

CITY OF DULUTH, MINNESOTA

2024 Adopted Annual Budget



CITY OF DULUTH

2024 Adopted Annual Budget

MAYOR

Roger Reinert

City Councilors

Wendy Durrwachter

Mike Mayou

Roz Randorf

Tara Swenson

Janet Kennedy

Azrin Awal

Arik Forsman

Lynn Marie Nephew

Terese Tomanek

City Administrator

Dave Montgomery



City of Duluth Minnesota - 2024 Budget

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Finance Department

Room 120
411 West First Street
Duluth, Minnesota 55802

 218-730-5350

Members of the Duluth City Council
And Other Interested Parties

Dear Reader:

The City of Duluth budget process is a disciplined practice which uses the strengths of highly skilled leaders to set City priorities while seeking strategic financial solutions and opportunities to achieve these priorities. The 2024 budget was completed in accordance with the City's budget policies, city charter and the State of Minnesota's truth in taxation laws.

The budget process began with prior Duluth Mayor, Emily Larson, presenting the proposed general fund budget and tax levy to the City Council on August 21, 2023. The City Council approved the proposed maximum tax levy on September 25, 2023. Finance committee meetings were held in August, September, October, November, and December where City departments and authorities presented their budgets as well as strengths, opportunities, and future challenges. On December 11, 2023 a public hearing was held for truth in taxation, capital improvement plans, and proposed issuance of general obligation capital improvement bonds in the Duluth City Council Chambers at 7:00 PM to allow citizens time for public comment and questions. The capital improvement plan and intent to bond was approved on December 11th. The final 2024 budgets, budget appropriations, and tax levies were approved by Council by December 18, 2023.

This budget is the result of financial discipline, economic resilience, and years of hard work building relationships and lobbying the state legislature. Throughout the years of the pandemic, the City was able to plan for the worst, but surpass expectations, aided by American Rescue Plan funds and higher than expected sales tax revenue. This resulted in a healthy fund balance, of which the City will use \$9.2 million in 2024 to invest in street repairs and one-time investments to secure new equipment like snowplows, street patching equipment, police vehicles, and other aged equipment. Additionally, in 2024, the City secured nearly \$4.4 million in additional state Local Government Aid (LGA), the largest increase in over 20 years. This additional state money, coupled with strategic one-time investments made it possible to create a sustainable, low tax levy budget which makes significant investments.

2024 Budget Highlights:

Increased property tax levy 3.12%

Budget Drivers:

State Budget Considerations

LGA increase of 14% and a projected state budget surplus

Employee Expenses

Collective bargaining agreements with new concessions
Health insurance premiums decreased to just a 5% increase
Overtime costs

Economy

High inflation
Low unemployment rates

www.duluthmn.gov

The City of Duluth is an Equal Opportunity Employer.

Sales tax revenue increase
Tourism tax revenue increase

Framework Goals and Assumptions:

Increased property tax levy of 3.12%
LGA- increase of 4.3M
Dedicated 0.5% sales tax for streets
Health care rates increased by 5%

The City continues to prioritize making debt payments to ensure the City remains in excellent standing with bond rating agencies allowing the City to leverage other investments and benefits.

The 2024 budget approvals were endorsed by the City Council, led by Council President Kennedy. Mayor Larson's 2024 proposed levy and budget presentation can be seen by clicking [HERE](#).

In November, voters elected Roger Reinert as their new Mayor beginning in January of 2024. This inherited budget may change dependent on the new administration's priorities.

Sincerely,



Jessica Kasper, Budget Manager



Jennifer Carlson, Finance Director

City of Duluth, MN Profile



Duluth, or *Onigamiising* in Ojibwe, is the seat of St. Louis County, the largest city in the northern two-thirds of Minnesota, and the fifth largest city in the state. It is located on the western tip of Lake Superior and its city limits encompass 67 square miles of land and nearly 50 square miles of water. Situated on a hillside along Lake Superior's north shore, Duluth is 23 miles long and eight miles wide at its broadest point. It is considered a regional center for Northern Minnesota, Northwest Wisconsin, Upper Michigan, and Lower Ontario.

The City is built into a steep rocky hillside, with an elevation change of approximately 900 feet, and temperatures and weather that can vary greatly from season to season and even day to day, due to the proximity of Lake Superior (*Kitchi Gammi*). The temperature *ranges* are also very extreme, January has an average low temperature of 2°F and July has an average high temperature of 76°F. When snow and rain are added to these factors, it makes maintaining streets very challenging. In Duluth, the average snowfall is 85 inches and the average precipitation is 31 inches.

Duluth has been voted *Outside* magazine's best outdoors town in America, and was ranked in the 2021 top 10 Remote-Ready Cities in the US by *Livability*, providing 162 municipal parks with a total of 9,168 acres of city parkland. The City provides 353 miles of trails, and is home to 2 ski hills, 16 designated trout streams and Lake Superior, the world's largest freshwater lake by surface area. Outdoor tourism is a major part of the city's economy with approximately 6.7 million people visiting Duluth annually.

Once dependent on heavy industry for its economic health, Duluth has diversified and is now a strong center for shipping, tourism, financial/banking, education, healthcare, technology, and aviation.

In 1959, the St. Lawrence Seaway opened near Montreal, and Duluth became a world port. The St. Lawrence Seaway is the world's largest inland waterway. An average of 35 million short tons of cargo make its way through the Seaway to Duluth Seaway Port Authority. Approximately 7,136 jobs in Minnesota and Wisconsin were supported by cargo moving via the Port of Duluth-Superior. The total economic activity created by Port of Duluth-Superior is \$1.6 billion.

Higher education opportunities in Duluth include the University of Minnesota, Duluth, the College of St. Scholastica, and Lake Superior College. Forty-one percent of the adult population in Duluth has a bachelor's degree or higher.

After reaching a population peak of 107,312 in 1960, Duluth's 2022 population of 86,619, as estimated by the US Census Bureau, has remained relatively flat since the 1990 census. The per capita income in Duluth is \$37,433, and the unemployment rate in December of 2023 is 3.1%. Additional demographics and economic data can be found in the Appendix.

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Form of Government

Duluth adopted its first home-rule charter in March 1900. This charter provided for the Mayor-Alderman form of government. On December 1912, the voters of Duluth voted out the charter and replaced it with the 1912 Home Rule Charter – adopting the Commission form of government. The Commission form of government ended on June 1956 at which time the Mayor-Council form of government went into effect, in accordance with the mandate of the voters expressed at the municipal election March 1956. The current form of government is still Mayor-Council as amended September 1964.

ELECTED OFFICIALS

Mayor – Roger Reinert **January 2024** **to** **January 2028**

Councilors at Large

Azrin Awal	January 2022	to	January 2026
Arik Forsman	January 2024	to	January 2028
Lynn Marie Nephew	January 2024	to	January 2028
Terese Tomanek	January 2022	to	January 2026

District Councilors

1	Wendy Durrwachter	January 2024	to	January 2028
2	Mike Mayou	January 2022	to	January 2026
3	Roz Randorf	January 2024	to	January 2028
4	Tara Swenson	January 2024	to	January 2028
5	Janet Kennedy	January 2024	to	January 2028

APPOINTED OFFICIALS

City Administrator

David Montgomery

City Attorney

Jessica Fralich

Authorities Directors

Airport	Tom Werner
DECC	Dan Hartman
DTA	Rod Fournier
Spirit Mountain	Ann Glumac (Interim)

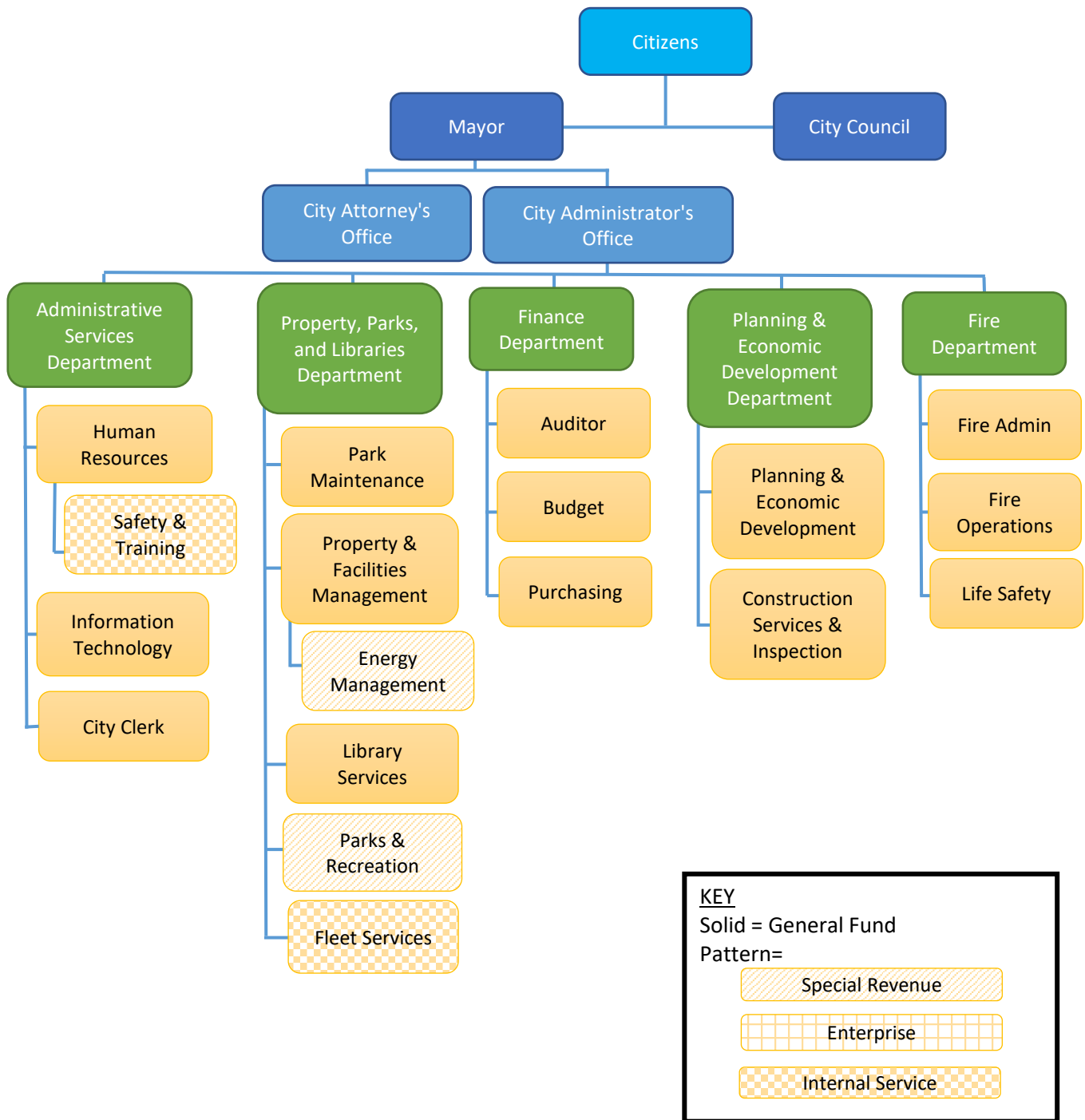
City Department Heads

Finance Director	Jen Carlson
Property, Parks & Libraries	Jim Filby Williams
Administrative Services	Ben Van Tassel
Planning & Econ Development	Chad Ronchetti
Workforce Development	Elena Foshay
Fire Chief	Shawn Krizaj
Police Chief	Mike Ceynowa
Public Works & Utilities	Jim Benning

City of Duluth Minnesota - 2024 Budget

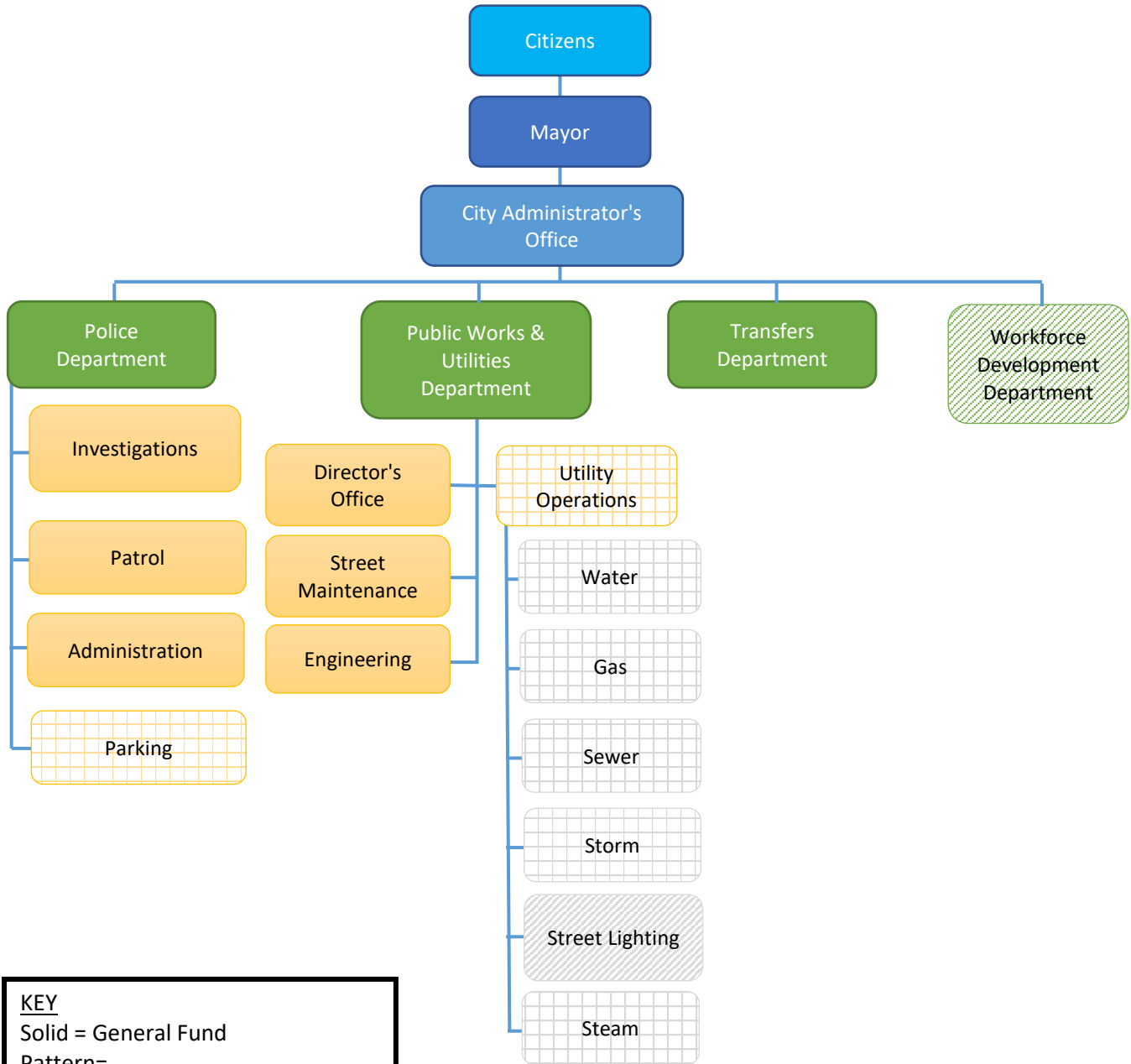
City of Duluth Organization Chart

The City, as authorized by City Charter, may have up to nine operating departments with divisions as appropriate within those departments. Most city departments are within the General Fund, with a few exceptions that cross fund lines.


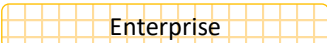



City of Duluth Minnesota - 2024 Budget

City of Duluth Organization Chart - continued

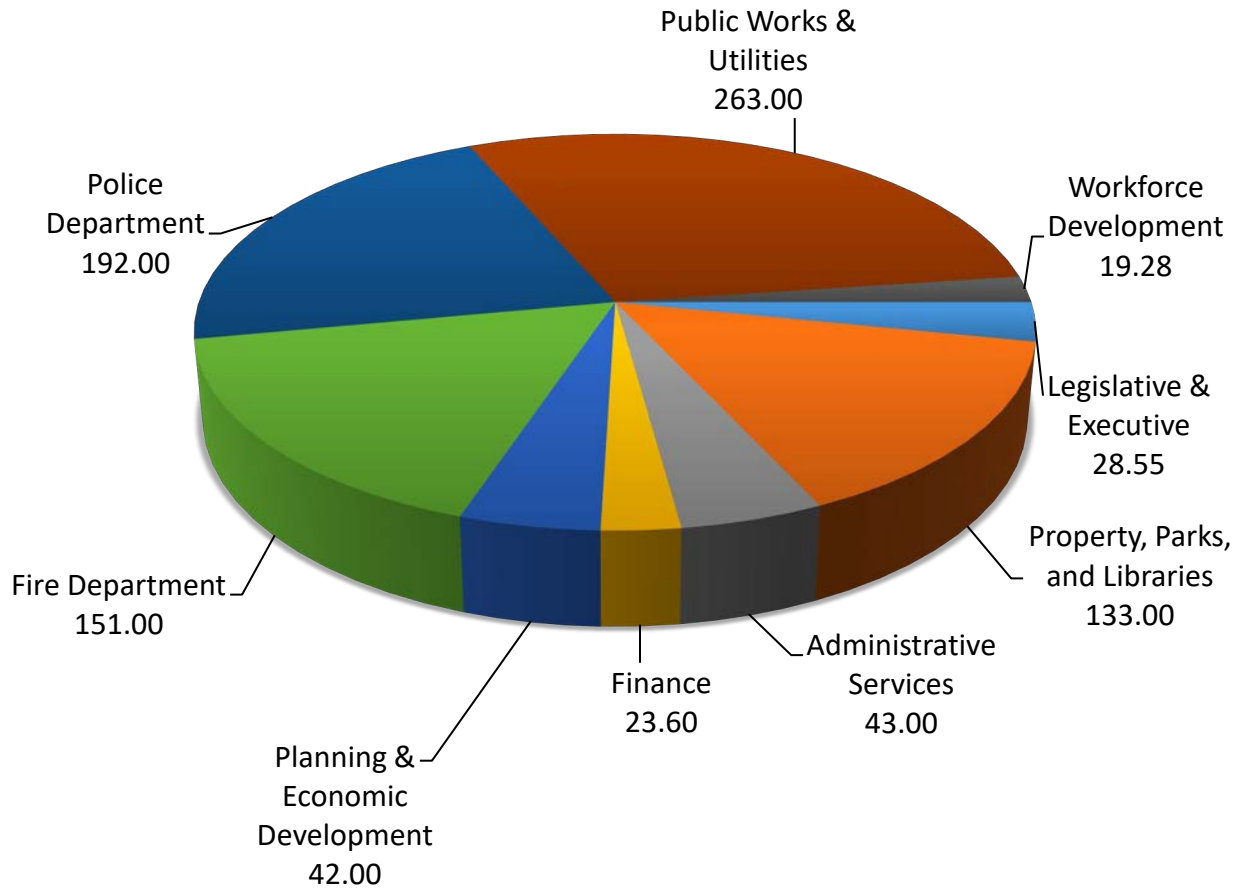


KEY
 Solid = General Fund
 Pattern=

-  Special Revenue
-  Enterprise
-  Internal Service

City of Duluth Minnesota - 2024 Budget

Citywide Personnel Summary 2024 Permanent FTE's by Department



Department	2021 Budget	2022 Budget	2023 Budget	2024 Approved	Difference
Legislative & Executive	26.00	25.80	26.80	28.55	1.75
Property, Parks, and Libraries	131.50	130.50	132.00	133.00	1.00
Administrative Services	40.00	40.00	41.00	43.00	2.00
Finance	21.60	21.60	22.60	23.60	1.00
Planning & Economic Development	39.50	40.50	42.00	42.00	0.00
Fire Department	148.50	148.50	150.00	151.00	1.00
Police Department	191.00	191.50	192.00	192.00	0.00
Public Works & Utilities	257.00	256.00	256.00	263.00	7.00
Workforce Development	15.64	17.64	18.64	19.28	0.63
TOTAL	870.74	872.04	881.04	895.43	14.39

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Citywide Personnel Summary Fulltime, Permanent Positions

Department/Division	2021 Budget	2022 Budget	2023 Budget	2024 Approved
LEGISLATIVE & EXECUTIVE				
City Council	0.00	0.00	0.00	0.00
Mayor Office	6.00	6.00	6.00	6.00
City Administrator's Office	3.00	3.00	3.00	3.00
Attorney's Office	17.00	16.80	17.80	17.80
Energy Management	0.00	0.00	0.00	1.75
DEPARTMENT TOTAL	26.00	25.80	26.80	28.55
PROPERTY, PARKS & LIBRARIES				
Park Maintenance	22.60	22.80	23.05	23.05
Library Services	47.70	47.50	48.00	48.00
Parks and Recreation	13.70	13.70	14.45	14.45
Property & Facilities Management	28.30	28.30	28.30	29.30
Fleet Services	18.20	17.20	17.20	17.20
Energy Management	1.00	1.00	1.00	1.00
DEPARTMENT TOTAL	131.50	130.50	132.00	133.00
ADMINISTRATIVE SERVICES				
Human Resources	10.00	10.00	10.00	11.00
Information Technology	23.00	23.00	24.00	24.00
City Clerk	6.00	6.00	6.00	7.00
Safety and Training	1.00	1.00	1.00	1.00
DEPARTMENT TOTAL	40.00	40.00	41.00	43.00
FINANCE				
Budget Office	7.00	7.00	7.00	7.00
Auditor's Office	8.60	8.60	9.60	10.60
Purchasing	6.00	6.00	6.00	6.00
DEPARTMENT TOTAL	21.60	21.60	22.60	23.60
PLANNING & ECONOMIC DEVELOPMENT				
Physical Planning	12.25	12.25	13.25	13.25
Construction Svs & Insp	20.50	20.50	21.00	21.00
Community Development	6.75	7.75	7.75	7.75
DEPARTMENT TOTAL	39.50	40.50	42.00	42.00

City of Duluth Minnesota - 2024 Budget

Citywide Personnel Summary Fulltime, Permanent Positions

Department/Division	2021 Budget	2022 Budget	2023 Budget	2024 Approved
FIRE DEPARTMENT				
Fire Administration	4.50	5.00	6.00	6.00
Firefighting Operations	132.00	132.00	131.00	131.00
Life Safety	12.00	11.50	13.00	14.00
DEPARTMENT TOTAL	148.50	148.50	150.00	151.00
POLICE DEPARTMENT				
Administration, Investigative, Patrol	183.00	183.50	184.00	184.00
Parking	8.00	8.00	8.00	8.00
DEPARTMENT TOTAL	191.00	191.50	192.00	192.00
PUBLIC WORKS & UTILITIES				
Public Works Operations				
Director's Office	0.90	0.60	0.60	0.60
Street Maintenance	44.00	44.00	44.00	44.00
Engineering	15.45	15.45	15.45	15.20
Public Works Subtotal	60.35	60.05	60.05	59.80
Utilities Operations				
Water	56.55	57.65	55.70	59.00
Gas	76.45	74.95	74.80	74.85
Sewer	33.75	33.50	33.60	36.75
Stormwater	24.80	24.75	26.75	27.3
Street Lighting	5.10	5.10	5.10	5.30
Utilities Subtotal	196.65	195.95	195.95	203.20
DEPARTMENT TOTAL	257.00	256.00	256.00	263.00
WORKFORCE DEVELOPMENT	15.64	17.64	18.64	19.28
TOTAL CITY EMPLOYEES	870.74	872.04	881.04	895.43

City of Duluth Strengths, Challenges, and Opportunities

The City of Duluth continued to see growth throughout 2023. This past year, the City had its highest levels of tourism and sales tax revenue, breaking last year's record. The main drivers of this are likely attributed to the suspension of student loan payments, a rise in real wages as inflation decreases, and continued increase in consumer debt. Some experts say this is still a residual from the savings remaining from federal stimulus funds and pent up demand from the pandemic. The workforce shortage seems to be slowing down in the City, with the police department being the main department still very under staffed. It will be interesting to see if the City's revenues continue to grow, or if they have peaked and we start to see where the City's new sustainable levels are.

Strengths:

- Duluth is located on the southwestern tip of Lake Superior. Lake Superior, the largest of the Great Lakes, is not only an economic engine for the community but is treasured for its picturesque beauty. Duluth has experienced growth in tourism and recreation travel, attracting over 6.7 million visitors annually. During a typical year, events such as Grandma's Marathon, Duluth Blues Fest, Festival of Sail, and Bentleyville Tour of Lights have given the City national media attention. In 2022, the City partnered with Visit Duluth, Belmont Partners, and Lawrence & Schiller to provide continued growth and branding of the tourism experience in Duluth along with the addition of a full-time City employee to help manage the partnership. The City's Tourism Tax revenue is up almost 7 percent over 2022.
- Duluth is a four-season city with 11,000 acres of green space alongside the great Lake Superior. Duluth has miles of trails and over 100 parks providing a backdrop for a multitude of recreation activities. Duluth's parks and trails continue attracting new visitors and generating additional economic development opportunities. The City of Duluth provides 162 parks with a total of 9,168 acres of city parkland. The City provides 10 miles of horseback trail, 85 miles of bike-optimized trails, 30 miles of paved accessible trails, 38 miles of cross-country ski trails and 16 miles of gravel accessible trails.
- The City of Duluth has a world class mountain bike trail network that was recognized by [International Mountain Bicycling Association \(IMBA\)](#) as a Gold Level Ride Center, one of only six in the world. The trail system has 100+ miles of bike-optimized single-track trail.
- Duluth was a port of call for seven Viking cruise trips. They had their first voyage to the Duluth port in 2022 and they were met with an enthusiastic reception from the local

community. These visits generated an estimated \$677,000 in economic impact for the City. A recent study projected that an expanded cruise industry, with more ships and with trips that begin or end in Duluth, could generate millions.

- For 2023, Duluth's property values increased by 9.15 percent, indicating continued growth in real estate values. In 2023, a continued shortage of listings and high interest rates continued to increase housing prices and decrease the housing affordability index in Duluth, fortunately, this started increasing in the latter parts of the year. While this is good for those looking to sell their homes, it means those who are not are picking up more of the share of taxes. The City is aware of the need for more housing and is working with developers and businesses to redevelop and/or expand to create growth and increased tax base.
- The Minnesota State Legislature approved a request from the City of Duluth to renew a one-half-of-one-percent increment in tourism taxes (half-and-half tourism tax) to fund improvements to parks-based athletic venues that drive regional sports tourism. The renewed half-and-half tourism tax, titled the Athletic Venue Reinvestment Initiative (AVRI), will provide up to \$36 million of investment and will be implemented in phases over a decade. Per state law, the half-and-half tourism tax dollars may only be spent on athletic facilities that currently host, or could in the future host, events and competitions that attract numerous participants from outside the Duluth region. This will greatly help take the pressure off of finding resources for aging athletic facilities.
- In 2019, the State legislature approved a ½ percent local sales tax increase to fund street improvements in the City of Duluth. Voters supported the sales tax referendum overwhelmingly in the November 2017 election. The sales tax increase generates approximately \$7 million annually, more than tripling what the City had spent on streets. In 2024, the City has set aside \$6 million in addition to the annual sales tax increase, using the general fund balance and street improvement sales tax fund.
- In 2021, a City Sustainability Advisory Team was created and the Climate Action Work Plan for 2022-2027. The first phase of the work plan includes:
 - Driving down emissions from City Operations
 - Strengthening community resilience
 - Eliminating institutional barriers and better enable climate actions
 - Creating financial and workforce plans to support accelerated climate action
 - Executing shovel-ready projects

- In the past year, multiple Departments have contributed to the City’s sustainability efforts, thanks to the City’s internal Climate Action Fund. It supports Departments across the City to accelerate Climate Action Work Plan goals and strategies. In the past two years, the funds have provided matching dollars for projects and purchases, spurring immediate, short-term actions that support our sustainability goals. The Sustainability Fund has provided nearly \$800,000 towards projects that have leveraged over \$5 million in sustainability initiatives. Projects have varied from capital equipment investments, to building energy efficiency, to natural resources protection, and much more.
- To address fiscal challenges of the structural imbalance between revenues and expenditures, the City of Duluth participates in Priority Based Budgeting. Priority Based Budgeting (PBB) is a process linking budget decisions to the strategic priorities that the City wishes to achieve for the long term. PBB is a strategy for allocating resources according to how effectively the program or service meets the goals and objectives that are of greatest value to the community. Within the next couple years, the City will likely update priorities to better coincide with the new administration’s priorities.
- Standard & Poor’s and Moody’s recognized Duluth’s prudent approach to budgeting and steady economic growth and growing local revenues as strengths in their latest reports and renewed the City of Duluth’s AA and Aa2 bond ratings with a stable outlook.

Challenges:

- **Structural Imbalance:** It is projected the general fund will continue to face an ongoing, structural imbalance between expenditures and revenues. Factors contributing to the imbalance include the growth of wages, health care, Fleet services and Software increases. Projections show City revenues, other than property taxes, will grow by less than one percent annually for the next five years, while expenditures will grow by an average of 2.35 percent each year. Over eighty percent of the City’s general fund expenditures consist of employee wages and benefits.
- **Health Care:** A significant factor in the projected imbalance between general fund expenditures and revenues is the growing cost of health care. Health care is a volatile cost driver. In 2020 the City issued a request for proposals for a new medical insurance provider, the resulting contract temporarily paused medical expenditure increases for two years. In 2023, the Medica renewal rate increase grew by 19 percent, however the City chose to buy down this rate using medical fund balance to keep it artificially at 10 percent growth. The City is projecting future growth at a minimum of 5 percent over the next three years and growing to 7.5 percent the following two years without a plan redesign. In 2021 and into 2022, the City offered union leadership a path to restructure the City’s health care plan, which they did not accept.

- **Interest Rates:** As of this report, a 30-year fixed rate mortgage average in the United States is 6.77 percent, which is down almost a point since it reached its ten-year peak in November of 2023. This is a 125 percent increase from where interest rates were hovering in 2020. High interest rates make housing more expensive and it costs more for developers to build or expand in the City. Additionally, with increased interest, more of the City's debt payment for things like capital equipment, will need to go towards interest versus additional vehicles. Hopefully, interest rates will continue to decrease, easing pressure on the housing market and encouraging growth.
- **Opioid Usage:** Opioid overdoses sadly continue to set new records, 2023 was the highest recorded total since tracking began in 2013. In 2023, the Duluth Police Department responded to 47 opioid-related fatal overdoses, surpassing the total amount of fatal opioid-related overdoses that occurred in 2022 (35). This number represents an 11-year-high in opioid-related *fatal* overdoses (2013 to current), and an 11-year-high, in opioid-related overdoses (2013 to current) within the City of Duluth.
- **Park Resources:** In November of 2022, voters voted against a referendum that would have increased the existing parks levy from a fixed amount to a fixed rate, resulting in a \$1.6 million increase. This would have helped make a dent in the deferred maintenance of approximately \$113.6M in park assets. The City's park system is a critical component of the City's physical, environmental, social and economic well-being and the City recognizes the need to provide corresponding resources to maintain and protect our longstanding existing parks and trails.
- **Housing:** Affordable housing, rental and owned, is needed throughout Duluth. It is estimated that by 2024 nearly 3,700 affordable housing units could be absorbed. Low vacancy rates and increasing costs demonstrate continued demand for both affordable and market rate housing in the City. Over 44% of the City's housing units are at least 76 years old, so improving Duluth's housing stock is also a priority. The City was able to use \$19M in American Rescue Plan Funds to secure approximately 500 additional units and a small dedicated levy to contribute annually to the Housing Trust Fund.
- **Student Loans:** On March 13, 2020, several Federal student loan programs were automatically paused and interest rates set to 0% due to COVID-19. This pause ended on September 1, 2023, with payments coming due in October. During this same timeframe, the City of Duluth has seen consumers spending more on hotels, restaurants, and goods. In Minnesota, 14% of the population has college debt and the average monthly payment is \$236 per month. This year will be the first full year of student loan payments since 2019, and the impact to consumer spending is unknown.

- **Inequality:** Perhaps the most important reason to be intentional and proactive in regards to workforce challenges are the related issues of poverty and income inequality especially among marginalized communities. In Duluth's east side, the life expectancy is more than 90 years old, in the west side's Lincoln Park neighborhood, the average person lives to be only 69. Additionally, Native Americans are about ten times as likely to be reported to police as compared to their population, while African Americans are about nine times as likely. The City created an Equity Action Team in 2021, issued an RFP for Diversity, Equity, Inclusion internal strategic planning in 2023, and will have a data driven work plan for the next three-to-five years in 2024. The City of Duluth as an employer will continue to strive to be a place where all employees can belong.

Opportunities:

- **American Rescue Plan (ARP) Funds:** This influx of \$58 million in funding with broad parameters continues to be a unique opportunity for the City to invest in a strong and equitable recovery. The largest single investment goal (as stated previously) was creating more affordable housing in the amount of \$19 million. The City also invested \$12.8 million in public works and utilities projects such as lead remediation, water line replacements, and replacing all the City's water meters. These are costs that would have been passed to the customer through rate increases. The City also invested \$2 million in public parks. The City understands how impactful this one-time investment can be for the community if invested wisely.
- **New Housing Developments:** There are several housing developments coming on board, but a couple stand out as having a large potential economic development impact. The first is approximately 200 housing units on East First Street, an area near the recently expanded Essentia Hospital, and a stretch of downtown in dire need of redevelopment. The other is a \$500 million development at the site of the closed Duluth Central High School. This would include 1,300 housing units, a combination of rental apartments and condos for sale. If the entire project is built out, it would add more units of housing in Duluth than the last 30 development projects in the city combined. The project also envisions 80,000 square feet of retail and public amenities to connect local hiking and biking trails.
- **Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grant:** The City was awarded \$25 million to redesign West Superior Street with resilience and innovation in mind. RAISE is a Department of Transportation grant. The City will receive nearly \$25 million to reconstruct an approximately two-mile-long section of West Superior Street to include an integrated multimodal corridor, electric vehicle charging stations, green infrastructure, and above-ground streetscapes. The complete reconstruction will include replacing all underground utilities and adding fiber optics for a future broadband corridor, and will provide more transportation options with key

infrastructure upgrades for non-motorized travelers such as pedestrians, bicyclists, and transit users. The project also supports the Duluth Transit Authority's Better Bus Blueprint, which will improve bus service to connect residents at a 10-minute frequency to regional medical facilities, grocery stores, schools, and will also connect residents and visitors to Canal Park.

- **Medical District Expansion:** Healthcare is a leading industry in Duluth, currently responsible for approximately 30% of the total employment. Duluth's medical district centers on Essentia Health's St. Mary's Medical Center and St. Luke's Hospital. The two systems are in the active stages of building new hospitals and clinics, renovated facilities, and areas available for housing and other development. Over the next few years, the two health systems will invest more than \$1 billion combined in their respective Duluth medical campuses.

The Medical District Expansion will benefit Duluth and the region by providing the highest level of health care with patient and staff safety as the imperative. The medical entities will build state-of-the-art medical facilities with advanced technologies to meet patients' needs. The expansion will improve the availability, affordability, and quality of care for Duluth and the region. The projects will boost the Northland's economy and create an environment that retains and attracts top talent as well as help to address future workforce needs. The Medical District Expansion will serve as a catalyst for other investments and economic development.

Essentia Health

Essentia Health made the largest private investment in Duluth's history as it invested approximately \$775 million to construct a new hospital tower, clinic, and outpatient surgery center on its downtown Duluth campus, and another \$125 million on related infrastructure and financing. The project will build 942,000 square feet of new space and renovated approximately 120,000 square feet in existing facilities. By building up instead of out, Essentia Health's overall footprint will be reduced, opening space for other development in Duluth's Central Hillside neighborhood. The project was open for outpatient care July 30, 2023.



St. Luke's

As part of St. Luke's Health Forward Initiative, St. Luke's is beginning Phase II in 2023 with completion in 2024. The total investment in this phase of the project is \$88 million. This will be a three-story expansion on top of Building A, providing 58 new inpatient intensive care and cardiac care rooms.



Additionally, all inpatient units

in St Luke's Hospital will be remodeled and transitioned to all-private inpatient rooms.

Lastly, the parking ramp will be replaced, adding nearly 200 parking spots.

- **Shipping:** The port of Duluth-Superior is a backbone of the Duluth economy. This year total tonnage was 31.7 million tons, which is a 4.5% increase over 2022. Iron ore had the most tonnage in a single season since 1995 at 21.5 million tons, a 14.3% increase from last year. The port continues to be a key link in North America's supply chain. Contributions made by commercial maritime shipping at the Port of Duluth-Superior provide 7,316 jobs in Duluth, \$1.3 billion in business revenues, \$214.9 million in state and federal taxes.
- **Aviation:** Aviation contributes over \$1 billion to the regional economy. Aviation also contributes over 7,000 total jobs. Cirrus Aircraft, Duluth's largest manufacturing employer, has 1,200 employees and is expected to continue growing. Duluth's airport, the 148th Fighter Wing, Lake Superior College, and Monaco Air are all considered to be a part of the aviation community.
 - **Cirrus:** Cirrus Aircraft is the largest single-engine aircraft manufacturer in their class. Their billings were more than \$930 million in 2023, up more than 20% from 2022. In September of 2023, Cirrus announced the grand opening of its Innovation Center located in its headquarters at the Duluth International Airport. They have also promised to maintain the size of their local workforce and bring another additional 80 engineering jobs to the City in the next two years.
- **Higher Education:** More than 28,000 students attend colleges and universities in the Duluth area including the University of Minnesota Duluth (UMD), the College of St. Scholastica, Lake Superior College, and the University of Wisconsin Superior; all within

six miles of downtown Duluth. Students and staff coming to the region are a significant economic driver for the City. Duluth is fortunate to have immediate access to a young talent pool to work and remain in Duluth.

City of Duluth Financial Principles

The 2024 budget continues the application of strong and consistent financial principles that have been utilized to improve and strengthen the City's financial health and create budget stability. These principles have provided the foundation to our short and long-term financial planning and have helped the City dramatically improve its financial health during a very turbulent and challenging period. The City of Duluth's financial principles include:

- **Budget Discipline** – that discipline encompasses several ideas including conservative revenue expectations, making difficult spending prioritization decisions, applying zero based budget concepts, aggressively challenging existing budget assumptions and emphasizing the need for spending rationales or return on investment analysis, tightly managing staffing level fluctuations, individual hiring decisions and creating a culture of budget accountability.
- **Organizational and Process Reengineering** - means striving toward a culture of every employee thinking, “How can I do things better and more efficiently today?” This culture focuses on identifying the organization's core competencies and seeks out improvements in operational efficiency and effectiveness by the constant reassessment of processes and procedures, the targeted application of technology and appropriate optimization of attrition opportunities.
- **Willingness to Seek Strategic Solutions to Financial Opportunities** – look for opportunities to bring about change to major assumptions, programs or structural impediments to improve or secure long-term financial security. Examples include the restructuring of the City's retiree health care program, creative conversion of the over-65 plan to a Medicare supplement, creation and funding of an OPEB trust to finance long-term retiree costs, reduction of general fund revenue volatility and professionalizing the management of our enterprise fund operations.
- **Focus on Debt Management** – through judicious use of borrowing, attention to interest rate opportunities, taking a rainy day approach to the use of windfalls or other significant proceeds realizations, and protecting the City's bond rating.
- **Seek Out the Best Employees** – both internally and externally. Be willing to look out of the box in the search for new talent with unusual or non-standard backgrounds. Provide opportunities for internal staff to move up or across existing job channels to realize their full potential.

BUDGET HIGHLIGHTS

BUDGET PROCESS

In 2023, the City was in a very positive place financially. What began as planning for a large gap due to increased medical rates, salaries, and benefits, without a corresponding revenue source increase, turned into a much better situation. During the 2022-2023 legislative session, the City was awarded a 14% increase in local government aid, resulting in a \$4.3 million revenue increase. Additionally, due to the type of benefit plan elections by staff, the cost of the medical plan to the City was also lower than expected. This is a temporary win, because the overall medical plan has not changed. These wins, coupled with two years of higher than expected sales tax put the City in a much more sustainable situation.

The local unemployment rate is still fairly low, which means that recruiting and keeping employees remains a challenge, although it has gotten better over the last couple of years. Hiring police officers continues to be the most challenging job to fill in the City.

The budget process began with prior Duluth Mayor, Emily Larson, presenting the proposed general fund budget and tax levy to the City Council on August 21, 2023. The City Council approved the proposed maximum tax levy on September 25, 2023. Finance committee meetings were held in August, September, October, November, and December where City departments and authorities presented their budgets as well as strengths, opportunities, and future challenges. On December 11, 2023 a public hearing was held for truth in taxation, capital improvement plans, and proposed issuance of general obligation capital improvement bonds in the Duluth City Council Chambers at 7:00 PM to allow citizens time for public comment and questions. The capital improvement plan and intent to bond was approved on December 11th. The final 2024 budgets, budget appropriations, and tax levies were approved by Council by December 18, 2023.

Public Education

This year we focused our efforts on helping the Council better understand the budget and the budget process. It began with the Finance Director and Budget Manager presenting a mid-year budget status in May at a Council meeting to keep them abreast of where departments were tracking financially. Then prior to the department budget presentations, the Budget Team provided the Councilors with a breakdown of what makes up a City of Duluth property tax statement, including the authorities, and what the Council's role is in approving these levies, if at all. Also included was a detailed breakdown of department's proposed budgets and full-time equivalents so the Council could have more time to review prior to each presentation. This was in addition to the September budget book. We also did our best to ensure as much consistency in budget presentations as possible. These efforts paid off, as councilors publicly praised how much better they understood budgets and the process this year.

BUDGET CALENDAR

SOFTWARE BUDGET ENTRIES:

May	Work collaboratively on budget goals, generate salary and benefit data
June	Fleet revenues, expenses and fuel allocations due in New World
June	General fund revenues due in New World
July	General fund expenditures due in New World
August	PW Utility funds, parks fund, parking fund due in New World
September	Special Revenue funds, Internal Service funds, Debt, Capital, Enterprise funds due

ADMINISTRATIVE BUDGET REVIEWS

August	General Fund and Fleet, PW Utility Funds, Parks fund, Parking fund
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CAPITAL BUDGETS

June	Instructions and packets sent out to departments
July	CEP Rolling Stock and other Equipment Due
July	IT CEP projects due
Sept-Oct	CIP Projects Submitted
Sept - Oct	CIP and CEP administrative review meetings
Nov 20	Capital Improvement presentation to City Council

MAYOR'S BUDGET PRESENTATION to COUNCIL

Aug 21	2024 Proposed General Fund budget and tax levy presentation to Council
Sept 25	City Council sets preliminary budget and maximum property tax levy
Sept 30	2024 proposed budget book published on website

COUNCIL BUDGET REVIEW

Sept-Dec	Schedule set by Council Finance Chair
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PROPOSED TRUTH IN TAXATION MEETINGS

Dec 11	Truth in Taxation Hearing
Dec 18	Council approves final budget and levy

PROPERTY TAX REPORTING DEADLINES

Sept 30	Proposed maximum property tax levies due to St. Louis County
Dec 21	Final City property tax levies certified to St. Louis County
Dec 28	Certification of Truth in Taxation Compliance due to MN Department of Revenue
Dec 30	Property Tax Levy Report due to MN Department of Revenue

PROPERTY TAX LEVY REVENUES

The City’s final property tax levy (not including the Parks referendum levy) certified to the County was \$42,609,029; an increase of 3.12% over the 2023 levy.

The City’s levy breakdown is shown below.

2024 Approved Property Tax Levy			
	2023 Approved	2024 Approved Levy	Change In Levy
General Operations Levy			
General Operations	\$ 28,114,076	\$ 28,731,915	\$ 617,839
Housing Inspector Levy		\$ 110,000	\$ 110,000
Library Materials - Council Add		\$ 50,000	\$ 50,000
Portion of Fire 8% Market Increase - Council Add		\$ 413,214	\$ 413,214
Provision for Tax Delinquency	\$ 150,000	\$ 150,000	\$ -
Total General Operations Levy	\$ 28,264,076	\$ 29,455,129	\$ 1,191,053
Supplemental Parks Levy	\$ 280,000	\$ 280,000	\$ -
Capital Projects Levy			
Debt Service	\$ 7,357,600	\$ 7,564,200	\$ 206,600
Infrastructure Permanent Improvements	\$ 280,000	\$ 280,000	\$ -
Total Capital Projects Levy	\$ 7,637,600	\$ 7,844,200	\$ 206,600
Street Light Levy	\$ 2,547,200	\$ 2,547,200	\$ -
Street Maintenance Levy	\$ 2,300,000	\$ 2,300,000	\$ -
Duluth Housing Trust Fund Levy	\$ 292,500	\$ 182,500	\$ (110,000)
Total City Property Tax Levy	\$ 41,321,376	\$ 42,609,029	\$ 1,287,653
General Operations Levy Increase		\$ 617,839	1.50%
Housing Inspector Levy		\$ 110,000	0.27%
Library Materials - Council Add		\$ 50,000	0.12%
Portion of Fire 8% Market Increase - Council Add		\$ 413,214	1.00%
Capital Projects Levy - Capital Equipment needs		\$ 206,600	0.50%
Duluth Housing Trust Fund Levy		\$ (110,000)	-0.27%
2024 City Tax Levy Increase		\$ 1,287,653	3.12%
New Construction Growth		\$ 378,421	0.92%
Net Property Tax Impact After Growth		\$ 909,232	2.20%

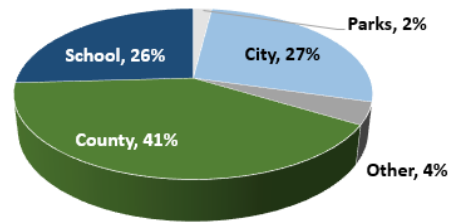
In addition, the City, on behalf of city authorities and voter approved referendum, approved levy requests as follows: The **Duluth Transit Authority (DTA)** in the amount of \$2,174,408; the **Housing and Redevelopment Authority (HRA)** in the amount of \$1,706,267; and **Parks Fund** in the amount of \$2,600,000. The DTA and HRA levies are separate on the property tax statement and are not included in the City levy.

*Total General Operations Levy amount may differ on other pages in budget book due to rounding.

Property tax bills for Duluth residents are comprised of the taxes levied for the City of Duluth, St. Louis County, the School District, the Parks Fund, and several other smaller taxing districts. The City’s portion is 26% of the total. The chart below shows an average resident’s property tax bill with the breakdown by taxing entity.

Taxing Entity	2024 Property Taxes	
City of Duluth	\$ 985	27%
Parks	\$ 72	2%
St. Louis County	\$ 1,454	41%
School District 709	\$ 929	26%
Other Entities	\$ 150	4%
Total Average Bill	\$ 3,590	100%

*Based on Market Value of \$270,100



Answers to other property tax questions you may have...

What is the purpose of the Truth in Taxation Public Hearing?

The truth in taxation hearing is an opportunity for the public to provide comment on the City’s proposed budget and property tax levy for the year 2024 prior to its approval.

How do I read my Truth in Taxation Statement I received in the mail?

The statement is a comparison of your actual 2023 tax bill with the proposed tax bill for 2024. The numbers are based on the property tax levy proposals by St. Louis County, the School District, other taxing districts, as well as the City of Duluth. It also factors in any changes in your property’s market value and tax rate classification. The County mails these statements out to individual property owners to show the impact of all property tax proposals on a resident’s tax.

Who can I talk to about my property’s market value?

The St. Louis County Assessor’s Office can answer your questions about market value. The Assessor’s Office telephone number is 218.726.2383. Also, you can search for properties, access property related information, and view frequently asked questions on the St. Louis County website: <https://www.stlouiscountymn.gov/departments-a-z/assessor/property-information> .

What services do property taxes fund?

Approximately eighteen percent of the City property tax levy goes to fund debt service on capital improvements and equipment. Five percent goes to fund the Street Maintenance Utility Fund for street improvements. Six percent of the levy goes to the Street Light Utility fund. Approximately one percent of the levy supplements parks and the Duluth Housing Trust Fund. The remaining 69 percent goes into the City’s General Fund to pay for services such as police, fire, libraries, planning and zoning, and street maintenance. For 2024, the portion of the City’s general services paid for with property taxes is \$29.45 million or 69 percent of total general services. To put the

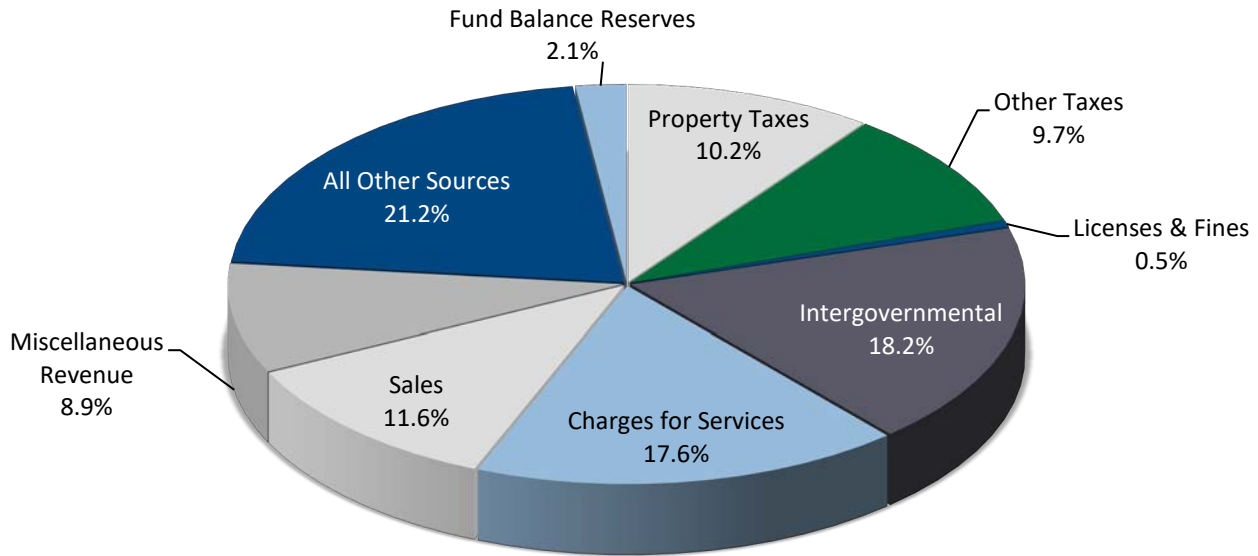
amount into perspective, this covers the Police Department's 2024 funding requirements with just \$2 million to spare.

If property taxes only cover 25 percent of the cost of city services, what other sources of revenue fund the City's General Fund?

The General Fund revenues include over 200 separate sources. The largest single source of revenue is Local Government Aid (LGA) from the State of Minnesota at \$35.2 million or 29 percent of total general fund revenue. City Sales and Use tax contributes \$15.8 million or 13 percent of total general fund revenue.

City of Duluth Minnesota - 2024 Budget

Total Approved Revenues



	2021 Actual	2022 Actual	2023 Budget	2024 Approved
REVENUES				
Property Taxes	37,351,987	40,332,260	43,628,950	45,026,600
Other Taxes	42,161,182	48,345,548	39,461,600	43,006,300
Licenses & Fines	2,337,607	2,495,685	2,208,600	2,337,700
Intergovernmental	60,084,139	54,666,521	63,499,912	80,544,620
Charges for Services	70,160,894	74,811,015	76,689,033	77,902,060
Sales	39,436,399	57,717,174	53,239,400	51,339,700
Miscellaneous Revenue	59,931,777	17,971,527	44,594,032	39,494,589
All Other Sources	66,534,411	82,778,218	82,810,310	94,079,826
Fund Balance Reserves	-	-	-	9,200,000
ARPA Funding	-	-	3,245,000	-
TOTAL REVENUES	377,998,396	379,117,949	409,376,837	442,931,395

City of Duluth Minnesota - 2024 Budget

Comparison of Total Approved Revenue

	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Current Property Taxes					
General Fund	21,981,812	25,215,895	28,264,150	29,455,200	1,191,050
Special Revenue Funds	7,807,647	7,585,171	7,727,200	7,727,200	-
Debt Service Funds	7,283,150	7,252,870	7,357,600	7,564,200	206,600
Capital Project Funds	279,378	278,324	280,000	280,000	-
Total Current Property Taxes	37,351,987	40,332,260	43,628,950	45,026,600	1,397,650
Other Taxes					
General Fund	20,448,913	24,211,249	18,998,700	20,452,500	1,453,800
Special Revenue Funds	21,149,327	23,571,356	19,900,000	22,000,000	2,100,000
Debt Service Funds	562,942	562,943	562,900	553,800	(9,100)
Total Other Taxes	42,161,182	48,345,548	39,461,600	43,006,300	3,544,700
Licenses and Fines					
General Fund	2,337,607	2,495,685	2,208,600	2,337,700	129,100
Total Licenses and Fines	2,337,607	2,495,685	2,208,600	2,337,700	129,100
Intergovernmental					
General Fund	35,316,133	36,690,317	35,230,400	39,726,100	4,495,700
Special Revenue Funds	17,284,994	15,129,735	12,810,312	13,783,920	973,608
Capital Project Funds	7,483,011	2,846,469	15,459,200	27,034,600	11,575,400
Total Intergovernmental	60,084,139	54,666,521	63,499,912	80,544,620	17,044,708
Charges for Services					
General Fund	9,290,475	7,262,536	6,493,400	6,941,500	448,100
Enterprise Funds	56,841,340	62,661,293	65,033,133	65,634,760	601,627
Internal Service Funds	4,029,079	4,887,186	5,162,500	5,325,800	163,300
Total Charges for Services	70,160,894	74,811,015	76,689,033	77,902,060	1,213,027
Sales					
Enterprise Funds	39,436,399	57,717,174	53,239,400	51,339,700	(1,899,700)
Total Sales	39,436,399	57,717,174	53,239,400	51,339,700	(1,899,700)

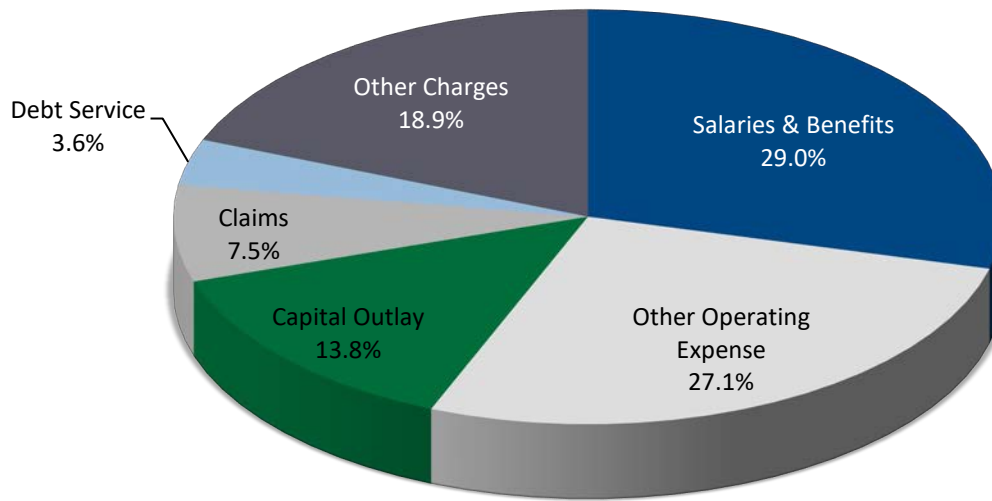
City of Duluth Minnesota - 2024 Budget

Comparison of Total Approved Revenue

	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Miscellaneous Revenue					
General Fund	2,144,237	1,946,607	984,000	991,500	7,500
Special Revenue Funds	49,435,115	8,162,101	37,725,791	32,534,138	(5,191,653)
Debt Service Funds	226,410	229,188	300,100	403,300	103,200
Capital Project Funds	2,222,484	2,361,969	1,390,200	1,689,800	299,600
Internal Service Funds	5,903,531	5,271,662	4,193,941	3,875,851	(318,090)
Total Miscellaneous Revenue	59,931,777	17,971,527	44,594,032	39,494,589	(5,099,443)
All Other Sources					
General Fund	8,617,777	16,605,296	10,442,600	10,999,400	556,800
Debt Service Funds	15,129,620	7,968,128	8,568,700	8,811,400	242,700
Capital Project Funds	9,302,827	10,012,438	10,567,700	18,180,000	7,612,300
Enterprise Funds	2,288,127	16,658,418	20,403,400	21,617,300	1,213,900
Internal Service Funds	31,196,060	31,533,938	32,827,910	34,471,726	1,643,816
Total All Other Sources	66,534,411	82,778,218	82,810,310	94,079,826	11,269,516
Fund Balance Reserves	-	-	-	9,200,000	9,200,000
ARPA Funding	-	-	3,245,000	-	(3,245,000)
Total Revenue	377,998,396	379,117,949	409,376,837	442,931,395	33,554,558

City of Duluth Minnesota - 2024 Budget

Total Approved Expenses



EXPENSES	2021	2022	2023	2024
	Actual	Actual	Budget	Approved
Salaries & Benefits	104,235,587	113,067,225	121,629,187	130,559,263
Other Operating Expense	100,330,723	129,907,235	119,888,573	121,928,866
Capital Outlay	21,579,875	13,190,879	32,364,700	61,915,420
Claims	31,370,139	29,754,477	35,963,614	33,862,610
Debt Service	23,434,731	14,977,910	15,864,600	16,112,200
Other Charges	61,317,814	65,408,183	81,506,033	85,175,512
TOTAL EXPENSES	342,268,868	366,305,909	407,216,707	449,553,871

City of Duluth Minnesota - 2024 Budget

Comparison of Total Approved Expenditures

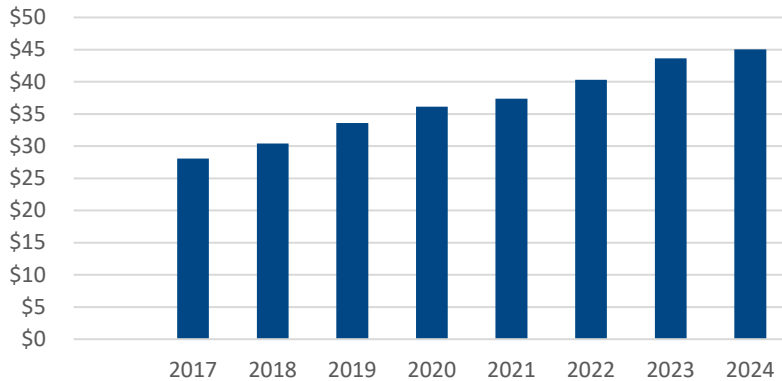
	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Salaries & Employee Benefits					
General Fund	69,904,905	74,609,797	76,815,150	82,725,000	5,909,850
Special Revenue Funds	17,384,781	16,802,091	17,086,574	18,302,954	1,216,380
Enterprise Funds	14,353,329	18,291,710	24,168,400	25,579,500	1,411,100
Internal Service Funds	2,592,571	3,363,628	3,559,063	3,951,809	392,746
Total Salaries & Employee Benefits	104,235,587	113,067,225	121,629,187	130,559,263	8,930,076
Other Operating Expense					
General Fund	25,442,011	36,180,696	25,740,700	27,757,900	2,017,200
Special Revenue Funds	8,421,143	12,509,520	10,794,585	11,954,875	1,160,290
Enterprise Funds	61,192,859	75,807,441	77,791,872	76,648,479	(1,143,393)
Internal Service Funds	5,274,710	5,409,578	5,561,416	5,567,612	6,196
Total Other Operating Expense	100,330,723	129,907,235	119,888,573	121,928,866	2,040,293
Capital Outlay					
General Fund	298,712	385,337	3,311,000	9,621,000	6,310,000
Capital Project Funds	21,281,163	12,805,542	29,053,700	52,294,420	23,240,720
Total Capital Outlay	21,579,875	13,190,879	32,364,700	61,915,420	29,550,720
Claims					
Internal Service Funds	31,370,139	29,754,477	35,963,614	33,862,610	(2,101,004)
Total Claims	31,370,139	29,754,477	35,963,614	33,862,610	(2,101,004)
Debt Service					
Debt Service Funds	23,434,731	14,977,910	15,864,600	16,112,200	247,600
Total Debt Service	23,434,731	14,977,910	15,864,600	16,112,200	247,600
Other Charges					
Special Revenue Funds	40,420,919	40,978,955	38,065,533	41,509,912	3,444,379
Enterprise Funds	20,896,895	24,429,228	43,440,500	43,665,600	225,100
Total Other Charges	61,317,814	65,408,183	81,506,033	85,175,512	3,669,479
Total Expenditures	342,268,868	366,305,909	407,216,707	449,553,871	42,337,164

City of Duluth Minnesota - 2024 Budget

MAJOR REVENUE SOURCE ANALYSIS

(A: Actual, B: Budget)

Property Tax Levy (in millions)

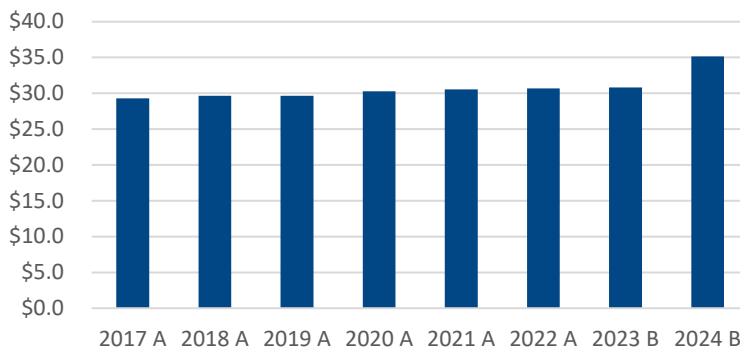


Year	Tax Levy in millions
2017	\$28.05
2018	\$30.40
2019	\$33.58
2020	\$36.13
2021	\$37.35
2022	\$40.33
2023	\$43.63
2024	\$45.03

Description and 2024 Budget

Property taxes are levied against property based on their assessed value and classification in accordance with State Statute. Total market values within the City have increased. Estimated market value and tax rates can be found in the statistical section of the Appendix section of this book. The City of Duluth tax levy increased 3.12% over 2023; The 2024 property tax levy increase includes \$618 thousand in general operations and \$207 thousand for increased interest on debt.

Local Government Aid (in millions)



Year	LGA in millions
2017 A	\$29.30
2018 A	\$29.65
2019 A	\$29.67
2020 A	\$30.28
2021 A	\$30.54
2022 A	\$30.67
2023 B	\$30.81
2024 B	\$35.18

Description and 2024 Budget

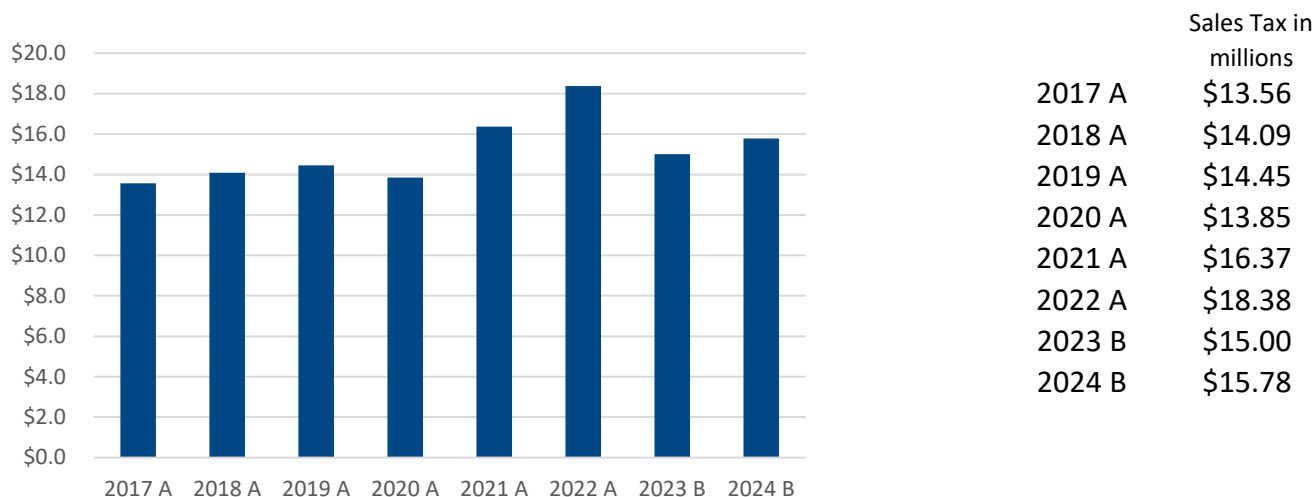
Since its inception in 1971, state aid known as Local Government Aid (LGA) has undergone many changes. These changes include modifications to the formula, legislative cuts, and governor unallotments in times of state budget deficits. From 2010 through 2014, local government aid to the City was reduced below the 2009 level. LGA remained relatively flat from 2014 through 2019. In 2020, the City saw an increase of \$578 thousand and in 2024 the City's certified LGA amount is \$35.18 million. The City continues to lobby the State Legislature to grow LGA by inflation in future years.

City of Duluth Minnesota - 2024 Budget

MAJOR REVENUE SOURCE ANALYSIS

(A: Actual, B: Budget)

General Sales and Use Tax



Description and 2024 Budget

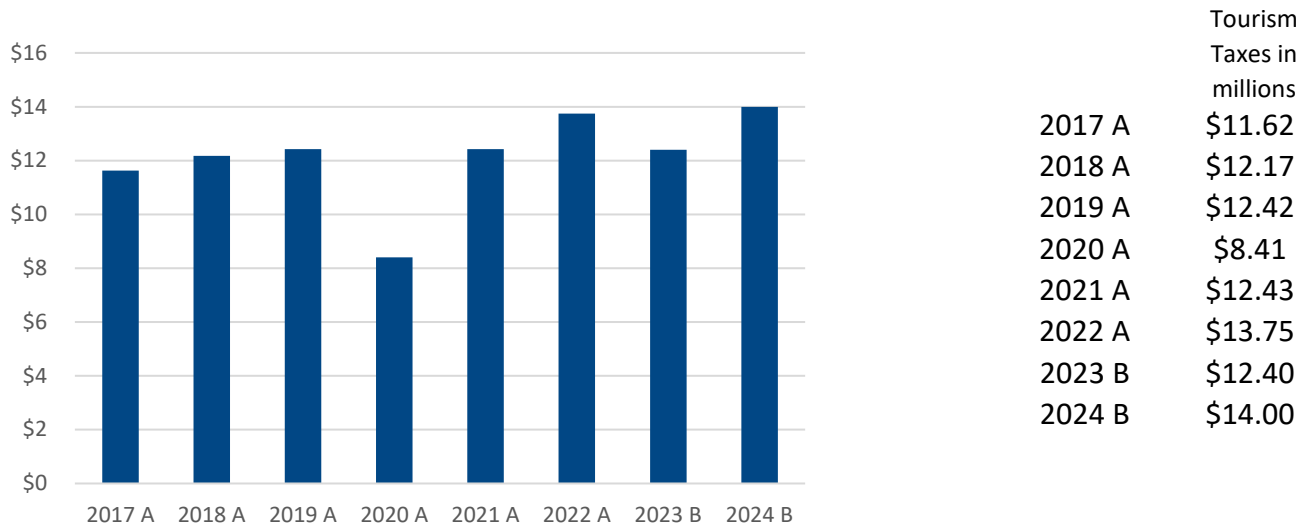
General Sales and Use Tax is a one percent excise tax on gross receipts from retail sales or materials purchased for use in the City of Duluth. The tax collections do not have restrictions on use other than to fund general city services in the General Fund. Many factors have impacted this revenue stream including the state law eliminating the City's ability to charge sales tax on vehicles and authorizing states to impose sales tax collection on out-of-state sellers. The 2023 final sales tax revenue is projected to exceed 2022's levels. We continue to increase the sales tax revenue budget by a sustainable amount. In 2024, the state changed how they charge cities to collect sales tax revenues, moving from a fee to a percentage based model. The city has chosen to net this new percent against the sales tax revenue going forward. These are unprecedented times, so we are monitoring regional and national economic indicators closely to determine if consumer spending is rising to a sustainable increase, or if this is a temporary increase.

City of Duluth Minnesota - 2024 Budget

MAJOR REVENUE SOURCE ANALYSIS

(A: Actual, B: Budget)

Tourism Taxes (in millions)



Description and 2024 Budget

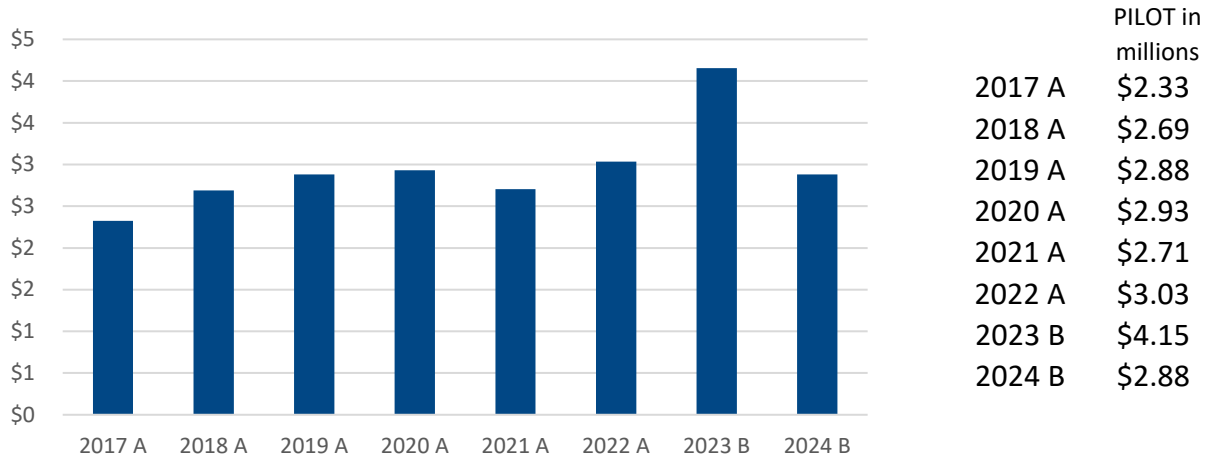
Tourism taxes are applied to food and beverage and hotel/motel establishments. Revenues are recognized in a special revenue fund and distributed by Council action. Approximately 50% of tourism tax revenue go to fund existing debt on the Amsoil Arena and the St. Louis River Corridor projects. In 2015, the 0.5% hotel/motel tax and the 0.5% food and beverage tax were reinstated to be used for tourist-related capital improvement bond projects along the St. Louis River Corridor. In 2023, tourism tax revenue came in 19% over budget, as tourism continued to rebound in Duluth. When adjusted for inflation, 2023 was only approximately 4.45% higher than 2022.

City of Duluth Minnesota - 2024 Budget

MAJOR REVENUE SOURCE ANALYSIS

(A: Actual, B: Budget)

Gas & Steam Payment in Lieu of Taxes (in millions)



Description and 2024 Budget

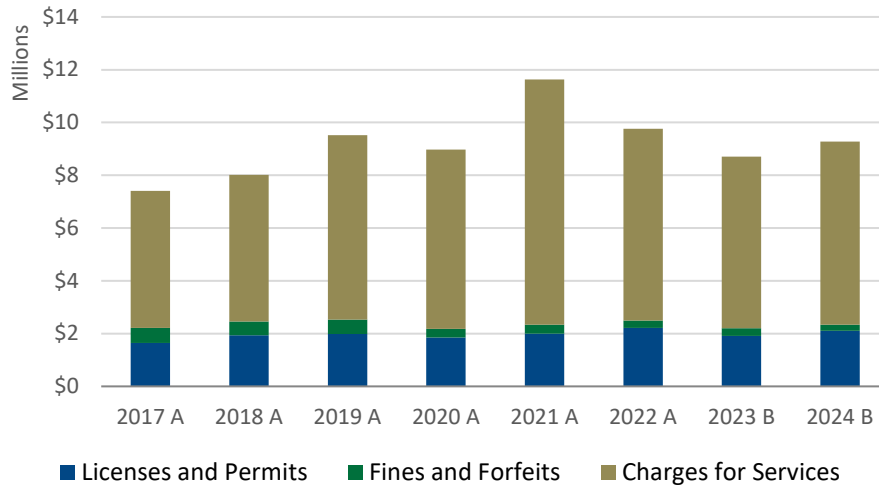
Payment in Lieu of Taxes (PILOT) revenue is derived from payments for municipal services provided in lieu of property taxes. The largest source of PILOT revenues is from the municipal gas utility, with a minimal amount from the steam utility. Payments are based on each utility's prior year annual gross receipts. Per City ordinance, effective January 1, 2015, gas PILOT funds are reallocated to the General Fund and the street system utility fund with the base amount of \$3.6 million increased annually to reflect the consumer price index for all consumers. The base amount goes to the general fund and the incremental gas PILOT goes to the street system utility fund. Fluctuations in pricing and customer usage related to the prior heating season affect payments in lieu of taxes for both the gas utility and steam. The 2024 PILOT budgeted revenues decreased by 31% from 2023 based on the declining price of natural gas according to the Energy Information Agency.

City of Duluth Minnesota - 2024 Budget

MAJOR REVENUE SOURCE ANALYSIS

(A: Actual, B: Budget)

General Fund Licenses, Permits, Fines, Charges for Services (in millions)



	Licenses and Permits	Fines and Forfeits	Charges for Services	Total
2017 A	\$1.64	\$0.57	\$5.19	\$7.40
2018 A	\$1.93	\$0.52	\$5.56	\$8.02
2019 A	\$1.99	\$0.54	\$6.99	\$9.52
2020 A	\$1.85	\$0.33	\$6.80	\$8.97
2021 A	\$2.00	\$0.34	\$9.29	\$11.63
2022 A	\$2.22	\$0.28	\$7.26	\$9.76
2023 B	\$1.91	\$0.30	\$6.49	\$8.70
2024 B	\$2.11	\$0.23	\$6.94	\$9.28

Description and 2024 Budget

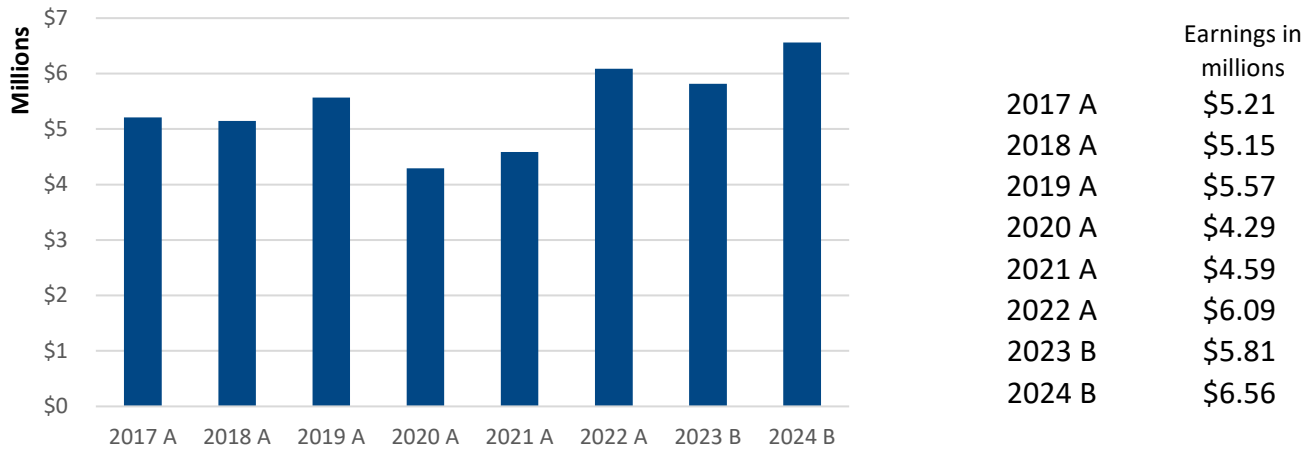
These revenues for the City's General Fund represent a wide variety of sources such as licenses, permits, fines, forfeits, and charges for services -including fees. Fees are annually reviewed/modified by the administration, updated for inflation (7.97% for 2024), and then submitted as a complete package to the City Council for action. This process has resulted in fees that are current and more accurately reflect the cost of providing the service. The 2024 fines and forfeits continue to be budgeted lower than 2023, reflecting what is actually happening in the court system.

City of Duluth Minnesota - 2024 Budget

MAJOR REVENUE SOURCE ANALYSIS

(A: Actual, B: Budget)

Parking Funds Operating Revenue



Description and 2024 Budget

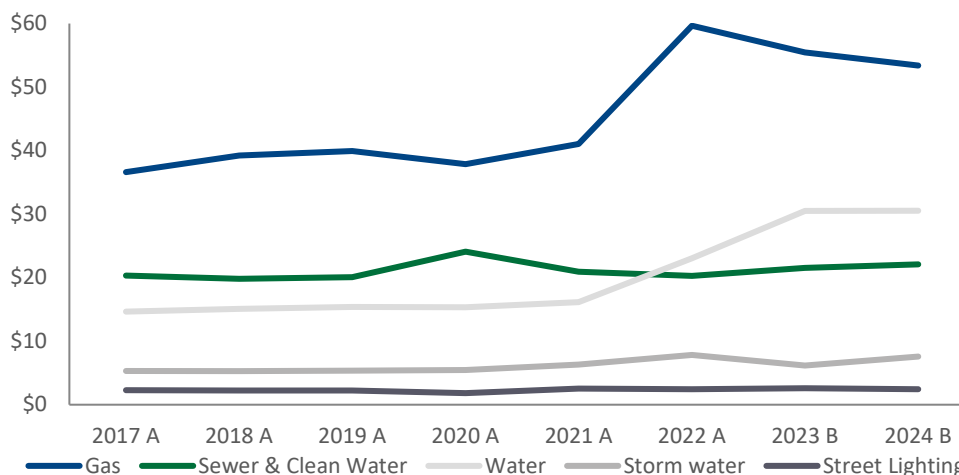
The City of Duluth parking funds account for all revenue and expenses related to the operation and maintenance of City owned parking ramps, lots, and meters, both on and off-street. The City has two parking funds; one fund to account for the financial activity of the Priley Drive Parking Facility, and one fund to account for the financial activity of all other parking ramps, lots, and meters. The 2024 parking revenues are projected to surpass 2019's pre-pandemic revenues. The Parking Division is continuing to explore options to continue to draw people to use its parking ramps, including better securing facilities.

City of Duluth Minnesota - 2024 Budget

MAJOR REVENUE SOURCE ANALYSIS

(A: Actual, B: Budget)

Public Utility Revenues (in millions)



in millions	Gas	Sewer & Clean Water	Water	Storm water	Street Lighting	Total
2017 A	\$36.61	\$20.34	\$14.65	\$5.30	\$2.27	\$79.17
2018 A	\$39.24	\$19.82	\$15.10	\$5.29	\$2.21	\$81.65
2019 A	\$39.95	\$20.07	\$15.38	\$5.35	\$2.22	\$82.97
2020 A	\$37.85	\$24.09	\$15.33	\$5.48	\$1.82	\$84.57
2021 A	\$41.02	\$20.93	\$16.15	\$6.34	\$2.55	\$86.98
2022 A	\$59.66	\$20.30	\$23.06	\$7.83	\$2.45	\$113.29
2023 B	\$55.46	\$21.55	\$30.48	\$6.18	\$2.59	\$116.27
2024 B	\$53.39	\$22.10	\$30.53	\$7.58	\$2.45	\$116.05

Description and 2024 Budget

The City owns and operates five public utilities and established a public utilities commission in 2010 charged with establishing rates, and recommending budgets for annual review and approval by the City Council. Water rates were approved to increase for five consecutive years ending December 31, 2023. There will likely be another five year rate increase starting in 2024 if the Utility Commission's proposal is accepted. Utility revenues are budgeted to increase comparable to 2022 budgets, largely due to the gas and water utilities. The Water Fund revenues increased due to revenues associated with large grant funded projects in 2023. The largest factor affecting a change in Public Utility's revenue is the gas fund's \$1.9 million projected decrease in gas sales.

CITY OF DULUTH FUND ACCOUNTS

The City's budget is presented and approved as funds. Fund accounting is the methodology used as the standard for governmental entities. For Duluth, the funds that are budgeted are listed below by fund type and fund classification. There are two fund types in the budget: 1) Governmental fund types which are defined as those funds that are used to account for tax-supported activities; and 2) Proprietary fund types which provide goods and services for a fee or on a cost-reimbursement basis. Within those two types are the classifications as shown below with the name of the budgeted funds within those classifications also noted. Following this chart is a summary by fund of budgeted expenses and estimated revenues for 2024 as approved.

Governmental Fund Types

General Fund

Special Revenue Funds

- Lake Superior Zoo
- Parks Fund
- Special Projects
- Police Grants
- Capital Equipment
- Economic Development
- Community Investment Trust
- Energy Management
- Special City Excise and Sales Tax
- Home Program
- Community Development
- Workforce Investment Act
- Senior Programs
- Other Post Employment Benefits
- DECC Revenue Fund
- Street System Maintenance Utility
- Street Improvement Sales Tax
- Street Lighting Fund

Debt Service Funds

- General Obligation Debt Service - Tax Levy
- General Obligation Debt Service - Other
- Special Assessment Debt Service
- Street Improvement Debt Service
- Tax Increment Debt Service

Capital Projects Funds

- Special Assessment Capital Project
- Permanent Improvements
- Street Improvement Program
- Capital Improvement Fund
- Tourism & Recreational Projects

Proprietary Fund Types

Enterprise Funds

- Water Fund
- Gas Fund
- Sewer Fund
- Clean Water Surcharge Fund
- Stormwater Fund
- Steam Fund
- Golf Fund
- Parking Fund
- Priley Drive Parking Facility

Internal Service Funds

- Self Insurance/Workers Comp
- Self Insurance Liability
- Medical Health Fund
- Dental Health Fund
- Fleet Services

City of Duluth Minnesota - 2024 Budget

Detail by Fund

	Estimated			
	Beg. Balance	Revenues	Expenses	Balance
General Fund	28,651,655	120,103,900	120,103,900	28,651,655
Special Revenue Funds				
Lake Superior Zoological Gardens	(28,316)	2,696,800	2,684,100	(15,616)
Parks	2,511,215	3,875,900	3,875,900	2,511,215
Special Projects	2,033,016	1,423,500	1,423,500	2,033,016
Police Grant Programs	191,806	1,955,000	1,955,000	191,806
Capital Equipment	3,578,802	3,698,000	3,698,000	3,578,802
Economic Development	4,476,861	128,066	190,000	4,414,928
Community Investment Trust	26,474,776	425,000	425,000	26,474,776
Energy Management	1,271,407	1,543,665	2,687,057	128,015
Special City Excise and Sales Tax	1,777,863	14,000,000	14,900,000	877,863
Home Investment Partnership Program	(26,606)	2,602,100	2,602,100	(26,606)
Community Development	(84,132)	2,597,390	2,597,390	(84,132)
Community Development Administration	(4,267)	924,389	924,389	(4,267)
Workforce Development	478,831	3,392,904	3,688,761	182,974
Senior Employment	(736)	284,558	284,558	(736)
Other Post Employment Benefits	94,826,693	19,272,886	10,977,886	103,121,693
DECC Revenue	5,504,686	4,331,900	3,137,100	6,699,486
Street System Maintenance Utility	4,280,950	2,300,000	2,340,100	4,240,850
Street Improvement Sales Tax	7,552,370	8,000,000	10,000,000	5,552,370
Street Lighting Fund	889,772	2,593,200	3,376,900	106,072
Total Special Revenue Funds	155,704,991	76,045,258	71,767,741	159,982,508
Debt Service Funds				
General Obligation Debt Service - Tax Levy	8,106,423	8,023,900	8,067,500	8,062,823
General Obligation Debt Service - Other Sources	9,504,033	8,731,000	7,546,200	10,688,833
Special Assessment Debt Service	57,466	16,000	-	73,466
Street Improvement Debt Service	(48,714)	8,000	-	(40,714)
Tax Increment Debt Service	284,012	553,800	498,500	339,312
Total Debt Service Funds	17,903,220	17,332,700	16,112,200	19,123,720

City of Duluth Minnesota - 2024 Budget

Detail by Fund

	Estimated			
	Beg. Balance	Revenues	Expenses	Balance
Capital Projects Funds				
Special Assessment Capital Project	29,746	19,300	-	49,046
Permanent Improvements	1,386,727	17,665,000	17,665,000	1,386,727
Street Improvement Program	4,372,173	14,055,200	15,751,100	2,676,273
Capital Improvement	1,672,258	14,139,500	15,811,600	158
Tourism & Recreational Projects	3,121,556	1,305,400	3,066,720	1,360,236
Total Capital Projects Funds	10,582,460	47,184,400	52,294,420	5,472,440
Enterprise Funds Estimated Revenue and Expense				
				INCOME/(LOSS)
Golf Fund		7,430,360	7,826,579	(396,219)
Parking Fund		5,560,700	5,569,200	(8,500)
Priley Drive Parking Facility		1,002,800	1,302,400	(299,600)
Water Fund		30,534,000	32,699,300	(2,165,300)
Gas Fund		53,385,200	53,246,500	138,700
Sewer Fund		20,445,500	21,600,600	(1,155,100)
Clean Water Surcharge Fund		1,658,000	1,013,700	644,300
Stormwater Fund		7,578,500	8,966,600	(1,388,100)
Steam Fund		10,996,700	13,668,700	(2,672,000)
Total Enterprise Funds		138,591,760	145,893,579	(7,301,819)
Internal Service Funds				
Self-Insurance - Workers' Compensation	360,026	2,404,800	2,492,500	272,326
Self-Insurance - Liabilities	349,905	765,600	822,800	292,705
Medical Health Fund	9,369,151	34,022,177	33,502,772	9,888,556
Dental Health Fund	409,543	1,155,000	1,238,159	326,384
Fleet Services	(593,193)	5,325,800	5,325,800	(593,193)
Total Internal Service Funds	9,895,431	43,673,377	43,382,031	10,186,777
Total All Funds	222,737,756	442,931,395	449,553,871	216,115,281

2024 HIGHLIGHTS BY FUND

General Fund

Revenue Assumptions - The final approved 2024 General Fund revenue budget of \$120.10 million is \$14.24 million more than the 2023 approved budget. Major revenue sources in the 2024 General Fund budget include local government aid, sales tax, and property tax. For 2024 the City budgeted LGA revenue at a 14 percent increase, or \$35.2 million. Additionally, \$9.2 million of one-time reserves were budgeted to use on one-time expenditures.

The schedule below shows the changes in revenues by major type along with the assumptions used. The first chart shows the variance of the 2023 approved budget and the 2024 approved budget. The second chart shows the variance of the 2024 *proposed* budget and the 2024 *approved* budget.

Bridge Schedule Outlining Variances between 2023 Approved Budget and 2024 Approved Budget			
	\$ Variance in Millions		Narrative
2023 Approved Budget		105.86	
Property Tax	1.20		The general fund's portion of the proposed 3.12% property tax levy increase
Local Government Aid	4.37		14% increase to Local Government Aid allocation approved by state legislature
General Fund Reserves	9.20		Use of one-time General Fund reserves for one-time capital needs and one-time staff payment
Gas Payment in Lieu of Taxes	(1.30)		Forecasted lower natural gas prices
One-Time Cirrus Proceeds	1.86		Council approved resolution 23-0758R
City Sales and Use Tax	1.00		In reviewing monthly sales tax revenue, adjusting for inflation, and other economic indicators, this 6.7% increase is a conservative growth factor, and allows for sustainable increases to the general fund.
Minnesota Power Franchise Tax	0.51		Increase due to MN Power rate increases, MN Power franchise tax is based on their operating revenue
ARPA Funding	(3.24)		No ARPA funds built into 2024 budget
All Other Operating Revenues	0.65		All other changes throughout
Total Revenue Changes		14.24	
2024 Approved Budget		120.10	

Bridge Schedule Outlining Variances between 2024 Proposed Budget and 2024 Approved Budget			
	\$ Variance in Millions		Narrative
2024 Proposed Budget		117.77	
Property Tax	0.47		Council-directed firefighters 8% market adjustment pay increase and additional Library materials
Other Financing Sources	1.86		Council-directed use of Cirrus building proceeds
Total Revenue Changes		2.33	
2024 Approved Budget		120.10	

Expenditure Assumptions - As with revenues, the final approved 2024 General Fund budget is \$14.24 million more than the 2023 approved budget. Approximately \$3.82 million was for 3.5% pay increases and corresponding benefits for all staff. One-time payments to employees totaled approximately \$1.86 million and corresponding benefits. Reserves will be used for Capital at \$9 million. The remaining increases were due to increased rates and inflationary impacts.

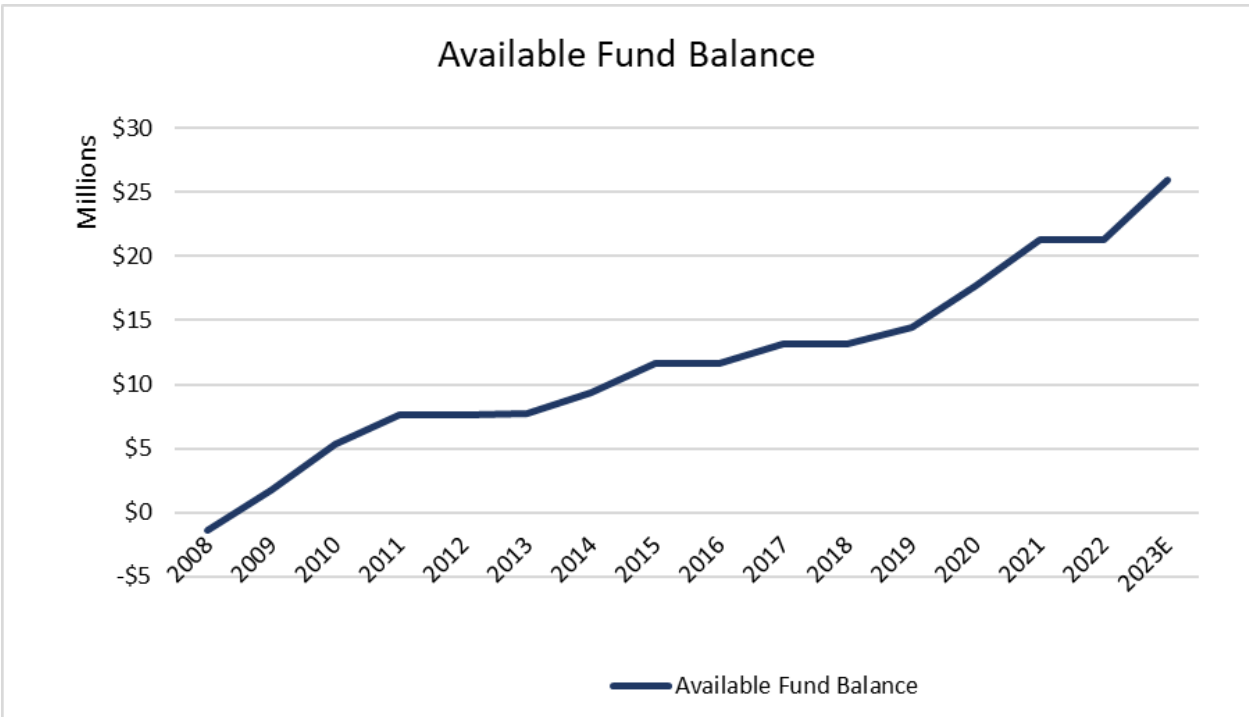
Bridge Schedule Outlining Variances between 2023 Approved Budget and 2024 Approved Budget			
	\$ Variance in Millions		Narrative
2023 Approved Expenditures		105.86	
Salaries and Benefits	5.88		One-time pay bonuses, Fire 8% market adjustment, 3.5% salary increases, and step/longevity increases
One-Time Expenditures	6.20		Last year, one-time expenditures were \$3M funded by ARP, this year it's \$9.2M funded by General Fund reserves, leaving a change of \$6.2M
Utilities	0.09		Projected rate increases
Supplies	0.02		Motor Fuel cost increases
Fleet	0.21		Cost of parts, fleet rate increase, and sublet labor
Capital Outlay (Library Materials)	0.31		Ongoing Library materials increase of \$110K plus one-time Cirrus proceeds of \$200K
Other One-time Expenditures from incubator building sale proceeds	1.01		Chloride study, Sidewalk Study, Needle Pickup, Child Victim Support, Stepping on Up (Library materials in capital outlay line and fire increases in salaries and benefits)
All other Operating Expenses	0.53		All other changes throughout
Total Expense Changes		14.24	
2024 Approved Expenditures		120.10	

Bridge Schedule Outlining Variances between 2024 Proposed Budget and 2024 Approved Budget			
	\$ Variance in Millions		Narrative
2024 Proposed Budget		117.77	
Salaries and Benefits	1.25		Council-directed firefighters 8% market adjustment pay increase
Medical Insurance	(0.30)		Decrease in JPE approved medical premium increases
Other Services and Charges	0.48		Council-directed chloride reduction and snow study contracts, and transfer to diaster recovery fund with savings from medical premium reduction
Professional Svs/Contracts	0.66		Council-directed police-child victim services, encampment/needle cleanup, stepping on up phase 1
Capital Outlay	0.24		Council-directed increase in Library materials
Total Expense Changes		2.33	
2024 Approved Budget		120.10	

The number of general fund positions for 2024 increased by 4.75 over 2023. The changes by department are as follows:

Position Bridge Schedule	Full Time Equivalent Variance	
2023 Fulltime Equivalents (FTE's)		617.05
Property, Parks, & Libraries	1	Executive Assistant
Administrative Services	2	(1) ARPA Funded; Data Practices
Finance	1	Accountant II
Fire Department	1	Housing Inspector
Public Works	-0.25	Realignment
Total Changes in FTE's	4.75	
2024 Fulltime Equivalents (FTE's)		621.80

General Fund Undesignated/Unreserved Fund Balance - The City has a fiscal policy of maintaining a collectible unassigned General Fund balance between sixteen (16) and eighteen (18) percent of the current year’s General Fund operating budget. Based upon the 2024 General Fund ongoing operations budget of \$109 million (reduced by the \$9.2 million in one-time), the minimum level (16%) would require a minimum fund balance of \$17.4 million. In 2024, the City will be issuing more debt than in typical years, and a higher available fund balance will ensure the City’s bond rating remains stable.



In 2008, the City ended with a negative fund balance of \$1.35 million due to record revenue deficits and a late December cut in Local Government Aid from the state. Since then, much effort has been concentrated on fund balance restoration and growth through various practices and policies. The City has dedicated the sale of assets as one-time revenues to fund balance, along with excess revenue. The City has been addressing some of the structural budget deficits to realign resources to fund core services. Some examples of these would be the reallocation of PILOT funds to the general fund, the creation of a street light utility funded by dedicated tax levy; changing the management of the City’s Zoo to the Zoological Society; redirecting investment earnings to the OPEB fund; and consolidating all retirees onto one health care plan alleviating administrative expense and saving premium expense by requiring co-pays and deductibles for the first time.

Special Revenue Funds

These funds account for special purpose functions and are restricted in their application. All of these funds have dedicated revenues and provide accounting for special purposes. They include the funds of Lake Superior Zoo, Parks, Special Projects, Police Grants, Capital Equipment, Community Investment Trust, Economic Development, Tourism Tax, Home Investments Partnerships Program, Energy Management, DECC Revenue, Community Development, Workforce, Senior Employment, Senior Nutrition and Community Resource Programs, Other Post-Employment Benefits – (OPEB) fund, the Street System Maintenance Utility fund, the Street Improvement Sales Tax fund, and the Street Light fund.

The **OPEB fund** (Other Post-Employment Benefits) was created in 2007 for the purpose of accumulating resources to be deposited into an irrevocable trust fund for retiree health care costs. The 2007 revenues in the fund included a one-time contribution from the Community Investment Trust Fund in the amount of \$10 million, contributions from the enterprise funds, and all grant funds which have employees. There was also a one-time transfer from the Group Health Fund in the amount of \$1 million - with \$500,000 of that returned to the Group Health Fund in 2008. Property taxes were levied in 2008 and 2009 based on the value of retiring tax increment finance districts. Per City ordinance, the city shall transfer all earnings from the city's investments in the pooled portfolio to the OPEB trust fund with the exception of investment income from authority deposits, bond proceeds, or legally restricted investment income. At the end of 2023 the trust fund has accumulated assets of \$106.6 million.

