

CITY OF LOWELL
LANE COUNTY, OREGON

ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended: June 30, 2025



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FINANCIAL
REPORT

For the Fiscal Year Ended: June 30, 2025

Prepared by the Finance Department
of the City of Lowell

Annual Financial Report
 Fiscal Year Ending: June 30, 2025
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INTRODUCTORY SECTION

CITY OF LOWELL

CITY OFFICIALS

June 30, 2025

ELECTED OFFICIALS

<u>Position</u>	<u>Title</u>	<u>Name and Address</u>	<u>Term Expires</u>
1	Council Member	Don Bennett 540 Sunridge Lane Lowell, OR 97452	December 31, 2026
2	Council President	Jimmy Murray 72 Wetleau Dr Lowell, OR 97452	December 31, 2028
3	Mayor	Maureen Weathers PO Box 39 Lowell, OR 97452	December 31, 2028
4	Council Member	Tim Stratis PO Box 342 Lowell, OR 97452	December 31, 2026
5	Council Member	Gail Harris PO Box 328 Lowell, OR 97452	December 31, 2028

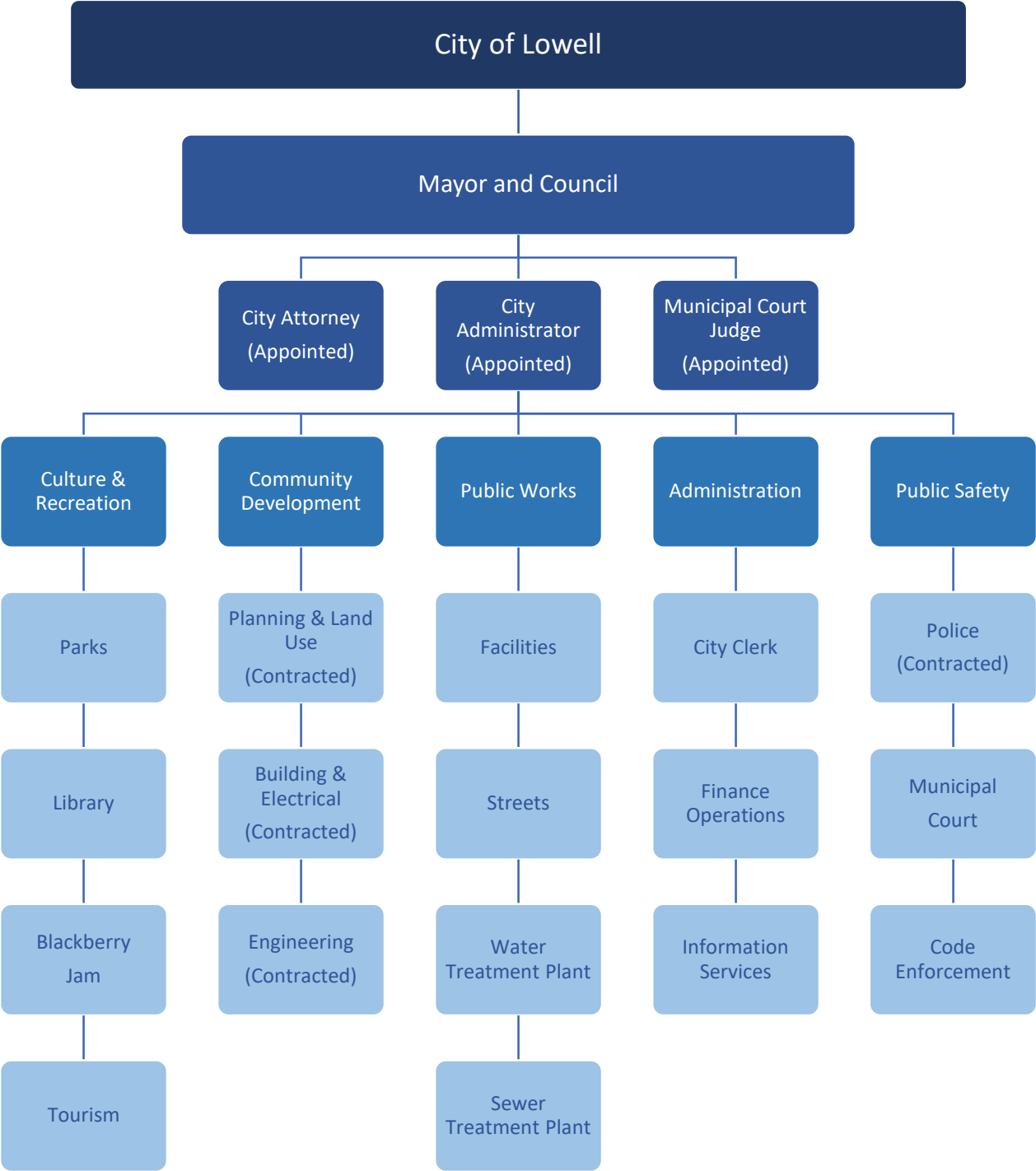
APPOINTED OFFICIALS

<u>Title</u>	<u>Name</u>	<u>Appointed</u>
City Administrator	Max Baker- Interim	December 5, 2024
Attorney at Law	Gary Darnielle	July 1, 2020
Municipal Judge	Frank Segarra	October 15, 2012

MAILING ADDRESS

City of Lowell
70 N Pioneer Street
PO Box 490
Lowell, Oregon 97452
Phone (541) 937-2157

CITY OF LOWELL
Organizational Chart



INDEPENDENT AUDITOR'S REPORT



Independent Auditors' Report

To the City Council
City of Lowell Oregon
70 N. Pioneer St, Lowell Oregon 97452

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Lowell, Oregon for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Lowell as of June 30, 2025, and the respective changes in modified cash basis financial position and, where applicable, cash flows thereof, for the year then ended in accordance with modified cash basis of accounting described in the Notes to the Financial Statements.

Basis of Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Lowell and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter – Basis of Accounting

We draw attention to the Basis of Accounting note in the Notes to the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with modified cash basis of accounting as described in the Basis of Accounting note in the Notes to the financial statements, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about City of Lowell's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Lowell's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about City of Lowell's ability to continue as a going concern for a reasonable period of time.
- We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Management's discussion and analysis, the schedules of revenues, expenditures, and changes in fund balances – budget and actuals, and combining statements, are presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the management's discussion and analysis in accordance with the auditing standards generally accepted in the United States of America, which consisted principally of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during my audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Lowell's basic financial statements. The schedules of revenues, expenditures and changes in fund balances – budget and actuals and combining statements described above are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The schedules of revenues, expenditures and changes in fund balances – budget and actuals and combining statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of revenues, expenditures and changes in fund balances – budget and actuals and combining statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

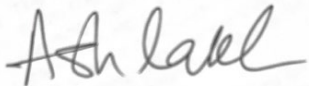
Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory information and additional schedules listed in the Statistical Section of the Table of Contents but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion of any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or whether the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Reports on Other Legal and Regulatory Requirements

In accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*, we have issued our report dated December 26, 2025, on our consideration of the City of Lowell's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of this report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on the City's compliance.



Ashraf Lakhani Farishta, CPA
Umpqua Valley Financial, LLC
Roseburg, Oregon
December 26, 2025

MANAGEMENT'S DISCUSSION & ANALYSIS

CITY OF LOWELL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ending June 30, 2025

Management's Discussion and Analysis (MD&A) focuses on current year activities and resulting changes. This MD&A is based on currently known facts, decisions, and conditions that existed as of the date of the independent auditor's report. Please read it in conjunction with the City's financial statements, which follow this discussion and analysis.

This discussion and analysis present the highlights of financial activities and the financial position of the City of Lowell. The analysis focuses on significant financial issues, major financial activities and resulting changes in financial position, debt administration, capital assets, budget changes and variances from the budget, specific issues related to funds and the economic factors affecting the City.

FINANCIAL HIGHLIGHTS

- The City's total Assets as indicated in the statement of net position are \$11,652,659, an increase of \$298,445 over the previous year primarily the result of an increase in cash and equivalents less current year depreciation expense.
- The City's total Liabilities as indicated in the statement of net position are \$2,083,829, a decrease of \$97,227 from the previous year, primarily a result of debt service payments made.
- The City's total debt outstanding decreased \$100,940 or 5% during the current fiscal year. This decrease is the result of annual debt service payments made.
- The City's Net Position increased \$112,987 in governmental activities and increased \$281,339 in business-type activities for a combined increase of \$394,326 from the previous year.
- For its governmental activities, the City received \$212,989 in tax revenue, up \$12,934, or 6% over the prior year.
- For its business-type activities, the City recognized \$1,397,484 in program revenue including \$1,093,151 in charges for services, reflecting an overall increase of 18.03% versus the prior year, primarily due to an increase in capital and operating grants.
- The City's governmental funds reported a combined fund balance of \$810,872, an increase of \$163,657 over the previous fiscal year. Of the total fund balance reported, \$561,655 is considered non-spendable, restricted, committed, or assigned. The remaining \$249,217 is available for spending at the government's discretion.

OVERVIEW OF THE FINANCIAL STATEMENTS

The following discussion and analysis is intended to serve as an introduction to the City's basic financial statements and other provided supplementary information. The City's basic financial statements are comprised of four components:

- Government-wide financial statements
- Fund Financial statements
- Notes to the basic financial statements
- Supplementary information

CITY OF LOWELL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ending June 30, 2025

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information for all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *Statement of Activities* presents information showing how the City's net assets changed during the most recent fiscal year. Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes, fees, and inter-governmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

The governmental activities of the City include the following:

- General Government
- Public Works, Streets
- Infrastructure Systems Development
- Blackberry Jam Festival

The Business-type activities of the City include the following:

- Building Fund
- Water Utility
- Sewer Utility

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to demonstrate and ensure compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: Governmental funds and Proprietary funds.

Major funds are defined as the General Fund and any other fund where the assets, liabilities, revenues, or expenditures/expenses exceed 10% of total government fund amounts or 10% of total enterprise fund amounts and 5% of total government and enterprise fund amounts combined. Generally accepted accounting principles require that detailed information about major funds be separately disclosed.

Governmental funds

Governmental funds are used to account for activities where the emphasis is placed on available financial resources, rather than upon net income determination. Therefore, unlike the government-wide financial statements, governmental fund financial statements focus on the acquisition and use of current spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide

CITY OF LOWELL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ending June 30, 2025

reconciliations to facilitate the comparison between governmental funds and governmental activities. These reconciliations can be found in the basic financial statements.

The City maintains six individual governmental funds: two major funds: The General Fund and the Street Fund, and four non-major funds: The Blackberry Jam Fund, Parks Systems Development Charges (SDC) Fund, Transportation SDC Fund, and the Stormwater SDC Fund. Information for major funds is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances, all non-major funds are aggregated in one column.

The City adopts an annual appropriated budget for all governmental funds. To demonstrate compliance with the budget, budgetary comparison statements have been provided in the Supplementary Information section.

Proprietary funds

Proprietary funds are used to account for activities where the emphasis is placed on net income determination. The City maintains one type of proprietary fund known as an enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water utility and sewer utility operations, the collection of water and sewer SDC's and for reserves for water and sewer utility capital improvements. The water and sewer funds, both of which are considered major funds of the City, are combined with their associated reserve and SDC funds in the basic financial statements. The Building Fund accounts for building and electrical inspection activity and is the only non-major enterprise fund.

The City also adopts an annual appropriated budget for all proprietary funds. The proprietary fund financial statements can be found in the Basic Financial Statements. To demonstrate compliance with the budget, budgetary comparison statements have been provided in the Supplementary Information section.

Notes to the basic financial statements

The notes to the basic financial statements contain additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. They are an integral part of the basic financial statements and should be read in conjunction with them.

Other supplementary information

Combining statements and schedules, including budgetary comparison statements, follow the notes in this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

One important question asked about the City's finances is, "Is the City better or worse off as a result of the year's activities?" The information in the government-wide financial statements helps answer this question. These statements include all assets and liabilities, with the addition of reporting depreciation on capital assets. This is similar to the basis of accounting used by most private-sector companies.

The change in net position over time is one indicator of whether the City's financial health is improving or deteriorating. However, there are other non-financial factors that influence the City's fiscal health, such as changes in the economy and changes in the City's tax base, etc. This report includes a comparison to the prior year to assist the reader in determining the status of the City's fiscal standing over time. At the close of the most recent fiscal year, the City's assets exceeded liabilities (net position) by \$9,567,474.

CITY OF LOWELL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ending June 30, 2025

CITY OF LOWELL – NET POSITION

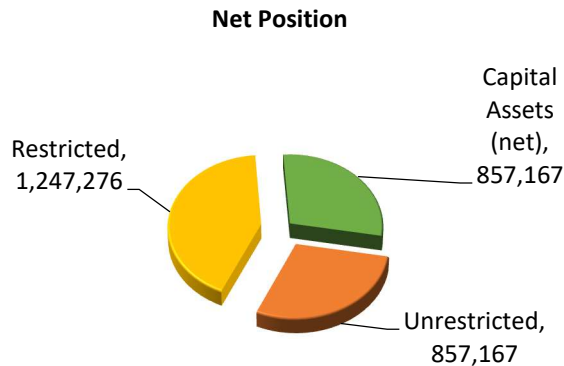
The table below reflects a summary of net position compared to the prior fiscal year; the following notes summarize the major changes to net position.

	Government		Business		Total	
	June 2025	June 2024	June 2025	June 2024	June 2025	June 2024
Current and other assets	\$ 812,521	\$ 647,736	\$ 1,341,731	\$ 1,146,191	\$ 2,154,252	\$ 1,793,927
Capital assets	5,220,988	5,303,668	4,277,409	4,256,609	9,498,397	9,560,277
Total assets	\$ 6,033,509	\$ 5,951,404	\$ 5,619,140	\$ 5,402,800	\$ 11,652,649	\$ 11,354,204
Current liabilities	\$ 33,479	\$ 32,531	\$ 118,739	\$ 113,159	\$ 152,218	\$ 145,690
Non-current liabilities	664,779	697,955	1,266,832	1,337,411	1,931,611	2,035,366
Total liabilities	\$ 698,258	\$ 730,486	\$ 1,385,571	\$ 1,450,570	\$ 2,083,829	\$ 2,181,056
Net position:						
Net investment in capital assets	\$ 4,523,033	\$ 4,573,703	\$ 2,939,998	\$ 2,850,269	\$ 7,463,031	\$ 7,423,972
Restricted	548,726	519,778	698,550	613,066	1,247,276	1,132,844
Unrestricted	262,146	127,437	595,021	488,895	857,167	616,332
Total net position	\$ 5,333,905	\$ 5,220,918	\$ 4,233,569	\$ 3,952,230	\$ 9,567,474	\$ 9,173,148

Changes in net position

The entire balance of unrestricted net position may be used to meet the government’s ongoing obligations to citizens and creditors within the fund they are located. The City’s current and other assets equal \$2,154,252, an increase of \$360,325 over the previous year. The City’s total non-current liabilities equal \$1,931,611, a decrease of \$103,755 from the previous fiscal year.

78% of the City’s net position is invested in capital assets (e.g. land, buildings, equipment, and infrastructure, less accumulated depreciation), and reported net of any related debt. The City uses these capital assets to provide services to its citizens, thus, they do not represent resources available for future spending. 13% of the City’s net position is restricted and represents cash and investments that are legally restricted for capital expansion or debt service. Finally, the remaining 9% is unrestricted, meaning it is available for meeting the City’s ongoing obligations. The following chart displays the three components of net position as of June 30th.



CITY OF LOWELL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ending June 30, 2025

CITY OF LOWELL – STATEMENT OF ACTIVITIES

As with the Statement of Net Position, the Statement of Activities reports activities on a consolidated basis. A summary of significant activities follows the table below.

	Government		Business		Total	
	June 2025	June 2024	June 2025	June 2024	June 2025	June 2024
Revenues:						
Program revenues:						
Charges for service	\$ 39,471	\$ 45,389	\$ 1,093,151	\$ 1,063,742	\$ 1,132,622	\$ 1,109,131
Capital grants & contributions	24,183	6,250	289,858	80,028	314,041	86,278
Operating grants	171,643	164,827	14,475	1,699	186,118	166,526
Total program revenues	235,297	216,466	1,397,484	1,145,469	1,632,781	1,361,935
General revenues:						
Property taxes	212,989	200,055	-	-	212,989	200,055
Franchise & public service taxes	78,770	80,451	-	-	78,770	80,451
Investment earnings	26,323	21,016	50,623	35,205	76,946	56,221
Other	14,511	551	17,683	11,019	32,194	11,570
Proceeds from litigation	100,000	-	-	-	100,000	-
Total general revenues	432,593	302,073	68,306	46,224	500,899	348,297
Total revenues:	667,890	518,539	1,465,790	1,191,693	2,133,680	1,710,232
Expenses:						
General government	168,179	193,045	-	-	168,179	193,045
Culture & recreation	204,876	201,696	-	-	204,876	201,696
Public safety	1,575	36,356	-	-	1,575	36,356
Community Development	29,214	53,284	-	-	29,214	53,284
Code Enforcement	3,897	6,852	-	-	3,897	6,852
Tourism	837	1,067	-	-	837	1,067
Municipal court	10,782	13,975	-	-	10,782	13,975
Highways & streets	135,543	124,830	-	-	135,543	124,830
Building	-	-	45,205	38,832	45,205	38,832
Water	-	-	565,517	505,327	565,517	505,327
Sewer	-	-	573,729	586,779	573,729	586,779
Total expenses:	554,903	631,105	1,184,451	1,130,938	1,739,354	1,762,043
Change in net position	112,987	(112,566)	281,339	60,755	394,326	(51,811)
Beginning net position	5,220,918	5,333,484	3,952,230	3,891,475	9,173,148	9,224,959
Ending net position	\$ 5,333,905	\$ 5,220,918	\$ 4,233,569	\$ 3,952,230	\$ 9,567,474	\$ 9,173,148

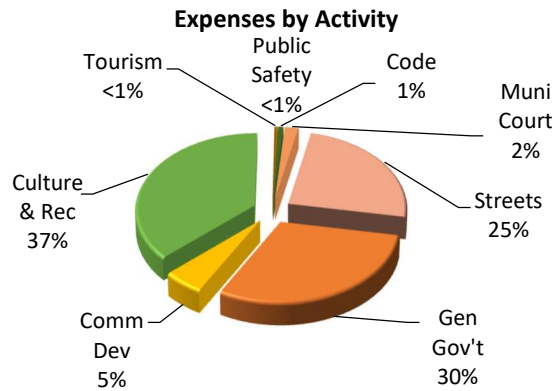
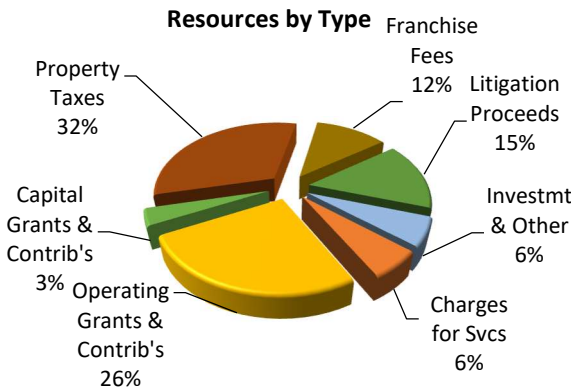
CITY OF LOWELL
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 For the Year Ending June 30, 2025

Governmental Activities

The net position for governmental activities increased \$112,987 over the prior year. This increase is mainly the result of litigation proceeds received.

Financial highlights from governmental activities for the year include:

- Property taxes comprise approximately 32% of governmental resources. For operating purposes, property tax revenues increased \$12,934 over last year, as allowed by statute.
- Charges for services represent 6% of governmental resources which include: Land use and other permits and licenses, reimbursement SDC's, festival revenue and court fines.
- Franchise fees decreased \$1,681 from last year, reflecting an overall decline in franchise revenues received.
- The major differences to governmental revenue include: an increase in capital grants and contributions of \$17,933. Last year capital grants totaled \$6,250 including community donations designated for parks improvements and the library. This year, capital grants consist of \$500 in library donations, \$5,550 in donations for playground equipment and SDC fees of \$18,133. The increase in operating grants of \$6,816 is mainly due to a grant received from the Fern Ridge Foundation for maintenance of the Caboose at Rolling Rock Park.
- Other changes in governmental revenue include a decrease in land use planning fees of \$7,798, an increase in investment revenue of \$5,305, a decrease in franchise revenues of \$1,681, and litigation proceeds received of \$100,000.
- Total governmental activity expenses decreased \$76,202 mainly due to a reduction in costs associated with land use applications of \$24,070, along with a decrease in legal fees of \$19,095 for the litigation regarding emergency repairs to North First Street, along with an increase to streets of 10,713.



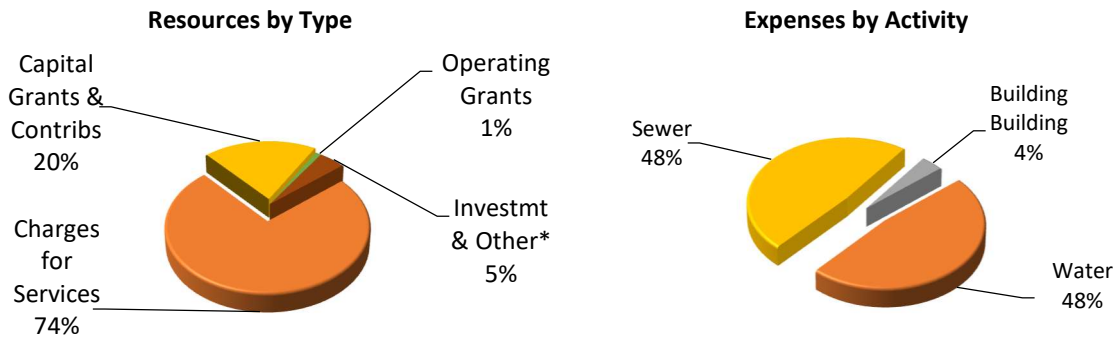
CITY OF LOWELL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ending June 30, 2025

Business Activities

Business-type activities resulted in a \$281,339 increase to net position over the prior year, mainly the result of an increase to water and sewer utility rates, and an increase to capital grants.

Key activities during the fiscal year include:

- Charges for services in the water and sewer funds generated the majority of the \$1,397,484 in revenues for all business-type activities.
- Capital grants and contributions increased \$209,830 mainly due to Oregon Business Development Department grant for the SCADA system at the Water Treatment Facility.
- Operating grants increased \$12,776 due to grant funds received from Oregon Business Development Department the sewer master plan updates during the fiscal year.
- Expenses increased \$53,513 which includes an increase of \$6,373 in the Building Fund, an increase of \$60,190 for the Water Fund, and a decrease of \$13,050 for the Sewer Fund.



FUND FINANCIAL ANALYSIS

As previously discussed, the City uses fund-based accounting to ensure and demonstrate compliance with finance-related legal requirements. A summary of the City's fund balances and fund types follows the table below.

	Government		Business		Total	
	June 2025	June 2024	June 2025	June 2024	June 2025	June 2024
General Fund	\$ 249,217	\$ 112,996	\$ -	\$ -	\$ 249,217	\$ 112,996
Street Fund	158,876	173,401	-	-	158,876	173,401
SDC Fund(s)	317,365	285,045	-	-	317,365	285,045
Culture & Recreation	6,057	10,671	-	-	6,057	10,671
Tourism	68,751	52,984	-	-	68,751	52,984
Blackberry Jam	10,606	12,118	-	-	-	-
Building Fund	-	-	39,702	44,107	39,702	44,107
Water Operating Fund	-	-	1,809,635	1,593,164	1,809,635	1,593,164
Water SDC Fund	-	-	531,125	461,733	531,125	461,733
Water Reserve Fund	-	-	43,869	41,933	43,869	41,933
Sewer Operating Fund	-	-	1,685,682	1,701,653	1,685,682	1,701,653
Sewer SDC Fund	-	-	106,297	93,042	106,297	93,042
Sewer Reserve Fund	-	-	17,259	16,598	17,259	16,598
Total:	\$ 810,872	\$ 647,215	\$ 4,233,569	\$ 3,952,230	\$ 5,033,835	\$ 4,587,327

CITY OF LOWELL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ending June 30, 2025

Governmental funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$810,872, of which \$249,217 is unassigned. Of the remaining amount \$551,049 is restricted or committed for capital projects, SDC's, streets, culture & recreation and tourism and \$10,606 is assigned for the Blackberry Jam.

