.41	2,547.60	4,800
727.100	Supplies - Station	5,218.82	7,742.50	9,269.49	13,361.18	10,058.87	16,200
727.200	Supplies - Fire	3,575.95	1,347.19	3,632.70	3,251.18	3,432.78	47,000
727.250	Supplies - EMS	16,096.36	25,600.38	27,967.43	39,747.10	28,166.99	-
729.000	Uniforms	6,332.01	10,843.28	13,974.35	21,137.84	26,296.58	25,000
801.000	Contract Labor					-	-
802.000	Professional Services	139,349.56	82,127.88	23,185.06	26,082.77	33,082.67	33,850
835.000	Medical Expenses	1,308.93	1,955.08	7,856.46	5,405.16	8,131.83	10,000
836.000	Fire Prevention	1,586.93	428.09	1,188.29	1,032.63	671.05	2,500
837.000	Grant Expense					-	-
851.000	Communications - Cable	1,214.38	2,889.81	3,385.28	8,150.79	9,538.06	9,450
855.000	Communications - Cell	3,151.57	5,114.12	5,602.30	6,093.50	4,103.79	4,000
861.000	Travel & Training	20,823.99	18,686.64	21,065.79	31,350.44	35,424.85	43,000
900.000	Dues & Subscriptions	10,126.76	8,665.26	9,208.24	20,009.03	15,510.06	15,500
901.000	Advertising/Public Rel.	2,378.60	2,573.45	1,850.80	1,697.48	131.57	1,000
920.000	Utilities	10,900.99	10,371.55	11,650.70	20,843.81	17,264.26	22,000
921.000	Fuel & Oil	11,582.27	12,695.96	14,301.29	27,553.07	20,650.40	23,000
930.000	Maintenance-Building	33,158.25	29,071.07	3,718.16	10,771.70	5,222.11	7,800
932.000	Maintenance-Equip.	7,998.37	5,044.97	4,350.17	11,530.57	10,604.07	26,000
932.001	Maintenance-Radios	741.24	703.37	2,129.45	1,739.88	2,531.32	-
932.002	Maintenance-Fire Hyd.	56.51	4,393.12	4,516.41	4,831.72	-	5,500
932.003	Maintenance-Fire	7,453.67	1,726.22	4,785.20	6,943.03	2,602.45	-
932.004	Maintenance-EMS	4,379.12	359.49	-	26.37	241.41	-

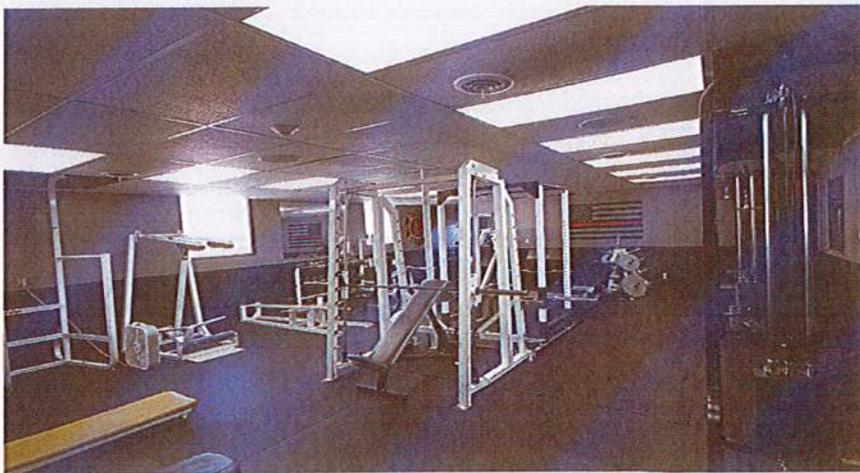
2020 FIRE DEPARTMENT

Department 101 - 336 **1/1/2020**

Account Number	Account Description	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
EXPENDITURES							
OPERATIONS & MAINTENANCE							
933.000	Maintenance-Vehicles	10,094.28	30,706.49	38,004.07	27,573.02	47,609.45	60,000
955.000	Miscellaneous	1,061.21	4,097.51	1,354.34	2,391.23	1,380.34	2,000
958.000	Lock Box Expense	984.75	4,539.75	1,195.00	2,390.00	4,715.99	4,500
973.000	Equipment	8,165.36	16,963.87	497.76	-	105.85	4,000
973.200	Equipment-Fire	75,341.44	69,072.52	69,306.22	85,314.75	83,986.00	60,000
973.250	Equipment-EMS	20,305.00	47,510.44	6,774.39	18,690.86	5,167.17	7,500
	Other			3,278.07	-	118.44	-
972.001	Debt Service						
	Total O & M	404,508.32	406,802.89	295,290.11	401,554.42	382,394.59	434,600
	Total Expenditures	1,129,610.05	1,433,438.38	1,384,241.93	2,039,132.36	2,165,157.77	2,595,082
CAPITAL							
970.000	Capital Expense	273,397.15	33,546.26	31,198.78	-	521,156.07	10,000
970.000	Fire Station Project			666,231.51	1,128,903.79	-	-
	Total Capital Expense	273,397.15	33,546.26	697,430.29	1,128,903.79	521,156.07	10,000
TOTAL EXPENDITURES							
And CAPITAL		1,403,007.20	1,466,984.64	2,081,672.22	3,168,036.15	2,686,313.84	

2020 FIRE DEPARTMENT BUDGET EXPENDITURES AND CAPITAL

2,605,082



Fire Department Fitness Room

2020 INFORMATION SERVICES

Department 101 - 228							1/1/2020
Account Number	Account Description	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
	EXPENDITURES						
	HUMAN RESOURCES						
	Payroll						
702.000	Salaries & Wages	59,778.19	35,781.89	35,111.66	36,389.00	37,502.61	39,090
702.001	Overtime						2,000
702.002	Other						200
	Total Payroll	59,778.19	35,781.89	35,111.66	36,389.00	37,502.61	41,290
	HR Overhead						
715.001	Medicare	835.59	496.95	477.42	512.31	540.38	599
715.002	Social Security	3,572.87	2,124.89	2,041.39	2,190.58	2,310.60	2,560
715.003	Health Insurance	6,843.56	5,301.66	5,420.88	5,187.15	5,556.15	5,925
715.004	Retirement	8,160.85	5,188.39	5,132.40	5,918.22	5,791.34	6,326
716.000	Unemployment	276.69	108.00	72.00	150.00	150.00	100
717.000	Worker's Compensation	592.21	25.00	25.57	24.00	36.27	25
	Total HR Overhead	20,281.77	13,244.89	13,169.66	13,982.26	14,384.74	15,535
	Total HR Expenditures	80,059.96	49,026.78	48,281.32	50,371.26	51,887.35	56,825
	OPERATIONS & MAINTENANCE						
727.000	Supplies	110.99	315.72	337.32	1,011.77	591.19	600
729.000	Uniforms	-	-	-	-	186.36	200
802.000	Professional Services	42,764.11	32,810.00	39,599.53	39,173.01	43,075.50	46,500
854.000	Communications - ACIC	6,408.58	5,451.31	7,664.28	-	-	-
855.000	Communications - Cell	3,196.40	3,396.91	1,655.59	967.08	2,581.72	1,500
856.000	Communications - Inter	6,858.06	6,425.40	3,376.15	-	-	-
861.000	Travel & Training	6,965.47	417.47	-	1,504.88	1,990.00	-
900.000	Dues & Subscriptions	31,796.63	24,396.38	14,549.51	52,726.49	44,844.07	45,000
901.000	Advertising/Public Rel.	-	-	-	-	-	-
930.000	Maintenance-Building	1,732.72	2,899.40	8,477.42	1,248.46	177.29	2,000
931.000	Maintenance-Computers	4,825.94	24,697.96	29,957.63	30,597.61	15,066.93	20,000
932.000	Maintenance-Equip.	-	685.61	-	-	-	-
955.000	Miscellaneous	198.77	162.86	-	-	10.00	250
971.000	Computer Software	14,033.74	8,426.82	23,753.65	8,519.88	16,630.83	15,000
973.000	Equipment	19,347.46	4,964.57	703.89	60.93	326.97	500
	Other	-	-	-	-	-	-

2020 INFORMATION SERVICES

Department 101 - 228

1/1/2020

Account Number	Account Description	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
	EXPENDITURES						
	OPERATIONS & MAINTENANCE						
	Total O & M	138,238.87	115,050.41	130,074.97	135,810.11	125,480.86	131,550
	Total Expenditures	218,298.83	164,077.19	178,356.29	186,181.37	177,368.21	188,375
	CAPITAL						
970.000 970.000	Capital Expense	114,843.37	35,492.45	23,003.30	7,736.13	-	-
	Total Capital Expense	114,843.37	35,492.45	23,003.30	7,736.13	-	-
	TOTAL EXPENDITURES And CAPITAL	<u>333,142.20</u>	<u>199,569.64</u>	<u>201,359.59</u>	<u>193,917.50</u>	<u>177,368.21</u>	
	2020 INFORMATION SERVICES BUDGET EXPENDITURES AND CAPITAL						188,375