The **Tourism Tax Fund** provides the accounting for the revenue generated by tourism taxes received from food and beverage and hotel/motel receipts. In 2015, the 0.5% food and beverage tax and the 0.5% hotel/motel tax were reinstated to pay principal and interest on bonds to fund recreational and tourism-related activities in the part of the City lying west of 34th Avenue West (also referred to as the St Louis River Corridor). The 2024 budgeted revenue is \$14 million with an additional \$900 thousand coming from the Tourism Tax Fund Balance. In 2024, \$1.994 million is budgeted to make debt payments for the projects along the St Louis River Corridor. The Great Lakes Aquarium, Spirit Mountain, and the Lake Superior Zoo will receive operating subsidies from tourism taxes in the amounts of \$0.35 million, \$0.44 million, and \$0.51 million respectively. Capital Support and Debt service payments totaling \$5.38 million funded by the tourism tax fund go toward DECC improvements, Spirit Mountain, and the Lake Front Restoration Project. The total approved tourism tax budget can be found in the Appendix of this book.

The **Parks Fund** was established to account for the property tax money dedicated to be used for City parks only, as approved by the citizens of Duluth in a November 2011 special referendum vote. Currently, the Parks property tax levy remains a fixed annual amount of \$2.6 million.

The **Street System Maintenance Utility Fund** accounts for the street maintenance property tax levy that was established to finance existing street improvement debt, enhanced maintenance, and street reconstruction activities. The 2024 levy remains at \$2.3 million in dedicated property tax revenue. Of this amount, \$1.64 million will be used for enhanced street maintenance, and \$700 thousand will be transferred to the City's street improvement fund.

The **Street Improvement Sales Tax Fund** was created in 2019 to account for the 0.5% sales tax increase dedicated to street improvements. A local sales tax referendum passed with a 77 percent favorable vote for the increased sales tax. The legislature passed the sales tax increase in 2019 and the State began collecting the sales tax in October of 2019. The dedicated fund will account for sales tax collections to be used solely for street improvements. In 2024, the estimated revenue is \$8 million, and the City is budgeting to use \$2 million in Street Improvement Sales Tax fund balance as well.

Effective January 1, 2020, the **Street Lighting Fund** moved to a special revenue fund with dedicated property taxes as its main source of revenue. In 2008 a Street Light Utility was created by Council resolution as one of the City's budget recovery strategies. The operation had been part of the General Fund using property taxes and other revenues to fund the activity. In 2008 the operation moved into an enterprise fund using monthly user charges as the source of revenue. This action reduced spending in the General Fund by \$1.185 million, most of which was electricity expenses, followed by salaries and benefits. The customer service charges were designed to fully cover expenses of the utility. The street light user fees were completely phased-out effective December 31, 2019. The funding source for the street light fund is the property tax levy. The 2024 street light levy amount is \$2.54 million.

Debt Service Funds

These funds account for the payment of long-term principal and interest on the City's bonded debt. The total estimated gross bonded debt carried by the City in 2023 is \$127 million. The property tax levy for debt service in 2024 is \$7.564 million. It was increased by \$206 thousand in 2024 to make more progress on the City's aging capital. The property tax supported bond issues approved for 2024 include capital equipment and improvements. Debt is discussed in greater detail in the Debt Service Section of the document.

Capital Project Funds

The Capital Project Funds account for the Special Assessment Capital, Permanent Improvement Projects, Street Improvements Program, Capital Improvements, and Tourism and Recreation Projects. For 2024, a total of \$52 million in improvements are planned. The City will bond for \$1.98 million of capital improvement projects including fire hall improvements, civic building improvements, and other city building improvements. Additional capital projects funding will come from intergovernmental contributions from the State of Minnesota and Federal grants, and assessments.

Included in the 2024 budget are \$3 million in tourism and recreational projects. In 2015, the city bonded \$13.5 million for tourism and recreational capital projects along the St Louis River Corridor. The payments on the bonds are be paid using the 0.5% food and beverage tax as well as the 0.5% hotel/motel tax included in the tourism tax special revenue fund. In 2023, the State Legislature approved a request from the City of Duluth to renew this tax to fund improvements to parks-based athletic venues that drive regional sports tourism.

All capital projects are detailed in the separate capital improvement plan found in the back of this book.

Enterprise Funds

Enterprise Funds account for the expenses of the municipal utilities of Water, Gas, Sewer, Clean Water, Stormwater, and Steam; the Golf Division of the Parks and Recreation Department; the Parking Enterprise fund; and the Priley Drive Parking Facility fund. Rates are reviewed annually during budget season. Utility rate increases are approved by the Public Utilities Commission and the City Council through resolution.

The **Golf Enterprise Fund** accounts for the expenses and revenues associated with municipal golf in the City. In 2023, the City began breaking ground on capital improvements at Enger Park Golf Course, leading to the eventual consolidation of public golf in Duluth. The result will be 27 holes and driving range at Enger Park Golf Course and the fund is currently budgeted as with the assumption of the closure of Lester Park Golf Course in 2024.

The **Parking Enterprise Fund** was created in 2007 to account for all parking enterprises including ramps, municipal lots and meters. The fund was created by moving all related expenses and revenues from the General Fund, and includes all the required transfers from debt service and the Duluth Economic Development Authority (DEDA). Revenues are derived from transient parking, contract parking, parking meter revenues, and parking fines. Enforcement expenses and parking fine revenue were transferred from the General Fund in mid-2012.

The **Priley Drive Parking Facility** fund was established to account for the construction, operation, and maintenance of the parking ramp located at Priley Drive. The parking facility was under construction from 2014-2016. It became operational in May of 2016.

Internal Service Funds

These funds account for services provided to other departments within the City. They include the Self Insurance funds, the Medical and Dental Health funds, and the Fleet Services fund. The **Self Insurance funds** (property, liability, and worker's compensation) and the **Medical and Dental Health funds** provide claims funding and are dependent upon participants to generate revenues.

The **Fleet Services fund** is divided into two functions. First is the operational component, which accounts for the cost to maintain the City's vehicles and other equipment. The other function of the Fleet Services Fund is to manage the City's capital expenditures for rolling stock.

CITY LONG RANGE PLANNING PROCESSES

The City of Duluth has several planning processes in place – some have been used for many years such as the capital budget and plan, while others are newer to the City. The goal of our planning is to provide citizens, elected officials, managers and staff with the tools and information needed to plan, and assess the effectiveness and value of services provided by the City. These processes are also used to understand future structural funding problems as early as possible. Outlined below is a brief description of each of the planning processes currently used by the City of Duluth.

Long-Range Planning

Throughout the year, the Budget Manager and Finance Director review current and historical economic trends, analyze various state and federal agency reporting, and then look at what is happening on a national, regional and local level in the City in terms of economic activity. This data is then used to forecast both revenues and expenditures for the next five years.

This information is presented to the City Administrator's Office and the Mayor with the purpose of providing the economic landscape in the short and long-term as the budget process begins for the year. In this presentation, major changes are explained and projections are tied to an economic indicator, or it is noted as to why they are not tied to an indicator. In general, five-year forecasts are conservative in that revenues are projected at low growth assumptions and expenditures are typically between 0-2% growth. For those expenditures that are projected higher, there is typically more information provided, such as state law changes that impact the expense, or the rising cost of medical insurance and what healthcare consultants are advising the City. Finally, economic indicators that were used are presented along with their long and short-term trends and major unknowns that could impact the City. Below is the General Fund Five-Year Forecast.

Key Assumptions in General Fund Long-Range Model

Revenues

Property Taxes

Property Taxes are the second largest source of revenue in the general fund, and the only revenue the City can directly control. An annual property tax increase is modeled in future years, with 1.6 percent general fund operational increases in 2025 and 2026, and then, slightly higher increases. Future years may be reduced as budgets are refined through appropriation reductions or revenue increases.

Minnesota Power Franchise Fee

These fees represent three percent (3%) of Minnesota Power's gross electric sales for service within the city and are applied to customers' bills for electric service. In 2024, the interim rate increase for Minnesota Power customers is approximately an 8.6% increase. These rates are in effect until the final rates are established by the Minnesota Public Utilities Commission. The company is looking to continue to fund a plan that includes adding a significant amount of

renewable energy and going coal-free by 2035. It is reasonable to increase this revenue source by 2.74% looking at historical trends and the Energy Information Administration's regional electricity price and sales forecasts for future years.

Multiple Dwelling License

Multiple Dwelling Licenses are rental licenses to ensure safe occupancy of rental homes. These license renewals are on a three-year cycle. The forecasts are calculated by the cost of the license fee multiplied by the number of licenses each year. These fees were recently right-sized to reflect the actual cost of the work, but are typically increased by the Consumer Price Index (CPI) each year, so moderate increases are reasonable.

Other Financing Sources

Other Financing Sources are transfers in from other funds (Grants, Tourism, Enterprise etc.) that typically support personnel costs. These are relatively stable transfers with only contractual salary and benefit increases to cover personnel costs. In 2024, there were some large one-time transfers for one-time expenditures that were removed in future years. Any transfers that support personnel costs have been increased by the forecasted cost of future salary and benefit increases.

Local Government Aid

Local Government Aid (LGA) is the largest source of revenues for the General Fund. In 2024, the State Legislature increased LGA to the City by approximately \$4.3 million or fourteen per cent. Historically, increases have been less than 1% each year. The State is projecting a \$2.31 billion state budget deficit in the 2026-2027 biennium, leading to a projection of no growth in future years, and hopes of no cuts.

Inspection Fees

Inspection fees are construction permit fees. These have been higher in recent years due to the Essentia construction project. The number of permits is down 2% from 2019 (the last typical year), but continues to grow from the low number during 2020. Additionally, the valuation of permits issued has increased by 50%, so permit revenue remains stable. The forecast is growing the revenue by GDP projections for the next four years.

Gas Utility In Lieu of Taxes

According to the Energy Information Agency, natural gas prices in this region will decrease for both residential and commercial. Based on current volumes, the projected purchase price of natural gas, and historical averages, the City is forecasting a decrease in Gas Utility in Lieu of Taxes continuing into 2029. The City uses the prior year's percent actuals for the next year's revenue, in 2023, revenues came in higher than expected at \$3.2 million, so 2024 is a decrease of actual revenues.

Expenditures

Salaries and Benefits

Salaries and applicable benefits are projected to increase by 3.5% in 2024 based on collective bargaining agreements (CBAs). Future years include expected percentage increases and applicable benefits, but will depend on negotiations with the collective bargaining units.

Medical

The projected premiums Medica provided decreased significantly from their original 2024 projections, and the City increased rates by only 5%. This lower projection is mainly due to changes in benefit elections, or the make up of who is on the City's plan. The projections in this forecast assume 5% increases the next three years and 7.5% in future years as long as the plan is not restructured.

Worker's Compensation & Liability

Worker's Comp claims seem to have leveled off, or at least not dramatically increased as it has in past years. The goal is to budget all self insurance transfers at a flat level, and allocate within the transfers differently each year as needed. A major change to worker's comp at the state legislature last session requires treatment of psychological conditions before a peace officer or firefighter may apply for duty disability benefits. It also fully reimburses employers for the cost of continuing to pay the injured employees. It is unknown how this will impact claims, but hopefully they will decrease and more injured employees will be able to return to work.

Fleet Services

This is the General Fund portion of the Fleet costs. This accounts for salary and benefits increases for Fleet staff and small percentage increases to parts and sublet labor resulting in an overall long-term increase of about 0.5% annual growth each year.

Motor Fuels

The cost of motor fuels for 2024 is forecasted less than, but very close to 2023 levels. Future years, the modeling uses U.S. Energy Information Administration's regional motor gasoline and diesel fuel price projections showing decreases in future years, along with the assumption that more of the City's vehicles will be hybrid vehicles and thus using less gas.

	2024	2025	2026	2027	2028	2029
<u>Property Taxes</u>	29,455,200	30,114,455	30,806,672	32,954,379	36,047,433	39,262,360
<u>City Sales Tax</u>	15,784,000	17,524,000	17,839,432	18,124,863	18,414,861	18,709,498
<u>Minnesota Power Franchise Tax</u>	3,608,400	3,700,000	3,801,380	3,905,538	4,012,550	4,122,493
<u>Multiple Dwelling License</u>	1,185,100	1,151,000	1,174,020	1,197,500	1,221,450	1,245,879
<u>Other Financing Sources</u>	8,299,400	6,334,600	6,366,273	6,349,836	6,384,047	6,418,907
<u>Local Government Aid</u>	35,175,100	35,175,100	35,175,100	35,175,100	35,175,100	35,175,100
<u>Inspection Fees</u>	2,803,000	3,000,000	3,054,000	3,102,864	3,152,510	3,202,950
<u>Gas Utility In Lieu of Taxes</u>	2,700,000	3,000,000	2,850,000	2,764,500	2,709,210	2,695,664
<u>All Other Revenue Sources</u>	11,893,700	12,160,000	12,172,164	12,183,680	12,195,399	12,207,323
<u>Cash Reserves</u>	9,200,000					
	120,103,900	112,159,155	113,239,041	115,758,261	119,312,559	123,040,175
<u>Salaries (OT + Other Wages)</u>	56,479,400	58,184,288	59,929,817	61,727,711	63,579,542	65,486,929
<u>Medical</u>	13,185,100	13,844,355	14,536,573	15,263,401	16,408,156	17,638,768
<u>PERA</u>	6,992,200	7,201,966	7,052,101	7,263,664	7,481,574	7,706,021
<u>Retiree Medical</u>	7,647,400	7,647,400	7,647,400	7,647,400	7,647,400	7,647,400
<u>All other Benefits</u>	4,662,100	4,780,123	4,912,110	5,047,974	5,187,830	5,331,797
<u>Insurance (worker's comp + liability)</u>	2,575,500	2,575,500	1,904,700	1,999,935	2,099,932	2,204,928
<u>Fleet Services</u>	3,153,600	3,263,976	3,185,136	3,216,987	3,249,157	3,281,649
<u>Motor Fuels</u>	1,050,900	966,828	937,823	919,067	900,685	893,930
<u>All Other Expenditures</u>	13,494,000	13,694,719	13,133,382	12,672,121	12,758,283	12,848,753
<u>One-Time Capital</u>	9,000,000	-				
<u>One-Time Payment</u>	1,863,700	-				
	120,103,900	112,159,155	113,239,041	115,758,260	119,312,560	123,040,175

This financial outlook is used along with the below planning tools to assess how our existing and future resources and programs align with the City’s priorities found in Imagine Duluth 2035.

Comprehensive Capital Budget and Plan - One of the City’s ongoing priorities is to produce a five-year capital improvement plan, leading to a comprehensive proposal for the budget. The objective of this project is threefold: to provide short and long-range capital planning; to coordinate capital planning efforts among all city departments; and to respond to bond rating agency recommendations to implement a comprehensive planning process. In 2023, the Budget Office worked collaboratively with the Fleet, Facilities, Engineering, Parks, and IT divisions to put this plan together.

Imagine Duluth 2035: Forward Together – Is the City of Duluth’s comprehensive land use plan. The contents of the plan are the result of many months of dedicated work by the community to confirm priorities for the City. Policies and strategies for economic development, energy and conservation, housing, open space, and transportation can all be found by clicking on the link: <http://www.imageduluth.com/>

Priority Based Budgeting (PBB) – A unique, innovative approach to match available resources with community priorities. With the continuous structural imbalance between revenues and expenditures, Priority Based Budgeting is a strategic approach to allocate limited resources according to how effectively a program or service achieves the goals and objectives that are of greatest value to the community. As a new administration was voted into office in 2024, this tool will be invaluable to realign resources to new priorities.

Performance Measurement and Management – For the 2024 budget process, departments used Priority Based Budgeting as a way to identify budget requests, as well as measure departmental performance. Each department has financial and non-financial performance measures included with the budget. These measures are used in decision making processes. The performance measures describe the definition (objective) of the City priority, the strategy and measurement, and the annual estimated and target amounts.

FOR IMMEDIATE RELEASE

June 30, 2023

For more information, contact:

Technical Services Center

Phone: (312) 977-9700

Fax: (312) 977-4806

E-mail: budgetawards@gfoa.org

(Chicago, Illinois)--Government Finance Officers Association is pleased to announce that **City of Duluth, Minnesota**, has received GFOA's Distinguished Budget Presentation Award for its budget.

The award represents a significant achievement by the entity. It reflects the commitment of the governing body and staff to meeting the highest principles of governmental budgeting. In order to receive the budget award, the entity had to satisfy nationally recognized guidelines for effective budget presentation. These guidelines are designed to assess how well an entity's budget serves as:

- a policy document
- a financial plan
- an operations guide
- a communications device

Budget documents must be rated "proficient" in all four categories, and in the fourteen mandatory criteria within those categories, to receive the award.

When a Distinguished Budget Presentation Award is granted to an entity, a Certificate of Recognition for Budget Presentation is also presented to the individual(s) or department designated as being primarily responsible for having achieved the award. This has been presented to **Finance Department**.

There are over 1,700 participants in the Budget Awards Program. The most recent Budget Award recipients, along with their corresponding budget documents, are posted quarterly on GFOA's website. Award recipients have pioneered efforts to improve the quality of budgeting and provide an excellent example for other governments throughout North America.

Government Finance Officers Association (GFOA) advances excellence in government finance by providing best practices, professional development, resources and practical research for more than 22,500 members and the communities they serve.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Duluth
Minnesota**

For the Fiscal Year Beginning

January 01, 2023

Christopher P. Morill

Executive Director

Distinguished Budget Presentation Award

The Government Finance Officers Association of the United States and Canada (GFOA) presented an Award for Distinguished Budget Presentation to the City of Duluth, Minnesota, for its annual budget for the fiscal year beginning January 1, 2023.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications tool.

The award is valid for a period of one year only. We believe our budget continues to conform to program requirements, and we are submitting our budget to GFOA to determine its eligibility for another award.

FINANCIAL POLICIES

The City of Duluth’s Financial Management Policies provide a framework for fiscal management of the City. In addition, policies are created so all parties operate under the same underlying assumptions. The majority of these policies represent long-standing principles and practices that operate independently of changing circumstances and conditions. Even so, all policies are reviewed annually by the Administration and staff to determine their continued appropriateness and completeness. The City of Duluth used these policies in the formulation of the 2024 budget and to the best of our knowledge the budget complies with these policies.

These policies cover the following areas:

- Operating Budget
- Revenue
- Capital Budget
- Debt Management
- Reserve
- Investment
- Accounting

Operating Budget Policy

The objective of Operating Budget Policies is to ensure adequate levels of funding to provide essential City functions at a reasonable cost.

Balanced Budget - The City’s operating budget will be balanced. Current City expenditures will be paid with current revenues. The City will avoid budgetary practices or procedures that balance current period expenditures at the expense of future years’ resources, such as accruing future years’ revenues in the current period.

Self-supporting Enterprise and Internal Service Funds – All enterprise and internal service activities of the City will be self-supporting to the greatest extent possible.

Service Levels – Service levels will be examined during the annual budget process using department business plans, performance measurements and other productivity indicators as available. Changes in service levels will be governed by the following:

- **Budget Process** – The annual budget is intended to weigh all competing requests for City resources within projected revenues. New initiatives will be financed by reallocating existing City resources to the services with the highest priorities or by increasing applicable revenue streams.

- **Personnel Expenses** – Additional personnel shall be considered only after service needs have been thoroughly documented or if it is substantiated that new employees will result in increased revenue or operating efficiencies.
- **Grant Funded Programs** – All state and federal grants will be reviewed to determine whether the grant represents one-time revenue, an ongoing funding source, or partial funding with a local match requirement. The future fiscal impact will be determined prior to acceptance of the grant. Programs financed with grant monies will be budgeted in the appropriate fund at the time of Council approval. Ongoing support for the program will be reduced or eliminated once the funding ceases and another funding source is not secured. City generated funding sources will be used only after all competing program priorities are considered during the annual budget process.

Basis of Budgeting – The basis of budgeting and accounting are the same, except as noted below. The budgets of all governmental and agency funds are created using the modified accrual basis. Revenues are budgeted if they are measurable and available as net current assets. Major revenues that are determined to be subject to accrual include property taxes, sales taxes, special assessments, grants-in-aid, intergovernmental revenues, rentals, franchise fees, and intra-City charges.

Interest on investments, short-term notes, and loans receivable is accrued. Interest on special assessments receivable is not accrued or budgeted. Major revenues that are not subject to accrual because they are not available to pay liabilities of the current period or are not objectively measurable include delinquent property taxes and assessments, licenses, permits, fines and forfeitures.

Governmental and agency fund expenditures are generally budgeted when the related fund liability is incurred, except for principal and interest on general long-term debt, which is recognized when due. Compensated absences, which are comprised primarily of accumulated unpaid vacation and compensatory time, are accrued in the current year. Salary expenditures are budgeted based on full time equivalents (FTEs).

Proprietary funds use the accrual basis. Revenues are budgeted as they are anticipated to be earned. Unbilled utility service receivables are recorded at year-end. Utility service revenue estimates are based on the number of customers times an estimated usage amount, minus a factor for delinquencies.

	<u>Annual Operating Budget</u>	<u>Audited Financial Statements</u>
<u>Governmental Funds</u>		
General Fund	Modified Accrual	Modified Accrual
Special Revenue Funds	Modified Accrual	Modified Accrual
Debt Service Funds	Modified Accrual	Modified Accrual
Capital Projects Funds	Modified Accrual	Modified Accrual
<u>Proprietary Funds</u>		
Enterprise Funds	Accrual	Accrual
Internal Service Funds	Accrual	Accrual
<u>Fiduciary Funds</u>		
Pension (and Other Post Employment Benefits)		
Trust Funds	Accrual	Accrual

Budgetary Controls & Other - The City will develop and maintain accounting and budgetary control systems to adequately safeguard the assets held in public trust. The legal level of budgetary control is at the department level within a fund. Transfers may be made between departments with the approval of the City Administrator or his/her designee. However, the amount may not exceed 10% of any department's approved budget. Any changes above that amount must be approved by the City Council.

The Administration will prepare, or cause to be prepared, all financial reports on a regular basis, comparing actual results of operations to budget.

Scope of Budget –

- The operating budget will describe major goals to be achieved, and services and programs to be delivered, within the confines of funding levels.
- The budget will provide for the adequate maintenance of capital facilities and equipment and for their orderly replacement within the confines of available revenue resources.
- The budget process will include input from the Administration, City staff, elected officials, and citizens by providing budgetary information in a meaningful, useful format in a timely manner.
- Staffing will be reported as full-time equivalents (FTE's) in order to more easily reflect City staffing levels by department.
- The budget will provide for adequate levels to fund the current year's PERA contribution.

- Where possible, the City will integrate performance measurement and productivity indicators with the budget.
- A contingency account will be maintained in the annual operating budget to provide for unexpected expenditures of a non-recurring nature or to meet unexpected increases in service delivery costs.
- The Finance Department will publish the proposed and final approved budgets in accordance with the Home Rule Charter and State Law.
- Annually, the City will submit its Budget to the Government Finance Officers Association (GFOA) to determine its eligibility for the GFOA's Distinguished Budget Presentation Award.
- The City Administrator is deemed the budget officer of the City. He or she will administer policies and procedures necessary to ensure consistent application of City policies between departments.

Revenue Policy

The objective of this revenue policy is to ensure that funding is derived from a fair, equitable and adequate resource base. The City will strive to implement policies to protect and better develop the future tax base. These policies will emphasize preserving the City's ability to grow and expand.

Revenue Structure and Sources - The City will make every attempt to maintain a diversified and stable revenue base to shelter it from short and/or long-term fluctuations in any one revenue source. Services providing City-wide benefit will be financed through revenue sources generated from a broad base, such as property taxes and state aid. Services provided on a per use basis shall be financed with user fees, charges and assessments related to the level of service provided.

The City will project its revenues for the budget and five-year financial plan using a conservative, objective and thorough analytical process. These projections will be revised annually. The City will attempt to maintain a diversified revenue base with increasing emphasis put on dependence on locally generated revenues.

The City will maintain a comprehensive list of all sources of revenues. Schedules and formulas will be reviewed and updated annually to ensure continued appropriateness. The City will make every effort to refrain from using one-time sources of revenue to balance the operating budget.

The City will seek a balanced tax base through support of a sound mix of residential, commercial, and industrial development. Although taxable property owners pay the overwhelming burden of City taxation, whenever possible the City will emphasize distributing costs of running the City to all users of governmental services, including tax exempt as well as taxable property owners.

Enterprise Service Fees - The City will establish user charges and set fees for services for each of its enterprise funds: water, sewer, gas, parking, golf, and storm water, at a level that fully supports all direct and indirect operating, capital, reserve, working capital and debt service costs of the activities. Overhead expenses and general government services provided to the enterprise activities shall be included as indirect costs. Rates will be set to provide a positive cash balance during the year. Cash flow requirements to adequately defray bond retirement and capital outlay will be a determinant in the development of user charges. Transfers from an enterprise fund to the General Fund may only be done as authorized through the annual budget process.

User Fees - The City shall implement user charges in lieu of general revenue sources for identified services where costs are related to the level of service. The City shall establish user charges and fees at a level that reflects the cost of the service. Components of user charges shall include operating and capital costs, as well as the direct and indirect costs of providing the service. The full cost of the service shall be imposed in the charge unless it is determined that policy, legal or market factors require lower fees.

The City will annually calculate the full cost of activities supported either directly or in part by user fees to identify the impact of inflation or other cost increases, and accordingly will recommend revised user fees for council review and approval.

User fees and other appropriate charges shall be levied for City activities, services or facilities in which non-residents participate, whenever practical. Non-resident fees shall be set at market levels to minimize the tax burden on City residents.

Safe Margin - The City will endeavor to have a “safe margin” of 1% as circumstances and financial conditions allow.

Dedicated Revenues - Except where required by law, city charter or generally accepted accounting principles (GAAP), no revenue shall be dedicated for specific purposes unless authorized by the City Council. All non-restricted revenues shall be deposited in the General Fund and appropriated through the annual budget process.

Private Revenues - All private money donated, contributed or lent to the City shall be subject to grant solicitation and acceptance procedures, and shall be deposited in the appropriate City fund and accounted for as public money through the City's budget process and accounting system.

Internal Service Fees - When interdepartmental charges are used to finance internal service functions, the charges shall reflect full costs, including all direct and indirect expenses. Costs for services will be allocated to departments using a rate model.

Special Assessments - The City Council has the authority to levy special assessments for various types of projects including sidewalks, street improvements, and water and sewer line repairs.

An assessment rate will be calculated on a project basis based upon actual construction costs incurred. Assessments shall be based upon the linear footage of benefiting parcels or other equitable method.

Capital Budget Policy

The objective of the capital improvement budget policy is to ensure maintenance and replacement of public infrastructure and equipment in the most cost-efficient manner. The City will make all capital improvements in accordance with the adopted capital improvement and capital equipment budgets.

Capital Improvement Program - The City will develop a five-year Capital Improvement Program (CIP) with the annual operating budget. Future operating costs associated with new capital improvements will be projected and included in operating budget forecasts. All construction projects will include a contingency for unexpected costs.

Capital Equipment Program – The City will prepare a Capital Equipment Program budget each year. Capital equipment includes rolling stock, technology projects including software and hardware, and other equipment that has a life expectancy of five years or more.

Operating Budget Impact - The City will project its equipment replacement and maintenance needs on a multi-year basis, and will update this projection each year. From this projection, a maintenance and replacement schedule will be developed and submitted for administrative review.

Operating expenditures/savings of each capital project request are included in the cost of implementing the project and reflect estimates of all personnel expenses and other operating costs attributable to the capital outlays. Departments receiving capital funds must account for the increased operating costs resulting from capital projects.

The City will identify the estimated costs and potential funding sources for each capital project proposal before it is submitted to the City Council for approval. The City will determine the least costly financing method for all new projects.

Repair and Replacement - The City strives to maintain its physical assets at a level that protects the City's capital investments and minimizes future maintenance and replacement costs. Where possible, the capital budget shall provide for the maintenance, repair and replacement of capital plant and equipment from current revenues. The City will gather useful information pertaining to the condition of capital assets, use the data accumulated to identify capital and maintenance needs, and maintain current and accurate asset inventories.

Funding/Financing – The City will determine the least costly method of funding for all new City projects. The City will use intergovernmental assistance to finance only those capital improvements that are consistent with City priorities, and whose operating and maintenance costs have been included in operating budget forecasts.

Debt Management Policy

The objective of the Debt Management Policy is to provide a framework for managing the City's capital financing and economic development activities in a way that preserves the public trust and balances costs to current and future taxpayers without endangering essential City services.

Authority and Oversight - Management responsibility for the City's debt program is delegated to the Finance Director. The Debt Management Committee advises the CFO on the use of debt financing and debt management activities. The Debt Management Committee meets periodically at the call of the CFO and includes the following persons:

- Finance Director
- City Auditor
- City Administrator
- Independent Financial Advisor as needed
- Independent Bond Counsel as needed

Method of Sale - The three primary methods of selling bonds include competitive sale, negotiated sale and private placement. The City uses the competitive sale method for general obligation bond sales unless factors such as structure, size or market conditions compel the use of a negotiated sale. The City may use the negotiated sale method on economic development related projects when the characteristics of the transaction require a more specific marketing plan and/or the issue lacks an investment grade rating due to complex security provisions or other factors. Private placement is when the debt is sold directly to investors and not re-offered to the public.

Selection of Independent Advisors - The City uses competitive processes to select all service providers involved in the bond issuance process.

Short-term Debt - The City limits issuance of short-term debt for cash flow purposes, generally using cash reserves and investment practices to ensure that adequate liquidity exists to pay for expenditures during the year. In addition, the following policy items apply:

- The City will not incur long-term debt to support current operations;
- The City will retire any Tax/Aid Anticipation Certificates on Indebtedness within the year for which they were issued;
- The City will maintain a sound relationship with bond rating agencies, and will keep them informed about current financial conditions;
- The City will continue the practice of full disclosure, as it pertains to all financial reports and bond prospectus;
- The City will confine long-term borrowing to capital improvements, equipment or projects that are not appropriately financed from current revenues; and
- The City will strive to achieve and maintain an Aa2 rating from Moody's.

Bond Specifics:

General Obligation Bonds, Property Tax Supported - General obligation property tax supported bonds finance only those capital improvements and long-term assets that have been determined to be essential to the maintenance or development of the City.

General Obligation Revenue Bonds - The City issues general obligation revenue bonds to finance assets associated with its primary enterprise businesses including storm water and sanitary sewers, water and gas utilities, golf, and parking ramps. Financial feasibility of capital projects is reviewed each year, including a review of the cash basis pro formas for these funds. Five-year business plans detailing projected operating costs and prior debt obligations are reviewed as well as revenue performance and rate setting analysis to ensure that adequate bond coverage ratios are achieved.

Tax Increment Bonds - The City uses tax increment bonds only where projects can be shown to be self-liquidating from tax increments arising in sufficient amounts, or where secured guarantees are provided for potential shortfalls, and with appropriate timing to avoid, to the maximum extent possible, the use of citywide property tax revenues and where maximum allowable guarantees are obtained.

The City will not issue general obligation tax increment bonds except when all net bond proceeds are used to directly pay public costs or refinance debt that was previously issued to pay for such costs, subject to the terms and conditions of a development agreement with the City.

Alternatives, such as “pay as you go” financing and reimbursing front-end public redevelopment costs with tax increment revenues, or with tax abatement are preferable to bond financing and are to be considered and used when appropriate.

Conduit Debt Obligations - These obligations include industrial revenue bonds for which the City incurs no financial or moral obligation and are issued only if the associated development project can be shown to be financially feasible and will contribute substantially to the welfare and/or economic development of the City and its inhabitants.

Bond Term - The City shall issue bonds with terms no longer than the economic useful life of the project, and endeavor to keep the maturity at or below 20 years. For self-supporting bonds, maturities and associated debt service shall not exceed projected revenue streams.

Feasibility - The City shall obtain secured guarantees for self-supporting and tax increment supported bonds to the extent possible. The City shall also obtain assurances of project viability and guarantees of completion prior to the issuance of bonds.

Reserve Policy

The City's financial position is indicative of its ability to adapt to unexpected circumstances, meet existing obligations, and it is a measure of overall flexibility. For these reasons, fund balance and cash balance carry a weight of 30 percent of the City's bond rating scorecard.

Cash Flow and Contingency - In order for the City of Duluth to respond to unforeseen situations, as well as to positively impact the investment credit rating of the City, the City strives to maintain a collectible unassigned General Fund balance between 16% and 18% of the current year's General Fund operating budget.

Additionally, the City's municipal advisors strongly encourage the City to maintain a minimum balance of 40% of budgeted general fund revenues, using the unassigned General Fund balance and the Community Investment Trust (CIT) fund balance to reach the 40%. It is important to note, while the General Fund balance may have opportunity for annual growth, the CIT is dependent on market earnings and therefore does not have the opportunity for annual growth.

For all other funds, appropriate balances shall be maintained to reflect the nature of the accounts, such as:

- **Enterprise Funds** - The appropriate balance shall be maintained to ensure adequate maintenance reserves, cash flow balancing requirements and legal restrictions. Enterprise funds with salary and benefit costs shall strive to maintain a minimum cash balance in the Enterprise Fund of between 16% and 18% of operating expenses, as circumstance and economic conditions allow.
- **Internal Service Funds** - The appropriate balance shall be maintained to ensure adequate maintenance reserves, cash flow balancing requirements and legal restrictions.

Use of Fund Balances

Fund balance is the cumulative years' excess or deficit of all revenues and expenses. In the case of proprietary funds, this is termed unrestricted net position. For the purposes of the budget document, revenue and expense activity includes bond proceeds and debt service.

Fund balance in excess of 18% may be available for use on one-time expenditures such as capital projects, sustainability initiatives, and other one-time investments and programs that enhance efficiencies or reduce operating costs.

Fund balance above 16% and below 18% may be used to provide a short-term solution to maintaining services until projected revenue growth or necessary expenditure reductions are achieved to balance the budget. It is critical to identify and address the issues causing the budget imbalance.

The City must evaluate the length and severity of economic conditions and their impact on future revenue projections to determine the extent of expenditure reductions or revenue increases required to achieve structural balance.

The use of fund balance below 16 percent is restricted to responding to a severe economic or other crisis. This category is only used in the most unusual or unexpected situation and is ideally never used.

Annual Review - An annual review of cash flow requirements and appropriate fund balances shall be undertaken to determine whether modifications are appropriate for the reserve policy.

Investment Policy

The objective of the Investment Policy is to ensure that revenues received by the City are promptly recorded and deposited in designated depositories. If not immediately required for the payment of obligations, revenues shall be placed in authorized investments. Funds shall be deposited only in the types of investment instruments authorized by the City's Investment Policy, Minnesota Statutes, Chapter 118A, or City Council resolutions. Investments by the City shall conform to the following investment principles:

Authority and oversight - Management responsibility for the City's investment program is delegated to the City Auditor. The Investment Committee advises the Auditor on investment activities. The Investment Committee meets at least quarterly and includes the following persons:

- Finance Director
- City Auditor
- City Administrator
- Independent Financial Advisor as needed

Safety - Safety of principal is the City's foremost objective. Each investment transaction shall seek to first ensure that capital losses are avoided, whether from securities defaults or from erosion of market value.

Liquidity - The City's investments shall be structured to provide liquidity to meet its obligations in a timely manner without loss of principal.

Yield - The investment portfolio shall be designed to attain a market-average rate of return through budgetary and economic cycles, taking into account the City's investment risk constraints, cash flow characteristics, and safety of principal.

Diversification - The City shall diversify its investments to minimize the risk of loss resulting from over-concentration of assets in a specific maturity, a business sector (excluding U.S. Treasuries), a specific issuer or a specific class of securities.

Maintaining the Public Trust - The investment program shall be designed and managed with professionalism worthy of the public trust. The best investment vehicles for the City's objectives shall be sought through competitive processes. Investment officials shall avoid any transaction that might impair public confidence in City government.

Standard of Care - The "prudent person" standard shall be applied in the context of managing the overall investment portfolio. Investment officers, acting in accordance with fiduciary standards and written procedures, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

Internal Controls and Safekeeping - The Finance Director shall establish a written system of internal controls. To protect against potential fraud and embezzlement, assets of the City shall be secured through third party custody and other safekeeping procedures. The City shall authorize the custodian financial institution to utilize security lending to maximize return on investments. Bearer instruments shall be held only through third party institutions. Investment officials shall be bonded.

Reporting – When presenting a financial report to the Council, the City will include an investment report describing the characteristics of the portfolio, including a summary of recent market conditions, investment performance and investment strategies.

General –

- The City will make a cash-flow analysis of all funds on a regular basis. Disbursement, collection, and deposit of all funds will be scheduled to ensure maximum investment capabilities;
- When permitted by law, the City will pool cash from several different funds for investment purposes to maximize potential earnings; and
- The City will analyze market conditions and potential investments to maximize its yield, while maintaining the integrity and safety of the principal.

Accounting Policy

The objective of the Accounting Policy is to ensure that all financial transactions of the City and its boards, commissions, and agencies conform to the City Charter, Minnesota statutes, grant requirements, the principles of sound financial management and generally accepted accounting principles.

Accounting Standards - The City shall establish and maintain accounting systems according to the generally accepted accounting principles (GAAP), which are set by the Governmental Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB). The central system shall be used for financial transactions of all City departments, boards, and independent agencies.

The City's accounting system will be organized and operated on a fund basis. Each fund is a distinct self-balancing accounting entity. The various fund types maintained by the City can be classified into fund categories as follows:

Governmental

- General
- Special Revenue
- Debt Service
- Capital Projects

Proprietary

- Enterprise
- Internal Service

Fiduciary

- Pension Trust and Agency

The City's governmental funds will be maintained and reported on the modified accrual basis of accounting, whereby revenues are recognized when measurable and available, and expenditures are recognized when the related liability is incurred. The proprietary and pension funds are to be accounted for using the accrual basis of accounting, recognizing revenues when earned and expenses when incurred.

Disclosure and Monitoring - Full disclosure is provided in all financial statements and bond representations. Financial systems are maintained to monitor expenditures and revenues on a daily, monthly, and year end basis. An Annual Comprehensive Financial Report is published by the City within six months of the following year. The Annual Comprehensive Financial Report will be posted on the City's website.

The Minnesota State Auditor will audit the City's financial statements annually and render an opinion.

The City will develop and maintain a policy and procedure manual covering accounting practices and controls.

Annually, the City will submit its Annual Comprehensive Financial Report to the Government Finance Officers Association (GFOA) to determine its eligibility for the GFOA's Certificate of Achievement for Excellence in Financial Reporting.

PRIORITY BASED BUDGETING

Priority Based Budgeting is a unique and innovative budgeting approach used to match available resources with community priorities. Priority Based Budgeting helps to define what the priorities of the citizens are, what programs and services the City offers, how much the programs and services cost to provide, and what value the services and programs offer our citizens.

Departments use **performance measures** to measure alignment of operational activities with the priorities of the City. Each department has financial and non-financial performance measures included with the budget. These measures are used in decision making processes. The performance measures describe the definition (objective) of the City priority, the strategy and measurement, and the annual estimated and target amounts.

Using the public process of Imagine Duluth 2035, the community-facing priorities of the City of Duluth are identified as:

Infrastructure:

Buildings: Ensure buildings and properties throughout the community are well-kept, safe, and compliant with community standards.

Facilities: Continuously improve and invest in a well-maintained, safe and effective public infrastructure network and accessible, efficient, adequately regulated city facilities.

Public Parking: Ensure adequate, well-planned and accessible public parking options for residents, businesses and visitors.

Transportation: Continually invest in building and improving a well-designed, well-maintained, accessible transportation system of safe and sustainable roadways, street lights, sidewalks and bridges.

Active Transportation: Provide and maintain a network of paths, trails and bike lanes that are safe, accessible, walkable, and cyclist friendly.

Water Quality: Protect water resources in order to maintain water quality of streams and aquifers and to preserve existing hydrology patterns.

Way-finding: Develop a clear way-finding system to help residents and visitors navigate through the community as efficiently and easily as possible.

Livable Neighborhoods and Affordable Housing:

Affordable Housing: Ensure availability of a variety of quality, affordable housing options to accommodate the many different needs of the community.

Attracting Business: Encourage and promote vibrant and secure commercial centers full of thriving businesses and gathering spaces, which support the community's stability.

Community Involvement: Instill a sense of community pride through proactive communication, engagement, outreach, participation, and volunteerism.

Development/Redevelopment: Encourage and support strategically planned well-designed and uniformly regulated mixed-use development and redevelopment, enhancing its desirability as a great place to live and work.

Safe/Quality Neighborhood: Promote, support, and sustain well maintained, safe, clean, visually appealing, and free of blight neighborhoods, commercial areas and public spaces.

Transportation: Ensure ease of mobility and safe travel for motorists, bicyclists and pedestrians, including access to paths and trails, effective traffic control, access to public transportation, and adequate parking.

Dynamic and Diverse Economy:

Affordable Housing: Ensure availability of a variety of quality, affordable housing options to accommodate needs of employees and employers.

Attracting Business: Support the attraction, development and retention of a well-balanced mix of sustainable businesses that provide jobs for local workers, promote tourism and diversify the City's economy.

Livable Community: Markets itself as a safe and desirable place to live and work which promotes the community's amenities, vibrant downtown, historical/cultural heritage and attractiveness as a destination point for visitors.

Open Space Development: Proactively remediate and protect natural systems that support sustainable development.

Workforce Development: Promote quality job creation and retention, offering a broad range of well-paying employment opportunities, and providing a skilled, educated workforce that meets the needs of local employers.

Culture and Recreation:

Community Facilities: Invest and maintain public facilities and infrastructure that are functional, long lasting and safe; providing gathering places and connecting the community.

Community Outreach: Value diversity and fostering inclusivity so that everyone is enriched and is part of the community.

Arts and Libraries: Ensure access to public libraries, museums, theater and performance groups, information resources, literacy enhancement and life-long learning opportunities for all ages.

Healthy, Active Lifestyle: Offer a variety of recreational activities that meet the interests and needs of the community and promotes a healthy, active lifestyle.

Open Space Development: Develop, preserve, enhance and invest in community parks, neighborhood parks, open spaces, green spaces, lakes and waterways, ensuring they are safe, clean, attractive and accessible to all.

Transportation: Provide a citywide trail network that is contiguous, connecting neighborhoods, community facilities, parks and open spaces and offering an alternative to the automobile for residents and visitors.

Green Space and Energy Conservation:

Transportation: Promote use of alternative modes of transportation that minimize impacts to the environment.

Environmental Awareness: Encourages connection to our natural world through education and increased awareness regarding alternative mobility options, "green practices", energy efficiency, and resource conservation.

Sustainable Development: Encourage commercial, anchor institution, and large residential building/facility owners to reduce energy use and increase energy efficiency in existing buildings/facilities and community gathering spaces.

Open Space Development: Design, develop and enhance its parks, trails, open spaces and recreation facilities, ensuring they are sustainable, convenient, safe, accessible, attractive and well maintained.

Infrastructure Efficiency: Adopt energy efficiency and energy saving targets for City owned utilities, facilities, and City operations.

Community Efficiency: Incentivize households and landlords to reduce energy use and increase energy efficiency.

Land and Natural Resources: Ensures that land is remediated for brownfields and contamination, and natural resources are protected from invasive species.

Safe and Secure Community:

Community Engagement: Offer community programming which affords safe spaces for youth and adults to play, learn, and engage.

Livable Community: Ensure regulatory compliance in order to provide clean and well-maintained neighborhoods, to protect property, the environment and the lives and health of its residents and visitors.

Public Facility Safety: Ensures parks, open spaces and public areas are designed with safety in mind, well lit, well maintained and actively monitored.

Safety Presence: Fosters a feeling of personal safety through a visible and approachable public safety presence, proactive prevention, community care taking and education.

Service Response: Provides for a well-planned, effective and prompt response to emergencies of all kinds, including individual calls for service, fires, public safety threats and natural disasters.

Transportation: Designs and constructs a safe transportation network that is well maintained, accessible and enhances traffic flow for all types of mobility options.

The ***internal-facing*** priorities of the City of Duluth are identified as:

Innovation and Excellence in Service:

Compliance: Provide assurance of regulatory and policy compliance to build trust, accountability and foster transparency.

Customer Service: Ensures timely and effective two-way communication with internal customers, residents and businesses providing equal access to information encouraging input from all areas of the organization and the community at large.

Fiscal Responsibility: Operations are supported by sustainable funding sources and costs are managed in an effective and efficient manner to maintain sustainability.

High Performing Organization: Focuses on equipping, training and continuously expanding the abilities of decision-makers, leadership, management and staff to successfully accomplish public goals.

Long Range Planning: Supports decision-making with timely and accurate analysis, focusing on innovative, long-term solutions that benefit the community.

Trust and Engagement: Develops sustainable fiscal and operational policies, which foster trust and transparency by ensuring accountability, efficiency, integrity, innovation and best practices in all operations.

Workforce: Attract, develop, equip, motivate, and retain a high quality, diverse, engaged and productive workforce focused on creative service excellence.

City of Duluth Minnesota - 2024 Budget

General Fund

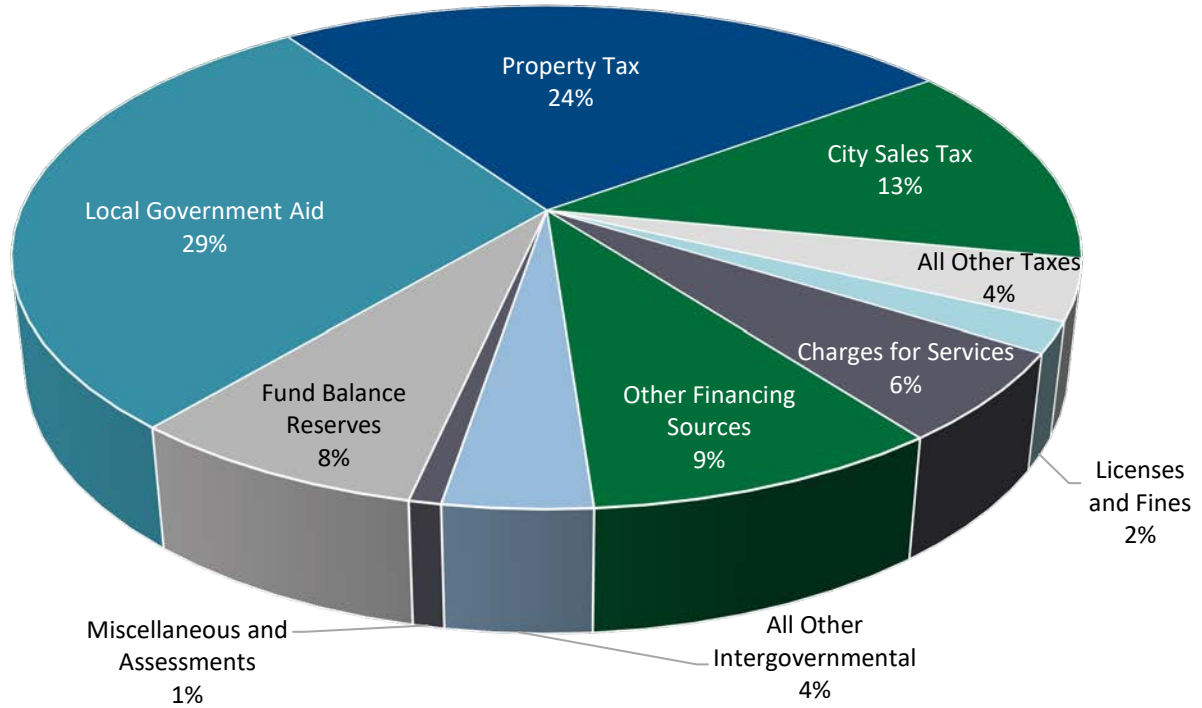
The General Fund provides general purpose government to the citizens of Duluth and accounts for all financial transactions not accounted for in another fund. This fund is used to finance activities such as general government, public safety, public works, libraries, recreation, planning, and economic development.

Financial support for this fund is received from general property taxes, City sales tax, licenses and permits, court fines and fees, departmental fees and charges, intergovernmental and miscellaneous revenues. The major categories of revenues and expenditures are itemized below.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
REVENUES				
Property Tax				
General Operations Levy	21,756,657	25,068,316	28,114,150	29,305,200
Delinquent Property Taxes	225,155	147,579	150,000	150,000
City Sales Tax	16,367,571	18,383,455	15,000,000	15,784,000
All Other Taxes	4,081,342	5,827,794	3,998,700	4,668,500
Local Government Aid	30,543,564	30,671,679	30,807,800	35,175,100
All Other Intergovernmental	4,772,569	6,018,638	4,422,600	4,551,000
Licenses and Fines	2,337,607	2,495,685	2,208,600	2,337,700
Charges for Services	9,290,475	7,262,536	6,493,400	6,941,500
Other Financing Sources	8,617,777	16,605,296	10,442,600	10,999,400
Miscellaneous and Assessments	2,144,237	1,946,607	984,000	991,500
Fund Balance Reserves	-	-	-	9,200,000
ARPA Funding	-	-	245,000	-
ARPA-Capital	-	-	3,000,000	-
Total Revenues	100,136,954	114,427,585	105,866,850	120,103,900
EXPENDITURES				
Permanent Salaries	45,009,597	46,873,326	49,742,350	
Permanent Salaries - One Time Payment	-	-	-	1,863,700
Premium Pay	2,535,905	3,685,623	1,777,600	1,625,300
Other Wages	674,135	853,762	787,700	832,700
Retirement Incentive	18,269	-	-	-
Employee Benefits	21,667,000	23,197,086	24,507,500	24,755,400
Supplies	2,382,849	3,481,131	3,518,100	3,540,000
Other Services & Charges	13,432,212	22,446,055	12,911,600	
Utilities	1,332,204	1,676,645	1,911,900	1,998,400
Retiree Medical and Life Insurance	8,294,746	8,576,865	7,399,100	7,731,400
Capital Outlay	298,712	385,337	311,000	621,000
Cash Reserves - Capital	-	-	-	9,000,000
ARPA-Capital	-	-	3,000,000	-
Total Expenditures	95,645,628	111,175,830	105,866,850	120,103,900

City of Duluth Minnesota - 2024 Budget

2024 General Fund Approved Revenues



Local Government Aid	\$	35,175,100
Property Tax	\$	29,455,200
City Sales Tax	\$	15,784,000
All Other Taxes	\$	4,668,500
Licenses and Fines	\$	2,337,700
Charges for Services	\$	6,941,500
Other Financing Sources	\$	10,999,400
All Other Intergovernmental	\$	4,551,000
Miscellaneous and Assessments	\$	991,500
Fund Balance Reserves	\$	9,200,000
TOTAL 2024 Revenues	\$	120,103,900

This graph shows the major categories of revenues expressed as a percent of total General Fund revenues estimated for budget fiscal year 2024. The City's policy of maintaining a diverse revenue base is reflected in the categories of revenues listed above, with almost 200 separate budgeted sources of revenue. Although the City does have a wide variety of revenues, the reader will note the City's relative dependence on local government aid, which constitutes 29% of all General Fund revenues. For this reason, we closely monitor local government aid every session at the State Legislature.

City of Duluth Minnesota - 2024 Budget

General Fund Revenues		2021 Actual	2022 Actual	2023 Budget	2024 Approved
TAXES					
4005	Current Property Tax	21,756,657	25,068,316	28,114,150	29,305,200
4010	Delinquent Property Tax	225,155	147,579	150,000	150,000
4015	Mobile Home Tax	89,574	95,139	80,000	80,000
4040	City Sales and Use Tax	16,367,571	18,383,455	15,000,000	15,784,000
4050	Charitable Gambling Tax	36,852	38,355	20,000	30,000
4070	MN Power Franchise Tax	2,882,986	3,524,544	3,100,000	3,608,400
4071	Northeast Cable Franchise Tax	749,214	752,704	693,300	728,000
4072	Northern MN Utility Franchise Tax	7,504	11,823	6,700	6,700
4080	Forfeit Tax Sale Apportionment	18,740	38,094	10,000	10,000
4090	Other Taxes	296,472	1,367,135	88,700	205,400
TOTAL TAXES		42,430,725	49,427,144	47,262,850	49,907,700
LICENSES AND PERMITS					
4101	Liquor License	437,151	442,557	415,000	415,000
4102	Beer License	16,558	12,482	11,200	11,200
4105	Hotel License	7,895	7,781	6,500	7,000
4106	Garbage Collection	16,688	19,380	18,000	18,000
4107	Horse & Carriage	286	297	700	400
4108	Emergency Wrecker License	3,146	3,361	6,000	6,000
4109	Gas Station License	8,829	12,106	9,250	9,250
4111	Pawnbroker License	772	440	1,100	1,100
4112	Peddler's License	11,175	8,823	1,000	8,000
4113	Precious Metal Dealer	1,544	1,760	1,750	1,750
4114	Pet Shop License	581	747	600	600
4115	Dog & Cat Hospitals License	498	-	-	-
4116	Dog Kennels License	694	810	400	400
4117	Massage Parlor	11,329	12,894	10,800	12,000
4118	Cigarette License	11,309	14,181	12,000	12,000
4119	Motor Vehicle	4,454	4,736	6,200	5,300
4120	Taxi Permit	19,299	3,323	11,000	9,000
4121	Coin Operating Device	16,501	290	8,000	8,000
4122	Pool & Bowling	1,202	611	600	600
4124	Tree Service Contractor License	-	-	1,400	1,400
4125	Transportation Network Companies License	-	-	7,900	7,400
4126	Shared Active Mobility Systems	9,450	21,950	11,000	14,000
4150	Pet License	-	9	-	-

City of Duluth Minnesota - 2024 Budget

General Fund Revenues		2021 Actual	2022 Actual	2023 Budget	2024 Approved
LICENSES AND PERMITS continued					
4151	Fill Permits	4,587	13,038	1,100	1,200
4152	Excavation Permits	27,634	25,442	22,000	25,000
4153	Multiple Dwell License	993,003	1,190,442	1,031,800	1,185,100
4154	Commercial Use/Occupancy	128,627	151,220	123,800	130,000
4155	Special Event Permit	3,812	4,956	1,500	3,500
4160	Fire Protection Systems Permit Fees	61,231	84,978	95,500	95,500
4170	Misc Permits & Licenses	198,134	181,892	92,000	117,000
TOTAL LICENSE AND PERMITS		1,996,389	2,220,505	1,908,100	2,105,700
INTERGOVERNMENTAL					
4209	Misc Federal Grants (Safer Grant)	-	12,579	16,000	16,000
4210	Pass-thru Federal Grants	-	14,328	-	-
4220	State of Minnesota	36,774	24,234	4,000	4,000
4221	Local Government Aid	30,543,564	30,671,679	30,807,800	35,175,100
4222	State Property Tax Aid	200	220	-	-
4225	Ski Trail Reimbursement	11,000	11,000	11,000	11,000
4227	Police Training Reimbursement	156,616	147,148	151,800	151,800
4232	State Insurance Premium	2,335,320	2,605,093	2,220,800	2,310,800
4233	State of MN PERA Contribution	368,733	1,159,997	-	-
4240	Municipal State Aid - Maintenance	1,465,349	1,525,839	1,496,100	1,496,100
4260	St. Louis County	138,411	138,411	138,400	138,400
4261	ISD 709	188,072	303,575	319,500	357,900
4300	HRA in Lieu of Taxes	72,095	76,214	65,000	65,000
TOTAL INTERGOVERNMENTAL		35,316,133	36,690,317	35,230,400	39,726,100
CHARGES FOR SERVICES					
4301	Zoning Appeals Fees	-	-	600	-
4303	Use Permit - Flood & Wetlands	2,652	364	900	1,000
4307	Planning/Zoning Fees	123,008	233,092	87,500	87,500
4310	Assessment Cost Services	9,701	8,060	10,000	10,000
4311	Assessment Certificate Fee	77,868	53,377	60,000	160,000
4315-01	Cost Allocation Stormwater	169,900	196,800	196,800	205,200
4315-02	Cost Allocation Sewer	230,400	238,200	238,200	256,300
4315-03	Cost Allocation Steam	53,200	53,200	64,500	64,500
4315-04	Cost Allocation DECC	13,800	13,800	13,800	14,700
4315-05	Cost Allocation DTA	10,300	10,300	12,500	12,500

City of Duluth Minnesota - 2024 Budget

General Fund Revenues	2021 Actual	2022 Actual	2023 Budget	2024 Approved
CHARGES FOR SERVICES continued				
4315-06 Cost Allocation Grant Administration	90,540	83,542	69,000	69,000
4315-07 Cost Allocation Airport	45,200	45,200	73,200	78,000
4315-08 Cost Allocation DEDA	400,000	400,000	400,000	400,000
4315-09 Cost Allocation Public Utility	851,000	876,400	876,400	950,900
4315-10 Cost Allocation Fleet	146,200	146,200	146,200	182,100
4315-12 Cost Allocation Group Health	390,113	399,866	409,800	420,100
4315-13 Cost Allocation Self Insurance	614,500	666,900	734,500	520,400
4315-14 Cost Allocation Spirit Mountain	26,200	26,200	27,800	29,600
4315-15 Cost Allocation Parking	150,000	116,300	140,500	140,500
4315-17 Cost Allocation 410 West 1st Street Bar	5,000	6,700	8,500	8,500
4319 Attorney Services	7,450	38,978	-	-
4320 IT Services	10,363	93,463	12,900	11,000
4322 Animal Shelter Fees	15,672	17,550	12,000	12,000
4323 Garnishment Fees	45	45	-	-
4326 Criminal History Checks	210	160	400	400
4328 Pawnbroker Transaction Charge	28,158	29,988	30,000	25,000
4329 False Alarm Fees & Penalties	26,148	15,133	18,000	15,000
4340 Fire Protection Services	4,200	4,200	4,200	4,200
4341 Hydrant Maintenance Service	30,000	30,000	30,000	30,000
4351 Building Inspection Fees	3,799,303	2,365,882	1,906,000	2,059,600
4352 Plumbing Inspection Fees	184,276	258,484	238,300	257,400
4353 Electric Inspection Fees	262,513	292,917	244,800	264,400
4354 HVAC-R Inspection Fees	315,858	409,458	204,500	220,900
4355 Signs Inspection Fees	13,297	25,232	11,100	12,000
4356 House Moving Inspection Fees	15,720	36,971	9,500	10,300
4357 Mobile Home Inspection Fees	1,736	1,505	2,000	2,200
4359 Capacity Availability Fee	12,934	16,434	15,300	16,500
4361 RPZ Registration Fee	29,097	32,609	13,700	14,800
4370 Engineering Services	1,123,914	19,028	170,000	375,000
TOTAL CHARGES FOR SERVICES	9,290,475	7,262,536	6,493,400	6,941,500

City of Duluth Minnesota - 2024 Budget

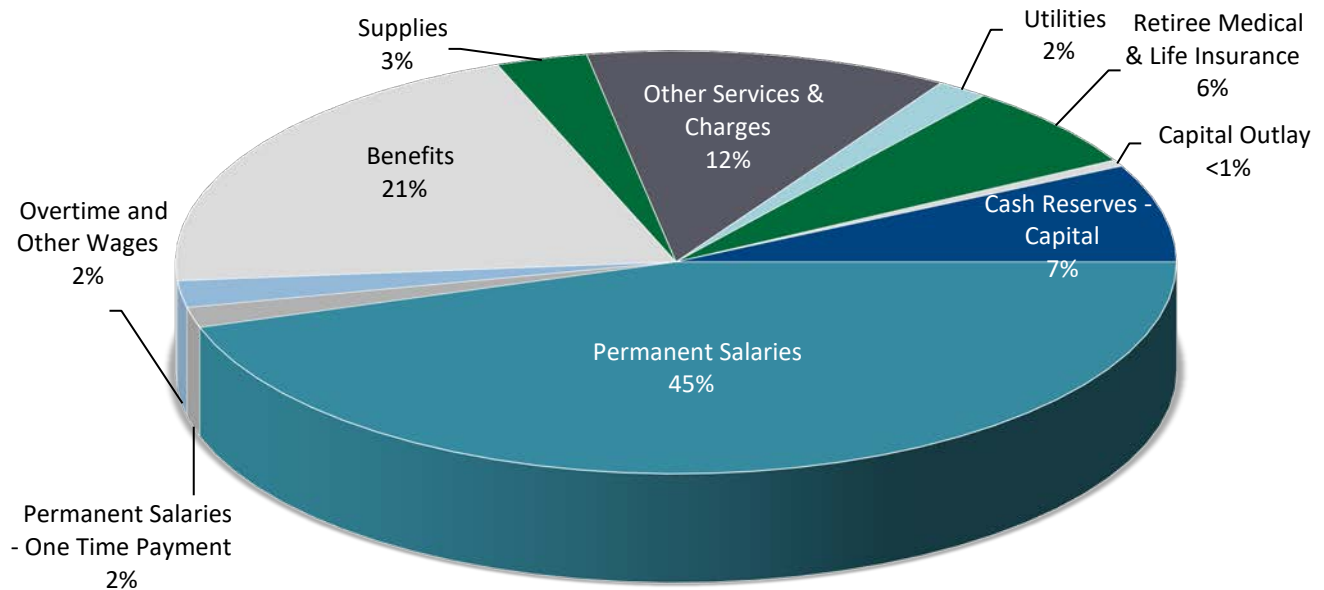
General Fund Revenues		2021 Actual	2022 Actual	2023 Budget	2024 Approved
FINES AND FORFEITS					
4470	License Penalties	-	85	1,500	1,500
4471	Library Fines	-	-	-	-
4472	Administrative Fines	54,723	29,864	39,000	500
4473	Court Fines	263,596	230,416	260,000	230,000
4474	Police Felony Forfeitures	22,900	14,815	-	-
TOTAL FINES AND FORFEITS		341,218	275,180	300,500	232,000
SPECIAL ASSESSMENTS					
4500	Assessments	464,437	470,751	55,000	55,000
4500-12	Assessments - Service Charge	-	-	370,000	370,000
4501	Assessments - Penalty & Interest	13,246	15,877	13,800	13,800
TOTAL SPECIAL ASSESSMENTS		477,683	486,628	438,800	438,800
MISCELLANEOUS					
4601	Earnings on Investments	(105,772)	(328,535)	-	-
4622	Rent of Buildings	77,422	80,568	71,700	86,200
4623	Rent of Land	12,520	10,539	10,300	10,800
4627	Concessions & Commissions	-	-	12,000	25,000
4631	Media Sales	3,402	12,983	11,200	9,900
4635	Auction Proceeds	6,536	7,303	-	-
4636	Sale of Materials	4,550	4,487	5,000	5,000
4639	Sale of Equipment	154,779	126,099	-	-
4640	Sale of Land	36,063	5,610	-	-
4644	Miscellaneous Sales	77,128	127,959	85,000	89,400
4650	Salary Reimbursement	49,700	44,522	10,000	10,000
4654	Other Reimbursements	1,133,543	1,116,437	188,600	164,900
4655	Drug Task Force Reimbursement	40,188	51,943	-	-
4660	Gifts & Donations	-	7,500	-	-
4700	Other Sources	24,676	40,691	-	-
4701	2% Retention Surtax	1,783	1,873	1,400	1,500
4702	Fond du Luth Proceeds	150,000	150,000	150,000	150,000
TOTAL MISCELLANEOUS		1,666,519	1,459,979	545,200	552,700

City of Duluth Minnesota - 2024 Budget

General Fund Revenues	2021 Actual	2022 Actual	2023 Budget	2024 Approved
OTHER FINANCING SOURCES				
4730-20 Transfer from Special Revenue Funds	1,795,796	10,608,884	2,445,500	2,541,500
4730-22 Transfer from Police Grant Funds	1,447,819	1,551,548	1,210,800	1,157,500
4730-23 Overtime	327,391	254,387	121,000	-
4730-50 Transfer from Enterprise Funds	1,414,798	76,200	1,422,900	3,288,600
4730-51 Transfer from Public Utility Funds	924,196	1,080,400	1,088,400	1,129,800
4730-60 Transfer from Internal Service Funds	2,313	-	-	-
4731 Gas Utility in Lieu of Taxes	2,550,973	2,869,276	4,000,000	2,700,000
4732 Steam Utility in Lieu of Taxes	154,492	164,600	154,000	182,000
4805 Reimbursements	35	-	-	-
TOTAL OTHER FINANCING SOURCES	8,617,812	16,605,296	10,442,600	10,999,400
4999 Fund Balance Reserves	-	-	-	9,200,000
ARPA Funding	-	-	245,000	-
ARPA - Capital	-	-	3,000,000	-
GENERAL FUND TOTAL	100,136,954	114,427,585	105,866,850	120,103,900

City of Duluth Minnesota - 2024 Budget

2024 General Fund Approved Expenditures

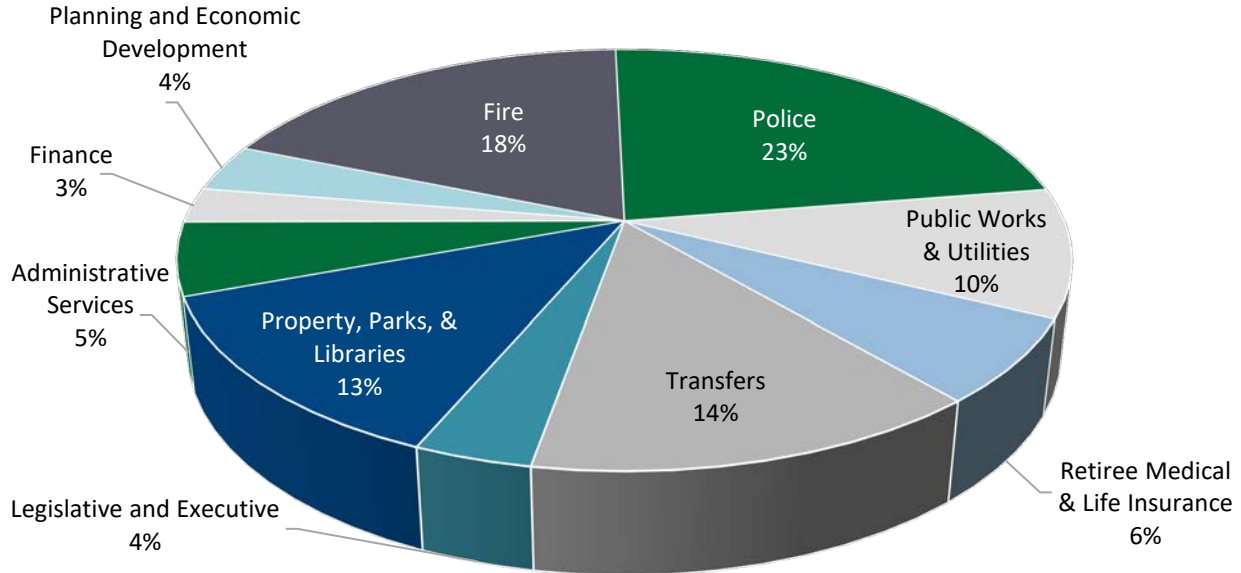


Permanent Salaries	\$	54,021,400
Permanent Salaries - One Time Payment	\$	1,863,700
Overtime and Other Wages	\$	2,458,000
Benefits	\$	24,755,400
Supplies	\$	3,540,000
Other Services & Charges	\$	14,114,600
Utilities	\$	1,998,400
Retiree Medical & Life Insurance	\$	7,731,400
Capital Outlay	\$	621,000
Cash Reserves - Capital	\$	9,000,000
TOTAL 2024 EXPENDITURES	\$	120,103,900

This graph shows the General Fund budget by expense category. The largest single category of expense is permanent salaries at 45% of all expenditures. When adding salaries to the cost of benefits, overtime, and other wages, the total is 68% of all budgeted expenditures. Other services and charges comprises 12% of the total; followed by retiree medical and life insurance, supplies, utilities, and capital outlay combined for 12%. The remaining 7% is cash reserves for capital.

City of Duluth Minnesota - 2024 Budget

2024 General Fund Approved Expenditures



Legislative and Executive	\$	4,352,100
Property, Parks, & Libraries	\$	15,525,200
Administrative Services	\$	6,712,200
Finance	\$	3,230,100
Planning and Economic Development	\$	4,363,200
Fire	\$	22,081,000
Police	\$	27,421,300
Public Works & Utilities	\$	11,806,400
Retiree Medical & Life Insurance	\$	7,731,400
Transfers	\$	16,881,000
TOTAL 2024 EXPENDITURES	\$	120,103,900

This graph shows the General Fund departmental budgets as a percent of the total General Fund expenditures for budget fiscal year 2024. The largest category is public safety with the Police and Fire departments comprising 41% of the total; followed by Property, Parks, & Libraries department at 13%. The General Fund portion of the Public Works department comprises 10% of the total. Retiree Medical and Life Insurance comprises 6% of the total. The remaining five departments totaled together are 30%.

City of Duluth Minnesota - 2024 Budget

2024 General Fund Approved Expenditures

	Permanent Salaries	Overtime	Other Wages	Benefits	Other Expense	Capital Outlay	TOTAL
LEGISLATIVE AND EXECUTIVE							
City Council	-	-	124,200	9,500	70,700	-	204,400
Mayor's Office	561,500	-	10,800	243,200	24,200	-	839,700
City Administrator's Office	356,800	-	-	147,400	20,600	-	524,800
Attorney's Office	1,924,000	-	30,000	768,100	61,100	-	2,783,200
DEPARTMENT TOTAL	2,842,300	-	165,000	1,168,200	176,600	-	4,352,100
PROPERTY, PARKS, & LIBRARIES							
Park Maintenance	1,624,000	75,000	125,800	749,600	1,135,800	-	3,710,200
Library Facilities Management	3,067,300	800	101,800	1,394,000	445,200	621,000	5,630,100
DEPARTMENT TOTAL	6,940,900	100,800	241,300	3,072,000	4,549,200	621,000	15,525,200
ADMINISTRATIVE SERVICES							
Human Resources Information Technology	912,600	-	10,000	394,100	90,500	-	1,407,200
City Clerk	2,113,300	10,000	-	911,100	1,202,100	-	4,236,500
DEPARTMENT TOTAL	593,900	1,400	130,000	287,500	55,700	-	1,068,500
DEPARTMENT TOTAL	3,619,800	11,400	140,000	1,592,700	1,348,300	-	6,712,200
FINANCE							
Budget Office	713,300	6,400	-	282,800	37,100	-	1,039,600
Auditor's Office	841,400	7,600	-	385,000	304,100	-	1,538,100
Purchasing	422,100	-	-	216,100	14,200	-	652,400
DEPARTMENT TOTAL	1,976,800	14,000	-	883,900	355,400	-	3,230,100
PLANNING AND ECONOMIC DEVELOPMENT							
Planning & Development	1,191,300	-	-	519,000	66,900	-	1,777,200
Construction Services & Inspection	1,650,300	9,000	-	770,600	156,100	-	2,586,000
DEPARTMENT TOTAL	2,841,600	9,000	-	1,289,600	223,000	-	4,363,200

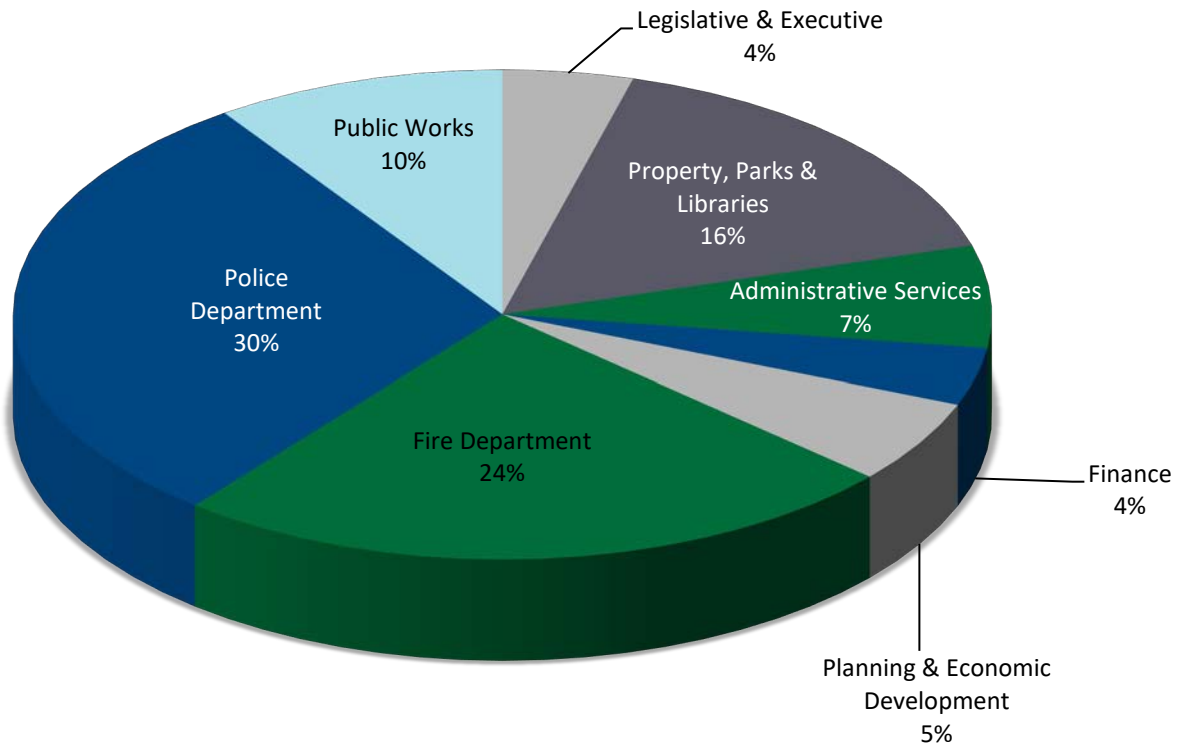
City of Duluth Minnesota - 2024 Budget

2024 General Fund Approved Expenditures

	Permanent Salaries	Overtime	Other Wages	Benefits	Other Expense	Capital Outlay	TOTAL
FIRE DEPARTMENT							
Fire Administration	665,700	-	-	295,400	49,900	-	1,011,000
Fire Operations	12,028,800	790,800	-	5,610,300	898,000	-	19,327,900
Life Safety	1,117,300	11,300	-	509,800	103,700	-	1,742,100
DEPARTMENT TOTAL	13,811,800	802,100	-	6,415,500	1,051,600	-	22,081,000
POLICE DEPARTMENT							
	17,095,600	445,000	256,400	8,064,900	1,559,400	-	27,421,300
PUBLIC WORKS							
Director's Office	65,200	-	-	28,300	1,000	-	94,500
Street Maintenance	3,026,400	187,000	-	1,586,100	4,704,200	-	9,503,700
Engineering	1,343,500	56,000	30,000	626,700	152,000	-	2,208,200
DEPARTMENT TOTAL	4,435,100	243,000	30,000	2,241,100	4,857,200	-	11,806,400
TRANSFERS							
	2,321,200	-	-	27,500	22,263,700	-	24,612,400
GENERAL FUND							
	55,885,100	1,625,300	832,700	24,755,400	36,384,400	621,000	120,103,900

City of Duluth Minnesota - 2024 Budget

2024 General Fund Personnel Summary



Department	2023 Budget	2024 Approved
Legislative & Executive	26.80	26.80
Property, Parks & Libraries	99.35	100.35
Administrative Services	40.00	42.00
Finance	22.60	23.60
Planning & Economic Development	34.25	34.25
Fire Department	150.00	151.00
Police Department	184.00	184.00
Public Works	60.05	59.80
TOTAL	617.05	621.80

City of Duluth Minnesota - 2024 Budget

2024 General Fund Personnel Summary

	2023 Budget	2024 Approved	Difference	Narrative
LEGISLATIVE/EXECUTIVE				
Mayor	6.00	6.00	0.00	
City Administrator's Office	3.00	3.00	0.00	
City Attorney	17.80	17.80	0.00	
DEPARTMENT TOTAL	26.80	26.80	0.00	
PROPERTY, PARKS & LIBRARIES				
Park Maintenance	23.05	23.05	0.00	
Library	48.00	48.00	0.00	
Facilities Management	28.30	29.30	1.00	Add Executive Asst
DEPARTMENT TOTAL	99.35	100.35	1.00	
ADMINISTRATIVE SERVICES				
Human Resources	10.00	11.00	1.00	Add HR Tech paid by ARPA funds
Information Technology	24.00	24.00	0.00	
City Clerk	6.00	7.00	1.00	Add Data Practices
DEPARTMENT TOTAL	40.00	42.00	2.00	
FINANCE				
Budget	7.00	7.00	0.00	
Auditor	9.60	10.60	1.00	Add Accountant II
Purchasing	6.00	6.00	0.00	
DEPARTMENT TOTAL	22.60	23.60	1.00	
PLANNING & ECONOMIC DEVELOPMENT				
Planning & Development	13.25	13.25	0.00	
Construction Srvcs & Inspection	21.00	21.00	0.00	
DEPARTMENT TOTAL	34.25	34.25	0.00	
FIRE				
Fire Administration	6.00	6.00	0.00	
Firefighting Operations	131.00	131.00	0.00	
Life Safety	13.00	14.00	1.00	Add Housing Inspector
DEPARTMENT TOTAL	150.00	151.00	1.00	

City of Duluth Minnesota - 2024 Budget

2024 General Fund Personnel Summary

	2023 Budget	2024 Approved	Difference	Narrative
POLICE				
Administration, Investigative, Patrol	184.00	184.00	0.00	
DEPARTMENT TOTAL	184.00	184.00	0.00	
PUBLIC WORKS				
Director's Office	0.60	0.60	0.00	
Street Maintenance	44.00	44.00	0.00	
Engineering	15.45	15.20	-0.25	Realignment of FTEs with PW&U
DEPARTMENT TOTAL	60.05	59.80	-0.25	
TOTAL GENERAL FUND FTE'S	617.05	621.80	4.75	

City of Duluth Minnesota - 2024 Budget

Legislative and Executive Department

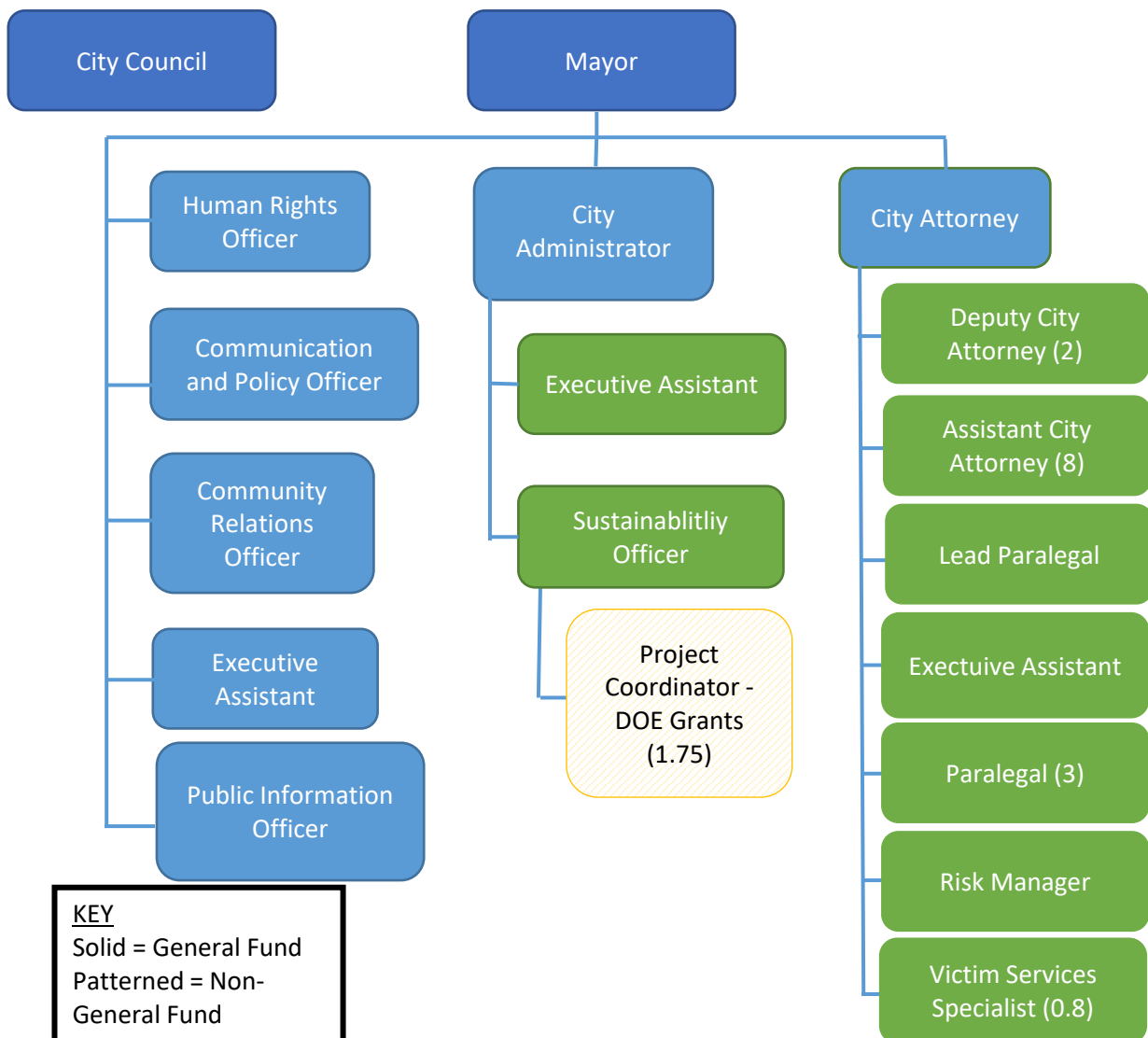
Mission and Vision

The overall mission of this department is to consider and adopt policies, ordinances and resolutions to legislate; and to direct the functions of the organization to administer city government for the citizens of Duluth.

Structure

The divisions in this department are responsible for the legislative activity pursuant to City Charter; administration of the organization; enforcement and execution of City ordinances; and legal defense of the City.

Organization Chart



City of Duluth Minnesota - 2024 Budget

City Attorney's Office - Performance Measures

City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Actual	2024 Target
Compliance: Provide assurance of regulatory and policy compliance to build trust, accountability and foster transparency	Number of ordinances	33	32	88	80
	Number of resolutions	394	159	215	200
Fiscal Responsibility: Operations are supported by sustainable funding sources and costs are managed in an effective and efficient manner to maintain sustainability.	Number of claim and claim inquiries	200	253	629	600
	Number claims filed	47	51	23	25
	Amount collected on city claims	\$82,246	\$130,169	\$67,359	\$50,000
	Number of grants reviewed	90	60	75	80
High Performing Organization: Focuses on equipping, training and continuously expanding the abilities of decision-makers, leadership, management and staff to successfully accomplish public goals.	Number of lawsuits defended, conciliation court matters, and regulatory appeals	44	78	66	50
Long Range Planning: Supports decision-making with timely and accurate analysis, focusing on innovative, long-term solutions that benefit the community.	Transaction Matters: agreements, MOUs, and development agreements	341	228	264	300
Trust and Engagement: Develops sustainable fiscal and operational policies which foster trust and transparency by ensuring accountability, efficiency, integrity, innovation and best practices in all operations.	Number of city policies reviewed	75	85	65	75

City of Duluth Minnesota - 2024 Budget

City Attorney's Office - Performance Measures Continued

City Priority: Innovation and Excellence in Service

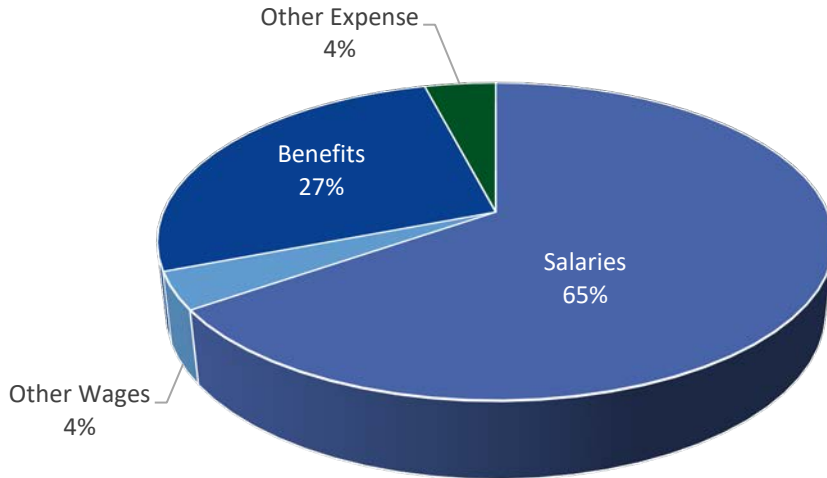
<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Actual	2024 Target
Workforce: Attract, develop, equip, motivate, and retain a high-quality, diverse, engaged and productive workforce focused on creative service excellence.	Number of employees taking defensive driving class	157	250	212	250
	Number of CBA's negotiated, arbitration hearings, grievances, worker's comp. claims, and unemployment claims	179	95	98	100

City Priority: Safe and Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Actual	2024 Target
Community Engagement: Offer community programming which affords safe spaces for youth and adults to play, learn, and engage.	Number of victims contacted	119	726	1482	1000
	Number of bail memos	85	92	86	80
Livable Community: Ensure regulatory compliance in order to provide clean and well-maintained neighborhoods, to protect property, the environment and the lives and health of its residents and visitors.	Number of criminal cases assigned to the City of Duluth	8,027	7,088	7,466	7,000
	Number of forfeitures	38	50	20	15

City of Duluth Minnesota - 2024 Budget

Legislative & Executive Department 2024 Approved Budget by Expenditure Category



Expenditures by Category	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Permanent Salaries	2,357,046	2,571,906	2,646,250	2,842,300	196,050
Overtime	1,643	3,521	-	-	-
Other Wages	165,795	167,409	165,000	165,000	-
Retirement Incentive	-	-	-	-	-
Total Personal Services	2,524,484	2,742,835	2,811,250	3,007,300	196,050
Benefits	1,016,987	1,020,461	1,181,300	1,168,200	(13,100)
Other Expense	217,875	147,036	156,600	176,600	20,000
Department Total	3,759,346	3,910,333	4,149,150	4,352,100	202,950

Expenditures by Division	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
City Council	190,085	187,959	204,400	204,400	-
Mayor's Office	767,907	769,707	823,200	839,700	16,500
City Administrator's Office	467,764	478,509	479,500	524,800	45,300
Attorney's Office	2,333,590	2,474,159	2,642,050	2,783,200	141,150
Department Total	3,759,346	3,910,333	4,149,150	4,352,100	202,950

Budgeted FTE's	2021	2022	2023	2024	Difference
	26.00	25.80	26.80	26.80	0.00

City of Duluth Minnesota - 2024 Budget

City Council

www.duluthmn.gov/city-council/

The City Council is comprised of nine members, five who serve from geographical districts and four who serve at large. Councilors serve four-year terms. The Council is responsible for enacting ordinances and resolutions, adopting an annual budget, raising money for municipal functions through the approval of property tax levies, borrowing, bonding; reviewing various authorities, approving economic development plans, initiating and approving public improvements; protecting public health, safety, and welfare through legislation and licensing.

Budgeted FTE's	2021	2022	2023	2024	Difference
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There are no fulltime, permanent employees assigned to this division.

Expenditures	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Personal Services					
Permanent Salaries	-	-	-	-	-
Overtime	-	-	-	-	-
Other Wages	124,200	120,750	124,200	124,200	-
Total Salaries	124,200	120,750	124,200	124,200	-
Benefits	9,707	9,237	9,500	9,500	-
Other Expense					
Materials & Supplies	50	1,447	1,300	1,300	-
Services	4,908	3,464	12,000	12,000	-
Utilities & Mtc	48,516	50,186	52,200	52,200	-
Other	2,704	2,875	5,200	5,200	-
Total Other Expense	56,178	57,972	70,700	70,700	-
Division Total	190,085	187,959	204,400	204,400	-

City of Duluth Minnesota - 2024 Budget

General Fund Expenditure Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
City Council - 110-110-1101				
PERSONAL SERVICES				
5103 Other Wages	124,200	120,750	124,200	124,200
TOTAL	124,200	120,750	124,200	124,200
EMPLOYEE BENEFITS				
5121 PERA Retirement	-	-	-	-
5122 FICA - Social Security	7,867	7,487	7,700	7,700
5123 FICA - Medicare	1,840	1,751	1,800	1,800
TOTAL	9,707	9,237	9,500	9,500
OTHER EXPENDITURES				
5200 Office Supplies	50	1,322	-	-
5201 Computer Supplies/Software	-	-	1,000	1,000
5219 Other Miscellaneous Supplies	-	125	300	300
5319 Other Professional Services	2,575	-	4,000	4,000
5331 Travel/Training	1,250	3,295	7,000	7,000
5355 Printing & Copying	1,083	169	1,000	1,000
5404 Equipment/Machinery Repair & Mtc	-	123	3,700	3,700
5414 Software Licenses & Mtce Agreements	48,516	50,063	48,500	48,500
5433 Dues & Subscription	1,025	750	1,000	1,000
5441 Other Services & Charges	1,679	142	2,000	2,000
5443 Board & Meeting Expenses	-	1,983	2,200	2,200
TOTAL	56,178	57,972	70,700	70,700
DIVISION TOTAL	190,085	187,959	204,400	204,400

City of Duluth Minnesota - 2024 Budget

Mayor's Office

www.duluthmn.gov/mayor/

The Mayor's Office provides leadership and direction to the Executive Branch of city government. The Mayor serves as chief executive officer of the City, provides leadership alongside community and serves as the identifiable representative of the City. The Mayor's Office provides policy initiatives to the City Council to help direct the vision of the community.

Budgeted FTE's	2021	2022	2023	2024	Difference
Mayor	1.0	1.0	1.0	1.0	-
131 Executive Assistant	1.0	1.0	1.0	1.0	-
1070 Human Rights Officer Community Relations	1.0	1.0	1.0	1.0	-
1085 Officer Public Information	1.0	1.0	1.0	1.0	-
1085 Officer Communications &	1.0	1.0	1.0	1.0	-
1110 Policy Officer	1.0	1.0	1.0	1.0	-
Division Total	6.0	6.0	6.0	6.0	0.0

Expenditures	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Personal Services					
Permanent Salaries	503,966	505,042	532,500	561,500	29,000
Overtime	-	-	-	-	-
Other Wages	11,736	11,556	10,800	10,800	-
Total Salaries	515,702	516,598	543,300	572,300	29,000
Benefits	243,143	233,477	255,700	243,200	(12,500)
Other Expense					
Materials & Supplies	564	529	3,000	3,000	-
Services	6,411	9,275	10,800	10,800	-
Other	2,087	9,828	10,400	10,400	-
Total Other Expense	9,062	19,632	24,200	24,200	-
Division Total	767,907	769,707	823,200	839,700	16,500

City of Duluth Minnesota - 2024 Budget

General Fund Expenditure Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
Mayor's Office - 110-110-1102				
PERSONAL SERVICES				
5100 Permanent Salaries	503,966	505,042	532,500	561,500
5101 Premium Pay	-	-	-	-
5103 Other Wages	11,736	11,556	10,800	10,800
TOTAL	515,702	516,598	543,300	572,300
EMPLOYEE BENEFITS				
5121 PERA Retirement	35,771	35,527	40,800	42,000
5122 FICA - Social Security	24,014	24,580	34,600	35,500
5123 FICA - Medicare	7,050	7,177	8,100	8,300
5125 Dental Insurance	2,376	2,277	2,400	2,500
5126 Life Insurance	1,224	1,553	1,100	1,100
5127 Health Care Savings Plan (HCSP)	17,213	27,463	11,900	11,900
5130 Cafeteria Plan Benefits	155,496	134,901	156,800	141,900
TOTAL	243,143	233,477	255,700	243,200
OTHER EXPENDITURES				
5200 Office Supplies	164	404	2,000	2,000
5219 Other Miscellaneous Supplies	197	125	500	500
5241 Small Equip-Office/Operating	203	-	500	500
5321 Phone Service Cellular Phone	2,031	1,346	2,200	2,200
5322 Postage	-	-	100	100
5331 Travel/Training	4,203	7,223	6,500	6,500
5355 Printing & Copying	177	706	2,000	2,000
5433 Dues & Subscription	584	475	400	400
5441 Other Services & Charges	-	2,511	3,000	3,000
5443 Board & Meeting Expenses	454	2,604	2,000	2,000
5444 Mayor's Contingent Account	1,050	4,238	5,000	5,000
TOTAL	9,062	19,632	24,200	24,200
DIVISION TOTAL	767,907	769,707	823,200	839,700
REVENUE SOURCE				
4654 Other Reimbursements	-	1,019	-	-
DIVISION TOTAL	-	1,019	-	-

City of Duluth Minnesota - 2024 Budget

City Administrator's Office

www.duluthmn.gov/city-administrator/

The City Administrator is responsible for the activities of all offices, departments and boards; investigations and studies of the internal organization; and procedure of any office or department within the City. The City Administrator makes information available to the Mayor, the City Council, and the public concerning the current status of the financial affairs of the City and all offices, departments, and boards receiving appropriations from the City; attends meetings of the Council and makes available such information as it may require.

Budgeted FTE's	2021	2022	2023	2024	Difference
City Administrator	1.0	1.0	1.0	1.0	-
9 Executive Assistant	1.0	1.0	1.0	1.0	-
1110 Sustainability Officer	1.0	1.0	1.0	1.0	-
Division Total	3.0	3.0	3.0	3.0	0.0

Expenditures	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Personal Services					
Permanent Salaries	310,863	327,946	316,400	356,800	40,400
Overtime	-	-	-	-	-
Other Wages	1,163	2,295	-	-	-
Total Salaries	312,026	330,241	316,400	356,800	40,400
Benefits	141,002	123,600	142,500	147,400	4,900
Other Expense					
Materials & Supplies	3,038	1,331	1,500	1,500	-
Services	5,234	10,080	5,000	5,000	-
Utilities & Mtc	-	-	-	-	-
Other	6,465	13,256	14,100	14,100	-
Total Other Expense	14,737	24,667	20,600	20,600	-
Division Total	467,764	478,509	479,500	524,800	45,300

City of Duluth Minnesota - 2024 Budget

General Fund Expenditure Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
City Administrator's Office - 110-110-1103				
PERSONAL SERVICES				
5100 Permanent Salaries	310,863	327,946	316,400	356,800
5101 Premium Pay	-	-	-	-
5103 Other Wages	1,163	2,295	-	-
TOTAL	312,026	330,241	316,400	356,800
EMPLOYEE BENEFITS				
5121 PERA Retirement	22,964	23,984	24,600	26,700
5122 FICA - Social Security	17,858	18,763	20,500	22,100
5123 FICA - Medicare	4,328	4,585	4,800	5,200
5125 Dental Insurance	1,155	1,188	1,200	1,200
5126 Life Insurance	595	810	500	500
5127 Health Care Savings Plan (HCSP)	19,432	9,992	20,100	20,500
5130 Cafeteria Plan Benefits	74,670	63,720	70,700	71,100
5133 Health or Fitness Program	-	558	100	100
TOTAL	141,002	123,600	142,500	147,400
OTHER EXPENDITURES				
5200 Office Supplies	374	553	500	500
5201 Computer Supplies/Software	-	13	-	-
5219 Other Miscellaneous Supplies	2,664	765	1,000	1,000
5321 Phone Service Cellular Phone	364	525	-	-
5331 Travel/Training	4,870	9,555	5,000	5,000
5404 Equipment/Machinery Repair & Mtc	-	-	-	-
5418 Vehicle/Equip Lease (Long-term)	-	-	-	-
5433 Dues & Subscription	2,376	3,112	1,600	1,600
5435 Books & Pamphlets	-	-	-	-
5441 Other Services & Charges	3,070	1,619	3,000	3,000
5443 Board & Meeting Expenses	1,019	-	500	500
5461 Energy Efficiency Projects	-	8,526	9,000	9,000
TOTAL	14,737	24,667	20,600	20,600
DIVISION TOTAL	467,764	478,509	479,500	524,800
REVENUE SOURCE				
4650 Salaries Reimbursement	3,000	2,000	-	-
4654 Other Reimbursements	3,163	2,295	-	-
DIVISION TOTAL	6,163	4,295	-	-

City of Duluth Minnesota - 2024 Budget

City Attorney's Office

www.duluthmn.gov/attorney/

The City Attorney's Office serves as the City's legal advisor and representative. Attorneys in our office provide legal counsel and civil litigation services to the Mayor, City Council, departments, boards and commissions, and public authorities. In addition, our office provides effective and efficient prosecution of violations of City ordinances and state misdemeanor statutes, including domestic violence, driving while intoxicated, trespassing, and traffic offenses.