Business-type (Proprietary) funds

The Water, Sewer and Building funds ended the year with a \$281,339 increase in net position, for a combined net position of \$4,233,569.

- The Water fund ended the fiscal year with a net position of \$2,384,629, with \$215,191 of that amount unrestricted and the remaining balance restricted for debt service, capital projects (SDC's) or invested (net) in capital assets.
- The Sewer fund ended the fiscal year with a net position of \$1,809,238, with \$340,128 of that amount unrestricted and the remaining balance restricted for debt service, capital projects (SDC's) or invested (net) in capital assets.
- The Building fund ended with a net position of \$39,702, all of which is unrestricted.

GENERAL FUND BUDGETARY HIGHLIGHTS

The budgetary statement for the General Fund shows the original budget, final budget, actual revenues, expenditures, debt service and transfers for the fiscal year ending June 30, 2025. The Council approved three amendments to the General Fund budget which were approved by resolution. The adjustments include:

- An increase to library materials and services of \$1,440 due to a State Library of Oregon grant award.
- A change in appropriations within the General Fund increasing materials and services as follows: Administration \$5,200, Parks and Recreation \$11,700, Community Development \$1,750, Library \$2,500, and Municipal Court \$4,750, and reducing contingencies by \$25,900.
- A supplemental budget recognizing unanticipated resources and increasing materials and services by \$6,000 within the Blackberry Jam Fund.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets

The City's investment in capital assets for its governmental and business-type activities as of June 30th was \$9,498,398 (net of accumulated depreciation). This investment in capital assets includes land, right-of-way, buildings and improvements, improvements other than buildings (such as parks and park improvements), equipment, and infrastructure (streets, water, storm water, and wastewater). Major additions include a new SCADA system at the Water Treatment Plant of \$313,034, Sewer Manhole Improvements of \$30,675, 1st Street Overlay for \$38,910, and Construction in Progress for playground equipment, Rolling Rock Park improvements and the Library Brick project totaling \$10,664 as well as Construction in Progress of \$28,990 for water projects.

CITY OF LOWELL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ending June 30, 2025

	Government		Business		Total	
	June 2025	June 2024	June 2025	June 2024	June 2025	June 2024
Land	\$ 2,681,918	\$ 2,681,918	\$ 92,179	\$ 92,179	\$ 2,774,097	\$ 2,774,097
Construction in progress	41,810	31,146	28,990	106,558	70,800	137,704
Buildings	1,017,347	1,017,347	127,926	124,989	1,145,273	1,142,336
Infrastructure	2,416,197	2,377,287	9,943,732	9,776,825	12,359,929	12,154,112
Equipment & furnishings	92,071	92,071	315,313	133,208	407,384	225,279
Vehicles & rolling stock	52,147	52,147	55,846	55,846	107,993	107,993
Total:	6,301,490	6,251,916	10,563,986	10,289,605	16,865,476	16,541,521
Accum depreciation:	(1,080,502)	(948,247)	(6,286,576)	(6,032,996)	(7,367,078)	(6,981,243)
Net capital assets:	\$ 5,220,988	\$ 5,303,669	\$ 4,277,410	\$ 4,256,609	\$ 9,498,398	\$ 9,560,278

Debt Administration

Governmental debt outstanding of \$697,956 reflects a note payable to Government Capital Corporation for the purchase of the Library/City Hall facility and downtown properties, a loan through Business Oregon for City Hall/Library improvements as well as a loan through Business Oregon for street improvements. Business debt outstanding of \$1,337,410 includes notes payable through Business Oregon and United States Department of Agriculture – Rural Utilities Services (USDA RUS) for water and sewer system improvements. None of this debt is paid with general obligation bonds.

During the fiscal year, all scheduled debt service payments were met. Governmental debt service obligations are met using unrestricted general revenues and state highway street tax revenues within the Street Fund. Business debt service requirements are met using revenue generated by water and sewer utilities, SDC's, reimbursement district assessments and/or applicable existing debt reserve. The overall decrease to outstanding debt of \$100,940 reflects current year's repayment. Of the total debt, \$103,755 is due within one year, and \$1,931,611 is due within more than one year. For a detailed description of all loans, lending agency, start date, and interest rates, please see the notes to the basic financial statements.

	Government		Business		Total	
	June 2025	June 2024	June 2025	June 2024	June 2025	June 2024
Long term obligations:						
Notes payable:						
Gov't Capital Note (256156)	\$ 415,499	\$ 436,687	\$ -	\$ -	\$ 415,499	\$ 436,687
Business Oregon (J05001)	-	-	63,860	74,837	63,860	74,837
Business Oregon (G02002)	-	-	78,738	102,908	78,738	102,908
Business Oregon (L21001)	69,173	72,751	154,307	162,290	223,480	235,041
Business Oregon (L22010)	213,284	220,527	-	-	213,284	220,527
USDA RUS (91-03)	-	-	743,333	761,765	743,333	761,765
USDA RUS (92-05)	-	-	297,172	304,541	297,172	304,541
Total obligations:	\$ 697,956	\$ 729,965	\$ 1,337,410	\$ 1,406,341	\$ 2,035,366	\$ 2,136,306

Additional information for capital assets and debt administration can be viewed in the notes to the basic financial statements.

CITY OF LOWELL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ending June 30, 2025

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City of Lowell is in a stable financial position and continues to experience a slow growth rate and expansion of its infrastructure. The fiscal year 2025-2026 budget was approved by the City Council on June 03, 2025, in the total amount of \$4,109,667, which includes \$445,677 in reserves and ending fund balances, \$373,051 in debt service and \$2,573,381 for capital projects. The budget reflects the City is dedicated to investing in its infrastructure while ensuring that it is able to maintain high quality services to the City.

Property taxes are the primary resource for the General Fund. The City's permanent tax rate is \$2.1613 per \$1,000 of assessed valuation. Taxes from the permanent rate are recorded in the General Fund as discretionary revenues to support General Fund programs such as Public Safety, Library, Parks and Recreation and Community Development. Property taxes are budgeted at \$210,250 for the ensuing fiscal year.

Franchise fees and privilege taxes are the second largest revenue source for the General Fund, budgeted at \$82,325, and have proven to be largely stable. These fees are charged to various utility companies for use of public right-of-way based upon a percentage of net sales within city limits. This budget reflects a slight downturn in the expected receipts from franchise fees of \$3,938 largely due to expected receipts from cable franchise fees.

Intergovernmental revenues in the General Fund, budgeted at \$38,434, originate from state and county shared revenues. The state shared revenues include liquor and cigarette excise taxes, state shared revenues and others. The revenues are allocated by various formulas but utilize a per capita rate. The Street Fund also receives shared revenues from State Highway Street Tax, which is budgeted at \$105,250. Shared revenues are expected to increase slightly.

In April 2025, City Council adopted a compensation study prepared by Local Government Personnel Services. This study adjusted the existing pay scale. The personal services budget includes a 3.5% cost of living increase to the pay scale approved by Resolution 850. Merit increases are projected for employees this fiscal year. Medical benefits are anticipated to increase 9%, and Public Employees Retirement System (PERS) rates will increase 11%.

Utility rates are reviewed regularly and adjusted by the City Council to ensure charges are sufficient to finance all related operating, capital outlay, debt service expenses, and operating reserves. Beginning July 1, 2025:

- Water rates will increase 3.5%
- Sewer rates will increase 3.5%

Uncertainties about future economic changes and financial impacts are common to all cities. While the local economy may be characterized as stable, significant economic growth is not anticipated for the ensuing fiscal year. The 2024 population estimate is 1,304, reflecting a 1% increase from last year, as provided by the Population Research Center at Portland State University.

REQUESTS FOR INFORMATION

The financial statements are designed to present users (citizens, taxpayers, customers, investors, and creditors) with a general overview of the City's finances and to demonstrate the City's accountability. If you have questions about the report or need additional financial information, please contact:

Max Baker
City of Lowell
P. O. Box 490
Lowell, OR 97452

BASIC FINANCIAL STATEMENTS

CITY OF LOWELL
Statement of Net Position
Modified Cash Basis
For the Year Ended June 30, 2025

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 812,521	\$ 1,341,731	\$ 2,154,252
Other current assets	-	-	-
Total current assets	812,521	1,341,731	2,154,252
Non-current assets:			
Capital assets:			
Land	2,681,918	92,179	2,774,097
Buildings and facilities	1,017,347	127,926	1,145,273
Equipment and furnishings	92,071	315,312	407,383
Vehicles and rolling stock	52,147	55,847	107,994
Infrastructure	2,416,197	9,943,732	12,359,929
Construction in progress	41,810	28,989	70,799
Less accumulated depreciation	(1,080,502)	(6,286,576)	(7,367,078)
Total non-current assets	5,220,988	4,277,409	9,498,397
Total assets	\$ 6,033,509	\$ 5,619,140	\$ 11,652,649
LIABILITIES			
Current liabilities:			
Utility deposits	\$ -	\$ 47,050	\$ 47,050
Utility donations	-	1,110	1,110
Bail Held	-	-	-
Lane Electric Co-op pay station	-	-	-
Other deposits	303	-	303
Accounts Payable	-	-	-
Notes payable - current	33,176	70,579	103,755
Total current liabilities	33,479	118,739	152,218
Non-current liabilities:			
Notes payable - noncurrent	664,779	1,266,832	1,931,611
Total non-current liabilities	664,779	1,266,832	1,931,611
Total liabilities	698,258	1,385,571	2,083,829
NET POSITION			
Net investment in capital assets	4,523,033	2,939,998	7,463,031
Restricted for:			
Culture and recreation	3,734	-	3,734
Tourism	68,751	-	68,751
Streets	158,876	-	158,876
Debt service	-	61,128	61,128
Capital projects (SDC)	317,365	637,422	954,787
Unrestricted	262,146	595,021	857,167
Total net position	\$ 5,333,905	\$ 4,233,569	\$ 9,567,474

The accompanying notes are an integral part of these financial statements

CITY OF LOWELL
Statement of Activities
Modified Cash Basis
For the Year Ended June 30, 2025

Functions/Programs	Program Revenue				Net (expenses) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary Government							
Governmental Activities							
General Government	\$ 168,179	\$ 4,486	\$ 54,490	\$ -	\$ (109,203)	\$ -	(109,203)
Culture & Recreation	204,876	14,558	13,418	14,063	(162,837)	-	(162,837)
Public Safety	1,575	-	-	-	(1,575)	-	(1,575)
Community Development	29,214	17,347	-	-	(11,867)	-	(11,867)
Code Enforcement	3,897	684	-	-	(3,213)	-	(3,213)
Tourism	837	-	16,604	-	15,767	-	15,767
Municipal Court	10,782	1,564	-	-	(9,218)	-	(9,218)
Highways & Streets	135,543	832	87,131	10,120	(37,460)	-	(37,460)
Total governmental activities	554,903	39,471	171,643	24,183	(319,606)	-	(319,606)
Business-type activities:							
Building	45,205	39,382	-	-	-	(5,823)	(5,823)
Water	565,517	536,701	-	281,290	-	252,474	252,474
Sewer	573,729	517,068	14,475	8,568	-	(33,618)	(33,618)
Total business-type activities	1,184,451	1,093,151	14,475	289,858	-	213,033	213,033
Total primary government	1,739,354	1,132,622	186,118	314,041	(319,606)	213,033	(106,573)
General Revenues							
Property Taxes, levies for general purposes					212,989	-	212,989
Franchise fees					78,770	-	78,770
Unrestricted Investment earnings					26,323	50,623	76,946
Miscellaneous					14,511	17,683	32,194
Proceeds from Litigation					100,000	-	100,000
Total general revenues and transfers					432,593	68,306	500,899
Changes in net position					112,987	281,339	394,326
Net position - beginning					5,220,918	3,952,230	9,173,148
Net position - ending					\$ 5,333,905	\$ 4,233,569	\$ 9,567,474

The accompanying notes are an integral part of these financial statements

CITY OF LOWELL
Balance Sheet
Governmental Funds
Modified Cash Basis
For the Year Ended June 30, 2025

	General Fund	Street Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 325,674	\$ 158,876	\$ 327,971	\$ 812,521
Total assets	<u>325,674</u>	<u>158,876</u>	<u>327,971</u>	<u>812,521</u>
LIABILITIES, AND FUND BLANCES				
Liabilities:				
CET Tax Collected	1,346	-	-	1,346
Lane Electric Co-op pay station	-	-	-	-
Other Deposits	303	-	-	303
Total liabilities	<u>1,649</u>	<u>-</u>	<u>-</u>	<u>1,649</u>
Fund Equity:				
Restricted for:				
Streets	-	158,876	-	158,876
Parks SDC	-	-	123,790	123,790
Streets SDC	-	-	94,462	94,462
Stormwater SDC	-	-	99,113	99,113
Library Capital Donations	2,676	-	-	2,676
Parks Capital Donations	1,058	-	-	1,058
Tourism	68,751	-	-	68,751
Committed for:				
Property Maintenance	2,323	-	-	2,323
Assigned for:				
Blackberry Jam Festival	-	-	10,606	10,606
Unassigned	249,217	-	-	249,217
Total fund balances	<u>324,025</u>	<u>158,876</u>	<u>327,971</u>	<u>810,872</u>
Total liabilities and fund balances	<u>\$ 325,674</u>	<u>\$ 158,876</u>	<u>\$ 327,971</u>	<u>\$ 812,521</u>

The accompanying notes are an integral part of these financial statements

CITY OF LOWELL
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets
Modified Cash Basis
For the Year Ended June 30, 2025

Total fund balances - governmental funds	\$	810,872
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation	5,220,988
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Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Notes and bonds	(697,955)

Net Position of Governmental Activities	<u>\$</u>	<u>5,333,905</u>
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The accompanying notes are an integral part of these financial statements

CITY OF LOWELL
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Modified Cash Basis
For the Year Ended June 30, 2025

	General Fund	Street Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Property Taxes	\$ 212,989	\$ -	\$ -	\$ 212,989
Intergovernmental	51,490	87,131	-	138,621
Grants	25,220	-	-	25,220
Franchise fees	78,770	-	-	78,770
Licenses and permits	18,031	-	-	18,031
Reimbursement SDC's	376	832	-	1,208
SDC Fees	-	-	18,133	18,133
Charges for services	5,731	-	-	5,731
Fees and fines	1,564	-	-	1,564
Investment earnings	6,888	5,246	14,188	26,322
Miscellaneous	21,687	626	-	22,313
Fundraising and event receipts	6,050	-	12,937	18,987
Total Revenues	428,796	93,835	45,258	567,889
EXPENDITURES				
Current:				
General government	127,450	-	-	127,450
Parks	84,773	-	-	84,773
Public safety	1,575	-	-	1,575
Community development	29,214	-	-	29,214
Library	59,855	-	-	59,855
Code enforcement	3,897	-	-	3,897
Tourism	837	-	-	837
Municipal court	10,782	-	-	10,782
Highways and streets	-	64,279	-	64,279
Blackberry Jam Festival	-	-	14,450	14,450
Debt service:				
Principal	28,432	3,578	-	32,010
Interest	23,943	1,593	-	25,536
Capital Outlay:	10,664	38,910	-	49,574
Total Expenditures	381,422	108,360	14,450	504,232
Excess (deficiency) of revenues over expenditures	47,374	(14,525)	30,808	63,657
OTHER FINANCING SOURCESS (USES)				
Proceeds from litigation	100,000	-	-	100,000
Proceeds from disposition of assets	-	-	-	-
Total other financing sources and uses	100,000	-	-	100,000
Net change in fund balances	147,374	(14,525)	30,808	163,657
Fund balances - beginning	176,651	173,401	297,163	647,215
Fund balances - ending	\$ 324,025	\$ 158,876	\$ 327,971	\$ 810,872

The accompanying notes are an integral part of these financial statements

CITY OF LOWELL
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Modified Cash Basis
For the Year Ended June 30, 2025

Net change in fund balances - total governmental funds	\$	163,658
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Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.

Expenditures for capital assets	\$	49,574	
Less current year depreciation		(132,255)	(82,681)

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. This is the amount by which proceeds exceeded repayments.

Principal Payments		32,010	32,010
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Change in Net Position of Governmental Activities	\$	112,987
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The accompanying notes are an integral part of these financial statements

CITY OF LOWELL
Statement of Net Position
Proprietary Funds
Modified Cash Basis
For the Year Ended June 30, 2025

	Water Operating Fund	Sewer Operating Fund	Building Fund	Total Proprietary Funds
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 838,345	\$ 463,684	39,702	\$ 1,341,731
Other current assets	-	-	-	-
Total current assets	<u>838,345</u>	<u>463,684</u>	<u>39,702</u>	<u>1,341,731</u>
Non-current assets:				
Capital assets:				
Land	81,179	11,000	-	92,179
Buildings and facilities	38,812	89,114	-	127,926
Equipment and furnishings	222,130	93,182	-	315,312
Vehicles and rolling stock	34,067	21,780	-	55,847
Infrastructure	4,953,754	4,989,978	-	9,943,732
Less accumulated depreciation	<u>(2,834,916)</u>	<u>(3,451,660)</u>	-	<u>(6,286,576)</u>
Total non-current assets	<u>2,524,015</u>	<u>1,753,394</u>	<u>-</u>	<u>4,277,409</u>
Total assets	<u>\$ 3,362,360</u>	<u>\$ 2,217,078</u>	<u>\$ 39,702</u>	<u>\$ 5,619,140</u>
LIABILITIES				
Current liabilities:				
Utility Deposits	\$ 47,050	\$ -	-	\$ 47,050
Utility Donations	1,110	-	-	1,110
Notes payable - current	<u>32,867</u>	<u>37,712</u>	-	<u>70,579</u>
Total current liabilities	<u>81,027</u>	<u>37,712</u>	<u>-</u>	<u>118,739</u>
Non-current liabilities:				
Notes payable - noncurrent	<u>896,704</u>	<u>370,128</u>	-	<u>1,266,832</u>
Total non-current liabilities	<u>896,704</u>	<u>370,128</u>	<u>-</u>	<u>1,266,832</u>
Total liabilities	<u>977,731</u>	<u>407,840</u>	<u>-</u>	<u>1,385,571</u>
NET POSITION				
Net investment in capital assets	1,594,444	1,345,554	-	2,939,998
Restricted for:				
Debt service	43,869	17,259	-	61,128
Capital projects (SDC)	531,125	106,297	-	637,422
Unrestricted	<u>215,191</u>	<u>340,128</u>	<u>39,702</u>	<u>595,021</u>
Total net position	<u>\$ 2,384,629</u>	<u>\$ 1,809,238</u>	<u>\$ 39,702</u>	<u>\$ 4,233,569</u>

The accompanying notes are an integral part of these financial statements

CITY OF LOWELL
Statement of Revenues, Expenditures and Changes in Fund Net Position
Proprietary Funds
Modified Cash Basis
For the Year Ended June 30, 2025

	Water Operating Fund	Sewer Operating Fund	Building Fund	Total
OPERATING REVENUES				
Charges for services	\$ 528,191	\$ 510,228	1,711	\$ 1,040,130
Operating grants	-	14,475	-	14,475
Reimbursement SDC's	5,960	4,944	-	10,904
Other revenues	2,550	1,896	37,671	42,117
Total operating revenues	<u>536,701</u>	<u>531,543</u>	<u>39,382</u>	<u>1,107,626</u>
OPERATING EXPENSES				
Personal services	222,629	223,647	13,368	459,644
Contractual services	28,276	44,545	28,069	100,890
Utilities	25,115	43,726	561	69,402
Repairs and maintenance	57,596	40,613	60	98,269
Office supplies and expenses	36,422	33,338	935	70,695
Other operating expenses	36,172	51,953	2,212	90,337
Depreciation	132,870	120,709	-	253,579
Total operating expenses	<u>539,080</u>	<u>558,531</u>	<u>45,205</u>	<u>1,142,816</u>
Operating income (loss)	<u>(2,379)</u>	<u>(26,988)</u>	<u>(5,823)</u>	<u>(35,190)</u>
NON-OPERATING REVENUES (EXPENSES):				
Investment revenue	32,523	16,727	1,373	50,623
Miscellaneous revenue	2,803	14,835	45	17,683
Interest expense	(26,437)	(15,198)	-	(41,635)
Total non-operating revenues (expenses)	<u>8,889</u>	<u>16,364</u>	<u>1,418</u>	<u>26,671</u>
Net income (loss) before contributions and transfers	6,510	(10,624)	(4,405)	(8,519)
CAPITAL CONTRIBUTIONS:				
Capital grants	227,984	-	-	-
SDC Fees	53,306	53,306	8,568	8,568
Capital contributions	<u>281,290</u>	<u>8,568</u>	<u>-</u>	<u>289,858</u>
Change in net position	<u>287,800</u>	<u>(2,056)</u>	<u>(4,405)</u>	<u>281,339</u>
Net position - beginning	<u>2,096,829</u>	<u>1,811,294</u>	<u>44,107</u>	<u>3,952,230</u>
Net position - ending	<u>\$ 2,384,629</u>	<u>\$ 1,809,238</u>	<u>\$ 39,702</u>	<u>\$ 4,233,569</u>

The accompanying notes are an integral part of these financial statements

CITY OF LOWELL
Statement of Cash Flows - Proprietary Funds
Modified Cash Basis
For the Year Ended June 30, 2025

	Water Operating Fund	Sewer Operating Fund	Building Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers	\$ 536,701	\$ 517,068	\$ 39,382	\$ 1,093,151
Other operating receipts	-	14,475	-	14,475
Payments to employees	(222,629)	(223,647)	(13,368)	(459,644)
Payments to suppliers	(183,581)	(214,175)	(31,837)	(429,593)
Increase (decrease) in cash deposits	3,930	-	-	3,930
Net cash provided (used) by operating activities	<u>134,421</u>	<u>93,721</u>	<u>(5,823)</u>	<u>222,319</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:				
Other receipts	<u>2,803</u>	<u>14,835</u>	<u>45</u>	<u>17,683</u>
Net cash provided (used) by noncapital financing activities	<u>2,803</u>	<u>14,835</u>	<u>45</u>	<u>17,683</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Capital contributions - grants and fees	281,290	8,568	-	289,858
Purchases of capital assets	(243,705)	(30,675)	-	(274,380)
Principal paid on capital debt	(31,902)	(37,027)	-	(68,929)
Interest paid on capital debt	(26,437)	(15,198)	-	(41,635)
Net cash provided (used) by capital related financing activities	<u>(20,754)</u>	<u>(74,332)</u>	<u>-</u>	<u>(95,086)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest on investments	<u>32,523</u>	<u>16,727</u>	<u>1,373</u>	<u>50,623</u>
Net cash provided (used) by investing activities	<u>32,523</u>	<u>16,727</u>	<u>1,373</u>	<u>50,623</u>
Net increase (decrease) in cash and cash equivalents	<u>148,993</u>	<u>50,951</u>	<u>(4,405)</u>	<u>195,539</u>
Cash Balances - beginning of the year	<u>689,352</u>	<u>412,732</u>	<u>44,107</u>	<u>1,146,191</u>
Cash Balances - end of the year	<u>\$ 838,345</u>	<u>\$ 463,683</u>	<u>\$ 39,702</u>	<u>\$ 1,341,730</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ (2,379)	\$ (26,988)	\$ (5,823)	\$ (35,190)
Adjustments to reconcile operating income:				
Depreciation expense	132,870	120,709	-	253,579
Change in assets and liabilities:				
Increase (decrease) in deposits and donations	3,930	-	-	3,930
(Increase) decrease in other cash deposits	-	-	-	-
Net cash provided (used) by operating activities	<u>\$ 134,421</u>	<u>\$ 93,721</u>	<u>\$ (5,823)</u>	<u>\$ 222,319</u>

The accompanying notes are an integral part of these financial statements

NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF LOWELL
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Lowell, Oregon is a municipal corporation organized under ORS 221 of the State of Oregon and uses a City Council-Administrator form of government. The City was incorporated in 1954, and its current charter was adopted in 1984. The governing body consists of five elected council members, of which one is selected as Mayor by a majority of the Council.

