



# CITY OF LOWELL

## Fiscal Year 2022 Proposed Budget

City Manager Eileen M. Donoghue

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Kara Keefe Mullin, Assistant City Manager

Allison Chambers, Deputy CFO



Presented to the  
**LOWELL CITY COUNCIL:**

John Leahy, Mayor  
Rita Mercier, Vice Chair  
Sokhary Chau

David Conway  
John Drinkwater  
Rodney Elliott

Vesna Nuon  
Daniel Rourke  
William Samaras

# FY22 Budget Process

<b>January 17, 2021</b>	Budget instructions and financial sheets distributed to Department Heads.	<b>March 29, 2021 – May 18, 2021</b>	Final Budget Preparation (Revenue forecast, expenditure review, cost/ benefit analysis, preliminary budget meetings, etc.)
<b>February 5, 2021</b>	All department budget requests (financials) due to the finance department for review.	<b>May 25, 2021</b>	Budget Introduction to Lowell City Council; City Council Votes to Accept Timely Submission of the FY2022 Operating Budget & Endorse Capital Plan
<b>February 8, 2021 to February 19, 2021</b>	Finance department to work with departments to complete financial request submissions.	<b>June 8, 2021</b>	Public Hearing for FY2022 Capital Plan loan order & FY2022 Operating budget appropriation order. Projected adoption date by the City Council.
<b>March 1, 2021</b>	Departments' completed budget submissions due (all information emailed to Allison Chambers, Deputy CFO).	<b>June 29, 2021</b>	Deadline for City Council adoption of the Budget (Mass General Law Chapter 44 § 32).
<b>March 1, 2021 To March 5, 2021</b>	Departments' complete budget submissions reviewed by finance (i.e.: goals, mission statement, performance measures, etc.)	<b>June 29, 2021</b>	CFO/ Budget Department's transmittal of the Chart of Accounts/appropriations to the City Auditor.
<b>March 15, 2021 – March 26, 2021</b>	CFO, budget staff, and/or City Manager may meet with Department Heads to discuss departmental budgets.	<b>July 1, 2021</b>	Begin Fiscal Year 2022.

# Major Fiscal Challenges

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- \$1.4 million increase in the city's pension assessment over FY21;
- \$4.7 million increase in "Cherry Sheet" charges from the state, most of which is attributable to the increase in the Charter Schools assessment;
- \$1 million increase in budgeted amount for trash/ recycling collection. Increased cost due to contaminated recycling and increased fees;
- Other fixed cost increases (health insurance, electricity, salaries etc.) and increased debt service costs.

# Charter School Impact

	FISCAL YEAR 2018	FISCAL YEAR 2019	FISCAL YEAR 2020	FISCAL YEAR 2021	FISCAL YEAR 2022
CHARTER SCHOOL ASSESSMENT	\$21,977,227	\$22,712,612	\$26,581,213	\$27,500,644	\$32,259,522
CHARTER SCHOOL REIMBURSEMENT	\$2,728,228	\$2,530,513	\$3,922,994	\$4,270,451	\$6,790,651
“NET CHARTER COST”	\$19,248,999	\$20,182,099	\$22,658,219	\$23,230,193	\$25,468,871
INCREASE OVER PRIOR YEAR	\$2,057,619	\$933,100	\$2,476,120	\$571,974	\$2,238,678

\*\* FY2022 estimate based on House proposal budget a/o 4/29/2021; **Source:** *Department of Revenue*

# Highlights & Initiatives

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- **Diversity, Equity, and Inclusion** - The FY2022 budget continues funding of a comprehensive HR Audit and includes funding for a new position to advance these initiatives in the HR Department;
- **Fire Safety Funding** – Also included in the FY2022 funding plan is a new position in the Lowell Fire Department for a grant writer who can research and apply for existing federal, state, and private funding to supplement the fire department budget for staffing and equipment costs.
- **Investment in Recreation** – Allocated additional funding to the Recreation Department to bring back summer programming at maximum capacity to restore a sense of normalcy and ensure a fun summer for all camp goers.

