

# CITY OF DULUTH, MINNESOTA

## 2022 Adopted Annual Budget



# CITY OF DULUTH

## 2022 Adopted Annual Budget

### MAYOR

Emily Larson

### CITY COUNCILORS

Gary Anderson

Mike Mayou

Roz Randorf

Renee Van Nett

Janet Kennedy

Azrin Awal

Arik Forsman

Noah Hobbs

Terese Tomanek

### CHIEF ADMINISTRATIVE OFFICER

Noah Schuchman





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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 past two years have been challenging and wrenching in every way. Since the start of the pandemic and continuing through a busy intersection of very real economic, social, political and relational challenges, on both local and national levels, we have all been stretched close to our breaking point.

Even through these challenging times, the City of Duluth budget process continues to be a disciplined practice where the City's leadership comes together to provide financial solutions and opportunities to achieve the City's priorities. The 2022 budget was completed in accordance with the City's budget policies, city charter and the State of Minnesota's truth in taxation laws.

This budget is about shared community values – because city budgets attach money to what is considered to be valuable and what is considered to be true. Here is what's true for our community:

- Residents need clean drinking water, reliable utilities and a comprehensive streets program
- Voters need to trust the integrity of our election and governance systems
- Students need safe routes to school and learning supports made available through libraries
- Neighbors need reliable, trusted public safety response when they call 911
- Families and people of all ages need parks that are clean and safely activated
- Businesses need clarity around planning, zoning and permitting
- Workers and jobseekers need career pathways and support from our Workforce Development
- Staff need to know we have their back for fair compensation and a safe work environment

The Mayor's proposed 2022 General Fund Budget for the City of Duluth was \$97.1 million dollars. This included a 6% property tax levy increase. Because property tax value growth and new construction growth is expected to be a combined 4.94%, and because we used a modest amount of American Rescue Plan (ARP) funding, the net property tax impact after growth was 1.06%. The City Council added 3.9% to the levy to fund public safety initiatives including an 8% pay increase for police officers, \$600,000 for a Community Crisis Response Team, \$177,500 for public safety training and \$292,500 for the Duluth Housing Trust Fund bringing the total levy to 9.90%. The levy increase was not enough to cover the costs of the programs so the Council also increased the amount of budgeted ARP by \$600,000, and reallocated \$200,000 from the Street Maintenance Levy. (watch Council meeting [here](#)).

**2022 Budget Highlights:**

Increased property tax levy 9.90%

**Budget Drivers:****State Budget Considerations**

LGA and a projected budget surplus

Levy limits

**Employee Expenses**

Collective bargaining agreements with new concessions

Health insurance premiums remaining flat one more year, then 10-15% annual increases

**Economy**

Global pandemic fluctuation influencing revenues and jobs

Workforce shortage

Sales tax increase

Tourism tax increase

**Framework Goals and Assumptions:**

Increased property tax levy of 9.90%

Increased property value growth of 4.94%

Used ARP in the amount of \$2.5M

Did not need to use cash reserves in the amount of \$3.8M in 2021

LGA- new certified amount of \$30.6M

Dedicated ½% sales tax for streets

Health care rates stay flat for one more year

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.

Through this budget the City can show up for our community by providing: Fire; Police; Property Parks & Libraries; Streets & Engineering; Administrative Services; Finance; Planning & Economic Development; Legislative & Executive services; some city-wide programming, and; Retiree Medical & Life Insurance. While all departments are able to articulate the need for greater numbers of staff, this budget does not increase (or decrease) staff numbers, any increases are due to grants.

We are able to maintain staffing levels and continue to be a steady, resilient organization serving as the quiet foundation upon which residents build their lives for two specific reasons: CARES Act and the American Rescue Plan (ARP). Together, these two Federal bills provided Duluth with \$64.6 million dollars of support. The CARES Act provided real-time investments that helped cover costs associated with responding to the pandemic. ARP funds have allowed us to invest in strategies and programs that specifically target community pandemic recovery and future property tax savings to residents.

Funding supports from the Federal government also meant that we didn't need to utilize our General Fund Reserves to meet operational needs last year. This is incredibly good news because we have a significant financial cliff coming at us in the next 5 years based mostly on the cost of health care.

Anne Lamott states, "Lighthouses don't go running all over an island looking for boats to save; they just stand there shining." The 2022 City of Duluth General Fund Budget is a budget for who we are right now: resilient, determined to show up for each other, and in it for the long haul.

Because together, we stand steady and we shine.

This year was a whirlwind. Staff worked diligently to generate ideas and prioritize ARP funded projects, continued to deal with ongoing COVID waves and uncertainty, and still managed to find time to help put a thoughtful budget together for 2022. We are so grateful.

The 2022 budget approvals were endorsed by the City Council, led by Council President Van Nett. Mayor Larson's 2022 proposed levy and budget presentation can be seen by clicking [HERE](#).

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 fourth 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. Snow and rain are also important factors impacting the City, as they are drivers of plowing and wear and tear on the streets. 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 129 municipal parks with a total of 6,834 acres of city parkland. The City provides 150 miles of unpaved hiking trails, 85 miles of bike-optimized, multi-use trails, and 30 miles of paved, accessible trails. The City 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 and Duluth became a world port. The St Lawrence Seaway is the world's largest inland waterway. It moves an average of 200 million tons of freight each year. Commerce along the Great Lakes-Seaway supports 330,000 jobs and contributes \$46 billion in economic activity.

Higher education opportunities in Duluth include the University of Minnesota, Duluth, the College of St. Scholastica, and Lake Superior College. Thirty-eight 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 2020 population of 85,697, as estimated by the US Census Bureau, has remained relatively flat since the 1990 census. The per capita income in Duluth is \$31,216, and the unemployment rate in December of 2021 is 3.3%. Additional demographics and economic data can be found in the Appendix.

# City of Duluth Minnesota – 2022 Budget

## 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 – Emily Larson January 2020 to January 2024

#### Councilors at Large

Azrin Awal	January 2022	to	January 2026
Arik Forsman	January 2020	to	January 2024
Noah Hobbs	March 2022	to	January 2024
Terese Tomanek	January 2022	to	January 2026

#### District Councilors

1	Gary Anderson	January 2020	to	January 2024
2	Mike Mayou	January 2022	to	January 2026
3	Roz Randorf	January 2020	to	January 2024
4	Renee Van Nett	January 2022	to	January 2026
5	Janet Kennedy	January 2020	to	January 2024

## APPOINTED OFFICIALS

#### Chief Administrative Officer

Noah Schuchman

#### City Attorney

Rebecca St. George

#### Authorities Directors

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

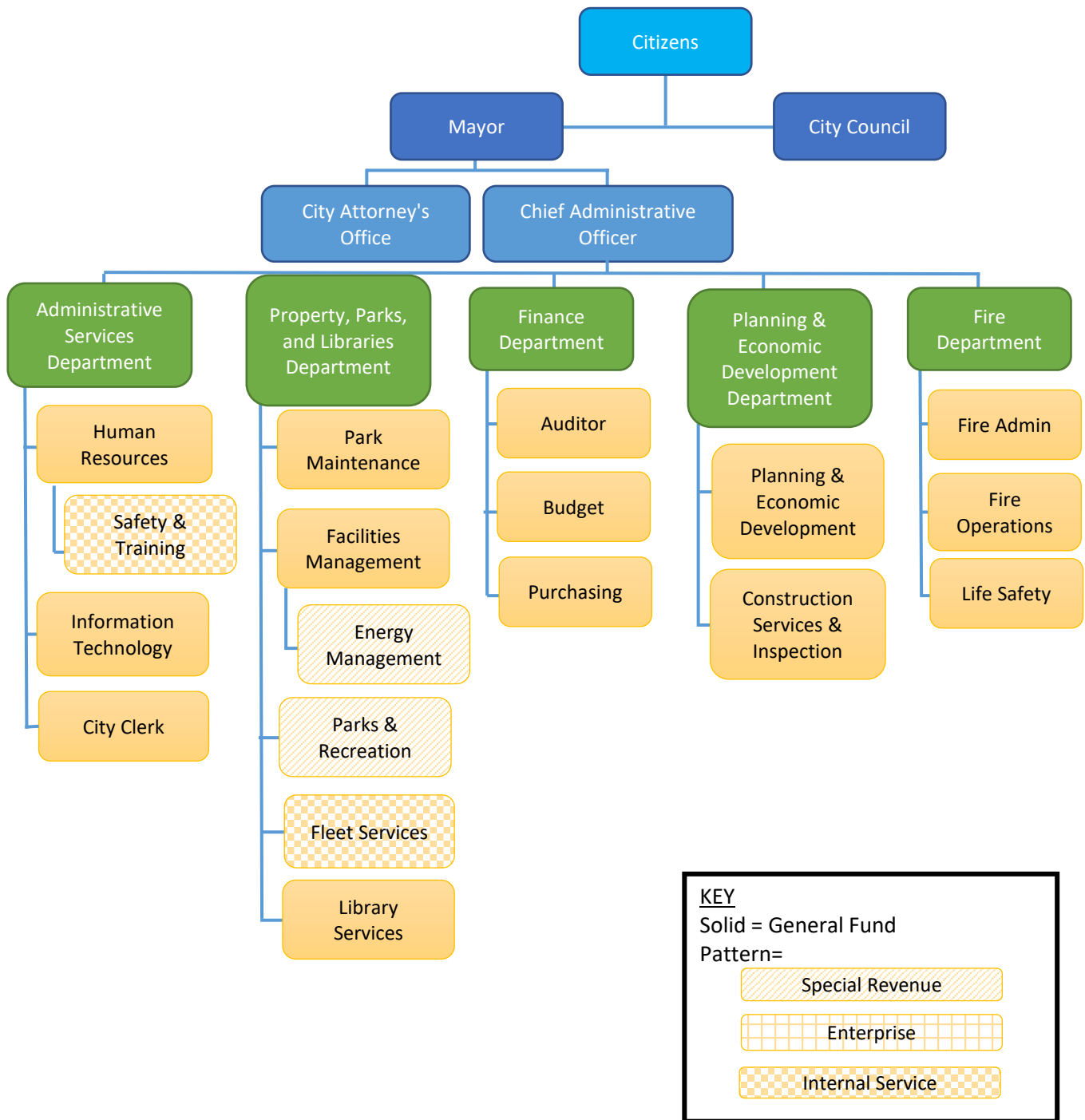
#### City Department Heads

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

# City of Duluth Minnesota - 2022 Budget

## City of Duluth Organization Chart

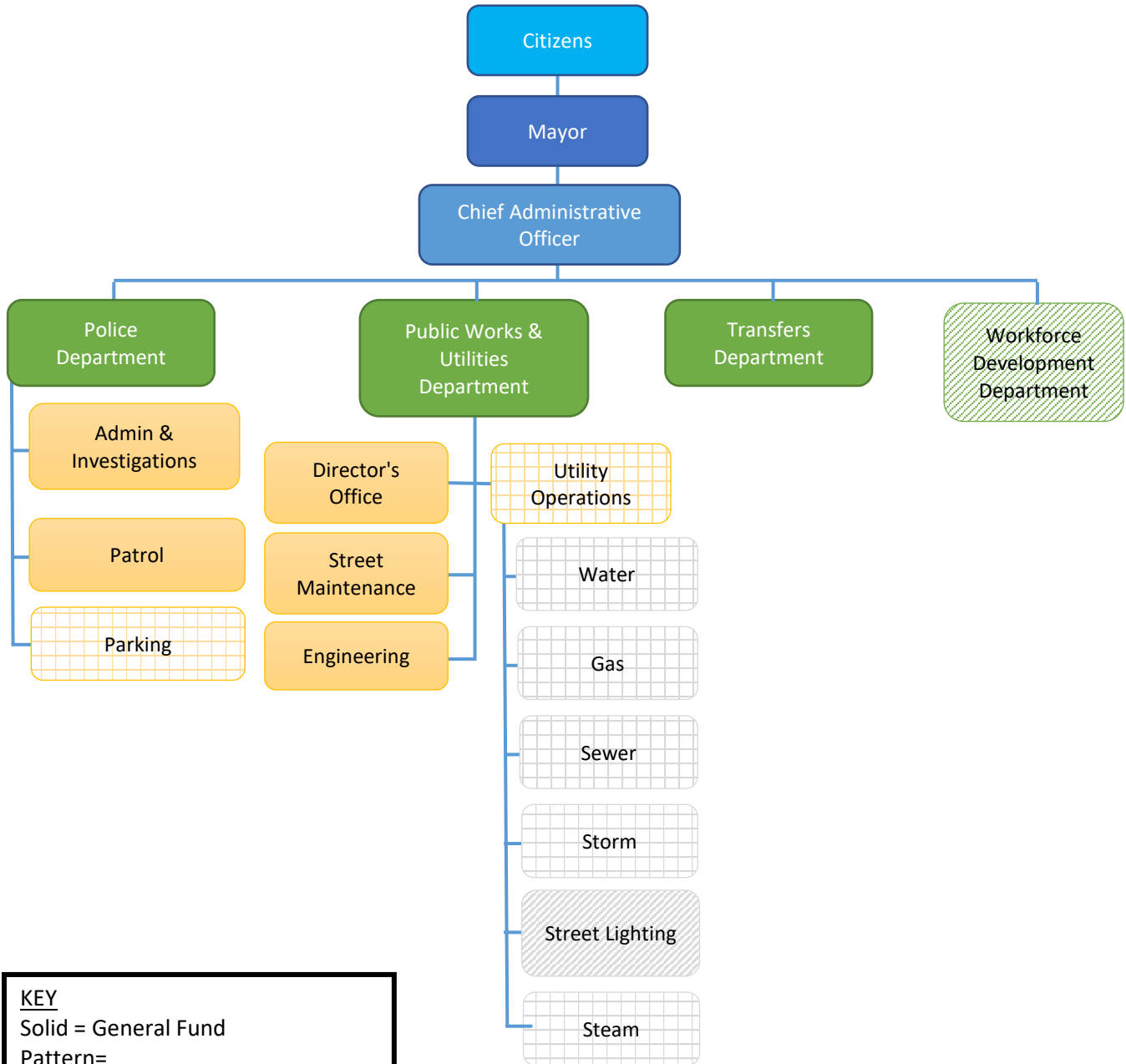
The City, as authorized by City Charter, may have up to nine operating departments with divisions as appropriate within those departments. Most city departments are within the General Fund, with a few exceptions that cross fund lines.




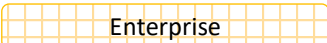



# City of Duluth Minnesota - 2022 Budget

## City of Duluth Organization Chart - continued

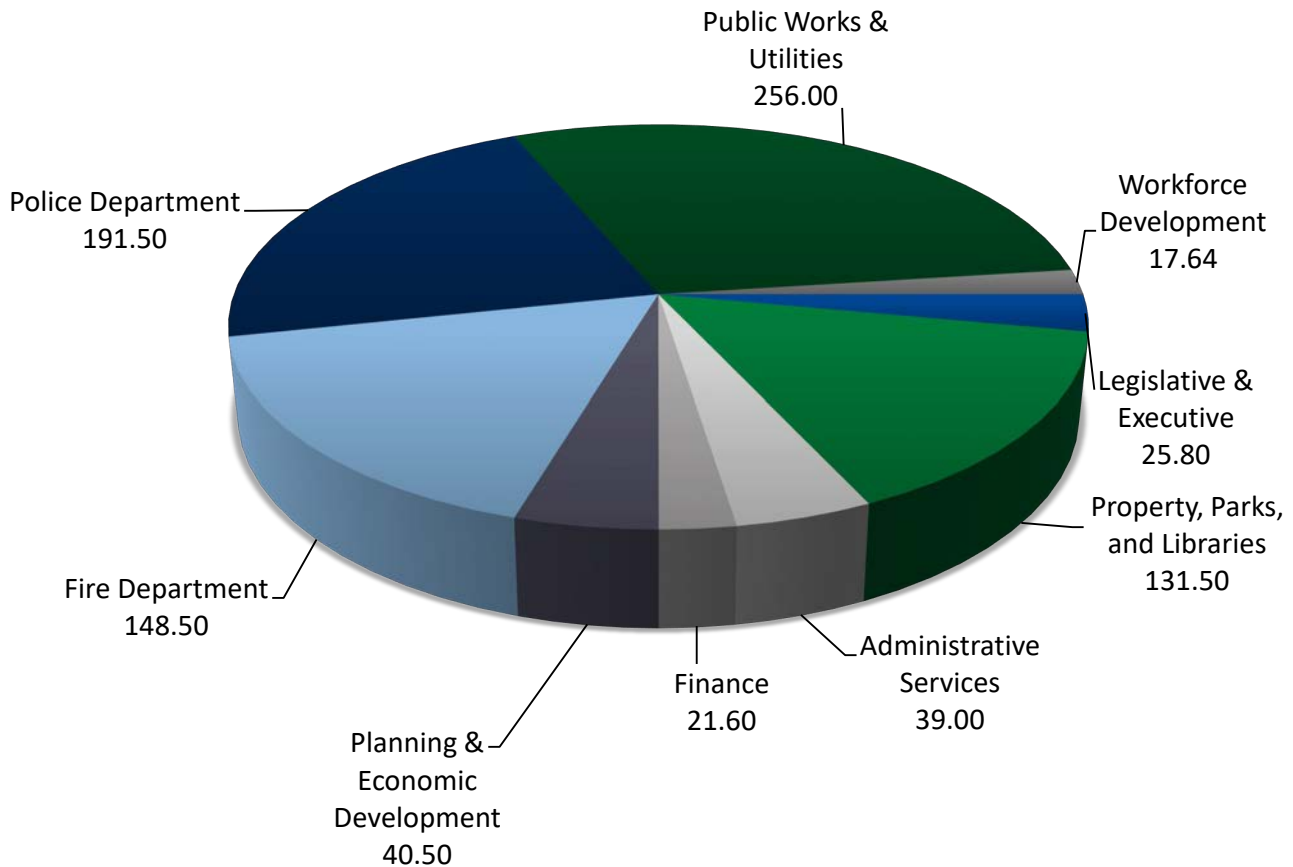


**KEY**  
 Solid = General Fund  
 Pattern =

-  Special Revenue
-  Enterprise
-  Internal Service

# CITYWIDE PERSONNEL SUMMARY

## 2022 Permanent FTE's by Department



Department	2019 Budget	2020 Budget	2021 Budget	2022 Approved	Difference 2022-2021
Legislative & Executive	24.50	26.00	26.00	25.80	-0.20
Property, Parks, and Libraries	128.50	130.50	132.50	131.50	-1.00
Administrative Services	38.65	39.00	39.00	39.00	0.00
Finance	22.00	21.60	21.60	21.60	0.00
Planning & Economic Development	40.00	39.50	39.50	40.50	1.00
Fire Department	146.50	148.50	148.50	148.50	0.00
Police Department	191.14	189.50	191.00	191.50	0.50
Public Works & Utilities	258.00	257.00	257.00	256.00	-1.00
Workforce Development	17.64	16.64	15.64	17.64	2.00
<b>TOTAL</b>	<b>866.93</b>	<b>868.24</b>	<b>870.74</b>	<b>872.04</b>	<b>1.30</b>

## CITYWIDE PERSONNEL SUMMARY

### Fulltime, Permanent Positions

Department/Division	2019 Budget	2020 Budget	2021 Budget	2022 Approved
<b>LEGISLATIVE &amp; EXECUTIVE</b>				
City Council	0.00	0.00	0.00	0.00
Mayor Office	5.00	6.00	6.00	6.00
Chief Administrative Officer	2.50	3.00	3.00	3.00
Attorney's Office	17.00	17.00	17.00	16.80
DEPARTMENT TOTAL	24.50	26.00	26.00	25.80
<b>PROPERTY, PARKS &amp; LIBRARIES</b>				
Park Maintenance	23.60	22.60	22.60	22.80
Library Services	46.70	46.70	47.70	47.50
Parks and Recreation	11.70	13.70	13.70	13.70
Facilities Management	26.30	28.30	28.30	28.30
Fleet Services	18.20	17.20	18.20	17.20
Safety and Training	1.00	1.00	1.00	1.00
Energy Management	1.00	1.00	1.00	1.00
DEPARTMENT TOTAL	128.50	130.50	132.50	131.50
<b>ADMINISTRATIVE SERVICES</b>				
Human Resources	10.65	10.00	10.00	10.00
Information Technology	21.00	23.00	23.00	23.00
City Clerk	7.00	6.00	6.00	6.00
DEPARTMENT TOTAL	38.65	39.00	39.00	39.00
<b>FINANCE</b>				
Budget Office	3.00	7.00	7.00	7.00
Auditor's Office	10.00	8.60	8.60	8.60
Purchasing	2.00	6.00	6.00	6.00
Treasurer's Office	7.00	0.00	0.00	0.00
DEPARTMENT TOTAL	22.00	21.60	21.60	21.60
<b>PLANNING &amp; ECONOMIC DEVELOPMENT</b>				
Physical Planning	7.92	12.25	12.25	12.25
Construction Svs & Insp	20.50	20.50	20.50	20.50
Community Development	6.08	6.75	6.75	7.75
Business Development	5.50	0.00	0.00	0.00
DEPARTMENT TOTAL	40.00	39.50	39.50	40.50



## CITYWIDE PERSONNEL SUMMARY

### Fulltime, Permanent Positions

Department/Division	2019 Budget	2020 Budget	2021 Budget	2022 Approved
<b>FIRE DEPARTMENT</b>				
Fire Administration	3.50	4.50	4.50	5.00
Firefighting Operations	132.00	132.00	132.00	132.00
Life Safety	11.00	12.00	12.00	11.50
<b>DEPARTMENT TOTAL</b>	<b>146.50</b>	<b>148.50</b>	<b>148.50</b>	<b>148.50</b>
<b>POLICE DEPARTMENT</b>				
Administration, Investigative, Patrol	182.14	180.50	183.00	183.50
Parking	9.00	9.00	8.00	8.00
<b>DEPARTMENT TOTAL</b>	<b>191.14</b>	<b>189.50</b>	<b>191.00</b>	<b>191.50</b>
<b>PUBLIC WORKS &amp; UTILITIES</b>				
Public Works Operations				
Director's Office	0.90	0.90	0.90	0.60
Street Maintenance	44.00	44.00	44.00	44.00
Engineering	15.45	15.45	15.45	15.45
Public Works Subtotal	60.35	60.35	60.35	60.05
Utilities Operations				
Water	56.85	56.55	56.55	57.65
Gas	77.90	76.45	76.45	74.95
Sewer	34.65	33.75	33.75	33.50
Stormwater	23.15	24.80	24.80	24.75
Street Lighting	5.10	5.10	5.10	5.10
Utilities Subtotal	197.65	196.65	196.65	195.95
<b>DEPARTMENT TOTAL</b>	<b>258.00</b>	<b>257.00</b>	<b>257.00</b>	<b>256.00</b>
<b>WORKFORCE DEVELOPMENT</b>	<b>17.64</b>	<b>16.64</b>	<b>15.64</b>	<b>17.64</b>
<b>TOTAL CITY EMPLOYEES</b>	<b>866.93</b>	<b>868.24</b>	<b>870.74</b>	<b>872.04</b>

# City of Duluth Strengths, Challenges, and Opportunities

As the City continues to rebound from the pandemic, there is a lot to be excited about. Tourism has rebounded to pre-pandemic levels, many of the City's businesses and non-profits were able to weather the pandemic, and federal funding has brought an influx of investment to the community. Our greatest challenge at this point is similar to other communities across the nation, the workforce shortage. Navigating this shortage will continue to be a challenge to sustained growth.

## 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 will be partnering 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.
- 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 129 municipal parks with a total of 6,834 acres of city parkland. The City provides 150 miles of natural surface hiking trails, 85 miles of bike-optimized trails, 30 miles of paved trails, and 16 miles of gravel accessible trails.
- The City of Duluth has a world class mountain bike trail network that was recognized by [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.
- Viking Cruises has announced new expedition ships that will voyage in the Great Lakes and include a stop in Duluth on an eight-day "Undiscovered Great Lakes" itinerary. The first voyage is set to land in Duluth the summer of 2022, bringing new tourists to the City.
- For 2022, Duluth's net tax capacity grew by 4.94%, indicating continued growth in real estate values. In 2021, a shortage of listings and low interest rates plus a surplus of

buyers have driven up values of Duluth homes. This has led to the average home price in the Duluth area rising by 15%. The City is also working with developers and businesses to redevelop and/or expand to create growth and increased tax base.

- St. Louis River Corridor Initiative invests in public park and trail improvements from Lincoln Park to the Fond du Lac neighborhood. The overall goals of the initiative are to support the natural environment, enrich neighborhood quality of life, attract new home buyers, establish new visitor destinations and stimulate appropriate development. Initiative projects are funded in part by \$18 million in bonds, collected through the ½ and ½ tourism tax approved by the Minnesota Legislature in 2014. Thus far, these funds have leveraged an additional \$36 million dollars through community partnerships and grants.
- 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 2022, the City is projecting to repair 16.8 miles of roads which is the single largest number of miles in one construction season in the city's recent history.
- In 2021, a City Sustainability Advisory Team was created and the Climate Action Work Plan for 2022-2027 was established. 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
- 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. The PBB process began with input from the public to assist with defining community priorities. In looking over the past few years' data, there has been an overall decrease in our lower prioritized programs, which is what we hope to see as a City – a better aligned budget.



*(Click the picture to learn more about Priority Based Budgeting in Duluth)*

**The City has identified the following priorities:**

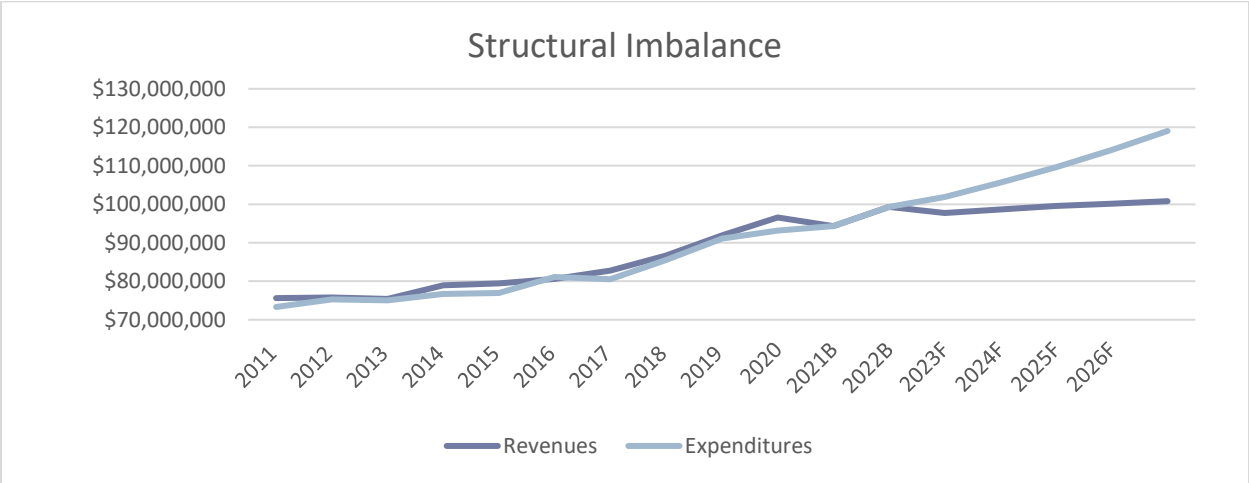
- Infrastructure
- Safe and Secure Community
- Livable Neighborhoods and Affordable Housing
- Dynamic and Diverse Economy
- Culture and Recreation
- Green Space and Energy Conservation
- Innovation and Excellence in Service

We are currently working on including equity as a way to better align our programs to this. This will not only tell us how many of our programs are being delivered equitably, but which programs to prioritize first in terms of making them more equitable.

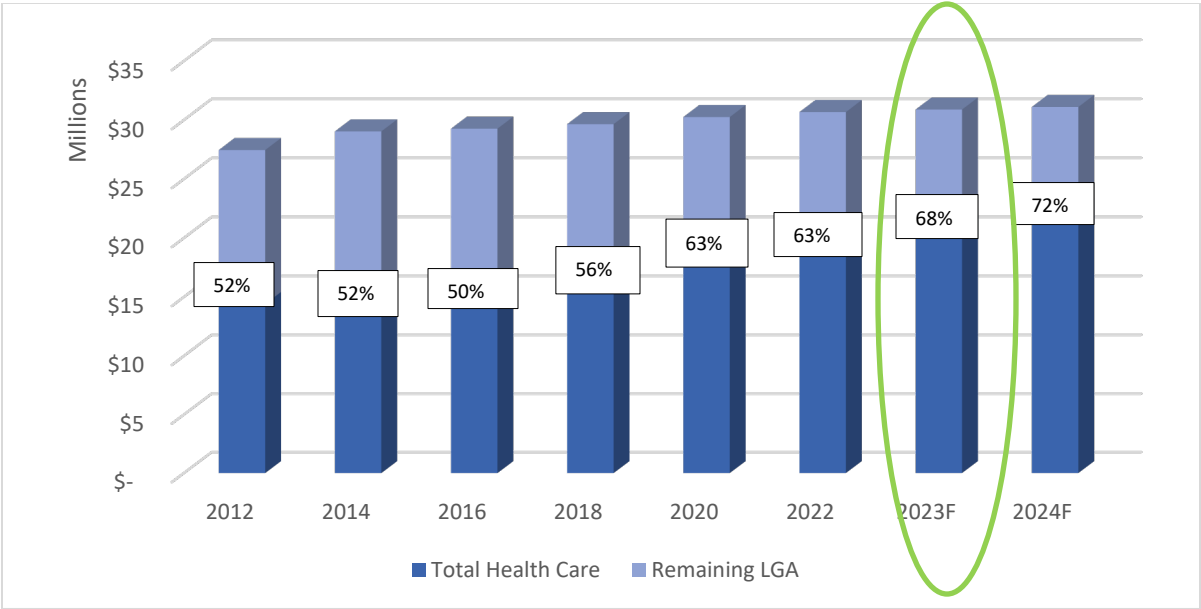
Standard & Poor’s and Moody’s recognized Duluth’s fiscal discipline and financial health in their latest reports and renewed the City of Duluth’s AA and Aa2 bond ratings with a stable outlook.

**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, utilities and worker’s compensation. Projections show City revenues will grow by less than one percent annually for the next five years, while expenditures will grow by an average of just 3.5 percent each year. Eighty-two 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 will temporarily pause medical expenditure increases for two years. In 2023, medical benefits are projected to grow at 17 percent and 10 percent each year after which is significantly higher than medflation. In 2021, the City offered the unions a plan to restructure the City’s health care plan. These negotiations are ongoing. The current plan as is, is not sustainable for Duluth’s taxpayers. When health care is compared with our largest general fund revenue source, local government aid (LGA), health care consumes a larger majority of the budget each year because LGA does not grow with inflation to help absorb the increased costs.



- **Inflation:** As the demand for goods increased, caused by low interest rates, consumers being stuck at home, interrupted supply chain, and federal stimulus – prices increased. Prices in the Minneapolis-St. Paul-Bloomington area, over the last 12 months, rose 7.2 percent. Energy prices increased 29.5 percent, largely the result of an increase in gasoline prices and food prices rose 7.6 percent. This is expected to remain high until the end of 2022 and beginning of 2023 as supply shortages subside and workers re-enter the workforce. This will lead to the City having to pay more for the same goods and services. There are also a lot of unknowns associated with the supply of oil.
- **Opioid Usage:** Opioid overdoses were the highest they've been since tracking began in 2013. In 2021, there were nearly 330 overdoses, of which 35 were fatal. In 2021, there were 210 Narcan saves within the City of Duluth. High prescription rates of opioids continue to be a leading contributing factor to the rise in opioid use. The Duluth Police Department was awarded a grant in the amount of \$899,055 in 2021. This grant has allowed the department to expand their focus to include methamphetamine, reduce delays in outreach and assessment and provide services to a growing caseload.
- **Park Resources:** As the City develops its wide-ranging outdoor parks and trails systems, we recognize the need to provide corresponding resources to maintain and protect these new amenities, as well as 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. Incorporating affordable housing options in all Duluth's neighborhoods will ensure that low- and moderate-income households will have access to a diverse array of education, retail goods and services, and recreation amenities. Over 44% of the City's housing units are at least 76 years old, so improving Duluth's housing stock is also a priority. As stated below, the City is working to address both of these issues with American Rescue Plan Funds and the Housing Trust Fund.
- **Workforce:** Across the county, workforce availability is becoming a significant challenge in many industries. During the pandemic, the Duluth area saw a workforce shrinkage of 3.4% due to retirements and dual income earning families becoming single earners. In the health care and social assistance sector alone in the 2nd quarter of 2021 there were over 4,500 job vacancies in Northeast Minnesota, accounting for 35% of all openings in the region. This new reality represents an opportunity to bring potential employees to Duluth and give our local employers a huge advantage over their competition. By coordinating training partnerships between employers, area schools, and colleges, we can demonstrate real value to employers by effectively meeting their skill needs. The City has also dedicated a portion of ARP funds to workforce training focusing on



providing computer skills to potential employees because more employers are providing services offered only on the internet or virtually.

- **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. The City created an Equity Action Team in 2021 and is working to create a strategic plan internally, to then be able to do more as a City externally. The City will continue to work to change the disparate impacts associated with being a black, indigenous, person of color in this community.

### Opportunities:

- **American Rescue Plan Funds:** This influx of \$58 million in funding with broad parameters was a unique opportunity for the City to invest in a strong and equitable recovery. The largest single investment goal was creating more affordable housing in the amount of \$19 million. The City also invested \$12.8 million in public works and utilities like 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 in qualified census tracts. The City understands how impactful this one-time investment can be for the community if invested wisely.
- **Housing Trust Fund:** At the Mayor's Housing Task Force recommendation, the Mayor proposed establishment of a Housing Trust Fund. The City contributed \$4 million and Local Initiatives Support Corporation (LISC) contributed \$2 million. The fund will include three programs: Comprehensive Rehab and Conversion Program, Infill Development Program, and a Flexible Multifamily Fund. Additionally, \$292.5 thousand was added to the levy as a funding source specifically for the Housing Trust Fund.
- **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 St. Luke's Hospital and Essentia Health's St. Mary's Hospital. The two systems are actively planning for new hospitals and clinics, renovated facilities, and areas available for housing and other development. Over the next few years, St. Luke's and Essentia 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 is making the largest private investment in Duluth’s history as it invests approximately \$675 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 renovate 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 is expected to be open for outpatient care in the third quarter 2023.



### **St. Luke’s**

St. Luke’s invested \$36 million to repurpose space inside one of its buildings, retrofit to include a new emergency room and ancillary services. The project tripled the size of the previous emergency room and provides ground and air emergency transport with immediate access to critical care services. Not only will this expansion better support the staff and patients when care is being given, there is a focus on increasing pedestrian access to the City’s waterfront rose garden and making St. Luke’s feel like more of a healing place.



- **Shipping:** The port of Duluth-Superior is a backbone of our economy. This year total tonnage was 32.8 million tons, up 7 million from the lower 2020 tonnage caused by the coronavirus pandemic. This total represented a 27 percent season-over-season increase and a 2.3 percent improvement over the five-season average. The tonnage bounce back is encouraging and driven especially by strong demand for domestic steel. The port continues to be a key link in North America’s supply chain, and the Seaway Port Authority is looking to build on the bulk cargo tonnage and expand their containerized cargo services. In terms of dollars - \$1.4 billion in business revenue is generated from shipping. Shipping generates \$239.6 million in state and federal taxes, as well as 8,000 jobs and \$504.1 million in payroll.
- **Aviation:** Aviation contributes \$646 million to the Duluth-Superior economy. Aviation also contributes over 5,600 total jobs, \$325 million in labor income, and over \$1 billion in output and sales. Cirrus Aircraft, Duluth’s largest manufacturing employer, has 780 employees and is expected to continue growing. Duluth’s airport and surrounding business park have ample room for growth.
  - **Cirrus:** Cirrus Aircraft is the largest single-engine aircraft manufacturer in their class reporting billings of \$632.9 million in 2021. Recently Cirrus announced that they are going to expand in Duluth, investing \$25 - \$30 million throughout its Duluth campus. They expect this expansion to create 80 new jobs. Additionally they will be leasing a vacant maintenance, repair, and overhaul building that the Duluth Economic Development Authority (DEDA) owns, which will greatly reduce DEDA’s monthly payments.
- **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 2022 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 over the past nine years. 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. This financial stability paid off in 2021 as the City budgeted to use saved cash reserves to fill the temporary revenue gap brought on by the economic recession. Fortunately, the funds were there if needed, but because 2021's revenues rebounded better than expected, the reserves did not need to be used. 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 and 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 our 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 protect 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 2022, the budget process started very early as we prepared for the distribution of American Rescue Plan Act (ARPA) funds. The City was awarded \$58M to meet pandemic response needs and rebuild a stronger and more equitable economy. Mayor Emily Larson and Finance Director Carlson presented the purpose of the funds and eligibility requirements, and asked for input from the Council. Additionally, the City held a "[Virtual City Hall in the City](#)" to explain the funds to the community and seek input and answer questions on the funds. With the Council's input and the City's priorities, a resolution was approved identifying the eligible priorities and the estimated target funding amounts. This resolution was approved on July 19, 2021, and was shortly followed up by the actual budget process.

The legislative budget process began with Mayor Larson presenting the proposed general fund budget and tax levy to the City Council on September 13, 2021. On Monday, September 20, the Mayor also held a "[Virtual City Hall in the City](#)" to share her proposed budget and answer questions from community members. On September 27, 2021 the City Council amended the Mayor's proposed budget bringing the total proposed maximum tax levy from 6% to 10.9%. Finance committee meetings were held September through December where City departments and authorities presented their budgets as well as strengths, opportunities, and future challenges. On December 6, 2021 a truth in taxation hearing was held virtually at 7:00 pm to provide time for public comment and questions. The final 2022 budgets, budget appropriations, tax levies, capital improvement plan, and bonding intent and plan were approved by Council on December 20, 2021.

The City of Duluth uses Priority Based Budgeting (PBB), which is an innovative approach used by local governments across the country to match available resources with community priorities. ARPA funds gave the City the unique opportunity to both 1) already have priorities in place, and 2) match resources we wouldn't normally have to these priorities. The City's priorities are taken from the City's comprehensive plan, *Imagine Duluth 2035* which include infrastructure, livable neighborhoods and affordable housing, dynamic and diverse economy, culture and recreation, green space and energy conservation, and safe and secure community. In addition to these priorities, the City also used the priority of equity and inclusion in narrowing down how best to use ARPA funding to best serve the community.

The City uses PBB for public involvement to continuously gain insight from the community on which of these priorities is most pressing through the PBB game on the City's website (<https://duluthmn.gov/finance/play-pbb/>). As stated previously we also hold Virtual City Halls in the City as a way to bring information to the community, hear concerns and answer questions. In 2022 we are working with City Departments, the City's Equity Action Team and a consultant to score all of our City's programs against the Equity and Inclusion priority.



## **BUDGET CALENDAR**

### **SOFTWARE BUDGET ENTRIES:**

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

### **ADMINISTRATIVE OPPORTUNITY BUDGET REVIEWS**

<b>August</b>	General Fund and Fleet, PW Utility Funds, Parks fund, Parking fund
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### **CAPITAL BUDGETS**

<b>June</b>	Instructions and packets sent out to departments
<b>July</b>	CEP Rolling Stock and other Equipment Due
<b>August</b>	IT CEP projects due
<b>Sept-Oct</b>	CIP Projects Submitted
<b>Sept - Oct</b>	CIP and CEP administrative review meetings
<b>Nov 22</b>	Capital Improvement presentation to City Council

### **MAYOR'S BUDGET PRESENTATION to COUNCIL**

<b>Sept 13</b>	2022 Proposed General Fund budget and tax levy presentation to Council
<b>Sept 27</b>	City Council sets preliminary budget and maximum property tax levy
<b>Sept 30</b>	2022 proposed budget book published on website

### **COUNCIL BUDGET REVIEW**

<b>Sept-Dec</b>	Schedule set by Council Finance Chair
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### **PROPOSED TRUTH IN TAXATION MEETINGS**

<b>Dec 6</b>	Truth in Taxation Hearing
<b>Dec 20</b>	Council approves final budget and levy

### **PROPERTY TAX REPORTING DEADLINES**

<b>Sept 30</b>	Proposed maximum property tax levies due to St. Louis County
<b>Dec 23</b>	Final City property tax levies certified to St. Louis County
<b>Dec 28</b>	Certification of Truth in Taxation Compliance due to MN Department of Revenue
<b>Dec 30</b>	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 \$38,295,026; an increase of 9.90% over the 2021 levy.

The City's levy breakdown is shown below.

<b>2022 Approved Property Tax Levy</b>			
	2021 Approved Levy	2022 Approved Levy	Change In Levy
<b>General Operations Levy</b>			
General Operations	\$ 21,879,300	\$ 25,237,726	\$ 3,358,426
Provision for Tax Delinquency	\$ 150,000	\$ 150,000	\$ -
<b>Total General Operations Levy</b>	<b>\$ 22,029,300</b>	<b>\$ 25,387,726</b>	<b>\$ 3,358,426</b>
<b>Supplemental Parks Levy</b>	<b>\$ 280,000</b>	<b>\$ 280,000</b>	<b>\$ -</b>
<b>Capital Projects Levy</b>			
Debt Service	\$ 7,307,600	\$ 7,307,600	\$ -
Infrastructure Permanent Improvements	\$ 280,000	\$ 280,000	\$ -
<b>Total Capital Projects Levy</b>	<b>\$ 7,587,600</b>	<b>\$ 7,587,600</b>	<b>\$ -</b>
<b>Street Light Levy</b>	<b>\$ 2,447,200</b>	<b>\$ 2,447,200</b>	<b>\$ -</b>
<b>Street Maintenance Levy</b>	<b>\$ 2,500,000</b>	<b>\$ 2,300,000</b>	<b>\$ (200,000)</b>
<b>Duluth Housing Trust Fund Levy</b>	<b>\$ -</b>	<b>\$ 292,500</b>	<b>\$ 292,500</b>
<b>Total City Property Tax Levy</b>	<b>\$ 34,844,100</b>	<b>\$ 38,295,026</b>	<b>\$ 3,450,926</b>
<b>Parks Referendum Levy</b>	<b>\$ 2,600,000</b>	<b>\$ 2,600,000</b>	<b>\$ -</b>
<b>General Operations Levy Increase</b>		<b>\$ 3,358,426</b>	<b>9.64%</b>
<b>Duluth Housing Trust Fund Levy</b>		<b>\$ 292,500</b>	<b>0.84%</b>
<b>Street Maintenance Levy Reduction</b>		<b>\$ (200,000)</b>	<b>-0.57%</b>
<b>2022 City Tax Levy Increase</b>		<b>\$ 3,450,926</b>	<b>9.90%</b>
<b>New Construction Growth</b>		<b>\$ 333,518</b>	<b>0.96%</b>
<b>Other Property Tax Value Growth</b>		<b>\$ 1,389,362</b>	<b>3.99%</b>
<b>Total Property Tax Growth</b>		<b>\$ 1,722,880</b>	<b>4.94%</b>
<b>Net Property Tax Impact After Growth</b>		<b>\$ 1,728,046</b>	<b>4.96%</b>

In addition, the City, on behalf of city authorities and voter approved referendum, approved levy requests as follows: The **Duluth Transit Authority** in the amount of \$1,666,900; the **Housing and Redevelopment Authority** in the amount of \$1,273,336; and **Parks Fund** in the amount of \$2,600,000 as approved in a voter referendum. These levies are separate on the property tax statement and are not included in the city levy.

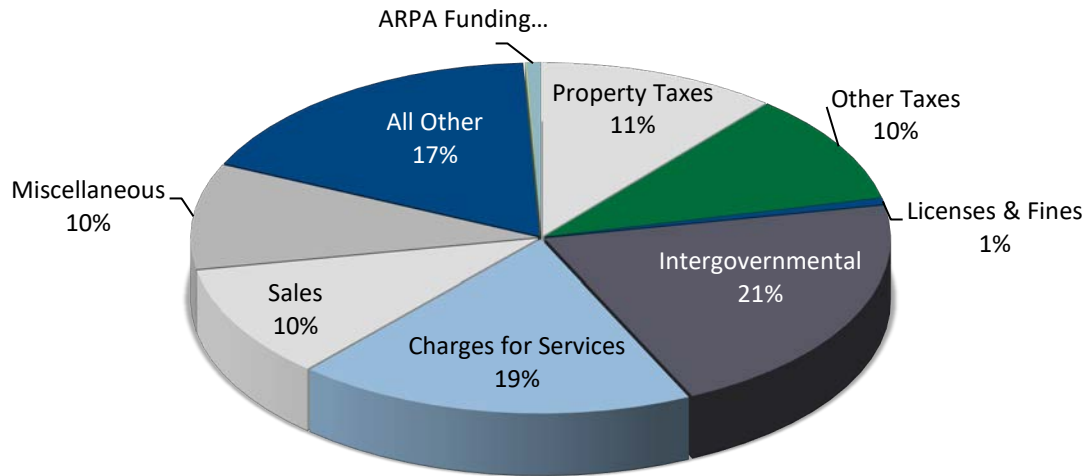


**If property taxes only cover 26 percent of the cost of city services, what other sources of revenue fund the City's General Fund?**

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 \$30 million or 31 percent of total general fund revenue. City Sales and Use tax contributes \$14.5 million or 15 percent of total general fund revenue.