B. Basis of Accounting

The City follows the modified cash basis of accounting. This basis recognizes assets, liabilities, net position/fund equity, revenues, and disbursements when they result from cash transactions with a provision for capital assets and depreciation, recognition of long-term debts, bail held, pay station liabilities, construction excise taxes (CET) payable, and other deposits which are recorded in the general fund, and customer deposits payable which are recorded in the water fund. Under the modified cash basis of accounting, receipts are recognized when collected rather than when measurable and available, and disbursements are recognized when paid rather than when incurred. Fund operating statements present increases (receipts and other financing sources) and decreases (disbursements and other financing uses) in cash. The modified cash basis of accounting is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

The modified cash basis of accounting is specifically allowed under Oregon State Law, and the City considers the use of this basis to be an appropriate reflection of the City's financial status and results of operations. Accounting principles generally accepted in the United States of America would require that all funds considered to be governmental funds be accounted for on the modified accrual basis of accounting and proprietary funds under the accrual method. Under these bases receipts are recorded when measurable and available, and disbursements are recorded when incurred, with certain modifications. The principal modifications from the cash basis are the recording of liabilities when expenses are incurred and the recording of depreciation on assets.

Proprietary funds distinguish operating receipts and disbursements from not-operating items. Operating receipts and disbursements generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating receipts of the enterprise funds are charges to customers for sales and services. Operating disbursements for enterprise funds include the cost of sales and services, and administrative disbursements. All receipts and disbursements not meeting this definition are reported as non-operating receipts and disbursements.

C. Basis of Presentation – Fund Accounting

Funds are used to report the financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

CITY OF LOWELL
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City reports the following major governmental funds:

- *General Fund*
Accounts for all financial sources except for those required to be accounted for in another fund. The principal revenue sources are property taxes, franchise fees and state shared revenues.
- *Street Fund*
Accounts for all receipts of state gasoline taxes and related interest. The monies are expended primarily for the repair and maintenance of City roads, curbs, gutters, and sidewalks.

Additionally, the City reports non-major funds within the governmental fund type.

- *Special Revenue Funds*
Primarily operating funds that account for specific taxes or other revenue sources, which are legally restricted to finance particular functions or activities.
- *Capital Projects Funds*
Accounts for financial resources used for the acquisition or construction of major capital facilities (other than those financed by Proprietary funds).

Proprietary funds are used to account for the acquisition, operation, and maintenance of water and sewer systems and facilities. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the proprietary funds include the cost of personal and contractual services, supplies and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The City reports the following major proprietary funds:

- *Water Fund*
Water Operating Fund (*Budgetary basis financial statements only*)
Water Reserve Fund (*Budgetary basis financial statements only*)
Water SDC Fund (*Budgetary basis financial statements only*)
- *Sewer Fund*
Sewer Operating Fund (*Budgetary basis financial statements only*)
Sewer Reserve Fund (*Budgetary basis financial statements only*)
Sewer SDC Fund (*Budgetary basis financial statements only*)

Additionally, the City reports non-major funds within the proprietary fund type.

- *Building Fund*
Accounts for building and electrical inspection activity and is the only non-major enterprise fund.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include operating grants and contributions and capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources, as they are needed.

CITY OF LOWELL
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

D. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on the entire City. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental receipts, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct disbursements of a given function or segments are offset by program revenues. Direct disbursements are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. General and other governmental funds are reported as separate columns in the fund financial statements.

E. Fund Balance

The Governmental Accounting Standards Board (GASB) has issued Statement No. 54, Fund balance reporting and Governmental Fund type Definitions (GASB 54). This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB 54 requires the fund balance amounts to be properly reported within one of the following fund balance categories:

- *Non-spendable*
Fund balance associated with inventories, prepaid expenses, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned).
- *Restricted*
Fund balance includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
- *Committed*
Fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the Board of Directors (the district's highest level of decision-making authority).
- *Assigned*
Fund balance intended to be used for specific purposes but do not meet the criteria to be classified as restricted or committed.
- *Unassigned*
Fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in other classifications. The General Fund is the only fund which can have an "Unassigned" fund balance.

CITY OF LOWELL
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Assets, Liabilities, and Net Position

Cash and Investments

The cash and investments reported on the statement of net position include checking account, state Local Government Investment Pool (LGIP), and petty cash balances. The City invests in the LGIP, which is managed by the State Treasurer’s office. These investments are managed in accordance with the “prudent person rule” and administrative regulations of the State Treasurer, which may change. Eligible investments are those allowed by Oregon law and are not leveraged and do not contain any derivative products. The City reports the fair value of their position in the pool the same as the value of pool shares.

Receivables and payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” or “advances to/from other funds”. All other outstanding balances between funds are reported as “due to/from other funds”.

Capital Assets

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as any capital purchase, donation or dedication of land, infrastructure, buildings and/or equipment that exceeds \$5,000 for a single acquisition.

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Property, plant, and equipment of the City are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Equipment	10
Buildings	20
Infrastructure	40

Long-term Obligations

General obligation bonds and other revolving loans, issued for sewer and water system construction, are reported as long-term debts in the government-wide financial statements.

Use of Estimates

The preparation of basic financial statements in conformity with the modified cash basis requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

CITY OF LOWELL
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 For the Year Ended June 30, 2025

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Compliance

Budgets are prepared and adopted, and expenditures are appropriated, in accordance with Oregon Local Budget Law. Budgets are adopted on the cash-basis of accounting, which is not in conformity with generally accepted accounting principles but is an acceptable method for Oregon Municipal Corporations under Oregon Local Budget Law. All annual appropriations lapse at fiscal year-end. The City does not use encumbrance accounting.

On or before June 30 of each year, the City enacts a resolution approving the budget, appropriating expenditures, and levying property taxes. Prior to enacting this resolution, the proposed budget is presented to a budget committee consisting of City Council members and a like number of interested citizens. The budget committee presents the budget to the City Council for budget hearings prior to enactment of the resolution.

The budget is prepared by fund, and line item, and includes information of the past year, current year estimates, and requested appropriations for the next fiscal year. Expenditures may not exceed legally budgeted appropriations at the level of programs, or alternatively, materials and services, personal services, capital outlay, debt service, transfers out, or other expenditures for each fund.

B. Property Taxes

Lane County makes all assessments of property value and levies and collects the taxes for the City. Assessments of property values are as of January 1 of each year. Real property taxes are levied and attached as an enforceable lien on property on July 1. Taxes are payable in three installments on November 15, February 15, and May 15.

A 3% discount is allowed for payment in full on November 15. Property taxes unpaid and outstanding on May 16 are considered delinquent.

For the current year the City Levied taxes at the rate of 2.1613 Per \$1,000 of assessed value within the City Limits. Measure 50 establishes the permanent rate and allows for an increase of the assessed value of 3% per year.

3. CASH AND INVESTMENTS

Cash and investments consist of the following as of June 30th:

Cash in bank	\$ 428,297
Cash on hand	250
Local government investment pool (LGIP)	<u>1,725,705</u>
Total	<u><u>\$ 2,154,252</u></u>

A. Deposits

Deposits with financial institutions are comprised of bank demand deposits. Total bank balances of the checking accounts as shown on the banks' records at year-end were \$449,696. The amount in the LGIP was \$1,725,705.

Custodial credit risk – deposits: This is the risk that, in the event of a bank failure, the district's deposits may not be returned to it. In order to minimize this risk, the State of Oregon established the Public Funds Collateralization Program (PFCP).

CITY OF LOWELL

NOTES TO THE BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

3. CASH AND INVESTMENTS (continued)

PFCP is an application created by the Office of the State Treasurer (OST) to facilitate bank depository, custodian and public official compliance with Oregon Revised Statutes (ORS) 295 effective on July 1, 2008. Requirements described on the PFCP for depository banks, custodian banks and local governments are set forth as the following:

Banks are required to report quarterly to the State Treasurer, providing quarter-end public funds balance in excess of the FDIC limits, net worth, and FDIC capitalization information. The FDIC assigns each bank with a capitalization category quarterly, either well capitalized, adequately capitalized or undercapitalized. The PFCP calculates, based on this information, the bank's minimum collateral (maximum liability) that must be pledged with the custodian for the next quarter. The maximum liability is reported to the bank, OST and custodian.

The custodian banks hold the collateral pledged by the banks. OST provides the custodian the maximum liability for each bank. Banks will request security pledges, releases and substitutions through the PFCP. The custodian will process the transactions as approved by OST and maintain an inventory of pledged securities. OST will monitor that adequate collateral is pledged at all times and that all banks comply with the requirements of ORS.

Public officials are required to verify that deposit accounts in excess of deposit insurance limits are only maintained at financial institutions included on the list of qualified depositories found on the OST's website. Public officials are also required to report at least annually, or within 10 days of a change, the banks they do business with, and contact information for the public official. It is the responsibility of the public official to ensure compliance with these requirements in order to eliminate personal liability in the event of a bank loss.

The City's depository bank was listed on the Treasurer's website, "Qualified Depositories for Public Funds", throughout the fiscal year.

B. Investments

The only investments held by the City at June 30th were funds in the LGIP, which is part of the Oregon Short-Term Fund (OSTF). The OSTF is a cash and investment pool available for use by all state agencies and eligible local governments. The LGIP is an open-ended, no-load diversified portfolio offered to eligible participants who by law are made custodian of, or have control over, any public funds. The City's investment in the LGIP is carried at cost, which approximates fair value. The State of Oregon's investment policies used in administering the LGIP are governed by statute and the Oregon Investment Council (the Council). The State Treasurer is the investment officer for the Council and is responsible for the funds on deposit in the state treasury.

The OST's investments in short-term securities are limited by the portfolio rules established by the OSTF Board and the Council. In accordance with Oregon statutes, the investments funds are invested, and the investments of those funds managed, as a prudent investor would do – exercising reasonable care, skill, and caution. The LGIP's Portfolio rules provide that broker/dealers meet certain qualifications and that investments are delivered to and held by a third-party custodian that hold the securities in the State of Oregon's name. The LGIP is not registered with the Securities Exchange Commission and is not rated.

CITY OF LOWELL

NOTES TO THE BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

4. CAPITAL ASSETS

Capital asset activity for the year ended June 30th was as follows:

	Beginning Balance	Additions	Deletions	Reclassification	Ending Balance
Governmental Activities:					
Not being depreciated					
Land	\$ 2,681,918	\$ -	\$ -	\$ -	\$ 2,681,918
Construction in progress	31,146	10,664	-	-	41,810
Total	<u>2,713,064</u>	<u>10,664</u>	<u>-</u>	<u>-</u>	<u>2,723,728</u>
Being Depreciated					
Buildings	1,017,347	-	-	-	1,017,347
Furnishings and equipment	92,071	-	-	-	92,071
Vehicles and rolling stock	52,147	-	-	-	52,147
Infrastructure	2,377,287	38,910	-	-	2,416,197
Total	<u>3,538,852</u>	<u>38,910</u>	<u>-</u>	<u>-</u>	<u>3,577,762</u>
Accumulated depreciation					
Buildings	286,072	47,442	-	-	333,514
Furnishings and equipment	29,842	10,490	-	-	40,332
Vehicles and rolling stock	32,355	5,207	-	-	37,562
Infrastructure	599,978	69,116	-	-	669,094
Total	<u>948,247</u>	<u>132,255</u>	<u>-</u>	<u>-</u>	<u>1,080,502</u>
Governmental Capital					
Assets, Net	<u>\$ 5,303,669</u>	<u>\$ (82,681)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,220,988</u>
	Beginning Balance	Additions	Deletions	Reclassification	Ending Balance
Business-type Activities:					
Not being depreciated					
Land	\$ 92,179	\$ -	\$ -	\$ -	\$ 92,179
Construction in progress	106,558	7,176	(84,744)	-	28,990
Total	<u>198,737</u>	<u>7,176</u>	<u>(84,744)</u>	<u>-</u>	<u>121,169</u>
Being Depreciated					
Buildings	124,989	2,937	-	-	127,926
Furnishings and equipment	133,209	182,104	-	-	315,313
Vehicles and rolling stock	55,846	-	-	-	55,846
Infrastructure	9,776,825	166,907	-	-	9,943,732
Total	<u>10,090,869</u>	<u>351,948</u>	<u>-</u>	<u>-</u>	<u>10,442,817</u>
Accumulated depreciation					
Buildings	73,797	3,304	-	-	77,101
Furnishings and equipment	72,214	20,832	-	-	93,046
Vehicles and rolling stock	36,243	4,356	-	-	40,599
Infrastructure	5,850,743	225,087	-	-	6,075,830
Total	<u>6,032,997</u>	<u>253,579</u>	<u>-</u>	<u>-</u>	<u>6,286,576</u>
Business-type Capital					
Assets, Net	<u>\$ 4,256,609</u>	<u>\$ 105,545</u>	<u>\$ (84,744)</u>	<u>\$ -</u>	<u>\$ 4,277,410</u>

CITY OF LOWELL

NOTES TO THE BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

4. CAPITAL ASSETS (continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

Function/Activities	Governmental Activities	Business-type Activities
General Government	\$ 27,706	
Highways and streets	69,672	
Library	23,791	
Culture and recreation	11,086	
Water		132,870
Sewer		120,709
Total depreciation expense	<u>\$ 132,255</u>	<u>\$ 253,579</u>

5. LONG TERM DEBT

The following table represents changes in long-term debt for governmental and business-type activities, followed by descriptions of each note payable.

	Fund	Balance 06/30/24	Additions	Repayment	Balance 06/30/25	Due within one year
Governmental Activities:						
Gov't Capital Corp - (256156)	General	\$ 436,688	\$ -	21,189	\$ 415,499	\$ 22,118
			-		-	-
Business Oregon - (L21001)	Water/Street	72,751	-	3,578	69,173	3,657
Business Oregon - (L22010)	General	220,527	-	7,243	213,284	7,401
Total governmental activities:		<u>\$ 729,966</u>	<u>\$ -</u>	<u>\$ 32,010</u>	<u>\$ 697,956</u>	<u>\$ 33,176</u>
Business-type Activities:						
Business Oregon - (J05001)	Water/Sewer	37,418	-	5,488	31,930	5,772
USDA RUS - (RUS 91-03)	Water	761,765	-	18,432	743,333	18,938
Buesiness Oregon - (L21001)	Water/Street	162,290	-	7,983	154,307	8,157
Subtotal Water Fund		<u>961,473</u>	<u>-</u>	<u>31,903</u>	<u>929,570</u>	<u>32,867</u>
Business Oregon - (G02002)	Sewer	102,908	-	24,170	78,738	24,369
Business Oregon - (J05001)	Water/Sewer	37,418	-	5,488	31,930	5,771
USDA RUS - (RUS 92-05)	Sewer	304,541	-	7,369	297,172	7,572
Subtotal Sewer Fund		<u>444,867</u>	<u>-</u>	<u>37,027</u>	<u>407,840</u>	<u>37,712</u>
Total business-type activities:		<u>\$ 1,406,340</u>	<u>\$ -</u>	<u>\$ 68,930</u>	<u>\$ 1,337,410</u>	<u>\$ 70,579</u>

Long-term debt service requirements are as follows:

Year Ending June 30,	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2026	33,176	24,371	57,547	70,580	39,035	109,615
2027	34,387	23,160	57,547	72,291	36,373	108,664
2028	35,646	21,901	57,547	79,067	33,646	112,713
2029	36,954	20,593	57,547	50,891	30,615	81,506
2030	38,315	19,232	57,547	52,426	28,939	81,365
2031-2035	213,951	73,783	287,734	207,876	125,427	333,303
2036-2040	216,748	30,640	247,388	236,609	96,894	333,503
2041-2045	58,386	6,930	65,316	221,662	65,493	287,155
2046-2050	30,393	1,233	31,626	240,936	34,684	275,620
2051-2054	-	-	-	105,073	4,342	109,415
Total	<u>\$ 697,956</u>	<u>\$ 221,843</u>	<u>\$ 919,799</u>	<u>\$ 1,337,411</u>	<u>\$ 495,448</u>	<u>\$ 1,832,859</u>

CITY OF LOWELL

NOTES TO THE BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

5. LONG TERM DEBT (continued)

WASTEWATER PROJECT LOAN – G02002

On December 4, 2002, the City was granted a loan for Phase I of its Water/Wastewater construction project in the amount of \$425,000 from the State of Oregon Economic and Community Development Department (OECD). Proceeds in the amount of \$161,939 were received during the 2002-03 fiscal year, with the remaining loan proceeds of \$263,061 received during the 2003-2004 fiscal year. The loan agreement requires 25 annual payments, carries an interest rate of 5.35% and a maturity date of December 1, 2027. The balance of the loan at June 30th was \$78,738.

PIONEER STREET RELOCATION PROJECT LOAN – J05001

On May 11, 2005, the City was granted a loan from the Pioneer Street Water/Sewer Line Relocation Project in the amount of \$200,000 from the State of Oregon Economic and Community Development Department (OECD). The loan principal is split between the Water and Sewer Funds equally. The loan agreement requires 24 annual payments of \$14,845, carries an interest rate of 5.17% and maturity date of December 1, 2029. The balance of the loan at June 30th was \$63,860 apportioned \$31,930 to the Water Fund and \$31,930 to the Sewer Fund.

WATER REVENUE LOAN – RUS 91-03

On April 6, 2012, the City was granted a Water Revenue Loan in the amount of \$948,000 from the United States Department of Agriculture, Rural Development Utilities Services (RUS). The loan financed improvements to the water system including capital improvements to the water treatment facility, construction of a water storage reservoir and extending water service lines. The loan agreement requires 40 annual payments of \$39,380, carries an interest rate of 2.75% and a maturity date of April 6, 2052. The balance of the loan at June 30th was \$743,333.

SEWER REVENUE LOAN – RUS 92-05

On April 6, 2012, the City was granted a Sewer Revenue Loan in the amount of \$379,000 from the United States Department of Agriculture, Rural Development Utilities Services (RUS). The loan financed capital improvements to the sewer system including extending sewer service lines. The loan agreement requires 40 annual payments of \$15,744, carries an interest rate of 2.75% and a maturity date of April 6, 2052. The balance of the loan at June 30th was \$297,172.

LIBRARY/ CITY HALL AND ROLLING ROCK PARK IMPROVEMENTS - 256156

On April 25, 2019, the City was secured a note in the amount of \$530,000 from Government Capital Corporation. The note financed the purchase of property intended to be the future home of the City of Lowell Library, temporary location for Lowell City Hall, as well as an expansion of Rolling Rock Park with the addition of three adjacent parcels of property. The terms of the note require 20 annual payments of \$40,346, carries an interest rate of 4.387% and a maturity date of April 25, 2039. The balance of the loan at June 30th was \$415,499.

MAIN STREET AND LAKEVIEW WATER LINE AND STREET IMPROVEMENTS – L21001

On November 22, 2020, the City secured a loan in the amount of \$268,450 from the State of Oregon, Infrastructure Finance Authority, Special Public Works Fund. The loan was part of the \$556,269 improvement project which consisted of Oregon Department of Transportation Special City Allotment Grants of \$200,000, city participation (\$87,819) and this loan. The loan principal is split with 69.0476% in the Water Fund and 30.9524% in the Street Fund. The terms of the note require 20 annual payments of \$16,708, carries an interest rate of 2.19% and a maturity date of December 1, 2040. The balance of the loan at June 30th was \$223,480 apportioned \$69,173 to the Street Fund and \$154,307 to the Water Fund.

CITY OF LOWELL

NOTES TO THE BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

5. LONG TERM DEBT (continued)

LIBRARY/ CITY HALL IMPROVEMENTS – L22010

On May 11, 2022, the City secured a loan in the amount of \$230,224 from the State of Oregon, Infrastructure Finance Authority, Special Public Works Fund. The loan was part of the \$643,045 improvement project which consisted of Ford Foundation Grants of \$191,466, American Rescue Plan Act Grants of \$142,198, Lane County, Oregon Grants of \$50,000, Community donations from the Library Capital Campaign of \$25,187, City contributions of \$3,970, and this loan. The terms of the note require 25 annual payments of \$12,029, beginning December 1, 2023, carries an interest rate of 2.17% and a maturity date of December 1, 2047. The balance of the loan at June 30th was \$213,284.

6. PENSION PLAN

A. Plan Description

Employees of the City are provided with pensions through Oregon Public Employees Retirement System (OPERS) a cost-sharing multiple-employer defined benefit pension plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Tier 1/Tier 2 Retirement Benefit Plans, established by ORS Chapter 238, is closed to new members hired on or after August 29, 2003. The pension program established by ORS Chapter 238A, Oregon Public Service Retirement Plan (OPSRP), provides benefits to members hired on or after August 29, 2003, and applies to any inactive OPERS members who returns to employment following a six-month or greater break in service.

Beginning January 1, 2004, all OPERS member contributions go into the IAP portion of OPSRP. OPERS members retain their existing OPERS accounts, but any future member contributions are deposited into the member's IAP, not the member's OPERS account. Those employees who had established an OPERS membership prior to creation of OPSRP will be members of both the OPERS and OPSRP system as long as they remain in covered employment.

Both OPERS and OPSRP are administered by the Oregon Public Employees Retirement Board (OPERB). The comprehensive annual financial report for the funds administered by the OPERB may be obtained by writing to Oregon Public Employees Retirement System, P.O. Box 23700 Tigard, Oregon 97281-3700, by calling (503) 598-7377, or by accessing the PERS website at www.pers.state.or.us.

www.oregon.gov/pers/Documents/Financials/ACFR/2024-ACFR.pdf

B. Tier One/Tier Two Retirement Benefits (ORS Chapter 238)

1. Pension Benefits

The OPERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2% for police and fire employees, 1.67% for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results.

Under Senate Bill (SB) 1049, passed during the 2019 legislative session, the salary included in the determination of final average salary is limited for all members beginning in 2021. The limit was equal to \$232,976 as of January 1, 2024, and it is indexed with inflation every year.

Police and Fire members may purchase increased benefits that are payable between the date of retirement and age 65.

CITY OF LOWELL

NOTES TO THE BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

6. PENSION PLAN (continued)

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

2. Legislative Changes

As of June 30, 2024, PERS fully finished and closed the Employer Programs: Salary Limit, Member Choice, and Technical Debt. House Bill 2296 (2023) extended the sunset of the work after retirement provisions until 2034. The Member Redirect project has an expected completion date of June 2025. PERS received funding for these projects for the 2023-25 biennium.

3. Death Benefits

Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

- Member was employed by an OPERS employer at the time of death
- Member died within 12 days after termination of OPERS-covered employment
- Member died as a result of injury sustained while employed in an OPERS-covered job, or
- Member was on an official leave of absence from an OPERS-covered job at the time of death

A member's beneficiary may choose a monthly payment for life instead of the lump-sum or a combination of lump-sum and monthly payments, if eligible. The monthly payment must be a minimum of \$200 per month for deaths that occur after July 30, 2003.