Budgeted FTE's	2021	2022	2023	2024	Difference
1165 City Attorney	1.0	1.0	1.0	1.0	-
1160 Deputy City Attorney	-	2.0	2.0	2.0	-
Assistant Attorney	9.0	7.0	8.0	8.0	-
1100 Risk Manager	-	-	1.0	1.0	-
10 Lead Paralegal	-	1.0	1.0	1.0	-
City Investigator &					
10 Claims Agent	1.0	1.0	-	-	-
9 Executive Assistant	-	1.0	1.0	1.0	-
129 Admin Legal Assistant	3.0	-	-	-	-
Victim Services					
131 Specialist	-	0.8	0.8	0.8	-
131 Prosecution Assistant	1.0	-	-	-	-
133 Paralegal	2.0	3.0	3.0	3.0	-
Division Total	17.0	16.8	17.8	17.8	0.0

Expenditures	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Personal Services					
Permanent Salaries	1,542,217	1,738,917	1,797,350	1,924,000	126,650
Overtime	1,643	3,521	-	-	-
Other Wages	28,696	32,808	30,000	30,000	-
Retirement Incentive	-	-	-	-	-
Total Salaries	1,572,557	1,775,246	1,827,350	1,954,000	126,650
Benefits	623,134	654,147	773,600	768,100	(5,500)
Other Expense					
Materials & Supplies	1,691	2,611	3,300	3,300	-
Services	10,530	11,800	12,400	12,400	-
Other	125,677	30,355	25,400	45,400	20,000
Total Other Expense	137,898	44,766	41,100	61,100	20,000
Division Total	2,333,590	2,474,159	2,642,050	2,783,200	141,150

City of Duluth Minnesota - 2024 Budget

General Fund Expenditure Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
City Attorney's Office - 110-110-1104				
PERSONAL SERVICES				
5100 Permanent Salaries	1,542,217	1,738,917	1,797,350	1,924,000
5101 Premium Pay	1,643	3,521	-	-
5103 Other Wages	28,696	32,808	30,000	30,000
5105 Retirement Incentive	-	-	-	-
TOTAL	1,572,557	1,775,246	1,827,350	1,954,000
EMPLOYEE BENEFITS				
5121 PERA Retirement	114,698	125,809	137,000	145,800
5122 FICA - Social Security	91,968	106,101	114,200	121,100
5123 FICA - Medicare	21,723	24,849	26,700	28,300
5125 Dental Insurance	6,600	6,798	7,000	7,400
5126 Life Insurance	3,400	4,635	3,200	3,200
5127 Health Care Savings Plan (HCSP)	66,651	58,501	76,500	63,900
5130 Cafeteria Plan Benefits	316,266	325,747	407,700	397,100
5133 Health or Fitness Program	1,829	1,707	1,300	1,300
TOTAL	623,134	654,147	773,600	768,100
OTHER EXPENDITURES				
5200 Office Supplies	1,691	2,611	3,300	3,300
5304 Legal Services	728	2,906	2,000	2,000
5321 Phone Service Cellular Phone	2,040	1,831	2,200	2,200
5331 Travel/Training	6,927	5,718	6,000	6,000
5335 Local Mileage Reimbursement	439	1,203	1,000	1,000
5355 Printing & Copying	35	-	100	100
5356 Copier, Printer Lease & Supplies	362	142	1,100	1,100
5414 Software Licenses & Maintenance	56	1,319	1,400	21,400
5433 Dues & Subscription	18,455	21,221	17,000	17,000
5441 Other Services & Charges	7,166	7,816	7,000	7,000
5700 Transfer to Special Revenue Fund	100,000	-	-	-
TOTAL	137,898	44,766	41,100	61,100
DIVISION TOTAL	2,333,590	2,474,159	2,642,050	2,783,200
REVENUE SOURCE				
4319 Attorney Fees	7,450	38,978	-	-
4644 Miscellaneous Fees, Sales, Services	5,500	4,828	1,000	1,000
4654 Other Reimbursements	702	88	-	-
4730 Transfer from Special Revenue Fund	65,939	81,463	70,000	70,000
TOTAL	79,590	125,357	71,000	71,000
DIVISION TOTAL	79,590	125,357	71,000	71,000

City of Duluth Minnesota - 2024 Budget

Property, Parks, and Libraries Department

The Property, Parks, and Libraries Department exists to cost-effectively provide two categories of public services:

Internal services, such as those provided by Fleet Services and Property and Facilities Management, whose role is to increase the capacity of other City departments to serve the public well.

Community services, such as those provided by Parks and Recreation, Park Maintenance, and Library, that enrich community life through direct delivery of services to citizens.

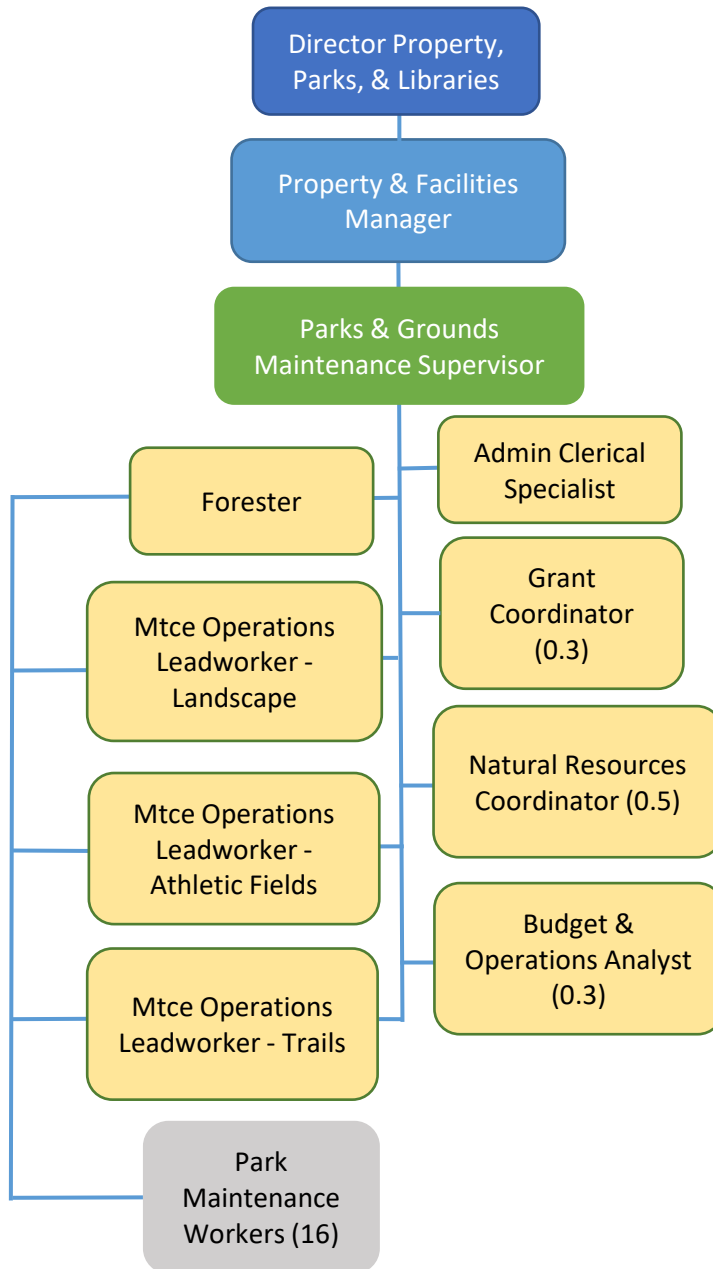
Structure

The Property, Parks, and Libraries Department brings together and coordinates five interrelated divisions: Library, Property and Facilities Management, Parks and Recreation, Park Maintenance, and Fleet Services. One manager oversees both Park Maintenance and Property and Facilities Management. Parks and Recreation and portions of Park Maintenance are funded by the Parks Fund. Fleet Services is managed within a separate internal service fund with revenues paid from the General Fund and Enterprise Funds. All other divisions operate primarily from the General Fund.

City of Duluth Minnesota - 2024 Budget

Property, Parks, and Libraries Department

Organization Chart

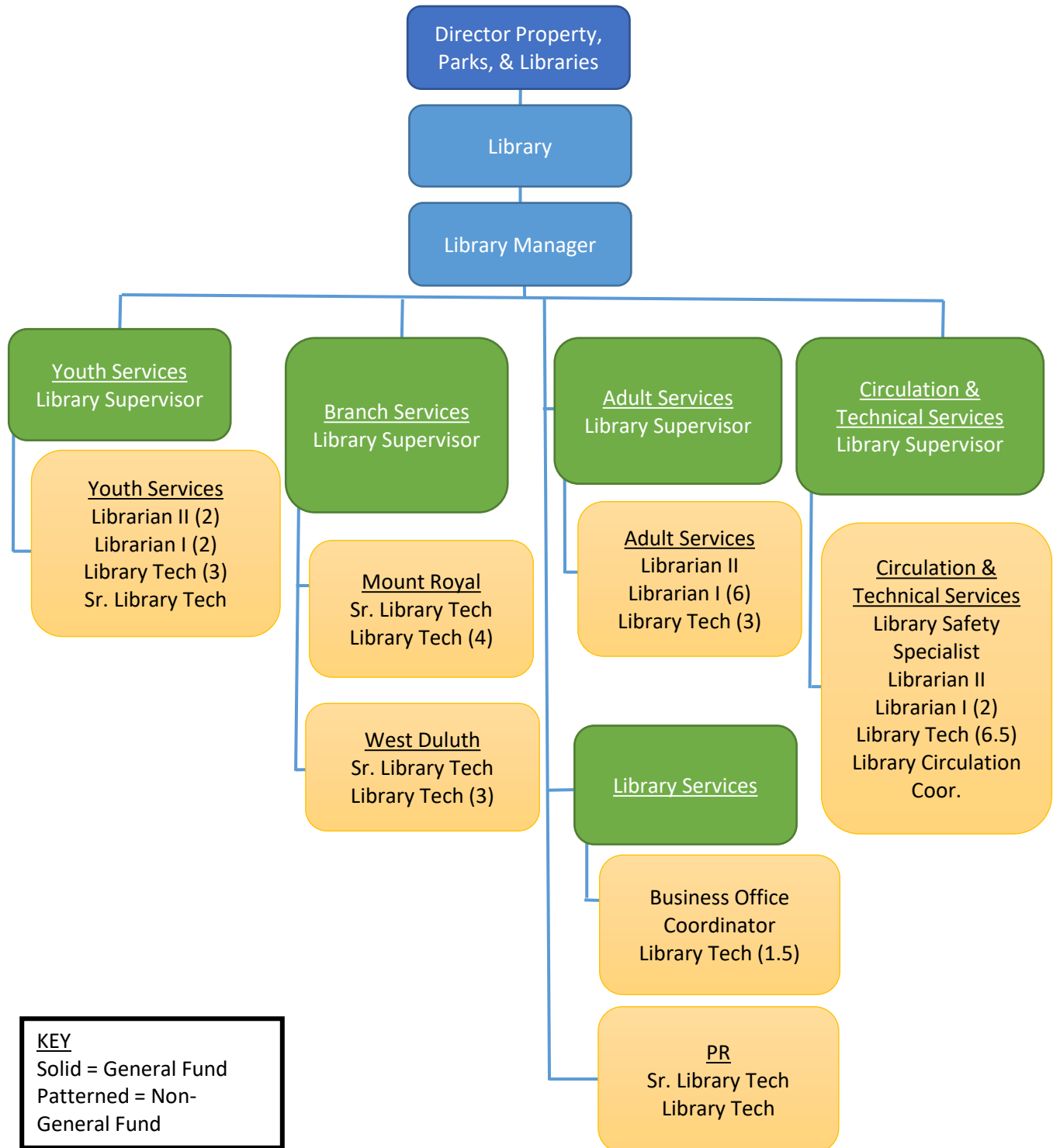


KEY
Solid = General Fund
Patterned = Non-General Fund

City of Duluth Minnesota - 2024 Budget

Property, Parks, and Libraries Department

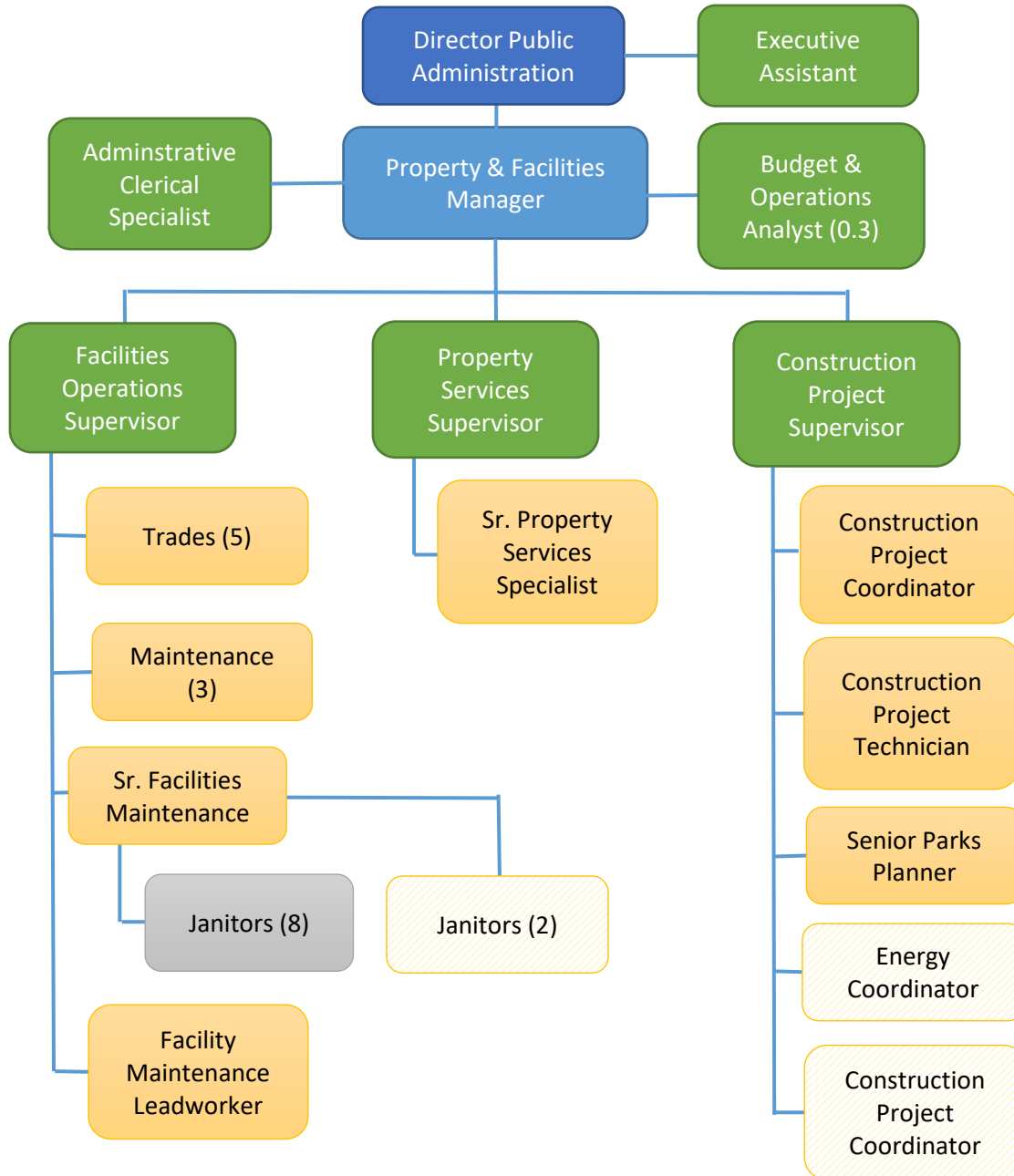
Organization Chart - Continued



City of Duluth Minnesota - 2024 Budget

Property, Parks, and Libraries Department

Organization Chart - Continued

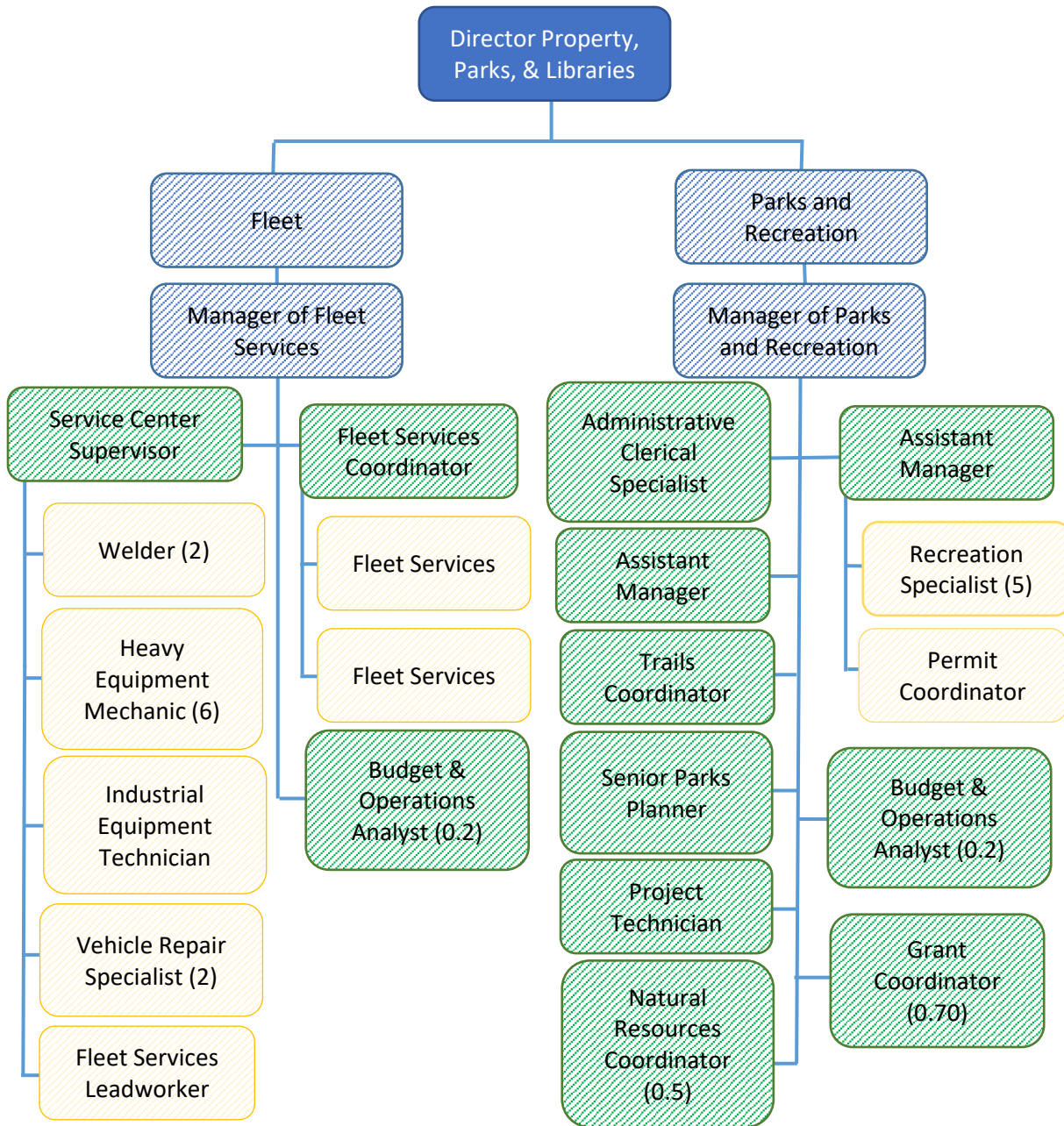


KEY
 Solid = General Fund
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City of Duluth Minnesota - 2024 Budget

Property, Parks, and Libraries Department

Organization Chart - Continued



KEY
 Solid = General Fund
 Patterned = Non-General Fund

City of Duluth Minnesota - 2024 Budget

Park Maintenance - Performance Measures

City Priority: Safe and Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Actual	2024 Target
Public Facility Safety: Ensures parks, open spaces and public areas are designed with safety in mind, well-lit, well maintained and actively monitored.	Interdepartmental collaboration on homeless, public space blight, and other impacts to City parks.	50%	75%	80%	100%

City Priority: Livable Neighborhoods and Affordable Housing

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Actual	2024 Target
Safe/Quality Neighborhood: Promote, support, and sustain well-maintained, safe, clean, visually appealing, free of blight neighborhoods, commercial areas and public spaces.	Efficient and effective sidewalk snow removal to improve opportunities for mobility on sidewalks adjacent to City-owned property.	50%	50%	70%	100%
	Update mapping and snow removal priorities.	100%	100%	100%	100%
	Deferred maintenance plan development and annual implementation.	25%	50%	75%	100%

City Priority: Green Space and Energy Conservation

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Actual	2024 Target
Open Space Development: Develop, preserve, enhance and invest in community parks, neighborhood parks, open spaces, green spaces, lakes and waterways, ensuring they are safe, clean, attractive and accessible to all.	Quantify and define Park Maintenance activities and service levels by park location, activity, staff hours and cost.	25%	50%	75%	100%
	Develop comprehensive maintenance and operations standards manual.	25%	25%	75%	100%

City of Duluth Minnesota - 2024 Budget

Library - Performance Measures

City Priority: Culture and Recreation

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Actual	2024 Target
Arts and Libraries: Ensure access to public libraries, museums, theater and performance groups, information resources, literacy enhancement and life-long learning opportunities for all ages.	Annual number of checkouts	557,615	402,342	762,086	800,000
	Annual number of library visits	140,996	260,099	301,229	330,000
	Annual number of reference transactions	17,108	29,042	40,560	41,000
	Annual number of program participants, including outreach visits	15,646	23,854	37,064	45,000
	Total physical materials in collection	298,767	291,174	286,068	290,000
	Annual number of public computer sessions	14,509	28,494	28,982	30,000
	Annual number of website visits	407,309	383,285	297,568	300,000
	Annual number of cardholders	40,257	39,967	51,109	52,000
	Number of children and caregivers attending early literacy outreach activities	1,141	4,574	8,465	9,000

*Main library was curbside only until June of 2021. Library Express opened at the Mt. Royal and West Duluth

City of Duluth Minnesota - 2024 Budget

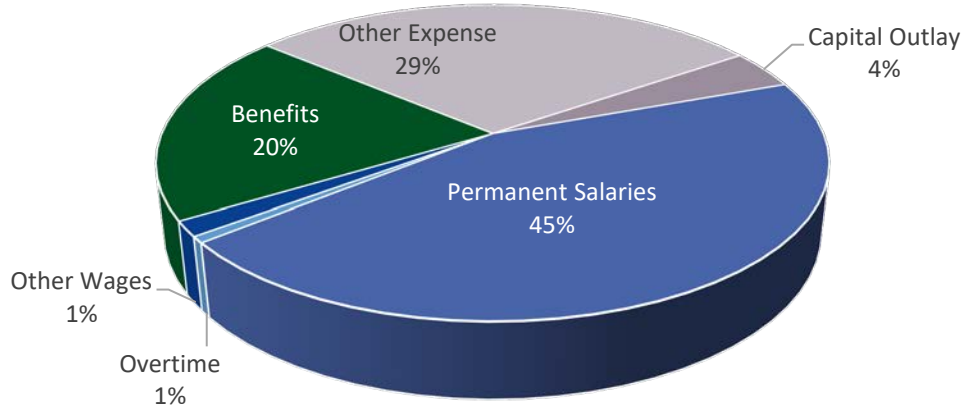
Property & Facilities Management - Performance Measures

City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Actual	2024 Target
Long Range Planning: Supports decision-making with timely and accurate analysis, focusing on innovative, long-term solutions that benefit the community.	Develop the internal data and resources to engage in strategic planning to adequately fund a financially sustainable, comprehensive long-range facility plan. Engage an internal stakeholder group to assess facility capital needs and resources and develop a set of high-level strategies for meeting the organization's long-term capital needs.	10%	20%	30%	40%
Trust and Engagement: Develops sustainable fiscal and operational policies which foster trust and transparency by ensuring accountability, efficiency, integrity, innovation and best practices in all operations.	Work with City team and vendor to improve energy tracking data inputs and modeling of greenhouse gas emission reduction targets.	50%	60%	70%	80%

City of Duluth Minnesota - 2024 Budget

Property, Parks, & Libraries Department 2024 Approved Budget by Expenditure Category



Expenditures by Category	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Permanent Salaries	5,749,311	5,852,836	6,497,900	6,940,900	443,000
Overtime	67,516	65,455	100,800	100,800	-
Other Wages	239,295	236,505	241,300	241,300	-
Total Personal Services	6,056,121	6,154,795	6,840,000	7,283,000	443,000
Benefits	2,529,319	2,524,391	3,272,200	3,072,000	(200,200)
Other Expense	4,420,863	4,314,290	4,266,500	4,549,200	282,700
Capital Outlay	298,712	301,071	311,000	621,000	310,000
Department Total	13,305,015	13,294,547	14,689,700	15,525,200	835,500

Expenditures by Division	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Park Maintenance	3,368,463	3,184,584	3,539,200	3,710,200	171,000
Library Services	4,848,566	4,589,457	5,235,700	5,630,100	394,400
Property and Fac. Mgmt	5,106,255	5,520,506	5,914,800	6,184,900	270,100
Department Total	13,323,284	13,294,547	14,689,700	15,525,200	835,500

Budgeted FTE's	2021	2022	2023	2024	Difference
	98.60	98.60	99.35	100.35	1.00

City of Duluth Minnesota - 2024 Budget

Park Maintenance

www.duluthmn.gov/property-facilities-management/park-maintenance/

Park Maintenance provides year-round maintenance services for the City's entire park system; which comprises over 10,000 acres of public green space, athletic facilities, fields, neighborhood parks, destination parks, multi-use trails, and an urban forest.

Budgeted FTE's	2021	2022	2023	2024	Difference
Parks & Grounds Maintenance					
1085 Supervisor	-	1.00	1.00	1.00	-
Building & Grounds					
1085 Maintenance Supervisor	1.00	-	-	-	-
Admin Clerical					
127 Specialist	-	-	-	1.00	1.00
Park Maintenance					
28 Worker	16.00	16.00	17.00	16.00	(1.00)
31 Park Maintenance	-	1.00	1.00	-	(1.00)
Park Maintenance					
32 Leadworker	3.00	3.00	2.00	3.00	1.00
34 Forester	1.00	1.00	1.00	1.00	-
Natural Resource					
34 Coordinator	0.50	0.50	0.50	0.50	-
131 Grant Coordinator	-	-	0.25	0.25	-
131 Volunteer Coordinator	0.80	-	-	-	-
Budget & Operations					
133 Analyst	0.30	0.30	0.30	0.30	-
Division Total	22.60	22.80	23.05	23.05	-

City of Duluth Minnesota - 2024 Budget

Park Maintenance

www.duluthmn.gov/property-facilities-management/park-maintenance/

Expenditures	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Personal Services					
Permanent Salaries	1,409,131	1,483,900	1,557,700	1,624,000	66,300
Overtime	46,136	37,846	75,000	75,000	-
Other Wages	155,325	107,721	125,800	125,800	-
Retirement Incentive	9,548	-	-	-	-
Total Salaries	1,620,140	1,629,467	1,758,500	1,824,800	66,300
Benefits	646,610	654,217	837,700	749,600	(88,100)
Other Expense					
Materials & Supplies	181,497	235,559	239,400	231,800	(7,600)
Services	91,604	84,544	107,600	255,100	147,500
Utilities & Maintenance	469,417	475,273	479,600	525,000	45,400
Other	359,195	105,524	116,400	123,900	7,500
Total Other Expense	1,101,713	900,899	943,000	1,135,800	192,800
Division Total	3,368,463	3,184,584	3,539,200	3,710,200	171,000

City of Duluth Minnesota - 2024 Budget

General Fund Expenditure Detail		2021 Actual	2022 Actual	2023 Budget	2024 Approved
Park Maintenance 110-121-1217-2145					
PERSONAL SERVICES					
5100	Permanent Salaries	1,409,131	1,483,900	1,557,700	1,624,000
5101	Premium Pay	46,136	37,846	75,000	75,000
5103	Other Wages	155,235	107,466	125,800	125,800
5105	Retirement Incentive	9,548	-	-	-
5118	Meal Allowance	90	255	-	-
	TOTAL	1,620,140	1,629,467	1,758,500	1,824,800
EMPLOYEE BENEFITS					
5121	PERA Retirement	106,027	111,329	122,100	124,900
5122	FICA - Social Security	97,434	98,792	109,900	113,100
5123	FICA - Medicare	22,787	23,105	25,700	26,500
5125	Dental Insurance	8,633	8,758	9,100	9,500
5126	Life Insurance	4,447	5,978	4,100	4,100
5127	Health Care Savings Plan (HCSP)	22,511	28,601	30,200	44,200
5130	Cafeteria Plan Benefits	384,205	376,909	536,600	427,300
5133	Health or Fitness Program	566	746	-	-
	TOTAL	646,610	654,217	837,700	749,600
OTHER EXPENDITURES					
5200	Office Supplies	3,541	3,386	6,000	4,000
5201	Computer Supplies/Software	-	-	5,000	3,000
5205	Safety & Training Materials	7,934	10,277	10,000	10,000
5211	Cleaning/Janitorial Supplies	20,087	19,117	25,000	25,000
5212	Motor Fuels	67,826	108,431	105,400	100,800
5218	Uniforms	5,500	8,294	9,000	9,000
5219	Other Miscellaneous Supplies	50	800	-	-
5220	Repair & Maintenance Supplies	61,593	69,910	45,000	45,000
5225	Park/Landscape Materials	-	-	15,000	15,000
5226	Sign & Signal Materials	-	-	5,000	5,000
5228	Painting Supplies	5,713	5,921	8,000	8,000
5240	Small Tools	6,376	6,554	6,000	7,000
5241	Small Equip-Office/Operating	2,876	2,869	-	-
5305	Medical Svcs/Testing Fees	-	-	500	-
5310	Contract Services	73,997	71,132	75,700	228,100
5320	Data Services	1,774	(1)	3,500	-
5321	Phone Service	4,424	7,595	6,400	8,000
5331	Travel/Training	10,691	5,285	16,000	15,000
5335	Local Mileage Reimbursement	718	533	5,000	4,000

City of Duluth Minnesota - 2024 Budget

General Fund Expenditure Detail		2021 Actual	2022 Actual	2023 Budget	2024 Approved
Park Maintenance 110-121-1217-2145 Continued					
5356	Copier, Printer Lease & Supplies	-	-	500	-
5384	Refuse Disposal	60,455	48,577	65,000	63,000
5404	Equipment/Machinery Repair & Mtc	8,069	3,812	10,000	10,000
5409	Fleet Services Charges	400,893	422,884	404,600	452,000
5414	Software Licenses & Mtc Agreements	20,950	10,014	13,900	23,500
5415	Vehicle/Equip Rent (Short-term)	6,195	1,411	15,000	15,000
5419	Other Rentals	52,431	49,118	55,000	55,000
5433	Dues & Subscription	662	240	2,500	500
5438	Licenses	160	-	-	900
5441	Other Services & Charges	3,087	2,089	5,000	4,000
5454	Contract Tree Services	29,710	26,816	25,000	25,000
5700	Interfund Transfers Out	246,000	15,835	-	-
	TOTAL	1,101,713	900,899	943,000	1,135,800
DIVISION TOTAL		3,368,463	3,184,584	3,539,200	3,710,200
REVENUE SOURCE					
4225	Ski Trails Grant	11,000	11,000	11,000	11,000
4654	Other Reimbursements	17,821	12,612	-	-
4730	Transfer from Special Revenue	200,000	220,600	224,100	236,700
DIVISION TOTAL		228,821	244,212	235,100	247,700

City of Duluth Minnesota - 2024 Budget

Library Services

www.duluthlibrary.org/

The Library division provides a safe and welcoming environment for people of all ages and backgrounds. The Library helps enrich the lives of community members by providing print and digital collections, assistance in finding information, access to local resources, and educational programs and events.

Budgeted FTE's	2021	2022	2023	2024	Difference
Manager Library					
1125 Services	1.00	1.00	1.00	1.00	-
1070 Library Supervisor	3.00	3.00	4.00	4.00	-
124 Library Safety Spec	-	-	1.00	1.00	-
124 Library Technician	22.50	22.50	22.00	22.00	-
128 Senior Library Tech	5.00	4.00	4.00	4.00	-
Library Business Office					
131 Coordinator	1.00	1.00	1.00	1.00	-
Library Circulation					
131 Coordinator	-	1.00	1.00	1.00	-
131 Librarian I	11.00	11.00	11.00	10.00	(1.00)
131 Volunteer Coord	0.20	-	-	-	-
133 Librarian II	4.00	4.00	3.00	4.00	1.00
Division Total	47.70	47.50	48.00	48.00	-

Expenditures	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Personal Services					
Permanent Salaries	2,461,906	2,510,497	2,921,500	3,067,300	145,800
Overtime	500	6,279	800	800	-
Other Wages	57,240	108,197	101,800	101,800	-
Retirement Incentive	8,721	-	-	-	-
Total Salaries	2,528,367	2,624,973	3,024,100	3,169,900	145,800
Benefits	1,060,049	1,098,013	1,456,400	1,394,000	(62,400)
Other Expense					
Materials & Supplies	39,762	46,145	45,400	45,900	500
Services	101,965	154,080	48,200	48,800	600
Utilities & Mtc	60,276	61,240	63,700	64,600	900
Other	759,436	303,934	286,900	285,900	(1,000)
Total Other Expense	961,438	565,400	444,200	445,200	1,000
Capital Outlay	298,712	301,071	311,000	621,000	310,000
Division Total	4,848,566	4,589,457	5,235,700	5,630,100	394,400

City of Duluth Minnesota - 2024 Budget

General Fund Expenditure Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
PERSONAL SERVICES				
5100 Permanent Salaries	2,461,906	2,510,497	2,921,500	3,067,300
5101 Premium Pay	500	6,279	800	800
5103 Other Wages	57,240	108,197	101,800	101,800
5105 Retirement Incentive	8,721	-	-	-
TOTAL	2,528,367	2,624,973	3,024,100	3,169,900
EMPLOYEE BENEFITS				
5121 PERA Retirement	177,827	183,663	222,300	231,200
5122 FICA - Social Security	153,575	159,098	188,400	196,500
5123 FICA - Medicare	35,917	37,208	44,100	46,000
5125 Dental Insurance	15,906	16,500	19,000	21,000
5126 Life Insurance	8,296	11,441	8,600	9,200
5127 Health Care Savings Plan (HCSP)	52,928	77,974	55,000	93,300
5130 Cafeteria Plan Benefits	615,161	611,049	919,000	796,800
5133 Health or Fitness Program	440	1,080	-	-
TOTAL	1,060,049	1,098,013	1,456,400	1,394,000
OTHER EXPENDITURES				
5200 Office Supplies	3,553	6,321	4,900	6,000
5201 Computer Supplies/Software	878	785	1,000	500
5212 Motor Fuels	854	1,208	1,000	1,100
5219 Other Miscellaneous Supplies	31,542	34,838	35,000	35,000
5220 Repair & Maintenance Supplies	-	-	500	300
5241 Small Equip-Office/Operating	2,935	2,993	3,000	3,000
5319 Other Professional Services	92,374	130,344	34,000	34,000
5321 Phone Service	-	-	-	600
5322 Postage	695	5,606	3,500	4,000
5331 Travel/Training	4,415	14,346	4,700	4,700
5335 Local Mileage Reimbursement	64	151	1,500	1,000
5355 Printing & Copying	415	-	-	-
5356 Copier, Printer Lease & Supplies	286	-	-	-
5384 Refuse Disposal	3,717	3,632	4,500	4,500
5404 Equipment/Machinery Repair & Mtc	3,328	3,328	2,600	2,600
5409 Fleet Services Charges	6,908	6,632	8,100	9,000
5412 Building Rental	205,722	214,571	226,000	226,000
5413 Library Materials/Svcs Rental	50,934	56,553	58,000	58,000
5414 Software Licenses & Mtc Agreement	50,040	51,280	53,000	53,000
5427 Credit Card Commissions	502	617	1,000	1,000
5433 Dues & Subscription	110	-	100	100
5441 Other Services & Charges	2,168	2,804	1,800	800
5700 Interfund Transfers Out	500,000	29,389	-	-
TOTAL	961,438	565,400	444,200	445,200

City of Duluth Minnesota - 2024 Budget

General Fund Expenditure Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
CAPITAL OUTLAY				
5590 Library Materials	298,712	301,071	311,000	621,000
TOTAL	298,712	301,071	311,000	621,000
DIVISION TOTAL	4,848,566	4,589,457	5,235,700	5,630,100
REVENUE SOURCE				
4220 State of Minnesota Operating	3,820	4,096	4,000	4,000
4622 Rent of Buildings	705	1,260	700	900
4631 Media Sales	2,857	12,568	8,000	9,000
4644 Miscellaneous Sales	473	1,007	600	800
4654 Other Reimbursements	39,599	45,463	42,700	42,700
4730 Interfund Transfers In	10,000	10,000	-	-
DIVISION TOTAL	57,454	74,394	56,000	57,400

City of Duluth Minnesota - 2024 Budget

Property and Facilities Management

www.duluthmn.gov/property-facilities-management/

The Property and Facilities Management Division provides for the maintenance, repair, and improvement of all City facilities; oversees all City construction projects (except for street and utility projects); and manages the City's real estate assets.

Budgeted FTE's	2021	2022	2023	2024	Difference
Director Property Parks					
1170 & Library	1.00	1.00	1.00	1.00	-
Property Services					
1090 Supervisor	1.00	1.00	1.00	1.00	-
Facility Ops & Mtc					
1095 Supervisor	1.00	1.00	1.00	1.00	-
Construction Project					
1105 Supervisor	1.00	1.00	1.00	1.00	-
Property & Facilities					
1135 Manager	1.00	1.00	1.00	1.00	-
21 Janitor I	8.00	8.00	8.00	8.00	-
Sr Property Services					
138 Specialist	-	-	-	1.00	1.00
9 Executive Assistant	-	-	-	1.00	1.00
27 Project Technician	1.00	1.00	1.00	1.00	-
Sr Facilities					
27 Maintenance Worker	1.00	1.00	1.00	1.00	-
28 Building Mtc Prs I & II	2.00	2.00	-	-	-
28 Facilities Mtc Specialist	1.00	1.00	3.00	3.00	-
32 Trades Positions	3.00	3.00	3.00	3.00	-
Facility Maintenance					
32 Leadworker	1.00	1.00	1.00	1.00	-
Construction Project					
33 Coordinator	1.00	1.00	1.00	1.00	-
34 Master Plumber/Electric	2.00	2.00	2.00	2.00	-
34 Parks Senior Planner	1.00	1.00	1.00	1.00	-
Admin Clerical					
127 Specialist	1.00	1.00	1.00	1.00	-
Budget & Operations					
133 Analyst	0.30	0.30	0.30	0.30	-
Property Service					
133 Specialist	1.00	1.00	1.00	-	(1.00)
Division Total	28.30	28.30	28.30	29.30	1.00

City of Duluth Minnesota - 2024 Budget

Property and Facilities Management

www.duluthmn.gov/property-facilities-management/

Expenditures	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Personal Services					
Permanent Salaries	1,878,274	1,858,438	2,018,700	2,249,600	230,900
Overtime	20,880	21,330	25,000	25,000	-
Other Wages	26,730	20,587	13,700	13,700	-
Total Salaries	1,925,884	1,900,355	2,057,400	2,288,300	230,900
Benefits	822,660	772,160	978,100	928,400	(49,700)
Other Expense					
Materials & Supplies	392,388	334,169	391,800	389,300	(2,500)
Services	401,471	614,680	392,000	392,000	-
Utilities & Mtc	1,360,249	1,705,712	1,944,900	2,034,900	90,000
Other	203,604	193,430	150,600	152,000	1,400
Total Other Expense	2,357,712	2,847,991	2,879,300	2,968,200	88,900
Division Total	5,106,255	5,520,506	5,914,800	6,184,900	270,100

City of Duluth Minnesota - 2024 Budget

General Fund Expenditure Detail		2021 Actual	2022 Actual	2023 Budget	2024 Approved
Property and Facilities Management - 110-121-1222					
PERSONAL SERVICES					
5100	Permanent Salaries	1,878,274	1,858,438	2,018,700	2,249,600
5101	Premium Pay	20,880	21,330	25,000	25,000
5103	Other Wages	26,730	20,587	13,700	13,700
	TOTAL	1,925,884	1,900,355	2,057,400	2,288,300
EMPLOYEE BENEFITS					
5121	PERA Retirement	138,803	136,778	152,100	167,400
5122	FICA - Social Security	115,459	113,697	128,700	141,900
5123	FICA - Medicare	27,002	26,682	30,100	33,200
5125	Dental Insurance	11,108	10,375	11,200	12,100
5126	Life Insurance	5,722	7,069	5,100	5,300
5127	Health Care Savings Plan (HCSP)	58,623	53,394	49,600	41,500
5130	Cafeteria Plan Benefits	465,343	424,164	601,300	527,000
5133	Health or Fitness Program	600	-	-	-
	TOTAL	822,660	772,160	978,100	928,400
OTHER EXPENDITURES					
5200	Office Supplies	4,104	5,683	6,000	6,000
5201	Computer Supplies/Software	16,941	6,076	6,800	6,800
5205	Safety & Training Materials	11,060	2,640	5,000	5,000
5211	Cleaning/Janitorial Supplies	49,799	53,591	62,000	62,000
5212	Motor Fuels	15,113	18,190	20,000	17,500
5218	Uniforms	8,337	11,452	8,000	8,000
5219	Other Miscellaneous Supplies	235	-	-	-
5220	Repair & Maintenance Supplies	286,799	228,778	284,000	284,000
5241	Small Equip-Office/Operating	-	7,759	-	-
5310	Contract Services	316,799	516,126	290,000	290,000
5321	Phone Service	73,739	72,447	76,500	76,500
5331	Travel/Training	4,610	19,639	15,000	15,000
5335	Local Mileage Reimbursement	6,244	6,081	10,000	10,000
5356	Copier, Printer Lease & Supplies	79	387	500	500
5381	Electricity	510,539	648,523	663,000	707,300
5382	Water, Gas & Sewer	567,026	716,724	824,000	866,200
5384	Refuse Disposal	28,046	29,067	33,000	36,500
5385	Oil	18,639	23,465	25,900	25,900
5386	Steam	236,000	287,933	399,000	399,000
5399	Skywalk Expenses	28,809	19,160	30,000	30,000
5401	Bldg/Structure Repair & Mtc	22,045	25,812	-	-

City of Duluth Minnesota - 2024 Budget

General Fund Expenditure Detail		2021	2022	2023	2024
		Actual	Actual	Budget	Approved
Property and Facilities Management - 110-121-1222 Continued					
5404	Equipment/Machinery Repair & Mtc	14,728	26,233	13,000	13,000
5409	Fleet Services Charges	25,020	28,107	41,100	42,500
5411	Land Rental/Easements	11,420	6,745	5,000	5,000
5414	Software Licenses & Mtc Agreements	32,035	44,744	40,000	40,000
5415	Vehicle/Equip Rent (Short-term)	3,273	9,543	10,000	10,000
5433	Dues & Subscription	350	364	-	-
5438	Licenses	645	1,894	1,500	1,500
5441	Other Services & Charges	62,331	4,173	5,500	5,500
5450	Laundry	2,949	3,756	4,500	4,500
5700	Interfund Transfers Out	-	22,900	-	-
	TOTAL	2,357,712	2,847,991	2,879,300	2,968,200
DIVISION TOTAL		5,106,255	5,520,506	5,914,800	6,184,900
REVENUE SOURCE					
4622	Rent of Buildings	76,717	79,308	71,000	85,300
4623	Rent of Land	12,520	10,539	10,300	10,800
4627	Concessions & Commissions	-	-	12,000	25,000
4654	Other Reimbursements	29,931	53,209	58,900	59,000
4700	Other Sources	-	12,115	-	-
4730	Transfer from Special Revenue	10,000	65,200	66,000	66,800
DIVISION TOTAL		129,168	220,371	218,200	246,900

City of Duluth Minnesota - 2024 Budget

Administrative Services Department

Mission and Vision

The Administrative Services Department provides a network of internal services that create a platform for innovative, efficient, and effective City operations. We seek to ensure trust and engagement for employees and the public by increasing regulatory compliance, identifying and mitigating operational risks, increasing communication and coordination between departments and improving interactions with community stakeholders. We develop originality, create efficiency, drive improvement, and lead collaboration.

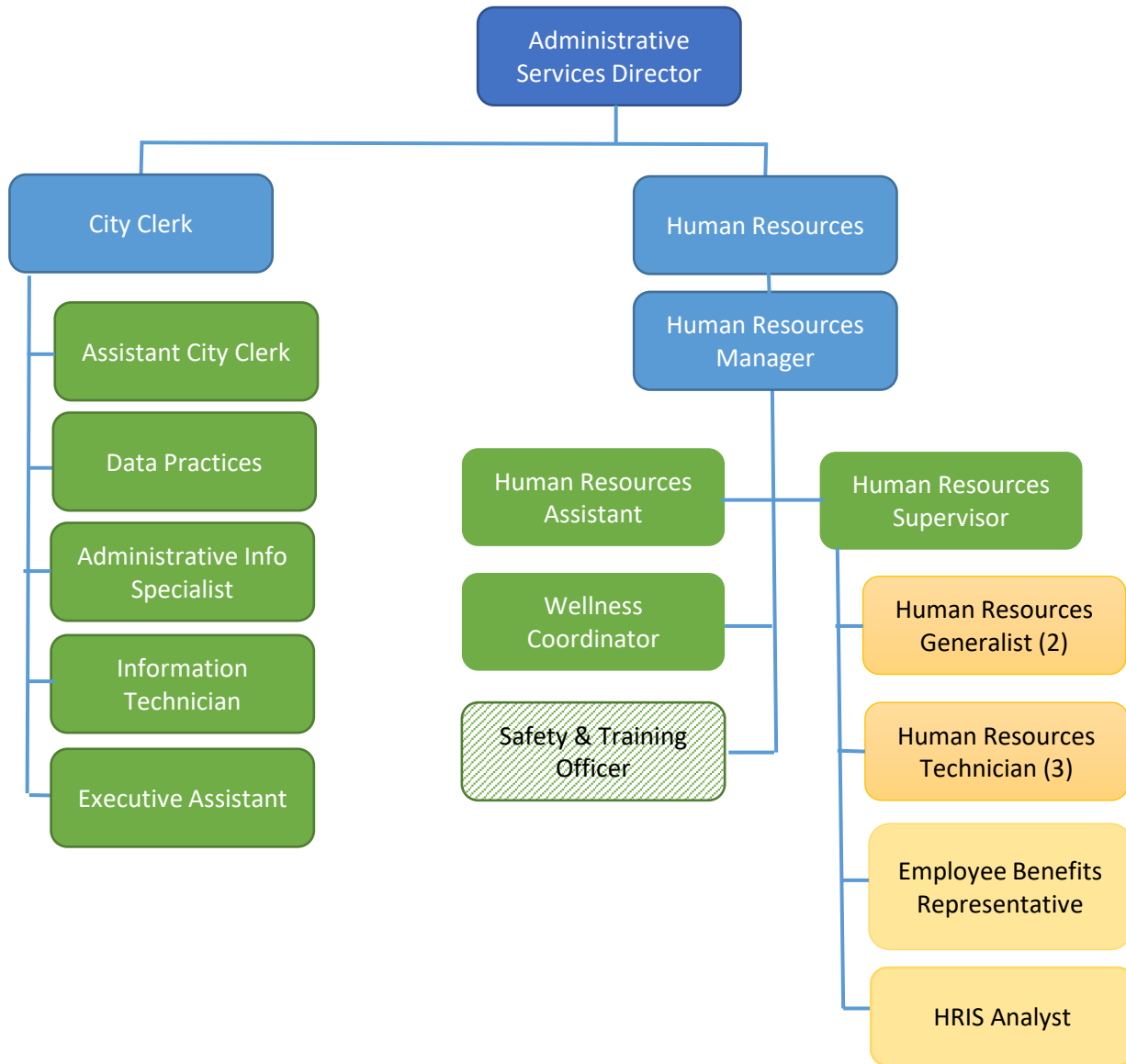
Structure

The Administrative Services Department consists of the Information Technology, City Clerk and Human Resources Divisions. The Department administers and directs core internal services and support in addition to providing external public regulatory services.

City of Duluth Minnesota - 2024 Budget

Administrative Services

Organization Chart

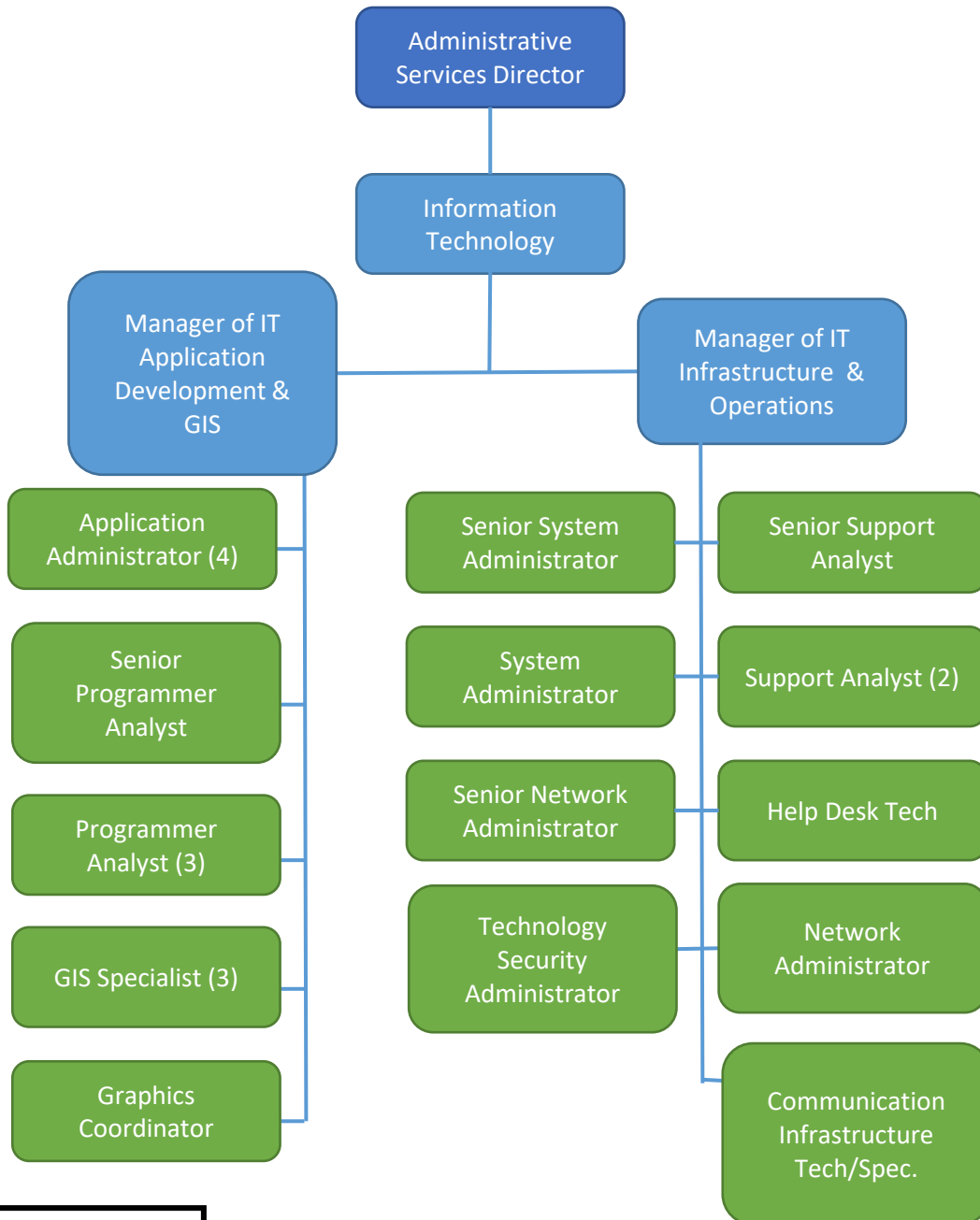


KEY
Solid = General Fund
Patterned = Non-General Fund

City of Duluth Minnesota - 2024 Budget

Administrative Services

Organization Chart - Continued



KEY
 Solid = General Fund
 Patterned = Non-General Fund

City of Duluth Minnesota - 2024 Budget

Human Resources - Performance Measures

City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2022 Actual	2023 Actual	2024 Target
Workforce: Create a supportive workplace by creating a positive work environment and supporting an engaged workforce.	Implement employee recognition program that recognizes 5 year increments of service	NA	20%	50%
	% of participation in Diversity, Equity, and Inclusion training	30%	80%	80%
High Performing Organization: Focuses on equipping, training and continuously expanding the abilities of decision-makers, leadership, management and staff to successfully accomplish public goals.	% of employees attending a human resources provided training	50%	50%	60%
	% of supervisory staff participation in at least two leadership competency opportunities and trainings	100%	50%	75%
High Performing Organization: Create a "Safety Culture" mindset by providing a work environment free from hazards that can cause harm to employees.	% of employees that were enrolled and attended safety related training	95%	95%	95%
	% increase in participation of Wellness Program	11%	10%	15%
High Performing Organization: Support the health and wellbeing of all City employees and family by actively encouraging healthy behaviors.	% increase in participation in physical preventative exams	5%	5%	5%
	% of participation in mental health and mental illness awareness through trainings and events, measured through both evaluations and surveys	10%	25%	25%

City of Duluth Minnesota - 2024 Budget

Information Technology - Performance Measures

City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Estimate	2024 Target
Customer Service: Ensures timely and effective two-way communication with internal customers, residents, and businesses providing equal access to information encouraging input from all areas of the organization and the community at large.	Expansion of online customer offerings	40%	60%	70%	80%
Fiscal Responsibility: Operations are supported by sustainable funding sources and costs are managed in an effective and efficient manner to maintain sustainability.	Consolidate duplicative timekeeping applications	75%	90%	90%	100%
High Performing Organization: Focuses on equipping, training and continuously expanding the abilities of decision-makers, leadership, management and staff to successfully accomplish public goals.	Expand GIS mapping services and offerings to include GIS Map Galleries, Story Maps, Real-Time Mapping, and Improved Asset Management	50%	70%	75%	85%

City of Duluth Minnesota - 2024 Budget

Clerks - Performance Measures

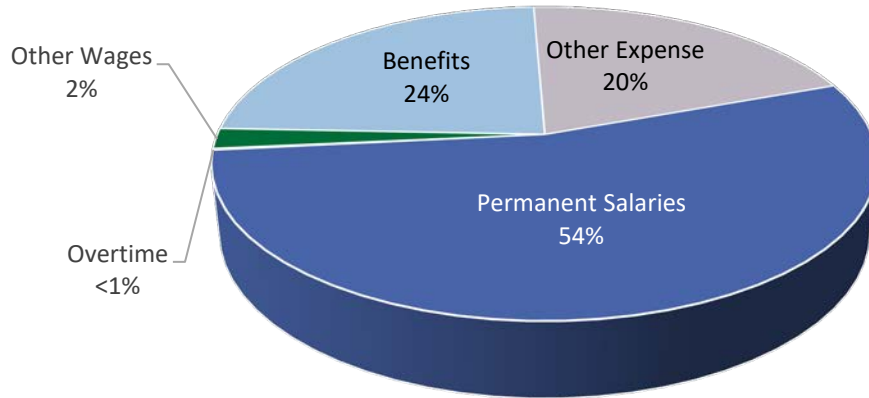
City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Estimate	2024 Target
Customer Service: Ensures timely and effective two-way communication with internal customers, residents, and businesses providing equal access to information encouraging input from all areas of the organization and the community at large.	Provide for greater clarity and conformity in public licensing.	25%	25%	40%	50%
	Ensure consistent execution of licensing policies and procedures in order to better serve the public.	25%	50%	60%	75%
	Implement office practices and procedures to improve interactions with public stakeholders.	25%	25%	25%	50%
Trust and Engagement: Develops sustainable fiscal and operational policies which foster trust and transparency by ensuring accountability, efficiency, integrity, innovation and best practices in all operations.	Improve transparency of election processes to ensure public trust and engagement.	10%	15%	25%	50%
	Increase and diversify pool of election judges available for upcoming elections.	15%	20%	25%	50%
	Improve efficiency and coordination with election polling places.	15%	20%	25%	25%
Compliance: Provides assurance of regulatory and policy compliance to build trust, accountability, and foster transparency.	Create and implement a regulatory compliance system whereby questions and complaints are processed in a transparent and effective manner.	50%	50%	50%	50%
	Increase community outreach and engagement activities to build trust and foster transparency	50%	50%	50%	50%

City of Duluth Minnesota - 2024 Budget

Administrative Services Department

2024 Approved Budget by Expenditure Category



Expenditures by Category	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Permanent Salaries	3,051,486	3,180,175	3,294,500	3,619,800	325,300
Overtime	30,836	19,438	11,400	11,400	-
Other Wages	75,226	120,108	95,000	140,000	45,000
Retirement Incentive	-	-	-	-	-
Total Personal Services	3,157,548	3,319,721	3,400,900	3,771,200	370,300
Benefits	1,288,624	1,361,303	1,546,900	1,592,700	45,800
Other Expenditures	1,206,802	1,082,665	1,271,300	1,348,300	77,000
Department Total	5,652,973	5,763,688	6,219,100	6,712,200	493,100

Expenditures by Division	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Human Resources	1,188,621	1,195,818	1,265,200	1,407,200	142,000
Information Technology	3,669,897	3,735,585	4,052,800	4,236,500	183,700
City Clerk	794,456	832,285	901,100	1,068,500	167,400
Department Total	5,652,973	5,763,688	6,219,100	6,712,200	493,100

Budgeted FTE's	2021	2022	2023	2024	Difference
	39.00	39.00	40.00	42.00	2.00

City of Duluth Minnesota - 2024 Budget

Human Resources

www.duluthmn.gov/human-resources/

Provides human resources management, employee onboarding and offboarding, labor relations, worker's compensation and leave management support to City employees. The division also provides benefit administration and health and wellness programs and services for eligible employees within the Joint Powers Enterprise.

Budgeted FTE's	2021	2022	2023	2024	Difference
Manager HR,					
1115 Healthcare & Safety	1.00	1.00	1.00	1.00	-
Human Resources					
1110 Supervisor	1.00	1.00	1.00	1.00	-
Human Resources					
9 Technician	2.00	2.00	2.00	3.00	1.00
Employee Benefits					
10 Representative	1.00	1.00	1.00	1.00	-
Human Resources					
10 Generalist	2.00	2.00	2.00	2.00	-
10 HRIS Analyst	1.00	1.00	1.00	1.00	-
Human Resources					
127 Assistant	1.00	1.00	1.00	1.00	-
128 Wellness Coordinator	1.00	1.00	1.00	1.00	-
Division Total	10.00	10.00	10.00	11.00	1.00

Expenditures	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Personal Services					
Permanent Salaries	783,654	771,055	792,500	912,600	120,100
Overtime	17,281	6,521	-	-	-
Other Wages	5,558	3,580	10,000	10,000	-
Total Salaries	806,492	781,156	802,500	922,600	120,100
Benefits	332,691	316,690	372,200	394,100	21,900
Other Expenditures					
Materials & Supplies	2,047	24,544	7,500	7,500	-
Services	20,645	36,835	40,500	40,500	-
Utilities & Mtc	18,812	22,784	35,000	35,000	-
Other	7,935	13,808	7,500	7,500	-
Total Other Expenditures	49,438	97,972	90,500	90,500	-
Division Total	1,188,621	1,195,818	1,265,200	1,407,200	142,000

City of Duluth Minnesota - 2024 Budget

General Fund Expenditure Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
Human Resources - 110-122-1106				
PERSONAL SERVICES				
5100 Permanent Salaries	783,654	771,055	792,500	912,600
5101 Premium Pay	17,281	6,521	-	-
5103 Other Wages	5,558	3,580	10,000	10,000
TOTAL	806,492	781,156	802,500	922,600
EMPLOYEE BENEFITS				
5121 PERA Retirement	58,336	56,050	59,700	67,800
5122 FICA - Social Security	47,634	47,005	50,600	57,200
5123 FICA - Medicare	11,140	10,993	11,800	13,400
5125 Dental Insurance	3,927	3,795	4,000	4,500
5126 Life Insurance	2,023	2,588	1,800	2,000
5127 Health Care Savings Plan (HCSP)	19,252	22,670	28,900	19,200
5130 Cafeteria Plan Benefits	189,003	172,168	212,400	227,000
5133 Health or Fitness Program	1,375	1,422	3,000	3,000
TOTAL	332,691	316,690	372,200	394,100
OTHER EXPENDITURES				
5200 Office Supplies	2,006	2,009	3,500	3,500
5201 Computer Supplies/Software	41	22,373	500	500
5219 Other Miscellaneous Supplies	-	163	3,500	3,500
5319 Other Professional Services	11,657	14,472	13,000	13,000
5321 Phone Service	887	1,320	2,000	2,000
5331 Travel/Training	8,102	20,983	18,000	18,000
5355 Printing & Copying	-	60	6,000	6,000
5356 Copier, Printer Lease & Supplies	-	-	1,500	1,500
5404 Equipment/Machinery Repair & Mtc	-	-	1,000	1,000
5414 Software Licenses & Mtc Agreements	18,812	22,784	34,000	34,000
5433 Dues & Subscription	1,108	1,337	1,500	1,500
5435 Books & Pamphlets	-	-	1,000	1,000
5441 Other Services & Charges	6,827	12,471	5,000	5,000
TOTAL	49,438	97,972	90,500	90,500
DIVISION TOTAL	1,188,621	1,195,818	1,265,200	1,407,200
REVENUE SOURCE				
4654 Other Reimbursements	1,685	-	-	-
4730 Interfund Trsf from Special Rev	-	-	-	79,000
DIVISION TOTAL	1,685	-	-	79,000

City of Duluth Minnesota - 2024 Budget

Information Technology

www.duluthmn.gov/IT/

The Information Technology division sets IT strategy, direction, policies and standards for all City of Duluth operations and services. They build, maintain, and secure the City's IT infrastructure, applications, projects, and services. This division also delivers enterprise and division solutions that transform how the City brings services to the people of Duluth.

Budgeted FTE's	2021	2022	2023	2024	Difference
1135 Manager MIS Communications	2.00	2.00	2.00	2.00	-
31 Infrastructure Tech Communications	1.00	1.00	1.00	1.00	-
33 Infrastructure Specialist	1.00	1.00	1.00	-	(1.00)
129 Help Desk Technician	1.00	1.00	1.00	1.00	-
131 Graphics Coordinator	1.00	1.00	1.00	1.00	-
131 Support Analyst	2.00	2.00	2.00	2.00	-
136 Programmer Analyst	2.00	2.00	2.00	3.00	1.00
134 Senior Support Analyst	1.00	1.00	1.00	1.00	-
136 GIS Specialist Applications	3.00	3.00	3.00	3.00	-
137 Administrator	3.00	3.00	4.00	4.00	-
137 Network Administrator	1.00	1.00	-	1.00	1.00
137 Systems Administrator Senior Systems	1.00	1.00	1.00	1.00	-
140 Administrator Senior Network	1.00	1.00	1.00	1.00	-
140 Administrator Senior Programmer	1.00	1.00	1.00	1.00	-
140 Analyst Technology Security	2.00	2.00	2.00	1.00	(1.00)
141 Admin	-	-	1.00	1.00	-
Division Total	23.00	23.00	24.00	24.00	-

City of Duluth Minnesota - 2024 Budget

Expenditures	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Personal Services					
Permanent Salaries	1,815,483	1,942,221	2,038,900	2,113,300	74,400
Overtime	12,088	10,621	10,000	10,000	-
Other Wages	200	-	-	-	-
Retirement Incentive	-	-	-	-	-
Total Salaries	1,827,770	1,952,841	2,048,900	2,123,300	74,400
Benefits	756,722	817,335	908,800	911,100	2,300
Other Expenditures					
Materials & Supplies	46,903	29,196	33,000	32,900	(100)
Services	198,670	263,822	232,600	233,000	400
Utilities & Mtc	539,831	672,223	829,400	936,100	106,700
Other	300,000	168	100	100	-
Total Other Expenditures	1,085,405	965,409	1,095,100	1,202,100	107,000
Division Total	3,669,897	3,735,585	4,052,800	4,236,500	183,700

General Fund Expenditure Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
Information Technology - 110-122-1107				
PERSONAL SERVICES				
5100 Permanent Salaries	1,815,483	1,942,221	2,038,900	2,113,300
5101 Premium Pay	12,088	10,621	10,000	10,000
5103 Other Wages	200	-	-	-
5105 Retirement Incentive	-	-	-	-
TOTAL	1,827,770	1,952,841	2,048,900	2,123,300
EMPLOYEE BENEFITS		-		
5121 PERA Retirement	133,762	143,255	153,100	157,700
5122 FICA - Social Security	108,854	115,792	127,900	131,600
5123 FICA - Medicare	25,458	27,080	29,900	30,800
5125 Dental Insurance	8,679	9,146	9,500	9,900
5126 Life Insurance	4,471	6,251	4,300	4,300
5127 Health Care Savings Plan (HCSP)	43,714	48,953	46,100	35,900
5130 Cafeteria Plan Benefits	430,779	465,628	538,000	540,900
5133 Health or Fitness Program	1,005	1,230	-	-
TOTAL	756,722	817,335	908,800	911,100

City of Duluth Minnesota - 2024 Budget

General Fund Expenditure Detail	2021	2022	2023	2024
	Actual	Actual	Budget	Approved
Information Technology - 110-122-1107				
OTHER EXPENDITURES				
5200 Office Supplies	832	2,573	2,500	2,500
5201 Computer Supplies/Software	44,371	14,829	26,500	26,500
5212 Motor Fuels	114	391	300	400
5218 Uniforms	620	502	1,200	1,000
5241 Small Equip-Office/Operating	967	10,901	2,500	2,500
5309 MIS Services	12,837	17,556	17,900	18,300
5319 Other Professional Services	44,835	88,129	40,500	40,500
5320 Data Services	113,199	107,830	128,500	128,500
5321 Phone Service	5,117	6,722	7,000	7,000
5331 Travel/Training	20,492	41,698	30,000	30,000
5335 Local Mileage Reimbursement	81	205	500	500
5355 Printing & Copying	1,957	1,571	7,000	7,000
5356 Copier, Printer Lease, & Supplies	152	111	1,200	1,200
5404 Equipment/Machinery Repair & Mtc	56,733	98,616	122,500	137,500
5409 Fleet Service Charges	1,738	836	2,100	1,400
5414 Software Licenses & Mtce Agreements	481,360	572,771	704,800	797,200
5433 Dues & Subscription	-	168	100	100
5700 Interfund Transfers Out	300,000	-	-	-
TOTAL	1,085,405	965,409	1,095,100	1,202,100
DIVISION TOTAL	3,669,897	3,735,585	4,052,800	4,236,500
REVENUE SOURCE				
4320 IT Services	10,363	93,463	12,900	11,000
4654 Other Reimbursements	-	94	-	-
4730 Transfer in from Special Revenue	-	-	115,800	115,800
4730 Transfer in from Public Utility	236,300	215,400	223,400	229,800
DIVISION TOTAL	246,663	308,957	352,100	356,600

City of Duluth Minnesota - 2024 Budget

City Clerk

www.duluthmn.gov/city-clerk/

Secretary to the City Council, Charter Commission, and Alcohol, Gambling and Tobacco Commission. Maintains the Official Proceedings and the Legislative Code. Administers the information management program (records retention and records center). Performs the required functions of Municipal Clerk, as required by law, in the areas of elections, voter registration and issuance of licenses.

Budgeted FTE's	2021	2022	2023	2024	Difference
Director Administrative					
1160 Services	1.00	1.00	1.00	1.00	-
1115 City Clerk	-	-	1.00	1.00	-
1055 Assistant City Clerk	1.00	1.00	1.00	1.00	-
Code Compliance					
1055 Officer	1.00	1.00	-	-	-
Executive Assistant-					
9 Confidential	1.00	1.00	1.00	1.00	-
126 Information Tech	-	-	1.00	1.00	-
Data Practices	-	-	-	1.00	1.00
Administrative Info					
129 Specialist	2.00	2.00	1.00	1.00	-
Division Total	6.00	6.00	6.00	7.00	1.00

Expenditures	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Personal Services					
Permanent Salaries	452,350	466,899	463,100	593,900	130,800
Overtime	1,467	2,297	1,400	1,400	-
Other Wages	69,468	116,528	85,000	130,000	45,000
Total Salaries	523,285	585,723	549,500	725,300	175,800
Benefits	199,211	227,277	265,900	287,500	21,600
Other Expenditures					
Materials & Supplies	3,560	3,853	2,600	2,600	-
Services	46,154	7,917	53,800	23,800	(30,000)
Utilities & Mtc	13,000	-	13,000	13,000	-
Other	9,244	7,513	16,300	16,300	-
Total Other Expenditures	71,959	19,284	85,700	55,700	(30,000)
Division Total	794,456	832,285	901,100	1,068,500	167,400

City of Duluth Minnesota - 2024 Budget

General Fund Expenditure Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
City Clerk - 110-122-1211				
PERSONAL SERVICES				
5100 Permanent Salaries	452,350	466,899	463,100	593,900
5101 Premium Pay	1,467	2,297	1,400	1,400
5103 Other Wages	69,468	116,528	85,000	130,000
TOTAL	523,285	585,723	549,500	725,300
EMPLOYEE BENEFITS				
5121 PERA Retirement	32,964	33,259	35,900	44,400
5122 FICA - Social Security	27,308	30,355	35,000	45,000
5123 FICA - Medicare	6,387	7,099	8,200	10,600
5125 Dental Insurance	2,376	2,266	2,400	2,900
5126 Life Insurance	1,224	1,553	1,100	1,300
5127 Health Care Savings Plan (HCSP)	19,620	27,688	10,400	12,400
5130 Cafeteria Plan Benefits	108,628	124,248	172,900	170,900
5133 Health or Fitness Program	705	810	-	-
TOTAL	199,211	227,277	265,900	287,500
OTHER EXPENDITURES				
5200 Office Supplies	1,584	1,584	1,100	1,100
5201 Computer Supplies/Software	-	514	500	500
5219 Other Miscellaneous Supplies	1,976	1,756	1,000	1,000
5321 Phone Service Cellular Phone	599	801	600	600
5331 Travel/Training	579	-	7,500	7,500
5335 Local Mileage Reimbursement	650	808	1,000	1,000
5355 Printing & Copying	44,327	6,307	44,700	14,700
5404 Equipment/Machinery Repair & Mtc	13,000	-	13,000	13,000
5412 Building Rental	1,060	1,020	1,000	1,000
5414 Software Licenses & Mtc Agreements	2,866	-	10,000	10,000
5427 Credit Card Commissions	342	328	-	-
5433 Dues & Subscription	-	-	400	400
5441 Other Services & Charges	4,976	6,166	4,900	4,900
TOTAL	71,959	19,284	85,700	55,700
DIVISION TOTAL	794,456	832,285	901,100	1,068,500

City of Duluth Minnesota - 2024 Budget

General Fund Revenue Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
City Clerk - 110-122-1211				
REVENUE SOURCE				
4101 Liquor License	437,151	442,557	415,000	415,000
4102 Beer License	16,558	12,482	11,200	11,200
4105 Hotel License	7,895	7,781	6,500	7,000
4106 Garbage Collection	16,688	19,380	18,000	18,000
4107 Horse & Carriage	286	297	700	400
4108 Emergency Wrecker License	3,146	3,361	6,000	6,000
4109 Gas Station License	8,829	12,106	9,250	9,250
4111 Pawnbroker License	772	440	1,100	1,100
4112 Peddler's License	11,175	8,823	1,000	8,000
4113 Precious Metal Dealer	1,544	1,760	1,750	1,750
4114 Pet Shop License	581	747	600	600
4115 Dog & Cat Hospitals License	498	-	-	-
4116 Dog Kennels License	694	810	400	400
4117 Massage Establishment & Therapist	11,329	12,894	10,800	12,000
4118 Cigarette License	11,309	14,181	12,000	12,000
4119 Motor Vehicle - Dealer	3,119	4,736	4,400	3,500
4119 Motor Vehicle - Rental	1,335	-	1,800	1,800
4120 Taxi Permit	19,299	3,323	11,000	9,000
4121 Coin Operating Device	16,501	290	8,000	8,000
4122 Pool & Bowling	1,202	611	600	600
4124 Tree Service Contractor License	-	-	1,400	1,400
4125 Transportation Network Comp License	-	-	7,900	7,400
4126 Shared Active Mobility Systems	9,450	21,950	11,000	14,000
4150 Pet License	-	9	-	-
4155 Special Event Permit	3,812	4,956	1,500	3,500
4170 Misc Permits & Licenses	2,049	2,372	2,000	2,000
4260 St Louis County	-	-	-	-
4470 License Penalties	-	85	1,500	1,500
4644 Miscellaneous Sales	3,227	42,465	35,000	35,000
4700 Other Sources	-	-	-	-
4730 Transfers in from Special Revenue	25,000	25,000	25,000	25,000
DIVISION TOTAL	613,449	643,416	605,400	615,400

City of Duluth Minnesota - 2024 Budget

Finance Department

Mission and Vision

It is the Finance Department's mission to support the City of Duluth's citizens, elected officials, and employees by professionally fulfilling its duties of reporting, accounting, budgeting, buying, billing, analyzing, forecasting, safeguarding and disseminating City financial assets and information in a cost effective manner. We accomplish this by hiring and fostering professional staff members, implementing and fully utilizing robust reporting and accounting systems, and engaging outside aid when and where it is reasonable and appropriate to do so.

The City of Duluth Finance Department's vision is to be a team of proactive leaders, who identify issues and offer innovative solutions to enable City departments to accomplish their goals and provide quality services to our citizens more effectively and efficiently.

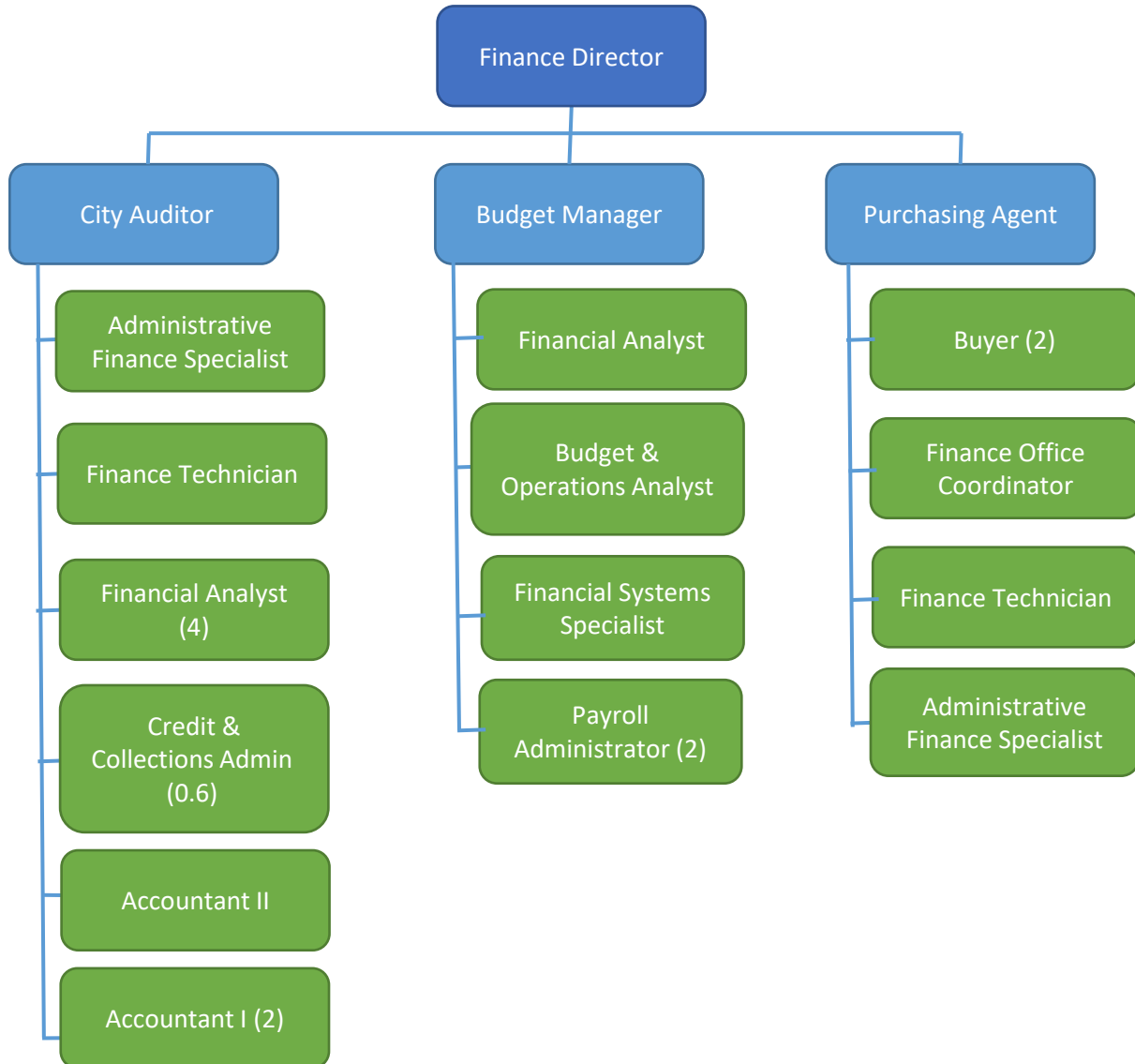
Structure

The department is comprised of three budgeted divisions. A manager leads each area, supported by several staff members. The Finance Department receives its funding from the General Fund.

City of Duluth Minnesota - 2024 Budget

Finance Department

Organization Chart



City of Duluth Minnesota - 2024 Budget

Finance - Performance Measures

City Priority: Innovation and Excellence in Service

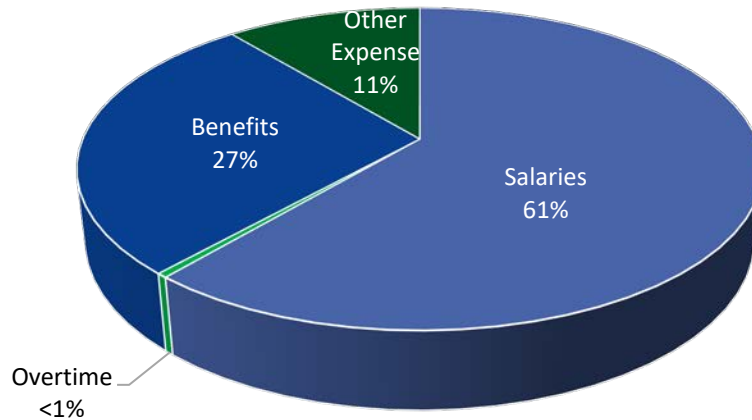
<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Actual	2024 Target
Fiscal Responsibility: Operations are supported by sustainable funding sources and costs are managed in an effective and efficient manner to maintain sustainability.	Percent of departments meeting their expenditure appropriation	100%	78%	89%	100%
	Number of accounts payable voucher documents processed	24,379	25,897	26,171	26,000
	Number of accounts payable checks written	11,378	11,340	11,775	11,800
	Average investment portfolio yield	0.65%	1.65%	4.28%	4.50%
	Number of payment receipts processed in Finance office	5,589	6,509	6,910	7,000
	Total dollar value of supplies and services purchased	\$75.5M	\$87.6M	\$98.6M	\$99.0M
	Number of Purchase Orders processed	772	763	725	700
Long Range Planning: Supports decision-making with timely and accurate analysis, focusing on innovative, long-term solutions that benefit the community.	To obtain GFOA's Certificate of Excellence in Financial Reporting	Yes	Yes	Yes	Yes
	To obtain GFOA's Distinguished Budget Presentation Award	Yes	Yes	Yes	Yes
	Other Post-Employment Benefits Trust Account balance	\$99.7M	\$82.9M	\$106.6M	\$110.0M
Workforce: Attract, develop, equip, motivate, and retain a high-quality, diverse, engaged and productive workforce focused on creative service excellence.	Number of paychecks processed*	25,548	25,907	25,819	25,500

*# changed from total direct deposits to total paychecks

City of Duluth Minnesota - 2024 Budget

Finance Department

2024 Approved Budget by Expenditure Category



Expenditures by Category	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Permanent Salaries	1,689,340	1,715,990	1,769,700	1,976,800	207,100
Overtime	23,069	17,792	14,000	14,000	-
Other Wages	1,517	5,616	-	-	-
Total Personal Services	1,713,926	1,739,398	1,783,700	1,990,800	207,100
Benefits	722,779	713,594	816,900	883,900	67,000
Other Expense	348,904	378,267	355,400	355,400	-
Department Total	2,785,609	2,831,259	2,956,000	3,230,100	274,100

Expenditures by Division	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Budget Office	959,584	996,486	982,700	1,039,600	56,900
Auditor's Office	1,241,123	1,269,329	1,345,800	1,538,100	192,300
Purchasing	584,902	565,444	627,500	652,400	24,900
Department Total	2,785,609	2,831,259	2,956,000	3,230,100	274,100

Budgeted FTE's	2021	2022	2023	2024	Difference
	21.60	21.60	22.60	23.60	1.00

City of Duluth Minnesota - 2024 Budget

Budget Office

www.duluthmn.gov/finance/budget/

Under the leadership of the Finance Director, the Budget office provides direction to the City in all financial matters. The Budget office is responsible for strategically aligning the City's resources with the priorities of the City. This division's responsibilities also include forecasting, planning, payroll, and financial systems. Payroll processes payments for City staff as well as the Airport Authority. Financial systems support the enterprise resource planning software, creating department efficiency tools as well as timekeeping systems.

Budgeted FTE's	2021	2022	2023	2024	Difference
1165 Finance Director	1.0	1.0	1.0	1.0	-
1115 Budget Manager	1.0	1.0	1.0	1.0	-
1085 Financial Systems	1.0	1.0	-	-	-
Financial System					
10 Specialist	-	-	1.0	1.0	-
10 Payroll Administrator	2.0	2.0	2.0	2.0	-
133 Budget Analyst	1.0	1.0	1.0	1.0	-
136 Financial Analyst	1.0	1.0	1.0	1.0	-
Division Total	7.0	7.0	7.0	7.0	0.0

Expenditures	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Personal Services					
Permanent Salaries	659,073	650,565	653,800	713,300	59,500
Overtime	7,967	6,179	6,400	6,400	-
Other Wages	1,517	-	-	-	-
Total Salaries	668,557	656,745	660,200	719,700	59,500
Benefits	255,026	260,581	285,400	282,800	(2,600)
Other Expense					
Materials & Supplies	248	576	2,000	2,000	-
Services	1,567	15,326	13,600	13,600	-
Other	34,186	63,259	21,500	21,500	-
Total Other Expense	36,001	79,161	37,100	37,100	-
Division Total	959,584	996,486	982,700	1,039,600	56,900

City of Duluth Minnesota - 2024 Budget

General Fund Expenditure Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
Budget Office - 110-125-1212				
PERSONAL SERVICES				
5100 Permanent Salaries	659,073	650,565	653,800	713,300
5101 Premium Pay	7,967	6,179	6,400	6,400
5103 Other Wages	1,517	-	-	-
TOTAL	668,557	656,745	660,200	719,700
EMPLOYEE BENEFITS				
5121 PERA Retirement	46,537	47,456	50,000	53,600
5122 FICA - Social Security	40,436	39,240	41,800	44,600
5123 FICA - Medicare	9,457	9,177	9,800	10,400
5125 Dental Insurance	2,771	2,772	2,800	2,900
5126 Life Insurance	1,428	1,890	1,300	1,300
5127 Health Care Savings Plan (HCSP)	27,391	20,527	25,800	14,700
5130 Cafeteria Plan Benefits	127,005	138,960	153,900	155,300
5133 Health or Fitness Program	-	559	-	-
TOTAL	255,026	260,581	285,400	282,800
OTHER EXPENDITURES				
5200 Office Supplies	179	14	1,500	1,500
5201 Computer Supplies/Software	69	563	500	500
5321 Phone Service	360	360	-	-
5331 Travel/Training	1,170	14,622	13,000	13,000
5355 Printing & Copying	38	344	600	600
5433 Dues & Subscription	1,317	1,317	500	500
5434 Grants & Awards	-	-	600	600
5435 Books & Pamphlets	-	-	200	200
5441 Other Services & Charges	32,869	61,942	20,200	20,200
TOTAL	36,001	79,161	37,100	37,100
DIVISION TOTAL	959,584	996,486	982,700	1,039,600

City of Duluth Minnesota - 2024 Budget

City Auditor

www.duluthmn.gov/finance/auditor/

The City Auditor properly accounts for financial transactions in accordance with the City charter, City code and Governmental Accounting and Financial Reporting standards. Additional responsibilities include grant reporting and monitoring internal controls over city assets, contracts and records. The office annually prepares the Annual Comprehensive Financial Report which is audited by the Minnesota Office of the State Auditor. The City Auditor is also responsible for overseeing the City's banking relationships and investment portfolio.

Budgeted FTE's	2021	2022	2023	2024	Difference
1135 City Auditor	1.0	1.0	1.0	1.0	-
126 Finance Technician	1.0	1.0	1.0	1.0	-
129 Admin Finance	1.0	1.0	1.0	1.0	-
130 Accountant I	-	1.0	2.0	2.0	-
133 Accountant II	-	-	-	1.0	1.0
Credit/Collections					
135 Admin	0.6	0.6	0.6	0.6	-
136 Financial Analyst	5.0	4.0	4.0	4.0	-
Division Total	8.6	8.6	9.6	10.6	1.0

Expenditures	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Personal Services					
Permanent Salaries	650,316	699,498	731,200	841,400	110,200
Overtime	15,072	10,515	7,600	7,600	-
Other Wages	-	-	-	-	-
Total Salaries	665,388	710,013	738,800	849,000	110,200
Benefits	266,766	264,068	302,900	385,000	82,100
Other Expense					
Materials & Supplies	4,187	3,973	6,000	6,000	-
Services	300,786	287,269	295,000	295,000	-
Utility & Mtc	-	588	800	800	-
Other	3,996	3,419	2,300	2,300	-
Total Other Expense	308,969	295,249	304,100	304,100	-
Division Total	1,241,123	1,269,329	1,345,800	1,538,100	192,300

City of Duluth Minnesota - 2024 Budget

General Fund Expenditure Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
City Auditor's Office - 110-125-1214				
PERSONAL SERVICES				
5100 Permanent Salaries	650,316	699,498	731,200	841,400
5101 Premium Pay	15,072	10,515	7,600	7,600
5103 Other Wages	-	-	-	-
TOTAL	665,388	710,013	738,800	849,000
EMPLOYEE BENEFITS				
5121 PERA Retirement	48,876	51,468	55,400	62,800
5122 FICA - Social Security	39,799	42,455	46,700	52,600
5123 FICA - Medicare	9,308	9,929	10,900	12,300
5125 Dental Insurance	3,136	3,333	3,800	4,500
5126 Life Insurance	1,768	2,475	1,700	2,000
5127 Health Care Savings Plan (HCSP)	15,073	16,136	14,600	22,400
5130 Cafeteria Plan Benefits	148,667	137,841	169,800	228,400
5133 Health or Fitness Program	139	430	-	-
TOTAL	266,766	264,068	302,900	385,000
OTHER EXPENDITURES				
5200 Office Supplies	2,340	2,665	3,000	3,000
5203 Paper/Stationery/Forms	1,014	460	2,000	2,000
5241 Small Equip-Office/Operating	833	848	1,000	1,000
5301 Auditing Services	128,332	109,274	116,800	116,800
5306 Collection Services	2,903	2,968	5,000	5,000
5309 IT Services	165,355	168,289	167,500	167,500
5331 Travel/Training	149	3,260	3,200	3,200
5355 Printing & Copying	2,154	1,170	1,000	1,000
5356 Copier, Printer Lease & Supplies	1,894	2,309	1,500	1,500
5404 Equipment/Machinery Repair & Mtc	-	-	800	800
5414 Software Licenses & Mtc Agreements	-	588	-	-
5433 Dues & Subscription	637	637	1,300	1,300
5435 Books & Pamphlets	-	-	500	500
5441 Other Services & Charges	3,359	2,782	500	500
TOTAL	308,969	295,249	304,100	304,100
DIVISION TOTAL	1,241,123	1,269,329	1,345,800	1,538,100

City of Duluth Minnesota - 2024 Budget

General Fund Revenue Detail	2021	2022	2023	2024
City Auditor's Office - 110-125-1214	Actual	Actual	Budget	Approved
REVENUE SOURCE				
4005 Current Property Tax	21,756,657	25,068,316	28,114,150	29,305,200
4010 Delinquent Property Tax	225,155	147,579	150,000	150,000
4015 Mobile Home Tax	89,574	95,139	80,000	80,000
4040 City Sales Tax	16,367,571	18,383,455	15,000,000	15,784,000
4050 Charitable Gambling 3% Tax	36,852	38,355	20,000	30,000
4070 MN Power Franchise Fee	2,882,986	3,524,544	3,100,000	3,608,400
4071 Cable Franchise Fee	749,214	752,704	693,300	728,000
4072 No. MN Utility Franchise Fee	7,504	11,823	6,700	6,700
4080 Forfeit Tax Sale	18,740	38,094	10,000	10,000
4090 Other Taxes	296,472	430,738	88,700	205,400
4221 Local Government Aid	30,543,564	30,671,679	30,807,800	35,175,100
4222 State Property Tax Aid	200	220	-	-
4300 HRA in Lieu of Taxes	72,095	76,214	65,000	65,000
4310 Assessment Cost Services	9,701	8,060	10,000	10,000
4311 Assessment Certificate Fee	77,868	53,377	60,000	160,000
4315 Stormwater Administrative Service	169,900	196,800	196,800	205,200
4315 Sewer Administrative Service	230,400	238,200	238,200	256,300
4315 Steam Administrative Service	53,200	53,200	64,500	64,500
4315 DECC Administrative Service	13,800	13,800	13,800	14,700
4315 DTA Administrative Service	10,300	10,300	12,500	12,500
4315 Grant Administration Services	90,540	83,542	69,000	69,000
4315 Airport Administrative Service	45,200	45,200	73,200	78,000
4315 DEDA Administrative Service	400,000	400,000	400,000	400,000
4315 Public Utility Admin Service	851,000	876,400	876,400	950,900
4315 Fleet Administrative Service	146,200	146,200	146,200	182,100
4315 Group Health Admin Service	390,113	399,866	409,800	420,100
4315 Self Insurance Admin Service	614,500	666,900	734,500	520,400
4315 Spirit Mountain Admin Service	26,200	26,200	27,800	29,600
4315 Parking Administrative Service	150,000	116,300	140,500	140,500
4315 410 West 1st Street Ramp	5,000	6,700	8,500	8,500
4323 Garnishment Fees	45	45	-	-
4472 Administrative Fines	54,723	-	39,000	-
4473 Court Fines	263,596	230,416	260,000	230,000
4500 Assessments	54,114	55,989	55,000	55,000

City of Duluth Minnesota - 2024 Budget

General Fund Revenue Detail	2021	2022	2023	2024
	Actual	Actual	Budget	Approved
City Auditor's Office - 110-125-1214 Continued				
4501 Assessments - Penalty & Interest	13,239	15,877	13,800	13,800
4601 Earnings on Investments Chg in Value	(105,772)	(328,535)	-	-
4644 Misc Fees, Sales & Services	180	4,895	1,000	3,200
4654 Other Reimbursements	92,680	35,691	-	-
4700 Other Sources	24,676	28,576	-	-
4702 Fond du Luth Proceeds	150,000	150,000	150,000	150,000
4730 Transfer from Special Rev Fund	211,884	225,872	302,000	325,100
4730 Transfer from Police Grant Fund- OT	452	4,254	-	-
4730 Transfer from Parking Fund	1,346,700	-	1,346,700	1,346,700
4731 Gas Utility in Lieu of Taxes	2,550,973	2,869,276	4,000,000	2,700,000
4732 Steam Utility in Lieu of Taxes	154,492	164,601	154,000	182,000
4805 Reimbursements	35	-	-	-
DIVISION TOTAL	81,142,524	86,036,863	87,938,850	93,675,900

City of Duluth Minnesota - 2024 Budget

City Purchasing

www.duluthmn.gov/purchasing/

The Purchasing division performs the materials requisition, procurement, and accounts payable functions for the City. The emphasis is placed on value purchasing and encompasses purchasing the highest quality materials and services at the lowest possible cost, as well as timely and accurate payments. The division is also responsible for the disposal of excess or obsolete materials.

Budgeted FTE's	2021	2022	2023	2024	Difference
1100 Purchasing Agent	1.0	1.0	1.0	1.0	-
126 Finance Technician Admin Finance	2.0	2.0	1.0	1.0	-
129 Specialist	1.0	1.0	2.0	1.0	(1.0)
133 Finance Office	1.0	1.0	1.0	1.0	-
133 Senior Buyer	1.0	1.0	1.0	-	(1.0)
130 Buyer	-	-	-	2.0	2.0
Division Total	6.0	6.0	6.0	6.0	0.0

Expenditures	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Personal Services					
Permanent Salaries	379,951	365,927	384,700	422,100	37,400
Overtime	30	1,098	-	-	-
Other Wages	-	5,616	-	-	-
Total Salaries	379,982	372,640	384,700	422,100	37,400
Benefits	200,987	188,945	228,600	216,100	(12,500)
Other Expense					
Materials & Supplies	1,728	1,723	3,800	3,800	-
Services	1,176	1,236	7,400	7,400	-
Other	1,031	899	3,000	3,000	-
Total Other Expense	3,934	3,858	14,200	14,200	-
Division Total	584,902	565,444	627,500	652,400	24,900

City of Duluth Minnesota - 2024 Budget

General Fund Expenditure Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
City Purchasing Office - 110-125-1215				
PERSONAL SERVICES				
5100 Permanent Salaries	379,951	365,927	384,700	422,100
5101 Premium Pay	30	1,098	-	-
5103 Other Wages	-	5,616	-	-
TOTAL	379,982	372,640	384,700	422,100
EMPLOYEE BENEFITS				
5121 PERA Retirement	27,965	26,491	29,700	31,200
5122 FICA - Social Security	22,487	21,860	24,700	26,200
5123 FICA - Medicare	5,259	5,112	5,800	6,100
5125 Dental Insurance	2,277	2,178	2,400	2,500
5126 Life Insurance	1,173	1,485	1,100	1,100
5127 Health Care Savings Plan (HCSP)	20,760	9,106	8,100	20,400
5130 Cafeteria Plan Benefits	120,585	122,353	156,800	128,600
5133 Health or Fitness Program	480	360	-	-
TOTAL	200,987	188,945	228,600	216,100
OTHER EXPENDITURES				
5200 Office Supplies	1,478	1,299	2,500	2,500
5201 Computer Supplies/Software	250	424	1,300	1,300
5331 Travel/Training	1,047	497	5,500	5,500
5340 Advertising & Promotion	69	374	900	900
5355 Printing & Copying	60	365	1,000	1,000
5433 Dues & Subscription	570	565	1,500	1,500
5441 Other Services & Charges	461	334	1,500	1,500
TOTAL	3,934	3,858	14,200	14,200
DIVISION TOTAL	584,902	565,444	627,500	652,400

City of Duluth Minnesota - 2024 Budget

Planning & Economic Development Department

Mission and Vision

The Planning and Economic Development Department consists of two divisions: the Planning and Development Division and the Construction Services Division. These two work groups collaborate to make the City of Duluth a desirable and safe place to live by developing and implementing community development plans as well as land use and building regulations. The department provides services to businesses and developers for economic and community development projects. The Planning and Economic Development Department, together with the Engineering Division, serve as the customer gateway to the City of Duluth for permits and review of proposed development activities. This portal is also the private sector's navigation system for accomplishing new investment in to private property.