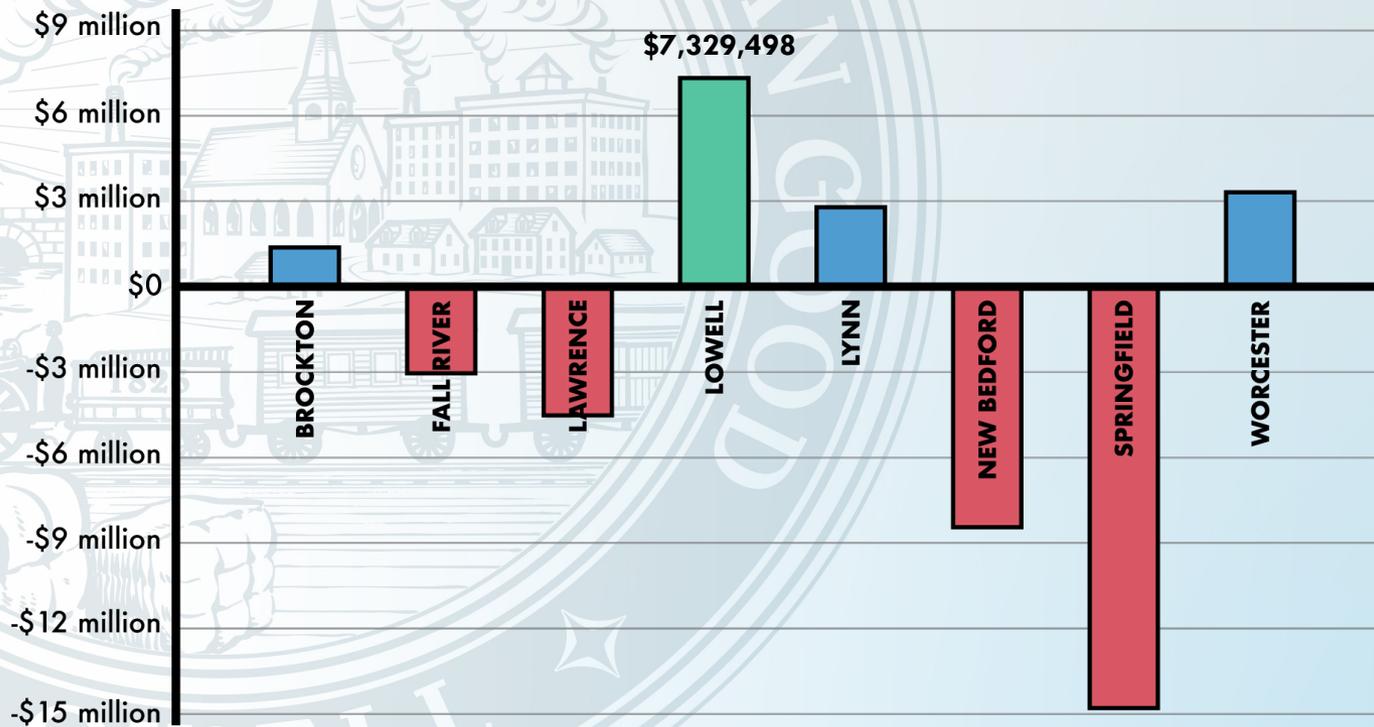
# Highlights & Initiatives

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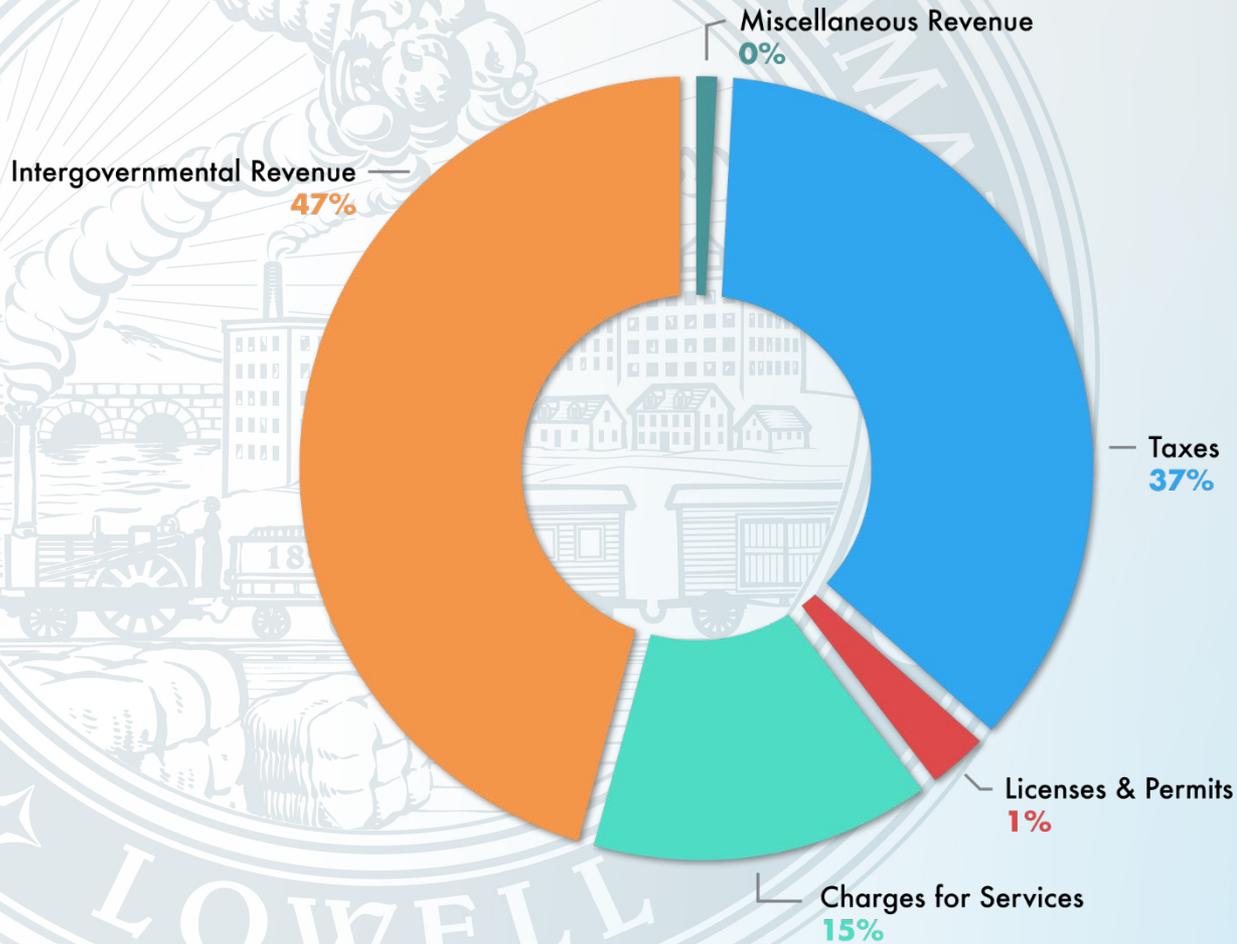
- **Investment in Education - Over \$11.6 million** in additional funding to the Lowell Public Schools, including an unprecedented increase to Chapter 70 aid, and a continued commitment to exceed net school spending, in FY20 this was exceeded by \$7.3 million;
- **Capital investments - An FY2022 investment of \$13.7 million.** The City of Lowell continues to maximize tax payer's dollars by pursuing state, federal, and private grant sources to fund capital investments, where tax dollars are only required to match a fraction of the overall project costs;
- **Continued Realignment of municipal services**, including the relocation of the Fire Prevention Division from the old Mammouth Road fire house and into the former Health Department on Pine Street and colocation with Police services;