In 2019 the Legislature introduced an Optional Spouse Death Benefit (OSDB) that may provide a higher survivor benefit than the standard pre-retirement death benefit described above. To be eligible for the OSDB, the member must have died before retiring, named their spouse or other person who is constitutionally required to be treated in the same manner as the spouse as their pre-retirement beneficiary, and met the following conditions:

- Member's date of death must be on or after January 1, 2020.
- Member's account must be eligible for the employer-matching death benefit (as described above).
- Member must have a surviving spouse.
- The surviving spouse must be the member's sole beneficiary as determined by a valid Tier One/Tier Two Preretirement Beneficiary Designation form on file with PERS.

As of January 1, 2024, the Legislature modified the rules such that, in order to be eligible for the Optional Spouse Death Benefit, a surviving spouse must make a written election no later than 60 days after the date of the estimate that PERS provides to a member's spouse. For members who die before their earliest retirement date, the OSDB is the actuarial equivalent of 50% of the service retirement that would have been paid to the member, calculated as if the member became inactive on their date of death and retired at their earliest retirement date. For members who die after their earliest retirement date but before normal retirement age, the OSDB is the actuarial equivalent of the service retirement that would have been paid to the member calculated as if they retired on the first day of the month following their death. For members who die after their normal retirement age, the OSDB is the actuarial equivalent of the benefit that would

CITY OF LOWELL

NOTES TO THE BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

6. PENSION PLAN (continued)

have been paid to the member, calculated as if the member retired on the first day of the month following their date of death.

The surviving spouse or other person may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached the age of their federally required minimum distribution.

4. Disability Benefits

A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including OPERS judge members) for disability benefits regardless of the length of OPERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.

5. Benefit Changes After Retirement

Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living adjustments (COLA), starting with the monthly benefits received or entitled to be received on August 1. The COLA is capped at 2%.

C. OPSRP Defined Benefit Pension Program (OPSRP DB) (ORS Chapter 238A)

1. Pension Benefits

The ORS 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003. This portion of the OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

- *General Service:* 1.5% is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.
- *Police and Fire:* 1.8% is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for the last 60 months (five years) immediately preceding retirement.

A member of the OPSRP Pension Program becomes vested on the earliest of the following dates:

- The date the member completes 600 hours of service in each of five calendar years
- The date the member reaches normal retirement age, and
- If the pension program is terminated, the date on which termination becomes effective.

Under Senate Bill (SB) 1049, passed during the 2019 legislative session, the salary included in the determination of final average salary is limited for all members beginning in 2021. The limit was equal to \$232,976 as of January 1, 2024, and it is indexed with inflation every year.

CITY OF LOWELL

NOTES TO THE BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

6. PENSION PLAN (continued)

2. Legislative Changes

As of June 30, 2024, PERS fully finished and closed the Employer Programs: Salary Limit, Member Choice, and Technical Debt. House Bill 2296 (2023) extended the sunset of the work after retirement provisions until 2034. The Member Redirect project has an expected completion date of June 2025. PERS received funding for these projects for the 2023-25 biennium.

3. Death Benefits

Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member. The surviving spouse or other person may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached the age of their federally required minimum distribution.

4. Disability Benefits

A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45% of the member's salary determined as of the last full month of employment before the disability occurred. Disability benefits continue until the member is no longer disabled or otherwise no longer qualifies for benefits, reaches normal retirement age, or dies.

5. Benefit Changes After Retirement

Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living adjustments (COLA), starting with the monthly benefits received or entitled to be received on August 1. The COLA is capped at 2%.

D. OPSRP – Individual Account Program (OPSRP IAP)

1. Pension Benefits

The IAP is an individual account-based program under the PERS tax-qualified governmental plan as defined under ORS 238A.400.

An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. The accounts fall under Internal Revenue Code Section 414(k).

Upon retirement, a member of the OPSRP IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Installment amounts vary with market returns as the account remains invested while in distribution. Each distribution option has a \$200 minimum distribution limit.

2. Death Benefits

Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

CITY OF LOWELL

NOTES TO THE BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

6. PENSION PLAN (continued)

3. Recordkeeping

OPERS contracts with VOYA Financial to maintain IAP participant records.

E. Postemployment Healthcare Benefits

ORS 238.420 established the Retirement Health Insurance Account (RHIA) and authorizes a payment of up to \$60 from RHIA toward the monthly cost of health insurance for eligible PERS members. RHIA is a cost-sharing, multiple-employer OPEB plan for 904 participating employers. The plan was closed to new entrants hired on or after August 29, 2003.

To be eligible to receive this monthly payment toward the premium costs, the member must:

- Have eight years or more of qualifying service in PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS
- Receive both Medicare Pars A and B coverage, and
- Enroll in a PERS-sponsored health plan

A surviving spouse or dependent of a deceased PERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she is:

- Receiving a retirement benefit or allowance from Pers, or
- Was insured at the time the member died and the member retired before May 1, 1991

F. Description of Funding and Contributions for PERS Benefit Plan

OPERS' funding policy provides for periodic member and employer contributions at rates established by the PERS Board, subject to limits set in statute. Employer contributions to OPERS are calculated based on creditable compensation for active members reported by employers. The rates established for member and employer contributions were approved based on the recommendations of the System's third-party actuary. The contribution rate for every employer has at least two major components; Normal Cost Rate and Unfunded Actuarial Liability (UAL) Rate.

1. Employer Contributions

OPERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the OPERS defined Benefit Plan and the Other Postemployment Benefit (OPEB) Plans. The contribution requirements for plan members are established by ORS Chapter 238 and 238A which may be amended by an act of the Oregon Legislature.

Employer contribution rates during the period were based on the December 31, 2021, actuarial valuation. These rates, based on a percentage of payroll became effective July 1, 2023. Employer contributions for the year ended June 30th were \$78,682 excluding amounts to fund employer specific liabilities. The rates in effect for the fiscal year were:

Effective for the fiscal year beginning July 1, 2023	PERS Tier 1/Tier 2	25.85%
	OPSRP – General Service	21.14%
	OPSRP – Police/ Fire	25.93%

CITY OF LOWELL

NOTES TO THE BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

6. PENSION PLAN (continued)

The state of Oregon and certain schools, community colleges, and political subdivisions have made supplemental unfunded actuarial liability payments, and their rates have been reduced. Effective January 1, 2020, Senate Bill 1049 required employers to pay contributions on re-employed PERS retirees' salary as if they were an active member, excluding IAP (6%) contributions. Re-employed retirees do not accrue additional benefits while they work after retirement.

2. Member Contributions

Beginning January 1, 2004, all member contributions, except for contributions by judge members, were placed in the OPSRP Individual Account Program (IAP), a defined contribution pension plan established by the Oregon Legislature. Prior to that date, all member contributions were credited to the Defined Benefit Pension Plan. The IAP member accounts represent member contributions made on or after January 1, 2004, plus earnings allocations less disbursement for refunds, death benefits, and retirements.

Member contributions are set by statute at six percent (6.0%) of covered salary and are remitted by participating employers. The contributions are either deducted from member salaries or paid by the employers on the members' behalf. During the fiscal year, no employee IAP contributions were paid or picked up by the City. These amounts are deducted from member wages and remitted by the City to OPERS in accordance with plan regulations.

G. Oregon PERS Postemployment Benefit Plans (OPEB)

1. PERS OPEB Plans

ORS 238.420 established the Retiree Health Insurance Account (RHIA) and authorizes a payment of up to \$60 from RHIA toward the monthly cost of health insurance for eligible PERS members. RHIA is a cost sharing, multiple employer OPeB plan for 904 participating employers. The plan was closed to new entrants hired on or after August 29, 2003.

To be eligible to receive this monthly payment toward the premium costs the member must:

- Have eight years or more of qualifying service in PERS at the time of retirement, or
- Receive a disability allowance as if the member had eight years or more of creditable service in PERS
- Receive both Medicare Parts A and B coverage, and
- Enroll in a PERS sponsored health plan

A surviving spouse or dependent of a deceased PERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she:

- Is receiving a retirement benefit or allowance from PERS, or
- Was insured at the time the member died and the member retired before May 1, 1991

For the fiscal year ended June 30, 2023, PERS employers contributed 0.04% of PERS-covered salaries for Tier 1/Tier 2 members to fund the normal cost portion of RHIA benefits. A (0.04%) unfunded actuarial liability (UAL) rate was assigned for the RHIA program as it was funded over 100% as of December 31, 2021. Consequently, PERS employers had an effective contribution rate of 0.00% for the RHIA program. Typically, PERS employers contribute an actuarially determined percent of all PERS covered salaries to amortize the unfunded actuarial accrued liability over a fixed period with the unfunded actuarial accrued liabilities being amortized over 10 years. These rates were based on the December 31, 2021 actuarial valuation.

CITY OF LOWELL

NOTES TO THE BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

6. PENSION PLAN (continued)

Employer contributions are advance-funded on an actuarially determined bases. There is no inflation assumption for RHIA postemployment benefits because the payment amount is set by statute and is not adjusted for increases in healthcare costs.

2. OPSRP Pension Program

All OPERS employers with OPSRP Pension Program members are actuarially pooled and share the same contribution rate. Each of these rates includes a component related to disability benefits for General Serves and Police and Fire members.

H. Actuarial Valuations

The employer contribution rates effective July 1, 2023, through June 30, 2025, were set using the Entry Age Normal actuarial cost method.

For the Tier 1/Tier 2 component of the OPERS Defined Benefit Plan, this method produced an employer contribution rate consisting of:

- An amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year)
- An amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years by ongoing Board policy. However, upon passage of Senate Bill 1049, the Legislature directed the PERS Board to enact a one-time re-amortization of Tier 1/Tier 2 UAL over 22 years. This means that, effective with the December 31, 2022 rate-setting valuation, the entire unamortized Tier 1/Tier 2 UAL for each rate pool and independent employer will be re-amortized over a 22 year period as a level percentage of projected future payroll.

For the OPSRP Pension Program component of the OPERS Defined Benefit Plan, this method produced an employer contribution rate consisting of:

- An amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year)
- An amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over the same period of years.

For the Postemployment Healthcare component, the RHIA plan fiduciary net position balance represents the program's accumulation of employer contributions and investment earnings less premium subsidies and administrative expenses. No UAL rate was assigned for the RHIA program as it was funded over 100% as of December 31, 2021. Typically, PERS employers contribute an actuarially determined percent of all PERS-covered salaries to amortize the unfunded actuarial accrued liability over a fixed period with new unfunded actuarial accrued liabilities being amortized over 10 years.

CITY OF LOWELL
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 For the Year Ended June 30, 2025

6. PENSION PLAN (continued)

I. Actuarial Methods and Assumptions Used in Developing Total Pension Liability

Actuarial Assumptions

Valuation Date	December 31, 2022
Measurement Date	June 30, 2024
Experience Study Report	2022 - Published July 24, 2023
Actuarial Assumptions:	
Actuarial Cost Method	Entry Age Normal
Inflation Rate	2.40%
Long-Term Expected Rate of Return	6.90%
Discount Rate	6.90%
Projected Salary Increases	3.40%
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and grade COLA (1.25% / 0.15%) in accordance with Moro decision, blend based on service.
Mortality	<p>Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Disabled retirees: Pub-2010 Disable Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2020 Experience Study which reviewed experience for the four-year period ending on July 20, 2021.

J. Discount Rate

The discount rate used to measure the total pension liability was 6.90 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF LOWELL

NOTES TO THE BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

6. PENSION PLAN (continued)

K. Depletion Date Projection

GASB 67 generally requires that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan’s Fiduciary Net Position is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative

expenses. Determining the discount rate under GASB 67 will often require that the actuary perform complex projections of future benefit payments and pension plan investments. GASB 67 (paragraph 43) does allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

The following circumstances justify an alternative evaluation of sufficiency for OPERS:

- OPERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.
- GASB 67 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan’s funded position.

Based on these circumstances, it is our independent actuary’s opinion that the detailed depletion date projections outlined in GASB 67 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

L. Oregon Investment Council (OIC) Target and Actual Investment Allocation as of June 30, 2024

Asset Class/Strategy	OIC Policy Range			OIC Target Allocation	Asset Class/ Strategy	Actual Allocation ²
Debt Securities	20.0%	-	30.0%	25.0%	Debt Securities	19.1%
Public Equity	22.5%	-	32.5%	27.5%	Public Equity	23.0%
Real Estate	7.5%	-	17.5%	12.5%	Real Estate	13.2%
Private Equity	15.0%	-	27.5%	20.0%	Private Equity	26.9%
Real Assets	2.5%	-	10.0%	7.5%	Real Assets	10.1%
Diversifying Strategies	2.5%	-	10.0%	7.5%	Diversifying Strategies	5.0%
Opportunity Portfolio ¹	0.0%	-	5.0%	0.0%	Opportunity Portfolio ¹	2.7%
Total				100.0%	Total	100.0%

¹ Opportunity Portfolio is an investment strategy. Up to 5% of total fund assets may be invested in it.

CITY OF LOWELL

NOTES TO THE BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

6. PENSION PLAN (continued)

M. Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in January 2023 the Oregon PERS Board reviewed long-term assumptions developed by both Milliman’s capital market assumptions team and the Oregon Investment Council’s (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. The table below shows Milliman’s assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC’s description of each asset class was used to map the target allocation to the asset classes shown below.

Long Term Expected Rate of Return ¹

Asset Class	Target Allocation	Annual Arithmetic Return ²	Annualized Geometric Mean	Annual Standard Deviation
Global Equity	27.50%	8.57%	7.07%	17.99%
Private Equity	25.50%	12.89%	8.83%	30.00%
Core Fixed Income	25.00%	4.59%	4.50%	4.22%
Real Estate	12.25%	6.90%	5.83%	15.13%
Master Limited Partnerships	75.00%	9.41%	6.02%	27.04%
Infrastructure	1.50%	7.88%	6.51%	17.11%
Hedge Fund of Funds - Multistrategy	1.25%	6.81%	6.27%	9.04%
Hedge Fund Equity - Hedge	63.00%	7.39%	6.48%	12.04%
Hedge Fund - Macro	5.62%	5.44%	4.83%	7.49%
Assumed Inflation - Mean			2.35%	1.41%

¹ Based on the Oregon Investment Council’s (OIC) Statement of Investment Objectives and Policy Framework for the Oregon Public Employees Retirement Fund, including revisions adopted at the OIC meeting on January 25, 2023.

² The arithmetic mean is a component that goes into calculating the geometric mean. Expected rates of return are presented using the geometric mean, which the Board uses in setting the discount rate.

N. Sensitivity Analysis

The following presents the employer’s proportionate share of the net pension liability calculated using the discount rate of 6.9%, as well as what the employer’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% point lower (5.9%) or 1% point higher (7.9%) than the current rate:

	5.9% (1% decrease)	6.9% (Discount Rate)	7.9% (1% Increase)
Employer's proportionate share of the net pension liability	\$ 1,019,367	\$ 646,208	\$ 333,669

CITY OF LOWELL
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

6. PENSION PLAN (continued)

O. Changes Since Last Valuation

A summary of key changes implemented after the December 31, 2024 valuation, which was used in the 2024 PERS ACFR. Changes are described briefly below. Additional detail and a comprehensive list of changes in methods and assumptions can be found in the 2024 Experience Study for the System, which was published on July 22, 2025, which can be found at: https://www.oregon.gov/pers/Documents/Financials/Actuarial/2025/2024_Exp_Study.pdf

P. Changes in Actuarial Methods and Allocation Procedures

There were no changes in actuarial methods and allocation procedures since the December 31, 2020 actuarial valuation.

Q. Changes in Assumptions

- Adjust mortality assumptions to use the new “Pub-2016” base tables, matched to observed PERS-specific experience.
- Increase the individual member salary increase assumption’s merit/longevity component for one member category based on observations of the last 12 years of experience. The individual member salary increase assumption consists of the sum of inflation, real wage growth, and merit/longevity components, with the latter varying by member. We also recommend maintaining an assumed additional 2% annual increase specifically for calendar year 2025 above the long-term assumptions, which was first adopted in the 2022 Experience Study to reflect significant bargained increases already known at that time.
- Adjust retirement rates for certain member categories and service bands to more closely align with recent and expected future experience.
- Lower assumed rates of ordinary (non-duty) disability incidence to more closely match recent experience.
- Adjust the Tier One/Tier Two unused sick leave assumption for one member category to reflect recently observed experience.
- Decrease the likelihood of program participation for non-disabled and disabled retirees in the RHIA retiree healthcare program.

R. Mortality Rates

A summary of the current assumed mortality rates and recommended changes is shown on the following table:

CITY OF LOWELL
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

6. PENSION PLAN (continued)

Assumption	Recommended December 31, 2022 and 2023 Valuations	Recommended December 31, 2024 and 2025 Valuations
Healthy Annuitant Mortality	Pub-2010 Benefits-Weighted Non-Disabled, Sex Distinct, Generational Projection with Unisex Social Security Data Scale	Pub-2016 Benefits-Weighted Non-Disabled, Sex Distinct, Generational Projection with Unisex Social Security Data Scale
School District male	Blend 80% Teachers and 20% General Employees, no set back	No change
Other General Service male (and male beneficiary)	General Employees, set back 12 months	No change
Police & Fire male	Public Safety, no set back	No change
School District female	Teachers, no set back	No change
Other female (and female beneficiary)	General Employees, no set back	No change
Police & Fire female	Public Safety, set back 12 months	No change
Disabled Retiree Mortality	Pub-2010 Non-Disabled, Sex Distinct, Generational Projection with Unisex Social Security Data Scale	Pub-2016 Non-Disabled, Sex Distinct, Generational Projection with Unisex Social Security Data Scale
Police & Fire male	Blended 50% Public Safety, 50% Non-Safety, no set back	Blended 20% Public Safety, 80% Non-Safety, no set back
Other General Service male (and male beneficiary)	Non-Safety, set forward 24 months	120% of None-Safety, no set back
Police & Fire female	Blended 50% Public Safety, 50% Non-Safety, no set back	Blended 20% Public Safety, 80% Non-Safety, no set back
Other General Service female	Non-Safety, set forward 12 months	120% of None-Safety, no set back
Non-Annuitant Mortality	Pub-2010 Non-Disabled, Sex Distinct, Generational Projection with Unisex Social Security Data Scale	Pub-2016 Non-Disabled, Sex Distinct, Generational Projection with Unisex Social Security Data Scale
School District male	125% of same table and set back as Non-disabled Annuitant assumption	120% of same table and set back as Non-Disabled Annuitant assumption
Other General Service male	115% of same table and set back as Non-Disabled Annuitant assumption	120% of same table and set back as Non-Disabled Annuitant assumption
Police & Fire male	125% of same table and set back as Non-disabled Annuitant assumption	120% of same table and set back as Non-Disabled Annuitant assumption
School District female	100% of same table and set back as Non-Disabled Annuitant assumption	120% of same table and set back as Non-Disabled Annuitant assumption
Other General Service female	125% of same table and set back as Non-disabled Annuitant assumption	120% of same table and set back as Non-Disabled Annuitant assumption
Police & Fire female	100% of same table and set back as Non-Disabled Annuitant assumption	120% of same table and set back as Non-Disabled Annuitant assumption

CITY OF LOWELL
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

6. PENSION PLAN (continued)

S. Changes Subsequent to the Measurement Date

There were no changes subsequent to the measurement date, that we are aware of.

Deferred Items

Deferred items are calculated at the system-wide level and are allocated to employers based on their proportionate share. For the measurement period ending June 30, 2025, employers will report the following deferred items:

- A difference between expected and actual experience, which is being amortized over the remaining service lives of all plan participants, including retirees. One year of this amortization is included in the employer's total pension expense for the measurement period.

T. Employer Contributions

OPERS includes accrued contributions when due pursuant to legal requirements, as of June 30 in its Statement of Changes in Fiduciary Net Position.

Beginning with fiscal year 2016, OPERS will be able to report cash contributions and UAL side account amortization by employer, and will publish this information on the OPERS website. Prior to fiscal year 2016, contributions to the OPSRP Defined Benefit Plan were not accounted for by employer, as all employers were pooled for actuarial purposes.

U. Elements of Changes in Net Position

This information can be found in the Schedule of Changes in Net Pension Liability found on page 96, of the June 30, 2024 Oregon PERS ACFR. www.oregon.gov/pers/Documents/Financials/ACFR/2024-ACFR.pdf

V. Pension Liabilities/(Assets), Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions

Under the modified cash basis of accounting, pension related liabilities and deferred outflows and inflows are not recorded in the financial statements. Had the City used the accrual basis of accounting they would have reported liability of \$646,208 for its proportionate share of the net pension liability. The net pension liability/(asset) was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on a projection of the employer's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2024, the employer's proportion was 0.00290728%. For the year ended June 30, 2025, the City recognized pension expense of \$110,820 on the modified cash basis of accounting.

CITY OF LOWELL
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

6. PENSION PLAN (continued)

As of June 30, 2024 the employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows/Inflows of Resources Prior to Post Measurement Date
Differences between expected and actual experience	\$ 38,282	\$ 1,542	\$ 36,740
Changes of assumptions	64,970	83	64,887
Net difference between projected and actual earnings on investments	41,052	-	41,052
Changes in proportionate share	138,064	108,338	29,726
Differences between employer contributions and employer's proportionate share of system contributions	4,460	21,432	(16,972)
Total Deferred Outflows/Inflows	<u>286,828</u>	<u>131,395</u>	<u>155,433</u>
Post measurement date contributions	<u>78,682</u>	N/A	<u>78,682</u>
Total Deferred Outflow/(Inflow) of Resources	<u>\$ 365,510</u>	<u>\$ 131,395</u>	234,115
Less, Post measurement date contributions			(78,682)
Net Deferred Outflow/(Inflow) of Resources prior to post-measurement date contributions			<u>\$ 155,433</u>

Contributions of \$78,682 were made subsequent to the measurement date, but prior to the end of the district's reporting period. These contributions, which are reported as deferred outflows of resources related to pensions, will be included as a reduction of the net pension liability in next fiscal year.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense/(income) as follows:

Employer Subsequent fiscal years	Deferred Outflow/ (Inflow) of Resources (Prior to post- measurement date)
1st Fiscal Year	\$ 15,958
2nd Fiscal Year	77,894
3rd Fiscal Year	42,206
4th Fiscal Year	18,787
5th Fiscal Year	588
Thereafter	-
Total	<u>\$ 155,433</u>

As a result of the use of the modified cash basis of accounting in this report the amount of net pension liability will not be reported on the statement of Net Position.

CITY OF LOWELL
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

7. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

A. Oregon Public Employees Retirement Systems' (OPERS) Retiree Health Insurance Account (RHIA)

Plan Description

The City does not contribute to the Oregon Public Employees Retirement Systems' (OPERS) Retiree Health Insurance Account (RHIA), a cost-sharing multiple-employer defined benefit post-employment healthcare plan administered by the Oregon Public Employees Retirement Board (OPERB). The plan, which was established under Oregon Revised Statutes 238.420, provides a payment of up to \$60 per month towards the costs of health insurance for eligible OPERS retirees. RHIA post-employment benefits are set by state statute. The plan was closed to new entrants hired on or after August 29, 2003.

The City does not have any current or past employees who meet the eligibility requirements for this program.

B. OTHER POST-EMPLOYMENT BENEFITS (OPEB) CIS (IRSP):

Retiree Healthcare Insurance Premiums Subsidy

Plan Description

The City operates a single employer retiree benefit plan through the City County Insurance Services that provides post-employment health, dental vision and life insurance benefits to eligible employees and their spouses. The City is required by Oregon Revised Statutes 243.303 to provide retirees and their dependents with group health insurance from the date of retirement to age 65 at the same rate provided to current employees. Premiums for retirees are tiered and based upon the premium rates available to active employees. The retiree is responsible for any portion of the premiums not paid by the Employer. The implicit employer subsidy is measured as the expected health care cost per retiree and dependent, less the gross premiums charged by the insurance carrier for that coverage. The subsidy is only measured for retirees and spouses younger than age 65, at which point such retirees and spouses typically become eligible for Medicare. GASB Statement 75 is applicable to the City due only to this implicit rate subsidy. This "plan" is not a stand-alone plan, and therefore, does not issue its own financial statements.