# City of Duluth Minnesota - 2022 Budget

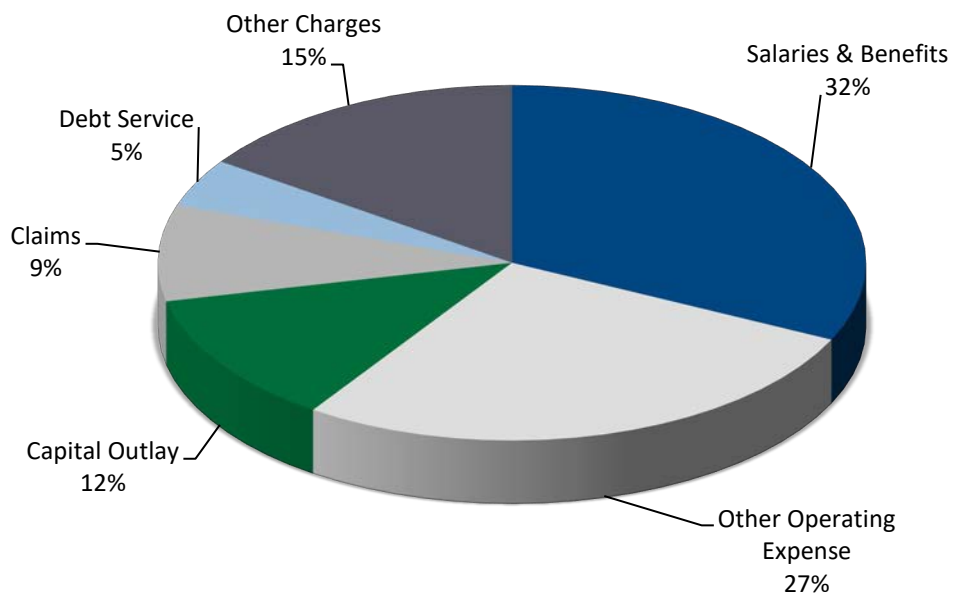
## Total Approved Revenues



REVENUES	2019	2020	2021	2022
	Actual	Actual	Budget	Approved
Property Taxes	33,575,815	36,125,343	37,444,100	40,802,600
Other Taxes	33,409,546	34,143,159	32,642,000	37,823,500
Licenses & Fines	2,532,144	2,176,967	2,098,900	2,137,800
Intergovernmental	51,947,990	55,653,799	52,718,589	77,526,344
Charges for Services	66,969,305	63,898,042	66,367,592	68,228,001
Sales	38,133,852	34,987,154	41,823,000	38,578,900
Miscellaneous Revenue	63,438,573	49,069,586	33,535,255	36,174,429
All Other Sources	57,259,922	80,277,865	61,152,397	63,931,457
Fund Balance Reserves	-	-	3,825,600	200,000
ARPA Funding	-	-	-	2,551,600
<b>TOTAL REVENUES</b>	<b>347,267,146</b>	<b>356,331,916</b>	<b>331,607,433</b>	<b>367,954,631</b>

# City of Duluth Minnesota - 2022 Budget

## Total Approved Expenses



EXPENSES	2019 Actual	2020 Actual	2021 Budget	2022 Approved
Salaries & Benefits	104,398,995	104,497,262	113,793,619	116,082,694
Other Operating Expense	91,043,074	89,821,210	98,767,030	98,842,939
Capital Outlay	19,558,118	30,164,034	20,488,001	43,458,300
Claims	28,553,972	26,571,676	29,556,201	31,666,815
Debt Service	28,554,936	15,521,269	15,363,900	15,833,900
Other Charges	47,130,016	52,602,290	54,834,880	55,446,690
<b>TOTAL EXPENSES</b>	<b>319,239,111</b>	<b>319,177,741</b>	<b>332,803,631</b>	<b>361,331,338</b>



# City of Duluth Minnesota - 2022 Budget

## Comparison of Total Approved Revenue

	2019 Actual	2020 Actual	2021 Budget	2022 Approved	Difference 2022-2021
<b>Current Property Taxes</b>					
General Fund	19,215,092	21,873,035	22,029,300	25,387,800	3,358,500
Special Revenue Funds	7,149,032	7,040,593	7,827,200	7,827,200	-
Debt Service Funds	6,933,636	6,933,244	7,307,600	7,307,600	-
Capital Project Funds	278,055	278,471	280,000	280,000	-
<b>Total Current Property Taxes</b>	<b>33,575,815</b>	<b>36,125,343</b>	<b>37,444,100</b>	<b>40,802,600</b>	<b>3,358,500</b>
<b>Other Taxes</b>					
General Fund	18,383,350	17,904,608	16,280,100	18,010,600	1,730,500
Special Revenue Funds	14,414,294	15,626,650	15,750,000	19,250,000	3,500,000
Debt Service Funds	611,902	611,901	611,900	562,900	(49,000)
<b>Total Other Taxes</b>	<b>33,409,546</b>	<b>34,143,159</b>	<b>32,642,000</b>	<b>37,823,500</b>	<b>5,181,500</b>
<b>Licenses and Fines</b>					
General Fund	2,532,144	2,176,967	2,098,900	2,137,800	38,900
<b>Total Licenses and Fines</b>	<b>2,532,144</b>	<b>2,176,967</b>	<b>2,098,900</b>	<b>2,137,800</b>	<b>38,900</b>
<b>Intergovernmental</b>					
General Fund	34,511,555	35,048,482	34,444,200	34,918,500	474,300
Special Revenue Funds	9,583,242	10,597,404	13,205,789	13,085,744	(120,045)
Capital Project Funds	7,853,193	10,007,913	5,068,600	29,522,100	24,453,500
<b>Total Intergovernmental</b>	<b>51,947,990</b>	<b>55,653,799</b>	<b>52,718,589</b>	<b>77,526,344</b>	<b>24,807,755</b>
<b>Charges for Services</b>					
General Fund	6,990,761	6,795,855	6,678,900	6,160,400	(518,500)
Enterprise Funds	55,461,591	53,117,801	55,357,167	57,416,001	2,058,834
Internal Service Funds	4,516,953	3,984,386	4,331,525	4,651,600	320,075
<b>Total Charges for Services</b>	<b>66,969,305</b>	<b>63,898,042</b>	<b>66,367,592</b>	<b>68,228,001</b>	<b>1,860,409</b>
<b>Sales</b>					
Enterprise Funds	38,133,852	34,987,154	41,823,000	38,578,900	(3,244,100)
<b>Total Sales</b>	<b>38,133,852</b>	<b>34,987,154</b>	<b>41,823,000</b>	<b>38,578,900</b>	<b>(3,244,100)</b>

# City of Duluth Minnesota - 2022 Budget

## Comparison of Total Approved Revenue

	2019 Actual	2020 Actual	2021 Budget	2022 Approved	Difference 2022-2021
Miscellaneous Revenue					
General Fund	1,757,022	2,737,188	905,200	964,800	59,600
Special Revenue Funds	42,907,098	35,053,128	27,703,375	29,237,054	1,533,679
Debt Service Funds	12,320,127	300,151	-	-	-
Capital Project Funds	2,717,376	6,917,705	2,257,258	2,233,475	(23,783)
Internal Service Funds	3,736,951	4,061,414	2,669,422	3,739,100	1,069,678
Total Miscellaneous Revenue	63,438,573	49,069,586	33,535,255	36,174,429	2,639,174
All Other Sources					
General Fund	8,510,707	10,074,437	8,083,000	8,997,900	914,900
Debt Service Funds	8,039,665	7,332,643	6,875,400	8,064,900	1,189,500
Capital Project Funds	5,152,422	14,736,832	9,264,000	10,201,900	937,900
Enterprise Funds	7,493,972	18,098,903	6,067,400	4,458,300	(1,609,100)
Internal Service Funds	28,063,156	30,035,050	30,862,597	32,208,457	1,345,860
Total All Other Sources	57,259,922	80,277,865	61,152,397	63,931,457	2,779,060
Fund Balance Reserves	-	-	3,825,600	200,000	(3,625,600)
ARPA Funding	-	-	-	2,551,600	2,551,600
Total Revenue	347,267,146	356,331,916	331,607,433	367,954,631	36,347,198

# City of Duluth Minnesota - 2022 Budget

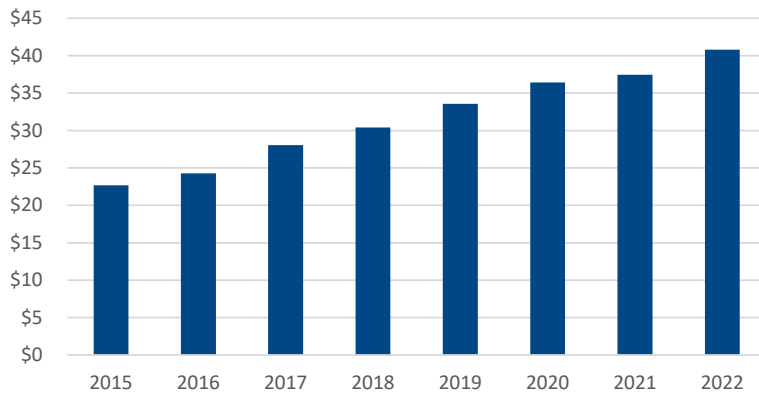
## Comparison of Total Approved Expenditures

	2019 Actual	2020 Actual	2021 Budget	2022 Approved	Difference 2022-2021
<b>Salaries &amp; Employee Benefits</b>					
General Fund	67,612,400	69,337,436	70,606,000	73,345,600	2,739,600
Special Revenue Funds	15,896,565	15,251,021	17,604,906	16,325,828	(1,279,078)
Enterprise Funds	17,946,830	16,816,847	22,727,900	22,886,800	158,900
Internal Service Funds	2,943,200	3,091,958	2,854,813	3,524,466	669,653
<b>Total Salaries &amp; Employee Benefits</b>	<b>104,398,995</b>	<b>104,497,262</b>	<b>113,793,619</b>	<b>116,082,694</b>	<b>2,289,075</b>
<b>Other Operating Expense</b>					
General Fund	22,376,850	23,574,236	23,432,700	25,677,300	2,244,600
Special Revenue Funds	6,528,447	6,025,072	6,999,151	7,525,686	526,535
Enterprise Funds	56,775,819	54,963,445	63,105,680	60,628,670	(2,477,010)
Internal Service Funds	5,361,958	5,258,457	5,229,499	5,011,283	(218,216)
<b>Total Other Operating Expense</b>	<b>91,043,074</b>	<b>89,821,210</b>	<b>98,767,030</b>	<b>98,842,939</b>	<b>75,909</b>
<b>Capital Outlay</b>					
General Fund	1,107,985	283,179	306,500	306,500	0
Capital Project Funds	18,450,133	29,880,855	20,181,501	43,151,800	22,970,299
<b>Total Capital Outlay</b>	<b>19,558,118</b>	<b>30,164,034</b>	<b>20,488,001</b>	<b>43,458,300</b>	<b>22,970,299</b>
<b>Claims</b>					
Internal Service Funds	28,553,972	26,571,676	29,556,201	31,666,815	2,110,614
<b>Total Claims</b>	<b>28,553,972</b>	<b>26,571,676</b>	<b>29,556,201</b>	<b>31,666,815</b>	<b>2,110,614</b>
<b>Debt Service</b>					
Debt Service Funds	28,554,936	15,521,269	15,363,900	15,833,900	470,000
<b>Total Debt Service</b>	<b>28,554,936</b>	<b>15,521,269</b>	<b>15,363,900</b>	<b>15,833,900</b>	<b>470,000</b>
<b>Other Charges</b>					
Special Revenue Funds	30,610,633	29,812,104	34,507,423	38,160,290	3,652,867
Enterprise Funds	16,519,383	22,790,186	20,327,457	17,286,400	(3,041,057)
<b>Total Other Charges</b>	<b>47,130,016</b>	<b>52,602,290</b>	<b>54,834,880</b>	<b>55,446,690</b>	<b>611,810</b>
<b>Total Expenditures</b>	<b>319,239,111</b>	<b>319,177,741</b>	<b>332,803,631</b>	<b>361,331,338</b>	<b>28,527,707</b>

# MAJOR REVENUE SOURCE ANALYSIS

(A: Actual, B: Budget)

## Property Tax Levy (in millions)



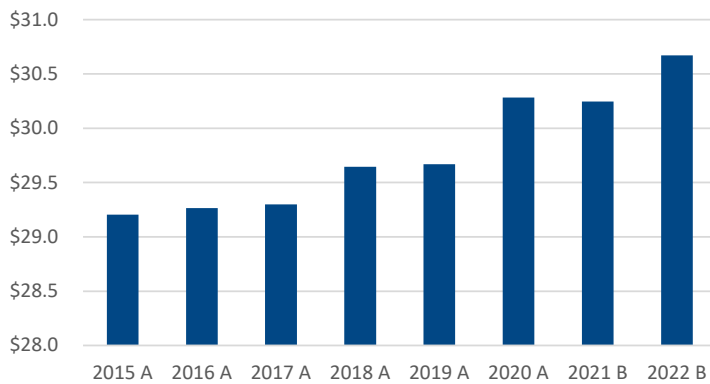
Tax Levy in millions

2015	\$22.69
2016	\$24.26
2017	\$28.05
2018	\$30.40
2019	\$33.58
2020	\$36.44
2021	\$37.44
2022	\$40.80

### Description and 2022 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 9.90% over 2021; however, property tax value growth in the City was approximately 4.94% which left an overall tax levy impact of 4.96%. The 2022 property tax levy increase includes \$3.36 million in general operations, \$292.5 thousand for the Housing Trust Fund, and a \$200 thousand levy decrease to help offset the increase to the Housing Trust Fund.

## Local Government Aid (in millions)



LGA in millions

2015 A	\$29.20
2016 A	\$29.26
2017 A	\$29.30
2018 A	\$29.65
2019 A	\$29.67
2020 A	\$30.28
2021 B	\$30.25
2022 B	\$30.67

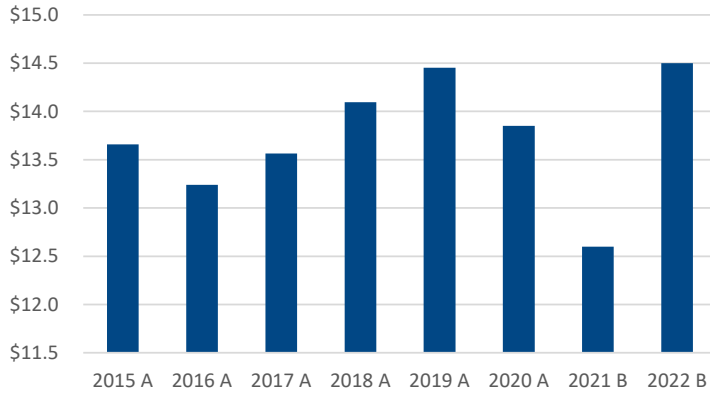
### Description and 2022 Budget

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 2022 the City's certified LGA amount is \$30.67 million.

# MAJOR REVENUE SOURCE ANALYSIS

(A: Actual, B: Budget)

## General Sales and Use Tax



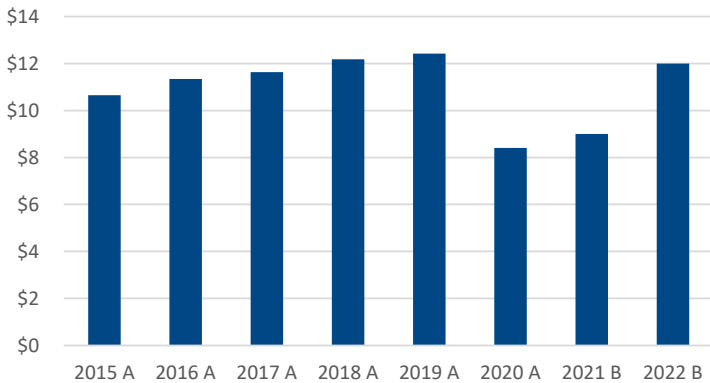
Sales Tax in millions

2015 A	\$13.66
2016 A	\$13.24
2017 A	\$13.56
2018 A	\$14.09
2019 A	\$14.45
2020 A	\$13.85
2021 B	\$12.60
2022 B	\$14.50

### Description and 2022 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. In 2021, the budget was adjusted down conservatively based on the unknown trajectory of the pandemic. However, the 2021 actuals are projected to come in beyond 2019's actuals. This is largely based on the influx of federal funds from the Economic Impact Relief checks and low interest rates. In 2022, we budgeted a 15% increase over 2021.

## Tourism Taxes (in millions)



Tourism Taxes in millions

2015 A	\$10.64
2016 A	\$11.34
2017 A	\$11.63
2018 A	\$12.17
2019 A	\$12.42
2020 A	\$8.41
2021 B	\$9.00
2022 B	\$12.00

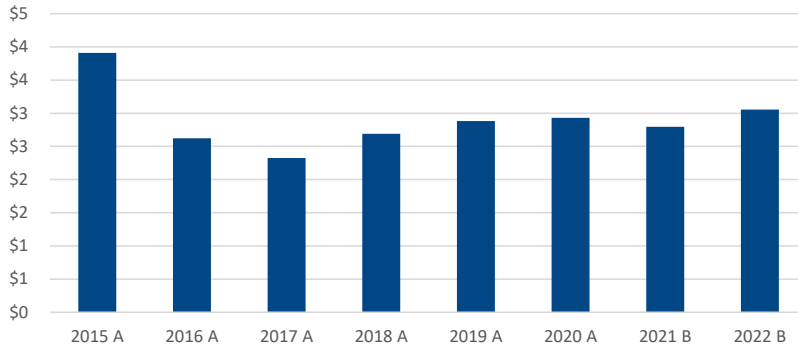
### Description and 2022 Budget

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 taxes go to fund existing debt on the Amsoil Arena and the St. Louis River Corridor projects. In 2015, the .5% hotel/motel tax and the .5% food and beverage tax were reinstated to be used for tourist-related capital improvement bond projects along the St. Louis River Corridor. In 2021, tourism tax revenue came in 38% over budget, as tourism began to rebound in Duluth. The 2022 Council Resolution used a portion of this surplus to fund one-time tourism-related projects in 2022.

## MAJOR REVENUE SOURCE ANALYSIS

(A: Actual, B: Budget)

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



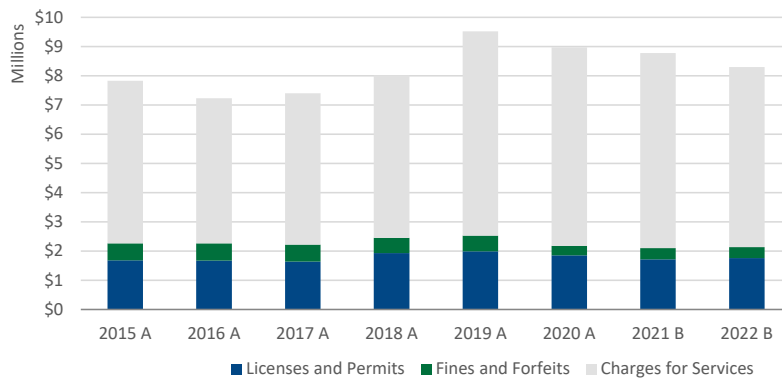
PILOT in millions

2015 A	\$3.91
2016 A	\$2.62
2017 A	\$2.33
2018 A	\$2.69
2019 A	\$2.88
2020 A	\$2.93
2021 B	\$2.79
2022 B	\$3.05

#### Description and 2022 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 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 2022 PILOT revenues are expected to increase slightly from 2021 based on the increasing cost of natural gas in 2021.

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



■ Licenses and Permits ■ Fines and Forfeits ■ Charges for Services

	Licenses and Permits	Fines and Forfeits	Charges for Services	Total
2015 A	\$1.69	\$0.58	\$5.57	\$7.83
2016 A	\$1.67	\$0.59	\$4.97	\$7.23
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 B	\$1.72	\$0.38	\$6.68	\$8.78
2022 B	\$1.76	\$0.38	\$6.16	\$8.30

#### Description and 2022 Budget

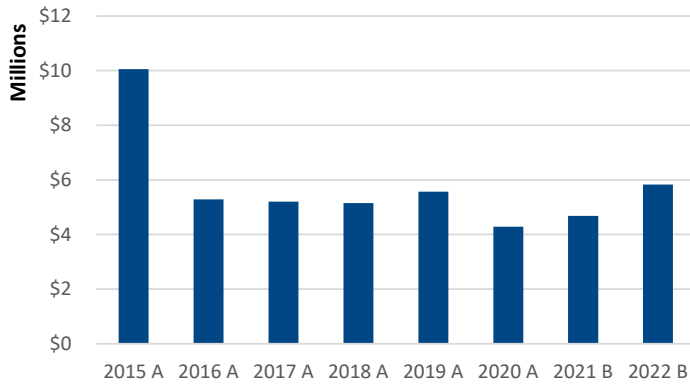
These revenues for the city's General Fund represent a wide variety of sources such as licenses, permits, fines, forfeits, and charges for services -including fees. Fees are annually reviewed/modified by the Administration, updated for inflation (1.65% for 2022), and then submitted as a complete package 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 2022 charges for services are lower than 2021 largely due to the decrease in Engineering Services that were \$700 thousand higher in 2021 only, for a specific project.



# MAJOR REVENUE SOURCE ANALYSIS

(A: Actual, B: Budget)

## Parking Funds Operating Revenue



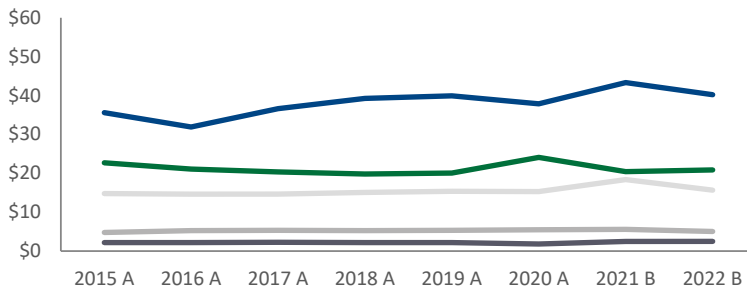
Earnings in millions

2015 A	\$10.06
2016 A	\$5.29
2017 A	\$5.21
2018 A	\$5.15
2019 A	\$5.57
2020 A	\$4.29
2021 B	\$4.69
2022 B	\$5.82

### Description and 2022 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 2022 parking revenues are projected to increase 24% from 2021 budgeted revenues due to rate and fine increases, along with gradual return of workers and tourists to downtown.

## Public Utility Revenues (in millions)



Gas Sewer & Clean Water Water  
Stormwater Street Lighting

in millions	Gas	Sewer & Clean Water	Water	Stormwater	Street Lighting	Total
2015 A	\$35.61	\$22.67	\$14.75	\$4.78	\$2.19	\$80.01
2016 A	\$31.91	\$21.13	\$14.67	\$5.27	\$2.21	\$75.19
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 B	\$43.33	\$20.42	\$18.39	\$5.58	\$2.48	\$90.21
2022 B	\$40.25	\$20.89	\$15.68	\$5.07	\$2.49	\$84.38

### Description and 2022 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 beginning January 1, 2019. Utility revenues are budgeted to decrease comparable to 2021 budgets, largely due to the gas and water utilities. The Water Fund revenues decreased due to a \$3 million grant received in 2021, and the gas fund is projected to have a \$3.2 million decrease in gas sales. Natural gas revenues are dependent on rates and customer usage.

## 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 2022 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 - 2022 Budget

## Detail by Fund

	Estimated			
	Beg. Balance	Revenues	Expenses	Balance
General Fund	21,256,399	99,329,400	99,329,400	21,256,399
Special Revenue Funds				
Lake Superior Zoological Gardens	(264,760)	2,390,040	2,381,288	(256,008)
Parks	1,969,843	3,176,000	3,176,000	1,969,843
Special Projects	1,982,593	1,022,600	1,022,600	1,982,593
Police Grant Programs	299,793	2,391,245	2,391,245	299,793
Capital Equipment	2,372,803	3,550,000	3,550,000	2,372,803
Economic Development	597,285	444,808	120,000	922,093
Community Investment Trust	30,577,729	425,000	425,000	30,577,729
Energy Management	53,555	244,500	244,500	53,555
Special City Excise and Sales Tax	1,230,690	12,000,000	13,407,600	(176,910)
Home Investment Partnership Program	(100,803)	2,534,807	2,534,807	(100,803)
Community Development	(885,272)	3,189,746	3,189,746	(885,272)
Community Development Administration	(16,474)	894,798	894,789	(16,465)
Workforce Development	198,923	2,971,783	2,971,783	198,923
Senior Employment	(1,066)	304,865	304,865	(1,066)
Other Post Employment Benefits	88,384,414	17,861,706	10,197,581	96,048,539
DECC Revenue	4,355,738	3,754,900	2,938,500	5,172,138
Street System Maintenance Utility	1,753,463	2,500,000	2,500,000	1,753,463
Street Improvement Sales Tax	1,765,696	7,250,000	7,250,000	1,765,696
Street Lighting Fund	981,077	2,493,200	2,511,500	962,777
Total Special Revenue Funds	135,255,226	69,399,998	62,011,804	142,643,420
Debt Service Funds				
General Obligation Debt Service - Tax Levy	7,961,024	7,368,900	7,421,800	7,908,124
General Obligation Debt Service - Other Sources	6,806,383	7,919,300	7,428,500	7,297,183
Special Assessment Debt Service	(59,782)	44,000	0	(15,782)
Street Improvement Debt Service	721,961	40,300	477,100	285,161
Tax Increment Debt Service	177,323	562,900	506,500	233,723
Total Debt Service Funds	15,606,909	15,935,400	15,833,900	15,708,409

# City of Duluth Minnesota - 2022 Budget

## Detail by Fund

	Estimated			
	Beg. Balance	Revenues	Expenditures	Balance
<b>Capital Projects Funds</b>				
Special Assessment Capital Project	(90,168)	33,175	-	(56,993)
Permanent Improvements	2,886,762	19,384,800	19,384,800	2,886,762
Street Improvement Program	2,370,692	6,881,000	6,894,300	2,357,392
Capital Improvement	1,359,908	14,792,800	14,327,000	1,825,708
Tourism & Recreational Projects	1,400,030	1,145,700	2,545,700	30
<b>Total Capital Projects Funds</b>	<b>7,927,224</b>	<b>42,237,475</b>	<b>43,151,800</b>	<b>7,012,899</b>
<b>Enterprise Funds Estimated Revenue and Expense</b>				
				<b>INCOME/(LOSS)</b>
Golf Fund		1,595,801	1,683,370	(87,569)
Parking Fund		4,771,100	4,617,900	153,200
Priley Drive Parking Facility		1,053,600	1,290,200	(236,600)
Water Fund		15,682,300	16,441,400	(759,100)
Gas Fund		40,246,500	40,902,400	(655,900)
Sewer Fund		19,237,700	19,834,500	(596,800)
Clean Water Surcharge Fund		1,652,000	1,106,100	545,900
Stormwater Fund		5,067,100	5,430,200	(363,100)
Steam Fund		11,147,100	9,495,800	1,651,300
<b>Total Enterprise Funds</b>		<b>100,453,201</b>	<b>100,801,870</b>	<b>(348,669)</b>
<b>Internal Service Funds</b>				
Self-Insurance - Workers' Compensation	(1,086,793)	3,112,400	2,457,100	(431,493)
Self-Insurance - Liabilities	861,258	822,500	1,061,400	622,358
Medical Health Fund	8,682,324	30,946,013	31,008,444	8,619,893
Dental Health Fund	408,844	1,066,644	1,090,620	384,868
Fleet Services	(903,781)	4,651,600	4,585,000	(837,181)
<b>Total Internal Service Funds</b>	<b>7,961,852</b>	<b>40,599,157</b>	<b>40,202,564</b>	<b>8,358,445</b>
<b>Total All Funds</b>	<b>188,007,610</b>	<b>367,954,631</b>	<b>361,331,338</b>	<b>194,630,902</b>

## 2022 HIGHLIGHTS BY FUND

### General Fund

**Revenue Assumptions** - The final approved 2022 General Fund revenue budget of \$99.33 million is \$4.98 million more than the 2021 approved budget. Major revenue sources in the 2022 General Fund budget include local government aid, sales tax, property tax and a portion of the ARPA funding in the amount of \$2.55 million.

Due to the economic downturn and the State's budget deficits, Duluth's **Local Government Aid (LGA)** had been reduced annually 2008 through 2011 for a total reduction of \$10.80 million. Due to economic improvements, in 2013 the State legislature revamped the LGA formula and increased the allocation while stabilizing future funding levels. For 2022 the City budgeted LGA revenue at \$30.6 million.

The schedule below shows the changes in revenues by major type along with the assumptions used also noted. The first chart shows the variance of the 2021 approved budget and the 2022 approved budget. The second chart shows the variance of the 2022 *proposed* budget and the 2022 *approved* budget.

2021 Approved Revenues and 2022 Approved Revenues Variance			
	\$ Variance in Millions		Narrative
<b>2021 Approved Revenues</b>		<b>94.35</b>	
Property Tax	3.36		Proposed general operations levy increase of 9.79%
City Sales and Use Tax	1.90		Based on projected sales and use tax collections.
Minnesota Power Franchise Tax	(0.16)		Decreased due to new paper mill business using less power.
Charges for Services	(0.52)		Decrease in Engineering Svcs due to Superior St project reimbursement
All Other Operating Revenues	1.48		All other changes throughout
ARPA Funding	2.55		Use of ARPA funding to cover revenue shortfalls
Fund Balance Reserves	(3.63)		Using less Fund Balance Reserves in 2022
<b>Total Revenue Changes</b>		<b>4.98</b>	
<b>2022 Approved Revenues</b>		<b>99.33</b>	

2022 Proposed Revenues and 2022 Approved Revenues Variance			
		\$ Variance in Millions	Narrative
<b>2022 Proposed Revenues</b>		<b>97.13</b>	
Current Property Taxes		1.27	Increase due to Council Action
Reserves		0.20	Per Ordinance 21-057-O
Charges for Services		-	
All Other Operating Revenues		-	
ARPA Funding		0.73	Use of ARPA funds
Total Revenue Changes		2.20	
<b>2022 Approved Revenues</b>		<b>99.33</b>	

**Expenditure Assumptions** - As with revenues, the final approved 2022 General Fund budget is \$4.98 million more than the 2021 approved budget. Approximately \$2.79 million was for budgeted 2% pay increases and corresponding benefits for all staff and an additional 8% increase for police officers. Also, worker’s comp claims are expected to continue to rise corresponding to a change in state law regarding PTSD and first responders. The Council also added annual public safety training and community crisis intervention programs by approximately \$800 thousand.

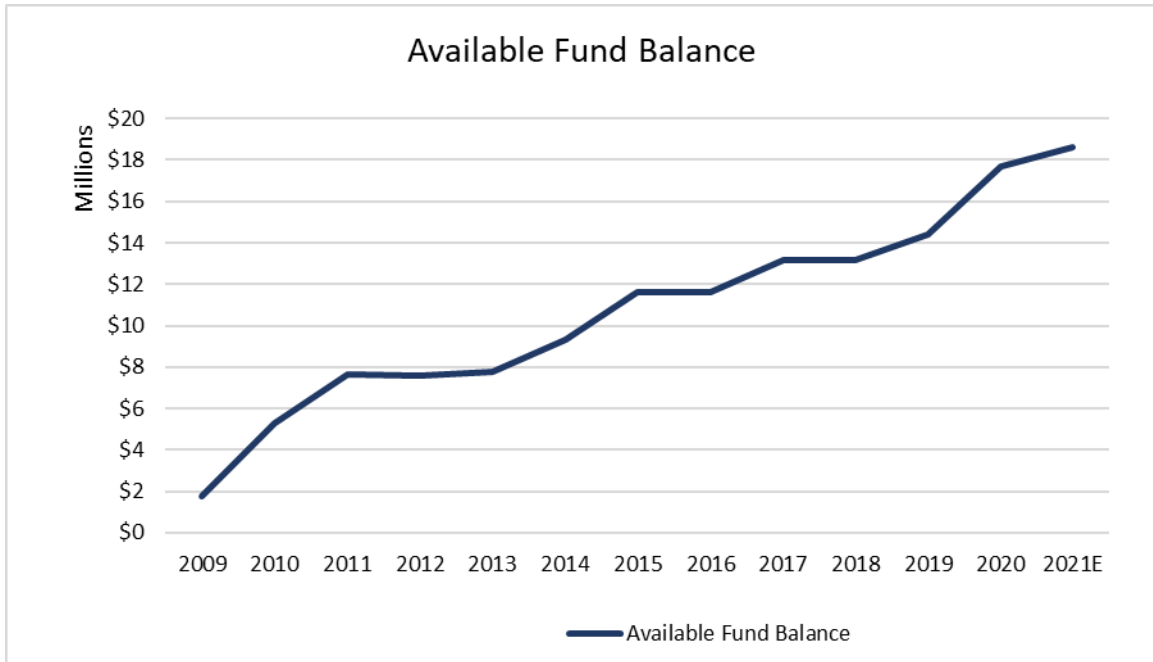
2021 Approved Expenditures and 2022 Approved Expenditures Variance			
<b>2021 Approved Expenditures</b>		<b>94.35</b>	
Salaries and Benefits		2.79	Step/Longevity Increases for staff along with corresponding benefits
Worker's Compensation		0.83	Increased Worker's Comp Claims
Utilities		0.19	Rate increases
Supplies		0.22	Fire Safety and Training Materials and Motor Fuel cost increases
Other Services and Charges		0.84	Police Training Budget & Community Crisis Intervention Program
Fleet		0.11	Cost of parts/sublet labor
Total Expense Changes		4.98	
<b>2022 Approved Expenditures</b>		<b>99.33</b>	

2022 Proposed Expenditures and 2022 Approved Expenditures Variance			
	\$ Variance in Millions		Narrative
<b>2022 Proposed Expenditures</b>		<b>97.13</b>	
Salaries and Benefits	1.22		Budgeted increase for salaries and benefits
Other Services and Charges	0.60		Increase for Community Policing Program
Public Safety Training	0.18		Increase in Public Safety Training
Transfers Out	0.20		Per Ordinance 21-057-O
Total Expenditure Changes		2.20	
<b>2022 Approved Expenditures</b>		<b>99.33</b>	

The number of general fund positions for 2022 remained the same as 2021, holding steady at 609.30 FTE's. The changes by department are as follows:

Position Bridge Schedule	Full Time Equivalent Variance	
<b>2021 Fulltime Equivalents (FTE's)</b>		<b>609.80</b>
<b>Legislative &amp; Executive</b>	-0.2	
<b>Property, Parks, &amp; Libraries</b>	-1	
<b>Administrative Services</b>	0	
<b>Finance</b>	0	
<b>Planning &amp; Economic Development</b>	1	Grant Funded
<b>Fire Department</b>	0	
<b>Police Department</b>	0.5	Grant Funded
<b>Public Works</b>	-.3	
<b>Total Changes in FTE's</b>	0	
<b>2022 Fulltime Equivalents (FTE's)</b>		<b>609.80</b>

**General Fund Undesignated/Unreserved Fund Balance** - The City has a fiscal policy of maintaining a minimum of five percent (5%) of General Fund expenditures as an **unreserved, undesignated fund balance**, a moderate scenario of seven percent (7%), and an optimum level of ten percent (10%). Based upon the 2022 General Fund budget of \$99.3 million, the minimum level (5%) would require a fund balance of \$4.97 million. Due to the City's agility in responding to the impacts of the pandemic, ARPA funding, and better than expected Sales Tax revenue, the City's fund balance has remained healthy.



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 2021 the trust fund has accumulated assets of \$82.5 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 .5% food and beverage tax and the .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 34<sup>th</sup> Avenue West (also referred to as the St Louis River Corridor). The 2022 budgeted revenue is \$12 million with \$1.4 million coming from the Tourism Tax Fund Balance. A big change in the Tourism Tax Fund is the provider of Advertising and Publicity. The City issued an RFP for these services and awarded the contract to Bellmont Partners, with Visit Duluth continuing provide event and convention center sales and staff the visitor center. Bellmont will receive a total tax allocation of \$1.8 million and Visit Duluth will receive \$650,000 and a one-time website purchase of \$300,000. In 2022, \$1.75 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 \$.32 million, \$.59 million, and \$.51 million respectively. Capital Support and Debt service payments totaling \$4.8 million funded by the tourism tax fund go toward DECC improvements, Spirit Mountain, and the Minnesota Slip Bridge. 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. The Parks property tax levy is a fixed annual amount of \$2.6 million.

The **Street System Maintenance Utility Fund** accounts for the newly established street maintenance property tax levy that was established to finance existing street improvement debt, enhanced maintenance, and street reconstruction activities. The 2022 levy was decreased by \$200,000, from \$2.5 million to \$2.3 million in dedicated property tax revenue, with the intention of maintaining expenditure levels with fund balance. Of this amount, \$1.2 million will be used for enhanced street maintenance, and \$1.3 million will be transferred to the City's street improvement fund.

The **Street Improvement Sales Tax Fund** was created in 2019 to account for the .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 2022, the estimated revenue is \$7.25 million.

Effective January 1, 2020, the **Street Light 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 2022 street light levy amount is \$2.4 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 2021 is \$143 million. The property tax levy for debt service in 2022 is \$7.3 million. The property tax supported bond issues approved for 2022 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 2022, a total of \$43.1 million in improvements are planned. The City will bond for \$1.8 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 2022 budget are \$2.5 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 .5% food and beverage tax as well as the .5% hotel/motel tax included in the tourism tax special revenue fund.

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 time. 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. For 2022, the City will continue to contract out the operation, and keep Enger Golf Course open while funding only minimal maintenance at Lester Golf Course. In 2021, the Golf

Fund had their first profit in several years. The City is progressing towards substantial 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 permanent 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. Outlined below is a brief description of each of the planning processes currently used by the City of Duluth.

#### **Long-Range Planning**

Continuously 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 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 Chief Administrative Officer 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 (Stay Safe Orders, further coronavirus lockdowns etc.).

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 2021, the City established a Fleet Working Group to further assist in planning for the capital program and to serve as a discussion forum for citywide fleet issues.

**Imagine Duluth 2035: Forward Together** – 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.imagineduluth.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. In 2021, the City of Duluth used Priority Based Budgeting as a decision making tool for how to best spend ARPA funds on community needs and priorities. The City continues to gather community input on City priorities. The City's IT division created a PBB game where citizens can allocate tax money to the priorities of the City. Click on the link to play the PBB game <https://duluthmn.gov/finance/play-pbb/>

**Citizen Surveys** – The City has contracted with International Cities Management Association (ICMA) to perform a National Citizens survey to measure citizen opinion on a variety of issues and services provided by the City of Duluth.

**Performance Measurement and Management** – For the 2022 budget process, departments used Priority Based Budgeting as a way to identify opportunities in their operations, 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.

## 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, 2021.

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.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

# *Distinguished Budget Presentation Award*

PRESENTED TO

**City of Duluth  
Minnesota**

For the Fiscal Year Beginning

**January 01, 2021**

*Christopher P. Morrill*

Executive Director

# 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 2022 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>
<b><u>Governmental Funds</u></b>		
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
<b><u>Proprietary Funds</u></b>		
Enterprise Funds	Accrual	Accrual
Internal Service Funds	Accrual	Accrual
<b><u>Fiduciary Funds</u></b>		
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 Chief Administrative Officer or his 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 Chief Administrative Officer 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.

**Five-Year Financial Direction** - Each year, City departments will prepare or review their existing five-year business plans. These plans will reflect General & Enterprise Fund revenue and expense projections. Projections will include estimated operating costs, capital acquisition costs, and revenues required to fund expenses.

## **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
- Chief Administrative Officer
- 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.

**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**<sup>1</sup> - 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 will strive to maintain a collectible unassigned General Fund balance between sixteen (16) and eighteen (18) percent 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 sixteen (16) and eighteen (18) percent 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 in excess of 18 percent 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 percent and below 18 percent 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.

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.

**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

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<sup>1</sup> Policy was updated to reflect the Government Finance Officers Association's best practice and current practice.

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 Treasurer. The Investment Committee advises the Treasurer on investment activities. The Investment Committee meets at least quarterly and includes the following persons:

- Finance Director
- City Auditor
- Chief Administrative Officer
- 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. A Comprehensive Annual Financial Report is published by the City within six months of the following year. The Comprehensive Annual 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 Comprehensive Annual 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 - 2022 Budget

## General Fund

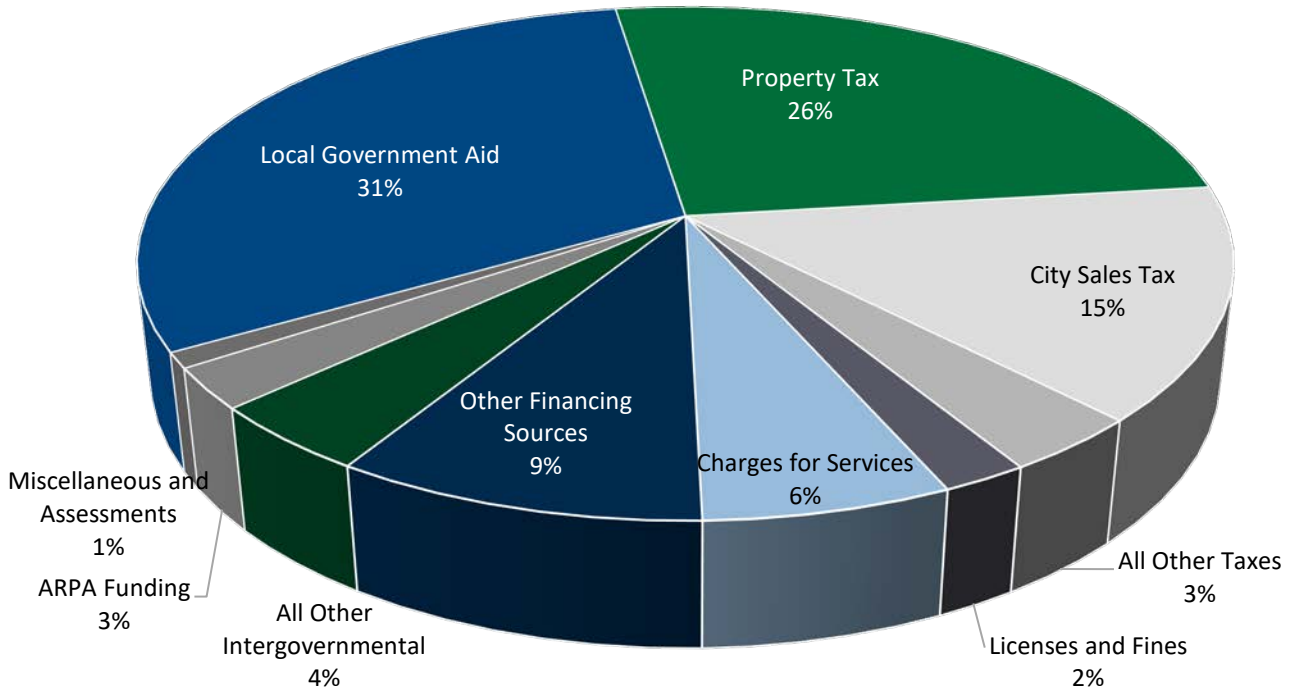
The General Fund provides general purpose government to the citizens of Duluth and accounts for all financial transactions not accounted for in another fund. This fund is used to finance activities such as general government, public safety, public works, libraries, recreation and business and economic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

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>REVENUES</b>				
Property Tax				
General Operations Levy	19,040,025	21,700,740	21,879,300	25,237,800
Delinquent Property Taxes	175,067	172,295	150,000	150,000
City Sales Tax	14,453,054	13,849,221	12,600,000	14,500,000
All Other Taxes	3,930,296	4,055,387	3,680,100	3,510,600
Local Government Aid	29,668,565	30,282,160	30,247,200	30,671,600
All Other Intergovernmental	4,842,990	4,766,322	4,197,000	4,246,900
Licenses and Fines	2,532,144	2,176,967	2,098,900	2,137,800
Charges for Services	6,990,761	6,795,855	6,678,900	6,160,400
Other Financing Sources	8,510,707	10,074,437	8,083,000	8,997,900
Miscellaneous	1,757,022	2,737,188	905,200	964,800
Cash Balance Forward	-	-	3,825,600	200,000
ARPA Funding	-	-	-	2,551,600
<b>Total Revenues</b>	<b>91,900,630</b>	<b>96,610,572</b>	<b>94,345,200</b>	<b>99,329,400</b>
<b>EXPENDITURES</b>				
Permanent Salaries	43,865,331	44,594,276	46,391,000	48,260,600
Premium Pay	2,577,199	2,498,134	1,707,600	1,707,600
Other Wages	677,509	447,396	735,800	795,300
Retirement Incentive	-	72,108	-	-
Employee Benefits	20,492,361	21,725,523	21,771,600	22,582,100
Supplies	2,957,686	2,392,248	3,060,800	3,281,600
Other Services & Charges	10,660,159	12,031,370	11,728,500	13,513,600
Utilities	1,091,742	1,063,072	1,294,300	1,483,000
Retiree Medical and Life Insurance	7,667,262	8,087,546	7,349,100	7,399,100
Capital	1,107,985	283,179	306,500	306,500
<b>Total Expenditures</b>	<b>91,097,235</b>	<b>93,194,851</b>	<b>94,345,200</b>	<b>99,329,400</b>

# City of Duluth Minnesota - 2022 Budget

## 2022 General Fund Approved Revenues



Local Government Aid	\$	30,671,600
Property Tax	\$	25,387,800
City Sales Tax	\$	14,500,000
All Other Taxes	\$	3,510,600
Licenses and Fines	\$	2,137,800
Charges for Services	\$	6,160,400
Other Financing Sources	\$	9,197,900
All Other Intergovernmental	\$	4,246,900
ARPA Funding	\$	2,551,600
Miscellaneous and Assessments	\$	964,800
<b>TOTAL 2022 Revenues</b>	<b>\$</b>	<b>99,329,400</b>

This graph shows the major categories of revenues expressed as a percent of total General Fund revenues estimated for budget fiscal year 2022. 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 31% of all General Fund revenues and does not adjust for inflation. For this reason, we closely monitor Local Government Aid every session at the State Legislature.