2020 MUSEUM

Department 101 - 804

1/1/2020

Account Number	Account Description	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
EXPENDITURES							
HUMAN RESOURCES							
Payroll							
702.000	Salaries & Wages	6,419.04	6,734.94	15,079.19	15,853.96	1,549.80	
702.001	Overtime						
702.002	Other						
	Total Payroll	6,419.04	6,734.94	15,079.19	15,853.96	1,549.80	
HR Overhead							
715.001	Medicare	93.08	97.66	218.65	229.88	22.47	
715.002	Social Security	397.98	417.57	934.91	982.95	96.08	
715.003	Health Insurance						
715.004	Retirement						
716.000	Unemployment	70.56	60.70	72.00	150.00	23.25	
717.000	Worker's Compension		25.00	12.79	12.00	18.52	
	Total HR Overhead	561.62	600.93	1,238.35	1,374.83	160.32	-
	Total HR Expenditures	6,980.66	7,335.87	16,317.54	17,228.79	1,710.12	-
OPERATIONS & MAINTENANCE							
727.000	Supplies	805.49	1,153.88	1,541.43	1,750.00	465.69	-
801.000	Contract Labor	13,564.00	13,642.00	12,291.07	13,158.50	365.00	-
850.000	Communications	598.00	788.00	1,304.22	2,436.27	882.79	-
861.000	Travel & Training	351.70	604.51	927.34	893.55	-	-
880.004	Special Events	1,200.42	1,462.86	1,735.20	1,767.61	27.36	-
900.000	Dues & Subscriptions	353.00	461.00	461.00	623.00	-	-
901.000	Advertising/Public Rel.	487.31	522.00	440.89	2,145.38	437.00	-
920.000	Utilities	2,165.20	1,886.63	2,097.03	2,395.11	2,087.82	3,000
930.000	Maintenance-Building	11,535.77	1,761.85	1,102.50	596.03	299.89	4,000
932.000	Maintenance-Equip.	548.74	239.74	674.42	977.01	-	-
955.000	Miscellaneous	85.19	1,104.31	771.63	828.73	352.00	-
973.000	Equipment		1,404.64	305.49	558.03	-	-
	Other						

2020 MUSEUM

Department 101 - 804

1/1/2020

Account Number	Account Description	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
EXPENDITURES							
OPERATIONS & MAINTENANCE							
	Total O & M	31,694.82	25,031.42	23,652.22	28,129.22	4,917.55	7,000
	Total Expenditures	38,675.48	32,367.29	39,969.76	45,358.01	6,627.67	7,000
CAPITAL							
970.000	Capital Expense	-	-				
970.000	Capital Expense						
	Total Capital Expense	-	-	-	-	-	-
	TOTAL EXPENDITURES And CAPITAL	<u>38,675.48</u>	<u>32,367.29</u>	<u>39,969.76</u>	<u>45,358.01</u>	<u>6,627.67</u>	
2020 MUSEUM BUDGET EXPENDITURES AND CAPITAL							7,000

2020 PARKS

Department 101 - 751

1/1/2020

Account Number	Account Description	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
EXPENDITURES							
HUMAN RESOURCES							
Payroll							
702.000	Salaries & Wages	54,400.92	72,575.20	66,425.07	75,826.38	99,546.53	100,116
702.001	Overtime						1,000
702.002	Other						600
	Total Payroll	54,400.92	72,575.20	66,425.07	75,826.38	99,546.53	101,716
HR Overhead							
715.001	Medicare	739.10	838.80	679.64	953.09	1,384.05	1,475
715.002	Social Security	3,160.32	3,586.53	2,906.05	4,075.28	5,917.99	6,306
715.003	Health Insurance	10,539.93	6,662.58	3,743.49	12,127.63	20,109.64	17,112
715.004	Retirement	7,955.69	8,564.58	6,942.37	10,135.64	15,250.49	15,583
716.000	Unemployment	264.00	340.66	168.88	386.37	530.00	400
717.000	Worker's Compensation	766.16	1,259.00	1,050.74	677.00	584.01	1,063
	Total HR Overhead	23,425.20	21,252.15	15,491.17	28,355.01	43,776.18	41,939
	Total HR Expenditures	77,826.12	93,827.35	81,916.24	104,181.39	143,322.71	143,655
OPERATIONS & MAINTENANCE							
727.000	Supplies	1,183.79	1,023.32	2,299.11	1,963.80	1,176.76	2,500
728.000	Materials	-	111.10	-	-	-	-
729.000	Uniforms	1,498.22	1,944.93	963.06	1,546.00	3,537.08	4,000
801.000	Contract Labor	-	-	470.40	-	-	-
802.000	Professional Services	-	-	5,770.80	69.24	-	-
835.000	Medical Expenses	-	-	-	-	-	500
837.001	Trail Expenses	10,454.33	9,382.24	30,535.58	35,328.29	158,934.41	125,000
855.000	Communications - Cell					109.74	-
861.000	Travel & Training	-	98.00	-	-	177.00	500
880.000	Special Events	1,469.92	-	-	-	237.12	2,000
880.001	Special Events-Mudtown	18,366.45	36,979.85	39,678.12	38,105.60	100,198.74	41,000
900.000	Dues & Subscriptions	-	-	-	-	42.02	250
901.000	Advertising/Public Rel.	-	562.80	42.90	-	-	-
920.000	Utilities	9,316.69	8,267.85	7,696.82	6,943.13	7,770.58	8,500
921.000	Fuel & Oil	3,034.93	8,102.84	10,808.98	9,078.16	8,589.16	10,000
930.000	Maintenance-Building	1,819.92	1,805.54	5,705.23	506.87	4,778.08	5,000
932.000	Maintenance-Equip.	1,845.85	2,933.49	3,635.79	1,631.24	1,262.71	5,000
933.000	Maintenance-Vehicles	549.09	371.62	299.46	1,249.92	145.93	5,000
934.000	Maintenance-Fields	31,923.11	16,617.01	22,971.74	26,042.45	27,824.33	30,000
940.000	Machinery-Lease	210.12	270.45	361.69	1,047.34	171.00	5,000
940.010	Storage Rental	-	-	-	114.00	513.00	690
955.000	Miscellaneous				12.89	-	

2020 PARKS

Department 101 - 751

1/1/2020

Account Number	Account Description	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
EXPENDITURES							
OPERATIONS & MAINTENANCE							
957.000	Signage	64.93	-	600.04	-	-	2,000
959.000	Park Pal Expense						
973.000	Equipment	2,506.66	227.00	1,160.72	4,066.77	628.99	4,500
	Other	118,027.35	40,019.03	-	11,942.50	83.85	
	Total O & M	202,271.36	128,717.07	133,000.44	139,648.20	316,180.50	251,440
	Total Expenditures	280,097.48	222,544.42	214,916.68	243,829.59	459,503.21	395,095
CAPITAL							
970.000	Capital Expense	8,349.00	24,457.77	6,960.00	108,310.86	26,794.12	-
970.000							-
	Total Capital Expense	8,349.00	24,457.77	6,960.00	108,310.86	26,794.12	-
TOTAL EXPENDITURES And CAPITAL		288,446.48	247,002.19	221,876.68	352,140.45	486,297.33	
2020 PARKS BUDGET EXPENDITURES AND CAPITAL							395,095
							
Northwest Arkansas Razorback Trail System							

2020 PLANNING AND ECONOMIC DEVELOPMENT

Department 101 - 742

1/1/2020

Account Number	Account Description	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
EXPENDITURES							
HUMAN RESOURCES							
Payroll							
702.000	Salaries & Wages	45,731.20	83,775.66	86,078.56	85,356.68	72,941.90	84,781
702.001	Overtime						2,700
702.002	Other						19,900
	Total Payroll	45,731.20	83,775.66	86,078.56	85,356.68	72,941.90	107,381
HR Overhead							
715.001	Medicare	657.53	1,191.96	1,225.36	1,215.82	1,035.03	1,274
715.002	Social Security	2,811.53	5,096.68	5,239.47	5,198.67	4,425.61	5,449
715.003	Health Insurance	5,199.01	10,875.82	11,130.36	10,646.79	10,345.00	11,850
715.004	Retirement	6,687.86	12,147.64	12,581.63	12,825.25	11,303.40	13,371
716.000	Unemployment	147.10	216.00	144.00	300.00	230.00	200
717.000	Worker's Compensation	296.11	26.00	51.15	48.00	76.95	49
	Total HR Overhead	15,799.14	29,554.10	30,371.97	30,234.53	27,415.99	32,193
	Total HR Expenditures	61,530.34	113,329.76	116,450.53	115,591.21	100,357.89	139,574
OPERATIONS & MAINTENANCE							
727.000	Supplies	529.11	918.38	441.29	1,116.12	485.04	850
802.000	Professional Services	70,491.52	121,559.50	98,924.04	184,781.75	29,074.12	75,000
803.000	Legal Publications	1,070.40	2,131.70	965.58	842.22	1,820.24	3,000
805.001	Planning Commission	-	-	-	-	-	-
835.000	Medical Expenses	-	-	-	-	-	-
836.001	Economic Development	-	2,743.71	8,750.46	5,868.96	409.10	20,000
855.000	Communications - Cell	926.81	929.10	572.84	480.12	880.01	1,440
861.000	Travel & Training	1,464.73	3,495.16	5,218.86	3,073.50	6,815.87	5,500
900.000	Dues & Subscriptions	5,218.90	5,858.90	5,963.90	5,973.89	6,688.90	5,820
901.000	Advertising/Public Rel.	-	-	-	-	-	-
955.000	Miscellaneous	-	-	-	-	-	-
971.000	Computer Software	-	-	-	-	-	-
973.000	Equipment	1,451.16	-	-	-	-	-
	Other						

2020 PLANNING AND ECONOMIC DEVELOPMENT

Department 101 - 742

1/1/2020

Account Number	Account Description	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
	EXPENDITURES						
	OPERATIONS & MAINTENANCE						
	Total O & M	81,152.63	137,636.45	120,836.97	202,136.56	46,173.28	111,610
	Total Expenditures	142,682.97	250,966.21	237,287.50	317,727.77	146,531.17	251,184
	CAPITAL						
972.000	Capital Expense	-	-	-	-	-	-
972.000	Capital Expense	-	-	-	-	-	-
	Total Capital Expense	-	-	-	-	-	-
	TOTAL EXPENDITURES And CAPITAL	142,682.97	250,966.21	237,287.50	317,727.77	146,531.17	

