

CITY OF LOWELL
LANE COUNTY, OREGON

ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended: June 30, 2024



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FINANCIAL
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For the Fiscal Year Ended: June 30, 2024

Prepared by the Finance Department
of the City of Lowell

Annual Financial Report
 Fiscal Year Ending: June 30, 2024
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INTRODUCTORY SECTION

CITY OF LOWELL

CITY OFFICIALS

June 30, 2024

ELECTED OFFICIALS

<u>Position</u>	<u>Title</u>	<u>Name and Address</u>	<u>Term Expires</u>
1	Mayor	Don Bennett 540 Sunridge Lane Lowell, OR 97452	December 31, 2026
2	Council Member	Jimmy Murray 72 Wetleau Dr Lowell, OR 97452	December 31, 2024
3	Council Member	Maureen Weathers PO Box 39 Lowell, OR 97452	December 31, 2024
4	Council Member	Tim Stratis PO Box 342 Lowell, OR 97452	December 31, 2026
5	Council President	Gail Harris PO Box 328 Lowell, OR 97452	December 31, 2024

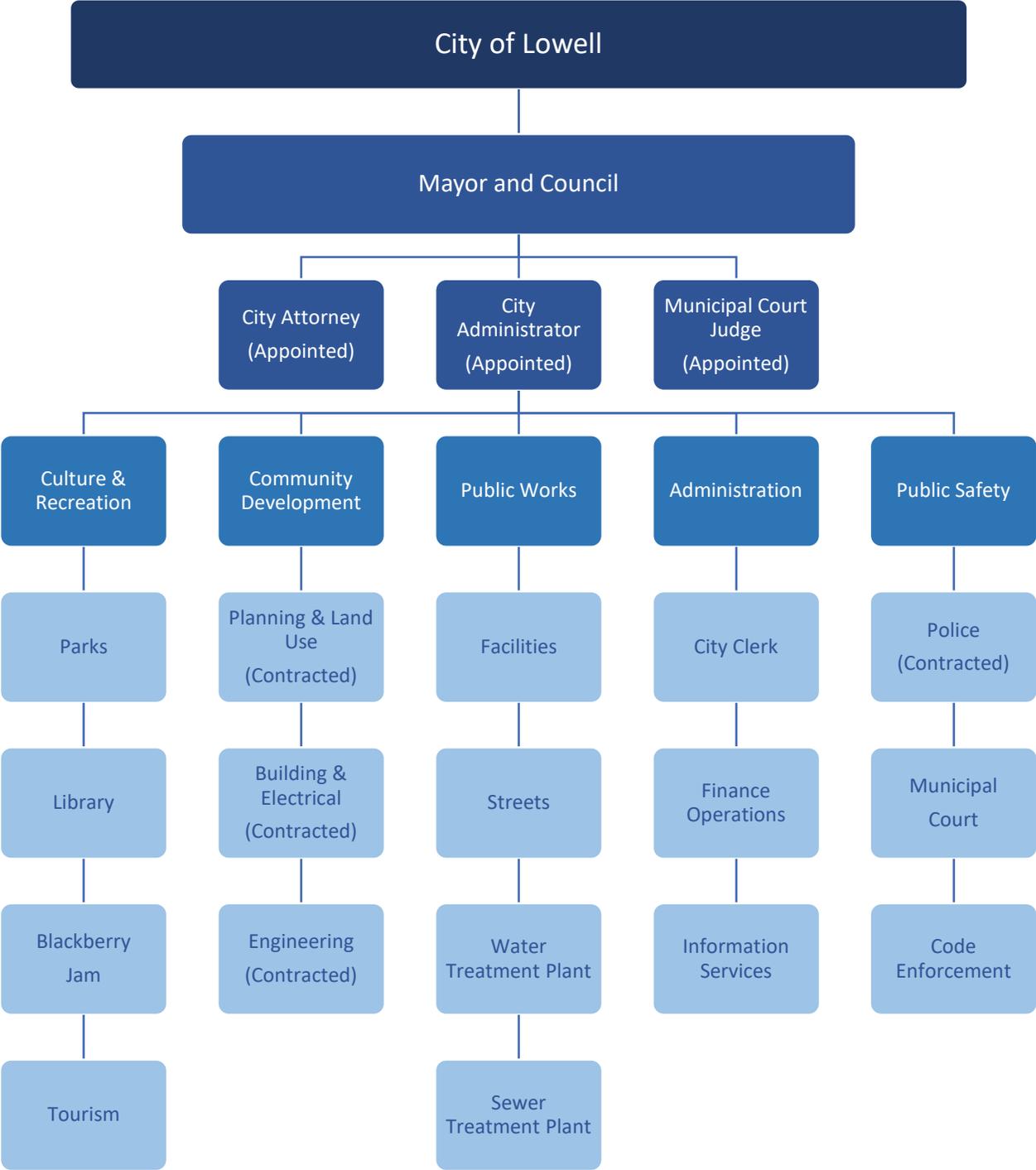
APPOINTED OFFICIALS

<u>Title</u>	<u>Name</u>	<u>Appointed</u>
City Administrator	Jeremy Caudle	January 4, 2021
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, 2024, 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, 2022, 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, 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 District's basic financial statements. The schedules of revenues, expenditures and changes in fund balances – budget and actuals 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 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 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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 supplementary information is presented for the purpose of additional analysis and is not a required part of the basic financial statements of the City of Lowell.

The supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain other 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 basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the financial statements taken 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 20, 2024, 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.



Steve Tuchscherer, CPA
Umpqua Valley Financial, LLC
Roseburg, Oregon
December 20, 2024

MANAGEMENT'S DISCUSSION & ANALYSIS

CITY OF LOWELL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ending June 30, 2024

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 \$11,354,204, a decrease of \$154,306 from the previous year primarily a 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 \$2,181,056, a decrease of \$102,495 from the previous year, primarily a result of debt service payments made.
- The City's total debt outstanding decreased \$100,836 or 5% during the current fiscal year. This decrease is the result of annual debt service payments made.
- The City's Net Position decreased \$112,566 in governmental activities and increased \$60,755 in business-type activities for a combined decrease of \$51,811 from the previous year.
- For its governmental activities, the City received \$200,055 in tax revenue, up \$12,068, or 6% over the prior year.
- For its business-type activities, the City recognized \$1,145,469 in program revenue including \$1,063,742 in charges for services, reflecting an overall decrease of 37.8% versus the prior year, primarily due to a decrease in capital contributions.
- The City's governmental funds reported a combined fund balance of \$647,216, a decrease of \$14,585 from the previous fiscal year. Of the total fund balance reported, \$534,219 is considered non-spendable, restricted, committed, or assigned. The remaining \$112,996 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, 2024

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, 2024

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 \$9,173,148.

CITY OF LOWELL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ending June 30, 2024

CITY OF LOWELL – NET POSITION

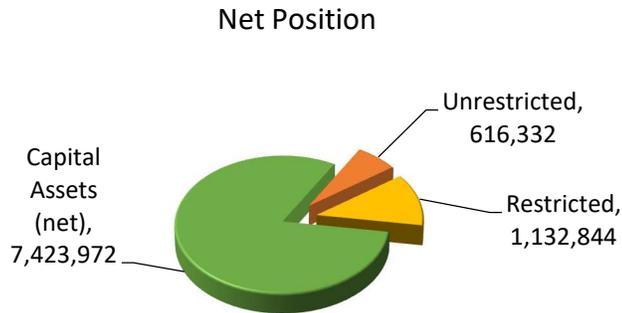
The table below reflects a summary of net position compared to the prior fiscal year; the following notes summarize the major changes to net position.

	Government		Business		Total	
	June 2024	June 2023	June 2024	June 2023	June 2024	June 2023
Current and other assets	\$ 647,736	\$ 665,960	\$ 1,146,191	\$ 1,016,732	\$ 1,793,927	\$ 1,682,692
Capital assets	5,303,668	5,435,146	4,256,609	4,390,672	9,560,277	9,825,818
Total assets	\$ 5,951,404	\$ 6,101,106	\$ 5,402,800	\$ 5,407,404	\$ 11,354,204	\$ 11,508,510
Current liabilities	\$ 32,531	\$ 37,656	\$ 113,159	\$ 109,589	\$ 145,690	\$ 147,245
Non-current liabilities	697,955	729,966	1,337,411	1,406,340	2,035,366	2,136,306
Total liabilities	\$ 730,486	\$ 767,622	\$ 1,450,570	\$ 1,515,929	\$ 2,181,056	\$ 2,283,551
Net position:						
Net investment in capital assets	\$ 4,573,703	\$ 4,671,683	\$ 2,850,269	\$ 2,916,993	\$ 7,423,972	\$ 7,588,676
Restricted	519,778	442,494	613,066	636,251	1,132,844	1,078,745
Unrestricted	127,437	219,307	488,895	338,231	616,332	557,538
Total net position	\$ 5,220,918	\$ 5,333,484	\$ 3,952,230	\$ 3,891,475	\$ 9,173,148	\$ 9,224,959

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 \$1,793,927, an increase of \$111,235 over the previous year. The City’s total non-current liabilities equal \$2,035,366, a decrease of \$100,940 from the previous fiscal year.

81% 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. 12% 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 7% 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, 2024

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 2024	June 2023	June 2024	June 2023	June 2024	June 2023
Revenues:						
Program revenues:						
Charges for service	\$ 45,389	\$ 50,075	\$ 1,063,742	\$ 976,159	\$ 1,109,131	\$ 1,026,234
Capital grants & contributions	6,250	773,111	80,028	578,560	86,278	1,351,671
Operating grants	164,827	291,104	1,699	23,826	166,526	314,930
Total program revenues	216,466	1,114,290	1,145,469	1,578,545	1,361,935	2,692,835
General revenues:						
Property taxes	200,055	187,987	-	-	200,055	187,987
Franchise & public service taxes	80,451	103,436	-	-	80,451	103,436
Investment earnings	21,016	8,615	35,205	15,046	56,221	23,661
Other	551	2,559	11,019	5,470	11,570	8,029
Gain (loss) on sale of asset	-	81,788	-	-	-	81,788
Total general revenues	302,073	384,385	46,224	20,516	348,297	404,901
Total revenues:	518,539	1,498,675	1,191,693	1,599,061	1,710,232	3,097,736
Expenses:						
General government	193,045	158,782	-	-	193,045	158,782
Culture & recreation	201,696	212,465	-	-	201,696	212,465
Public safety	36,356	33,663	-	-	36,356	33,663
Community Development	53,284	123,426	-	-	53,284	123,426
Code Enforcement	6,852	6,974	-	-	6,852	6,974
Tourism	1,067	1,223	-	-	1,067	1,223
Municipal court	13,975	14,040	-	-	13,975	14,040
Highways & streets	124,830	121,391	-	-	124,830	121,391
Building	-	-	38,832	84,599	38,832	84,599
Water	-	-	505,327	526,955	505,327	526,955
Sewer	-	-	586,779	524,562	586,779	524,562
Total expenses:	631,105	671,964	1,130,938	1,136,116	1,762,043	1,808,080
Change in net position	(112,566)	826,711	60,755	462,945	(51,811)	1,289,656
Beginning net position	5,333,484	4,506,773	3,891,475	3,428,530	9,224,959	7,935,303
Ending net position	\$ 5,220,918	\$ 5,333,484	\$ 3,952,230	\$ 3,891,475	\$ 9,173,148	\$ 9,224,959

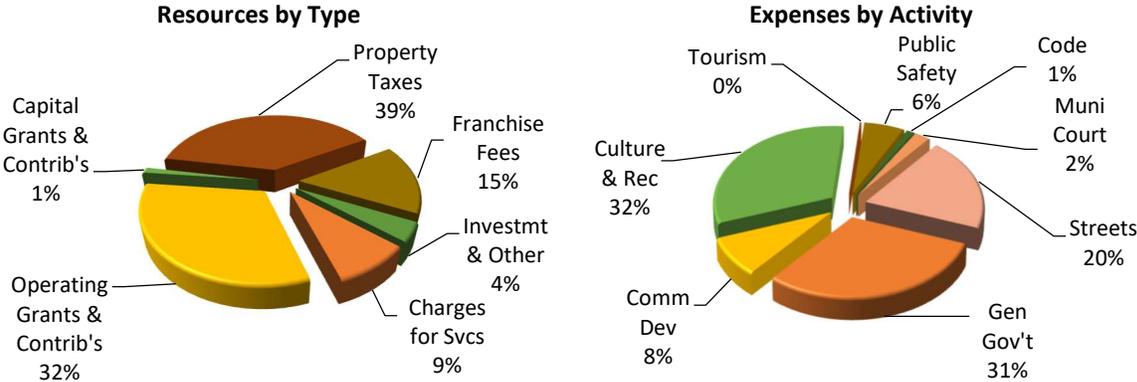
CITY OF LOWELL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ending June 30, 2024

Governmental Activities

The net position for governmental activities decreased \$112,566 from the prior year. This decrease is mainly the result of ongoing operations for governmental activities.

Financial highlights from governmental activities for the year include:

- Property taxes comprise approximately 38% of governmental resources. For operating purposes, property tax revenues increased \$12,068 over last year, as allowed by statute.
- Charges for services represent 8.8% of governmental resources which include: Land use and other permits and licenses, reimbursement SDC's, festival revenue and court fines.
- Franchise fees decreased \$22,985 from last year, mainly the result of the discontinuation of water and sewer franchise fees received in the General Fund from the Water and Sewer operating funds.
- The major differences to governmental revenue include: a decrease in capital grants and contributions of \$766,861. Last year the city recognized capital contributions in the amount of \$707,085 for infrastructure improvements at Crestview Estates and a gain on the sale of three city owned properties of \$81,788. This year, capital grants consist of community donations designated for parks improvements and the library totaling \$6,250. The decrease in operating grants of \$126,277 is mainly due to the American Rescue Plan Act grant monies received in the prior year.
- Other changes in governmental revenue include an increase in land use planning fees of \$3,376, an increase in investment revenue of \$12,041, and a decrease in franchise fees of \$22,985.
- Total governmental activity expenses decreased \$40,859 mainly due to a reduction in costs associated with land use applications of \$70,142, along with an increase in legal fees of \$36,630 mostly the result of potential litigation regarding emergency repairs to North First Street, as well as a decrease of \$10,769 in culture and recreation.