# City of Duluth Minnesota - 2022 Budget

General Fund Revenues		2019 Actual	2020 Actual	2021 Budget	2022 Approved
CATEGORY 10 - TAXES					
4005	Current Property Tax	19,040,025	21,700,740	21,879,300	25,237,800
4010	Delinquent Property Tax	175,067	172,295	150,000	150,000
4015	Mobile Home Tax	80,747	87,822	59,700	64,700
4040	City Sales and Use Tax	14,453,054	13,849,221	12,600,000	14,500,000
4050	Charitable Gambling Tax	3,898	19,080	20,000	20,000
4070	MN Power Franchise Fee	2,705,686	2,785,793	2,750,000	2,590,500
4071	Cable Franchise Fee	820,620	793,812	750,000	730,000
4072	No. MN Utility Franchise Fee	8,128	7,187	6,700	6,700
4080	Forfeit Tax Sale	7,482	-	10,000	10,000
4090	Other Taxes	303,734	361,693	83,700	88,700
TOTAL TAXES		37,598,442	39,777,642	38,309,400	43,398,400
CATEGORY 20 - LICENSES AND PERMITS					
4101	Liquor License	550,959	419,828	373,500	415,000
4102	Beer License	19,771	15,778	11,200	11,200
4105	Hotel License	13,578	7,130	6,500	6,500
4106	Garbage Collection	17,880	17,582	16,000	16,000
4107	Horse & Carriage	396	-	700	700
4108	Emergency Wrecker License	4,450	3,115	6,000	6,000
4109	Gas Station License	8,595	8,295	8,500	8,500
4111	Pawnbroker License	386	386	1,100	1,100
4112	Peddler's License	4,467	4,668	1,000	1,000
4113	Precious Metal Dealer	1,158	1,544	1,500	1,500
4114	Pet Shop License	944	415	600	600
4115	Dog & Cat Hospitals License	581	415	700	-
4116	Dog Kennels License	396	264	400	400
4117	Massage Parlor	13,022	9,773	10,800	10,800
4118	Cigarette License	12,515	11,216	11,000	11,000
4119-01	Motor Vehicle - Dealer	3,326	2,940	4,400	4,400
4119-02	Motor Vehicle - Rental	1,602	801	1,800	1,800
4120	Taxi Permit	19,677	2,787	11,000	11,000
4121	Coin Operating Device	9,270	85	9,000	9,000
4122	Pool & Bowling	1,202	601	1,000	-
4123	Dance Hall License	59	-	-	-
4124	Tree Service Contractor License	-	-	1,400	1,400
4125	Transportation Network Companies License	-	-	7,400	7,400

# City of Duluth Minnesota - 2022 Budget

General Fund Revenues		2019 Actual	2020 Actual	2021 Budget	2022 Approved
CATEGORY 20 - LICENSES AND PERMITS continued					
4126	Shared Active Mobility Systems	3,000	3,000	3,000	3,500
4150	Pet License	-	9	-	-
4151	Fill Permits	16,703	7,800	1,100	1,100
4152	Excavation Permits	23,390	22,236	15,000	20,000
4153	Multiple Dwell License	1,016,787	808,848	916,400	950,000
4154	Commercial Use/Occupancy	126,580	116,043	100,000	100,000
4155	Special Event Permit	5,976	1,508	1,500	1,500
4160	Fire Protection Systems Permit Fees	-	77,843	95,500	95,500
4170	Misc. Perm. & Licenses	110,878	305,827	101,000	61,000
TOTAL LICENSE AND PERMITS		1,987,547	1,850,737	1,719,000	1,757,900
CATEGORY 30 - INTERGOVERNMENTAL					
4209-02	Misc. Federal Grants (Safer Grant)	11,121	16,418	-	16,000
4220-02	State of Minnesota	17,874	6,302	4,000	4,000
4221	Local Government Aid	29,668,565	30,282,160	30,247,200	30,671,600
4222	State Property Tax Aid	236	206	-	-
4225	Ski Trail Reimbursement	6,600	11,000	11,000	11,000
4226	Snowmobile Trail Grants	16,097	-	-	-
4227	Police Training Reimbursement	146,144	148,664	142,000	151,800
4230	PERA Aid	124,428	-	-	-
4232	State Insurance Premium	2,124,504	2,253,160	2,132,800	2,170,800
4233	State of MN PERA Contribution	378,296	502,878	-	-
4240-02	Municipal State Aid - Maintenance	1,533,400	1,533,400	1,533,400	1,533,400
4260	St. Louis County	138,411	183,438	138,400	138,400
4261	ISD 709	278,940	40,168	178,000	156,500
4300-01	HRA in Lieu of Taxes	66,939	70,689	57,400	65,000
TOTAL INTERGOVERNMENTAL		34,511,555	35,048,482	34,444,200	34,918,500
CATEGORY 40 - CHARGES FOR SERVICES					
4301	Zoning Appeals Fees	-	-	600	600
4303	Use Permit - Flood & Wetlands	3,224	3,328	900	900
4306	Building Appeals Fees	373	127	-	-
4307	Planning/Zoning Fees	98,879	80,826	78,200	85,000
4310	Assessment Cost Services	30,704	10,935	40,600	40,600



# City of Duluth Minnesota - 2022 Budget

General Fund Revenues		2019 Actual	2020 Actual	2021 Budget	2022 Approved
CATEGORY 40 - CHARGES FOR SERVICES continued					
4311	Assessment Certificate Fee	54,966	86,300	30,000	30,000
4315-01	Stormwater Administrative Service	134,400	169,900	169,900	196,800
4315-02	Sewer Administrative Service	208,200	230,400	230,400	238,200
4315-03	Steam Administrative Service	55,600	53,200	53,200	53,200
4315-04	DECC Administrative Service	13,800	-	13,800	21,000
4315-05	DTA Administrative Service	10,300	10,300	10,300	10,300
4315-06	Grant Administration Services	73,648	74,798	69,000	69,000
4315-07	Airport Administrative Service	45,200	45,200	45,200	45,200
4315-08	DEDA Administrative Service	400,000	400,000	400,000	400,000
4315-09	Public Utility Admin Service	817,100	851,000	851,000	876,400
4315-10	Fleet Administrative Service	145,500	146,200	146,200	146,200
4315-11	Golf Administrative Service	16,100	-	8,100	16,100
4315-12	Group Health Admin Service	371,315	380,598	353,300	353,300
4315-13	Self Insurance Admin Service	563,200	614,500	614,500	666,900
4315-14	Spirit Mt. Administrative Service	26,200	26,200	26,200	26,200
4315-15	Parking Administrative Service	138,600	150,000	150,000	116,300
4315-16	Street Lighting System Utility	55,100	-	-	-
4315-17	410 West 1st Street Ramp	17,200	5,000	5,000	6,700
4319	Attorney Fees	5,275	3,575	4,000	7,500
4320	IT Services	22,886	27,407	52,800	18,300
4322	Animal Shelter Fees	18,610	11,424	12,000	12,000
4323	Garnishment Fees	105	45	-	-
4326	Criminal History Checks	573	176	400	400
4328	Pawnbroker Transaction Charge	33,090	22,358	30,000	30,000
4329	False Alarm Fees & Penalties	21,417	21,837	18,000	18,000
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	2,564,064	1,700,914	1,654,800	1,764,800
4352	Plumbing Inspection Fees	214,487	348,056	182,200	182,200
4353	Electric Inspection Fees	246,679	536,126	192,300	192,300
4354	HVAC-R Inspection Fees	307,805	574,348	151,800	151,800
4355	Signs Inspection Fees	16,861	20,455	10,600	10,600
4356	House Moving Inspection Fees	13,320	13,759	9,100	9,100
4357	Mobile Home Inspection Fees	1,078	1,010	1,900	1,900
4359	CAF Administrative Fee	25,222	14,965	15,300	15,300
4361	RZP Registration Fee	21,080	20,885	13,100	13,100
4370	Engineering Services	164,399	105,504	1,000,000	300,000
TOTAL CHARGES FOR SERVICES		6,990,761	6,795,855	6,678,900	6,160,400

# City of Duluth Minnesota - 2022 Budget

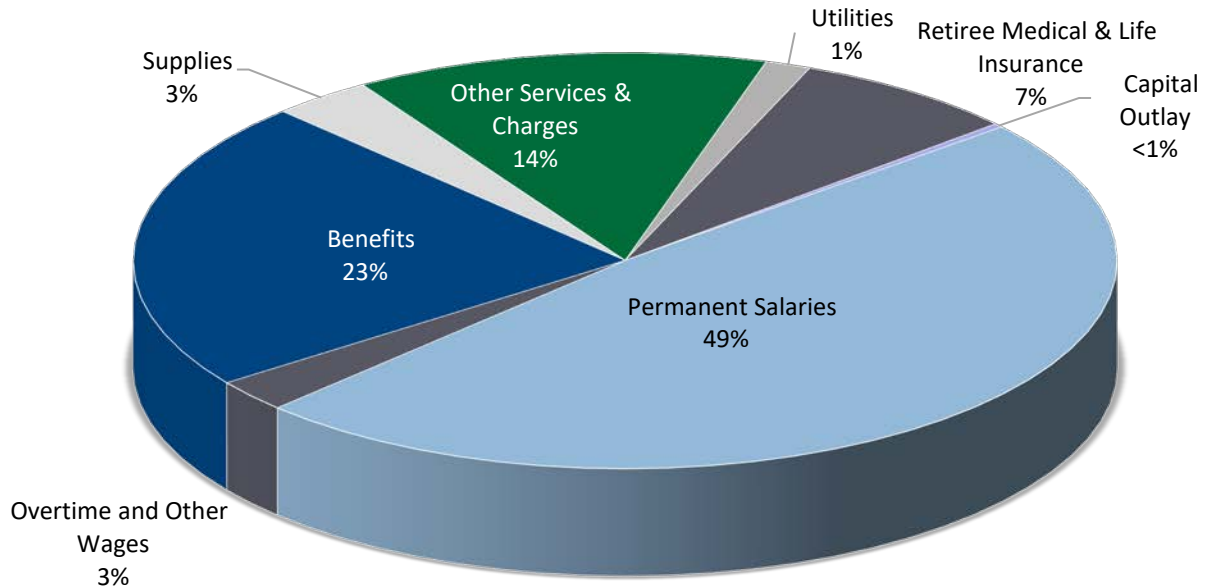
General Fund Revenues		2019 Actual	2020 Actual	2021 Budget	2022 Approved
CATEGORY 50 - FINES AND FORFEITS					
4470	License Penalties	10,351	1,894	1,500	1,500
4471	Library Fines	38,510	2	-	-
4472	Administrative Fines	77,714	49,639	43,400	43,400
4473	Court Fines	350,971	260,501	335,000	335,000
4474	Police Felony Forfeitures	67,051	14,194	-	-
TOTAL FINES AND FORFEITS		544,596	326,230	379,900	379,900
CATEGORY 60 - SPECIAL ASSESSMENTS					
4500	Assessments	484,685	492,996	106,100	109,900
4500-12	Assessments - Service Charge	-	-	370,000	370,000
4501	Assessments - Penalty & Interest	14,278	16,778	12,800	16,800
TOTAL SPECIAL ASSESSMENTS		498,963	509,774	488,900	496,700
CATEGORY 70 - MISCELLANEOUS					
4601-02	Earnings on Investments	83,511	150,413	-	-
4602-01	Interest on Temporary Loans	4,144	-	-	-
4622	Rent of Buildings	76,106	67,397	84,800	82,500
4623	Rent of Land	6,815	8,963	5,600	5,600
4627	Concessions & Commissions	11,934	-	-	12,000
4631	Media Sales	17,472	5,182	14,700	19,700
4635	Auction Proceeds	4,994	9,176	-	-
4636-02	Sale of Materials	5,760	2,614	5,000	5,000
4639	Sale of Equipment	69,254	59,976	-	-
4640	Sale of Land	-	163,500	-	-
4644	Miscellaneous Sales	121,990	57,293	34,500	74,900
4650	Salary Reimbursement	37,271	7,445	10,000	10,000
4651	Reimburse Extra Duty Employment	-	(1,094)	-	-
4654	Other Reimbursements	572,097	1,351,843	110,300	107,000
4655	Drug Task Force Reimbursement	50,628	107,092	-	-
4660	Gifts & Donations	26,072	5,938	-	-
4680	Damages Recovered	270	19,276	-	-
4700	Other Sources	18,094	60,459	-	-
4701	2% Retention Surtax	1,649	1,941	1,400	1,400
4702	Fond du Luth Proceeds	150,000	150,000	150,000	150,000
TOTAL MISCELLANEOUS		1,258,059	2,227,414	416,300	468,100

# City of Duluth Minnesota - 2022 Budget

General Fund Revenues	2019 Actual	2020 Actual	2021 Budget	2022 Approved
CATEGORY 80 - OTHER FINANCING SOURCES				
4730-20 Transfer from Special Revenue Funds	2,070,965	4,931,421	1,415,100	1,798,900
4730-22 Transfer from Police Grant Funds	1,030,772	913,884	1,300,500	1,515,700
Transfer from Police Grant Funds-				
4730-23 Overtime	256,529	250,962	116,000	126,000
4730-30 Transfer from Debt Service Funds	5,259	-	-	-
4730-50 Transfer from Enterprise Funds	1,386,300	76,181	1,356,300	1,422,900
4730-51 Transfer from Public Utility Funds	879,105	970,272	1,101,300	1,080,400
4731 Gas Utility in Lieu of Taxes	2,728,817	2,778,917	2,641,000	2,900,000
4732 Steam Utility in Lieu of Taxes	152,960	152,800	152,800	154,000
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>8,510,707</b>	<b>10,074,437</b>	<b>8,083,000</b>	<b>8,997,900</b>
Fund Balance Reserves	-	-	3,825,600	200,000
ARPA Funding	-	-	-	2,551,600
<b>GENERAL FUND TOTAL</b>	<b>91,900,630</b>	<b>96,610,572</b>	<b>94,345,200</b>	<b>99,329,400</b>

# City of Duluth Minnesota - 2022 Budget

## 2022 General Fund Approved Expenditures



Permanent Salaries	\$	48,260,600
Overtime and Other Wages	\$	2,502,900
Benefits	\$	22,582,100
Supplies	\$	3,281,600
Other Services & Charges	\$	13,513,600
Utilities	\$	1,483,000
Retiree Medical & Life Insurance	\$	7,399,100
Capital Outlay	\$	306,500
<b>TOTAL 2022 EXPENDITURES</b>	<b>\$</b>	<b>99,329,400</b>

This graph shows the General Fund budget by expense category. The largest single category of expense is Permanent Salaries at 49% of all expenses. When the cost of benefits, overtime, and other wages is added, the total is 75% of all budgeted expenses. Other Services and Charges comprises 14% of the total; followed by Retiree Insurance at 7%; Supplies at 3%; Utilities at 1%; and Capital Outlay in the General Fund at less than 1%.

# City of Duluth Minnesota - 2022 Budget

## 2022 General Fund Approved Expenditures

	Permanent Salaries	Overtime	Other Wages	Benefits	Other Expense	Capital Outlay	TOTAL
<b>LEGISLATIVE AND EXECUTIVE</b>							
City Council	-	-	124,200	11,600	70,700	-	206,500
Mayor's Office	524,400	-	10,800	264,300	24,200	-	823,700
Chief Administrative Officer	323,300	-	-	137,600	20,600	-	481,500
Attorney's Office	1,597,600	-	30,000	650,000	41,100	-	2,318,700
<b>DEPARTMENT TOTAL</b>	<b>2,445,300</b>	<b>-</b>	<b>165,000</b>	<b>1,063,500</b>	<b>156,600</b>	<b>-</b>	<b>3,830,400</b>
<b>PROPERTIES, PARKS, &amp; LIBRARIES</b>							
Park Maintenance	1,504,500	75,000	151,000	684,400	884,600	-	3,299,500
Library	2,836,200	800	101,800	1,368,200	448,700	306,500	5,062,200
Facilities Management	1,946,600	25,000	23,000	823,100	2,441,800	-	5,259,500
<b>DEPARTMENT TOTAL</b>	<b>6,287,300</b>	<b>100,800</b>	<b>275,800</b>	<b>2,875,700</b>	<b>3,775,100</b>	<b>306,500</b>	<b>13,621,200</b>
<b>ADMINISTRATIVE SERVICES</b>							
Human Resources Information Technology	812,000	-	10,000	341,800	74,500	-	1,238,300
City Clerk	473,600	1,400	121,000	222,600	55,700	-	874,300
<b>DEPARTMENT TOTAL</b>	<b>3,185,800</b>	<b>11,400</b>	<b>131,000</b>	<b>1,365,700</b>	<b>1,101,300</b>	<b>-</b>	<b>5,795,200</b>
<b>FINANCE</b>							
Budget Office	664,100	6,400	-	242,800	37,100	-	950,400
Auditor's Office	657,700	7,600	-	271,900	304,100	-	1,241,300
Purchasing	408,000	-	-	200,600	14,200	-	622,800
<b>DEPARTMENT TOTAL</b>	<b>1,729,800</b>	<b>14,000</b>	<b>-</b>	<b>715,300</b>	<b>355,400</b>	<b>-</b>	<b>2,814,500</b>
<b>PLANNING AND ECONOMIC DEVELOPMENT</b>							
Planning & Development	1,049,100	-	-	407,400	66,900	-	1,523,400
Construction Services & Inspection	1,451,800	9,000	-	617,700	144,700	-	2,223,200
<b>DEPARTMENT TOTAL</b>	<b>2,500,900</b>	<b>9,000</b>	<b>-</b>	<b>1,025,100</b>	<b>211,600</b>	<b>-</b>	<b>3,746,600</b>

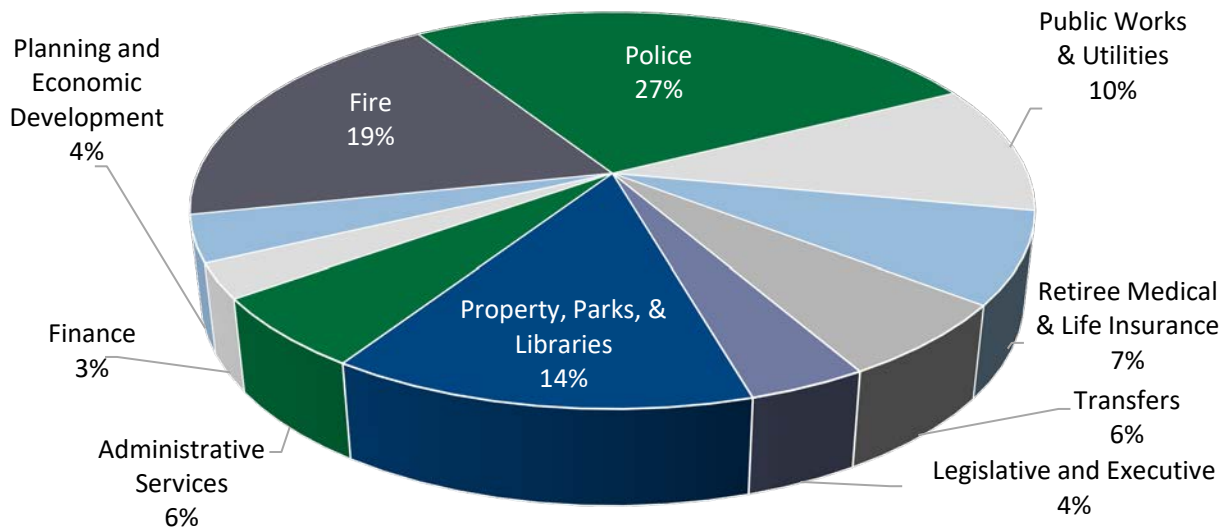
# City of Duluth Minnesota - 2022 Budget

## 2022 General Fund Approved Expenditures

	Permanent Salaries	Overtime	Other Wages	Benefits	Other Expense	Capital Outlay	TOTAL
FIRE DEPARTMENT							
Fire Administration	505,000	-	-	204,500	59,000	-	768,500
Fire Operations	10,255,700	790,800	-	5,225,400	739,400	-	17,011,300
Life Safety	850,500	11,300	-	374,100	91,000	-	1,326,900
DEPARTMENT TOTAL	11,611,200	802,100	-	5,804,000	889,400	-	19,106,700
POLICE DEPARTMENT							
	16,367,400	597,300	193,500	7,742,600	1,505,800	-	26,406,600
PUBLIC WORKS							
Director's Office	61,300	-	-	27,400	900	-	89,600
Street Maintenance	2,831,000	117,000	-	1,374,800	4,002,600	-	8,325,400
Engineering	1,240,600	56,000	30,000	560,500	137,800	-	2,024,900
DEPARTMENT TOTAL	4,132,900	173,000	30,000	1,962,700	4,141,300	-	10,439,900
TRANSFERS							
	-	-	-	27,500	13,540,800	-	13,568,300
<b>2022 APPROVED GENERAL FUND</b>	<b>48,260,600</b>	<b>1,707,600</b>	<b>795,300</b>	<b>22,582,100</b>	<b>25,677,300</b>	<b>306,500</b>	<b>99,329,400</b>

# City of Duluth Minnesota - 2022 Budget

## 2022 General Fund Approved Expenditures

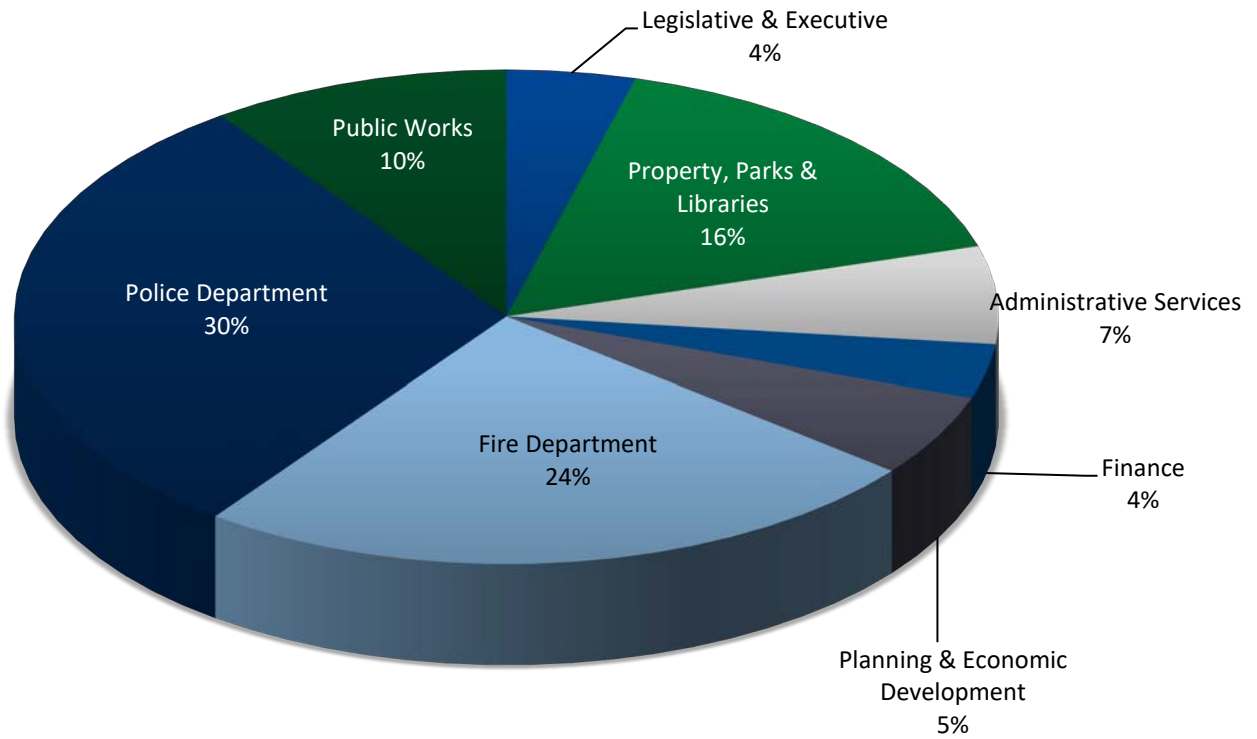


Legislative and Executive	\$	3,830,400
Property, Parks, & Libraries	\$	13,621,200
Administrative Services	\$	5,795,200
Finance	\$	2,814,500
Planning and Economic Development	\$	3,746,600
Fire	\$	19,106,700
Police	\$	26,406,600
Public Works & Utilities	\$	10,439,900
Retiree Medical & Life Insurance	\$	7,399,100
Transfers	\$	6,169,200
<b>TOTAL 2022 EXPENDITURES</b>	<b>\$</b>	<b>99,329,400</b>

This graph shows the General Fund departmental budgets as a percent of the total General Fund expenditures for budget fiscal year 2022. The largest category of expense is public safety with the Police and Fire departments comprising 46% of the total; followed by Property, Parks, & Libraries department at 14%. The General Fund portion of the Public Works department comprises 10% of the total. Retiree health care comprises 7% of the total. The remaining five departments totaled together are 23%, with no department exceeding 6%.

# City of Duluth Minnesota - 2022 Budget

## 2022 General Fund Personnel Summary



Department	2021 Budget	2022 Approved
Legislative & Executive	26.00	25.80
Property, Parks & Libraries	98.60	98.60
Administrative Services	39.00	39.00
Finance	21.60	21.60
Planning & Economic Development	32.75	32.75
Fire Department	148.50	148.50
Police Department	183.00	183.50
Public Works	60.35	60.05
<b>TOTAL</b>	<b>609.80</b>	<b>609.80</b>



# City of Duluth Minnesota - 2022 Budget

## 2022 General Fund Personnel Summary

	2021 Budget	2022 Approved	Difference	Narrative
<b>LEGISLATIVE/EXECUTIVE</b>				
Mayor	6.00	6.00	-	
Chief Administrative Officer	3.00	3.00	-	
City Attorney	17.00	16.80	(0.20)	Victim Services Spec. from 1.0 to 0.8 FTE
<b>DEPARTMENT TOTAL</b>	<b>26.00</b>	<b>25.80</b>	<b>(0.20)</b>	
<b>PROPERTY, PARKS &amp; LIBRARIES</b>				
Park Maintenance	22.60	22.80	0.20	Added 1.0 FTE Park Maint Ops. Coord/Less 0.8 FTE Volunteer Coord
Library	47.70	47.50	(0.20)	Less 0.2 FTE Volunteer Coord
Facilities Management	28.30	28.30	-	
<b>DEPARTMENT TOTAL</b>	<b>98.60</b>	<b>98.60</b>	<b>(0.00)</b>	
<b>ADMINISTRATIVE SERVICES</b>				
Human Resources	10.00	10.00	-	
Information Technology	23.00	23.00	-	
City Clerk	6.00	6.00	-	
<b>DEPARTMENT TOTAL</b>	<b>39.00</b>	<b>39.00</b>	<b>-</b>	
<b>FINANCE</b>				
Budget	7.00	7.00	-	
Auditor	8.60	8.60	-	
Purchasing	6.00	6.00	-	
<b>DEPARTMENT TOTAL</b>	<b>21.60</b>	<b>21.60</b>	<b>-</b>	
<b>PLANNING &amp; ECONOMIC DEVELOPMENT</b>				
Planning & Development	12.25	12.25	-	
Construction Srvcs & Inspection	20.50	20.50	-	
<b>DEPARTMENT TOTAL</b>	<b>32.75</b>	<b>32.75</b>	<b>-</b>	
<b>FIRE</b>				
Fire Administration	4.50	5.00	0.50	Moved 0.5 FTE Admin Info Spec. from Life Safety to Info & Comm Spec.
Firefighting Operations	132.00	132.00	-	
Life Safety	12.00	11.50	(0.50)	Moved 0.5 FTE Admin Info Spec. to Fire Admin. to Info & Comm Spec.
<b>DEPARTMENT TOTAL</b>	<b>148.50</b>	<b>148.50</b>	<b>-</b>	

# City of Duluth Minnesota - 2022 Budget

## 2022 General Fund Personnel Summary

	2021 Budget	2022 Approved	Difference	Narrative
<b>POLICE</b>				
Administration, Investigative, Patrol	183.00	183.50	0.50	Less 0.5 FTE Project Coord./Added 1.0 FTE Grant Funded Opioid Program Specialist
<b>DEPARTMENT TOTAL</b>	<b>183.00</b>	<b>183.50</b>	<b>0.50</b>	
<b>PUBLIC WORKS</b>				
Director's Office	0.90	0.60	(0.30)	Moved 0.3 FTE Public Util. Analyst to Utilities
Street Maintenance	44.00	44.00	-	
Engineering	15.45	15.45	-	
<b>DEPARTMENT TOTAL</b>	<b>60.35</b>	<b>60.05</b>	<b>(0.30)</b>	
<b>TOTAL GENERAL FUND FTE'S</b>	<b>609.80</b>	<b>609.80</b>	<b>(0.00)</b>	

# City of Duluth Minnesota - 2022 Budget

## Legislative and Executive Department

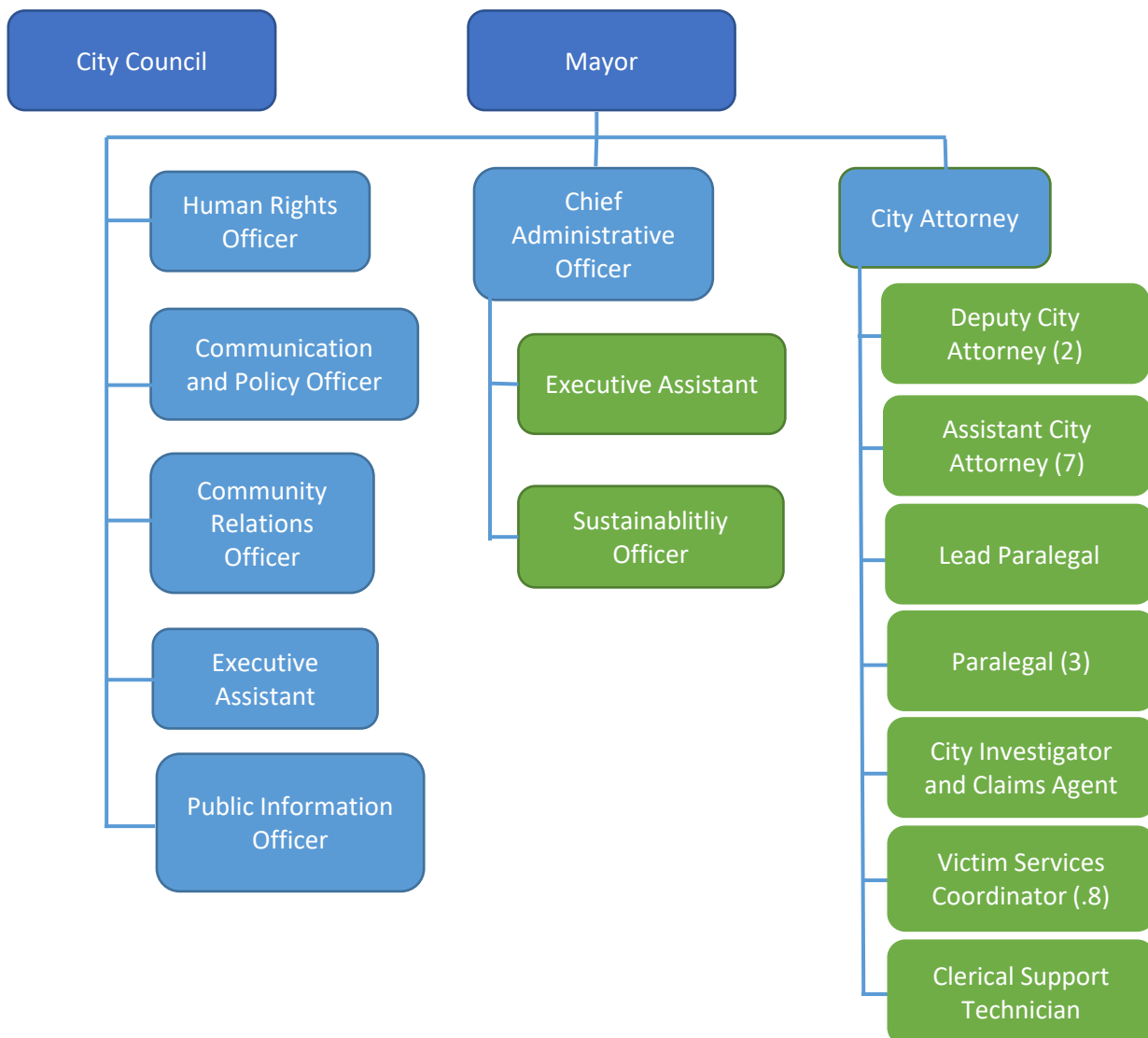
### Mission and Vision

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 - 2022 Budget

## City Attorney's Office

### City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Actual	2022 Target
<b>Compliance:</b> Provide assurance of regulatory and policy compliance to build trust, accountability and foster transparency	No. of Ordinances	26	16	33	30
	No. of Resolutions	110	160	394	275
<b>Fiscal Responsibility:</b> Operations are supported by sustainable funding sources and costs are managed in an effective and efficient manner to maintain sustainability.	No. Claim and Claim inquiries	811	545	200	200
	No. Claims Filed	24	112	47	50
	Amount collected on city claims	\$27,472	\$132,823	\$82,246	\$75,000
	No. of Grants Reviewed	23	77	90	85
<b>High Performing Organization:</b> Focuses on equipping, training and continuously expanding the abilities of decision-makers, leadership, management and staff to successfully accomplish public goals	No. Lawsuits Defended, conciliation court matters, regulatory appeals	41	245	44	50
<b>Long Range Planning:</b> Supports decision-making with timely and accurate analysis, focusing on innovative, long-term solutions that benefit the community	Transaction Matters: agreements, MOUs, Development agreements	130	414	341	350
<b>Trust and Engagement:</b> Develops sustainable fiscal and operational policies which foster trust and transparency by ensuring accountability, efficiency, integrity, innovation and best practices in all operations	No. of City Policies Reviewed	30	38	75	50

# City of Duluth Minnesota - 2022 Budget

## City Attorney's Office

### City Priority: Innovation and Excellence in Service

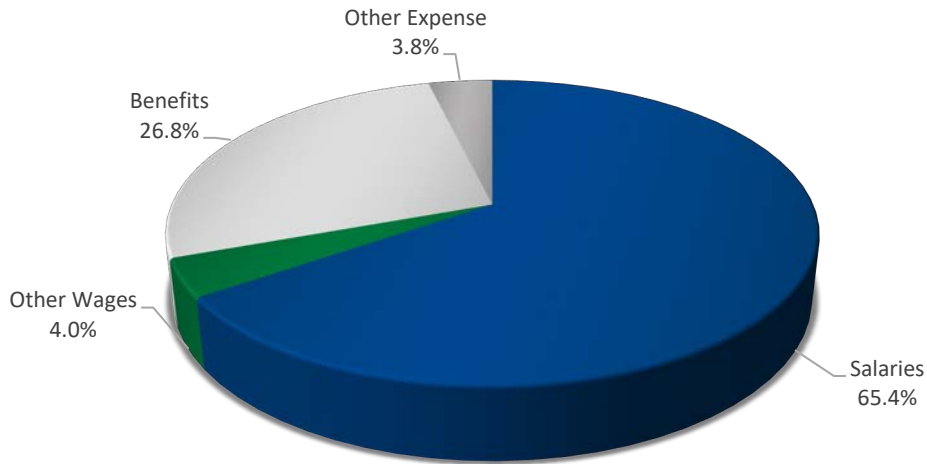
<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Actual	2022 Target
<b>Workforce:</b> Attract, develop, equip, motivate, and retain a high-quality, diverse, engaged and productive workforce focused on creative service excellence	No. of Employees taking Defensive Driving Class	256	192	157	200
	No. CBA's negotiated, Arbitration hearings, Grievances, Worker's Comp. Claims, and Unemployment claims	121	239	172	150

### City Priority: Safe and Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Actual	2022 Target
<b>Community Engagement:</b> Offer community programming which affords safe spaces for youth and adults to play, learn, and engage	No. of Victims Contacted	113	119	726	250
	No. of bail memos	167	85	92	90
<b>Livable Community:</b> 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 visitor	No. of Criminal District Court Cases open on a single day. (This number does not include non-criminal traffic violations and cases in warrant status.)			1,374	1,200
	No. of Forfeitures	95	35	38	30
	Forfeiture Fines Collected	\$12,165	\$2,541	\$2,691	\$3,000

# City of Duluth Minnesota - 2022 Budget

## Legislative & Executive Department 2022 Approved Budget by Expenditure Category



Expenditures by Category	2019 Actual	2020 Actual	2021 Budget	2022 Approved	Difference
Permanent Salaries	2,315,199	2,439,594	2,404,800	2,445,300	40,500
Overtime	209	1,036	-	-	-
Other Wages	166,363	157,974	165,000	165,000	-
Retirement Incentive	-	23,629	-	-	-
<b>Total Personal Services</b>	<b>2,481,771</b>	<b>2,622,233</b>	<b>2,569,800</b>	<b>2,610,300</b>	<b>40,500</b>
Benefits	935,578	1,021,439	1,086,300	1,063,500	(22,800)
Other Expense	158,831	119,021	156,600	156,600	-
<b>Department Total</b>	<b>3,576,180</b>	<b>3,762,693</b>	<b>3,812,700</b>	<b>3,830,400</b>	<b>17,700</b>

Expenditures by Division	2019 Actual	2020 Actual	2021 Budget	2022 Approved	Difference
City Council	189,634	178,810	206,500	206,500	-
Mayor's Office	730,317	751,878	779,400	823,700	44,300
Chief Admin Officer	334,908	439,791	482,000	481,500	(500)
Attorney's Office	2,321,321	2,392,213	2,344,800	2,318,700	(26,100)
<b>Department Total</b>	<b>3,576,180</b>	<b>3,762,693</b>	<b>3,812,700</b>	<b>3,830,400</b>	<b>17,700</b>

Budgeted FTE's	2019	2020	2021	2022	Difference
	24.3	25.8	25.8	25.8	0.0

# City of Duluth Minnesota - 2022 Budget

## 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	2019	2020	2021	2022	Difference
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There are no fulltime, permanent employees assigned to this division.

Expenditures	2019 Actual	2020 Actual	2021 Budget	2022 Approved	Difference
Personal Services					
Permanent Salaries	-	-	-	-	-
Overtime	-	-	-	-	-
Other Wages	124,200	110,120	124,200	124,200	-
Total Salaries	124,200	110,120	124,200	124,200	-
Benefits	9,247	8,475	11,600	11,600	-
Other Expense					
Materials & Supplies	-	734	1,300	1,300	-
Services	9,280	7,719	12,000	12,000	-
Utilities & Mtc	41,819	48,192	52,200	52,200	-
Other	5,089	3,570	5,200	5,200	-
Total Other Expense	56,188	60,215	70,700	70,700	-
<b>Division Total</b>	<b>189,634</b>	<b>178,810</b>	<b>206,500</b>	<b>206,500</b>	<b>-</b>

# City of Duluth Minnesota - 2022 Budget

General Fund Expenditure Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>City Council - 110-110-1101</b>				
PERSONAL SERVICES				
5103 Other Wages	124,200	110,120	124,200	124,200
TOTAL	124,200	110,120	124,200	124,200
EMPLOYEE BENEFITS				
5121 PERA Retirement	1,392	(81)	2,100	2,100
5122 FICA - Social Security	6,039	6,953	7,700	7,700
5123 FICA - Medicare	1,816	1,603	1,800	1,800
TOTAL	9,247	8,475	11,600	11,600
OTHER EXPENDITURES				
5201 Computer Supplies/Software	-	734	1,000	1,000
5219 Other Miscellaneous Supplies	-	-	300	300
5319 Other Professional Services	5,350	4,450	4,000	4,000
5331 Travel/Training	3,715	2,145	7,000	7,000
5355 Printing & Copying	215	1,124	1,000	1,000
5404 Equipment/Machinery Repair & Mtc	-	2,850	3,700	3,700
5414 Software Licenses & Mtce Agreements	41,819	45,342	48,500	48,500
5433 Dues & Subscription	950	-	1,000	1,000
5441 Other Services & Charges	1,682	2,700	2,000	2,000
5443 Board & Meeting Expenses	2,457	870	2,200	2,200
TOTAL	56,188	60,215	70,700	70,700
<b>DIVISION TOTAL</b>	<b>189,634</b>	<b>178,810</b>	<b>206,500</b>	<b>206,500</b>



# City of Duluth Minnesota - 2022 Budget

## Mayor's Office

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 to the 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.

<b>Budgeted FTE's</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Difference</b>
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	-
1075 Officer Public Information	1.0	1.0	1.0	1.0	-
1085 Officer	-	1.0	1.0	1.0	-
1105 Comm & Policy Officer	1.0	1.0	1.0	1.0	-
<b>Division Total</b>	<b>5.0</b>	<b>6.0</b>	<b>6.0</b>	<b>6.0</b>	<b>0.0</b>

<b>Expenditures</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Budget</b>	<b>2022 Approved</b>	<b>Difference</b>
Personal Services					
Permanent Salaries	450,872	500,405	496,800	524,400	27,600
Overtime	119	119	-	-	-
Other Wages	9,680	3,852	10,800	10,800	-
<b>Total Salaries</b>	<b>460,671</b>	<b>504,376</b>	<b>507,600</b>	<b>535,200</b>	<b>27,600</b>
Benefits	251,137	239,309	247,600	264,300	16,700
Other Expense					
Materials & Supplies	3,579	242	3,000	3,000	-
Services	6,145	4,027	10,800	10,800	-
Other	8,785	3,924	10,400	10,400	-
<b>Total Other Expense</b>	<b>18,509</b>	<b>8,193</b>	<b>24,200</b>	<b>24,200</b>	<b>-</b>
<b>Division Total</b>	<b>730,317</b>	<b>751,878</b>	<b>779,400</b>	<b>823,700</b>	<b>44,300</b>

# City of Duluth Minnesota - 2022 Budget

General Fund Expenditure Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>Mayor's Office - 110-110-1102</b>				
PERSONAL SERVICES				
5100 Permanent Salaries	450,872	500,405	496,800	524,400
5101 Premium Pay	119	119	-	-
5103 Other Wages	9,680	3,852	10,800	10,800
TOTAL	460,671	504,376	507,600	535,200
EMPLOYEE BENEFITS				
5121 PERA Retirement	30,559	33,815	37,300	39,300
5122 FICA - Social Security	21,160	23,102	31,500	33,200
5123 FICA - Medicare	6,391	6,753	7,400	7,800
5125 Dental Insurance	2,062	2,376	2,400	2,400
5126 Life Insurance	1,139	1,224	1,100	1,100
5127 Health Care Savings Plan (HCSP)	57,846	16,543	10,900	23,500
5130 Cafeteria Plan Benefits	131,982	155,496	157,000	157,000
TOTAL	251,137	239,309	247,600	264,300
OTHER EXPENDITURES				
5200 Office Supplies	1,313	242	2,000	2,000
5219 Other Miscellaneous Supplies	51	-	500	500
5241 Small Equip-Office/Operating	2,216	-	500	500
5321 Phone Service Cellular Phone	2,103	2,073	2,200	2,200
5322 Postage	-	-	100	100
5331 Travel/Training	3,822	1,720	6,500	6,500
5355 Printing & Copying	220	234	2,000	2,000
5433 Dues & Subscription	455	414	400	400
5441 Other Services & Charges	1,422	1,427	3,000	3,000
5443 Board & Meeting Expenses	2,566	1,633	2,000	2,000
5444 Mayor's Contingent Account	4,341	450	5,000	5,000
TOTAL	18,509	8,193	24,200	24,200
<b>DIVISION TOTAL</b>	730,317	751,878	779,400	823,700
REVENUE SOURCE				
4654 Other Reimbursements	1,390	380	-	-
<b>DIVISION TOTAL</b>	1,390	380	-	-

# City of Duluth Minnesota - 2022 Budget

## Chief Administrative Officer

The Chief Administrative Officer (CAO) is appointed by the Mayor for an indefinite term and is the Mayor's principal assistant. The CAO is responsible for the activities of all offices, departments and boards, and investigations and studies of the internal organization and procedure of any office or department within the City.

<b>Budgeted FTE's</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Difference</b>
Res Chief Admin Officer	1.0	1.0	1.0	1.0	-
9 Executive Assistant	1.0	1.0	1.0	1.0	-
135 Public Info Coordinator	0.5	-	-	-	-
1110 Sustainability Officer	-	1.0	1.0	1.0	-
<b>Division Total</b>	<b>2.5</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>0.0</b>

<b>Expenditures</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Budget</b>	<b>2022 Approved</b>	<b>Difference</b>
Personal Services					
Permanent Salaries	232,203	303,258	313,700	323,300	9,600
Overtime	90	-	-	-	-
Other Wages	-	-	-	-	-
Total Salaries	232,294	303,258	313,700	323,300	9,600
Benefits	89,874	126,736	147,700	137,600	(10,100)
Other Expense					
Materials & Supplies	2,143	7,200	2,000	2,000	-
Services	6,402	439	2,300	2,300	-
Utilities & Mtc	-	-	300	300	-
Other	4,196	2,158	16,000	16,000	-
Total Other Expense	12,741	9,797	20,600	20,600	-
<b>Division Total</b>	<b>334,908</b>	<b>439,791</b>	<b>482,000</b>	<b>481,500</b>	<b>(500)</b>

# City of Duluth Minnesota - 2022 Budget

General Fund Expenditure Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>Chief Administrative Officer - 110-110-1103</b>				
PERSONAL SERVICES				
5100 Permanent Salaries	232,203	303,258	313,700	323,300
5101 Premium Pay	90	-	-	-
5103 Other Wages	-	-	-	-
TOTAL	232,294	303,258	313,700	323,300
EMPLOYEE BENEFITS				
5121 PERA Retirement	17,069	22,343	23,500	24,300
5122 FICA - Social Security	12,280	16,791	19,400	20,000
5123 FICA - Medicare	3,219	4,213	4,500	4,700
5125 Dental Insurance	791	1,122	1,200	1,200
5126 Life Insurance	434	578	500	500
5127 Health Care Savings Plan (HCSP)	5,625	7,263	19,600	7,900
5130 Cafeteria Plan Benefits	49,929	73,722	78,900	78,900
5133 Health or Fitness Program	529	705	100	100
TOTAL	89,874	126,736	147,700	137,600
OTHER EXPENDITURES				
5200 Office Supplies	323	4,252	1,000	1,000
5201 Computer Supplies/Software	-	259	500	500
5219 Other Miscellaneous Supplies	1,820	2,689	500	500
5321 Phone Service Cellular Phone	276	203	-	-
5331 Travel/Training	6,125	236	2,000	2,000
5404 Equipment/Machinery Repair & Mtc	-	-	300	300
5418 Vehicle/Equip Lease (Long-term)	-	-	300	300
5433 Dues & Subscription	1,530	1,394	500	500
5435 Books & Pamphlets	-	-	500	500
5441 Other Services & Charges	1,230	153	14,000	14,000
5443 Board & Meeting Expenses	1,436	611	1,000	1,000
TOTAL	12,741	9,797	20,600	20,600
<b>DIVISION TOTAL</b>	<b>334,908</b>	<b>439,791</b>	<b>482,000</b>	<b>481,500</b>
REVENUE SOURCE				
4650 Salaries Reimbursement	-	3,000	-	-
<b>DIVISION TOTAL</b>	<b>-</b>	<b>3,000</b>	<b>-</b>	<b>-</b>

# City of Duluth Minnesota - 2022 Budget

## City Attorney's Office

The City of Duluth Attorney's Office serves as the City's legal advisor and representative. Attorneys in this office provide legal counsel and civil litigation services to the Mayor, City Council, departments, boards and commissions, and public authorities. In addition, this 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.