C. Funding Policy

When the City has retirees participating in their health insurance plan, it will, when applicable, collect insurance premiums from all retirees each month and deposit them. The City will then pay healthcare insurance premiums for all retirees at the applicable rate for each family classification.

At June 30, 2025, the City reported a net OPEB IRSP liability/(asset) of \$8,086 for its proportionate share of the net OPEB IRSP liability/(asset). The OPEB IRSP liability/(asset) was measured as of June 30, 2024, and the total OPEB IRSP liability/(asset) used to calculate the net OPEB IRSP liability/(asset) was determined by an actuarial valuation as of July 1, 2024. Consistent with GASB Statement No. 75, paragraph 59(a), The City's proportion of the net OPEB IRSP liability/(asset) is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement date of June 30, 2024, the City's OPEB IRSP expense/(income) for the year ended June 30, 2025 was \$1,740.

D. Actuarial Methods and Assumptions

The City engaged an actuary to perform an evaluation as of July 1, 2024, using the entry age normal Actuarial Cost Method. The total OPEB liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below, and was then projected forward to the measurement date.

CITY OF LOWELL
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

7. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Actuarial Methods and Assumptions

Fiscal Year Ending	June 30, 2024	June 30, 2025	June 30, 2026
Discount Rate	3.65%	3.93%	5.20%
Other Key Actuarial Assumptions and Methods			
Valuation date	July 1, 2022	July 1, 2024	July 1, 2024
Measurement date	June 30, 2023	June 30, 2024	June 30, 2025
Inflation	2.40%	2.40%	2.40%
Salary increases	3.40%	3.40%	3.40%
Withdrawal, retirement, and mortality rates	December 31, 2021 Oregon PERS Valuation	December 31, 2023 Oregon PERS Valuation	December 31, 2023 Oregon PERS Valuation
Election and Lapse Rates	40% of eligible employees	30% of eligible employees	30% of eligible employees
	60% of male members and	60% of male members and	60% of male members and
	35% of female members	35% of female members	35% of female members
	will elect spouse coverage	will elect spouse coverage	will elect spouse coverage
	5% annual lapse rate	5% annual lapse rate	5% annual lapse rate
Actuarial Method	Entry Age Normal	Entry Age Normal	Entry Age Normal

As a result of the use of the cash basis of accounting in this report the amount of net OPEB liability (asset) for CIS will not be reported on the Statement of Net Position.

8. CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor agencies cannot be determined at this time although management expects such amount, if any to be immaterial.

Management believes that there are no liabilities that could result from pending suits, judgements or claims where the amount in excess of insurance coverage would be material to the financial statements.

9. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts – theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. These risks are covered by participation in the City/County Insurance Services Trust (CIS) – a liability risk sharing pool for general and automobile liability and workers’ compensation.

CIS was established in 1981 by the League of Oregon Cities (LOC) and the Association of Oregon counties (AOC) to provide risk management services including insurance and loss control to member entities. CIS is itself a governmental entity and works exclusively for the benefit of Oregon cities and counties. CIS’s primary objective is to aggregate the collective buying power of members to reduce and stabilize the cost of funding those risks. The pool self-insures members up to a pre-set limit. Member rates are set based on experience and the city is potentially liable for its pro rate share of pool losses or eligible for a pro rate share of poor net income. In the event that a single loss or series of losses should exceed the amount of protection afforded by the pool or other insurance carried by CIS, then payment of losses is the obligation of the individual member against whom the claim(s) were made. Premiums paid into the pool are recognized as expenditure when paid. The amount of any future claims or refunds cannot be ascertained.

CITY OF LOWELL

NOTES TO THE BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

9. RISK MANAGEMENT (Continued)

During the last three years, settled claims from all risks have not exceeded covered limits. Also there has been no reduction in coverage compared to the prior year.

10. PENDING LITIGATION

205 East Main Street – Underground Storage Tank

In 2020, the city purchased 205 E. Main Street and 295 E. Main Street. The city's intention for purchasing the properties was to consolidate them and sell them for commercial development to implement the vision of the "2019 Downtown Master Plan." As part of the city's contract to sell the properties, the city agreed to perform a Phase 1 environmental site assessment. The Phase 1 assessment was completed in December 2021, and it advised the city to perform a Phase 2 environmental site assessment based on the high likelihood that one or more underground storage tanks were present on the property. A Phase 2 assessment, completed in March 2022, verified that underground storage tanks were on the property. In June 2022, the city hired a contractor to decommission the two 200-gallon underground storage tanks on the property. Finally, in March 2023, the city obtained a conditional "no further action" letter from the Oregon Department of Environmental Quality. On March 28, 2023, upon receiving the "no further action" letter, the city finally completed the sale of the property. The city incurred \$32,190 in performing remedial actions on the property necessary to prepare it for sale. The city has hired outside legal counsel to represent the city in potential litigation to recover the city's remedial action costs. The outcome of the litigation cannot presently be determined.

11. OTHER ITEMS

East 1ST Street - Water Main

On November 16, 2022 a contractor ruptured a water main on East 1st Street while installing communication lines for a telecommunications company. The water main damaged a 300-foot section of the road, along with sewer and storm drain lines. The City's Engineer, Civil West Engineering, estimates the cost to repair the street and underlying infrastructure at \$529,672. Emergency repair, equipment materials and labor for the emergency waterline and other related costs totaled \$37,986. In addition, the City has received claims from four property owners whose properties were damaged from the water main rupture as well as a claim from a contractor the City hired to complete emergency repairs. The City's insurance company denied all five claims based on their determination that the City was not responsible for the water main rupture and resulting damage. The City approved a settlement agreement on March 18, 2025, and was awarded \$100,000 which was received by the City on June 02, 2025. This item is closed.

Emergency Community Water Assistance Grant

Through the fall of 2023 and later winter of 2024, the U.S. Army Corps of Engineers conducted a deep drawdown of the Lookout Point dam pursuant to a federal court order. The drawdown resulted in high turbidity levels in Dexter Reservoir, which is the City's primary source of drinking water. It is expected that drawdowns will occur every year at the same time indefinitely.

The City developed a plan to upgrade the water treatment plant to handle the turbidity levels, and on May 30, 2024, applied for a \$1 million Emergency Community Water Assistance Grant (ECWAG) with the U.S. Department of Agriculture to pay for these upgrades. As of August 2024, the grant is still in processing. If the City is awarded the grant, it is expected that construction on the water treatment plant upgrades would occur in 2026.

SUPPLEMENTARY INFORMATION

CITY OF LOWELL
Combining Balance Sheet
Other Governmental Funds
Modified Cash Basis
For the Year Ended June 30, 2025

	Blackberry Jam Festival Fund	Parks SDC Fund	Streets SDC Fund	Stormwater SDC Fund	Total Other Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 10,606	\$ 123,790	\$ 94,462	\$ 99,113	\$ 327,971
Other current assets	-	-	-	-	-
Total assets	<u>\$ 10,606</u>	<u>\$ 123,790</u>	<u>\$ 94,462</u>	<u>\$ 99,113</u>	<u>\$ 327,971</u>
LIABILITIES, AND FUND BLANCES					
Liabilities:					
Bail held	\$ -	\$ -	\$ -	\$ -	\$ -
Other Deposits	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Equity:					
Non spendable	-	-	-	-	-
Restricted	-	123,790	94,462	99,113	317,365
Committed	-	-	-	-	-
Assigned	10,606	-	-	-	10,606
Unassigned	-	-	-	-	-
Total fund balances	<u>10,606</u>	<u>123,790</u>	<u>94,462</u>	<u>99,113</u>	<u>327,971</u>
Total liabilities and fund balances	<u>\$ 10,606</u>	<u>\$ 123,790</u>	<u>\$ 94,462</u>	<u>\$ 99,113</u>	<u>\$ 327,971</u>

CITY OF LOWELL
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds
Modified Cash Basis
For the Year Ended June 30, 2025

	Blackberry Jam Festival Fund	Parks SDC Fund	Streets SDC Fund	Stormwater SDC Fund	Total Other Governmental Funds
REVENUES					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Grants	-	-	-	-	-
Franchise fees	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Reimbursement SDC's	-	-	-	-	-
SDC Fees	-	8,013	4,736	5,384	18,133
Charges for services	-	-	-	-	-
Fees and fines	-	-	-	-	-
Investment earnings	1	5,527	4,241	4,419	14,188
Miscellaneous	-	-	-	-	-
Fundraising and event receipts	12,937	-	-	-	12,937
Total Revenues	12,938	13,540	8,977	9,803	45,258
EXPENDITURES					
Current:					
Blackberry Jam Festival	14,450	-	-	-	14,450
Total Expenditures	14,450	-	-	-	14,450
Excess (deficiency) of revenues over expenditures	(1,512)	13,540	8,977	9,803	30,808
Net change in fund balances	(1,512)	13,540	8,977	9,803	30,808
Fund balances - beginning	12,118	110,250	85,485	89,310	297,163
Fund balances - ending	\$ 10,606	\$ 123,790	\$ 94,462	\$ 99,113	\$ 327,971

CITY OF LOWELL
Combining Balance Sheet Water Funds
Modified Cash Basis
For the Year Ended June 30, 2025

	Water Fund	Water SDC Fund	Water Reserve Fund	Total Water Fund
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 263,351	\$ 531,125	\$ 43,869	\$ 838,345
Other current assets	-	-	-	-
Total current assets	<u>263,351</u>	<u>531,125</u>	<u>43,869</u>	<u>838,345</u>
Non-current assets:				
Capital assets:				
Land	81,179	-	-	81,179
Buildings and facilities	38,812	-	-	38,812
Equipment and furnishings	222,130	-	-	222,130
Vehicles and rolling stock	34,067	-	-	34,067
Infrastructure	4,953,754	-	-	4,953,754
Less accumulated depreciation	<u>(2,834,916)</u>	<u>-</u>	<u>-</u>	<u>(2,834,916)</u>
Total non-current assets	<u>2,524,015</u>	<u>-</u>	<u>-</u>	<u>2,524,015</u>
Total assets	<u>\$ 2,787,366</u>	<u>\$ 531,125</u>	<u>\$ 43,869</u>	<u>\$ 3,362,360</u>
LIABILITIES				
Current liabilities:				
Utility deposits	47,050	-	-	47,050
Utility donations	1,110	-	-	1,110
Notes payable - current	<u>32,867</u>	<u>-</u>	<u>-</u>	<u>32,867</u>
Total current liabilities	<u>81,027</u>	<u>-</u>	<u>-</u>	<u>81,027</u>
Non-current liabilities:				
Notes payable - noncurrent	<u>896,704</u>	<u>-</u>	<u>-</u>	<u>896,704</u>
Total non-current liabilities	<u>896,704</u>	<u>-</u>	<u>-</u>	<u>896,704</u>
Total liabilities	<u>977,731</u>	<u>-</u>	<u>-</u>	<u>977,731</u>
NET POSITION				
Net investment in capital assets	1,594,444	-	-	1,594,444
Restricted for:				
Debt service	-	-	43,869	43,869
Capital projects (SDC)	-	531,125	-	531,125
Unrestricted	<u>215,191</u>	<u>-</u>	<u>-</u>	<u>215,191</u>
Total net position	<u>\$ 1,809,635</u>	<u>\$ 531,125</u>	<u>\$ 43,869</u>	<u>\$ 2,384,629</u>

CITY OF LOWELL
Combining Statement of Revenues, Expenditures and Changes in Fund Net Position Water Funds
Modified Cash Basis
For the Year Ended June 30, 2025

	Water Fund	Water SDC Fund	Water Reserve Fund	Water Operating Fund
OPERATING REVENUES				
Charges for services	\$ 528,191	\$ -	\$ -	\$ 528,191
Operating grants	-	-	-	-
Reimbursement SDC's	5,960	-	-	5,960
Other revenues	2,550	-	-	2,550
Total operating revenues	<u>536,701</u>	<u>-</u>	<u>-</u>	<u>536,701</u>
OPERATING EXPENSES				
Personal services	222,629	-	-	222,629
Contractual services	28,276	-	-	28,276
Utilities	25,115	-	-	25,115
Repairs and maintenance	57,596	-	-	57,596
Office supplies and expenses	36,422	-	-	36,422
Other operating expenses	36,172	-	-	36,172
Depreciation	132,870	-	-	132,870
Total operating expenses	<u>539,080</u>	<u>-</u>	<u>-</u>	<u>539,080</u>
Operating income (loss)	<u>(2,379)</u>	<u>-</u>	<u>-</u>	<u>(2,379)</u>
NON-OPERATING REVENUES (EXPENSES):				
Investment revenue	6,262	24,325	1,936	32,523
Miscellaneous revenue	2,803	-	-	2,803
Interest expense	(26,437)	-	-	(26,437)
Total non-operating revenues (expenses)	<u>(17,372)</u>	<u>24,325</u>	<u>1,936</u>	<u>8,889</u>
Net income (loss) before contributions and transfers	(19,751)	24,325	1,936	6,510
CAPITAL CONTRIBUTIONS:				
Capital grants	227,984	-	-	227,984
SDC Fees	-	53,306	-	53,306
Capital contributions	<u>227,984</u>	<u>53,306</u>	<u>-</u>	<u>281,290</u>
Change in net position	<u>208,233</u>	<u>77,631</u>	<u>1,936</u>	<u>287,800</u>
Net position - beginning	<u>1,593,163</u>	<u>461,733</u>	<u>41,933</u>	<u>2,096,829</u>
Net position - ending	<u>\$ 1,801,396</u>	<u>\$ 539,364</u>	<u>\$ 43,869</u>	<u>\$ 2,384,629</u>

CITY OF LOWELL
Combining Statement of Cash Flows Water Funds
Modified Cash Basis
For the Year Ended June 30, 2025

	Water Fund	Water SDC Fund	Water Reserve Fund	Water Operating Fund
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers	\$ 536,701	\$ -	\$ -	\$ 536,701
Other operating receipts	-	-	-	-
Payments to employees	(222,629)	-	-	(222,629)
Payments to suppliers	(183,581)	-	-	(183,581)
Increase (decrease) in cash deposits	3,930	-	-	3,930
Net cash provided (used) by operating activities	<u>134,421</u>	<u>-</u>	<u>-</u>	<u>134,421</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:				
Other receipts	<u>2,803</u>	<u>-</u>	<u>-</u>	<u>2,803</u>
Net cash provided (used) by noncapital financing activities	<u>2,803</u>	<u>-</u>	<u>-</u>	<u>2,803</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Capital contributions - grants and fees	227,984	53,306	-	281,290
Purchases of capital assets	(235,466)	(8,239)	-	(243,705)
Principal paid on capital debt	(31,902)	-	-	(31,902)
Interest paid on capital debt	(26,437)	-	-	(26,437)
Net cash provided (used) by capital related financing activities	<u>(65,821)</u>	<u>45,067</u>	<u>-</u>	<u>(20,754)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest on investments	<u>6,262</u>	<u>24,325</u>	<u>1,936</u>	<u>32,523</u>
Net cash provided (used) by investing activities	<u>6,262</u>	<u>24,325</u>	<u>1,936</u>	<u>32,523</u>
Net increase (decrease) in cash and cash equivalents	<u>77,665</u>	<u>69,392</u>	<u>1,936</u>	<u>148,993</u>
Cash Balances - beginning of the year	<u>185,686</u>	<u>461,733</u>	<u>41,933</u>	<u>689,352</u>
Cash Balances - end of the year	<u><u>\$ 263,351</u></u>	<u><u>\$ 531,125</u></u>	<u><u>\$ 43,869</u></u>	<u><u>\$ 838,345</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ (2,379)	\$ -	\$ -	\$ (2,379)
Adjustments to reconcile operating income:				
Depreciation expense	132,870	-	-	132,870
Change in assets and liabilities:				
Increase (decrease) in deposits and donations	3,930	-	-	3,930
(Increase) decrease in other cash deposits	-	-	-	-
Net cash provided (used) by operating activities	<u><u>\$ 134,421</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 134,421</u></u>

CITY OF LOWELL
Combining Balance Sheet Sewer Funds
Modified Cash Basis
For the Year Ended June 30, 2025

	Sewer Fund	Sewer SDC Fund	Sewer Reserve Fund	Total Sewer Fund
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 340,128	\$ 106,297	\$ 17,259	\$ 463,684
Other current assets	-	-	-	-
Total current assets	<u>340,128</u>	<u>106,297</u>	<u>17,259</u>	<u>463,684</u>
Non-current assets:				
Capital assets:				
Land	11,000	-	-	11,000
Buildings and facilities	89,114	-	-	89,114
Equipment and furnishings	93,182	-	-	93,182
Vehicles and rolling stock	21,780	-	-	21,780
Infrastructure	4,989,978	-	-	4,989,978
Less accumulated depreciation	<u>(3,451,660)</u>	<u>-</u>	<u>-</u>	<u>(3,451,660)</u>
Total non-current assets	<u>1,753,394</u>	<u>-</u>	<u>-</u>	<u>1,753,394</u>
Total assets	<u>\$ 2,093,522</u>	<u>\$ 106,297</u>	<u>\$ 17,259</u>	<u>\$ 2,217,078</u>
LIABILITIES				
Current liabilities:				
Notes payable - current	<u>37,712</u>	<u>-</u>	<u>-</u>	<u>37,712</u>
Total current liabilities	<u>37,712</u>	<u>-</u>	<u>-</u>	<u>37,712</u>
Non-current liabilities:				
Notes payable - noncurrent	<u>370,128</u>	<u>-</u>	<u>-</u>	<u>370,128</u>
Total non-current liabilities	<u>370,128</u>	<u>-</u>	<u>-</u>	<u>370,128</u>
Total liabilities	<u>407,840</u>	<u>-</u>	<u>-</u>	<u>407,840</u>
NET POSITION				
Net investment in capital assets	1,345,554	-	-	1,345,554
Restricted for:				
Debt service	-	-	17,259	17,259
Capital projects (SDC)	-	106,297	-	106,297
Unrestricted	<u>340,128</u>	<u>-</u>	<u>-</u>	<u>340,128</u>
Total net position	<u>\$ 1,685,682</u>	<u>\$ 106,297</u>	<u>\$ 17,259</u>	<u>\$ 1,809,238</u>

CITY OF LOWELL
Combining Statement of Revenues, Expenditures and Changes in Fund Net Position Sewer Funds
Modified Cash Basis
For the Year Ended June 30, 2025

	Sewer Fund	Sewer SDC Fund	Sewer Reserve Fund	Sewer Operating Fund
OPERATING REVENUES				
Charges for services	\$ 510,228	\$ -	\$ -	\$ 510,228
Reimbursement SDC's	4,944	-	-	4,944
Other revenues	1,896	-	-	1,896
Total operating revenues	<u>531,543</u>	<u>-</u>	<u>-</u>	<u>531,543</u>
OPERATING EXPENSES				
Personal services	223,647	-	-	223,647
Contractual services	44,545	-	-	44,545
Utilities	43,726	-	-	43,726
Repairs and maintenance	40,613	-	-	40,613
Office supplies and expenses	33,338	-	-	33,338
Other operating expenses	51,953	-	-	51,953
Depreciation	120,709	-	-	120,709
Total operating expenses	<u>558,531</u>	<u>-</u>	<u>-</u>	<u>558,531</u>
Operating income (loss)	<u>(26,988)</u>	<u>-</u>	<u>-</u>	<u>(26,988)</u>
NON-OPERATING REVENUES (EXPENSES):				
Investment revenue	11,380	4,687	660	16,727
Miscellaneous revenue	14,835	-	-	14,835
Interest expense	(15,198)	-	-	(15,198)
Total non-operating revenues (expenses)	<u>11,017</u>	<u>4,687</u>	<u>660</u>	<u>16,364</u>
Net income (loss) before contributions and transfers	<u>(15,971)</u>	<u>4,687</u>	<u>660</u>	<u>(10,624)</u>
CAPITAL CONTRIBUTIONS:				
Capital contributions	<u>-</u>	<u>8,568</u>	<u>-</u>	<u>8,568</u>
Change in net position	<u>(15,971)</u>	<u>13,255</u>	<u>660</u>	<u>(2,056)</u>
Net position - beginning	<u>1,701,653</u>	<u>93,042</u>	<u>16,598</u>	<u>1,811,293</u>
Net position - ending	<u>\$ 1,685,682</u>	<u>\$ 106,297</u>	<u>\$ 17,258</u>	<u>\$ 1,809,237</u>

CITY OF LOWELL
Combining Statement of Cash Flows Sewer Funds
Modified Cash Basis
For the Year Ended June 30, 2025

	Sewer Fund	Sewer SDC Fund	Sewer Reserve Fund	Sewer Operating Fund
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers	\$ 517,068	\$ -	\$ -	\$ 517,068
Other operating receipts	14,475	-	-	14,475
Payments to employees	(223,647)	-	-	(223,647)
Payments to suppliers	(214,175)	-	-	(214,175)
Increase (decrease) in cash deposits	-	-	-	-
Net cash provided (used) by operating activities	<u>93,721</u>	<u>-</u>	<u>-</u>	<u>93,721</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:				
Other receipts	<u>14,835</u>	<u>-</u>	<u>-</u>	<u>14,835</u>
Net cash provided (used) by noncapital financing activities	<u>14,835</u>	<u>-</u>	<u>-</u>	<u>14,835</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Capital contributions - grants and fees	-	8,568	-	8,568
Purchases of capital assets	(30,675)	-	-	(30,675)
Principal paid on capital debt	(37,027)	-	-	(37,027)
Interest paid on capital debt	(15,198)	-	-	(15,198)
Net cash provided (used) by capital related financing activities	<u>(82,900)</u>	<u>8,568</u>	<u>-</u>	<u>(74,332)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest on investments	<u>11,380</u>	<u>4,687</u>	<u>660</u>	<u>16,727</u>
Net cash provided (used) by investing activities	<u>11,380</u>	<u>4,687</u>	<u>660</u>	<u>16,727</u>
Net increase (decrease) in cash and cash equivalents	<u>37,036</u>	<u>13,255</u>	<u>660</u>	<u>50,951</u>
Cash Balances - beginning of the year	<u>303,092</u>	<u>93,042</u>	<u>16,598</u>	<u>412,732</u>
Cash Balances - end of the year	<u>\$ 340,128</u>	<u>\$ 106,297</u>	<u>\$ 17,258</u>	<u>\$ 463,683</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ (26,988)	\$ -	\$ -	\$ (26,988)
Adjustments to reconcile operating income:				
Depreciation expense	120,709	-	-	120,709
Change in assets and liabilities:				
Increase (decrease) in deposits and donations	-	-	-	-
(Increase) decrease in other cash deposits	-	-	-	-
Net cash provided (used) by operating activities	<u>\$ 93,721</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 93,721</u>

