

COMMONWEALTH OF MASSACHUSETTS

CITY OF LOWELL

In City Council

VOTE

Authorizing the City Manager, acting through the Finance Department, to accept and expend a Community Compact grant in the total amount of \$12,000.00 from the Commonwealth of Massachusetts via the Executive Office for Administration and Finance (“ANF”)

The City Manager has secured funds through a Community Compact grant for the creation of a COVID-19 fiscal impact model that will be developed by the Finance Department and incorporated into the City of Lowell’s five (5) year financial forecast for the General Fund; and

The City of Lowell desires to accept and expend said grant funds to better inform budgetary decisions made by the City Council and City Administration.

NOW, THEREFORE, BE IT VOTED BY THE CITY COUNCIL OF THE CITY OF LOWELL:

That the City Manager, acting through the Finance Department, be and is hereby authorized in the name of the City of Lowell to accept and expend a Grant in the amount of \$12,000.00 of funds from the Commonwealth of Massachusetts via the Executive Office for Administration and Finance to support the creation of a COVID-19 fiscal impact model that will be developed by the Finance Department and incorporated into the City of Lowell’s five (5) year financial forecast for the General Fund.

BE IT FURTHER VOTED:

That the City Manager, on behalf of the City of Lowell, be and hereby is, authorized to execute any and all documents necessary in connection with said grant from the Commonwealth of Massachusetts referred to above.



Eileen M. Donoghue
City Manager

May 20, 2020

Mayor John J. Leahy
And
Members of the Lowell City Council

Dear Mayor Leahy and Members of the Lowell City Council,

I respectfully request that the City Council vote to accept and appropriate a Fiscal Year 2020 grant from the Commonwealth in the amount of \$12,000, from the Executive Office for Administration and Finance. In direct response to the COVID-19 crisis, my finance team has sought out resources to best analyze and forecast the potential fiscal impact of the pandemic on the city's budget. This opportunity was sought through the Governor's Community Compact to engage a third party to develop a sophisticated revenue impact model to be incorporated into the city's existing five-year forecast.

The Community Compact is a voluntary, mutual agreement entered into between the Baker-Polito Administration and individual cities and towns of the Commonwealth. In a Community Compact, a community will agree to implement at least one best practice that they select from across a variety of areas, which in this instance is a best practice in financial forecasting. An application has been submitted and approved by the Commonwealth to fully fund the professional services associated with the development of the financial model at no cost to the taxpayers of Lowell.

Once completed, the forecast will provide the City Council with a more accurate picture of the lasting impact on city revenues from the COVID-19 pandemic and will better inform budgetary decisions over the coming years. In addition, a user guide and report will be published on the Mass.gov website for other communities to use as a guide for developing their own impact model.

Please do not hesitate to let me know if there are any questions.

Sincerely,

Eileen M. Donoghue
City Manager

cc: Conor Baldwin, Chief Financial Officer