<b>Budgeted FTE's</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Difference</b>
Res City Attorney	1.0	1.0	1.0	1.0	-
Deputy City Attorney	-	-	-	2.0	2.0
Assistant Attorney	9.0	9.0	9.0	7.0	(2.0)
10 Lead Paralegal City Investigator &	-	-	-	1.0	1.0
10 Claims Agent	1.0	1.0	1.0	1.0	-
121 Clerical Support Tech.	-	-	-	1.0	1.0
129 Admin Legal Assistant	3.0	3.0	3.0	-	(3.0)
131 Victim Services Spec.	-	-	-	0.8	0.8
131 Prosecution Assistant	0.8	0.8	1.0	-	(1.0)
133 Paralegal	2.0	2.0	2.0	3.0	1.0
<b>Division Total</b>	<b>16.8</b>	<b>16.8</b>	<b>17.0</b>	<b>16.8</b>	<b>-0.2</b>

<b>Expenditures</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Budget</b>	<b>2022 Approved</b>	<b>Difference</b>
Personal Services					
Permanent Salaries	1,632,123	1,635,932	1,594,300	1,597,600	3,300
Overtime	-	916	-	-	-
Other Wages	32,484	44,002	30,000	30,000	-
Retirement Incentive	-	23,629	-	-	-
Total Salaries	1,664,607	1,704,479	1,624,300	1,627,600	3,300
Benefits	585,320	646,918	679,400	650,000	(29,400)
Other Expense					
Materials & Supplies	1,870	1,805	3,300	3,300	-
Services	48,996	673	12,400	12,400	-
Other	20,527	38,338	25,400	25,400	-
Total Other Expense	71,393	40,816	41,100	41,100	-
<b>Division Total</b>	<b>2,321,321</b>	<b>2,392,213</b>	<b>2,344,800</b>	<b>2,318,700</b>	<b>(26,100)</b>

# City of Duluth Minnesota - 2022 Budget

General Fund Expenditure Detail	2019	2020	2021	2022
	Actual	Actual	Budget	Approved
<b>City Attorney's Office - 110-110-1104</b>				
PERSONAL SERVICES				
5100 Permanent Salaries	1,632,123	1,635,932	1,594,300	1,597,600
5101 Premium Pay	-	916	-	-
5103 Other Wages	32,484	44,002	30,000	30,000
5105 Retirement Incentive	-	23,629	-	-
TOTAL	1,664,607	1,704,479	1,624,300	1,627,600
EMPLOYEE BENEFITS				
5121 PERA Retirement	119,402	118,910	120,600	121,000
5122 FICA - Social Security	100,196	102,908	100,700	100,900
5123 FICA - Medicare	23,501	24,007	23,600	23,600
5125 Dental Insurance	6,148	6,699	7,100	6,700
5126 Life Insurance	3,366	3,451	3,200	3,100
5127 Health Care Savings Plan (HCSP)	46,604	62,535	49,800	43,600
5130 Cafeteria Plan Benefits	284,068	326,969	373,100	349,800
5133 Health or Fitness Program	2,036	1,439	1,300	1,300
TOTAL	585,320	646,918	679,400	650,000
OTHER EXPENDITURES				
5200 Office Supplies	1,870	1,805	3,300	3,300
5304 Legal Services	39,885	(5,438)	2,000	2,000
5321 Phone Service Cellular Phone	1,800	2,331	2,200	2,200
5331 Travel/Training	5,443	2,909	6,000	6,000
5335 Local Mileage Reimbursement	728	202	1,000	1,000
5355 Printing & Copying	24	250	100	100
5356 Copier, Printer Lease & Supplies	1,116	420	1,100	1,100
5414 Software Licenses & Maintenance	355	1,140	1,400	1,400
5433 Dues & Subscription	19,380	19,047	17,000	17,000
5441 Other Services & Charges	792	18,152	7,000	7,000
TOTAL	71,393	40,816	41,100	41,100
<b>DIVISION TOTAL</b>	<b>2,321,321</b>	<b>2,392,213</b>	<b>2,344,800</b>	<b>2,318,700</b>
REVENUE SOURCE				
4319 Attorney Fees	5,275	3,575	4,000	7,500
4644 Miscellaneous Fees, Sales, Services	4,795	6,893	1,000	1,000
4730 Transfer from Special Revenue Fund	68,744	76,102	70,000	70,000
<b>DIVISION TOTAL</b>	<b>78,814</b>	<b>86,570</b>	<b>75,000</b>	<b>78,500</b>

# City of Duluth Minnesota - 2022 Budget

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## 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.

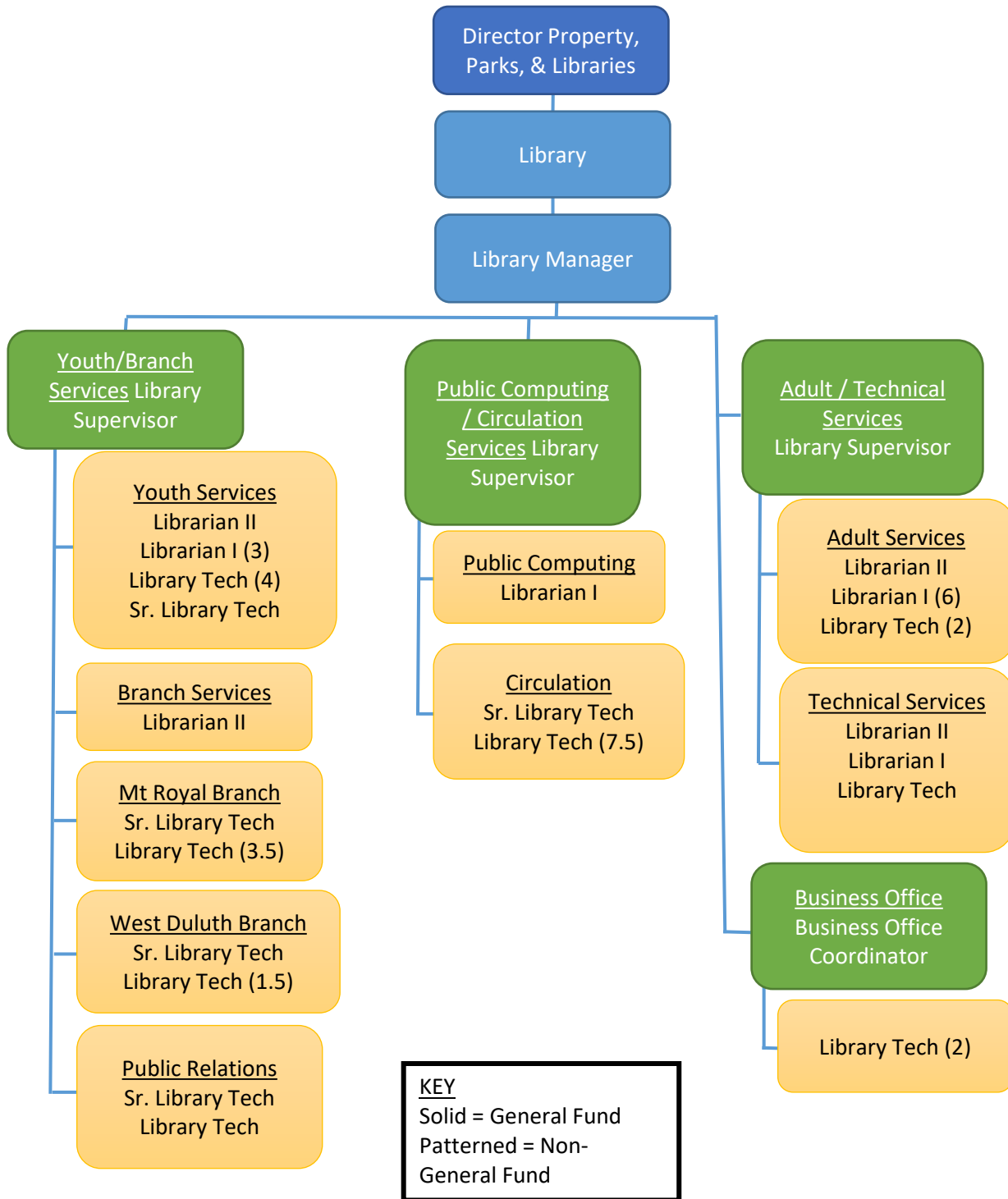
### Structure

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 - 2022 Budget

## Property, Parks, and Libraries Department

### Organization Chart

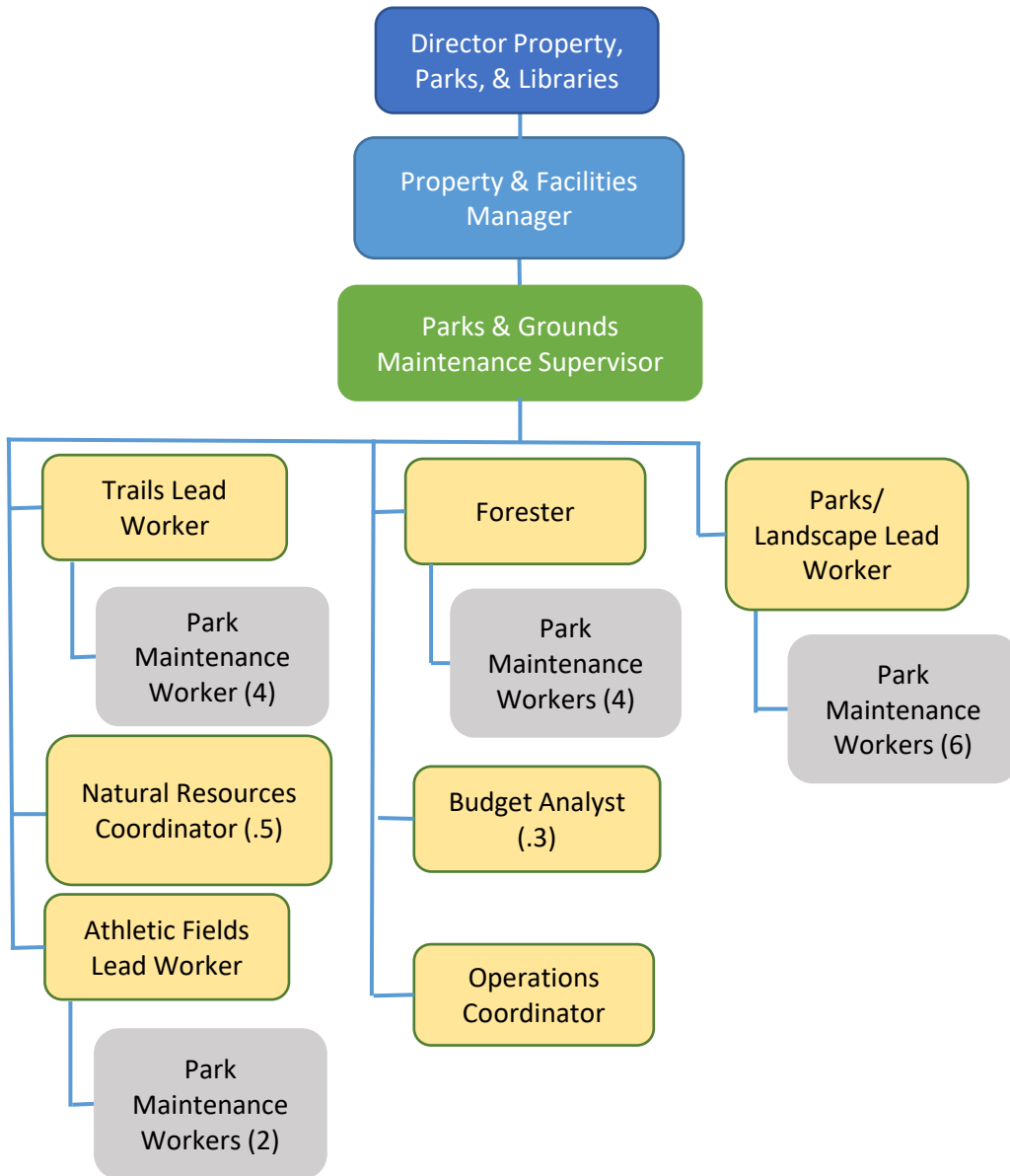




# City of Duluth Minnesota - 2022 Budget

## Property, Parks, and Libraries Department

### Organization Chart - Continued

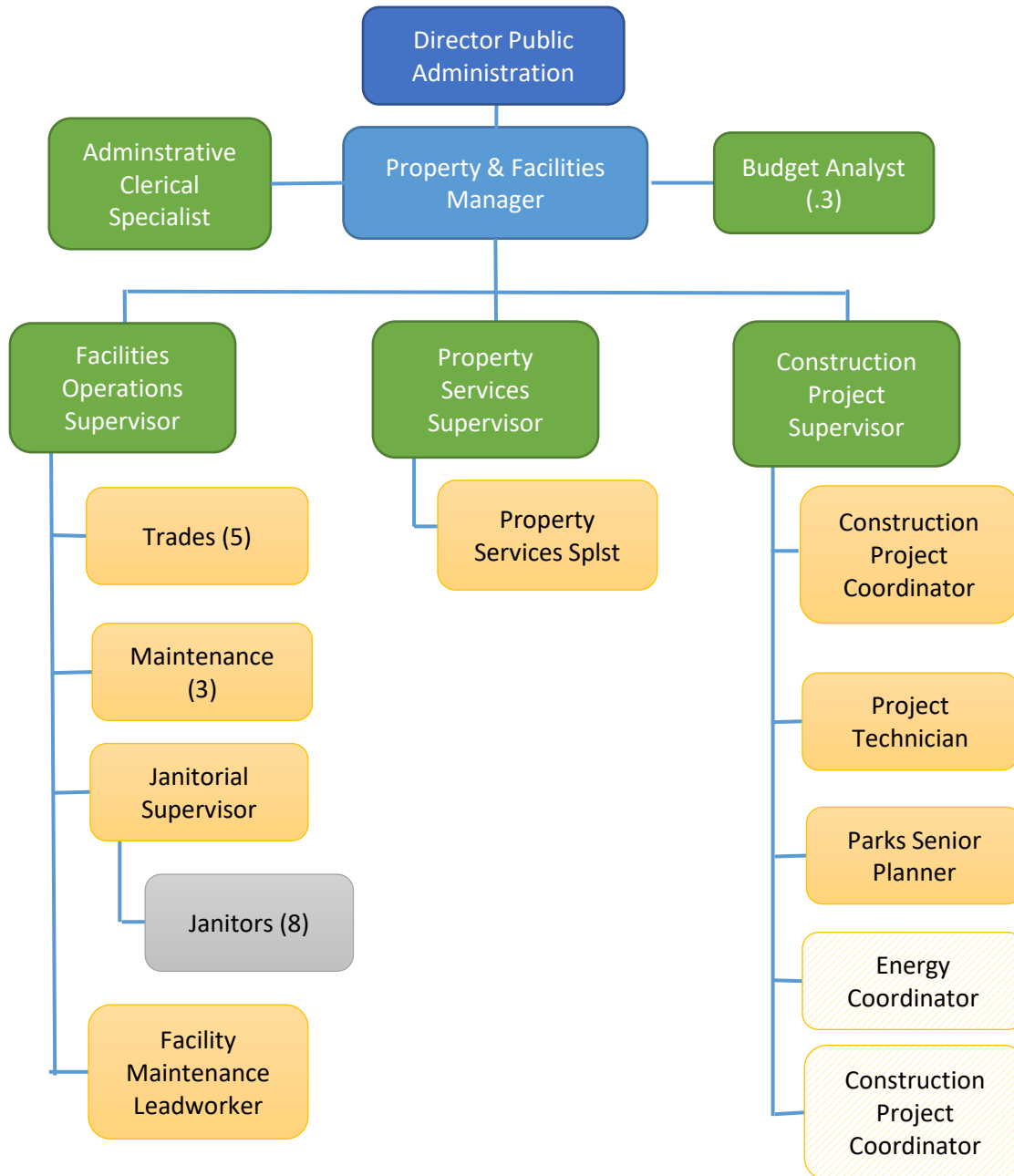


**KEY**  
Solid = General Fund  
Patterned = Non-General Fund

# City of Duluth Minnesota - 2022 Budget

## Property, Parks, and Libraries Department

### Organization Chart - Continued

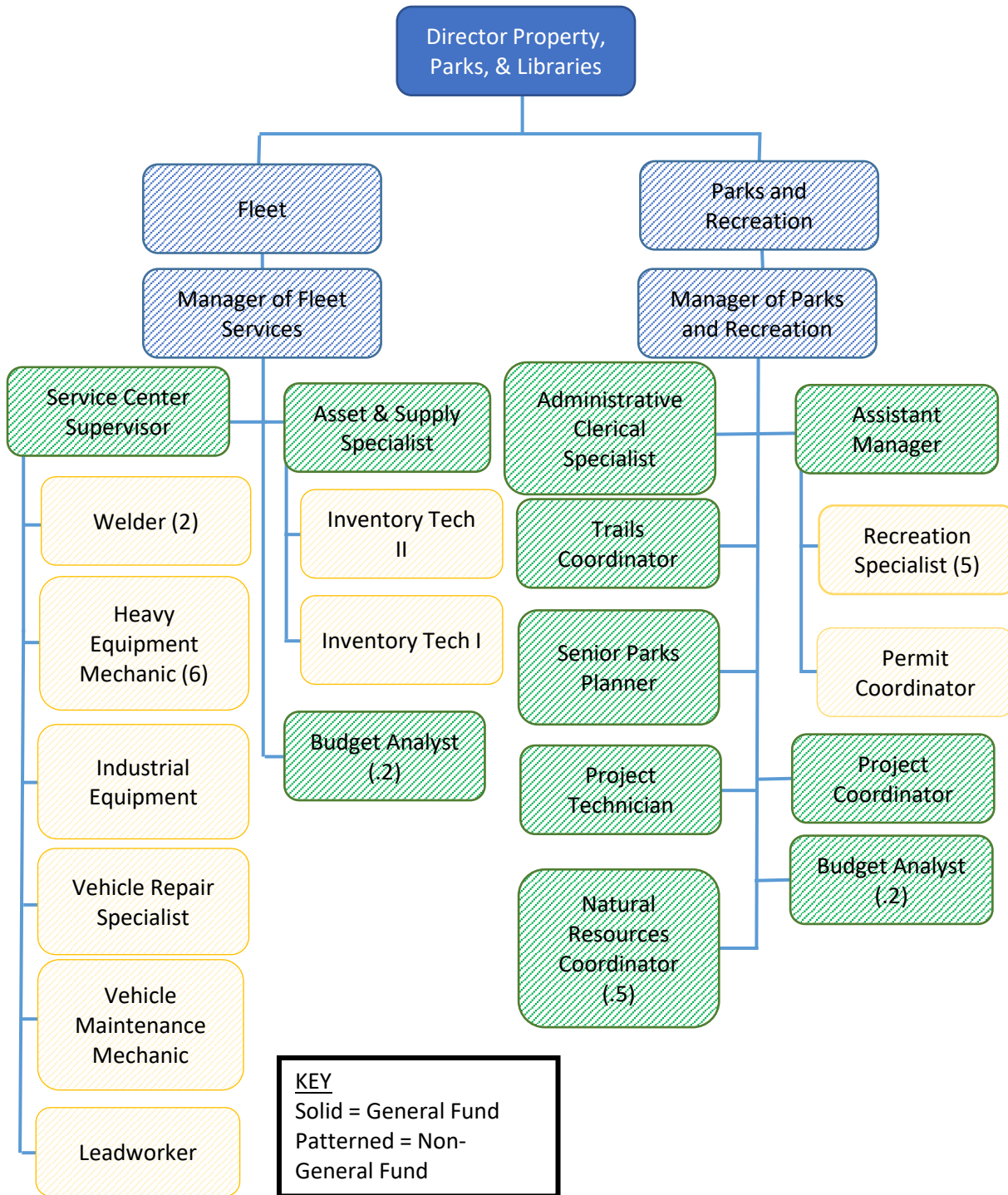


**KEY**  
 Solid = General Fund  
 Patterned = Non-General Fund

# City of Duluth Minnesota - 2022 Budget

## Property, Parks, and Libraries Department

### Organization Chart - Continued



# City of Duluth Minnesota - 2022 Budget

## Park Maintenance

### City Priority: Safe and Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Actual	2022 Target
<b>Public Facility Safety:</b> 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.	NA	NA	50%	75%

### City Priority: Livable Neighborhoods and Affordable Housing

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Actual	2022 Target
<b>Safe/Quality Neighborhood:</b> 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.	25%	25%	50%	50%
	Update mapping and snow removal priorities.	NA	NA	100%	100%
	Deferred maintenance plan development and annual implementation.	NA	NA	25%	50%
	Reexamine staff assignments and priorities.	NA	NA	75%	85%

### City Priority: Green Space and Energy Conservation

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Actual	2022 Target
<b>Open Space Development:</b> 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%	25%	25%	50%
	Develop comprehensive maintenance and operations standards manual.	25%	25%	25%	100%

# City of Duluth Minnesota - 2022 Budget

## Library

### City Priority: Culture and Recreation

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Actual	2022 Target
<b>Arts and Libraries:</b> 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	868,740	373,521	557,615	625,000
	Annual number of library visits	437,688	91,193	140,996	250,000
	Annual number of reference transactions	65,702	25,675	17,108	50,000
	Annual number of program participants, including outreach visits	30,241	41,288	15,646	45,000
	Total physical materials in collection	350,000	346,516	298,767	295,000
	Annual number of public computer sessions	70,388	15,503	14,509	30,000
	Annual number of website visits	399,586	346,295	407,309	425,000
	Annual number of cardholders	52,178	39,906	40,257	45,000
	Number of children and caregivers attending early literacy outreach activities	363	1,927	3,848	5,000

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

# City of Duluth Minnesota - 2022 Budget

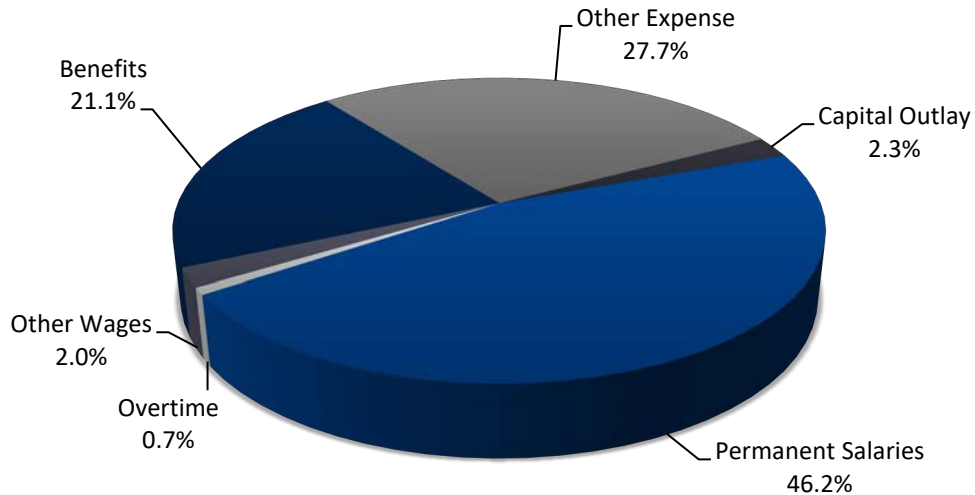
## Facilities

### City Priority: Innovation and Excellence in Service

Objective:	Strategy/Measure:	2019	2020	2021	2022
<p><b>Long Range Planning:</b> Supports decision-making with timely and accurate analysis, focusing on innovative, long-term solutions that benefit the community.</p>	<p>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.</p>	10%	30%	50%	70%
<p><b>Trust and Engagement:</b> Develops sustainable fiscal and operational policies which foster trust and transparency by ensuring accountability, efficiency, integrity, innovation and best practices in all operations.</p>	<p>Reduce environmental harms associated with City operations. Approve a 30-year Energy Plan to guide City operations and implement projects that meet a goal of 10% reduction of GHG per 4-year mayoral term.</p> <p>Work with City team and vendor to improve energy tracking data inputs and modeling of GHG emission reduction targets.</p>	5% GHG reduction	5% GHG reduction	3.5% GHG reduction	5% GHG reduction
		NA	50%	50%	100%

# City of Duluth Minnesota - 2022 Budget

## Property, Parks, & Libraries Department 2022 Approved Budget by Expenditure Category



Expenditures by Category	2019 Actual	2020 Actual	2021 Budget	2022 Approved	Difference
Permanent Salaries	5,696,535	5,245,598	6,165,600	6,287,300	121,700
Overtime	117,642	45,024	100,800	100,800	-
Other Wages	227,555	30,304	275,800	275,800	-
Retirement Incentive	-	19,632	-	-	-
<b>Total Personal Services</b>	<b>6,041,733</b>	<b>5,340,558</b>	<b>6,542,200</b>	<b>6,663,900</b>	<b>121,700</b>
Benefits	2,576,802	2,359,007	2,953,500	2,875,700	(77,800)
Other Expense	3,367,354	4,172,859	3,578,900	3,775,100	196,200
Capital Outlay	306,544	283,179	306,500	306,500	-
<b>Department Total</b>	<b>12,292,433</b>	<b>12,155,604</b>	<b>13,381,100</b>	<b>13,621,200</b>	<b>240,100</b>

Expenditures by Division	2019 Actual	2020 Actual	2021 Budget	2022 Approved	Difference
Park Maintenance	3,137,381	3,790,320	3,277,900	3,299,500	21,600
Library Services	4,615,510	3,846,931	5,006,000	5,062,200	56,200
Facilities Management	4,539,542	4,518,353	5,097,200	5,259,500	162,300
<b>Department Total</b>	<b>12,292,433</b>	<b>12,155,604</b>	<b>13,381,100</b>	<b>13,621,200</b>	<b>240,100</b>

Budgeted FTE's	2019	2020	2021	2022	Difference
	96.60	97.60	98.60	98.60	0.00

# City of Duluth Minnesota - 2022 Budget

## Park Maintenance

Park Maintenance provides year-round services to a 12,000 acre park system that includes athletic fields, an urban forest, multi-use trails and other related facilities. Park Maintenance enhances the aesthetics of the environment, improves livability and contributes to a sustainable future. Parks Maintenance's mission is to provide the citizens and visitors of Duluth with safe, well maintained parks, trails and green spaces, including both recreational and athletic fields.

<b>Budgeted FTE's</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Difference</b>
1090 Parks & Grds Mt. Sup.	-	-	-	1.00	1.00
1085 Bldg & Grds Maint Sup.	1.00	1.00	1.00	-	(1.00)
22 Maintenance Worker	3.00	1.00	-	-	-
27 Park Mtce. Worker	14.00	15.00	16.00	16.00	-
31 Park Mtce. Ops. Coord.	-	-	-	1.00	1.00
32 Mtce. Ops. Leadwkr.	3.00	3.00	3.00	3.00	-
34 Forester	1.00	1.00	1.00	1.00	-
34 Natural Res. Coord.	0.50	0.50	0.50	0.50	-
131 Volunteer Coord.	0.80	0.80	0.80	-	(0.80)
133 Budget Analyst	0.30	0.30	0.30	0.30	-
<b>Division Total</b>	<b>23.60</b>	<b>22.60</b>	<b>22.60</b>	<b>22.80</b>	<b>0.20</b>

<b>Expenditures</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Budget</b>	<b>2022 Approved</b>	<b>Difference</b>
Personal Services					
Permanent Salaries	1,424,526	1,392,375	1,468,100	1,504,500	36,400
Overtime	79,623	27,414	75,000	75,000	-
Other Wages	98,661	2,479	151,000	151,000	-
Total Salaries	1,602,811	1,422,269	1,694,100	1,730,500	36,400
Benefits	661,014	636,644	699,200	684,400	(14,800)
Other Expense					
Materials & Supplies	201,192	164,911	202,800	207,800	5,000
Services	99,373	32,416	98,600	103,500	4,900
Utilities & Maintenance	424,704	364,825	453,500	440,000	(13,500)
Other	148,288	1,169,254	129,700	133,300	3,600
Total Other Expense	873,557	1,731,406	884,600	884,600	-
<b>Division Total</b>	<b>3,137,381</b>	<b>3,790,320</b>	<b>3,277,900</b>	<b>3,299,500</b>	<b>21,600</b>



# City of Duluth Minnesota - 2022 Budget

General Fund Expenditure Detail		2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>Park Maintenance 110-121-1217-2145</b>					
PERSONAL SERVICES					
5100	Permanent Salaries	1,424,526	1,392,375	1,468,100	1,504,500
5101	Premium Pay	79,623	27,414	75,000	75,000
5103	Other Wages	97,431	2,164	151,000	151,000
5118	Meal Allowance	1,230	315	-	-
	<b>TOTAL</b>	<b>1,602,811</b>	<b>1,422,269</b>	<b>1,694,100</b>	<b>1,730,500</b>
EMPLOYEE BENEFITS					
5121	PERA Retirement	111,144	103,055	113,600	116,100
5122	FICA - Social Security	97,437	85,470	105,000	107,300
5123	FICA - Medicare	22,788	19,989	24,600	25,100
5125	Dental Insurance	8,469	8,331	9,000	9,000
5126	Life Insurance	4,656	4,294	4,100	4,100
5127	Health Care Savings Plan (HCSP)	18,877	21,253	20,500	24,000
5130	Cafeteria Plan Benefits	397,076	394,011	422,400	398,800
5133	Health or Fitness Program	566	241	-	-
	<b>TOTAL</b>	<b>661,014</b>	<b>636,644</b>	<b>699,200</b>	<b>684,400</b>
OTHER EXPENDITURES					
5200	Office Supplies	1,754	4,781	1,500	3,000
5201	Computer Supplies/Software	415	4,236	4,000	2,000
5205	Safety & Training Materials	9,681	13,186	10,000	10,000
5210	Plant/Operating Supplies	335	108	-	-
5211	Cleaning/Janitorial Supplies	18,921	14,267	30,000	30,000
5212	Motor Fuels	72,138	35,732	72,100	77,600
5218	Uniforms	7,169	6,990	7,000	7,000
5219	Other Miscellaneous Supplies	19,206	224	-	-
5220	Repair & Maintenance Supplies	60,778	59,834	61,200	61,200
5225	Park/Landscape Materials	1,158	-	-	-
5228	Painting Supplies	4,794	4,956	5,000	5,000
5240	Small Tools	3,985	10,826	6,000	6,000
5241	Small Equip-Office/Operating	858	9,770	6,000	6,000
5305	Medical Svcs/Testing Fees	-	-	500	500
5310	Contract Services	75,862	19,612	71,100	75,000
5320	Data Services	7	-	500	3,000
5321	Phone Service	4,845	4,782	5,000	3,500
5331	Travel/Training	14,256	5,395	16,000	16,000
5335	Local Mileage Reimbursement	3,733	2,627	5,000	5,000

# City of Duluth Minnesota - 2022 Budget

General Fund Expenditure Detail		2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>Park Maintenance 110-121-1217-2145 Continued</b>					
5356	Copier, Printer Lease & Supplies	670	-	500	500
5384	Refuse Disposal	64,716	45,809	70,000	55,000
5404	Equipment/Machinery Repair & Mtc	6,400	9,657	10,000	10,000
5409	Fleet Services Charges	353,587	309,358	373,500	375,000
5414	Software Licenses & Mtce Agreements	11,422	16,664	13,100	13,900
5415	Vehicle/Equip Rent (Short-term)	20,455	4,362	27,500	25,000
5419	Other Rentals	57,691	92,167	55,600	63,000
5433	Dues & Subscription	2,088	776	2,500	2,500
5441	Other Services & Charges	26,314	903,038	2,100	2,100
5454	Contract Tree Services	22,318	27,248	28,900	26,800
5700	Interfund Transfers Out	8,000	125,000	-	-
	<b>TOTAL</b>	<b>873,557</b>	<b>1,731,406</b>	<b>884,600</b>	<b>884,600</b>
<b>DIVISION TOTAL</b>		<b>3,137,381</b>	<b>3,790,320</b>	<b>3,277,900</b>	<b>3,299,500</b>
<b>REVENUE SOURCE</b>					
4225	Ski Trails Grant	6,600	11,000	11,000	11,000
4226	Snowmobile Trails Grant	16,097	-	-	-
4654	Other Reimbursements	9,843	17,105	-	-
4660	Gifts and Donations	4,331	82	-	-
4730	Transfer from Special Revenue	200,000	-	200,000	220,600
<b>DIVISION TOTAL</b>		<b>236,870</b>	<b>28,187</b>	<b>211,000</b>	<b>231,600</b>

# City of Duluth Minnesota - 2022 Budget

## Library Services

The division offers assistance and advisory service to people of all ages in using the Library's resources of print, media, and online collections to meet their informational, educational, and cultural needs.

<b>Budgeted FTE's</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Difference</b>
1125 Mgr, Library Services	1.00	1.00	1.00	1.00	-
1075 Library Supervisor	3.00	3.00	3.00	3.00	-
124 Library Technician	19.50	21.25	22.50	22.50	-
128 Sr. Library Tech.	5.00	5.00	5.00	4.00	(1.00)
131 Business Ofc. Coord.	1.00	1.00	1.00	1.00	-
131 Library Circ. Coord.	-	-	-	1.00	1.00
131 Librarian I	13.00	11.25	11.00	11.00	-
131 Volunteer Coord.	0.20	0.20	0.20	-	(0.20)
133 Librarian II	4.00	4.00	4.00	4.00	-
<b>Division Total</b>	<b>46.70</b>	<b>46.70</b>	<b>47.70</b>	<b>47.50</b>	<b>(0.20)</b>

<b>Expenditures</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Budget</b>	<b>2022 Approved</b>	<b>Difference</b>
Personal Services					
Permanent Salaries	2,658,957	2,161,229	2,813,900	2,836,200	22,300
Overtime	408	214	800	800	-
Other Wages	120,405	25,485	101,800	101,800	-
Retirement Incentive	-	13,163	-	-	-
Total Salaries	2,779,771	2,200,090	2,916,500	2,938,800	22,300
Benefits	1,127,163	957,987	1,334,700	1,368,200	33,500
Other Expense					
Materials & Supplies	28,263	61,356	35,200	45,300	10,100
Services	50,555	19,553	74,600	56,700	(17,900)
Utilities & Maintenance	57,057	58,913	57,400	60,800	3,400
Other	266,157	265,853	281,100	285,900	4,800
Total Other Expense	402,032	405,675	448,300	448,700	400
Capital Outlay	306,544	283,179	306,500	306,500	-
<b>Division Total</b>	<b>4,615,510</b>	<b>3,846,931</b>	<b>5,006,000</b>	<b>5,062,200</b>	<b>56,200</b>

# City of Duluth Minnesota - 2022 Budget

General Fund Expenditure Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>PERSONAL SERVICES</b>				
5100 Permanent Salaries	2,658,957	2,161,229	2,813,900	2,836,200
5101 Premium Pay	408	214	800	800
5103 Other Wages	120,405	25,485	101,800	101,800
5105 Retirement Incentive	-	13,163	-	-
TOTAL	2,779,771	2,200,090	2,916,500	2,938,800
<b>EMPLOYEE BENEFITS</b>				
5121 PERA Retirement	199,423	156,758	213,000	214,900
5122 FICA - Social Security	168,891	131,277	180,800	182,200
5123 FICA - Medicare	39,499	30,702	42,300	42,600
5125 Dental Insurance	16,458	13,620	18,900	18,800
5126 Life Insurance	9,229	7,174	8,600	8,600
5127 Health Care Savings Plan (HCSP)	55,817	39,226	68,300	77,400
5130 Cafeteria Plan Benefits	633,954	576,897	802,800	823,700
5133 Health or Fitness Program	3,893	2,332	-	-
TOTAL	1,127,163	957,987	1,334,700	1,368,200
<b>OTHER EXPENDITURES</b>				
5200 Office Supplies	4,318	1,518	3,900	4,900
5201 Computer Supplies/Software	590	9,151	700	1,000
5212 Motor Fuels	792	277	1,300	900
5219 Other Miscellaneous Supplies	19,690	21,441	24,000	35,000
5220 Repair & Maintenance Supplies	7	-	1,000	500
5241 Small Equip-Office/Operating	2,867	28,969	4,300	3,000
5319 Other Professional Services	35,726	8,376	58,500	43,000
5322 Postage	4,239	5,516	4,300	3,500
5331 Travel/Training	4,745	1,206	2,500	4,700
5335 Local Mileage Reimbursement	1,211	354	1,000	1,000
5355 Printing & Copying	516	409	1,800	-
5356 Copier, Printer Lease & Supplies	747	717	2,000	-
5384 Refuse Disposal	3,370	2,975	4,500	4,500
5404 Equipment/Machinery Repair & Mtc	3,803	3,128	2,000	2,600
5409 Fleet Services Charges	5,588	5,356	5,400	6,200
5412 Building Rental	201,459	203,679	214,000	224,000
5413 Library Materials/Svcs Rental	61,938	60,119	63,000	58,000
5414 Software Licenses & Mtce Agreement	47,667	50,428	50,000	52,000
5427 Credit Card Commissions	645	403	2,000	2,000
5433 Dues & Subscription	-	-	100	100
5441 Other Services & Charges	2,115	1,652	2,000	1,800
TOTAL	402,032	405,675	448,300	448,700

# City of Duluth Minnesota - 2022 Budget

General Fund Expenditure Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>Library Services - 110-121-1218 continued</b>				
CAPITAL OUTLAY				
5590 Library Materials	306,544	283,179	306,500	306,500
TOTAL	306,544	283,179	306,500	306,500
<b>DIVISION TOTAL</b>	4,615,510	3,846,931	5,006,000	5,062,200
REVENUE SOURCE				
4220 State of Minnesota Operating	4,536	4,120	4,000	4,000
4471 Library Fines	38,510	2	-	-
4622 Rent of Buildings	800	275	-	700
4631 Media Sales	16,504	4,593	10,000	15,000
4644 Miscellaneous Sales	2,255	544	1,000	1,000
4654 Other Reimbursements	46,003	37,899	42,500	37,500
4730 Interfund Transfers In	-	12,050	-	-
<b>DIVISION TOTAL</b>	108,608	59,483	57,500	58,200

# City of Duluth Minnesota - 2022 Budget

## Facilities Management

The Facilities Management Division ensures that all City facilities are properly maintained and operating efficiently.

Budgeted FTE's	2019	2020	2021	2022	Difference
1155 Director P, P, & L	-	1.00	1.00	1.00	-
1070 Property Srvcs. Supv.	1.00	1.00	1.00	1.00	-
1075 Supv. Facilities Ops.	1.00	1.00	1.00	1.00	-
1105 Constr. Proj. Supv.	1.00	1.00	1.00	1.00	-
1135 Prop. & Fac. Manager	1.00	1.00	1.00	1.00	-
21 Janitor 1	7.00	8.00	8.00	8.00	-
25 Janitorial Supervisor	1.00	1.00	-	-	-
27 Constr. Project Tech. Senior Facilities Maint.	1.00	1.00	1.00	1.00	-
27 Worker	-	-	1.00	1.00	-
28 Building Mtceprs. I & II	5.00	4.00	2.00	2.00	-
28 Facilities Maint Spec.	-	1.00	1.00	1.00	-
29 Trades Positions	2.00	2.00	3.00	3.00	-
31 Master Plumber/Elect	2.00	2.00	2.00	2.00	-
32 Maint. Leadworker	1.00	1.00	1.00	1.00	-
33 Constr. Proj. Coord.	1.00	1.00	1.00	1.00	-
34 Parks Senior Planner Admin. Clerical	-	-	1.00	1.00	-
127 Specialist	1.00	1.00	1.00	1.00	-
133 Budget Analyst	0.30	0.30	0.30	0.30	-
133 Property Srvcs. Spec.	1.00	1.00	1.00	1.00	-
<b>Division Total</b>	<b>26.30</b>	<b>28.30</b>	<b>28.30</b>	<b>28.30</b>	<b>-</b>

## City of Duluth Minnesota - 2022 Budget

<b>Expenditures</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Budget</b>	<b>2022 Approved</b>	<b>Difference</b>
Personal Services					
Permanent Salaries	1,613,052	1,691,994	1,883,600	1,946,600	63,000
Overtime	37,611	17,396	25,000	25,000	-
Other Wages	8,488	2,340	23,000	23,000	-
Retirement Incentive	-	6,469	-	-	-
Total Salaries	1,659,152	1,718,199	1,931,600	1,994,600	63,000
Benefits	788,625	764,376	919,600	823,100	(96,500)
Other Expense					
Materials & Supplies	357,281	338,923	381,800	384,900	3,100
Services	402,624	441,004	372,500	372,500	-
Utilities & Mtc	1,125,620	1,092,009	1,331,800	1,520,500	188,700
Other	206,240	163,842	159,900	163,900	4,000
Total Other Expense	2,091,766	2,035,778	2,246,000	2,441,800	195,800
<b>Division Total</b>	<b>4,539,542</b>	<b>4,518,353</b>	<b>5,097,200</b>	<b>5,259,500</b>	<b>162,300</b>

# City of Duluth Minnesota - 2022 Budget

General Fund Expenditure Detail		2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>Facilities Management - 110-121-1222</b>					
PERSONAL SERVICES					
5100	Permanent Salaries	1,613,052	1,691,994	1,883,600	1,946,600
5101	Premium Pay	37,611	17,396	25,000	25,000
5103	Other Wages	8,488	2,340	23,000	23,000
5105	Retirement Incentive	-	6,469	-	-
	<b>TOTAL</b>	<b>1,659,152</b>	<b>1,718,199</b>	<b>1,931,600</b>	<b>1,994,600</b>
EMPLOYEE BENEFITS					
5121	PERA Retirement	120,542	123,285	141,000	144,700
5122	FICA - Social Security	98,997	102,326	120,000	123,900
5123	FICA - Medicare	23,152	23,931	28,100	29,000
5125	Dental Insurance	9,652	9,656	11,200	11,200
5126	Life Insurance	5,297	5,008	5,100	5,100
5127	Health Care Savings Plan (HCSP)	64,477	39,655	53,100	43,700
5130	Cafeteria Plan Benefits	465,648	459,915	561,100	465,500
5133	Health or Fitness Program	860	600	-	-
	<b>TOTAL</b>	<b>788,625</b>	<b>764,376</b>	<b>919,600</b>	<b>823,100</b>
OTHER EXPENDITURES					
5200	Office Supplies	5,893	5,389	6,000	6,000
5201	Computer Supplies/Software	2,100	5,847	5,000	5,000
5205	Safety & Training Materials	3,926	2,239	5,000	5,000
5210	Plant/Operating Supplies	1,137	-	-	-
5211	Cleaning/Janitorial Supplies	51,362	43,003	62,000	62,000
5212	Motor Fuels	12,516	7,616	13,000	16,100
5215	Shop Materials	-	36	-	-
5218	Uniforms	7,175	8,490	7,000	7,000
5219	Other Miscellaneous Supplies	291	87	-	-
5220	Repair & Maintenance Supplies	263,736	263,982	283,800	283,800
5240	Small Tools	827	90	-	-
5241	Small Equip-Office/Operating	8,318	2,144	-	-
5310	Contract Services	309,858	358,474	270,000	270,000
5319	Other Professional Services	120	-	-	-
5321	Phone Service	74,975	72,889	76,500	76,500
5331	Travel/Training	10,083	3,013	15,000	15,000
5335	Local Mileage Reimbursement	7,345	6,063	10,000	10,000
5355	Printing & Copying	-	565	-	-
5356	Copier, Printer Lease & Supplies	243	-	1,000	1,000
5381	Electricity	448,199	477,613	557,300	615,000



# City of Duluth Minnesota - 2022 Budget

General Fund Expenditure Detail		2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>Facilities Management - 110-121-1222 continued</b>					
5382	Water, Gas & Sewer	417,861	366,814	502,000	580,000
5384	Refuse Disposal	33,878	28,938	37,500	37,500
5385	Oil	14,051	11,366	15,000	18,000
5386	Steam	211,631	207,279	220,000	270,000
5399	Skywalk Expenses	7,479	3,520	30,000	30,000
5401	Bldg/Structure Repair & Mtc	40,075	8,904	-	-
5404	Equipment/Machinery Repair & Mtc	12,618	7,404	10,000	10,000
5409	Fleet Services Charges	35,935	37,599	28,600	32,600
5411	Land Rental/Easements	11,593	16,259	9,800	9,800
5414	Software Licenses & Mtce Agreement	53,775	31,423	60,000	60,000
5415	Vehicle/Equip Rent (Short-term)	11,365	700	10,000	10,000
5433	Dues & Subscription	296	-	-	-
5438	Licenses	1,060	971	1,500	1,500
5441	Other Services & Charges	4,342	10,587	5,500	5,500
5450	Laundry	3,704	2,089	4,500	4,500
5580	Capital Equipment	-	44,386	-	-
5700	Interfund Transfers Out	24,000	-	-	-
	<b>TOTAL</b>	<b>2,091,766</b>	<b>2,035,778</b>	<b>2,246,000</b>	<b>2,441,800</b>
<b>DIVISION TOTAL</b>		<b>4,539,542</b>	<b>4,518,353</b>	<b>5,097,200</b>	<b>5,259,500</b>
<b>REVENUE SOURCE</b>					
4622	Rent of Buildings	75,306	67,122	84,800	81,800
4623	Rent of Land	6,815	8,963	5,600	5,600
4627	Concessions & Commissions	11,934	-	-	12,000
4644	Mis Fees, Sales & Service	614	(428)	-	-
4654	Other Reimbursements	27,399	25,444	24,000	24,000
4730	Transfer from Special Revenue	60,000	10,000	-	53,600
<b>DIVISION TOTAL</b>		<b>182,068</b>	<b>111,101</b>	<b>114,400</b>	<b>177,000</b>

# City of Duluth Minnesota - 2022 Budget

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## 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.