CITY OF LOWELL
Budget and Actual (with Variances)
General Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Property taxes	\$ 205,095	\$ 205,095	212,989	\$ 7,894
Intergovernmental	41,588	41,588	51,490	9,902
Grants	62,944	64,384	25,220	(39,164)
Franchise fees	86,263	86,263	78,770	(7,493)
Licenses and permits	58,750	58,750	18,031	(40,719)
Charges for services	3,075	3,075	5,731	2,656
Reimbursement SDC fees	-	-	376	376
Fees and fines	2,500	2,500	1,564	(936)
Investment earnings	6,500	6,500	6,888	388
Miscellaneous	5,550	5,550	21,687	16,137
Fundraising and event receipts	-	-	6,050	6,050
Total Revenues	<u>472,265</u>	<u>473,705</u>	<u>428,796</u>	<u>(44,909)</u>
EXPENDITURES				
Current:				
General government	290,691	295,891	127,450	168,441
Parks	117,814	129,514	91,915	37,599
Public safety	10,426	10,426	1,575	8,851
Community development	61,216	62,966	29,214	33,752
Library	90,592	94,532	63,377	31,155
Code enforcement	10,139	10,139	3,897	6,242
Tourism	35,578	35,578	837	34,741
Municipal court	12,748	17,498	10,782	6,716
Debt service:				
Principal	139,005	139,005	28,432	110,573
Interest	24,003	24,003	23,943	60
Contingency	70,061	44,161	-	44,161
Total Expenditures	<u>862,273</u>	<u>863,713</u>	<u>381,422</u>	<u>482,291</u>
Excess (deficiency) of revenues over expenditures	<u>(390,008)</u>	<u>(390,008)</u>	<u>47,374</u>	<u>437,382</u>
OTHER FINANCING SOURCESS (USES)				
Proceeds from litigation	-	-	100,000	-
Proceeds from disposition of assets	302,459	302,459	-	(302,459)
Total other financing sources and uses	<u>302,459</u>	<u>302,459</u>	<u>100,000</u>	<u>(302,459)</u>
Net change in fund balances	(87,549)	(87,549)	147,374	134,923
Fund balances - beginning	176,651	176,651	176,651	-
Fund balances - ending	<u>\$ 89,102</u>	<u>\$ 89,102</u>	324,025	<u>\$ 134,923</u>
Reconciliation to net position:				
Net capital assets			3,386,177	
Long-term debt			(628,782)	
Net position, modified cash basis			<u>\$ 3,081,420</u>	

CITY OF LOWELL
Budget and Actual (with Variances)
Parks SDC Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
SDC fees	\$ 9,945	\$ 9,945	\$ 8,013	\$ (1,932)
Investment earnings	3,000	3,000	5,527	2,527
Total Revenues	<u>12,945</u>	<u>12,945</u>	<u>13,540</u>	<u>595</u>
EXPENDITURES				
Current:				
Materials and services	-	-	-	-
Capital outlay	<u>122,723</u>	<u>122,723</u>	<u>-</u>	<u>122,723</u>
Total Expenditures	<u>122,723</u>	<u>122,723</u>	<u>-</u>	<u>122,723</u>
Excess (deficiency) of revenues over expenitures	<u>(109,778)</u>	<u>(109,778)</u>	<u>13,540</u>	<u>123,318</u>
Net change in fund balances	(109,778)	(109,778)	13,540	123,318
Fund balances - beginning	<u>110,250</u>	<u>110,250</u>	<u>110,250</u>	<u>-</u>
Fund balances - ending	<u><u>\$ 472</u></u>	<u><u>\$ 472</u></u>	<u><u>\$ 123,790</u></u>	<u><u>\$ 123,318</u></u>

CITY OF LOWELL
Budget and Actual (with Variances)
Street Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 95,000	\$ 95,000	\$ 87,131	\$ (7,869)
Reimbursement SDC fees	-	-	832	832
Investment earnings	3,200	3,200	5,246	2,046
Miscellaneous	-	-	626	626
Total Revenues	<u>98,200</u>	<u>98,200</u>	<u>93,835</u>	<u>(4,365)</u>
EXPENDITURES				
Current:				
Personal services	32,398	32,398	27,864	4,534
Materials and services	90,120	90,120	36,415	53,705
Debt service:				
Principal	5,334	5,334	3,578	1,756
Interest	1,594	1,594	1,593	1
Capital outlay	60,428	60,428	38,910	21,518
Contingency	22,996	22,996	-	22,996
Total Expenditures	<u>212,870</u>	<u>212,870</u>	<u>108,360</u>	<u>104,510</u>
Excess (deficiency) of revenues over expenitures	<u>(114,670)</u>	<u>(114,670)</u>	<u>(14,525)</u>	<u>100,145</u>
OTHER FINANCING SOURCESS (USES)				
Proceeds from loan	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(114,670)	(114,670)	(14,525)	100,145
Fund balances - beginning	<u>173,401</u>	<u>173,401</u>	<u>173,401</u>	<u>-</u>
Fund balances - ending	<u>\$ 58,731</u>	<u>\$ 58,731</u>	158,876	<u>\$ 100,145</u>
Reconciliation to net position:				
Net capital assets			1,834,812	
Long-term debt			(69,173)	
Net position, modified cash basis			<u>\$ 1,924,515</u>	

CITY OF LOWELL
Budget and Actual (with Variances)
Streets SDC Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
SDC fees	\$ 2,975	\$ 2,975	\$ 4,736	\$ 1,761
Investment earnings	2,500	2,500	4,241	(1,741)
Total Revenues	<u>5,475</u>	<u>5,475</u>	<u>8,977</u>	<u>20</u>
EXPENDITURES				
Current:				
Materials and services	-	-	-	-
Capital outlay	90,613	90,613	-	90,613
Total Expenditures	<u>90,613</u>	<u>90,613</u>	<u>-</u>	<u>90,613</u>
Excess (deficiency) of revenues over expenitures	<u>(85,138)</u>	<u>(85,138)</u>	<u>8,977</u>	<u>(90,593)</u>
Net change in fund balances	(85,138)	(85,138)	8,977	94,115
Fund balances - beginning	85,485	85,485	85,485	-
Fund balances - ending	<u>\$ 347</u>	<u>\$ 347</u>	<u>\$ 94,462</u>	<u>\$ 94,115</u>

CITY OF LOWELL
Budget and Actual (with Variances)
Stormwater SDC Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
SDC fees	\$ 5,000	\$ 5,000	\$ 5,384	\$ 384
Investment earnings	2,500	2,500	4,419	1,919
Total Revenues	<u>7,500</u>	<u>7,500</u>	<u>9,803</u>	<u>2,303</u>
EXPENDITURES				
Current:				
Materials and services	-	-	-	-
Capital outlay	96,645	96,645	-	96,645
Total Expenditures	<u>96,645</u>	<u>96,645</u>	<u>-</u>	<u>96,645</u>
Excess (deficiency) of revenues over expenitures	<u>(89,145)</u>	<u>(89,145)</u>	<u>9,803</u>	<u>(94,342)</u>
Net change in fund balances	(89,145)	(89,145)	9,803	98,948
Fund balances - beginning	89,310	89,310	89,310	-
Fund balances - ending	<u>\$ 165</u>	<u>\$ 165</u>	<u>\$ 99,113</u>	<u>\$ 98,948</u>

CITY OF LOWELL
Budget and Actual (with Variances)
Blackberry Jam Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fundraising and event receipts	\$ 4,275	\$ 10,275	\$ 12,937	\$ 2,662
Investment earnings	10	10	1	(9)
Miscellaneous revenue	664	664	-	(664)
Total Revenues	<u>4,949</u>	<u>10,949</u>	<u>12,938</u>	<u>1,989</u>
EXPENDITURES				
Current:				
Materials and services	13,770	19,770	14,450	5,320
Contingency	-	-	-	-
Total Expenditures	<u>13,770</u>	<u>19,770</u>	<u>14,450</u>	<u>5,320</u>
Excess (deficiency) of revenues over expenitures	<u>(8,821)</u>	<u>(8,821)</u>	<u>(1,512)</u>	<u>7,309</u>
OTHER FINANCING SOURCESS (USES)				
Transfers in	-	-	-	-
Total other financing sources and uses	<u>(564)</u>	<u>(564)</u>	<u>-</u>	<u>(564)</u>
Net change in fund balances	(9,385)	(9,385)	(1,512)	7,873
Fund balances - beginning	<u>12,118</u>	<u>12,118</u>	<u>12,118</u>	<u>-</u>
Fund balances - ending	<u>\$ 2,733</u>	<u>\$ 2,733</u>	<u>\$ 10,606</u>	<u>\$ 7,873</u>

CITY OF LOWELL
Budget and Actual (with Variances)
Water Operating Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 563,965	\$ 563,965	\$ 528,191	\$ (35,774)
Grants	1,100,000	1,100,000	227,984	(872,016)
Licenses and permits	2,500	2,500	2,550	50
Reimbursement SDC fees	-	-	5,960	5,960
Investment earnings	-	-	6,262	6,262
Miscellaneous	3,270	3,270	2,803	(467)
Total Revenues	<u>1,669,735</u>	<u>1,669,735</u>	<u>773,750</u>	<u>(895,985)</u>
EXPENDITURES				
Current:				
Personal services	241,220	241,220	222,629	18,591
Materials and services	245,243	245,243	183,581	61,662
Debt service:				
Principal	31,903	31,903	31,902	1
Interest	26,439	26,439	26,437	2
Capital outlay	1,108,000	1,108,000	235,466	872,534
Contingency	126,994	126,994	-	126,994
Total Expenditures	<u>1,779,799</u>	<u>1,779,799</u>	<u>700,015</u>	<u>1,079,784</u>
Excess (deficiency) of revenues over expenitures	<u>(110,064)</u>	<u>(110,064)</u>	<u>73,735</u>	<u>183,799</u>
OTHER FINANCING SOURCESS (USES)				
Proceeds from loan	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(110,064)	(110,064)	73,735	183,799
Fund balances - beginning	<u>141,456</u>	<u>141,456</u>	<u>141,456</u>	<u>-</u>
Fund balances - ending	<u>\$ 31,392</u>	<u>\$ 31,392</u>	<u>215,191</u>	<u>\$ 183,799</u>
Reconciliation to net position:				
Net capital assets			2,524,015	
Long-term debt			<u>(929,571)</u>	
Net position, modified cash basis			<u>\$ 1,809,635</u>	

CITY OF LOWELL
Budget and Actual (with Variances)
Water SDC Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
SDC fees	\$ 45,500	\$ 45,500	\$ 53,306	\$ 7,806
Investment earnings	15,000	15,000	24,325	9,325
Total Revenues	<u>60,500</u>	<u>60,500</u>	<u>77,631</u>	<u>17,131</u>
EXPENDITURES				
Current:				
Materials and services	-	-	-	-
Capital outlay	<u>525,277</u>	<u>525,277</u>	<u>8,239</u>	<u>517,038</u>
Total Expenditures	<u>525,277</u>	<u>525,277</u>	<u>8,239</u>	<u>517,038</u>
Excess (deficiency) of revenues over expenitures	<u>(464,777)</u>	<u>(464,777)</u>	<u>69,392</u>	<u>534,169</u>
OTHER FINANCING SOURCESS (USES)				
Transfers in	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(464,777)	(464,777)	69,392	534,169
Fund balances - beginning	<u>461,733</u>	<u>461,733</u>	<u>461,733</u>	<u>-</u>
Fund balances - ending	<u>\$ (3,044)</u>	<u>\$ (3,044)</u>	<u>\$ 531,125</u>	<u>\$ 534,169</u>

CITY OF LOWELL
Budget and Actual (with Variances)
Water Reserve Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment earnings	\$ 1,500	\$ 1,500	\$ 1,936	\$ 436
Total Revenues	<u>1,500</u>	<u>1,500</u>	<u>1,936</u>	<u>436</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenitures	<u>1,500</u>	<u>1,500</u>	<u>1,936</u>	<u>436</u>
Net change in fund balances	1,500	1,500	1,936	436
Fund balances - beginning	41,933	41,933	41,933	-
Fund balances - ending	<u>\$ 43,433</u>	<u>\$ 43,433</u>	<u>\$ 43,869</u>	<u>\$ 436</u>

CITY OF LOWELL
Budget and Actual (with Variances)
Sewer Operating Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 530,496	\$ 530,496	\$ 510,228	\$ (20,268)
Grants	-	-	14,475	14,475
Licenses and permits	-	-	1,896	1,896
Reimbursement SDC fees	-	-	4,944	4,944
Investment earnings	5,500	5,500	11,380	5,880
Miscellaneous	4,200	4,200	14,835	10,635
Total Revenues	<u>540,196</u>	<u>540,196</u>	<u>557,758</u>	<u>17,562</u>
EXPENDITURES				
Current:				
Personal services	243,052	243,052	223,647	19,405
Materials and services	273,573	273,573	214,175	59,398
Debt service:				
Principal	37,028	37,028	37,027	1
Interest	15,199	15,199	15,198	1
Capital outlay	58,000	58,000	30,675	27,325
Contingency	144,362	144,362	-	144,362
Total Expenditures	<u>771,214</u>	<u>771,214</u>	<u>520,722</u>	<u>250,492</u>
Excess (deficiency) of revenues over expenditures	<u>(231,018)</u>	<u>(231,018)</u>	<u>37,036</u>	<u>268,054</u>
OTHER FINANCING SOURCESS (USES)				
Proceeds from loan	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(231,018)	(231,018)	37,036	268,054
Fund balances - beginning	<u>303,092</u>	<u>303,092</u>	<u>303,092</u>	<u>-</u>
Fund balances - ending	<u>\$ 72,074</u>	<u>\$ 72,074</u>	<u>340,128</u>	<u>\$ 268,054</u>
Reconciliation to net position:				
Net capital assets			1,753,394	
Long-term debt			<u>(407,840)</u>	
Net position, modified cash basis			<u>\$ 1,685,682</u>	

CITY OF LOWELL
Budget and Actual (with Variances)
Sewer SDC Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
SDC fees	\$ 8,035	\$ 8,035	\$ 8,568	\$ 533
Investment earnings	3,500	3,500	4,687	1,187
Total Revenues	<u>11,535</u>	<u>11,535</u>	<u>13,255</u>	<u>1,720</u>
EXPENDITURES				
Current:				
Materials and services	-	-	-	-
Capital outlay	<u>157,873</u>	<u>157,873</u>	<u>-</u>	<u>157,873</u>
Total Expenditures	<u>157,873</u>	<u>157,873</u>	<u>-</u>	<u>157,873</u>
Excess (deficiency) of revenues over expenitures	<u>(146,338)</u>	<u>(146,338)</u>	<u>13,255</u>	<u>159,593</u>
Net change in fund balances	(146,338)	(146,338)	13,255	159,593
Fund balances - beginning	93,042	93,042	93,042	-
Fund balances - ending	<u>\$ (53,296)</u>	<u>\$ (53,296)</u>	<u>\$ 106,297</u>	<u>\$ 159,593</u>

CITY OF LOWELL
Budget and Actual (with Variances)
Sewer Reserve Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment earnings	\$ 500	\$ 500	\$ 660	\$ 160
Total Revenues	<u>500</u>	<u>500</u>	<u>660</u>	<u>160</u>
Total Expenditures	-	-	-	-
Excess (deficiency) of revenues over expenitures	<u>500</u>	<u>500</u>	<u>660</u>	<u>160</u>
Net change in fund balances	500	500	660	160
Fund balances - beginning	<u>16,598</u>	<u>16,598</u>	<u>16,599</u>	<u>1</u>
Fund balances - ending	<u><u>\$ 17,098</u></u>	<u><u>\$ 17,098</u></u>	<u><u>\$ 17,259</u></u>	<u><u>\$ 161</u></u>

CITY OF LOWELL
Budget and Actual (with Variances)
Building Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Licenses and permits	\$ 23,370	\$ 23,370	\$ 37,671	\$ 14,301
Investment earnings	100	100	1,373	1,273
Charges for services	-	-	1,711	1,711
Miscellaneous	-	-	45	45
Total Revenues	<u>23,470</u>	<u>23,470</u>	<u>40,800</u>	<u>17,330</u>
EXPENDITURES				
Current:				
Personal services	14,748	14,748	13,368	1,380
Materials and services	31,065	38,265	31,837	6,428
Capital outlay	-	-	-	-
Contingency	<u>11,709</u>	<u>4,509</u>	<u>-</u>	<u>4,509</u>
Total Expenditures	<u>57,522</u>	<u>57,522</u>	<u>45,205</u>	<u>12,317</u>
Excess (deficiency) of revenues over expenitures	<u>(34,052)</u>	<u>(34,052)</u>	<u>(4,405)</u>	<u>29,647</u>
Net change in fund balances	(34,052)	(34,052)	(4,405)	29,647
Fund balances - beginning	<u>44,107</u>	<u>44,107</u>	<u>44,107</u>	<u>-</u>
Fund balances - ending	<u>\$ 10,055</u>	<u>\$ 10,055</u>	<u>\$ 39,702</u>	<u>\$ 29,647</u>

CITY OF LOWELL
Schedule of Proportionate Share of the
Net Pension Liability
*Last 10 Fiscal Years**

Fiscal Year Ended June 30, ¹	Measurement Date	(a) Employer's Proportion of the Net Pension Liability	(b) Employer's Proportionate Share of the Net Pension Liability (asset)	(C) Employer's Covered Payroll as of Measurement Date	(b/c) Employer's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2024	June 30, 2022	0.33172700%	\$ 621,347	\$ 362,909	171.21%	81.7%
2023	June 30, 2022	0.22676800%	347,227	310,953	111.67%	84.5%
2022	June 30, 2021	0.28995300%	346,972	226,696	153.06%	87.6%
2021	June 30, 2020	0.20278400%	442,544	291,832	151.64%	75.8%
2020	June 30, 2019	0.29257200%	506,079	267,740	189.02%	80.2%
2019	June 30, 2018	0.21304400%	322,734	281,564	114.62%	82.1%

Notes:

- 1 Measurement date is one year in arrears
- * This schedule is presented to illustrate the requirement to show information for 10 years. The full 10 year history is not currently available. The full 10 year trend will be presented when available.

CITY OF LOWELL
Schedule of Employer Contributions - PERS
*Last 10 Fiscal Years**

Fiscal Year Ended June 30,	(a) Contractually Required Contribution	(b) Contributions in relation to the contractually required contribution	(a-b) Contribution deficiency (excess)	(c) Employer's covered payroll	(b/c) Contributions as a percent of covered Payroll
2018	32,340	32,340	-	281,564	11.49%
2019	29,626	29,626	-	267,740	11.07%
2020	50,312	50,312	-	291,832	17.24%
2021	50,789	50,789	-	226,696	22.40%
2022	61,040	61,040	-	310,953	19.63%
2023	71,238	71,238	-	362,909	19.63%
2024	80,160	80,160	-	379,185	21.14%
2025	78,682	78,682	-	375,210	20.97%

Notes:

*

This schedule is presented to illustrate the requirement to show information for 10 years. The full 10 year history is not currently available. The full 10 year trend will be presented when available.

STATISTICAL INFORMATION

CITY OF LOWELL
Net Position by Component
Last Ten Fiscal Years

	Fiscal Year				
	2025	2024	2023	2022	2021
Governmental Activities					
Net investment in capital assets	\$ 4,523,033	\$ 4,573,703	\$ 4,671,683	\$ 3,879,824	\$ 3,546,787
Restricted	548,726	519,778	442,494	371,055	251,163
Unrestricted	<u>262,146</u>	<u>127,437</u>	<u>219,307</u>	<u>246,847</u>	<u>198,805</u>
Total governmental activities net position	<u><u>\$ 5,333,905</u></u>	<u><u>\$ 5,220,918</u></u>	<u><u>\$ 5,333,484</u></u>	<u><u>\$ 4,497,726</u></u>	<u><u>\$ 3,996,755</u></u>
Business-type activities					
Net investment in capital assets	\$ 2,939,998	\$ 2,850,269	\$ 2,916,993	\$ 2,583,066	\$ 2,649,555
Restricted	698,550	613,066	636,251	516,633	530,533
Unrestricted	<u>595,021</u>	<u>488,895</u>	<u>338,231</u>	<u>328,831</u>	<u>255,853</u>
Total business-type activities net position	<u><u>\$ 4,233,569</u></u>	<u><u>\$ 3,952,230</u></u>	<u><u>\$ 3,891,475</u></u>	<u><u>\$ 3,428,530</u></u>	<u><u>\$ 3,435,941</u></u>
Primary Government					
Net investment in capital assets	\$ 7,463,031	\$ 7,423,972	\$ 7,588,676	\$ 6,462,890	\$ 6,196,342
Restricted	1,247,276	1,132,844	1,078,745	887,688	781,696
Unrestricted	<u>857,167</u>	<u>616,332</u>	<u>557,538</u>	<u>575,678</u>	<u>454,658</u>
Total primary government activities net position	<u><u>\$ 9,567,474</u></u>	<u><u>\$ 9,173,148</u></u>	<u><u>\$ 9,224,959</u></u>	<u><u>\$ 7,926,256</u></u>	<u><u>\$ 7,432,696</u></u>

	Fiscal Year				
	2020	2019	2018	2017	2016
Governmental Activities					
Net investment in capital assets	\$ 3,361,280	\$ 3,331,814	\$ 3,083,574	\$ 3,129,930	\$ 3,147,180
Restricted	227,067	206,457	552,152	495,677	509,972
Unrestricted	<u>294,107</u>	<u>326,908</u>	<u>275,488</u>	<u>222,798</u>	<u>223,903</u>
Total governmental activities net position	<u><u>\$ 3,882,454</u></u>	<u><u>\$ 3,865,179</u></u>	<u><u>\$ 3,911,214</u></u>	<u><u>\$ 3,848,405</u></u>	<u><u>\$ 3,881,055</u></u>
Business-type activities					
Net investment in capital assets	\$ 3,331,814	\$ 2,883,997	\$ 2,970,673	\$ 3,090,401	\$ 1,499,186
Restricted	206,457	393,482	-	-	-
Unrestricted	<u>326,908</u>	<u>344,414</u>	<u>283,150</u>	<u>186,007</u>	<u>98,873</u>
Total business-type activities net position	<u><u>\$ 3,865,179</u></u>	<u><u>\$ 3,621,893</u></u>	<u><u>\$ 3,253,823</u></u>	<u><u>\$ 3,276,408</u></u>	<u><u>\$ 1,598,059</u></u>
Primary Government					
Net investment in capital assets	\$ 6,693,094	\$ 6,215,811	\$ 6,054,247	\$ 6,220,331	\$ 4,646,366
Restricted	433,524	599,939	552,152	495,677	509,972
Unrestricted	<u>621,015</u>	<u>671,322</u>	<u>558,638</u>	<u>408,805</u>	<u>322,776</u>
Total primary government activities net position	<u><u>\$ 7,747,633</u></u>	<u><u>\$ 7,487,072</u></u>	<u><u>\$ 7,165,037</u></u>	<u><u>\$ 7,124,813</u></u>	<u><u>\$ 5,479,114</u></u>

