

COMMONWEALTH OF MASSACHUSETTS

CITY OF LOWELL

In City Council

**VOTE**

Approving a continuing appropriation order to fund the one-twelfth Budget for the City of Lowell for July of Fiscal Year 2021.

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On March 10, 2021 the Governor of the Commonwealth declared a State of Emergency in response to the COVID-19, which is currently still in effect;

As of May 19, 2021 the Massachusetts House of Representatives and Senate have not yet approved the 2021 local aid amounts for municipalities, a revenue source which comprises approximately 53% of the City of Lowell's annual revenue, and action on a full year's budget appropriation would not be in the city's best financial interest at this time;

Under the provisions of Mass. G.L. c.44 §32, the City Manager submitted a proposed continuing appropriation order for fiscal year 2021 for the month of July to the City Council on May 26, 2021 and the appropriation order was accepted by vote of the City Council; and

The City Council held advertised public hearings to consider the appropriation order on June 09, 2021 and any other dates necessary, as advertised in the public hearing notice; and

Upon motion the City Council accepted the budget as submitted by the City Manager, after reductions otherwise separately voted, if any.

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

That the City Council of the City of Lowell hereby adopts and approves the continuing appropriation order for fiscal year 2021 for the City of Lowell for the month of July, including all line items therein as if separately voted thereon, in the sum of **\$38,351,100**, which sum shall be appropriated and raised by taxation and other sources, including but not limited to intergovernmental revenue, charges for services, licenses and permits, miscellaneous, etc. The full list of appropriations follows this vote.

v.budgetfy21

**City of Lowell Fiscal Year 2021 City Manager's Recommended Appropriation Order –  
One-Twelfth Budget – July FY2021**

WHEREAS, THE City of Lowell enterprise funds may have insufficient operating revenues to fund all expenditures of the funds in fiscal year 2021 and appropriation of retained earnings may be required to fund the fiscal year's operations.

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

			<b>FY2021 Manager</b>
<b>Line</b>			<b>Recommended</b>
<b>Number</b>	<b>Department</b>	<b>Description</b>	<b>Appropriation</b>
2021-01	City Council	Personal Services	\$19,359
2021-02	City Council	Ordinary Expenses	\$625
2021-03	Mayor	Personal Services	\$4,362
2021-04	Mayor	Ordinary Expenses	\$1,159
2021-05	City Clerk	Personal Services	\$35,552
2021-06	City Clerk	Ordinary Expenses	\$3,405
2021-07	City Manager	Personal Services	\$151,174
2021-08	City Manager	Ordinary Expenses	\$318,167
2021-09	City Manager - Lowell School Syst.	Ordinary Expenses	\$4,167
2021-10	City Manager - Marketing Develop.	Personal Services	\$3,000
2021-11	City Manager - Marketing Develop.	Ordinary Expenses	\$42,084
2021-12	City Manager - Contingency	Ordinary Expenses	\$94,434
2021-13	City Manager - Contingency	Reserve for Wages	-
2021-14	City Manager - Cable Access	Personal Services	\$10,427
2021-15	City Manager - Cable Access	Ordinary Expenses	\$24,086
2021-16	City Manager - Cable Access	Transfers to Schools	\$6,250

**City of Lowell Fiscal Year 2021 City Manager's Recommended Appropriation Order –  
One-Twelfth Budget – July FY2021**

<b>Line</b>			<b>FY2021 Manager Recommended Appropriation</b>
<b>Number</b>	<b>Department</b>	<b>Description</b>	
2021-17	City Manager – CASE	Personal Services	\$15,931
2021-18	City Manager – CASE	Ordinary Expenses	-
2021-19	Finance	Personal Services	\$13,621
2021-20	Finance	Ordinary Expenses	\$125
2021-21	Budget	Personal Services	\$11,682
2021-22	Budget	Ordinary Expenses	-
2021-23	Auditing	Personal Services	\$41,612
2021-24	Auditing	Ordinary Expenses	\$4,884
2021-25	Purchasing	Personal Services	\$20,252
2021-26	Purchasing	Ordinary Expenses	\$11,521
2021-27	Assessing	Personal Services	\$43,311
2021-28	Assessing	Ordinary Expenses	\$5,042
2021-29	Treasurer	Personal Services	\$49,909
2021-30	Treasurer	Ordinary Expenses	\$52,217
2021-31	Human Relations	Personal Services	\$28,417
2021-32	Human Relations	Ordinary Expenses	\$2,296
2021-33	Management Information Systems	Personal Services	\$58,718
2021-34	Management Information Systems	Ordinary Expenses	\$92,784
2021-35	Law	Personal Services	\$97,193
2021-36	Law	Ordinary Expenses	\$23,925
2021-37	Elections	Personal Services	\$22,269