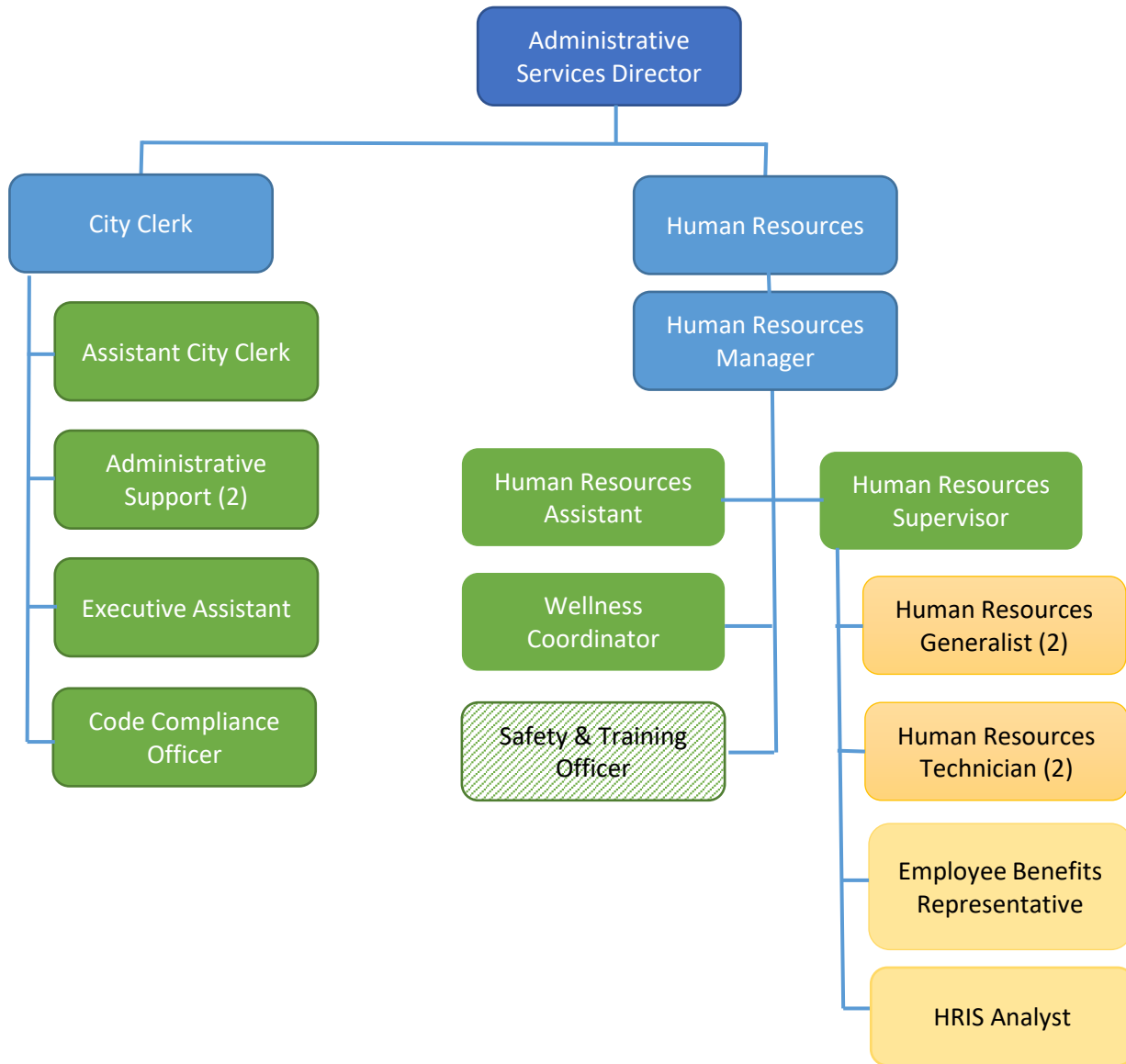
### Structure

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 - 2022 Budget

## Administrative Services

### Organization Chart

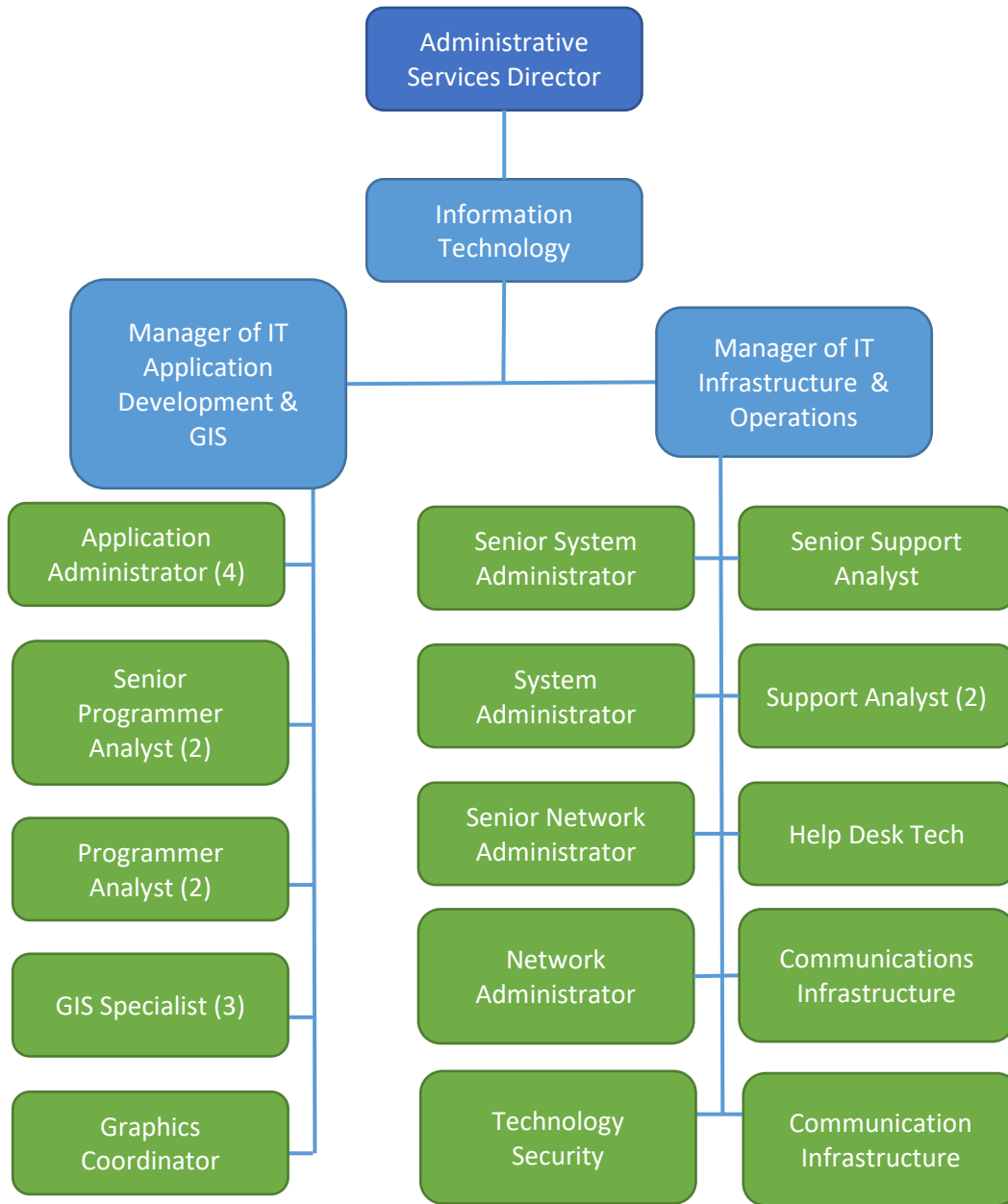


**KEY**  
 Solid = General Fund  
 Patterned = Non-General Fund

# City of Duluth Minnesota - 2022 Budget

## Administrative Services

### Organization Chart - Continued



**KEY**  
 Solid = General Fund  
 Patterned = Non-General Fund

# City of Duluth Minnesota - 2022 Budget

## Human Resources

### City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2020 Actual	2021 Estimate	2022 Target
<b>Workforce:</b> Create a supportive workplace by creating a positive work environment and supporting an engaged workforce.	% of employees conducted stay interviews with.	NA	NA	10%
	% increase in employee engagement/satisfaction from survey.	NA	NA	2%
<b>High Performing Organization:</b> 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	NA	NA	25%
	% of supervisory staff participate in at least two leadership competency opportunities and trainings.	NA	NA	50%
<b>High Performing Organization:</b> Create a "Safety Culture" mindset by providing a work environment free from hazards that can cause harm to employees.	Number of recordable workplace injuries.	44	39	< 45
	% increase in overall favorable results over last year's employee engagement/satisfaction survey.	NA	NA	5%
<b>High Performing Organization:</b> Support the health and wellbeing fo all City employees and famaility by actively encouraging health behaviors.	increase in participation of Wellness Program.	-30%	22%	10%
	% increase of participation in physical preventative exams.	-11%	5%	5%
	% of participation in mental health and mental illness awareness through trainings and events, measured through both evaluations and surveys.	NA	21%	20%

# City of Duluth Minnesota - 2022 Budget

## Information Technology

### City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Estimate	2021 Target	2022 Target
<b>Customer Service:</b> 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	5%	25%	40%	60%
<b>Fiscal Responsibility:</b> Operations are supported by sustainable funding sources and costs are managed in an effective and efficient manner to maintain sustainability.	Consolidate duplicative timekeeping applications		40%	75%	90%
<b>High Performing Organization:</b> 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.	10%	30%	50%	70%

# City of Duluth Minnesota - 2022 Budget

## Clerks

### City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Estimate	2021 Target	2022 Target
<b>Customer Service:</b> 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.	5%	50%	95%	100%
	Ensure consistent execution of licensing policies and procedures in order to better serve the public.	0%	100%	100%	100%
	Establish a platform for increased cooperation and coordination between the city clerk's office and the local business community.	1%	25%	75%	100%
	Implement office practices and procedures to improve interactions with public stakeholders.	5%	50%	75%	100%
<b>Trust and Engagement:</b> 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.	8%	30%	50%	100%
	Increase and diversify pool of election judges available for upcoming elections.	10%	30%	50%	100%
	Improve efficiency and coordination with election polling places.	15%	50%	75%	100%

# City of Duluth Minnesota - 2022 Budget

## Clerks

### City Priority: Innovation and Excellence in Service

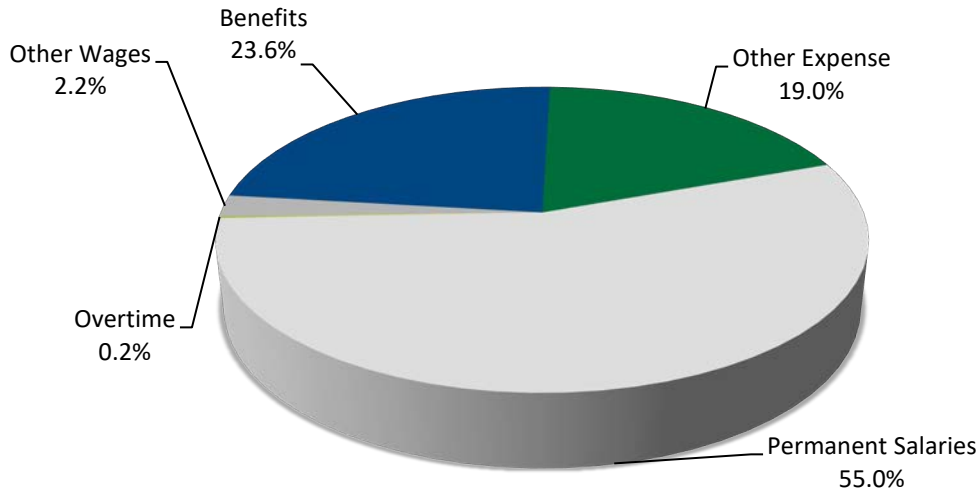
<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Estimate	2021 Projected	2022 Projected
<b>Compliance:</b> Provides assurance of regulatory and policy compliance to build trust, accountability, and foster transparency	Create and implement a regulatory compliance system whereby questions and complaints are processed in a transparent and effective manner.	25%	50%	75%	100%
	Increase community outreach and engagement activities to build trust and foster transparency	15%	30%	50%	100%
	Review and propose revisions to existing city codes and regulations in order to ensure that regulatory compliance priorities are in line with policy goals and structural limitations.	5%	15%	25%	50%



# City of Duluth Minnesota - 2022 Budget

## Administrative Services Department

### 2022 Approved Budget by Expenditure Category



Expenditures by Category	2019 Actual	2020 Actual	2021 Budget	2022 Approved	Difference
Permanent Salaries	3,048,197	3,129,396	3,120,800	3,185,800	65,000
Overtime	12,481	26,791	11,400	11,400	-
Other Wages	81,894	187,500	131,000	131,000	-
Retirement Incentive	-	8,274	-	-	-
<b>Total Personal Services</b>	<b>3,142,572</b>	<b>3,351,961</b>	<b>3,263,200</b>	<b>3,328,200</b>	<b>65,000</b>
Benefits	1,317,957	1,350,108	1,342,500	1,365,700	23,200
Other Expenditures	1,002,737	795,088	1,133,000	1,101,300	(31,700)
<b>Department Total</b>	<b>5,463,266</b>	<b>5,497,157</b>	<b>5,738,700</b>	<b>5,795,200</b>	<b>56,500</b>

Expenditures by Division	2019 Actual	2020 Actual	2021 Budget	2022 Approved	Difference
Human Resources	1,140,016	1,186,646	1,214,100	1,238,300	24,200
Information Technology	3,446,628	3,460,963	3,662,800	3,682,600	19,800
City Clerk	876,622	849,548	861,800	874,300	12,500
<b>Department Total</b>	<b>5,463,266</b>	<b>5,497,157</b>	<b>5,738,700</b>	<b>5,795,200</b>	<b>56,500</b>

Budgeted FTE's	2019	2020	2021	2022	Difference
	38.65	39.00	39.00	39.00	0.00

# City of Duluth Minnesota - 2022 Budget

## Human Resources

Provides human resources management and labor relations support services to the operating departments. The division also provides worker's compensation claims handling and loss control.

<b>Budgeted FTE's</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Difference</b>
1140 Manager, HR	1.00	1.00	1.00	1.00	-
1100 HR Supervisor	1.00	1.00	1.00	1.00	-
9 HR Technician	2.00	2.00	2.00	2.00	-
10 Employee Bene Rep.	1.00	1.00	1.00	1.00	-
10 HR Generalist	2.00	2.00	2.00	2.00	-
10 HRIS Analyst	1.00	1.00	1.00	1.00	-
32 Org Develop. Coord.	0.65	-	-	-	-
127 HR Assistant	1.00	1.00	1.00	1.00	-
128 Wellness Coordinator	1.00	1.00	1.00	1.00	-
<b>Division Total</b>	<b>10.65</b>	<b>10.00</b>	<b>10.00</b>	<b>10.00</b>	<b>-</b>

<b>Expenditures</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Budget</b>	<b>2022 Approved</b>	<b>Difference</b>
Personal Services					
Permanent Salaries	732,930	787,658	791,400	812,000	20,600
Overtime	3,728	8,092	-	-	-
Other Wages	11,948	4,095	10,000	10,000	-
<b>Total Salaries</b>	<b>748,606</b>	<b>799,846</b>	<b>801,400</b>	<b>822,000</b>	<b>20,600</b>
Benefits	325,731	333,372	338,200	341,800	3,600
Other Expenditures					
Materials & Supplies	4,115	5,798	7,500	7,500	-
Services	38,589	12,168	40,500	40,500	-
Utilities & Mtc	16,358	27,237	19,000	19,000	-
Other	6,616	8,225	7,500	7,500	-
<b>Total Other Expenditures</b>	<b>65,679</b>	<b>53,428</b>	<b>74,500</b>	<b>74,500</b>	<b>-</b>
<b>Division Total</b>	<b>1,140,016</b>	<b>1,186,646</b>	<b>1,214,100</b>	<b>1,238,300</b>	<b>24,200</b>

# City of Duluth Minnesota - 2022 Budget

General Fund Expenditure Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>Human Resources - 110-122-1106</b>				
PERSONAL SERVICES				
5100 Permanent Salaries	732,930	787,658	791,400	812,000
5101 Premium Pay	3,728	8,092	-	-
5103 Other Wages	11,948	4,095	10,000	10,000
TOTAL	748,606	799,846	801,400	822,000
EMPLOYEE BENEFITS				
5121 PERA Retirement	54,369	57,586	58,500	60,000
5122 FICA - Social Security	44,703	47,803	49,700	51,000
5123 FICA - Medicare	10,455	11,180	11,600	12,000
5125 Dental Insurance	3,658	3,894	4,000	4,000
5126 Life Insurance	2,006	2,006	1,800	1,800
5127 Health Care Savings Plan (HCSP)	23,072	18,912	16,700	17,100
5130 Cafeteria Plan Benefits	184,628	189,200	192,900	192,900
5133 Health or Fitness Program	2,840	2,791	3,000	3,000
TOTAL	325,731	333,372	338,200	341,800
OTHER EXPENDITURES				
5200 Office Supplies	2,992	2,218	3,500	3,500
5201 Computer Supplies/Software	305	835	500	500
5219 Other Miscellaneous Supplies	819	2,745	3,500	3,500
5319 Other Professional Services	13,109	6,844	13,000	13,000
5321 Phone Service	627	1,200	2,000	2,000
5331 Travel/Training	21,131	2,135	18,000	18,000
5355 Printing & Copying	1,721	1,726	6,000	6,000
5356 Copier, Printer Lease & Supplies	2,000	262	1,500	1,500
5404 Equipment/Machinery Repair & Mtc	(1,025)	219	1,000	1,000
5414 Software Licenses & Mtce Agreements	17,383	27,019	18,000	18,000
5433 Dues & Subscription	2,548	1,698	1,500	1,500
5435 Books & Pamphlets	-	249	1,000	1,000
5441 Other Services & Charges	4,068	6,278	5,000	5,000
TOTAL	65,679	53,428	74,500	74,500
<b>DIVISION TOTAL</b>	1,140,016	1,186,646	1,214,100	1,238,300

# City of Duluth Minnesota - 2022 Budget

## Information Technology

Provides IT services for City departments and authorities in the area of financial accounting, payroll, special assessments, sales tax, purchasing, building inspections, City Clerk, and utility billing and receivables. Serves as a clearinghouse for personal computer questions, configurations, installations, advising in software and hardware acquisitions and local area network (LAN) development. Mapping and geographical information systems (GIS) development is also a major program.

<b>Budgeted FTE's</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Difference</b>
1135 Manager, MIS	2.00	2.00	2.00	2.00	-
31 Electronics Tech	-	1.00	1.00	1.00	-
33 Electronics Tech Lead	-	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	-
133 Programmer Analyst	2.00	2.00	2.00	2.00	-
134 Sr. Support Analyst	1.00	1.00	1.00	1.00	-
136 GIS Specialist	3.00	3.00	3.00	3.00	-
137 Various Admin.	5.00	5.00	5.00	5.00	-
140 Sr. Systems Admin	1.00	1.00	1.00	1.00	-
140 Sr. Network Admin.	1.00	1.00	1.00	1.00	-
140 Sr. Program Analyst	2.00	2.00	2.00	2.00	-
<b>Division Total</b>	<b>21.00</b>	<b>23.00</b>	<b>23.00</b>	<b>23.00</b>	<b>-</b>

<b>Expenditures</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Budget</b>	<b>2022 Approved</b>	<b>Difference</b>
Personal Services					
Permanent Salaries	1,812,125	1,904,245	1,882,500	1,900,200	17,700
Overtime	7,248	14,963	10,000	10,000	-
Other Wages	-	-	-	-	-
Retirement Incentive	-	8,274	-	-	-
<b>Total Salaries</b>	<b>1,819,374</b>	<b>1,927,482</b>	<b>1,892,500</b>	<b>1,910,200</b>	<b>17,700</b>
Benefits	769,509	829,140	797,500	801,300	3,800
Other Expenditures					
Materials & Supplies	42,371	35,375	32,900	33,100	200
Services	185,673	167,285	234,200	231,700	(2,500)
Utilities & Mtc	629,700	501,637	705,600	706,200	600
Other	-	43	100	100	-
<b>Total Other Expenditures</b>	<b>857,745</b>	<b>704,341</b>	<b>972,800</b>	<b>971,100</b>	<b>(1,700)</b>
<b>Division Total</b>	<b>3,446,628</b>	<b>3,460,963</b>	<b>3,662,800</b>	<b>3,682,600</b>	<b>19,800</b>

# City of Duluth Minnesota - 2022 Budget

General Fund Expenditure Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>Information Technology - 110-122-1107</b>				
PERSONAL SERVICES				
5100 Permanent Salaries	1,812,125	1,904,245	1,882,500	1,900,200
5101 Premium Pay	7,248	14,963	10,000	10,000
5103 Other Wages	-	-	-	-
5105 Retirement Incentive	-	8,274	-	-
TOTAL	1,819,374	1,927,482	1,892,500	1,910,200
EMPLOYEE BENEFITS				
5121 PERA Retirement	133,610	139,229	140,200	141,600
5122 FICA - Social Security	108,153	114,544	117,300	118,400
5123 FICA - Medicare	25,294	26,789	27,400	27,700
5125 Dental Insurance	8,525	9,075	9,100	9,100
5126 Life Insurance	4,692	4,675	4,100	4,100
5127 Health Care Savings Plan (HCSP)	48,076	63,635	36,400	37,400
5130 Cafeteria Plan Benefits	439,949	470,393	463,000	463,000
5133 Health or Fitness Program	1,210	800	-	-
TOTAL	769,509	829,140	797,500	801,300
OTHER EXPENDITURES				
5200 Office Supplies	2,976	8,190	2,500	2,500
5201 Computer Supplies/Software	32,329	19,647	26,500	26,500
5203 Paper/Stationery/Forms	46	-	-	-
5212 Motor Fuels	362	260	400	600
5218 Uniforms	550	-	1,000	1,000
5241 Small Equip-Office/Operating	6,110	7,279	2,500	2,500
5309 MIS Services	11,917	9,103	9,500	17,000
5319 Other Professional Services	33,834	37,160	40,500	40,500
5320 Data Services	108,674	109,733	138,500	128,500
5321 Phone Service	5,574	5,881	7,000	7,000
5331 Travel/Training	20,385	4,099	30,000	30,000
5335 Local Mileage Reimbursement	-	-	500	500
5355 Printing & Copying	4,752	1,308	7,000	7,000
5356 Copier, Printer Lease, & Supplies	537	-	1,200	1,200
5404 Equipment/Machinery Repair & Mtc	144,149	26,717	157,500	162,500
5409 Fleet Service Charges	3,157	197	2,100	200
5414 Software Licenses & Mtce Agreements	482,394	474,722	546,000	543,500
5433 Dues & Subscription	-	43	100	100
TOTAL	857,745	704,341	972,800	971,100
<b>DIVISION TOTAL</b>	<b>3,446,628</b>	<b>3,460,963</b>	<b>3,662,800</b>	<b>3,682,600</b>

# City of Duluth Minnesota - 2022 Budget

<b>General Fund Revenue Detail</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Budget</b>	<b>2022 Approved</b>
<b>Information Technology - 110-122-1107 continued</b>				
REVENUE SOURCE				
4320 IT Services	22,886	27,407	52,800	18,300
4654 Other Reimbursements	-	47,208	-	-
4730 Transfer in from Public Utility	222,700	239,900	236,300	215,400
<b>DIVISION TOTAL</b>	245,586	314,515	289,100	233,700

# City of Duluth Minnesota - 2022 Budget

## City Clerk

Secretary to the City Council, Charter Commission, Alcohol, Gambling and Tobacco Commission and the Mayor's Appointment Advisory Committee. 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	2019	2020	2021	2022	Difference
1165 Dir., Admin. Svcs.	-	1.00	1.00	1.00	-
1165 Dir., Public Admin.	1.00	-	-	-	-
1125 City Clerk	1.00	-	-	-	-
1055 Assistant City Clerk	1.00	1.00	1.00	1.00	-
1055 Code Compliance Off.	1.00	1.00	1.00	1.00	-
9 Executive Assistant	1.00	1.00	1.00	1.00	-
129 Admin. Info. Spec.	2.00	2.00	2.00	2.00	-
<b>Division Total</b>	<b>7.00</b>	<b>6.00</b>	<b>6.00</b>	<b>6.00</b>	<b>-</b>

Expenditures	2019 Actual	2020 Actual	2021 Budget	2022 Approved	Difference
Personal Services					
Permanent Salaries	503,141	437,493	446,900	473,600	26,700
Overtime	1,505	3,736	1,400	1,400	-
Other Wages	69,946	183,405	121,000	121,000	-
<b>Total Salaries</b>	<b>574,592</b>	<b>624,633</b>	<b>569,300</b>	<b>596,000</b>	<b>26,700</b>
Benefits	222,717	187,595	206,800	222,600	15,800
Other Expenditures					
Materials & Supplies	2,621	7,385	2,600	2,600	-
Services	49,437	10,078	53,800	23,800	(30,000)
Utilities & Mtc	13,000	13,033	13,000	13,000	-
Other	14,255	6,822	16,300	16,300	-
<b>Total Other Expenditures</b>	<b>79,313</b>	<b>37,319</b>	<b>85,700</b>	<b>55,700</b>	<b>(30,000)</b>
<b>Division Total</b>	<b>876,622</b>	<b>849,548</b>	<b>861,800</b>	<b>874,300</b>	<b>12,500</b>

# City of Duluth Minnesota - 2022 Budget

General Fund Expenditure Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>City Clerk - 110-122-1211</b>				
PERSONAL SERVICES				
5100 Permanent Salaries	503,141	437,493	446,900	473,600
5101 Premium Pay	1,505	3,736	1,400	1,400
5103 Other Wages	69,946	183,405	121,000	121,000
TOTAL	574,592	624,633	569,300	596,000
EMPLOYEE BENEFITS				
5121 PERA Retirement	37,240	31,264	33,100	35,000
5122 FICA - Social Security	30,514	29,872	35,300	37,000
5123 FICA - Medicare	7,136	6,986	8,300	8,600
5125 Dental Insurance	2,395	2,376	2,400	2,400
5126 Life Insurance	1,309	1,224	1,100	1,100
5127 Health Care Savings Plan (HCSP)	24,053	17,251	21,700	33,600
5130 Cafeteria Plan Benefits	119,609	97,843	104,900	104,900
5133 Health or Fitness Program	462	780	-	-
TOTAL	222,717	187,595	206,800	222,600
OTHER EXPENDITURES				
5200 Office Supplies	1,164	4,649	1,100	1,100
5201 Computer Supplies/Software	523	402	500	500
5219 Other Miscellaneous Supplies	933	2,335	1,000	1,000
5321 Phone Service Cellular Phone	-	241	600	600
5331 Travel/Training	3,322	393	7,500	7,500
5335 Local Mileage Reimbursement	1,023	1,560	1,000	1,000
5355 Printing & Copying	44,959	7,885	44,700	14,700
5356 Copier, Printer Lease & Supplies	133	-	-	-
5404 Equipment/Machinery Repair & Mtc	13,000	13,033	13,000	13,000
5412 Building Rental	980	40	1,000	1,000
5414 Software Licenses & Mtce Agreements	8,124	2,906	10,000	10,000
5427 Credit Card Commissions	666	826	-	-
5433 Dues & Subscription	110	42	400	400
5441 Other Services & Charges	4,376	3,008	4,900	4,900
TOTAL	79,313	37,319	85,700	55,700
<b>DIVISION TOTAL</b>	<b>876,622</b>	<b>849,548</b>	<b>861,800</b>	<b>874,300</b>



# City of Duluth Minnesota - 2022 Budget

General Fund Revenue Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>City Clerk - 110-122-1211 continued</b>				
REVENUE SOURCE				
4101 Liquor License	550,959	419,828	373,500	415,000
4102 Beer License	19,771	15,778	11,200	11,200
4105 Hotel License	13,578	7,130	6,500	6,500
4106 Garbage Collection	17,880	17,582	16,000	16,000
4107 Horse & Carriage	396		700	700
4108 Emergency Wrecker License	4,450	3,115	6,000	6,000
4109 Gas Station License	8,595	8,295	8,500	8,500
4111 Pawnbroker License	386	386	1,100	1,100
4112 Peddler's License	4,467	4,668	1,000	1,000
4113 Precious Metal Dealer	1,158	1,544	1,500	1,500
4114 Pet Shop License	944	415	600	600
4115 Dog & Cat Hospitals License	581	415	700	-
4116 Dog Kennels License	396	264	400	400
4117 Massage Establishment & Therapist	13,022	9,773	10,800	10,800
4118 Cigarette License	12,515	11,216	11,000	11,000
4119 Motor Vehicle - Dealer	3,326	2,940	4,400	4,400
4119 Motor Vehicle - Rental	1,602	801	1,800	1,800
4120 Taxi Permit	19,677	2,787	11,000	11,000
4121 Coin Operating Device	9,270	85	9,000	9,000
4122 Pool & Bowling	1,202	601	1,000	-
4123 Dance Hall License	59	-	-	-
4124 Tree Service Contractor License	-	-	1,400	1,400
4125 Transportation Network Comp License	-	-	7,400	7,400
4126 Shared Active Mobility Systems	3,000	3,000	3,000	3,500
4150 Pet License	-	9	-	-
4155 Special Event Permit	5,976	1,508	1,500	1,500
4170 Misc. Permits & Licenses	2,374	3,234	2,000	2,000
4260 St Louis County	-	45,027	-	-
4470 License Penalties	10,351	1,894	1,500	1,500
4644 Miscellaneous Sales	43,647	2,133	25,000	25,000
4700 Other Sources	-	47,294	-	-
4730 Transfers in from Special Revenue	25,000	25,000	25,000	25,000
<b>DIVISION TOTAL</b>	<b>774,581</b>	<b>636,722</b>	<b>543,500</b>	<b>583,800</b>

# City of Duluth Minnesota - 2022 Budget

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## 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.

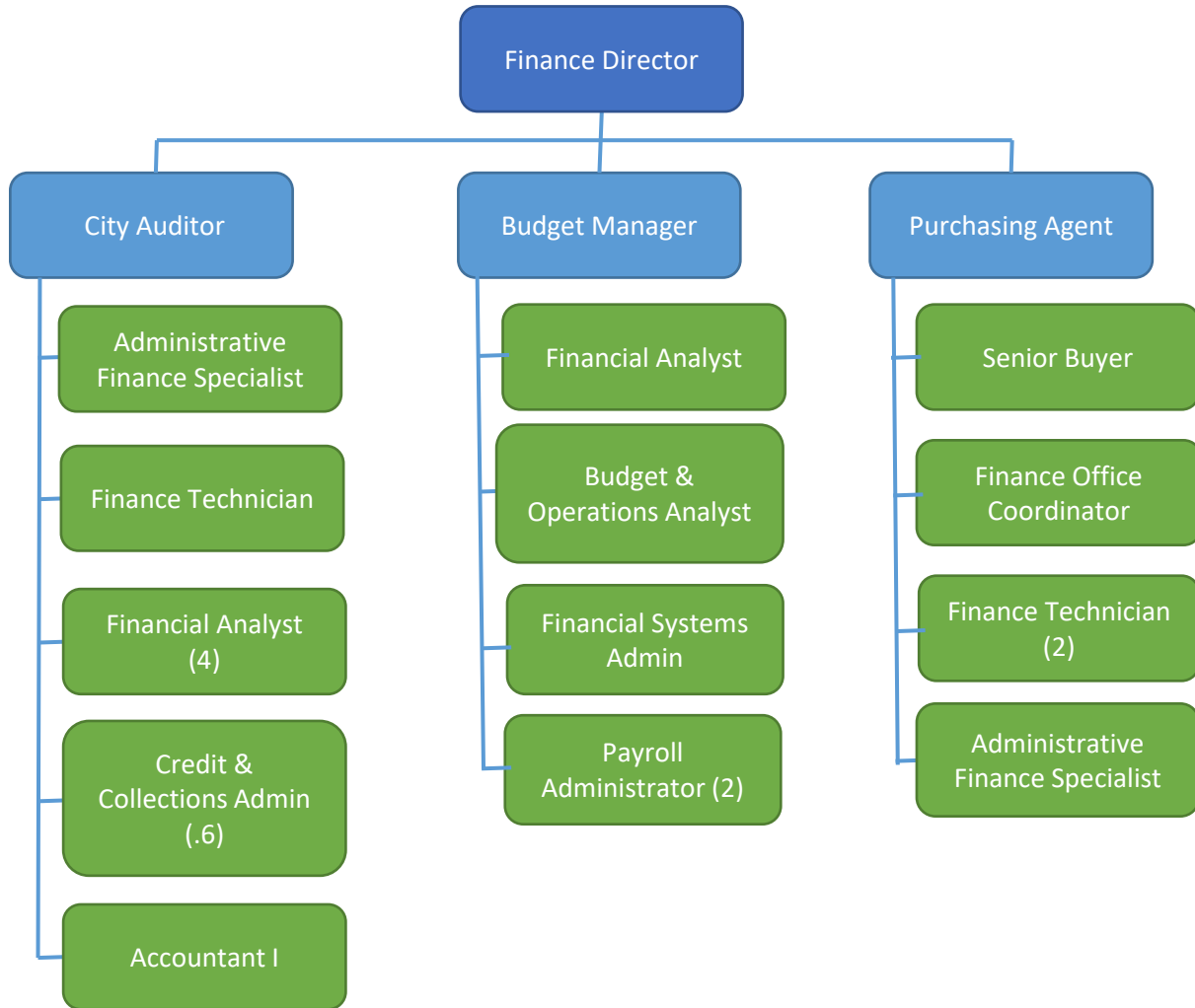
### Structure

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 - 2022 Budget

## Finance Department

### Organization Chart



# City of Duluth Minnesota - 2022 Budget

## Finance

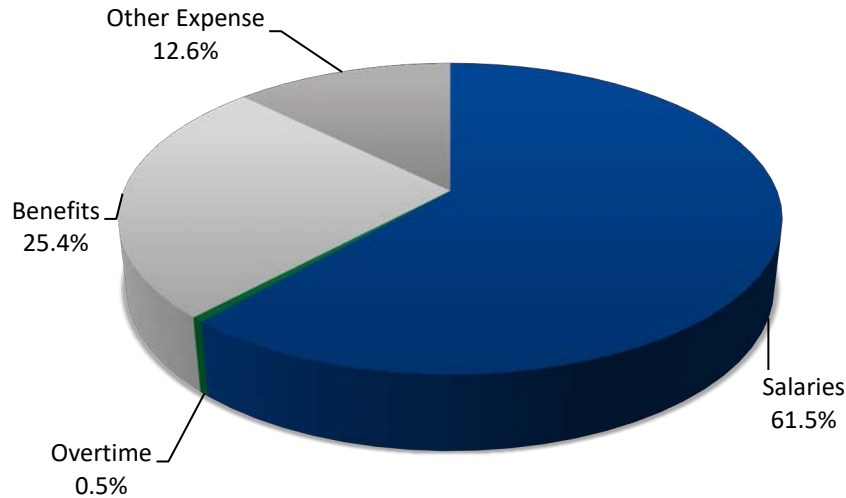
### City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Actual	2022 Target
<b>Fiscal Responsibility:</b> 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.	78%	89%	100%	100%
	Number of accounts payable voucher documents processed.	25,959	21,891	24,379	24,000
	Number of accounts payable checks written.	14,163	12,369	11,378	11,500
	Average investment portfolio yield	2.08%	1.21%	0.65%	0.50%
	Number of payment receipts processed in Finance office	6,526	5,437	5,589	5,600
	Total dollar value of supplies and services purchased	\$71.259M	\$126.409M	\$75.472M	\$100M
	Number of Purchase Orders processed	778	724	772	770
<b>Long Range Planning:</b> 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	\$71.109M	\$82.5M	\$99.7M	\$102.0M
<b>Workforce:</b> Attract, develop, equip, motivate, and retain a high-quality, diverse, engaged and productive workforce focused on creative service excellence	Number of paychecks processed.	29,588	27,540	25,548	26,000

# City of Duluth Minnesota - 2022 Budget

## Finance Department

### 2022 Approved Budget by Expenditure Category



Expenditures by Category	2019 Actual	2020 Actual	2021 Budget	2022 Approved	Difference
Permanent Salaries	1,615,244	1,694,111	1,736,900	1,729,800	(7,100)
Overtime	23,576	17,488	14,000	14,000	-
Other Wages	11	5,789	-	-	-
Retirement Incentive	-	12,967	-	-	-
<b>Total Personal Services</b>	<b>1,638,830</b>	<b>1,730,355</b>	<b>1,750,900</b>	<b>1,743,800</b>	<b>(7,100)</b>
Benefits	699,928	739,376	743,900	715,300	(28,600)
Other Expense	350,721	327,677	355,400	355,400	-
<b>Department Total</b>	<b>2,689,480</b>	<b>2,797,408</b>	<b>2,850,200</b>	<b>2,814,500</b>	<b>(35,700)</b>

Expenditures by Division	2019 Actual	2020 Actual	2021 Budget	2022 Approved	Difference
Budget Office	505,325	978,873	953,100	950,400	(2,700)
Auditor's Office	1,319,320	1,217,538	1,279,500	1,241,300	(38,200)
Purchasing	234,223	600,997	617,600	622,800	5,200
Treasurer's Office	630,611	-	-	-	-
<b>Department Total</b>	<b>2,689,480</b>	<b>2,797,408</b>	<b>2,850,200</b>	<b>2,814,500</b>	<b>(35,700)</b>

Budgeted FTE's	2019	2020	2021	2022	Difference
	23.0	21.6	21.6	21.6	-

# City of Duluth Minnesota - 2022 Budget

## Budget Office

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 supports the enterprise resource planning software as well as timekeeping systems.

<b>Budgeted FTE's</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Difference</b>
1165 Finance Director	1.0	1.0	1.0	1.0	-
1115 Budget Manager	1.0	1.0	1.0	1.0	-
1085 Financial Syst. Admin.	-	1.0	1.0	1.0	-
10A Payroll Administrator Budget & Operations	-	2.0	2.0	2.0	-
133 Analyst	-	1.0	1.0	1.0	-
136 Financial Analyst	1.0	1.0	1.0	1.0	-
<b>Division Total</b>	<b>3.0</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>	<b>0.0</b>

<b>Expenditures</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Budget</b>	<b>2022 Approved</b>	<b>Difference</b>
Personal Services					
Permanent Salaries	351,334	677,563	680,300	664,100	(16,200)
Overtime	199	10,021	6,400	6,400	-
Other Wages	-	2,529	-	-	-
Retirement Incentives	-	5,000	-	-	-
Total Salaries	351,532	695,112	686,700	670,500	(16,200)
Benefits	128,115	248,811	229,300	242,800	13,500
Other Expense					
Materials & Supplies	229	1,372	2,000	2,000	-
Services	3,530	586	13,600	13,600	-
Other	21,919	32,992	21,500	21,500	-
Total Other Expense	25,678	34,950	37,100	37,100	-
<b>Division Total</b>	<b>505,325</b>	<b>978,873</b>	<b>953,100</b>	<b>950,400</b>	<b>(2,700)</b>

# City of Duluth Minnesota - 2022 Budget

General Fund Expenditure Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>Budget Office - 110-125-1212</b>				
PERSONAL SERVICES				
5100 Permanent Salaries	351,334	677,563	680,300	664,100
5101 Premium Pay	199	10,021	6,400	6,400
5103 Other Wages	-	2,529	-	-
5105 Retirement Incentive	-	5,000	-	-
TOTAL	351,532	695,112	686,700	670,500
EMPLOYEE BENEFITS				
5121 PERA Retirement	25,773	49,051	50,500	49,500
5122 FICA - Social Security	21,057	41,952	42,600	41,600
5123 FICA - Medicare	4,925	9,811	10,000	9,700
5125 Dental Insurance	1,332	2,761	2,800	2,800
5126 Life Insurance	731	1,432	1,300	1,300
5127 Health Care Savings Plan (HCSP)	9,374	31,978	11,000	12,400
5130 Cafeteria Plan Benefits	64,453	111,124	111,100	125,500
5133 Health or Fitness Program	470	702	-	-
TOTAL	128,115	248,811	229,300	242,800
OTHER EXPENDITURES				
5200 Office Supplies	76	-	1,500	1,500
5201 Computer Supplies/Software	152	1,372	500	500
5321 Phone Service	-	131	-	-
5331 Travel/Training	3,453	420	13,000	13,000
5355 Printing & Copying	78	35	600	600
5433 Dues & Subscription	952	640	500	500
5434 Grants & Awards	550	-	600	600
5435 Books & Pamphlets	30	-	200	200
5441 Other Services & Charges	20,360	32,352	20,200	20,200
5443 Board & Meeting Expenses	27	-	-	-
TOTAL	25,678	34,950	37,100	37,100
<b>DIVISION TOTAL</b>	<b>505,325</b>	<b>978,873</b>	<b>953,100</b>	<b>950,400</b>

# City of Duluth Minnesota - 2022 Budget

## 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 Comprehensive Annual Financial Report which is audited by the Minnesota Office of the State Auditor.

Budgeted FTE's	2019	2020	2021	2022	Difference
1115 City Auditor	1.0	1.0	1.0	1.0	-
1085 Financial Syst. Admin	1.0	-	-	-	-
10A Payroll Administrator	1.0	-	-	-	-
126 Finance Technician	1.0	1.0	1.0	1.0	-
129 Admin Finance Spec.	-	1.0	1.0	1.0	-
129 Payroll Practitioner	1.0	-	-	-	-
130 Accountant I Credit & Collections	-	-	-	1.0	1.0
135 Admin	-	0.6	0.6	0.6	-
136 Financial Analyst	5.0	5.0	5.0	4.0	(1.0)
<b>Division Total</b>	<b>10.0</b>	<b>8.6</b>	<b>8.6</b>	<b>8.6</b>	<b>0.0</b>

Expenditures	2019 Actual	2020 Actual	2021 Budget	2022 Approved	Difference
Personal Services					
Permanent Salaries	681,825	619,453	658,200	657,700	(500)
Overtime	23,085	7,467	7,600	7,600	-
Other Wages	-	3,260	-	-	-
Retirement Incentive	-	7,967	-	-	-
Total Salaries	704,910	638,147	665,800	665,300	(500)
Benefits	301,149	291,169	309,600	271,900	(37,700)
Other Expense					
Materials & Supplies	3,365	2,831	6,000	6,000	-
Services	286,762	279,224	295,000	295,000	-
Utility & Mtc	203	913	800	800	-
Other	22,930	5,255	2,300	2,300	-
Total Other Expense	313,261	288,222	304,100	304,100	-
<b>Division Total</b>	<b>1,319,320</b>	<b>1,217,538</b>	<b>1,279,500</b>	<b>1,241,300</b>	<b>(38,200)</b>



# City of Duluth Minnesota - 2022 Budget

General Fund Expenditure Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>City Auditor's Office - 110-125-1214</b>				
<b>PERSONAL SERVICES</b>				
5100 Permanent Salaries	681,825	619,453	658,200	657,700
5101 Premium Pay	23,085	7,467	7,600	7,600
5103 Other Wages	-	3,260	-	-
5105 Retirement Incentive	-	7,967	-	-
TOTAL	704,910	638,147	665,800	665,300
<b>EMPLOYEE BENEFITS</b>				
5121 PERA Retirement	51,210	46,891	49,400	49,100
5122 FICA - Social Security	42,329	37,924	41,300	41,200
5123 FICA - Medicare	9,899	8,869	9,700	9,600
5125 Dental Insurance	2,991	3,225	3,400	3,400
5126 Life Insurance	1,648	1,708	1,500	1,500
5127 Health Care Savings Plan (HCSP)	31,154	14,434	12,100	12,800
5130 Cafeteria Plan Benefits	161,707	177,677	192,200	154,300
5133 Health or Fitness Program	210	440	-	-
TOTAL	301,149	291,169	309,600	271,900
<b>OTHER EXPENDITURES</b>				
5200 Office Supplies	2,944	1,205	3,000	3,000
5203 Paper/Stationery/Forms	-	992	2,000	2,000
5241 Small Equip-Office/Operating	421	634	1,000	1,000
5301 Auditing Services	101,858	115,470	116,800	116,800
5306 Collection Services	-	3,380	5,000	5,000
5309 IT Services	173,981	157,480	167,500	167,500
5331 Travel/Training	5,394	(742)	3,200	3,200
5355 Printing & Copying	3,616	1,747	1,000	1,000
5356 Copier, Printer Lease & Supplies	1,913	1,888	1,500	1,500
5404 Equipment/Machinery Repair & Mtc	-	-	800	800
5414 Software Licenses & Mtce Agreements	203	913	-	-
5433 Dues & Subscription	909	1,796	1,300	1,300
5435 Books & Pamphlets	-	-	500	500
5441 Other Services & Charges	22,021	3,459	500	500
TOTAL	313,261	288,222	304,100	304,100
<b>DIVISION TOTAL</b>	<b>1,319,320</b>	<b>1,217,538</b>	<b>1,279,500</b>	<b>1,241,300</b>

# City of Duluth Minnesota - 2022 Budget

General Fund Revenue Detail	2019	2020	2021	2022
City Auditor's Office - 110-125-1214	Actual	Actual	Budget	Approved
REVENUE SOURCE				
4005 Current Property Tax	19,040,025	21,700,740	21,879,300	25,237,800
4010 Delinquent Property Tax	175,067	172,295	150,000	150,000
4015 Mobile Home Tax	80,747	87,822	59,700	64,700
4040 City Sales Tax	-	-	12,600,000	14,500,000
4050 Charitable Gambling 3% Tax	-	-	20,000	20,000
4070 MN Power Franchise Fee	2,705,686	2,785,793	2,750,000	2,590,500
4071 Cable Franchise Fee	820,620	793,812	750,000	730,000
4072 No. MN Utility Franchise Fee	8,128	7,187	6,700	6,700
4080 Forfeit Tax Sale	7,482	-	10,000	10,000
4090 Other Taxes	303,734	361,693	83,700	88,700
4221 Local Government Aid	29,668,565	30,282,160	30,247,200	30,671,600
4222 State Property Tax Aid	236	206	-	-
4230 PERA Aid	124,428	-	-	-
4300 HRA in Lieu of Taxes	66,939	70,689	57,400	65,000
4310 Assessment Cost Services	30,704	10,935	40,600	40,600
4311 Assessment Certificate Fee	-	-	30,000	30,000
4315 Stormwater Administrative Service	134,400	169,900	169,900	196,800
4315 Sewer Administrative Service	208,200	230,400	230,400	238,200
4315 Steam Administrative Service	55,600	53,200	53,200	53,200
4315 DECC Administrative Service	13,800	-	13,800	21,000
4315 DTA Administrative Service	10,300	10,300	10,300	10,300
4315 Grant Administration Services	73,648	74,798	69,000	69,000
4315 Airport Administrative Service	45,200	45,200	45,200	45,200
4315 DEDA Administrative Service	400,000	400,000	400,000	400,000
4315 Public Utility Admin Service	817,100	851,000	851,000	876,400
4315 Fleet Administrative Service	145,500	146,200	146,200	146,200
4315 Golf Administrative Service	16,100	-	8,100	16,100
4315 Group Health Admin Service	371,315	380,598	353,300	353,300
4315 Self Insurance Admin Service	563,200	614,500	614,500	666,900
4315 Spirit Mt. Administrative Service	26,200	26,200	26,200	26,200
4315 Parking Administrative Service	138,600	150,000	150,000	116,300
4315 Street Lighting System Utility	55,100	-	-	-
4315 410 West 1st Street Ramp	17,200	5,000	5,000	6,700
4323 Garnishment Fees	105	45	-	-
4472 Administrative Fines	77,714	48,019	43,400	43,400
4473 Court Fines	350,971	260,501	335,000	335,000
4500 Assessments	75,891	77,396	55,000	58,800

## City of Duluth Minnesota - 2022 Budget

General Fund Revenue Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>City Auditor's Office - 110-125-1214 Continued</b>				
4501 Assessments - Penalty & Interest	14,055	15,926	12,800	16,800
4602 Interest on Temporary Loans	4,144	-	-	-
4644 Misc. Fees, Sales & Services	-	15	1,000	1,000
4654 Other Reimbursements	6,978	1,152	-	-
4700 Other Sources	18,094	12,164	-	-
4702 Fond du Luth Proceeds	150,000	150,000	150,000	150,000
4730 Transfer from Special Rev Fund	62,890	14,084	140,800	175,600
4730 Transfer from Police Grant Fund- OT	880	-	-	-
4730 Transfer from Parking Fund	1,376,700	-	1,346,700	1,346,700
4731 Gas Utility in Lieu of Taxes	2,728,817	2,778,917	2,641,000	2,900,000
4732 Steam Utility in Lieu of Taxes	152,960	152,800	152,800	154,000
<b>DIVISION TOTAL</b>	<b>61,144,023</b>	<b>62,941,646</b>	<b>76,709,200</b>	<b>82,628,700</b>

# City of Duluth Minnesota - 2022 Budget

## City Purchasing

The Purchasing division performs the materials requisition and procurement 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. The division is also responsible for the disposal of excess or obsolete materials.