2020 PLANNING BUDGET EXPENDITURES AND CAPITAL

251,184



2020 POLICE DEPARTMENT

Department 101 - 301

1/1/2020

Account Number	Account Description	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
EXPENDITURES							
HUMAN RESOURCES							
Payroll							
702.000	Salaries & Wages	966,170.56	1,057,624.06	1,117,101.93	1,128,980.74	1,169,888.17	1,123,717
702.001	Overtime						42,700
702.002	Other					3144.88	13,325
	Total Payroll	966,170.56	1,057,624.06	1,117,101.93	1,128,980.74	1,173,033.05	1,179,742
HR Overhead							
715.001	Medicare	13,431.61	14,663.84	15,539.36	15,700.56	16,282.41	16,910
715.002	Social Security	57,431.77	62,700.55	66,444.19	67,133.56	69,621.37	72,303
715.003	Health Insurance	152,334.57	169,589.38	173,088.05	185,687.34	185,543.76	192,831
715.004	Retirement	35,279.53	36,938.64	38,751.98	30,573.26	28,670.52	124,751
716.000	Unemployment	3,391.28	2,857.69	2,197.66	4,308.28	3,973.15	2,500
717.000	Worker's Compensation	8,620.33	10,331.00	11,398.88	10,799.00	7,658.61	9,917
	Total HR Overhead	270,489.09	297,081.10	307,420.12	314,202.00	311,749.82	419,212
	Total HR Expenditures	1,236,659.65	1,354,705.16	1,424,522.05	1,443,182.74	1,484,782.87	1,598,954
OPERATIONS & MAINTENANCE							
727.000	Supplies	7,413.11	6,495.62	7,007.86	7,987.43	13,380.38	12,000
729.000	Uniforms	8,573.98	6,616.20	9,595.72	11,658.58	23,871.31	15,800
730.000	Postage	158.80	74.63	143.84	167.15	183.48	250
802.000	Professional Services	1,499.19	7,300.10	9,340.99	18,083.25	24,060.25	40,992
833.001	Canine Expenses	758.30	756.30	1,291.71	2,128.56	1,448.34	6,500
835.000	Medical Expenses	1,331.60	1,349.56	3,538.00	1,554.40	1,286.40	3,000
837.000	Grant Expenses	-	-	-	-	214.12	-
838.000	Prisoner Housing	2,508.00	3,463.61	3,708.60	3,340.56	4,779.50	6,000
855.000	Communications - Cell	9,134.61	9,420.08	8,216.08	13,778.44	15,630.21	23,108
861.000	Travel & Training	4,874.41	3,805.46	7,685.42	7,874.56	33,069.14	35,000
900.000	Dues & Subscriptions	655.00	680.00	766.80	100.00	600.00	760
901.000	Advertising/Public Rel.	214.95	400.95	2,451.55	150.20	343.28	1,000
920.000	Utilities	12,550.27	13,346.65	12,552.10	13,196.63	13,640.21	15,547
921.000	Fuel & Oil	35,400.85	32,520.99	38,920.44	51,036.31	54,282.51	58,000
930.000	Maintenance-Building	4,610.86	3,072.00	9,662.70	3,937.87	5,668.87	6,000
932.000	Maintenance-Equip.	2,568.49	2,851.38	2,807.81	4,147.12	1,584.36	5,000
933.000	Maintenance-Vehicles	25,177.33	18,078.40	15,192.87	33,338.45	56,437.56	36,000
955.000	Miscellaneous	238.06	335.81	38.67	38.67	102.24	500
971.000	Computer Software	-	-	-	-	-	7,500
973.000	Equipment	14,260.55	21,194.06	20,215.20	29,740.38	30,386.46	39,492

2020 POLICE DEPARTMENT

Department 101 - 301

1/1/2020

Account Number	Account Description	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
	EXPENDITURES						
	OPERATIONS & MAINTENANCE						
	Other						
972.001	Debt Service						
	Total O & M	131,928.36	131,761.80	153,136.36	202,258.56	280,968.62	312,449
	Total Expenditures	1,368,588.01	1,486,466.96	1,577,658.41	1,645,441.30	1,765,751.49	1,911,403
	CAPITAL						
970.000	Capital Expense	108,721.70	121,328.83	83,819.00	129,614.65	103,367.79	75,000
970.000	Vehicles (3)						-
	Vehicle Computer Systems						-
	Total Capital Expense	108,721.70	121,328.83	83,819.00	129,614.65	103,367.79	75,000
	TOTAL EXPENDITURES And CAPITAL	<u>1,477,309.71</u>	<u>1,607,795.79</u>	<u>1,661,477.41</u>	<u>1,775,055.95</u>	<u>1,869,119.28</u>	
	2020 POLICE DEPARTMENT BUDGET EXPENDITURES AND CAPITAL						1,986,403

2020 GENERAL FUND TRANSFERS OUT

Department 999 - 999

1/1/2020

Account Number	Account Description	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
EXPENDITURES							
GENERAL FUND TRANSFERS OUT							
999.000	To Street Department	30,000.00	30,000.00	30,000.00	55,387.27	104,298.00	10,000
999.001	City Sales Tax To SF	1,148,682.66	1,352,787.51	1,163,514.10	1,254,121.11	1,553,719.12	1,347,500
999.002	State Turnback To SF						
999.020	County TB To SF	131,509.10	131,558.65	138,080.25	145,202.74	-	-
999.022	County TB To LOPFI	17,833.65	18,254.14	19,632.77	20,755.74	-	-
999.023	County TB To TIF	382,464.71	384,096.22	475,562.43	552,124.12	-	-
999.034	To G Fund Reserve						
999.038	To Franchise Fee Fund	234,000.00	234,000.00	235,000.00	235,000.00	235,000.00	235,000
999.039	To Utilities Fund	123,287.00	206,927.00	180,140.00	176,561.00	160,000.00	-
999.045	To J.B. Hunt Sr. Center	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	7,500
	To Fire Reserves	-	-	-	-	-	-
	To Springdale Sewer	-	-	-	-	-	-
	Total Transfers Out	2,075,277.12	2,365,123.52	2,249,429.55	2,446,651.98	2,060,517.12	

2020 GENERAL FUND TRANSFERS OUT

1,600,000

Kathleen Johnson Memorial Park



City of Lowell

Street Department



Street Fund:



The Street Fund operates as a special revenue Fund which must, by State of Arkansas statutes, be utilized exclusively for street improvements, street maintenance, or drainage and sidewalk construction. The City of Lowell has a two - cent sales tax with 70% of one cent dedicated to funding Street Fund projects. The General Fund may also, upon a vote of the Lowell City Council, transfer funding to the Street Fund; however, once funding is transferred or allocated to the Street Fund those funds are restricted to street, drainage, and sidewalk projects. The City has in the past supplemented the Street Fund when the scope of work planned exceeded the dedicated Street funding sources. Due to the small size of the City, the General Fund does transfer some funding to the Street Fund each year to reimburse the Street Fund for the utilization of labor and equipment, generally in the Parks Department, for General Fund purposes. The 2020 Budget calls for a transfer of ten thousand dollars (\$10,000) from the General Fund to the Street Fund for Street Department labor and equipment usage in the Parks Department.

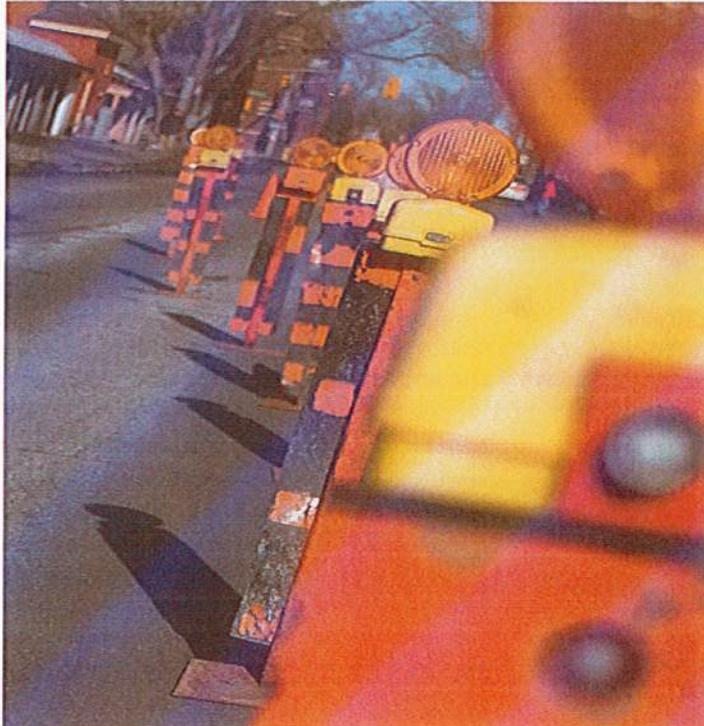
Revenues, less any transfers in or usage of grant funding and reserves, for 2020 are projected to be \$111,500 more than they were in 2019, or an increase of 5.8%. Sales tax will be the largest contributor to the increase at \$87,500 which makes up 78% of the \$111,500 increase. Sales taxes continue to be the largest reoccurring contributor to Street Fund revenues. State turn back of fuel taxes collected by the State of Arkansas and then re - distributed to cities is projected to be the same \$350,000 in 2020 as the 2019 Budget. State turn back funds continue to be consistent, and year - after - year they have run in the \$345,000 to \$349,000 range. County turn back of \$150,000, as listed in the 2020 Budget, is an increase of \$12,000, or 8.7% over 2019 budgeted numbers. The City will have no trouble meeting the County turn back numbers as 2019 netted nearly \$157,000. A State of Arkansas one half cent sales tax dedicated to roads is projected to produce \$170,000 of the revenue for the Street Department. While this tax was passed mainly for improving the interstate highway system in the State of Arkansas, a small portion of the tax is distributed to Cities and Counties for local street improvements. In 2013 when the tax began the State of Arkansas estimated that Lowell would receive around \$130,000 per year from this one-half cent sales tax initiative when passed by the voters, but with an improving economy that number has steadily exceeded that estimate. For 2020 Street Fund Revenues list an additional \$5,562,000 that will flow through the Street Fund. Three million five hundred thousand (\$3,500,000) of these funds are Federal Grant funds for the South Dixieland Road extension project which will be dispersed through the State of Arkansas as the project progresses. Two million sixty- two thousand (\$2,062,000) of these funds are escrow funds and

reserve funds being held for the purpose of expansion of North Goad Springs Road. Both of these projects will be completed during 2020, thus this large inflow of funding for these two projects is only a 2020 Budget occurrence.