The Planning and Economic Development Department works with the community – residents and neighborhood groups, development professionals and businesses – to ensure vitality in development and redevelopment throughout Duluth. Staff seek to ensure development is sustainable and compatible with surrounding neighborhoods and the natural landscape, and develops thoughtful plans with targeted implementation strategies to further the goals and principles established in the Imagine Duluth 2035 Comprehensive Plan and the City's Consolidated Plan for federal department of Housing & Urban Development Resources.

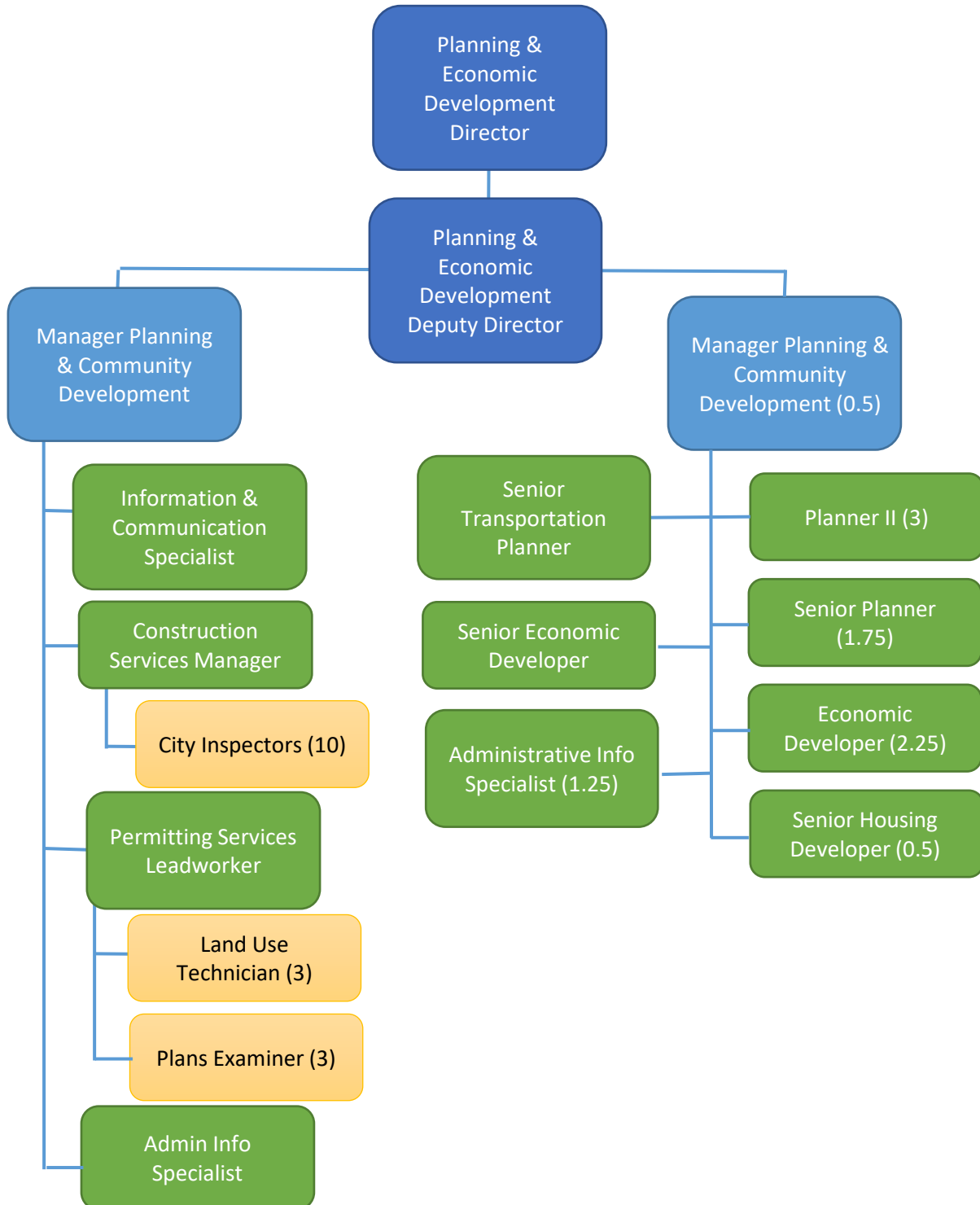
Structure

The Department of Planning and Economic Development's two divisions rely on a team structure seeking to provide a high level of service to the community. Within the Construction Services and Inspections division, staff at city hall complete permit intake, coordination, and plan review, while building inspection services are coordinated for continuous inspections throughout the community. The Planning and Development division includes teams addressing tourism and economic development, business support and development, long range planning, grants, compliance, and community development programs, housing development, and transportation planning. The departmental structure provides for responsive planning and zoning, construction permitting, economic development services, and the enforcement of land and building regulations. Staff in the department work on a continuous basis with many of the City's boards and commissions and between city departments to ensure alignment with the goals of the community, and seek to implement the community's goals from the comprehensive plan and the adopted Consolidated Plan for community revitalization.

City of Duluth Minnesota - 2024 Budget

Planning & Economic Development

Organization Chart



City of Duluth Minnesota - 2024 Budget

Planning & Development - Performance Measures

City Priority: Livable Neighborhoods and Affordable Housing

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Actual	2024 Target
Development/Redevelopment: Encourage and support strategically planned, well-designed and uniformly regulated mixed-use development and redevelopment, enhancing its desirability as a great place to live and work.	Number of plan reviews performed, including shoreland permits	254	257	271	250
	Number of land use applications processed by Planning Commission or Heritage Preservation Commission	117	163	177	150
Community Involvement: Instill a sense of community pride through proactive communication, engagement, outreach, participation, and volunteerism.	Total number of community development applications evaluated for funding	32	33	42	40

City Priority: Safe and Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Actual	2024 Target
Livable Community: Ensure regulatory compliance in order to provide clean and well-maintained neighborhoods, to protect property, the environment, and the lives and health of residents and visitors.	Number of predevelopment meetings facilitated	116	135	178	150
	Number of formal compliance actions	51	66	71	100

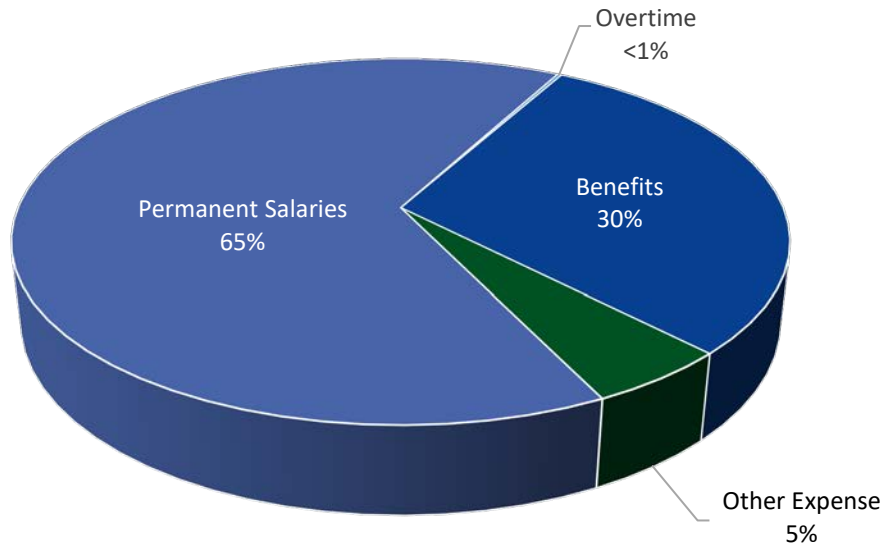
City of Duluth Minnesota - 2024 Budget

Construction Services & Inspections - Performance Measures

City Priority: Safe and Secure Community					
<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Estimate	2024 Target
Livable Community: Ensure regulatory compliance in order to provide clean and well-maintained neighborhoods, to protect property, the environment and the lives and health of its residents and visitors.	Valuation of construction permits issued	\$560M	\$323M	\$380M	\$375M
	Number of construction inspections performed	9,664	9,418	10,361	10,000
City Priority: Innovation and Excellence in Service					
<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Actual	2024 Target
Customer Service: Ensures timely and effective two-way communication with internal customers, residents, and businesses providing equal access to information encouraging input from all areas of the organization and the community at large.	Percentage of permits issued online	85%	90%	97%	97%
	Number of pre-submittal plan review meetings	46	63	43	75
City Priority: Infrastructure					
<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Actual	2024 Target
Buildings: Ensure buildings and properties throughout the community are well-kept, safe, and compliant with community standards.	Number of plan reviews for compliance with building, energy, accessibility, and other standards	1,666	1,494	1,867	1,750

City of Duluth Minnesota - 2024 Budget

Planning & Economic Development Department 2024 Approved Budget by Expenditure Category



Expenditures by Category	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Permanent Salaries	2,344,882	2,500,256	2,615,200	2,841,600	226,400
Overtime	10,605	4,217	9,000	9,000	-
Other Wages	562	1,572	-	-	-
Total Personal Services	2,356,048	2,506,045	2,624,200	2,850,600	226,400
Benefits	1,001,774	1,056,709	1,184,400	1,289,600	105,200
Other Expense	292,145	329,446	221,000	223,000	2,000
Department Total	3,649,967	3,892,200	4,029,600	4,363,200	333,600

Expenditures by Division	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Planning & Development	1,468,593	1,601,406	1,661,900	1,777,200	115,300
Construction Srv & Inspect	2,181,374	2,290,794	2,367,700	2,586,000	218,300
Department Total	3,649,967	3,892,200	4,029,600	4,363,200	333,600

Budgeted FTE's	2021	2022	2023	2024	Difference
	32.75	32.75	34.25	34.25	-

City of Duluth Minnesota - 2024 Budget

Planning & Development

www.duluthmn.gov/planning-development/

Planning & Development works to ensure that development, planning initiatives, projects, and other changes are consistent with the City's adopted plans and policies. Seeks to encourage a city with vibrant, people-centered neighborhoods, a safe, welcoming place to live and conduct business, a go-to destination for culture and access to nature, with a thriving, resilient economy and close connections to the environment.

Budgeted FTE's	2021	2022	2023	2024	Difference
Director Planning & Economic					
1170 Development	1.00	1.00	1.00	1.00	-
Deputy Director, Plan & Econ Dev					
1145	1.00	1.00	1.00	1.00	-
Manager Planning & Community Dev					
1100	0.50	0.50	0.50	0.50	-
129 Admin Info Specialist	1.25	1.25	1.25	1.25	-
129 Planner I	1.00	-	-	-	-
133 Planner II	2.00	3.00	3.00	3.00	-
135 Economic Developer	2.25	2.25	2.25	2.25	-
138 Senior Planner	1.75	1.75	1.75	1.75	-
Senior Economic Developer					
138	-	-	1.00	1.00	-
138 Sr Housing Developer	0.50	0.50	0.50	0.50	-
Senior Transportation Planner					
138	1.00	1.00	1.00	1.00	-
Division Total	12.25	12.25	13.25	13.25	-
Expenditures	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Personal Services					
Permanent Salaries	1,012,225	1,065,555	1,128,900	1,191,300	62,400
Overtime	2,563	1,758	-	-	-
Other Wages	562	1,572	-	-	-
Total Salaries	1,015,350	1,068,885	1,128,900	1,191,300	62,400
Benefits	401,682	436,897	466,100	519,000	52,900
Other Expense					
Materials & Supplies	5,698	6,083	3,200	3,300	100
Services	23,937	49,387	38,500	39,900	1,400
Other	21,926	40,154	25,200	23,700	(1,500)
Total Other Expense	51,561	95,624	66,900	66,900	-
Division Total	1,468,593	1,601,406	1,661,900	1,777,200	115,300

City of Duluth Minnesota - 2024 Budget

General Fund Expenditure Detail	2021	2022	2023	2024
	Actual	Actual	Budget	Approved
Planning & Development - 110-132-1301				
PERSONAL SERVICES				
5100 Permanent Salaries	1,012,225	1,065,555	1,128,900	1,191,300
5101 Premium Pay	2,563	1,758	-	-
5103 Other Wages	562	1,572	-	-
TOTAL	1,015,350	1,068,885	1,128,900	1,191,300
EMPLOYEE BENEFITS				
5121 PERA Retirement	73,932	78,140	84,900	88,600
5122 FICA - Social Security	60,951	64,325	71,300	73,900
5123 FICA - Medicare	14,361	15,073	16,700	17,300
5125 Dental Insurance	5,098	5,415	5,200	5,500
5126 Life Insurance	2,610	3,702	2,400	2,400
5127 Health Care Savings Plan (HCSP)	28,611	37,107	28,100	23,200
5130 Cafeteria Plan Benefits	215,759	232,415	257,500	308,100
5133 Health or Fitness Program	360	720	-	-
TOTAL	401,682	436,897	466,100	519,000
OTHER EXPENDITURES				
5200 Office Supplies	1,891	2,811	1,900	2,000
5201 Computer Supplies/Software	3,742	2,921	1,000	1,000
5241 Small Equip-Office/Operating	65	351	300	300
5310 Contract Services	-	10,000	-	-
5319 Other Professional Services	10,000	7,999	18,600	20,000
5321 Phone Service	4,826	4,845	2,800	2,800
5322 Postage	132	11	500	500
5331 Travel/Training	6,009	22,657	8,600	10,000
5335 Local Mileage Reimbursement	-	-	2,000	600
5355 Printing & Copying	977	1,454	5,500	5,500
5356 Copier, Printer Lease & Supplies	1,994	2,421	500	500
5414 Software Licenses & Mtce Agreements	13,402	15,005	12,000	12,000
5433 Dues & Subscription	4,895	4,664	5,700	4,300
5435 Books & Pamphlets	-	-	100	-
5441 Other Services & Charges	3,001	19,734	4,400	4,400
5443 Board & Meeting Expenses	627	751	3,000	3,000
TOTAL	51,561	95,624	66,900	66,900
DIVISION TOTAL	1,468,593	1,601,406	1,661,900	1,777,200

City of Duluth Minnesota - 2024 Budget

General Fund Revenue Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
Planning & Development - 110-132-1301				
REVENUE SOURCE				
4210 Pass-Thru Federal Grants	-	14,328	-	-
4220 State of Minnesota	-	20,138	-	-
4307 Planning/Zoning Fees	123,008	233,092	87,500	87,500
4472 Administrative Fines	-	3,957	-	-
4644 Misc Fees, Sales & Services	39,668	41,358	40,900	40,900
4654 Other Reimbursements	10,856	512	-	-
4730 Transfers In Special Revenue	-	113,078	111,700	123,000
DIVISION TOTAL	173,532	426,463	240,100	251,400

City of Duluth Minnesota - 2024 Budget

Construction Services & Inspection

<https://duluthmn.gov/csi/>

Construction Services and Inspections administers construction permitting, plan review, construction inspections, condemnations for demolition, and is the central point of service for residential and commercial development in the City. The division enforces the Minnesota State Building Code, which establishes minimum construction standards and uniform performance standards to ensure reasonable safeguards for the health and safety of citizens.

Budgeted FTE's	2021	2022	2023	2024	Difference
Construction Services					
1105 Manager	1.00	1.00	1.00	1.00	-
Manager Planning &					
1110 Community Dev	-	-	-	1.00	1.00
28 Land Use Technician	3.00	3.00	2.00	3.00	1.00
29 Plans Examiner	3.00	3.00	3.00	3.00	-
34 Construction Inspector	2.00	2.00	3.00	4.00	1.00
34 Electrical Inspector	2.00	2.00	2.00	2.00	-
HVAC & Refrigeration					
34 Inspector	2.00	2.00	2.00	2.00	-
34 Plumbing Inspector	3.00	2.50	2.00	2.00	-
Combination Services					
32 Inspector	2.00	2.00	1.00	-	(1.00)
Permitting Services					
32 Leadworker	1.00	1.00	1.00	1.00	-
36 Chief Building Inspector	1.00	1.00	1.00	-	(1.00)
Administrative Info					
129 Specialist	-	-	2.00	1.00	(1.00)
Information &					
Communication					
132 Specialist	0.50	1.00	1.00	1.00	-
Division Total	20.50	20.50	21.00	21.00	-

City of Duluth Minnesota - 2024 Budget

Construction Services & Inspection

Expenditures	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Personal Services					
Permanent Salaries	1,332,657	1,434,701	1,486,300	1,650,300	164,000
Overtime	8,042	2,459	9,000	9,000	-
Other Wages	-	-	-	-	-
Total Salaries	1,340,698	1,437,160	1,495,300	1,659,300	164,000
Benefits	600,091	619,812	718,300	770,600	52,300
Other Expense					
Materials & Supplies	20,145	22,778	35,200	39,600	4,400
Services	17,463	30,532	27,700	38,700	11,000
Utility & Maintenance	15,697	18,775	23,100	24,700	1,600
Other	187,280	161,737	68,100	53,100	(15,000)
Total Other Expense	240,584	233,822	154,100	156,100	2,000
Division Total	2,181,374	2,290,794	2,367,700	2,586,000	218,300

General Fund Expenditure Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
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Construction Services & Inspection - 110-132-1304

PERSONAL SERVICES				
5100 Permanent Salaries	1,332,657	1,434,701	1,486,300	1,650,300
5101 Premium Pay	8,042	2,459	9,000	9,000
5103 Other Wages	-	-	-	-
TOTAL	1,340,698	1,437,160	1,495,300	1,659,300
EMPLOYEE BENEFITS				
5121 PERA Retirement	98,289	104,640	111,800	122,900
5122 FICA - Social Security	80,157	85,382	94,000	102,900
5123 FICA - Medicare	18,746	19,968	22,000	24,000
5125 Dental Insurance	7,658	8,052	6,700	8,600
5126 Life Insurance	3,929	5,490	3,800	3,800
5127 Health Care Savings Plan (HCSP)	52,799	37,085	34,100	56,300
5130 Cafeteria Plan Benefits	338,275	358,795	445,900	452,100
5133 Health or Fitness Program	240	400	-	-
TOTAL	600,091	619,812	718,300	770,600

City of Duluth Minnesota - 2024 Budget

General Fund Expenditure Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
Construction Services & Inspection - 110-132-1304 continued				
OTHER EXPENDITURES				
5200 Office Supplies	1,191	2,434	3,700	3,700
5205 Safety & Training Materials	117	947	900	900
5212 Motor Fuels	11,483	18,400	17,700	18,100
5219 Other Miscellaneous Supplies	-	212	5,400	5,400
5241 Small Equip-Office/Operating	7,353	785	7,500	11,500
5309 Technology Services	146	539	-	-
5320 Data Services	-	-	-	4,000
5321 Phone Service	13,084	11,258	4,500	4,500
5331 Travel/Training	3,867	11,374	15,000	22,000
5335 Local Mileage Reimbursement	-	-	200	200
5355 Printing & Copying	367	7,185	7,000	7,000
5356 Copier, Printer Lease & Supplies	-	175	1,000	1,000
5404 Equipment/Machinery Repair & Mtc	170	-	600	600
5409 Fleet Services Charges	15,526	18,775	22,500	24,100
5414 Software Licenses & Mtce Agreements	17,565	18,293	20,000	20,000
5427 Credit Card Commissions	63,409	63,966	17,500	17,500
5433 Dues & Subscription	1,141	1,482	1,500	1,500
5435 Books & Pamphlets	3,113	2,709	4,500	4,500
5441 Other Services & Charges	279	1,537	4,600	4,600
5443 Board & Meeting Expenses	-	62	-	-
5453 Building Demolition	1,772	73,689	20,000	5,000
5700 Transfers Out to Spec Rev Fund	100,000	-	-	-
TOTAL	240,584	233,822	154,100	156,100
DIVISION TOTAL	2,181,374	2,290,794	2,367,700	2,586,000

City of Duluth Minnesota - 2024 Budget

General Fund Revenue Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
Construction Services & Inspection - 110-132-1304				
REVENUE SOURCE				
4151 Fill Permits	4,587	13,038	1,100	1,200
4301 Zoning Appeals Fees	-	-	600	-
4303 Use Permit - Flood & Wetlands	2,652	364	900	1,000
4351 Building Inspection Fees	3,799,303	2,365,882	1,906,000	2,059,600
4352 Plumbing Inspection Fees	184,276	258,484	238,300	257,400
4353 Electric Inspection Fees	262,513	292,917	244,800	264,400
4354 HVAC-R Inspection Fees	315,858	409,458	204,500	220,900
4355 Signs Inspection Fees	13,297	25,232	11,100	12,000
4356 House Moving Inspection Fee	15,720	36,971	9,500	10,300
4357 Mobile Home Inspection Fees	1,736	1,505	2,000	2,200
4359 CAF Administrative Fee	12,934	16,434	15,300	16,500
4361 RZP Registration Fee	29,097	32,609	13,700	14,800
4500 Assessments	135	136	-	-
4501 Assessments - Penalty & Interest	6	-	-	-
4631 Media Sales	-	-	2,000	-
4644 Miscellaneous Sales	375	672	500	-
4654 Other Reimbursements	-	16,299	-	-
4701 2% Retention Surtax	1,783	1,873	1,400	1,500
DIVISION TOTAL	4,644,272	3,471,872	2,651,700	2,861,800

City of Duluth Minnesota - 2024 Budget

Fire Department

Mission and Vision

The Duluth Fire Department is dedicated to saving life and property by safeguarding our citizens through progressive code enforcement, fire prevention, public education, effective emergency response, and adapting to meet the changing needs of our community.

For over 150 years, the Duluth Fire Department has been responding to meet the public safety needs of our community. While our mission to save life and property has remained consistent over the department's history, the type of services we provide has expanded and the incorporation of new technology has significantly changed how we carry out our mission.

Structure

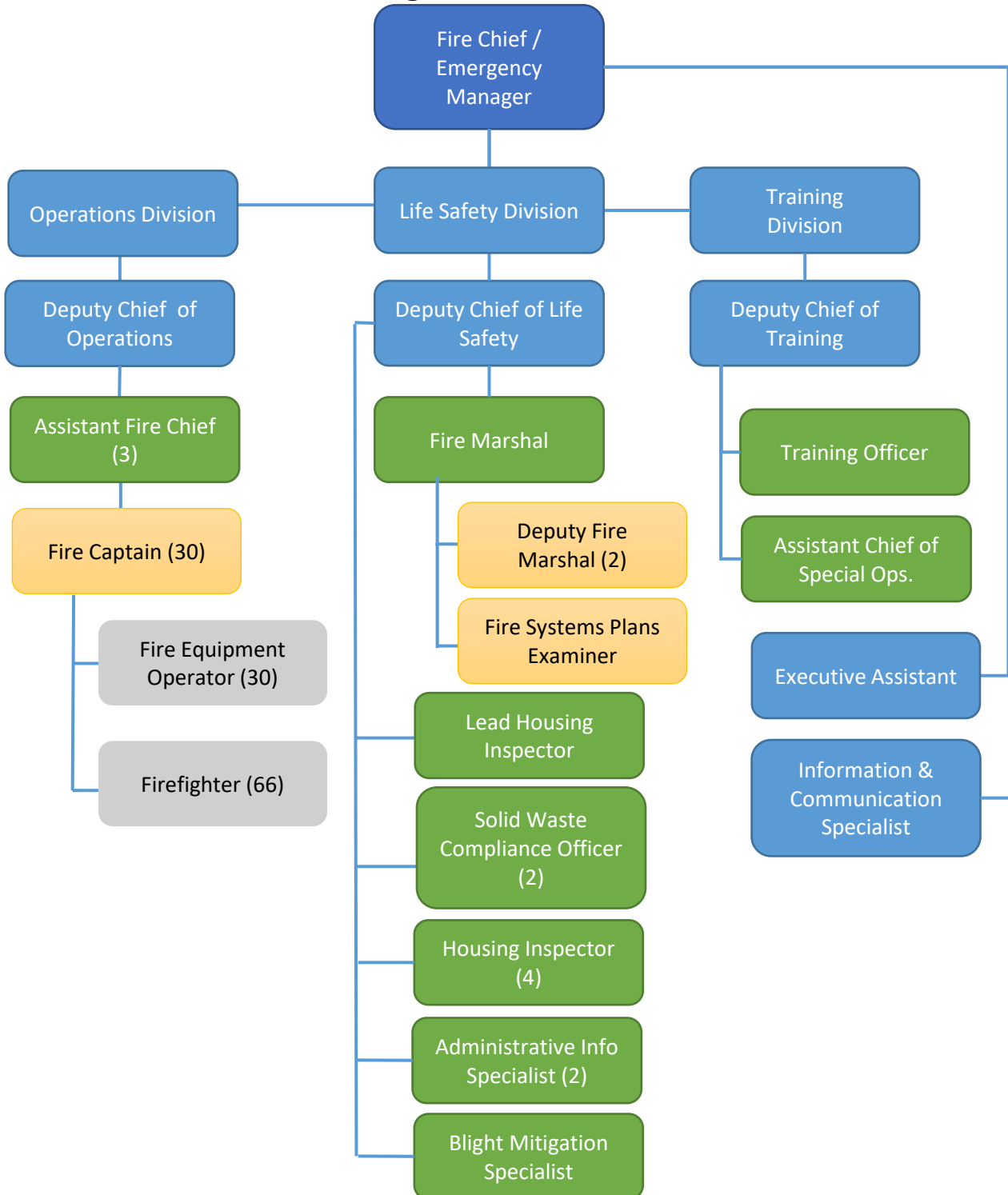
The Fire Department has three main divisions: Administration, Operations, including Training, and Life Safety, which includes fire prevention and housing inspection. The department seeks to further the mission through:

- All-hazard emergency response
- City-wide emergency management and preparedness
- Commercial inspection, permitting, and fire code enforcement
- Rental licensing, housing inspection, and code enforcement
- Supporting a safe and secure community through nuisance & blight abatement
- Community engagement through public safety, fire prevention education, and car seat installation
- Fire investigation
- Fire protection systems permitting and plan review
- Industry-leading training and education.

City of Duluth Minnesota - 2024 Budget

Fire Department

Organization Chart



City of Duluth Minnesota - 2024 Budget

Fire Department - Performance Measures

City Priority: Safe and Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Actual	2024 Target
Service Response: Provides for a well-planned, effective and prompt response to emergencies of all kinds, including individual calls for service, fires, public safety threats and natural disasters.	Calls for medical and non fire suppression	14,488	15,234	15,210	14,977
	Calls for fire suppression service	315	258	294	289
Livable Community: Ensure regulatory compliance in order to provide clean and well-maintained neighborhoods, to protect property, the environment and the lives and health of its residents and visitors.	Number of Code Enforcement Cases opened including solid waste code enforcement	3,533	3,825	3,414	3,590
	Number of Inspections (does not include blight/solid waste)	5,073	5,253	4,558	4,961

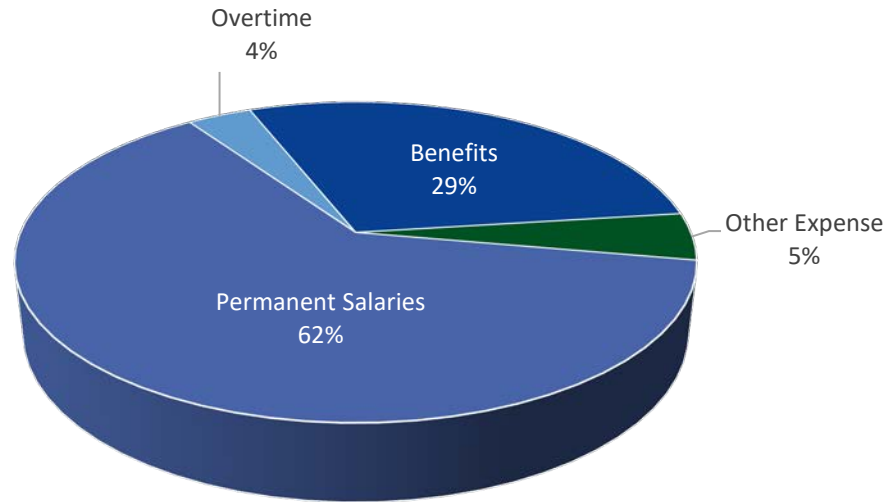
City Priority: Livable Neighborhoods and Affordable Housing

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Actual	2024 Target
Safe/Quality Neighborhood: Promote, support and sustain well-maintained, safe, clean visually appealing, free of blight neighborhoods, commercial areas and public spaces.	Vacant building registration - cases opened	37	36	35	36
	Vacant building registration - active cases	234	209	201	215
	Vacant building registration - cases closed	59	25	37	40

City of Duluth Minnesota - 2024 Budget

Fire Department

2024 Approved Budget by Expenditure Category



Expenditures by Category	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Permanent Salaries	11,178,081	11,956,868	11,988,600	13,811,800	1,823,200
Overtime	1,026,109	1,573,718	802,100	802,100	-
Other Wages	-	-	-	-	-
Total Personal Services	12,204,190	13,530,586	12,790,700	14,613,900	1,823,200
Benefits	5,629,646	5,883,916	6,279,900	6,415,500	135,600
Other Expense	901,434	968,838	976,300	1,051,600	75,300
Capital Outlay	-	-	-	-	-
Department Total	18,735,270	20,383,340	20,046,900	22,081,000	2,034,100

Expenditures by Division	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Fire Administration	675,376	858,264	962,500	1,011,000	48,500
Fire Operations	16,725,650	18,186,733	17,562,700	19,327,900	1,765,200
Life Safety	1,334,244	1,338,342	1,521,700	1,742,100	220,400
Department Total	18,735,270	20,383,340	20,046,900	22,081,000	2,034,100

Budgeted FTE's	2021	2022	2023	2024	Difference
	148.50	148.50	150.00	151.00	1.00

City of Duluth Minnesota - 2024 Budget

Fire Administration

www.duluthmn.gov/fire/

The Fire Chief leads the Administration Division, which includes three Deputy Fire Chiefs, a Budget and Grant Analyst, and an Information and Communications Specialist. The Administration Division is tasked with long-term planning and ensuring the department has adequate funding for personnel, equipment, training, and maintenance to carry out its mission. The Fire Chief is the City of Duluth Emergency Manager and is responsible for all emergency functions and preparedness in the city.

Budgeted FTE's	2021	2022	2023	2024	Difference
1170 Fire Chief	1.00	1.00	1.00	1.00	-
1135 Deputy Fire Chief	2.00	2.00	3.00	3.00	-
131 Executive Assistant	1.00	1.00	1.00	1.00	-
Information & 132 Communication Spec	0.50	1.00	1.00	1.00	-
Division Total	4.50	5.00	6.00	6.00	-

Expenditures	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Personal Services					
Permanent Salaries	433,836	566,776	640,700	665,700	25,000
Overtime	350	-	-	-	-
Other Wages	-	-	-	-	-
Total Salaries	434,185	566,776	640,700	665,700	25,000
Benefits	179,095	232,489	265,600	295,400	29,800
Other Expense					
Materials & Supplies	18,467	22,651	18,900	19,300	400
Services	14,377	8,053	7,500	6,200	(1,300)
Utilities & Mtc	-	-	4,000	-	(4,000)
Other	29,251	28,296	25,800	24,400	(1,400)
Total Other Expense	62,095	59,000	56,200	49,900	(6,300)
Division Total	675,376	858,264	962,500	1,011,000	48,500

City of Duluth Minnesota - 2024 Budget

General Fund Expenditure Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
Fire Administration - 110-150-1501				
PERSONAL SERVICES				
5100 Permanent Salaries	433,836	566,776	640,700	665,700
5101 Premium Pay	350	-	-	-
TOTAL	434,185	566,776	640,700	665,700
EMPLOYEE BENEFITS				
5121 PERA Retirement	67,457	82,032	101,700	103,300
5122 FICA - Social Security	4,730	6,551	8,200	41,300
5123 FICA - Medicare	6,003	7,924	9,500	9,700
5125 Dental Insurance	1,682	2,062	2,400	2,500
5126 Life Insurance	883	1,418	1,100	1,100
5127 Health Care Savings Plan (HCSP)	14,177	23,810	14,700	8,900
5130 Cafeteria Plan Benefits	84,043	108,217	128,000	128,600
5133 Health or Fitness Program	120	476	-	-
TOTAL	179,095	232,489	265,600	295,400
OTHER EXPENDITURES				
5200 Office Supplies	2,398	4,233	3,000	3,000
5210 Plant/Operating Supplies	2,323	3,160	-	-
5211 Cleaning/Janitorial Supplies	8,287	10,002	8,000	10,000
5212 Motor Fuels	75	-	-	-
5219 Other Miscellaneous Supplies	221	487	3,000	-
5220 Repair & Maintenance Supplies	1,164	2,514	1,100	5,800
5228 Painting Supplies	623	458	300	300
5229 Ground Mtc Supplies	185	-	200	200
5240 Small Tools	446	146	800	-
5241 Small Equip-Office/Operating	2,745	1,652	2,500	-
5321 Phone Service	-	240	-	-
5322 Postage	1,299	252	800	-
5331 Travel/Training	12,356	7,561	5,000	5,000
5355 Printing & Copying	723	-	1,200	1,200
5356 Copier, Printer Lease & Supplies	-	-	500	-
5400 Misc Repair & Mtc Service	-	-	2,000	-
5401 Bldg/Structure Repair & Mtc	-	-	2,000	-
5414 Software Lic & Mtc Agreements	237	86	-	-
5433 Dues & Subscription	3,552	3,462	3,500	3,500
5440 Emergency Management	24,952	20,088	20,000	20,000
5441 Other Services & Charges	510	615	1,500	300
5443 Board & Meeting Expenses	-	510	800	600
5700 Interfund Transfers Out	-	3,536	-	-
TOTAL	62,095	59,000	56,200	49,900
DIVISION TOTAL	675,376	858,264	962,500	1,011,000

City of Duluth Minnesota - 2024 Budget

General Fund Revenue Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
Fire Administration - 110-150-1501				
REVENUE SOURCE				
4232 State Insurance Premium	911,238	1,067,571	800,000	890,000
4340 Fire Protection Services	4,200	4,200	4,200	4,200
4341 Hydrant Maintenance Services	30,000	30,000	30,000	30,000
4654 Other Reimbursements	34,742	8,387	7,000	5,200
4730 Transfer from Special Revenue	-	14,467	11,200	11,800
DIVISION TOTAL	980,179	1,124,624	852,400	941,200

City of Duluth Minnesota - 2024 Budget

Fire Operations

www.duluthmn.gov/fire/

The Deputy Chief of Operations and 3 Assistant Chiefs lead the Operations Division, which has 129 personnel with a daily staffing level of 36 personnel. The Operations Division responds to and manages all emergent and non-emergent responses to incidents including: fires, medical calls, rescues, public assistance service calls, and daily work duties. Duluth has eight fire stations strategically located throughout the city to minimize emergency response time. These eight stations house ten fire companies, including six fire engines, three ladder trucks, and a heavy rescue. These companies also manage three rescue boats and other marine units.

Budgeted FTE's	2021	2022	2023	2024	Difference
233 Assistant Fire Chief	3.00	3.00	3.00	3.00	-
Asst Chief of Special					
231 Operations	-	-	-	1.00	1.00
226 Firefighter	63.00	63.00	63.00	66.00	3.00
Fire Equipment					
227 Operator	33.00	33.00	33.00	30.00	(3.00)
228 Fire Captain	30.00	30.00	30.00	30.00	-
231 Training Officer	2.00	2.00	1.00	1.00	-
Technical Service					
231 Coordinator	1.00	1.00	1.00	-	(1.00)
Division Total	132.00	132.00	131.00	131.00	-

Expenditures	2020 Actual	2021 Actual	2022 Budget	2024 Approved	Difference
Personal Services					
Permanent Salaries	9,951,768	10,530,631	10,378,800	12,028,800	1,650,000
Overtime	1,010,265	1,555,290	790,800	790,800	-
Other Wages	-	-	-	-	-
Total Salaries	10,962,034	12,085,921	11,169,600	12,819,600	1,650,000
Benefits	5,101,979	5,282,627	5,573,300	5,610,300	37,000
Other Expense					
Materials & Supplies	180,065	315,033	327,000	345,500	18,500
Services	44,169	50,537	62,000	58,900	(3,100)
Utilities & Mtc	362,291	369,253	365,100	398,900	33,800
Other	75,113	83,362	65,700	94,700	29,000
Total Other Expense	661,637	818,185	819,800	898,000	78,200
	16,725,650	18,186,733	17,562,700	19,327,900	1,765,200

City of Duluth Minnesota - 2024 Budget

General Fund Expenditure Detail	2020 Actual	2021 Actual	2022 Budget	2024 Approved
Fire Operations - 110-150-1502				
PERSONAL SERVICES				
5100 Permanent Salaries	9,951,768	10,530,631	10,378,800	12,028,800
5101 Premium Pay	1,010,265	1,555,290	790,800	790,800
TOTAL	10,962,034	12,085,921	11,169,600	12,819,600
EMPLOYEE BENEFITS				
5121 PERA Retirement	1,921,818	2,071,138	1,954,300	2,213,100
5122 FICA - Social Security	-	-	-	-
5123 FICA - Medicare	153,227	170,267	162,100	183,300
5125 Dental Insurance	50,615	49,648	51,500	54,000
5126 Life Insurance	26,069	33,866	23,600	23,600
5127 Health Care Savings Plan (HCSP)	368,165	453,764	328,900	313,000
5130 Cafeteria Plan Benefits	2,552,453	2,473,379	3,035,500	2,805,900
5133 Health or Fitness Program	29,632	30,564	17,400	17,400
TOTAL	5,101,979	5,282,627	5,573,300	5,610,300
OTHER EXPENDITURES				
5205 Safety & Training Materials	7,904	57,174	100,000	100,000
5210 Plant/Operating Supplies	3,892	4,727	5,500	800
5212 Motor Fuels	80,815	137,753	121,900	126,100
5218 Uniforms	13,400	33,249	10,000	46,000
5219 Other Miscellaneous Supplies	23,115	22,823	25,600	25,600
5220 Repair & Maintenance Supplies	2,315	6,488	3,000	28,000
5241 Small Equip-Office/Operating	48,625	52,820	61,000	19,000
5305 Medical Svcs/Testing Fees	4,041	-	5,000	-
5319 Other Professional Services	4,535	9,324	22,500	10,000
5320 Data Services	19,839	28,314	8,000	22,000
5321 Phone Service	7,580	5,616	7,500	4,600
5322 Postage	699	428	-	500
5360 Insurance	-	-	14,000	14,000
5384 Refuse Disposal	7,474	6,856	5,000	7,800
5409 Fleet Services Charges	362,291	369,253	365,100	398,900
5414 Software Lic & Mtc Agreement	44,320	34,528	22,500	43,000
5441 Other Services & Charges	1,107	(2,232)	6,200	700
5446 Tuition Reimbursement	5,632	19,132	20,000	20,000
5450 Laundry	24,054	31,934	17,000	31,000
TOTAL	661,637	818,185	819,800	898,000
DIVISION TOTAL	16,725,650	18,186,733	17,562,700	19,327,900

City of Duluth Minnesota - 2024 Budget

General Fund Revenue Detail	2020 Actual	2021 Actual	2022 Budget	2024 Approved
Fire Operations - 110-150-1502				
REVENUE SOURCE				
4654 Other Reimbursements	1,025	1,084	-	-
4660 Gifts and Donations	-	7,500	-	-
4730 Transfer from Special Revenue	245,082	358,043	235,000	156,500
DIVISION TOTAL	246,107	366,627	235,000	156,500

City of Duluth Minnesota - 2024 Budget

Life Safety

www.duluthmn.gov/fire/

The Deputy Chief of Life Safety, the Fire Marshal, and the Lead Housing Inspector oversee this division, which is comprised of uniformed and civilian staff. The Life Safety Division is responsible for housing and fire code enforcement, fire investigation, public education, fire system plan review, fire inspections, rental licensing, complaints, sidewalk snow enforcement, and solid waste compliance. Our team works collaboratively with other city departments to provide a safe and livable community.

Budgeted FTE's	2021	2022	2023	2024	Difference
233 Fire Marshal	1.00	1.00	1.00	1.00	-
230 Deputy Fire Marshal	2.00	2.00	2.00	2.00	-
Solid Waste					
28 Compliance	1.00	-	-	-	-
Prop & Solid Waste					
30 Compliance Officer	-	2.00	2.00	2.00	-
29 Housing Inspector	4.00	3.00	3.00	4.00	1.00
Blight Mitigation					
30 Specialist	-	-	1.00	1.00	-
Housing Inspector					
32 Leadworker	1.00	1.00	1.00	1.00	-
Fire Systems Plans					
30 Examiner	-	-	-	1.00	1.00
Sprinkler Permit					
32 Reviewer	1.00	1.00	1.00	-	(1.00)
129 Admin Info Specialist	2.00	1.50	2.00	2.00	-
Division Total	12.00	11.50	13.00	14.00	1.00
Expenditures	2020 Actual	2021 Actual	2022 Budget	2024 Approved	Difference
Personal Services					
Permanent Salaries	792,477	859,461	969,100	1,117,300	148,200
Overtime	15,494	18,428	11,300	11,300	-
Other Wages	-	-	-	-	-
Total Salaries	807,971	877,889	980,400	1,128,600	148,200
Benefits	348,571	368,800	441,000	509,800	68,800
Other Expense					
Materials & Supplies	18,440	23,912	22,600	25,200	2,600
Services	17,335	23,883	28,500	26,600	(1,900)
Utilities & Mtc	15,628	17,544	22,900	24,600	1,700
Other	126,298	26,315	26,300	27,300	1,000
Total Other Expense	177,702	91,653	100,300	103,700	3,400
Division Total	1,334,244	1,338,342	1,521,700	1,742,100	220,400

City of Duluth Minnesota - 2024 Budget

General Fund Expenditure Detail	2020 Actual	2021 Actual	2022 Budget	2024 Approved
Life Safety - 110-150-1503				
PERSONAL SERVICES				
5100 Permanent Salaries	792,477	859,461	969,100	1,117,300
5101 Premium Pay	15,494	18,428	11,300	11,300
5103 Other Wages	-	-	-	-
TOTAL	807,971	877,889	980,400	1,128,600
EMPLOYEE BENEFITS				
5121 PERA Retirement	88,485	99,960	104,700	117,300
5122 FICA - Social Security	31,643	36,970	42,400	49,300
5123 FICA - Medicare	11,401	13,417	14,400	16,400
5125 Dental Insurance	4,183	4,868	5,100	5,800
5126 Life Insurance	2,228	3,304	2,300	2,500
5127 Health Care Savings Plan (HCSP)	29,839	24,394	18,900	21,500
5130 Cafeteria Plan Benefits	180,432	185,406	253,200	297,000
5133 Health or Fitness Program	360	480	-	-
TOTAL	348,571	368,800	441,000	509,800
OTHER EXPENDITURES				
5200 Office Supplies	1,738	2,463	1,500	1,900
5202 Audiovisual & Photography	847	1,149	500	500
5205 Safety & Training Materials	3,079	1,066	1,500	1,500
5212 Motor Fuels	8,079	14,511	13,100	14,800
5218 Uniforms	-	2,600	2,900	2,900
5219 Other Miscellaneous Supplies	4,236	1,326	1,500	2,000
5241 Small Equipment-Office Operating	461	795	1,600	1,600
5321 Phone Service	4,463	6,853	2,600	2,600
5331 Travel/Training	11,800	15,486	18,000	19,500
5335 Local Mileage Reimbursement	645	316	1,000	1,000
5355 Printing & Copying	428	1,227	3,000	3,000
5356 Copier, Printer Lease & Supplies	-	-	3,900	500
5400 Misc Repair & Mtc Service	427	474	300	300
5409 Fleet Services Charges	13,803	15,769	19,600	21,300
5414 Software Lic & Mtc Agreements	900	220	-	-
5427 Credit Card Commissions	497	1,080	3,000	3,000
5433 Dues and Subscriptions	1,246	4,033	1,000	1,500
5435 Books & Pamphlets	1,267	154	2,500	3,000
5441 Other Services and Charges	23,785	22,128	22,500	22,500
5443 Board & Meeting Expenses	-	-	300	300
5700 Interfund Transfers Out	100,000	-	-	-
TOTAL	177,702	91,653	100,300	103,700
DIVISION TOTAL	1,334,244	1,338,342	1,521,700	1,742,100

City of Duluth Minnesota - 2024 Budget

General Fund Revenue Detail	2020 Actual	2021 Actual	2022 Budget	2024 Approved
Life Safety - 110-150-1503				
REVENUE SOURCE				
4153 Multiple Dwelling License	993,003	1,190,442	1,031,800	1,185,100
4154 Commercial Use/Occupancy Permit	128,627	151,220	123,800	130,000
4160 Fire Protection Systems Permit Fees	61,231	84,978	95,500	95,500
4306 Building Appeals Fees	-	-	-	-
4472 Administrative Fines	-	25,906	-	-
4644 Misc Fees, Sales, Service	6,245	10,184	6,000	8,500
4654 Other Reimbursements	(325)	525	-	-
4730 Transfer from Special Revenue	-	-	115,700	121,000
DIVISION TOTAL	1,188,781	1,463,255	1,372,800	1,540,100

City of Duluth Minnesota - 2024 Budget

Police Department

Mission

To provide a safe Duluth for all by strengthening relationships and serving in a respectful, caring, and selfless manner.

Values

Fair
Accountable
Caring
Transparent

Core Beliefs

- We recognize that our authority comes from our social contract with the community.
- People will believe that we are there to serve them if we are kind, caring, and compassionate, and our actions match our words.
- People will trust us if they believe we are protecting their rights.
- Every interaction leaves a lasting impression.
- The safety of both our community and officers are paramount.

Structure

The department has an authorized strength of 158 sworn police officers and employs a support staff of over 50 full, part-time and seasonal employees. Crime prevention, detection and investigation are the primary duties of the department. The department is divided into three divisions.

The Administrative Division oversees all the administrative functions of the police department. There are currently three civilian managers and one lieutenant assigned to this division which consists of the following units: Professional Standards, Records, Parking, Animal Shelter, Substance Use Response Team, Budget and Grants.

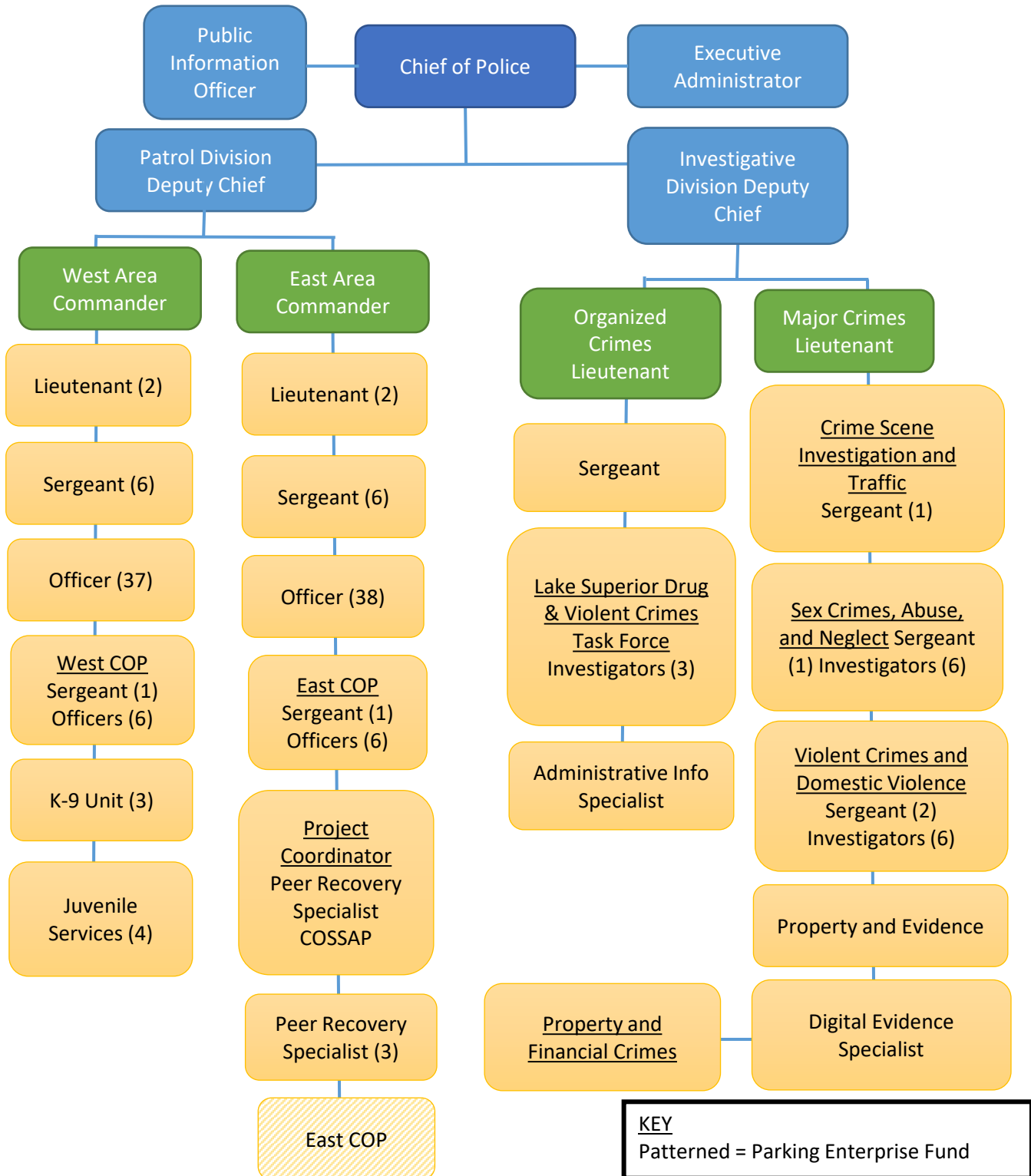
The Investigative Division oversees all follow up needs for criminal investigations. There are currently two lieutenants assigned to this division which consists of the following units: Crime Scene, Lake Superior Violent Offenders Task Force, Violent Crimes, Property and Evidence, Property/Financial Crimes, Crash Investigations, Sex Crimes, Abuse, Domestic Violence.

The Patrol Division consists of four patrol crews with a lieutenant assigned to each crew. 911 response and general patrols for crime suppression/reduction are the primary responsibilities for patrol crews. The Patrol Division also consists of two specialty units, the Behavioral Health Unit, and the Community-Oriented Policing (COP) unit, with a lieutenant assigned to each unit. These specialty units contain the following units areas of focus: Community Policing, School Resource Officers, Bike Patrol, CORE, Life Safety, HRA Officer, and the Substance Abuse Response Team.

City of Duluth Minnesota - 2024 Budget

Police Department

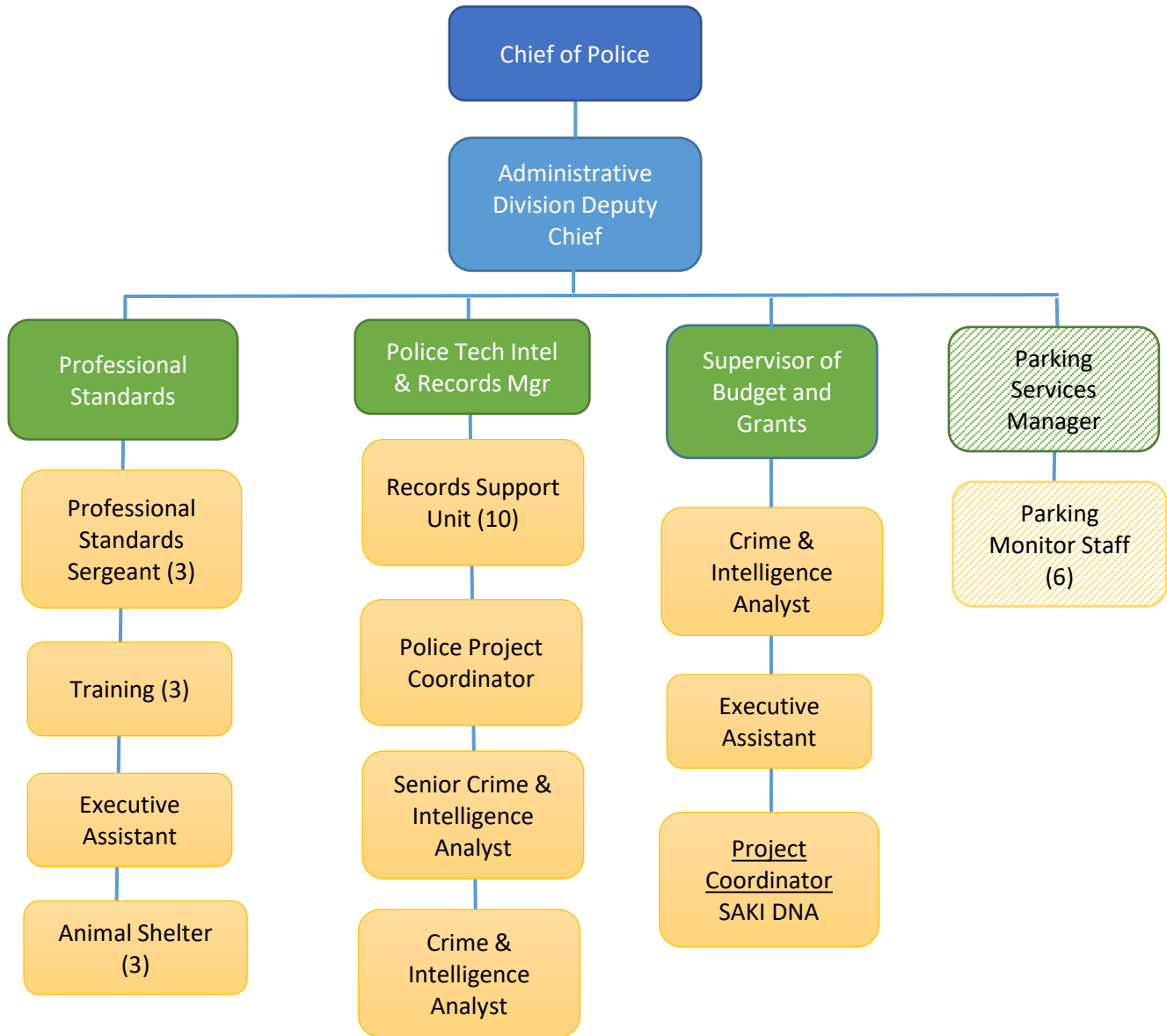
Organization Chart



City of Duluth Minnesota - 2024 Budget

Police Department

Organization Chart - Continued



KEY

Patterned = Parking Enterprise Fund

City of Duluth Minnesota - 2024 Budget

Police - Performance Measures

City Priority: Safe and Secure Community

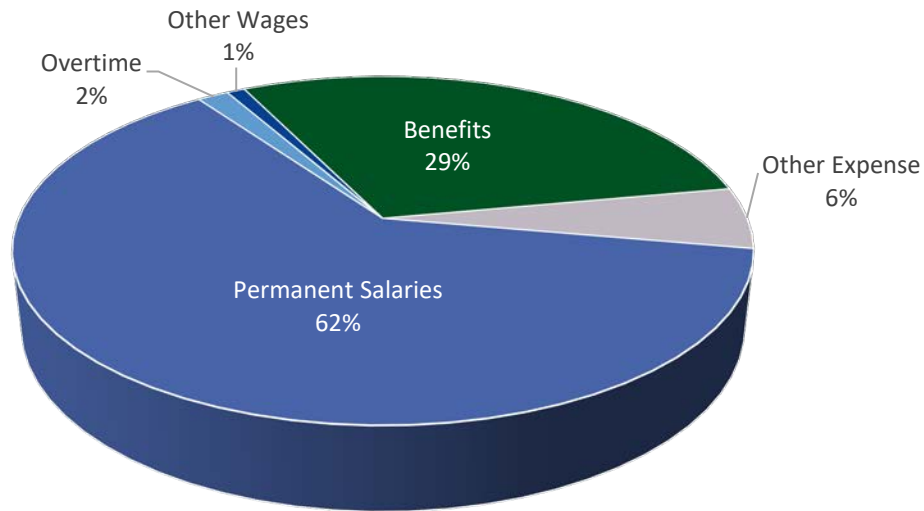
<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Actual	2024 Forecast
Service Response: Provides for a well-planned, effective and prompt response to emergencies of all kinds, including individual calls for service, fires, public safety threats and natural disasters.	Number of priority one calls (i.e. burglary in progress)	17,648	17,613	17,662	17,711
	Priority one response time (min/sec)*	Data not available	7:39	7:59	8:33
	Number of priority two calls (i.e. theft)	39,507	38,247	39,301	40,355
	Priority two response time (min/sec)*	Data not available	9:13	11:00	11:53
	Total calls for service	82,418	81,450	81,389	81,328
	Proactive calls (Self Initiated)	12,268	14,982	14,368	13,754
	Reactive calls (Response to a 911 Call)	69,665	65,856	66,579	67,302
	Co-Responder (CORE) calls	485	612	442	272
Safety Presence: Fosters a feeling of personal safety through a visible and approachable public safety presence, proactive prevention, community care-taking and education.	Group A offenses (i.e. theft, assault, sex offenses)	7,032	5,456	5,228	5,000
	Group B offenses (i.e. liquor offenses, trespassing)	2,580	2,284	1,528	772
	Total investigations initiated	2,779	2,724	2,634	2,544
Livable Community: Ensure regulatory compliance in order to provide clean and well-maintained neighborhoods, to protect property, the environment and the lives and health of its residents and visitors.	Number of shelter intake dogs/cats	643	786	842	898
	Number of shelter intake other animals	37	43	10	23
	Number of owner claimed dogs/cats	245	239	233	227
	Number of transferred dogs/cats	389	530	593	656

*Used 2022-2023 Only

City of Duluth Minnesota - 2024 Budget

Police Department

2024 Approved Budget by Expenditure Category



Expenditures by Category	2021	2022	2023	2024	Difference
	Actual	Actual	Budget	Approved	
Permanent Salaries	14,646,718	14,994,621	16,744,000	17,095,600	351,600
Overtime	1,151,212	1,660,008	597,300	445,000	(152,300)
Other Wages	160,918	300,673	256,400	256,400	-
Total Personal Services	15,958,849	16,955,302	17,597,700	17,797,000	199,300
Benefits	7,112,854	7,217,835	8,081,000	8,064,900	(16,100)
Other Expense	1,471,251	2,066,592	1,580,500	1,559,400	(21,100)
Department Total	24,542,954	26,239,729	27,259,200	27,421,300	162,100

Budgeted FTE's	2021	2022	2023	2024	Difference
	183.00	183.50	184.00	184.00	

City of Duluth Minnesota - 2024 Budget

Police Department

www.duluthmn.gov/police/

The Police department consists of three divisions: The Investigative division, the Administrative division and the Patrol division. The Investigative division is responsible for investigating crime in the areas of violent crime, financial property crimes, family crimes, crime scene investigation, and drug and gang related activities. The Administrative division is responsible for administrative functions of the department including training and development, clerical and records support, fleet, technology and facilities management. The Patrol division is responsible for all functions related to police work including crime and traffic control, tactical response, canine and waterfront patrol, special events, street crimes, community neighborhood policing, and parking enforcement.

Budgeted FTE's	2021	2022	2023	2024	Difference
Chief of Police	1.00	1.00	1.00	1.00	-
1150 Deputy Police Chief	2.00	3.00	3.00	3.00	-
1110 Police Lieutenant	10.00	9.00	9.00	9.00	-
Public Information					
1085 Officer	1.00	1.00	1.00	1.00	-
Police Tech Intel &					
1125 Records Mgr	1.00	1.00	1.00	1.00	-
Budget & Grant					
1090 Supervisor	-	1.00	1.00	1.00	-
Animal Services					
21 Technician	0.50	0.50	1.00	1.00	-
24 Evidence Technician	2.00	2.00	1.00	-	(1.00)
27 Animal Control Officer	1.00	1.00	1.00	1.00	-
27 Opioid Program Tech	1.00	1.00	-	-	-
Peer Recovery					
27 Specialist	-	-	3.00	3.00	-
29 Opioid Program Specalis	-	1.00	1.00	-	(1.00)
Property & Evidence					
29 Specialist	1.00	1.00	1.00	1.00	-
Animal Shelter					
31 Leadworker	1.00	1.00	1.00	1.00	-
32 Project Coordinator	0.50	-	2.00	3.00	1.00
Digital Evidence					
32 Specialist	-	-	-	1.00	1.00
124 Police Records Tech I	2.00	2.00	-	-	-
Police Records					
128 Technician II	6.00	6.00	6.00	6.00	-
Administrative Info					
129 Specialist	1.00	1.00	1.00	1.00	-

City of Duluth Minnesota - 2024 Budget

Budgeted FTE's Continued	2021	2022	2023	2024	Difference
131 Executive Assistant Data Release	2.00	2.00	3.00	3.00	-
133 Coordinator Senior Police Records	1.00	1.00	2.00	2.00	-
133 Technician Budget & Grants	2.00	2.00	2.00	2.00	-
134 Analyst Police Crime & Intellig	1.00	-	-	-	-
134 Analyst Sr Police Crime & Intell	2.00	2.00	1.00	2.00	1.00
138 Analyst Police	-	-	2.00	1.00	(1.00)
326 Officer/Investigator	122.00	122.00	118.00	118.00	-
328 Police Sergeant	22.00	22.00	22.00	22.00	-
Department Total	183.00	183.50	184.00	184.00	-

Expenditures	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Personal Services					
Permanent Salaries	14,646,718	14,994,621	16,744,000	17,095,600	351,600
Overtime	1,151,212	1,660,008	597,300	445,000	(152,300)
Other Wages	160,918	300,673	256,400	256,400	-
Total Salaries	15,958,849	16,955,302	17,597,700	17,797,000	199,300
Benefits	7,112,854	7,217,835	8,081,000	8,064,900	(16,100)
Other Expense					
Materials & Supplies	412,927	500,239	479,200	445,900	(33,300)
Services	184,540	294,619	163,100	173,100	10,000
Utilities & Maintenance	335,107	264,431	303,900	306,100	2,200
Other	538,677	1,007,303	634,300	634,300	-
Total Other Expense	1,471,251	2,066,592	1,580,500	1,559,400	(21,100)
Department Total	24,542,954	26,239,729	27,259,200	27,421,300	162,100

City of Duluth Minnesota - 2024 Budget

General Fund Expenditure Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
Police Department - 110-160-1610				
PERSONAL SERVICES				
5100 Permanent Salaries	14,646,718	14,994,621	16,744,000	17,095,600
5101 Premium Pay	1,151,212	1,660,008	597,300	445,000
5103 Other Wages	160,918	299,276	256,400	256,400
5111 Long-Term Disability Wages	-	1,397	-	-
TOTAL	15,958,849	16,955,302	17,597,700	17,797,000
EMPLOYEE BENEFITS				
5121 PERA Retirement	2,558,842	2,697,736	2,827,200	2,844,000
5122 FICA - Social Security	111,968	136,822	141,200	156,900
5123 FICA - Medicare	223,368	242,175	255,800	258,100
5125 Dental Insurance	70,175	65,764	72,900	75,800
5126 Life Insurance	36,125	44,847	33,100	33,100
5127 Health Care Savings Plan (HCSP)	680,148	837,018	704,500	713,600
5130 Cafeteria Plan Benefits	3,431,389	3,192,832	4,045,100	3,982,200
5133 Health or Fitness Program	840	640	1,200	1,200
TOTAL	7,112,854	7,217,835	8,081,000	8,064,900
OTHER EXPENDITURES				
5200 Office Supplies	8,416	10,647	15,000	15,000
5201 Computer Supplies/Software	1,405	7,031	1,500	1,500
5205 Safety & Training Materials	-	100	1,500	1,500
5212 Motor Fuels	209,797	274,154	347,100	313,800
5214 Food for Animals	4,195	3,513	3,000	3,000
5217 Ammunition	64,212	54,978	50,000	50,000
5218 Uniforms	84,206	125,453	34,100	34,100
5219 Other Miscellaneous Supplies	20,643	19,834	20,000	20,000
5220 Repair & Maintenance Supplies	3,013	1,226	5,000	5,000
5241 Small Equip-Office/Operating	17,041	3,304	2,000	2,000
5305 Medical Svcs/Testing Fees	378	-	-	-
5319 Other Professional Services	21,755	69,182	30,000	40,000
5320 Data Services	43,580	46,752	36,000	36,000
5321 Phone Service	75,618	71,868	81,600	81,600
5322 Postage	470	998	1,500	1,500
5331 Travel/Training	35,278	94,379	5,000	5,000
5355 Printing & Copying	2,324	5,712	4,000	4,000
5356 Copier, Printer Lease & Supplies	1,625	1,689	2,500	2,500
5384 Refuse Disposal	3,513	4,038	2,500	2,500

City of Duluth Minnesota - 2024 Budget

General Fund Expenditure Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
Police Department - 110-160-1610				
5409 Fleet Services Charges	329,257	256,541	295,900	298,100
5411 Land Rental/Easements	-	90	-	-
5412 Building Rental	5,850	7,800	8,000	8,000
5414 Software Licenses & Mtc Agreements	305,881	556,419	327,000	327,000
5433 Dues & Subscription	5,963	6,302	4,000	4,000
5437 Automated Pawn System	11,435	12,235	11,500	11,500
5438 Licenses	360	552	5,500	5,500
5441 Other Services & Charges	125,340	121,808	30,000	30,000
5443 Board & Meeting Expenses	296	-	2,000	2,000
5448 Police Training	86,901	162,089	251,800	251,800
5490 Donations to Civic Organizations	2,500	2,500	2,500	2,500
5580 Capital Equipment	-	37,260	-	-
5700 Transfers to Special Rev Funds	-	108,139	-	-
TOTAL	1,471,251	2,066,592	1,580,500	1,559,400
DEPARTMENT TOTAL	24,542,954	26,239,729	27,259,200	27,421,300
REVENUE SOURCE				
4209 Federal Grant	-	12,579	16,000	16,000
4220 State of Minnesota	32,954	-	-	-
4227 Police Training Reimbursement	156,616	147,148	151,800	151,800
4232 State Insurance Premium	1,424,082	1,537,522	1,420,800	1,420,800
4261 ISD 709	188,072	289,391	309,500	332,900
4322 Animal Shelter Fees	15,672	17,550	12,000	12,000
4326 Criminal History Checks	210	160	400	400
4328 Pawnbroker Transaction Surcharge	28,158	29,988	30,000	25,000
4329 False Alarm Fees & Penalties	26,148	15,133	18,000	15,000
4474 Police Felony Forfeitures	22,900	14,815	-	-
4631 Media Sales	513	405	1,200	800
4635 Auction Proceeds	6,536	7,303	-	-
4644 Misc Fees, Sales & Services	21,460	22,050	-	-
4650 Salaries Reimbursement	46,700	42,522	10,000	10,000
4654 Other Reimbursements	62,415	11,737	15,000	8,000
4655 Drug Task Force Reimbursement	40,188	51,943	-	-
4730 Transfer from Tourism Taxes	243,100	338,800	344,000	363,400
4730 Transfer from Police Grant Fund	1,447,819	1,551,548	1,210,800	1,157,500
4730 Transfer from Police Grant Fund - OT	326,938	250,133	121,000	-
4730 Transfer from Parking Fund	58,498	66,600	66,600	66,600
4730 Transfer from Internal Svc Fund	2,313	-	-	-
DEPARTMENT TOTAL	4,151,291	4,407,328	3,727,100	3,580,200

City of Duluth Minnesota - 2024 Budget

Public Works & Utilities Department – General Fund

Mission and Vision

The mission of the Public Works and Utilities Department is to provide professional engineering services, street maintenance activities, and water, natural gas, sanitary sewer, storm water, and street lighting utilities to Duluth’s businesses and residents in a safe, cost-effective and environmentally sound manner.

The Department’s vision is to become a functionally integrated organization operating at optimum efficiencies and providing cost-effective and reliable service for all Duluthians.

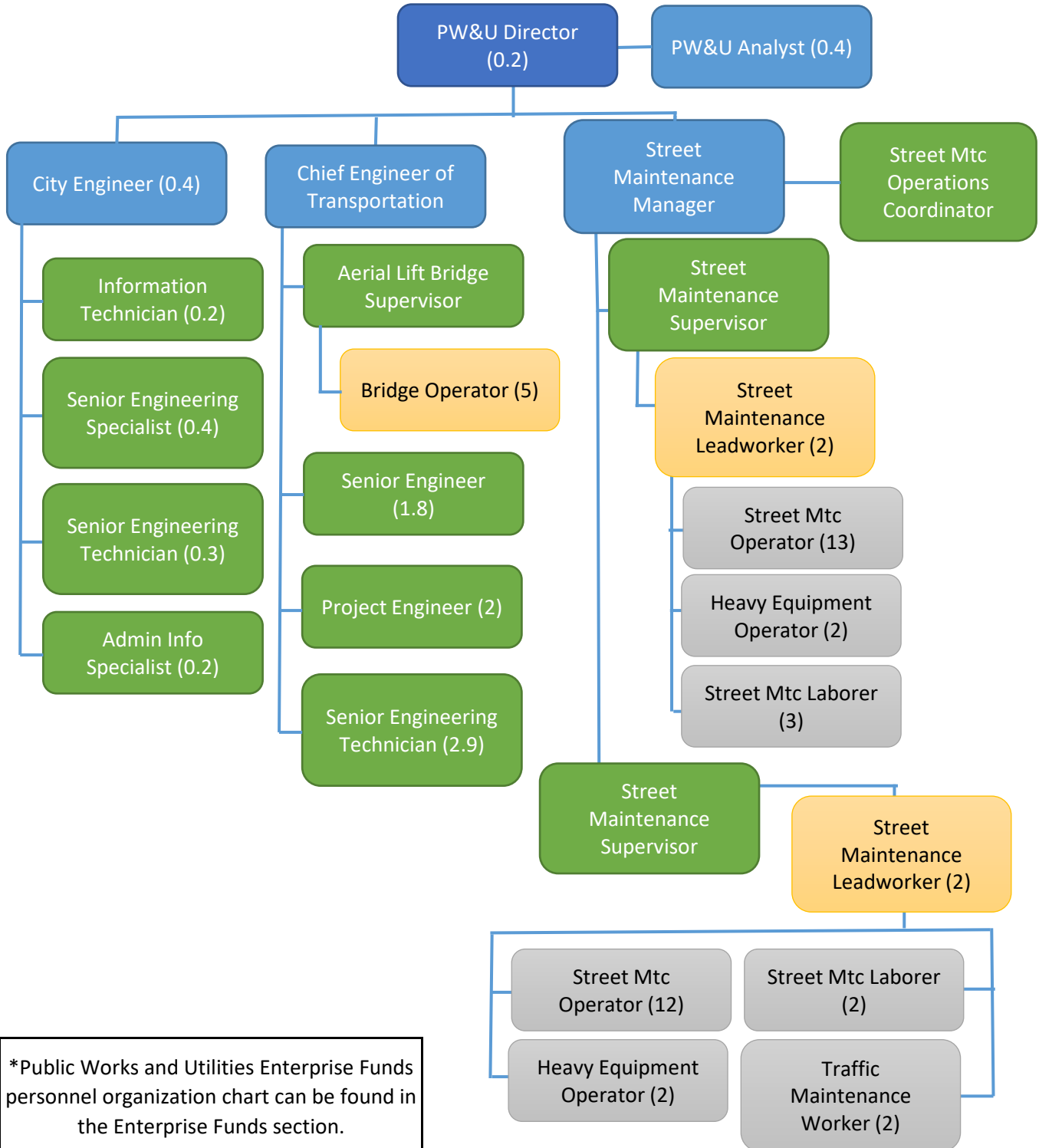
Structure

The General Fund portion of the Public Works and Utilities Department consists of two Divisions: Street Maintenance and Transportation Engineering. Transportation Engineering also has oversight of the Moveable Bridges workgroup.

City of Duluth Minnesota - 2024 Budget

Public Works & Utilities Department - General Fund

Organization Chart



*Public Works and Utilities Enterprise Funds personnel organization chart can be found in the Enterprise Funds section.

City of Duluth Minnesota - 2024 Budget

Director's Office & Capital Divisions

City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Estimated	2024 Projected
<u>Cash Balances</u>					
Fiscal Responsibility: Operations are supported by sustainable funding sources and costs are managed in an effective and efficient manner to maintain sustainability.	Water Fund	\$7,325,298	\$9,148,975	\$12,933,937	\$11,091,237
	Gas Fund	\$1,397,025	\$8,880,291	\$13,399,836	\$15,204,636
	Sanitary Sewer Fund	\$2,577,472	\$6,046,222	\$7,982,267	\$8,128,167
	Clean Water Fund	\$690,081	\$865,156	\$1,076,606	\$1,145,306
	Stormwater Fund	\$2,976,001	\$5,885,746	\$7,412,534	\$6,553,134

City Priority: Infrastructure

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Estimated	2024 Projected
<u>Capital Investment</u> <u>(amount in thousands)</u>					
Utilities: Design, build, improve and proactively maintain a utility infrastructure system that provides safe, affordable and reliable water, sewer, storm drainage, natural gas, steam and hot water services to the community.	Water Fund	\$ 2,219	\$ 10,714	\$ 24,025	\$ 16,906
	Gas Fund	\$ 3,713	\$ 2,980	\$ 2,430	\$ 2,880
	Sanitary Sewer Fund	\$ 2,679	\$ 582	\$ 2,875	\$ 2,475
	Stormwater Fund	\$ 890	\$ 604	\$ 2,580	\$ 2,900

City of Duluth Minnesota - 2024 Budget

Street Maintenance

City Priority: Safe and Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Estimated	2024 Projected
Transportation: Designs and constructs a safe transportation network that is well-maintained, accessible and enhances traffic flow for all types of mobility options.	Pothole Patching & Repair (Tons of Blacktop applied)	5,765	5,258	6,036	6,000
	Crack Sealing (miles)	-	-	30	30
	Traffic Line, Symbols & Crosswalk Painting (Gallons of paint used)	5,660	8,150	9,061*	5,000

City Priority: Infrastructure

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Estimated	2024 Projected
Water Quality: Protect water resources in order to maintain water quality of streams, aquifers and to preserve existing hydrology patterns.	Street sweeping (miles)	2,200	2,200	1,903	2,500

*Contracted portion of painting: 3,276 gallons

City of Duluth Minnesota - 2024 Budget

Engineering

City Priority: Infrastructure

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Estimated	2024 Projected
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Utilities: Design, build, improve and proactively maintain a utility infrastructure system that provides safe, affordable and reliable water, sewer, storm drainage, natural gas, steam and hot water services to the community.	<u>Capital Improvement Projects</u>				
	Water Projects	5	8	8	10
	Gas Projects	6	7	5	5
	Sanitary Sewer Projects	2	3	4	3
	Stormwater Projects	7	4	7	9

Transportation: Continually invest in building and improving a well-designed, well-maintained, accessible transportation system of safe and sustainable roadways, street lights, sidewalks and bridges.	Transportation Projects	9	12	11	9
	Paving (miles)	12.56	15.1	8.63	20.21

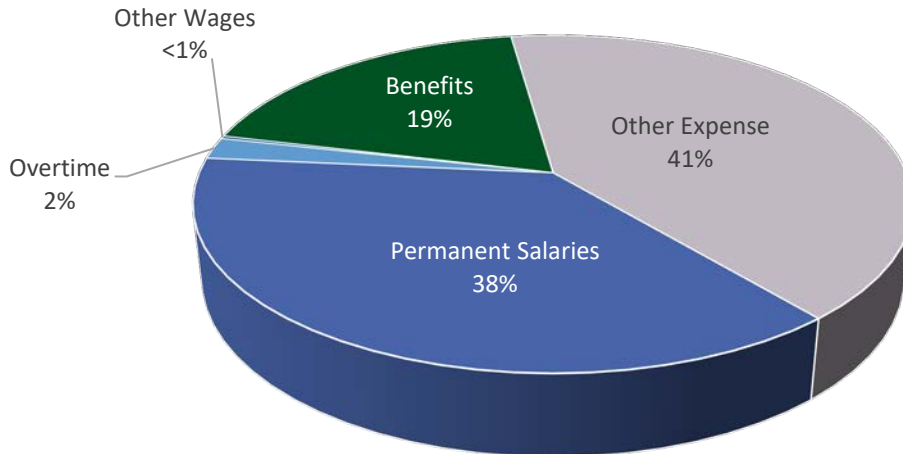
City Priority: Safe & Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Estimated	2024 Projected
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Livable Community: Ensure regulatory compliance in order to provide clean and well-maintained neighborhoods, to protect property, the environment and the lives and health of its residents and visitors.	Number of Gopher State One-Call tickets processed	10,281	11,000	9,909	10,500
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City of Duluth Minnesota - 2024 Budget

Public Works & Utilities - General Operations 2024 Approved Budget by Expenditure Category



Expenditures by Category	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Permanent Salaries	3,992,732	4,100,675	4,186,200	4,435,100	248,900
Overtime	224,916	341,475	243,000	243,000	-
Other Wages	29,962	23,281	30,000	30,000	-
Total Personal Services	4,247,610	4,465,431	4,459,200	4,708,100	248,900
Benefits	1,954,351	1,959,138	2,117,400	2,241,100	123,700
Other Expense	3,935,753	4,275,878	4,338,100	4,857,200	519,100
Department Total	10,137,714	10,700,447	10,914,700	11,806,400	891,700

Expenditures by Division	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Director's Office	87,716	93,103	91,800	94,500	2,700
Street Maintenance	8,014,840	8,528,961	8,711,300	9,503,700	792,400
Engineering	2,035,158	2,078,384	2,111,600	2,208,200	96,600
Department Total	10,137,714	10,700,447	10,914,700	11,806,400	891,700

Budgeted FTE's	2021	2022	2023	2024	Difference
	60.35	60.05	60.05	59.80	(0.25)

City of Duluth Minnesota - 2024 Budget

Director's Office

The PW&U Director’s Office coordinates the activities of the City’s six main utilities –Water, Gas, Sanitary Sewer, Storm Sewer, Street Lighting & Signals, and Steam District, as well as the Transportation Engineering, Movable Bridges, and Street Maintenance activities within the General Fund. In seeking to achieve the City’s identified priorities the division provides leadership and fiscal planning activities for eight different utility funds and a portion of the General Fund accounting for over 250 employees and \$100 million annually.

In addition to maintaining a fiscally responsible operation the division also provides long range planning with an emphasis on the following key areas:

- ensuring that the utility & transportation infrastructure is both functional and sustainable;
- ensuring that future generations will benefit from the safe and effective utility services
- providing utility and transportation services that utilize the best practices to sustain the amazing natural resources the Northland has to offer.

Budgeted FTE's	2021	2022	2023	2024	Difference
1170 Director	0.20	0.20	0.20	0.20	-
Public Works & Utilities					
33 Analyst	0.70	0.40	0.40	0.40	-
Division Total	0.90	0.60	0.60	0.60	-

Expenditures	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Personal Services					
Permanent Salaries	60,538	65,478	62,900	65,200	2,300
Overtime	-	-	-	-	-
Other Wages	-	-	-	-	-
Total Salaries	60,538	65,478	62,900	65,200	2,300
Benefits	26,561	27,179	28,000	28,300	300
Other Expense					
Materials & Supplies	105	90	200	200	-
Services	243	356	500	600	100
Other	269	-	200	200	-
Total Other Expense	617	445	900	1,000	100
Division Total	87,716	93,103	91,800	94,500	2,700

City of Duluth Minnesota - 2024 Budget

General Fund Expenditure Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
Public Works Director - 110-500-1900				
PERSONAL SERVICES				
5100 Permanent Salaries	60,538	65,478	62,900	65,200
5101 Premium Pay	-	-	-	-
TOTAL	60,538	65,478	62,900	65,200
EMPLOYEE BENEFITS				
5121 PERA Retirement	4,458	5,747	4,700	4,900
5122 FICA - Social Security	3,375	4,101	3,900	4,000
5123 FICA - Medicare	832	909	900	900
5125 Dental Insurance	238	257	200	200
5126 Life Insurance	122	171	100	100
5127 Health Care Savings Plan (HCSP)	2,005	3,293	900	900
5130 Cafeteria Plan Benefits	15,530	12,677	17,300	17,300
5133 Health or Fitness Program	-	24	-	-
TOTAL	26,561	27,179	28,000	28,300
OTHER EXPENDITURES				
5200 Office Supplies	105	90	100	100
5241 Small Equip-Office/Operating	-	-	100	100
5320 Data Services	-	-	-	100
5321 Phone Service	169	168	200	200
5331 Travel/Training	-	-	100	100
5335 Local Mileage Reimbursement	74	188	200	200
5433 Dues & Subscription	269	-	200	200
TOTAL	617	445	900	1,000
DIVISION TOTAL	87,716	93,103	91,800	94,500

City of Duluth Minnesota - 2024 Budget

Street Maintenance

www.duluthmn.gov/public-works-utilities/departments-divisions/street-maintenance/

The Street Maintenance division is responsible for over 450 miles of paved and gravel City, County and State roadways throughout the City. The division seeks to align its programs with the City's identified priorities and implements programs based on the seasons of the year. Winter priorities are Snow & Ice Control, Special Event Support, and Traffic Sign Maintenance. Summer Priorities focus on Pothole Patching, Traffic Line & Symbols Painting, Crack Filling, Street Sweeping, Permanent Patching of Utility repair sites, Gravel Road Maintenance, and Special Events Support. Year-round priorities also include Traffic Sign Installation & Maintenance as well as Roadside Debris Removal.

Budgeted FTE's	2021	2022	2023	2024	Difference
Street Maintenance					
1115 Manager	1.00	1.00	1.00	1.00	-
Street Maintenance					
1090 Supervisor	2.00	2.00	2.00	2.00	-
22 Maintenance Worker	4.00	-	-	-	-
23 Street Mtc Laborer	-	3.00	5.00	5.00	-
27 Heavy Equip Operator	31.00	32.00	30.00	4.00	(26.00)
27 Traffic Mtc Worker	3.00	3.00	3.00	2.00	(1.00)
32 Street Mtc Leadworker	3.00	2.00	2.00	4.00	2.00
Street Mtc Operations					
33 Coordinator	-	1.00	1.00	1.00	-
28 Street Mtc Operator	-	-	-	25.00	25.00
Division Total	44.00	44.00	44.00	44.00	-

Expenditures	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Personal Services					
Permanent Salaries	2,709,171	2,756,587	2,860,300	3,026,400	166,100
Overtime	139,139	295,016	187,000	187,000	-
Other Wages	-	-	-	-	-
Total Salaries	2,848,310	3,051,603	3,047,300	3,213,400	166,100
Benefits	1,343,100	1,339,049	1,472,600	1,586,100	113,500
Other Expense					
Materials & Supplies	1,026,542	1,868,981	1,849,500	1,891,100	41,600
Services	37,291	30,737.87	36,200	36,200	-
Utility & Mtc	1,485,846	1,739,106	1,772,000	1,896,700	124,700
Other	1,273,750	499,483	533,700	880,200	346,500
Total Other Expense	3,823,430	4,138,308	4,191,400	4,704,200	512,800
Division Total	8,014,840	8,528,961	8,711,300	9,503,700	792,400

City of Duluth Minnesota - 2024 Budget

General Fund Expenditure Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
Street Maintenance - 110-500-1920				
PERSONAL SERVICES				
5100 Permanent Salaries	2,709,171	2,756,587	2,860,300	3,026,400
5101 Premium Pay	139,139	295,016	187,000	187,000
TOTAL	2,848,310	3,051,603	3,047,300	3,213,400
EMPLOYEE BENEFITS				
5118 Meal Allowance	5,415	15,015	10,000	10,000
5121 PERA Retirement	209,588	217,862	221,300	238,200
5122 FICA - Social Security	172,445	182,844	185,900	199,200
5123 FICA - Medicare	40,330	42,762	43,500	46,600
5125 Dental Insurance	16,962	16,566	17,400	18,100
5126 Life Insurance	8,738	11,295	7,900	7,900
5127 Health Care Savings Plan (HCSP)	59,915	55,385	47,300	59,900
5130 Cafeteria Plan Benefits	829,347	796,481	939,300	1,006,200
5133 Health or Fitness Program	360	838	-	-
TOTAL	1,343,100	1,339,049	1,472,600	1,586,100
OTHER EXPENDITURES				
5200 Office Supplies	606	2,100	1,200	1,200
5201 Computer Supplies/Software	2,316	543	1,700	1,700
5205 Safety & Training Materials	3,964	14,862	14,000	14,000
5210 Plant/Operating Supplies	14,780	15,316	20,000	20,000
5211 Cleaning/Janitorial Supplies	3,338	3,284	10,000	10,000
5212 Motor Fuels	237,690	462,293	463,600	454,400
5215 Shop Materials	1,632	1,910	2,500	2,500
5218 Uniforms	13,153	16,755	16,800	18,850
5219 Other Miscellaneous Supplies	13,867	28,399	18,600	18,600
5220 Repair & Maintenance Supplies	10,977	13,610	12,600	12,600
5223 Salt & Sand	541,360	1,106,909	1,005,000	1,038,000
5224 Gravel & Other Misc Materials	65,757	63,245	131,000	146,750
5226 Sign & Signal Materials	55,486	48,533	60,000	60,000
5228 Painting Supplies	58,430	90,645	85,500	85,500
5240 Small Tools	1,643	62	5,000	5,000
5241 Small Equip-Office/Operating	1,543	516	2,000	2,000
5320 Data Services	7,709	7,002	6,600	6,600
5321 Phone Service	2,920	2,764	3,200	3,200

City of Duluth Minnesota - 2024 Budget

General Fund Expenditure Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
Street Maintenance - 110-500-1920				
5331 Travel/Training	1,047	1,846	700	700
5335 Local Mileage Reimbursement	12,662	11,803	16,000	16,000
5356 Copier, Printer Lease & Supplies	190	-	500	500
5384 Refuse Disposal	12,764	7,323	9,200	9,200
5409 Fleet Services Charges	1,485,846	1,739,106	1,772,000	1,896,700
5412 Building Rental	35,070	44,375	45,000	45,000
5414 Software Licenses & Mtce Agreements	34,967	23,777	38,800	38,800
5415 Vehicle/Equip Rent (Short Term)	34,595	12,800	34,000	34,000
5418 Vehicle/Equip Rent (Long Term)	365,731	365,731	400,000	400,000
5441 Other Services & Charges	3,387	4,070	15,900	362,400
5580 Capital Equipment	-	48,730	-	-
5700 Transfers Out to Special Rev Funds	800,000	-	-	-
TOTAL	3,823,430	4,138,308	4,191,400	4,704,200
DIVISION TOTAL	8,014,840	8,528,961	8,711,300	9,503,700
REVENUE SOURCE				
4240 Municipal State Aid	1,465,349	1,525,839	1,496,100	1,496,100
4260 St Louis County	138,411	138,411	138,400	138,400
4261 ISD 709	-	14,184	10,000	25,000
4636 Sale of Materials	4,550	4,487	5,000	5,000
4654 Other Reimbursements	49,362	40,052	65,000	50,000
4680 Damage or Losses Recovered	-	-	-	-
4730 Transfer from Tourism Taxes	237,400	1,205,500	336,100	355,000
4730 Transfer from Enterprise Funds	9,600	-	9,600	9,600
4730 Transfer from Public Utility Funds	687,896	-	865,000	900,000
DIVISION TOTAL	2,592,568	2,928,472	2,925,200	2,979,100

City of Duluth Minnesota - 2024 Budget

Engineering

www.duluthmn.gov/engineering/

The Engineering division is comprised of three distinct areas: Transportation Engineering, Utility Engineering, and Movable Bridges. The division strives to help the City achieve its identified priorities by providing industry leading engineering services, utility infrastructure & transportation planning & development, plan review and permitting services, as well as accurate mapping, locating and survey programs. In addition to conducting inspection services for the City's numerous bridges, the division is also responsible for the operation of the iconic Aerial Lift Bridge.

Budgeted FTE's	2021	2022	2023	2024	Difference
1140 City Engineer	0.40	0.40	0.40	0.40	-
Chief Engineer					
1140 Transportation	1.00	1.00	1.00	1.00	-
1115 Senior Engineer	-	-	-	1.80	1.80
1115 Sr Project Engineer	1.00	1.00	1.00	-	(1.00)
Aerial Lift Bridge					
1075 Supervisor	1.00	1.00	1.00	1.00	-
27 Bridge Operator	5.00	5.00	5.00	5.00	-
Senior Engineering					
31 Technician	3.25	3.25	3.25	3.20	(0.05)
Senior Engineering					
34 Specialist	1.40	1.40	1.40	0.40	(1.00)
38 Project Engineer	2.00	2.00	2.00	2.00	-
126 Info Technician	0.40	0.20	0.20	0.20	-
129 Admin Info Specialist	-	0.20	0.20	0.20	-
Division Total	15.45	15.45	15.45	15.20	(0.25)

Expenditures	2021 Actual	2022 Actual	2023 Budget	2024 Approved	Difference
Personal Services					
Permanent Salaries	1,223,024	1,278,610	1,263,000	1,343,500	80,500
Overtime	85,777	46,459	56,000	56,000	-
Other Wages	29,962	23,281	30,000	30,000	-
Total Salaries	1,338,762	1,348,350	1,349,000	1,429,500	80,500
Benefits	584,691	592,909	616,800	626,700	9,900
Other Expense					
Materials & Supplies	22,800	29,662	41,700	38,900	(2,800)
Services	44,351	30,705	55,400	55,000	(400)
Utility & Mtc	18,793	14,156	20,300	23,100	2,800
Other	25,762	62,602	28,400	35,000	6,600
Total Other Expense	111,705	137,125	145,800	152,000	6,200
Division Total	2,035,158	2,078,384	2,111,600	2,208,200	96,600

City of Duluth Minnesota - 2024 Budget

General Fund Expenditure Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
Engineering - 110-500-1930				
PERSONAL SERVICES				
5100 Permanent Salaries	1,223,024	1,278,610	1,263,000	1,343,500
5101 Premium Pay	85,777	46,459	56,000	56,000
5103 Other Wages	29,962	23,281	30,000	30,000
TOTAL	1,338,762	1,348,350	1,349,000	1,429,500
EMPLOYEE BENEFITS				
5118 Meal Allowance	-	555	200	200
5121 PERA Retirement	97,239	95,912	99,800	104,400
5122 FICA - Social Security	80,355	79,502	85,000	88,600
5123 FICA - Medicare	18,805	18,591	19,800	20,700
5125 Dental Insurance	6,052	6,118	6,100	6,300
5126 Life Insurance	3,118	4,171	2,800	2,800
5127 Health Care Savings Plan (HCSP)	53,968	43,173	21,300	28,300
5130 Cafeteria Plan Benefits	324,272	343,884	381,800	375,400
5133 Health or Fitness Program	882	1,004	-	-
TOTAL	584,691	592,909	616,800	626,700
OTHER EXPENDITURES				
5200 Office Supplies	410	1,601	1,100	1,200
5201 Computer Supplies/Software	1,858	3,261	100	700
5203 Paper/Stationery/Forms	99	184	500	200
5205 Safety & Training Materials	1,438	1,349	1,500	1,400
5211 Cleaning/Janitorial Supplies	460	929	700	700
5212 Motor Fuels	4,154	5,397	5,100	3,900
5218 Uniforms	1,829	2,161	1,900	500
5219 Other Miscellaneous Supplies	734	1,329	400	400
5220 Repair & Maintenance Supplies	7,015	10,824	17,400	17,400
5240 Small Tools	2,644	1,184	2,700	2,200
5241 Small Equip-Office/Operating	1,556	732	3,900	3,900
5242 Survey Equipment and Supplies	604	710	6,400	6,400
5303 Engineering Services	29,224	13,598	35,500	28,700
5319 Other Professional Services	73	-	100	100
5320 Data Services	2,357	2,114	2,200	2,200
5321 Phone Service	4,612	4,408	4,600	4,700
5322 Postage	-	-	100	200
5331 Travel/Training	6,731	9,664	9,300	17,100

City of Duluth Minnesota - 2024 Budget

General Fund Expenditure Detail	2021	2022	2023	2024
	Actual	Actual	Budget	Approved
Engineering - 110-500-1930 continued				
5335 Local Mileage Reimbursement	221	-	800	400
5355 Printing & Copying	357	238	1,700	500
5356 Copier, Printer Lease & Supplies	296	225	600	600
5384 Refuse Disposal	481	458	500	500
5404 Equipment/Machinery Repair & Mtc	9,655	9,164	12,100	13,500
5409 Fleet Services Charges	9,137	4,992	8,200	9,600
5411 Land Rental/Easements	-	150	-	500
5414 Software Licenses & Mtc Agreement	17,129	17,077	16,900	20,200
5433 Dues & Subscription	128	132	4,700	3,000
5435 Books & Pamphlets	1,783	-	400	400
5438 Licenses	-	511	-	800
5441 Other Services & Charges	6,197	5,290	6,000	9,700
5450 Laundry	524	578	400	400
5700 Interfund Transfers Out	-	38,865	-	-
TOTAL	111,705	137,125	145,800	152,000
DIVISION TOTAL	2,035,158	2,078,384	2,111,600	2,208,200
REVENUE SOURCE				
4152 Excavation Permits	27,634	25,442	22,000	25,000
4170 Miscellaneous Permits	196,085	179,520	90,000	115,000
4370 Engineering Services	1,123,914	19,028	170,000	375,000
4472 Administrative Fines	-	-	-	500
4631 Media Sales	33	10	-	100
4654 Other Reimbursements	36	46	-	-
4730 Transfer from Tourism Taxes	-	62,900	63,900	67,400
DIVISION TOTAL	1,347,702	286,945	345,900	583,000

City of Duluth Minnesota - 2024 Budget

Transfers and Other Functions

This department is a reporting agency that accounts for transfers to other funds and for miscellaneous activities and services that are not directly attributable or easily distributed to operating departments.

General Fund Expenditure Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
EXPENDITURES				
Citywide Dues & Lobbying	184,674	208,725	189,500	215,000
Citywide Communications	152,705	147,800	236,800	147,000
Miscellaneous	295,616	816,722	886,900	958,000
Civic Affairs and Awards	12,828	22,899	59,500	64,500
Business Improvement District	410,188	414,627	370,000	370,000
Public Access Television	182,000	182,000	182,000	182,000
Sales Tax Administration	87,049	119,999	120,000	-
Parking Fine	-	38,700	-	45,000
Capital Program - CEP	59,506	1,500	33,000	73,600
Unemployment Compensation	-	269,499	27,500	27,500
Benefits Administration	120,467	158,775	123,000	133,000
Retiree Medical & Life Insurance	8,294,746	8,576,865	7,399,100	7,731,400
Self Insurance Contribution	2,440,000	3,236,000	2,400,000	2,699,500
Transfers and Accruals	368,733	4,174,237	457,500	457,500
Interfund Transfers to Special Rev Funds	350,000	2,789,285	117,700	144,700
Interfund Transfers to Enterprise Funds	-	2,198,997	-	1,000,000
Interfund Transfers to Capital Projects	-	802,981	-	4,500,000
Interfund Transfers to Internal Svc Funds	100,000	-	-	4,000,000
One-Time Payment	-	-	-	1,863,700
Capital Equipment	-	-	3,000,000	-
DEPARTMENT TOTAL	13,058,511	24,159,611	15,602,500	24,612,400

City of Duluth Minnesota - 2024 Budget

Transfers and Other Functions

General Fund Revenue Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
REVENUE SOURCE				
4090 Other Taxes	-	936,397	-	-
4233 State of MN PERA Contribution	368,733	1,159,997	-	-
4500 Assessments - Service Charge	410,188	414,627	370,000	370,000
4639 Sale of Equipment	154,779	126,099	-	-
4640 Sale of Land	36,063	5,610	-	-
4644 Misc Fees, Sales & Services	-	500	-	-
4654 Other Reimbursements	789,853	887,325	-	-
4730 Transfer from Special Revenue	547,392	527,753	425,000	425,000
4730 Transfer from Enterprise Funds	-	-	-	1,865,700
4730 ARPA Funding	-	8,234,808	245,000	-
4730 ARPA Capital	-	-	3,000,000	-
4999 General Fund Reserves	-	-	-	9,200,000
DEPARTMENT TOTAL	2,307,007	12,293,115	4,040,000	11,860,700

Special Revenue Funds

Special revenue funds are like piggy banks where money is saved in separate funds for specific purposes, such as buying new playground equipment for our parks or disbursing tourism tax funds. They're used by governments to keep track of money earmarked for particular projects or services, like building roads or providing street lights. It's a way to make sure the money is used for what it's supposed to be used for.