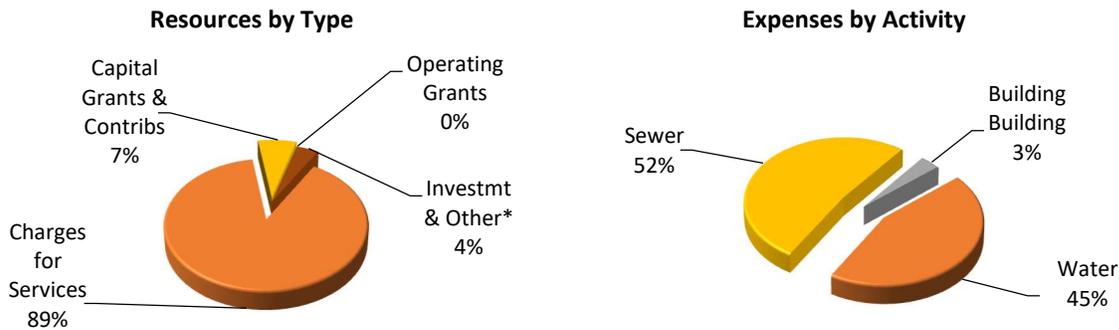
CITY OF LOWELL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ending June 30, 2024

Business Activities

Business-type activities resulted in a \$60,755 increase to net position over the prior year mainly the result of an increase to water and sewer utility rates, and an overall decrease in operational expenses.

Key activities during the fiscal year include:

- Charges for services in the water and sewer funds generated the majority of the \$1,145,469 in revenues for all business-type activities.
- Capital grants and contributions decreased \$498,532 mainly due to contributed capital of \$435,860 in the prior year.
- Operating grants decreased \$22,127 due to Oregon Business Development Department grants for the water and sewer master plan updates in the prior year.
- Expenses decreased \$5,178 which includes a decrease of \$45,767 for the Building Fund, a decrease of \$21,628 for the Water Fund, and an increase of \$62,217 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 2024	June 2023	June 2024	June 2023	June 2024	June 2023
General Fund	\$ 112,996	\$ 203,225	\$ -	\$ -	\$ 112,996	\$ 203,225
Street Fund	173,401	130,804	-	-	173,401	130,804
SDC Fund(s)	285,045	272,415	-	-	285,045	272,415
Culture & Recreation	22,789	20,430	-	-	22,789	20,430
Tourism	52,984	34,927	-	-	52,984	34,927
Building Fund	-	-	44,107	68,793	44,107	68,793
Water Operating Fund	-	-	1,593,164	1,469,987	1,593,164	1,469,987
Water SDC Fund	-	-	461,733	438,835	461,733	438,835
Water Reserve Fund	-	-	41,933	40,352	41,933	40,352
Sewer Operating Fund	-	-	1,701,653	1,716,444	1,701,653	1,716,444
Sewer SDC Fund	-	-	93,042	140,993	93,042	140,993
Sewer Reserve Fund	-	-	16,598	16,071	16,598	16,071
Total:	\$ 647,215	\$ 661,801	\$ 3,952,230	\$ 3,891,475	\$ 4,599,445	\$ 4,553,276

CITY OF LOWELL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ending June 30, 2024

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 \$647,215, of which \$112,996 is unassigned. Of the remaining amount \$522,101 is restricted or committed for capital projects, SDC's, streets, culture & recreation and tourism and \$12,118 is assigned for the Blackberry Jam.

Business-type (Proprietary) funds

The Water, Sewer and Building funds ended the year with a \$60,755 increase in net position, for a combined net position of \$3,952,230.

- The Water fund ended the fiscal year with a net position of \$2,096,830, with \$141,456 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 \$1,811,293, with \$303,092 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 \$44,107, 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, 2024. The Council approved four amendments to the General Fund budget which were approved by resolution. The adjustments include:

- An increase to library materials and services of \$12,809 due to a Roundhouse Foundation grant award of \$2,500 and an Oregon Heritage grant award of \$10,309.
- An increase to community development of \$2,000 due to a Department of Land Conservation & Development grant award.
- A change in appropriations within the general fund increasing the library materials and services by \$8,500 and police materials and services by \$500, with an offsetting decrease to general fund contingencies of \$9,000.

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 \$9,560,278 (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). The only major addition this year is construction in progress in the amount of \$106,558 for a new SCADA system at the Water Treatment Plant.

CITY OF LOWELL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ending June 30, 2024

	Government		Business		Total	
	June 2024	June 2023	June 2024	June 2023	June 2024	June 2023
Land	\$ 2,681,918	\$ 2,681,918	\$ 92,179	\$ 92,179	\$ 2,774,097	\$ 2,774,097
Construction in progress	31,146	31,146	106,558	-	137,704	31,146
Buildings	1,017,347	1,017,347	124,989	124,989	1,142,336	1,142,336
Infrastructure	2,377,287	2,377,287	9,776,825	9,776,825	12,154,112	12,154,112
Equipment & furnishings	92,071	92,071	133,208	133,208	225,279	225,279
Vehicles & rolling stock	52,147	52,147	55,846	55,846	107,993	107,993
Total:	6,251,916	6,251,916	10,289,605	10,183,047	16,541,521	16,434,963
Accum depreciation:	(948,247)	(816,770)	(6,032,996)	(5,792,375)	(6,981,243)	(6,609,145)
Net capital assets:	\$ 5,303,669	\$ 5,435,146	\$ 4,256,609	\$ 4,390,672	\$ 9,560,278	\$ 9,825,818

Debt Administration

Governmental debt outstanding of \$729,965 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 \$1,406,341 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 \$100,836 reflects current year repayment. Of the total debt, \$100,939 is due within one year, and \$2,035,367 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 2024	June 2023	June 2024	June 2023	June 2024	June 2023
Long term obligations:						
Notes payable:						
Gov't Capital Note (256156)	\$ 436,687	\$ 456,986	\$ -	\$ -	\$ 436,687	\$ 456,986
Business Oregon (J05001)	-	-	74,837	85,273	74,837	85,273
Business Oregon (G02002)	-	-	102,908	126,889	102,908	126,889
Business Oregon (L21001)	72,751	76,253	162,290	170,101	235,041	246,354
Business Oregon (L22010)	220,527	230,224	-	-	220,527	230,224
USDA RUS (91-03)	-	-	761,765	779,703	761,765	779,703
USDA RUS (92-05)	-	-	304,541	311,713	304,541	311,713
Total obligations:	\$ 729,965	\$ 763,463	\$ 1,406,341	\$ 1,473,679	\$ 2,136,306	\$ 2,237,142

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, 2024

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 2024-2025 budget was approved by the City Council on June 18, 2024, in the total amount of \$4,772,465, which includes \$81,886 in reserves and ending fund balances, \$280,595 in debt service and \$2,355,158 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 Police, Municipal Court, Library, Parks and Recreation and Community Development. Property taxes are budgeted at \$205,095 for the ensuing fiscal year.

Franchise fees and privilege taxes are the second largest revenue source for the General Fund, budgeted at \$86,263, 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 the discontinuation of in lieu of franchise fees for the City's water and sewer utilities, which were rescinded by Council via Resolution 808.

Intergovernmental revenues in the General Fund, budgeted at \$41,588, 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 \$95,000. Shared revenues are anticipated to increase slightly.

The personal services budget includes a 3% cost of living increase to the pay scale approved by resolution. No merit increase is projected for employees this fiscal year. Medical benefits are anticipated to increase 3%, and Public Employees Retirement System (PERS) rates will remain flat.

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, as such:

- Water rates remain flat with a slight increase to bulk water and fire hydrant rates beginning July 1, 2024
- Sewer rates will increase 4.8%, effective July 1, 2023

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 2023 population estimate is 1,261, reflecting a 2% 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:

Jeremy Caudle
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, 2024

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 647,736	\$ 1,146,191	\$ 1,793,927
Other current assets	-	-	-
Total current assets	<u>647,736</u>	<u>1,146,191</u>	<u>1,793,927</u>
Non-current assets:			
Capital assets:			
Land	2,681,918	92,179	2,774,097
Buildings and facilities	1,017,347	124,989	1,142,336
Equipment and furnishings	92,071	133,208	225,279
Vehicles and rolling stock	52,147	55,847	107,994
Infrastructure	2,377,286	9,776,825	12,154,111
Construction in progress	31,146	106,558	137,704
Less accumulated depreciation	<u>(948,247)</u>	<u>(6,032,997)</u>	<u>(6,981,244)</u>
Total non-current assets	<u>5,303,668</u>	<u>4,256,609</u>	<u>9,560,277</u>
Total assets	<u>\$ 5,951,404</u>	<u>\$ 5,402,800</u>	<u>\$ 11,354,204</u>
LIABILITIES			
Current liabilities:			
Utility deposits	\$ -	\$ 43,120	\$ 43,120
Utility donations	-	1,110	1,110
Bail Held	315	-	315
Lane Electric Co-op pay station	-	-	-
Other deposits	206	-	206
Accounts Payable	-	-	-
Notes payable - current	<u>32,010</u>	<u>68,929</u>	<u>100,939</u>
Total current liabilities	<u>32,531</u>	<u>113,159</u>	<u>145,690</u>
Non-current liabilities:			
Notes payable - noncurrent	<u>697,955</u>	<u>1,337,411</u>	<u>2,035,366</u>
Total non-current liabilities	<u>697,955</u>	<u>1,337,411</u>	<u>2,035,366</u>
Total liabilities	<u>730,486</u>	<u>1,450,570</u>	<u>2,181,056</u>
NET POSITION			
Net investment in capital assets	4,573,703	2,850,269	7,423,972
Restricted for:			
Culture and recreation	8,348	-	8,348
Tourism	52,984	-	52,984
Streets	173,401	-	173,401
Debt service	-	58,531	58,531
Capital projects (SDC)	285,045	554,775	839,820
Unrestricted	<u>127,437</u>	<u>488,655</u>	<u>616,092</u>
Total net position	<u>\$ 5,220,918</u>	<u>\$ 3,952,230</u>	<u>\$ 9,173,148</u>

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, 2024

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	\$ 193,045	\$ 2,890	\$ 40,054	\$ -	\$ (150,101)	\$ -	(150,101)
Culture & Recreation	201,696	9,514	5,631	4,985	(181,566)	-	(181,566)
Public Safety	36,356	-	-	-	(36,356)	-	(36,356)
Community Development	53,284	26,165	2,000	-	(25,119)	-	(25,119)
Code Enforcement	6,852	773	-	-	(6,079)	-	(6,079)
Tourism	1,067	-	19,124	-	18,057	-	18,057
Municipal Court	13,975	5,943	-	-	(8,032)	-	(8,032)
Highways & Streets	124,830	104	98,018	1,265	(25,443)	-	(25,443)
Total governmental activities	<u>631,105</u>	<u>45,389</u>	<u>164,827</u>	<u>6,250</u>	<u>(414,639)</u>	<u>-</u>	<u>(414,639)</u>
Business-type activities:							
Building	38,832	13,723	-	-	-	(25,109)	(25,109)
Water	505,327	542,225	1,699	77,886	-	116,483	116,483
Sewer	586,779	507,794	-	2,142	-	(76,843)	(76,843)
Total business-type activities	<u>1,130,938</u>	<u>1,063,742</u>	<u>1,699</u>	<u>80,028</u>	<u>-</u>	<u>14,531</u>	<u>14,531</u>
Total primary government	<u>1,762,043</u>	<u>1,109,131</u>	<u>166,526</u>	<u>86,278</u>	<u>(414,639)</u>	<u>14,531</u>	<u>(400,108)</u>
General Revenues							
Property Taxes, levies for general purposes					200,055	-	200,055
Franchise fees					80,451	-	80,451
Unrestricted Investment earnings					21,016	35,205	56,221
Miscellaneous					551	11,019	11,570
Net Gain (loss) on sale of assets					-	-	-
Total general revenues and transfers					<u>302,073</u>	<u>46,224</u>	<u>348,297</u>
Changes in net position					(112,566)	60,755	(51,811)
Net position - beginning					5,333,484	3,891,475	9,224,959
Net position - ending					<u>\$ 5,220,918</u>	<u>\$ 3,952,230</u>	<u>\$ 9,173,148</u>

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, 2024

	General Fund	Street Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 177,172	\$ 173,401	\$ 297,163	\$ 647,736
Total assets	<u>177,172</u>	<u>173,401</u>	<u>297,163</u>	<u>647,736</u>
LIABILITIES, AND FUND BLANCES				
Liabilities:				
CET Tax Collected	-	-	-	-
Lane Electric Co-op pay station	-	-	-	-
Other Deposits	206	-	-	206
Total liabilities	<u>521</u>	<u>-</u>	<u>-</u>	<u>521</u>
Fund Equity:				
Restricted for:				
Streets	-	173,401	-	173,401
Parks SDC	-	-	110,250	110,250
Streets SDC	-	-	85,485	85,485
Stormwater SDC	-	-	89,310	89,310
Library Capital Donations	5,698	-	-	5,698
Parks Capital Donations	2,650	-	-	2,650
Tourism	52,984	-	-	52,984
Committed for:				
Property Maintenance	2,323	-	-	2,323
Assigned for:				
Blackberry Jam Festival	-	-	12,118	12,118
Unassigned	112,996	-	-	112,996
Total fund balances	<u>176,651</u>	<u>173,401</u>	<u>297,163</u>	<u>647,215</u>
Total liabilities and fund balances	<u>\$ 177,172</u>	<u>\$ 173,401</u>	<u>\$ 297,163</u>	<u>\$ 647,736</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, 2024

Total fund balances - governmental funds	\$ 647,215
<i>Amounts reported for governmental activities in the Statement of Net Position are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation	5,303,669
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Notes and bonds	(729,966)
Net Position of Governmental Activities	<u>\$ 5,220,918</u>

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, 2024

	General Fund	Street Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Property Taxes	\$ 200,055	\$ -	\$ -	\$ 200,055
Intergovernmental	40,054	98,018	-	138,072
Grants	25,463	-	-	25,463
Franchise fees	80,451	-	-	80,451
Licenses and permits	26,938	-	-	26,938
Reimbursement SDC's	47	104	-	151
SDC Fees	-	-	2,250	2,250
Charges for services	4,165	-	-	4,165
Fees and fines	5,943	-	-	5,943
Investment earnings	6,722	3,913	10,382	21,017
Miscellaneous	1,178	-	666	1,844
Fundraising and event receipts	4,000	-	8,192	12,192
Total Revenues	395,016	102,035	21,490	518,541
EXPENDITURES				
Current:				
General government	144,187	-	-	144,187
Parks	88,357	-	-	88,357
Public safety	36,356	-	-	36,356
Community development	53,284	-	-	53,284
Library	66,735	-	-	66,735
Code enforcement	6,852	-	-	6,852
Tourism	1,067	-	-	1,067
Municipal court	13,975	-	-	13,975
Highways and streets	-	54,266	-	54,266
Blackberry Jam Festival	-	-	10,501	10,501
Debt service:				
Principal	29,995	3,502	-	33,497
Interest	22,380	1,670	-	24,050
Capital Outlay:				
Total Expenditures	463,188	59,438	10,501	533,127
Excess (deficiency) of revenues over expenditures	(68,172)	42,597	10,989	(14,586)
OTHER FINANCING SOURCESS (USES)				
Proceeds from loan	-	-	-	-
Proceeds from disposition of assets	-	-	-	-
Total other financing sources and uses	-	-	-	-
Net change in fund balances	(68,172)	42,597	10,989	(14,586)
Fund balances - beginning	244,823	130,804	286,174	661,801
Fund balances - ending	<u>\$ 176,651</u>	<u>\$ 173,401</u>	<u>\$ 297,163</u>	<u>\$ 647,215</u>