Expenditures in the Street Department, excluding Street projects, are slated to increase during 2020 by \$172,133 from the 2019 budget. The increase can be traced to three main items in the 2020 Street Budget: 1. Human Resources increased by \$21,133 due to an additional payroll occurring during the 2020; 2. Street maintenance increased by \$100,000 due to additional street sealing and paving (overlay) repair projects; and 3. Capital increased by \$67,000 due to the need to upgrade major intersection signal lights and purchase attachments for street equipment. On projects utilizing grant funding from the State of Arkansas the expenditures for the project are invoiced and paid for by the City. The State of Arkansas then reimburses the City for the percentage amount agreed upon in the grant. This method of grant funding means that the City must list the project in both the revenue and expenditure budget for the year the project is to take place. Projects are slated to increase by over \$5 million in 2020 as the bulk of the South Dixieland Road and North Goad Springs Road expansion work will be completed during 2020. The City has many Street Projects that must be addressed during the next few years. Zion, Monroe, Bellview, and Robinson are just a few of the streets that deserve consideration, and these streets are currently in the engineering stage of planning.

Street and drainage infrastructure have been for several years, and will continue to remain, a top priority for the City. The Street Fund will not produce any surplus during 2020, but rather will utilize built up reserved funds to complete the two major street projects mentioned above. The Street Fund will continue to have sufficient cash reserves for everyday operations and contains sufficient reserves to meet the needs of the City's growth during 2020. Long term street needs may require the City to explore a bond issue, or other short - term debt, in the near future.

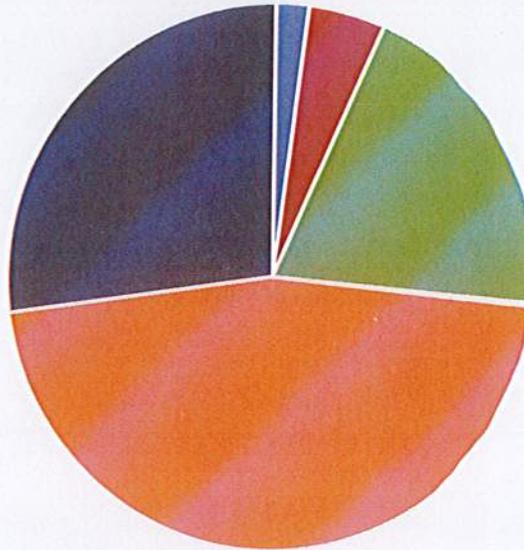
Road Projects remain a way of life in Northwest Arkansas



Street Fund:

2020 Street Revenues Total - \$9,126,947

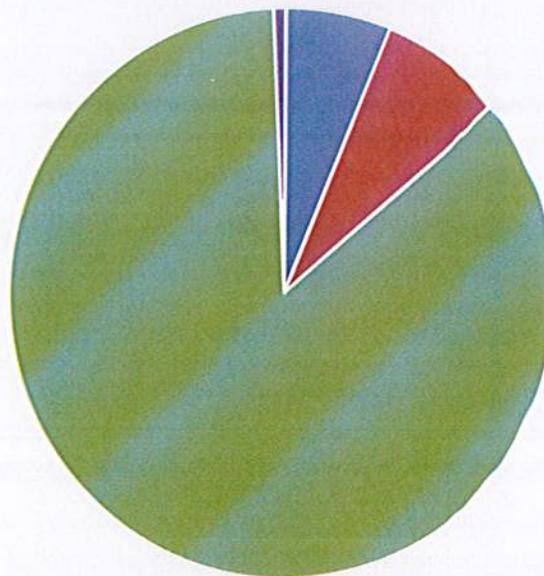
2020 Street Revenues



■ County Turnback ■ State Turnback ■ Sales tax ■ Interest ■ Transfer in ■ Federal Grant Funds ■ Escrow & Reserves

2020 Street Expenditures Total- \$9,126,948

2020 Street Expenditures



■ Human Resources ■ Operations ■ Projects ■ Capital

2020

Street Fund

Revenues

2020 STREET FUND REVENUES

Department 202 - 000

1/1/2020

Account Number	Account Description	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
	REVENUES						
421.000	County Turnback	131,509.10	131,558.65	138,080.25	145,202.74	156,905.85	150,000
422.000	State Turnback	340,756.98	335,350.16	347,166.02	344,610.71	348,817.74	350,000
436.000	City Sales Tax	1,148,682.66	1,352,787.51	1,163,514.10	1,254,121.11	1,553,719.12	1,347,500
436.001	AR Street Sales Tax	143,030.44	148,658.64	156,868.20	168,571.88	176,525.78	170,000
665.000	Interest			41.25	343.93	1,809.27	
665.032	FS Checking Interest	4,478.44	3,178.00	3,838.47	8,884.87	11,170.95	5,000
665.034	Interest - CD Revenue	2,872.13	2,535.29	6,638.84	16,661.05	17,924.86	
671.000	Miscellaneous	112,787.13	2,062.00	9,247.77	151.00	0.01	
674.200	Donations					500,000.00	
693.000	Fixed Asset - Sale	500.00	-	3,500.00	3,512.97	-	
695.000	Project Reimbursment		192,096.31	91,081.72	28,336.56	2,204,477.14	5,562,000
	Transfer In - Escrow					243057.15	
699.000	Transfer In - GF	30,000.00	30,000.00	30,000.00	55,387.27	104,298.00	10,000
	Grants						-
	Other	41,943.00	215.60	-	3,454.32	-	
	Street Fund Reserves						1,532,447
	TOTAL REVENUES	<u>1,956,559.88</u>	<u>2,198,442.16</u>	<u>1,949,976.62</u>	<u>2,029,238.41</u>	<u>5,318,705.87</u>	
	2020 STREET FUND REVENUES					9,126,947	

2020

Street Fund

Expenditures

2020 STREET DEPARTMENT

Department 202 - 202							1/1/2020
Account Number	Account Description	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
	EXPENDITURES						
	HUMAN RESOURCES						
	Payroll						
702.000	Salaries & Wages	258,133.03	288,121.16	274,595.66	267,270.87	311,028.40	377,980
702.001	Overtime						9,265
702.002	Other						1,800
	Total Payroll	258,133.03	288,121.16	274,595.66	267,270.87	311,028.40	389,045.00
	HR Overhead						
715.001	Medicare	3,591.45	4,029.89	3,535.52	3,583.95	4,344.34	5,641
715.002	Social Security	15,356.54	17,231.20	15,117.42	15,324.46	18,575.82	24,121
715.003	Health Insurance	42,476.30	45,203.15	44,218.39	46,060.04	53,305.89	68,448
715.004	Retirement	37,748.85	41,777.63	36,008.97	38,710.59	47,723.15	59,602
716.000	Unemployment	924.01	893.93	611.95	1,088.37	1,016.79	900
717.000	Worker's Compension	6,680.85	-	9,054.61	7,267.00	5,186.67	8,691
	Total HR Overhead	106,778.00	109,135.80	108,546.86	112,034.41	130,152.66	167,403
	Total HR Expenditures	364,911.03	397,256.96	383,142.52	379,305.28	441,181.06	556,448
	OPERATIONS & MAINTENANCE						
727.000	Supplies	2,715.20	8,712.00	1,591.28	2,287.86	3,533.16	6,000
728.000	Materials	9,501.48	7,299.10	8,020.53	8,616.52	14,182.87	20,000
729.000	Uniforms	6,317.15	6,914.61	7,660.78	6,244.75	9,503.41	12,500
801.000	Contract Labor	-	-	-	-	-	-
802.000	Professional Services	-	195.38	2,714.62	-	-	2,000
803.000	Legal Publications	610.40	27.00	696.87	621.02	534.67	500
835.000	Medical Expenses	394.91	906.39	460.00	160.00	230.00	500
855.000	Communications - Cell	3,632.32	3,094.25	2,557.14	2,697.82	2,033.57	1,500
861.000	Travel & Training	3,550.68	3,389.75	1,651.97	559.76	95.00	7,000
900.000	Dues & Subscriptions	-	-	-	-	-	500
901.000	Advertising/Public Rel.		668.92	497.24	-	-	500
920.000	Utilities	68,552.80	66,751.57	65,820.20	65,485.45	65,327.20	80,000
921.000	Fuel & Oil	20,505.46	13,877.14	16,783.99	16,701.10	23,893.65	22,500
930.000	Maintenance-Building	3,282.13	6,407.12	3,640.07	1,239.41	590.70	10,000
932.000	Maintenance-Equip.	21,976.41	31,441.82	10,623.85	25,157.37	14,984.97	30,000
933.000	Maintenance-Vehicles	9,001.70	8,918.70	11,950.49	7,898.43	12,581.24	20,000
935.000	Maintenance-Streets	270,876.48	270,421.67	254,756.32	255,426.08	231,085.11	450,000
940.000	Machinery - Lease	764.15	413.37	1,550.50	1,633.40	780.50	10,000
955.000	Miscellaneous	304.06	102.38	19.89	46.00	-	
957.000	Signage	3,703.89	22,939.68	22,041.87	6,175.53	36,055.21	15,000
973.000	Equipment	8,456.82	5,357.60	6,200.15	5,148.10	152.71	3,000