**City of Lowell Fiscal Year 2021 City Manager's Recommended Appropriation Order –  
One-Twelfth Budget – July FY2021**

<b>Line</b>			<b>FY2021 Manager Recommended Appropriation</b>
<b>Number</b>	<b>Department</b>	<b>Description</b>	
2021-38	Elections	Ordinary Expenses	\$7,334
2021-39	Planning & Development	Personal Services	\$230,405
2021-40	Planning & Development	Ordinary Expenses	\$24,804
2021-41	Police	Personal Services	\$2,420,525
2021-42	Police	Ordinary Expenses	\$300,000
2021-43	Fire	Personal Services	\$1,669,076
2021-44	Fire	Ordinary Expenses	\$67,559
2021-45	Lowell Public Schools	Single Line Appropriation	\$14,948,596
2021-46	Greater Lowell Technical School	Ordinary Expenses	\$772,290
2021-47	Essex Agricultural High School	Ordinary Expenses	-
2021-48	DPW Administration	Personal Services	\$45,157
2021-49	DPW Administration	Ordinary Expenses	\$124,001
2021-50	DPW Engineering	Personal Services	\$45,800
2021-51	DPW Engineering	Ordinary Expenses	-
2021-52	DPW Land & Buildings	Personal Services	\$179,295
2021-53	DPW Land & Buildings	Ordinary Expenses	\$52,834
2021-54	DPW Streets	Personal Services	\$112,992
2021-55	DPW Streets	Ordinary Expenses	\$1,667
2021-56	Parks	Personal Services	\$128,043
2021-57	Parks	Ordinary Expenses	\$43,069

**City of Lowell Fiscal Year 2021 City Manager's Recommended Appropriation Order –  
One-Twelfth Budget – July FY2021**

			<b>FY2021 Manager</b>
<b>Line</b>			<b>Recommended</b>
<b>Number</b>	<b>Department</b>	<b>Description</b>	<b>Appropriation</b>
2021-58	Cemetery	Personal Services	\$20,842
2021-59	Cemetery	Ordinary Expenses	\$20,971
2021-60	DPW Other	Snow & Ice	\$112,500
2021-61	DPW Other	Street Lighting	\$34,667
2021-62	DPW Other	Waste Coll./Disposal	\$604,210
2021-63	Health	Personal Services	\$234,271
2021-64	Health	Ordinary Expenses	\$32,313
2021-65	Council on Aging	Personal Services	\$27,248
2021-66	Council on Aging	Ordinary Expenses	\$7,365
2021-67	Veterans'	Personal Services	\$13,225
2021-68	Veterans'	Ordinary Expenses	\$54,430
2021-69	Recreation	Personal Services	\$200,180
2021-70	Recreation	Ordinary Expenses	\$3,958
2021-71	Library	Personal Services	\$87,937
2021-72	Library	Ordinary Expenses	\$31,285
2021-73	Unclassified	Debt Service	\$818,231
2021-74	Unclassified	Workers Comp	\$107,193
2021-75	Unclassified	Unemployment	\$35,417
2021-76	Unclassified	Health Insurance	\$2,012,500
2021-77	Unclassified	Retirement	\$2,271,826
2021-78	Unclassified	Medicare Tax	\$229,167

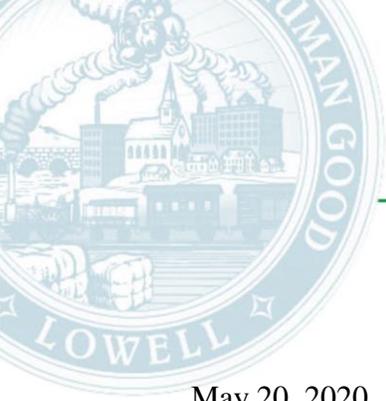
**City of Lowell Fiscal Year 2021 City Manager's Recommended Appropriation Order –  
One-Twelfth Budget – July FY2021**