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, 2024

Net change in fund balances - total governmental funds	\$	(14,586)
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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	\$	-	
Less current year depreciation		(131,477)	(131,477)

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		33,497	33,497
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Change in Net Position of Governmental Activities	\$	(112,566)
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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, 2024

	Water Operating Fund	Sewer Operating Fund	Building Fund	Total Proprietary Funds
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 689,352	\$ 412,732	44,107	\$ 1,146,191
Other current assets	-	-	-	-
Total current assets	<u>689,352</u>	<u>412,732</u>	<u>44,107</u>	<u>1,146,191</u>
Non-current assets:				
Capital assets:				
Land	81,179	11,000	-	92,179
Buildings and facilities	35,875	89,114	-	124,989
Equipment and furnishings	40,026	93,182	-	133,208
Vehicles and rolling stock	34,067	21,780	-	55,847
Infrastructure	4,817,522	4,959,303	-	9,776,825
Less accumulated depreciation	<u>(2,702,046)</u>	<u>(3,330,951)</u>	-	<u>(6,032,997)</u>
Total non-current assets	<u>2,413,181</u>	<u>1,843,428</u>	-	<u>4,256,609</u>
Total assets	<u>\$ 3,102,533</u>	<u>\$ 2,256,160</u>	<u>\$ 44,107</u>	<u>\$ 5,402,800</u>
LIABILITIES				
Current liabilities:				
Utility Deposits	\$ 43,120	\$ -	-	\$ 43,120
Utility Donations	1,110	-	-	1,110
Notes payable - current	<u>31,902</u>	<u>37,027</u>	-	<u>68,929</u>
Total current liabilities	<u>76,132</u>	<u>37,027</u>	-	<u>113,159</u>
Non-current liabilities:				
Notes payable - noncurrent	<u>929,571</u>	<u>407,840</u>	-	<u>1,337,411</u>
Total non-current liabilities	<u>929,571</u>	<u>407,840</u>	-	<u>1,337,411</u>
Total liabilities	<u>1,005,703</u>	<u>444,867</u>	-	<u>1,450,570</u>
NET POSITION				
Net investment in capital assets	1,451,708	1,398,561	-	2,850,269
Restricted for:				
Debt service	41,933	16,598	-	58,531
Capital projects (SDC)	461,733	93,042	-	554,775
Unrestricted	<u>141,456</u>	<u>303,092</u>	<u>44,107</u>	<u>488,655</u>
Total net position	<u>\$ 2,096,830</u>	<u>\$ 1,811,293</u>	<u>\$ 44,107</u>	<u>\$ 3,952,230</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, 2024

	Water Operating Fund	Sewer Operating Fund	Building Fund	Total
OPERATING REVENUES				
Charges for services	\$ 541,230	\$ 506,328	-	\$ 1,047,558
Operating grants	1,699	-	-	1,699
Reimbursement SDC's	745	1,236	-	1,981
Other revenues	250	230	13,723	14,203
Total operating revenues	<u>543,924</u>	<u>507,794</u>	<u>13,723</u>	<u>1,065,441</u>
OPERATING EXPENSES				
Personal services	205,022	205,021	13,796	423,839
Contractual services	27,297	99,820	19,408	146,525
Utilities	24,680	46,192	656	71,528
Repairs and maintenance	31,685	20,490	-	52,175
Office supplies and expenses	30,983	27,150	468	58,601
Other operating expenses	39,503	49,467	4,504	93,474
Depreciation	118,786	121,835	-	240,621
Total operating expenses	<u>477,956</u>	<u>569,975</u>	<u>38,832</u>	<u>1,086,763</u>
Operating income (loss)	<u>65,968</u>	<u>(62,181)</u>	<u>(25,109)</u>	<u>(21,322)</u>
NON-OPERATING REVENUES (EXPENSES):				
Investment revenue	23,320	11,462	423	35,205
Miscellaneous revenue	7,853	3,167	-	11,020
Interest expense	<u>(27,371)</u>	<u>(16,804)</u>	<u>-</u>	<u>(44,175)</u>
Total non-operating revenues (expenses)	<u>3,802</u>	<u>(2,175)</u>	<u>423</u>	<u>2,050</u>
Net income (loss) before contributions and transfers	69,770	(64,356)	(24,686)	(19,272)
CAPITAL CONTRIBUTIONS:				
Capital grants	74,056	-	-	-
SDC Fees	3,830	3,830	2,142	2,142
Capital contributions	<u>77,886</u>	<u>2,142</u>	<u>-</u>	<u>80,028</u>
Change in net position	<u>147,656</u>	<u>(62,214)</u>	<u>(24,686)</u>	<u>60,756</u>
Net position - beginning	<u>1,949,173</u>	<u>1,873,508</u>	<u>68,793</u>	<u>3,891,474</u>
Net position - ending	<u>\$ 2,096,829</u>	<u>\$ 1,811,294</u>	<u>\$ 44,107</u>	<u>\$ 3,952,230</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, 2024

	Water Operating Fund	Sewer Operating Fund	Building Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers	\$ 542,225	\$ 507,794	\$ 13,723	\$ 1,063,742
Other operating receipts	1,699	-	-	1,699
Payments to employees	(205,022)	(205,021)	(13,796)	(423,839)
Payments to suppliers	(154,148)	(243,119)	(25,036)	(422,303)
Increase (decrease) in cash deposits	1,980	-	-	1,980
Net cash provided (used) by operating activities	<u>186,734</u>	<u>59,654</u>	<u>(25,109)</u>	<u>221,279</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:				
Other receipts	7,853	3,167	-	11,020
Net cash provided (used) by noncapital financing activities	<u>7,853</u>	<u>3,167</u>	<u>-</u>	<u>11,020</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Capital contributions - grants and fees	77,886	2,142	-	80,028
Purchases of capital assets	(106,558)	-	-	(106,558)
Principal paid on capital debt	(30,968)	(36,371)	-	(67,339)
Interest paid on capital debt	(27,371)	(16,804)	-	(44,175)
Net cash provided (used) by capital related financing activities	<u>(87,011)</u>	<u>(51,033)</u>	<u>-</u>	<u>(138,044)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest on investments	23,320	11,462	423	35,205
Net cash provided (used) by investing activities	<u>23,320</u>	<u>11,462</u>	<u>423</u>	<u>35,205</u>
Net increase (decrease) in cash and cash equivalents	<u>130,896</u>	<u>23,250</u>	<u>(24,686)</u>	<u>129,460</u>
Cash Balances - beginning of the year	558,456	389,483	68,793	1,016,732
Cash Balances - end of the year	<u>\$ 689,352</u>	<u>\$ 412,733</u>	<u>\$ 44,107</u>	<u>\$ 1,146,192</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ 65,968	\$ (62,181)	\$ (25,109)	\$ (21,322)
Adjustments to reconcile operating income:				
Depreciation expense	118,786	121,835	-	240,621
Change in assets and liabilities:				
Increase (decrease) in deposits and donations	1,980	-	-	1,980
(Increase) decrease in other cash deposits	-	-	-	-
Net cash provided (used) by operating activities	<u>\$ 186,734</u>	<u>\$ 59,654</u>	<u>\$ (25,109)</u>	<u>\$ 221,279</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, 2024

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.

Accounting principles generally accepted in the United States of America require that these basic financial statements present the City of Lowell (the primary government) and all component units, if any. Component units, as established by the Governmental Accounting Standards Board (GASB) Statement No. 61, are separate organizations that are included in the City's reporting entity because of the significance of their operational or financial relationships with the City. The City of Lowell has determined that there are no component units required to be included in these financial statements.

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, 2024

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, 2024

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, 2024

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, 2024

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	\$ 893,385
Cash on hand	250
Local government investment pool (LGIP)	<u>1,438,915</u>
Total	<u><u>\$ 2,332,550</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 \$373,274. The amount in the LGIP was \$1,438,915.

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, 2024

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, 2024

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	-	-	-	31,146
Total	<u>2,713,064</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,713,064</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	-	-	-	2,377,287
Total	<u>3,538,852</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,538,852</u>
Accumulated depreciation					
Buildings	238,630	47,442	-	-	286,072
Furnishings and equipment	19,352	10,490	-	-	29,842
Vehicles and rolling stock	27,148	5,207	-	-	32,355
Infrastructure	531,640	68,338	-	-	599,978
Total	<u>816,770</u>	<u>131,477</u>	<u>-</u>	<u>-</u>	<u>948,247</u>
Governmental Capital					
Assets, Net	<u>\$ 5,435,146</u>	<u>\$ (131,477)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,303,669</u>
	Beginning Balance	Additions	Deletions	Reclassification	Ending Balance
Business-type Activities:					
Not being depreciated					
Land	\$ 92,179	\$ -	\$ -	\$ -	\$ 92,179
Construction in progress	-	106,558	-	-	106,558
Total	<u>92,179</u>	<u>106,558</u>	<u>-</u>	<u>-</u>	<u>198,737</u>
Being Depreciated					
Buildings	124,989	-	-	-	124,989
Furnishings and equipment	133,208	-	-	-	133,208
Vehicles and rolling stock	55,846	-	-	-	55,846
Infrastructure	9,776,825	-	-	-	9,776,825
Total	<u>10,090,868</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,090,868</u>
Accumulated depreciation					
Buildings	69,999	3,797	-	-	73,796
Furnishings and equipment	61,146	11,068	-	-	72,214
Vehicles and rolling stock	31,887	4,356	-	-	36,243
Infrastructure	5,629,343	221,400	-	-	5,850,743
Total	<u>5,792,375</u>	<u>240,621</u>	<u>-</u>	<u>-</u>	<u>6,032,996</u>
Business-type Capital					
Assets, Net	<u>\$ 4,390,672</u>	<u>\$ (134,063)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,256,609</u>

CITY OF LOWELL
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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	68,894	
Library	23,791	
Culture and recreation	11,086	
Water		118,786
Sewer		121,835
Total depreciation expense	\$ 131,477	\$ 240,621

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 06/30/23	Additions	Repayment	Balance 06/30/24	Due within one year
Governmental Activities:						
Gov't Capital Corp - (256156)	General	\$ 456,986	\$ -	20,299	\$ 436,687	\$ 21,189
			-		-	-
Business Oregon - (L21001)	Water/Street	76,253	-	3,502	72,751	3,578
Business Oregon - (L22010)	General	230,224	-	9,697	220,527	7,243
Total governmental activities:		\$ 763,463	\$ -	\$ 33,498	\$ 729,965	\$ 32,010
Business-type Activities:						
Business Oregon - (J05001)	Water/Sewer	42,636	-	5,218	37,418	5,488
USDA RUS - (RUS 91-03)	Water	779,703	-	17,938	761,765	18,431
Buesiness Oregon - (L21001)	Water/Street	170,101	-	7,811	162,290	7,982
Subtotal Water Fund		<u>992,440</u>	<u>-</u>	<u>30,967</u>	<u>961,473</u>	<u>31,901</u>
Business Oregon - (G02002)	Sewer	126,889	-	23,981	102,908	24,170
Business Oregon - (J05001)	Water/Sewer	42,637	-	5,218	37,419	5,489
USDA RUS - (RUS 92-05)	Sewer	311,713	-	7,172	304,541	7,369
Subtotal Sewer Fund		<u>481,239</u>	<u>-</u>	<u>36,371</u>	<u>444,868</u>	<u>37,028</u>
Total business-type activities:		\$ 1,473,679	\$ -	\$ 67,338	\$ 1,406,341	\$ 68,929

Long-term debt service requirements are as follows:

Year Ending June 30,	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2025	32,011	25,536	57,547	68,929	41,635	110,564
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	36,953	20,593	57,546	50,891	30,615	81,506
2030-2034	206,292	81,442	287,734	216,547	131,460	348,007
2035-2039	247,774	39,960	287,734	230,558	102,945	333,503
2040-2044	62,206	8,282	70,488	227,080	71,613	298,693
2045-2049	41,521	2,134	43,655	234,487	41,133	275,620
2050-2054	-	-	-	155,910	8,629	164,539
Total	\$ 729,966	\$ 247,379	\$ 977,345	\$ 1,406,340	\$ 537,084	\$ 1,943,424

CITY OF LOWELL
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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 \$102,908.

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 \$74,837 apportioned \$37,418 to the Water Fund and \$37,419 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 \$761,765.

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 \$304,541.

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 \$4436,687.

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 \$235,041 apportioned \$72,751 to the Street Fund and \$162,290 to the Water Fund.

CITY OF LOWELL
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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 \$220,527.

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/2023-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 (2.0 percent for police and fire employees, 1.67 percent 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.

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, 2024

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

During the 2019 Legislative Session, senate Bill 1049 was approved and signed into law by the governor. Under Senate Bill 1049, several components of the bill have significantly impacted the System, and the bill continues to be implemented.

- a. **Employer Programs Project** (effective July 1, 2019): established the Employer Incentive Fund (EIF) Program, which allows eligible employers to receive matching funds if they apply and make a qualifying deposit into a side account.
- b. **Salary Limit Project**: A new limitation on subject final average salary used for PERS benefit calculations and contributions is used to determine member IAP contributions, employer contributions to fund the pension program, and the Final Average Salary (FAS) used in calculating retirement benefits under formula methods was added, (\$225,533 as of January 1, 2023). This amount is indexed annually to the Consumer Price Index (CPI).
- c. **Work After Retirement Project** (effective January 1, 2020): The 1,039-hour Work After Retirement limit for all PERS retirees is removed for calendar years 2020 through 2024. If a member retires on or after normal retirement age, starting in 2020, they can work for a PERS-covered employer and continue receiving their pension benefit (without accruing any new benefits) with no hour limitations. If a member retires earlier than normal retirement age, starting in 2020, they can work for a PERS-covered employer and continue receiving their pension benefit (without accruing any new benefits) with no hour limitations if the date of their employment is more than six months after their retirement date.
- d. **Member Redirect Project** (effective July 1, 2020): For all currently employed Tier One/Tier Two and OPSRP members earning \$3,570/month in House Bill 2906 as of June 2023), a portion of their 6 percent monthly IAP contributions will be redirected to an "Employee Pension Stability Account." The Employee Pension Stability Account will be used to pay for part of the member's future pension benefit.
 - Tier 1/Tier 2 members: 2.5 percent of each member's IAP contribution amount, currently contributed to the IAP, (whether paid by the member or employer) will start going into an Employee Pension Stability Account (EPSA). The remainder will continue to go to the member's existing IAP account.
 - Members may voluntarily choose to make additional after-tax contributions into their IAP account to make a full, 6 percent contribution to the IAP.
- e. **Member Choice Project** (effective January 1, 2021): IAP accounts are currently invested in Target-Date Funds based on a member's birth year. Beginning in 2021, members may choose to invest their IAP balance in a fund that is more reflective of their risk tolerance than the default based on their age.
- f. Additionally, the Legislature directed the PERS Board to enact a one-time re-amortization of Tier1/Tier 2 UAL over 22 years. This means that, effective with the December 31, 2019 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.