2020 STREET DEPARTMENT

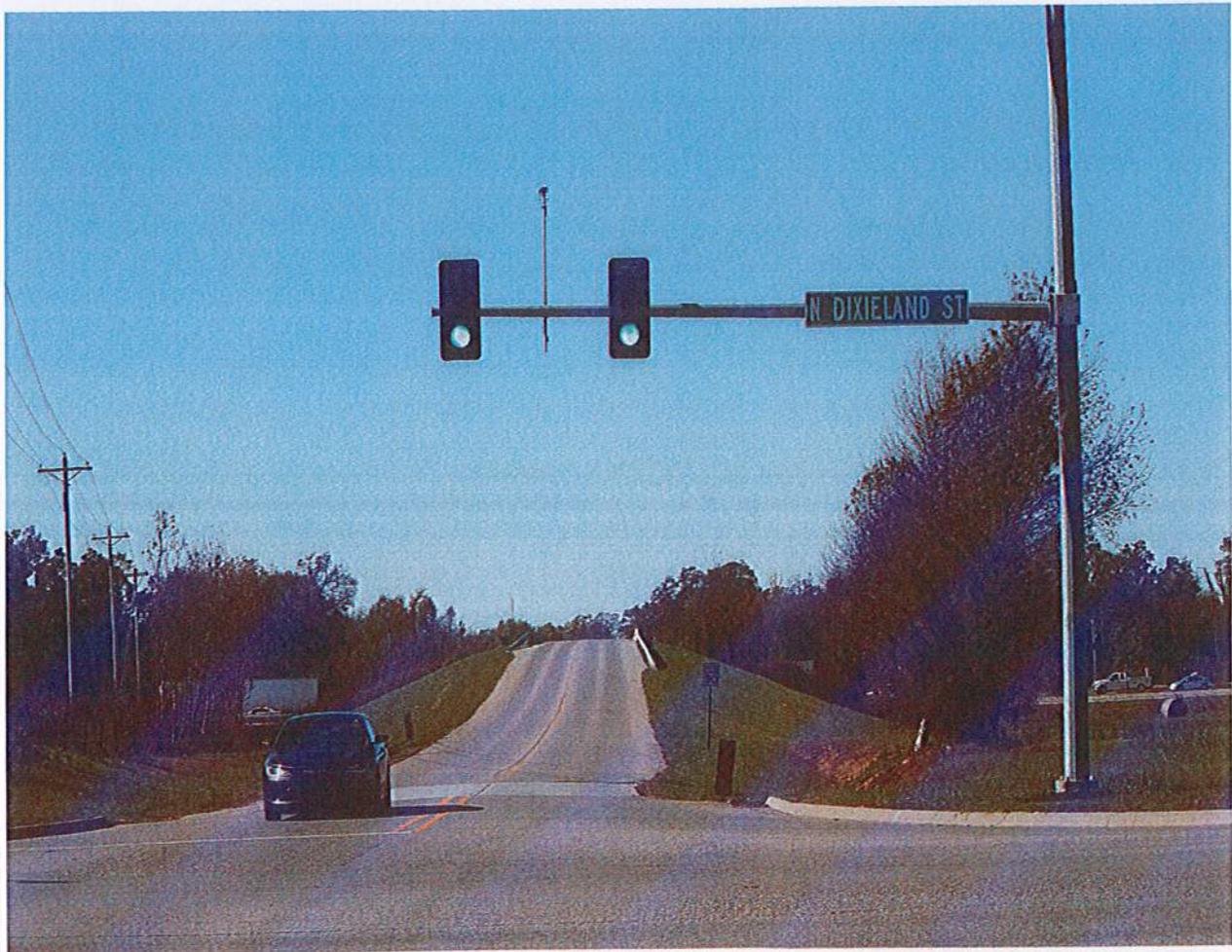
Department 202 - 202

1/1/2020

Account Number	Account Description	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
EXPENDITURES							
OPERATIONS & MAINTENANCE							
972.001	Other		648.50	-	-	-	
	Debt Service						
	Total O & M	434,146.04	458,486.95	419,237.76	406,098.60	415,563.97	691,500
	Total Expenditures	799,057.07	855,743.91	802,380.28	785,403.88	856,745.03	1,247,948.00
PROJECTS							
935.001	Miscellaneous Projects	122,568.16	77,451.17	42,181.00	64,603.00	5,634.38	-
935.041	Mt. Hebron	-	-	292,321.97	163,794.98	-	
935.043	Zion Road Project	-	-	-	21,397.75	85,384.60	750,000
935.046	Dixieland South Ext.	85,005.54	156,316.03	130,176.58	836,427.80	2,456,013.81	5,000,000
935.048	Bellview Street	-	-	-	35,481.50	18,176.25	-
935.050	N. Goad Springs Road	-	-	-	205,775.31	441,885.09	2,062,000
	Other	1,043,631.80	861,888.29	-	677,771.11	-	
	Total Project Expense	1,251,205.50	1,095,655.49	464,679.55	2,005,251.45	3,007,094.13	7,812,000
CAPITAL							
970.000	Capital Expense	90,518.92	99,247.37	169,266.27	122,019.62	12,410.72	67,000
970.000							-
							-
	Total Capital Expense	90,518.92	99,247.37	169,266.27	122,019.62	12,410.72	67,000
TOTAL EXPENDITURES And CAPITAL		<u>2,140,781.49</u>	<u>2,050,646.77</u>	<u>1,436,326.10</u>	<u>2,912,674.95</u>	<u>3,876,249.88</u>	
2020 STREET DEPARTMENT BUDGET EXPENDITURES AND CAPITAL						9,126,948	

Lowell Street Department

Signalization Project at North Dixieland and Oak Street

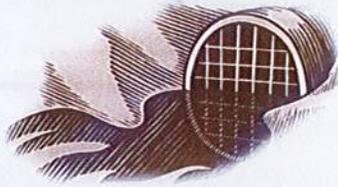


City of Lowell

Utilities (S.T.E.P.) Fund



Utilities (S.T.E.P*) Fund:



The Lowell Utilities Fund is responsible for the community sewer system put into place to service three subdivisions on the west side of town that, because of the distance from public lines, are unable to hook up to a public sewer system. The City began this sewer project in order to provide a system so that residential building could continue to be accommodated in these subdivisions during the housing downturn. This effort has proven to be successful as shown by the number of building permits issued, and tank installations provided. In 2012 thirty (30) tank installations took place while in 2013 that number increased to sixty-seven (67) installations, or a 123% increase. 2014 saw forty (40) additional tanks were installed, with fifty installations (50) during 2015. 2016 saw another forty-three (43) tanks installed. In 2017 the installation of tanks neared completion as only nine (9) lots remain where tanks may be installed. Seven (7) of the remaining nine (9) tanks were installed during 2018 and 2019, so the focus from 2020 on will turn to maintaining the system in place.

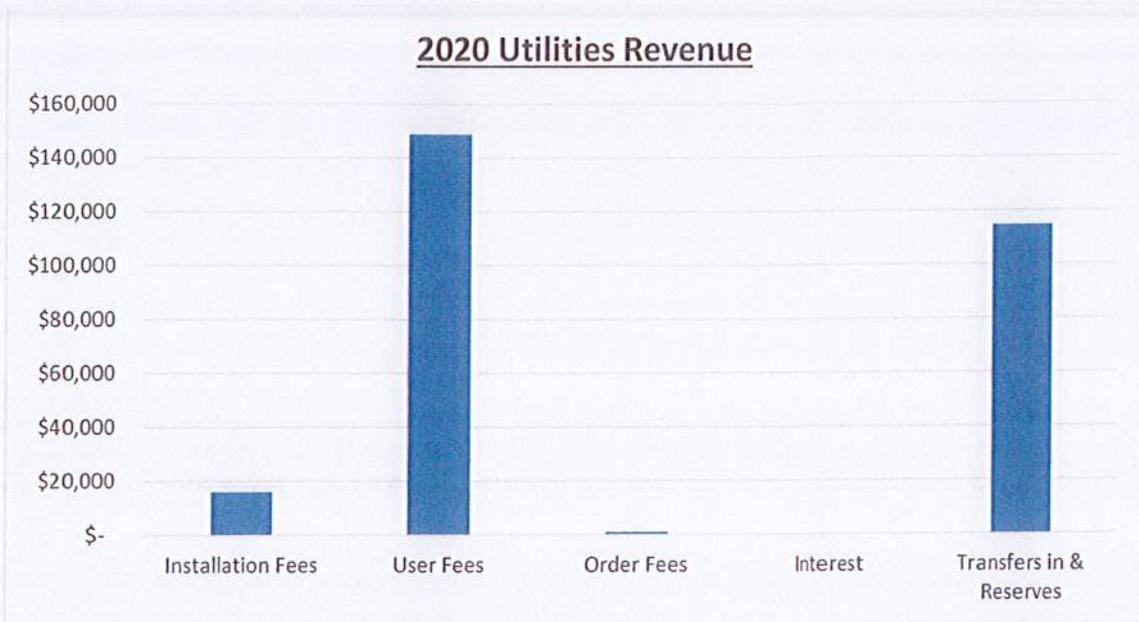
Revenues projected at \$280,540 are less in the 2020 Budget than the 2019 Budget. This is due mainly to the fact that fewer installs can take place due to the completion of the build out of the subdivisions. Now that the system is near completely build out revenues of \$148,800 per year, should be generated from user fees, but revenues at that price point will still not be sufficient for the system to break even each year. Until the City can tie the system into an existing wastewater treatment facility it will be necessary for the General Fund to subsidize the Utilities Fund each year, as it is not feasible to charge user fees that will generate sufficient income for the system to break even each year. For 2020 the Utilities Fund will utilize reserve funds that have built up over several years through the subsidies transferred in by the General Fund in order to balance its budget