<b>Budgeted FTE's</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Difference</b>
1100 Purchasing Agent	1.0	1.0	1.0	1.0	-
126 Finance Technician	-	2.0	2.0	2.0	-
129 Admin Finance Spec.	-	1.0	1.0	1.0	-
133 Finance Office Coord.	-	1.0	1.0	1.0	-
133 Senior Buyer	1.0	1.0	1.0	1.0	-
<b>Division Total</b>	<b>2.0</b>	<b>6.0</b>	<b>6.0</b>	<b>6.0</b>	<b>0.0</b>

<b>Expenditures</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Budget</b>	<b>2022 Approved</b>	<b>Difference</b>
Personal Services					
Permanent Salaries	155,014	397,095	398,400	408,000	9,600
Overtime	101	-	-	-	-
Other Wages	-	-	-	-	-
<b>Total Salaries</b>	<b>155,115</b>	<b>397,095</b>	<b>398,400</b>	<b>408,000</b>	<b>9,600</b>
Benefits	74,596	199,397	205,000	200,600	(4,400)
Other Expense					
Materials & Supplies	230	1,530	3,800	3,800	-
Services	2,198	911	7,400	7,400	-
Other	2,085	2,063	3,000	3,000	-
<b>Total Other Expense</b>	<b>4,513</b>	<b>4,505</b>	<b>14,200</b>	<b>14,200</b>	<b>-</b>
<b>Division Total</b>	<b>234,223</b>	<b>600,997</b>	<b>617,600</b>	<b>622,800</b>	<b>5,200</b>

# City of Duluth Minnesota - 2022 Budget

General Fund Expenditure Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>City Purchasing Office - 110-125-1215</b>				
PERSONAL SERVICES				
5100 Permanent Salaries	155,014	397,095	398,400	408,000
5101 Premium Pay	101	-	-	-
5103 Other Wages	-	-	-	-
TOTAL	155,115	397,095	398,400	408,000
EMPLOYEE BENEFITS				
5121 PERA Retirement	11,548	29,103	29,500	30,200
5122 FICA - Social Security	8,918	23,298	24,700	25,300
5123 FICA - Medicare	2,086	5,449	5,800	5,900
5125 Dental Insurance	744	2,438	2,400	2,400
5126 Life Insurance	408	1,224	1,100	1,100
5127 Health Care Savings Plan (HCSP)	3,329	7,212	13,300	7,500
5130 Cafeteria Plan Benefits	47,563	130,193	128,200	128,200
5133 Health or Fitness Program	-	480	-	-
TOTAL	74,596	199,397	205,000	200,600
OTHER EXPENDITURES				
5200 Office Supplies	179	1,463	3,500	3,500
5201 Computer Supplies/Software	51	67	300	300
5331 Travel/Training	2,198	911	2,000	2,000
5340 Advertising & Promotion	-	-	900	900
5355 Printing & Copying	-	-	4,500	4,500
5356 Copier, Printer Lease & Supplies	205	-	-	-
5433 Dues & Subscription	584	735	1,500	1,500
5441 Other Services & Charges	1,296	1,328	1,500	1,500
TOTAL	4,513	4,505	14,200	14,200
<b>DIVISION TOTAL</b>	<b>234,223</b>	<b>600,997</b>	<b>617,600</b>	<b>622,800</b>

# City of Duluth Minnesota - 2022 Budget

## City Treasurer

The Treasury has custody of all City funds, assures their effective use and security, and provides organizational cash management, investment services, and banking relations. The division administers and collects authorized local taxes, files required State and Federal taxes, manages other tax collection records, and is the public source for per parcel assessment debt. Effective January 1, 2020, the Treasury staff was reallocated to Auditor and Purchasing.

<b>Budgeted FTE's</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Difference</b>
1115 City Treasurer	-	-	-	-	-
126 Finance Technician	2.0	-	-	-	-
129 Admin Financial Spec.	3.0	-	-	-	-
133 Finance Office Coord.	1.0	-	-	-	-
135 Credit/Collections Admi	1.0	-	-	-	-
136 Financial Analyst	1.0	-	-	-	-
<b>Division Total</b>	<b>8.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<b>Expenditures</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Budget</b>	<b>2022 Approved</b>	<b>Difference</b>
Personal Services					
Permanent Salaries	427,071	-	-	-	-
Overtime	191	-	-	-	-
Other Wages	11	-	-	-	-
<b>Total Salaries</b>	<b>427,273</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Benefits	196,069	-	-	-	-
Other Expense					
Materials & Supplies	1,944	-	-	-	-
Services	5,118	-	-	-	-
Other	208	-	-	-	-
<b>Total Other Expense</b>	<b>7,270</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Division Total</b>	<b>630,611</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# City of Duluth Minnesota - 2022 Budget

General Fund Expenditure Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>City Treasurer's Office - 110-125-1216</b>				
PERSONAL SERVICES				
5100 Permanent Salaries	427,071	-	-	-
5101 Premium Pay	191	-	-	-
5103 Other Wages	11	-	-	-
TOTAL	427,273	-	-	-
EMPLOYEE BENEFITS				
5121 PERA Retirement	31,663	-	-	-
5122 FICA - Social Security	25,432	-	-	-
5123 FICA - Medicare	5,948	-	-	-
5125 Dental Insurance	2,652	-	-	-
5126 Life Insurance	1,440	-	-	-
5127 Health Care Savings Plan (HCSP)	6,928	-	-	-
5130 Cafeteria Plan Benefits	121,696	-	-	-
5133 Health or Fitness Program	310	-	-	-
TOTAL	196,069	-	-	-
OTHER EXPENDITURES				
5200 Office Supplies	1,740	-	-	-
5241 Small Equipment-Office/Operating	204	-	-	-
5306 Collection Services	4,513	-	-	-
5331 Travel/Training	129	-	-	-
5355 Printing & Copying	476	-	-	-
5441 Other Services & Charges	208	-	-	-
TOTAL	7,270	-	-	-
<b>DIVISION TOTAL</b>	<b>630,611</b>	<b>-</b>	<b>-</b>	<b>-</b>
REVENUE SOURCE				
4040 City Sales Tax	14,453,054	13,849,221	-	-
4050 Charitable Gambling Tax	3,898	19,080	-	-
4311 Assessment Certificate Fee	54,966	86,300	-	-
4601 Earnings on Investments Chg in Fair Valu	83,511	150,413	-	-
4644 Miscellaneous Fees	3,706	278	-	-
4730 Transfer from Tourism Taxes	131,897	97,958	-	-
<b>DIVISION TOTAL</b>	<b>14,731,033</b>	<b>14,203,250</b>	<b>-</b>	<b>-</b>

# City of Duluth Minnesota - 2022 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

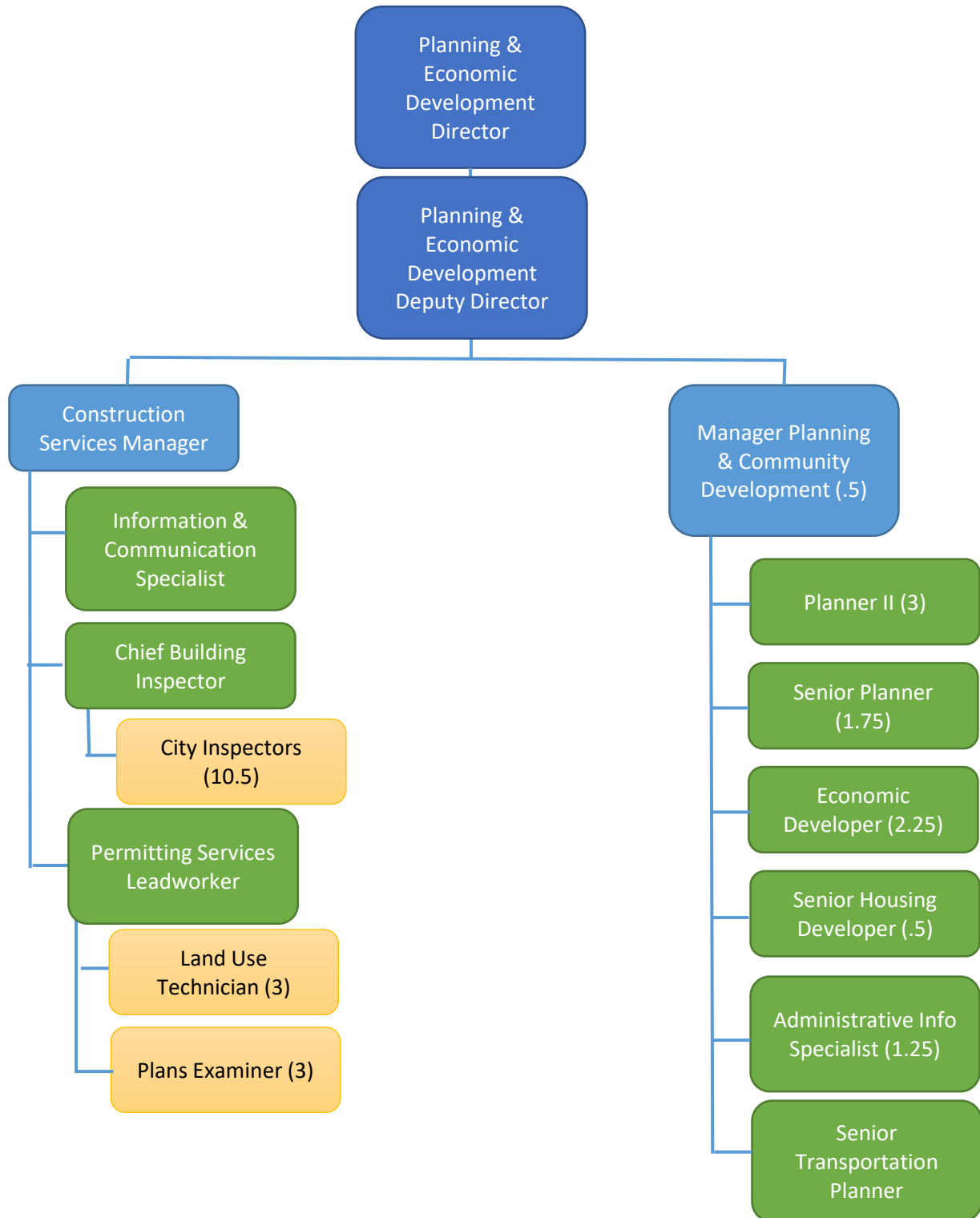
The Department of Planning and Economic Development's two divisions rely on a team structure seeking to provide a high level of service to the community. Within the Construction Services and Inspections division, staff at city hall complete permit intake, coordination, and plan review, while building inspection services are coordinated for continuous inspections throughout the community. The Planning and Development division includes teams addressing development and business services, planning, grants and compliance, and housing development. 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 Imagine Duluth 2035 Comprehensive Plan and the Consolidated Plan for community revitalization.



# City of Duluth Minnesota - 2022 Budget

## Planning & Economic Development

### Organization Chart



# City of Duluth Minnesota - 2022 Budget

## Planning & Development

### City Priority: Livable Neighborhoods and Affordable Housing

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Actual	2022 Target
<b>Development/ Redevelopment:</b> 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	213	281	254	225
	Number of land use applications processed by Planning Commission or Heritage Preservation Commission	103	105	117	125
<b>Community Involvement:</b> Instill a sense of community pride through proactive communication, engagement, outreach, participation, and volunteerism.	Total number of community development applications evaluated for funding	33	57	32	40

### City Priority: Safe and Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Actual	2022 Target
<b>Livable Community:</b> 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	161	106	116	125
	Number of formal compliance actions	35	8	51	60

# City of Duluth Minnesota - 2022 Budget

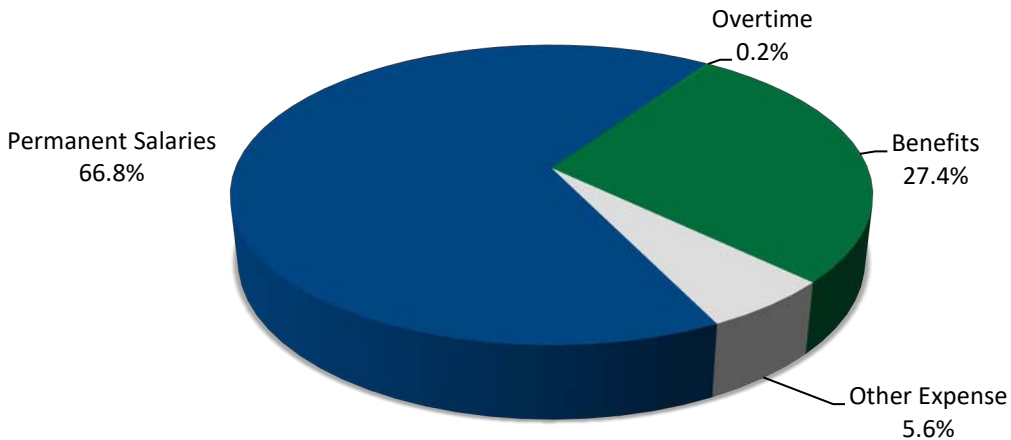
## Construction Services & Inspections

City Priority: Safe and Secure Community					
<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Actual	2022 Target
<b>Livable Community:</b> 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	\$253M	\$392M	\$560M	\$300M
	Number of construction inspections performed	11,152	9,890	9,664	10,000
City Priority: Innovation and Excellence in Service					
<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Actual	2022 Target
<b>Customer Service:</b> 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	69%	94%	85%	85%
	Number of pre-submittal plan review meetings	71	25	46	60
City Priority: Infrastructure					
<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Actual	2022 Target
<b>Buildings:</b> 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	1,291	1,381	1,666	1,700

# City of Duluth Minnesota - 2022 Budget

## Planning & Economic Development Department

### 2022 Approved Budget by Expenditure Category



<b>Expenditures by Category</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Budget</b>	<b>2022 Approved</b>	<b>Difference</b>
Permanent Salaries	2,190,358	2,248,442	2,427,700	2,500,900	73,200
Overtime	12,914	6,275	9,000	9,000	-
Other Wages	1,002	163	-	-	-
<b>Total Personal Services</b>	<b>2,204,273</b>	<b>2,254,880</b>	<b>2,436,700</b>	<b>2,509,900</b>	<b>73,200</b>
Benefits	883,620	904,626	1,019,400	1,025,100	5,700
Other Expense	243,824	263,173	220,900	211,600	(9,300)
<b>Department Total</b>	<b>3,331,717</b>	<b>3,422,679</b>	<b>3,677,000</b>	<b>3,746,600</b>	<b>69,600</b>

<b>Expenditures by Division</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Budget</b>	<b>2022 Approved</b>	<b>Difference</b>
Planning & Development	924,431	1,353,171	1,473,600	1,523,400	49,800
Construction Srv & Inspect	2,020,351	2,069,508	2,203,400	2,223,200	19,800
Business & Econ Dev	386,934	-	-	-	-
<b>Department Total</b>	<b>3,331,717</b>	<b>3,422,679</b>	<b>3,677,000</b>	<b>3,746,600</b>	<b>69,600</b>

<b>Budgeted FTE's</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Difference</b>
	33.9	32.8	32.8	32.8	-

# City of Duluth Minnesota - 2022 Budget

## 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, conduct business, a go-to destination for culture and access to nature, with a thriving, resilient economy and close connections to the environment. Effective January 1, 2020, the Business and Economic Development Division was merged into the Planning Division to form Planning & Development.

Budgeted FTE's	2019	2020	2021	2022	Difference
1170 Dir. Planning & Econ Dev	0.67	1.00	1.00	1.00	-
1130 Deputy Dir. Plng & Econ	1.00	1.00	1.00	1.00	-
1105 Mgr Planning & CD	0.50	0.50	0.50	0.50	-
129 Admin Info Specialist	0.75	1.25	1.25	1.25	-
129 Planner I	1.00	1.00	1.00	-	(1.00)
133 Planner II	3.00	2.00	2.00	3.00	1.00
135 Economic Developer	-	2.25	2.25	2.25	-
138 Senior Planner Senior Housing	1.00	1.75	1.75	1.75	-
138 Developer Senior Transport	0.50	0.50	0.50	0.50	-
138 Planner	1.00	1.00	1.00	1.00	-
<b>Division Total</b>	<b>9.42</b>	<b>12.25</b>	<b>12.25</b>	<b>12.25</b>	<b>-</b>

Expenditures	2019 Actual	2020 Actual	2021 Budget	2022 Approved	Difference
Personal Services					
Permanent Salaries	612,057	946,905	1,017,500	1,049,100	31,600
Overtime	5,205	3,056	-	-	-
Other Wages	1,002	163	-	-	-
Total Salaries	618,264	950,124	1,017,500	1,049,100	31,600
Benefits	239,920	353,004	381,400	407,400	26,000
Other Expense					
Materials & Supplies	4,544	5,977	3,200	3,200	-
Services	37,334	19,167	45,900	38,500	(7,400)
Other	24,369	24,898	25,600	25,200	(400)
Total Other Expense	66,248	50,043	74,700	66,900	(7,800)
<b>Division Total</b>	<b>924,431</b>	<b>1,353,171</b>	<b>1,473,600</b>	<b>1,523,400</b>	<b>49,800</b>

# City of Duluth Minnesota - 2022 Budget

General Fund Expenditure Detail	2019	2020	2021	2022
	Actual	Actual	Budget	Approved
<b>Planning &amp; Development - 110-132-1301</b>				
PERSONAL SERVICES				
5100 Permanent Salaries	612,057	946,905	1,017,500	1,049,100
5101 Premium Pay	5,205	3,056	-	-
5103 Other Wages	1,002	163	-	-
TOTAL	618,264	950,124	1,017,500	1,049,100
EMPLOYEE BENEFITS				
5121 PERA Retirement	45,328	68,427	74,800	77,400
5122 FICA - Social Security	38,618	57,567	63,100	65,000
5123 FICA - Medicare	9,032	13,463	14,800	15,200
5125 Dental Insurance	2,900	4,623	4,900	4,900
5126 Life Insurance	1,584	2,382	2,200	2,200
5127 Health Care Savings Plan (HCSP)	14,599	25,841	25,500	32,200
5130 Cafeteria Plan Benefits	127,331	180,342	196,100	210,500
5133 Health or Fitness Program	528	360	-	-
TOTAL	239,920	353,004	381,400	407,400
OTHER EXPENDITURES				
5200 Office Supplies	1,833	4,900	1,900	1,900
5201 Computer Supplies/Software	777	834	1,000	1,000
5241 Small Equip-Office/Operating	1,934	244	300	300
5319 Other Professional Services	24,710	10,643	21,100	18,600
5321 Phone Service	1,037	3,857	2,800	2,800
5322 Postage	23	616	500	500
5331 Travel/Training	4,678	788	9,000	8,600
5335 Local Mileage Reimbursement	-	75	2,000	2,000
5355 Printing & Copying	6,655	841	10,000	5,500
5356 Copier, Printer Lease & Supplies	232	2,348	500	500
5414 Software Licenses & Mtce Agreements	12,738	13,593	12,000	12,000
5433 Dues & Subscription	2,639	5,373	5,700	5,700
5435 Books & Pamphlets	34	150	200	200
5441 Other Services & Charges	8,515	4,116	4,000	4,000
5443 Board & Meeting Expenses	443	1,667	3,700	3,300
TOTAL	66,248	50,043	74,700	66,900
<b>DIVISION TOTAL</b>	<b>924,431</b>	<b>1,353,171</b>	<b>1,473,600</b>	<b>1,523,400</b>

# City of Duluth Minnesota - 2022 Budget

<b>General Fund Revenue Detail</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Budget</b>	<b>2022 Approved</b>
<b>Planning &amp; Development - 110-132-1301 continued</b>				
REVENUE SOURCE				
4307 Planning/Zoning Fees	98,879	80,826	78,200	85,000
4631 Media Sales	-	-	100	100
4644 Misc Fees, Sales & Services	-	-	-	40,900
4654 Other Reimbursements	-	3,252	-	-
4660 Gifts and Donations	3,250	5,856	-	-
<b>DIVISION TOTAL</b>	<b>102,129</b>	<b>89,934</b>	<b>78,300</b>	<b>126,000</b>

# City of Duluth Minnesota - 2022 Budget

## Construction Services & Inspection

Supervised by the Construction Services Manager/Building Official, this division handles all construction permitting, plan review, inspections, condemnations for demolition, and is the central point of service for residential and commercial development in the City.

<b>Budgeted FTE's</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Difference</b>
1110 Construction Svcs Mgr.	1.00	1.00	1.00	1.00	-
28 Land Use Technician	2.00	3.00	3.00	3.00	-
29 Plans Examiner	4.00	3.00	3.00	3.00	-
31 Construction Inspector	2.00	2.00	2.00	2.00	-
31 Electrical Inspector	2.00	2.00	2.00	2.00	-
31 HVAC & Refrig Inspector	2.00	2.00	2.00	2.00	-
31 Plumbing Inspector	3.00	3.00	3.00	2.50	(0.50)
32 Combination Svcs Inspe	2.00	2.00	2.00	2.00	-
32 Permitting Svcs Leadwo	1.00	1.00	1.00	1.00	-
36 Chief Bldg Inspector	1.00	1.00	1.00	1.00	-
132 Info & Comm Specialist	0.50	0.50	0.50	1.00	0.50
<b>Division Total</b>	<b>20.50</b>	<b>20.50</b>	<b>20.50</b>	<b>20.50</b>	<b>-</b>

<b>Expenditures</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Budget</b>	<b>2022 Approved</b>	<b>Difference</b>
Personal Services					
Permanent Salaries	1,308,771	1,301,536	1,410,200	1,451,800	41,600
Overtime	7,182	3,219	9,000	9,000	-
Other Wages	-	-	-	-	-
Total Salaries	1,315,953	1,304,756	1,419,200	1,460,800	41,600
Benefits	540,031	551,622	638,000	617,700	(20,300)
Other Expense					
Materials & Supplies	31,865	9,088	29,700	30,900	1,200
Services	34,705	44,901	29,100	27,700	(1,400)
Utility & Maintenance	17,989	19,395	19,300	18,000	(1,300)
Other	79,810	87,600	68,100	68,100	-
Building Demolition	-	52,148	-	-	-
Total Other Expense	164,368	213,131	146,200	144,700	(1,500)
<b>Division Total</b>	<b>2,020,351</b>	<b>2,069,508</b>	<b>2,203,400</b>	<b>2,223,200</b>	<b>19,800</b>



# City of Duluth Minnesota - 2022 Budget

General Fund Expenditure Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>Construction Services &amp; Inspection - 110-132-1304</b>				
PERSONAL SERVICES				
5100 Permanent Salaries	1,308,771	1,301,536	1,410,200	1,451,800
5101 Premium Pay	7,182	3,219	9,000	9,000
5103 Other Wages	-	-	-	-
TOTAL	1,315,953	1,304,756	1,419,200	1,460,800
EMPLOYEE BENEFITS				
5121 PERA Retirement	96,511	92,767	104,300	107,400
5122 FICA - Social Security	79,666	78,277	88,000	90,600
5123 FICA - Medicare	18,631	18,307	20,600	21,200
5125 Dental Insurance	7,099	7,384	5,900	6,100
5126 Life Insurance	3,893	3,800	3,700	3,700
5127 Health Care Savings Plan (HCSP)	31,326	34,147	58,500	33,000
5130 Cafeteria Plan Benefits	302,064	316,702	357,000	355,700
5133 Health or Fitness Program	840	240	-	-
TOTAL	540,031	551,622	638,000	617,700
OTHER EXPENDITURES				
5200 Office Supplies	2,511	1,050	3,300	3,700
5205 Safety & Training Materials	897	98	900	900
5212 Motor Fuels	13,557	6,273	13,600	13,400
5219 Other Miscellaneous Supplies	1,043	829	4,400	5,400
5241 Small Equip-Office/Operating	13,857	838	7,500	7,500
5321 Phone Service	11,460	13,102	4,500	4,500
5331 Travel/Training	15,358	20,696	14,400	15,000
5335 Local Mileage Reimbursement	-	-	200	200
5355 Printing & Copying	7,616	8,495	9,000	7,000
5356 Copier, Printer Lease & Supplies	271	2,608	1,000	1,000
5404 Equipment/Machinery Repair & Mtc	377	-	600	600
5409 Fleet Services Charges	17,612	19,395	18,700	17,400
5414 Software Licenses & Mtce Agreements	16,818	18,518	20,000	20,000
5427 Credit Card Commissions	50,732	47,913	17,500	17,500
5433 Dues & Subscription	1,211	1,498	1,500	1,500
5435 Books & Pamphlets	4,495	7,156	4,500	4,500
5441 Other Services & Charges	1,554	2,808	4,600	4,600
5453 Building Demolition	5,000	9,708	20,000	20,000
5580 Capital Equipment	-	52,148	-	-
TOTAL	164,368	213,131	146,200	144,700
<b>DIVISION TOTAL</b>	<b>2,020,351</b>	<b>2,069,508</b>	<b>2,203,400</b>	<b>2,223,200</b>

# City of Duluth Minnesota - 2022 Budget

General Fund Revenue Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>Construction Services &amp; Inspection - 110-132-1304 continued</b>				
REVENUE SOURCE				
4151 Fill Permits	16,703	7,800	1,100	1,100
4301 Zoning Appeals Fees	-	-	600	600
4303 Use Permit - Flood & Wetlands	3,224	3,328	900	900
4351 Building Inspection Fees	2,564,064	1,700,914	1,654,800	1,764,800
4352 Plumbing Inspection Fees	214,487	348,056	182,200	182,200
4353 Electric Inspection Fees	246,679	536,126	192,300	192,300
4354 HVAC-R Inspection Fees	307,805	574,348	151,800	151,800
4355 Signs Inspection Fees	16,861	20,455	10,600	10,600
4356 House Moving Inspection Fee	13,320	13,759	9,100	9,100
4357 Mobile Home Inspection Fees	1,078	1,010	1,900	1,900
4359 CAF Administrative Fee	25,222	14,965	15,300	15,300
4361 RZP Registration Fee	21,080	20,885	13,100	13,100
4500 Assessments	9,212	2,795	51,100	51,100
4501 Assessments - Penalty & Interest	222	852	-	-
4631 Media Sales	75	1	3,300	3,300
4644 Miscellaneous Sales	140	651	500	500
4654 Other Reimbursements	5,000	33	-	-
4701 2% Retention Surtax	1,649	1,941	1,400	1,400
<b>DIVISION TOTAL</b>	<b>3,446,821</b>	<b>3,247,918</b>	<b>2,290,000</b>	<b>2,400,000</b>

# City of Duluth Minnesota - 2022 Budget

## Business and Economic Development

Business and Economic Development provides guidance for the growth, development, and redevelopment of the community through the preparation and implementation of plans for the City's future. Effective January 1, 2020, this division was merged into the Planning Division to form Planning & Economic Development.

<b>Budgeted FTE's</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Difference</b>
1150 Dir. Business & ED Administrative Info	1.00	-	-	-	-
129 Spec	1.00	-	-	-	-
135 Business Developer	2.00	-	-	-	-
<b>Division Total</b>	<b>4.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<b>Expenditures</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Budget</b>	<b>2022 Approved</b>	<b>Difference</b>
Personal Services					
Permanent Salaries	269,530	-	-	-	-
Overtime	526.96	-	-	-	-
Other Wages	-	-	-	-	-
Total Salaries	270,057	-	-	-	-
Benefits	103,669	-	-	-	-
Other Expense					
Materials & Supplies	378	-	-	-	-
Services	9,358	-	-	-	-
Other	3,472	-	-	-	-
Total Other Expense	13,208	-	-	-	-
<b>Division Total</b>	<b>386,934</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# City of Duluth Minnesota - 2022 Budget

General Fund Expenditure Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>Business &amp; Economic Development - 110-132-1310</b>				
PERSONAL SERVICES				
5100 Permanent Salaries	269,530	-	-	-
5101 Premium Pay	527	-	-	-
5103 Other Wages	-	-	-	-
TOTAL	270,057	-	-	-
EMPLOYEE BENEFITS				
5121 PERA Retirement	16,119	-	-	-
5122 FICA - Social Security	16,149	-	-	-
5123 FICA - Medicare	3,777	-	-	-
5125 Dental Insurance	1,395	-	-	-
5126 Life Insurance	757	-	-	-
5127 Health Care Savings Plan (HCSP)	4,553	-	-	-
5130 Cafeteria Plan Benefits	60,920	-	-	-
TOTAL	103,669	-	-	-
OTHER EXPENDITURES				
5200 Office Supplies	370	-	-	-
5319 Other Professional Service	540	-	-	-
5321 Phone Service	1,353	-	-	-
5331 Travel/Training	7,436	-	-	-
5335 Local Mileage Reimbursement	29	-	-	-
5356 Copier, Printer Lease & Supplies	7	-	-	-
5433 Dues & Subscription	1,720	-	-	-
5441 Other Services & Charges	131	-	-	-
5443 Board & Meeting Expenses	1,621	-	-	-
TOTAL	13,208	-	-	-
<b>DIVISION TOTAL</b>	386,934	-	-	-
REVENUE SOURCE				
4644 Miscellaneous Sales	37,391	-	-	-
<b>DIVISION TOTAL</b>	37,391	-	-	-

# City of Duluth Minnesota - 2022 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. We provide this service through a well-trained staff, up-to-date and well-maintained equipment, and our ability to adapt to the changing emergency response expectations of our citizens. 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. The trend of increased dependency on emergency services and the utilization of programs are major drivers of the services provided and how resources are allocated.

### Structure

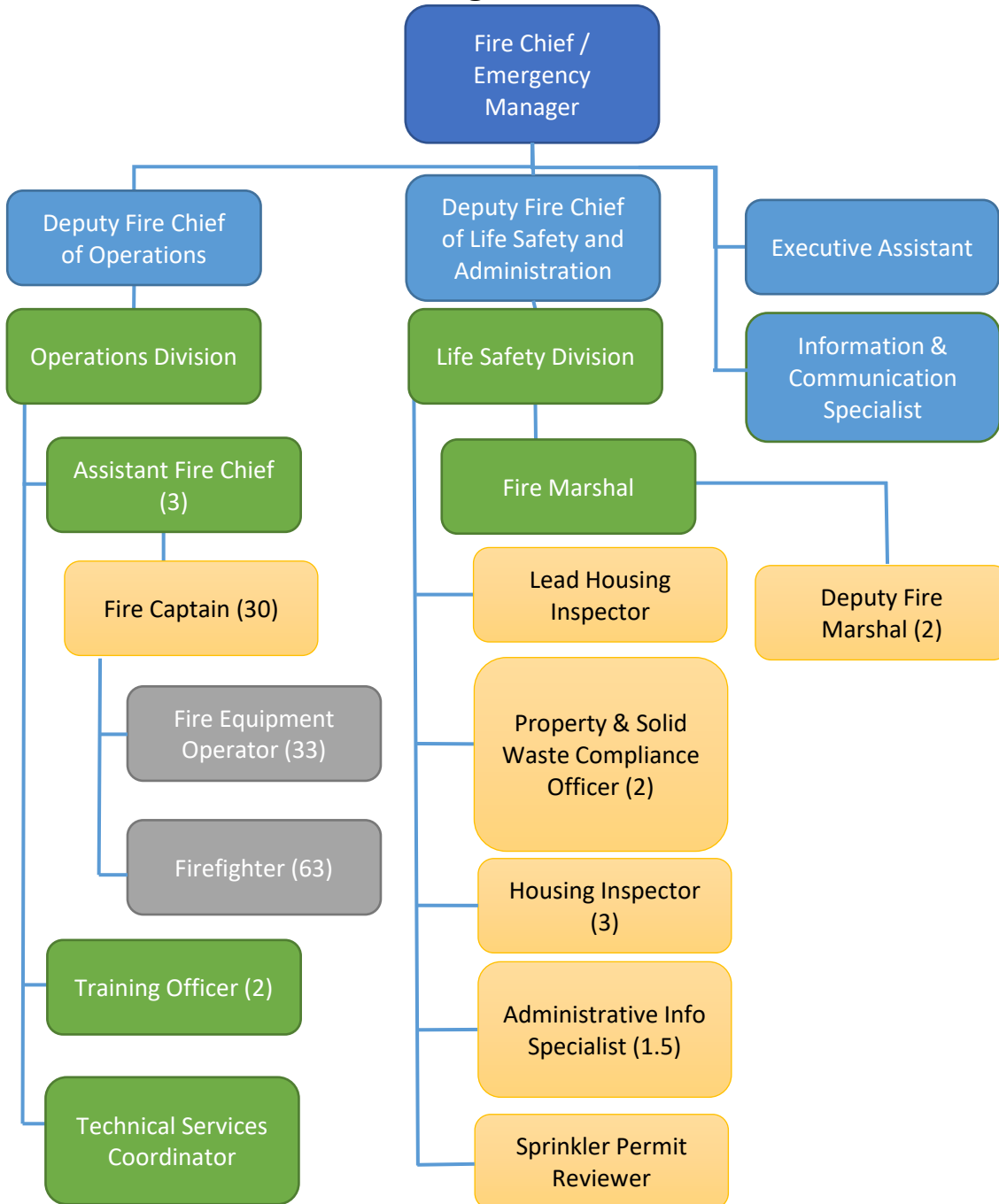
The Fire Department is a para-military organization, with three main divisions: administration, operations, fire prevention and life safety. The department seeks to further the mission through the

- 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 and fire prevention education
- Arson investigation
- Fire protection systems permitting and plan review

# City of Duluth Minnesota - 2022 Budget

## Fire Department

### Organization Chart



# City of Duluth Minnesota - 2022 Budget

## Fire Department

### City Priority: Safe and Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Actual	2022 Target
<b>Service Response:</b> 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	13,438	13,496	14,488	14,500
	Calls for fire suppression service	265	338	315	325
<b>Livable Community:</b> 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	5,558	3,482	3,533	3,500
	Number of Inspections (does not include blight/solid waste)	6,215	4,157	5,073	6,000

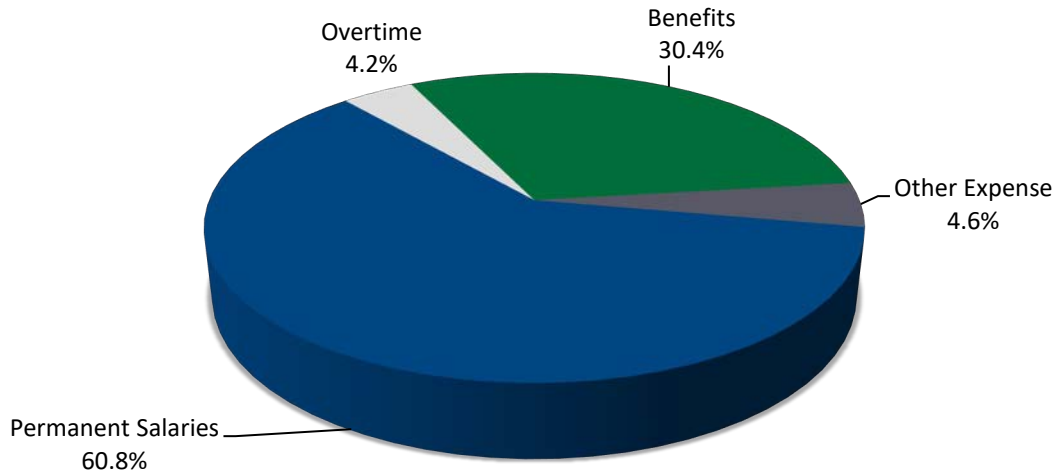
### City Priority: Livable Neighborhoods and Affordable Housing

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Actual	2022 Target
<b>Safe/Quality Neighborhood:</b> Promote, support and sustain well-maintained, safe, clean visually appealing, free of blight neighborhoods, commercial areas and public spaces	Vacant building registration - cases opened	72	44	42	40
	Vacant building registration - active cases	340	199	182	100

# City of Duluth Minnesota - 2022 Budget

## Fire Department

### 2022 Approved Budget by Expenditure Category



Expenditures by Category	2019 Actual	2020 Actual	2021 Budget	2022 Approved	Difference
Permanent Salaries	11,126,132	11,117,454	11,496,600	11,611,200	114,600
Overtime	1,008,377	1,138,825	802,100	802,100	-
Other Wages	-	113	-	-	-
<b>Total Personal Services</b>	<b>12,134,508</b>	<b>12,256,392</b>	<b>12,298,700</b>	<b>12,413,300</b>	<b>114,600</b>
Benefits	5,242,854	5,629,330	5,607,500	5,804,000	196,500
Other Expense	785,122	782,923	790,000	889,400	99,400
Capital Outlay	-	-	-	-	-
<b>Department Total</b>	<b>18,162,484</b>	<b>18,668,645</b>	<b>18,696,200</b>	<b>19,106,700</b>	<b>410,500</b>

Expenditures by Division	2019 Actual	2020 Actual	2021 Budget	2022 Approved	Difference
Fire Administration	627,270	583,137	690,100	768,500	78,400
Fire Operations	16,332,434	17,008,875	16,639,200	17,011,300	372,100
Life Safety	1,202,779	1,076,633	1,366,900	1,326,900	(40,000)
<b>Department Total</b>	<b>18,162,484</b>	<b>18,668,645</b>	<b>18,696,200</b>	<b>19,106,700</b>	<b>410,500</b>

Budgeted FTE's	2019	2020	2021	2022	Difference
	146.5	148.5	148.5	148.5	-



# City of Duluth Minnesota - 2022 Budget

## Fire Administration

The Fire Chief, Deputy Chiefs, Executive Assistant, and the Information and Communication Specialist make up the administration division. The Fire Chief and the Deputy Fire Chiefs manage the department. This includes the creation and implementation of policies, budgets, long term planning, and emergency operations. The Fire Chief is the City of Duluth emergency manager and is responsible for all emergency functions and emergency preparedness.

Budgeted FTE's	2019	2020	2021	2022	Difference
1165 Fire Chief	1.00	1.00	1.00	1.00	-
1135 Deputy Fire Chief	1.00	2.00	2.00	2.00	-
131 Executive Assistant	1.00	1.00	1.00	1.00	-
132 Info & Comm Spec	0.50	0.50	0.50	1.00	0.50
<b>Division Total</b>	<b>3.50</b>	<b>4.50</b>	<b>4.50</b>	<b>5.00</b>	<b>0.50</b>

Expenditures	2019 Actual	2020 Actual	2021 Budget	2022 Approved	Difference
Personal Services					
Permanent Salaries	417,652	384,181	448,100	505,000	56,900
Overtime	2,501		-	-	-
Other Wages	-	-	-	-	-
Total Salaries	420,154	384,181	448,100	505,000	56,900
Benefits	158,826	153,142	183,000	204,500	21,500
Other Expense					
Materials & Supplies	14,241	21,113	20,400	20,400	-
Services	8,772	2,695	9,800	9,800	-
Utilities & Mtc	4,269	2,643	4,000	4,000	-
Other	21,008	19,363	24,800	24,800	-
Total Other Expense	48,291	45,814	59,000	59,000	-
<b>Division Total</b>	<b>627,270</b>	<b>583,137</b>	<b>690,100</b>	<b>768,500</b>	<b>78,400</b>

# City of Duluth Minnesota - 2022 Budget

General Fund Expenditure Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>Fire Administration - 110-150-1501</b>				
PERSONAL SERVICES				
5100 Permanent Salaries	417,652	384,181	448,100	505,000
5101 Premium Pay	2,501	-	-	-
5103 Other Wages	-	-	-	-
TOTAL	420,154	384,181	448,100	505,000
EMPLOYEE BENEFITS				
5121 PERA Retirement	60,426	55,950	69,000	75,500
5122 FICA - Social Security	5,960	4,554	5,900	8,100
5123 FICA - Medicare	5,878	5,379	6,500	7,300
5125 Dental Insurance	1,580	1,394	1,800	2,000
5126 Life Insurance	867	723	800	900
5127 Health Care Savings Plan (HCSP)	14,089	19,533	7,400	6,000
5130 Cafeteria Plan Benefits	69,785	65,249	91,600	104,700
5133 Health or Fitness Program	240	360	-	-
TOTAL	158,826	153,142	183,000	204,500
OTHER EXPENDITURES				
5200 Office Supplies	1,235	4,870	3,000	3,000
5210 Plant/Operating Supplies	1,640	1,891	2,000	2,000
5211 Cleaning/Janitorial Supplies	6,615	8,122	7,500	7,500
5212 Motor Fuels	133	-	-	-
5219 Other Miscellaneous Supplies	2,787	2,776	3,000	3,000
5220 Repair & Maintenance Supplies	343	844	1,100	1,100
5228 Painting Supplies	465	349	700	700
5229 Ground Mtc Supplies	70	121	200	200
5240 Small Tools	578	657	400	400
5241 Small Equip-Office/Operating	376	1,481	2,500	2,500
5321 Phone Service	-	-	2,600	2,600
5322 Postage	274	244	500	500
5331 Travel/Training	5,731	1,239	5,000	5,000
5355 Printing & Copying	2,357	1,003	1,200	1,200
5356 Copier, Printer Lease & Supplies	410	210	500	500
5400 Misc Repair & Mtc Service	1,863	773	2,000	2,000
5401 Bldg/Structure Repair & Mtc	2,405	1,871	2,000	2,000
5433 Dues & Subscription	2,071	2,699	2,500	2,500
5440 Emergency Management	16,827	16,095	20,000	20,000
5441 Other Services & Charges	1,368	569	1,500	1,500
5443 Board & Meeting Expenses	742	-	800	800
TOTAL	48,291	45,814	59,000	59,000
<b>DIVISION TOTAL</b>	<b>627,270</b>	<b>583,137</b>	<b>690,100</b>	<b>768,500</b>

## City of Duluth Minnesota - 2022 Budget

<b>General Fund Revenue Detail</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Budget</b>	<b>2022 Approved</b>
<b>Fire Administration - 110-150-1501</b>				
REVENUE SOURCE				
4232 State Insurance Premium	753,627	832,354	712,000	750,000
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	8,486	1,929	2,800	4,500
4730 Transfer from Special Revenue	25,283	12,146	10,000	21,000
<b>DIVISION TOTAL</b>	<b>821,596</b>	<b>880,629</b>	<b>759,000</b>	<b>809,700</b>

# City of Duluth Minnesota - 2022 Budget

## Fire Operations

Three Assistant Chiefs (one for each shift) under the direction of a Deputy Chief oversee this division and all emergencies including: fires, medical calls, hazardous materials response, rescues, and daily work duties for eight fire stations strategically located throughout the City. The training officer coordinates fire related training exercises, emergency medical training, training with outside agencies, compliance with State and Federal regulations, safety guidelines, and overall training of the department.

Budgeted FTE's	2019	2020	2021	2022	Difference
233 Assistant Chief	3.00	3.00	3.00	3.00	-
226 Firefighter	63.00	63.00	63.00	63.00	-
227 Equipment Operator	33.00	33.00	33.00	33.00	-
228 Captain	30.00	30.00	30.00	30.00	-
231 Training Officer	2.00	2.00	2.00	2.00	-
231 Technical Svs Coor	1.00	1.00	1.00	1.00	-
<b>Division Total</b>	<b>132.00</b>	<b>132.00</b>	<b>132.00</b>	<b>132.00</b>	<b>-</b>

Expenditures	2019 Actual	2020 Actual	2021 Budget	2022 Approved	Difference
Personal Services					
Permanent Salaries	9,943,848	10,034,488	10,179,400	10,255,700	76,300
Overtime	996,803	1,125,926	790,800	790,800	-
Other Wages	-	-	-	-	-
Total Salaries	10,940,651	11,160,413	10,970,200	11,046,500	76,300
Benefits	4,721,055	5,180,061	5,023,000	5,225,400	202,400
Other Expense					
Materials & Supplies	185,038	163,761	185,300	288,800	103,500
Services	60,956	59,522	47,800	47,800	-
Utilities & Mtc	356,688	370,058	347,200	337,100	(10,100)
Other	68,046	75,059	65,700	65,700	-
Total Other Expense	670,728	668,400	646,000	739,400	93,400
<b>Division Total</b>	<b>16,332,434</b>	<b>17,008,875</b>	<b>16,639,200</b>	<b>17,011,300</b>	<b>372,100</b>

# City of Duluth Minnesota - 2022 Budget

General Fund Expenditure Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>Fire Operations - 110-150-1502</b>				
PERSONAL SERVICES				
5100 Permanent Salaries	9,943,848	10,034,488	10,179,400	10,255,700
5101 Premium Pay	996,803	1,125,926	790,800	790,800
5103 Other Wages	-	-	-	-
TOTAL	10,940,651	11,160,413	10,970,200	11,046,500
EMPLOYEE BENEFITS				
5121 PERA Retirement	1,821,523	1,931,181	1,913,000	1,930,400
5122 FICA - Social Security	-	-	-	-
5123 FICA - Medicare	152,919	155,241	159,000	160,200
5125 Dental Insurance	48,485	51,002	52,300	52,300
5126 Life Insurance	26,561	26,265	23,800	23,800
5127 Health Care Savings Plan (HCSP)	347,213	401,429	224,900	270,000
5130 Cafeteria Plan Benefits	2,299,547	2,593,007	2,632,600	2,771,300
5133 Health or Fitness Program	24,808	21,937	17,400	17,400
TOTAL	4,721,055	5,180,061	5,023,000	5,225,400
OTHER EXPENDITURES				
5205 Safety & Training Materials	4,053	7,794	7,500	100,000
5210 Plant/Operating Supplies	2,909	4,866	3,500	3,500
5212 Motor Fuels	81,081	50,984	75,300	86,300
5218 Uniforms	12,283	8,547	10,000	10,000
5219 Other Miscellaneous Supplies	27,453	29,000	25,000	25,000
5220 Repair & Maintenance Supplies	2,054	2,356	3,000	3,000
5241 Small Equip-Office/Operating	55,205	60,214	61,000	61,000
5305 Medical Svcs/Testing Fees	3,290	7,360	5,000	5,000
5319 Other Professional Services	15,025	19,303	22,500	22,500
5320 Data Services	17,457	17,637	8,000	8,000
5321 Phone Service	6,657	7,548	7,000	7,000
5322 Postage	202	68	300	300
5360 Insurance	11,443	-	-	-
5384 Refuse Disposal	6,881	7,606	5,000	5,000
5409 Fleet Services Charges	356,688	370,058	347,200	337,100
5414 Software Lic/Mtc Agree	28,060	42,862	22,500	22,500
5441 Other Services & Charges	4,855	5,056	6,200	6,200
5446 Tuition Reimbursement	10,140	3,065	20,000	20,000
5450 Laundry	24,991	24,076	17,000	17,000
TOTAL	670,728	668,400	646,000	739,400
<b>DIVISION TOTAL</b>	16,332,434	17,008,875	16,639,200	17,011,300

## City of Duluth Minnesota - 2022 Budget

<b>General Fund Revenue Detail</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Budget</b>	<b>2022 Approved</b>
<b>Fire Operations - 110-150-1502</b>				
REVENUE SOURCE				
4654 Other Reimbursements	2,009	6,099	-	-
4660 Gifts and Donations	15,000	-	-	-
4730 Transfer from Special Revenue	225,484	116,930	63,800	73,900
<b>DIVISION TOTAL</b>	<b>242,493</b>	<b>123,029</b>	<b>63,800</b>	<b>73,900</b>

# City of Duluth Minnesota - 2022 Budget

## Life Safety

Under the direction of a Deputy Chief, the Fire Marshal oversees this division and is responsible for code enforcement, fire investigation, public education, prosecution, fire system review, fire inspections, licensing, complaints, and waste compliance.