CITY OF LOWELL

NOTES TO THE BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2024

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

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 changes. Under current law, the cap of the COLA in fiscal year 2015 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and \$750 plus 0.15 percent on annual benefits above \$60,000. Ask about the 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 percent 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 percent 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 at least 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.

CITY OF LOWELL

NOTES TO THE BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2024

6. **PENSION PLAN (continued)**

2. Legislative Changes

During the 2019 Legislative Session, senate Bill 1049 was approved and signed into law by the governor. Under Senate Bill 1049, several components of the bill have significantly impacted the System, and the bill continues to be implemented.

- a. **Employer Programs Project** (effective July 1, 2019): established the Employer Incentive Fund (EIF) Program, which allows eligible employers to receive matching funds if they apply and make a qualifying deposit into a side account.
- b. **Salary Limit Project**: A new limitation on subject final average salary used for PERS benefit calculations and contributions is used to determine member IAP contributions, employer contributions to fund the pension program, and the Final Average Salary (FAS) used in calculating retirement benefits under formula methods was added, (\$225,533 as of January 1, 2023). This amount is indexed annually to the Consumer Price Index (CPI).
- c. **Work After Retirement Project** (effective January 1, 2020): The 1,039-hour Work After Retirement limit for all PERS retirees is removed for calendar years 2020 through 2024. If a member retires on or after normal retirement age, starting in 2020, they can work for a PERS-covered employer and continue receiving their pension benefit (without accruing any new benefits) with no hour limitations. If a member retires earlier than normal retirement age, starting in 2020, they can work for a PERS-covered employer and continue receiving their pension benefit (without accruing any new benefits) with no hour limitations if the date of their employment is more than six months after their retirement date.
- d. **Member Redirect Project** (effective July 1, 2020): For all currently employed Tier One/Tier Two and OPSRP members earning \$3,570/month in House Bill 2906 as of June 2023), a portion of their 6 percent monthly IAP contributions will be redirected to an "Employee Pension Stability Account." (EPSA). The EPSA will be used to pay for part of the member's future pension benefit.
 - OPSRP members: 0.75 percent on each member's contribution, currently contributed to the IAP, whether paid by the member or employer) will start going into their EPSA. The remaining 5.25 percent of the member's contribution will continue to go to the member's existing IAP account.
 - Members may voluntarily choose to make additional after-tax contributions into their IAP account to make a full, 6 percent contribution to the IAP.
- e. **Member Choice Project** (effective January 1, 2021): IAP accounts are currently invested in Target-Date Funds based on a member's birth year. Beginning in 2021, members may choose to invest their IAP balance in a fund that is more reflective of their risk tolerance than the default based on their age.
- f. Additionally, the Legislature directed the PERS Board to enact a one-time re-amortization of Tier1/Tier 2 UAL over 22 years. This means that, effective with the December 31, 2019 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.

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.

CITY OF LOWELL
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

6. PENSION PLAN (continued)

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 percent of the member's salary determined as of the last full month of employment before the disability occurred.

5. Benefit Changes After Retirement

Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2015 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000.

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.

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. 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.

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 897 participating employers. The plan was closed to new entrants hired on or after August 29, 2003.

CITY OF LOWELL
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

6. PENSION PLAN (continued)

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

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 Public Employees Retirement Board, subject to limits set in statute. Contributions for employers are recognized on the accrual basis of accounting. 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 \$80,160 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%

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.

CITY OF LOWELL
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

6. PENSION PLAN (continued)

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. As permitted, the City has opted not to pick up the contributions on behalf of employees. 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 238.415 established the Retiree Health Insurance Premium Account (RHIA) and requires the Board on or before January 1st of each year to calculate the average difference between the health insurance premiums paid by retired state employees under contracts entered into by the Board and health insurance premiums paid by active state employees.

For the fiscal year ended June 30, 2023, PERS employers contributed 0.05% of PERS-covered salaries for Tier 1/Tier 2 members to fund the normal cost portion of RHIA benefits. No UAL rate was assigned for the RHIA program as it was funded at over 100% as of December 31, 2019. These rates were based on the December 31, 2019, actuarial valuation.

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 embers 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, 2019 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.

CITY OF LOWELL
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

6. PENSION PLAN (continued)

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, 2019. 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.

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

Actuarial Assumptions

Valuation Date	December 31, 2021
Measurement Date	June 30, 2024
Experience Study Report	2020 - Published July 20, 2021
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

CITY OF LOWELL

NOTES TO THE BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2024

6. PENSION PLAN (continued)

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.

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.

CITY OF LOWELL

NOTES TO THE BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2024

6. PENSION PLAN (continued)

L. Oregon Investment Council (OIC) Target and Actual Investment Allocation as of June 30, 2023

Asset Class/Strategy	OIC Policy Range			OIC Target Allocation	Asset Class/Strategy	Actual Allocation ²
Debt Securities	22.0%	-	30.0%	25.0%	Debt Securities	20.0%
Public Equity	22.5%	-	32.5%	27.5%	Public Equity	23.3%
Real Estate	9.0%	-	16.5%	12.5%	Real Estate	13.6%
Private Equity	17.5%	-	27.5%	20.0%	Private Equity	26.5%
Real Assets	2.5%	-	10.0%	7.5%	Real Assets	9.1%
Diversifying Strategies	2.5%	-	10.0%	7.5%	Diversifying Strategies	5.0%
Opportunity Portfolio ¹	0.0%	-	5.0%	0.0%	Opportunity Portfolio ¹	2.5%
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.

² The target allocation of Debt Securities is increased by 5% and Public Equity is reduced by 2.5% from FY 2022, and the allocation to Rist Parity is eliminated.

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 Return¹

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%

CITY OF LOWELL
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 For the Year Ended June 30, 2024

6. PENSION PLAN (continued)

¹ Based on the OIC’s Statement of Investment Objectives and Policy Framework for the OPERF, 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 Boar 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 6.90 percent, 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 percentage point lower (5.90 percent) or 1 percentage point higher (7.90 percent) 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	\$ 1,026,349	\$ 621,347	\$ 282,404

O. Changes Since Last Valuation

A summary of key changes implemented after the December 31, 2021 valuation, which was used in the 2023 PERS ACFR. Changes are described briefly below. Additional detail and a comprehensive list of changes in methods and assumptions can be found in the 2020 Experience Study for the System, which was published on July 20, 2021, which can be found at: [2020-Experience-Study.pdf \(oregon.gov\)](https://www.oregon.gov/2020-Experience-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

The merit/longevity component assumption of individual member salary increases were updated for all groups, including adding a select assumption of an additional 2% for all members for two years.

The mortality improvement projection scale applied to all groups is based on 60-year unisex average mortality improvements by age. The assumption was updated to reflect the most recent publicly available data at the time of the latest experience study.

Termination, disability and retirement rates were updated for some groups to more closely match observed and anticipated future experience.

Assumptions for unused sick leave and vacation pay were updated.

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, 2024

6. PENSION PLAN (continued)

Assumption	Recommended December 31, 2020 and 2021 Valuations	Recommended December 31, 2022 and 2023 Valuations
Healthy Annuitant Mortality	Pub-2010 Healthy Retiree, Sex Distinct, Generational Projection with Unisex Social Security Data Scale	Pub-2010 Healthy Retiree, 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 Disabled Retiree, Sex Distinct, Generational Projection with Unisex Social Security Data Scale	Pub-2010 Disabled Retiree, Sex Distinct, Generational Projection with Unisex Social Security Data Scale
Police & Fire male	Blended 50% Public Safety, 50% Non-Safety, no set back	No change
Other General Service male (and male beneficiary)	Non-Safety, set forward 24 months	No change
Police & Fire female	Blended 50% Public Safety, 50% Non-Safety, no set back	No change
Other General Service female	Non-Safety, set forward 12 months	No change
Non-Annuitant Mortality	Pub-2010 Employee, Sex Distinct, Generational Projection with Unisex Social Security Data Scale	Pub-2010 Employee, Sex Distinct, Generational Projection with Unisex Social Security Data Scale
School District male	125% of same table and set back as Non-Disabled Annuitant	No change
Other General Service male	115% of same table and set back as Non-Disabled Annuitant	No change
Police & Fire male	100% of same table and set back as Non-Disabled Annuitant	125% of same table and set back as Non-Disabled Annuitant
School District female	100% of same table and set back as Non-Disabled Annuitant	No change
Other General Service female	125% of same table and set back as Non-Disabled Annuitant	No change
Police & Fire female	100% of same table and set back as Non-Disabled Annuitant	No change

CITY OF LOWELL
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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, 2022, 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.

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, 2023 Oregon PERS ACFR. www.oregon.gov/pers/Documents/Financials/ACFR/2023-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 \$621,347 for its proportionate share of the net pension liability. The net pension liability/(asset) was measured as of June 30, 2022, 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, 2022, the employer's proportion was 0.00331727%. For the year ended June 30, 2023, the City recognized pension expense of \$128,154 on the modified cash basis of accounting

CITY OF LOWELL

NOTES TO THE BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2024

6. PENSION PLAN (continued)

As of June 30, 2023 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	\$ 30,386	\$ 2,464	\$ 27,922
Changes of assumptions	55,197	412	54,785
Net difference between projected and actual earnings on investments	11,168	-	11,168
Changes in proportionate share	198,577	99,222	99,355
Differences between employer contributions and employer's proportionate share of system contributions	582	31,148	(30,566)
Total Deferred Outflows/Inflows	295,910	133,246	162,664
Post measurement date contributions	80,160	N/A	80,160
Total Deferred Outflow/(Inflow) of Resources	<u>\$ 376,070</u>	<u>\$ 133,246</u>	242,824
Less, Post measurement date contributions			(80,160)
Net Deferred Outflow/(Inflow) of Resources prior to post-measurement date contributions			<u>\$ 162,664</u>

Contributions of \$80,160, for PERS defined benefits, 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	\$ 23,327
2nd Fiscal Year	8,005
3rd Fiscal Year	79,830
4th Fiscal Year	38,810
5th Fiscal Year	12,692
Thereafter	-
Total	<u>\$ 162,664</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, 2024

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.

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, 2024, the City reported a net OPEB IRSP liability/(asset) of \$6,827 for its proportionate share of the net OPEB IRSP liability/(asset). The OPEB IRSP liability/(asset) was measured as of June 30, 2022, 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, 2022. 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, 2022, the City's OPEB IRSP expense/(income) for the year ended June 30, 2024 was \$1,694.

D. Actuarial Methods and Assumptions

The City engaged an actuary to perform an evaluation as of July 1, 2022, 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, 2024

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

Actuarial Methods and Assumptions

Fiscal Year Ending	June 30, 2022	June 30, 2023	June 30, 2024
Discount Rate	2.16%	3.54%	3.65%
Other Key Actuarial Assumptions and Methods			
Valuation date	July 1, 2020	July 1, 2022	July 1, 2022
Measurement date	June 30, 2021	June 30, 2022	June 30, 2023
Inflation	2.50%	2.40%	2.40%
Salary increases	3.50%	3.40%	3.40%
Withdrawal, retirement, and mortality rates	December 31, 2019 Oregon PERS Valuation	December 31, 2021 Oregon PERS Valuation	December 31, 2021 Oregon PERS Valuation
Election and Lapse Rates	40% of eligible employees	40% of eligible employees	40% 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, 2024

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

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 damages. The City has hired outside legal counsel to represent the City in potential litigation on this matter. The outcome of the litigation cannot presently be determined.

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

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 2025.

SUPPLEMENTARY INFORMATION

CITY OF LOWELL
Combining Balance Sheet
Other Governmental Funds
Modified Cash Basis
For the Year Ended June 30, 2024

	General Fund	Street Fund	Total Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 177,172	\$ 173,401	\$ 297,163	\$ 647,736
Other current assets	-	-	-	-
Total assets	<u>177,172</u>	<u>173,401</u>	<u>\$ 297,163</u>	<u>647,736</u>
LIABILITIES, AND FUND BLANCES				
Liabilities:				
Bail held	\$ 315	\$ -	\$ -	315
Other Deposits	206	-	-	206
Total liabilities	<u>521</u>	<u>-</u>	<u>-</u>	<u>521</u>
Fund Equity:				
Non spendable	-	-	-	-
Restricted	61,332	173,401	285,045	519,778
Committed	2,323	-	-	2,323
Assigned	-	-	12,118	12,118
Unassigned	112,996	-	-	112,996
Total fund balances	<u>176,651</u>	<u>173,401</u>	<u>297,163</u>	<u>647,215</u>
Total liabilities and fund balances	<u>\$ 177,172</u>	<u>\$ 173,401</u>	<u>\$ 297,163</u>	<u>\$ 647,736</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, 2024

	General Fund	Street Fund	Total Other Governmental Funds	Total Governmental Funds
REVENUES				
Property Taxes	\$ 200,055	\$ -	\$ -	\$ 200,055
Intergovernmental	40,054	98,018	-	138,072
Grants	25,463	-	-	25,463
Franchise fees	80,451	-	-	80,451
Licenses and permits	26,938	-	-	26,938
Reimbursement SDC's	47	104	-	151
SDC Fees	-	-	\$ 2,250	2,250
Charges for services	4,165	-	-	4,165
Fees and fines	5,943	-	-	5,943
Investment earnings	6,722	3,913	10,382	21,017
Miscellaneous	1,178	-	666	1,844
Fundraising and event receipts	4,000	-	8,192	12,192
Total Revenues	395,016	102,035	21,490	518,541
EXPENDITURES				
Current:				
General government	144,187	-	-	144,187
Parks	88,357	-	-	88,357
Public safety	36,356	-	-	36,356
Community development	53,284	-	-	53,284
Library	66,735	-	-	66,735
Tourism	6,852	-	-	6,852
Code Enforcement	1,067	-	-	1,067
Municipal court	13,975	-	-	13,975
Highways and streets	-	54,266	-	54,266
Blackberry Jam Festival	-	-	10,501	10,501
Debt service:	-	-	-	-
Principal	29,995	3,502	-	33,497
Interest	22,380	1,670	-	24,050
Total Expenditures	463,188	59,438	10,501	533,127
Excess (deficiency) of revenues over expenditures	(68,172)	42,597	10,989	(14,586)
Net change in fund balances	(68,172)	42,597	10,989	(14,586)
Fund balances - beginning	244,823	130,804	286,174	661,801
Fund balances - ending	<u>\$ 176,651</u>	<u>\$ 173,401</u>	<u>\$ 297,163</u>	<u>\$ 647,215</u>