City of Duluth Minnesota - 2024 Budget

Funds

Lake Superior Zoological Gardens
 Parks
 Special Projects
 Police Grant Programs
 Capital Equipment
 Economic Development
 Community Investment
 Energy Management
 Special City Excise and Sales Tax (Tourism Taxes)
 Home Investments Partnerships Program
 Community Development
 Community Development Admin
 Workforce Development
 Senior Employment
 Other Postemployment Benefits
 DECC Revenue
 Street System Maintenance Utility
 Street Improvement Sales Tax
 Street Lighting Fund

Special Revenue Funds

Special Revenue funds account for specific financial resources (other than special assessments, expendable trusts or other major capital projects) that are restricted to expenses for specific purposes.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	129,880,342	159,330,583	143,488,380	155,704,991
REVENUES				
Taxes	28,956,974	31,156,527	27,627,200	29,727,200
Intergovernmental	17,284,994	15,129,735	12,810,312	13,783,920
Miscellaneous	49,435,115	8,162,101	37,725,791	32,534,138
TOTAL REVENUES	95,677,084	54,448,363	78,163,303	76,045,258
EXPENSES				
Personal Services	17,384,781	16,802,091	17,086,574	18,302,954
Other Services and Charges	8,421,143	12,509,520	10,794,585	11,954,875
Transfers	24,605,651	23,028,142	21,810,800	25,249,408
Miscellaneous	15,815,267	17,950,813	16,254,733	16,260,504
TOTAL EXPENSES	66,226,843	70,290,566	65,946,692	71,767,741
FUND BALANCE - DECEMBER 31	159,330,583	143,488,380	155,704,991	159,982,508

City of Duluth Minnesota - 2024 Budget

Lake Superior Zoological Gardens

200

Special Revenue fund established to account for the operation of the Lake Superior Zoological Gardens which was transferred to the Zoological Society in a new contractual relationship approved by the City Council late in 2009. The City subsidizes operations with a transfer from the Tourism Tax Fund.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	(264,760)	308,891	(34,816)	(28,316)
REVENUES				
Intergovernmental, State of MN	190,000	330,000	190,000	255,000
Admissions	1,221,397	1,194,403	1,397,300	1,521,200
Concessions & Commissions, Misc	377,591	314,020	284,500	306,500
Reimbursement, Lake Superior Zoological Society	-	-	47,600	-
Investment Income	745	(938)	-	-
Gifts and Donations	116,668	123,595	105,100	74,500
Other Sources	189,953	11,975	20,100	29,600
Interfund Transfer from Tourism Tax	510,000	510,000	510,000	510,000
TOTAL REVENUES	2,606,354	2,483,055	2,554,600	2,696,800
EXPENSES				
Phone Service	834	834	-	2,100
Contract Services, Zoo Personnel	916,199	1,377,265	1,490,800	1,538,900
Contract Services, Op Expenses	1,073,631	1,405,409	1,017,400	1,100,200
Bank Charges	42,039	43,254	31,500	34,500
Interest	-	-	8,400	8,400
TOTAL EXPENSES	2,032,703	2,826,762	2,548,100	2,684,100
FUND BALANCE - DECEMBER 31	308,891	(34,816)	(28,316)	(15,616)

City of Duluth Minnesota - 2024 Budget

Parks - Performance Measures

City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Actual	2024 Target
Fiscal Responsibility: Operations are supported by sustainable funding sources and costs are managed in an effective and efficient manner to maintain sustainability.	Total amount funding secured via executed grant contracts	No Data	\$7.81M	\$16.16M	\$25.97M

City Priority: Culture and Recreation

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Actual	2024 Target
Open Space Development: Develop, preserve, enhance and invest in community parks, neighborhood parks, open spaces, green spaces, lakes and waterways, ensuring they are safe, clean, attractive and accessible to all.	Total miles of improved trail	256.5	270.5	270.5	278.05
Transportation: Provide a city-wide trail network that is contiguous, connecting neighborhoods, community facilities, parks and open spaces and offering an alternative to the automobile for residents and visitors.	Total miles of paved urban trail	60	60.8	62.25	62.9

City of Duluth Minnesota - 2024 Budget

Parks - Performance Measures Continued

City Priority: Safe and Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Actual	2024 Target
Community Engagement: Offer community programming which affords safe spaces for youth and adults to play, learn, and engage.	Amount invested in community programs	\$220,061	\$100,562	\$100,562	\$75,562
	Amount of fee assistance applied to programming	\$3,156	\$3,818	\$8,849	\$8,800
	Number of Participants	16,545	22,500	32,542	35,000

City Priority: Dynamic and Diverse Economy

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Actual	2024 Target
Attracting Business: Support the attraction, development and retention of a well-balanced mix of sustainable businesses that provide jobs for local workers, promote tourism and diversify the City's economy.	Wedding and Private Event Permits	409	388	356	400
	Special Event Permits	170	185	174	185
	Commercial Operator Permits	29	31	35	40
	Building Reservations	196	409	423	425

City of Duluth Minnesota - 2024 Budget

Parks

205

Special Revenue fund established to account for the property tax money dedicated to be used for City parks only, as approved by the citizens of Duluth in a November 2011 special referendum vote.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	1,969,842	1,374,202	2,511,215	2,511,215
REVENUES				
Property Tax Levy	2,885,646	2,877,311	2,880,000	2,880,000
Intergovernmental Revenue	336,053	1,421,370	-	-
Licenses and Permits	110,247	113,710	70,000	84,300
Miscellaneous	219,277	260,968	41,400	66,900
Transfers In	382,434	3,126,854	67,700	844,700
TOTAL REVENUES	3,933,657	7,800,212	3,059,100	3,875,900
EXPENSES				
Personal Services	1,360,410	1,698,713	2,031,900	2,046,200
Other Services and Charges	1,258,051	1,300,104	480,300	1,193,100
Supplies	184,985	210,471	208,500	224,400
Transfers Out	467,371	1,869,815	59,100	56,400
Capital Outlay	1,258,480	1,584,097	279,300	355,800
TOTAL EXPENSES	4,529,297	6,663,200	3,059,100	3,875,900
FUND BALANCE - DECEMBER 31	1,374,202	2,511,215	2,511,215	2,511,215

City of Duluth Minnesota - 2024 Budget

Parks continued

205

BUDGETED FTE'S	2021	2022	2023	2024
1130 Manager Parks & Recreation	1.00	1.00	1.00	1.00
1080 Assistant Manager	2.00	1.00	1.00	1.00
133 Budget & Operations Analyst	0.20	0.20	0.20	0.20
131 Grant Coordinator	-	-	0.75	0.75
127 Admin Clerical Specialist	1.00	1.00	1.00	1.00
124 Senior Center Coordinator	1.00	-	-	-
34 Natural Resources Coordinator	0.50	0.50	0.50	0.50
34 Senior Parks Planner	1.00	1.00	1.00	1.00
Project Coordinator	-	1.00	1.00	1.00
30 Trails Coordinator	1.00	1.00	1.00	1.00
29 Parks Permit Coordinator	1.00	1.00	1.00	1.00
27 Project Technician	1.00	1.00	1.00	1.00
27 Recreation Specialist	4.00	5.00	5.00	5.00
Division Total	13.70	13.70	14.45	14.45

City of Duluth Minnesota - 2024 Budget

Special Projects

210

Special Revenue fund established to account for monies received as either donations or small grants which are to be expended for a specific purpose or project.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	1,982,593	2,127,062	2,033,016	2,033,016
REVENUES				
Intergovernmental	989,914	644,581	365,000	365,000
Miscellaneous	864,347	1,168,406	914,800	1,058,500
Transfers In	-	1,321	-	-
TOTAL REVENUES	1,854,261	1,814,308	1,279,800	1,423,500
EXPENSES				
Personal Services - Police Extra Duty Pay	130,377	297,761	218,900	335,000
Other Services and Charges	616,936	865,861	389,100	458,900
Transfers Out	446,019	612,972	590,800	512,300
Miscellaneous	188,349	129,524	81,000	117,300
Capital Equipment	328,111	2,236	-	-
TOTAL EXPENSES	1,709,792	1,908,354	1,279,800	1,423,500
FUND BALANCE - DECEMBER 31	2,127,062	2,033,016	2,033,016	2,033,016

City of Duluth Minnesota - 2024 Budget

Police Grant Programs

215

Special Revenue fund established to account for monies received as either donations or small grants which are to be expended for a specific purpose or project.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	299,793	413,880	191,806	191,806
REVENUES				
Intergovernmental	3,164,870	3,002,984	1,933,423	1,855,000
Felony Forfeitures	362,217	50,686	100,000	100,000
TOTAL REVENUES	3,527,087	3,053,670	2,033,423	1,955,000
EXPENSES				
Other Services and Charges	1,221,988	886,874	351,500	499,500
Transfer to General Fund	1,775,209	1,805,935	1,331,800	1,208,500
Miscellaneous	309,282	366,819	350,123	247,000
Capital Equipment	106,521	216,116	-	-
TOTAL EXPENSES	3,413,000	3,275,744	2,033,423	1,955,000
FUND BALANCE - DECEMBER 31	413,880	191,806	191,806	191,806

City of Duluth Minnesota - 2024 Budget

Capital Equipment

250

Special Revenue fund established to account for monies received from bond proceeds for the purchase of capital equipment for the City's various general fund departments.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	2,372,803	3,097,514	3,578,802	3,578,802
REVENUES				
Earnings on Investments	(6,283)	(15,497)	-	-
Interfund Transfer In	-	350,000	-	-
Bond Proceeds	4,521,491	3,561,503	3,700,000	3,698,000
TOTAL REVENUES	4,515,208	3,896,006	3,700,000	3,698,000
EXPENSES				
Bond Issuance Costs	49,866	62,212	300,000	100,000
Capital Equipment - Nonrolling	1,934,594	2,528,598	1,725,000	1,498,000
Capital Equipment - Rolling	1,806,037	823,908	1,675,000	2,100,000
TOTAL EXPENSES	3,790,497	3,414,718	3,700,000	3,698,000
FUND BALANCE - DECEMBER 31	3,097,514	3,578,802	3,578,802	3,578,802

City of Duluth Minnesota - 2024 Budget

Economic Development

255

Fund accounts for monies received from various U.S. Environmental Protection Agency and State of Minnesota DEED grants. Such monies are to be used for environmental cleanup as well as the revitalization of the economy of the City of Duluth.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	168,506	608,044	1,028,845	4,476,861
REVENUES				
Intergovernmental	199,025	367,663	431,900	100,000
Rent Revenues	448,749	442,276	38,257	-
Sale of Land	-	-	5,154,083	-
Interest on Loans, Program Revenue	-	-	11,478	28,066
TOTAL REVENUES	647,774	809,939	5,635,718	128,066
EXPENSES				
Economic Development	208,236	389,138	2,187,702	190,000
TOTAL EXPENSES	208,236	389,138	2,187,702	190,000
FUND BALANCE - DECEMBER 31	608,044	1,028,845	4,476,861	4,414,928

City of Duluth Minnesota - 2024 Budget

Community Investment Fund

256

Fund accounts for monies that were received from Fond-du-Luth Casino in accordance with agreements with the Fond du Lac Band of Lake Superior Chippewa. As required by ordinance, interest is transferred annually to the general fund, and expenditures require a super majority vote of the City Council.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	30,577,729	32,580,414	26,474,776	26,474,776
REVENUES				
Investment Earnings	6,550,077	(5,577,885)	425,000	425,000
TOTAL REVENUES	6,550,077	(5,577,885)	425,000	425,000
EXPENSES				
Transfer to General Fund (annual)	547,392	527,753	425,000	425,000
Transfer to Housing Trust Fund	4,000,000	-	-	-
TOTAL EXPENSES	4,547,392	527,753	425,000	425,000
FUND BALANCE - DECEMBER 31	32,580,414	26,474,776	26,474,776	26,474,776

City of Duluth Minnesota - 2024 Budget

Energy Management

257

Special Revenue fund established to receive rebate and grant funds and pay administrative costs associated with energy efficiency projects and management activities such as the Cities for Climate Protection (CCP) program. The City used this funding to create an Office of Environmental Sustainability, which is responsible for coordinating all aspects of sustainability and eco-development.

	2021	2022	2023	2024
	Actual	Actual	Budget	Approved
FUND BALANCE - JANUARY 1	57,555	2,143,240	1,817,140	1,271,407
REVENUES				
Federal Grants	-	-	275,104	1,157,365
Other Reimbursements	43,752	12,618	21,500	90,000
Rent of Land	4,760	4,807	5,000	5,000
Miscellaneous	98	(18,800)	-	-
Interfund Transfer from General Fund	2,157,000	151,000	151,000	191,300
Interfund Transfer from Public Utility	75,000	75,000	75,000	100,000
TOTAL REVENUES	2,280,610	224,625	527,604	1,543,665
EXPENSES				
Personal Services	95,572	97,028	178,900	285,815
Other Services and Charges	98,642	115,146	693,937	2,227,620
Miscellaneous	711	27	500	500
Capital Outlay	-	-	200,000	154,414
Interfund Transfer to Special Revenue Funds	-	38,525	-	-
Interfund Transfer to Capital Projects	-	300,000	-	-
Interfund Transfer to General Fund	-	-	-	18,708
TOTAL EXPENSES	194,925	550,725	1,073,337	2,687,057
FUND BALANCE - DECEMBER 31	2,143,240	1,817,140	1,271,407	128,015
BUDGETED FTE'S				
33 Energy Coordinator	1.00	1.00	1.00	1.00
32 Project Coordinator-DOE Grants	-	-	-	1.75
Total	1.00	1.00	1.00	2.75

City of Duluth Minnesota - 2024 Budget

Special City Excise and Sales Tax (Tourism Taxes)

258

This Special Revenue fund was established to account for non-general sales tax monies received from food/beverage and hotel/motel retailers. These food/beverage and hotel/motel taxes will be used for tourism and other related activities, as dictated by state statutes and city ordinances.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	1,950,090	3,166,252	2,714,963	1,777,863
REVENUES				
Hotel Motel 3%	3,205,776	3,615,468	2,976,000	3,490,700
Hotel Motel 1%	1,068,592	1,205,156	992,000	1,190,000
Hotel Motel 2.5%	2,403,154	2,681,457	2,356,000	2,619,300
Food & Beverage Tax 2.25%	5,769,072	6,284,269	6,076,000	6,700,000
Change in Fair Value	(18,235)	(36,597)	-	-
TOTAL REVENUES	12,428,360	13,749,754	12,400,000	14,000,000
EXPENSES				
DECC - Bayfront Park Management	71,292	71,292	73,500	77,900
DECC - Blue Bridge Operations	42,785	43,373	46,700	49,700
Visit Duluth	1,500,000	950,000	650,000	650,000
Downtown Duluth (Special Service District)	165,000	275,000	230,000	236,000
Great Lakes Aquarium	270,000	320,000	340,000	350,000
Lake Superior Zoo	510,000	510,000	510,000	510,000
Spirit Mountain	620,700	585,700	585,700	585,700
The Depot Foundation	165,000	200,000	220,000	240,000
Duluth Children's Museum	5,000	20,000	50,000	50,000
MN Land Trust	-	-	50,000	50,000
Hawk Ridge Bird Observatory	-	30,000	40,000	40,000
Duluth Public Arts Commission	-	-	50,000	25,000
Duluth Sister Cities International	-	24,113	25,000	25,000
Lake Superior & Mississippi Railroad	-	20,000	20,000	25,000
Rail Alliance	13,500	15,000	20,000	20,700
Glensheen	20,000	35,000	35,000	30,000
Catalyst Content Festival	-	-	30,000	-
Duluth Art Institute	-	-	-	30,000
Fourth Fest Fireworks	57,000	57,000	70,000	70,000
Duluth Area Family Y	20,402	4,598	-	-
North Shore Scenic Railroad	-	50,000	50,000	50,000

City of Duluth Minnesota - 2024 Budget

Special City Excise and Sales Tax (Tourism Taxes) continued

258

Harbortown Rotary Bike Duluth Festival	-	8,500	10,000	10,000
Zeitgeist	-	25,000	25,000	20,000
UMD Athletics	20,000	-	30,000	-
Gary New Duluth Skateboard Park	-	20,000	40,000	40,000
Bellmont Partners	-	1,800,000	1,800,000	1,800,000
Duluth Airport	-	-	50,000	-
City of Duluth Parks and Recreation	-	46,000	77,300	196,600
Duluth Amateur Hockey Association	-	-	20,000	30,000
FinnFest	-	-	25,000	25,000
Main Street Lincoln Park - Ecolibrium 3	-	-	25,000	-
Lincoln Park Business Group	-	-	20,000	20,000
Duluth Playhouse - Skywalk Security	-	-	-	10,000
Duluth Street Art Initiative	-	-	-	20,000
Independent Television Festival, Inc.	-	-	-	20,000
Park Point Art Fair/Park Point Community Club	-	-	-	10,000
The Cyclists of Gitchee Gumees Shores	-	-	-	15,000
Upper Midwest Film Office	-	-	-	35,000
Parks Capital - Golf Abatement Bond backing	-	-	-	150,000
Enger Irrigation	-	-	-	500,000
Parking Ramp Security Improvements	-	-	-	30,000
Marketing Position	-	100,000	111,700	123,000
Contingency Funds	-	-	40,000	39,000
Transfer to General Fund	872,534	1,230,363	1,234,800	1,315,100
Interfund Transfer to Capital Project Funds	550,000	1,000,000	30,000	550,000
Interfund Transfer to Debt Service				
- DECC	3,902,591	4,327,308	3,821,700	4,331,900
- Spirit Mountain	500,000	500,000	500,000	500,000
- St Louis River Corridor	1,906,394	1,932,796	2,380,700	1,994,400
TOTAL EXPENSES	11,212,197	14,201,043	13,337,100	14,900,000
Increase (Decrease) Undesignated Fund Balance	1,216,162	(451,289)	(937,100)	(900,000)
FUND BALANCE - DECEMBER 31	3,166,252	2,714,963	1,777,863	877,863

City of Duluth Minnesota - 2024 Budget

Home Investment Partnerships Program

260

Special Revenue fund established to account for monies received from the U.S. Department of Housing and Urban Development under the Home Investment Partnership (HOME) Program. These costs include single family rehabilitation and administration of the program, as well as funds targeted to affordable housing development by special community housing organizations. The current budget figures represent preliminary estimates only.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	(100,803)	(24,026)	(26,606)	(26,606)
REVENUES				
Home Grant	669,535	455,895	573,752	615,442
CDBG ARP Grant	-		1,986,658	1,986,658
TOTAL REVENUES	669,535	455,895	2,560,410	2,602,100
EXPENSES				
Tenant Based Rental Assistance	60,838	64,483	107,992	100,000
Community Housing Devel Program	200,200	105,383	1,265,838	880,000
Rehabilitation	306,925	219,545	831,207	1,262,557
Administration	24,795	69,064	355,373	359,543
TOTAL EXPENSES	592,758	458,475	2,560,410	2,602,100
FUND BALANCE - DECEMBER 31	(24,026)	(26,606)	(26,606)	(26,606)

City of Duluth Minnesota - 2024 Budget

Community Development

262

Special Revenue fund established to account for monies received from the U.S. Department of Housing and Urban Development (HUD) as a grantee under the Community Development Block Grant Program (CDBG). These monies are to be expended for projects considered necessary for the renewal and revitalization of targeted eligible neighborhoods and low and moderate income households. The current budget figures represent preliminary estimates only, awaiting the allocation of HUD funds.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	(885,272)	(165,790)	(84,132)	(84,132)
REVENUES				
State of Minnesota	-	168,000	-	-
Community Development Block Grant	4,159,843	2,555,656	2,302,428	2,385,901
Emergency Shelter Grant	1,218,503	1,160,622	202,858	206,489
Miscellaneous reimbursements	25,000	70,941	4,714	5,000
TOTAL REVENUES	5,403,346	3,955,219	2,510,000	2,597,390
EXPENSES				
Economic Development	1,227,817	659,248	362,000	375,000
Housing	1,867,111	1,663,966	1,100,000	1,200,000
Physical Improvements	150,214	408,791	169,500	150,000
Public Service Projects	847,019	607,978	376,500	379,723
Program Administration	591,703	533,578	502,000	492,667
TOTAL EXPENSES	4,683,864	3,873,561	2,510,000	2,597,390
FUND BALANCE - DECEMBER 31	(165,790)	(84,132)	(84,132)	(84,132)

City of Duluth Minnesota - 2024 Budget

Community Development Administration

265

Special Revenue fund established to account for the administrative costs associated with the Community Development Block Grant Program (CDBG) and other HUD Programs.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	(16,474)	-	(4,258)	(4,267)
REVENUES				
Block Grant	550,853	473,174	791,255	822,358
Home Grant	16,213	61,664	57,375	61,544
HRA Housing & Environmental	84,259	65,839	25,000	25,000
Emergency Shelter Grant	74,905	75,555	15,750	15,487
TOTAL REVENUES	726,230	676,232	889,380	924,389
EXPENSES				
Personal Services	695,070	665,748	806,500	841,500
Other Services and Charges	14,686	14,742	82,889	82,889
TOTAL EXPENSES	709,756	680,490	889,389	924,389
FUND BALANCE - DECEMBER 31	-	(4,258)	(4,267)	(4,267)
BUDGETED FTE'S				
1100 Manager Planning & Community Dev	0.50	0.50	0.50	0.50
138 Senior Housing Developer	0.50	0.50	0.50	0.50
138 Senior Planner	1.25	1.25	1.25	1.25
135 Economic Developer	0.75	0.75	0.75	0.75
133 Planner II	2.00	2.00	2.00	2.00
131 Grant Coordinator	-	1.00	2.00	2.00
129 Administrative Info Specialist	0.75	0.75	0.75	0.75
129 Planner I	1.00	1.00	-	-
DIVISION TOTAL	6.75	7.75	7.75	7.75

City of Duluth Minnesota - 2024 Budget

Workforce Development

City Priority: Dynamic and Diverse Economy

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Estimated	2024 Target
Workforce Development: Help individuals build economic self-sufficiency and achieve their potential, while helping our community build a resilient economy through investment in its current and future workforce.	Number of people enrolled in Duluth workforce development programs	1,001	989	900	850
	Percent of enrolled clients pursuing education and training who attained a credential	70%	69%	62%	70%
	Percent of non-MFIP clients who successfully exited	81%	78%	87%	75%

City of Duluth Minnesota - 2024 Budget

Workforce Development

268

Special Revenue fund which accounts for monies received through the Minnesota Department of Employment and Economic Development and St. Louis County to provide job training and employment opportunities for economically disadvantaged, unemployed, and underemployed persons. The current budget figures represent preliminary estimates only and are subject to change as grants are appropriated by the State and approved by the City Council.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	198,923	301,719	732,819	478,831
REVENUES				
Miscellaneous	-	2,333,987	18,042	36,086
Building Rent	251,872	225,921	187,282	193,198
MN Family Investment Program	982,140	962,919	979,435	843,743
Federal Grant	781,283	939,455	729,222	576,255
State Grant	845,468	1,067,986	1,187,227	1,693,622
Local Grant	89,708	4,992	-	-
Interfund Trsf in from General Fund	50,000	586,889	50,000	50,000
TOTAL REVENUES	3,000,471	6,122,148	3,151,208	3,392,904
EXPENSES				
Personal Services	1,774,953	1,964,757	2,131,914	2,395,295
OPEB	1,860	1,860	2,126	2,126
Other Services and Charges	1,120,862	3,724,431	1,271,156	1,291,340
TOTAL EXPENSES	2,897,675	5,691,048	3,405,196	3,688,761
FUND BALANCE - DECEMBER 31	301,719	732,819	478,831	182,974
BUDGETED FTE'S				
1160 Director, Workforce Development	1.00	1.00	1.00	1.00
1095 Operations Manager Workforce Dev	1.00	1.00	1.00	1.00
132 Workforce Dev Tech II	5.00	5.00	5.00	4.00
131 Employment Technician	6.64	6.64	6.64	5.60
130 Workforce Dev Tech I	2.00	3.00	3.00	5.00
126 Information Technician	1.00	1.00	2.00	2.00
23 Digital Navigator	-	-	-	0.68
DIVISION TOTAL	16.64	17.64	18.64	19.28

City of Duluth Minnesota - 2024 Budget

Senior Employment

270

Special Revenue fund which accounts for monies received through the Minnesota Department of Employment and Economic Development and The Center for Workforce Inclusion, under Title V of the Older Americans Act to provide useful part-time employment for low-income elderly and to improve community services.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	(1,066)	(4,659)	(736)	(736)
REVENUES				
Federal Grant-Senior Community Service Employment Program-Passed thru DEED	244,465	93,942	92,259	91,942
Federal Grant-Senior Community Service Employment Program-Passed thru CFWI	154,085	238,629	208,384	192,616
TOTAL REVENUES	398,550	332,571	300,643	284,558
EXPENSES				
Personal Services	337,824	306,953	297,242	279,132
Other Services and Charges	44,469	6,786	3,401	5,426
Transfers to General Fund	19,850	14,909	-	-
TOTAL EXPENSES	402,143	328,648	300,643	284,558
FUND BALANCE - DECEMBER 31	(4,659)	(736)	(736)	(736)

City of Duluth Minnesota - 2024 Budget

Other Postemployment Benefits

280

To accumulate resources to be deposited into an irrevocable trust fund for retiree health care costs. This fund only budgets the accrued liability portion of the annual required contribution for Other Postemployment Benefits. The "normal cost" portion of the annual required contribution is budgeted in the Medical Health Fund 630.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	82,675,184	99,913,230	84,359,568	94,826,693
REVENUES				
Investment Earnings	1,488,679	1,631,747	1,570,000	1,800,000
Investment Earnings-City Pooled	-	-	400,000	3,000,000
Change in Fair Value	16,017,806	(18,764,302)	8,500,000	3,500,000
Transfer from Special Revenue Funds	-	-	2,125	-
Contributions- Employer	12,041,435	12,908,989	10,449,392	10,972,886
TOTAL REVENUES	29,547,920	(4,223,566)	20,921,517	19,272,886
EXPENSES				
Administrative Expenses	5,375	6,574	5,000	5,000
Benefits	12,304,499	11,323,522	10,449,392	10,972,886
TOTAL EXPENSES	12,309,874	11,330,096	10,454,392	10,977,886
FUND BALANCE - DECEMBER 31	99,913,230	84,359,568	94,826,693	103,121,693

City of Duluth Minnesota - 2024 Budget

DECC Revenue

281

Special revenue fund established to account for the .75% food & beverage tax and the DECC pledged lodging tax dedicated to its support and maintenance. Revenues in the fund will be used to pay debt service on the DECC expansion bonds.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	4,382,363	4,520,455	4,719,886	5,504,686
REVENUES				
Investment Earnings Change in Fair Value	(32,211)	(67,830)	-	-
Transfer from Special Revenue Funds (Tourism)				
- Hotel/Motel Tax	1,979,567	2,232,552	1,837,700	2,155,500
- Food & Beverage Tax	1,923,024	2,094,756	1,984,000	2,176,400
TOTAL REVENUES	3,870,380	4,259,478	3,821,700	4,331,900
EXPENSES				
Miscellaneous	888,538	1,122,622	-	-
Transfer to Debt Service	2,843,750	2,937,425	3,036,900	3,137,100
TOTAL EXPENSES	3,732,288	4,060,047	3,036,900	3,137,100
FUND BALANCE - DECEMBER 31	4,520,455	4,719,886	5,504,686	6,699,486

City of Duluth Minnesota - 2024 Budget

Street System Maintenance Utility

290

Special Revenue fund used to account for monies for street system maintenance utility levy from residential, commercial, and industrial properties, used to fund existing street improvement debt, enhanced maintenance, and street reconstruction.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	1,753,463	3,445,160	4,374,950	4,280,950
REVENUES				
Property Tax	2,491,795	2,285,495	2,300,000	2,300,000
Other Reimbursements	-	7,660	-	-
Earnings On Investments	(26,358)	(38,855)	-	-
Interest Earned-Customer Accounts	87	101	-	-
Lease Proceeds	-	196,415	-	-
TOTAL REVENUES	2,465,524	2,450,816	2,300,000	2,300,000
EXPENSES				
Personal Services	146,908	193,196	370,000	455,600
Supplies	461,219	452,916	581,000	646,500
Other Services and Charges	29,029	58,011	98,000	98,000
Non-Capital Improvements	58,715	136,783	445,000	440,000
Capital Equipment	-	196,415	-	-
Uncollectible Accounts	2,021	2,974	-	-
Lease Principal	-	41,639	-	-
Transfer to Capital Projects	75,936	439,092	900,000	700,000
TOTAL EXPENSES	773,828	1,521,026	2,394,000	2,340,100
FUND BALANCE - DECEMBER 31	3,445,160	4,374,950	4,280,950	4,240,850

City of Duluth Minnesota - 2024 Budget

Street Improvement Sales Tax

291

Additional half percent general sales tax dedicated to street improvement.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	1,765,696	3,789,322	7,552,370	7,552,370
REVENUES				
Sales Tax	8,702,733	9,785,005	7,500,000	8,000,000
Earnings on Investments	3,418	(67,552)	-	-
Transfer in from General Fund	-	-	-	-
TOTAL REVENUES	8,706,152	9,717,453	7,500,000	8,000,000
EXPENSES				
Contract Services	43,524	52,977	-	-
Improvements Other than Buildings	-	1,002,338	-	-
Transfer to Capital Projects	6,639,001	4,899,090	7,500,000	10,000,000
TOTAL EXPENSES	6,682,525	5,954,405	7,500,000	10,000,000
FUND BALANCE - DECEMBER 31	3,789,322	7,552,370	7,552,370	5,552,370

City of Duluth Minnesota - 2024 Budget

Street Lighting

550

The Street Lighting Utility was created in 2009 as a self-supporting enterprise fund to provide for the operation, maintenance and improvement of the street lighting and traffic control systems. In 2020 the street lighting fee ended, and the fund became a special revenue fund that is funded by property taxes.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	994,177	1,735,673	1,548,772	889,772
REVENUE				
Taxes	2,430,206	2,422,365	2,547,200	2,547,200
Street Lighting Fee	(58)	183	-	-
Miscellaneous	121,580	50,387	46,000	46,000
Investment Earnings	153	167	-	-
Change in Fair Value Investments	(6,292)	(24,670)	-	-
TOTAL REVENUES	2,545,589	2,448,432	2,593,200	2,593,200
EXPENSES				
Personal Services	537,308	252,554	599,700	689,400
Supplies	126,362	213,855	300,400	357,200
Other Services and Charges	222,722	411,843	382,100	675,300
Utilities	857,624	1,046,717	975,000	1,100,000
Non-Capital Improvements	472	-	-	-
Transfers	59,605	592,159	-	500,000
Capital	-	118,205	995,000	55,000
TOTAL EXPENSES	1,804,093	2,635,333	3,252,200	3,376,900
FUND BALANCE - DECEMBER 31	1,735,673	1,548,772	889,772	106,072
BUDGETED FTE'S				
1115 Senior Engineer	-	-	-	0.20
34 Traffic Operations Coordinator	-	-	1.00	1.00
33 Traffic Operations Electrician	-	-	-	3.00
32 Traffic Operations Leadworker	1.00	1.00	-	-
31 Signal Technician	3.00	3.00	3.00	-
27 Signal Maintenance Worker	1.00	1.00	1.00	1.00
9 Executive Assistant Confidential	0.10	0.10	0.10	0.10
Department Total	5.10	5.10	5.10	5.30

City of Duluth Minnesota - 2024 Budget

Debt Service Funds

Funds

GO Debt Service - Tax Levy
 GO Debt Service - Other Sources
 Special Assessment Debt Service
 Street Improvement Debt Service
 Tax Increment

Debt Service Funds account for the accumulation of resources for, and the payment of, long term principal, interest and related costs. The City is meeting all of its debt service policy statements.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	16,175,909	15,943,300	16,978,520	17,903,220
REVENUES				
Taxes and Tax Increment	7,846,092	7,815,813	7,920,500	8,118,000
Special Assessments	178,265	86,282	52,200	24,000
Miscellaneous	226,410	229,188	300,100	403,300
Other Financing Sources	14,951,355	7,881,846	8,516,500	8,787,400
TOTAL REVENUES	23,202,122	16,013,129	16,789,300	17,332,700
EXPENSES				
Debt Service Payments	15,912,219	13,885,632	14,694,000	14,820,200
Miscellaneous	7,522,512	1,092,278	1,170,600	1,292,000
TOTAL EXPENSES	23,434,731	14,977,910	15,864,600	16,112,200
FUND BALANCE - DECEMBER 31	15,943,300	16,978,520	17,903,220	19,123,720

City of Duluth Minnesota - 2024 Budget

Debt Service Funds Narrative

2023 DEBT STATUS

The ratio of net direct bonded debt to assessed and market valuations, and the amount of bonded debt per capita are useful indicators of the City's debt position. Net direct bonded debt is considered to be tax supported, and is levied by taking the gross bonded debt of the City and subtracting allowable deductions for various revenue, tax increment, and special assessment issues. Estimated net direct bonded debt as of December 31, 2023 as it pertains to the City of Duluth is estimated as follows:

Total Gross Bonded Debt		\$127,111,090
Less:		
City - general obligation bonds paid by parking revenues	14,186,090	
City - general obligation bonds paid by other revenues	51,890,000	
Tax Abatement Bonds	8,285,000	
Utility bonds paid from Enterprise Funds	<u>16,110,000</u>	
Net Direct Bonded Debt		<u>\$36,640,000</u>

The City's debt is shown in the following table as a share of market value and per capita. The general obligation debt is limited by State Statute to 2.0 % of market value or \$192.2 million.

Year	Amount (in thousands)	Percent of Market Value	Dollars Per Capita
2023	\$36,640	0.4	\$423
2022	\$37,132	0.4	\$429
2021	\$37,870	0.5	\$437
2020	\$37,775	0.5	\$438
2019	\$37,140	0.6	\$431
2018	\$38,220	0.6	\$443
2017	\$38,200	0.6	\$443
2016	\$38,515	0.7	\$446
2015	\$38,950	0.7	\$452
2014	\$40,310	0.8	\$467
2013	\$41,281	0.8	\$479

The preceding table used an estimated taxable market value of \$9,608,850,091 and a population of 86,697, as reported in the 2020 census.

City of Duluth Minnesota - 2024 Budget

Debt Service Funds Narrative

The following tables provide specific information relative to the 2023 status of the debt service funds of the City. The appropriation budgets of each specific debt fund follow this presentation.

<u>General Obligation Bonds:</u>	<u>Issue Date</u>	<u>Outstanding 12/31/2023</u>	<u>2024 Levy Requirements</u>
Miller Hill Flats Abatement	-	-	18,400
Cityview Flats Abatement	-	-	80,000
Firststreet Lofts Abatement	-	-	25,000
Bluffs Senior Housing Abatement	-	-	22,500
Costco Abatement	-	-	102,000
ST Paper	-	-	67,000
Cirrus	-	-	60,000
Police Station	10/9/2019	7,940,000	1,116,000
Lakewalk & Cross City	12/18/2013	675,000	127,700
Lakewalk	10/21/2020	3,685,000	323,700
Equipment	10/9/2019	1,340,000	719,300
Equipment	10/21/2020	1,865,000	670,600
Equipment	11/3/2021	3,260,000	920,300
Equipment	11/1/2022	3,360,000	784,300
Equipment	11/8/2023	3,350,000	781,100
Capital Improvement Projects	10/30/2014	245,000	128,100
Capital Improvement Projects	11/5/2015	520,000	184,000
Capital Improvement Projects	11/9/2016	510,000	140,600
Capital Improvement Projects	11/21/2017	830,000	180,100
Capital Improvement Projects	10/17/2018	875,000	172,300
Capital Improvement Projects	10/9/2019	905,000	154,800
Capital Improvement Projects	10/21/2020	1,360,000	196,200
Capital Improvement Projects	11/3/2021	1,390,000	193,300
Capital Improvement Projects	11/1/2022	1,685,000	223,500
Capital Improvement Projects	11/8/2023	1,795,000	230,100
TOTAL DEBT SERVICE			7,620,900
5% Additional required by law (1)			363,600
			7,984,500
Less: Cash on hand			(420,300)
NET DEBT LEVY - Total required by taxation			7,564,200

(1) State law requires the City set aside 5% of existing bond obligations to cover anticipated shortages from tax delinquency.

City of Duluth Minnesota - 2024 Budget

Debt Service Funds Narrative

The general obligation annual debt service requirements to maturity are as follows:

Year Ending December 31	General Obligation Bonds		General Obligation Certificates		General Obligation Tax Abatement	
	Interest	Principal	Interest	Principal	Interest	Principal
2024	2,706,887	6,930,000	432,100	3,430,000	177,118	950,000
2025	2,503,444	7,065,000	283,825	2,745,000	161,673	965,000
2026	2,272,183	7,245,000	167,525	2,160,000	144,112	985,000
2027	2,007,997	6,625,000	77,125	1,585,000	124,228	1,005,000
2028	1,735,346	6,870,000	18,750	750,000	101,757	1,030,000
2029-2033	4,431,725	30,500,000	-	-	168,300	3,350,000
2034-2038	141,235	5,485,000	-	-	-	-
Total	\$ 15,798,817	\$ 70,720,000	\$ 979,325	\$ 10,670,000	\$ 877,188	\$ 8,285,000

City of Duluth Minnesota - 2024 Budget

General Obligation Debt Fund - Tax Levy

310

This Debt Service Fund is for the payment of tax levy supported general obligation bonds issued by the City.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	7,858,624	8,262,524	8,175,623	8,106,423
REVENUES				
Property Taxes	7,283,150	7,252,870	7,357,600	7,564,200
Earnings on Investments	(64,566)	(107,106)	-	-
Other Sources	301,977	339,551	300,100	403,300
Transfer from Special Revenue	57,900	61,325	59,100	56,400
Transfer from Capital Project	1,666	-	-	-
TOTAL REVENUES	7,580,127	7,546,640	7,716,800	8,023,900
EXPENSES				
Debt Service Payments				
- Bond Principal	5,360,000	5,680,000	5,710,000	5,910,000
- Bond Interest	1,337,480	1,388,062	1,417,700	1,370,300
Other Expenses				
- Tax Abatement	166,464	218,511	349,200	374,900
- Other Services and Charges	304,477	338,756	300,100	403,300
- Fiscal Agent and Bond Fees	7,806	8,212	9,000	9,000
TOTAL EXPENSES	7,176,227	7,633,541	7,786,000	8,067,500
FUND BALANCE - DECEMBER 31	8,262,524	8,175,623	8,106,423	8,062,823

City of Duluth Minnesota - 2024 Budget

General Obligation Debt Fund - Other Sources

320

This debt service fund accounts for the payment of general obligation bonds issued by the City which are tax increment and revenue supported debt. Excluded from this fund are utility bonds and special assessment bonds.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	6,804,383	6,968,294	8,429,433	9,504,033
REVENUES				
Earnings on Investments	(58,016)	(102,932)	-	-
Proceeds from Refunding Bond	6,550,000	-	-	-
Transfer from Special Revenue				
- DECC Improvement	2,491,800	2,587,600	2,684,400	2,787,100
- DECC Improvement - Seawall	351,950	349,825	352,500	350,000
- Spirit Mountain	500,000	500,000	500,000	500,000
- Lakewalk Seawall Project	-	-	520,000	550,000
- St. Louis River Corridor	1,906,394	1,932,796	1,860,700	1,994,400
Funded by Others				
- Airport	1,674,224	1,081,974	1,072,100	1,076,300
- MSA Maintenance	75,612	47,850	36,200	24,300
- MSA Construction	755,000	780,000	790,000	805,000
- Airport - Cirrus	644,825	643,408	641,500	643,900
TOTAL REVENUES	14,891,789	7,820,521	8,457,400	8,731,000
EXPENSES				
Bond Principal	5,530,000	4,045,000	5,175,000	5,400,000
Bond Interest	2,666,214	2,295,970	2,202,600	2,139,900
Payment to Escrow Agent	6,445,000	-	-	-
Bond Issuance Expense	81,439	13,674	-	-
Fiscal Agents	5,225	4,739	5,200	6,300
TOTAL EXPENSES	14,727,878	6,359,383	7,382,800	7,546,200
FUND BALANCE - DECEMBER 31	6,968,294	8,429,433	9,504,033	10,688,833

City of Duluth Minnesota - 2024 Budget

Special Assessment Debt Service

325

This Debt Service Fund accounts for the accumulation of resources and the payment of principal, interest and related costs on special assessment bonds issued by the City.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	36,418	(36,108)	21,266	57,466
REVENUES				
Construction Assessments	117,062	57,752	36,200	16,000
Earnings on Investments	(413)	(140)	-	-
TOTAL REVENUES	116,649	57,612	36,200	16,000
EXPENSES				
Bond Principal	185,000	-	-	-
Bond Interest	3,700	-	-	-
Fiscal Agents	475	238	-	-
TOTAL EXPENSES	189,175	238	-	-
FUND BALANCE - DECEMBER 31	(36,108)	21,266	57,466	73,466

City of Duluth Minnesota - 2024 Budget

Street Improvement Debt Service

330

This Debt Service Fund accounts for the accumulation of resources and the payment of principal, interest, and related costs on street improvement bonds issued by the City.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	1,360,361	576,673	124,486	(48,714)
REVENUES				
Construction Assessments	61,203	28,530	16,000	8,000
Earnings on Investments	(14,116)	(3,117)	-	-
TOTAL REVENUES	47,087	25,413	16,000	8,000
EXPENSES				
Fiscal Agent Fees	950	1,000	500	-
Bond Principal	790,000	460,000	185,000	-
Bond Interest	39,825	16,600	3,700	-
TOTAL EXPENSES	830,775	477,600	189,200	-
FUND BALANCE - DECEMBER 31	576,673	124,486	(48,714)	(40,714)

City of Duluth Minnesota - 2024 Budget

Tax Increment Debt Service

359

This debt service fund is for the collection and distribution of tax increment proceeds associated with City Tax Increment Financing districts.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	116,123	171,917	227,712	284,012
REVENUES				
Tax increments	562,942	562,943	562,900	553,800
Miscellaneous	3,528	-	-	-
TOTAL REVENUES	566,470	562,943	562,900	553,800
EXPENSES				
Other Miscellaneous Expenditures	4,028	499	-	-
Transfer to Enterprise Fund	506,648	506,649	506,600	498,500
TOTAL EXPENSES	510,676	507,148	506,600	498,500
FUND BALANCE - DECEMBER 31	171,917	227,712	284,012	339,312

City of Duluth Minnesota - 2024 Budget

Capital Project Funds

Funds

Special Assessment
 Permanent Improvement
 Street Improvement Program
 Capital Improvement
 Tourism and Recreational Projects

Capital Project funds account for financial resources to be used for acquisition, construction, and improvements of capital facilities other than those financed by enterprise funds.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	11,238,865	9,245,402	11,939,060	10,582,460
REVENUES				
Taxes	279,378	278,324	280,000	280,000
Intergovernmental	7,483,011	2,846,469	15,459,200	27,034,600
Miscellaneous	2,222,484	2,361,969	1,390,200	1,689,800
Other Financing Sources	9,302,827	10,012,438	10,567,700	18,180,000
TOTAL REVENUES	19,287,700	15,499,200	27,697,100	47,184,400
EXPENSES				
Current	33,626	43,703	52,200	53,200
Capital Outlay	21,247,537	12,761,839	29,001,500	52,241,220
TOTAL EXPENSES	21,281,163	12,805,542	29,053,700	52,294,420
FUND BALANCE - DECEMBER 31	9,245,402	11,939,060	10,582,460	5,472,440

City of Duluth Minnesota - 2024 Budget

Special Assessment

410

Capital Project fund established to account for improvements which are financed by special assessments. The current budget figures represent preliminary estimates only.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	(126,664)	(188,071)	8,746	29,746
REVENUES				
Assessment Collections	72,466	210,895	21,000	19,300
Earnings on Investments	-	(87)	-	-
TOTAL REVENUES	72,466	210,808	21,000	19,300
EXPENSES				
Other Uses	882	1,993	-	-
Transfers Out	132,991	11,998	-	-
TOTAL EXPENSES	133,873	13,991	-	-
FUND BALANCE - DECEMBER 31	(188,071)	8,746	29,746	49,046

City of Duluth Minnesota - 2024 Budget

Permanent Improvement

411

Minnesota State Laws 1971, Chapter 824 - authorizing the City to levy an amount not to exceed .04836 percent of the tax capacity of the City to pay the cost of local improvements which will not sustain a special assessment.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	2,886,761	514,900	986,727	1,386,727
REVENUES				
Current Property Taxes	276,472	276,652	280,000	280,000
Delinquent Property Taxes	2,906	1,672	-	-
Miscellaneous Federal Grants	1,748,355	121,091	2,035,000	1,500,000
State of Minnesota	406,729	1,187,500	543,000	8,333,000
Municipal State Aid	2,962,366	157,219	5,400,000	4,627,000
Investment Earnings	(80,354)	(10,905)	-	-
Other Sources	258,581	850,198	-	-
General Fund	-	767,438	-	-
Special Revenue Funds	920,541	2,779,843	500,000	1,500,000
Capital Project Funds	132,991	11,998	-	-
Public Utility Funds	-	-	1,117,000	1,425,000
TOTAL REVENUES	6,628,587	6,142,706	9,875,000	17,665,000
EXPENSES				
Improvements Other Than Buildings	9,000,448	5,670,879	9,475,000	17,665,000
TOTAL EXPENSES	9,000,448	5,670,879	9,475,000	17,665,000
FUND BALANCE - DECEMBER 31	514,900	986,727	1,386,727	1,386,727

City of Duluth Minnesota - 2024 Budget

Street Improvement Program

440

Capital Project Fund established to account for improvements to be made as part of the City's Street Improvement Program.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	4,151,131	5,137,206	4,776,573	4,372,173
REVENUES				
Investment Earnings	(30,445)	(64,221)	-	-
Transfer from General	-	-	-	4,000,000
Transfer from Special Revenue	5,854,001	3,318,861	7,500,000	9,900,000
Assessment Collections	307,791	239,687	135,100	155,200
TOTAL REVENUES	6,131,346	3,494,327	7,635,100	14,055,200
EXPENSES				
Improvements Other than Buildings	5,145,272	3,090,250	8,039,500	15,751,100
Other Uses	-	764,710	-	-
TOTAL EXPENSES	5,145,272	3,854,960	8,039,500	15,751,100
FUND BALANCE - DECEMBER 31	5,137,206	4,776,573	4,372,173	2,676,273

City of Duluth Minnesota - 2024 Budget

Capital Improvement

450

Capital Project fund established to account for bond proceeds, transfers from other funds, and other revenues received for capital improvement projects.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	850,608	941,094	1,605,258	1,672,258
REVENUES				
Federal Grant	316,431	-	2,969,300	1,234,500
State of Minnesota	288,000	-	3,375,000	10,125,000
Earnings on Investments	3,324	(15,062)	-	-
Other Sources	102,500	173,500	-	-
Transfer from General Fund	246,000	64,644	-	-
Transfer from Special Revenue	1,238,742	1,000,000	400,000	800,000
Transfer from Capital Projects	88,000	5,000	-	-
Bond Proceeds	1,490,000	1,685,000	1,800,000	1,980,000
Premium on bonds	350,871	158,281	-	-
TOTAL REVENUES	4,123,868	3,071,363	8,544,300	14,139,500
EXPENSES				
Transfer to Debt Service	582	-	-	-
Transfer to Special Revenue	15,316	-	-	-
Bond Issuance Costs	33,626	43,703	52,200	53,200
Land	473,893	11,864	-	-
Capital Improvements	3,509,965	2,351,632	8,425,100	15,758,400
TOTAL EXPENSES	4,033,382	2,407,199	8,477,300	15,811,600
FUND BALANCE - DECEMBER 31	941,094	1,605,258	1,672,258	158

City of Duluth Minnesota - 2024 Budget

Tourism & Recreational Projects

452

Capital Project fund established to account for bond proceeds for tourism and recreational projects along the St Louis River Corridor.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	3,477,029	2,840,272	4,561,756	3,121,556
REVENUES				
Federal Grants	344,780	25,000	159,900	149,800
State of Minnesota	1,216,350	588,221	977,000	1,065,300
Earnings on Investments	(14,929)	14,049	-	-
Other Sources	123,759	144,332	117,100	90,300
Transfer from General Fund	200,000	-	-	-
Transfer from Special Revenue	461,471	1,808,394	367,700	-
TOTAL REVENUES	2,331,432	2,579,996	1,621,700	1,305,400
EXPENSES				
Capital Improvements	1,144,619	690,777	2,630,700	2,417,720
Transfer to Capital Projects	776,742	5,000	-	-
Other Uses	1,046,828	162,736	431,200	649,000
TOTAL EXPENSES	2,968,189	858,513	3,061,900	3,066,720
FUND BALANCE - DECEMBER 31	2,840,272	4,561,756	3,121,556	1,360,236

City of Duluth Minnesota - 2024 Budget

Enterprise Funds

Enterprise funds are like mini-businesses within a government, providing goods or services to the public, like water or gas. They operate more like a business than a typical government department, charging fees for their services to cover their costs. Think of them as special accounts for things like running a city's parking services or managing a municipal golf course.



City of Duluth Minnesota - 2024 Budget

Enterprise Funds

Funds

Golf
 Parking
 Priley Drive Parking Facility
 Water
 Gas
 Sewer
 Clean Water Surcharge
 Stormwater
 Steam

Funds which account for operations that are financed and managed in a manner similar to private business enterprises- where the intent of the governing body is that the costs (including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered through user charges.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
REVENUES				
Operating	56,841,340	62,661,293	65,033,133	65,634,760
Non-Operating	2,288,127	16,658,418	20,403,400	21,617,300
Sales	39,436,399	57,717,174	53,239,400	51,339,700
TOTAL REVENUES	98,565,866	137,036,885	138,675,933	138,591,760
OPERATING EXPENSES				
Personal Services	14,353,329	18,291,710	24,168,400	25,579,500
Supplies	6,427,425	8,395,565	11,203,000	9,881,700
Other Services and Charges	20,368,012	21,628,893	23,004,047	25,013,157
Depreciation	8,702,818	8,854,460	9,469,529	9,668,700
Miscellaneous	3,462,891	3,568,551	9,097,600	10,443,600
Cost of Sales	25,694,604	36,928,524	34,115,296	32,084,922
Interfund Transfers	5,114,724	4,203,001	6,745,800	5,474,000
Non-Operating	12,319,280	16,657,676	27,597,100	27,748,000
TOTAL EXPENSES	96,443,083	118,528,378	145,400,772	145,893,579

City of Duluth Minnesota - 2024 Budget

Golf Fund

503

The Golf enterprise fund accounts for the operation of Enger Park and Lester Park, the City's two municipal 27-hole golf courses. The major source of revenue is composed of user fees from daily admissions, season passes, and concession sales. In 2021 through 2023, Lester Park course was closed while still receiving minimum maintenance. In 2024, the budget only includes Enger Park course.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
REVENUE				
Operating	1,374,841	1,247,587	1,129,733	1,030,360
Non-Operating	3,698	-	5,500,000	6,400,000
	1,378,539	1,247,587	6,629,733	7,430,360
EXPENSES				
Other Services and Charges	1,021,618	1,043,741	1,222,747	1,221,657
Improvements Other Than Buildings	-	-	5,500,000	6,400,000
Depreciation and Amortization	87,569	89,029	89,029	120,000
Cost of Sales	166,808	153,457	115,296	84,922
	1,275,995	1,286,227	6,927,072	7,826,579
ESTIMATED OPERATING INCOME / (LOSS)	102,544	(38,640)	(297,339)	(396,219)

City of Duluth Minnesota - 2024 Budget

Golf Fund Estimated Budgetary Cash Balance

<u>OPERATING FUND</u>	2021 Actual	2022 Actual	2023 Budget	2024 Approved
ESTIMATED UNRESTRICTED CASH	(2,502,529)	(2,602,823)	(2,552,434)	(2,760,744)
Estimated Net Income (Loss)	(187,863)	(38,640)	(297,339)	(396,219)
<u>Other Sources</u>				
Depreciation	87,569	89,029	89,029	120,000
Total Sources	(100,294)	50,389	(208,310)	(276,219)
ESTIMATED BUDGETARY YEAR END CASH BALANCE	<u>(2,602,823)</u>	<u>(2,552,434)</u>	<u>(2,760,744)</u>	<u>(3,036,963)</u>

City of Duluth Minnesota - 2024 Budget

Enger Golf Course

Revenue Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
OPERATING REVENUES:				
4440 Daily Admission	475,815	450,195	432,876	410,387
4441 Unlimited Season - Golf	182,219	195,669	120,000	110,000
4442 Motor Cart	254,917	202,707	202,699	186,239
4443 Driving Range Fees	106,669	101,065	103,283	94,200
4444 Other Rentals	-	-	2,365	2,500
4445 Golf Specials/Coupons/Promotions	-	-	2,300	605
4627 Concessions & Commissions	355,221	297,951	266,210	226,429
TOTAL OPERATING REVENUES	1,374,841	1,247,587	1,129,733	1,030,360
NON-OPERATING REVENUES				
4700 Other Sources	3,698	-	-	-
4730 Transfer from General Fund	-	-	1,500,000	1,000,000
4750 Sale of Bonds	-	-	-	3,700,000
4999 Cash Balance Forward	-	-	4,000,000	1,700,000
TOTAL NON-OPERATING REVENUES	3,698	-	5,500,000	6,400,000
TOTAL REVENUE - ENGER	1,378,539	1,247,587	6,629,733	7,430,360

City of Duluth Minnesota - 2024 Budget

Lester Golf Course

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
OPERATING EXPENSES				
5310 Contract Services	66,349	55,780	162,122	-
5415 Equipment Rental	1,596	3,907	-	-
5420 Depreciation	30,696	30,696	30,696	-
TOTAL - LESTER	98,641	90,383	192,818	-

City of Duluth Minnesota - 2024 Budget

Enger Golf Course

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
OPERATING EXPENSES				
5284 Liquor Purchases	39,889	38,683	29,710	30,128
5285 Food & Beverage for Resale	55,573	56,361	27,687	29,158
5286 Golf Merchandise for Resale	71,346	58,413	57,899	25,636
5310 Contract Services	896,223	925,722	1,002,292	1,051,419
5415 Equipment Rental	57,450	58,332	58,333	62,238
5420 Depreciation	56,873	58,333	58,333	120,000
5530 Improvements Other Than Buildings	-	-	5,500,000	6,400,000
5580 Capital Equipment	-	-	-	108,000
TOTAL - ENGER	1,177,354	1,195,844	6,734,254	7,826,579

City of Duluth Minnesota - 2024 Budget

Parking

City Priority: Infrastructure

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Actual	2024 Projected
Public Parking: Ensure adequate, well-planned and accessible public parking options for residents, businesses, and visitors.	Number of parking tickets issued	33,028	33,928	34,311	36,000
	Number of vehicles towed as a result of parking citations	195	191	190	230
	Number of annual contractor parking permits	818	841	862	860
	Number of residential parking permits	2,138	2,250	2,179	2,300
	Number of on-street metered parking stalls	1,594	1,594	1,594	1,594
	Total number of off-street parking stalls managed	4,265	4,265	4,265	4,265
	Number of parking ramps and lots	29	29	29	29
	Number of residential parking zones	3	3	3	3

City of Duluth Minnesota - 2024 Budget

Parking Fund

505

The Parking Fund accounts for all revenues and expenses related to the operation and maintenance of City owned parking ramps, parking lots, and parking meters - both on and off-street.

This enterprise fund was created in 2010 by moving the related expenses and revenues from the City's general fund, and includes the required transfers in from debt service and DEDA.

Estimated Income and Expense	2021 Actual	2022 Actual	2023 Budget	2024 Approved
REVENUES				
Operating Revenue	3,253,133	3,985,703	4,254,600	4,610,200
Non-Operating	397,122	1,116,936	565,500	950,500
	3,650,255	5,102,639	4,820,100	5,560,700
EXPENSES				
Personal Services	589,479	610,167	779,300	778,000
Supplies	345,198	53,405	30,200	47,800
Other Services and Charges	1,418,657	1,705,541	1,461,400	2,213,700
Utilities	145,756	196,345	196,300	203,900
Depreciation and Amortization	573,987	567,935	561,500	561,500
Improvements - Non-Capital	167,404	16,842	245,000	217,900
Debt Service - Interest	161,386	143,165	123,500	123,500
Transfers Out	1,414,798	76,200	1,422,900	1,422,900
	4,816,665	3,369,598	4,820,100	5,569,200
ESTIMATED OPERATING INCOME (LOSS)	(1,166,410)	1,733,041	-	(8,500)
BUDGETED FTE'S				
1095 Parking Services Manager	1.00	1.00	1.00	1.00
326 Police Officer	1.00	1.00	1.00	1.00
22 Parking Services Agent	6.00	6.00	6.00	6.00
Division Total	8.00	8.00	8.00	8.00

City of Duluth Minnesota - 2024 Budget

Parking Fund Estimated Budgetary Cash Balance

<u>OPERATING FUND</u>	2023 Projected	2024 Approved
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH	2,176,848	1,383,670
Estimated Operating Income (Loss)	(474,678)	(8,500)
<u>Other Sources</u>		
Depreciation	<u>561,500</u>	<u>561,500</u>
Total Other Sources	561,500	561,500
<u>Other Uses</u>		
Bond Principal Payments	<u>880,000</u>	<u>895,000</u>
Total Other Uses	880,000	895,000
ESTIMATED BUDGETARY YEAR END CASH BALANCE	1,383,670	1,041,670

City of Duluth Minnesota - 2024 Budget

Parking Fund

505

Revenue Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
OPERATING REVENUES				
4371 Parking Meter Revenues	463,003	597,890	872,000	762,600
4373 Transient Parking	693,430	1,001,927	927,100	1,121,800
4374 Contract Parking	1,149,413	1,329,102	1,340,300	1,396,300
4170 Miscellaneous Permits	79,176	127,091	70,000	76,500
4472 Administrative Parking Fines	848,376	898,521	1,023,200	1,229,500
4315 Cost Allocation	18,110	20,200	22,000	23,500
4654 Other Reimbursements	-	10,972	-	-
4680 Damage or Losses Recovered	1,625	-	-	-
TOTAL OPERATING REVENUE	3,253,133	3,985,703	4,254,600	4,610,200
NON-OPERATING REVENUES				
4601 Earnings on Investments	(33,635)	(28,138)	-	-
4730 Transfer in from Special Revenue Funds	-	262,600	180,500	68,000
4857 Transfer in from DEDA	430,757	882,473	385,000	882,500
TOTAL NON-OPERATING REVENUES	397,122	1,116,936	565,500	950,500
TOTAL REVENUE	3,650,255	5,102,639	4,820,100	5,560,700

City of Duluth Minnesota - 2024 Budget

Parking Administration

505-015-1479

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	86,271	101,460	104,700	111,700
TOTAL	86,271	101,460	104,700	111,700
EMPLOYEE BENEFITS				
5121 P.E.R.A.	6,258	39,673	7,600	8,100
5121 P.E.R.A., GASB 68	(22,915)	-	-	-
5122 F.I.C.A. Social Security	5,350	6,291	6,500	6,900
5123 F.I.C.A. Medicare	1,251	1,471	1,500	1,600
5125 Dental Insurance	396	396	400	400
5126 Life Insurance	204	270	200	200
5127 Health Care Savings Plan	3,803	4,935	2,200	2,300
TOTAL	(5,653)	53,036	18,400	19,500
OPERATING EXPENSES				
5219 Other Miscellaneous Supplies	917	2,291	1,900	2,300
5331 Travel/Training	2,828	3,845	5,000	5,000
5335 Mileage Reimbursement	-	-	200	500
5441 Other Services and Charges	1,632	2,473	2,100	1,700
TOTAL	5,377	8,609	9,200	9,500
1479 TOTAL - ADMINISTRATION	85,995	163,105	132,300	140,700

City of Duluth Minnesota - 2024 Budget

Technology Center Ramp

505-015-1480-2510

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
OPERATING EXPENSES				
5307 Admin/Management Fees	9,240	9,241	9,200	9,200
5310 Other Professional Services	176,170	238,499	216,800	446,100
5319 Contract Services	-	636	-	-
5381 Electricity	35,072	40,532	40,100	47,100
5382 Water, Gas & Sewer	3,483	3,999	3,500	4,100
5384 Refuse Disposal	1,469	2,408	2,200	3,900
5386 Steam	17,920	22,710	25,000	23,000
5404 Equipment Maintenance/Repair	3,917	8,514	2,600	11,600
5405 Parking Lot Maintenance	16,339	1,625	2,100	4,100
5420 Depreciation	188,958	188,958	189,000	189,000
5493 Cost Allocation	30,000	23,260	28,100	28,100
TOTAL	482,568	540,382	518,600	766,200
2510 TOTAL - TECHNOLOGY CENTER RAMP	482,568	540,382	518,600	766,200

City of Duluth Minnesota - 2024 Budget

HART District Ramp

505-015-1480-2511

Expense Detail		2021 Actual	2022 Actual	2023 Budget	2024 Approved
OPERATING EXPENSES					
5307	Admin/Management Fees	4,920	4,920	4,900	4,900
5310	Contract Services	286,969	397,675	304,100	412,200
5381	Electricity	15,647	21,122	19,600	18,900
5382	Water, Gas & Sewer	2,440	2,630	2,400	2,400
5404	Equipment Maintenance/Repair	2,781	9,413	3,500	9,800
5405	Parking Lot Maintenance	143,525	1,625	2,100	78,500
5420	Depreciation	58,675	58,674	58,700	58,700
5493	Cost Allocation	30,000	23,260	28,100	28,100
	TOTAL	544,957	519,320	423,400	613,500
2511	TOTAL - HART DISTRICT RAMP	544,957	519,320	423,400	613,500

City of Duluth Minnesota - 2024 Budget

Medical District Ramp

505-015-1480-2512

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
OPERATING EXPENSES				
5219 Other Miscellaneous Supplies	-	602	-	-
5307 Admin/Management Fees	9,336	9,337	9,300	9,300
5310 Contract Services	178,385	272,895	224,100	343,900
5381 Electricity	45,024	63,630	59,600	69,800
5382 Water, Gas & Sewer	18,236	28,426	37,300	28,900
5404 Equipment Maintenance/Repair	10,133	11,811	8,000	42,500
5405 Parking Lot Maintenance	6,300	1,625	46,100	40,100
5420 Depreciation	249,748	249,748	249,700	249,700
5481 Property Taxes	3,214	3,292	3,500	3,500
5493 Cost Allocation	30,000	23,260	28,100	28,100
5611 Bond Interest	161,386	92,783	123,500	73,100
5613 Interest from Bond Discount	-	50,382	-	50,400
5620 Fiscal Agents Fees	475	500	500	500
TOTAL	712,237	808,291	789,700	939,800
2512 TOTAL - MEDICAL DISTRICT RAMP	712,237	808,291	789,700	939,800

City of Duluth Minnesota - 2024 Budget

Municipal Lots

505-015-1480-2513

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
OPERATING EXPENSES				
5307 Admin/Management Fees	11,514	12,835	15,900	15,900
5310 Contract Services	248,584	279,710	228,900	238,100
5381 Electricity	2,864	6,530	2,900	3,800
5382 Water, Gas & Sewer	5,070	6,766	5,900	5,900
5405 Parking Lot Maintenance	1,240	11,967	194,700	95,200
5420 Depreciation	41,730	33,096	33,100	33,100
5493 Cost Allocation	30,000	23,260	28,100	28,100
TOTAL	341,002	374,163	509,500	420,100
2513 TOTAL - MUNICIPAL LOTS	341,002	374,163	509,500	420,100

City of Duluth Minnesota - 2024 Budget

On Street Parking & Enforcement

505-015-1481

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	323,425	297,905	398,000	385,400
5101 Permanent Employees - Overtime	1,527	407	-	-
5103 Other Wages	-	-	-	-
TOTAL	324,952	298,311	398,000	385,400
EMPLOYEE BENEFITS				
5121 P.E.R.A.	30,429	20,072	38,900	35,600
5122 F.I.C.A. Social Security	16,200	17,651	19,000	19,600
5123 F.I.C.A. Medicare	4,488	4,128	5,800	5,600
5125 Dental Insurance	2,673	2,310	2,800	2,800
5126 Life Insurance	1,377	1,575	1,300	1,300
5127 Health Care Savings Plan	6,990	5,551	20,600	14,300
5130 Cafeteria Plan Benefits	121,752	106,072	169,800	182,200
TOTAL	183,909	157,359	258,200	261,400
OPERATING EXPENSES				
5200 Office Supplies	-	428	700	1,100
5212 Motor Fuels	1,291	1,997	2,200	3,800
5218 Uniforms	183	2,827	800	1,600
5219 Other Miscellaneous Supplies	3,405	4,372	5,200	2,600
5226 Sign & Signal Materials	313,060	-	-	-
5241 Small Equipment	26,342	40,888	19,400	36,400
5306 Collection Services	4,142	41	5,800	103,600
5307 Admin/Management Fees	7,200	7,201	7,200	7,200
5310 Contract Services	268,394	289,952	248,400	370,200
5355 Printing & Copying Services	19,215	5,475	-	-
5409 Fleet Service Charges	5,633	6,000	4,700	14,000
5414 Software Lic & Mtc Agreements	1,200	1,152	1,200	1,200
5420 Depreciation	34,876	37,458	31,000	31,000
5427 Credit Card Commissions	6,742	7,380	7,000	13,700
5441 Other Services and Charges	4,564	4,037	5,800	4,700
5493 Cost Allocation	30,000	23,260	28,100	28,100
5700 Transfer to General Fund	1,414,798	76,200	1,422,900	1,422,900
TOTAL	2,141,045	508,667	1,790,400	2,042,100

City of Duluth Minnesota - 2024 Budget

On Street Parking & Enforcement

505-015-1481

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
NON-OPERATING EXPENSES				
5580 Capital Equipment	99,375	-	-	-
TOTAL	99,375	-	-	-
1481 TOTAL - ON STREET PARKING & ENFORCEMENT	2,749,281	964,338	2,446,600	2,688,900

City of Duluth Minnesota - 2024 Budget

Priley Drive Parking Facility

506

The Priley Drive Parking Facility accounts for the construction, operation, and maintenance of the parking ramp located at 410 West First Street. The parking facility was under construction in 2014, 2015 and 2016. It became operational in May, 2016.

Estimated Income and Expense	2021 Actual	2022 Actual	2023 Budget	2024 Approved
REVENUES				
Operating	434,544	484,414	486,700	504,300
Non-Operating	502,635	498,785	506,600	498,500
	937,179	983,199	993,300	1,002,800
EXPENSES				
Other Services and Charges	194,546	224,712	240,500	286,500
Depreciation	520,571	520,571	520,600	520,600
Miscellaneous	507,093	510,223	500,800	495,300
	1,222,210	1,255,506	1,261,900	1,302,400
ESTIMATED OPERATING INCOME (LOSS)	(285,031)	(272,307)	(268,600)	(299,600)

City of Duluth Minnesota - 2024 Budget

Priley Drive Parking Facility

	2023	2024
<u>OPERATING FUND</u>	Projected	Approved
ESTIMATED UNRESTRICTED and CAPITAL ACCOUNT CASH	600,681	625,581
Estimated Operating Income (Loss)	(268,600)	(299,600)
<u>Other Sources</u>		
Unfunded Depreciation	470,600	470,600
Total Other Sources	470,600	470,600
<u>Other Uses</u>		
Bond Principal Payments	177,100	184,300
Total Other Uses	177,100	184,300
ESTIMATED BUDGETARY YEAR END CASH BALANCE	625,581	612,281

City of Duluth Minnesota - 2024 Budget

Priley Drive Parking Facility

506

Revenue Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
OPERATING REVENUES				
4373 Transient Parking	30,980	45,327	44,300	69,100
4374 Contract Parking	403,564	439,087	442,400	435,200
TOTAL OPERATING REVENUE	434,544	484,414	486,700	504,300
NON-OPERATING REVENUES				
4601 Earnings on Investments	(4,013)	(7,864)	-	-
4730 Transfers in from Debt Service	506,648	506,649	506,600	498,500
TOTAL NON-OPERATING REVENUES	502,635	498,785	506,600	498,500
TOTAL REVENUE	937,179	983,199	993,300	1,002,800

City of Duluth Minnesota - 2024 Budget

Priley Drive Parking Facility

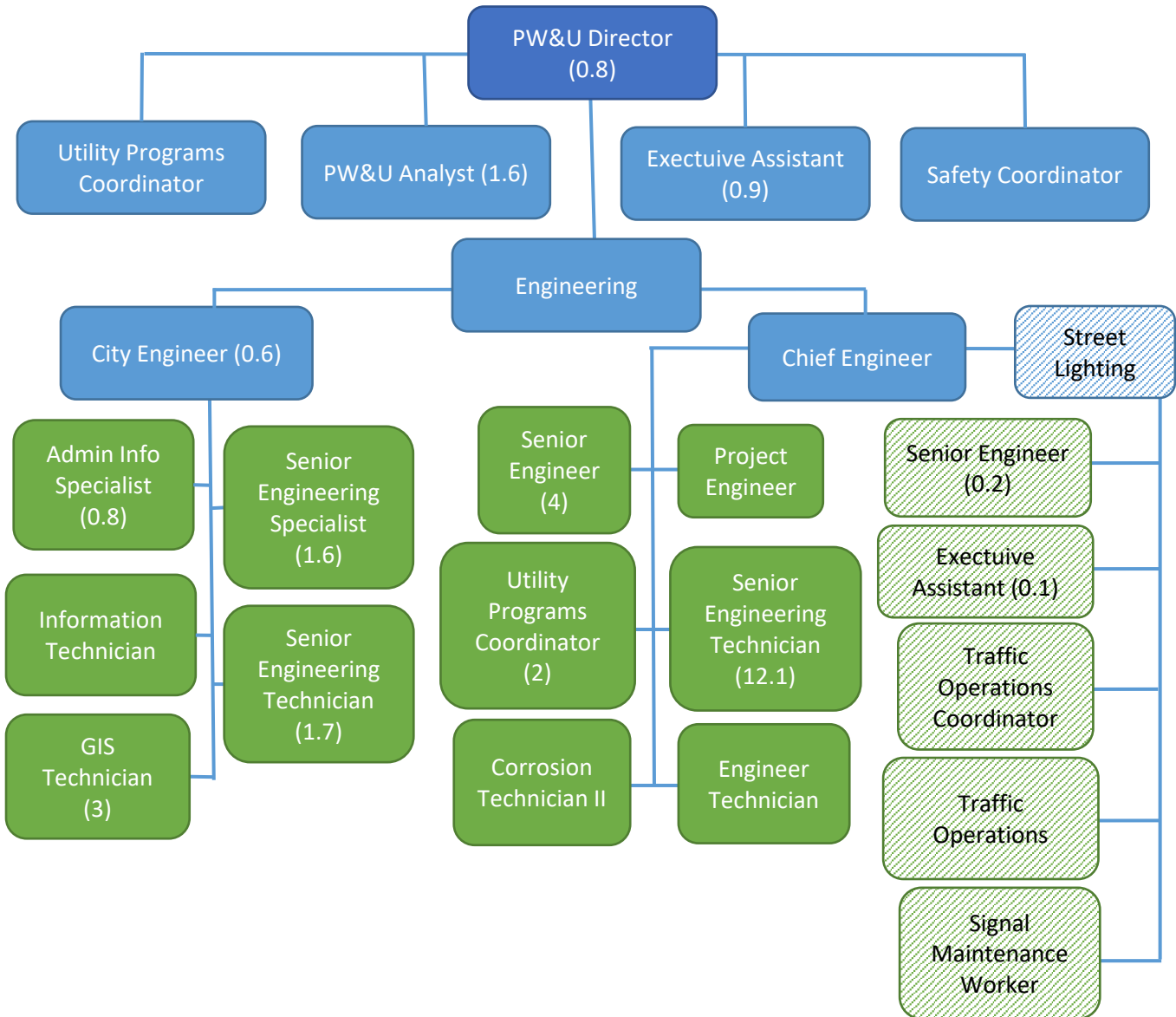
506

Expense Detail		2021 Actual	2022 Actual	2023 Budget	2024 Approved
OPERATING EXPENSES					
5307	Admin/Management Fees	14,400	14,402	14,500	14,500
5310	Contract Services	132,548	174,008	158,500	198,400
5381	Electricity	30,851	41,666	38,800	40,200
	Bldg/Structure Repair & Mtc, Elevator				
5401-01	Repairs & Maintenance	-	6,732	-	-
5404	Equipment Maintenance/Repair	20,067	300	4,200	8,600
5405	Parking Lot Maintenance	2,628	1,183	3,800	4,000
5420	Depreciation - Funded	50,000	50,000	50,000	50,000
5420	Depreciation - Unfunded	470,571	470,571	470,600	470,600
5441	Other Services and Charges	-	-	2,000	2,000
5479	Tax Abatement	1,793	1,187	27,000	27,000
5493	Cost Allocation	23,110	26,900	30,500	32,000
5611	Bond Interest	476,242	468,557	462,000	455,100
	TOTAL	1,222,210	1,255,506	1,261,900	1,302,400
2510	TOTAL -Priley Drive Parking Facility	1,222,210	1,255,506	1,261,900	1,302,400

City of Duluth Minnesota - 2024 Budget

Public Works & Utilities Department - Enterprise Fund

Organization Chart

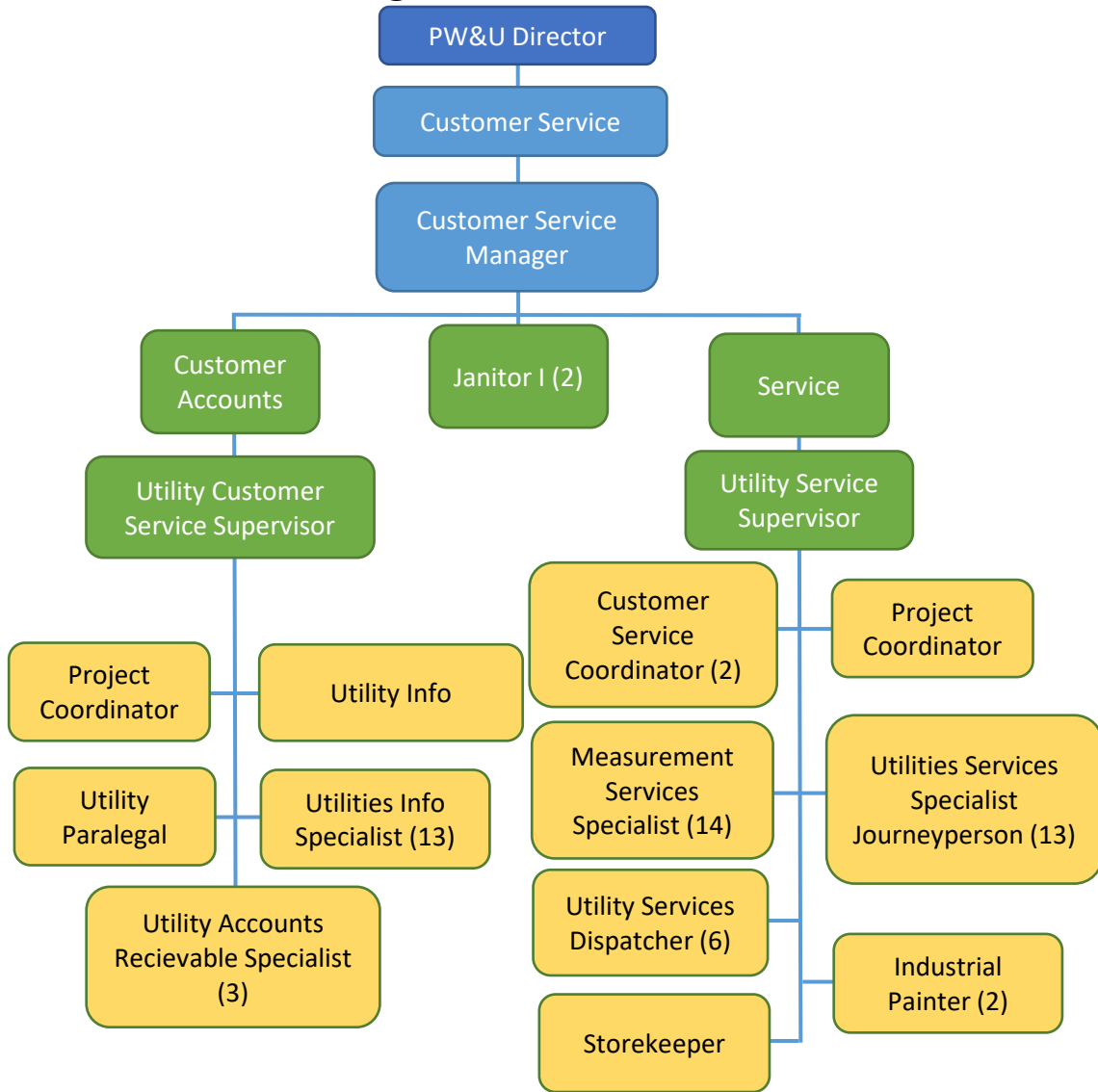


KEY
 Solid = Enterprise Fund
 Patterned = Special Revenue Fund

City of Duluth Minnesota - 2024 Budget

Public Works & Utilities Department - Enterprise Fund

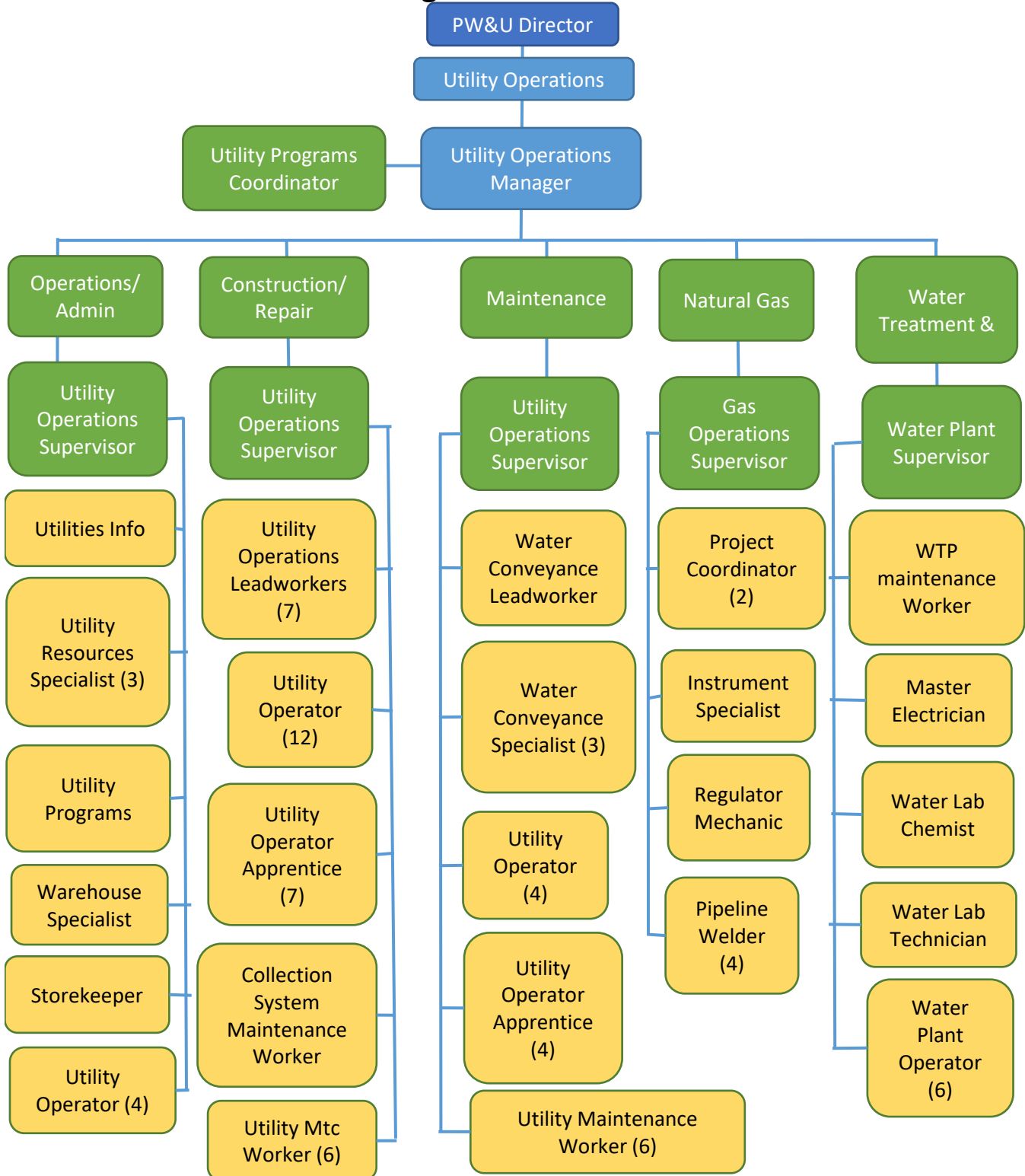
Organization Chart



City of Duluth Minnesota - 2024 Budget

Public Works & Utilities Department - Enterprise Fund

Organization Chart



City of Duluth Minnesota - 2024 Budget

Utility Operations Division

City Priority: Infrastructure

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Estimated	2024 Projected
Utilities: Design, build, improve and proactively maintain a utility infrastructure system that provides safe, affordable and reliable water, sewer, storm drainage, natural gas, steam and hot water services to the community.	Water main breaks repaired	70	114	100	100
	Gas services & Mains - valves inspected and operated	450	466	466	466
	Sanitary pipe cleaned (ft)	400,000	371,564	345,000	345,000
Water Quality: Protect water resources in order to maintain water quality of streams, aquifers and to preserve existing hydrology patterns.	Ditch line restored (ft)	6,000	3,729	4,000	5,000

City Priority: Safe & Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Estimated	2024 Projected
Livable Community: Ensure regulatory compliance in order to provide clean and well-maintained neighborhoods, to protect property, the environment and the lives and health of its residents and visitors.	Water samples completed for testing	3,000	5,700	5,000	5,700
	Water hydrants repaired/replaced	200	79	100	100
	Inflow and infiltration home inspections	1,800	1,400	1,400	1,400

City of Duluth Minnesota - 2024 Budget

Customer Service Division

City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Estimated	2024 Projected
Customer Service: Ensures timely and effective two-way communication with internal customers, residents, and businesses providing equal access to information to information encouraging input from all areas of the organization and community at large.	Appliance service & furnace cleaning/venting workorders completed	8,100	8,000	10,000	8,000
Trust and Engagement: Develops sustainable fiscal and operational policies which foster trust and transparency by ensuring accountability, efficiency, integrity, innovation, and best practices in all operations.	Water meters tested/repared	750	700	10,000	7,500
	Gas meters tested/repared	1,400	1,350	500	500

City Priority: Safe & Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Estimated	2024 Projected
Livable Community: Ensure regulatory compliance in order to provide clean and well-maintained neighborhoods, to protect property, the environment and the lives and health of its residents and visitors.	Gas leak detection survey	18,000	20,000	15,000	12,000

City of Duluth Minnesota - 2024 Budget

Street Lighting

City Priority: Infrastructure

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Estimated	2024 Projected
	Number of traffic signals maintained	134	134	134	134
Transportation: Continually invest in building and improving a well-designed, well-maintained, accessible transportation system of safe and sustainable roadways, street lights, sidewalks and bridges.	Decorative Street Lights	3,350	3,350	3,350	3,350
	Residential Street Lights MP&L Leased & Maintained	3,700	3,700	3,700	3,700

City Priority: Livable Neighborhoods and Affordable Housing

<u>Objective:</u>	<u>Strategy/Measure:</u>	2021 Actual	2022 Actual	2023 Estimated	2024 Projected
Safe/Quality Neighborhood: Promote, support, and sustain well-maintained, safe, clean, visually appealing, free of blight neighborhoods, commercial areas and public spaces.	Number of holiday lighting outlets maintained	3,350	3,350	3,350	3,350

City of Duluth Minnesota - 2024 Budget

Public Works & Utilities - Utility Funds

Divisions

- Director's Office
- Capital
- General Expense
- Engineering
- Customer Services
- Utility Operations
- Water Treatment/Pumping
- Natural Gas
- Wastewater Treatment
- Inflow & Infiltration

The Department of Public Works & Utilities represents four municipally owned utilities budgeted as the Water Fund, Gas Fund, Sewer Fund and Stormwater Fund. The Public Works budget is presented in the General Fund.

Mission and Core Services

To provide water, gas, sewer and stormwater services to customers at the lowest possible cost consistent with maintaining the department as a continuing, self-sustaining operation.

Budgeted FTE's	2021	2022	2023	2024
	191.55	190.85	190.85	197.90

Expenses	2021 Actual	2022 Actual	2023 Budget	2024 Approved
Personal Services	13,763,850	17,681,543	23,389,100	24,801,500
Supplies	2,666,371	2,655,751	4,182,300	5,306,800
Other Services & Charges	14,191,996	14,891,113	16,242,100	16,872,500
Depreciation	5,938,979	6,045,455	6,498,400	6,666,600
Miscellaneous	1,830,342	1,985,560	1,798,300	2,135,200
Cost of Sales	25,527,796	36,775,067	34,000,000	32,000,000
Interfund Transfers	3,545,434	3,962,201	5,099,700	3,841,100
Total Operating	67,464,768	83,996,690	91,209,900	91,623,700
Non-Operating	8,628,773	14,026,161	25,052,100	25,903,000
Total Appropriation Budget	76,093,541	98,022,851	116,262,000	117,526,700

City of Duluth Minnesota - 2024 Budget

Utilities - Personnel Summary

Budgeted FTE's	2021	2022	2023	2024
1165 Director of Public Works & Utilities	0.80	0.80	0.80	0.80
1140 Chief Engineer - Utilities	1.00	1.00	1.00	1.00
1140 City Engineer	0.60	0.60	0.60	0.60
1130 Manager, Utility Operations	1.00	1.00	1.00	1.00
1125 Manager, Customer Service	1.00	1.00	1.00	1.00
1115 Senior Engineer	3.00	3.00	3.00	5.00
1105 Utility Services Supervisor	-	-	-	1.00
1105 Measurement Services Supervisor	1.00	1.00	1.00	-
1095 Utility Customer Service Supervisor	1.00	1.00	1.00	1.00
1095-1080 Utility Operations Supervisor	3.00	3.00	3.00	3.00
1080 Gas Operations Supervisor	2.00	2.00	2.00	1.00
1075 Water Treatment Plant Supervisor	-	-	-	1.00
133 Safety Coordinator	1.00	1.00	1.00	1.00
133 Utility Paralegal	1.00	1.00	1.00	1.00
132 Utility Accounts Receivable Specialist	3.00	3.00	3.00	3.00
129 Administrative Information Specialist	-	0.80	0.80	0.80
129,32 Project Coordinator	3.00	1.00	3.00	5.00
129 Utilities Information Specialist	15.00	15.00	14.00	16.00
126 Information Technician	2.60	0.80	0.80	1.80
38 Project Engineer	2.00	2.00	2.00	-
34 Instrument Specialist	1.00	1.00	1.00	1.00
34 Senior Engineering Specialist	1.60	1.60	1.60	3.60
33 Customer Service Coordinator	2.00	2.00	2.00	2.00
33 Public Works and Utilities Analyst	1.30	1.60	1.60	1.60
33 Utility Programs Coordinator	3.00	5.00	4.00	5.00
32 Corrosion Technician II	1.00	1.00	1.00	1.00
32 Gas Project Coordinator	1.00	1.00	1.00	-
32 Utility Operations Leadworker	7.00	7.00	7.00	6.00
32 Water Conveyance Leadworker	-	1.00	1.00	1.00
32 Water Lab Chemist	1.00	1.00	1.00	1.00
32 Water Plant Maintenance Coordinator	1.00	1.00	1.00	-
31 Master Electrician	1.00	1.00	1.00	1.00
31 Pipeline Welder	3.00	3.00	3.00	3.00
31 Senior Engineering Technician	13.75	12.75	12.75	14.80
31 Utility Resources Specialist	4.00	3.00	3.00	3.00
31-28 Utility Services Specialist Apprentice	9.00	3.00	2.00	1.00
31 Utility Services Specialist Journeyman	11.00	16.00	15.00	12.00
31 Water Conveyance Specialist	3.00	3.00	3.00	3.00

City of Duluth Minnesota - 2024 Budget

Utilities - Personnel Summary

Budgeted FTE's	2021	2022	2023	2024
31 Water Plant Operator A	6.00	4.00	4.00	5.00
24 Water Plant Operator D	-	1.00	1.00	1.00
30 Regulator Mechanic	3.00	3.00	3.00	6.00
30 Warehouse Specialist	3.00	2.00	2.00	2.00
29 Industrial Painter	2.00	2.00	2.00	2.00
29 Measurement Services Specialist	11.00	12.00	13.00	14.00
29 Water Conveyance Technician	1.00	-	-	-
28 Collection System Maintenance Worker	2.00	2.00	2.00	1.00
28 Engineering Technician	1.00	3.00	4.00	3.00
28 GIS Technician	-	2.00	2.00	2.00
28 Senior GIS Technician	1.00	-	-	-
28 Utility Operator	26.00	27.00	28.00	22.00
28 Utility Operator Apprentice	6.00	4.00	3.00	10.00
28 Water Plant Operator B	1.00	-	-	-
27 Storekeeper	1.00	1.00	1.00	2.00
27 Water Lab Technician	1.00	1.00	1.00	1.00
26 Utility Services Dispatcher	6.00	6.00	6.00	6.00
26 Water Plant Operator C	-	1.00	1.00	-
23 Utility Maintenance Worker	11.00	13.00	12.00	13.00
23 WTP Maintenance Worker	-	-	1.00	-
21 Janitor I	2.00	2.00	2.00	2.00
9 Executive Assistant	0.90	0.90	0.90	0.90
DEPARTMENT TOTAL	191.55	190.85	190.85	197.90

City of Duluth Minnesota - 2024 Budget

Water Fund

510 & 511

The Water Fund is a self-supporting enterprise fund which accounts for the collection, treatment, and distribution of water to the citizens of Duluth. The major funding source is water sales, representing 99% of total revenues for 2024. The most significant category of expense is personal services at 46% of total proposed expenses. Presented below is a summary of the major categories of revenues and expenses over a four year period.