Expenditures of \$280,540 are also projected to decrease for 2020 from 2019. The decrease can be attributed to a loss of an employee in the department as the department transitions into maintenance of the system rather than a building out of the system, and a drop in the expense of installation of tanks due to completion of the subdivision. As the system continues to age there will be increasing costs of maintenance. In the short - term expenditures will continue to outstrip revenues generated from the system's users. When fully built out at three hundred seven (307) customers the system may be able to generate sufficient funding to provide for the operations and maintenance of the system; however, the system will not be able to provide any revenue beyond basic maintenance of the system. Residual revenues from sales taxes brought about by increased spending in the City due to the increased population in these subdivisions does add to the overall revenue picture of the City, but it is difficult to accurately measure those revenues. As that part of the City develops, at some point public sewer lines will be expanded to include these subdivisions and the Utilities Fund can be delegated to minor maintenance. Until that time the City will need to continue to fully provide services through the Utilities Fund S.T.E.P. * system, and it will be necessary to continue to subsidize those revenues with funds transferred from the General Fund.

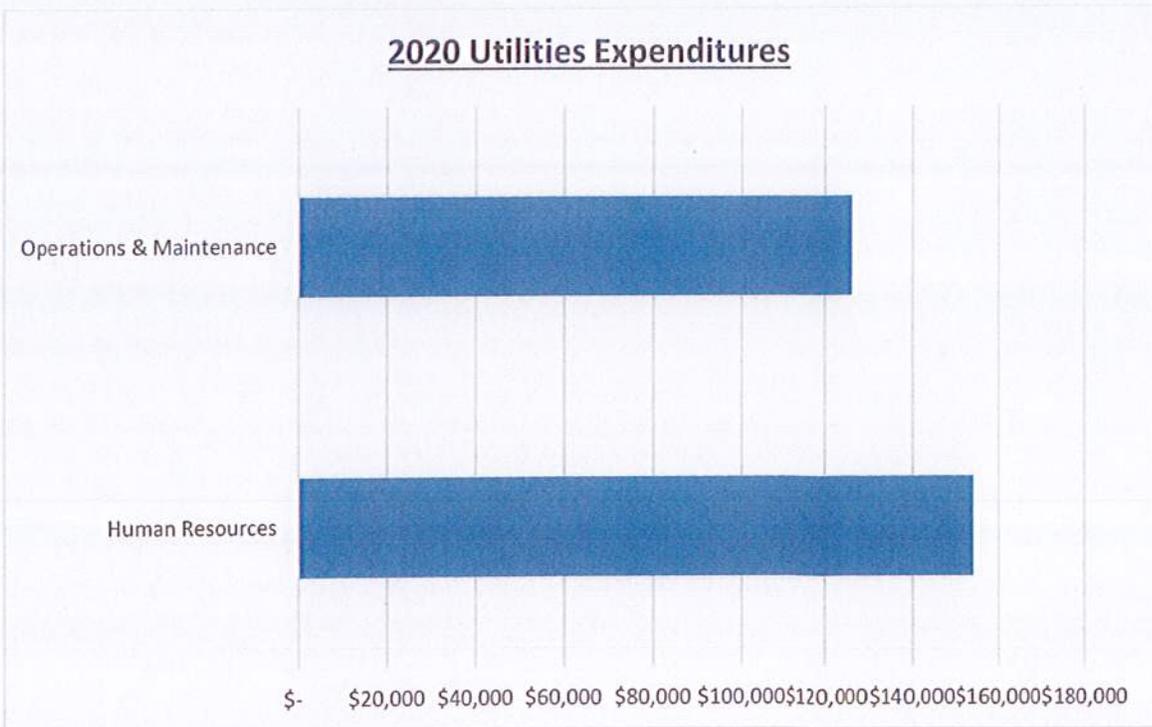
*(Septic Tank Effluent Pumped)

Utilities (S.T.E.P*) Fund:

2020 Utilities Revenue Total - \$280,540



2020 Utilities Expenditures Total - \$280,540



2020

Utilities (S.T.E.P.) Fund

Revenues

2020 UTILITIES (STEP) FUND REVENUES

Department 590 - 000

1/1/2020

Account Number	Account Description	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
	REVENUES						
608.001	Sewer Hook Up Fees	356,495.50	379,900.00	150,000.00	38,000.00	7,500.00	16,000
615.000	STEP User Fees	96,092.23	120,657.20	141,237.74	149,369.05	150,512.93	148,800
615.002	Service Order Deposit					71,453.71	-
615.003	Service Order Fees	4,465.00	4,039.00	3,268.00	2,040.00	1,847.00	1,000
665.000	Interest			27.71	339.82	324.61	144
671.000	Miscellaneous	1,273.37	535.00	-	98.79	14,419.05	
687.000	Refund		171.80	-	-	-	
699.031	Transfer In - GF	128,180.21	206,927.00	180,140.00	176,561.00	160,000.00	-
	Transfer In - Cross Ck					256,554.70	
	STEP Reserves						114,596

TOTAL REVENUES	<u>586,506.31</u>	<u>712,230.00</u>	<u>474,673.45</u>	<u>366,408.66</u>	<u>662,612.00</u>
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2020 UTILITIES (STEP) FUND REVENUES

280,540

2020

Utilities (S.T.E.P.) Fund

Expenditures

2020 UTILITIES (S.T.E.P.) DEPARTMENT

Department 590 - 590							1/1/2019
Account Number	Account Description	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
	EXPENDITURES						
	HUMAN RESOURCES						
	Payroll						
702.000	Salaries & Wages	83,133.22	119,920.86	118,224.20	126,451.28	109,219.25	107,569
702.001	Overtime						2,500
702.002	Other						400
	Total Payroll	83,133.22	119,920.86	118,224.20	126,451.28	109,219.25	110,469
	HR Overhead						
715.001	Medicare	1,194.29	1,698.34	1,635.54	1,753.25	1,526.77	1,602
715.002	Social Security	5,106.65	7,261.89	6,993.34	7,496.62	6,528.24	6,849
715.003	Health Insurance	10,398.02	17,732.07	24,232.88	23,543.77	17,484.42	17,112
715.004	Retirement	12,152.69	17,388.64	17,303.81	18,888.44	16,732.26	16,924
716.000	Unemployment	275.41	324.00	224.50	468.12	371.16	200
717.000	Worker's Compension	755.07	1,492.00	1,613.23	1,583.00	1,083.20	1,084
	Total HR Overhead	29,882.13	45,896.94	52,003.30	53,733.20	43,726.05	43,771
	Total HR Expenditures	113,015.35	165,817.80	170,227.50	180,184.48	152,945.30	154,240
	OPERATIONS & MAINTENANCE						
727.000	Supplies	6,560.08	2,425.14	2,574.47	961.10	1,832.13	2,800
728.000	Materials	4,518.00	3,251.54	2,890.97	8,516.65	1,154.36	3,800
729.000	Uniforms	1,460.00	1,903.69	1,614.15	1,705.15	583.80	1,000
801.000	Contract Labor			3,425.71	10,051.41	-	
802.000	Professional Services	12,091.46	23,170.69	9,368.79	59.95	9,261.49	20,000
803.000	Legal Publications	611.16	52.00	181.62	849.40	-	200
806.000	STEP Treatment Plant	6,445.00	7,080.00	8,709.63	8,650.00	14,479.05	12,000
806.001	STEP Installation	323,732.63	352,183.72	160,402.14	14,315.45	1,700.00	16,000
835.000	Medical Expenses	-	372.16	-	440.87	191.00	300
837.002	Storm Water	13,440.98	7,203.37	7,779.32	17,207.89	23,116.73	20,000
855.000	Communications - Cell	2,071.45	2,673.31	2,668.05	2,810.02	1,952.19	2,000
861.000	Travel & Training	3,749.22	3,761.84	2,379.36	3,038.71	3,820.79	4,000
900.000	Dues & Subscriptions	2,231.40	1,756.29	1,214.95	2,322.00	2,873.99	3,500
920.000	Utilities	6,892.12	7,482.13	8,349.70	8,772.57	10,075.52	9,000
921.000	Fuel & Oil	2,443.22	4,076.26	4,692.36	4,718.93	3,038.34	4,800
930.000	Maintenance-Building	122.96	280.15	34.88	237.65	15.77	1,200
932.000	Maintenance-Equip.	5,544.64	2,124.77	1,975.96	1,135.62	445.20	5,000
933.000	Maintenance-Vehicles	2,222.90	1,152.12	1,001.15	1,762.72	929.14	5,000
934.010	Maint.-Weatherton		5,466.67	2,149.34	3,419.22	24,984.54	5,000
934.020	Maint.-Tuscan		1,132.96	7,982.12	1,167.48	1,309.05	5,000
934.030	Maint.-Meadowland		689.63	790.68	1,075.07	95.87	2,500
940.000	Machinery - Lease						1,200