CITY OF LOWELL
Combining Balance Sheet Water Funds
Modified Cash Basis
For the Year Ended June 30, 2024

	Water Fund	Water SDC Fund	Water Reserve Fund	Total Water Fund
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 185,686	\$ 461,733	\$ 41,933	\$ 689,352
Other current assets	-	-	-	-
Total current assets	<u>185,686</u>	<u>461,733</u>	<u>41,933</u>	<u>689,352</u>
Non-current assets:				
Capital assets:				
Land	81,179	-	-	81,179
Buildings and facilities	35,875	-	-	35,875
Equipment and furnishings	40,026	-	-	40,026
Vehicles and rolling stock	34,067	-	-	34,067
Infrastructure	4,817,522	-	-	4,817,522
Less accumulated depreciation	<u>(2,702,046)</u>	<u>-</u>	<u>-</u>	<u>(2,702,046)</u>
Total non-current assets	<u>2,413,181</u>	<u>-</u>	<u>-</u>	<u>2,413,181</u>
Total assets	<u>\$ 2,598,867</u>	<u>\$ 461,733</u>	<u>\$ 41,933</u>	<u>\$ 3,102,533</u>
LIABILITIES				
Current liabilities:				
Utility deposits	43,120	-	-	43,120
Utility donations	1,110	-	-	1,110
Notes payable - current	<u>31,902</u>	<u>-</u>	<u>-</u>	<u>31,902</u>
Total current liabilities	<u>76,132</u>	<u>-</u>	<u>-</u>	<u>76,132</u>
Non-current liabilities:				
Notes payable - noncurrent	<u>929,571</u>	<u>-</u>	<u>-</u>	<u>929,571</u>
Total non-current liabilities	<u>929,571</u>	<u>-</u>	<u>-</u>	<u>929,571</u>
Total liabilities	<u>1,005,703</u>	<u>-</u>	<u>-</u>	<u>1,005,703</u>
NET POSITION				
Net investment in capital assets	1,451,708	-	-	1,451,708
Restricted for:				
Debt service	-	-	41,933	41,933
Capital projects (SDC)	-	461,733	-	461,733
Unrestricted	<u>141,456</u>	<u>-</u>	<u>-</u>	<u>141,456</u>
Total net position	<u>\$ 1,593,164</u>	<u>\$ 461,733</u>	<u>\$ 41,933</u>	<u>\$ 2,096,830</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, 2024

	Water Fund	Water SDC Fund	Water Reserve Fund	Water Operating Fund
OPERATING REVENUES				
Charges for services	\$ 541,230	\$ -	\$ -	\$ 541,230
Operating grants	1,699	-	-	1,699
Reimbursement SDC's	745	-	-	745
Other revenues	250	-	-	250
Total operating revenues	<u>543,924</u>	<u>-</u>	<u>-</u>	<u>543,924</u>
OPERATING EXPENSES				
Personal services	205,022	-	-	205,022
Contractual services	27,297	-	-	27,297
Utilities	24,680	-	-	24,680
Repairs and maintenance	31,685	-	-	31,685
Office supplies and expenses	30,983	-	-	30,983
Other operating expenses	39,503	-	-	39,503
Depreciation	118,786	-	-	118,786
Total operating expenses	<u>477,956</u>	<u>-</u>	<u>-</u>	<u>477,956</u>
Operating income (loss)	<u>65,968</u>	<u>-</u>	<u>-</u>	<u>65,968</u>
NON-OPERATING REVENUES (EXPENSES):				
Investment revenue	2,671	19,068	1,581	23,320
Miscellaneous revenue	7,853	-	-	7,853
Interest expense	<u>(27,371)</u>	<u>-</u>	<u>-</u>	<u>(27,371)</u>
Total non-operating revenues (expenses)	<u>(16,847)</u>	<u>19,068</u>	<u>1,581</u>	<u>3,802</u>
Net income (loss) before contributions and transfers	49,121	19,068	1,581	69,770
CAPITAL CONTRIBUTIONS:				
Capital grants	74,056	-	-	74,056
SDC Fees	-	3,830	-	3,830
Capital contributions	<u>74,056</u>	<u>3,830</u>	<u>-</u>	<u>77,886</u>
Change in net position	<u>123,177</u>	<u>22,898</u>	<u>1,581</u>	<u>147,656</u>
Net position - beginning	<u>1,469,986</u>	<u>438,835</u>	<u>40,352</u>	<u>1,949,173</u>
Net position - ending	<u>\$ 1,593,163</u>	<u>\$ 461,733</u>	<u>\$ 41,933</u>	<u>\$ 2,096,829</u>

CITY OF LOWELL
Combining Statement of Cash Flows Water Funds
Modified Cash Basis
For the Year Ended June 30, 2024

	Water Fund	Water SDC Fund	Water Reserve Fund	Water Operating Fund
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers	\$ 542,225	\$ -	\$ -	\$ 542,225
Other operating receipts	1,699	-	-	1,699
Payments to employees	(205,022)	-	-	(205,022)
Payments to suppliers	(154,148)	-	-	(154,148)
Increase (decrease) in cash deposits	1,980	-	-	1,980
Net cash provided (used) by operating activities	<u>186,734</u>	<u>-</u>	<u>-</u>	<u>186,734</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:				
Other receipts	<u>7,853</u>	<u>-</u>	<u>-</u>	<u>7,853</u>
Net cash provided (used) by noncapital financing activities	<u>7,853</u>	<u>-</u>	<u>-</u>	<u>7,853</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Capital contributions - grants and fees	74,056	3,830	-	77,886
Purchases of capital assets	(106,558)	-	-	(106,558)
Principal paid on capital debt	(30,968)	-	-	(30,968)
Interest paid on capital debt	(27,371)	-	-	(27,371)
Net cash provided (used) by capital related financing activities	<u>(90,841)</u>	<u>3,830</u>	<u>-</u>	<u>(87,011)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest on investments	<u>2,671</u>	<u>19,068</u>	<u>1,581</u>	<u>23,320</u>
Net cash provided (used) by investing activities	<u>2,671</u>	<u>19,068</u>	<u>1,581</u>	<u>23,320</u>
Net increase (decrease) in cash and cash equivalents	<u>106,417</u>	<u>22,898</u>	<u>1,581</u>	<u>130,896</u>
Cash Balances - beginning of the year	<u>79,269</u>	<u>438,835</u>	<u>40,352</u>	<u>558,456</u>
Cash Balances - end of the year	<u>\$ 185,686</u>	<u>\$ 461,733</u>	<u>\$ 41,933</u>	<u>\$ 689,352</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ 65,968	\$ -	\$ -	\$ 65,968
Adjustments to reconcile operating income:				
Depreciation expense	118,786	-	-	118,786
Change in assets and liabilities:				
Increase (decrease) in deposits and donations	1,980	-	-	1,980
(Increase) decrease in other cash deposits	-	-	-	-
Net cash provided (used) by operating activities	<u>\$ 186,734</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 186,734</u>

CITY OF LOWELL
Combining Balance Sheet Sewer Funds
Modified Cash Basis
For the Year Ended June 30, 2024

	Sewer Fund	Sewer SDC Fund	Sewer Reserve Fund	Total Sewer Fund
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 303,092	\$ 93,042	\$ 16,598	\$ 412,732
Other current assets	-	-	-	-
Total current assets	<u>303,092</u>	<u>93,042</u>	<u>16,598</u>	<u>412,732</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	4,959,303	-	-	4,959,303
Less accumulated depreciation	<u>(3,330,951)</u>	<u>-</u>	<u>-</u>	<u>(3,330,951)</u>
Total non-current assets	<u>1,843,428</u>	<u>-</u>	<u>-</u>	<u>1,843,428</u>
Total assets	<u>\$ 2,146,520</u>	<u>\$ 93,042</u>	<u>\$ 16,598</u>	<u>\$ 2,256,160</u>
LIABILITIES				
Current liabilities:				
Notes payable - current	<u>37,027</u>	<u>-</u>	<u>-</u>	<u>37,027</u>
Total current liabilities	<u>37,027</u>	<u>-</u>	<u>-</u>	<u>37,027</u>
Non-current liabilities:				
Notes payable - noncurrent	<u>407,840</u>	<u>-</u>	<u>-</u>	<u>407,840</u>
Total non-current liabilities	<u>407,840</u>	<u>-</u>	<u>-</u>	<u>407,840</u>
Total liabilities	<u>444,867</u>	<u>-</u>	<u>-</u>	<u>444,867</u>
NET POSITION				
Net investment in capital assets	1,398,561	-	-	1,398,561
Restricted for:				
Debt service	-	-	16,598	16,598
Capital projects (SDC)	-	93,042	-	93,042
Unrestricted	<u>303,092</u>	<u>-</u>	<u>-</u>	<u>303,092</u>
Total net position	<u>\$ 1,701,653</u>	<u>\$ 93,042</u>	<u>\$ 16,598</u>	<u>\$ 1,811,293</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, 2024

	Sewer Fund	Sewer SDC Fund	Sewer Reserve Fund	Sewer Operating Fund
OPERATING REVENUES				
Charges for services	\$ 506,328	\$ -	\$ -	\$ 506,328
Reimbursement SDC's	1,236	-	-	1,236
Other revenues	230	-	-	230
Total operating revenues	<u>507,794</u>	<u>-</u>	<u>-</u>	<u>507,794</u>
OPERATING EXPENSES				
Personal services	205,021	-	-	205,021
Contractual services	45,938	53,882	-	99,820
Utilities	46,192	-	-	46,192
Repairs and maintenance	20,490	-	-	20,490
Office supplies and expenses	27,150	-	-	27,150
Other operating expenses	49,467	-	-	49,467
Depreciation	121,835	-	-	121,835
Total operating expenses	<u>516,093</u>	<u>53,882</u>	<u>-</u>	<u>569,975</u>
Operating income (loss)	<u>(8,299)</u>	<u>(53,882)</u>	<u>-</u>	<u>(62,181)</u>
NON-OPERATING REVENUES (EXPENSES):				
Investment revenue	7,145	3,789	528	11,462
Miscellaneous revenue	3,167	-	-	3,167
Interest expense	(16,804)	-	-	(16,804)
Total non-operating revenues (expenses)	<u>(6,492)</u>	<u>3,789</u>	<u>528</u>	<u>(2,175)</u>
Net income (loss) before contributions and transfers	(14,791)	(50,093)	528	(64,356)
CAPITAL CONTRIBUTIONS:				
Capital contributions	<u>-</u>	<u>2,142</u>	<u>-</u>	<u>2,142</u>
Change in net position	<u>(14,791)</u>	<u>(47,951)</u>	<u>528</u>	<u>(62,214)</u>
Net position - beginning	<u>1,716,444</u>	<u>140,993</u>	<u>16,071</u>	<u>1,873,508</u>
Net position - ending	<u>\$ 1,701,653</u>	<u>\$ 93,042</u>	<u>\$ 16,599</u>	<u>\$ 1,811,294</u>

CITY OF LOWELL
Combining Statement of Cash Flows Sewer Funds
Modified Cash Basis
For the Year Ended June 30, 2024

	Sewer Fund	Sewer SDC Fund	Sewer Reserve Fund	Sewer Operating Fund
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers	\$ 507,794	\$ -	\$ -	\$ 507,794
Other operating receipts	-	-	-	-
Payments to employees	(205,021)	-	-	(205,021)
Payments to suppliers	(189,237)	(53,882)	-	(243,119)
Increase (decrease) in cash deposits	-	-	-	-
Net cash provided (used) by operating activities	<u>113,536</u>	<u>(53,882)</u>	<u>-</u>	<u>59,654</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:				
Other receipts	<u>3,167</u>	<u>-</u>	<u>-</u>	<u>3,167</u>
Net cash provided (used) by noncapital financing activities	<u>3,167</u>	<u>-</u>	<u>-</u>	<u>3,167</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Capital contributions - grants and fees	-	2,142	-	2,142
Purchases of capital assets	-	-	-	-
Principal paid on capital debt	(36,371)	-	-	(36,371)
Interest paid on capital debt	(16,804)	-	-	(16,804)
Net cash provided (used) by capital related financing activities	<u>(53,175)</u>	<u>2,142</u>	<u>-</u>	<u>(51,033)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest on investments	<u>7,145</u>	<u>3,789</u>	<u>528</u>	<u>11,462</u>
Net cash provided (used) by investing activities	<u>7,145</u>	<u>3,789</u>	<u>528</u>	<u>11,462</u>
Net increase (decrease) in cash and cash equivalents	<u>70,673</u>	<u>(47,951)</u>	<u>528</u>	<u>23,250</u>
Cash Balances - beginning of the year	<u>232,419</u>	<u>140,993</u>	<u>16,071</u>	<u>389,483</u>
Cash Balances - end of the year	<u>\$ 303,092</u>	<u>\$ 93,042</u>	<u>\$ 16,599</u>	<u>\$ 412,733</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ (8,299)	\$ (53,882)	\$ -	\$ (62,181)
Adjustments to reconcile operating income:				
Depreciation expense	121,835	-	-	121,835
Change in assets and liabilities:				
(Increase) decrease in other cash deposits	-	-	-	-
Net cash provided (used) by operating activities	<u>\$ 113,536</u>	<u>\$ (53,882)</u>	<u>\$ -</u>	<u>\$ 59,654</u>