# Net School Spending

School Funding Comparison  
Compliance with "Net School Spending Requirement" for Gateway Cities as of FY2020



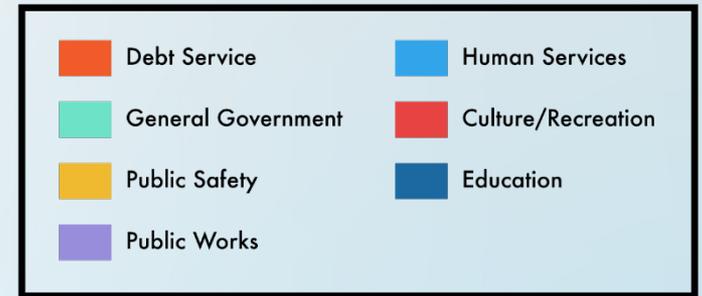
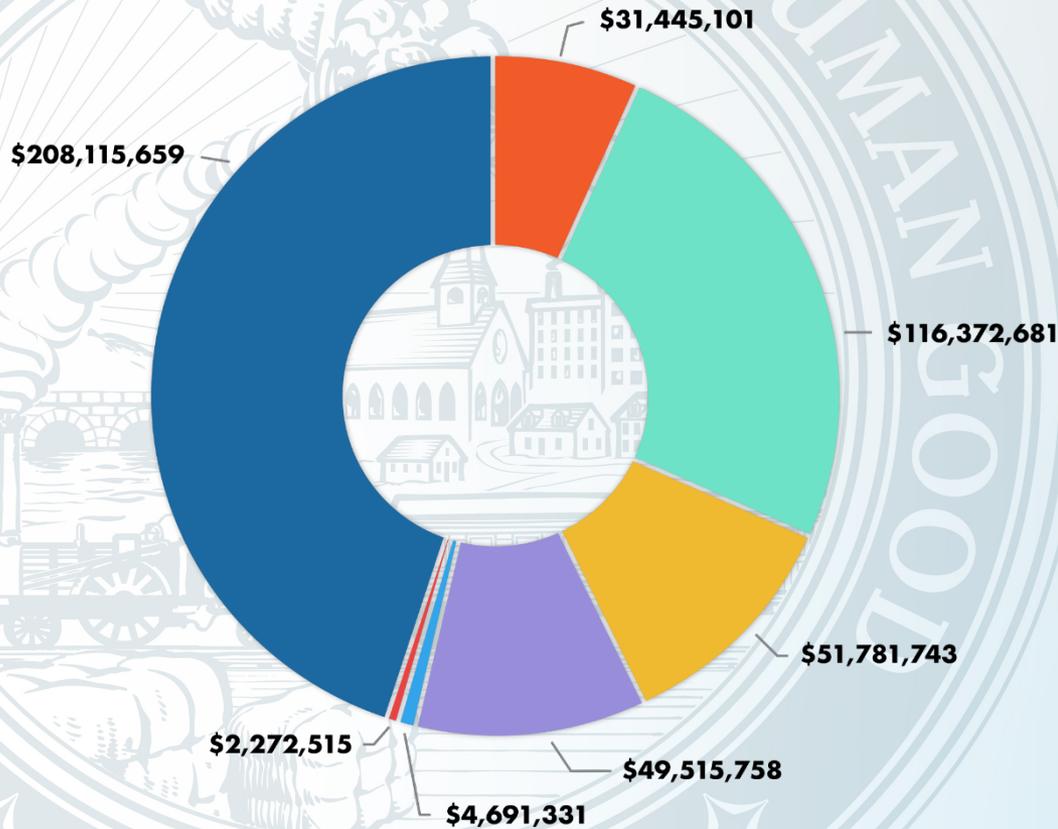
# Revenue By Source



Total Operating Budget:  
**\$464,194,788**

*\*Operating Budget Total includes State "cherry sheet" assessments, which are not appropriations pursuant to Department of Revenue regulations*

# Appropriations by Category



# Questions/Comments