Estimated Income and Expense	2021 Actual	2022 Actual	2023 Budget	2024 Approved
REVENUE				
Operating	15,920,408	16,013,881	16,831,000	16,881,000
Non-Operating	228,915	7,043,675	13,653,000	13,653,000
	16,149,323	23,057,556	30,484,000	30,534,000
EXPENSES				
Personal Services	3,780,259	5,342,658	6,892,200	7,468,400
Supplies	1,035,684	1,150,987	1,799,200	2,573,100
Other Services & Charges	1,319,049	1,415,676	1,689,500	2,064,800
Depreciation	1,797,168	1,820,159	2,017,000	2,080,300
Miscellaneous	1,502,064	1,659,202	1,480,600	1,854,700
Interfund Transfers	154,233	220,279	221,800	237,500
	9,588,457	11,608,961	14,100,300	16,278,800
ESTIMATED OPERATING INCOME (LOSS)	6,560,866	11,448,595	16,383,700	14,255,200
Other Sources of Cash	2,539,295	14,055,264	2,014,200	2,077,800
Other Uses of Cash	(6,335,499)	(23,680,182)	(18,595,400)	(18,175,700)
Increase (Decrease) in Cash	2,764,662	1,823,677	(197,500)	(1,842,700)

City of Duluth Minnesota - 2024 Budget

Water Fund Estimated Unrestricted Cash Balance

OPERATING FUND	2023 Budget	2023 Projected	2024 Approved
ESTIMATED OPERATING INCOME (LOSS)	16,383,700	5,825,350	14,255,200
<u>Other Sources of Cash</u>			
Depreciation and Amortization	2,017,000	1,925,600	2,080,300
Interest from Bond Discount	(2,800)	(2,800)	(2,500)
Due from Other Funds	-	2,617,945	-
Special Assessment Principal	-	63,492	-
Total Other Sources of Cash	2,014,200	4,604,237	2,077,800
<u>Other Uses of Cash</u>			
Capital Grants	-	2,196,100	-
Due to Other Funds	-	21,218	-
Capital Improvements from State Bond	13,500,000	-	13,500,000
Capital Improvements from Current Revenues	3,000,000	3,100,900	2,500,000
Capital Equipment Purchases	434,700	191,186	420,500
Bond Principal Payments	1,375,000	1,374,300	1,608,300
AMRS Purchase Agreement Principal Payments	285,700	285,684	146,900
Total Other Uses of Cash	18,595,400	7,169,388	18,175,700
INCREASE (DECREASE) IN CASH	(197,500)	3,260,199	(1,842,700)
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH-BEGINNING	9,148,975	9,148,975	12,409,174
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH-ENDING	8,951,475	12,409,174	10,566,474

City of Duluth Minnesota - 2024 Budget

Water Fund

510 & 511

Revenue Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
OPERATING REVENUES				
4636 Sale of Scrap	21,848	34,173	10,000	10,000
4680 Damage or Losses Recovered	4,814	7,340	-	-
4700 Other Sources	15,682	-	-	-
4800 Meter Repair	30,599	34,246	35,000	35,000
4801 Off/On Charge	23,094	35,111	25,000	25,000
4802 Interest - Customer Accounts	20,772	40,899	40,000	40,000
4805 Reimbursements	2,717	5,955	6,000	6,000
4809 Miscellaneous Operating	6,671	11,847	10,000	10,000
4810 Metered Water Sales	11,862,409	11,916,064	12,500,000	12,500,000
4811 Water for Resale	1,504,456	1,488,630	1,700,000	1,700,000
4831 Fixed Rate Charges	2,423,793	2,435,996	2,500,000	2,550,000
4851 Interest Income	3,553	3,620	5,000	5,000
TOTAL OPERATING REVENUES	15,920,408	16,013,881	16,831,000	16,881,000
NON-OPERATING REVENUES				
4209 Direct Federal Grants, Capital	120,860	6,962,993	-	-
4220 State of Minnesota, Capital	-	36,848	13,500,000	13,500,000
4601 Change in Fair Value Investments	(28,198)	(119,386)	-	-
4806 Connection Fees	15,265	11,232	13,000	13,000
4853 Gain on Sale of Assets	3,026	16,988	5,000	5,000
4854 Utility Assessments	17,962	-	-	-
4730 Transfers from Special Revenue Fund	100,000	135,000	135,000	135,000
TOTAL NON-OPERATING REVENUES	228,915	7,043,675	13,653,000	13,653,000
TOTAL REVENUE	16,149,323	23,057,556	30,484,000	30,534,000

City of Duluth Minnesota - 2024 Budget

Director's Office

510-500-1900

The Director's Office provides leadership and management for the Public Works and Utilities Department.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	78,853	96,546	95,200	99,600
5101 Permanent Employees - Overtime	78	992	-	-
TOTAL	78,931	97,538	95,200	99,600
EMPLOYEE BENEFITS				
5121 P.E.R.A.	5,767	7,868	7,100	7,400
5122 F.I.C.A. Social Security	4,506	6,035	5,900	6,200
5123 F.I.C.A. Medicare	1,097	1,361	1,400	1,400
5125 Dental Insurance	333	427	400	400
5126 Life Insurance	172	287	200	200
5127 Health Care Savings	2,404	3,905	1,600	1,700
5130 Cafeteria Plan Benefits	18,961	18,607	25,400	25,900
5133 Health or Fitness Program	-	24	-	-
TOTAL	33,240	38,514	42,000	43,200
OPERATING EXPENSES				
5200 Office Supplies	162	90	100	100
5241 Small Equipment	514	205	200	300
5320 Data Services	-	-	-	100
5321 Telephone	281	288	300	300
5331 Training Expense	426	1,216	200	700
5335 Mileage Reimbursement - Local	88	208	200	200
5441 Other Services & Charges	88	-	-	-
TOTAL	1,559	2,007	1,000	1,700
1900 TOTAL - DIRECTOR'S OFFICE	113,730	138,059	138,200	144,500

City of Duluth Minnesota - 2024 Budget

Capital

510-500-1905

Capital expenditures support the infrastructure required to provide a safe and adequate supply of water to Duluth residents and neighboring communities. This includes costs for depreciation and debt service.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
OPERATING EXPENSES				
5420 Depreciation	1,797,168	1,820,159	2,017,000	2,080,300
5535 Improvements (Non-Capital)	64,883	54,728	65,000	195,000
5540 Equipment (Non-Capital)	2,614	5,256	1,200	41,800
5611 Bond Interest	168,221	164,612	178,300	185,900
5613 Interest from Bond Amortization	(6,947)	(3,139)	(2,800)	(2,500)
5614 Purchase Agreement Interest	30,232	19,934	13,700	2,800
5620 Fiscal Agents Fee	635	500	800	600
5621 Bond Issuance/Discount Fees	-	6,500	-	-
5700 Interfund Transfers Out to General Fund	-	-	-	180,000
TOTAL	2,056,806	2,068,550	2,273,200	2,683,900
NON-OPERATING EXPENSES				
5532 Capital Improvements - Bond Financing	-	-	13,500,000	13,500,000
5533 Capital Improvements - Revenue Financing	2,148,359	10,666,561	3,000,000	2,500,000
5580 Capital Equipment	159,393	167,277	434,700	420,500
TOTAL	2,307,752	10,833,838	16,934,700	16,420,500
1905 TOTAL - CAPITAL	4,364,558	12,902,388	19,207,900	19,104,400

City of Duluth Minnesota - 2024 Budget

Utility General Expense

510-500-1915

General expenses represent normal and routine department operating expenses that can be allocated to each utility fund. Examples include costs for safety and training, insurance and utilities.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	37,673	119,055	148,300	151,200
5101 Permanent Employees - Overtime	2	6,612	2,000	2,500
5118 Meal Allowance	-	158	-	-
TOTAL	37,675	125,825	150,300	153,700
EMPLOYEE BENEFITS				
5121 P.E.R.A.	2,781	8,586	11,000	11,100
5121 P.E.R.A., GASB 68	(476,176)	274,215	-	-
5122 F.I.C.A. Social Security	2,234	7,636	9,300	9,500
5123 F.I.C.A. Medicare	523	1,786	2,200	2,200
5125 Dental Insurance	277	711	1,000	1,000
5126 Life Insurance	7,193	9,634	500	500
5127 Health Care Savings	727	6,477	2,500	2,500
5130 Cafeteria Plan Benefits	15,294	23,649	55,700	37,700
5133 Health or Fitness Program	86	45	-	-
5134 Other Post Retirement Benefits	(1,710,213)	(1,062,580)	-	-
5135 Retiree Health Insurance	551,438	486,255	600,300	600,300
5151 Worker's Compensation	57,900	75,200	80,500	80,500
TOTAL	(1,547,936)	(168,386)	763,000	745,300
OPERATING EXPENSES				
5200 Office Supplies	-	145	100	-
5205 Safety & Training	81	229	800	800
5211 Cleaning & Janitorial Supplies	1,832	3,173	3,500	4,300
5218 Uniforms	138	163	200	100
5241 Small Equipment	788	540	1,700	1,700
5301 Auditing Services	1,573	1,331	1,600	1,600
5305 Medical Services/Testing Fees	1,113	1,432	1,600	1,600
5310 Contract Services	61	420	5,000	2,500
5320 Data Services	14,529	15,565	15,300	17,100
5321 Telephone	3,632	3,997	3,800	3,300
5331 Training Expense	53	794	1,800	1,800
5335 Mileage Reimbursement - Local	543	180	500	500

City of Duluth Minnesota - 2024 Budget

Utility General Expense

510-500-1915

General expenses represent normal and routine department operating expenses that can be allocated to each utility fund. Examples include costs for safety and training, insurance and utilities.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
5355 Printing & Copying Services	-	18	-	-
5356 Copier, Printer Lease & Supplies	3,082	2,596	4,500	4,500
5360 Insurance	99,600	76,000	71,300	71,300
5381 Electricity	12,431	14,944	16,500	16,500
5382 Water, Gas & Sewer	13,271	12,385	18,400	18,400
5384 Refuse Disposal	4,383	4,229	4,500	4,500
5401 Building Repair & Maintenance	5,832	5,822	6,700	4,900
5404 Equipment Repair & Maintenance	-	-	1,100	6,000
5414 Software Lic & Mtc Agreements	50,319	53,464	52,300	56,800
5433 Dues & Subscriptions	-	24	-	-
5441 Other Services & Charges	2,110	5,655	4,000	4,200
5450 Laundry	1,137	1,414	1,200	1,500
5457 Hydrant Maintenance	30,000	30,000	30,000	30,000
5493 Cost Allocation	356,400	394,600	394,600	419,600
5700 Transfer to General Fund	59,075	53,850	55,800	57,500
TOTAL	661,983	682,970	696,800	731,000
1915 TOTAL - GENERAL EXPENSE	(848,278)	640,409	1,610,100	1,630,000

City of Duluth Minnesota - 2024 Budget

Engineering

510-500-1930

Engineering provides engineering services including design, inspection and construction locates for the water distribution system.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	436,026	456,846	448,500	667,500
5101 Permanent Employees - Overtime	29,235	29,880	42,200	42,000
5103 Temporary Wages	225	629	2,700	2,700
5118 Meal Allowance	285	425	1,200	1,200
TOTAL	465,771	487,780	494,600	713,400
EMPLOYEE BENEFITS				
5121 P.E.R.A.	34,197	34,720	36,300	52,700
5122 F.I.C.A. Social Security	27,926	28,934	30,600	44,200
5123 F.I.C.A. Medicare	6,531	6,767	7,200	10,300
5125 Dental Insurance	2,293	2,253	2,400	3,500
5126 Life Insurance	1,181	1,544	1,100	1,600
5127 Health Care Savings	11,905	20,465	9,700	12,400
5130 Cafeteria Plan Benefits	105,735	101,995	137,500	227,700
5133 Health or Fitness Program	230	458	-	-
5141 Unemployment Compensation	-	3,302	-	-
5159 Project Benefits (Contra-Account)	(116,845)	(159,199)	-	-
TOTAL	73,153	41,239	224,800	352,400
OPERATING EXPENSES				
5200 Office Supplies	239	191	400	400
5201 Computer Supplies	290	284	100	300
5203 Paper, Stationery and Forms	644	144	700	200
5205 Safety and Training Materials	140	24	200	400
5212 Motor Fuel	4,677	6,589	6,400	5,300
5218 Uniforms	1,217	1,455	1,200	1,500
5219 Other Miscellaneous Supplies	2,533	71,292	194,000	204,000
5240 Small Tools	671	308	700	400
5241 Small Equipment	970	-	1,200	1,200
5242 Survey Equipment and Supplies	4,462	1,285	5,900	5,900
5303 Engineering Services	-	-	-	55,000
5320 Data Services	2,128	2,114	2,200	2,200
5321 Telephone	1,553	1,599	1,600	1,600

City of Duluth Minnesota - 2024 Budget

Engineering

510-500-1930

Engineering provides engineering services including design, inspection and construction locates for the water distribution system.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
5322 Postage	159	478	100	200
5331 Training Expenses	1,083	1,379	3,200	3,800
5335 Mileage Reimbursement	-	-	100	100
5355 Printing and Copying	2,810	565	3,000	500
5356 Copier, Printer Lease & Supplies	100	260	2,100	300
5404 Equipment Maintenance Repair	1,107	1,254	2,000	2,000
5409 Fleet Services	6,428	2,923	6,800	6,500
5414 Software Lic & Mtc Agreements	15,372	16,689	15,900	18,700
5433 Dues and Subscriptions	128	132	1,000	1,000
5435 Books and Pamphlets	10	-	-	-
5438 Licenses	-	465	-	100
5441 Other Services and Charges	3,783	1,899	6,300	5,800
5486 One Call System	3,478	3,015	4,500	4,500
Interfund Transfers Out To Special				
5700 Revenue Funds	-	429	-	-
TOTAL	53,982	114,773	259,600	321,900
1930 TOTAL - ENGINEERING	592,906	643,792	979,000	1,387,700

City of Duluth Minnesota - 2024 Budget

Customer Service

510-500-1940

Customer Accounts provides meter reading, billing, payment collection and account services for utility customers. Service provides installation, inspection, repair and replacement of meters and assures the integrity of customer utility connections.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	875,407	810,902	827,700	863,500
5101 Permanent Employees - Overtime	10,895	12,142	14,900	16,800
5111 Long-Term Disability Wages	-	299	-	-
5118 Meal Allowance	78	38	100	100
TOTAL	886,380	823,381	842,700	880,400
EMPLOYEE BENEFITS				
5121 P.E.R.A.	64,628	60,341	62,200	65,300
5122 F.I.C.A. Social Security	52,479	48,682	52,200	54,500
5123 F.I.C.A. Medicare	12,274	11,386	12,200	12,700
5125 Dental Insurance	5,209	4,660	4,600	4,700
5126 Life Insurance	2,683	3,162	2,100	2,200
5127 Health Care Savings	35,320	19,379	22,100	20,600
5130 Cafeteria Plan Benefits	244,339	227,413	266,400	306,700
5133 Health or Fitness Program	92	20	-	-
TOTAL	417,024	375,043	421,800	466,700
OPERATING EXPENSES				
5200 Office Supplies	1,324	1,145	4,200	2,000
5201 Computer Supplies	1,606	1,224	800	800
5205 Safety & Training Materials	47	175	-	-
5210 Plant/Operating Supplies	45	300	-	-
5212 Motor Fuel	16,526	20,712	24,600	21,300
5215 Shop Materials	-	573	-	5,000
5218 Uniforms	2,173	6,079	3,200	7,000
5219 Other Miscellaneous Supplies	106	421	-	-
5220 Repair & Maintenance Supplies	32	26,677	12,000	35,000
5227 Utility System	85,865	85,107	106,700	206,200
5228 Painting Supplies	162	6,672	1,000	7,000
5240 Small Tools	4,957	8,884	5,600	6,800
5241 Small Equipment	5,060	3,809	4,200	5,200
5310 Contract Services	23,908	23,071	42,000	27,000

City of Duluth Minnesota - 2024 Budget

Customer Service

510-500-1940

Customer Accounts provides meter reading, billing, payment collection and account services for utility customers. Service provides installation, inspection, repair and replacement of meters and assures the integrity of customer utility connections.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
5320 Data Services	3,003	3,484	2,800	3,300
5321 Telephone	2,675	2,880	2,900	3,700
5322 Postage	43,589	47,789	47,900	47,900
5331 Training Expenses	1,877	3,323	10,800	12,000
5339 Armored Pickup	1,760	3,254	5,000	-
5355 Printing & Copying	-	1,194	1,200	1,400
5356 Copier, Printer Lease & Supplies	367	934	500	800
5404 Equipment Maintenance & Repair	299	1,969	600	1,200
5409 Fleet Services	19,878	14,557	17,900	18,800
5414 Software Lic & Mtc Agreements	3,488	3,663	9,800	9,800
5427 Credit Card Commission	46,856	57,797	74,300	93,000
5432 Uncollectible Accounts	(49,008)	22,667	15,000	15,000
5441 Other Services & Charges	3,540	1,291	4,600	1,200
TOTAL	220,135	349,651	397,600	531,400
1940 TOTAL - CUSTOMER SERVICE	1,523,539	1,548,075	1,662,100	1,878,500

City of Duluth Minnesota - 2024 Budget

Utility Operations

510-500-1945

Utility Operations operates, maintains and improves the pipeline distribution system to provide a dependable supply of water to Duluth and surrounding areas.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	1,521,474	1,575,885	1,573,800	1,711,500
5101 Permanent Employees - Overtime	117,171	130,741	205,000	185,000
5103 Other Wages	6,865	8,364	19,200	21,600
5111 Long-Term Disability Wages	321	410	-	-
5118 Meal Allowance	1,973	2,642	5,300	5,300
TOTAL	1,647,804	1,718,042	1,803,300	1,923,400
EMPLOYEE BENEFITS				
5121 P.E.R.A.	120,886	122,521	131,700	140,600
5122 F.I.C.A. Social Security	98,775	103,077	111,500	118,900
5123 F.I.C.A. Medicare	23,101	24,107	26,100	27,800
5125 Dental Insurance	9,002	8,961	9,200	9,800
5126 Life Insurance	4,648	6,121	4,200	4,500
5127 Health Care Savings	32,135	39,155	33,700	37,800
5130 Cafeteria Plan Benefits	424,277	428,220	562,800	618,500
5133 Health or Fitness Program	72	96	-	-
5141 Unemployment Compensation	-	236	-	-
TOTAL	712,896	732,494	879,200	957,900
OPERATING EXPENSES				
5200 Office Supplies	2,424	1,412	1,300	1,300
5201 Computer Supplies/Software	589	157	500	500
5205 Safety & Training Materials	4,509	2,465	9,200	9,200
5210 Plant/Operating Supplies	19,388	15,619	22,800	22,800
5212 Motor Fuel	58,267	95,482	103,800	103,900
5215 Shop Materials	4,001	5,460	5,500	7,000
5218 Uniforms	7,345	10,086	12,900	12,900
5219 Other Miscellaneous Supplies	3,515	3,580	4,000	4,000
5220 Repair & Maintenance Supplies	5,738	6,073	11,800	11,800
5222 Paving Materials	17,378	25,840	30,000	35,600
5224 Gravel & Other Maintenance Mtls	68,532	83,724	116,000	127,800
5227 Utility Maintenance Supply	338,900	74,818	411,000	423,000

City of Duluth Minnesota - 2024 Budget

Utility Operations

510-500-1945

Utility Operations operates, maintains and improves the pipeline distribution system to provide a dependable supply of water to Duluth and surrounding areas.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
5228 Painting Supplies	-	9	500	500
5240 Small Tools	8,854	17,783	19,300	19,500
5241 Small Equipment	585	4,371	7,200	10,300
5310 Contract Services	7,702	42,243	16,000	71,000
5320 Data Services	3,716	4,045	3,900	4,700
5321 Telephone	1,800	1,559	2,100	2,300
5331 Training Expenses	3,899	9,101	13,100	13,700
5333 Freight/Delivery Charges	4,127	5,340	4,500	5,500
5335 Mileage Reimbursement	2,304	2,587	3,000	3,000
5355 Printing and Copying	16	-	300	600
5356 Copier, Printer Lease & Supplies	-	-	400	400
5381 Electricity	5,903	7,176	6,000	8,000
5382 Water/Sewer/Gas	5,191	7,164	7,200	7,500
5384 Refuse Disposal	15,540	19,603	20,000	23,000
5404 Equipment Maintenance/Repair	9,638	4,758	9,000	9,000
5409 Fleet Service Charges	158,567	158,073	161,200	168,400
5414 Software Lic & Mtc Agreements	360	-	-	-
5415 Vehicle/Equipment Rental	3,624	5,562	18,000	18,000
5419 Other Rentals	850	-	-	-
5438 License	552	322	800	800
5441 Other Services & Charges	5,048	1,662	5,000	5,000
5450 Laundry	5,453	6,084	8,000	8,500
5700 Transfer to General Fund	95,158	166,000	166,000	-
TOTAL	869,473	788,158	1,200,300	1,139,500
1945 TOTAL - UTILITY OPERATIONS	3,230,173	3,238,694	3,882,800	4,020,800

City of Duluth Minnesota - 2024 Budget

Water Treatment and Pumping

510-500-1955

Treatment is required to produce a safe and potable water supply that meets Federal and State standards. This includes bacterial, biochemical and physical testing. The operation and maintenance of pump stations throughout the City is necessary to lift water to elevations that provide adequate pressure for customer use.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	653,846	731,284	762,400	724,400
5101 Permanent Employees - Overtime	42,275	31,870	30,000	50,000
5118 Meal Allowance	210	45	-	-
TOTAL	696,331	763,199	792,400	774,400
EMPLOYEE BENEFITS				
5121 P.E.R.A.	51,402	55,319	58,300	57,300
5122 F.I.C.A. Social Security	41,380	45,305	49,100	48,000
5123 F.I.C.A. Medicare	9,678	10,596	11,500	11,200
5125 Dental Insurance	3,755	4,118	4,500	3,900
5126 Life Insurance	1,935	2,808	2,100	1,800
5127 Health Care Savings	9,910	17,153	12,100	12,300
5130 Cafeteria Plan Benefits	160,930	172,690	245,300	223,500
TOTAL	278,990	307,989	382,900	358,000
OPERATING EXPENSES				
5200 Office Supplies	2,080	4,656	800	2,000
5201 Computer Supplies/Software	5,367	6,212	6,400	6,400
5205 Safety & Training Materials	1,309	807	2,000	2,000
5210 Plant/Operating Supplies	7,548	3,480	9,500	9,500
5211 Cleaning/Janitorial Supplies	588	587	1,500	27,000
5212 Motor Fuel	3,462	3,866	6,100	6,100
5216 Treatment Chemicals	229,707	399,907	493,000	1,010,000
5218 Uniforms	2,983	3,416	5,000	5,000
5219 Other Miscellaneous Supplies	27,822	27,102	34,600	71,000
5220 Repair & Maintenance Supplies	71,763	97,674	85,800	85,800
5228 Painting Supplies	302	-	-	-
5240 Small Tools	2,538	2,307	6,000	6,000
5241 Small Equipment	2,929	6,199	13,000	29,000
5310 Contract Services	9,921	19,145	25,000	25,000
5319 Other Professional Services	-	140	5,000	5,000

City of Duluth Minnesota - 2024 Budget

Water Treatment and Pumping

510-500-1955

Treatment is required to produce a safe and potable water supply that meets Federal and State standards. This includes bacterial, biochemical and physical testing. The operation and maintenance of pump stations throughout the City is necessary to lift water to elevations that provide adequate pressure for customer use.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
5320 Data Services	537	686	700	1,300
5321 Telephone	552	605	700	700
5322 Postage	371	483	800	800
5331 Training Expenses	1,013	1,863	5,600	5,600
5335 Mileage Reimbursement - Local	-	171	-	1,000
5355 Printing and Copying	-	-	1,000	1,000
5356 Copier, Printer Lease & Supplies	-	-	500	500
5381 Electricity	1,193,680	1,324,212	1,165,000	1,500,000
5382 Water & Sewer	79,447	104,914	77,500	117,500
5401 Building Repair & Maintenance	50,512	57,149	138,000	113,300
5404 Equipment Maintenance/Repair	166,857	143,041	219,000	289,400
5409 Fleet Services	3,117	7,331	10,000	7,600
5433 Dues and Subscriptions	6,475	6,644	6,700	7,000
5438 Licenses	42	-	300	300
5441 Other Services & Charges	73,103	36,464	59,800	64,800
5450 Laundry	235	316	300	400
5483 Water Testing Fees	-	817	-	-
TOTAL	1,944,260	2,260,194	2,379,600	3,401,000
1955 TOTAL-WATER TRMT & PUMPING	2,919,581	3,331,382	3,554,900	4,533,400

City of Duluth Minnesota - 2024 Budget

Gas Fund

520

The Gas Fund is a self-supporting enterprise fund which accounts for the distribution of an adequate, reliable and safe supply of natural gas. Other services provided are the inspection, maintenance and servicing of customer gas utilization equipment. The major funding source is gas sales, representing 96% of total revenues for 2024. The major category of expense is purchased gas, which represents 64% of total proposed expenses. Presented below is a summary of the major categories of revenues and expenses over a four year period.

Estimated Income and Expense	2021 Actual	2022 Actual	2023 Budget	2024 Approved
REVENUE				
Gas Sales	39,436,399	57,717,174	53,239,400	51,339,700
Operating	1,553,253	1,907,397	2,125,500	1,945,500
Non-Operating	27,861	30,825	100,000	100,000
	41,017,513	59,655,396	55,464,900	53,385,200
EXPENSES				
Personal Services	5,538,423	6,778,916	9,495,700	9,712,400
Supplies	1,202,671	953,145	1,554,700	1,788,300
Other Services & Charges	1,562,357	1,766,938	1,928,300	2,109,800
Depreciation	1,563,784	1,590,052	1,752,000	1,800,800
Miscellaneous	61,287	58,246	54,400	50,400
Cost of Sales	25,527,796	36,775,067	34,000,000	32,000,000
Interfund Transfers	2,669,522	3,027,182	4,159,700	2,870,000
	38,125,840	50,949,546	52,944,800	50,331,700
ESTIMATED OPERATING INCOME (LOSS)	2,891,673	8,705,850	2,520,100	3,053,500
Other Sources of Cash	2,916,093	4,853,788	1,752,000	1,800,800
Other Uses of Cash	(10,249,171)	(6,076,372)	(3,592,100)	(3,049,500)
Increase (Decrease) in Cash	(4,441,405)	7,483,266	680,000	1,804,800

City of Duluth Minnesota - 2024 Budget

Gas Fund Estimated Unrestricted Cash Balance

OPERATING FUND	2023 Budget	2023 Projected	2024 Approved
ESTIMATED OPERATING INCOME (LOSS)	2,520,100	2,558,450	3,053,500
<u>Other Sources of Cash</u>			
Depreciation and Amortization	1,752,000	1,667,100	1,800,800
Special Assessment Principal	-	6,272	-
Total Other Sources of Cash	1,752,000	1,673,372	1,800,800
<u>Other Uses of Cash</u>			
Due to Other Funds	-	24,785	-
Capital Improvements from Current Revenues	2,500,000	1,924,800	2,520,000
Capital Equipment Purchases	830,200	180,600	394,800
AMRS Purchase Agreement Principal Payment	261,900	261,877	134,700
Total Other Uses of Cash	3,592,100	2,392,062	3,049,500
INCREASE (DECREASE) IN CASH	680,000	1,839,760	1,804,800
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - BEGINNING	8,880,291	8,880,291	10,720,051
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - ENDING	9,560,291	10,720,051	12,524,851

City of Duluth Minnesota - 2024 Budget

Gas Fund

520

Revenue Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
OPERATING REVENUES				
GAS SALES				
4820 Residential Firm	19,966,971	29,370,012	27,072,300	26,114,400
4822 Comm/Industrial Firm Large	9,923,401	15,300,287	12,462,500	11,979,600
4824 Comm/Industrial Interruptible Large	5,388,568	8,854,714	9,454,600	8,995,700
4831 Fixed Rate Charges	4,157,459	4,192,161	4,250,000	4,250,000
TOTAL	39,436,399	57,717,174	53,239,400	51,339,700
OTHER OPERATING REVENUES				
4636 Sale of Scrap	1,231	1,068	500	500
4700 Other Sources	16	155,605	-	-
4801 Off/On Charge	23,094	35,111	25,000	25,000
4802 Interest Earned on Customer Accts	25,031	142,803	30,000	100,000
4805 Reimbursements	31,579	24,244	450,000	450,000
4809 Miscellaneous Operating Revenue	32,640	32,807	70,000	70,000
4818 Servicing Appliances	531,702	696,527	500,000	550,000
4819 Comfort Policy	474,304	524,109	500,000	500,000
4825 Purchase Gas Adjustment	(16)	(34)	-	-
4827 Gas-Interruptible Transport	433,609	295,064	550,000	250,000
4851 Interest Income - Other Sources	63	93	-	-
TOTAL	1,553,253	1,907,397	2,125,500	1,945,500
TOTAL OPERATING REVENUES	40,989,652	59,624,571	55,364,900	53,285,200
NON-OPERATING REVENUES				
4220 Minnesota Grants - Capital	140	-	-	-
4601 Change in Fair Value Investments	(73,767)	(122,850)	-	-
4829 Two Tier Rate	105,605	131,410	100,000	100,000
4853 Gain on Sale of Assets	(4,117)	22,265	-	-
TOTAL NON-OPERATING REVENUES	27,861	30,825	100,000	100,000
TOTAL REVENUE	41,017,513	59,655,396	55,464,900	53,385,200

City of Duluth Minnesota - 2024 Budget

Director's Office

520-500-1900

The Director's Office provides leadership and management for the Public Works and Utilities Department.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	92,947	110,667	110,000	115,000
5101 Permanent Employees - Overtime	156	1,119	-	-
TOTAL	93,103	111,786	110,000	115,000
EMPLOYEE BENEFITS				
5121 P.E.R.A.	6,759	8,891	8,100	8,500
5122 F.I.C.A. Social Security	5,384	6,918	6,800	7,100
5123 F.I.C.A. Medicare	1,302	1,568	1,600	1,700
5125 Dental Insurance	413	506	500	500
5126 Life Insurance	213	341	200	200
5127 Health Care Savings	2,720	4,228	1,900	2,000
5130 Cafeteria Plan Benefits	21,313	20,959	28,200	28,900
5133 Health or Fitness Program	-	24	-	-
TOTAL	38,104	43,435	47,300	48,900
OPERATING EXPENSES				
5200 Office Supplies	224	64	100	100
5241 Small Equipment	504	150	200	300
5320 Data Services	-	-	-	100
5321 Telephone	352	360	400	400
5331 Training/Travel	1,562	1,078	600	1,100
5335 Mileage Reimbursement Local	88	228	200	200
5438 Licenses	91	84	100	100
5441 Other Services & Charges	88	-	-	-
TOTAL	2,909	1,964	1,600	2,300
1900 TOTAL - DIRECTOR'S OFFICE	134,116	157,185	158,900	166,200

City of Duluth Minnesota - 2024 Budget

Capital

520-500-1905

Capital expenditures support the infrastructure required to provide an adequate supply of natural gas to Duluth residents. This includes costs for depreciation and debt service.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
OPERATING EXPENSES				
5420 Depreciation	1,563,784	1,590,052	1,752,000	1,800,800
5441 Other Services & Charges	41	-	-	-
5535 Improvements (Non-Capital)	49,316	37,344	35,000	75,000
5540 Equipment (Non-Capital)	2,430	5,617	1,300	12,500
5614 Purchase Agreement Interest	27,713	18,273	12,600	2,600
5700 Interfund Transfers Out to General Fund	-	-	-	112,500
TOTAL	1,643,284	1,651,286	1,800,900	2,003,400
NON-OPERATING EXPENSES				
5533 Capital Improvements				
- Revenue Financing	3,117,956	1,987,826	2,500,000	2,520,000
5580 Capital Equipment	265,503	173,899	830,200	394,800
TOTAL	3,383,459	2,161,725	3,330,200	2,914,800
1905 TOTAL - CAPITAL	5,026,743	3,813,011	5,131,100	4,918,200

City of Duluth Minnesota - 2024 Budget

Utility General Expense

520-500-1915

General expenses represent normal and routine department operating expenses that can be allocated to each utility fund. Examples include costs for safety and training, insurance, and utilities.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	58,773	189,769	243,000	249,300
5101 Permanent Employees - Overtime	4	10,993	4,200	5,400
5118 Meal Allowance	-	263	-	-
TOTAL	58,777	201,025	247,200	254,700
EMPLOYEE BENEFITS				
5121 P.E.R.A.	4,308	13,523	18,100	18,500
5121 PERA Retirement, GASB 68	(459,274)	191,763	-	-
5122 F.I.C.A. Social Security	3,551	12,249	15,300	15,800
5123 F.I.C.A. Medicare	831	2,865	3,600	3,700
5125 Dental Insurance	396	1,076	1,600	1,600
5126 Life Insurance	7,254	9,893	700	700
5127 Health Care Savings	1,134	10,555	4,100	4,000
5130 Cafeteria Plan Benefits	18,822	34,796	84,700	57,500
5133 Health or Fitness Program	215	114	-	-
5134 Other Post Retirement Benefits	(2,372,807)	(1,575,696)	-	-
5135 Retiree Health Insurance	786,281	712,944	813,200	813,200
5151 Worker's Compensation	78,300	101,600	105,800	105,800
TOTAL	(1,930,989)	(484,318)	1,047,100	1,020,800
OPERATING EXPENSES				
5200 Office Supplies	-	168	100	-
5205 Safety & Training	86	244	800	800
5211 Cleaning & Janitorial Supplies	2,338	3,192	3,500	4,300
5218 Uniforms	138	163	100	100
5241 Small Equipment	19,712	680	1,700	1,700
5301 Auditing Services	1,573	1,331	1,600	1,600
5305 Medical Services/Testing Fees	8,796	9,228	10,200	10,200
5310 Contract Services	87	420	5,000	2,500
5320 Data Services	30,379	23,257	33,200	37,300
5321 Telephone	4,206	4,229	4,300	4,300
5322 Postage	266	-	1,000	300
5331 Training Expense	7,901	8,382	3,900	11,800

City of Duluth Minnesota - 2024 Budget

Utility General Expense

520-500-1915

General expenses represent normal and routine department operating expenses that can be allocated to each utility fund. Examples include costs for safety and training, insurance, and utilities.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
5333 Freight/Delivery Charges	106	-	-	-
5335 Mileage Reimbursement	604	180	1,500	1,500
5340 Advertising and Promotion	24,262	35,297	32,000	30,500
5355 Printing & Copying	2,632	18,554	11,500	13,000
5356 Copier, Printer Lease & Supplies	3,356	2,781	4,500	4,500
5360 Insurance	64,400	64,800	65,000	65,000
5381 Electricity	12,959	15,629	16,500	16,500
5382 Water, Gas & Sewer	11,816	12,972	13,300	13,300
5384 Refuse Disposal	3,011	2,919	3,000	3,000
5401 Building Repair & Maintenance	6,593	6,088	4,600	4,400
5404 Equipment/Machinery Repair	-	90	2,500	13,500
5414 Software Lic & Mtc Agreements	79,343	82,587	75,400	82,300
5433 Dues and Subscriptions	4,426	3,880	7,700	7,800
5441 Other Services & Charges	1,760	5,841	4,200	4,200
5443 Board & Meeting Expenses	-	1,222	-	-
5450 Laundry	1,207	1,469	1,200	1,500
5452 Pipe Line Safety	8,025	13,837	15,000	15,000
5493 Cost Allocation	494,600	481,800	481,800	531,300
5711 Payment in Lieu of Taxes	2,550,973	2,869,276	4,000,000	2,700,000
5700 Transfer to General Fund	59,075	53,850	55,900	57,500
TOTAL	3,404,630	3,724,366	4,861,000	3,639,700
1915 TOTAL - GENERAL EXPENSE	1,532,418	3,441,073	6,155,300	4,915,200

City of Duluth Minnesota - 2024 Budget

Engineering

520-500-1930

Engineering provides engineering services including design, inspection and construction locates for the gas distribution system.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	935,123	918,787	993,500	943,000
5101 Permanent Employees - Overtime	47,341	48,688	50,000	50,000
5103 Temporary Wages	224	629	2,700	2,700
5118 Meal Allowance	300	383	1,100	1,100
TOTAL	982,988	968,487	1,047,300	996,800
EMPLOYEE BENEFITS				
5121 P.E.R.A.	73,175	70,776	77,900	73,900
5122 F.I.C.A. Social Security	58,756	57,009	64,900	61,700
5123 F.I.C.A. Medicare	13,742	13,333	15,200	14,400
5125 Dental Insurance	4,701	4,415	4,900	4,400
5126 Life Insurance	2,422	3,008	2,200	2,000
5127 Health Care Savings	25,470	35,240	20,200	17,800
5130 Cafeteria Plan Benefits	273,313	253,437	355,600	296,200
5133 Health or Fitness Program	150	258	-	-
5141 Unemployment Compensation	-	3,302	-	-
5159 Project Benefits (Contra-Account)	(375,871)	(387,094)	-	-
TOTAL	75,858	53,684	540,900	470,400
OPERATING EXPENSES				
5200 Office Supplies	278	261	400	400
5201 Computer Supplies	308	291	100	300
5203 Paper, Stationery and Forms	97	154	100	200
5205 Safety & Training Materials	185	33	200	400
5212 Motor Fuel	7,185	9,187	10,000	8,600
5218 Uniforms	2,614	3,447	2,600	3,500
5219 Other Miscellaneous Supplies	131	1,981	-	-
5220 Repair & Maintenance Supplies	3,290	4,710	5,000	5,000
5240 Small Tools	483	40	500	400
5241 Small Equipment	778	1,387	7,900	7,900
5242 Survey Equipment and Supplies	9,528	4,937	5,900	5,900
5320 Data Services	2,248	2,235	2,200	2,200
5321 Telephone	2,960	2,768	3,100	3,100

City of Duluth Minnesota - 2024 Budget

Engineering

520-500-1930

Engineering provides engineering services including design, inspection and construction locates for the gas distribution system.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
5322 Postage	148	341	100	200
5331 Training Expenses	2,317	2,010	14,200	14,800
5335 Mileage Reimbursement	-	-	200	200
5355 Printing and Copying	408	195	600	300
5356 Copier, Printer Lease & Supplies	107	235	2,200	300
5404 Equipment Maintenance Repair	1,164	317	2,000	2,000
5409 Fleet Services	7,567	5,210	10,400	9,600
5414 Software Lic & Mtc Agreements	22,429	23,906	22,900	26,000
5433 Dues and Subscriptions	2,618	2,442	3,300	3,300
5435 Books and Pamphlets	10	1	-	-
5438 Licenses	-	449	-	200
5441 Other Services and Charges	5,607	5,440	8,100	8,600
5486 One Call System	3,504	3,038	4,500	4,500
5700 Interfund Transfers Out To General Fund	-	306	-	-
TOTAL	75,964	75,321	106,500	107,900
1930 TOTAL - ENGINEERING	1,134,810	1,097,492	1,694,700	1,575,100

City of Duluth Minnesota - 2024 Budget

Customer Service

520-500-1940

Customer Accounts provides meter reading, billing, payment collection and account services for utility customers. Service provides installation, inspection, repair and replacement of meters and assures the integrity of customer utility connections. Servicing Appliances provides hookup, inspection, cleaning and repair of gas appliances as well as an annual home service contract for natural gas furnaces. Information and Conservation markets the use of natural gas and provides consumer safety education through activities such as advertising, customer promotions, exhibits and support for community events.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	2,828,436	2,687,473	2,811,500	2,701,300
5101 Permanent Employees - Overtime	48,062	47,864	67,800	73,600
5103 Other Wages	-	-	-	29,000
5111 Long-Term Disability Wages	-	697	-	-
5118 Meal Allowance	252	185	400	400
TOTAL	2,876,750	2,736,219	2,879,700	2,804,300
EMPLOYEE BENEFITS				
5121 P.E.R.A.	210,272	199,568	212,600	206,200
5122 F.I.C.A. Social Security	171,121	162,120	178,500	173,900
5123 F.I.C.A. Medicare	40,020	37,915	41,700	40,700
5125 Dental Insurance	16,348	15,015	15,400	14,700
5126 Life Insurance	8,422	10,213	7,000	6,700
5127 Health Care Savings	129,872	60,158	70,600	66,000
5130 Cafeteria Plan Benefits	779,388	739,931	900,900	967,000
5133 Health or Fitness Program	152	32	-	-
TOTAL	1,355,595	1,224,952	1,426,700	1,475,200
OPERATING EXPENSES				
5200 Office Supplies	2,326	1,660	7,200	3,100
5201 Computer Supplies/Software	3,785	1,337	1,200	1,200
5205 Safety & Training Materials	81	202	-	-
5210 Plant/Operating Supplies	32,623	23,909	34,000	44,000
5212 Motor Fuel	63,829	80,419	92,800	74,900
5215 Shop Materials	1,226	46,412	17,000	40,000
5218 Uniforms	8,221	14,595	11,500	18,000
5219 Other Miscellaneous Supplies	240,018	191,016	350,000	350,000
5220 Repair & Maintenance Supplies	32,157	21,308	40,000	40,000
5227 Utility System Maintenance Supply	312,708	261,207	352,400	500,000

City of Duluth Minnesota - 2024 Budget

Customer Service

520-500-1940

Customer Accounts provides meter reading, billing, payment collection and account services for utility customers. Service provides installation, inspection, repair and replacement of meters and assures the integrity of customer utility connections. Servicing Appliances provides hookup, inspection, cleaning and repair of gas appliances as well as an annual home service contract for natural gas furnaces. Information and Conservation markets the use of natural gas and provides consumer safety education through activities such as advertising, customer promotions, exhibits and support for community events.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
5228 Painting Supplies	6,519	12,123	7,500	15,000
5240 Small Tools	39,553	32,120	29,400	29,200
5241 Small Equipment	5,574	13,708	21,800	22,000
5310 Contract Services	38,384	37,002	67,200	43,200
5320 Data Services	18,956	20,256	15,300	20,400
5321 Telephone	9,815	9,820	11,200	10,500
5322 Postage	69,742	76,463	77,000	77,000
5331 Training / Travel	4,656	5,234	35,500	37,500
5335 Mileage Reimbursement	-	-	200	200
5339 Armored Pickup	3,466	5,207	8,000	-
5340 Advertising and Promotion	24,783	19,391	79,500	79,500
5355 Printing & Copying	-	1,692	1,300	1,700
5356 Copier, Printer Lease & Supplies	564	1,349	700	1,100
5404 Equipment Repair & Maintenance	13,020	3,173	7,200	7,300
5409 Fleet Services	76,658	58,633	69,500	72,900
5414 Software Lic & Mtc Agreements	18,479	19,774	29,900	34,900
5427 Credit Card Commissions	113,415	148,529	118,800	150,000
5432 Uncollectible Accounts	(69,078)	64,844	55,000	55,000
5433 Dues and Subscriptions	2,548	2,548	3,600	8,100
5441 Other Services & Charges	20,696	26,595	32,400	28,700
5487 Conservation Improvement	204,237	248,342	226,900	226,900
5615 Customer Deposit Refund Interest	1,767	3,260	10,000	10,000
TOTAL	1,300,728	1,452,128	1,814,000	2,002,300
1940 TOTAL - CUSTOMER SERVICES	5,533,073	5,413,299	6,120,400	6,281,800

City of Duluth Minnesota - 2024 Budget

Utility Operations

520-500-1945

Utility Operations operates, maintains and improves the pipeline distribution system to provide a dependable supply of natural gas.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	1,051,914	1,015,234	1,070,400	1,305,700
5101 Permanent Employees - Overtime	49,914	49,766	110,000	100,000
5103 Other Wages	9,611	-	-	-
5111 Long-Term Disability Wages	321	93	-	-
5118 Meal Allowance	645	920	3,000	3,000
TOTAL	1,112,405	1,066,013	1,183,400	1,408,700
EMPLOYEE BENEFITS				
5121 P.E.R.A.	80,981	75,832	86,900	104,100
5122 F.I.C.A. Social Security	66,813	64,221	73,200	87,200
5123 F.I.C.A. Medicare	15,626	15,020	17,100	20,400
5125 Dental Insurance	5,979	5,519	5,900	7,100
5126 Life Insurance	3,067	3,756	2,700	3,200
5127 Health Care Savings	20,921	20,917	19,000	24,700
5130 Cafeteria Plan Benefits	246,753	230,129	299,900	427,000
5133 Health or Fitness Program	288	384	-	-
5141 Unemployment Compensation	-	236	-	-
TOTAL	440,428	416,014	504,700	673,700
OPERATING EXPENSES				
5200 Office Supplies	881	1,396	1,300	1,300
5201 Computer Supplies/Software	728	430	500	500
5205 Safety & Training Materials	5,040	2,606	8,500	8,500
5210 Plant Operations Supplies	20,850	21,499	15,600	22,700
5212 Motor Fuel	40,887	66,340	69,600	67,700
5215 Shop Materials	21,336	15,030	17,500	21,500
5218 Uniforms	5,586	6,167	10,300	10,600
5219 Other Miscellaneous Supplies	2,239	3,244	3,000	3,500
5220 Repair and Maintenance Supplies	3,413	2,239	8,800	8,800
5222 Paving Materials	14,924	23,115	25,000	22,500
5224 Gravel & Other Maintenance Supplies	52,660	52,769	66,000	71,400
5227 Utility Maintenance Supply	133,143	(91,919)	138,700	220,000
5228 Painting Supplies	28	28	500	500

City of Duluth Minnesota - 2024 Budget

Utility Operations

520-500-1945

Utility Operations operates, maintains and improves the pipeline distribution system to provide a dependable supply of natural gas.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
5240 Small Tools	9,482	22,985	22,900	23,300
5241 Small Equipment	446	2,951	6,000	9,200
5310 Contract Services	3,327	465	4,200	19,500
5320 Data Services	3,488	3,709	3,300	4,800
5321 Telephone	3,057	2,437	3,300	4,000
5331 Training Expense	3,555	2,582	8,500	11,900
5333 Freight/Delivery Charges	4,805	5,816	5,000	6,000
5335 Mileage Reimbursement	1,856	2,087	2,000	2,500
5355 Printing and Copying	9	-	300	300
5356 Copier, Printer Lease & Supplies	-	-	400	400
5384 Refuse Disposal	8,309	10,040	8,000	11,000
5404 Equipment Repair & Maintenance	11,647	3,974	13,600	13,600
5409 Fleet Service Charges	86,252	102,535	99,200	103,000
5414 Software Lic & Mtc Agreements	287	-	-	-
5415 Vehicle/Equipment Rental	4,305	-	6,500	6,500
5419 Other Rentals	1,930	-	-	-
5441 Other Services & Charges	2,112	1,551	2,500	2,500
5450 Laundry	4,815	3,928	5,000	6,500
5700 Transfer to General Fund	59,474	103,750	103,800	-
TOTAL	510,871	371,754	659,800	684,500
1945 TOTAL - UTILITY OPERATIONS	2,063,704	1,853,781	2,347,900	2,766,900

City of Duluth Minnesota - 2024 Budget

Natural Gas

520-500-1960

The Natural Gas Division is responsible for the purchase and odorization of natural gas as well as monitoring its transportation through the distribution system. This includes ensuring a safe and adequate natural gas supply in compliance with Minnesota Office of Pipeline Safety regulations.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	308,014	320,111	327,000	292,200
5101 Permanent Employees - Overtime	7,513	7,396	6,000	8,000
5118 Meal Allowance	15	75	-	-
TOTAL	315,542	327,582	333,000	300,200
EMPLOYEE BENEFITS				
5121 P.E.R.A. Contribution	23,204	24,185	24,600	22,400
5122 F.I.C.A. Social Security	19,151	19,843	20,600	18,600
5123 F.I.C.A. Medicare	4,479	4,641	4,800	4,400
5125 Dental Insurance	1,347	1,346	1,300	1,300
5126 Life Insurance	694	918	600	600
5127 Health Care Savings	11,229	15,106	3,700	4,700
5130 Cafeteria Plan Benefits	59,758	47,998	72,800	91,700
TOTAL	119,862	114,037	128,400	143,700
OPERATING EXPENSES				
5200 Office Supplies	94	139	300	300
5201 Computer Supplies/Software	5,491	6,598	10,000	10,000
5210 Plant Operations Supplies	18,569	20,645	40,000	40,000
5212 Motor Fuel	3,418	2,322	5,800	3,800
5218 Uniforms	610	641	900	400
5219 Other Miscellaneous Supplies	-	-	2,500	2,500
5220 Repair & Maintenance Supplies	64,868	62,075	92,000	57,000
5241 Small Equipment	1,479	740	5,000	5,000
5280 Natural Gas Purchases	25,527,796	36,775,067	34,000,000	32,000,000
5320 Data Services	1,650	1,969	1,800	2,600
5321 Telephone	1,813	1,783	2,000	2,400
5331 Training Expense	886	489	9,200	11,900
5333 Freight/Delivery Charges	16	10	-	100
5356 Copier, Printer Lease & Supplies	151	-	300	300
5381 Electricity	8,799	11,372	10,000	15,000
5382 Water/Sewer/Gas	-	-	2,000	3,000

City of Duluth Minnesota - 2024 Budget

Natural Gas

520-500-1960

The Natural Gas Division is responsible for the purchase and odorization of natural gas as well as monitoring its transportation through the distribution system. This includes ensuring a safe and adequate natural gas supply in compliance with Minnesota Office of Pipeline Safety regulations.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
5404 Equipment Maintenance Repair	4,737	-	12,500	12,500
5409 Fleet Services Charges	1,539	1,076	3,500	2,900
5433 Dues and Subscriptions	100	100	500	500
5441 Other Services & Charges	7,015	8,785	7,000	9,000
TOTAL	25,649,031	36,893,811	34,205,300	32,179,200
1960 TOTAL - NATURAL GAS	26,084,435	37,335,430	34,666,700	32,623,100

City of Duluth Minnesota - 2024 Budget

Sewer Fund

530

The Sewer Fund accounts for the provision of sanitary sewer service as a self-supporting enterprise fund. Activities include the operation and maintenance of the City's sanitary sewer collection system. The major funding source is user charges, representing 99% of total revenues for 2024. The major expense category is for contractual services and charges paid to the Western Lake Superior Sanitary District (WLSSD), constituting 54% of total proposed expenses. Presented below is a summary of the major categories of revenues and expenses over a four year period.

Estimated Income and Expense	2021 Actual	2022 Actual	2023 Budget	2024 Approved
REVENUE				
Operating	18,197,617	18,725,666	19,874,100	20,431,200
Non-Operating	1,101,553	(66,599)	14,300	14,300
	19,299,170	18,659,067	19,888,400	20,445,500
EXPENSES				
Personal Services	2,341,243	3,139,138	3,887,300	4,380,700
Supplies	234,025	294,013	467,600	516,700
Other Services & Charges	10,457,560	10,750,674	11,333,900	11,324,400
Depreciation	1,562,666	1,614,843	1,646,200	1,689,900
Miscellaneous	174,964	186,658	190,400	173,700
Interfund Transfers	118,549	157,906	159,500	169,900
	14,889,007	16,143,232	17,684,900	18,255,300
ESTIMATED OPERATING INCOME (LOSS)	4,410,163	2,515,835	2,203,500	2,190,200
Other Sources of Cash	3,431,344	2,344,098	1,642,000	1,688,300
Other Uses of Cash	(6,278,981)	(1,391,182)	(3,107,800)	(3,732,600)
Increase (Decrease) in Cash	1,562,526	3,468,751	737,700	145,900

City of Duluth Minnesota - 2024 Budget

Sewer Fund Estimated Unrestricted Cash Balance

OPERATING FUND	2023 Budget	2023 Projected	2024 Approved
ESTIMATED OPERATING INCOME (LOSS)	2,203,500	2,345,344	2,190,200
<u>Other Sources of Cash</u>			
Depreciation and Amortization	1,646,200	1,628,700	1,689,900
Interest from Bond Discount	(4,200)	(4,200)	(1,600)
Special Assessment Principal	-	69,089	-
Total Other Sources of Cash	1,642,000	1,693,589	1,688,300
<u>Other Uses of Cash</u>			
Infrastructure System Replacement Fund	54,500	54,530	8,300
Capital Improvements from Current Revenues	2,200,000	2,318,400	3,020,000
Capital Equipment Purchases	189,100	54,000	325,300
Bond Principal Payments	418,200	418,211	252,500
AMRS Purchase Agreement Principal Payment	246,000	246,005	126,500
Total Other Uses of Cash	3,107,800	3,091,146	3,732,600
INCREASE (DECREASE) IN CASH	737,700	947,787	145,900
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - BEGINNING	6,046,222	6,046,222	6,994,009
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - ENDING	6,783,922	6,994,009	7,139,909

City of Duluth Minnesota - 2024 Budget

Sewer Fund

530

Revenue Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
OPERATING REVENUES:				
4636 Sale of Materials	180	173	300	300
4700 Other Sources	10,590	1,063	-	-
4802 Interest Earned on Customer Accts	20,698	46,266	50,000	50,000
4805 Reimbursements	34,692	36,642	33,000	33,000
4809 Misc. Operating Revenue	3,039	2,446	3,000	3,000
4831 Fixed Rate Charges	1,959,583	1,970,033	1,950,000	1,950,000
4833 Sewer Revenues	15,990,881	16,526,632	17,673,900	18,251,000
4834 Fond du Lac Grinder Pump Surcharge	11,784	11,769	11,900	11,900
4836 I & I Surcharge	-	-	2,000	2,000
4839 Point of Sale Inspection Fee	162,429	127,567	150,000	130,000
4851 Interest Income - Other Sources	3,741	3,075	-	-
TOTAL OPERATING REVENUES	18,197,617	18,725,666	19,874,100	20,431,200
NON-OPERATING REVENUES:				
4220 Minnesota Grants - Capital	955,956	-	-	-
4601 Change in Fair Value Investments	(8,292)	(77,899)	-	-
4853 Gain on Sale of Assets	(794)	-	3,000	3,000
4854 Utility Special Assessments	84,418	-	-	-
4730 Transfer from Enterprise Funds	70,265	11,300	11,300	11,300
TOTAL NON-OPERATING REVENUES	1,101,553	(66,599)	14,300	14,300
TOTAL REVENUE	19,299,170	18,659,067	19,888,400	20,445,500

City of Duluth Minnesota - 2024 Budget

Director's Office

530-500-1900

The Director's Office provides leadership and management for the Public Works and Utilities Department.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	75,330	93,016	91,500	95,800
5101 Permanent Employees - Overtime	59	961	-	-
TOTAL	75,389	93,977	91,500	95,800
EMPLOYEE BENEFITS				
5121 P.E.R.A.	5,519	7,612	6,800	7,100
5122 F.I.C.A. Social Security	4,286	5,814	5,700	5,900
5123 F.I.C.A. Medicare	1,045	1,310	1,300	1,400
5125 Dental Insurance	314	408	400	400
5126 Life Insurance	162	273	200	200
5127 Health Care Savings	2,325	3,823	1,500	1,600
5130 Cafeteria Plan Benefits	18,373	18,019	24,700	25,200
5133 Health or Fitness Program	-	24	-	-
TOTAL	32,024	37,283	40,600	41,800
OPERATING EXPENSES				
5200 Office Supplies	23	-	-	-
5241 Small Equipment	494	145	200	200
5320 Data Services	-	-	-	100
5321 Telephone	245	288	300	300
5331 Training Expense	426	796	200	700
5335 Mileage Reimbursement	88	203	200	200
5356 Copier, Printer Lease & Supplies	54	137	100	100
5441 Other Services & Charges	88	-	-	-
TOTAL	1,418	1,569	1,000	1,600
1900 TOTAL - DIRECTOR'S OFFICE	108,831	132,829	133,100	139,200

City of Duluth Minnesota - 2024 Budget

Capital

530-500-1905

Capital expenditures support the infrastructure required to collect wastewater for treatment and maintain a dependable sanitary sewer system. This includes the cost of depreciation and debt service.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
OPERATING EXPENSES				
5420 Depreciation	1,562,666	1,614,843	1,646,200	1,689,900
5441 Other Services & Charges	501	-	-	-
5535 Improvements (Non-Capital)	47,276	76,338	35,000	71,200
5540 Equipment (Non-Capital)	2,529	5,257	1,200	4,300
5611 Bond Interest	42,643	26,344	17,600	7,300
5613 Interest - from Amortization	(14,329)	(12,115)	(4,200)	(1,600)
5614 Purchase Agreement Interest	27,672	17,165	11,800	2,400
5620 Fiscal Agents Fee	1,425	1,500	1,400	1,600
5700 Interfund Transfers Out To General Fund	-	-	-	112,500
TOTAL	1,670,383	1,729,332	1,709,000	1,887,600
NON-OPERATING EXPENSES				
5533 Capital Improvements - Revenue	2,046,278	373,220	2,200,000	3,020,000
5580 Capital Equipment	42,354	70,900	189,100	325,300
TOTAL	2,088,632	444,120	2,389,100	3,345,300
1905 TOTAL - CAPITAL	3,759,015	2,173,452	4,098,100	5,232,900

City of Duluth Minnesota - 2024 Budget

Utility General Expense

530-500-1915

General expenses represent normal and routine department operating expenses that can be allocated to each utility fund. Examples include costs for safety and training, insurance, and utilities.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	34,156	65,764	71,900	73,300
5101 Permanent Employees - Overtime	1	2,292	1,700	2,100
5118 Meal Allowance	-	52	-	-
TOTAL	34,157	68,108	73,600	75,400
EMPLOYEE BENEFITS				
5121 P.E.R.A.	2,527	4,710	5,400	5,500
5121 P.E.R.A., GASB 68	(210,103)	110,437	-	-
5122 F.I.C.A. Social Security	2,014	4,115	4,600	4,700
5123 F.I.C.A. Medicare	471	962	1,100	1,100
5125 Dental Insurance	258	422	500	500
5126 Life Insurance	133	293	200	200
5127 Health Care Savings	659	4,121	1,300	1,200
5130 Cafeteria Plan Benefits	14,706	14,741	30,300	21,600
5133 Health or Fitness Program	64	34	-	-
5134 Other Post Retirement Benefits	(868,517)	(455,493)	-	-
5135 Retiree Health Insurance	151,571	122,810	155,900	155,900
5151 Worker's Compensation	30,600	35,300	37,400	37,400
TOTAL	(875,617)	(157,548)	236,700	228,100
OPERATING EXPENSES				
5200 Office Supplies	-	142	100	-
5205 Safety & Training	181	228	600	600
5211 Cleaning & Janitorial Supplies	1,831	3,048	3,500	4,300
5218 Uniforms	138	162	200	100
5241 Small Equipment	619	510	1,700	1,700
5301 Auditing Services	1,573	1,331	1,600	1,600
5305 Medical Services/Testing Fees	924	1,067	1,600	1,600
5310 Contract Services	61	420	5,000	2,500
5320 Data Services	12,907	13,529	15,200	18,400
5321 Telephone	2,774	2,594	2,600	2,000
5331 Training / Travel	40	782	1,800	1,800

City of Duluth Minnesota - 2024 Budget

Utility General Expense

530-500-1915

General expenses represent normal and routine department operating expenses that can be allocated to each utility fund. Examples include costs for safety and training, insurance, and utilities.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
5335 Mileage Reimbursement - Local	532	180	500	500
5355 Printing & Copying Services	-	14	-	-
5356 Copier, Printer Lease & Supplies	3,082	2,596	4,500	4,500
5360 Insurance	51,400	24,200	20,900	20,900
5381 Electricity	12,203	14,624	16,500	16,500
5382 Water, Gas & Sewer	10,473	12,750	14,000	14,000
5384 Refuse Disposal	2,833	2,741	3,000	3,000
5401 Building Repair & Maintenance	6,210	5,822	4,400	4,200
5404 Equipment/Machinery Repair & Mtc	-	-	3,800	10,500
5414 Software Lic & Mtc Agreements	47,435	50,156	51,500	55,700
5433 Dues & Subscription	-	18	-	-
5441 Other Services & Charges	1,794	6,581	3,500	3,500
5450 Laundry	1,137	1,414	1,200	1,500
5493 Cost Allocation	230,400	238,200	238,200	256,300
5700 Transfer to General Fund	59,075	53,850	55,800	57,400
TOTAL	447,622	436,959	451,700	483,100
1915 TOTAL - UTILITY GENERAL	(393,838)	347,519	762,000	786,600

City of Duluth Minnesota - 2024 Budget

Engineering

530-500-1930

Engineering provides engineering services including design, inspection, and construction locates for the sanitary sewer collection system.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	420,842	436,129	433,700	565,000
5101 Permanent Employees - Overtime	25,187	26,369	37,700	38,000
5103 Temporary Wages	225	629	2,700	2,700
5118 Meal Allowance	285	383	1,000	1,000
TOTAL	446,539	463,510	475,100	606,700
EMPLOYEE BENEFITS				
5121 P.E.R.A.	32,807	33,765	34,900	44,600
5122 F.I.C.A. Social Security	26,688	27,670	29,400	37,600
5123 F.I.C.A. Medicare	6,242	6,471	6,900	8,800
5125 Dental Insurance	2,227	2,208	2,300	2,900
5126 Life Insurance	1,147	1,502	1,000	1,300
5127 Health Care Savings	13,406	18,918	8,800	10,300
5130 Cafeteria Plan Benefits	105,422	96,544	136,100	168,600
5133 Health or Fitness Program	230	458	-	-
5141 Unemployment Compensation	-	3,777	-	-
5159 Project Benefits (Contra-Account)	(58,571)	(8,845)	-	-
TOTAL	129,598	182,468	219,400	274,100
OPERATING EXPENSES				
5200 Office Supplies	239	191	400	400
5201 Computer Supplies	290	283	100	300
5203 Paper, Stationary & Forms	94	144	100	200
5205 Safety & Training Materials	132	24	200	400
5212 Motor Fuels	4,033	5,780	5,600	4,700
5218 Uniforms	1,169	1,396	1,200	1,400
5219 Other Miscellaneous Supplies	126	373	-	-
5240 Small Tools	456	38	500	400
5241 Small Equipment	791	-	1,200	1,200
5242 Survey Equipment and Supplies	4,849	3,069	5,900	5,900
5320 Data Services	2,128	2,114	2,200	2,200
5321 Telephone	1,668	1,675	1,700	1,700
5322 Postage	78	320	100	200

City of Duluth Minnesota - 2024 Budget

Engineering

530-500-1930

Engineering provides engineering services including design, inspection, and construction locates for the sanitary sewer collection system.

Expense Detail	2021	2022	2023	2024
	Actual	Actual	Budget	Approved
5331 Training Expenses	883	496	4,600	5,200
5335 Mileage Reimbursement - Local	1,016	976	1,500	1,500
5355 Printing and Copying	246	180	600	300
5356 Copier, Printer Lease & Supplies	100	225	2,200	300
5404 Equipment Maintenance/Repair	1,107	127	2,000	2,000
5409 Fleet Services Charges	5,499	2,524	5,900	5,600
5414 Software Lic & Mtc Agreements	12,934	14,068	13,500	15,800
5433 Dues & Subscriptions	128	132	800	800
5435 Books & Pamphlets	10	-	-	-
5438 Licenses	-	117	-	200
5441 Other Services and Charges	5,403	4,287	6,800	7,100
5486 One Call System	3,478	3,015	4,500	4,500
Interfund Transfer Out To Special				
5700 Revenue Funds	-	306	-	-
TOTAL	46,857	41,860	61,600	62,300
1930 TOTAL - ENGINEERING	622,994	687,838	756,100	943,100

City of Duluth Minnesota - 2024 Budget

Customer Service

530-500-1940

Customer Service provides billing, collection of payments, and account services for utility customers.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	230,597	216,164	187,000	241,100
5101 Permanent Employees - Overtime	691	1,024	700	1,000
5118 Meal Allowance	8	2	-	-
TOTAL	231,296	217,190	187,700	242,100
EMPLOYEE BENEFITS				
5121 P.E.R.A.	16,903	16,088	13,800	17,900
5122 F.I.C.A. Social Security	13,552	12,692	11,600	15,000
5123 F.I.C.A. Medicare	3,169	2,968	2,700	3,500
5125 Dental Insurance	1,426	1,293	1,000	1,300
5126 Life Insurance	734	877	500	600
5127 Health Care Savings	9,295	5,596	3,400	4,400
5130 Cafeteria Plan Benefits	65,193	61,427	53,300	77,200
5133 Health or Fitness Program	40	16	-	-
TOTAL	110,312	100,957	86,300	119,900
OPERATING EXPENSES				
5200 Office Supplies	228	294	800	800
5201 Computer Supplies	1,148	8	600	600
5218 Uniforms	25	-	-	-
5241 Small Equipment	99	869	900	900
5310 Contract Services	18,934	18,185	33,600	21,600
5320 Data Services	119	139	200	200
5321 Telephone	331	338	300	500
5322 Postage	34,871	38,232	38,500	38,500
5331 Training Expense	498	443	3,000	4,000
5339 Armored Pickup	1,676	2,603	4,000	-
5355 Printing & Copying	-	428	200	400
5356 Copier, Printer Lease & Supplies	198	480	300	600
5404 Equipment Repair & Maintenance	118	123	100	200
5414 Software Lic & Mtc Agreements	2,854	2,891	6,500	6,500
5427 Credit Card Commission	54,386	65,940	59,400	74,000
5432 Uncollectible Accounts	(53,303)	27,142	23,000	23,000
5441 Other Services & Charges	156	95	700	100
TOTAL	62,338	158,210	172,100	171,900
1940 TOTAL-CUSTOMER SERVICES	403,946	476,357	446,100	533,900

City of Duluth Minnesota - 2024 Budget

Utility Operations

530-500-1945

Utility Operations operates, maintains, and monitors a system of pumping stations and pipelines to move wastewater to the WLSSD treatment plant. Cleaning and construction crews maximize the efficiency of the sanitary system through inspection, preventive maintenance, repairs, and emergency response.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	1,065,556	1,066,180	1,085,600	1,210,400
5101 Permanent Employees - Overtime	48,588	46,884	7,000	65,000
5103 Temporary Wages	-	11,710	26,900	30,200
5111 Long-Term Disability Wages	320	1,112	-	-
5118 Meal Allowance	897	1,173	2,200	2,200
TOTAL	1,115,361	1,127,059	1,121,700	1,307,800
EMPLOYEE BENEFITS				
5121 P.E.R.A.	81,744	79,827	80,700	94,400
5122 F.I.C.A. Social Security	67,044	67,020	69,400	81,000
5123 F.I.C.A. Medicare	15,680	15,674	16,200	18,900
5125 Dental Insurance	6,416	6,173	6,500	7,000
5126 Life Insurance	3,322	4,207	2,900	3,200
5127 Health Care Savings	22,046	25,733	25,500	26,400
5130 Cafeteria Plan Benefits	306,303	314,098	390,800	427,900
TOTAL	502,555	512,732	592,000	658,800
OPERATING EXPENSES				
5200 Office Supplies	906	1,247	1,300	1,300
5201 Computer Supplies	8,280	3,646	3,200	3,200
5205 Safety & Training Materials	4,686	2,797	6,500	6,500
5210 Plant Operations Supplies	23,007	21,696	34,500	34,500
5212 Motor Fuel	42,109	66,117	80,300	75,900
5215 Shop Materials	-	23	1,500	1,500
5218 Uniforms	5,732	7,366	12,600	12,600
5219 Other Miscellaneous Supplies	2,515	1,977	2,500	2,500
5220 Repair and Maintenance Supplies	14,901	55,338	119,100	119,100
5222 Paving Materials	11,326	20,335	17,000	22,500
5224 Gravel and other Mtc Materials	39,743	42,113	56,000	76,900
5227 Utility Maintenance Supply	52,895	31,750	83,600	104,600
5240 Small Tools	5,038	9,973	9,000	11,500
5241 Small Equipment	1,058	6,614	7,700	11,500

City of Duluth Minnesota - 2024 Budget

Utility Operations

530-500-1945

Utility Operations operates, maintains, and monitors a system of pumping stations and pipelines to move wastewater to the WLSSD treatment plant. Cleaning and construction crews maximize the efficiency of the sanitary system through inspection, preventive maintenance, repairs, and emergency response.

Expense Detail	2021	2022	2023	2024
	Actual	Actual	Budget	Approved
5310 Contract Services	5,508	26,843	51,300	68,400
5320 Data Services	2,499	3,354	2,700	3,300
5321 Telephone	1,051	1,213	1,100	1,300
5331 Training Expense	3,099	5,863	10,500	10,500
5333 Freight/Delivery Charges	1,182	1,825	1,500	2,000
5335 Mileage Reimbursement	2,006	2,253	2,500	2,500
5355 Printing and Copying	10	-	500	500
5356 Copier, Printer Lease & Supplies	-	-	600	600
5381 Electricity	82,212	113,062	120,000	120,000
5382 Water, Gas & Sewer	12,665	13,328	13,300	13,500
5384 Refuse Disposal	15,540	19,004	17,000	20,000
5404 Equipment Maintenance/Repair	6,274	32,063	32,000	32,000
5409 Fleet Service Charges	114,761	150,721	128,600	143,400
5414 Software Lic & Mtc Agreements	1,518	1,250	1,300	1,300
5415 Vehicle/Equipment Rental	487	646	5,800	5,800
5433 Dues and Subscriptions	-	170	1,000	1,000
5438 Licenses	377	205	1,000	1,000
5441 Other Services & Charges	1,646	4,199	4,000	5,000
5450 Laundry	3,628	4,247	5,000	5,800
5700 Transfer to General Fund	59,474	103,750	103,700	-
TOTAL	526,133	754,988	938,200	922,000
1945 TOTAL - UTILITY OPERATIONS	2,144,049	2,394,779	2,651,900	2,888,600

City of Duluth Minnesota - 2024 Budget

Wastewater Treatment

530-500-1965

Wastewater Treatment represents the treatment and flow charge from the Western Lake Superior Sanitary District. Services provided include the removal of phosphorous, biochemical oxygen demand, and suspended solids to standards specified in a United States Environmental Protection Agency permit.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
OPERATING EXPENSES				
5484 Western Lake Superior Sanitary District Service Charge	9,480,967	9,560,664	9,980,900	9,860,300
5485 Western Lake Superior Sanitary District Testing	220,074	221,104	226,500	226,500
1965 TOTAL- SEWER TREATMENT	9,701,041	9,781,768	10,207,400	10,086,800

City of Duluth Minnesota - 2024 Budget

Inflow and Infiltration

530-500-1970

Inflow and Infiltration is responsible for identifying sources of clear water that enter the wastewater collection system and for making recommendations for the removal of these sources. Grants are available to homeowners to disconnect foundation drains that contribute to excess water in the sanitary system and that may lead to property damage and water pollution.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	353,700	329,928	469,600	454,900
5101 Permanent Employees - Overtime	3,770	1,866	20,000	18,000
5118 Meal Allowance	-	27	300	300
TOTAL	357,470	331,821	489,900	473,200
EMPLOYEE BENEFITS				
5121 P.E.R.A.	26,690	24,293	36,500	35,200
5122 F.I.C.A. Social Security	20,678	19,567	30,400	29,300
5123 F.I.C.A. Medicare	4,836	4,576	7,100	6,900
5125 Dental Insurance	2,044	1,800	2,700	2,500
5126 Life Insurance	1,049	1,230	1,200	1,100
5127 Health Care Savings	5,241	4,480	7,200	7,500
5130 Cafeteria Plan Benefits	121,621	105,635	187,700	174,500
TOTAL	182,159	161,581	272,800	257,000
OPERATING EXPENSES				
5200 Office Supplies	132	366	500	500
5201 Computer Supplies/Software	36	-	100	100
5205 Safety & Training	14	-	1,000	1,000
5212 Motor Fuels	3,144	4,099	4,400	3,600
5218 Uniforms	1,538	1,348	2,000	2,300
5241 Small Equipment	-	504	1,000	1,000
5320 Data Services	1,380	1,417	1,800	1,300
5321 Telephone	2,144	2,316	2,800	2,800
5331 Training Expense	2,071	1,255	2,500	2,500
5335 Mileage Reimbursement	1,627	508	4,500	4,500
5355 Printing & Copying	-	573	2,000	2,000
5356 Copier, Printer Lease & Supplies	-	-	200	200
5404 Equipment Maintenance Repair	-	-	3,000	3,000
5409 Fleet Services	4,111	14,224	5,500	9,200
5441 Other Services and Charges	3,012	7,039	23,000	23,000

City of Duluth Minnesota - 2024 Budget

Inflow and Infiltration

530-500-1970

Inflow and Infiltration is responsible for identifying sources of clear water that enter the wastewater collection system and for making recommendations for the removal of these sources. Grants are available to homeowners to disconnect foundation drains that contribute to excess water in the sanitary system and that may lead to property damage and water pollution.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
5450 Laundry	1,473	1,748	2,300	2,300
5482 Private Property Sewer Grants	71,290	64,011	200,000	200,000
TOTAL	91,972	99,408	256,600	259,300
1970 TOTAL INFLOW & INFILTRATION	631,601	592,810	1,019,300	989,500

City of Duluth Minnesota - 2024 Budget

Clean Water Surcharge Fund

532

In order to protect public health and the environment, a surcharge was created to be used for wastewater collection systems improvements or for the purpose of making grants and loans for the private sewer service program referred to as the City's inflow and infiltration program.

Estimated Income and Expense	2021 Actual	2022 Actual	2023 Budget	2024 Approved
REVENUE				
Operating	1,639,309	1,649,877	1,658,000	1,658,000
Non-Operating	(4,957)	(11,460)	-	-
	1,634,352	1,638,417	1,658,000	1,658,000
EXPENSES				
Other Services & Charges	260,941	226,032	408,200	408,000
Depreciation	566,871	566,872	566,900	566,900
Miscellaneous	71,523	54,638	44,000	27,500
Interfund Transfers	70,265	11,300	11,300	11,300
	969,600	858,842	1,030,400	1,013,700
ESTIMATED OPERATING INCOME (LOSS)	664,752	779,575	627,600	644,300
Other Sources of Cash	566,871	566,872	566,900	566,900
Other Uses of Cash	(1,213,157)	(1,171,372)	(1,125,800)	(1,142,500)
Increase (Decrease) in Cash	18,466	175,075	68,700	68,700

City of Duluth Minnesota - 2024 Budget

Clean Water Fund Estimated Unrestricted Cash Balance

<u>OPERATING FUND</u>	2023 Budget	2023 Projected	2024 Approved
ESTIMATED OPERATING INCOME (LOSS)	627,600	886,000	644,300
<u>Other Sources of Cash</u>			
Depreciation and Amortization	566,900	566,900	566,900
Total Other Sources of Cash	566,900	566,900	566,900
<u>Other Uses of Cash</u>			
Bond Principal Payments	1,125,800	1,125,790	1,142,500
Total Other Uses of Cash	1,125,800	1,125,790	1,142,500
INCREASE (DECREASE) IN CASH	68,700	327,110	68,700
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - BEGINNING	865,156	865,156	1,192,266
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - ENDING	933,856	1,192,266	1,260,966

City of Duluth Minnesota - 2024 Budget

Clean Water Surcharge Fund

532

Revenue Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
OPERATING REVENUES				
4836 I & I Surcharge	7,418	6,965	8,000	8,000
4837 Clean Water Surcharge	1,631,891	1,642,912	1,650,000	1,650,000
TOTAL	1,639,309	1,649,877	1,658,000	1,658,000
NON-OPERATING REVENUES				
4601 Change in Fair Value Investments	(4,957)	(11,460)	-	-
TOTAL	(4,957)	(11,460)	-	-
TOTAL REVENUE	1,634,352	1,638,417	1,658,000	1,658,000

City of Duluth Minnesota - 2024 Budget

Clean Water Surcharge Fund

532

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
OPERATING EXPENSES				
5420 Depreciation	566,871	566,872	566,900	566,900
5427 Credit Card Commissions	5,084	5,940	3,200	4,000
5432 Uncollectible Accounts	(17,905)	2,252	5,000	4,000
5434 Grants & Awards	273,760	217,840	400,000	400,000
5441 Other Services & Charges	2	-	-	-
5611 Bond Interest	71,523	54,638	44,000	27,500
5700 Transfers to Sewer Fund	70,265	11,300	11,300	11,300
TOTAL	969,600	858,842	1,030,400	1,013,700

City of Duluth Minnesota - 2024 Budget

Stormwater Fund

535

The Stormwater Fund accounts for the provision of stormwater sewer service as a self-supporting enterprise fund. Activities include the operation and maintenance of the City's stormwater sewer collection system. The primary funding source is user charges to all residential and business property owners.

Estimated Income and Expense	2021 Actual	2022 Actual	2023 Budget	2024 Approved
REVENUE				
Operating	6,298,247	7,881,324	6,181,800	7,577,500
Non-Operating	37,022	(49,072)	1,000	1,000
	6,335,269	7,832,252	6,182,800	7,578,500
EXPENSES				
Personal Services	2,103,925	2,420,831	3,113,900	3,240,000
Supplies	193,991	257,606	360,800	428,700
Other Services and Charges	592,089	731,793	882,200	965,500
Depreciation	448,490	453,529	516,300	528,700
Miscellaneous	20,504	26,816	28,900	28,900
Interfund Transfers	532,865	545,534	547,400	552,400
	3,891,864	4,436,109	5,449,500	5,744,200
ESTIMATED OPERATING INCOME (LOSS)	2,443,405	3,396,143	733,300	1,834,300
Other Sources of Cash	610,221	487,583	516,300	528,700
Other Uses of Cash	(1,743,975)	(973,981)	(2,398,100)	(3,222,400)
Increase (Decrease) in Cash	1,309,651	2,909,745	(1,148,500)	(859,400)

City of Duluth Minnesota - 2024 Budget

Stormwater Fund Estimated Unrestricted Cash Balance

OPERATING FUND	2023 Budget	2023 Projected	2024 Approved
ESTIMATED OPERATING INCOME (LOSS)	733,300	1,582,630	1,834,300
<u>Other Sources of Cash</u>			
Depreciation and Amortization	516,300	472,000	528,700
Due from Other Funds	-	210	-
Special Assessment Principal	-	1,090	-
Total Other Sources of Cash	516,300	473,300	528,700
<u>Other Uses of Cash</u>			
Due to Other Funds	-	16,358	-
Capital Improvements from Current Revenues	2,250,000	3,109,700	2,920,000
Capital Equipment Purchases	148,100	46,100	302,400
Total Other Uses of Cash	2,398,100	3,172,158	3,222,400
INCREASE (DECREASE) IN CASH	(1,148,500)	(1,116,228)	(859,400)
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - BEGINNING	5,885,746	5,885,746	4,769,518
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - ENDING	4,737,246	4,769,518	3,910,118

City of Duluth Minnesota - 2024 Budget

Stormwater Fund

535

Revenue Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
OPERATING REVENUES:				
4170 Miscellaneous Permits & Licenses	21,600	35,625	16,000	20,000
4636 Sale of Materials	1,051	894	3,000	3,000
4700 Other Sources	8	4,829	-	-
4802 Interest Earned on Customer Accounts	5,531	16,707	2,500	10,000
4805 Reimbursements	2,880	1,376	2,000	2,000
4835 Stormwater Revenues	6,267,455	7,819,848	6,155,800	7,540,000
4851 Interest - Other Sources	(278)	2,045	2,500	2,500
TOTAL OPERATING REVENUES	6,298,247	7,881,324	6,181,800	7,577,500
NON-OPERATING REVENUES:				
4220 State of Minnesota, Capital	39,146	-	-	-
4220 State of Minnesota, Operating	6,784	20,509	-	-
4601 Change in Fair Value Investments	(8,129)	(69,581)	-	-
4853 Gain/Loss-Sale of Fixed Assets	(779)	-	1,000	1,000
TOTAL NON-OPERATING REVENUES	37,022	(49,072)	1,000	1,000
TOTAL REVENUE	6,335,269	7,832,252	6,182,800	7,578,500

City of Duluth Minnesota - 2024 Budget

Director's Office

535-500-1900

The Director's Office provides leadership and management for the Public Works and Utilities Department.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	75,330	93,016	91,500	95,800
5101 Permanent Employees - Overtime	59	961	-	-
TOTAL	75,389	93,977	91,500	95,800
EMPLOYEE BENEFITS				
5121 P.E.R.A.	5,519	7,612	6,800	7,100
5122 F.I.C.A. Social Security	4,286	5,814	5,700	5,900
5123 F.I.C.A. Medicare	1,045	1,309	1,300	1,400
5125 Dental Insurance	314	407	400	400
5126 Life Insurance	162	273	200	200
5127 Health Care Savings	2,325	3,824	1,500	1,600
5130 Cafeteria Plan Benefits	18,373	18,019	24,700	25,200
5133 Health or Fitness Program	-	24	-	-
TOTAL	32,024	37,282	40,600	41,800
OPERATING EXPENSES				
5200 Office Supplies	23	-	-	-
5241 Small Equipment	494	145	200	200
5320 Data Services	-	-	-	100
5321 Telephone	244	279	300	300
5331 Training Expense	426	796	100	600
5335 Mileage Reimbursement-Local	88	203	200	200
5356 Copier, Printer Lease & Splies	-	79	100	100
5441 Other Services & Charges	88	-	-	-
TOTAL	1,363	1,502	900	1,500
1900 TOTAL - DIRECTOR'S OFFICE	108,776	132,761	133,000	139,100

City of Duluth Minnesota - 2024 Budget

Capital

535-500-1905

Capital expenditures support the infrastructure required to provide dependable collection and conveyance of stormwater. This includes the cost of depreciation and debt service.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
OPERATING EXPENSES				
5420 Depreciation	448,490	453,529	516,300	528,700
5535 Improvements (Non-Capital)	82,795	158,628	35,000	20,000
5540 Equipment (Non-Capital)	4,828	5,256	1,300	6,600
5611 Bond Interest	4,715	378	-	-
5613 Interest from Amortization	(6,522)	(570)	-	-
5700 Interfund Transfers Out To General Fund	-	-	-	45,000
TOTAL	534,306	617,221	552,600	600,300
NON-OPERATING EXPENSES				
5533 Capital Improvements - Revenue	806,266	538,251	2,250,000	2,920,000
5580 Capital Equipment	42,664	48,227	148,100	302,400
TOTAL	848,930	586,478	2,398,100	3,222,400
1905 TOTAL - CAPITAL	1,383,236	1,203,699	2,950,700	3,822,700

City of Duluth Minnesota - 2024 Budget

Utility General Expense

535-500-1915

General expenses represent normal and routine department operating expenses that can be allocated to each utility fund. Examples include costs for safety and training, insurance and utilities.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	34,156	65,763	71,900	73,300
5101 Permanent Employees - Overtime	1	2,292	1,500	2,000
5118 Meal Allowance	-	53	-	-
TOTAL	34,157	68,108	73,400	75,300
EMPLOYEE BENEFITS				
5121 P.E.R.A.	2,526	4,710	5,400	5,500
5121 P.E.R.A., GASB 68	(97,028)	38,733	-	-
5122 F.I.C.A. Social Security	2,014	4,114	4,500	4,700
5123 F.I.C.A. Medicare	471	962	1,100	1,100
5125 Dental Insurance	257	421	500	500
5126 Life Insurance	133	292	200	200
5127 Health Care Savings	658	4,119	1,300	1,200
5130 Cafeteria Plan Benefits	14,705	14,740	30,300	21,600
5133 Health or Fitness Program	64	34	-	-
5134 Other Post Retirement Benefits	(379,012)	(156,279)	-	-
5135 Retiree Health Insurance	23,850	15,060	32,400	32,400
5151 Worker's Compensation	19,500	24,000	28,100	28,100
TOTAL	(411,862)	(49,094)	103,800	95,300
OPERATING EXPENSES				
5200 Office Supplies	-	142	100	-
5205 Safety & Training Materials	81	228	600	600
5211 Cleaning and Janitorial Supplies	1,831	2,994	3,500	4,300
5218 Uniforms	138	162	100	100
5241 Small Equipment	541	495	1,700	1,700
5301 Auditing Services	1,573	1,331	1,600	1,600
5305 Medical Services/Testing Fees	829	925	1,500	1,500
5310 Contract Services	61	420	5,000	2,500
5320 Data Services	7,052	7,597	7,300	7,300
5321 Telephone	1,341	1,162	1,100	1,300
5331 Training Expenses	40	782	1,800	1,800
5335 Mileage Reimbursement - Local	532	180	500	500

City of Duluth Minnesota - 2024 Budget

Utility General Expense

535-500-1915

General expenses represent normal and routine department operating expenses that can be allocated to each utility fund. Examples include costs for safety and training, insurance and utilities.

Expense Detail	2021	2022	2023	2024
	Actual	Actual	Budget	Approved
5356 Copier, Printer Lease & Supplies	3,119	2,596	4,500	4,500
5360 Insurance	14,600	15,100	13,300	13,300
5381 Electricity	12,203	14,624	16,500	16,500
5382 Water & Gas	10,108	12,384	12,400	12,400
5384 Refuse Disposal	5,814	5,965	7,000	7,000
5401 Building Repair & Maintenance	5,606	5,821	4,200	4,200
5414 Software Lic & Mtc Agreements	30,294	33,179	33,100	35,500
5433 Dues & Subscription	-	18	-	-
5441 Other Services and Charges	1,609	5,336	183,400	183,400
5450 Laundry	1,137	1,414	1,200	1,500
5493 Cost Allocation Charges	169,900	196,800	196,800	205,200
5700 Transfer to General Fund	59,075	53,850	55,900	507,400
TOTAL	327,484	363,505	553,100	1,014,100
1915 TOTAL - UTILITY EXPENSE	(50,221)	382,519	730,300	1,184,700

City of Duluth Minnesota - 2024 Budget

Engineering

535-500-1930

Engineering provides engineering services including design, inspection and construction locates for the stormwater collection system.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	485,355	498,231	537,700	692,700
5101 Permanent Employees - Overtime	17,871	18,013	23,200	23,000
5103 Temporary Wages	225	629	2,700	2,700
5118 Meal Allowance	285	341	600	600
TOTAL	503,736	517,214	564,200	719,000
EMPLOYEE BENEFITS				
5121 P.E.R.A.	37,227	37,989	41,800	53,100
5122 F.I.C.A. Social Security	29,966	30,741	34,900	44,500
5123 F.I.C.A. Medicare	7,008	7,189	8,200	10,400
5125 Dental Insurance	2,317	2,265	2,500	3,300
5126 Life Insurance	1,194	1,542	1,200	1,500
5127 Health Care Savings	19,776	22,054	11,300	13,200
5130 Cafeteria Plan Benefits	124,403	113,368	172,500	202,300
5133 Health or Fitness Program	150	258	-	-
5141 Unemployment Compensation	-	3,302	-	-
5159 Project Benefits (Contra-Account)	(32,480)	(13,899)	-	-
TOTAL	189,561	204,809	272,400	328,300
OPERATING EXPENSES				
5200 Office Supplies	274	177	400	400
5201 Computer Supplies	380	259	100	300
5203 Paper, Stationery and Forms	94	184	100	200
5205 Safety & Training Materials	132	24	200	400
5212 Motor Fuel	3,832	5,109	4,800	4,000
5218 Uniforms	853	990	900	1,000
5219 Other Miscellaneous Supplies	126	61	-	-
5240 Small Tools	255	308	500	400
5241 Small Equipment	1,046	-	2,600	2,600
5242 Survey Equipment and Supplies	2,192	710	5,900	5,900
5303 Engineering Services	10,000	-	22,500	25,600
5320 Data Services	2,122	2,108	4,300	2,200
5321 Telephone	1,774	1,796	2,400	2,400

City of Duluth Minnesota - 2024 Budget

Engineering

535-500-1930

Engineering provides engineering services including design, inspection and construction locates for the stormwater collection system.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
5322 Postage	-	-	100	200
5331 Training Expenses	2,398	3,746	5,400	5,300
5335 Mileage Reimbursement	1,873	1,404	2,300	1,500
5355 Printing and Copying	294	180	600	300
5356 Copier, Printer Lease & Splies	100	357	2,100	300
5404 Equipment Maintenance Repair	1,107	127	2,000	2,000
5409 Fleet Services	4,438	2,637	4,900	4,800
5414 Software Lic & Mtc Agreements	13,701	19,476	14,000	17,100
5433 Dues and Subscriptions	128	132	300	5,700
5435 Books and Pamphlets	10	10	-	-
5438 Licenses	-	172	-	100
5441 Other Services and Charges	7,697	6,758	26,800	37,200
5486 One Call system	3,478	3,015	4,500	4,500
Interfund Transfers Out To Special				
5700 Revenue Funds	-	184	-	-
TOTAL	58,304	49,924	107,700	124,400
1930 TOTAL - ENGINEERING	751,601	771,947	944,300	1,171,700

City of Duluth Minnesota - 2024 Budget

Customer Service

535-500-1940

Customer Accounts provides billing, collection of payments and account services for utility customers.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	177,686	160,522	135,800	176,000
5101 Permanent Employees - Overtime	598	849	700	800
5118 Meal Allowance	7	2	-	-
TOTAL	178,291	161,373	136,500	176,800
EMPLOYEE BENEFITS				
5121 P.E.R.A.	13,023	11,983	10,000	13,000
5122 F.I.C.A. Social Security	10,449	9,430	8,500	11,000
5123 F.I.C.A. Medicare	2,443	2,205	2,000	2,600
5125 Dental Insurance	1,107	971	800	1,000
5126 Life Insurance	571	657	300	500
5127 Health Care Savings	6,815	3,945	2,400	3,200
5130 Cafeteria Plan Benefits	50,428	45,858	38,800	56,700
5133 Health or Fitness Program	36	12	-	-
TOTAL	84,872	75,061	62,800	88,000
OPERATING EXPENSES				
5200 Office Supplies	160	220	600	600
5201 Computer Supplies	861	6	400	400
5218 Uniforms	25	-	-	-
5241 Small Equipment	65	652	800	800
5310 Contract Services	14,201	13,639	25,200	16,200
5320 Data Services	77	92	100	200
5321 Telephone	228	234	200	400
5322 Postage	26,153	28,674	28,900	28,900
5331 Training Expense	463	377	2,200	3,000
5339 Armored Pickup	1,592	1,953	3,000	-
5355 Printing & Copying	-	321	200	300
5356 Copier, Printer Lease & Supplies	112	369	300	500
5404 Equipment Repair & Maintenance	89	92	-	100
5427 Credit Card Commission	16,758	22,822	44,600	56,000
5432 Uncollectible Accounts	(8,522)	13,024	4,900	4,900
5441 Other Services & Charges	106	71	500	100
TOTAL	52,368	82,546	111,900	112,400
1940 TOTAL - CUSTOMER SERVICES	315,531	318,980	311,200	377,200

City of Duluth Minnesota - 2024 Budget

Utility Operations

535-500-1945

Utility Operations maximizes the efficiency of the stormwater system through inspection, cleaning, preventive maintenance and repairs.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	912,619	852,721	1,085,100	967,600
5101 Permanent Employees - Overtime	46,122	42,447	62,500	60,000
5103 Other Wages	10,983	13,383	30,700	34,600
5111 Long-Term Disability Wages	320	94	-	-
5118 Meal Allowance	625	923	1,800	1,800
TOTAL	970,669	909,568	1,180,100	1,064,000
EMPLOYEE BENEFITS				
5121 P.E.R.A.	71,518	63,899	84,700	76,200
5122 F.I.C.A. Social Security	57,776	54,114	73,100	66,900
5123 F.I.C.A. Medicare	13,512	12,655	17,100	15,400
5125 Dental Insurance	5,512	4,876	6,400	5,600
5126 Life Insurance	2,829	3,333	2,900	2,600
5127 Health Care Savings	18,782	19,535	22,800	21,300
5130 Cafeteria Plan Benefits	277,159	243,491	381,600	367,700
5141 Unemployment Compensation	-	630	-	-
TOTAL	447,088	402,533	588,600	555,700
OPERATING EXPENSES				
5200 Office Supplies	721	1,296	1,300	1,300
5201 Computer Supplies/Software	407	170	600	600
5205 Safety & Training Materials	4,505	1,946	4,600	4,600
5210 Plant Operating Supplies	19,698	13,021	15,000	16,100
5212 Motor Fuels	29,346	47,034	58,300	61,000
5218 Uniforms	4,946	6,496	8,600	7,900
5219 Other Miscellaneous Supplies	1,694	2,612	2,000	3,000
5220 Repair and Maintenance Supplies	4,894	1,642	7,000	7,000
5222 Blacktop	7,183	16,443	18,500	10,400
5224 Gravel and Other Maintenance Materials	39,743	47,888	58,000	37,600
5227 Utility Maintenance Supplies	63,743	90,299	152,800	241,300
5240 Small Tools	2,872	13,313	4,600	5,500
5241 Small Equipment	836	2,580	6,000	8,500

City of Duluth Minnesota - 2024 Budget

Utility Operations

535-500-1945

Utility Operations maximizes the efficiency of the stormwater system through inspection, cleaning, preventive maintenance and repairs.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
5310 Contract Services	4,781	1,004	9,600	25,000
5320 Data Services	2,702	3,094	2,800	3,400
5321 Telephone	1,084	1,345	1,200	1,400
5331 Training Expense	2,604	2,903	4,500	5,500
5333 Freight and Delivery Charges	687	1,197	1,000	1,500
5335 Mileage Reimbursement	3,484	2,135	4,000	4,000
5355 Printing & Copying	6	18	9,000	9,000
5356 Copier, Printer Lease & Supplies	35	-	600	600
5384 Refuse Disposal	31,905	17,863	13,000	23,500
5404 Equipment/Maintenance Repair	4,176	425	6,100	6,100
5409 Fleet Services	89,000	120,909	106,100	113,000
5414 Software Lic & Mtc Agreements	3,301	1,250	1,300	1,300
5415 Vehicle/Equip Rent	2,485	4,997	10,500	10,500
5433 Dues and Subscriptions	6,790	2,510	2,500	3,500
5441 Other Services & Charges	3,779	1,344	4,000	34,000
5450 Laundry	2,917	3,346	4,400	4,400
5700 Transfer to General Fund	473,790	491,500	491,500	-
TOTAL	814,114	900,580	1,009,400	651,500
1945 TOTAL - UTILITY OPERATIONS	2,231,871	2,212,681	2,778,100	2,271,200

City of Duluth Minnesota - 2024 Budget

Steam Utility Fund

540

The Steam Utility Fund is a self supporting enterprise fund which accounts for the generation and distribution of steam. The major source of revenues is in metered sales to customers. Major categories of expense include purchased power, water and chemicals, and fuel. Presented below is a tabular summary of the major categories of revenues and expenses over a four year period.

Estimated Income and Expense	2021 Actual	2022 Actual	2023 Budget	2024 Approved
REVENUE				
Operating	8,169,988	10,765,444	12,491,700	10,996,700
Non-Operating	(5,722)	8,095,328	63,000	-
	8,164,266	18,860,772	12,554,700	10,996,700
EXPENSES				
Supplies	3,415,856	5,686,409	6,990,500	4,527,100
Other Services and Charges	3,541,195	3,763,786	3,837,300	4,418,800
Depreciation	1,581,712	1,631,470	1,800,000	1,800,000
Miscellaneous	650,910	716,416	733,700	867,800
Interfund Transfers	154,492	164,600	223,200	210,000
	9,344,165	11,962,681	13,584,700	11,823,700
ESTIMATED OPERATING INCOME/(LOSS)	(1,179,899)	6,898,091	(1,030,000)	(827,000)
Other Sources of Cash	3,308,042	1,726,218	1,781,600	5,981,500
Other Uses of Cash	(5,819,938)	(8,145,917)	(3,675,000)	(3,095,000)
Increase (Decrease) in Cash	(3,691,795)	478,392	(2,923,400)	2,059,500

City of Duluth Minnesota - 2024 Budget

Steam Utility Fund Estimated Cash Balance

OPERATING FUND	2023 Budget	2023 Projected	2024 Approved
ESTIMATED OPERATING INCOME (LOSS)	(1,030,000)	(916,200)	(827,000)
<u>Other Sources of Cash</u>			
Bond Issuance	-	-	4,200,000
Depreciation and Amortization	1,781,600	1,648,400	1,781,500
Due from Other Funds	-	39,429	-
Total Other Sources of Cash	1,781,600	1,687,829	5,981,500
<u>Other Uses of Cash</u>			
Due to Other Funds	-	73,155	-
Capital Improvements	1,700,000	2,455,000	1,845,000
Capital Improvements - Bond Financing	-	77,700	-
Capital Improvements - Revenue Financing	845,000	-	-
Bond Principal Payments	1,130,000	1,130,000	1,160,000
Refundable Deposit	-	-	90,000
Total Other Uses of Cash	3,675,000	3,735,855	3,095,000
INCREASE (DECREASE) IN CASH	(2,923,400)	(2,964,226)	2,059,500
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH- BEGINNING	659,431	659,431	(2,304,795)
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH- ENDING	(2,263,969)	(2,304,795)	(245,295)

City of Duluth Minnesota - 2024 Budget

Steam Utility Fund

540

Revenue Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
OPERATING REVENUES:				
4654 Other Reimbursements	-	36,909	-	-
4802 Interest Earned on Customer Accts	16,082	8,515	12,000	9,000
4809 Misc Non-Operating Income	8,460	14,432	9,600	12,000
4840 Energy Charge	3,243,332	5,208,256	6,580,000	5,090,700
4842 Capacity Charge	4,137,110	4,397,117	4,996,000	5,312,000
4843 Steam Repair - Labor	3,640	8,056	4,200	12,000
4844 Steam Repair - Materials	1,283	5,247	6,000	12,000
4845 Hot Water Sales	294,549	486,669	401,200	138,500
4846 Chilled Water Capacity Charge	177,475	198,253	198,300	117,400
4847 Chilled Water Energy Charge	113,874	228,266	100,800	66,800
4858 Infrastructure Charge	174,183	173,724	183,600	226,300
TOTAL OPERATING REVENUES	8,169,988	10,765,444	12,491,700	10,996,700
MISCELLANEOUS REVENUES:				
4220 Minnesota Grants - Capital	-	8,039,082	-	-
4601 Earnings on Investments	(65,239)	(7,145)	-	-
4855 DECC Capacity Charge	59,517	63,391	63,000	-
TOTAL MISCELLANEOUS REVENUES	(5,722)	8,095,328	63,000	-
TOTAL REVENUE	8,164,266	18,860,772	12,554,700	10,996,700

City of Duluth Minnesota - 2024 Budget

Steam Utility Fund

540

Expense Detail by Division	2021 Actual	2022 Actual	2023 Budget	2024 Approved
1490 Production	3,428,755	5,710,065	7,052,700	5,204,300
1491 Chiller Production	318,562	69,814	63,000	41,200
1492 Production Maintenance	204,186	157,432	270,000	229,800
1493 Transmission & Distribution	70,436	312,222	360,000	283,000
1494 Customer Accounting	-	40,000	6,000	6,000
1495 Administration & General	4,970,309	5,347,802	5,537,600	5,582,700
1497 Hot Water	16,622	16,196	15,600	21,000
1499 Debt Service & Capital	335,295	309,150	279,800	455,700
TOTAL EXPENSES	9,344,165	11,962,681	13,584,700	11,823,700

City of Duluth Minnesota - 2024 Budget

Production

540-1490

Records fuel, water, electric and other direct costs associated with the operation of the boilers and production of steam.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
5216 Chemicals	53,192	64,476	78,000	53,000
5220 Repair and Mtc Supplies	2,160	3,430	-	-
5381 Electricity	73,976	110,491	140,000	103,000
5382 Water, Gas and Sewer	192,424	221,276	240,000	240,000
5383 Natural Gas	2,973,706	5,224,587	6,258,300	4,055,000
5384 Refuse Disposal	2,243	2,173	-	-
5385 Oil	6,663	14,880	30,300	34,400
5387 Coal	116,325	63,051	292,700	98,400
5388 Ash Handling	8,066	1,251	13,400	12,900
5391 Purchased Hot Water	-	4,450	-	607,600
1490 TOTAL - PRODUCTION	3,428,755	5,710,065	7,052,700	5,204,300

City of Duluth Minnesota - 2024 Budget

Chiller Production

540-1491

Records the variable cost of producing and distributing chilled water.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
5216 Chemicals	479	(56)	7,500	8,000
5220 Repair & Mntc Supplies	75,207	7,878	6,600	5,500
5310 Contract Services	216,303	19,537	18,500	11,000
5381 Electricity	21,838	35,297	25,900	12,300
5382 Water, Gas & Sewer	4,735	7,158	4,500	4,400
1491 TOTAL - PRODUCTION	318,562	69,814	63,000	41,200

City of Duluth Minnesota - 2024 Budget

Production Maintenance

540-1492

Division operates, maintains and improves the steam distribution system to provide an adequate, reliable, and safe supply of steam to customers. It inspects the customer's equipment and assists in maintaining their steam utilization equipment.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
5205 Safety Equipment & Supplies	1,143	2,687	6,000	4,800
5220 Repair Materials & Supplies	170,979	138,535	156,000	141,000
5310 Contract Services	32,064	16,210	108,000	84,000
1492 TOTAL - PRODUCTION MAINTENANCE	204,186	157,432	270,000	229,800

City of Duluth Minnesota - 2024 Budget

Transmission & Distribution

540-1493

Provides the materials, supplies, and contractual services when required for the operation of the distribution system, involving fourteen miles of piping, 105 manholes, and 200 customers.