			<b>FY2021 Manager Recommended</b>
<b>Line Number</b>	<b>Department</b>	<b>Description</b>	<b>Appropriation</b>
2021-79	Unclassified	Claims & Judgments	\$141,746
2021-80	Unclassified	Other Insurance	\$23,885
2021-81	Unclassified	No. Middlesex	\$2,821
<b>Subtotal</b>	<b>General Fund</b>		<b>\$29,615,595</b>
2021-82	Wastewater	Personal Services	\$284,978
2021-83	Wastewater	Ordinary Expenses	\$685,625
2021-84	Wastewater	Debt Service	\$4,439,800
<b>Subtotal</b>	<b>Wastewater Enterprise Fund</b>		<b>\$5,410,403</b>
2021-85	Parking	Personal Services	\$31,582
2021-86	Parking	Ordinary Expenses	\$262,479
2021-87	Parking	Debt Service	\$428,304
<b>Subtotal</b>	<b>Parking Enterprise Fund</b>		<b>\$722,365</b>
2021-88	Water	Personal Services	\$211,795
2021-87	Water	Ordinary Expenses	\$343,542
2021-88	Water	Debt Service	\$2,047,400
<b>Subtotal</b>	<b>Water Enterprise Fund</b>		<b>\$2,602,737</b>
<b>Grand Total All Funds</b>			<b>\$38,351,100</b>

**City of Lowell Fiscal Year 2021 City Manager's Recommended Appropriation Order –  
One-Twelfth Budget – July FY2021**

Furthermore, the following projected needs are costs to the City, but according to accounting rules established by the Department of Revenue, are not to be included in the appropriation order.

		<b>FY2021 Manager</b>
<b>Line</b>		<b>Recommended</b>
<b>Number</b>	<b>Department</b>	<b>Amount</b>
2021-89	General Fund - Cherry Sheet Assessments	\$2,430,075
2021-90	General Fund - Provision for Abatements & Exemptions	\$91,667
2021-91	Indirect costs of the enterprise funds	\$751,044



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 herewith transmit for your approval a so-called continuing appropriation or “one-twelfth” budget for July of FY2021, pursuant to Chapter 44 Section 32 of the Massachusetts General Laws. The FY21 budget was built while navigating through the unprecedented and uncertain times that COVID-19 has presented our great City. Given the many unknowns of the economic impacts of the current crisis and the speed with which they may resolve, our financial planning for the coming year must be conservative and flexible to allow us to adapt quickly and decisively as more concrete financial information is known. We have prepared a budget that is consistent with these realities. My finance team and I believe that proceeding in this manner, rather than presenting a full year appropriation based on local aid numbers which are subject to change, is the most responsible course of action.

Because the city relies so heavily on intergovernmental aid as a revenue source, each year my finance team anxiously awaits the so-called “cherry sheet” amounts from the State House. Typically by this point in the year we at least have a sense of those major accounts, like Chapter 70 education aid and unrestricted aid (“UGGA”) to set our local revenue projections. This year, however, the Massachusetts House of Representatives has not yet held hearings on the revenue picture for FY2021 as of the date of this letter. Without a more accurate picture of local aid, moving forward with a spending plan for the entire year would be unwise. Therefore, in May after consultation with the City Council, I placed temporary hold on the budget, which otherwise was largely complete.

Upon recommendation by the City Council’s Finance Subcommittee, the City Council voted at the May 12<sup>th</sup> regular meeting to move forward with a so-called “one-twelfth” budget for July of FY2021. This appropriation order is based on that direction. My finance team has taken a deep dive into the totals to make sure that the amounts included in July are not in excess of the need, nor deficient to cover all city expenses for July. While the common nomenclature is one-twelfth, each appropriation may not be equal to exactly one twelfth of the 2020 amount. For example, some appropriations like for solid waste and recycling collection and disposal, must account for contractual increases in cost. We must also account for increases in labor costs associated with existing, approved contracts with the city’s collective bargaining units. The Administration is confident that the order before the Council includes allowances for those anomalies.



Eileen M. Donoghue  
*City Manager*

Once the state agrees on a local aid amount, we will re-evaluate departmental requests and present a full-year funding plan to the City Council. However, if the amounts are still unknown, we will present an additional one-twelfth budget for August and possibly September. The purpose of this action is to continue spending authority through to July and keep city services operational so that Lowell's residents can continue to receive the services they expect and deserve.

Sincerely,

Eileen M. Donoghue  
City Manager

CC: Conor Baldwin, Chief Financial Officer