Budgeted FTE's	2019	2020	2021	2022	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	1.00	1.00	-	(1.00)
29 Housing Inspector	4.00	4.00	4.00	3.00	(1.00)
Prop. & Solid Waste					
30 Compliance Officer	-	-	-	2.00	2.00
Sprinkler Permit					
30 Reviewer	-	1.00	1.00	1.00	-
32 Housing Inspector Lead	1.00	1.00	1.00	1.00	-
Admin Information					
129 Spec	2.00	2.00	2.00	1.50	(0.50)
<b>Division Total</b>	<b>11.00</b>	<b>12.00</b>	<b>12.00</b>	<b>11.50</b>	<b>(0.50)</b>

Expenditures	2019 Actual	2020 Actual	2021 Budget	2022 Approved	Difference
Personal Services					
Permanent Salaries	764,631	698,785	869,100	850,500	(18,600)
Overtime	9,072	12,900	11,300	11,300	-
Other Wages	-	113	-	-	-
Total Salaries	773,704	711,798	880,400	861,800	(18,600)
Benefits	362,973	296,127	401,500	374,100	(27,400)
Other Expense					
Materials & Supplies	14,321	22,899	16,400	17,500	1,100
Services	22,302	14,967	28,500	28,500	-
Utilities & Mtc	16,477	18,614	13,800	18,700	4,900
Other	13,003	12,229	26,300	26,300	-
Total Other Expense	66,103	68,708	85,000	91,000	6,000
<b>Division Total</b>	<b>1,202,779</b>	<b>1,076,633</b>	<b>1,366,900</b>	<b>1,326,900</b>	<b>(40,000)</b>

# City of Duluth Minnesota - 2022 Budget

General Fund Expenditure Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>Life Safety - 110-150-1503</b>				
PERSONAL SERVICES				
5100 Permanent Salaries	764,631	698,785	869,100	850,500
5101 Premium Pay	9,072	12,900	11,300	11,300
5103 Other Wages	-	113	-	-
TOTAL	773,704	711,798	880,400	861,800
EMPLOYEE BENEFITS				
5121 PERA Retirement	82,828	74,072	95,100	93,800
5122 FICA - Social Security	29,654	28,283	35,900	34,800
5123 FICA - Medicare	10,774	10,021	12,800	12,500
5125 Dental Insurance	4,046	3,713	4,800	4,600
5126 Life Insurance	2,210	1,921	2,200	2,100
5127 Health Care Savings Plan (HCSP)	24,103	18,527	20,500	22,300
5130 Cafeteria Plan Benefits	207,957	158,914	230,200	204,000
5133 Health or Fitness Program	1,400	677	-	-
TOTAL	362,973	296,127	401,500	374,100
OTHER EXPENDITURES				
5200 Office Supplies	1,327	9,143	1,500	1,500
5202 Audiovisual & Photography	167	2,427	500	500
5205 Safety & Training Materials	1,543	3,345	1,500	1,500
5212 Motor Fuels	9,753	4,292	9,800	10,900
5219 Other Miscellaneous Supplies	409	2,034	1,500	1,500
5241 Small Equipment-Office Operating	1,121	1,659	1,600	1,600
5321 Phone Service	5,337	4,063	2,600	2,600
5331 Travel/Training	16,163	9,408	18,000	18,000
5335 Local Mileage Reimbursement	-	-	1,000	1,000
5355 Printing & Copying	265	1,496	3,000	3,000
5356 Copier, Printer Lease & Supplies	537	-	3,900	3,900
5400 Misc Repair & Mtc Service	48	176	300	300
5409 Fleet Services Charges	13,880	17,821	10,500	15,400
5427 Credit Card Commissions	2,548	618	3,000	3,000
5433 Dues and Subscriptions	1,015	798	1,000	1,000
5435 Books & Pamphlets	1,918	1,625	2,500	2,500
5441 Other Services and Charges	2,270	4,712	22,500	22,500
5443 Board & Meeting Expenses	310	-	300	300
5459 Fire Safety Education Account	7,491	659	-	-
5700 Interfund Transfers Out	-	4,434	-	-
TOTAL	66,103	68,708	85,000	91,000
<b>DIVISION TOTAL</b>	<b>1,202,779</b>	<b>1,076,633</b>	<b>1,366,900</b>	<b>1,326,900</b>



## City of Duluth Minnesota - 2022 Budget

General Fund Revenue Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>Life Safety - 110-150-1503</b>				
REVENUE SOURCE				
4153 Multiple Dwelling License	1,016,787	808,848	916,400	950,000
4154 Commercial Use/Occupancy Permit	126,580	116,043	100,000	100,000
4160 Fire Protection Systems Permit Fees	-	77,843	95,500	95,500
4306 Building Appeals Fees	373	127	-	-
4644 Misc Fees, Sales, Service	9,271	5,044	6,000	5,500
4654 Other Reimbursements	-	918	-	-
4660 Gifts and Donations	3,491	-	-	-
<b>DIVISION TOTAL</b>	<b>1,156,502</b>	<b>1,008,823</b>	<b>1,117,900</b>	<b>1,151,000</b>

# City of Duluth Minnesota - 2022 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.

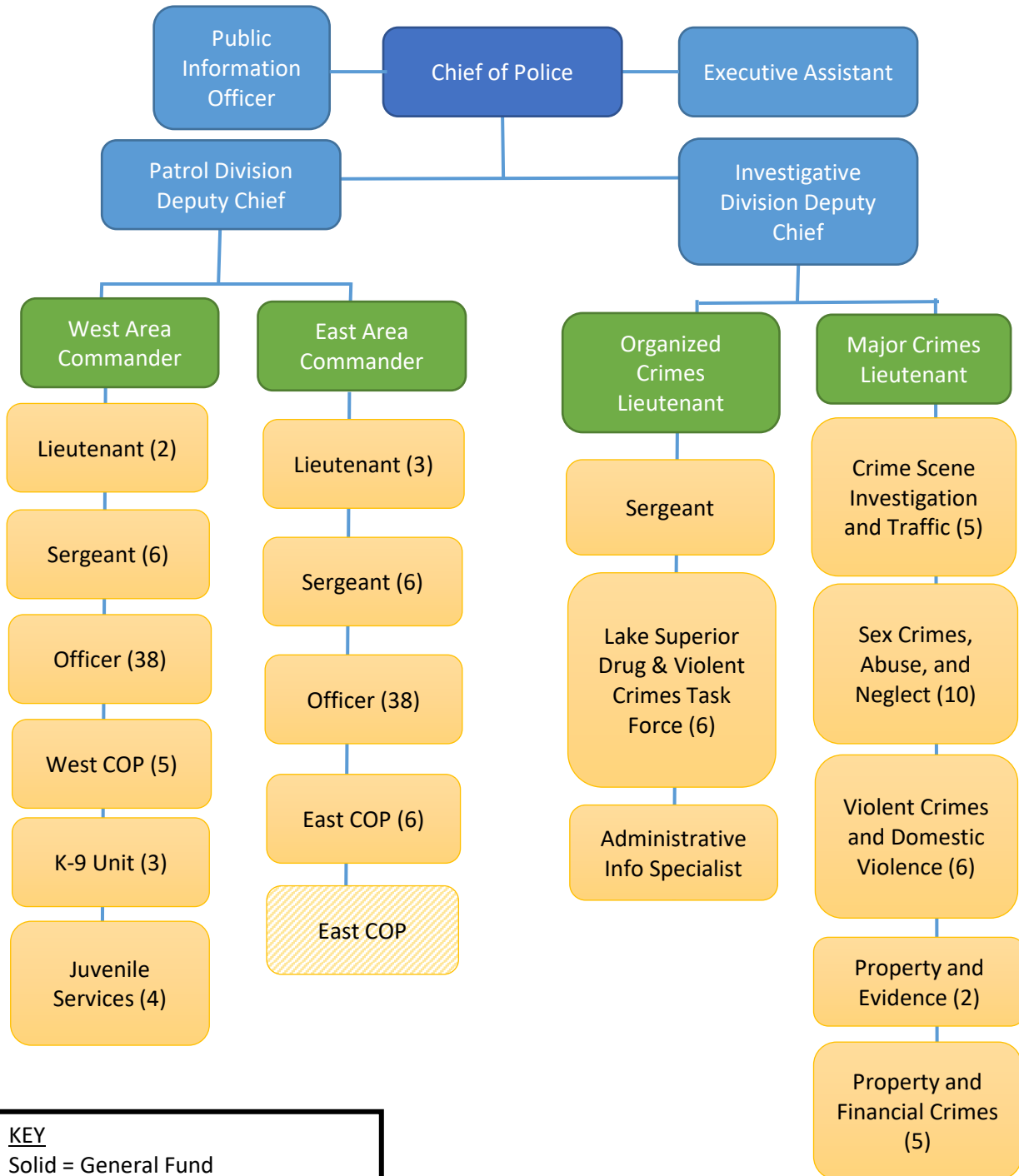
The Investigative Division oversees all follow up needs for criminal investigations. There are currently two lieutenants assigned to this division which consists of the following units: Crime Scene, Lake Superior Drug & Violent Crimes Task Force, Violent Crimes, Property and Evidence, Property/Financial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

The Patrol Division is divided into two geographic patrol areas. Each area is under the command of a lieutenant. The Patrol Division consists of four patrol crews with a lieutenant assigned to each crew. The Patrol Division consists of the following units: Patrol, Community Policing, Canine, School Resource Officers, Bike Patrol, Tactical Response, CORE.

# City of Duluth Minnesota - 2022 Budget

## Police Department

### Organization Chart

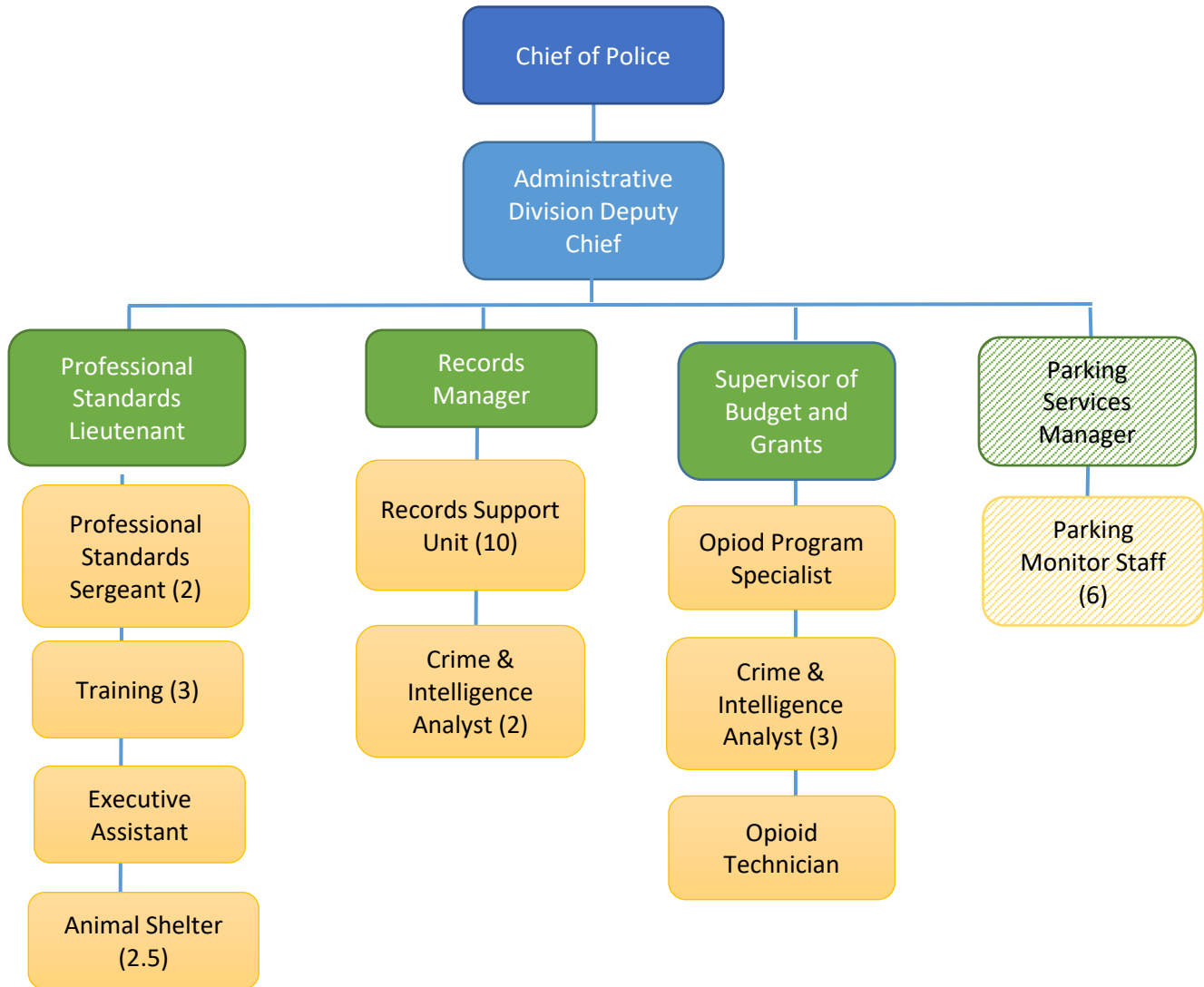


**KEY**  
 Solid = General Fund  
 Patterned = Non-General Fund

# City of Duluth Minnesota - 2022 Budget

## Police Department

### Organization Chart - Continued



**KEY**  
Solid = General Fund  
Patterned = Non-General Fund

# City of Duluth Minnesota - 2022 Budget

## Police

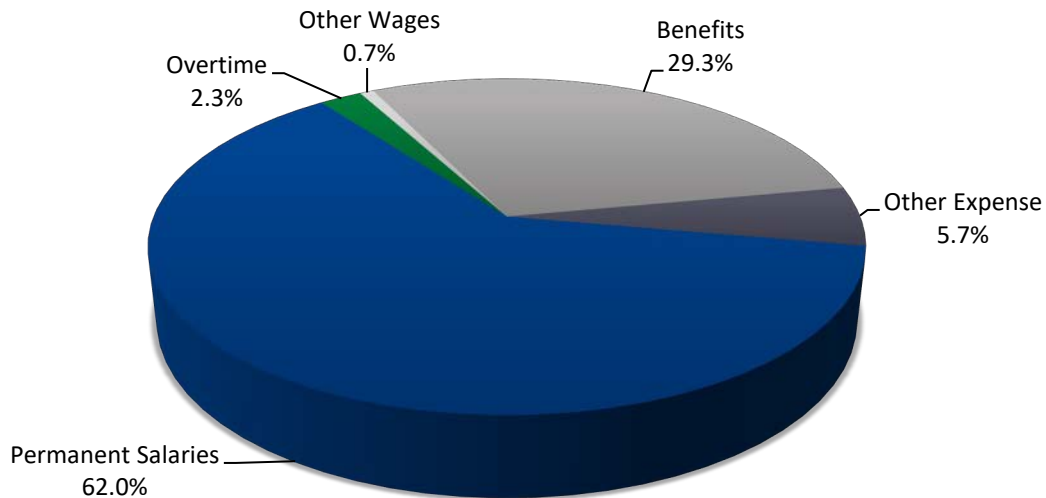
### City Priority: Safe and Secure Community

Objective:	Strategy/Measure:	2019 Actual	2020 Actual	2021 Actual	2022 Forecast
<b>Service Response:</b> 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 <b>*2021 data includes all priority calls within the City of Duluth</b>	Number of priority one calls	Data not available	Data not available	17,648	Forecast Not Available
	Priority one response time (min/sec)	0:06:59	0:11:09	Data not available	Data not available
	Number of priority two calls	Data not available	Data not available	39,507	Forecast Not Available
	Priority two response time (min/sec)	0:12:26	0:24:55	Data not available	Data not available
	AA-Aggravated Assaults				
	SA-Sexual Assaults (Rape, Forcible Fondling, Sodomy, Sexual Assault w/an Object, Human Trafficking, Commercial Sex Acts, Other Sex Offenses)	AA-189 SA-346 R-69 <b>T-604</b>	AA-182 SA-216 R-44 <b>T-442</b>	AA-183 SA-181 R-27 <b>T-391</b>	T-310
	R-Robberies				
	<b>T-Total</b>				
	Total number of investigations initiated.	2,873	4,454	2,874	3,783
	<b>Safety Presence:</b> Fosters a feeling of personal safety through a visible and approachable public safety presence, proactive prevention, community care-taking and education	P1-Part I		P1-2921	
GA-Group A		P1-3988	GA-932	GA-6208	Not Available
<b>T-Total</b>			<b>T-3853</b>		Forecast
P2-Part II			P2-3938		Forecast
GB-Group B		P2-6893	GB-226	GB-1921	Not Available
<b>T-Total</b>			<b>T-4164</b>		Forecast
<b>Livable Community:</b> 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	716	637	643	588.5
	Number of shelter intake other animals	8	7	37	29.5
	Number of owner claimed dogs/cats	262	229	245	233.5
Number of transferred dogs/cats	425	327	389	326	

# City of Duluth Minnesota - 2022 Budget

## Police Department

### 2022 Approved Budget by Expenditure Category



<b>Expenditures by Category</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Budget</b>	<b>2022 Approved</b>	<b>Difference</b>
Permanent Salaries	13,978,001	15,249,052	14,957,200	16,367,400	1,410,200
Overtime	1,041,181	1,004,054	597,300	597,300	-
Other Wages	193,166	65,792	131,600	193,500	61,900
<b>Total Personal Services</b>	<b>15,212,348</b>	<b>16,318,899</b>	<b>15,686,100</b>	<b>17,158,200</b>	<b>1,472,100</b>
Benefits	6,566,281	7,272,015	7,012,100	7,742,600	730,500
Other Expense	1,401,707	1,097,677	1,362,900	1,505,800	142,900
<b>Department Total</b>	<b>23,180,335</b>	<b>24,688,591</b>	<b>24,061,100</b>	<b>26,406,600</b>	<b>2,345,500</b>

<b>Budgeted FTE's</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Difference</b>
	182.14	180.50	183.00	183.50	0.50

# City of Duluth Minnesota - 2022 Budget

## Police Department

The Police department consists of two divisions: the Investigative/Administrative division and the Patrol division. The Investigative/Administrative division is responsible for administrative functions of the department including training and development, clerical and records support, fleet, technology and facilities management. In addition, the 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 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	2019	2020	2021	2022	Difference
1170 Police Chief	1.00	1.00	1.00	1.00	-
1150 Deputy Police Chief	2.00	2.00	2.00	3.00	1.00
1110 Police Lieutenant	10.00	10.00	10.00	9.00	(1.00)
1085 Public Info Officer	-	1.00	1.00	1.00	-
1075 Records & Tech Mgr	1.00	1.00	1.00	1.00	-
1075 Budget & Grant Supv.	-	-	-	1.00	1.00
21 Animal Services Tech	0.50	0.50	0.50	0.50	-
24 Prop & Evidence Tech	2.00	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	1.00	-
28 Project Coordinator	-	-	0.50	-	(0.50)
29 Opioid Program Spec.	-	-	-	1.00	1.00
29 Prop & Evidence Spec	1.00	1.00	1.00	1.00	-
31 Animal Shelter Lead	1.00	1.00	1.00	1.00	-
31 Electronic Tech	1.00	-	-	-	-
33 Elec Tech Leadworker	1.00	-	-	-	-
124 Police Records Tech I	1.00	2.00	2.00	1.00	(1.00)
126 Information Tech	1.00	-	-	-	-
128 Police Records Tech II	8.00	6.00	6.00	6.00	-
129 Admin Info Specialist	1.00	1.00	1.00	1.00	-
130 Data Release Coor	-	1.00	1.00	1.00	-
131 Crime & Intel Analyst	2.00	2.00	2.00	3.00	1.00
131 Executive Assistant	2.00	2.00	2.00	2.00	-
131 Grant Coordinator	0.64	-	-	-	-
133 Budget & Ops Analyst	1.00	-	-	-	-
133 Sr Police Records Tech	1.00	2.00	2.00	3.00	1.00
Budget & Grants					
134 Analyst	-	1.00	1.00	-	(1.00)
326 Police Officer	71.00	73.00	76.00	73.00	(3.00)
327 Police Investigator	50.00	47.00	46.00	49.00	3.00
328 Police Sergeant	22.00	22.00	22.00	22.00	-
<b>Department Total</b>	<b>182.14</b>	<b>180.50</b>	<b>183.00</b>	<b>183.50</b>	<b>0.50</b>

# City of Duluth Minnesota - 2022 Budget

<b>Expenditures</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Budget</b>	<b>2022 Approved</b>	<b>Difference</b>
Personal Services					
Permanent Salaries	13,978,001	15,249,052	14,957,200	16,367,400	1,410,200
Overtime	1,041,181	1,004,054	597,300	597,300	-
Other Wages	193,166	65,792	131,600	193,500	61,900
Total Salaries	15,212,348	16,318,899	15,686,100	17,158,200	1,472,100
Benefits	6,566,281	7,272,015	7,012,100	7,742,600	730,500
Other Expense					
Materials & Supplies	378,127	273,083	364,500	430,600	66,100
Services	223,516	117,034	164,100	163,100	(1,000)
Utilities & Maintenance	320,978	286,618	292,800	275,800	(17,000)
Other	479,087	420,941	541,500	636,300	94,800
Total Other Expense	1,401,707	1,097,677	1,362,900	1,505,800	142,900
<b>Department Total</b>	<b>23,180,335</b>	<b>24,688,591</b>	<b>24,061,100</b>	<b>26,406,600</b>	<b>2,345,500</b>

<b>General Fund Expenditure Detail</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Budget</b>	<b>2022 Approved</b>
<b>Police Department - 110-160-1610</b>				
PERSONAL SERVICES				
5100 Permanent Salaries	13,978,001	15,249,052	14,957,200	16,367,400
5101 Premium Pay	1,041,181	1,004,054	597,300	597,300
5103 Other Wages	193,039	65,792	131,600	193,500
5111 Long-Term Disability Wages	127	-	-	-
TOTAL	15,212,348	16,318,899	15,686,100	17,158,200
EMPLOYEE BENEFITS				
5121 PERA Retirement	2,350,250	2,571,309	2,551,500	2,795,100
5122 FICA - Social Security	121,570	105,504	96,500	116,700
5123 FICA - Medicare	219,311	229,056	227,400	248,800
5125 Dental Insurance	64,016	71,544	72,500	72,700
5126 Life Insurance	35,080	36,856	32,900	33,000
5127 Health Care Savings Plan (HCSP)	687,974	747,289	452,700	838,300
5130 Cafeteria Plan Benefits	3,086,750	3,509,827	3,577,400	3,636,800
5133 Health or Fitness Program	1,330	630	1,200	1,200
TOTAL	6,566,281	7,272,015	7,012,100	7,742,600



# City of Duluth Minnesota - 2022 Budget

General Fund Expenditure Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>Police Department - 110-160-1610</b>				
OTHER EXPENDITURES				
5200 Office Supplies	13,426	6,799	20,000	20,000
5201 Computer Supplies/Software	1,731	3,306	1,500	1,500
5202 Audiovisual & Photography	1,250	826	1,000	1,000
5205 Safety & Training Materials	1,243	-	1,500	1,500
5211 Cleaning/Janitorial Supplies	115	-	-	-
5212 Motor Fuels	226,847	150,117	227,400	292,500
5214 Food for Animals	2,294	1,984	2,000	3,000
5217 Ammunition	38,175	15,546	50,000	50,000
5218 Uniforms	67,611	63,474	34,100	34,100
5219 Other Miscellaneous Supplies	21,298	17,017	20,000	20,000
5220 Repair & Maintenance Supplies	2,935	208	5,000	5,000
5241 Small Equip-Office/Operating	1,202	13,808	2,000	2,000
5305 Medical Svcs/Testing Fees	1,397	-	1,000	-
5319 Other Professional Services	118,994	15,757	30,000	30,000
5320 Data Services	34,850	37,586	36,000	36,000
5321 Phone Service	49,223	50,466	81,600	81,600
5322 Postage	1,296	1,133	1,500	1,500
5331 Travel/Training	9,275	2,229	5,000	5,000
5355 Printing & Copying	4,571	6,214	4,000	4,000
5356 Copier, Printer Lease & Supplies	1,852	1,822	2,500	2,500
5384 Refuse Disposal	2,058	1,827	2,500	2,500
5409 Fleet Services Charges	320,978	286,618	292,800	275,800
5414 Software Licenses & Mtce Agreements	309,868	309,148	327,000	327,000
5433 Dues & Subscription	3,694	5,574	4,000	4,000
5437 Automated Pawn System	11,435	11,435	11,500	11,500
5438 Licenses	4,950	4,770	5,500	5,500
5441 Other Services & Charges	74,789	55,508	32,000	32,000
5443 Board & Meeting Expenses	1,881	-	2,000	2,000
5448 Police Training	69,969	32,007	157,000	251,800
5490 Donations to Civic Organizations	2,500	2,500	2,500	2,500
TOTAL	1,401,707	1,097,677	1,362,900	1,505,800
<b>DEPARTMENT TOTAL</b>	<b>23,180,335</b>	<b>24,688,591</b>	<b>24,061,100</b>	<b>26,406,600</b>

# City of Duluth Minnesota - 2022 Budget

General Fund Revenue Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>Police Department - 110-160-1610</b>				
REVENUE SOURCE				
4209 Federal Grant	11,121	16,418	-	16,000
4220 State of Minnesota	13,338	2,182	-	-
4227 Police Training Reimbursement	146,144	148,664	142,000	151,800
4232 State Insurance Premium	1,370,877	1,420,806	1,420,800	1,420,800
4261 ISD 709	248,850	33,588	160,000	138,500
4322 Animal Shelter Fees	18,610	11,424	12,000	12,000
4326 Criminal History Checks	573	176	400	400
4328 Pawnbroker Transaction Surcharge	33,090	22,358	30,000	30,000
4329 False Alarm Fees & Penalties	21,417	21,837	18,000	18,000
4474 Police Felony Forfeitures	67,051	14,194	-	-
4631 Media Sales	879	588	1,200	1,200
4635 Auction Proceeds	4,994	9,176	-	-
4644 Misc. Fees, Sales & Services	20,171	3,650	-	-
4650 Salaries Reimbursement	37,271	4,445	10,000	10,000
4651 Reimburse Extra Duty Employment	-	(1,094)	-	-
4654 Other Reimbursements	53,136	32,224	15,000	15,000
4655 Drug Task Force Reimbursement	50,628	107,092	-	-
4700 Other Sources	-	1,000	-	-
4730 Transfer from Tourism Taxes	344,600	1,231,427	243,100	338,800
4730 Transfer from Police Grant Fund	1,030,772	-	1,300,500	1,515,700
4730 Transfer from Police Grant Fund - OT	255,649	-	116,000	126,000
4730 Transfer from Parking Fund	-	-	-	66,600
<b>DEPARTMENT TOTAL</b>	<b>3,729,170</b>	<b>3,080,156</b>	<b>3,469,000</b>	<b>3,860,800</b>

# City of Duluth Minnesota - 2022 Budget

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## 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.

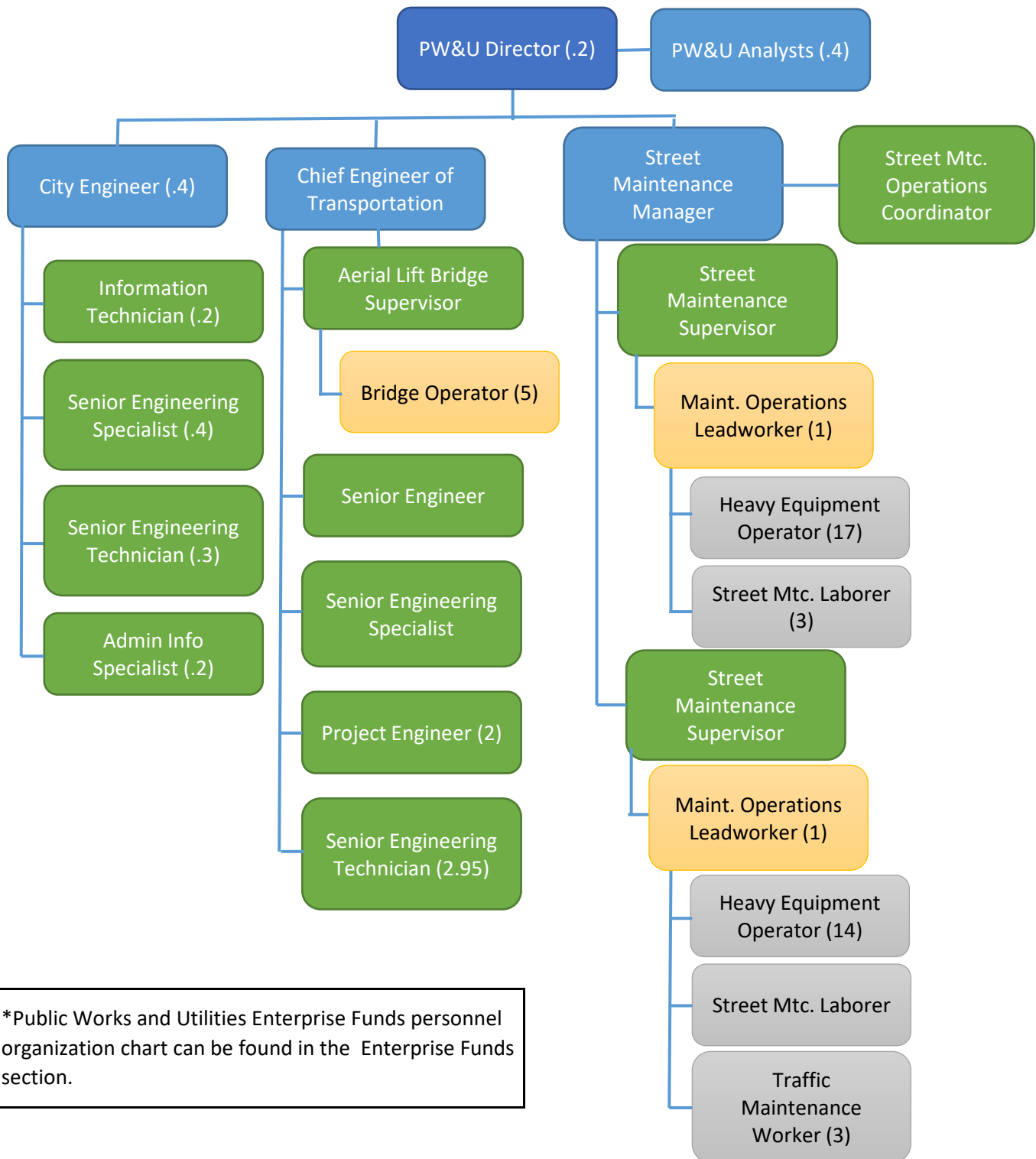
### Structure

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

# City of Duluth Minnesota - 2022 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 - 2022 Budget

## Director's Office & Capital Divisions

### City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Estimate	2022 Projected
<b>Fiscal Responsibility:</b> Operations are supported by sustainable funding sources and costs are managed in an effective and efficient manner to maintain sustainability	<b><u>Cash Balances</u></b>				
	Water Fund	\$ 3,819,003	\$ 4,560,636	\$ 7,052,473	\$ 6,577,773
	Gas Fund	\$ 4,377,595	\$ 5,838,430	\$ 1,407,994	\$ 2,221,094
	Sanitary Sewer Fund	\$ 2,307,761	\$ 1,014,946	\$ 2,582,767	\$ 2,680,067
	Clean Water Fund	\$ 695,542	\$ 671,615	\$ 566,215	\$ 545,625
	Stormwater Fund	\$ 1,341,897	\$ 1,666,349	\$ 2,977,651	\$ 2,769,201

### City Priority: Infrastructure

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Estimate	2022 Projected
<b>Utilities:</b> 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	<b><u>Capital Investment (amt in thousands)</u></b>				
	Water Fund	\$ 4,966	\$ 4,307	\$ 2,183	\$ 3,304
	Gas Fund	\$ 2,690	\$ 3,546	\$ 2,818	\$ 2,903
	Sanitary Sewer Fund	\$ 2,128	\$ 8,467	\$ 2,380	\$ 2,508
	Stormwater Fund	\$ 1,362	\$ 1,342	\$ 1,196	\$ 404

# City of Duluth Minnesota - 2022 Budget

## Utility Operations Division

### City Priority: Infrastructure

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Estimate	2022 Projected
<b>Utilities:</b> 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	114	72	70	80
	Gas Services & Mains - Valves inspected and operated	445	442	450	450
	Sanitary Pipe cleaned (ft)	397,142	400,394	400,000	400,000
<b>Water Quality:</b> Protect water resources in order to maintain water quality of streams, aquifers and to preserve existing hydrology patterns.	Ditch line restored (ft)	3,063	7,795	6,000	5,500

### City Priority: Safe & Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Estimate	2022 Projected
<b>Livable Community:</b> 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	3,400	1,107	3,000	3,000
	Water Hydrants Repaired/Replaced	185	213	200	180
	Inflow and Infiltration Home Inspections	1,932	1,742	1,800	1,700

# City of Duluth Minnesota - 2022 Budget

## Customer Service Division

### City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Estimate	2022 Projected
<b>Customer Service:</b> 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	8,781	7,098	8,100	8,000
<b>Trust and Engagement:</b> 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/repaired	806	620	750	700
	Gas Meters tested/repaired	1,487	1,381	1,400	1,350

### City Priority: Safe & Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Estimate	2022 Projected
<b>Livable Community:</b> 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	22,220	16,302	18,000	20,000

# City of Duluth Minnesota - 2022 Budget

## Engineering

### City Priority: Infrastructure

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Estimate	2022 Projected
<b>Capital Improvement Projects</b>					
<b>Utilities:</b> 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 Projects	12	8	5	8
	Gas Projects	14	5	6	7
	Sanitary Sewer Projects	13	11	2	3
	Stormwater Projects	7	7	7	4
<b>Transportation:</b> 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	7	10	9	12
	Paving (Miles)	2.53	14.5	12.56	15.1

### City Priority: Safe & Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Estimate	2022 Projected
<b>Livable Community:</b> 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	9,721	11,241	10,281	11,000



# City of Duluth Minnesota - 2022 Budget

## Street Maintenance

### City Priority: Safe and Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Estimate	2022 Projected
<b>Transportation:</b> 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)	5,776	3,825	5,765	6,000
	Crack Sealing (miles)	65	-	-	75
	Traffic Line, Symbols & Crosswalk Painting (Gallons of paint used)	8,015	6,500	5,660	8,150

### City Priority: Infrastructure

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Estimate	2022 Projected
<b>Water Quality:</b> Protect water resources in order to maintain water quality of streams, aquifers and to preserve existing hydrology patterns.	Street sweeping (miles)	2,223	1,693	2,200	2,200

# City of Duluth Minnesota - 2022 Budget

## Street Lighting

### City Priority: Infrastructure

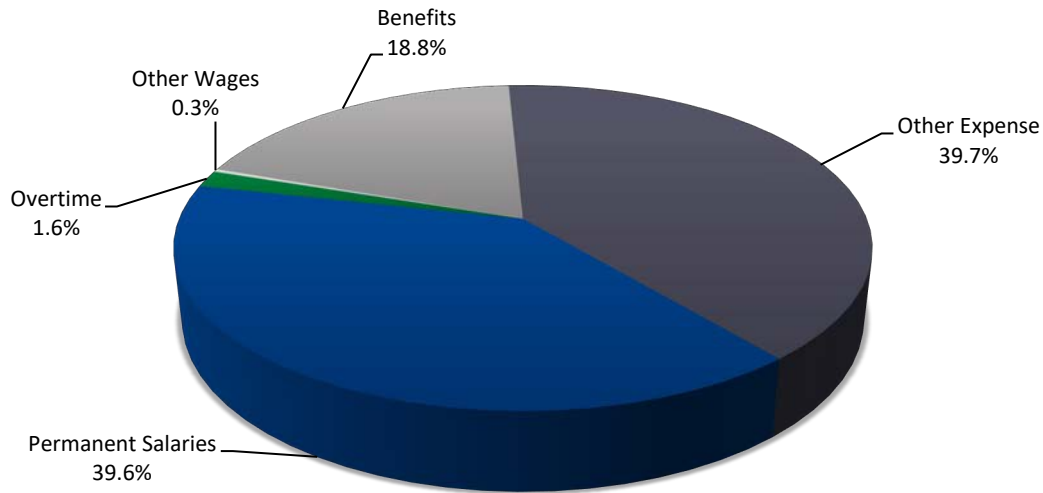
<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Estimate	2022 Projected
	Number of traffic signals maintained	120	120	117	117
<b>Transportation:</b> Continually invest in building and improving a well-designed, well-maintained, accessible transportation system of safe and sustainable roadways, street lights, sidewalks and bridges	Decorative Street Lights	3,900	3,900	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>	2019 Actual	2020 Actual	2021 Estimate	2022 Projected
<b>Safe/Quality Neighborhood:</b> 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	3,300	3,350	3,350	3,350

# City of Duluth Minnesota - 2022 Budget

## Public Works & Utilities - General Operations 2022 Approved Budget by Expenditure Category



Expenditures by Category	2019	2020	2021	2022	Difference
	Actual	Actual	Budget	Approved	
Permanent Salaries	3,895,667	3,970,629	4,081,400	4,132,900	51,500
Overtime	360,808	258,639	173,000	173,000	-
Other Wages	8,886	75	32,400	30,000	-
Retirement Incentive	-	7,606	-	-	-
<b>Total Personal Services</b>	<b>4,265,361</b>	<b>4,236,950</b>	<b>4,286,800</b>	<b>4,335,900</b>	<b>49,100</b>
Benefits	1,775,141	1,848,879	1,928,900	1,962,700	33,800
Other Expense	3,974,168	3,663,509	3,974,200	4,141,300	167,100
<b>Department Total</b>	<b>10,014,670</b>	<b>9,749,338</b>	<b>10,189,900</b>	<b>10,439,900</b>	<b>250,000</b>

Expenditures by Division	2019	2020	2021	2022	Difference
	Actual	Actual	Budget	Approved	
Director's Office	106,296	99,846	119,000	89,600	(29,400)
Street Maintenance	8,085,037	7,693,802	8,087,300	8,325,400	238,100
Engineering	1,823,338	1,955,690	1,983,600	2,024,900	41,300
<b>Department Total</b>	<b>10,014,670</b>	<b>9,749,338</b>	<b>10,189,900</b>	<b>10,439,900</b>	<b>250,000</b>

Budgeted FTE's	2019	2020	2021	2022	Difference
	60.4	60.4	60.4	60.1	(0.3)

# City of Duluth Minnesota - 2022 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 to ensure that the utility & transportation infrastructure is both functional and sustainable to ensure that future generations will not only benefit from the utility services provided but the amazing natural environment of the City will be preserved.

Budgeted FTE's	2019	2020	2021	2022	Difference
1170 Director	0.20	0.20	0.20	0.20	-
33 PW&U Analyst Budget & Operations	0.20	0.20	0.70	0.40	(0.30)
133 Analyst	0.50	0.50	-	-	-
<b>Division Total</b>	<b>0.90</b>	<b>0.90</b>	<b>0.90</b>	<b>0.60</b>	<b>(0.30)</b>

Expenditures	2019 Actual	2020 Actual	2021 Budget	2022 Approved	Difference
Personal Services					
Permanent Salaries	76,630	69,586	80,600	61,300	(19,300)
Overtime	209	102	-	-	-
Other Wages	-	-	-	-	-
Total Salaries	76,839	69,688	80,600	61,300	(19,300)
Benefits	27,979	29,554	37,600	27,400	(10,200)
Other Expense					
Materials & Supplies	171	102	200	200	-
Services	1,056	231	400	500	-
Other	253	271	200	200	-
Total Other Expense	1,479	604	800	900	
<b>Division Total</b>	<b>106,296</b>	<b>99,846</b>	<b>119,000</b>	<b>89,600</b>	<b>(29,500)</b>

# City of Duluth Minnesota - 2022 Budget

General Fund Expenditure Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>Public Works Director - 110-500-1900</b>				
PERSONAL SERVICES				
5100 Permanent Salaries	76,630	69,586	80,600	61,300
5101 Premium Pay	209	102	-	-
5103 Other Wages	-	-	-	-
TOTAL	76,839	69,688	80,600	61,300
EMPLOYEE BENEFITS				
5121 PERA Retirement	5,647	4,941	6,000	4,600
5122 FICA - Social Security	4,474	3,986	5,000	3,800
5123 FICA - Medicare	1,097	958	1,200	900
5125 Dental Insurance	335	289	400	200
5126 Life Insurance	184	150	200	100
5127 Health Care Savings Plan (HCSP)	2,141	2,061	1,300	2,100
5130 Cafeteria Plan Benefits	14,029	17,120	23,500	15,700
5133 Health or Fitness Program	72	48	-	-
TOTAL	27,979	29,554	37,600	27,400
OTHER EXPENDITURES				
5200 Office Supplies	64	25	100	100
5241 Small Equip-Office/Operating	107	77	100	100
5321 Phone Service	120	122	100	200
5331 Travel/Training	739	-	100	100
5335 Local Mileage Reimbursement	197	109	200	200
5433 Dues & Subscription	253	271	200	200
TOTAL	1,479	604	800	900
<b>DIVISION TOTAL</b>	<b>106,296</b>	<b>99,846</b>	<b>119,000</b>	<b>89,600</b>

# City of Duluth Minnesota - 2022 Budget

## 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	2019	2020	2021	2022	Difference
1115 Manager	1.00	1.00	1.00	1.00	-
1090 Supervisor	2.00	2.00	2.00	2.00	-
22 Maintenance Worker	5.00	5.00	4.00	-	(4.00)
23 Street Maint. Laborer	-	-	-	3.00	3.00
27 Heavy Equip Operator	30.00	30.00	31.00	32.00	1.00
Traffic Maintenance					
27 Worker	3.00	3.00	3.00	3.00	-
32 Maintenance Ops Lead	3.00	3.00	3.00	2.00	(1.00)
33 Street Maint. Ops. Coord.	-	-	-	1.00	1.00
<b>Division Total</b>	<b>44.00</b>	<b>44.00</b>	<b>44.00</b>	<b>44.00</b>	<b>-</b>

Expenditures	2019 Actual	2020 Actual	2021 Budget	2022 Approved	Difference
Personal Services					
Permanent Salaries	2,635,784	2,658,673	2,769,600	2,831,000	61,400
Overtime	279,379	163,464	117,000	117,000	-
Other Wages	-	-	-	-	-
Retirement Incentive	-	7,606	-	-	-
Total Salaries	2,915,163	2,829,743	2,886,600	2,948,000	61,400
Benefits	1,281,917	1,304,233	1,363,100	1,374,800	11,700
Other Expense					
Materials & Supplies	1,653,710	1,239,506	1,716,400	1,744,700	28,300
Services	42,638	34,224	41,900	42,500	600
Utility & Mtc	1,727,649	1,985,312	1,545,900	1,682,000	136,100
Other	463,959	300,785	533,400	533,400	-
Total Other Expense	3,887,956	3,559,827	3,837,600	4,002,600	165,000
<b>Division Total</b>	<b>8,085,037</b>	<b>7,693,802</b>	<b>8,087,300</b>	<b>8,325,400</b>	<b>238,100</b>

# City of Duluth Minnesota - 2022 Budget

General Fund Expenditure Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>Street Maintenance - 110-500-1920</b>				
PERSONAL SERVICES				
5100 Permanent Salaries	2,635,784	2,658,673	2,769,600	2,831,000
5101 Premium Pay	279,379	163,464	117,000	117,000
5103 Other Wages	-	-	-	-
5105 Retirement Incentive	-	7,606	-	-
TOTAL	2,915,163	2,829,743	2,886,600	2,948,000
EMPLOYEE BENEFITS				
5118 Meal Allowance	13,650	7,665	10,000	10,000
5121 PERA Retirement	219,109	203,500	212,500	217,400
5122 FICA - Social Security	180,818	167,639	179,000	182,800
5123 FICA - Medicare	42,288	39,206	41,900	42,700
5125 Dental Insurance	15,919	16,849	17,400	17,400
5126 Life Insurance	8,739	8,653	7,900	7,900
5127 Health Care Savings Plan (HCSP)	72,504	63,776	54,900	45,300
5130 Cafeteria Plan Benefits	728,104	796,185	839,500	851,300
5133 Health or Fitness Program	786	759	-	-
TOTAL	1,281,917	1,304,233	1,363,100	1,374,800
OTHER EXPENDITURES				
5200 Office Supplies	533	490	1,500	1,200
5201 Computer Supplies/Software	2,000	983	2,000	1,700
5205 Safety & Training Materials	11,059	7,774	12,000	14,000
5210 Plant/Operating Supplies	12,154	13,485	17,000	17,000
5211 Cleaning/Janitorial Supplies	5,219	1,529	12,000	10,000
5212 Motor Fuels	340,107	176,498	332,100	361,000
5215 Shop Materials	1,906	2,122	2,500	2,500
5218 Uniforms	13,179	14,410	14,600	14,600
5219 Other Miscellaneous Supplies	15,061	13,329	17,600	21,600
5220 Repair & Maintenance Supplies	5,751	10,116	10,000	12,600
5222 Blacktop	238,447	-	-	-
5223 Salt & Sand	797,765	772,789	1,005,000	1,005,000
5224 Gravel & Other Misc Materials	83,238	84,323	133,600	131,000
5226 Sign & Signal Materials	55,119	53,637	64,000	60,000
5228 Painting Supplies	64,347	84,489	85,500	85,500
5240 Small Tools	7,612	2,668	5,000	5,000
5241 Small Equip-Office/Operating	214	865	2,000	2,000
5320 Data Services	5,109	6,303	6,600	6,600
5321 Phone Service	2,029	2,620	2,600	3,200

# City of Duluth Minnesota - 2022 Budget

General Fund Expenditure Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>Street Maintenance - 110-500-1920</b>				
5331 Travel/Training	4,054	2,917	7,000	7,000
5335 Local Mileage Reimbursement	17,057	13,672	16,000	16,000
5356 Copier, Printer Lease & Supplies	142	226	500	500
5384 Refuse Disposal	14,248	8,486	9,200	9,200
5409 Fleet Services Charges	1,727,649	1,985,312	1,545,900	1,682,000
5412 Building Rental	33,583	31,634	45,000	45,000
5414 Software Licenses & Mtce Agreements	37,049	33,978	38,500	38,500
5415 Vehicle/Equip Rent (Short Term)	28,060	25,846	34,000	34,000
5418 Vehicle/Equip Rent (Long Term)	350,892	205,156	400,000	400,000
5441 Other Services & Charges	14,375	4,171	15,900	15,900
TOTAL	3,887,956	3,559,827	3,837,600	4,002,600
<b>DIVISION TOTAL</b>	8,085,037	7,693,802	8,087,300	8,325,400
<b>REVENUE SOURCE</b>				
4240 Municipal State Aid	1,533,400	1,533,400	1,533,400	1,533,400
4260 St Louis County	138,411	138,411	138,400	138,400
4261 ISD 709	30,090	6,581	18,000	18,000
4636 Sale of Materials	5,760	2,614	5,000	5,000
4654 Other Reimbursements	43,788	11,341	26,000	26,000
4680 Damage or Losses Recovered	270	19,276	-	-
4730 Transfer from Tourism Taxes	300,000	-	237,400	330,900
4730 Transfer from Enterprise Funds	9,600	9,600	9,600	9,600
4730 Transfer from Public Utility Funds	656,405	730,372	865,000	865,000
<b>DIVISION TOTAL</b>	2,717,724	2,451,595	2,832,800	2,926,300