CITY OF LOWELL
Budget and Actual (with Variances)
General Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Property taxes	\$ 182,370	\$ 182,370	200,055	\$ 17,685
Intergovernmental	38,660	38,660	40,054	1,394
Grants	16,786	31,595	25,463	(6,132)
Franchise fees	68,500	68,500	80,451	11,951
Licenses and permits	41,850	41,850	26,938	(14,912)
Charges for services	1,360	1,360	4,165	2,805
Reimbursement SDC fees	47	47	47	-
Fees and fines	5,000	5,000	5,943	943
Investment earnings	1,252	1,252	6,722	5,470
Miscellaneous	4,300	4,300	1,178	(3,122)
Fundraising and event receipts	-	-	4,000	4,000
Total Revenues	<u>360,125</u>	<u>374,934</u>	<u>395,016</u>	<u>20,082</u>
EXPENDITURES				
Current:				
General government	205,162	241,903	144,187	97,716
Parks	103,942	104,795	88,357	16,438
Public safety	36,231	36,731	36,356	375
Community development	77,576	80,088	53,284	26,804
Library	57,284	78,593	66,735	11,858
Code enforcement	9,394	9,394	6,852	2,542
Tourism	10,586	10,586	1,067	9,519
Municipal court	16,893	16,893	13,975	2,918
Debt service:				
Principal	250,525	250,525	29,995	220,530
Interest	35,924	35,924	22,380	13,544
Contingency	168,496	121,390	-	121,390
Total Expenditures	<u>972,013</u>	<u>986,822</u>	<u>463,188</u>	<u>523,634</u>
Excess (deficiency) of revenues over expenitures	<u>(611,888)</u>	<u>(611,888)</u>	<u>(68,172)</u>	<u>543,716</u>
OTHER FINANCING SOURCESS (USES)				
Proceeds from loan	230,224	230,224	-	(230,224)
Proceeds from disposition of assets	467,287	467,287	-	(467,287)
Transfers out	(81,200)	(81,200)	-	(81,200)
Total other financing sources and uses	<u>616,311</u>	<u>616,311</u>	<u>-</u>	<u>(778,711)</u>
Net change in fund balances	4,423	4,423	(68,172)	(234,995)
Fund balances - beginning	<u>70,462</u>	<u>70,462</u>	<u>244,823</u>	<u>174,361</u>
Fund balances - ending	<u>\$ 74,885</u>	<u>\$ 74,885</u>	<u>176,651</u>	<u>\$ (60,634)</u>
Reconciliation to net position:				
Net capital assets			3,438,096	
Long-term debt			(657,215)	
Net position, modified cash basis			<u>\$ 2,957,532</u>	

CITY OF LOWELL
Budget and Actual (with Variances)
Parks SDC Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
SDC fees	\$ 1,004	\$ 1,004	\$ 985	\$ (19)
Investment earnings	200	200	4,033	3,833
Total Revenues	<u>1,204</u>	<u>1,204</u>	<u>5,018</u>	<u>3,814</u>
EXPENDITURES				
Current:				
Materials and services	-	-	-	-
Capital outlay	<u>93,275</u>	<u>93,275</u>	<u>-</u>	<u>93,275</u>
Total Expenditures	<u>93,275</u>	<u>93,275</u>	<u>-</u>	<u>93,275</u>
Excess (deficiency) of revenues over expenitures	<u>(92,071)</u>	<u>(92,071)</u>	<u>5,018</u>	<u>97,089</u>
Net change in fund balances	(92,071)	(92,071)	5,018	97,089
Fund balances - beginning	100,514	100,514	105,232	4,718
Fund balances - ending	<u>\$ 8,443</u>	<u>\$ 8,443</u>	<u>\$ 110,250</u>	<u>\$ 101,807</u>

CITY OF LOWELL
Budget and Actual (with Variances)
Street Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 80,000	\$ 80,000	\$ 98,018	\$ 18,018
Reimbursement SDC fees	104	104	104	-
Investment earnings	200	200	3,913	3,713
Miscellaneous	-	-	-	-
Total Revenues	<u>80,304</u>	<u>80,304</u>	<u>102,035</u>	<u>21,731</u>
EXPENDITURES				
Current:				
Personal services	27,107	27,960	24,186	3,774
Materials and services	70,426	69,573	30,080	39,493
Debt service:				
Principal	3,541	3,541	3,502	39
Interest	1,670	1,670	1,670	-
Capital outlay	275,000	275,000	-	275,000
Contingency	97,177	97,177	-	97,177
Total Expenditures	<u>474,921</u>	<u>474,921</u>	<u>59,438</u>	<u>415,483</u>
Excess (deficiency) of revenues over expenitures	<u>(394,617)</u>	<u>(394,617)</u>	<u>42,597</u>	<u>437,214</u>
OTHER FINANCING SOURCESS (USES)				
Proceeds from loan	270,000	270,000	-	(270,000)
Total other financing sources and uses	<u>270,000</u>	<u>270,000</u>	<u>-</u>	<u>(270,000)</u>
Net change in fund balances	(124,617)	(124,617)	42,597	167,214
Fund balances - beginning	133,413	133,413	130,804	(2,609)
Fund balances - ending	<u>\$ 8,796</u>	<u>\$ 8,796</u>	173,401	<u>\$ 164,605</u>
Reconciliation to net position:				
Net capital assets			1,865,573	
Long-term debt			(72,751)	
Net position, modified cash basis			<u>\$ 1,966,223</u>	

CITY OF LOWELL
Budget and Actual (with Variances)
Streets SDC Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
SDC fees	\$ 592	\$ 592	\$ 592	\$ -
Investment earnings	150	150	3,035	(2,885)
Total Revenues	<u>742</u>	<u>742</u>	<u>3,627</u>	<u>(2,885)</u>
EXPENDITURES				
Current:				
Materials and services	-	-	-	-
Capital outlay	64,838	64,838	-	64,838
Total Expenditures	<u>64,838</u>	<u>64,838</u>	<u>-</u>	<u>64,838</u>
Excess (deficiency) of revenues over expenitures	<u>(64,096)</u>	<u>(64,096)</u>	<u>3,627</u>	<u>(67,723)</u>
Net change in fund balances	(64,096)	(64,096)	3,627	67,723
Fund balances - beginning	69,965	69,965	81,858	11,893
Fund balances - ending	<u>\$ 5,869</u>	<u>\$ 5,869</u>	<u>\$ 85,485</u>	<u>\$ 79,616</u>

CITY OF LOWELL
Budget and Actual (with Variances)
Stormwater SDC Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
SDC fees	\$ 1,000	\$ 1,000	\$ 673	\$ (327)
Investment earnings	200	200	3,312	3,112
Total Revenues	<u>1,200</u>	<u>1,200</u>	<u>3,985</u>	<u>2,785</u>
EXPENDITURES				
Current:				
Materials and services	-	-	-	-
Capital outlay	<u>75,456</u>	<u>75,456</u>	<u>-</u>	<u>75,456</u>
Total Expenditures	<u>75,456</u>	<u>75,456</u>	<u>-</u>	<u>75,456</u>
Excess (deficiency) of revenues over expenitures	<u>(74,256)</u>	<u>(74,256)</u>	<u>3,985</u>	<u>(72,671)</u>
Net change in fund balances	(74,256)	(74,256)	3,985	78,241
Fund balances - beginning	<u>81,177</u>	<u>81,177</u>	<u>85,325</u>	<u>4,148</u>
Fund balances - ending	<u><u>\$ 6,921</u></u>	<u><u>\$ 6,921</u></u>	<u><u>\$ 89,310</u></u>	<u><u>\$ 82,389</u></u>

CITY OF LOWELL
Budget and Actual (with Variances)
Blackberry Jam Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fundraising and event receipts	\$ 2,960	\$ 2,960	\$ 8,192	\$ 5,232
Investment earnings	10	10	2	(8)
Miscellaneous revenue	110	110	666	556
Total Revenues	<u>3,080</u>	<u>3,080</u>	<u>8,860</u>	<u>5,780</u>
EXPENDITURES				
Current:				
Materials and services	16,350	16,350	10,501	5,849
Contingency	-	-	-	-
Total Expenditures	<u>16,350</u>	<u>16,350</u>	<u>10,501</u>	<u>5,849</u>
Excess (deficiency) of revenues over expenitures	<u>(13,270)</u>	<u>(13,270)</u>	<u>(1,641)</u>	<u>11,629</u>
OTHER FINANCING SOURCESS (USES)				
Transfers in	5,000	5,000	-	5,000
Total other financing sources and uses	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Net change in fund balances	(8,270)	(8,270)	(1,641)	6,629
Fund balances - beginning	<u>10,043</u>	<u>10,043</u>	<u>13,759</u>	<u>3,716</u>
Fund balances - ending	<u>\$ 1,773</u>	<u>\$ 1,773</u>	<u>\$ 12,118</u>	<u>\$ 10,345</u>

CITY OF LOWELL
Budget and Actual (with Variances)
Water Operating Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 533,746	\$ 533,746	\$ 541,230	\$ 7,484
Grants	-	306,420	75,755	(230,665)
Licenses and permits	3,750	3,750	250	(3,500)
Reimbursement SDC fees	-	-	745	745
Investment earnings	273	273	2,671	2,398
Miscellaneous	4,770	4,770	7,853	3,083
Total Revenues	<u>542,539</u>	<u>848,959</u>	<u>628,504</u>	<u>(220,455)</u>
EXPENDITURES				
Current:				
Personal services	223,992	231,010	205,022	25,988
Materials and services	202,330	195,312	154,148	41,164
Debt service:				
Principal	42,902	42,902	30,968	11,934
Interest	32,973	32,973	27,371	5,602
Capital outlay	110,000	416,420	106,558	309,862
Contingency	20,000	20,000	-	20,000
Total Expenditures	<u>632,197</u>	<u>938,617</u>	<u>524,067</u>	<u>414,550</u>
Excess (deficiency) of revenues over expenditures	<u>(89,658)</u>	<u>(89,658)</u>	<u>104,437</u>	<u>194,095</u>
OTHER FINANCING SOURCESS (USES)				
Proceeds from loan	70,000	70,000	-	70,000
Transfers in	30,000	30,000	-	30,000
Transfers out	(20,342)	(20,342)	-	(20,342)
Total other financing sources and uses	<u>79,658</u>	<u>79,658</u>	<u>-</u>	<u>79,658</u>
Net change in fund balances	(10,000)	(10,000)	104,437	114,437
Fund balances - beginning	<u>10,000</u>	<u>10,000</u>	<u>37,019</u>	<u>27,019</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>141,456</u>	<u>\$ 141,456</u>
Reconciliation to net position:				
Net capital assets			2,413,181	
Long-term debt			<u>(961,473)</u>	
Net position, modified cash basis			<u>\$ 1,593,164</u>	

CITY OF LOWELL
Budget and Actual (with Variances)
Water SDC Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
SDC fees	\$ 9,100	\$ 9,100	\$ 3,830	\$ (5,270)
Investment earnings	500	500	19,068	18,568
Total Revenues	<u>9,600</u>	<u>9,600</u>	<u>22,898</u>	<u>13,298</u>
EXPENDITURES				
Current:				
Materials and services	-	-	-	-
Capital outlay	390,473	390,473	-	390,473
Total Expenditures	<u>390,473</u>	<u>390,473</u>	<u>-</u>	<u>390,473</u>
Excess (deficiency) of revenues over expenitures	<u>(380,873)</u>	<u>(380,873)</u>	<u>22,898</u>	<u>403,771</u>
OTHER FINANCING SOURCESS (USES)				
Transfers in	65,548	65,548	-	65,548
Total other financing sources and uses	<u>65,548</u>	<u>65,548</u>	<u>-</u>	<u>65,548</u>
Net change in fund balances	(380,873)	(380,873)	22,898	403,771
Fund balances - beginning	<u>350,372</u>	<u>350,372</u>	<u>438,835</u>	<u>88,463</u>
Fund balances - ending	<u>\$ (30,501)</u>	<u>\$ (30,501)</u>	<u>\$ 461,733</u>	<u>\$ 492,234</u>

CITY OF LOWELL
Budget and Actual (with Variances)
Water Reserve Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment earnings	\$ 500	\$ 500	\$ 1,581	\$ 1,081
Total Revenues	<u>500</u>	<u>500</u>	<u>1,581</u>	<u>1,081</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenitures	<u>500</u>	<u>500</u>	<u>1,581</u>	<u>1,081</u>
Net change in fund balances	500	500	1,581	1,081
Fund balances - beginning	40,007	40,007	40,352	345
Fund balances - ending	<u>\$ 40,507</u>	<u>\$ 40,507</u>	<u>\$ 41,933</u>	<u>\$ 1,426</u>

CITY OF LOWELL
Budget and Actual (with Variances)
Sewer Operating Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 483,366	\$ 483,366	\$ 506,328	\$ 22,962
Grants	-	-	-	-
Licenses and permits	115	115	230	115
Reimbursement SDC fees	618	618	1,236	618
Investment earnings	1,000	1,000	7,145	6,145
Miscellaneous	2,000	2,000	3,167	1,167
Total Revenues	<u>487,099</u>	<u>487,099</u>	<u>518,106</u>	<u>31,007</u>
EXPENDITURES				
Current:				
Personal services	224,009	231,000	205,021	25,979
Materials and services	226,179	219,188	189,237	29,951
Debt service:				
Principal	36,372	36,372	36,371	1
Interest	16,806	16,806	16,804	2
Capital outlay	130,000	130,000	-	130,000
Contingency	77,425	77,425	-	77,425
Total Expenditures	<u>710,791</u>	<u>710,791</u>	<u>447,433</u>	<u>263,358</u>
Excess (deficiency) of revenues over expenitures	<u>(223,692)</u>	<u>(223,692)</u>	<u>70,673</u>	<u>294,365</u>
OTHER FINANCING SOURCESS (USES)				
Proceeds from loan	90,000	90,000	-	(90,000)
Transfers in	96,542	96,542	-	(96,542)
Transfers out	(30,000)	(30,000)	-	(30,000)
Total other financing sources and uses	<u>156,542</u>	<u>156,542</u>	<u>-</u>	<u>(216,542)</u>
Net change in fund balances	(67,150)	(67,150)	70,673	77,823
Fund balances - beginning	106,307	106,307	232,419	(126,112)
Fund balances - ending	<u>\$ 39,157</u>	<u>\$ 39,157</u>	303,092	<u>\$ 203,935</u>
Reconciliation to net position:				
Net capital assets			1,843,428	
Long-term debt			(444,867)	
Net position, modified cash basis			<u>\$ 1,701,653</u>	

CITY OF LOWELL
Budget and Actual (with Variances)
Sewer SDC Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
SDC fees	\$ 1,071	\$ 1,071	\$ 2,142	\$ 1,071
Investment earnings	500	500	3,789	3,289
Total Revenues	<u>1,571</u>	<u>1,571</u>	<u>5,931</u>	<u>4,360</u>
EXPENDITURES				
Current:				
Materials and services	62,000	62,000	53,882	8,118
Capital outlay	<u>52,941</u>	<u>52,941</u>	-	<u>52,941</u>
Total Expenditures	<u>114,941</u>	<u>114,941</u>	<u>53,882</u>	<u>61,059</u>
Excess (deficiency) of revenues over expenitures	<u>(113,370)</u>	<u>(113,370)</u>	<u>(47,951)</u>	<u>65,419</u>
Net change in fund balances	(113,370)	(113,370)	(47,951)	65,419
Fund balances - beginning	<u>118,162</u>	<u>118,162</u>	<u>140,993</u>	<u>22,831</u>
Fund balances - ending	<u>\$ 4,792</u>	<u>\$ 4,792</u>	<u>\$ 93,042</u>	<u>\$ 88,250</u>