Expense Detail	2021	2022	2023	2024
	Actual	Actual	Budget	Approved
5220 Repair Materials & Supplies	21,207	180,539	180,000	156,000
5310 Contract Services	47,649	131,231	180,000	127,000
5409 Fleet Services Charges	1,580	452	-	-
1493 TOTAL - TRANSMISSIONS & DISTRIBUTION	70,436	312,222	360,000	283,000

City of Duluth Minnesota - 2024 Budget

Customer Accounting

540-1494

Supports the department's operations by billing promptly and accurately for services provided. Collects, deposits, and accounts for all revenues.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
5432 Uncollectible Accounts	-	40,000	6,000	6,000
1494 TOTAL - CUSTOMER ACCOUNTING	-	40,000	6,000	6,000

City of Duluth Minnesota - 2024 Budget

Administration & General

540-1495

Manages the Duluth Steam Cooperative and administers the auditing expense, insurance, depreciation, in lieu of tax, and the Duluth Steam District management contract.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
5200 Office Supplies	1,458	3,893	4,200	2,400
5301 Audit Fees	2,706	1,996	2,800	2,500
5304 Legal Services	300	-	-	-
5307 Management Contract	3,054,778	3,299,787	3,204,000	3,323,500
5319 Other Professional Services	3,144	6,220	9,100	4,000
5321 Telephone Service	4,385	5,370	6,000	6,000
5322 Postage	1,172	1,298	1,300	1,300
5331 Travel/Training	-	-	1,200	1,200
5340 Advertising & Promotion	5,630	9,635	6,000	2,300
5361 General Liability Boiler Insurance	55,530	114,166	134,900	111,800
5384 Refuse Disposal	-	-	2,300	2,300
5415 Vehicle/Equip Rent (Short-term)	5,273	9,802	6,000	3,000
5420 Depreciation	1,581,712	1,631,470	1,800,000	1,800,000
5433 Dues & Subscription	1,811	7,205	4,800	6,000
5438 Licenses Operating	34,538	25,077	35,300	25,700
5441 Other Services & Charges	10,180	13,211	31,100	14,400
5443 Board & Meeting Expenses	-	872	900	1,800
5480 Payment in Lieu of Taxes	154,492	164,600	223,200	210,000
5493 Cost Allocation	53,200	53,200	64,500	64,500
1495 TOTAL - ADMINISTRATION & GENERAL	4,970,309	5,347,802	5,537,600	5,582,700

City of Duluth Minnesota - 2024 Budget

Hot Water

540-1497

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
5216 Chemicals	-	(2,611)	-	3,000
5220 Repair & Maintenance Supplies	-	-	1,200	-
5310 Contract Services	-	-	1,200	-
5381 Electricity	15,979	18,164	13,200	18,000
5441 Other Services & Charges	643	643	-	-
1497 TOTAL - HOT WATER	16,622	16,196	15,600	21,000

City of Duluth Minnesota - 2024 Budget

Debt Service & Capital

540-1499

Costs to pay the interest expense on the outstanding bond issues and the DEDA storefront loan and capital improvement costs.

Expense Detail	2021 Actual	2022 Actual	2023 Budget	2024 Approved
OPERATING EXPENSES				
5611 Bond Interest	348,899	326,347	297,200	267,000
5612 Other Debt Interest	-	-	-	160,300
5620 Fiscal Agents Fee	1,425	1,237	1,000	900
5621 Bond Issuance/Discount Fees	-	-	-	46,000
5622 Bond Amortization	(15,029)	(18,434)	(18,400)	(18,500)
TOTAL	335,295	309,150	279,800	455,700
NON-OPERATING EXPENSES				
5530 Capital Improvements	269,660	597,633	1,700,000	1,845,000
5530 Capital Improvements - Bond Financing	1,775,037	530,618	-	-
5530 Capital Improvements - Revenue				
5530 Financing	1,645,810	1,503,264	845,000	-
TOTAL	3,690,507	2,631,515	2,545,000	1,845,000
1499 TOTAL - DEBT SERVICE & CAPITAL	4,025,802	2,940,665	2,824,800	2,300,700

City of Duluth Minnesota - 2024 Budget

Internal Service Funds

Funds

Self-Insurance - Workers' Compensation
 Self-Insurance - Liability
 Medical Health Fund
 Dental Health Fund
 Fleet Services

Internal Service funds account for financing of goods or services provided by one department to other departments of the City, or to other governmental units on a cost reimbursement basis.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	7,738,820	9,630,070	12,795,173	9,895,431
REVENUES				
Participation from Other Funds	31,196,060	31,533,938	32,827,910	34,471,726
Charges for Services	4,029,079	4,887,186	5,162,500	5,325,800
Miscellaneous	5,903,531	5,271,662	4,193,941	3,875,851
TOTAL REVENUES	41,128,670	41,692,786	42,184,351	43,673,377
EXPENSES				
Personal Services	2,592,571	3,363,628	3,559,063	3,951,809
Other Expenditures	5,274,710	5,409,578	5,561,416	5,567,612
Claims	31,370,139	29,754,477	35,963,614	33,862,610
TOTAL EXPENSES	39,237,420	38,527,683	45,084,093	43,382,031
FUND BALANCE - DECEMBER 31	9,630,070	12,795,173	9,895,431	10,186,777

City of Duluth Minnesota - 2024 Budget

Self-Insurance - Workers' Compensation

605

Accounts for the payment of worker's compensation claim expenses of injured employees. It is a self-insured plan administered for the City by an outside agency.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	(1,679,693)	(1,254,839)	279,826	360,026
REVENUES				
Transfer from City Funds				
- General	1,900,000	2,736,000	2,100,000	2,075,500
- Public Utility	186,320	236,100	251,900	270,100
Other Reimbursements	51,861	787,070	140,200	59,200
TOTAL REVENUES	2,138,181	3,759,170	2,492,100	2,404,800
EXPENSES				
Personal Services	720,899	1,167,717	1,317,200	1,574,200
Claims: Workers' Compensation	320,804	324,514	399,700	310,800
Other Services and Charges	671,624	732,274	695,000	607,500
TOTAL EXPENSES	1,713,327	2,224,505	2,411,900	2,492,500
FUND BALANCE - DECEMBER 31	(1,254,839)	279,826	360,026	272,326
BUDGETED FTE'S				
1100 Safety & Training Officer	1	1	1	1

City of Duluth Minnesota - 2024 Budget

Self-Insurance - Liabilities

610

Accounts for the payment of sundry insurance premiums and loss control activities, as well as the settlement of various claims, judgments and lawsuits against the City of Duluth.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	984,857	797,052	802,005	349,905
REVENUES				
Transfer from City Funds				
- General	540,000	500,000	300,000	500,000
- Public Utility	230,000	180,100	170,600	136,600
- Duluth Steam	46,714	43,669	43,700	31,000
Duluth Airport	94,304	73,590	73,600	90,600
DEDA	35,628	30,941	31,900	7,400
Other Reimbursements	98,149	(16,601)	-	-
TOTAL REVENUES	1,044,795	811,699	619,800	765,600
EXPENSES				
Claims: Liability	581,882	(80,138)	328,200	131,100
Property/Boiler Insurance	323,071	331,003	343,500	352,900
Other Services and Charges	327,647	555,881	400,200	338,800
TOTAL EXPENSES	1,232,600	806,746	1,071,900	822,800
FUND BALANCE - DECEMBER 31	797,052	802,005	349,905	292,705

City of Duluth Minnesota - 2024 Budget

Medical Health Fund

630

Accounts for health care activities of the City's Joint Powers Enterprise self-insurance plan. Health care costs for retired and active employees of the City and participating City authorities are paid from this fund. The fund is financed by employer and employee premiums as specified in the various collective bargaining agreements. Plan oversight, including premium rate setting, is provided by the Joint Powers Enterprise Board of Trustees.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	8,894,280	10,240,361	11,780,657	9,369,151
REVENUES				
City Employer/Employee Premium	27,201,504	26,767,023	28,856,118	30,294,614
Sub-Group Employer/Employee Premium	2,243,562	2,509,891	3,040,116	2,854,356
Miscellaneous	3,376,752	1,804,025	925,413	873,207
TOTAL REVENUES	32,821,818	31,080,939	32,821,647	34,022,177
EXPENSES				
Personal Services	390,113	399,866	409,863	420,109
Claims	29,554,009	28,560,696	34,070,999	32,254,889
Other Services and Charges	1,531,615	580,081	752,291	827,774
TOTAL EXPENSES	31,475,737	29,540,643	35,233,153	33,502,772
FUND BALANCE - DECEMBER 31	10,240,361	11,780,657	9,369,151	9,888,556

City of Duluth Minnesota - 2024 Budget

Dental Health Fund

633

To account for the collection of premiums and the payment of dental costs for employees and retirees of the City of Duluth and various outside agencies.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	445,452	507,950	553,479	409,543
REVENUES				
City Employer/Employee Premiums	961,590	966,515	1,000,092	1,065,912
Sub-Group Employer/Employee Premiums	83,413	101,914	88,212	89,088
Miscellaneous	(1,077)	(4,947)	-	-
TOTAL REVENUES	1,043,926	1,063,482	1,088,304	1,155,000
EXPENSES				
Claims	913,444	949,405	1,164,715	1,165,821
Other Services and Charges	67,984	68,548	67,525	72,338
TOTAL EXPENSES	981,428	1,017,953	1,232,240	1,238,159
FUND BALANCE - DECEMBER 31	507,950	553,479	409,543	326,384

City of Duluth Minnesota - 2024 Budget

Fleet Services

City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2020 Actual	2021 Actual	2022 Estimate	2023 Target
High Performing Organization: Focuses on equipping, training and continuously expanding the abilities of decision-makers, leadership, management and staff to successfully accomplish public goals.	Number of work orders completed by shop staff	2,959	3,131	2,883	2,900
	Percent of in house work orders to outsource workorders	87%	86%	74%	80%
	Percent of hours worked billed by shop mechanics	80%	81%	83%	80%
	Train and support new users on Collective Data system	50%	60%	70%	80%
Long Range Planning: Supports decision-making with timely and accurate analysis, focusing on innovative, long-term solutions that benefit the community.	Develop divisional equipment plans to track changes on fleet composition	N/A	5%	50%	100%
	Complete remodel of upstairs area to accommodate breakroom, locker room, training area, and a fitness center	95%	95%	100%	N/A
Transportation: Promote use of alternative modes of transportation that minimize impacts to the environment.	Complete assessment of city fleet to identify opportunities for electrification and other low-emissions vehicles	N/A	10%	15%	25%
High Performing Organization: Focuses on equipping, training and continuously expanding the abilities of decision-makers, leadership, management and staff to successfully accomplish public goals.	Expand FIMS use in Capital Planning	40%	60%	75%	100%
	Incorporate the new service vehicle into the PM scheduling	N/A	50%	50%	75%
	Implement scheduling module to reduce downtime	50%	60%	65%	70%
	Develop and implement Fleet right-sizing and usage standards	75%	75%	85%	100%

City of Duluth Minnesota - 2024 Budget

Fleet Services

660

This internal service fund accounts for the cost to repair and maintain all vehicles and various equipment for operating departments within the general fund and the enterprise funds.

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
FUND BALANCE - JANUARY 1	(906,076)	(660,454)	(620,793)	(593,193)
REVENUES				
SALES & SERVICES (BY ACCOUNT):				
Fuel Sales	922,774	1,460,937	1,580,800	1,502,600
Fleet Repair Part Sales, Fleet Parts	795,105	868,385	751,100	873,400
Fleet Repair Part Sales, Sublet Part Sales	298,407	347,114	388,100	374,300
Fleet Repair Part Sales, Fleet Repair				
Services Other Cost	3,294	11,586	3,000	8,000
Fleet Repair Services, Fleet Labor	1,752,155	1,904,092	1,874,000	1,965,400
Fleet Repair Services, Sublet Labor	257,344	295,072	315,000	350,000
Fleet Fixed Costs	-	-	250,500	252,100
TOTAL SALES & SERVICES	4,029,079	4,887,186	5,162,500	5,325,800
SALES & SERVICES (BY FUND):				
General Fund	3,102,014	3,777,286	3,984,200	4,145,300
Parks Fund	5,239	7,444	6,600	9,600
Special Projects Fund	6,303	3,943	-	-
Parking Fund	6,923	7,998	6,900	12,900
Water and Gas	558,258	635,255	697,600	681,300
Sewer	173,657	243,464	229,200	242,400
Stormwater	126,616	175,689	174,100	182,800
Steam	1,580	452	-	-
Street Light Utility	48,489	35,655	63,900	51,500
TOTAL SALES & SERVICES	4,029,079	4,887,186	5,162,500	5,325,800
Other Revenue	50,871	90,311	-	-
TOTAL REVENUES	4,079,950	4,977,497	5,162,500	5,325,800
EXPENSES				
Personal Services	1,098,200	1,186,126	1,210,000	1,295,900
Benefits	383,359	609,919	622,000	661,600
Other Expenses	2,352,769	3,141,791	3,302,900	3,368,300
TOTAL EXPENSES	3,834,328	4,937,836	5,134,900	5,325,800
FUND BALANCE - DECEMBER 31	(660,454)	(620,793)	(593,193)	(593,193)

City of Duluth Minnesota - 2024 Budget

Fleet Services - Personnel Summary

660

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
1115 Manager, Fleet Services	1.00	1.00	1.00	1.00
1075 Service Center Supervisor	1.00	1.00	1.00	1.00
133 Budget & Operations Analyst	0.20	0.20	0.20	0.20
32 Fleet Services Leadworker	1.00	1.00	1.00	1.00
30 Asset & Supply Specialist	1.00	1.00	1.00	1.00
30 Heavy Equipment Mechanic	6.00	6.00	6.00	6.00
29 Welder	2.00	2.00	2.00	2.00
28 Industrial Equipment Technician	1.00	1.00	1.00	1.00
27 Fleet Services Inventory Tech II	1.00	1.00	1.00	1.00
27 Vehicle Repair Specialist	1.00	1.00	1.00	1.00
25 Vehicle Maintenance Technician	1.00	1.00	1.00	1.00
24 Fleet Services Inventory Tech I	1.00	1.00	1.00	1.00
22 Maintenance Worker	1.00	-	-	-
Division Total	18.20	17.20	17.20	17.20

City of Duluth Minnesota - 2024 Budget

Fleet Services - Expense Detail

660

	2021 Actual	2022 Actual	2023 Budget	2024 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	1,086,901	1,184,163	1,200,000	1,285,900
5101 Permanent Employees - Overtime	11,269	1,844	10,000	10,000
5118 Meal Allowance	30	120	-	-
TOTAL	1,098,200	1,186,126	1,210,000	1,295,900
5121 P.E.R.A.	80,414	151,676	89,300	95,300
5121 P.E.R.A., GASB 68	(122,974)	-	-	-
5122 F.I.C.A. Social Security	65,573	71,076	75,000	80,300
5123 F.I.C.A. Medicare	15,336	16,623	17,500	18,800
5125 Dental Insurance	6,448	6,745	6,800	6,800
5126 Life Insurance	4,811	6,519	3,100	3,100
5127 Health Care Savings Plan	22,517	28,083	25,200	26,600
5130 Cafeteria Plan Benefits	311,234	329,076	405,100	430,700
5133 Health or Fitness Program	-	120	-	-
TOTAL	383,359	609,919	622,000	661,600
OTHER EXPENSES				
5200 Office Supplies	782	795	1,000	1,000
5201 Computer Supplies/Software	-	25	-	-
5205 Safety & Training Materials	1,931	3,075	5,000	5,000
5210 Plant/Operating Supplies	9,386	15,767	20,000	28,000
5211 Cleaning/Janitorial Supplies	151	-	-	-
5212 Motor Fuel	926,286	1,429,402	1,546,700	1,471,000
5215 Shop Materials	16,300	11,527	17,500	17,500
5218 Uniforms	400	1,282	400	500
5221 Equipment Repair Supplies	847,727	1,033,646	1,050,000	1,150,000
5240 Small Tools	8,818	6,110	8,000	8,000
5319 Other Professional Services	-	37	-	-
5320 Data Services	8,439	5,340	9,300	6,000
5321 Telephone	740	882	1,100	1,600
5331 Travel/Training	4,212	5,386	7,500	7,500
5335 Local Mileage Reimbursement	-	5	100	100
5356 Copier, Printer Lease & Supplies	1,821	1,298	3,100	2,600
5381 Electricity	18,517	14,269	20,900	20,000
5382 Water, Gas and Sewer	17,884	25,719	25,000	27,000
5384 Refuse Disposal	987	1,036	1,500	1,500

City of Duluth Minnesota - 2024 Budget

Fleet Services - Expense Detail

660

		2021	2022	2023	2024
		Actual	Actual	Budget	Approved
5401	Building Structure Repair	624	-	-	-
5404	Equipment Repair & Maintenance	244,520	329,272	315,000	350,000
5414	Software Licenses & Maintenance	15,604	20,492	31,000	26,000
5420	Depreciation	61,101	55,955	58,600	28,700
5438	Licenses	1,408	2,466	3,000	8,000
5441	Other Services and Charges	11,853	23,807	20,000	22,000
5450	Laundry	7,078	7,998	12,000	10,000
5493	Cost Allocation Charges	146,200	146,200	146,200	176,300
TOTAL		2,352,769	3,141,791	3,302,900	3,368,300
TOTAL EXPENSES		3,834,328	4,937,836	5,134,900	5,325,800

City of Duluth Minnesota - 2024 Budget

Capital Improvement Plan

The City of Duluth's Capital Budget and Plan addresses current and future improvements to the City's infrastructure, facilities, and properties by combining elements of both budgeting (current year needs) and planning (five-year plan). The purpose of the capital budget is two-fold: first, to prioritize and fund the most urgent needs in the coming year's budget; and second, to identify future capital needs with sufficient lead-time so decisions may be made to the City's best advantage.

The City's capital budget includes capital improvement projects to City infrastructure, such as facility enhancements and expansion, upgrades to parks and trails, and improvements to streets and utilities. Also included in the capital budget are capital equipment rolling stock, such as public safety and maintenance vehicles, and non-rolling stock such as technology and public safety equipment. This section presents a summary of the 2024 capital improvement budget and the 2024 through 2028 capital improvement plans.

2024 Proposed Improvements

The 2024 capital improvement program outlines total proposed projects in the amount of \$120,234,406 funded through various sources including bonding, State bonding, the Parks fund, the ½ and ½ tax, state and federal grants, the Permanent Improvement fund levy, the Street System Maintenance levy, Street Lighting Levy, the local sales tax dedicated to streets (.5%), and utilities revenue. Included in the capital improvement budget are projects for facilities, state bonding projects, parks and trails, streets and bridges, Street Lighting, and the Water, Gas, Sewer, and Stormwater utilities.

To identify which project to fund, the City looks at both organizational needs and facility needs. The City then generates reports from the asset management and work order systems to define facility system end of life cycle issues. These projects are identified in collaboration between the project management team and the building maintenance team. The City tries to balance operational needs with maintaining asset integrity and addressing pressing end of life cycle issues. These recommended projects are then brought to the City Council for final approval.

Capital improvements to city buildings and infrastructure will be funded by issuing a capital improvement bond in the amount of \$1,980,000. State Bonding Projects are to be funded by Federal Funding totaling \$4,938,067, State Bonds totaling \$13,704,000, and Other City Funding totaling \$2,703,768 for a combined total of \$21,345,835.

Parks and trails are to be funded by federal grants totaling \$3,976,837; ARPA Funding totaling \$2,865,000; state grants totaling \$5,937,167; other Grants and Donations totaling \$8,215,000; Parks fund contribution of \$1,721,476; Athletic Venue Reinvestment Initiative 1/2 and 1/2 tax \$4,800,000; St Louis River Corridor 1/2 and 1/2 tax of \$1,032,500; Other City funding of \$4,945,591 for a combined program total of \$33,493,571.

City of Duluth Minnesota - 2024 Budget

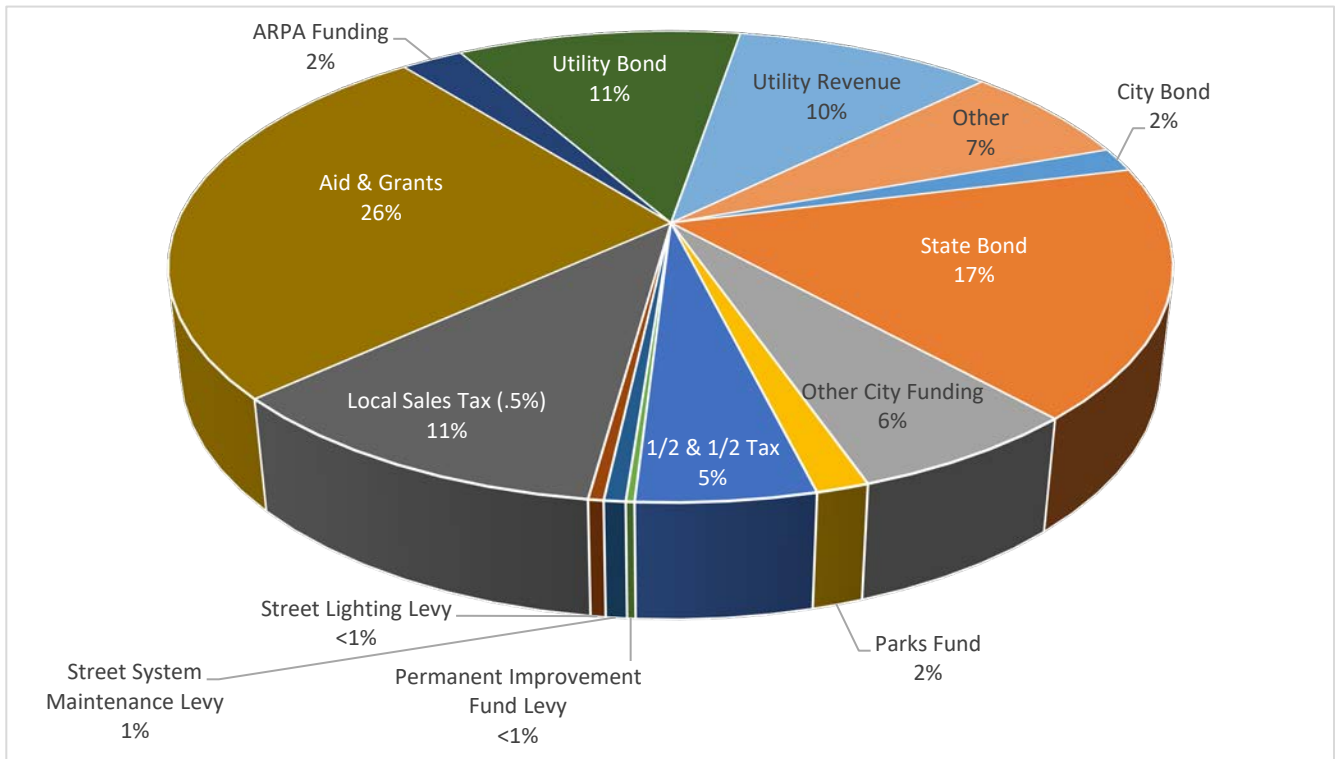
Capital Improvement Plan Continued

The Street and Bridge Improvement and Preservation program for 2024 totals \$31,505,000. Funding sources include \$8,265,000 from aids and grants, \$7,000,000 from State Bonding, \$280,000 from property tax dollars levied in the Permanent Improvement fund, \$9,200,000 from the local sales tax dedicated to street improvement (.5%), \$4,000,000 from General Fund Reserve money, \$700,000 from the Street System Maintenance levy, \$500,000 from the Street Lighting Fund and \$1,560,000 from other Utility revenues.

2024 Capital Utility Projects total \$31,910,000 and will be funded using: \$13,100,000 from Water Revenue Bonds, \$8,400,000 from Grants, and \$10,410,000 from utility revenue.

2024 Funding Sources

City Bond	1,980,000	Street Lighting Levy	500,000
State Bond	20,704,000	Local Sales Tax (.5%)	13,200,000
Other City Funding	7,649,359	Aid & Grants	31,517,071
Parks Fund	1,721,476	ARPA Funding	2,865,000
1/2 & 1/2 Tax	5,832,500	Utility Bond	13,100,000
Permanent Improvement Fund Levy	280,000	Utility Revenue	11,970,000
Street System Maintenance Levy	700,000	Other	8,215,000
		Total	120,234,406

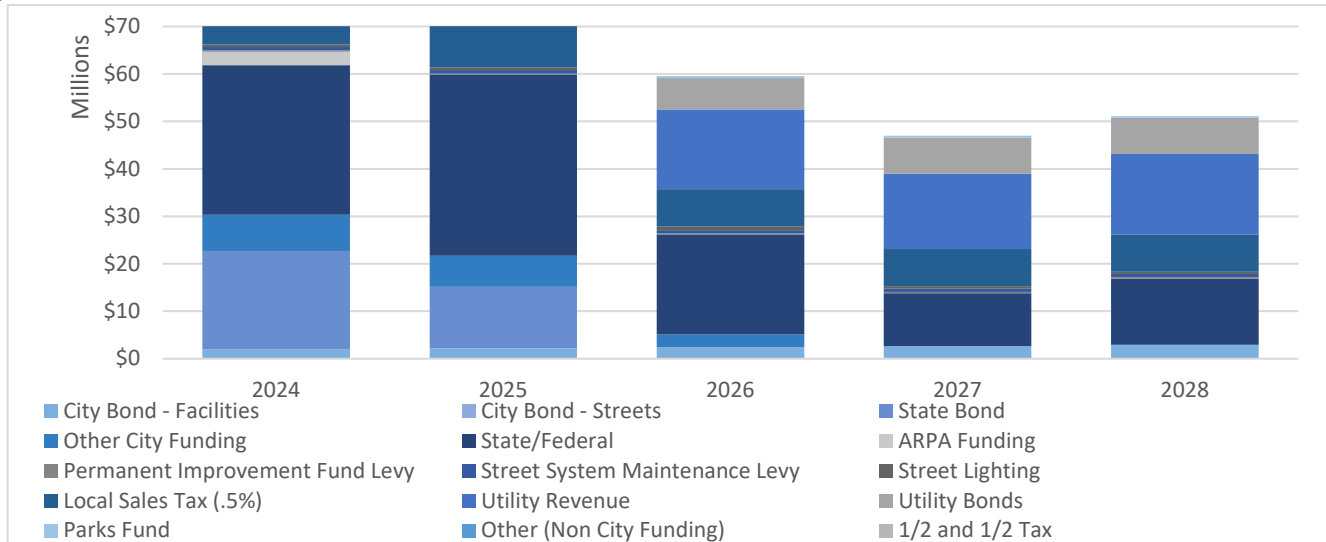


City of Duluth Minnesota - 2024 Budget

5 Year Funding Sources

Five Year Improvement Plan Funding

The City has identified \$401.3 million in improvements along with funding sources over the course of the next five years. The City will bond for certain types of improvements as allowed in State Statute. As can be seen below, over the next five years, the City is proposing to bond for a total of \$31.6 million in capital improvements. Shown in the chart below are the funding sources by year for the five-year capital improvement plan.



	2024	2025	2026	2027	2028	Total
City Bond - Facilities	1,980,000	2,178,000	2,396,000	2,636,000	2,900,000	12,090,000
City Bond - Streets	-	10,500,000	3,000,000	3,000,000	3,000,000	19,500,000
State Bond	20,704,000	13,000,000	-	-	-	33,704,000
Other City Funding	7,649,359	6,525,000	2,725,000	25,000	25,000	16,949,359
State/Federal	31,517,071	38,123,000	20,995,325	11,116,028	13,950,000	115,701,424
ARPA Funding	2,865,000	-	-	-	-	2,865,000
Permanent Improvement Fund Levy	280,000	280,000	280,000	280,000	280,000	1,400,000
Street System Maintenance Levy	700,000	750,000	700,000	700,000	700,000	3,550,000
Street Lighting	500,000	500,000	800,000	500,000	500,000	2,800,000
Local Sales Tax (.5%)	13,200,000	13,750,000	7,800,000	7,883,000	7,800,000	50,433,000
Utility Revenue	11,970,000	14,976,000	16,820,000	15,833,800	16,970,000	76,569,800
Utility Bonds	13,100,000	6,375,000	6,625,000	7,650,000	7,650,000	41,400,000
Parks Fund	1,721,476	395,000	370,000	345,000	320,000	3,151,476
Other (Non City Funding)	8,215,000	6,500,000	-	-	-	14,715,000
1/2 and 1/2 Tax	5,832,500	600,500	-	-	-	6,433,000
Total Plan	120,234,406	114,452,500	62,511,325	49,968,828	54,095,000	401,262,059

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

2024 Funding Sources by Project

Facilities	Bond				
CIP Eligible Capital Mtc. Building Improvements	730,000				
Civic Buildings (CCW/City Hall/Library)	1,250,000				
Total	1,980,000				
Parks and Trails	Parks Fund	1/2 & 1/2 Tax	Aids/Grants/		ARPA Funding
			Bond	Other	
St. Louis County Tax Forfeit Land Acquisition	120,000	-	-	4,200,000	-
St. Louis River Natural Area Land Acquisition	50,000	-	900,000	2,800,000	-
Enger Golf Course Renovation	-	1,700,000	-	3,186,415	2,500,000
Brighton Beach Park:					
Remove Old Road & Restore Landscape	-	-	801,000	800,000	-
Signage & Wayfinding	50,000	-	-	-	-
Wade Stadium Repairs	-	1,200,000	-	-	-
Gary New Duluth Skate Park	-	300,000	-	250,000	-
Athletic Venue Reinvestment Initiative Planning & Pre-Design	-	400,000	-	-	-
Lester Park Golf Course-Public Planning Process	150,000	-	-	-	-
Memorial Park MMP Implementation	-	80,000	-	-	-
Neighborhood Parks:					
Hillside Sport Court Park	532,350	-	-	-	365,000
Norton Park	-	100,000	-	-	-
Park Point Beach House Maintenance	-	-	-	100,000	-
Indian Point Campground Public Planning Process	-	-	-	100,000	-
Signage & Wayfinding	50,000	-	-	-	-
Sustainable Infrastructure:					
Emergency Repairs & Studies:					
Cascade Park	130,000	-	-	-	-
Old Main Park	100,000	-	-	-	-
Leif Erikson Stage	200,000	-	-	-	-
Deferred Maintenance	70,000	-	-	-	-
Park Point Recreation Area Plan	55,000	-	-	-	-

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

2024 Funding Sources by Project

Parks and Trails Continued	Parks Fund	1/2 & 1/2 Tax	Aids/Grants/		ARPA Funding
			Bond	Other	
Invasive Species and Tree Grants	30,000	-	549,592	112,468	-
Natural Resources	30,000	-	-	25,000	-
Golf Subsidy	25,000	-	-	-	-
Asset Management Plan	10,000	-	-	-	-
Spirit Mountain Nordic Center	-	1,313,600	1,337,696	300,000	-
Cross City Trail:					
Phase V: Irving Park to Greene Street	28,050	218,700	600,000	246,000	-
Phase VI: Lower BN Route-59th Ave W to 61st Ave W	35,000	-	450,000	-	-
Waabizheshikana-The Marten Trail	-	511,000	4,518,534	665,000	-
Snowmobile Trail	-	9,200	541,000	-	-
Park Point Beach Access-Lafayette CC	6,076	-	108,182	100,000	-
Park Point Beach Access-MN Point	-	-	108,000	275,708	-
Other Trail Improvements:					
Forest Hill Property Acquisition	50,000	-	-	-	-
Total	1,721,476	5,832,500	9,914,004	13,160,591	2,865,000
State Bonding Projects	<u>State Bond</u>				
Lake Superior Zoo	204,000				
Seawall & Surface Improvements	21,141,835				
Total	21,345,835				
Street & Bridge Reconstruction and Preservation Program	Permanent Improvement Fund		Street Mtc Levy/Local Sales Tax		State Bond/Request
	Levy	Aids/Grants		Other	
Street Preservation Project	-	-	11,700,000	-	-
Superior Street Reconstruction - MSA bond payment	-	805,000	-	-	-
reconstruction, 59th Ave W to Grand Ave	-	2,960,000	-	1,010,000	-
Aerial Lift Bridge Painting and Misc Structural Repairs	-	-	-	-	7,000,000
Aerial Lift Bridge Sidewalk, Abutment, and Approach Repairs	-	3,000,000	-	-	-
Sidewalk	20,000	-	100,000	-	-

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

2024 Funding Sources by Project

Street & Bridge Reconstruction and Preservation Program Continued	Permanent Improvement Fund		Street Mtc Levy/Local Sales Tax		Other	State Bond/Request
	Levy	Aids/Grants	Levy/Local Sales Tax	Other		
Patch Project	60,000	-	-	-	415,000	-
Retaining/Guard Rail/Restriping/Bridge repair/RR crossings	200,000	-	-	-	-	-
Engineering for Federal 2026 project MNDOT ADA upgrades along I-35 ramps from 68th Ave W. to 26th Ave E. (city match)	-	300,000	-	-	-	-
Engineering for NHS Federal 2025 Proj, Garfield Ave and Port Terminal Reconditioning	-	200,000	-	-	-	-
Bardon's Peak Wall project- design phase	-	100,000	-	-	-	-
6th Ave E CPR and overlay- 2nd Street to Copper Top	-	-	200,000	-	-	-
Chester Park Dr Alley reconstruction	-	900,000	900,000	500,000	-	-
2024 Chip Seals	-	-	400,000	135,000	-	-
E 7th and 13 Ave E	-	-	300,000	-	-	-
Total	280,000	8,265,000	13,900,000	2,060,000	7,000,000	
Capital Utility Projects	Utility					
	Rev/Bond	Grants				
WTP Resiliency Grant (yr2)	-	3,500,000				
WTP Resiliency Grant Match (yr 2)	375,000	-				
Woodland Pump Station	8,000,000	-				
Switch Gear (Proctor, Lakeside, Orphanage)	250,000	-				
Morris Thomas Rd (SLC Coordination)	500,000	-				
Lead Service Replacement Project (49% Grant Funded) If Awarded	5,100,000	4,900,000				
Far East Superior St Reconnections (remove services from transmission line)	300,000	-				
Upper Lakeside Tank Replacement	500,000	-				
Solids Removal @ Water Plant	500,000	-				

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

2024 Funding Sources by Project

Capital Utility Projects Continued	Rev/Bond	Grants
Fascia Repairs @ Pump Building	100,000	-
Blanket Project	1,650,000	-
EFV/meter relocations /bollards	500,000	-
Great Lakes Pig Receiver Valve	30,000	-
Building Shell at Stora Enso	250,000	-
Lift Station Rehabilitation	750,000	-
Manhole Rehabilitation	75,000	-
City Wide Sanitary Sewer Lining	1,950,000	-
Miscellaneous Street Projects	100,000	-
Annual Manhole Adjustments	75,000	-
Annual CIPP Lining	150,000	-
Annual SIP Coordination	900,000	-
Creek Tunnel Repairs TBD	350,000	-
Critical Culvert/Crossing Repairs	300,000	-
Non-capital Storm Projects	175,000	-
"down drains"	200,000	-
E 7th St & 13th Ave E	200,000	-
Match	80,000	-
Laterals	150,000	-
Total	23,510,000	8,400,000

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

5 Year Project Summary

Facilities	2024	2025	2026	2027	2028	Total
CIP Eligible Capital Mtc.						
Building Improvements	730,000	848,000	1,481,000	1,661,000	1,650,000	6,370,000
Civic Buildings (CCW/City Hall/Library)	1,250,000	500,000	100,000	500,000	-	2,350,000
Maintenance Buildings Improvements	-	250,000	715,000	175,000	500,000	1,640,000
Public Safety Buildings (Fire/Police)	-	580,000	100,000	300,000	750,000	1,730,000
Facilities Total	1,980,000	2,178,000	2,396,000	2,636,000	2,900,000	12,090,000
Parks and Trails	2024	2025	2026	2027	2028	Total
St. Louis County Tax Forfeit	4,320,000	-	-	-	-	4,320,000
St. Louis River Natural Area Land Acquisition	3,750,000	-	-	-	-	3,750,000
Enger Golf Course Renovation	7,386,415	-	-	-	-	7,386,415
Brighton Beach Park: Remove Old Road & Restore Landscape	1,601,000	-	-	-	-	1,601,000
Signage & Wayfinding	50,000	-	-	-	-	50,000
Wade Stadium Repairs	1,200,000	-	-	-	-	1,200,000
Gary New Duluth Skate Park	550,000	-	-	-	-	550,000
Athletic Venue Reinvestment Initiative						
Planning & Pre-Design	400,000	-	-	-	-	400,000
Lester Park Golf Course- Public Planning Process	150,000	-	-	-	-	150,000
Memorial Park MMP Implementation	80,000	515,000	-	-	-	595,000

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

5 Year Project Summary

Parks and Trails Continued	2024	2025	2026	2027	2028	Total
Neighborhood Parks:						
Hillside Sport Court Park	897,350	-	-	-	-	897,350
Norton Park	100,000	290,000	-	-	-	390,000
Park Point Beach House	100,000	-	-	-	-	100,000
Indian Point Campground						
Public Planning Process	100,000	-	-	-	-	100,000
Birchwood Park	-	5,500	-	-	-	5,500
Signage & Wayfinding	50,000	30,000	50,000	25,000	25,000	180,000
Sustainable Infrastructure:						
Emergency Repairs & Studies:						
Cascade Park	130,000	-	-	-	-	130,000
Old Main Park	100,000	-	-	-	-	100,000
Leif Erikson Stage	200,000	-	-	-	-	200,000
Deferred Maintenance	70,000	-	-	-	-	70,000
Park Point Recreation	55,000	-	-	-	-	55,000
Invasive Species and Tree	692,060	-	-	-	-	692,060
Natural Resources	55,000	75,000	75,000	75,000	75,000	355,000
Golf Subsidy	25,000	-	-	-	-	25,000
Asset Management Plan	10,000	10,000	10,000	-	-	30,000
Playground Replacements	-	95,000	220,000	195,000	170,000	680,000
Spirit Mountain Nordic Center	2,951,296	-	-	-	-	2,951,296
Cross City Trail:						
Phase III: Irving Park to Phase VI: Lower BN Route-59th Ave W to 61st Ave W	1,092,750	-	-	-	-	1,092,750
W	485,000	-	-	-	-	485,000
Waabizheshikana-The Marten Trail	5,694,534	-	-	-	-	5,694,534
Snowmobile Trail	550,200	-	-	-	-	550,200
Park Point Beach Access-Lafayette CC	214,258	-	-	-	-	214,258
Park Point Beach Access-MN Point	383,708	-	-	-	-	383,708

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

5 Year Project Summary

Parks and Trails Continued	2024	2025	2026	2027	2028	Total
Other Trail Improvements:						
ADA Access	-	-	10,000	-	-	10,000
Forest Hill Property Acquisition	50,000	-	-	-	-	50,000
Duluth Traverse Spine Maintenance	-	-	-	50,000	50,000	100,000
Other Trail Improvements-TBD	-	-	30,000	25,000	25,000	80,000
Parks and Trails Total	33,493,571	1,020,500	395,000	370,000	345,000	35,624,071
State Bonding Projects	2024	2025	2026	2027	2028	Total
Lake Superior Zoo	204,000	-	-	-	-	204,000
Seawall & Surface	21,141,835	-	-	-	-	21,141,835
Spirit Mountain Recreation	-	26,000,000	-	-	-	26,000,000
Coastal Transportation	-	-	10,896,234	-	-	10,896,234
State Bonding Projects Total	21,345,835	26,000,000	10,896,234	-	-	58,242,069
Street & Bridge Reconstruction and Preservation Program	2024	2025	2026	2027	2028	Total
Street Preservation Project	11,700,000	9,250,000	7,900,000	5,500,000	6,400,000	40,750,000
Street Preservation - Bond Superior Street	-	-	500,000	2,000,000	2,000,000	4,500,000
Reconstruction - MSA bond Raleigh St WM and street reconstruction, 59th Ave W to Grand Ave	805,000	815,000	-	-	-	1,620,000
Aerial Lift Bridge Painting and Misc Structural Repairs	3,970,000	-	-	-	-	3,970,000
Aerial Lift Bridge Sidewalk, Sidewalk	7,000,000	7,000,000	-	-	-	14,000,000
Patch Project	3,000,000	-	-	-	-	3,000,000
	120,000	120,000	120,000	120,000	120,000	600,000
	475,000	475,000	475,000	475,000	475,000	2,375,000

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

5 Year Project Summary

Street, Bridge, and Preservation Continued	2024	2025	2026	2027	2028	Total
Retaining/Guard Rail/Restriping/Bridge repair/RR crossings	200,000	200,000	200,000	53,000	200,000	853,000
Engineering for Federal 2026 project	300,000	-	-	-	-	300,000
Engineering for Federal 2028 project	-	-	-	300,000	-	300,000
MNDOT ADA upgrades along I-35 ramps from 68th Ave W. to 26th Ave E. (city match)	200,000	-	-	-	-	200,000
Engineering for NHS Federal 2025 Proj, Garfield Ave and Port Terminal	100,000	360,000	-	-	-	460,000
Bardon's Peak Wall project-design phase	200,000	2,150,000	-	-	-	2,350,000
6th Ave E CPR and overlay-2nd Street to Copper Top	2,300,000	-	-	-	-	2,300,000
Chester Park Dr Alley reconstruction	535,000	-	-	-	-	535,000
2024 Chip Seals	300,000	-	-	-	-	300,000
E 7th and 13 Ave E	300,000	-	-	-	-	300,000
London Road, 26th to 60th Ave E	-	3,324,000	-	-	-	3,324,000
W Superior Street, Michigan to Carlton St	-	30,599,000	4,500,000	4,450,000	4,510,000	44,059,000
24th Ave W reconditon, 3rd to 7th St	-	2,000,000	-	-	-	2,000,000
Junction Ave/St. Marie reconditioning, 19th Ave E to Carver	-	1,300,000	-	-	-	1,300,000
Railroad Street, from Canal Park Dr to 5th Ave W	-	-	2,100,000	-	-	2,100,000
Mesaba Ave Turn lane and signal at 1st Street	-	-	250,000	-	-	250,000

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

5 Year Project Summary

Street, Bridge, and Preservation Continued	2024	2025	2026	2027	2028	Total
Federal 2027 Project- Lake Ave, Canal Park Dr, Buchanan (moved from St. Marie Street Campus Connector Shared Use Path and Street Reconditioning	-	-	300,000	4,230,000	-	4,530,000
Campus Connector Trail Phase 4/WM and Reconstruct College	-	-	4,090,000	1,193,828	-	5,283,828
Eklund Ave reconstruction	-	2,500,000	-	-	-	2,500,000
4th Street Watermain and street reconstruction, Mesaba to 6th Ave E	-	-	-	-	5,200,000	5,200,000
Central Entrance Reconstruction (MNDOT)	-	-	-	-	3,250,000	3,250,000
40th Ave W reconcstruction design, Grand Ave to I-35	-	-	300,000	-	420,000	720,000
Street, Bridge, and Preservation Total	31,505,000	60,093,000	21,719,091	18,321,828	22,575,000	154,213,919
Capital Utility Projects	2024	2025	2026	2027	2028	Total
WTP Resiliency Grant (yr2)	3,500,000	-	-	-	-	-
WTP Resiliency Grant Match (yr 2)	375,000	-	-	-	-	375,000
Woodland Pump Station	8,000,000	-	-	-	-	8,000,000
Switch Gear (Proctor, Lakeside, Orphanage)	250,000	-	-	-	-	250,000
Morris Thomas Rd (SLC Coordination)	500,000	-	-	-	-	500,000
Lead Service Replacement Project (49% Grant Funded)	10,000,000	12,500,000	12,500,000	15,000,000	15,000,000	65,000,000
Far East Superior St Reconnections (remove services from transmission line)	300,000	300,000	700,000	-	-	1,300,000

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

5 Year Project Summary

Capital Utility Projects Continued	2024	2025	2026	2027	2028	Total
Upper Lakeside Tank Replacement	500,000	-	-	-	800,000	1,300,000
Solids Removal @ Water Fascia Repairs @ Pump Building	500,000	-	-	-	-	500,000
Arlington Pump Station, Central Entrance (MNDOT Coordination)	100,000	-	-	-	-	100,000
24th Ave W, 3rd to 7th St	-	1,800,000	-	-	-	1,800,000
Ideal St, Swan Lake to Ecklund (Phase 1)	-	450,000	-	-	-	450,000
Chambersburg Dead End WTP Building & Structural Repairs	-	720,000	500,000	-	-	1,220,000
40th Ave W (SLC Coordination)	-	486,000	-	-	-	486,000
Central Entrance Feed Pipe (MNDOT Coordination)	-	650,000	-	-	650,000	1,300,000
Flocculator & Sedimentation Tank	-	-	600,000	-	-	600,000
Mesaba Ave Bridge (MNDOT Coordination)	-	-	2,050,000	-	-	2,050,000
4th Street, 6th Ave E to Mesaba - 24" pipe (design)	-	-	530,000	-	-	530,000
Duluth Heights	-	-	100,000	-	-	100,000
Filter #6	-	-	-	200,000	-	200,000
Rapid Mix Tank Upgrades	-	-	-	1,000,000	-	1,000,000
Upgrade 5 Water Filters	-	-	-	1,800,000	-	1,800,000
Central Entrance (MNDOT) Distribution Main and Services	-	-	-	280,000	-	280,000
Pump #4 study	-	-	-	2,200,000	-	2,200,000
Glenwood Zone Connector	-	-	-	-	2,000,000	2,000,000
Blanket Project	-	-	-	-	50,000	50,000
EFV/meter relocations	1,650,000	1,650,000	1,250,000	1,250,000	1,000,000	7,050,000
Great Lakes Pig Receiver	500,000	500,000	1,000,000	1,000,000	1,250,000	4,250,000
Valve Replacements	30,000	-	-	-	-	30,000

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

5 Year Project Summary

Capital Utility Projects Continued	2024	2025	2026	2027	2028	Total
Building Shell at Stora Enso	250,000	-	-	-	-	250,000
Steel Main Repalcements	-	-	-	-	500,000	500,000
20th Ave W, 23rd Ave W, 10th St	-	500,000	500,000	-	-	1,000,000
Street projects	-	30,000	30,000	30,000	-	90,000
Garfield Ave - steel replacement (RR St to Helm St)	-	-	800,000	-	-	800,000
Central Entrance 8-inch replacement (MNDOT)	-	-	320,000	-	-	320,000
Inline Gas Heater Replacement - Great Lakes	-	200,000	-	-	-	200,000
Lift Station Rehabilitation 40th Ave W (SLC Coordination)	750,000	450,000	450,000	450,000	450,000	2,550,000
Manhole Rehabilitation	75,000	75,000	75,000	75,000	75,000	375,000
City Wide Sanitary Sewer Lining	1,950,000	1,850,000	1,850,000	1,850,000	1,850,000	9,350,000
Miscellaneous Street	100,000	100,000	100,000	100,000	-	400,000
Central Entrance, Blackman to Anderson	-	-	450,000	6,000	-	456,000
Annual Manhole Adjustments	75,000	75,000	75,000	75,000	75,000	375,000
Annual CIPP Lining	150,000	300,000	300,000	300,000	300,000	1,350,000
Annual SIP Coordination	900,000	900,000	900,000	900,000	900,000	4,500,000
Creek Tunnel Repairs TBD	350,000	350,000	350,000	350,000	350,000	1,750,000
Critical Culvert/Crossing	300,000	300,000	300,000	300,000	300,000	1,500,000
Citywide Pipe Repairs & Steep Slope "down drains"	200,000	250,000	250,000	250,000	250,000	1,200,000
Citywide culvert & ditch repairs, block long projects	-	125,000	200,000	200,000	200,000	725,000
Green Infrastructure grant match - TMDL impaired watersheds	-	100,000	200,000	300,000	300,000	900,000
Citywide storm improvements	-	-	300,000	400,000	400,000	1,100,000

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

5 Year Project Summary

Capital Utility Projects Continued	2024	2025	2026	2027	2028	Total
Storm SWPPP document update	-	25,000	-	-	-	25,000
Stream TMDL ecoli studies - MS4 permit compliance TMDL Action Plans document - next permit cycle	-	150,000	150,000	150,000	150,000	600,000
Non-capital Storm Projects	175,000	175,000	175,000	175,000	175,000	875,000
E 7th St & 13th Ave E	200,000	-	-	-	-	200,000
Irving Park - Keene Creek						
GLC Grant Match	80,000	-	-	-	-	80,000
Park Point - Phase 2 Sump Pump Laterals	150,000	-	-	-	-	150,000
Capital Utility Projects	31,910,000	25,161,000	27,105,000	28,641,000	28,275,000	141,092,000
GRAND TOTAL	120,234,406	114,452,500	62,511,325	49,968,828	54,095,000	401,262,059

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

5 Year Funding Sources

	2024	2025	2026	2027	2028	Total
City Bond - Facilities	1,980,000	2,178,000	2,396,000	2,636,000	2,900,000	12,090,000
City Bond - Streets	-	10,500,000	3,000,000	3,000,000	3,000,000	19,500,000
State Bond	20,704,000	13,000,000	-	-	-	33,704,000
Other City Funding	7,649,359	6,525,000	2,725,000	25,000	25,000	16,949,359
Parks Fund	1,721,476	395,000	370,000	345,000	320,000	3,151,476
1/2 & 1/2 Tax	5,832,500	600,500	-	-	-	6,433,000
Permanent Improvement Fund Levy	280,000	280,000	280,000	280,000	280,000	1,400,000
Street System Maintenance Levy	700,000	750,000	700,000	700,000	700,000	3,550,000
Street Lighting	500,000	500,000	800,000	500,000	500,000	2,800,000
Local Sales Tax (.5%)	13,200,000	13,750,000	7,800,000	7,883,000	7,800,000	50,433,000
Minnesota State Aid	6,265,000	3,659,000	4,370,000	1,700,000	5,600,000	21,594,000
State Grants	5,937,167	-	-	-	-	5,937,167
Federal Grants/Aid	19,314,904	34,464,000	16,625,325	9,416,028	8,350,000	88,170,257
ARPA Funding	2,865,000	-	-	-	-	2,865,000
Other Funding	8,215,000	6,500,000	-	-	-	14,715,000
Utilities - Bond	13,100,000	6,375,000	6,625,000	7,650,000	7,650,000	41,400,000
Utilities - Current Year Revenue						
-Water	3,566,000	5,272,000	6,296,000	6,863,800	7,186,000	29,183,800
-Gas	2,533,800	3,133,800	4,053,800	2,433,800	3,163,800	15,319,000
-Sewer	2,978,700	3,128,700	3,128,700	2,784,700	3,178,700	15,199,500
-Stormwater	2,891,500	3,441,500	3,341,500	3,751,500	3,441,500	16,867,500
Total	120,234,406	114,452,500	62,511,325	49,968,828	54,095,000	401,262,059

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

Capital Improvement Program Summary

The Capital Improvement Program is the principal funding program the City uses to make large, planned improvements and corrections to its building inventory and infrastructure. It traditionally consists of issuing general obligation bonds for city hall, public safety facilities, libraries and public works facilities. The City maintains 148 structures with an average age of over 40 years. These structures require continued accessibility and code compliance efforts.

Projects	2024	2025	2026	2027	2028	Total
CIP Eligible Capital Maintenance						
Building Improvements	730,000	848,000	1,481,000	1,661,000	1,650,000	6,370,000
Maintenance Buildings						
Improvements	-	250,000	715,000	175,000	500,000	1,640,000
Civic Buildings (CCW/City						
Hall/Library)	1,250,000	500,000	100,000	500,000	-	2,350,000
Public Safety Buildings						
(Fire/Police)	-	580,000	100,000	300,000	750,000	1,730,000
Total	1,980,000	2,178,000	2,396,000	2,636,000	2,900,000	12,090,000
Funding	2024	2025	2026	2027	2028	Total
Capital Improvement Bond	1,980,000	2,178,000	2,396,000	2,636,000	2,900,000	12,090,000

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

CIP Eligible Capital Maintenance Building Improvements

Description:

It is important to maintain a city-wide program of facility system replacements and accessibility compliance for structures. Many remote sites need masonry tuck pointing; this is our primary point of water migration into finished spaces. We have damaged window heads, sills, and parapets which also need repairs. Additionally, many remote sites are being heated with boilers or furnaces which are 20 years old and beyond. Replacing these with modern, high efficient units with electronic controls can realize significant annual energy savings over the continued life of the structure. All of these types of system replacements and facility upgrades are aimed at keeping these public buildings in the best state of repair and function possible with the funding available.

Project	2024	2025	2026	2027	2028	Total
CIP Eligible VFA Building Improvements	480,000	848,000	1,481,000	1,661,000	1,650,000	6,120,000
Fiber Connection within property lines for CIP eligible buildings	250,000	-	-	-	-	250,000
Total	730,000	848,000	1,481,000	1,661,000	1,650,000	6,370,000
Funding	2024	2025	2026	2027	2028	Total
Capital Improvement Bond	730,000	848,000	1,481,000	1,661,000	1,650,000	6,370,000

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

CIP Eligible Capital Maintenance Building Improvements

Project Title:

CIP Eligible Capital Maintenance Building Improvements

Description:

Improvements related to deferred maintenance, end-of-life-cycle systems, and other facility improvement requirements identified in the City's asset management system.

**Funding Source:**

FY 2024-2028

Capital Improvement Bond \$ 6,120,000

Project Title:

Fiber Connectivity

Description:

Fiber connection within property lines for CIP eligible buildings.

**Funding Source:**

FY 2024-2026

Capital Improvement Bond \$ 250,000

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

Maintenance

Description:

As a group of CIP eligible facilities, the Maintenance buildings that support the activities of Property and Facilities Management and Maintenance Operations, represent some of the most rapidly deteriorating CIP eligible facilities that the City currently owns. Each of these facilities have significant capital needs that are extremely critical to maintain facility integrity and to continue operations as viable assets housing core City services. The group of maintenance facilities represents many challenges and opportunities. As part of a longer term strategy for this element of the portfolio, the reality that most of these facilities have capital improvement needs in excess of 50% of their replacement value has driven Property and Facilities Management to consider investments that are primarily aimed at maintaining the facility integrity and ensuring the safety and comfort of City staff working out of these facilities while not significantly improving the assets. As assets, this group of buildings have significant value for potential resale, as most are located on prime real estate, and should a longer term solution aimed at a total consolidation of maintenance activities into one newly constructed facility come to fruition, the focus of this part of the capital plan is on – primarily – maintaining the status quo in a manner that sufficiently meets the operational needs and protects the assets from significant deterioration over the next 5 years.

Project	2024	2025	2026	2027	2028	Total
40th Toolhouse Miscellaneous	-	250,000	-	-	-	250,000
Miscellaneous Toolhouse Mtc.	-	-	415,000	-	500,000	915,000
42nd Toolhouse Structural	-	-	-	-	-	-
Study/Repair	-	-	300,000	-	-	300,000
Tree Farm Toolhouse Yard/Cold Storage	-	-	-	175,000	-	175,000
Total	-	250,000	715,000	175,000	500,000	1,640,000

Funding	2024	2025	2026	2027	2028	Total
Capital Improvement Bond	-	250,000	715,000	175,000	500,000	1,640,000

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

Maintenance

Project Title:

40th Toolhouse Improvements

Description:

40th Toolhouse maintenance facility improvement requirements identified in the City's asset management system.

**Funding Source:**

FY 2025

Capital Improvement Bond \$ 250,000

Project Title:

Miscellaneous Toolhouse Improvements

Description:

Maintenance facility improvement requirements identified in the City's asset management system.

**Funding Source:**

FY 2026, 2028

Capital Improvement Bond \$ 915,000

Project Title:

42nd Toolhouse Improvements

Description:

42nd Toolhouse Structural Study and Repair.

**Funding Source:**

FY 2026

Capital Improvement Bond \$ 300,000

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

Maintenance

Project Title:

Tree Farm Toolhouse Improvements

Description:

Yard/cold storage

**Funding Source:**

FY 2027

Capital Improvement Bond \$ 175,000

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

Civic (City Center West/City Hall/Library)

Description:

These are the public facing facilities that are owned and operated by the City. Much of the activity in these facilities support the operation of City business by housing staff and serving as points of direct engagement with the public seeking City services such as Construction Services, Planning, Engineering, City Clerk, Elections, Public Library, City Council, Public Commissions and the like. These investments constitute renewal and improvement of core facility infrastructure systems such as lighting, HVAC, emergency systems, and building envelope improvements.

Project	2024	2025	2026	2027	2028	Total
City Hall HVAC	750,000	-	-	-	-	750,000
City Hall Break Room & PPL Suite	250,000	-	-	-	-	250,000
City Hall Planning Department	250,000	-	-	-	-	250,000
City Hall Grounds/Priley Circle	-	500,000	-	-	-	500,000
City Center West Flooring & Paint	-	-	100,000	-	-	100,000
City Center West EOC	-	-	-	-	-	-
Driveway/Parking Lot	-	-	-	500,000	-	500,000
Total	1,250,000	500,000	100,000	500,000	-	2,350,000

Funding	2024	2025	2026	2027	2028	Total
Capital Improvement Bond	1,250,000	500,000	100,000	500,000	-	2,350,000

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

Civic (City Center West/City Hall/Library)

Project Title:

City Hall Improvements

Description:

City Hall HVAC Renewal

Funding Source:

FY 2024

Capital Improvement Bond \$ 750,000



Project Title:

City Hall Improvements

Description:

Break Room and PPL Suite

Funding Source:

FY 2024

Capital Improvement Bond \$ 250,000



Project Title:

City Hall Improvements

Description:

Planning Department

Funding Source:

FY 2024

Capital Improvement Bond \$ 250,000



City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

Civic (City Center West/City Hall/Library)

Project Title:

City Hall Improvements

Description:

City Hall Grounds/Priley Circle Improvements

**Funding Source:**

FY 2025

Capital Improvement Bond \$ 500,000

Project Title:

City Center West Improvements

Description:

Flooring and Paint

**Funding Source:**

FY 2026

Capital Improvement Bond \$ 100,000

Project Title:

City Center West Improvements

Description:

EOC Driveway/Parking Lot

**Funding Source:**

FY 2027

Capital Improvement Bond \$ 500,000

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

Public Safety (Fire/Police)

Description:

Over the next five years, the City is proposing to invest \$1.73 million in capital maintenance projects at firehalls and police facilities throughout the City. There are remodeling projects to accommodate staff reorganizations as part of the Fire Department consolidation plan. Energy improvements consist of installing new windows and overhead doors, lighting, building controls and replacing furnaces and roofs. Repair and maintenance projects consist of masonry and brick repair, as well as resolving drainage issues and replacing driveways, apparatus bay doors, heating systems, ventilation systems and deferred maintenance requirements identified by the City asset management system (VFA).

Project	2024	2025	2026	2027	2028	Total
Firehall Miscellaneous						
Maintenance	-	500,000	100,000	300,000	500,000	1,400,000
Public Safety Building						
Miscellaneous Improvements	-	80,000	-	-	250,000	330,000
Total	-	580,000	100,000	300,000	750,000	1,730,000
Funding	2024	2025	2026	2027	2028	Total
Capital Improvement Bond	-	580,000	100,000	300,000	750,000	1,730,000

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

Public Safety (Fire/Police)

Project Title:

Firehall Improvements

Description:

Firehall facility improvement requirements identified in the City's asset management system.

**Funding Source:**

FY 2025-2028

Capital Improvement Bond \$ 1,400,000

Project Title:

Public Safety Building (Police) Improvements

Description:

Public Safety Building (Police) facility improvement requirements identified in the City's asset management system.

**Funding Source:**

FY 2025, 2028

Capital Improvement Bond \$ 330,000

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

Property, Parks, and Libraries State Bonding Projects

Lake Superior Zoo:

The City of Duluth was awarded \$204,000 in 2020 state bonds to predesign the renovation or replacement of the Main Building at the Lake Superior Zoo.

Seawall & Surface Improvements:

The City of Duluth was awarded \$13.5 million in 2020 state bonds to predesign, design, construct, furnish, and equip seawall and Lakewalk infrastructure with related surface improvements, including a boardwalk and bike trails, public gathering spaces, and loading areas, along the shore of Lake Superior in the City of Duluth. This appropriation may also be used for demolition and removal of existing seawall and Lakewalk structures. A complementary Federal Economic Development Administration grant was awarded to contribute to seawall construction, including enhancements to accommodate large draft cruise ships.

Spirit Mountain Recreation Area Improvements:

The City of Duluth was awarded \$13 million in 2023 state bonds to design and construct new facilities and to renew, replace and repair existing facilities at the Spirit Mountain Recreation Area.

Coastal Transportation Infrastructure Rehabilitation Project:

The City of Duluth was awarded an \$8,196,234 million in Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grant to protect and improve essential transportation infrastructure adjacent to Duluth's Downtown and the East and Central Hillside Neighborhoods. Improvements include rehabilitation of a multimodal transportation trail, increased connections to that trail, and revetment of the coastal barrier that protects Interstate Hwy 35 (I-35), BNSF Railroad, Western Lake Superior Sanitary District (WLSSD) main force line, and homes and businesses.

Projects	2024	2025	2026	2027	2028	Total
Lake Superior Zoo	204,000	-	-	-	-	204,000
Seawall & Surface Improvements	21,141,835	-	-	-	-	21,141,835
Spirit Mountain Recreation Area (SMRA)	-	26,000,000	-	-	-	26,000,000
Coastal Transportation Infrastructure Rehabilitation Project	-	-	10,896,234	-	-	10,896,234
Total	21,345,835	26,000,000	10,896,234	-	-	58,242,069

Funding	2024	2025	2026	2027	2028	Total
Federal Funding	4,938,067	-	8,196,234	-	-	13,134,301
State Bond	13,704,000	13,000,000	-	-	-	26,704,000
Spirit Mountain Recreation Area Funding	-	6,500,000	-	-	-	6,500,000
Other City Funding	2,703,768	6,500,000	2,700,000	-	-	11,903,768
Total	21,345,835	26,000,000	10,896,234	-	-	58,242,069

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

Parks and Trails Summary

Description:

Park and trail capital projects are funded from three major sources: the Parks and Recreation capital budget, the 1/2 and 1/2 tourism tax, and federal and state grants. The Parks and Recreation capital budget is sourced from the voter-approved Park Fund levy, an annual appropriation from the general tourism tax, and occasional one-time appropriations from a variety of sources. These funds may be used for any park or trail capital improvements that are consistent with the Parks and Recreation mission and master plan. The 1/2 and 1/2 tax is a one-half-of-one-percent increment in Duluth's lodging and restaurant taxes that was authorized in 2014 to fund capital improvements to public outdoor recreation facilities in a specified area of western Duluth. In 2023, allowable use of the 1/2 and 1/2 tax was expanded to include improvements to public athletic venues that support sports tourism and quality of life. 1/2 and 1/2 tax proceeds may only be used for capital projects that directly and meaningfully support tourism in Duluth. The 1/2 and 1/2 tax and the Parks and Recreation capital budget are used to leverage state and federal grants that increase the magnitude of park and trail capital improvements. Selection and design of capital projects is shaped by input and direction from the community, Parks Commission, and City Council.

Projects	2024	2025	2026	2027	2028	Total
Parks	22,071,825	1,020,500	355,000	295,000	270,000	24,012,325
Trails	11,421,746	-	40,000	75,000	75,000	11,611,746
Total	33,493,571	1,020,500	395,000	370,000	345,000	35,624,071

Funding	2024	2025	2026	2027	2028	Total
Federal Grant	3,976,837	-	-	-	-	3,976,837
ARPA Funding	2,865,000	-	-	-	-	2,865,000
State Grant	5,937,167	-	-	-	-	5,937,167
Other Grants/ Donations/ Funding	8,215,000	-	-	-	-	8,215,000
Parks and Recreation Capital Budget	1,721,476	395,000	370,000	345,000	320,000	3,151,476
Athletic Venue Reinvestment Initiative						
1/2 & 1/2 Tax	4,800,000	-	-	-	-	4,800,000
SLRC 1/2 & 1/2 Tax	1,032,500	600,500	-	-	-	1,633,000
Other City Funding	4,945,591	25,000	25,000	25,000	25,000	5,045,591
Total	33,493,571	1,020,500	395,000	370,000	345,000	35,624,071

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

Parks Detail

Project	2024	2025	2026	2027	2028	Total
St. Louis County Tax Forfeit						
Land Acquisition	4,320,000	-	-	-	-	4,320,000
St. Louis River Natural Area						
Land Acquisition	3,750,000	-	-	-	-	3,750,000
Enger Golf Course Renovation	7,386,415	-	-	-	-	7,386,415
Brighton Beach Park:						
Remove Old Road & Restore						
Landscape	1,601,000	-	-	-	-	1,601,000
Signage & Wayfinding	50,000	-	-	-	-	50,000
Wade Stadium Repairs	1,200,000	-	-	-	-	1,200,000
Gary New Duluth Skate Park	550,000	-	-	-	-	550,000
Athletic Venue Reinvestment						
Initiative Planning & Pre-						
Design	400,000	-	-	-	-	400,000
Lester Park Golf Course-Public						
Planning Process	150,000	-	-	-	-	150,000
Memorial Park MMP						
Implementation	80,000	515,000	-	-	-	595,000
Neighborhood Parks:						
Hillside Sport Court Park	897,350	-	-	-	-	897,350
Norton Park	100,000	290,000	-	-	-	390,000
Park Point Beach House						
Maintenance	100,000	-	-	-	-	100,000
Indian Point Campground						
Public Planning Process	100,000	-	-	-	-	100,000
Birchwood Park	-	5,500	-	-	-	5,500
Signage & Wayfinding	50,000	30,000	50,000	25,000	25,000	180,000
Sustainable Infrastructure:						
Emergency Repairs &						
Cascade Park	130,000	-	-	-	-	130,000
Old Main Park	100,000	-	-	-	-	100,000
Leif Erikson Stage	200,000	-	-	-	-	200,000
Deferred Maintenance	70,000	-	-	-	-	70,000
Park Point Recreation Area						
Plan	55,000	-	-	-	-	55,000

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

Parks Detail

Project Continued	2024	2025	2026	2027	2028	Total
Invasive Species and Tree Grants	692,060	-	-	-	-	692,060
Natural Resources	55,000	75,000	75,000	75,000	75,000	355,000
Golf Subsidy	25,000	-	-	-	-	25,000
Asset Management Plan	10,000	10,000	10,000	-	-	30,000
Playground Replacements	-	95,000	220,000	195,000	170,000	680,000
Total	22,071,825	1,020,500	355,000	295,000	270,000	24,012,325
Funding	2024	2025	2026	2027	2028	Total
Federal Grant	1,616,430	-	-	-	-	1,616,430
ARPA Funding	2,865,000	-	-	-	-	2,865,000
State Grant	634,162	-	-	-	-	634,162
Other Grants/Donations/Funding	7,250,000	-	-	-	-	7,250,000
Parks and Recreation Capital Budget	1,602,350	395,000	330,000	270,000	245,000	2,842,350
Athletic Venue Reinvestment Initiative 1/2 & 1/2 Tax	3,600,000	-	-	-	-	3,600,000
SLRC 1/2 & 1/2 Tax	180,000	600,500	-	-	-	780,500
Other City Funding	4,323,883	25,000	25,000	25,000	25,000	4,423,883
Total	22,071,825	1,020,500	355,000	295,000	270,000	24,012,325

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

2024-2028 Parks Projects

Project Title:

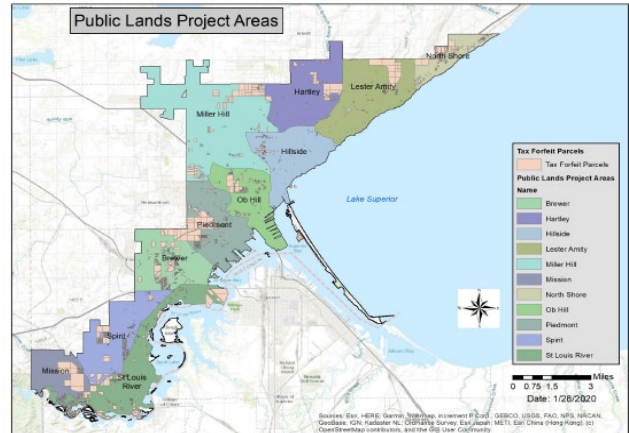
St. Louis County Tax Forfeit Land Acquisition

Description:

Conveyance from St. Louis County to the City of Duluth of \$4.2 million of tax forfeit green space plus appraisals and closing costs to be managed as part of the City system of protected green space.

Funding Source:

	<u>FY 2024</u>
Parks and Recreation Capital Budget	120,000
Other	
Grants/Donations/Funding	<u>4,200,000</u>
	4,320,000



Project Title:

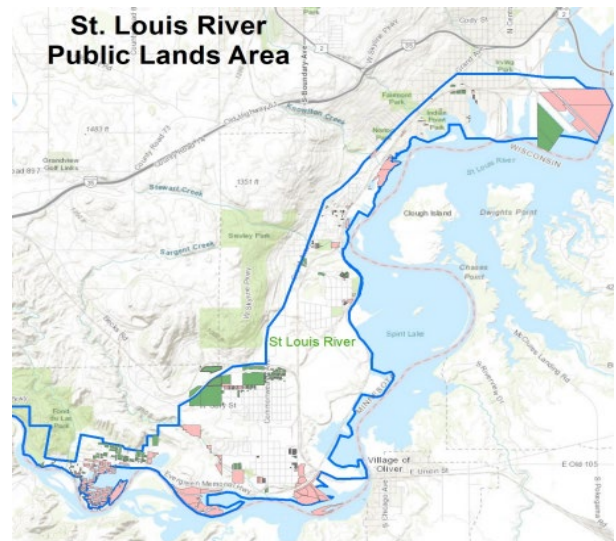
St. Louis River Natural Area Land Acquisition

Description:

Federally funded acquisition of \$3.5 million worth of tax forfeit property plus appraisals and closing costs located within or immediately around the St. Louis River Natural Area.

Funding Source:

	<u>FY 2024</u>
Parks and Recreation Capital Budget	50,000
Federal Grant	900,000
Other	
Grants/Donations/Funding	<u>2,800,000</u>
	3,750,000



City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

2024-2028 Parks Projects

Project Title:

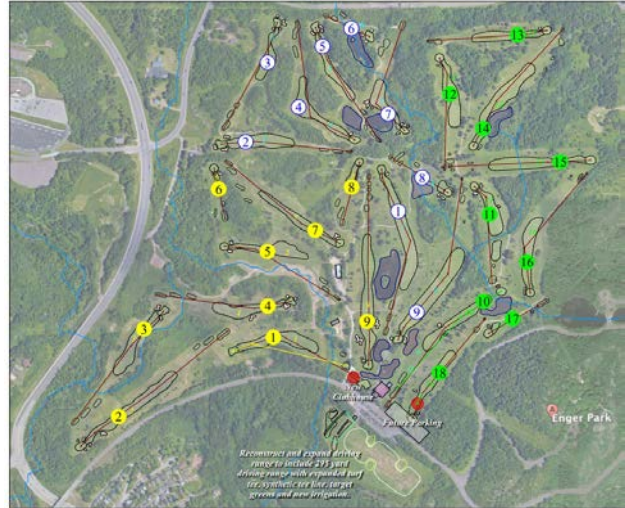
Enger Golf Course Renovation

Description:

Enger Golf Course renovation items include a new irrigation system, improvements to fairways, and bunker renovations.

Funding Source:

	FY 2024
ARPA Funding	2,500,000
Athletic Venue Reinvestment Initiative 1/2 & 1/2 Tax	1,700,000
Other City Funding	3,186,415
	7,386,415



Project Title:

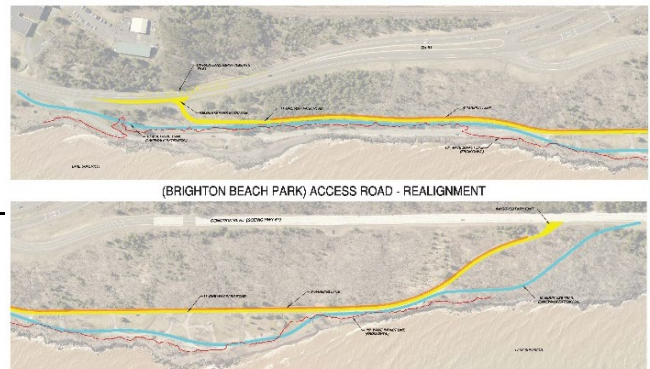
Brighton Beach Park

Description:

Construction of new northeast entrance road, stabilization of shoreline, and signage.

Funding Source:

	FY 2024
Federal Grant	515,000
State Grant	286,000
Parks and Recreation Capital Budget	50,000
Other City Funding	800,000
	1,651,000



City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

2024-2028 Parks Projects

Project Title:

Wade Stadium Repairs

Description:

Address deferred maintenance on Wade Stadium building.

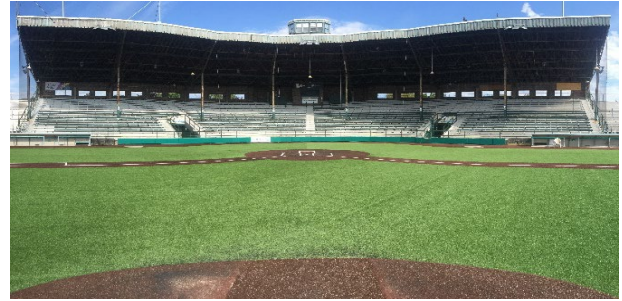
Funding Source:

Athletic Venue Reinvestment
Initiative 1/2 & 1/2 Tax

FY 2024

1,200,000

1,200,000



Project Title:

Gary New Duluth Skate Park

Description:

Complete next phase of skatepark construction.

Funding Source:

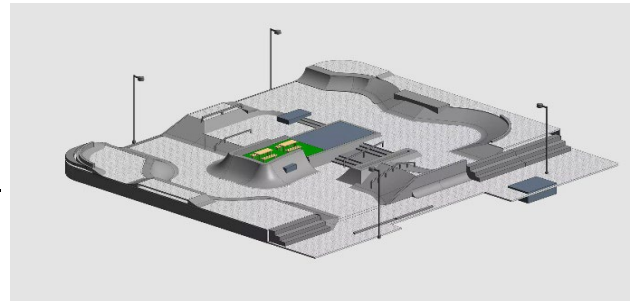
Athletic Venue Reinvestment
Initiative 1/2 & 1/2 Tax
Other
Grants/Donations/Funding

FY 2024

300,000

250,000

550,000



City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

2024-2028 Parks Projects

Project Title:

Athletic Venue Reinvestment Initiative Planning & Pre-Design

Description:

Assessment to determine Citywide condition and repair or replacement needs of athletic facilities.

Funding Source:

Athletic Venue Reinvestment Initiative 1/2 & 1/2 Tax

FY 2024

400,000

400,000



Project Title:

Lester Park Golf Course-Public Planning Process

Description:

Public process to determine the future use(s) of this parkland.

Funding Source:

Parks and Recreation Capital Budget

FY 2024

150,000

150,000



City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

2024-2028 Parks Projects

Project Title:

Memorial Park MMP
Implementation

Description:

Development, design, and Phase I implementation of new Memorial Park Mini-Master Plan.

Funding Source:

	<u>FY 2024-25</u>
SLRC 1/2 & 1/2 Tax	595,000
	<u>595,000</u>



Project Title:

Neighborhood Parks

Description:

Includes Hillside Sport Court Park, Norton planning process, building removal, Pk Pt Beach House mtce, Indian Point Campground public planning

Funding Source:

	<u>FY 2024-25</u>
ARPA Funding	365,000
Parks and Recreation Capital Budget	742,350
SLRC 1/2 & 1/2 Tax	185,500
Other City Funding	200,000
	<u>1,492,850</u>



City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

2024-2028 Parks Projects

Project Title:

Signage & Wayfinding

Description:

Entrance signs, kiosks, and wayfinding at various parks, coupled with other onsite improvements.

Funding Source:

Parks and Recreation Capital
Budget

FY 2024-28

180,000
180,000



Project Title:

Sustainable Infrastructure

Description:

Emergency repairs and studies, deferred maintenance, natural resources, and invasive species prevention.

Funding Source:

Federal Grant
State Grant
Parks and Recreation Capital
Budget
Other City Funding

FY 2024-28

201,430
348,162
1,550,000
237,468
2,337,060



City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

Trails Detail

Project	2024	2025	2026	2027	2028	Total
Spirit Mountain Nordic Center	2,951,296	-	-	-	-	2,951,296
Cross City Trail:						
Phase III: Irving Park to Greene Street	1,092,750	-	-	-	-	1,092,750
Phase VI: Lower BN Route- 59th Ave W to 61st Ave W	485,000	-	-	-	-	485,000
Waabizheshikana-The Marten Trail	5,694,534	-	-	-	-	5,694,534
Snowmobile Trail	550,200	-	-	-	-	550,200
Park Point Beach Access- Lafayette CC	214,258	-	-	-	-	214,258
Park Point Beach Access-MN Point	383,708	-	-	-	-	383,708
Other Trail Improvements:						
Forest Hill Property Acquisition	50,000	-	-	-	-	50,000
ADA Access	-	-	10,000	-	-	10,000
Duluth Traverse Spine Maintenance	-	-	-	50,000	50,000	100,000
Other Trail Improvements- TBD	-	-	30,000	25,000	25,000	80,000
Total	11,421,746	-	40,000	75,000	75,000	11,611,746

Funding	2024	2025	2026	2027	2028	Total
Federal Grant	2,360,407	-	-	-	-	2,360,407
State Grant	5,303,005	-	-	-	-	5,303,005
Other						
Grants/Donations/Funding	965,000	-	-	-	-	965,000
Parks and Recreation Capital Budget	119,126	-	40,000	75,000	75,000	309,126
Athletic Venue Reinvestment Initiative 1/2 & 1/2 Tax	1,200,000	-	-	-	-	1,200,000
SLRC 1/2 & 1/2 Tax	852,500	-	-	-	-	852,500
Other City Funding	621,708	-	-	-	-	621,708
Total	11,421,746	-	40,000	75,000	75,000	11,611,746

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

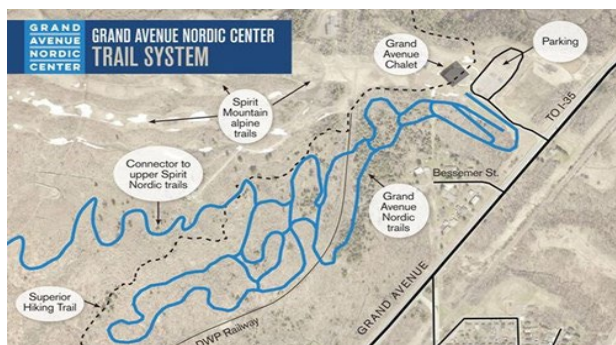
2024-2028 Trails Projects

Project Title:

Spirit Mountain Nordic Center

Description:

Expand the recreational facilities at Spirit Mountain by expanding the Duluth Traverse trail system and completing the Spirit Mountain Nordic Center trails.



Funding Source:

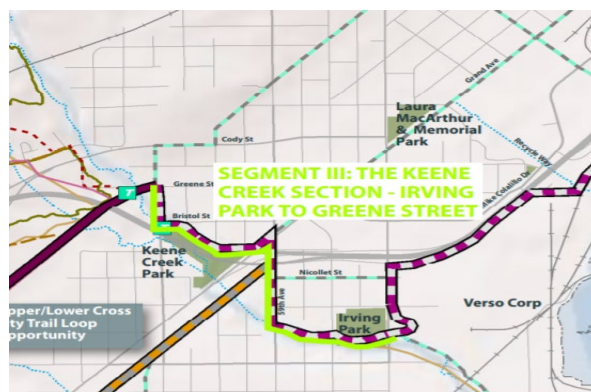
	FY 2024
Federal Grant	224,225
State Grant	1,113,471
Other	
Grants/Donations/Funding Athletic Venue Reinvestment Initiative 1/2 & 1/2 Tax	300,000
SLRC 1/2 & 1/2 Tax	1,200,000
	113,600
	2,951,296

Project Title:

Cross City Trail

Description:

Phase III: Irving Park to Greene Street
 Phase VI: Lower Burlington Northern Route-59th Ave W to 61st Ave W



Funding Source:

	FY 2024
Federal Grant	750,000
State Grant	300,000
Parks and Recreation Capital Budget	63,050
SLRC 1/2 & 1/2 Tax	218,700
Other City Funding	246,000
	1,577,750

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

2024-2028 Trails Projects

Project Title:

Waabizheshikana-The Marten Trail

Description:

Continued implementation of the trail for various segments.

Funding Source:

	FY 2024
Federal Grant	1,020,000
State Grant	3,498,534
Other	
Grants/Donations/Funding	665,000
SLRC 1/2 & 1/2 Tax	511,000
	5,694,534



Project Title:

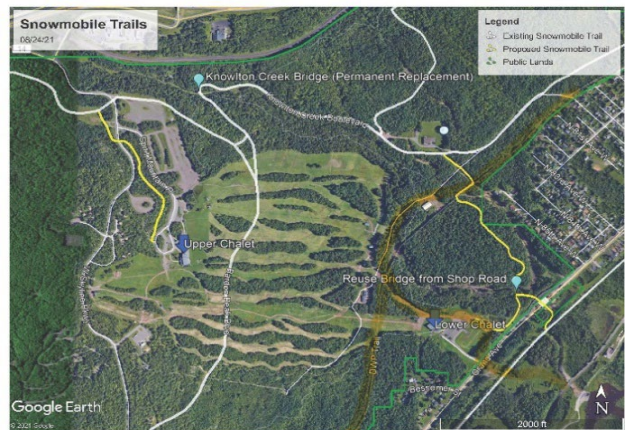
Snowmobile Trail

Description:

Complete abutments for Knowlton Snowmobile Trail bridge and a trail connecting lower Spirit Chalet to Cross Town trail.

Funding Source:

	FY 2024
Federal Grant	150,000
State Grant	391,000
SLRC 1/2 & 1/2 Tax	9,200
	550,200



City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

2024-2028 Trails Projects

Project Title:

Park Point Beach Access-Lafayette Community Center

Description:

Replace deteriorated boardwalk, providing Architectural Barriers Act (ABA) beach access from Lafayette Community Center parking lot, across Park Point sand dune, to the beach.



Funding Source:

	FY 2024
Federal Grant	108,182
Parks and Recreation Capital Budget	6,076
Other City Funding	100,000
	214,258

Project Title:

Park Point Beach Access-MN Point

Description:

Replace deteriorated boardwalk, providing Architectural Barriers Act (ABA) beach access on MN Point, across Park Point sand dune, to the beach.



Funding Source:

	FY 2024
Federal Grant	108,000
Other City Funding	275,708
	383,708

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

2024-2028 Trails Projects

Project Title:

Other Trail Improvements

Description:

ADA access, bridge/infrastructure failures, land acquisition for conservation preservation, etc.

Funding Source:

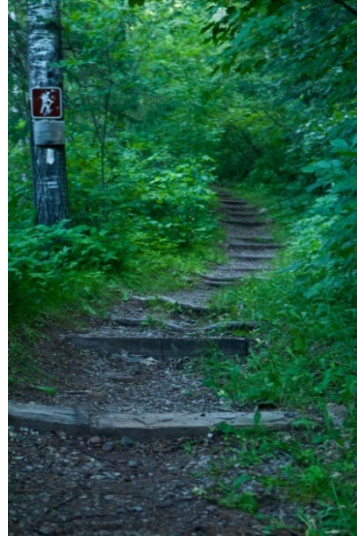
Parks and Recreation Capital

Budget

FY 2024-28

240,000

240,000



City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

Street Improvement & Bridge Projects Summary

Description:

These projects include street reconstruction, street preservation, and bridge maintenance. Funding sources include municipal state aid, federal funds, grants, street system maintenance levy, local sales tax, St. Louis County, and developer contributions. Utility Improvements that may occur in conjunction with these projects are included in the Utilities Capital Improvement Plan.

Operating Cost Implications of 2024 Approved Projects:

Beginning in 2020, the Street Improvement Program began receiving dedicated funding through a local .5% sales tax. The Street Improvement Program (SIP) encompasses the entire City's Street Inventory and street improvements are annually reviewed and prioritized on a variety of factors, in accordance with the SIP plan.

Project	2024	2025	2026	2027	2028	Total
Street Preservation Project	11,700,000	9,250,000	7,900,000	5,500,000	6,400,000	40,750,000
Street Preservation -Bond Payment	-	-	500,000	2,000,000	2,000,000	4,500,000
Superior Street Reconstruction - MSA bond payment	805,000	815,000	-	-	-	1,620,000
Raleigh St WM and street reconstruction, 59th Ave W to Grand Ave	3,970,000	-	-	-	-	3,970,000
Aerial Lift Bridge Painting and Misc Structural Repairs	7,000,000	7,000,000	-	-	-	14,000,000
Aerial Lift Bridge Sidewalk, Abutment, and Approach	3,000,000	-	-	-	-	3,000,000
Sidewalk	120,000	120,000	120,000	120,000	120,000	600,000
Patch Project	475,000	475,000	475,000	475,000	475,000	2,375,000
Retaining/Guard Rail/Restriping/Bridge repair/RR crossings	200,000	200,000	200,000	53,000	200,000	853,000
Engineering for Federal 2026 project	300,000	-	-	-	-	300,000
MNDOT ADA upgrades along I-35 ramps from 68th Ave W. to 26th Ave E. (city match)	200,000	-	-	-	-	200,000
Engineering for NHS Federal 2025 Proj, Garfield Ave and Port Terminal Reconditioning	100,000	360,000	-	-	-	460,000

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

Street Improvement & Bridge Projects Summary

Projects Continued	2024	2025	2026	2027	2028	Total
Bardon's Peak Wall project- design phase	200,000	-	-	-	-	200,000
6th Ave E CPR and overlay- 2nd Street to Copper Top	2,300,000	-	-	-	-	2,300,000
Chester Park Dr Alley reconstruction	535,000	-	-	-	-	535,000
2024 Chip Seals	300,000	-	-	-	-	300,000
E 7th and 13 Ave E	300,000	-	-	-	-	300,000
London Road, 26th to 60th Ave E	-	3,324,000	-	-	-	3,324,000
W Superior Street, Michigan to Carlton St	-	30,599,000	4,500,000	4,450,000	4,510,000	44,059,000
Bardon's Peak Wall	-	2,150,000	-	-	-	2,150,000
24th Ave W reconditon, 3rd to 7th St	-	2,000,000	-	-	-	2,000,000
Junction Ave/St. Marie reconditioning, 19th Ave E to Carver	-	1,300,000	-	-	-	1,300,000
Eklund Ave reconstruction	-	2,500,000	-	-	-	2,500,000
Railroad Street, from Canal Park Dr to 5th Ave W	-	-	2,100,000	-	-	2,100,000
Mesaba Ave Turn lane and signal at 1st Street (MNDOT)	-	-	250,000	-	-	250,000
Federal 2027 Project- Lake Ave, Canal Park Dr, Buchanan (moved from 2025) design	-	-	300,000	-	-	300,000
St. Marie Street Campus Connector Shared Use Path and Street Reconditioning	-	-	984,091	-	-	984,091
Campus Connector Trail Phase 4/WM and Reconstruct College	-	-	4,090,000	-	-	4,090,000
40th Ave W reconstruction 2026- SLC portion: 2028- design, Grand Ave to I-35	-	-	300,000	-	420,000	720,000
Engineering for Federal 2028 project	-	-	-	300,000	-	300,000
Federal 2027 Project- Lake Ave, Canal Park Dr, Buchanan (moved from 2025)	-	-	-	4,230,000	-	4,230,000
Campus Connector Trail Phase 6 (Lakewalk to 1st St)	-	-	-	1,193,828	-	1,193,828

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

Street Improvement & Bridge Projects Summary

Projects Continued	2024	2025	2026	2027	2028	Total
4th Street Watermain and street reconstruction, Mesaba to 6th Ave E	-	-	-	-	5,200,000	5,200,000
Central Entrance Reconstruction (MNDOT)	-	-	-	-	3,250,000	3,250,000
Total	31,505,000	60,093,000	21,719,091	18,321,828	22,575,000	154,213,919
Projects Held in Parks	2024	2025	2026	2027	2028	Total
Brighton Beach Road Reconstruction	1,601,000	-	-	-	-	1,601,000
Total All Projects	33,106,000	60,093,000	21,719,091	18,321,828	22,575,000	155,814,919
Funding	2024	2025	2026	2027	2028	Total
Federal	2,000,000	28,339,000	2,304,091	2,066,028	1,000,000	35,709,119
State Aid	6,265,000	3,659,000	4,370,000	1,700,000	5,600,000	21,594,000
State Bonding	7,000,000	-	-	-	-	7,000,000
City Bond	-	10,500,000	3,000,000	3,000,000	3,000,000	19,500,000
Street System Mtce Levy	700,000	750,000	700,000	700,000	700,000	3,550,000
Local Sales Tax (.5%)	13,200,000	13,750,000	7,800,000	7,883,000	7,800,000	50,433,000
Permanent Improvement	280,000	280,000	280,000	280,000	280,000	1,400,000
Street Lighting	500,000	500,000	800,000	500,000	500,000	2,800,000
Water - Current Revenue	1,041,000	866,000	1,816,000	1,383,800	2,686,000	7,792,800
Gas - Current Revenue	103,800	253,800	153,800	153,800	163,800	829,000
Sewer - Current Revenue	103,700	653,700	103,700	303,700	803,700	1,968,500
Storm - Current Revenue	311,500	541,500	141,500	351,500	41,500	1,387,500
Utilities Bond	-	-	250,000	-	-	250,000
Total	31,505,000	60,093,000	21,719,091	18,321,828	22,575,000	154,213,919
Funding Held in Parks	2024	2025	2026	2027	2028	Total
Federal	515,000	-	-	-	-	515,000
State Aid	286,000	-	-	-	-	286,000
Local Sales Tax (.5%)	800,000	-	-	-	-	800,000
Total	1,601,000	-	-	-	-	1,601,000
Total All Funding	2024	2025	2026	2027	2028	Total
	33,106,000	60,093,000	21,719,091	18,321,828	22,575,000	155,814,919

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

Miscellaneous Annual Infrastructure

Description:

Miscellaneous annual infrastructure projects include those that are funded by the permanent improvement property tax levy, street system maintenance utility, and limited use of special assessments to the affected property owner. Permanent improvement projects are generally limited to intersections, bridges. These projects may include repair or replacement of the brick streets and sidewalks, concrete sidewalks, one way street conversions, retaining walls, and guard rail repair.

Project	2024	2025	2026	2027	2028	Total
Permanent Improvements	200,000	200,000	200,000	53,000	200,000	853,000
Patch Project	475,000	475,000	475,000	475,000	475,000	2,375,000
Sidewalks	120,000	120,000	120,000	120,000	120,000	600,000
Total	795,000	795,000	795,000	648,000	795,000	3,828,000

Funding	2024	2025	2026	2027	2028	Total
PI Fund	280,000	280,000	280,000	133,000	280,000	1,253,000
Street System Mtce Levy	100,000	100,000	100,000	100,000	100,000	500,000
Utilities Funds	415,000	415,000	415,000	415,000	415,000	2,075,000
Total	795,000	795,000	795,000	648,000	795,000	3,828,000

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

Street Improvement & Bridge Projects

Project Title:

Raleigh St., 59th Ave W to Grand Ave. Watermain & Street Reconstruction

Description:

Replace watermain and reconstruct street.

Funding Source:

	FY 2024
MN State Aid Funds	2,960,000
Utility Funds	1,010,000
	3,970,000



Project Title:

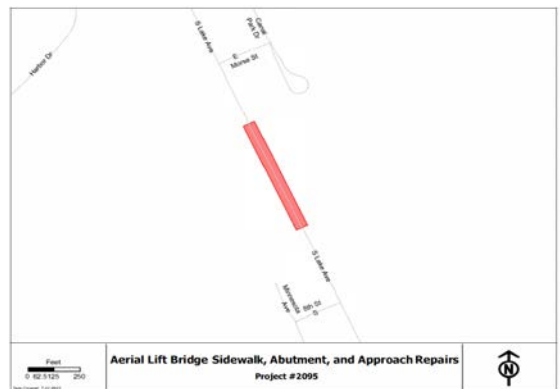
Aerial Lift bridge Painting & Repairs

Description:

Work for the Aerial Lift Bridge painting and bridge repairs.

Funding Source:

	FY 2024-2025
State Bridge Bond	7,000,000
City Bond	7,000,000
	14,000,000



City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

Street Improvement & Bridge Projects

Project Title:

Brighton Beach Road Construction*

Description:

Reconstruction of the road through the park

Funding Source:

	FY 2024
FEMA Funds	515,000
State Park Road Acct	286,000
City Sales Tax	800,000
	1,601,000



*Project held in Parks

Project Title:

MNDOT ADA upgrades along I-35 ramps (68th Ave W to 26th Ave E)

Description:

ADA upgrades

Funding Source:

	FY 2024
MN State Aid	200,000
	200,000



City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

Street Improvement & Bridge Projects

Project Title:

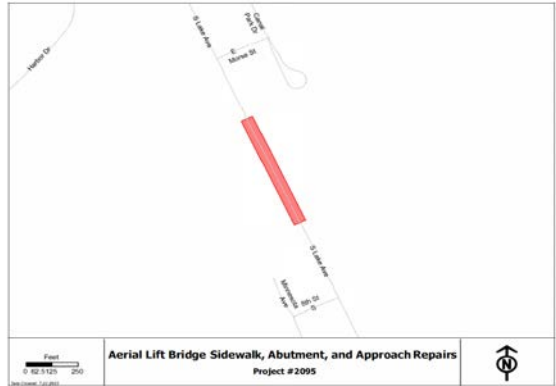
Aerial Lift Bridge Sidewalk, Abutment, and Approach Repairs

Description:

Repairs to the Aerial Lift Bridge sidewalk, abutment & approach

Funding Source:

	<u>FY 2024</u>
NPS Federal Grant	1,500,000
MN State Aid Funds & Misc.	
State Aid	1,500,000
	<u>3,000,000</u>



City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

Street Improvement & Bridge Projects

Project Title:

Street Preservation Projects

Description:

Various Locations: Annual preservation projects are determined on criteria outlined in the City's Street Improvement Program.