CITY OF LOWELL
Changes in Net Position
Last Ten Fiscal Years

	2025	2024	2023	2022	2021
Program revenues:					
Governmental activities:					
Charges for services:					
General Government	\$ 4,486	\$ 2,890	\$ 6,280	\$ 11,438	\$ 3,088
Culture & Recreation	14,558	9,514	13,890	9,470	6,494
Community Development	17,347	26,165	20,493	18,336	688
Code Enforcement	684	773	967	347	981
Municipal Court	1,564	5,943	6,365	10,565	5,966
Highways & Streets	832	104	2,080	3,224	5,476
Operating grants & contributions	171,643	164,827	291,104	223,330	179,506
Capital grants & contributions	24,183	6,250	773,111	405,579	225,630
revenues	<u>235,297</u>	<u>216,466</u>	<u>1,114,290</u>	<u>682,289</u>	<u>427,829</u>
Business-type activities:					
Charges for services:					
Building	39,382	13,723	96,145	128,394	19,129
Water	536,701	542,225	412,776	351,731	373,237
Sewer	517,068	507,794	467,238	469,267	395,453
Operating grants & contributions	14,475	1,699	23,826	-	817
Capital grants & contributions	289,858	80,028	578,560	206,180	24,364
Total business-type activities					
program revenues	<u>1,397,484</u>	<u>1,145,469</u>	<u>1,578,545</u>	<u>1,155,572</u>	<u>813,000</u>
Total primary government					
program revenues	<u>1,632,781</u>	<u>1,361,935</u>	<u>2,692,835</u>	<u>1,837,861</u>	<u>1,240,829</u>
Expenses:					
Governmental activities:					
General Government	168,179	193,045	158,782	140,414	146,822
Culture & Recreation	204,876	201,696	212,465	133,564	112,858
Public Safety	1,575	36,356	33,663	29,453	28,968
Community Development	29,214	53,284	123,426	88,212	78,455
Code Enforcement	3,897	6,852	6,974	12,259	14,311
Tourism	837	1,067	1,223	3,202	2,251
Municipal Court	10,782	13,975	14,040	17,901	13,815
Highways & Streets	135,543	124,830	121,391	101,824	94,957
Total governmental activities	<u>554,903</u>	<u>631,105</u>	<u>671,964</u>	<u>526,829</u>	<u>492,437</u>
Business-type activities:					
Building	45,205	38,832	84,599	101,115	26,413
Water	565,517	505,327	526,955	526,635	486,159
Sewer	573,729	586,779	524,562	540,482	469,825
Total business type activities	<u>1,184,451</u>	<u>1,130,938</u>	<u>1,136,116</u>	<u>1,168,232</u>	<u>982,397</u>
Total primary government expenses	<u>\$ 1,739,354</u>	<u>\$ 1,762,043</u>	<u>\$ 1,808,080</u>	<u>\$ 1,695,061</u>	<u>\$ 1,474,834</u>
General Revenues and Other Changes in Net Position					
Governmental activities					
Taxes	\$ 212,989	\$ 200,055	\$ 187,987	\$ 183,315	\$ 155,148
Investment earnings	26,323	21,016	8,615	2,554	2,789
Other revenues	193,281	81,002	105,995	97,075	70,271
Gain (loss) on capital assets	-	-	81,788	57,860	-
Transfers in (out)	-	-	-	-	(49,299)
Total governmental activities	<u>432,593</u>	<u>302,073</u>	<u>384,385</u>	<u>340,804</u>	<u>178,909</u>
Business-type activities					
Investment earnings	50,623	35,205	15,046	3,399	4,598
Other revenues	17,683	11,019	5,470	1,850	8,538
Gain (loss) on capital assets	-	-	-	-	-
Transfers in (out)	-	-	-	-	49,299
Total business-type activities	<u>68,306</u>	<u>46,224</u>	<u>20,516</u>	<u>5,249</u>	<u>62,435</u>
Total primary government	<u>\$ 500,899</u>	<u>\$ 348,297</u>	<u>\$ 404,901</u>	<u>\$ 346,053</u>	<u>\$ 241,344</u>
Change in Net Position					
Governmental activities	\$ 112,987	\$ (112,566)	\$ 826,711	\$ 496,264	\$ 114,301
Business-type activities	281,339	60,755	462,945	(7,411)	(106,962)
Total primary government	<u>\$ 394,326</u>	<u>\$ (51,811)</u>	<u>\$ 1,289,656</u>	<u>\$ 488,853</u>	<u>\$ 7,339</u>

CITY OF LOWELL
Changes in Net Position
Last Ten Fiscal Years

	2020	2019	2018	2017	2016
Program revenues:					
Governmental activities:					
Charges for services:					
General Government	\$ 5,106	\$ 5,912	\$ 49,458	\$ 37,100	\$ 14,909
Culture & Recreation	22,419	25,587	21,899	22,976	21,596
Community Development	73,117	175,627	-	-	-
Code Enforcement	876	806	-	-	-
Municipal Court	2,824	1,940	-	-	-
Highways & Streets	22,846	24,756	8,007	4,273	3,042
Operating grants & contributions	186,282	128,432	27,649	20,140	15,626
Capital grants & contributions	6,100	70,925	-	-	-
revenues	<u>319,570</u>	<u>433,985</u>	<u>107,013</u>	<u>84,489</u>	<u>55,173</u>
Business-type activities:					
Charges for services:					
Building	-	-	-	-	-
Water	368,132	391,598	308,138	274,459	250,726
Sewer	376,377	363,394	382,284	330,777	274,731
Operating grants & contributions	-	-	-	-	-
Capital grants & contributions	-	-	-	-	-
Total business-type activities	<u>744,509</u>	<u>754,992</u>	<u>690,422</u>	<u>605,236</u>	<u>525,457</u>
Total primary government	<u>1,064,079</u>	<u>1,188,977</u>	<u>797,435</u>	<u>689,725</u>	<u>580,630</u>
Expenses:					
Governmental activities:					
General Government	163,018	108,152	118,225	223,034	280,159
Culture & Recreation	116,507	109,413	67,812	19,376	23,087
Public Safety	28,123	27,300	30,200	-	-
Community Development	102,066	168,433	42,730	-	-
Code Enforcement	14,490	11,863	-	-	-
Tourism	2,786	7,566	9,695	-	-
Municipal Court	11,462	11,186	10,294	-	-
Highways & Streets	87,625	134,185	101,427	96,103	42,499
Total governmental activities	<u>526,077</u>	<u>578,098</u>	<u>380,383</u>	<u>338,513</u>	<u>345,745</u>
Business-type activities:					
Building	-	-	-	-	-
Water	395,706	367,124	358,810	348,683	344,914
Sewer	446,400	390,655	377,194	387,717	375,223
Total business type activities	<u>842,106</u>	<u>757,779</u>	<u>736,004</u>	<u>736,400</u>	<u>720,137</u>
Total primary government expenses	<u>\$ 1,368,183</u>	<u>\$ 1,335,877</u>	<u>\$ 1,116,387</u>	<u>\$ 1,074,913</u>	<u>\$ 1,065,882</u>
General Revenues and Other Changes in Net Position					
Governmental activities					
Taxes	\$ 150,732	\$ 147,569	\$ 140,307	\$ 134,981	\$ 131,105
Investment earnings	8,618	9,833	6,921	7,782	3,628
Other revenues	65,290	292,689	191,992	170,535	175,136
Gain (loss) on capital assets	-	-	16,419	-	-
Transfers in (out)	(858)	(352,013)	(19,460)	(91,924)	(60,126)
Total governmental activities	<u>223,782</u>	<u>98,078</u>	<u>336,179</u>	<u>221,374</u>	<u>249,743</u>
Business-type activities					
Investment earnings	12,363	5,334	3,265	-	-
Other revenues	4,586	13,539	272	309	-
Gain (loss) on capital assets	800	(29)	-	-	-
Transfers in (out)	858	352,013	19,460	91,924	60,126
Total business-type activities	<u>18,607</u>	<u>370,857</u>	<u>22,997</u>	<u>92,233</u>	<u>60,126</u>
Total primary government	<u>\$ 242,389</u>	<u>\$ 468,935</u>	<u>\$ 359,176</u>	<u>\$ 313,607</u>	<u>\$ 309,869</u>
Change in Net Position					
Governmental activities	\$ 17,275	\$ (46,035)	\$ 62,809	\$ (32,650)	\$ (40,829)
Business-type activities	(78,990)	368,070	(22,585)	(38,931)	(134,554)
Total primary government	<u>\$ (61,715)</u>	<u>\$ 322,035</u>	<u>\$ 40,224</u>	<u>\$ (71,581)</u>	<u>\$ (175,383)</u>

CITY OF LOWELL
Fund Balance, Governmental Funds
Last Ten Fiscal Years

	2025	2024	2023	2022	2021
General Fund:					
Non spendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	72,485	61,332	39,275	31,736	18,466
Committed	2,323	2,323	2,323	-	5,224
Assigned	-	-	-	-	-
Unassigned	249,217	112,996	203,225	233,023	182,113
Total general fund	<u>324,025</u>	<u>176,651</u>	<u>244,823</u>	<u>264,759</u>	<u>205,803</u>
All Other Governmental Funds:					
Non spendable	-	-	-	-	-
Restricted	476,241	458,446	403,219	339,319	232,697
Committed	-	-	-	-	-
Assigned	10,606	12,118	13,759	13,824	11,468
Unassigned	-	-	-	-	-
Total all other governmental funds	<u>486,847</u>	<u>470,564</u>	<u>416,978</u>	<u>353,143</u>	<u>244,165</u>
Total governmental funds	<u><u>\$ 810,872</u></u>	<u><u>\$ 647,215</u></u>	<u><u>\$ 661,801</u></u>	<u><u>\$ 617,902</u></u>	<u><u>\$ 449,968</u></u>

	2020	2019	2018	2017	2016
General Fund:					
Non spendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	6,100	-	-	-	-
Committed	6,597	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	259,416	297,503	225,395	184,077	123,608
Total general fund	<u>272,113</u>	<u>297,503</u>	<u>225,395</u>	<u>184,077</u>	<u>123,608</u>
All Other Governmental Funds:					
Non spendable	-	-	-	-	-
Restricted	214,370	206,457	523,683	443,823	402,992
Committed	-	-	-	-	-
Assigned	34,691	29,405	91,457	90,575	207,275
Unassigned	-	-	-	-	-
Total all other governmental funds	<u>249,061</u>	<u>235,862</u>	<u>615,140</u>	<u>534,398</u>	<u>610,267</u>
Total governmental funds	<u><u>\$ 521,174</u></u>	<u><u>\$ 533,365</u></u>	<u><u>\$ 840,535</u></u>	<u><u>\$ 718,475</u></u>	<u><u>\$ 733,875</u></u>

CITY OF LOWELL
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

	Fiscal Year				
	2025	2024	2023	2022	2021
REVENUES					
Property Taxes	\$ 212,989	\$ 200,055	\$ 187,987	\$ 183,315	\$ 155,148
Intergovernmental	163,841	163,535	302,615	442,585	391,769
Franchise fees ¹	78,770	80,451	103,436	96,397	59,158
Licenses and permits	18,031	26,938	21,460	18,683	1,669
Charges for services	5,731	4,165	6,280	11,438	3,388
SDC fees ²	19,341	2,401	49,046	74,691	9,604
Fees and fines ¹	1,564	5,943	6,365	10,565	5,966
Investment earnings	26,322	21,017	8,616	2,555	2,789
Miscellaneous ²	122,313	1,844	11,048	62,967	12,114
Fundraising and event receipts	18,987	12,192	12,950	21,283	14,432
Total Revenues	<u>667,889</u>	<u>518,541</u>	<u>709,803</u>	<u>924,479</u>	<u>656,037</u>
EXPENDITURES					
Current:					
General Government ⁴	127,450	144,187	109,963	92,804	103,531
Parks ³	84,773	88,357	81,696	83,126	91,312
Public Safety	1,575	36,356	33,663	29,453	28,968
Community Development	29,214	53,284	123,426	55,879	73,748
Library ³	59,855	66,735	94,423	28,000	6,454
Tourism	3,897	1,067	1,223	12,259	14,311
Code Enforcement	837	6,852	6,974	3,202	2,251
Municipal Court	10,782	13,975	14,040	17,901	13,815
Highways and Streets	64,279	54,266	62,296	54,481	55,736
Blackberry Jam Festival ³	14,450	10,501	13,237	5,685	3,112
Culture and Recreation ³	-	-	-	-	-
Debt service:					
Principal	32,010	33,497	330,850	22,041	17,845
Interest	25,536	24,050	29,319	31,485	28,507
Capital Outlay:	49,574	-	439,733	320,231	629,424
Total Expenditures	<u>504,232</u>	<u>533,127</u>	<u>1,340,843</u>	<u>756,547</u>	<u>1,069,014</u>
Excess (deficiency) of revenues over expenditures	<u>163,657</u>	<u>(14,586)</u>	<u>(631,040)</u>	<u>167,932</u>	<u>(412,977)</u>
OTHER FINANCING SOURCESS (USES)					
Proceeds from loan	-	-	230,224	-	391,070
Gain or (loss) on sale of fixed assets	-	-	444,715	-	-
Transfers in	-	-	-	-	10,082
Transfers out	-	-	-	-	(59,381)
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>674,939</u>	<u>-</u>	<u>341,771</u>
SPECIAL ITEM					
Other Source - Litigation Proceeds	-	-	-	-	-
Net change in fund balances	163,657	(14,586)	43,899	167,932	(71,206)
Fund balances - beginning	647,215	661,801	617,902	449,968	521,174
Fund balances - ending	<u>\$ 810,872</u>	<u>\$ 647,215</u>	<u>\$ 661,801</u>	<u>\$ 617,900</u>	<u>\$ 449,968</u>

Notes:

1. Prior to 2018, Franchise fees were reported with fees and fines.
2. From 2015 through 2017 SDC revenues were reported with fees and fines.
3. Prior to 2019, Parks, Library and Blackberry Jam were reported with Culture and Recreation.
4. Amounts previously reported in General Government are now identified by department.

CITY OF LOWELL
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

	Fiscal Year				
	2020	2019	2018	2017	2016
REVENUES					
Property Taxes	\$ 150,732	\$ 147,569	\$ 140,307	\$ 134,981	\$ 131,105
Intergovernmental	185,917	128,432	103,333	92,724	86,140
Franchise fees ¹	62,928	52,206	52,720	-	-
Licenses and permits	73,993	176,433	38,413	83,407	71,933
Charges for services	5,106	36,533	5,381	-	-
SDC fees ²	31,102	2,730	68,548	-	-
Fees and fines ¹	2,824	1,940	3,726	38,265	9,779
Investment earnings	8,617	9,833	6,921	7,783	3,650
Miscellaneous ²	2,729	1,631	18,973	18,442	41,544
Fundraising and event receipts	20,264	16,992	20,806	22,187	20,969
Total Revenues	<u>544,212</u>	<u>574,299</u>	<u>459,128</u>	<u>397,789</u>	<u>365,120</u>
EXPENDITURES					
Current:					
General Government ⁴	125,617	99,216	103,074	97,112	204,569
Parks ³	76,428	73,629	-	-	-
Public Safety	28,123	27,300	30,200	21,000	30,486
Community Development	102,066	168,433	42,730	35,264	-
Library ³	8,635	24,217	-	-	-
Tourism	14,490	7,566	9,695	3,096	-
Code Enforcement	2,786	11,863	-	14,268	-
Municipal Court	11,462	11,186	10,294	-	-
Highways and Streets	54,743	102,188	70,222	64,898	43,185
Blackberry Jam Festival ³	18,434	-	-	-	-
Culture and Recreation ³	-	-	67,812	64,383	23,127
Debt service:					
Principal	17,095	-	-	-	-
Interest	23,251	-	-	-	-
Capital Outlay:	72,415	760,121	-	21,244	-
Total Expenditures	<u>555,545</u>	<u>1,285,719</u>	<u>334,027</u>	<u>321,265</u>	<u>301,367</u>
Excess (deficiency) of revenues over expenditures	<u>(11,333)</u>	<u>(711,420)</u>	<u>125,101</u>	<u>76,524</u>	<u>63,753</u>
OTHER FINANCING SOURCESS (USES)					
Proceeds from loan	-	530,000	-	-	-
Gain or (loss) on sale of fixed assets	-	-	16,419	-	-
Transfers in	22,000	120,565	10,000	22,975	13,528
Transfers out	<u>(22,858)</u>	<u>(472,578)</u>	<u>(29,460)</u>	<u>(114,899)</u>	<u>(73,654)</u>
Total other financing sources and uses	<u>(858)</u>	<u>177,987</u>	<u>(3,041)</u>	<u>(91,924)</u>	<u>(60,126)</u>
SPECIAL ITEM					
Other Source - Litigation Proceeds	-	226,263	-	-	-
Net change in fund balances	(12,191)	(307,170)	122,060	(15,400)	3,627
Fund balances - beginning	533,365	840,535	718,475	733,875	730,248
Fund balances - ending	<u>\$ 521,174</u>	<u>\$ 533,365</u>	<u>\$ 840,535</u>	<u>\$ 718,475</u>	<u>\$ 733,875</u>

Notes:

1. Prior to 2018, Franchise fees were reported with fees and fines.
2. From 2015 through 2017 SDC revenues were reported with fees and fines.
3. Prior to 2019, Parks, Library and Blackberry Jam were reported with Culture and Recreation.
4. Amounts previously reported in General Government are now identified by department.

CITY OF LOWELL
Program Revenues by Function
Last Ten Fiscal Years

	2025	2024	2023	2022	2021
Program revenues:					
Governmental activities:					
General Government ¹	\$ 42,944	\$ 42,944	\$ 181,193	\$ 125,757	\$ 99,740
Culture & Recreation	20,130	20,130	63,033	282,503	19,860
Community Development	28,165	28,165	20,493	19,336	688
Code Enforcement	773	773	967	347	981
Toursim	19,124	19,124	11,318	10,586	10,274
Municipal Court	5,943	5,943	6,365	10,565	5,966
Highways & Streets	99,387	99,387	830,921	233,195	297,159
Subtotal governmental activities	<u>216,466</u>	<u>216,466</u>	<u>1,114,290</u>	<u>682,289</u>	<u>434,668</u>
Business-type activities:					
Building	-	-	96,145	128,394	1,929
Water	-	-	738,948	564,537	374,054
Sewer	-	-	743,452	462,641	419,817
Subtotal business-type activities	<u>-</u>	<u>-</u>	<u>1,578,545</u>	<u>1,155,572</u>	<u>795,800</u>
Total primary government	<u>216,466</u>	<u>216,466</u>	<u>2,692,835</u>	<u>1,837,861</u>	<u>1,230,468</u>

	2020	2019	2018	2017	2016
Program revenues:					
Governmental activities:					
General Government ¹	\$ 42,328	\$ 44,602	\$ 66,346	\$ 48,219	\$ 21,406
Culture & Recreation	60,799	98,512	32,660	31,997	30,725
Community Development	-	-	-	-	-
Code Enforcement	103,117	175,627	-	-	-
Toursim	876	806	-	-	-
Municipal Court	10,137	9,639	-	-	-
Highways & Streets	2,824	1,940	-	-	-
Public Works ²	99,489	102,859	8,007	4,273	3,042
Subtotal governmental activities	<u>319,570</u>	<u>433,985</u>	<u>107,013</u>	<u>84,489</u>	<u>55,173</u>
Business-type activities:					
Building	-	-	-	-	-
Water	368,132	391,598	308,138	274,459	250,726
Sewer	376,377	363,394	382,284	330,777	274,731
Subtotal business-type activities	<u>744,509</u>	<u>754,992</u>	<u>690,422</u>	<u>605,236</u>	<u>525,457</u>
Total primary government	<u>1,064,079</u>	<u>1,188,977</u>	<u>797,435</u>	<u>689,725</u>	<u>580,630</u>

Notes:

1. Prior to 2019, Revenues collected for Community Development, Code Enforcement, Tourism, Municipal Court were recorded under General Government

CITY OF LOWELL
General Governmental Revenues
Last Ten Fiscal Years

Fiscal Year	Taxes and Fees			Licenses and Permits			
	Property Tax	Franchise Fees	Total	Land Use Permits	Construction Permits	Other Permits & Licenses	Total
15-16	131,105	47,932	179,037	176	12,755	1,066	13,997
16-17	134,981	48,378	183,359	5,221	24,340	751	30,312
17-18	140,307	52,720	193,027	1,044	35,967	1,402	38,413
18-19	147,569	52,206	199,775	7,500	246,867	1,246	255,613
19-20	150,732	62,928	213,660	35,768	36,869	1,356	73,993
20-21	155,148	59,158	214,306	292	-	1,377	1,669
21-22	181,055	96,397	277,451	17,951	-	732	18,683
22-23	187,987	103,436	291,423	19,800	-	1,660	21,460
23-24	200,055	80,451	280,506	23,176	-	3,762	26,938
24-25	212,989	78,770	291,759	15,378	-	2,654	18,032

Source: *City Financial Database*

Note: *Beginning in fiscal year 2020-21, construction permits are recorded in a new fund and are reported as a business-type activity*

CITY OF LOWELL
Assessed Value of Property
Last Ten Fiscal Years

Fiscal Year	Real Property	Manufactured Structures	Personal Property	Public Utility	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Real Market Value (RMV)	Assessed Value as a % of RMV
15-16	\$ 60,496,634	\$ 1,094,889	\$ 151,867	\$ 1,021,900	\$ 62,765,290	2.1613	\$ 90,378,891	69.4%
16-17	62,000,681	1,175,149	226,886	1,073,700	64,476,416	2.1613	94,410,652	68.3%
17-18	64,242,855	1,155,862	271,816	1,257,029	66,927,562	2.1613	108,244,103	61.8%
18-19	66,271,852	1,140,505	270,377	1,333,000	69,015,734	2.1613	117,576,623	58.7%
19-20	69,076,046	1,139,099	231,864	1,237,500	71,684,509	2.1613	123,729,680	57.9%
20-21	71,117,824	1,082,191	278,825	1,292,400	73,771,240	2.1613	129,834,847	56.8%
21-22	79,446,752	1,072,764	367,439	1,263,300	82,150,258	2.1613	168,202,694	48.8%
22-23	84,443,374	1,080,093	402,826	1,301,500	87,227,793	2.1613	203,956,062	42.8%
23-24	93,509,339	991,971	396,910	1,310,681	96,208,901	2.1613	227,774,375	42.2%
24-25	100,211,587	1,008,979	383,105	943,660	102,547,331	2.1613	241,889,201	42.4%

Source: Department of Assessment and Taxation, Lane County, Oregon

CITY OF LOWELL
Property Tax Rates
Last Ten Fiscal Years

Fiscal Year	Direct Rates		Overlapping Rates					Total Direct and Overlapping
	Basic Rate	Total Direct	Lane County	Lowell RFPD	Lane Community College	Lane ESD	School Dist 71	
15-16	\$ 2.1613	\$ 2.1613	\$ 1.8293	\$ 2.6970	\$ 0.8198	\$ 0.2232	\$ 5.0409	\$ 12.7715
16-17	2.1613	2.1613	1.6743	2.6970	0.8419	0.2232	5.0409	12.6386
17-18	2.1613	2.1613	1.6700	2.6970	0.8464	0.2232	5.0409	12.6388
18-19	2.1613	2.1613	1.8093	2.6970	0.8400	0.2232	6.1361	13.8669
19-20	2.1613	2.1613	1.8443	2.6970	0.8410	0.2232	6.1295	13.8963
20-21	2.1613	2.1613	1.8443	2.6970	0.9628	0.2232	6.1385	14.0271
21-22	2.1613	2.1613	1.8573	2.6970	0.9954	0.2232	6.0929	14.0271
22-23	2.1613	2.1613	1.8573	2.6970	0.9481	0.2232	6.0729	13.9598
23-24	2.1613	2.1613	2.0173	2.6970	0.9481	0.2232	6.0087	14.0556
24-25	2.1613	2.1613	1.8573	2.6970	0.9279	0.2232	5.9855	13.8522

Source: Department of Assessment and Taxation, Lane County, Oregon
Notes: Rates are per \$1,000 of assessed value.