CITY OF LOWELL
Budget and Actual (with Variances)
Sewer Reserve Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment earnings	\$ 200	\$ 200	\$ 527	\$ 327
Total Revenues	<u>200</u>	<u>200</u>	<u>527</u>	<u>327</u>
Total Expenditures	-	-	-	-
Excess (deficiency) of revenues over expenitures	<u>200</u>	<u>200</u>	<u>527</u>	<u>327</u>
Net change in fund balances	200	200	527	327
Fund balances - beginning	<u>16,022</u>	<u>16,022</u>	<u>16,071</u>	<u>49</u>
Fund balances - ending	<u><u>\$ 16,222</u></u>	<u><u>\$ 16,222</u></u>	<u><u>\$ 16,598</u></u>	<u><u>\$ 376</u></u>

CITY OF LOWELL
Budget and Actual (with Variances)
Building Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Licenses and permits	\$ 87,143	\$ 87,143	\$ 13,723	\$ (73,420)
Investment earnings	10	10	423	413
Total Revenues	<u>87,153</u>	<u>87,153</u>	<u>14,146</u>	<u>(73,007)</u>
EXPENDITURES				
Current:				
Personal services	14,612	15,465	13,796	1,669
Materials and services	78,481	77,628	25,036	52,592
Capital outlay	-	-	-	-
Contingency	<u>55,015</u>	<u>55,015</u>	<u>-</u>	<u>55,015</u>
Total Expenditures	<u>148,108</u>	<u>148,108</u>	<u>38,832</u>	<u>109,276</u>
Excess (deficiency) of revenues over expenitures	<u>(60,955)</u>	<u>(60,955)</u>	<u>(24,686)</u>	<u>36,269</u>
Net change in fund balances	(60,955)	(60,955)	(24,686)	36,269
Fund balances - beginning	<u>65,935</u>	<u>65,935</u>	<u>68,793</u>	<u>2,858</u>
Fund balances - ending	<u>\$ 4,980</u>	<u>\$ 4,980</u>	<u>\$ 44,107</u>	<u>\$ 39,127</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%

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				
	2024	2023	2022	2021	2020
Governmental Activities					
Net investment in capital assets	\$ 4,573,703	\$ 4,671,683	\$ 3,879,824	\$ 3,546,787	\$ 3,361,280
Restricted	519,778	442,494	371,055	251,163	227,067
Unrestricted	127,437	219,307	246,847	198,805	294,107
Total governmental activities net position	<u>\$ 5,220,918</u>	<u>\$ 5,333,484</u>	<u>\$ 4,497,726</u>	<u>\$ 3,996,755</u>	<u>\$ 3,882,454</u>
Business-type activities					
Net investment in capital assets	\$ 2,850,269	\$ 2,916,993	\$ 2,583,066	\$ 2,649,555	\$ 3,331,814
Restricted	613,066	636,251	516,633	530,533	206,457
Unrestricted	488,895	338,231	328,831	255,853	326,908
Total business-type activities net position	<u>\$ 3,952,230</u>	<u>\$ 3,891,475</u>	<u>\$ 3,428,530</u>	<u>\$ 3,435,941</u>	<u>\$ 3,865,179</u>
Primary Government					
Net investment in capital assets	\$ 7,423,972	\$ 7,588,676	\$ 6,462,890	\$ 6,196,342	\$ 6,693,094
Restricted	1,132,844	1,078,745	887,688	781,696	433,524
Unrestricted	616,332	557,538	575,678	454,658	621,015
Total primary government activities net position	<u>\$ 9,173,148</u>	<u>\$ 9,224,959</u>	<u>\$ 7,926,256</u>	<u>\$ 7,432,696</u>	<u>\$ 7,747,633</u>

	Fiscal Year				
	2019	2018	2017	2016	2015
Governmental Activities					
Net investment in capital assets	\$ 3,331,814	\$ 3,083,574	\$ 3,129,930	\$ 3,147,180	\$ 3,191,637
Restricted	206,457	552,152	495,677	509,972	537,810
Unrestricted	326,908	275,488	222,798	223,903	192,437
Total governmental activities net position	<u>\$ 3,865,179</u>	<u>\$ 3,911,214</u>	<u>\$ 3,848,405</u>	<u>\$ 3,881,055</u>	<u>\$ 3,921,884</u>
Business-type activities					
Net investment in capital assets	\$ 2,883,997	\$ 2,970,673	\$ 3,090,401	\$ 1,499,186	\$ 3,384,656
Restricted	393,482	-	-	-	-
Unrestricted	344,414	283,150	186,007	98,873	65,237
Total business-type activities net position	<u>\$ 3,621,893</u>	<u>\$ 3,253,823</u>	<u>\$ 3,276,408</u>	<u>\$ 1,598,059</u>	<u>\$ 3,449,893</u>
Primary Government					
Net investment in capital assets	\$ 6,215,811	\$ 6,054,247	\$ 6,220,331	\$ 4,646,366	\$ 6,576,293
Restricted	599,939	552,152	495,677	509,972	537,810
Unrestricted	671,322	558,638	408,805	322,776	257,674
Total primary government activities net position	<u>\$ 7,487,072</u>	<u>\$ 7,165,037</u>	<u>\$ 7,124,813</u>	<u>\$ 5,479,114</u>	<u>\$ 7,371,777</u>

CITY OF LOWELL
Changes in Net Position
Last Ten Fiscal Years

	2024	2023	2022	2021	2020
Program revenues:					
Governmental activities:					
Charges for services:					
General Government	\$ 2,890	\$ 6,280	\$ 11,438	\$ 3,088	\$ 5,106
Culture & Recreation	9,514	13,890	9,470	6,494	22,419
Public Safety	-	-	-	-	-
Community Development	26,165	20,493	18,336	688	73,117
Code Enforcement	773	967	347	981	876
Tourism	-	-	-	-	-
Municipal Court	5,943	6,365	10,565	5,966	2,824
Highways & Streets	104	2,080	3,224	5,476	22,846
Operating grants & contributions	164,827	291,104	223,330	179,506	186,282
Capital grants & contributions	6,250	773,111	405,579	225,630	6,100
Total governmental activities program revenues	216,466	1,114,290	682,289	427,829	319,570
Business-type activities:					
Charges for services:					
Building	13,723	96,145	128,394	19,129	-
Water	542,225	412,776	351,731	373,237	368,132
Sewer	507,794	467,238	469,267	395,453	376,377
Operating grants & contributions	1,699	23,826	-	817	-
Capital grants & contributions	80,028	578,560	206,180	24,364	-
Total business-type activities program revenues	1,145,469	1,578,545	1,155,572	813,000	744,509
Total primary government program revenues	1,361,935	2,692,835	1,837,861	1,240,829	1,064,079
Expenses:					
Governmental activities:					
General Government	193,045	158,782	140,414	146,822	163,018
Culture & Recreation	201,696	212,465	133,564	112,858	116,507
Public Safety	36,356	33,663	29,453	28,968	28,123
Community Development	53,284	123,426	88,212	78,455	102,066
Code Enforcement	6,852	6,974	12,259	14,311	14,490
Tourism	1,067	1,223	3,202	2,251	2,786
Municipal Court	13,975	14,040	17,901	13,815	11,462
Highways & Streets	124,830	121,391	101,824	94,957	87,625
Total governmental activities	631,105	671,964	526,829	492,437	526,077
Business-type activities:					
Building	38,832	84,599	101,115	26,413	-
Water	505,327	526,955	526,635	486,159	395,706
Sewer	586,779	524,562	540,482	469,825	446,400
Total business type activities	1,130,938	1,136,116	1,168,232	982,397	842,106
Total primary government expenses	\$ 1,762,043	\$ 1,808,080	\$ 1,695,061	\$ 1,474,834	\$ 1,368,183
General Revenues and Other Changes in Net Position					
Governmental activities					
Taxes	\$ 200,055	\$ 187,987	\$ 183,315	\$ 155,148	\$ 150,732
Investment earnings	21,016	8,615	2,554	2,789	8,618
Other revenues	81,002	105,995	97,075	70,271	65,290
Gain (loss) on capital assets	-	81,788	57,860	-	-
Transfers in (out)	-	-	-	(49,299)	(858)
Total governmental activities	302,073	384,385	340,804	178,909	223,782
Business-type activities					
Investment earnings	35,205	15,046	3,399	4,598	12,363
Other revenues	11,019	5,470	1,850	8,538	4,586
Gain (loss) on capital assets	-	-	-	-	800
Transfers in (out)	-	-	-	49,299	858
Total business-type activities	46,224	20,516	5,249	62,435	18,607
Total primary government	\$ 348,297	\$ 404,901	\$ 346,053	\$ 241,344	\$ 242,389
Change in Net Position					
Governmental activities	\$ (112,566)	\$ 826,711	\$ 496,264	\$ 114,301	\$ 17,275
Business-type activities	60,755	462,945	(7,411)	(106,962)	(78,990)
Total primary government	\$ (51,811)	\$ 1,289,656	\$ 488,853	\$ 7,339	\$ (61,715)

CITY OF LOWELL
Changes in Net Position
Last Ten Fiscal Years

	2019	2018	2017	2016	2015
Program revenues:					
Governmental activities:					
Charges for services:					
General Government	\$ 5,912	\$ 49,458	\$ 37,100	\$ 14,909	\$ 19,799
Culture & Recreation	25,587	21,899	22,976	21,596	8,888
Public Safety	-	-	-	-	-
Community Development	175,627	-	-	-	-
Code Enforcement	806	-	-	-	-
Tourism	-	-	-	-	-
Municipal Court	1,940	-	-	-	-
Highways & Streets	24,756	8,007	4,273	3,042	-
Operating grants & contributions	128,432	27,649	20,140	15,626	69,629
Capital grants & contributions	70,925	-	-	-	125,000
Total governmental activities program revenues	433,985	107,013	84,489	55,173	223,316
Business-type activities:					
Charges for services:					
Building	-	-	-	-	-
Water	391,598	308,138	274,459	250,726	233,460
Sewer	363,394	382,284	330,777	274,731	260,087
Operating grants & contributions	-	-	-	-	-
Capital grants & contributions	-	-	-	-	-
Total business-type activities program revenues	754,992	690,422	605,236	525,457	493,547
Total primary government program revenues	1,188,977	797,435	689,725	580,630	716,863
Expenses:					
Governmental activities:					
General Government	108,152	118,225	223,034	280,159	270,210
Culture & Recreation	109,413	67,812	19,376	23,087	13,259
Public Safety	27,300	30,200	-	-	-
Community Development	168,433	42,730	-	-	-
Code Enforcement	11,863	-	-	-	-
Tourism	7,566	9,695	-	-	-
Municipal Court	11,186	10,294	-	-	-
Highways & Streets	134,185	101,427	96,103	42,499	31,917
Total governmental activities	578,098	380,383	338,513	345,745	315,386
Business-type activities:					
Building	-	-	-	-	-
Water	367,124	358,810	348,683	344,914	318,125
Sewer	390,655	377,194	387,717	375,223	393,260
Total business type activities	757,779	736,004	736,400	720,137	711,385
Total primary government expenses	\$ 1,335,877	\$ 1,116,387	\$ 1,074,913	\$ 1,065,882	\$ 1,026,771
General Revenues and Other Changes in Net Position					
Governmental activities					
Taxes	\$ 147,569	\$ 140,307	\$ 134,981	\$ 131,105	\$ 126,539
Investment earnings	9,833	6,921	7,782	3,628	2,718
Other revenues	292,689	191,992	170,535	175,136	99,556
Gain (loss) on capital assets	-	16,419	-	-	-
Transfers in (out)	(352,013)	(19,460)	(91,924)	(60,126)	(60,226)
Total governmental activities	98,078	336,179	221,374	249,743	168,587
Business-type activities					
Investment earnings	5,334	3,265	-	-	244
Other revenues	13,539	272	309	-	12,331
Gain (loss) on capital assets	(29)	-	-	-	-
Transfers in (out)	352,013	19,460	91,924	60,126	60,226
Total business-type activities	370,857	22,997	92,233	60,126	72,801
Total primary government	\$ 468,935	\$ 359,176	\$ 313,607	\$ 309,869	\$ 241,388
Change in Net Position					
Governmental activities	\$ (46,035)	\$ 62,809	\$ (32,650)	\$ (40,829)	\$ 76,517
Business-type activities	368,070	(22,585)	(38,931)	(134,554)	(145,037)
Total primary government	\$ 322,035	\$ 40,224	\$ (71,581)	\$ (175,383)	\$ (68,520)

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

	2024	2023	2022	2021	2020
General Fund:					
Non spendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	61,332	39,275	31,736	18,466	6,100
Committed	2,323	2,323	-	5,224	6,597
Assigned	-	-	-	-	-
Unassigned	112,996	203,225	233,023	182,113	259,416
Total general fund	<u>176,651</u>	<u>244,823</u>	<u>264,759</u>	<u>205,803</u>	<u>272,113</u>
All Other Governmental Funds:					
Non spendable	-	-	-	-	-
Restricted	458,446	403,219	339,319	232,697	214,370
Committed	-	-	-	-	-
Assigned	12,118	13,759	13,824	11,468	34,691
Unassigned	-	-	-	-	-
Total all other governmental funds	<u>470,564</u>	<u>416,978</u>	<u>353,143</u>	<u>244,165</u>	<u>249,061</u>
Total governmental funds	<u>\$ 647,215</u>	<u>\$ 661,801</u>	<u>\$ 617,902</u>	<u>\$ 449,968</u>	<u>\$ 521,174</u>

	2019	2018	2017	2016	2015
General Fund:					
Non spendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	10,000
Unassigned	297,503	225,395	184,077	123,608	84,227
Total general fund	<u>297,503</u>	<u>225,395</u>	<u>184,077</u>	<u>123,608</u>	<u>94,227</u>
All Other Governmental Funds:					
Non spendable	-	-	-	-	-
Restricted	206,457	523,683	443,823	402,992	375,704
Committed	-	-	-	-	-
Assigned	29,405	91,457	90,575	207,275	260,317
Unassigned	-	-	-	-	-
Total all other governmental funds	<u>235,862</u>	<u>615,140</u>	<u>534,398</u>	<u>610,267</u>	<u>636,021</u>
Total governmental funds	<u>\$ 533,365</u>	<u>\$ 840,535</u>	<u>\$ 718,475</u>	<u>\$ 733,875</u>	<u>\$ 730,248</u>