Funding Source:

Local Sales Tax

2024

11,700,000

2024 Street Preservation Plan

2024 Segments

131st Ave W, TH23 to Water Street
 Meadow St, from Midway to Boundary Ave
 Brooks St, from Midway Ave to Boundary
 Vinland Ave alley, from Boundary Ave
 Main St, from 64th to 66th AW
 Water St, 130th Ave W to dead end east
 Lawn St, from Boundary Ave to 87th AW
 Midway Ave, Vinland to Lawn St
 W 5th St, from 40th to 41st Ave W
 N 57th Ave W, Grand to Cody
 W 12th St, TH53 to dead end E
 W 11th St, TH53 to 22nd Ave W
 22nd Ave W, W 11th St to W 10th St
 W 13th St, from TH53 to dead end E
 W 4th St, from 40th Ave W to dead end E
 W 5th St, 40th Ave W to dead end E
 38th Ave W, Grand to 2nd St
 39th Ave W, Superior St to 4th St
 W 5th St, from Skyline Pkway to 10th Ave W
 W 6th St, from 11th AW to 10th AW
 7th St, from 13th AE to 14th AE
 N Lake Ave, Mesaba to 11th St
 Eden Lane, Parkland Ave to Belmont Rd
 W 5th St, from 10th Ave W to W 6th Ave W
 W 6th St, from 10th Ave W
 6th Ave E, 2nd St. to Copper Top
 Crosley Av, Avondale - Oakley St

N 56th AW, Grand Av - Elinor St
 Spirit Drive, Grand Ave to Roosevelt St
 57th Ave W, from Nicollett to Roosevelt
 41st Ave W, from 8th St to dead end N
 W 4th St, from 40th Ave W to 44th AW
 N 81st Ave W, S dead end to N dead end
 N 80th Ave W, Grand Ave to Knowlton Blvd
 N 84th Ave W, Grand Ave to Coleman St
 Como Ave, from Willow to Dead end S
 E Gilead, Arlington to N Blackman
 E Locust, Arlington to N Blackman
 Myrtle Place, Central Ent to Myrtle St
 W Myrtle St, Central Ent to Basswood Ave
 E 10th St, from 7th AE to 8th AE
 8th Ave E, 9th St to 120' North of 10th St
 N 11th Ave E, from 9th St to Skyline Pkway
 Chester Pway, Belmont Rd alley to Skyline
 Belmont, Parkland Ave to Chester Pk Way
 Parkland Ave, from 10th St to Belmont
 E 10th St, from 14th AE to Parkland
 14th Ave E, from 9th St to dead end N
 16th Ave E, from 4th St to 8th St
 Old Howard Mill, 36th Ave E to Rustwood
 Crescentview, from 37th AE to Pinewood Ln
 Rustwood, from Old Howard Mill to Valley Dr
 17th Ave E, from 6th to 8th St
 9th St, from 19th to Garden St

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

Street Improvement & Bridge Projects

2024 Segments Continued

Oneida St, 43th AE - 45th AE	Garden St, from 19th Ave E to 8th St
Vermillion Rd, from Snively to Oxford	E 7th Street, 16th AE to 19th AE
Norwood, 52nd AE to 54th AE	E 9th St, from 18th AE to 19th AE
N 51st Ave E, Norwood to Ivanhoe	17th Ave E, from 4th to 6th St
Kingston, from dead end W to dead end E	E 6th St, from 15th AE to 19th AE
N 52nd Ave E, from Idlewild to Woodlawn	E 5th St, from 15th AE to 17th AE
Idlewild, from 51st AE to 54th AE	N 54th AE from Idlewild to Covent Pl
Hartley Rd, from Arrowhead to Woodhaven Ln	Covent Pl from 54th AE to dead end E
Woodhaven Ln, from Hartley Rd to Arrowhead	
Engineering	
Contingency	

2024 Street Preservation Cost	11,700,000
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Other City Projects in 2024:

6th Ave E, 2nd St. to Copper Top (MSA, St Lighting, 291 Funds)	2,300,000
Engineering for future projects: Garfield Ave Bardon's Peak,	600,000
Chip Seal various locations	300,000
Chester Park Dr alley, from 17th AE to 18th AE (290 Funds)	535,000
E 7th and 13 Ave E	300,000
Other City Projects	4,035,000

Total 2024 Construction, Engineering & Contingency Cost	15,735,000
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City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

Capital Utility Projects Summary

Description:

Utility projects within the five year capital improvement plan primarily focus on the continued rehabilitation and replacement of aging infrastructure, with a large 5 year investment in replacing all remaining Lead Service Lines in the Water distribution system.

Operating Cost Implications of 2024 Approved Projects:

The Water Fund projects are for replacement and rehabilitation of the water system to increase system reliability, with an emphasis on Lead Service Line replacement, and will have no operating expense impact. The Gas Fund projects will have very little operating expense impact with the exception of the gas main extensions, which will have minimal maintenance and corrosion protection costs offset by new customer account revenue. Sanitary Sewer projects for rehabilitation and relining will provide future savings to sanitary sewer treatment costs through a reduction of inflow and infiltration flows. Stormwater projects will result in indirect savings through cost avoidance of surface water damage.

Project	2024	2025	2026	2027	2028	Total
Water	24,025,000	16,906,000	16,980,000	20,480,000	19,500,000	97,891,000
Gas	2,430,000	2,880,000	3,900,000	2,280,000	3,000,000	14,490,000
Sewer	2,875,000	2,475,000	3,025,000	2,481,000	2,375,000	13,231,000
Stormwater	2,580,000	2,900,000	3,200,000	3,400,000	3,400,000	15,480,000
Total	31,910,000	25,161,000	27,105,000	28,641,000	28,275,000	141,092,000

Funding	2024	2025	2026	2027	2028	Total
Water Revenue Bonds	13,100,000	6,375,000	6,375,000	7,650,000	7,650,000	41,150,000
Grant Fund	8,400,000	6,125,000	6,125,000	7,350,000	7,350,000	35,350,000
Water - Current Revenue	2,525,000	4,406,000	4,480,000	5,480,000	4,500,000	21,391,000
Gas - Current Revenue	2,430,000	2,880,000	3,900,000	2,280,000	3,000,000	14,490,000
Sewer - Current Revenue	2,875,000	2,475,000	3,025,000	2,481,000	2,375,000	13,231,000
Stormwater - Current	2,580,000	2,900,000	3,200,000	3,400,000	3,400,000	15,480,000
Total	31,910,000	25,161,000	27,105,000	28,641,000	28,275,000	141,092,000

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

Water Capital Projects

Description:

The proposed water projects over the next five years include updating aging infrastructure by replacing those distribution mains with a high number of recurring leaks. Rehabilitation of primary transmission lines and pump station upgrades will increase system reliability to meet water demand. Significant improvements are required at the Lakewood Water Treatment Plant (WTP). Built in 1975, this aging facility requires renovation of electrical systems as well as structural repairs to both the treatment plant and pump building. The City will continue to pursue grant and debt funding to replace Lead Service lines to proactively meet the federal mandates to eliminate lead in drinking water.

Project	2024	2025	2026	2027	2028	Total
WTP Resiliency Grant (yr2)	3,500,000	-	-	-	-	3,500,000
WTP Resiliency Grant Match (yr 2)	375,000	-	-	-	-	375,000
Woodland Pump Station	8,000,000	-	-	-	-	8,000,000
Switch Gear (Proctor, Lakeside, Orphanage)	250,000	-	-	-	-	250,000
Morris Thomas Rd (SLC Coordination)	500,000	-	-	-	-	500,000
Lead Service Replacement Project (49% Grant Funded) If Awarded	10,000,000	12,500,000	12,500,000	15,000,000	15,000,000	65,000,000
Far East Superior St Reconections (remove services from transmission line)	300,000	300,000	700,000	-	-	1,300,000
Upper Lakeside Tank Replacement	500,000	-	-	-	-	500,000
Solids Removal @ Water Plant	500,000	-	-	-	-	500,000
Fascia Repairs @ Pump Building	100,000	-	-	-	-	100,000
4th Street, 6th Ave E to Mesaba - Design & Const.	-	-	-	200,000	-	200,000
Arlington Pump Station, Central Entrance (MNDOT Coordination)	-	1,800,000	-	-	-	1,800,000
Ideal St, Swan Lake to Ecklund	-	720,000	500,000	-	-	1,220,000
24th Ave W, 3rd to 7th St	-	450,000	-	-	-	450,000
Chambersburg Dead End	-	486,000	-	-	-	486,000

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

Water Capital Projects

Project Continued	2024	2025	2026	2027	2028	Total
WTP Building & Structural Repairs	-	650,000	-	-	-	650,000
Flocculator & Sedimentation Tank Repairs	-	-	530,000	-	-	530,000
Mesaba Ave Bridge (MNDOT Coordination)	-	-	100,000	-	-	100,000
Rapid Mix Tank Upgrades	-	-	-	280,000	-	280,000
Filter #6	-	-	-	1,800,000	-	1,800,000
Duluth Heights Pump #4 Study	-	-	-	-	50,000	50,000
Bldg & Structural Repairs at WTP	-	-	-	-	650,000	650,000
Upper Lakeside Phase 3 Upgrades	-	-	-	-	800,000	800,000
Glenwood Zone Connector	-	-	-	-	1,000,000	1,000,000
40th Ave W (SLC)	-	-	600,000	-	-	600,000
Central Entrance Feed Pipe (MNDOT Coordination)	-	-	2,050,000	-	2,000,000	4,050,000
Upgrade 5 water Filters	-	-	-	2,200,000	-	2,200,000
Total	24,025,000	16,906,000	16,980,000	20,480,000	19,500,000	97,891,000
Funding	2024	2025	2026	2027	2028	Total
Grant Funded	8,400,000	6,125,000	6,125,000	7,350,000	7,350,000	35,350,000
Water Improvement Bonds	13,100,000	6,375,000	6,375,000	7,650,000	7,650,000	41,150,000
Water - Current Revenue	2,525,000	4,406,000	4,480,000	5,480,000	4,500,000	21,391,000
Total	24,025,000	16,906,000	16,980,000	20,480,000	19,500,000	97,891,000

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

Natural Gas Capital Projects

Description:

The proposed gas projects over the next five years include the continued extension of the system into unserved areas and the relocation of gas meters due to code requirements. Other significant costs include projects to replace existing thin wall plastic mains and older steel mains where leaks occur.

Project	2024	2025	2026	2027	2028	Total
Blanket Project	1,650,000	1,650,000	1,250,000	1,250,000	1,250,000	7,050,000
EFV/meter relocations /bollards	500,000	500,000	1,000,000	1,000,000	1,250,000	4,250,000
Great Lakes Pig Receiver Valve Replacements	30,000	-	-	-	-	30,000
Building Shell at Stora Enso	250,000	-	-	-	-	250,000
Inline Gas Heater Replacement- Great Lakes	-	200,000	-	-	-	200,000
20 th Avenue West, 23 rd Avenue West, 10 th Street	-	500,000	500,000	-	-	1,000,000
MnDot Central entrance, 8 inch plastic replacement	-	-	320,000	-	-	320,000
Garfield Ave -steel replacement (RR St to Helm St)	-	-	800,000	-	-	800,000
Street projects	-	30,000	30,000	30,000	-	90,000
Steel Main Replacements	-	-	-	-	500,000	500,000
Total	2,430,000	2,880,000	3,900,000	2,280,000	3,000,000	14,490,000
Funding	2024	2025	2026	2027	2028	Total
Gas - Current Revenue	2,430,000	2,880,000	3,900,000	2,280,000	3,000,000	14,490,000
Total	2,430,000	2,880,000	3,900,000	2,280,000	3,000,000	14,490,000

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

Sanitary Sewer Capital Projects

Description:

The proposed sanitary sewer projects over the next five years focus on the continued lining or rehabilitation of leaking pipes and the reconstruction of sanitary sewer lift stations located throughout the city.

Project	2024	2025	2026	2027	2028	Total
Lift Station Rehabilitation	750,000	450,000	450,000	450,000	450,000	2,550,000
Manhole Rehabilitation	75,000	75,000	75,000	75,000	75,000	375,000
City Wide Sanitary Sewer Lining	1,950,000	1,850,000	1,850,000	1,850,000	1,850,000	9,350,000
Miscellaneous Street Projects	100,000	100,000	100,000	100,000	-	400,000
40th Ave W (SLC)	-	-	100,000	-	-	100,000
Central Entrance- Blackman to Anderson	-	-	450,000	6,000	-	456,000
Total	2,875,000	2,475,000	3,025,000	2,481,000	2,375,000	13,231,000
Funding	2024	2025	2026	2027	2028	Total
Sewer - Current Revenue	2,875,000	2,475,000	3,025,000	2,481,000	2,375,000	13,231,000
Total	2,875,000	2,475,000	3,025,000	2,481,000	2,375,000	13,231,000

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024-2028 Capital Improvement Plan

Stormwater Capital Projects

Description:

The proposed stormwater projects over the next five years include continued replacement of failing storm sewer lines and large culverts. Reconstruction of various stormwater infrastructure along numerous creeks and streets comprise a large portion of our plan to ensure the City is compliant with our MS4 Permit. Significant costs will occur in the repair and replacement of storm sewer in steep slope areas that discharge into streams located throughout the city as well as leveraged to obtain grant funds.

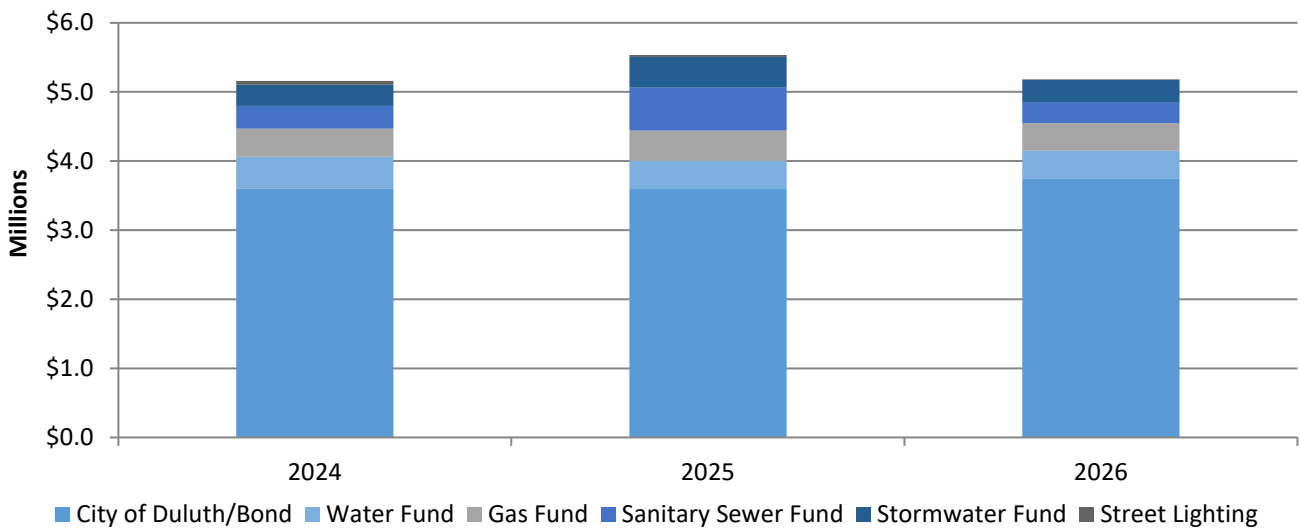
Project	2024	2025	2026	2027	2028	Total
Annual Manhole	75,000	75,000	75,000	75,000	75,000	375,000
Annual CIPP Lining	150,000	300,000	300,000	300,000	300,000	1,350,000
Annual SIP Coordination	900,000	900,000	900,000	900,000	900,000	4,500,000
Creek Tunnel Repairs TBD	350,000	350,000	350,000	350,000	350,000	1,750,000
Critical Culvert/Crossing Repairs	300,000	300,000	300,000	300,000	300,000	1,500,000
Non-capital Storm Projects	175,000	175,000	175,000	175,000	175,000	875,000
Citywide Culvert & Ditch Repairs	-	125,000	200,000	200,000	200,000	725,000
Block Long Projects	-	125,000	200,000	200,000	200,000	725,000
Citywide Pipe Repairs & Steep Slope "down drains" Citywide Storm	200,000	250,000	250,000	250,000	250,000	1,200,000
Improvements	-	-	300,000	400,000	400,000	1,100,000
E 7th St & 13th Ave E Green Infrastructure grant match - TMDL impaired watersheds	200,000	-	-	-	-	200,000
Irving Park - Keene Creek	-	100,000	200,000	300,000	300,000	900,000
GLC Grant Match	80,000	-	-	-	-	80,000
Park Point - Phase 2 Sump Pump Laterals	150,000	-	-	-	-	150,000
Storm SWPPP Document Update	-	25,000	-	-	-	25,000
Stream TMDL E.coli Studies - MS4 Permit Compliance TMDL Action Plan Doc.- Next permit cycle	-	150,000	150,000	150,000	150,000	600,000
Total	2,580,000	2,900,000	3,200,000	3,400,000	3,400,000	15,480,000
Funding	2024	2025	2026	2027	2028	Total
Stormwater - Current Revenue	2,580,000	2,900,000	3,200,000	3,400,000	3,400,000	15,480,000
Total	2,580,000	2,900,000	3,200,000	3,400,000	3,400,000	15,480,000

City of Duluth Minnesota - 2024 Budget

Capital Equipment Plan

Three Year Proposed Equipment Plan:

The objective of the City’s three-year capital equipment plan is to identify equipment needs, determine financial impacts, prioritize requests, and develop a comprehensive financial plan. The City has developed a viable multi-year capital equipment plan which is achievable within expected available resources. \$15.88 million in equipment purchases are proposed in this plan for the period of 2024 through 2026. Of that total, \$10.96 million of equipment will be financed using bond proceeds and the balance of \$4.92 million will be paid for using utility revenues and street lighting property tax levy. Shown in the chart below are the various funding sources by year for the plan.



	2024	2025	2026	Total
City of Duluth/Bond	3,598,000	3,605,900	3,752,800	10,956,700
Water Fund	462,245	395,775	397,000	1,255,020
Gas Fund	407,145	437,325	398,200	1,242,670
Sanitary Sewer Fund	329,460	624,275	304,375	1,258,110
Stormwater Fund	308,860	445,125	319,925	1,073,910
Street Lighting	55,000	25,000	11,000	91,000
Total Plan	5,160,710	5,533,400	5,183,300	15,877,410

City of Duluth Minnesota - 2024 Budget

Capital Equipment Plan

2024 Proposed Equipment:

The City's proposed 2024 capital equipment plan includes \$5,160,710 for capital equipment purchases, of which \$3,598,000 will be financed using bond proceeds and the remaining \$1,562,710 will be paid for from utility revenues and the street lighting property tax levy.

For 2024, the City is proposing bonding for rolling stock purchases in the amount of \$2,100,000 comprised of Fire vehicles and equipment totaling \$95,000; Police vehicles and equipment totaling \$605,000; Park Maintenance vehicles and equipment totaling \$305,000; Parks and Rec vehicles and equipment totaling \$40,000; Street Maintenance vehicles and equipment totaling \$1,015,000; and Transportation Engineering vehicles and equipment totaling \$40,000. For 2024 the City is also proposing bonding for non-rolling stock equipment in the amount of \$1,498,000 for technology improvements and replacements, Fire equipment, Police equipment, and Transportation Engineering equipment.

The breakdown of equipment purchases for the utility funds in 2024 includes \$252,210 for non-rolling stock equipment and \$1,310,500 for rolling stock vehicles for a total of \$1,562,710 in 2024; to be paid for using utility revenues and the street lighting property tax levy.

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024 - 2026 Capital Equipment Program

City of Duluth Rolling Stock Vehicles

		2024	2025	2026	Total
Fire Department					
	Vehicles and Equipment	95,000	150,000	120,000	365,000
Police Department					
	Vehicles and Equipment	605,000	645,900	639,200	1,890,100
Park Maintenance					
	Vehicles and Equipment	305,000	400,000	240,000	945,000
Parks and Recreation					
	Vehicles and Equipment	40,000	-	-	40,000
Street Maintenance					
	Vehicles and Equipment	1,015,000	600,000	983,600	2,598,600
Transportation Engineering					
	Vehicles and Equipment	40,000	40,000	-	80,000
Rolling Stock Bond Total		2,100,000	1,835,900	1,982,800	5,918,700

City of Duluth Minnesota - 2024 Budget

Estimated Operating Costs for 2024 Rolling Stock Vehicles

Item Description	2024	2025	2026	2027	2028	2029	6-year total
Fire - 1 ton pickup squad with plow	911	1,875	31	428	2,000	2,500	7,745
Police - 9 marked squads/ ave per squad	1,625	4,086	8,155	4,732	2,387	1,858	22,843
Park maint - Trackless sidewalk cleaning tractor	2,048	5,771	7,560	9,650	5,771	11,752	42,552
Park maint - Toro Workman	5,243	3,002	2,908	6,184	8,626	7,362	33,325
Park maint - Garbage insert for pickup truck	500	500	500	500	500	500	3,000
Park maint - 3/4 ton pickup truck work truck	6,905	3,040	1,287	3,668	4,995	4,687	24,582
Parks and Rec - 1/2 ton pickup truck	550	232	625	1,619	4,291	1,014	8,331
Traffic Engineering - midsize SUV	1,548	940	707	948	2,531	1,514	8,188
Street maint - Loader snowblower	1,868	3,005	2,908	3,322	3,228	8,694	23,025
Street maint - 3 single axle plow trucks/ ave per truck	4,519	7,046	5,101	11,847	15,334	9,359	53,206
Street maint - 3/4 ton pickup truck work truck	6,905	3,040	1,287	3,668	4,995	4,687	24,582

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024 - 2026 Capital Equipment Program

City of Duluth Rolling Stock Vehicle Goals*

*We may need to substitute a piece of equipment on the replacement plan with an item on the backlog list if the other asset has a major mechanical failure or requires costly repairs.

Fire Department - One Ton Pickup w/ Plow and Squad Upfitting

Description:

Will replace SUV rapid response vehicle to combine functions of plow truck and rapid response medical vehicle.

Funding Source:

Capital Equipment Bond

FY 2024

95,000



City Priority Strategic Alignment:

City Priority

Safe and Secure Community

Definition

Service Response: Provides for a well-planned, effective and prompt response to emergencies of all kinds, including individual calls for service, fires, public safety threats and natural disasters.

Police Department - Police Vehicles

Description:

Annual police vehicle replacement is required for overall police fleet sustainability. The Duluth Police Dept. needs to ensure our police vehicles are safe, efficient and functional in order to meet the expectations of our community.

Funding Source:

Capital Equipment Bond

FY 2024

605,000



City Priority Strategic Alignment:

City Priority

Safe and Secure Community

Definition

Safety Presence: Fosters a feeling of personal safety through a visible and approachable public safety presence, proactive prevention, community care-taking and education.

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024 - 2026 Capital Equipment Program

City of Duluth Rolling Stock Vehicle Goals*

*We may need to substitute a piece of equipment on the replacement plan with an item on the backlog list if the other asset has a major mechanical failure or requires costly repairs.

Park Maintenance - Trackless Sidewalk Tractor

Description:

Will replace aged Trackless tractor that powers snowblowers and brooms for year round sidewalk cleaning.



Funding Source:

FY 2024

Capital Equipment Bond

185,000

City Priority Strategic Alignment:

City Priority

Green Space and Energy Conservation

Definition

Open Space Development: Design, develop and enhance its parks, trails, open spaces and recreation facilities, ensuring they are sustainable, convenient, safe, accessible, attractive and well-maintained.

Park Maintenance - Garbage Insert For Pickup Truck

Description:

Will be used to reduce manual garbage pickup and dumping. This is an insert that is mounted in a pickup truck that lifts trash bins to empty in hopper and dumps trash to unload.



Funding Source:

FY 2024

Capital Equipment Bond

30,000

City Priority Strategic Alignment:

City Priority

Green Space and Energy Conservation

Definition

Open Space Development: Design, develop and enhance its parks, trails, open spaces and recreation facilities, ensuring they are sustainable, convenient, safe, accessible, attractive and well-maintained.

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024 - 2026 Capital Equipment Program

City of Duluth Rolling Stock Vehicle Goals*

*We may need to substitute a piece of equipment on the replacement plan with an item on the backlog list if the other asset has a major mechanical failure or requires costly repairs.

Park Maintenance - 3/4 Ton Pickup Truck

Description:

Will replace 2009 3/4 ton pickup truck.

Funding Source:

Capital Equipment Bond

FY 2024

55,000



City Priority Strategic Alignment:

City Priority

Green Space and Energy Conservation

Definition

Open Space Development: Design, develop and enhance its parks, trails, open spaces and recreation facilities, ensuring they are sustainable, convenient, safe, accessible, attractive and well-maintained.

Park Maintenance - Toro Workman

Description:

Will replace 2002 Toro Workman.

Funding Source:

Capital Equipment Bond

FY 2024

35,000



City Priority Strategic Alignment:

City Priority

Green Space and Energy Conservation

Definition

Open Space Development: Design, develop and enhance its parks, trails, open spaces and recreation facilities, ensuring they are sustainable, convenient, safe, accessible, attractive and well-maintained.

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024 - 2026 Capital Equipment Program

City of Duluth Rolling Stock Vehicle Goals*

*We may need to substitute a piece of equipment on the replacement plan with an item on the backlog list if the other asset has a major mechanical failure or requires costly repairs.

Parks and Rec - Crewcab Pickup

Description:

Daily use, with capacity to haul a trailer, for mobile rec programming to deliver our programs to parks throughout our community, as well as bringing 'parks' to schools, community events, libraries, and youth serving agencies.



Funding Source:

FY 2024

Capital Equipment Bond

40,000

City Priority Strategic Alignment:

City Priority

Green Space and Energy Conservation

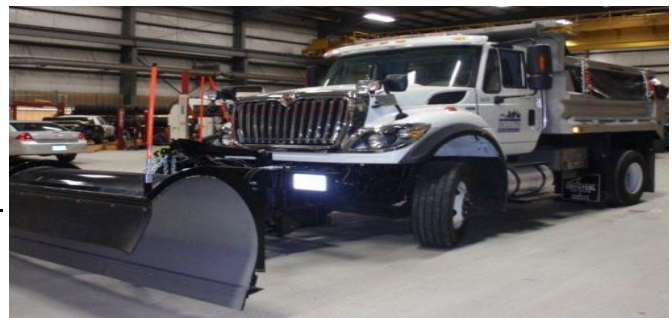
Definition

Environmental Awareness: Encourages connection to our natural world through education and increased awareness regarding alternative mobility options, "green practices", energy efficiency, and resource conservation.

Street Maintenance - (3) Plow Trucks

Description:

Plow trucks are used for snow plowing, sanding of roads, hauling blacktop, gravel, sand, salt, and other materials.



Funding Source:

FY 2024

Capital Equipment Bond

690,000

City Priority Strategic Alignment:

City Priority

Infrastructure

Definition

Transportation: Continually invest in building and improving a well-designed, well-maintained, accessible transportation system of safe and sustainable roadways, street lights, sidewalks and bridges.

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024 - 2026 Capital Equipment Program

City of Duluth Rolling Stock Vehicle Goals*

*We may need to substitute a piece of equipment on the replacement plan with an item on the backlog list if the other asset has a major mechanical failure or requires costly repairs.

Street Maintenance - 3/4 Ton Pickup Truck

Description:

Will replace 1995 3/4 ton pickup used for equipment fueling and arrowboard for road work operations.

Funding Source:

FY 2024

Capital Equipment Bond

55,000

City Priority Strategic Alignment:

City Priority

Safe and Secure Community

Definition

Transportation: Designs and constructs a safe transportation network that is well maintained, accessible and enhances traffic flow for all types of mobility options.



Street Maintenance - LaRue Wheel Loader Mounted Snowblower

Description:

Will be replacing SnoGo truck mounted snowblower and mount to existing wheel loader.

Funding Source:

FY 2024

Capital Equipment Bond

270,000

City Priority Strategic Alignment:

City Priority

Safe and Secure Community

Definition

Transportation: Designs and constructs a safe transportation network that is well maintained, accessible and enhances traffic flow for all types of mobility options.



City of Duluth Minnesota - 2024 Budget

City of Duluth 2024 - 2026 Capital Equipment Program

City of Duluth Rolling Stock Vehicle Goals*

*We may need to substitute a piece of equipment on the replacement plan with an item on the backlog list if the other asset has a major mechanical failure or requires costly repairs.

Transportation Engineering - Engineering SUV

Description:

Used to transport employees and materials to job sites.

Funding Source:

Capital Equipment Bond

FY 2024

40,000

City Priority Strategic Alignment:

City Priority

Safe and Secure Community

Definition

Transportation: Designs and constructs a safe transportation network that is well maintained, accessible and enhances traffic flow for all types of mobility options.



City of Duluth Minnesota - 2024 Budget

City of Duluth 2024 - 2026 Capital Equipment Program

City of Duluth Non-Rolling Stock Equipment

	2024	2025	2026	Total
IT				
Life Cycle Projects	1,225,000	975,000	725,000	2,925,000
Innovation Projects	100,000	355,000	605,000	1,060,000
Subtotal IT	1,325,000	1,330,000	1,330,000	3,985,000
Fire				
Personal Protection Equipment	68,000	75,000	167,500	310,500
Large Diameter Hose	-	22,500	30,000	52,500
Thermal Imaging Camera	-	73,000	15,000	88,000
Turnout Gear Extractor(s)	-	10,000	-	10,000
Rescue Equipment	20,000	12,000	7,500	39,500
Subtotal Fire	88,000	192,500	220,000	500,500
Police				
Police Equipment	25,000	192,500	220,000	437,500
Subtotal Police	25,000	192,500	220,000	437,500
Transportation Engineering				
Concrete Saw	-	20,000	-	20,000
J-Barrier Picker	-	5,000	-	5,000
Engineering GPS Units	60,000	30,000	-	90,000
Subtotal Transportation Engineering	60,000	55,000	-	115,000
Non-Rolling Stock Bond Total	1,498,000	1,770,000	1,770,000	5,038,000

City of Duluth Minnesota - 2024 Budget

Operating Costs for 2024 Non Rolling Stock Equipment

Item Description	2024	2025	2026	2027	2028	2029	6-year total
Network Equipment							
Replacements	20,000	30,000	20,000	20,000	30,000	30,000	150,000
ARMER Radio Replacements	20,000	20,000	20,000	20,000	20,000	20,000	120,000
Document Mgt	70,000	70,000	100,000	100,000	100,000	70,000	510,000
Engineering Drone	-	4,500	4,500	4,500	4,500	4,500	22,500

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024 - 2026 Capital Equipment Program

City of Duluth Non-Rolling Stock Equipment

IT - Life Cycle Projects

Description:

Technology solutions have a usable and effective life span. Life cycle replacement projects are designed to maintain functionality and user productivity through acquiring, tracking, supporting and decommissioning existing technology solutions.



Life Cycle Project Goals:	<u>2024-2026</u>
Radio Replacements	450,000
Enterprise Wide PC/Laptop Replacements	750,000
Civil Defense Siren Replacement	400,000
Wireless APs	200,000
Blades at Citon and Haines	30,000
Card Access Server	5,000
Core/Compute Switch Replacement	75,000
Camera System Hardware Replacements	70,000
Pictometry/Lidar Imagery	45,000
Network Equipment Replacements	525,000
Security Regulations	50,000
Communication System Replacements	100,000
Street Maintenance Sign Printer	10,000
Fire Video Conferencing	50,000
Phone System Replacement	260,000
Total	<u>3,020,000</u>

*estimated project costs

City Priority Strategic Alignment:

City Priority

Innovation and Excellence in Service

Definition

Customer Service: Ensures timely and effective two-way communication with internal customers, residents, and businesses providing equal access to information encouraging input from all areas of the organization and the community at large.

Funding Source:

Capital Equipment Bond	3,020,000
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City of Duluth Minnesota - 2024 Budget

City of Duluth 2024 - 2026 Capital Equipment Program

City of Duluth Non-Rolling Stock Equipment

IT - Innovation Projects

Description:

Innovation projects encompass the creation, development and/or implementation of a new product, process or service, with the aim of aligning technology projects to the City wide organizational goals.



Innovation Project Goals:

	<u>2024-2026</u>	*estimated project costs
ITSC Project Planning	650,000	
Conference Rooms Technology Needs	20,000	
Document Mgt	250,000	
PC / Peripheral Adds	10,000	
Engineering Drone	30,000	
Total	<u>960,000</u>	



Funding Source:

Capital Equipment Bond	960,000
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City Priority Strategic Alignment:

City Priority

Innovation and Excellence in Service

Definition

Customer Service: Ensures timely and effective two-way communication with internal customers, residents, and businesses providing equal access to information encouraging input from all areas of the organization and the community at large.

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024 - 2026 Capital Equipment Program

City of Duluth Non-Rolling Stock Equipment

Fire - Personal Protection Equipment

Description:

This equipment will be replaced in compliance with industry standards for cancer reduction and prevention.

Funding Source:

FY 2024

Capital Equipment Bond

68,000



City Priority Strategic Alignment:

City Priority

Safe and Secure Community

Definition

Service Response: Provides for a well-planned, effective and prompt response to emergencies of all kinds, including individual calls for service, fires, public safety threats and natural disasters.

Fire - Rescue Equipment

Description:

Includes specialized harnesses in need of replacement which enables high and low angle rescue from confined spaces and wilderness areas.

Funding Source:

FY 2024

Capital Equipment Bond

20,000



City Priority Strategic Alignment:

City Priority

Safe and Secure Community

Definition

Service Response: Provides for a well-planned, effective and prompt response to emergencies of all kinds, including individual calls for service, fires, public safety threats and natural disasters.

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024 - 2026 Capital Equipment Program

City of Duluth Non-Rolling Stock Equipment

Transportation Engineering - Engineering GPS Units

Description:

GPS Units are used for locating and recording above ground infrastructure.

Funding Source:

FY 2024

Capital Equipment Bond

60,000

City Priority Strategic Alignment:

City Priority

Safe and Secure Community

Definition

Transportation: Designs and constructs a safe transportation network that is well maintained, accessible and enhances traffic flow for all types of mobility options.



City of Duluth Minnesota - 2024 Budget

City of Duluth 2024 - 2026 Capital Equipment Program

Utility Funds Capital Equipment Summary

	2024	2025	2026	Total
Water Fund				
Vehicles and Equipment	273,350	345,775	347,000	966,125
Non-Rolling Capital Equipment	188,895	50,000	50,000	288,895
Subtotal Water Fund	462,245	395,775	397,000	1,255,020
Gas Fund				
Vehicles and Equipment	381,350	387,325	348,200	1,116,875
Non-Rolling Capital Equipment	25,795	50,000	50,000	125,795
Subtotal Gas Fund	407,145	437,325	398,200	1,242,670
Sanitary Sewer Fund				
Vehicles and Equipment	311,850	604,275	284,375	1,200,500
Non-Rolling Capital Equipment	17,610	20,000	20,000	57,610
Subtotal Sanitary Sewer Fund	329,460	624,275	304,375	1,258,110
Stormwater Fund				
Vehicles and Equipment	288,950	425,125	299,925	1,014,000
Non-Rolling Capital Equipment	19,910	20,000	20,000	59,910
Subtotal Stormwater Fund	308,860	445,125	319,925	1,073,910
Street Lighting Fund				
Vehicles and Equipment	55,000	25,000	11,000	91,000
Subtotal Street Lighting Fund	55,000	25,000	11,000	91,000
Utility Funds Total	1,562,710	1,927,500	1,430,500	4,920,710

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024 - 2026 Capital Equipment Program

City of Duluth Utilities Rolling Stock Vehicles

*We may need to substitute a piece of equipment on the replacement plan with an item on the backlog list if the other asset has a major mechanical failure or requires costly repairs.

Public Works and Utilities

Assorted Pickup Trucks, Cars, Vans, and SUVs

Description:

Standard 1/2 Ton, 3/4 Ton, and 1 Ton pickup trucks for operations.

Funding Source:

	FY 2024
Water Fund	97,800
Gas Fund	291,900
Sanitary Sewer Fund	57,900
Stormwater Fund	33,400
Street Lighting	55,000
Total	536,000



City Priority Strategic Alignment:

City Priority

Infrastructure

Definition

Transportation: Continually invest in building and improving a well-designed, well-maintained, accessible transportation system of safe and sustainable roadways, street lights, sidewalks and bridges.

Public Works and Utilities

Service Trucks with air compressor

Description:

Used to carry materials and tools to jobsites.

Funding Source:

	FY 2024
Water Fund	163,800
Gas Fund	37,800
Sanitary Sewer Fund	25,200
Stormwater Fund	25,200
Total	252,000



City Priority Strategic Alignment:

City Priority

Infrastructure

Definition

Utilities: Design, build, improve and proactively maintain a utility infrastructure system that provides safe, affordable and reliable water, sewer, storm drainage, natural gas, steam and hot water services to the community.

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024 - 2026 Capital Equipment Program

City of Duluth Utilities Rolling Stock Vehicles

*We may need to substitute a piece of equipment on the replacement plan with an item on the backlog list if the other asset has a major mechanical failure or requires costly repairs.

Public Works and Utilities

(2) Sewer TV Van

Description:

Used to view and image sewers.

Funding Source:

Sanitary Sewer Fund
Stormwater Fund

	FY 2024
	200,000
	200,000
Total	400,000



City Priority Strategic Alignment:

City Priority

Infrastructure

Definition

Utilities: Design, build, improve and proactively maintain a utility infrastructure system that provides safe, affordable and reliable water, sewer, storm drainage, natural gas, steam and hot water services to the community.

Public Works and Utilities

Mini Excavator & Trailer

Description:

Used for small worksite excavation.

Funding Source:

Water Fund
Gas Fund
Sanitary Sewer Fund
Stormwater Fund

	FY 2024
	5,150
	36,050
	5,150
	5,150
Total	51,500



City Priority Strategic Alignment:

City Priority

Infrastructure

Definition

Utilities: Design, build, improve and proactively maintain a utility infrastructure system that provides safe, affordable and reliable water, sewer, storm drainage, natural gas, steam and hot water services to the community.

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024 - 2026 Capital Equipment Program

City of Duluth Utilities Rolling Stock Vehicles

*We may need to substitute a piece of equipment on the replacement plan with an item on the backlog list if the other asset has a major mechanical failure or requires costly repairs.

Public Works and Utilities

Accessory Equipment - Welder, Generator, Steamer

Description:

Assist large equipment to complete work.

Funding Source:

	<u>FY 2024</u>
Water Fund	6,600
Gas Fund	15,600
Sanitary Sewer Fund	23,600
Stormwater Fund	25,200

Total 71,000

City Priority Strategic Alignment:

City Priority

Infrastructure

Definition

Utilities: Design, build, improve and proactively maintain a utility infrastructure system that provides safe, affordable and reliable water, sewer, storm drainage, natural gas, steam and hot water services to the community.



City of Duluth Minnesota - 2024 Budget

City of Duluth 2024 - 2026 Capital Equipment Program

City of Duluth Other Non-Rolling Stock Equipment

Public Works & Utilities

(3) Trimble GPS

Description:

GPS Units are used for locating and recording above ground infrastructure.

Funding Source:

FY 2024

Water Fund	13,360
Gas Fund	13,360
Sanitary Sewer Fund	13,360
Stormwater Fund	13,360
Total	53,440



City Priority Strategic Alignment:

City Priority

Infrastructure

Definition

Utilities: Design, build, improve and proactively maintain a utility infrastructure system that provides safe, affordable and reliable water, sewer, storm drainage, natural gas, steam and hot water services to the community.

Public Works & Utilities

(2) NTU Meter

Description:

Water testing equipment.

Funding Source:

FY 2024

Water Fund	16,500
Total	16,500



City Priority Strategic Alignment:

City Priority

Infrastructure

Definition

Utilities: Design, build, improve and proactively maintain a utility infrastructure system that provides safe, affordable and reliable water, sewer, storm drainage, natural gas, steam and hot water services to the community.

City of Duluth Minnesota - 2024 Budget

City of Duluth 2024 - 2026 Capital Equipment Program

City of Duluth Other Non-Rolling Stock Equipment

Public Works & Utilities

Janitorial Equipment

Description:

Clean floors in Public Works facilities.

Funding Source:

	<u>FY 2024</u>
Water Fund	25,250
Gas Fund	4,250
Sanitary Fund	4,250
Stormwater Fund	4,250
Total	<u>38,000</u>



City Priority Strategic Alignment:

City Priority

Infrastructure

Definition

Utilities: Design, build, improve and proactively maintain a utility infrastructure system that provides safe, affordable and reliable water, sewer, storm drainage, natural gas, steam and hot water services to the community.

Public Works & Utilities

IT Equipment and Software

Description:

Computer software and equipment used to help Public Works be more efficient.

Funding Source:

	<u>FY 2024</u>
Water Fund	133,785
Gas Fund	8,185
Stormwater Fund	2,300
Total	<u>144,270</u>

City Priority Strategic Alignment:

City Priority

Infrastructure

Definition

Utilities: Design, build, improve and proactively maintain a utility infrastructure system that provides safe, affordable and reliable water, sewer, storm drainage, natural gas, steam and hot water services to the community.



Legislation Details (With Text)

File #: 23-060-O **Name:**
Type: Ordinance **Status:** Passed
File created: 12/1/2023 **In control:** Finance
On agenda: 12/11/2023 **Final action:** 12/18/2023
Title: AN ORDINANCE SETTING THE BUDGET FOR THE FISCAL YEAR 2024 APPROPRIATING MONIES FOR THE SUPPORT OF THE CITY GOVERNMENT, PUBLIC UTILITIES, AND PUBLIC ENTERPRISE FUNDS AND FOR OTHER PURPOSES.

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
12/18/2023	1	City Council	adopted	
12/11/2023	1	City Council	read for the first time	

AN ORDINANCE SETTING THE BUDGET FOR THE FISCAL YEAR 2024 APPROPRIATING MONIES FOR THE SUPPORT OF THE CITY GOVERNMENT, PUBLIC UTILITIES, AND PUBLIC ENTERPRISE FUNDS AND FOR OTHER PURPOSES.

CITY PROPOSAL:

The city of Duluth does ordain:

Section 1. That in accordance with Section 58 of the 1912 Home Rule Charter of the City of Duluth, and all amendments thereof and law supplementary thereto, and for the fiscal year beginning January 1 and ending December 31, 2024, the city council hereby budgets, determines and states the amount of money required to meet the principal and interest of maturing obligations comprising the outstanding indebtedness of such city; the amounts of money necessary to be provided for each such fund and each department of such city; and estimates the amount of income from all other sources and revenues, exclusive of taxes upon property, together with the probable amount required to be levied and raised by taxation to defray all expenses and obligations of such city during such fiscal year.

That the monies as so budgeted and hereafter set forth shall be paid upon the presentation of properly verified vouchers bearing thereon the budget distribution for which such expenditures are to be charged in accordance with the detailed classification of accounts and the explanatory information of such as set forth in ordinance in effect governing same, excepting, however, payments for interest and sinking funds, which shall be paid in the manner set forth in Section 53 of the City Charter.

That any monies received by city departments as reimbursement for damages or repairs to city property or work done for others and not anticipated in the original budget may be credited to and added to the appropriate budget item upon approval of the chief administrative officer or their designee.

That use of general fund balance that has been assigned for a specific purpose in a prior year,

must be approved by the city council if used for a purpose other than what has been specified.

That donations and gifts received that are less than \$10,000 and not anticipated in the original budget may be added to the appropriated budget item upon approval by the chief administrative officer or designee. That grants which have been approved by the appropriate state or federal agency and accepted by resolution of the city council may be added to the respective budget items upon approval of the city auditor.

That the parks fund and street lighting fund prior year unexpended budget appropriation not anticipated in the original budget shall be added to the current year budget appropriation as approved by the chief administrative officer or designee.

Section 2. That the city auditor be authorized to approve the payments of \$2,882,000 from the gas and steam public utility funds to the general fund for administrative services; comprised of \$2,700,000 or seven percent of the gross revenues of the gas utility fund to the general fund; and \$182,000 from public utilities steam fund to the general fund.

Section 3. That the mayor or the chief administrative officer or their designees may make transfers from budget item to budget item as may be considered necessary for the proper administration of the city government for the year. However, the total of any transfers to or from any budget item in excess of ten percent of the appropriation therefore as herein made shall be made only upon approval of the city council. For the purpose of the Section, the term budget item shall mean the amount appropriated to the various funds delineated as fixed charges in the budget summary. The following is a listing of these specific accounts: the accounts numbers 110 through the 700 series shall each be considered budget items within the general fund, as defined in Chapter 8, Section 54 of the City Charter, the account numbered 205 in the parks fund, 268 and 270 in the workforce development fund, and 290 in the street system maintenance utility fund, 550 in the street lighting fund, 503 in the golf fund, 505 and 506 in the parking funds, the accounts numbered 510 and 511 in the water fund, 520 in the gas fund, 530 and 532 in the sewer and clean water fund, 535 in the stormwater fund, and 540 in the steam fund.

Section 4. That the salaries shall be in accordance with the pay plan in effect as provided by Section 22 of the City Charter, as amended.

Section 5. That the city auditor may create or abolish an accounting fund when required by law or proper accounting procedures.

Section 6. That the city auditor be authorized to make temporary loans to and from the city's various funds as needed in the conduction of the day-to-day operations of the city.

Section 7. That the appropriations as set forth in this section constitutes the budget of the City of Duluth for the calendar year of 2024.

General Fund

110	Legislative and Executive	4,352,100
121	Property, Parks, and Libraries	15,525,200
122	Administrative Services	6,712,200
125	Finance	3,230,100
132	Planning and Economic Development	4,363,200
150	Fire	22,081,000
160	Police	27,421,300

500	Public Works	11,806,400
700	<u>Transfers and Other Functions</u>	<u>24,612,400</u>
	Total General Fund	120,103,900
Special Revenue		
205	Parks Fund	3,875,900
268 & 270	Workforce Development Fund	3,973,319
290	Street Maintenance Fund	2,340,100
550	Street Lighting Fund	3,376,900
Public Enterprise		
503	Golf Fund	7,826,579
505	Parking Fund	6,464,200
506	Priley Drive Parking Facility	1,486,700
Public Utilities		
510 & 511	Water Fund	34,454,500
520	Gas Fund	53,381,200
530 & 532	Sewer and Clean Water Fund	24,144,100
535	Stormwater Fund	8,966,600
540	Steam Fund	14,918,621

Section 8. That the chief administrative officer or their designee shall provide the council with a final budget report within three months of the end of the budget year setting forth the original approved and the modified budgets for each line item included in this ordinance and explaining in narrative form the reasons for any significant differences between the original approved and the modified budgets.

Section 9. That the city will review all state and federal grants prior to acceptance and determine the program's funding status. A statement should be included on each grant resolution outlining items such as whether the grant represents a one-time revenue, an ongoing funding source, or a partial funding source with a local match required. The future fiscal impact of the program on the budget will be discussed prior to acceptance of the grant.

The programs funded by state and federal grants shall be reduced or eliminated accordingly if state or federal revenue are reduced or eliminated and another funding source is not secured. Local funding will be available after a full review to determine whether the program should be continued.

Section 10. That this ordinance shall take effect January 1, 2024.

STATEMENT OF PURPOSE: This ordinance establishes the City of Duluth budget and appropriates monies for the operation of city departments. Provisions of this ordinance are in conformance with the Duluth City Charter and Minnesota state law. The ordinance sets the 2024 budget for the city's general fund; the parks fund, the workforce development funds; the public works and utility funds of water, gas, sewer, clean water, stormwater, steam, street lighting, and street system maintenance; and three public enterprise funds of parking, Priley Drive parking facility, and golf. Where applicable, the appropriations include the council's strong recommendation to allocate proceeds from the Cirrus Incubator Building according to resolution 23-0758R.



City of Duluth

Legislation Details (With Text)

File #:	23-014-O	Name:	
Type:	Ordinance	Status:	Passed
File created:	4/18/2023	In control:	Committee of the Whole
On agenda:	4/24/2023	Final action:	5/8/2023
Title:	AN ORDINANCE AMENDING SECTION 7 OF ORDINANCE 10824 TO INCREASE THE APPROPRIATION FOR THE CITY'S GENERAL FUND BY \$382,950 FOR THE FISCAL YEAR 2023.		
Sponsors:	Janet Kennedy, Terese Tomanek, Noah Hobbs		
Indexes:			
Code sections:			
Attachments:			

Date	Ver.	Action By	Action	Result
5/8/2023	1	City Council	adopted	Pass
4/24/2023	1	City Council	read for the first time	

AN ORDINANCE AMENDING SECTION 7 OF ORDINANCE 10824 TO INCREASE THE APPROPRIATION FOR THE CITY'S GENERAL FUND BY \$382,950 FOR THE FISCAL YEAR 2023.

BY CITY ADMINISTRATION, PRESIDENT KENNEDY AND COUNCILORS TOMANEK AND HOBBS:
The city of Duluth does ordain:

Section 1. That Section 7 of Ordinance 10824 be amended as follows:

Section 7. That the appropriations as set forth in this section constitutes the budget of the City of Duluth for the calendar year of 2023

General Fund

110	Legislative and Executive	4,149,150	4,192,100
121	Property, Parks, and Libraries	14,689,700	14,732,200
122	Administrative Services	6,219,100	6,261,600
125	Finance	2,956,000	2,998,500
132	Planning and Economic Development	4,029,600	4,072,100
150	Fire	20,046,900	20,089,400
160	Police	27,259,200	27,301,700
500	Public Works	10,914,700	10,957,200
700	Transfers and Other Functions	15,602,500	15,645,000
	Total General Fund	105,866,850	106,249,800

Special Revenue

205	Parks Fund	3,059,100
268 & 270	Workforce Development Fund	3,705,839
290	Street System Maintenance Utility	2,394,000
550	Street Lighting Fund	3,252,200

Public Enterprise

503	Golf Fund	1,476,739
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File #: 23-014-O, Version: 1

505	Parking Fund	5,700,100
506	Priley Drive Parking Facility	1,485,600
Public Utilities		
510 & 511	Water Fund	32,695,700
520	Gas Fund	56,536,900
530 & 532	Sewer and Clean Water Fund	22,948,900
535	Stormwater Fund	7,847,600
540	Steam Fund	17,259,700

Section 2. That this ordinance shall take effect 30 days after its passage and publication.

STATEMENT OF PURPOSE: This ordinance amends Section 7 of Ordinance 10824 to increase appropriation for the city's general fund by \$382,950. The city will use American Rescue Plan Coronavirus State and Local Fiscal Recover Funds ("ARPA funding") for these budget adjustments as approved by city council Resolution 21-0515 on July 19, 2021.



Legislation Details (With Text)

File #: 23-055-O Name:

Type: Ordinance Status: Passed

File created: 12/1/2023 In control: Finance

On agenda: 12/11/2023 Final action: 12/18/2023

Title: AN ORDINANCE DETERMINING THE SUM TO BE RAISED BY TAXATION FOR GENERAL PURPOSES FOR THE YEAR 2024.

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
12/18/2023	1	City Council	adopted	
12/11/2023	1	City Council	read for the first time	

AN ORDINANCE DETERMINING THE SUM TO BE RAISED BY TAXATION FOR GENERAL PURPOSES FOR THE YEAR 2024.

CITY PROPOSAL:

The city of Duluth does ordain:

Section 1. That the sum to be raised by taxation for the year 2024 is hereby determined to be the sum of \$42,609,029 which sum is levied against the taxable property of the City of Duluth and appropriated to the various accounts of the city, as set forth in the following sections.

Section 2. There will be levied for the support of the general fund the sum of \$28,881,915.

Section 3. There will be levied for support of funding an eight percent market adjustment pay increase for Duluth firefighters the amount of \$413,214.

Section 4. There will be levied for support of funding for library materials the amount of \$50,000.

Section 5. There will be levied for support of the Parks fund the amount of \$280,000.

Section 6. That there will be levied for the support of the street lighting fund the sum of \$2,547,200.

Section 7. That for the payment of debt, there will be levied for the general obligation debt fund the sum of \$7,564,200.

Section 8. That pursuant to Laws of Minnesota 1971, Chapter 824, to pay for the portion of the cost of local improvements which will not sustain a special assessment, there will be levied for the permanent improvement fund the sum of \$280,000

Section 9. That there will be levied for the support of the street maintenance fund the amount of

\$2,300,000.

Section 10. That there will be levied for the support of the Duluth housing trust fund the amount of \$182,500.

Section 11. That there will be levied for the support of the Housing Inspector the amount of \$110,000.

Section 12. That this ordinance shall take effect January 1, 2024.

STATEMENT OF PURPOSE: This ordinance sets the property tax levy for the year 2024. The proposed property tax levy increase for 2024 is \$1,287,653, which is an 3.12% increase. Of the total increase, \$617,839 funds general operations, \$413,214 partially funds an eight percent market adjustment pay increase for Duluth firefighters, \$50,000 funds library materials, and \$206,600 funds increased debt service to replace aging capital.

The levy amount to support the Duluth Housing Trust Fund was reduced by \$110,000 and allocated to an additional housing inspector in the Fire Department.



Legislation Details (With Text)

File #: 23-052-O Name:

Type: Ordinance Status: Passed

File created: 12/1/2023 In control: Finance

On agenda: 12/11/2023 Final action: 12/18/2023

Title: AN ORDINANCE DETERMING THE SUM TO BE RAISED BY TAXATION FOR THE SPECIAL PARKS FUND LEVY FOR THE YEAR 2024.

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
12/18/2023	1	City Council	adopted	
12/11/2023	1	City Council	read for the first time	

AN ORDINANCE DETERMING THE SUM TO BE RAISED BY TAXATION FOR THE SPECIAL PARKS FUND LEVY FOR THE YEAR 2024.

CITY PROPOSAL:

The city of Duluth does ordain:

Section 1. That the sum to be raised by taxation for the year 2024 for the special parks fund levy is hereby determined to be the sum of \$2,600,000 which sum is levied against the taxable property of the city of Duluth and appropriated to the various accounts as set forth in the following section.

Section 2. That pursuant to Ordinance 10102, approved by voter referendum on November 8, 2011, pursuant to the authority contained in Laws of Minnesota, 1953, Chapter 560, Section 1, there will be levied for the parks fund the sum of \$2,600,000.

Section 3. That this ordinance shall take effect January 1, 2024

STATEMENT OF PURPOSE: This ordinance sets the property tax levy for the year 2024 for the parks fund levy. Ordinance 10102, approved by voter referendum on November 8, 2011, created a dedicated parks fund and special levy in the amount of \$2.6 million per year to be utilized for parks and recreation purposes only.



Legislation Details (With Text)

File #: 23-050-O Name:

Type: Ordinance Status: Passed

File created: 12/1/2023 In control: Finance

On agenda: 12/11/2023 Final action: 12/18/2023

Title: AN ORDINANCE DETERMINING THE SUM TO BE RAISED BY TAXATION FOR THE SPECIAL TAXING DISTRICT, DULUTH TRANSIT AUTHORITY, FOR THE YEAR 2024

Sponsors:

Indexes:

Code sections:

Attachments: 1. Ordinance #23-050-O Exhibit A

Date	Ver.	Action By	Action	Result
12/18/2023	1	City Council	adopted	
12/11/2023	1	City Council	read for the first time	

AN ORDINANCE DETERMINING THE SUM TO BE RAISED BY TAXATION FOR THE SPECIAL TAXING DISTRICT, DULUTH TRANSIT AUTHORITY, FOR THE YEAR 2024

CITY PROPOSAL:

The city of Duluth does ordain:

Section 1. That the sum to be raised by taxation for the year 2024 for Duluth Transit Authority taxing district's operations is hereby determined to be the sum of \$2,174,408. which sum is levied against the taxable property of the city of Duluth and appropriated to the various accounts as set forth in the following sections:

Section 2. That pursuant to Minnesota Statutes, Section 458A.31, Subd.1, there will be levied for transit operations the sum of \$2,174,408.

Section 3. That this ordinance shall take effect January 1, 2024.

STATEMENT OF PURPOSE: This ordinance sets the property tax levy for the year 2024 for the special taxing district, Duluth Transit Authority (DTA). Although the transit authority is a special taxing district per Minnesota Statute 275.066, the city is obligated through council action to levy on their behalf.

The full levy allowable by law in Minnesota State Statute 458A.31 of .07253 percent of estimated market value for 2024 is in excess of \$7.3 Million. The DTA, in reviewing their needs for 2024, is opting for \$2,174,408. The DTA is requesting approximately .0215



Legislation Details (With Text)

File #: 23-0943R Name:

Type: Resolution Status: Passed

File created: 12/1/2023 In control: Finance

On agenda: 12/11/2023 Final action: 12/11/2023

Title: RESOLUTION APPROVING THE FISCAL YEAR JANUARY 1, 2024 TO DECEMBER 31, 2024, OPERATION BUDGET OF THE DULUTH TRANSIT AUTHORITY.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A

Date	Ver.	Action By	Action	Result
12/11/2023	1	City Council	adopted	

RESOLUTION APPROVING THE FISCAL YEAR JANUARY 1, 2024 TO DECEMBER 31, 2024, OPERATION BUDGET OF THE DULUTH TRANSIT AUTHORITY.

CITY PROPOSAL:

RESOLVED, that the operation budget for the fiscal year January 1, 2024 to December 31, 2024, in the amount of \$23,328,802 for the Duluth Transit Authority is hereby approved.

STATEMENT OF PURPOSE: This resolution adopts the 2024 operating budget for the Duluth Transit Authority, a detailed budget is attached as Exhibit A.

The budget includes an increase of \$38,326 or 0.16% over the 2023 budget. This resolution adopts the budget as presented for the current year



Legislation Details (With Text)

File #: 23-0932R Name:

Type: Resolution Status: Passed

File created: 11/30/2023 In control: Finance

On agenda: 12/11/2023 Final action: 12/11/2023

Title: RESOLUTION ESTABLISHING ANNUAL BONDING PLAN FOR 2024.

Sponsors:

Indexes:

Code sections:

Attachments: 1. 23-0932R- Exhibit A

Date	Ver.	Action By	Action	Result
12/11/2023	1	City Council	adopted	

RESOLUTION ESTABLISHING ANNUAL BONDING PLAN FOR 2024.

CITY PROPOSAL:

RESOLVED, that, pursuant to Section 20-33 of the Duluth City Code, 1959, as amended, the following is hereby established as the annual, ordinary course general obligation bonding plan for the city of Duluth for the year 2024.

General obligation bonds and notes to be issued in 2024	\$48,785,000
General obligation bonds and notes scheduled to be retired in 2024	\$16,398,000
Net anticipated increase in general obligation bonding for 2024	\$32,387,000

STATEMENT OF PURPOSE: This resolution sets forth the city's estimated bond and note issuances and repayments for the year 2024 as required by Section 20-33 of the city code. The city estimates its bonding activity in 2024 will result in a net increase of \$32,387,000 in the amount of the city's general obligation outstanding debt during 2024; see Exhibit A for estimated debt issuance.

The amounts set forth in this resolution are estimates only based on the needs anticipated at this time; the actual amounts may vary. There is nothing in the ordinance which prevents the amounts set forth in the plan from being modified as circumstances and needs change.



Legislation Details (With Text)

File #: 23-0916R Name:
 Type: Resolution Status: Passed
 File created: 11/29/2023 In control: Finance
 On agenda: 12/11/2023 Final action: 12/11/2023
 Title: RESOLUTION APPROVING CAPITAL IMPROVEMENT PLAN AND STATING INTENT TO ISSUE GENERAL OBLIGATION CAPITAL IMPROVEMENT BONDS UNDER MINNESOTA STATUTES, SECTION 475.521

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
12/11/2023	1	City Council	adopted	

RESOLUTION APPROVING CAPITAL IMPROVEMENT PLAN AND STATING INTENT TO ISSUE GENERAL OBLIGATION CAPITAL IMPROVEMENT BONDS UNDER MINNESOTA STATUTES, SECTION 475.521

CITY PROPOSAL:

BE IT RESOLVED, by the city council (the "Council") of the city of Duluth, Minnesota (the "City"), as follows:

Section 1. Capital improvement plan.

1.01 (a) Under and pursuant to Minnesota Statutes, Section 475.521 (the "Act"), the Council has authorized preparation of a capital improvement plan for the years 2024 through 2028 which has been presented to the Council in the section entitled "Capital Improvement Program Summary" in the document entitled "2024-2028 Capital Improvement Budget and Five-Year Plan" (the "Plan");

(b) A notice of public hearings has been published in accordance with the Act, and the Council has held on December 11, 2023, a public hearing as required by the Act, to provide an opportunity for residents to express their views on the Plan;

(c) The Council has considered the following for each project discussed in the Plan and for the overall Plan:

(1) The condition of the City's existing infrastructure, including the projected need for repair or replacement;

(2) The likely demand for the improvement;

- (3) The estimated cost of the improvement;
- (4) The available public resources;
- (5) The level of overlapping debt in the City;
- (6) The relative benefits and costs of alternative uses of the funds;
- (7) Operating costs of the proposed improvements; and

(8) Alternatives for providing services more efficiently through shared facilities with other cities or local government units.

1.02 (a) Based on the considerations set forth in the Plan and Section 1.01(c) hereof, the Council finds that the Plan is desirable and beneficial to the City and its residents;

(b) The Council finds that the proposed improvements under the Plan will result in no unnecessary duplication of public facilities provided by other units of government in the region.

1.03 The Plan is approved.

Section 2. (a) Under and pursuant to the authority contained in the Act and Minnesota Statutes, Chapter 475, the City is authorized to issue capital improvement bonds to provide funds for capital improvements pursuant to the Plan.

(b) The Council also held a public hearing on December 11, 2023, after notice of public hearing required by the Act, on the City's intention to issue general obligation capital improvement bonds, in an amount not to exceed \$2,100,000 for the purposes set forth in the notice of public hearing. All persons who desired to speak at the public hearing were heard and written comments were considered.

(c) The Council hereby finds and determines that it is necessary, expedient and in the best interests of the City's residents that the City issue, sell and deliver general obligation capital improvement bonds in the maximum amount of \$2,100,000 (the "Bonds"), for the purpose of providing funds for the following capital improvements under the Plan: improvements to eligible facilities (City Hall, public safety facilities, libraries and public works facilities) under the Act throughout the City, including but not limited to improvements to City Hall HVAC, City Hall Break Room & PPL Suite, City Hall Planning Department, CIP Eligible VFA Buildings, fiber connections within property lines for CIP Eligible Facilities, and other CIP Eligible Facilities, and for the payment of costs of issuance of the Bonds.

(d) If, within 30 days after December 11, 2023, a valid petition is filed with the City Clerk calling for a vote on the proposition of issuing the Bonds, signed by voters residing within the boundaries of the City equal to five percent of the votes cast in the City in the last general election, the Bonds shall not be issued until the question of their issuance has been authorized by a majority of the voters voting on the question at the next general or special election called to decide the question.

(e) This resolution constitutes a declaration of official intent under Treasury Regulations

Section 1.150-2. The City reasonably expects to acquire or construct all or a portion of the capital improvements prior to the issuance of the capital improvement bonds and to reimburse expenditures incurred with respect to such capital improvement program with the proceeds of the capital improvement bonds

STATEMENT OF PURPOSE: This resolution approves the 2024-2028 capital improvement plan and declares the City's intent to issue general obligation capital improvement bonds in 2024 in an amount not to exceed \$2,100,000 for certain capital improvements as listed in the resolution. The estimated costs of the capital improvements to be financed by the 2024 bonds are \$1,980,000 plus underwriter discount and costs of issuance.



Legislation Details (With Text)

File #: 23-0917R Name:
 Type: Resolution Status: Passed
 File created: 11/29/2023 In control: Finance
 On agenda: 12/11/2023 Final action: 12/11/2023

Title: RESOLUTION OF THE CITY OF DULUTH, MINNESOTA, STATING THE INTENT TO ISSUE GENERAL OBLIGATION CAPITAL EQUIPMENT NOTES, SERIES 2024, IN THE APPROXIMATE AMOUNT OF \$3,900,000 AND APPROVING THE CAPITAL EQUIPMENT LIST ASSOCIATED WITH THE NOTES.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A

Date	Ver.	Action By	Action	Result
12/11/2023	1	City Council	adopted	

RESOLUTION OF THE CITY OF DULUTH, MINNESOTA, STATING THE INTENT TO ISSUE GENERAL OBLIGATION CAPITAL EQUIPMENT NOTES, SERIES 2024, IN THE APPROXIMATE AMOUNT OF \$3,900,000 AND APPROVING THE CAPITAL EQUIPMENT LIST ASSOCIATED WITH THE NOTES.

CITY PROPOSAL:

BE IT RESOLVED, by the city council (the "Council") of the city of Duluth, Minnesota (the "City"), as follows:

Section 1. Under and pursuant to the provisions of Minnesota Statutes, sections 410.32 and 412.301 (the "Act"), and Minnesota Statutes, Chapter 475, and the City Charter, the City is authorized to issue its general obligation capital equipment notes to provide funds to purchase capital equipment having an expected useful life at least as long as the term of the capital equipment notes.

Section 2. The Council declares the intent of the City to issue capital equipment notes in 2024 in an amount up to \$3,900,000 to finance the purchase of capital equipment authorized by the Act and to pay costs of issuance of the capital equipment notes and discount.

Section 3. The capital equipment to be financed includes those items of equipment as set forth on the list attached hereto as Exhibit A, which list of equipment is hereby approved for purchase in 2024.

Section 4. The terms and conditions of the capital equipment notes and the sale thereof shall be established by further resolution of the Council.

Section 5. This resolution constitutes a declaration of official intent under Treasury Regulations Section 1.150-2. The City reasonably expects to acquire all or a portion of the capital

equipment prior to the issuance of the capital equipment notes and to reimburse expenditures incurred with respect to such capital equipment purchase program with the proceeds of the capital equipment notes.

STATEMENT OF PURPOSE: This resolution states the City's intent to issue general obligation capital equipment notes in 2024 to finance the purchase of capital equipment. It further approves the capital equipment list as items to be financed in 2024 in an amount of \$3,598,000 plus an additional amount for costs of issuance and discount.



Legislation Details (With Text)

File #: 23-0691R Name:

Type: Resolution Status: Passed

File created: 8/31/2023 In control: Finance

On agenda: 9/11/2023 Final action: 9/25/2023

Title: RESOLUTION DISTRIBUTING THE ESTIMATED 2024 HOTEL-MOTEL AND FOOD AND BEVERAGE TOURISM TAXES.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A, 2. Motion to Amend (Kennedy) - Passed 8-0-2 (Hobbs and Mayou abstain)

Date	Ver.	Action By	Action	Result
9/25/2023	1	City Council	adopted	Pass
9/11/2023	1	City Council	tabled	

RESOLUTION DISTRIBUTING THE ESTIMATED 2024 HOTEL-MOTEL AND FOOD AND BEVERAGE TOURISM TAXES.

CITY PROPOSAL:

WHEREAS, Tourism taxes are collected on specific purchases and are used to fund legislatively allowable expenses mandated by Minnesota laws and City ordinance.

WHEREAS, it is expected that tourism tax collections will amount to approximately \$14 million in 2024. A significant amount of these collections- more than 50%- are set aside through specific authorizing legislation that tied bonding projects to tourism or through previously stated and mandated commitments. These are:

DECC Improvement Refunding Bonds (AMSOIL Arena) - \$33,440,000

Tourism Tax Revenue Bonds (St Louis River Corridor) - \$18,000,000

Parks-Based Public Athletic Facilities - \$36,000,000

Spirit Mountain Tax Abatement Bonds (Grand Avenue Chalet & Improvements) - \$7,055,000

Lake Front Restoration Bonds Phase I - \$2,000,000

Lake Front Restoration Bonds Phase II - \$3,500,000

Promotion and Publicity 3% Hotel/Motel Tax Mandate

WHEREAS, the allocations for City funding to the General Fund and Parks Fund are focused on the costs of providing services for events and tourist-focused activities. The general fund supports: providing officers for special events, bike patrol in Canal Park, officers to patrol and respond to calls in tourist areas, fire department

staff for special events along with traffic control, permitting, risk analysis, and other public safety resources, maintaining the transportation network including plowing, sanding, patching, and sweeping streets used by both residents and tourists, operating and maintaining our bridges particularly the MN Slip Bridge and the Aerial Lift Bridge, providing a senior economic developer position to focus on tourism, and all of the collecting, accounting, reporting, and administration of the tourism taxes. The General Fund and Parks Fund maintain parks and facilities used by tourists including, but not limited to, the Lakewalk, Enger Tower, and the Rose Garden.

WHEREAS, the remainder can be spent in ways that align with legislative intent in support of our tourism economy. These funds cannot be unilaterally applied to other non-tourism organizational needs of the City.

RESOLVED, that the 2024 hotel-motel and food and beverage tourism taxes, as estimated, be distributed in the following manner:

	Total	Promotional & Operational Support	Capital Support & Debt Service
3% Hotel/Motel Tax	\$3,490,700	\$1,335,200	\$2,155,500
1% Hotel/Motel Tax	\$1,190,000	\$640,000	\$550,000
1% Food & Beverage	\$2,986,200	\$2,986,200	\$0
Additional 2% Hotel/Motel	\$2,097,400	\$1,048,700	\$1,048,700
Additional .75% Food & Beverage	\$2,241,300	\$0	\$2,241,300
Additional .5% Food & Beverage & .5% Hotel/Motel	\$1,994,400	\$0	\$1,994,400
Tourism Tax Fund Unappropriated	\$900,000	\$717,900	\$182,100
Fund Balance			
Total:	\$14,900,000	\$6,728,000	\$8,172,000
DECC- Amsoil Arena Debt Service	\$4,331,900	\$0	\$4,331,900
Spirit Mountain Bond - Chalet	\$500,000	\$0	\$500,000
Spirit Mountain Adventure Park Lease	\$145,700	\$0	\$145,700
St Louis River Corridor Debt Service	\$1,994,400	\$0	\$1,994,400
Lake Front Restoration Project	\$550,000	\$0	\$550,000
Bellmont Partners	\$1,800,000	\$1,800,000	\$0
City of Duluth Parks and Recreation	\$76,000	\$76,000	\$0
City of Duluth Parks and Recreation - Capital	\$120,600	\$120,600	\$0
DECC - Bayfront Park Management	\$77,900	\$77,900	\$0
DECC - Blue Bridge Operations	\$49,700	\$49,700	\$0
Depot Foundation/St. Louis County Depot	\$240,000	\$240,000	\$0
Downtown Duluth (Special Service District)	\$236,000	\$236,000	\$0

Duluth Amateur Hockey Association	\$30,000	\$30,000	\$0
Duluth Art Institute Association	\$30,000	\$30,000	\$0
Duluth Children's Museum	\$50,000	\$50,000	\$0
Duluth Playhouse-Skywalk Security	\$10,000	\$10,000	\$0
Duluth Public Arts Commission	\$25,000	\$25,000	\$0
Duluth Sister Cities International	\$25,000	\$25,000	\$0
Duluth Street Art Initiative	\$20,000	\$20,000	\$0
Enger Irrigation	\$500,000	\$0	\$500,000
FinnFest USA Events	\$25,000	\$25,000	\$0
Fourth Fest Fireworks	\$70,000	\$70,000	\$0
Gary New Duluth Development Alliance	\$40,000	\$40,000	\$0
Glensheen	\$30,000	\$30,000	\$0
Great Lakes Aquarium	\$350,000	\$350,000	\$0
Harbortown Rotary Bike Duluth Festival	\$10,000	\$10,000	\$0
Hawk Ridge Bird Observatory	\$40,000	\$40,000	\$0
Independent Television Festival, Inc.	\$20,000	\$20,000	\$0
Lake Superior & Mississippi Railroad	\$20,000	\$20,000	\$0
Lake Superior Zoo	\$510,000	\$510,000	\$0
Lincoln Park Business Group	\$20,000	\$20,000	\$0
North Shore Scenic Railroad	\$50,000	\$50,000	\$0
Northern Lights Express	\$20,700	\$20,700	\$0
Park Point Art Fair/Park Point	\$10,000	\$10,000	\$0
Community Club			
Parking Ramp Security Improvements	\$30,000	\$30,000	\$0
Parks Capital - Golf Abatement Bond backing	\$150,000	\$0	\$150,000
Spirit Mountain Operations	\$440,000	\$440,000	\$0
The Cyclists of Gitchee Gumees Shores	\$15,000	\$15,000	\$0
The Minnesota Land Trust	\$50,000	\$50,000	\$0
Tourism Events Support General Fund	\$1,315,100	\$1,315,100	\$0
Tourism Marketing Position	\$123,000	\$123,000	\$0
Upper Midwest Film Office	\$35,000	\$35,000	\$0
Visit Duluth Event and Convention Sales	\$650,000	\$650,000	\$0
Zeitgeist Center for Arts and Community	\$20,000	\$20,000	\$0
Operational Contingency	\$44,000	\$44,000	\$0
Total	\$14,900,000	\$6,728,000	\$8,172,000

STATEMENT OF PURPOSE: This resolution distributes the 2024 estimated tourism taxes as required by Minnesota State Statutes, City ordinance, or City policy. \$14 million is budgeted to be collected in 2024. A comparison of 2023 approved allocations to 2024 proposed allocations is attached as Exhibit A.

For 2024, the City intends to use \$900,000 of unappropriated fund balance from the tourism tax fund.

As has been done in previous years, the City continued its annual electronic application process. All applicants were asked to apply for funds, submit budgets, answer a series of questions and report on previous tourism tax funding levels and uses. This is the fifth year this process has been used and it was implemented with the intent to provide greater accountability, transparency, and process to a significant source of public funding



Legislation Details (With Text)

File #: 23-0940R Name:

Type: Resolution Status: Passed

File created: 12/1/2023 In control: Finance

On agenda: 12/11/2023 Final action: 12/11/2023

Title: RESOLUTION APPROVING THE FISCAL YEAR JANUARY 1, 2024 TO DECEMBER 31, 2024, OPERATION BUDGET OF THE DULUTH AIRPORT AUTHORITY.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A

Date	Ver.	Action By	Action	Result
12/11/2023	1	City Council	adopted	

RESOLUTION APPROVING THE FISCAL YEAR JANUARY 1, 2024 TO DECEMBER 31, 2024, OPERATION BUDGET OF THE DULUTH AIRPORT AUTHORITY.

CITY PROPOSAL:

RESOLVED, that the operations budget for the fiscal year January 1, 2024 to December 31, 2024, in the amount of \$17,198,604 for the Duluth Airport Authority is hereby approved.

STATEMENT OF PURPOSE: This resolution adopts the 2024 operating budget for the Duluth Airport Authority, a detailed budget is attached as Exhibit A.



Legislation Details (With Text)

File #: 23-0942R Name:
Type: Resolution Status: Passed
File created: 12/1/2023 In control: Finance
On agenda: 12/11/2023 Final action: 12/11/2023
Title: RESOLUTION APPROVING THE FISCAL YEAR JANUARY 1, 2024 TO DECEMBER 31, 2024 BUDGETS OF THE DULUTH ECONOMIC DEVELOPMENT AUTHORITY.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A

Date	Ver.	Action By	Action	Result
12/11/2023	1	City Council	adopted	

RESOLUTION APPROVING THE FISCAL YEAR JANUARY 1, 2024 TO DECEMBER 31, 2024 BUDGETS OF THE DULUTH ECONOMIC DEVELOPMENT AUTHORITY.

CITY PROPOSAL:

RESOLVED, that the DEDA operating fund, debt service fund, capital projects fund attached in Exhibit A are hereby approved.

STATEMENT OF PURPOSE: This resolution adopts the various DEDA budgets for fiscal year 2024. The DEDA adopted the DEDA budgets at its October 25, 2023 meeting. The DEDA budget includes the council's strong recommendation to allocate proceeds from the Cirrus Incubator Building according to resolution 23-0758R.

City of Duluth Minnesota - 2024 Budget

DEMOGRAPHIC AND ECONOMIC STATISTICS

Fiscal Year	Population	Total Personal Income	Per Capita		Unemployment Rate
			Personal Income	Per Capita School Enrollment	
2014	86,238	2,605,207,475	30,210	8,809	4.4%
2015	86,110	2,763,072,824	32,088	8,819	3.3%
2016	86,293	2,709,298,125	31,396	8,632	3.9%
2017	86,066	2,770,709,396	32,193	8,547	3.5%
2018	85,884	2,894,363,625	33,701	8,844	3.2%
2019	85,618	3,020,478,591	35,279	8,706	3.3%
2020	86,697	2,937,425,075	33,882	8,896	6.7%
2021	86,372	3,113,711,612	36,050	8,358	3.3%
2022	86,619	3,254,669,603	37,575	8,487	2.4%
2023	*86,619			8,554	2.6%

Data sources:

The population figures are estimates of the US Census Bureau. Total personal income is from the MN Department of Employment and Economic Development's website. The school enrollment figures were provided by the Duluth School District.

* Estimates

MINNESOTA CITIES HOUSING STOCK COMPARISON

Age of Housing Stock	Duluth		Rochester		St. Cloud		Mankato	
Total Housing Units	39,345		52,851		29,130		18,951	
2000 to present	4,125	10.5%	16,993	32.2%	6,421	22.0%	6,093	32.2%
1980 to 1999	3,851	9.8%	13,714	25.9%	7,905	27.1%	3,635	19.2%
1960 to 1979	7,004	17.8%	11,431	21.6%	7,779	26.7%	3,714	19.6%
1940 to 1959	7,049	17.9%	6,736	12.7%	3,364	11.5%	2,268	12.0%
1939 or earlier	17,316	44.0%	3,977	7.5%	3,661	12.6%	3,241	17.1%

Data source: United States Census Bureau

City of Duluth Minnesota - 2024 Budget

PRINCIPAL EMPLOYERS

Employer	Type of Business	Employees	Rank	% of Total City Employment
Essentia Health	Health Care	9,004	1	19.84%
St. Luke's Hospital	Health Care	3,573	2	7.87%
St. Louis County	Public Administration	2,161	3	4.76%
ALLETE	Utilities	1,810	4	3.99%
Independent School District No.709	Educational Services	1,026	5	2.26%
Duluth Air National Guard Base	Public Administration	1,019	6	2.25%
Pine Journal	Newspaper	1,000	7	2.20%
University of Minnesota - Duluth	Educational Services	985	8	2.17%
United Health Care	Finance and Insurance	900	9	1.98%
City of Duluth	Public Administration	881	10	1.94%
		<u>22,359</u>		<u>49.26%</u>

Source: Northland Connection's website. Total city employment is from the MN Department of Employment & Economic Development's website.

CITY OF DULUTH FULL-TIME EQUIVALENT EMPLOYEES AS OF DECEMBER 31

Function	2019	2020	2021	2022	2023
General government	131.65	134.10	135.10	133.90	136.90
Public Safety					
Police	182.14	180.50	183.00	183.50	184.00
Fire	146.50	148.50	148.50	148.50	150.00
Public Works	83.95	82.95	82.95	82.85	83.10
Culture and recreation					
Parks and recreation	11.70	13.70	13.70	13.70	14.45
Library	46.70	46.70	47.70	47.50	48.00
Urban & Economic Development	57.64	56.14	55.14	58.14	60.64
Water & Gas	135.45	133.00	133.00	132.60	130.50
Sewer	33.05	33.75	33.75	33.50	33.60
Stormwater	24.05	24.80	24.80	24.75	26.75
Parking	9.00	9.00	8.00	8.00	8.00
Street Lighting	5.10	5.10	5.10	5.10	5.10
Total	<u>866.93</u>	<u>868.24</u>	<u>870.74</u>	<u>872.04</u>	<u>881.04</u>

City of Duluth Minnesota - 2024 Budget

TOTAL ESTIMATED MARKET VALUES

Fiscal Year End	Total Estimated Market Value	Tax Capacity	% Capacity to Market Value	Tax Rate
2014	5,584,098,600	62,430,044	1.12%	0.32338
2015	5,725,483,100	64,221,257	1.12%	0.32509
2016	5,903,691,700	66,776,729	1.13%	0.33378
2017	6,124,643,600	70,226,007	1.15%	0.37568
2018	6,224,187,356	73,636,389	1.18%	0.39701
2019	6,534,657,950	77,341,318	1.18%	0.42094
2020	6,732,090,600	83,326,594	1.24%	0.42997
2021	7,179,732,200	88,046,786	1.23%	0.41696
2022	8,003,417,400	93,891,624	1.17%	0.43723
2023	9,216,776,600	108,064,284	1.17%	0.40903

PRINCIPAL PROPERTY TAXPAYERS

Taxpayer	Type of Business	Estimated Market Value	Rank	% of Market Value
Minnesota Power	Electric utility	151,532,100	1	1.64%
Summit Management LLC	Apartments & shopping mall	127,680,300	2	1.39%
Essentia Health	Healthcare & hospital	107,194,700	3	1.16%
Wisconsin Central Ltd	Railroad	52,729,400	4	0.57%
Simon Property Group	Shopping mall	51,914,700	5	0.56%
PLB Properties	Real estate development	38,663,800	6	0.42%
Ansa Propco Partnership	Lease administration	32,097,400	7	0.35%
St. Luke's Hospital	Healthcare & hospital	31,863,000	8	0.35%
Endi Plaza LLC	Apartments	26,911,000	9	0.29%
Burlington Northern	Railroad	23,776,600	10	0.26%
		644,363,000		6.99%

City of Duluth Minnesota - 2024 Budget

OPERATING INDICATORS BY FUNCTION

	2019	2020	2021	2022	2023
Police					
Criminal offences	10,890	7,695	8,169	6,682	6,756
Cleared by arrest	3,518	2,580	1,562	1,950	2,786
Traffic violations	4,568	10,223	7,344	3,689	2,492
Parking violations	42,684	31,556	33,028	33,928	34,311
Fire					
Number of calls answered	13,698	13,815	14,803	15,234	15,501
Number of inspections	8,382	4,607	8,606	9,078	8,814
Public works					
Construction permits:					
Permits issued	8,298	7,479	7,560	7,814	7,863
Estimated cost of construction during year in dollars	252,369,122	399,964,575	587,364,438	323,270,859	379,642,164
Culture and recreation					
Parks and recreation department					
Participation in special events	68,725	3,592	62,010	58,008	57,084
Attendance for parks permitted event permits	-	5,818	23,756	39,678	66,675
Participation in recreation	44,373	10,431	19,216	25,242	32,542
Zoo regular customers	79,128	32,533	75,366	95,627	100,815
Library					
Registered borrowers	52,178	39,906	40,228	39,967	51,109
Items in collection	346,516	332,450	407,845	291,174	286,068
Items loaned	868,740	373,521	549,697	402,342	762,086
Library visits	437,668	91,193	140,997	260,099	301,229
Internet uses	70,338	15,503	14,512	28,494	28,982
Reference/ research questions answered	65,702	25,675	17,108	29,042	40,560

City of Duluth Minnesota - 2024 Budget

OPERATING INDICATORS BY FUNCTION continued

	2019	2020	2021	2022	2023
Water					
Meters in service	28,422	28,598	28,727	28,786	28,844
Average number of gallons treated per month	374,256,680	334,648,416	300,481,666	295,900,000	338,567,000
Water pumped - million cubic feet	600	537	482	474	571
Water sold - million cubic feet	528	464	347	389	311
Daily average consumption in gallons	12,307,089	11,002,308	9,878,849	9,726,027	11,130,970
Gas					
Meters in service	29,234	29,484	29,992	30,083	30,213
MMBTU sold	5,984,783	5,737,419	5,678,028	6,168,117	6,322,841
Sewer					
Number of service connections	28,075	27,766	28,666	28,775	27,863
Daily average treatment in gallons	14,111,340	11,002,140	10,945,300	13,380,900	11,709,315
Stormwater					
Cleaning storm sewer pipe (in feet)	82,597	2,841	13,730	16,162	11,448
Steam District #1					
Steam sold (in 1,000 lbs)	350,306	293,441	284,998	335,347	356,957
Hot Water Sold (MMBtu)	-	-	95,165	128,444	117,226
Golf					
Season passes	307	183	213	215	215
Skyline passes	1,045	726	665	1,110	1,082
Daily tickets	33,223	15,924	16,508	15,279	16,906
Carts	21,079	16,649	19,609	14,470	14,781
Rounds played	51,402	39,337	41,440	32,400	31,316

City of Duluth Minnesota - 2024 Budget

CAPITAL ASSETS BY FUNCTION

	2019	2020	2021	2022	2023
Police					
Patrol units	120	120	120	104	106
Fire					
Fire stations	8	8	8	8	8
Public works					
Miles of streets and alleys:					
Miles of streets: paved	475.77	476.13	476.31	476.27	477.39
Miles of streets: unpaved	47.96	47.96	47.96	47.96	47.96
Miles of sidewalk	352.13	352.96	353.83	354.04	355.36
Number of street lights:					
Ornamental lamps (bulbs)	3,809	3,350	3,350	3,350	3,350
Overhead street lamps	3,665	3,700	3,700	3,700	3,700
Culture and recreation					
Parks and recreation					
Number of parks	129	129	129	162	162
Park acreage	12,000	12,000	12,000	9,715	9,715
Number of ski hills	2	2	2	2	2
Library					
Libraries/branches	3	3	3	3	3
Water					
Miles of water mains	432.50	430.00	433.50	432.80	433.30
Number of hydrants	2,738	2,747	2,766	2,793	2,806
Max daily capacity of plant in gallons	32,000,000	32,000,000	32,000,000	32,000,000	32,000,000
Gas					
Miles of gas mains	551.10	554.60	558.80	562.90	565.20
Sewer					
Miles of sanitary sewers	398.10	398.00	399.00	400.00	400.00
Stormwater					
Miles of storm sewers	413.00	415.00	418.00	415.00	415.00
Steam District #1					
Miles of Steam pipeline	11.00	11.00	8.50	8.50	8.50
Miles of HW pipeline	-	-	5.50	5.50	6.00
Golf					
Number of municipal golf courses	2	2	2	2	2

City of Duluth Minnesota - 2024 Budget

Glossary of Terms

Accrual Basis of Accounting

Recording revenues and expenses when they occur, regardless of the timing of related cash flow.

Appropriation

City Council authorization permitting the City to incur obligations and expend resources during the fiscal year.

American Rescue Plan Act (ARPA)

A federal relief package addressing the continued impact of COVID-19 on the economy, public health, state and local governments, individuals and businesses.

American Recovery and Reinvestment Act (ARRA)

A federal economic stimulus package.

Assessed Valuation

A value set upon residential, commercial or industrial properties by the County Assessor as a basis for levying property taxes.

Audit

A formal examination of an organization's or individual's accounts or financial situation.

Balanced Budget

A situation in financial planning or in the budgeting process where total expected revenues are equal to total planned spending.

Bond

A legal document stating the face value (principal amount) will be repaid on the date of maturity, plus interest. Bonds are primarily for financing capital projects or equipment.

Budget

A plan of financial operation embodying an estimate of proposed expenditures for a given

Budget Basis

The basis of accounting used to estimate financing sources and uses in the budget. General Governmental funds are prepared on a modified accrual basis. Enterprise funds are prepared on a GAAP basis.

Budgetary Control

The management of a government in accordance with the approved budget for the purpose of keeping expenditures within the limitations of available appropriations and resources.

Comprehensive Annual Financial Report

A government financial statement that provides a thorough and detailed presentation of the government's financial condition.

Capital Budget

The appropriation of bonds or operating revenue for improvements to facilities and other infrastructure.

City of Duluth Minnesota - 2024 Budget

Glossary of Terms

Capital Improvements

Expenditures related to the acquisition, expansion or rehabilitation of an element of the government's physical plant; sometimes referred to as infrastructure.

Capital Outlay/Expenditure

The expenditure for small equipment or improvements of a miscellaneous or nonrecurring nature funded from current period resources and not included in the Capital Program.

Capital Projects Fund

A governmental fund used to account for financial resources to be used for the acquisition or construction of major capital facilities or other improvements (other than those financed by a proprietary fund).

Charges for Services

Revenues collected as reimbursement for services provided to the public or to some other program/fund in the City.

City Authority

An organizational unit created by the Legislature of the State of Minnesota to administer and maintain the operations of the Duluth Airport, Duluth Entertainment and Convention Center, Transit Authority, and Spirit Mountain Recreation Area. Each is considered a component unit of the City of Duluth reporting entity, and is accounted for as an enterprise fund.

Collective Bargaining Agreement

A legal contract between the employer and a verified representative of a recognized bargaining unit for specific terms and conditions of employment (e.g. hours, working conditions, salary, fringe benefits, and matters affecting health and safety of employees).

Component Unit

A legally separate organization for which the elected officials of a primary government are financially accountable. For Duluth, the component units are the authorities.

Conduit Debt

A debt instrument issued in the name of a state or local government (the issuer) that is for the benefit of a third party primarily liable for the repayment of the debt instrument (the third-party obligor).

Contractual Services

Services rendered to a government by private firms, individuals, or other governmental agencies. Examples include maintenance agreements and professional consulting services.

Cured in Place Pipe (CIPP)

Trenchless rehabilitation method to repair existing pipelines.

Debt Service

Payment of principal and interest on specific obligations which result from the issuance of bonds.

City of Duluth Minnesota - 2024 Budget

Glossary of Terms

Debt Service Fund

A governmental fund type used to account for the accumulation of resources for, and the payment of, general long term debt principal and interest.

Deficit

An excess of expenditures or expenses over revenues (resources) during an accounting period.

Department

Major unit of organization comprised of subunits named divisions. Organizational elements responsible for administration and supervision of various service delivery activities.

Depreciation

The portion of the cost of a fixed asset which is charged as an expense during a particular period. In accounting for and recognizing depreciation, the cost of a fixed asset is prorated over the estimated useful life of such an asset, and each period is charged with a share of such cost.

Distinguished Budget Presentation Awards Program

A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

Division

Organizational subunits of a department which are responsible for the administration and supervision of various service delivery activities.

Employee Benefits

Those costs incurred by the employer for pension contributions and the provision of health, dental and term insurance for all covered personnel.

Encumbrance

The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a specified future expenditure.

Enterprise Fund

Funds which account for operations that are financed and managed in a manner similar to private business enterprises-- where the intent of the governing body is that the costs (including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered through user charges.

Expenditure

Decreases in net current financial resources in governmental funds. Usually recognized in the accounting period in which the goods or services are received and the liability for payment is incurred. However, in instances when current financial resources are not reduced as a result of the incurrence of a liability, an expenditure is not recorded.

Expense

Charges incurred by proprietary funds (whether paid immediately or unpaid) for operations, maintenance, interest or other charges.

City of Duluth Minnesota - 2024 Budget

Glossary of Terms

Fiduciary Fund

A fund used to report assets held in a trust or agency capacity for others which cannot be used to support the City's own programs.

Financial Policy

The City's policies with respect to revenues, spending, and debt management as they relate to government services, programs, and capital investments. Financial policies provide an agreed-

Fiscal Year

Twelve-month period to which the operating budget applies; January 1 to December 31 in the case of the City.

Fixed Assets

Assets of long-term character that are intended to continue to be held or used, such as land, buildings, machinery, furniture, and other equipment.

Franchise Tax

A fee charged by a governmental unit to a private business for the privileges of using a public right-of-way to generate revenue through its operations.

Full Faith and Credit

A pledge of a government's taxing power to repay debt obligations.

Full Time Equivalent (FTE)

A job classification created by Civil Service, authorized through the budgetary process, and filled in accordance with Civil Service rules and Chapter 13 of the Duluth City Code.

Function

Description of a division's operation relative to routine activities performed to accomplish established objectives and goals.

Fund

A fiscal and accounting entity, which is created and segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The major funds are the General Operating; Water; Gas; Steam; Sewer; Golf/Zoo funds; Debt Service funds; Special Revenue funds; Capital Projects funds; and Internal Service funds.

Fund Balance

The excess of the assets of a fund over its liabilities, which may include reserves and designations.

Generally Accepted Accounting Principles (GAAP)

Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

General Fund

A governmental fund type which serves as the chief operating fund of the City to account for all financial resources except those required to be accounted for in another fund type.

General Obligation Bond (G.O.)

This bond is backed by the full faith, credit, and taxing power of the government.

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Goal

A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless.

Governmental Accounting Standards Board (GASB)

The organization that establishes generally accepted accounting principles (GAAP) for states and local governments.

Governmental Funds

Fund type which includes general fund, special revenue funds, permanent improvement funds, debt service funds and special assessment funds.

Government Finance Officers Association (GFOA)

The professional association of Finance professionals in the public sector.

Grants

A contribution by a government or other organization to support a particular function. Grants may be classified as either operational or capital, depending upon the grantee.

HUD

U.S. Department of Housing and Development, a federal government agency.

Infrastructure

The physical assets of a government (e.g. streets, water, sewer, public buildings, and parks).

Intergovernmental Revenue

Funds received from federal, state, and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

Internal Service Funds

Proprietary fund type used to report any activity that provides goods or services to other funds, departments, or agencies of the primary government or component unit, or to other governments on a cost reimbursement basis.

Internal Service Charges

The charges to user departments for internal services provided by another government agency, such as fleet and insurance.

Interfund Transfer

Flows of assets (such as cash or goods) between funds and blended component units of the primary government without equivalent flows of assets in return and without a requirement for repayment.

Levy

To impose taxes for the support of government activities.

Local Government Aid – LGA

A general purpose aid that can be used for any lawful expenditure. It is also intended to be used for property tax relief. The Department of Revenue certifies LGA for cities based on current LGA statutes, including any changes enacted during the most recent legislative session.

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Long-Term Debt

Debt with a maturity of more than one year after the date of issuance.

Materials and Supplies

Expendable materials and operating supplies necessary to conduct departmental operations.

Modified Accrual Basis of Accounting

Recognizes expenses in the accounting period in which they are incurred and measurable. Recognizes revenues in the accounting period in which they are measurable and available.

Municipal State Aid (MSA)

Refers to gas tax dollars distributed by the State to local governments for use on State designated Municipal State Aid streets - usually major thoroughfares.

Object of Expenditure

An expenditure classification, referring to the lowest and most detailed level of classification, such as permanent employee wages, overtime, electricity, office supplies, and paving materials.

Objective

Something to be accomplished in specific, well-defined, and measurable terms and that is achievable within a specific time frame.

Obligations

Amounts which a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Operating Expenses

The cost for materials, services, and supplies required for a department to operate.

Operating Revenue

Funds that the City receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to

Ordinance

A formal legislative enactment by the City Council. It has the full force and effect of law within City boundaries unless pre-empted by a higher form of law. An Ordinance has a higher legal standing than a Resolution.

Other Post-Employment Benefits (OPEB)

Post-employment benefits other than pension benefits that include post-employment healthcare benefits, regardless of the type of plan that provides them.

Payment In Lieu of Taxes (PILOT)

Payment that a property owner not subject to taxation makes to a government to compensate it for services that the property owner receives that normally are financed through property taxes.

Performance Measure

Quantitative and/or qualitative measures of work performed related to specific departmental or program objectives.

Permanent Employee

An individual who works for an employer and receives payment directly from them.

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Personal Services

Those costs associated with the salaries and wages of permanent and temporary employees.

Proprietary Funds

Fund type which includes the enterprise funds of Public Service, Public Utility and City Authorities.

Public Employees Retirement Association (PERA)

Statewide pension plan, to which a majority of the City's employees belong.

Public Service Fund

A fund established to account for the operation and maintenance of the City of Duluth's sanitary and storm sewer collection system.

Public Utility Fund

A fund established to account for the operations of the Department of Water and Gas, Street Light Utility and the Duluth Steam Cooperative Association which provide water, gas, street lighting, traffic signals and steam utility services, respectively, to the citizens of Duluth.

Purpose

A broad statement of the goals, in terms of meeting public service needs, that a department is organized to meet.

Resolution

A special order of the City council which has a lower legal standing than an ordinance.

Revenue

Sources of income financing the operations of government.

Revenue Bond

Revenues from a specific enterprise or project back this type of bond. An example would be a utility improvement or project.

Revenue Source

A revenue classification that designates the origination or type of funds received.

Special Assessment

Compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

Special Revenue Fund

Funds which account for specific financial resources that is restricted to expenditures for specified purposes.

Tax Capacity

A valuation placed upon the market value of the real and personal property in the City in a manner prescribed by state law as the basis for levying property taxes. The tax capacity reflects a percentage of the property's assessed value. The market value of a property is multiplied by the appropriate tax capacity classification rate to arrive at its "tax capacity".

Glossary of Terms

Tax Capacity Classification Rate

The tax rates applied to tax capacities within the City. The tax capacity rate will vary depending on the property classification (homestead, seasonal-recreation, rental, non-homestead, commercial/industrial, vacant). The lowest rate is for homestead property, with significantly higher rates for seasonal-recreation, vacant, and commercial/industrial property.

Tax Levy

The sum to be raised by general taxation, for specific purposes, as delineated in the Tax Levy Ordinance upon the taxable properties within the jurisdiction and corporate limits of the City.

Taxes

Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people. Taxes for this city include property, sales, tourism, and charitable gambling.

Truth in Taxation (TNT)

A set of procedures adopted by the 1989 Minnesota Legislature intended to improve local accountability in the adoption of the budget and property tax levy of local government.

Unassigned Fund Balance

The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

User Charges

The payment of a fee for direct receipt of a public service by the party who benefits from the service.

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Common Acronyms

ARPA-American Rescue Plan Act

CARES – Coronavirus Aid, Relief, and Economic Security Act

CBA – Collective Bargaining Unit

CCP – Cities for Climate Protection

CDBG – Community Development Block Grant Program

DEDA – Duluth Economic Development Authority

DEED – Department of Employment and Economic Development

DTA – Duluth Transit Authority

EMS – Emergency Management Services

FASB -- Financial Accounting Standards Board

GFOA –Government Finance Officers Association

GIS – Geographical Information Systems

GO – General Obligation

HUD – Housing and Urban Development

LAN – Local Area Network

LGA – Local Government Aid

MFIP – Minnesota Family Improvement Program

MOU – Memorandum of Understanding

MP&L – Minnesota Power and Light

PBB – Priority Based Budgeting

PW&U – Public Works and Utilities

RPZ – Reduced Pressure Backflow Zone Assembly

RFP – Request for Proposal

JPE – Joint Power Enterprise