CITY OF LOWELL
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Collected Within the Fiscal Year of the Levy		Collected in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
15-16	\$ 135,655	\$ 124,669	91.90%	\$ 2,360	\$ 127,029	93.6%
16-17	139,353	132,671	95.21%	2,310	134,981	96.9%
17-18	144,651	137,867	95.31%	2,440	140,307	97.0%
18-19	149,164	142,083	95.25%	5,486	147,569	98.9%
19-20	154,932	148,109	95.60%	2,622	150,732	97.3%
20-21	159,850	152,386	95.33%	2,761	155,147	97.1%
21-22	189,771	181,055	95.41%	2,260	183,315	96.6%
22-23	192,584	184,371	95.74%	3,616	187,987	97.6%
23-24	207,936	198,123	95.28%	1,932	200,055	96.2%
24-25	221,636	210,552	95.00%	2,437	212,989	96.1%

*Source: Department of Assessment and Taxation, Lane County, Oregon
City of Lowell, Financial Database*

CITY OF LOWELL
Principal Tax Payers
Last Ten Fiscal Years

Taxpayer Name	Fiscal Year 2024-25				
	Number of Parcels	Assessed Taxes	Taxable Assessed Value (TAV)	Estimated Real Market Value (RMV)	% of City Assessed Value
Tu-Mac Inc	1	\$ 39,521	\$ 2,994,210	\$ 2,994,210	2.92%
Valencia Joint Trus	12	19,427	1,380,335	2,428,415	1.35%
George Living Trust	5	18,904	1,342,434	2,850,819	1.31%
Demuth Family Living Trust	4	12,036	854,712	1,685,169	0.83%
Lowell Industrial Development	2	11,676	884,624	884,624	0.86%
Perkins, Chad	3	11,180	793,882	1,452,934	0.77%
Lumen Technologies Inc	2	9,346	708,120	708,120	0.69%
J & K Property Holdings LLC	1	8,511	604,382	1,033,642	0.59%
Gardner Family Trust	1	7,842	556,859	1,338,063	0.54%
Walker, Richard J & Allison A	2	7,424	527,810	839,570	0.51%
		<u>\$ 145,867</u>	<u>\$ 10,647,368</u>	<u>\$ 16,215,566</u>	<u>10.38%</u>

Total City assessed valuation base for Fiscal Year 2024-25: \$ 102,547,331

Taxpayer Name	Fiscal Year 2023-24				
	Number of Parcels	Assessed Taxes	Taxable Assessed Value (TAV)	Estimated Real Market Value (RMV)	% of City Assessed Value
Tu-Mac Inc	1	\$ 37,790	\$ 2,853,700	\$ 2,853,700	2.97%
George Living Trust	5	18,410	1,303,335	2,842,884	1.35%
Jerry L & Julie E Valencia	6	14,729	1,043,288	1,706,388	1.08%
Lumen Technologies Inc	2	13,684	1,033,383	1,033,383	1.07%
Lowell Industrial Development	2	11,595	875,618	875,618	0.91%
Perkins, Chad	3	10,887	770,761	1,457,872	0.80%
Demuth Family Trust	4	10,360	733,407	1,439,509	0.76%
J & K Property Holdings LLC	1	8,289	586,779	1,003,537	0.61%
Gardner Family Trust	1	7,637	540,640	1,299,091	0.56%
Walker, Richard J & Allison A	2	7,232	512,438	810,608	0.53%
		<u>\$ 140,613</u>	<u>\$ 10,253,349</u>	<u>\$ 15,322,590</u>	<u>10.66%</u>

Total City assessed valuation base for Fiscal Year 2023-24: \$ 96,208,901

Taxpayer Name	Fiscal Year 2022-23				
	Number of Parcels	Assessed Taxes	Taxable Assessed Value (TAV)	Estimated Real Market Value (RMV)	% of City Assessed Value
Tu-Mac Inc	1	\$ 30,145	\$ 2,293,020	\$ 2,293,020	2.63%
George Living Trust	5	17,753	1,265,375	2,753,310	1.45%
Jerry L & Julie E Valencia	6	14,206	1,012,904	1,527,734	1.16%
Lumen Technologies Inc	2	13,436	1,022,000	1,022,000	1.17%
Lowell Industrial Development	2	9,868	750,577	750,577	0.86%
J & K Property Holdings LLC	2	8,797	626,993	960,566	0.72%
Demuth Family Trust	4	8,590	612,275	1,315,514	0.70%
Perkins, Chad	3	7,522	536,250	1,015,036	0.61%
Gardner Family Trust	1	7,364	524,894	1,031,025	0.60%
Walker, Richard J & Allison A	3	6,973	497,292	780,082	0.57%
		<u>\$ 124,653</u>	<u>\$ 9,141,580</u>	<u>\$ 13,448,864</u>	<u>10.48%</u>

Total City assessed valuation base for Fiscal Year 2022-23: \$ 87,227,793

Source: Department of Assessment and Taxation, Lane County, Oregon

CITY OF LOWELL
Principal Tax Payers
Last Ten Fiscal Years

Fiscal Year 2021-2022					
Taxpayer Name	Number of Parcels	Assessed Taxes	Taxable Assessed Value (TAV)	Estimated Real Market Value (RMV)	% of City Assessed Value
Tu-Mac Inc	1	\$ 28,473	\$ 2,161,300	\$ 2,161,300	2.63%
George Living Trust	5	22,224	1,228,521	2,229,966	1.50%
Randy Kintzley G	1	15,410	266,123	487,615	0.32%
Jerry L & Julie E Valencia	5	13,822	983,405	1,340,846	1.20%
Lumen Technologies Inc	1	12,871	977,000	977,000	1.19%
McDougal Bros Investments	9	11,522	327,670	549,783	0.40%
Rachel & Adam Dilts	1	11,000	292,711	505,049	0.36%
Jeremy & Caryn Carlisle	1	10,949	291,462	502,215	0.35%
Michael & Amanda Ganieany	1	9,143	251,544	424,196	0.31%
Mary Lynn McBee	1	8,211	183,701	318,610	0.22%
		<u>\$ 143,624</u>	<u>\$ 6,963,437</u>	<u>\$ 9,496,580</u>	<u>8.48%</u>

Total City assessed valuation base for Fiscal Year 2021-2022: \$ 82,150,258

Fiscal Year 2020-2021					
Taxpayer Name	Number of Parcels	Assessed Taxes	Taxable Assessed Value (TAV)	Estimated Real Market Value (RMV)	% of City Assessed Value
Tu-Mac Inc	1	\$ 30,551	\$ 2,324,320	\$ 2,324,320	3.15%
Centurylink	2	13,433	1,022,000	1,022,000	1.39%
Lowell Industrial Development	2	11,893	904,838	904,838	1.23%
George Living Trust	5	11,776	841,505	1,441,763	1.14%
Valencia Jerry L & Julie E	5	9,184	656,029	790,153	0.89%
Silebi Benjamin M & Rebecca J	2	8,758	645,399	805,698	0.87%
J & K Property Holdings LLC	4	8,562	645,216	830,869	0.87%
Neet Robin C & Cheryl M	3	7,484	524,107	985,440	0.71%
Walker Richard J & Allison A	3	6,575	468,776	638,759	0.64%
Howell Mali & Ian	1	6,471	461,319	555,352	0.63%
		<u>\$ 114,686</u>	<u>\$ 8,493,509</u>	<u>\$ 10,299,192</u>	<u>11.51%</u>

Total City assessed valuation base for Fiscal Year 2020-2021: \$ 73,771,240

Fiscal Year 2019-2020					
Taxpayer Name	Number of Parcels	Assessed Taxes	Taxable Assessed Value (TAV)	Estimated Real Market Value (RMV)	% of City Assessed Value
Tu-Mac Inc	1	\$ 30,490	\$ 2,343,050	\$ 2,343,050	3.27%
Lowell Industrial Development	3	18,925	1,454,425	1,454,425	2.03%
Valencia Jerry L & Julie E	6	15,083	1,089,348	1,304,199	1.52%
George Living Trust	6	12,685	914,108	1,451,322	1.28%
Centurylink	2	12,609	969,000	969,000	1.35%
Neet Robin C & Cheryl M	3	7,201	508,843	896,625	0.71%
Moxley Caroline Viola	2	6,693	105,948	157,896	0.15%
Walker Richard J & Allison A	3	6,322	455,138	634,014	0.63%
C & S Development	18	6,253	459,735	606,480	0.64%
Howell Mali & Ian	1	6,223	447,883	545,683	0.62%
		<u>\$ 122,484</u>	<u>\$ 8,747,478</u>	<u>\$ 10,362,694</u>	<u>12.20%</u>

Total City assessed valuation base for Fiscal Year 2019-2020: \$ 71,684,509

Source: Department of Assessment and Taxation, Lane County, Oregon

CITY OF LOWELL
Principal Tax Payers
Last Ten Fiscal Years

Taxpayer Name	Fiscal Year 2018-2019				
	Number of Parcels	Assessed Taxes	Taxable Assessed Value (TAV)	Estimated Real Market Value (RMV)	% of City Assessed Value
Tu-Mac Inc	1	\$ 22,136	\$ 1,704,300	\$ 1,704,300	2.47%
Lowell Industrial Development	3	17,947	1,381,855	1,381,855	2.00%
George Living Trust	7	15,461	1,026,511	1,645,396	1.49%
Centurylink	2	14,936	1,150,000	1,150,000	1.67%
Valencia Jerry L & Julie E	6	14,269	1,028,832	1,356,025	1.49%
C & S Developments Inc	19	6,696	497,101	633,064	0.72%
Walker Richard J & Allison A	3	6,128	441,897	711,940	0.64%
Howell Mali & Ian	1	6,031	434,838	622,762	0.63%
Alexander Ryan E & Lynette R	1	5,944	433,257	496,716	0.63%
Rieger June E & Wesley T	1	5,882	424,054	635,747	0.61%
Lowell Investment Properties LLC	3	5,882	422,394	737,561	0.61%
		<u>\$ 121,312</u>	<u>\$ 8,945,039</u>	<u>\$ 11,075,366</u>	<u>12.96%</u>

Total City assessed valuation base for Fiscal Year 2018-2019: \$ 69,015,734

Taxpayer Name	Fiscal Year 2017-2018				
	Number of Parcels	Assessed Taxes	Taxable Assessed Value (TAV)	Estimated Real Market Value (RMV)	% of City Assessed Value
Tu-Mac Inc	1	\$ 21,797	\$ 1,853,510	\$ 1,853,510	2.77%
Lowell Industrial Development	3	16,479	1,396,807	1,407,380	2.09%
George William D & Ruth M	7	11,303	898,294	1,333,645	1.34%
Nelson Alexander & Patricia Ann	5	7,237	572,412	726,728	0.86%
Level 3 Communications LLC	1	6,573	558,929	558,929	0.84%
Centurylink	2	6,182	525,700	525,700	0.79%
C & S Developments Inc	19	5,840	482,633	593,524	0.72%
Walker Richard J & Allison A	3	5,424	429,040	667,477	0.64%
Valencia Jerry L & Julie E	1	5,392	426,453	528,373	0.64%
Vanmastrigt William	1	5,338	422,173	579,084	0.63%
		<u>\$ 91,565</u>	<u>\$ 7,565,951</u>	<u>\$ 8,774,350</u>	<u>11.30%</u>

Total City assessed valuation base for Fiscal Year 2017-2018: \$ 66,927,562

Taxpayer Name	Fiscal Year 2016-2017				
	Number of Parcels	Assessed Taxes	Taxable Assessed Value (TAV)	Estimated Real Market Value (RMV)	% of City Assessed Value
Tu-Mac Inc	1	\$ 23,956	\$ 2,037,830	\$ 2,037,830	3.16%
Lowell Industrial Development	3	16,065	1,366,620	1,366,620	2.12%
George William D & Ruth M	16	14,556	1,164,369	1,573,466	1.81%
Nelson Alexander & Patricia Ann	5	6,843	555,740	637,333	0.86%
Centurylink	2	6,303	536,200	536,200	0.83%
C & S Developments Inc	19	5,552	468,593	546,085	0.73%
Walker Richard J & Allison A	3	5,264	416,560	583,893	0.65%
Valencia Jerry L & Julie E	1	5,233	414,032	491,188	0.64%
Vanmastrigt William	1	5,180	409,877	498,221	0.64%
		<u>\$ 94,003</u>	<u>\$ 7,769,533</u>	<u>\$ 8,815,710</u>	<u>12.05%</u>

Total City assessed valuation base for Fiscal Year 2016-2017: \$ 64,476,416

Source: Department of Assessment and Taxation, Lane County, Oregon

CITY OF LOWELL
Principal Tax Payers
Last Ten Fiscal Years

Taxpayer Name	Fiscal Year 2015-2016				
	Number of Parcels	Assessed Taxes	Taxable Assessed Value (TAV)	Estimated Real Market Value (RMV)	% of City Assessed Value
Tu-Mac Inc	1	\$ 26,988	\$ 2,270,090	\$ 2,270,090	3.62%
Lowell Industrial Development	3	14,062	1,182,815	1,182,815	1.88%
George William D & Ruth M	7	10,862	855,895	1,208,295	1.36%
Nelson Alexander & Patricia Ann	5	6,611	539,552	601,535	0.86%
C & S Developments Inc	20	6,147	513,379	592,576	0.82%
Centurylink	2	6,122	515,000	515,000	0.82%
Walker Richard J & Allison A	3	5,165	404,442	550,808	0.64%
Valencia Jerry L & Julie E	1	5,116	401,973	469,380	0.64%
Vanmastrigt William	1	5,068	397,939	465,349	0.63%
	0	-	-	-	-
<i>** only 9 listed on Lane County Website</i>		<u>\$ 86,140</u>	<u>\$ 7,081,085</u>	<u>\$ 7,855,848</u>	<u>11.28%</u>
Total City assessed valuation base for Fiscal Year 2015-2016:			\$ 62,765,290		

Source: Department of Assessment and Taxation, Lane County, Oregon

CITY OF LOWELL
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activites	Business-Type Activities		Total Primary Government	Percentage of Personal Income *	Per Capita *
	Revenue Bonds and Notes Payable	Water Revenue and FF&C Bonds	Sewer Revenue and FF&C Bonds			
15-16	\$ -	\$ 1,040,827	\$ 689,685	\$ 1,730,512	4.20%	1,625
16-17	-	1,008,519	662,173	1,670,692	3.94%	1,561
17-18	-	974,981	634,184	1,609,165	3.62%	1,504
18-19	530,000	940,161	605,695	2,075,856	4.50%	1,931
19-20	512,905	904,009	576,683	1,993,597	4.21%	1,829
20-21	886,129	1,051,826	1,598,946	3,536,901	6.90%	2,921
21-22	864,089	1,022,504	516,981	2,403,574	4.36%	1,946
22-23	763,463	992,441	481,238	2,237,142	3.98%	1,807
23-24	729,965	961,473	444,867	2,136,305	3.47%	1,694
24-25	697,956	929,570	407,840	2,035,366	3.30%	1,558

Source: * Personal income and population data can be found on the demographics statistics page
City of Lowell, Financial Database

Notes: Details regarding the City's outstanding debt can be found in the Notes to Basic Financial Statem

CITY OF LOWELL
 Computation of Legal Debt Margin
 Last Ten Fiscal Years

	2025	2024	2023	2022	2021
Total Real Market Value	\$ 241,899,201	\$ 227,774,375	\$ 203,956,062	\$ 168,202,694	\$ 129,834,847
Legal debt margin:					
Debt limitation:					
3 percent of total real market value	7,256,976	6,833,231	6,118,682	5,046,081	3,895,045
Debt applicable to limitation:					
General obligation debt	-	-	-	-	-
Less: Amount Available for repayment of general obligation bond principal	-	-	-	-	-
Total debt applicable to limitation	-	-	-	-	-
Legal debt margin	\$ 124,578,089	\$ 117,303,803	\$ 105,037,372	\$ 86,624,387	\$ 66,864,946
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%	0%

	2020	2019	2018	2017	2016
Total Real Market Value	\$ 123,729,680	\$ 117,576,623	\$ 108,244,103	\$ 94,410,652	\$ 90,378,891
Legal debt margin:					
Debt limitation:					
3 percent of total real market value	3,711,890	3,527,299	3,247,323	2,832,320	2,711,367
Debt applicable to limitation:					
General obligation debt	-	-	-	-	-
Less: Amount Available for repayment of general obligation bond principal	-	-	-	-	-
Total debt applicable to limitation	-	-	-	-	-
Legal debt margin	\$ 63,720,785	\$ 60,551,961	\$ 55,745,713	\$ 48,621,486	\$ 46,545,129
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%	0%

Note: Oregon revised Statutes (ORS) 287A050(2) states: "unless the city charter provides a lesser limitation, a city may not issue or have outstanding at the time of issuance general obligation bonds in a principal amount that exceeds three percent of the real market value of the taxable property within its boundaries, calculated as provided in ORS 308.207".

CITY OF LOWELL
Demographic Statistics
Last Ten Fiscal Years

Fiscal Year	Population ¹	Personal Income ² (in thousands)	Per Capita Personal Income ³	Median Household Income ⁴	Median Age ⁵	School Enrollment ⁶	Unemployment Rate ⁷
14-15	1,060	\$ 41,071	\$ 38,746	\$ 46,125	39.9	318	6.78
15-16	1,065	43,661	41,190	53,438	43.7	287	5.66
16-17	1,070	45,152	42,396	55,375	40.5	302	5.01
17-18	1,070	47,525	44,416	56,726	39.8	343	4.38
18-19	1,075	49,353	46,124	57,083	41.6	284	4.34
19-20	1,090	50,891	47,340	55,729	46.7	262	3.98
20-21	1,211	62,090	51,272	55,795	47.9	209	7.94
21-22	1,235	68,105	55,146	52,431	47.2	202	5.50
22-23	1,238	69,561	56,188	64,135	48.8	243	4.30
23-24	1,261	77,720	61,634	90,078	51.2	249	4.00
24-25	1,306	80,494	61,634	90,078	51.2	249	4.00

Sources:

- 1 *Center for Population Research and Census, PSU; www.pdx.edu/population-research/population-estimate-reports
Population Estimates are certified as of July 1st and published around November 15th of each year*
- 2 *Estimation; Calculated, Population multiplied by Per Capita Personal Income*
- 3 *Bureau of Economic Analysis; www.bea.gov; for Eugene-Springfield, OR MSA, Table CAINC1
Prior year estimates available in November of the ensuing year*
- 4 *United States Census Bureau; [https://data.census.gov/cedsci/table?q=Lowell city, Oregon Income and Poverty](https://data.census.gov/cedsci/table?q=Lowell%20city,%20Oregon%20Income%20and%20Poverty)*
- 5 *United States Census Bureau; [https://data.census.gov/cedsci/table?q=Lowell city, Oregon Populations and People](https://data.census.gov/cedsci/table?q=Lowell%20city,%20Oregon%20Populations%20and%20People)*
- 6 *United States Census Bureau; [https://data.census.gov/cedsci/table?q=Lowell city, Oregon Education](https://data.census.gov/cedsci/table?q=Lowell%20city,%20Oregon%20Education)*
- 7 *Bureau of Labor Statistics; <https://data.bls.gov>; for Eugene, OR MSA*

Notes:

- 1 *Calendar year statistics are matched to the first half of the fiscal year*
- 2 *US Census 2020 data release date for American Community Survey is in November each year*
- 3 *Per Capita Personal Income, Median Household Income, Median Age & School Enrollment reflects last year's data and will be updated when data becomes available from the US Census Bureau*
- 4 *Per Capita Personal Income, Median Household Income, Median Age, School Enrollment and the Unemployment rate have not been published yet for the current year. As a result, last year's data has been used.*

CITY OF LOWELL
Top Fifteen Water System Customers
by units of Consumption as of June 30, 2023

Customer	Account Type	Percentage of Total Consumption
COL - Paul Fisher Park Irrigation	Government	1.98%
Covered Bridge Estates	Multi-Family	1.53%
Nelson, Mia	Residential	1.39%
Lowell School District (BCA)	School	1.33%
Lauer, Sandra	Residential	1.07%
COL - Rolling Rock Park	Government	0.94%
Lowell School District (HS)	School	0.84%
Lowell School District (MOT)	School	0.81%
COL - Sewer Plant	Government	0.73%
Mark, David & Molly	Residential	0.70%
Bridge Town Market	Commercial	0.63%
Lybarger, Chad	Residential	0.62%
Lowell School District (Lundy)	School	0.60%
Dilts, Racheal	Residential	0.55%
Martini, Jimmy & Mindy	Residential	0.53%

Source: City Utility Database

CITY OF LOWELL
Full-time Equivalent Employees by Function/Program
Last Ten Fiscal Years

Full-time equivalent employees based on adopted budget

Function or Program	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016*
General Government										
Administration	0.25	0.20	0.20	0.20	0.20	0.15	0.15	0.15	0.15	0.65
Finance/City Clerk	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.54
Facilities	0.06	0.06	0.06	0.06	0.06	0.03	0.18	0.18	0.18	0.20
	<u>0.41</u>	<u>0.36</u>	<u>0.36</u>	<u>0.36</u>	<u>0.36</u>	<u>0.28</u>	<u>0.43</u>	<u>0.43</u>	<u>0.43</u>	<u>1.39</u>
Public Safety										
Administration	0.05	0.05	0.10	0.10	0.10	0.10	0.10	0.10	0.10	-
Municipal Court ²	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	-
Code Enforcement	0.05	0.05	-	0.05	0.05	0.05	0.05	0.05	0.05	-
Police ¹	-	-	-	-	-	-	-	-	-	-
	<u>0.15</u>	<u>0.15</u>	<u>0.15</u>	<u>0.20</u>	<u>0.20</u>	<u>0.20</u>	<u>0.20</u>	<u>0.20</u>	<u>0.20</u>	<u>-</u>
Community Development										
Administration	0.05	0.05	0.07	0.05	-	0.05	0.05	0.05	0.05	-
Planning & Land Use ³	0.03	0.03	0.03	-	-	0.05	0.05	0.05	0.05	-
Building ²	0.12	0.12	0.05	0.05	0.05	0.05	0.05	0.05	0.05	-
Engineering ¹	-	-	-	-	-	-	-	-	-	-
	<u>0.20</u>	<u>0.20</u>	<u>0.15</u>	<u>0.10</u>	<u>0.05</u>	<u>0.15</u>	<u>0.15</u>	<u>0.15</u>	<u>0.15</u>	<u>-</u>
Public Works										
Administration	0.53	0.58	0.58	0.60	0.60	0.60	0.60	0.60	0.60	0.35
Finance/City Clerk	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	1.20
Water Facilities	1.66	1.38	1.40	1.39	1.39	1.28	1.28	1.28	1.28	1.37
Sewer Facilities	1.66	1.38	1.40	1.39	1.39	1.28	1.28	1.28	1.28	1.37
Streets	0.30	0.20	0.20	0.20	0.20	0.41	0.41	0.41	0.41	0.28
	<u>4.95</u>	<u>4.34</u>	<u>4.38</u>	<u>4.38</u>	<u>4.38</u>	<u>4.37</u>	<u>4.37</u>	<u>4.37</u>	<u>4.37</u>	<u>4.57</u>
Culture & Recreation										
Administration	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	-
Parks	0.42	0.69	0.68	0.68	0.68	0.58	0.43	0.43	0.43	0.42
Library	0.81	0.59	0.59	0.59	0.09	0.40	-	-	-	-
	<u>1.28</u>	<u>1.33</u>	<u>1.32</u>	<u>1.32</u>	<u>0.82</u>	<u>1.03</u>	<u>0.48</u>	<u>0.48</u>	<u>0.48</u>	<u>0.42</u>
<i>Total Full-time equivalents</i>	<u><u>6.99</u></u>	<u><u>6.38</u></u>	<u><u>6.36</u></u>	<u><u>6.36</u></u>	<u><u>5.81</u></u>	<u><u>6.03</u></u>	<u><u>5.63</u></u>	<u><u>5.63</u></u>	<u><u>5.63</u></u>	<u><u>6.38</u></u>

Sources:

City's adopted budget for relevant fiscal year

Notes:

1

Contracted Service, no City Employees

2

Finance/City Clerk allocated for duties related to these activities, a portion of services are contracted

3

Public Works allocated for duties related to these activities, a portion of services are contracted

*

FY 2016 & prior, no allocations were made for general fund departments

COMPLIANCE SECTION

CITY OF LOWELL
INDEPENDENT AUDITOR'S REPORT
REQUIRED BY OREGON STATE REGULATIONS

As of June 30, 2025

To the Governing Body of the City of Lowell, Oregon
Lowell, Oregon

We have audited the basic financial statements of the City of Lowell as of and for the year ended June 30, 2025, and have issued our report thereon dated December 26, 2025. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

As part of obtaining reasonable assurance about whether the City of Lowell's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to the following:

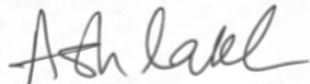
- **Deposit of public funds with financial institutions (ORS Chapter 295).**
- **Indebtedness limitations, restrictions and repayment.**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **Programs funded from outside sources.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**

In connection with our testing nothing came to our attention that caused us to believe the City was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the City's internal control over financial reporting.

This report is intended solely for the information and use of the City Council and management of City of Lowell and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.



Ashraf Lakhani Farishta, CPA
Umpqua Valley Financial
Roseburg, Oregon
December 26, 2025