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

	Fiscal Year				
	2024	2023	2022	2021	2020
REVENUES					
Property Taxes	\$ 200,055	\$ 187,987	\$ 183,315	\$ 155,148	\$ 150,732
Intergovernmental	163,535	302,615	442,585	391,769	185,917
Franchise fees ¹	80,451	103,436	96,397	59,158	62,928
Licenses and permits	26,938	21,460	18,683	1,669	73,993
Charges for services	4,165	6,280	11,438	3,388	5,106
SDC fees ²	2,401	49,046	74,691	9,604	31,102
Fees and fines ¹	5,943	6,365	10,565	5,966	2,824
Investment earnings	21,017	8,616	2,555	2,789	8,617
Miscellaneous ²	1,844	11,048	62,967	12,114	2,729
Fundraising and event receipts	12,192	12,950	21,283	14,432	20,264
Total Revenues	<u>518,541</u>	<u>709,803</u>	<u>924,479</u>	<u>656,037</u>	<u>544,212</u>
EXPENDITURES					
Current:					
General Government ⁴	144,187	109,963	92,804	103,531	125,617
Parks ³	88,357	81,696	83,126	91,312	76,428
Public Safety	36,356	33,663	29,453	28,968	28,123
Community Development	53,284	123,426	55,879	73,748	102,066
Library ³	66,735	94,423	28,000	6,454	8,635
Tourism	1,067	1,223	12,259	14,311	14,490
Code Enforcement	6,852	6,974	3,202	2,251	2,786
Municipal Court	13,975	14,040	17,901	13,815	11,462
Highways and Streets	54,266	62,296	54,481	55,736	54,743
Blackberry Jam Festival ³	10,501	13,237	5,685	3,112	18,434
Culture and Recreation ³	-	-	-	-	-
Debt service:					
Principal	33,497	330,850	22,041	17,845	17,095
Interest	24,050	29,319	31,485	28,507	23,251
Capital Outlay:	-	439,733	320,231	629,424	72,415
Total Expenditures	<u>533,127</u>	<u>1,340,843</u>	<u>756,547</u>	<u>1,069,014</u>	<u>555,545</u>
Excess (deficiency) of revenues over expenditures	<u>(14,586)</u>	<u>(631,040)</u>	<u>167,932</u>	<u>(412,977)</u>	<u>(11,333)</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	22,000
Transfers out	-	-	-	(59,381)	(22,858)
Total other financing sources and uses	<u>-</u>	<u>674,939</u>	<u>-</u>	<u>341,771</u>	<u>(858)</u>
SPECIAL ITEM					
Other Source - Litigation Proceeds	-	-	-	-	-
Net change in fund balances	(14,586)	43,899	167,932	(71,206)	(12,191)
Fund balances - beginning	661,801	617,902	449,968	521,174	533,365
Fund balances - ending	<u>\$ 647,215</u>	<u>\$ 661,801</u>	<u>\$ 617,900</u>	<u>\$ 449,968</u>	<u>\$ 521,174</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				
	2019	2018	2017	2016	2015
REVENUES					
Property Taxes	\$ 147,569	\$ 140,307	\$ 134,981	\$ 131,105	\$ 126,539
Intergovernmental	128,432	103,333	92,724	86,140	84,941
Franchise fees ¹	52,206	52,720	-	-	-
Licenses and permits	176,433	38,413	83,407	71,933	74,573
Charges for services	36,533	5,381	-	-	-
SDC fees ²	2,730	68,548	-	-	-
Fees and fines ¹	1,940	3,726	38,265	9,779	25,502
Investment earnings	9,833	6,921	7,783	3,650	2,718
Miscellaneous ²	1,631	18,973	18,442	41,544	7,826
Fundraising and event receipts	16,992	20,806	22,187	20,969	18,403
Total Revenues	<u>574,299</u>	<u>459,128</u>	<u>397,789</u>	<u>365,120</u>	<u>340,502</u>
EXPENDITURES					
Current:					
General Government ⁴	99,216	103,074	97,112	204,569	203,871
Parks ³	73,629	-	-	-	-
Public Safety	27,300	30,200	21,000	30,486	24,298
Community Development	168,433	42,730	35,264	-	-
Library ³	24,217	-	-	-	-
Tourism	7,566	9,695	3,096	-	-
Code Enforcement	11,863	-	14,268	-	-
Municipal Court	11,186	10,294	-	-	-
Highways and Streets	102,188	70,222	64,898	43,185	32,576
Blackberry Jam Festival ³	-	-	-	-	-
Culture and Recreation ³	-	67,812	64,383	23,127	13,556
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital Outlay:	760,121	-	21,244	-	-
Total Expenditures	<u>1,285,719</u>	<u>334,027</u>	<u>321,265</u>	<u>301,367</u>	<u>274,301</u>
Excess (deficiency) of revenues over expenditures	<u>(711,420)</u>	<u>125,101</u>	<u>76,524</u>	<u>63,753</u>	<u>66,201</u>
OTHER FINANCING SOURCESS (USES)					
Proceeds from loan	530,000	-	-	-	-
Gain or (loss) on sale of fixed assets	-	16,419	-	-	-
Transfers in	120,565	10,000	22,975	13,528	13,028
Transfers out	<u>(472,578)</u>	<u>(29,460)</u>	<u>(114,899)</u>	<u>(73,654)</u>	<u>(73,254)</u>
Total other financing sources and uses	<u>177,987</u>	<u>(3,041)</u>	<u>(91,924)</u>	<u>(60,126)</u>	<u>(60,226)</u>
SPECIAL ITEM					
Other Source - Litigation Proceeds	<u>226,263</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(307,170)	122,060	(15,400)	3,627	5,975
Fund balances - beginning	<u>840,535</u>	<u>718,475</u>	<u>733,875</u>	<u>730,248</u>	<u>724,273</u>
Fund balances - ending	<u>\$ 533,365</u>	<u>\$ 840,535</u>	<u>\$ 718,475</u>	<u>\$ 733,875</u>	<u>\$ 730,248</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

	2024	2023	2022	2021	2020
Program revenues:					
Governmental activities:					
General Government ¹	\$ 42,944	\$ 181,193	\$ 125,757	\$ 99,740	\$ 42,328
Culture & Recreation	20,130	63,033	282,503	19,860	60,799
Public Safety	-	-	-	-	-
Community Development	28,165	20,493	19,336	688	103,117
Code Enforcement	773	967	347	981	876
Toursim	19,124	11,318	10,586	10,274	10,137
Municipal Court	5,943	6,365	10,565	5,966	2,824
Highways & Streets	99,387	830,921	233,195	297,159	99,489
Subtotal governmental activities	<u>216,466</u>	<u>1,114,290</u>	<u>682,289</u>	<u>434,668</u>	<u>319,570</u>
Business-type activities:					
Building	-	96,145	128,394	1,929	-
Water	-	738,948	564,537	374,054	368,132
Sewer	-	743,452	462,641	419,817	376,377
Subtotal business-type activities	<u>-</u>	<u>1,578,545</u>	<u>1,155,572</u>	<u>795,800</u>	<u>744,509</u>
Total primary government	<u>216,466</u>	<u>2,692,835</u>	<u>1,837,861</u>	<u>1,230,468</u>	<u>1,064,079</u>

	2019	2018	2017	2016	2015
Program revenues:					
Governmental activities:					
General Government ¹	\$ 44,602	\$ 66,346	\$ 48,219	\$ 21,406	\$ 153,144
Culture & Recreation	98,512	32,660	31,997	30,725	9,888
Community Development	175,627	-	-	-	-
Code Enforcement	806	-	-	-	-
Toursim	9,639	-	-	-	-
Municipal Court	1,940	-	-	-	-
Highways & Streets	102,859	8,007	4,273	3,042	60,284
Public Works ²	-	-	-	-	-
Subtotal governmental activities	<u>433,985</u>	<u>107,013</u>	<u>84,489</u>	<u>55,173</u>	<u>223,316</u>
Business-type activities:					
Building	-	-	-	-	-
Water	391,598	308,138	274,459	250,726	233,460
Sewer	363,394	382,284	330,777	274,731	260,087
Subtotal business-type activities	<u>754,992</u>	<u>690,422</u>	<u>605,236</u>	<u>525,457</u>	<u>493,547</u>
Total primary government	<u>1,188,977</u>	<u>797,435</u>	<u>689,725</u>	<u>580,630</u>	<u>716,863</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
14-15	126,539	45,095	171,634	998	17,566	335	18,899
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
23-24	200,055	80,451	280,506	23,176	-	3,762	26,938

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
14-15	\$ 58,603,044	\$ 1,208,852	\$ 162,551	\$ 802,000	\$ 60,776,447	2.1613	\$ 86,132,470	70.6%
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%

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	
14-15	\$ 2.1613	\$ 2.1613	\$ 1.9345	\$ 2.6970	\$ 0.8616	\$ 0.2232	\$ 5.0409	\$ 12.9185
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

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
14-15	\$ 131,356	\$ 122,928	93.58%	\$ 3,611	\$ 126,539	96.3%
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%

*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 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

Taxpayer Name	Fiscal Year 2021-2022				
	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

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

CITY OF LOWELL
Principal Tax Payers
Last Ten Fiscal Years

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

Fiscal Year 2018-2019					
Taxpayer Name	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

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

CITY OF LOWELL
Principal Tax Payers
Last Ten Fiscal Years

Fiscal Year 2017-2018					
Taxpayer Name	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

Fiscal Year 2016-2017					
Taxpayer Name	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%
Eschenbacher James & Karla	1	5,052	399,712	544,874	0.62%
		<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

Fiscal Year 2015-2016					
Taxpayer Name	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%
** only 9 listed on Lane County Website		<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
Principal Tax Payers
Last Ten Fiscal Years

Taxpayer Name	Fiscal Year 2014-2015				
	Number of Parcels	Assessed Taxes	Taxable Assessed Value (TAV)	Estimated Real Market Value (RMV)	% of City Assessed Value
Tu-Mac Inc	1	\$ 29,206	\$ 2,426,660	\$ 2,426,660	3.99%
Lowell Industrial Development	3	16,401	1,362,770	1,362,770	2.24%
George William D & Ruth M	6	9,761	755,573	1,045,542	1.24%
C & S Developments Inc	21	6,584	543,547	620,555	0.89%
Nelson Alexander & Patricia Ann	5	6,563	523,837	598,801	0.86%
Centurylink	2	5,710	474,400	474,400	0.78%
Tschirgi Scot W & Marolyn A	3	5,072	392,675	547,298	0.65%
Valencia Jerry L & Julie E	1	5,042	390,265	467,838	0.64%
Vanmastrigt William	1	4,991	386,349	465,131	0.64%
Eschenbacher James & Karla	1	4,867	376,767	524,798	0.62%
		<u>\$ 94,197</u>	<u>\$ 7,632,843</u>	<u>\$ 8,533,793</u>	<u>12.56%</u>
Total City assessed valuation base for Fiscal Year 2014-2015:			\$ 60,776,447		

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			
14-15	\$ -	\$ 1,071,951	\$ 716,744	\$ 1,788,695	4.62%	1,687
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

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 Stater

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

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total Real Market Value	\$ 227,774,375	\$ 203,956,062	\$ 168,202,694	\$ 129,834,847	\$ 123,729,680
Legal debt margin:					
Debt limitation:					
3 percent of total real market value	<u>6,833,231</u>	<u>6,118,682</u>	<u>5,046,081</u>	<u>3,895,045</u>	<u>3,711,890</u>
Debt applicable to limitation:					
General obligation debt	-	-	-	-	-
Less: Amount Available for repayment of general obligation bond principal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total debt applicable to limitation	-	-	-	-	-
Legal debt margin	<u>\$ 117,303,803</u>	<u>\$ 105,037,372</u>	<u>\$ 86,624,387</u>	<u>\$ 66,864,946</u>	<u>\$ 63,720,785</u>
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%	0%

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Real Market Value	\$ 117,576,623	\$ 108,244,103	\$ 94,410,652	\$ 90,378,891	\$ 86,132,470
Legal debt margin:					
Debt limitation:					
3 percent of total real market value	<u>3,527,299</u>	<u>3,247,323</u>	<u>2,832,320</u>	<u>2,711,367</u>	<u>2,583,974</u>
Debt applicable to limitation:					
General obligation debt	-	-	-	-	-
Less: Amount Available for repayment of general obligation bond principal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total debt applicable to limitation	-	-	-	-	-
Legal debt margin	<u>\$ 60,551,961</u>	<u>\$ 55,745,713</u>	<u>\$ 48,621,486</u>	<u>\$ 46,545,129</u>	<u>\$ 44,358,222</u>
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

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*

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

Customer	Account Type	Percentage of Total Consumption
Lowell School District (HS)	School	2.15%
COL - Sewer Plant	Government	1.98%
Nelson, Mia	Residential	1.79%
Lowell School District (BCA)	School	1.51%
COL - Paul Fisher Park Irrigation	Government	1.38%
Covered Bridge Estates	Multi-Family	1.31%
COL - Rolling Rock Park	Government	1.18%
Bridge Town Market	Commercial	0.65%
Brazill, Joseph	Residential	0.61%
Scharff, A J	Residential	0.59%
Kau, Nikkole	Residential	0.58%
Larson, Nathan	Residential	0.56%
Lybarger, Chad	Residential	0.56%
Weathers, Maureen	Residential	0.52%
Martini, Jimmy & Mindy	Residential	0.51%

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	2024	2023	2022	2021	2020	2019	2018	2017	2016*	2015*
General Government										
Administration	0.20	0.20	0.20	0.20	0.15	0.15	0.15	0.15	0.65	0.41
Finance/City Clerk	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.54	0.54
Facilities	0.06	0.06	0.06	0.06	0.03	0.18	0.18	0.18	0.20	0.30
	<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>	<u>1.25</u>
Public Safety										
Administration	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	-	-
Code Enforcement	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>0.20</u>	<u>0.20</u>	<u>0.20</u>	<u>0.20</u>	<u>0.20</u>	<u>0.20</u>	<u>-</u>	<u>-</u>
Community Development										
Administration	0.05	0.07	0.05	-	0.05	0.05	0.05	0.05	-	-
Planning & Land Use ³	0.03	0.03	-	-	0.05	0.05	0.05	0.05	-	-
Building ²	0.12	0.05	0.05	0.05	0.05	0.05	0.05	0.05	-	-
Engineering ¹	-	-	-	-	-	-	-	-	-	-
	<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>	<u>-</u>
Public Works										
Administration	0.58	0.58	0.60	0.60	0.60	0.60	0.60	0.60	0.35	0.22
Finance/City Clerk	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	1.20	1.21
Water Facilities	1.38	1.40	1.39	1.39	1.28	1.28	1.28	1.28	1.37	1.37
Sewer Facilities	1.38	1.40	1.39	1.39	1.28	1.28	1.28	1.28	1.37	1.37
Streets	0.20	0.20	0.20	0.20	0.41	0.41	0.41	0.41	0.28	0.28
	<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>	<u>4.45</u>
Culture & Recreation										
Administration	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	-	-
Parks	0.69	0.68	0.68	0.68	0.58	0.43	0.43	0.43	0.42	0.33
Library	0.59	0.59	0.59	0.09	0.40	-	-	-	-	-
	<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>	<u>0.33</u>
Total Full-time equivalents	<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>	<u><u>6.03</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, 2024

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, 2024 and have issued our report thereon dated December 20, 2024. 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.



Steve Tuchscherer, CPA
Umpqua Valley Financial
Roseburg, Oregon
December 20, 2024