2020 UTILITIES (S.T.E.P.) DEPARTMENT

Department 590 - 590

1/1/2020

Account Number	Account Description	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
	EXPENDITURES						
	OPERATIONS & MAINTENANCE						
955.000	Miscellaneous	3,880.30	546.76	1,222.25	693.54	246.28	800
957.000	Signage	-	16.41	26.89	13.45	-	200
973.000	Equipment	3,007.99	2,586.16	4,052.76	1,130.03	472.25	1,000
	Other				200,000.00	57,766.00	
972.001	Debt Service						
	Total O & M	401,025.51	431,387.77	235,487.25	295,054.88	160,343.49	126,300
	Total Expenditures	514,040.86	597,205.57	405,714.75	475,239.36	313,288.79	280,540
	CAPITAL						
970.000	Capital Expense	15,657.43	60,346.90	37,890.99	18,884.00	-	-
970.000							
	Total Capital Expense	15,657.43	60,346.90	37,890.99	18,884.00	-	-
	TOTAL EXPENDITURES And CAPITAL	<u>529,698.29</u>	<u>657,552.47</u>	<u>443,605.74</u>	<u>494,123.36</u>	<u>313,288.79</u>	
	2020 UTILITIES DEPARTMENT BUDGET EXPENDITURES AND CAPITAL						280,540

Restricted

Funds

2020 Restricted Funds

Fund Number	Fund Name	Revenues	Expenses
203	Education Act 474	\$ 3,000	\$ 3,000
204	Fire Act 833	\$ 18,500	\$ -
205	Fire Impact Fee	\$ 75,000	\$ 75,000
206	Fire Reserve	\$ 44,000	\$ 44,000
207	Administration of Justice	\$ 950,000	\$ 950,000
208	Warrant Service	\$ 25,000	\$ 25,000
211	J A G (LLEBG)	\$ 4,200	\$ 4,200
213	Equitable Sharing	\$ -	\$ -
214	J. B. Hunt Sr. Activity Center	\$ 7,500	\$ 7,500
215	Court Automation	\$ 24,000	\$ 15,000
595	Sewer Accounts	\$ 100,000	\$ 100,000
617	Liability Insurance	\$ 45,000	\$ 45,000
701	Escrow Accounts	\$ 200	\$ -
731	LOPFI	\$ 130,000	\$ 130,000
950	Improvement Bond	\$ 235,000	\$ 235,000
951	TIF Bond	\$ 204,250	\$ 204,250
955	Advertising & Promotions Commission	\$ 397,500	\$ 392,178

Note - The seventeen (17) minor funds listed above have limited transactions during the year that vary widely from year to year; thus, these seventeen (17) funds are not included in the budget process. Expenditures out of Restricted Funds are limited by State and Federal requirements, and are unpredictable in nature. Due to the unpredictable nature of Restricted Funds, adjustments to these Budget numbers are usually necessary at the end of each Budget year.

Debt

Information

City of Lowell Debt Obligations

The City of Lowell currently has one outstanding Bond issue. In October 2010 the City issued Capital Improvement Bonds in the amount of \$2,860,000 in order to refund the Capital Improvement Revenue Bonds, Series 2005, and to finance additional wastewater and recreational improvements. Under the laws of the State of Arkansas cities are authorized to issue bonds utilizing the pledge of Franchise tax collections for Capital Improvement Bonds. These types of bond issues are not general obligations of the city involved, but are special obligations secured and payable by the tax levied. While there is no limit, other than market forces, these types of bonds must mature as such time, or times not to exceed 40 years from their respective issuance dates. The State of Arkansas does have a statutory limit on the principal amount of general obligation debt a city may carry. The limit for a municipality in Arkansas is 25% of the total assessed value for tax purposes of real and personal property as determined by the last tax assessment; however, the current bonds issue of the city does not count against that debt limit due to the fact that the debt is not a general obligation of the city, but is secured by a pledge and first lien on the revenues derived by the dedicated tax. The last assessment put assessed values at \$166,038,570 making the city's debt limit \$41,509,642.

The Capital Improvement Bonds utilize a portion of the franchise tax collections for payment of the bond; therefore, that portion of the franchise tax that is scheduled to be utilized for bond repayment during the year is listed in the **General Funds, Transfers - Out** section of the Budget during the budgeting process each year.

Capital Improvement Revenue Bonds Series 2010

The Capital Improvement Revenue Bonds, Series 2010 were issued in order to refund the Series 2005 Capital Improvement Bonds. The 2005 Bonds were issued in order to finance wastewater improvements and the acquisition of land for park and recreational purposes and the construction of park and recreational improvements. The Bonds are secured by and payable from the franchise fees charged to public utilities for the privilege of using the streets, highways, and other public places in the City.

Capital Improvement Revenue Bonds Series 2010

Balance at December 31, 2019 \$1,700,000

Debt Service Schedule for the Capital Improvement Revenue Bonds Series 2010:

Interest Rate	Maturity	Principal Paid	Amount Remaining
			\$1,700,000
3.40%	6/1/2020	\$165,000	\$1,535,000
3.55%	6/1/2021	\$165,000	\$1,370,000
3.65%	6/1/2022	\$175,000	\$1,195,000
3.70%	6/1/2023	\$180,000	\$1,015,000
3.80%	6/1/2024	\$190,000	\$ 825,000
3.90%	6/1/2025	\$195,000	\$ 630,000
4.00%	6/1/2026	\$410,000	\$ 220,000
4.00%	6/1/2027	\$220,000	\$ 000

Short Term Debt

Balance at December 31, 2019 \$ 0

Cities in the State of Arkansas are allowed under Amendment 78 to obtain short term debt, not to exceed 5 years, in order to finance short term needs. Generally short - term debt is utilized to finance vehicles for the Police Department, vehicles and equipment for the Fire Department, financing of facilities, financing of smaller street projects, and **would be included** as debt repayment in each year's budgeting process. At December 31, 2019 the City of Lowell did not have any short - term debt obligations outstanding.

Performance

Metrics

Performance Metrics

1/1/2020

Department Division	2016 Actual	2017 Actual	2018 Actual	2019 Actual	% Change +/-
GENERAL FUND					
Administration					
Sales Tax Collections	\$ 5,301,489	\$ 4,847,945	\$ 5,324,615	\$ 6,219,982	16.8%
Franchise Tax Collections	\$ 486,609	\$ 488,544	\$ 550,089	\$ 516,245	-6.0%
Property Tax Collections	\$ 691,033	\$ 726,831	\$ 764,397	\$ 826,001	8%
Alcohol Permits/Fees	\$ 8,272	\$ 7,939	\$ 7,097	\$ 8,472	19%
Business Licenses	\$ 60,257	\$ 63,128	\$ 64,921	\$ 70,929	9.2%
Directory Advertising	\$ 825	\$ 2,750	\$ 2,550	\$ 1,025	-60%
Total City Human Resource Cost	\$ 4,100,951	\$ 4,257,466	\$ 4,951,201	\$ 5,159,466	4.2%
Total Number of City employees	77	79	91	91	0%
Average HR Cost /City Employee	\$ 53,259	\$ 53,892	\$ 54,409	\$ 56,697	4.2%
H Resource Cost/Total Expenditures	39%	40.9%	52.0%	55.2%	11%
Animal Services					
Calls Answered	875	922	887	667	-24.8%
Citations Issued	246	277	249	138	-45%
Citation Issued/Call Percentage	28%	30%	28%	21%	-25%
Wild Animals Captured	152	157	166	113	-31.9%
Animals Captured	480	445	425	297	-30.1%
Animals Returned	205	238	255	201	-21.1%
Animals Returned Rate	42%	53%	60%	68%	13%
Animals Adopted	127	100	93	64	-31%
Adoption Revenue	\$ 5,947	\$ 4,963	\$ 5,093	\$ 6,160	20.9%
Building Services/Inspections/Planning					
Residential Permits	107	98	85	127	49%
Residential Valuation	\$ 23,771,102	\$ 49,826,818	\$ 27,473,350	\$ 35,564,781	29%
Commercial Permits	8	17	13	17	31%
Commerical Valuation	\$ 36,229,663	\$ 58,615,422	\$ 39,824,134	\$ 10,940,081	-72.5%
Inspections	4,712	2,620	3,314	3,580	8%
Permit Fee Revenue	\$ 578,486	\$ 560,781	\$ 599,741	\$ 488,265	-19%
Planning Fee Revenue	\$ 8,750	\$ 16,300	\$ 8,950	\$ 11,000	23%
District Court					
Revenue from Fines	\$ 421,014	\$ 439,676	\$ 438,702	\$ 441,374	0.6%
Criminal					
Misdemeanor	1420	1225	1299	1370	5%
Local Ordinance	559	736	783	769	1.7%
Traffic					
Traffic Violations	2357	1675	2272	1964	-13.5%
DWI Violations	91	86	93	72	-22.5%

Performance Metrics

1/1/2020

Department Division	2016 Actual	2017 Actual	2018 Actual	2019 Actual	% Change +/-
GENERAL FUND PUBLIC SAFETY					
Fire Department					
EMS Responses					
City	593	582	635	553	-13%
Rural	181	210	185	168	-9%
Total	774	792	820	721	
Fire Responses					
City	144	160	206	238	15.0%
Rural	118	133	128	123	-3.90%
Total	262	293	334	361	
Fire Department Expenditures	\$ 1,466,985	\$ 1,415,441	\$ 2,039,132	\$ 2,165,158	6%
Cost per Response Call	\$ 1,416	\$ 1,305	\$ 1,767	\$ 2,001	13%
Number of Employees	18	18	30	30	0%
Average HR Cost /Employee	\$ 57,035	\$ 60,497	\$ 54,586	\$ 59,425	8.8%
Police Department					
Response Calls	6917	7165	7336	7756	5.7%
Citations Written	2931	2810	3289	3727	13.3%
Warrants Served	945	780	748	840	12%
Police Department Expenditures	\$ 1,607,796	\$ 1,661,477	\$ 1,645,441	\$ 1,765,751	7.3%
Cost per Response Call	\$ 232	\$ 232	\$ 224	\$ 228	1.7%
Number of Employees	25	26	26	26	0%
Average HR Cost /Employee	\$ 54,188	\$ 54,789	\$ 55,507	\$ 57,107	2.8%
SPECIAL REVENUE FUNDS					
Street Department					
Maintenance Dollars Spent	\$ 270,421.67	\$ 254,756.32	\$ 265,676.00	\$ 231,085.11	-13%
Project Dollars Spent	\$ 1,096,304	\$ 464,679.55	\$ 2,005,251	\$ 3,007,094	50.0%
Equipment Purchases	\$ 99,247	\$ 169,266	\$ 122,020	\$ 12,411	-90%
Number of Employees	8	9	9	9	0.0%
Average HR Cost /Employee	\$ 49,657	\$ 42,571	\$ 42,145	\$ 49,020	16%
Utilities (S.T.E.P) Department					
Units Installed	43	17	5	1	-80%
Total Units	281	298	303	304	0.3%
Usage Fees Collected	\$ 120,657	\$ 141,238	\$ 149,369	\$ 150,513	0.7%
System Maintenance Costs	\$ 10,846	\$ 12,933	\$ 15,552	\$ 27,544	77%
Number of Employees	3	3	3	2	-33%
Average HR Cost /Employee	\$ 55,273	\$ 56,743	\$ 60,061	\$ 76,473	27%

Glossary

City of Lowell

Glossary

A.

Accounting System – The total structure of records and procedures that discover, record, classify, and report information of the financial position and operations of a governmental unit.

Accrual Basis of Accounting – A basis of accounting under which revenues are recognized in the fiscal period in which they are earned, regardless of when they are received, and expenses are recognized in the fiscal period in which they are incurred, regardless of when they are paid.

ACH – Automated Clearing House, which is a banking network that coordinates electronic payments and automated money transfers without using paper checks, wire transfers, credit card networks, or cash.

ACIC – Arkansas Crime Information Center

Appropriation – An authorization granted by a legislative body, such as a City Council, that allows the City to incur obligations and make expenditures, usually within a specified period of time.

Advertising and Promotions Commission – A board created by the legislative body, City Council, and appointed to service by the Mayor which collects specific taxes for the purpose of advertising and promoting the City to add to the economic growth of the City.

B.

Balanced Budget – A financial operating plan where the current revenues of the budget year are sufficient to meet the current expenditures of the budget year without any reliance on the Unreserved Fund Balance.

Basis of Accounting – The standards used to determine revenue and expense recognition, usually either cash basis, accrual basis, or a modification of these.

Bond – A written promise to pay a specified sum of money at a specified date or date in the future together with periodic interest. Similar to a note, but for a longer period of time and with greater legal formality.

Budget – A financial operating plan embodying an estimate, or projection, of proposed expenditures, and the means of financing them to provide services to the residents of the City.

Budget Document – The formal document compiled by the City and approved by the City Council to present a comprehensive financial planned program for a calendar year.

Budget Message – A general discussion of the proposed yearly budget as presented by the Mayor of a City to the legislative body and City citizens. It contains an explanation of the overall budget items and financial policies set out for the upcoming budget year.

Budgetary Control – The management of a governmental unit or enterprise in accordance with the approved budget to ensure that expenditures do not exceed the available appropriations and revenues.

C.

CAFR – Comprehensive Annual Financial Report, a set of governmental financial statements comprising the financial report of a governmental entity.

Capital Budget – A plan of proposed capital outlays for the budget term. May be a part of the operating budget, but address items whose value to the City will extend beyond the budget year.

Capital Expenditure – A cash outlay in excess of \$2,500 involving property, building, equipment or cost that adds to the utility of an asset and has an expected life of longer than two fiscal years.

Capital Outlay – Expenditures that result in the acquisition of, or addition to, fixed assets

City Charter – The document that incorporates the City and establishes the governmental structure of the City.

City Council – The eight (8) elected members representing distinct areas of the City that act together to create policies and decisions for the City. Also known as the legislative body of a City.

County Turn Back – Property tax collected by the County and distributed to the City.

Current Assets – Assets that are normally consumed or exhausted within one fiscal year.

Current Funds – Funds of which the resources may be expended for operating purposes during the current fiscal year.

Current Liabilities – Liabilities payable within one year and short-term debt not relating to capital projects.

D.

Debt – Funds owed, may include bonds, notes, or short - term bank financing

Debt Limit – The maximum amount of gross debt that is legally permitted.

Debt Service – The amount of funds allocated within the yearly budget to service short – term debt.

Deficit – The excessive of expenditures over related revenues within an accounting period

Department – A major organizational unit of the City that indicates management responsibility for one or more activities.

Donations – Funds given to the City usually for a specific purpose or purchase.

E.

Encumbrance – The commitment or reservation of appropriated funds for a specific purpose.

Escrow – Funds reserved and invested for a specific purpose or project until such time as the project takes place.

Expenditures – Obligations that arise when liabilities are incurred; the cost of goods and services received whether paid or unpaid including expenses and capital outlays

Expenses – Charges incurred, whether paid or unpaid, for operations, maintenance, interest, and other charges that benefit the current fiscal period.

F.

Fixed Assets – Assets that are intended to be in usage for at least two (2) years and have an acquisition cost of over \$2,500; also known as Capital Assets

Franchise Fee – A fee paid to the City by utility companies for the use of public property and right – of -way in providing services to residents.

FMV – Fair Market Value.

Fund – A fiscal and accounting entity with a self – balancing set of accounts which are segregated for the purpose of carrying out specific activities or attaining certain objectives.

Fund Accounting – An accounting system organized on the basis of funds, each of which is considered a separate accounting entity.

Fund Balance – The portion of Fund Equity available for appropriation.

Fund Equity – The excess of fund assets and resources over fund liabilities which may be reserved or designated for usage.

G.

GASB – Governmental Accounting Standards Board

GAAP – Generally Accepted Accounting Principals

General Fund – All transactions of a governmental unit that are not accounted for in a special, enterprise, trust, debt service, or capital projects fund. Supplies the usual and ordinary operations of a governmental unit financed by taxes and other general revenues.

Governmental Accounting – The composite activity of analyzing, recording, summarizing, reporting, and interpreting the financial transactions of a governmental unity.

Governmental Fund – a generic classification used by GASB to refer to all funds other than proprietary and fiduciary funds.

Grant – A contribution by one governmental unit to another unit, usually to aid in the support of a specified function, activity, or project.

H.

Human Resources – The costs associated with compensation of employees for their labor, including but not limited to salaries, wages, employer taxes, employer paid insurance, and worker's compensation.

I.

Infrastructure – Roads, bridges, curb and gutter, streets, sidewalks, drainage systems, and lighting systems provided by the governmental entity and installed and maintained for the common good of the citizens.

Investments – Funds held for the production of income.

J.

JAG – Justice Assistance Grant, a grant generally given for the purchase of Police equipment

L.

Liabilities – Debts or legal financial obligations arising from events or transactions in the past that must be paid or otherwise settled in the future.

Line Item Budget – A detailed expense or expenditure proposal broken down by a numerical accounting classification.

Long – Term Debt – Liabilities that are due or require settlement or payment in a subsequent fiscal period greater than one year.

LOPFI – Arkansas Local Police and Fire Retirement System

M.

Maintenance – The upkeep of physical properties in condition for usage or occupancy.

Modified Cash Basis – An accounting method that combines elements of both cash and accrual accounting. It records sales and expenses for long – term assets on an accrual basis and short – time assets on a cash basis.

MSA – Metropolitan Statistical Area

Municipal – Denotes a City, town, or village as the form of local government.

O.

Ordinance – A formal legislative enactment by the governing body of a municipality which becomes a law of the City.

P.

Part – Time – Classification of an employee that is scheduled to work less than thirty - eight (38) hours per week.

Property Tax – Revenues received by a municipality arising from ownership of property, either real or personal, based on value and the tax rate.

Professional Services – Services purchased by the City for legal, accounting, and medical purposes.

Prudent Person – A legal maxim restricting decisions on investments to those that a prudent person would use in the investment of their own funds.

R.

Reserve – An account that records a portion of fund equity that is segregated for some future use.

Revenue – Fund financial resources received as income.

S.

SAFER – Staffing for Adequate Fire and Emergency Response.

Street Fund – A special revenue Fund restricted to usage of its funds for roads, drainage, and sidewalks.

Special Revenue Fund – A fund used to account for revenues from specific taxes or other earmarked revenue sources that are designated to finance particular functions or activities of government.

S.T.E.P. -Septic Tank Effluent Pumped

Surplus – An obsolete accounting term that implies income greater than expenses in a governmental fund.

T.

Transfers – In – The receipt of transfer of funds from one fund to another fund, usually for a specific funding purpose.

Transfers – Out – The expensing of the transfer of funds from one fund to another for a specific funding purpose.

U.

Unreserved Fund Balance – Funds that may be utilized at the discretion of the governing board.

Unrestricted Reserves – Funds established to account for assets or resources that may be utilized at the discretion of the legislative body.

Utilities Fund – A special revenue fund established to account for the revenues and expenditures of a centralized sewer system servicing three subdivisions in the City.

Aerial View of Lowell City Hall, Fire Station # 1, Courts and Police Station



Sunset in Lowell