# City of Duluth Minnesota - 2022 Budget

## 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	2019	2020	2021	2022	Difference
1140 City Engineer	0.40	0.40	0.40	0.40	-
1140 Chief Eng Transportati	1.00	1.00	1.00	1.00	-
1110 Sr Project Engineer	1.00	1.00	1.00	1.00	-
1075 Lift Bridge Supervisor	1.00	1.00	1.00	1.00	-
27 Bridge Operator	5.00	5.00	5.00	5.00	-
28 Engineering Technician	0.30	0.30	-	-	-
31 Sr. Engineering Tech.	3.15	3.15	3.25	3.25	-
34 Sr. Engineering Spec.	1.20	1.20	1.40	1.40	-
38 Project Engineer	2.00	2.00	2.00	2.00	-
126 Information Technician	0.40	0.40	0.40	0.20	(0.20)
129 Admin. Info. Spec.	-	-	-	0.20	0.20
<b>Division Total</b>	<b>15.45</b>	<b>15.45</b>	<b>15.45</b>	<b>15.45</b>	<b>-</b>

Expenditures	2019 Actual	2020 Actual	2021 Budget	2022 Approved	Difference
Personal Services					
Permanent Salaries	1,183,253	1,242,371	1,231,200	1,240,600	9,400
Overtime	81,220	95,072	56,000	56,000	-
Other Wages	8,886	75	32,400	30,000	(2,400)
Total Salaries	1,273,359	1,337,519	1,319,600	1,326,600	7,000
Benefits	465,245	515,092	528,200	560,500	32,300
Other Expense					
Materials & Supplies	18,996	27,255	40,500	42,700	2,200
Services	29,214	25,696	52,900	51,100	(1,800)
Utility & Mtc	13,633	26,428	17,900	16,100	(1,800)
Other	22,889	23,700	24,500	27,900	3,400
Total Other Expense	84,733	103,079	135,800	137,800	2,000
<b>Division Total</b>	<b>1,823,338</b>	<b>1,955,690</b>	<b>1,983,600</b>	<b>2,024,900</b>	<b>41,300</b>

# City of Duluth Minnesota - 2022 Budget

General Fund Expenditure Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>Engineering - 110-500-1930</b>				
PERSONAL SERVICES				
5100 Permanent Salaries	1,183,253	1,242,371	1,231,200	1,240,600
5101 Premium Pay	81,220	95,072	56,000	56,000
5103 Other Wages	8,886	75	32,400	30,000
TOTAL	1,273,359	1,337,519	1,319,600	1,326,600
EMPLOYEE BENEFITS				
5118 Meal Allowance	346	75	200	200
5121 PERA Retirement	92,358	97,874	94,900	96,400
5122 FICA - Social Security	76,280	80,495	81,800	82,400
5123 FICA - Medicare	17,840	18,825	19,100	19,300
5125 Dental Insurance	5,685	6,118	6,100	6,100
5126 Life Insurance	3,118	3,152	2,800	2,800
5127 Health Care Savings Plan (HCSP)	25,115	28,968	45,500	20,600
5130 Cafeteria Plan Benefits	244,169	279,159	277,800	332,700
5133 Health or Fitness Program	335	428	-	-
TOTAL	465,245	515,092	528,200	560,500
OTHER EXPENDITURES				
5200 Office Supplies	1,171	414	1,300	1,300
5201 Computer Supplies/Software	3,369	323	200	200
5203 Paper/Stationery/Forms	87	22	500	500
5205 Safety & Training Materials	613	1,346	1,500	1,500
5211 Cleaning/Janitorial Supplies	496	1,083	700	700
5212 Motor Fuels	2,547	2,367	2,400	3,900
5218 Uniforms	1,554	1,829	1,500	1,800
5219 Other Miscellaneous Supplies	235	304	200	200
5220 Repair & Maintenance Supplies	5,975	11,965	18,000	18,000
5240 Small Tools	600	2,788	3,800	3,700
5241 Small Equip-Office/Operating	1,538	1,009	4,200	4,000
5242 Survey Equipment and Supplies	811	3,804	6,200	6,900
5303 Engineering Services	12,023	16,037	34,000	30,600
5319 Other Professional Services	-	-	500	500
5320 Data Services	1,917	2,479	1,700	2,200
5321 Phone Service	4,020	4,582	4,300	4,600
5322 Postage	7	33	100	100
5331 Travel/Training	7,873	1,619	8,300	9,300

# City of Duluth Minnesota - 2022 Budget

General Fund Expenditure Detail	2019	2020	2021	2022
	Actual	Actual	Budget	Approved
<b>Engineering - 110-500-1930 continued</b>				
5335 Local Mileage Reimbursement	1,154	-	800	800
5355 Printing & Copying	1,252	83	1,200	1,700
5356 Copier, Printer Lease & Supplies	514	397	1,500	800
5384 Refuse Disposal	454	467	500	500
5404 Equipment/Machinery Repair & Mtc	11,664	20,874	13,100	13,100
5409 Fleet Services Charges	1,969	5,554	4,800	3,000
5411 Land Rental/Easements	114	-	500	-
5414 Software Licenses & Mtce Agreement	16,055	14,135	13,100	16,900
5433 Dues & Subscription	223	404	2,700	2,700
5435 Books & Pamphlets	-	-	400	400
5438 Licenses	-	185	-	600
5441 Other Services & Charges	5,442	8,456	7,400	6,900
5450 Laundry	421	519	400	400
5580 Capital Equipment	635	-	-	-
TOTAL	84,733	103,079	135,800	137,800
<b>DIVISION TOTAL</b>	<b>1,823,338</b>	<b>1,955,690</b>	<b>1,983,600</b>	<b>2,024,900</b>
REVENUE SOURCE				
4152 Excavation Permits	23,390	22,236	15,000	20,000
4170 Miscellaneous Permits	108,504	302,593	99,000	59,000
4370 Engineering Services	164,399	105,504	1,000,000	300,000
4472 Administrative Fines	-	1,620	-	-
4631 Media Sales	15	-	100	100
4654 Other Reimbursements	392	-	-	-
4730 Transfer from Tourism Taxes	57,000	-	-	62,900
<b>DIVISION TOTAL</b>	<b>353,700</b>	<b>431,953</b>	<b>1,114,100</b>	<b>442,000</b>

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>EXPENDITURES</b>				
Citywide Dues & Lobbying	123,314	119,951	124,500	124,500
Citywide Communications	168,978	232,727	236,800	236,800
Miscellaneous	186,597	632,870	292,900	886,900
Civic Affairs and Awards	16,774	42,033	65,500	65,500
Business Improvement Dist.	399,582	412,806	370,000	370,000
Public Access Television	182,000	182,000	182,000	182,000
Sales Tax Administration	97,389	85,076	120,000	120,000
Capital Program - CEP	1,500,806	598,194	47,000	47,000
Unemployment Compensation	15,531	4,829	27,500	27,500
Benefits Administration	196,815	83,193	123,000	123,000
Retiree Medical & Life Insurance	7,720,588	8,147,020	7,399,100	7,399,100
Self Insurance Contribution	1,400,000	1,400,000	2,400,000	3,236,000
State of MN PERA Contribution Employer Ex	378,296	502,878	-	-
Accruals	-	-	500,000	500,000
Interfund Transfers to Special Rev Funds	-	9,159	50,000	250,000
<b>DEPARTMENT TOTAL</b>	<b>12,386,670</b>	<b>12,452,736</b>	<b>11,938,300</b>	<b>13,568,300</b>
<b>REVENUE SOURCE</b>				
4233 State of MN PERA Contribution	378,296	502,878	-	-
4500 Assessments - Service Charge	399,582	412,806	370,000	370,000
4639 Sale of Equipment	69,254	59,976	-	-
4640 Sale of Land	-	163,500	-	-
4654 Other Reimbursements	367,673	1,156,427	-	-
4730 Transfer from Special Revenue	570,067	4,567,151	425,000	425,000
4730 Transfer from Debt Service	5,259	-	-	-
4730 ARPA Funding	-	-	-	2,551,600
4999 Cash Balance Forward	-	-	3,825,600	200,000
<b>DEPARTMENT TOTAL</b>	<b>1,790,131</b>	<b>6,862,738</b>	<b>4,620,600</b>	<b>3,546,600</b>

# City of Duluth Minnesota - 2022 Budget

## Funds

Lake Superior Zoological Gardens  
 Parks  
 Special Projects  
 Police Grant Programs  
 Capital Equipment  
 Economic Development  
 Community Investment  
 Special City Excise and Sales Tax (Tourism Taxes)  
 Energy Management  
 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 expenditures for specific purposes.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	95,109,764	112,650,764	129,880,342	135,255,226
REVENUES				
Taxes	21,563,326	22,667,243	23,577,200	27,077,200
Intergovernmental	9,583,242	10,597,404	13,205,789	13,085,744
Miscellaneous	42,907,098	35,053,128	27,703,375	29,237,054
TOTAL REVENUES	74,053,665	68,317,776	64,486,364	69,399,998
EXPENSES				
Personal Services	15,896,565	15,251,021	17,604,906	16,325,828
Other Services and Charges	6,528,447	6,025,072	6,999,151	7,525,686
Transfers	15,948,845	19,392,276	19,564,836	21,671,049
Miscellaneous	14,661,788	10,419,828	14,942,587	16,489,241
TOTAL EXPENSES	53,035,645	51,088,197	59,111,480	62,011,804
FUND BALANCE - DECEMBER 31	116,127,784	129,880,342	135,255,226	142,643,420

# City of Duluth Minnesota - 2022 Budget

## Lake Superior Zoological Gardens

200

This Special Revenue fund was 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.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	(410,992)	(406,497)	(264,760)	(264,760)
<b>REVENUES</b>				
Intergovernmental, State of MN	126,863	238,137	190,000	330,000
Admissions	745,966	497,359	969,865	1,209,309
Concessions & Commissions, Misc	236,377	151,503	190,826	251,097
Reimbursement, Lake Superior Zoological Society	-	-	-	19,534
Gifts and Donations	13,348	96,843	61,500	63,500
Other Sources	67,916	9,229	16,450	6,600
Interfund Transfer from Tourism Tax	510,000	510,000	510,000	510,000
<b>TOTAL REVENUES</b>	<b>1,700,470</b>	<b>1,503,071</b>	<b>1,938,641</b>	<b>2,390,040</b>
<b>EXPENSES</b>				
Phone Service	835	834	3,425	3,600
Contract Services, Zoo Personnel	939,819	670,664	968,475	1,300,102
Contract Services, Op Expenses	737,514	676,929	754,912	1,040,686
Bank Charges	17,807	12,907	20,000	32,000
Interest	-	-	191,829	4,900
<b>TOTAL EXPENSES</b>	<b>1,695,975</b>	<b>1,361,334</b>	<b>1,938,641</b>	<b>2,381,288</b>
FUND BALANCE - DECEMBER 31	(406,497)	(264,760)	(264,760)	(256,008)

# City of Duluth Minnesota - 2022 Budget

## Parks

### City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Actual	2022 Target
<b>Fiscal Responsibility:</b> Operations are supported by sustainable funding sources and costs are managed in an effective and efficient manner to maintain sustainability	Total amount of funding leveraged above Parks Fund dollars (Grants, Half and Half, General Fund, etc.):	\$ 5,366,758	\$ 9,032,562	\$ 6,270,973	Discontinue in 2022
	Total amount funding secured via executed grant contracts				\$ 25,329,237
<b>High Performing Organization:</b> Focuses on equipping, training and continuously expanding the abilities of decision-makers, leadership, management and staff to successfully accomplish public goals	Number of training hours completed by Division (Conference, workshop)	N/A	87	500.75	225
	Number of public presentations, panels, etc. Division members participate in/deliver	N/A	6	8	5

### City Priority: Culture and Recreation

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Actual	2022 Target
<b>Open Space Development:</b> 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	229	237	256.5	260
	<b>Transportation:</b> 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	39	43.5	60

# City of Duluth Minnesota - 2022 Budget

## Parks

### City Priority: Safe and Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Actual	2022 Target
<b>Community Engagement:</b> Offer community programming which affords safe spaces for youth and adults to play, learn, and engage	Amount invested in community programs	\$ 244,087	\$ 221,569	\$ 273,961	\$ 100,562
	Number of free programs offered	N/A	42%	39%	40%
	Amount of fee assistance applied to programming	\$ 5,830	\$ 1,176	\$3,156	\$3,000
	Number of tabling/outreach events	N/A	0	8	5
	Registered Program Participants	N/A	6,003	6,382	6,800
	Drop-in Program Participants	N/A	4,428	10,163	12,300

### City Priority: Infrastructure

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Actual	2022 Target
<b>Way-Finding:</b> Develop a clear way-finding system to help residents and visitors navigate through the community as efficiently and easily as possible	Number of Parks and Trails where a wayfinding project was completed. A new sign design plan was implemented in 2019.	6	6	2	3

### City Priority: Dynamic and Diverse Economy

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Actual	2022 Target
<b>Attracting Business:</b> 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	232	67	409	350
	Special Event Permits	137	25	170	150
	Commercial Operator Permits	4	12	29	35
	Building Reservations	244	32	196	180



# City of Duluth Minnesota - 2022 Budget

## Parks

205

This Special Revenue 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.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	1,602,643	1,546,260	1,969,843	1,969,843
REVENUES				
Property Tax Levy	2,869,541	2,837,698	2,880,000	2,880,000
Intergovernmental Revenue	162,868	775,407	-	-
Licenses and Permits	76,557	53,305	40,200	61,500
Miscellaneous	174,966	149,043	349,200	234,500
Transfers In	10,000	157,371	-	-
<b>TOTAL REVENUES</b>	<b>3,293,933</b>	<b>3,972,825</b>	<b>3,269,400</b>	<b>3,176,000</b>
EXPENSES				
Personal Services	1,520,143	1,205,571	1,711,000	1,859,600
Other Services and Charges	1,039,619	896,407	703,700	521,800
Supplies	201,278	165,812	209,300	208,300
Transfers Out	237,485	842,746	120,400	61,300
Capital Outlay	351,791	438,706	525,000	525,000
<b>TOTAL EXPENSES</b>	<b>3,350,316</b>	<b>3,549,242</b>	<b>3,269,400</b>	<b>3,176,000</b>
FUND BALANCE - DECEMBER 31	1,546,260	1,969,843	1,969,843	1,969,843

# City of Duluth Minnesota - 2022 Budget

## Parks continued

205

BUDGETED FTE'S	2019	2020	2021	2022
1105 Manager Parks & Recreation	1.00	1.00	1.00	1.00
1080 Assistant Manager	1.00	2.00	2.00	1.00
133 Budget Analyst	0.20	0.20	0.20	0.20
129 Permit Coordinator	1.00	1.00	1.00	1.00
127 Admin Clerical Specialist	1.00	1.00	1.00	1.00
124 Senior Center Coordinator	1.00	1.00	1.00	-
34 Senior Parks Planner	2.00	1.00	1.00	1.00
34 Natural Resources Coordinator	0.50	0.50	0.50	0.50
32 Project Coordinator	-	-	-	1.00
30 Trails Coordinator	1.00	1.00	1.00	1.00
27 Project Technician	1.00	1.00	1.00	1.00
26 Recreation Specialist	2.00	4.00	4.00	5.00
Division Total	11.70	13.70	13.70	13.70

# City of Duluth Minnesota - 2022 Budget

## Special Projects

210

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

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	1,596,464	1,739,973	1,982,593	1,982,593
REVENUES				
Intergovernmental	736,724	317,180	262,500	262,500
Miscellaneous	1,053,669	717,184	835,800	760,100
Transfers In	-	9,434	-	-
TOTAL REVENUES	1,790,393	1,043,798	1,098,300	1,022,600
EXPENSES				
Personal Services	505	-	-	-
Personal Services - Police Extra Duty Pay	380,471	134,776	295,800	253,900
Other Services and Charges	386,372	224,657	381,950	344,900
Transfers Out	479,511	376,710	343,750	343,900
Miscellaneous	75,776	65,035	76,800	79,900
Capital Equipment	324,249	-	-	-
TOTAL EXPENSES	1,646,884	801,178	1,098,300	1,022,600
FUND BALANCE - DECEMBER 31	1,739,973	1,982,593	1,982,593	1,982,593

# City of Duluth Minnesota - 2022 Budget

## Police Grant Programs

215

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

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	591,505	134,160	299,793	299,793
REVENUES				
Intergovernmental	1,776,183	2,321,640	2,146,486	2,291,245
Felony Forfeitures	142,168	264,855	100,000	100,000
TOTAL REVENUES	1,918,351	2,586,495	2,246,486	2,391,245
EXPENSES				
Other Services and Charges	653,398	789,873	515,000	422,308
Transfer to General Fund	1,287,301	1,164,846	1,416,486	1,641,749
Miscellaneous	205,183	266,392	295,000	327,188
Capital Equipment	229,814	199,751	20,000	-
TOTAL EXPENSES	2,375,696	2,420,862	2,246,486	2,391,245
FUND BALANCE - DECEMBER 31	134,160	299,793	299,793	299,793

# City of Duluth Minnesota - 2022 Budget

## Capital Equipment

250

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

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	3,371,902	2,444,155	2,372,803	2,372,803
REVENUES				
Earnings on Investments	77,628	44,820	-	-
Bond Proceeds	3,441,475	3,307,818	3,250,000	3,550,000
TOTAL REVENUES	3,519,103	3,352,638	3,250,000	3,550,000
EXPENSES				
Bond Issuance Costs	45,924	34,338	50,000	50,000
Capital Equipment - Nonrolling	1,834,475	1,517,506	1,550,000	1,850,000
Capital Equipment - Rolling	2,566,451	1,872,146	1,650,000	1,650,000
TOTAL EXPENSES	4,446,850	3,423,990	3,250,000	3,550,000
FUND BALANCE - DECEMBER 31	2,444,155	2,372,803	2,372,803	2,372,803

# City of Duluth Minnesota - 2022 Budget

## Economic Development

255

This Special Revenue 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.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	5,456	4,334	168,506	597,285
REVENUES				
Intergovernmental	157,317	211,145	100,000	100,000
Rent Revenues	19,022	185,421	448,779	344,808
Other Reimbursements	77	2,074	-	-
TOTAL REVENUES	176,416	398,640	548,779	444,808
EXPENSES				
Economic Development	177,538	234,468	120,000	120,000
TOTAL EXPENSES	177,538	234,468	120,000	120,000
FUND BALANCE - DECEMBER 31	4,334	168,506	597,285	922,093

# City of Duluth Minnesota - 2022 Budget

## Community Investment Fund

256

This Special Revenue 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.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	21,868,426	26,871,570	30,577,729	30,577,729
REVENUES				
Investment Earnings	5,573,211	4,273,310	425,000	425,000
TOTAL REVENUES	5,573,211	4,273,310	425,000	425,000
EXPENSES				
Transfer to General Fund (annual)	570,067	567,151	425,000	425,000
TOTAL EXPENSES	570,067	567,151	425,000	425,000
FUND BALANCE - DECEMBER 31	26,871,570	30,577,729	30,577,729	30,577,729

# City of Duluth Minnesota - 2022 Budget

## Energy Management

257

This Special Revenue fund was 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.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	154,063	172,360	57,555	53,555
<b>REVENUES</b>				
Other Reimbursements	27,372	38,737	15,000	13,500
Rent of Land	-	-	-	5,000
Miscellaneous	1,415	143	-	-
Interfund Transfer from General Fund	57,000	57,000	157,000	151,000
Interfund Transfer from Special Revenue Fur	3,000	-	-	-
Interfund Transfer from Public Utility	75,000	75,000	75,000	75,000
<b>TOTAL REVENUES</b>	<b>163,787</b>	<b>170,880</b>	<b>247,000</b>	<b>244,500</b>
<b>EXPENSES</b>				
Personal Services	93,699	99,706	96,700	98,300
Other Services and Charges	51,376	34,090	153,700	145,700
Miscellaneous	415	4,822	600	500
Capital Outlay	-	147,067	-	-
<b>TOTAL EXPENSES</b>	<b>145,490</b>	<b>285,685</b>	<b>251,000</b>	<b>244,500</b>
FUND BALANCE - DECEMBER 31	172,360	57,555	53,555	53,555
<b>BUDGETED FTE'S</b>				
33 Energy Coordinator	1	1	1	1



# City of Duluth Minnesota - 2021 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.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	883,622	932,313	1,950,090	1,230,690
<b>REVENUES</b>				
Hotel Motel 3%	3,026,955	1,959,167	2,181,100	2,908,200
Hotel Motel 1%	1,008,985	653,056	722,800	963,600
Add'l. 2.0% Hotel Motel Tax	1,869,774	1,161,813	1,350,600	1,802,000
Add'l. .5% Hotel Motel Tax	467,444	290,453	337,600	450,500
Food & Beverage Tax 1.0%	2,685,727	1,918,850	1,959,100	2,611,400
Food & Beverage Tax .75%	2,014,295	1,439,138	1,469,300	1,958,600
Food & Beverage Tax .5%	1,342,864	959,425	979,500	1,305,700
Change in Fair Value	5,347	26,420	-	-
<b>TOTAL REVENUES</b>	<b>12,421,391</b>	<b>8,408,322</b>	<b>9,000,000</b>	<b>12,000,000</b>
<b>EXPENSES</b>				
Duluth Entertainment & Convention Center	107,912	97,578	114,300	115,800
Advertising & Publicity	2,027,387	666,667	1,500,000	950,000
Business Improvement District	200,000	110,000	220,000	220,000
Great Lakes Aquarium	360,000	330,000	270,000	320,000
Lake Superior Zoo	510,000	510,000	510,000	510,000
Spirit Mountain	755,700	420,700	645,700	585,700
The Depot Foundation	220,000	54,999	165,000	200,000
Duluth Children's Museum	20,000	-	-	20,000
Canal Park Trolley	55,000	-	-	-
Hawk Ridge Bird Observatory	20,000	-	-	30,000
Public Arts	15,000	-	-	-
Duluth Sister Cities International	39,695	-	-	25,000
Lake Superior & Mississippi Railroad	20,000	-	-	20,000
Rail Alliance	14,725	15,000	15,000	15,000
Glensheen	50,000	-	-	35,000
Independent Television Festival	50,000	-	-	-

# City of Duluth Minnesota - 2021 Budget

## Special City Excise and Sales Tax (Tourism Taxes) continued

258

Fourth Fest Fireworks	57,000	2,500	57,000	57,000
Duluth Area Family Y	-	10,000	25,000	-
North Shore Scenic Railroad	-	-	-	50,000
Kraus Anderson Bike Duluth Festival	-	-	-	8,500
Zeitgeist	-	-	-	25,000
UMD Athletics	-	-	20,000	-
Gary New Duluth Skateboard Park	-	-	-	20,000
Funds allocated pursuant to Res. 21-0847	-	-	-	550,000
Bellmont Partners	-	-	-	1,800,000
Duluth Airport	-	-	-	50,000
City of Duluth Parks and Recreation	-	-	-	46,000
Transfer to General Fund	1,101,297	97,958	821,300	1,195,000
Interfund Transfer to Capital Project Funds	550,000	550,000	550,000	550,000
Interfund Transfer to Debt Service				
- DECC	3,883,439	2,648,923	2,963,600	3,754,900
- Spirit Mountain	500,000	500,000	500,000	500,000
- St Louis River Corridor	1,815,545	1,376,220	1,342,500	1,754,700
<b>TOTAL EXPENSES</b>	<b>12,372,700</b>	<b>7,390,545</b>	<b>9,719,400</b>	<b>13,407,600</b>
Increase (Decrease) Undesignated Fund Balance	48,691	1,017,777	(719,400)	(1,407,600)
<b>FUND BALANCE - DECEMBER 31</b>	<b>932,313</b>	<b>1,950,090</b>	<b>1,230,690</b>	<b>(176,910)</b>

# City of Duluth Minnesota - 2022 Budget

## Home Investment Partnerships Program

260

This Special Revenue fund was 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 2022 budget figures represent preliminary estimates only.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	(27,559)	(123,235)	(100,803)	(100,803)
REVENUES				
Home Grant	445,608	621,930	549,739	548,149
CDBG ARP Grant	-	-	-	1,986,658
TOTAL REVENUES	445,608	621,930	549,739	2,534,807
EXPENSES				
Tenant Based Rental Assistance	100,284	97,425	94,766	90,484
Community Housing Devel Program	403,000	473,185	200,000	844,330
Rehabilitation	-	-	200,000	1,247,180
Administration	38,000	28,888	54,973	352,813
TOTAL EXPENSES	541,284	599,498	549,739	2,534,807
FUND BALANCE - DECEMBER 31	(123,235)	(100,803)	(100,803)	(100,803)

# City of Duluth Minnesota - 2022 Budget

## Community Development

262

This Special Revenue fund was 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 2022 budget figures represent preliminary estimates only, awaiting the allocation of HUD funds.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	(380,134)	(422,031)	(885,272)	(885,272)
REVENUES				
State of Minnesota	60,000	-	-	-
Community Development Block Grant	2,335,602	2,019,489	2,426,497	2,462,495
Community Development Block Grant Cares Act	-	-	3,399,647	500,310
Emergency Shelter Grant	153,876	221,910	208,704	206,941
Miscellaneous reimbursements	12,500	150,500	20,000	20,000
<b>TOTAL REVENUES</b>	<b>2,561,978</b>	<b>2,391,899</b>	<b>6,054,848</b>	<b>3,189,746</b>
EXPENSES				
Economic Development	309,091	523,089	901,377	379,278
Housing	984,166	1,021,789	1,160,798	881,000
Physical Improvements	453,693	133,225	707,400	345,709
Public Service Projects	340,011	483,080	2,088,561	955,681
Program Administration	516,914	693,957	1,196,712	628,078
<b>TOTAL EXPENSES</b>	<b>2,603,875</b>	<b>2,855,140</b>	<b>6,054,848</b>	<b>3,189,746</b>
FUND BALANCE - DECEMBER 31	(422,031)	(885,272)	(885,272)	(885,272)

# City of Duluth Minnesota - 2022 Budget

## Community Development Administration

265

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

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	-	(23,690)	(16,474)	(16,474)
<b>REVENUES</b>				
Community Development Block Grant	480,636	684,901	686,320	799,465
Home Grant	13,788	24,074	54,973	54,815
HRA Housing & Environmental Emergency Shelter Grant	-	72,110	25,000	25,000
TOTAL REVENUES	507,806	809,152	780,389	894,798
<b>EXPENSES</b>				
Personal Services	506,983	770,646	697,500	811,900
Other Services and Charges	24,513	31,290	82,889	82,889
TOTAL EXPENSES	531,496	801,936	780,389	894,789
FUND BALANCE - DECEMBER 31	(23,690)	(16,474)	(16,474)	(16,465)
<b>BUDGETED FTE'S</b>				
1155 Director, Planning & Econ Dev	0.33	-	-	-
1105 Manager Planning & Comm Dev	0.50	0.50	0.50	0.50
138 Senior Housing Developer	-	0.50	0.50	0.50
138 Senior Planner	1.00	1.25	1.25	1.25
135 Economic Developer	-	0.75	0.75	0.75
133 Planner II	2.00	2.00	2.00	2.00
131 Grant Coordinator	-	-	-	1.00
129 Administrative Info Specialist	0.25	0.75	0.75	0.75
129 Planner I	2.00	1.00	1.00	1.00
DIVISION TOTAL	6.08	6.75	6.75	7.75

# City of Duluth Minnesota - 2022 Budget

## Workforce Development

### City Priority: Dynamic and Diverse Economy

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Actual	2022 Target
<b>Workforce Development:</b> 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	1264	1059	877	1050
	Percent of enrolled clients pursuing education and training who attained a credential	69%	65%	67%	65%
	Percent of non-MFIP clients who successfully exited	73%	63%	68%	70%

# City of Duluth Minnesota - 2022 Budget

## Workforce Development

268

This Special Revenue fund 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 2022 budget figures represent preliminary estimates only and are subject to change as grants are appropriated by the State and approved by the City Council.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	257,254	269,641	198,923	198,923
<b>REVENUES</b>				
Miscellaneous	4,556	2,751	-	-
Building Rent	258,043	240,175	246,575	249,435
MN Family Investment Program	878,298	957,244	902,089	912,240
Federal Grant	730,498	714,039	733,854	1,062,856
State Grant	704,745	514,879	577,068	697,252
Local Grant	-	7,800	-	-
Interfund Trsf in from General Fund	-	4,159	50,000	50,000
Interfund Trsf from Component				
Unit-DEDA	-	-	7,500	-
<b>TOTAL REVENUES</b>	<b>2,576,140</b>	<b>2,441,047</b>	<b>2,517,086</b>	<b>2,971,783</b>
<b>EXPENSES</b>				
Personal Services	1,507,612	1,584,288	1,657,323	1,876,675
OPEB	5,709	2,934	3,768	2,126
Other Services and Charges	1,050,432	924,544	855,995	1,092,982
<b>TOTAL EXPENSES</b>	<b>2,563,753</b>	<b>2,511,765</b>	<b>2,517,086</b>	<b>2,971,783</b>
FUND BALANCE - DECEMBER 31	269,641	198,923	198,923	198,923
<b>BUDGETED FTE'S</b>				
1150 Director Workforce Development	1.00	1.00	1.00	1.00
1085 Workforce Dev Ops Manager	1.00	1.00	1.00	1.00
132 Workforce Dev Technician II	-	-	5.00	5.00
131 Employment Technician	13.64	13.64	6.64	7.64
130 Workforce Dev Technician I	-	-	1.00	2.00
126 Information Technician	2.00	1.00	1.00	1.00
<b>DIVISION TOTAL</b>	<b>17.64</b>	<b>16.64</b>	<b>15.64</b>	<b>17.64</b>

# City of Duluth Minnesota - 2022 Budget

## Senior Employment

270

This Special Revenue fund 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.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	(7)	(2,014)	(1,066)	(1,066)
REVENUES				
Senior Employment Program - State	137,017	210,501	166,997	91,917
Senior Aides Program - Federal	202,794	280,617	225,744	212,948
TOTAL REVENUES	339,811	491,118	392,741	304,865
EXPENSES				
Personal Services	309,522	459,393	340,165	300,146
Other Services and Charges	14,706	16,693	52,576	4,719
Transfers to General Fund	17,590	14,084	-	-
TOTAL EXPENSES	341,818	490,170	392,741	304,865
FUND BALANCE - DECEMBER 31	(2,014)	(1,066)	(1,066)	(1,066)



# City of Duluth Minnesota - 2022 Budget

## Other Postemployment Benefits

280

This Special Revenue fund was established 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.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	56,404,693	71,510,666	82,675,184	88,384,414
REVENUES				
Investment Earnings	1,500,343	1,532,100	1,509,000	1,465,000
Investment Earnings-City Pooled	-	-	400,000	400,000
Change in Fair Value	12,736,135	9,776,603	3,800,000	5,800,000
Transfer from Special Revenue Funds	-	-	3,230	2,125
Contributions- Employer	11,642,994	10,287,851	11,905,350	10,194,581
TOTAL REVENUES	25,879,472	21,596,554	17,617,580	17,861,706
EXPENSES				
Administrative Expenses	4,173	4,724	3,000	3,000
Benefits	10,769,326	10,427,312	11,905,350	10,194,581
TOTAL EXPENSES	10,773,499	10,432,036	11,908,350	10,197,581
FUND BALANCE - DECEMBER 31	71,510,666	82,675,184	88,384,414	96,048,539

# City of Duluth Minnesota - 2022 Budget

## DECC Revenue

281

This Special revenue fund was 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 are used to pay debt service on the DECC expansion bonds.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	4,175,331	4,450,991	4,382,363	4,355,738
REVENUES				
Investment Earnings Change in Fair Value	45,277	33,549	-	-
Transfer from Special Revenue Funds (Tourism)				
- Hotel/Motel Tax	1,869,145	1,209,786	1,346,850	1,795,800
- Food & Beverage Tax	2,014,295	1,439,137	1,469,325	1,959,100
TOTAL REVENUES	3,928,717	2,682,472	2,816,175	3,754,900
EXPENSES				
Miscellaneous	814,282	-	-	-
Transfer to Debt Service	2,838,775	2,751,100	2,842,800	2,938,500
TOTAL EXPENSES	3,653,057	2,751,100	2,842,800	2,938,500
FUND BALANCE - DECEMBER 31	4,450,991	4,382,363	4,355,738	5,172,138

# City of Duluth Minnesota - 2022 Budget

## Street System Maintenance Utility

290

This Special Revenue fund was established 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.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	741,504	442,538	1,753,463	1,753,463
<b>REVENUES</b>				
Property Tax	2,977,734	2,482,789	2,500,000	2,500,000
Other Reimbursements	4,000	3,215	-	-
Earnings On Investments	7,447	18,527	-	-
Interest Earned-Customer Accounts	253	41	-	-
Transfers In from Capital Projects	50,000	-	-	-
<b>TOTAL REVENUES</b>	<b>3,039,434</b>	<b>2,504,572</b>	<b>2,500,000</b>	<b>2,500,000</b>
<b>EXPENSES</b>				
Personal Services	295,700	7,025	350,000	370,000
Supplies	266,172	296,170	581,000	581,000
Other Services and Charges	146,424	35,458	80,000	98,000
Non-Capital Improvements	-	23,065	-	195,000
Capital Equipment	-	4,410	-	-
Uncollectible Accounts	75	713	-	-
Allowance-Uncollectible Accounts	(556)	-	-	-
Transfer to Debt Service	727,456	-	-	-
Transfer to Capital Projects	1,903,129	826,806	1,489,000	1,256,000
<b>TOTAL EXPENSES</b>	<b>3,338,400</b>	<b>1,193,647</b>	<b>2,500,000</b>	<b>2,500,000</b>
FUND BALANCE - DECEMBER 31	442,538	1,753,463	1,753,463	1,753,463

# City of Duluth Minnesota - 2022 Budget

## Street Improvement Sales Tax

291

This Special Revenue fund was established to account for the additional half percent general sales tax dedicated to street improvement.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	-	1,964,649	1,765,696	1,765,696
REVENUES				
Sales Tax	1,998,250	7,244,748	6,345,000	6,815,000
Use Tax	-	-	405,000	435,000
Earnings on Investments	-	3,837	-	-
TOTAL REVENUES	1,998,250	7,248,585	6,750,000	7,250,000
EXPENSES				
Contract Services	33,601	42,538	-	-
Transfer to Capital Projects	-	7,405,000	6,750,000	7,250,000
TOTAL EXPENSES	33,601	7,447,538	6,750,000	7,250,000
FUND BALANCE - DECEMBER 31	1,964,649	1,765,696	1,765,696	1,765,696

# City of Duluth Minnesota - 2022 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.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	4,275,592	4,621,641	994,177	981,077
PRIOR PERIOD ADJUSTMENT (caused by the Street Lighting Fund becoming a special revenue fund)	-	(3,477,020)	-	-
FUND BALANCE - JANUARY 1 (Restated)	4,275,592	1,144,621	994,177	981,077
REVENUE				
Taxes	1,301,757	1,720,106	2,447,200	2,447,200
Street Lighting Fee	829,058	5,696	-	-
Miscellaneous	44,786	84,427	37,000	46,000
Investment Earnings	4,170	446	-	-
Change in Fair Value Investments	15,624	9,793	-	-
Interfund Transfer from General Fund	24,000	-	-	-
TOTAL REVENUES	2,219,395	1,820,468	2,484,200	2,493,200
EXPENSE				
Personal Services	506,895	559,371	547,300	558,600
Supplies	234,066	234,554	296,000	298,100
Other Services and Charges	201,068	188,139	384,700	384,000
Utilities	549,014	687,068	850,000	850,000
Depreciation	291,651	-	-	-
Non-Capital Improvements	53,402	31,048	-	-
Transfers	37,250	270,732	-	-
Capital	-	-	419,300	420,800
TOTAL EXPENSES	1,873,346	1,970,912	2,497,300	2,511,500
FUND BALANCE - DECEMBER 31	4,621,641	994,177	981,077	962,777

# City of Duluth Minnesota - 2022 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.

BUDGETED FTE'S	2019	2020	2021	2022
9 Executive Assistant	0.1	0.1	0.1	0.1
32 Traffic Operations Leadworker	1.0	1.0	1.0	1.0
31 Signal Technician	3.0	3.0	3.0	3.0
27 Signal Maintenance Worker	1.0	1.0	1.0	1.0
Department Total	5.1	5.1	5.1	5.1

FUND BALANCE - DECEMBER 31, 2019 4,621,641

### BALANCES NOT INCLUDED IN A SPECIAL REVENUE FUND:

Capital assets	3,821,884
Deferred pension obligation outflows	29,547
Compensated absences	(12,349)
Pension liability	(294,009)
Deferred pension obligation inflows	(68,053)

PRIOR PERIOD ADJUSTMENT (3,477,020)  
 (caused by the Street Lighting Fund becoming  
 a special revenue fund)

FUND BALANCE - JANUARY 1, 2020 1,144,621

# City of Duluth Minnesota - 2022 Budget

## Debt Service Funds

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.

### Funds

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

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	17,168,845	16,519,239	16,175,909	15,606,909
REVENUES				
Taxes and Tax Increment	7,545,538	7,545,145	7,919,500	7,870,500
Special Assessments	377,416	288,094	160,400	84,300
Miscellaneous	12,320,127	300,151	-	-
Other Financing Sources	7,662,249	7,044,549	6,715,000	7,980,600
TOTAL REVENUES	27,905,330	15,177,939	14,794,900	15,935,400
EXPENSES				
Debt Service Payments	15,988,529	14,686,659	14,551,600	14,978,400
Miscellaneous	12,566,407	834,610	812,300	855,500
TOTAL EXPENSES	28,554,936	15,521,269	15,363,900	15,833,900
FUND BALANCE - DECEMBER 31	16,519,239	16,175,909	15,606,909	15,708,409

# City of Duluth Minnesota - 2022 Budget

## Debt Service Funds Narrative

### 2021 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, 2021 as it pertains to the City of Duluth is estimated as follows:

Total Gross Bonded Debt		\$143,349,900
Less:		
City - general obligation bonds paid by parking revenues	16,249,900	
City - general obligation bonds paid by other revenues	58,765,000	
Tax Abatement Bonds	10,045,000	
Utility bonds paid from Enterprise Funds	19,805,000	
Special assessment bonds	645,000	
 Net Direct Bonded Debt		 <u>\$37,840,000</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 \$150.7 million.

Year	Amount (in thousands)	Percent of Market Value	Dollars Per Capita
2021	\$37,840	0.5	\$436
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
2012	\$40,540	0.8	\$470
2011	\$41,874	0.7	\$485

The preceding table used an estimated taxable market value of \$7,534,531,665 and a population of 86,697, as reported in the 2020 census.



# City of Duluth Minnesota - 2022 Budget

## Debt Service Funds Narrative

The following tables provide specific information relative to the 2021 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 12/31/2021</u>	<u>2022 Levy Requirements</u>
Miller Hill Flats Abatement	-	-	18,400
Capstone LLC Abatement	-	-	73,300
Cityview Flats Abatement	-	-	60,000
Firststreet Lofts Abatement	-	-	26,300
Bluffs Senior Housing Abatement	-	-	12,500
Costco Abatement	-	-	84,000
ST Paper	-	-	60,000
Police Station	10/9/2019	9,755,000	1,116,300
Lakewalk & Cross City	12/18/2013	960,000	130,000
Lakewalk	10/21/2020	4,150,000	323,600
Equipment	11/21/2017	2,255,000	803,400
Equipment	10/17/2018	3,190,000	827,000
Equipment	10/9/2019	3,070,000	718,000
Equipment	10/21/2020	2,960,000	672,600
Equipment	11/3/2021	3,935,000	919,800
Capital Improvement Projects	12/18/2013	780,000	212,200
Capital Improvement Projects	10/30/2014	590,000	123,600
Capital Improvement Projects	11/5/2015	1,010,000	180,700
Capital Improvement Projects	11/9/2016	835,000	140,000
Capital Improvement Projects	11/21/2017	1,280,000	184,600
Capital Improvement Projects	10/17/2018	1,220,000	169,800
Capital Improvement Projects	10/9/2019	1,190,000	155,500
Capital Improvement Projects	10/21/2020	1,640,000	195,300
Capital Improvement Projects	11/3/2021	1,490,000	192,700
<b>TOTAL DEBT SERVICE</b>			<b>7,399,600</b>
5% Additional required by law (1)			373,300
			<b>7,772,900</b>
Less: Cash on hand			(465,300)
<b>NET DEBT LEVY - Total required by taxation</b>			<b>7,307,600</b>

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

# City of Duluth Minnesota - 2022 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
2022	3,007,263	6,340,000	368,925	3,420,000	263,444	890,000
2023	2,814,608	6,465,000	242,675	2,780,000	244,166	905,000
2024	2,613,340	6,760,000	134,350	2,100,000	222,792	925,000
2025	2,411,046	6,875,000	55,325	1,305,000	200,034	945,000
2026	2,182,043	7,050,000	12,900	645,000	175,594	975,000
2027-2031	6,901,620	31,525,000	-	-	438,581	4,780,000
2032-2036	1,047,495	15,915,000	-	-	9,844	625,000
<b>Total</b>	<b>\$ 20,977,415</b>	<b>\$ 80,930,000</b>	<b>\$ 814,175</b>	<b>\$ 10,250,000</b>	<b>\$ 1,554,455</b>	<b>\$ 10,045,000</b>

# City of Duluth Minnesota - 2022 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.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	7,531,258	7,419,358	7,858,624	7,961,024
<b>REVENUES</b>				
Property Taxes	6,933,636	6,933,244	7,307,600	7,307,600
Earnings on Investments	74,733	68,727	-	-
Proceeds from Refunding Bond	11,969,482	-	-	-
Other Sources	245,790	222,018	-	-
Transfer from Special Revenue	7,889	56,858	57,900	61,300
Transfer from Capital Project	7,955	3,879	-	-
<b>TOTAL REVENUES</b>	<b>19,239,485</b>	<b>7,284,726</b>	<b>7,365,500</b>	<b>7,368,900</b>
<b>EXPENSES</b>				
Debt Service Payments				
- Bond Principal	5,565,000	5,375,000	5,360,000	5,680,000
- Bond Interest	1,784,048	1,194,430	1,647,300	1,398,300
Other Expenditures				
- Payment to Escrow Agent	11,849,546	-	-	-
- Tax Abatement	58,878	266,908	248,200	334,500
- Fiscal Agent and Bond Fees	93,913	9,122	7,600	9,000
<b>TOTAL EXPENSES</b>	<b>19,351,385</b>	<b>6,845,460</b>	<b>7,263,100</b>	<b>7,421,800</b>
FUND BALANCE - DECEMBER 31	7,419,358	7,858,624	7,961,024	7,908,124

# City of Duluth Minnesota - 2022 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.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	6,320,717	6,777,345	6,804,383	6,806,383
REVENUES				
Earnings on Investments	65,039	59,095	-	-
Transfer from Special Revenue				
- DECC Improvement	2,314,175	2,402,250	2,491,300	2,587,600
- DECC Improvement - Seawall	355,600	348,850	351,500	349,900
- Spirit Mountain	500,000	500,000	500,000	500,000
- St. Louis River Corridor	1,815,545	1,376,220	1,316,000	1,800,000
Transfer from Capital Projects				
- Excess Proceeds on Bonds	-	-	-	-
Funded by Others				
- Airport	1,208,846	1,210,053	1,213,800	1,210,500
- MSA Maintenance	-	-	-	47,900
- MSA Construction	-	-	-	780,000
- Spirit Mountain	15,919	17,919	14,700	-
- Seaway Port - Airpark	-	-	-	-
- Airport - Cirrus	643,825	644,425	644,800	643,400
TOTAL REVENUES	6,918,949	6,558,812	6,532,100	7,919,300
EXPENSES				
Bond Principal	3,740,000	3,910,000	4,015,000	4,970,000
Bond Interest	2,717,096	2,616,304	2,510,800	2,453,500
Fiscal Agents	5,225	5,470	4,300	5,000
TOTAL EXPENSES	6,462,321	6,531,774	6,530,100	7,428,500
FUND BALANCE - DECEMBER 31	6,777,345	6,804,383	6,806,383	7,297,183

# City of Duluth Minnesota - 2022 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.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	525,326	211,255	36,418	(59,782)
REVENUES				
Construction Assessments	238,370	199,146	93,000	44,000
Earnings on Investments	4,319	(233)	-	-
TOTAL REVENUES	242,689	198,913	93,000	44,000
EXPENSES				
Bond Principal	530,000	360,000	185,000	-
Bond Interest	25,335	12,800	3,700	-
Fiscal Agents	1,425	950	500	-
TOTAL EXPENSES	556,760	373,750	189,200	-
FUND BALANCE - DECEMBER 31	211,255	36,418	(59,782)	(15,782)

# City of Duluth Minnesota - 2022 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.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	2,791,544	2,055,849	1,360,361	721,961
REVENUES				
Construction Assessments	139,046	88,948	67,400	40,300
Earnings on Investments	25,803	9,639	-	-
Transfer from Capital Project	-	425,000	125,000	-
Transfer from Special Revenue	727,456	-	-	-
<b>TOTAL REVENUES</b>	<b>892,305</b>	<b>523,587</b>	<b>192,400</b>	<b>40,300</b>
EXPENSES				
Fiscal Agent Fees	950	950	1,000	500
Bond Principal	1,510,000	1,145,000	790,000	460,000
Bond Interest	117,050	73,125	39,800	16,600
<b>TOTAL EXPENSES</b>	<b>1,628,000</b>	<b>1,219,075</b>	<b>830,800</b>	<b>477,100</b>
FUND BALANCE - DECEMBER 31	2,055,849	1,360,361	721,961	285,161

# City of Duluth Minnesota - 2022 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.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	-	55,432	116,123	177,323
REVENUES				
Tax increments	611,902	611,901	611,900	562,900
TOTAL REVENUES	611,902	611,901	611,900	562,900
EXPENSES				
Other Miscellaneous Expenditures	500	499	-	-
Transfer to General Fund	5,259	-	-	-
Transfer to Enterprise Fund	550,711	550,711	550,700	506,500
TOTAL EXPENSES	556,470	551,210	550,700	506,500
FUND BALANCE - DECEMBER 31	55,432	116,123	177,323	233,723

# City of Duluth Minnesota - 2022 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.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	11,627,888	9,178,801	11,238,867	7,927,224
REVENUES				
Taxes	278,055	278,471	280,000	280,000
Intergovernmental	7,853,193	10,007,913	5,068,600	29,522,100
Miscellaneous	2,717,376	6,917,705	2,257,258	2,233,475
Other Financing Sources	5,152,422	14,736,832	9,264,000	10,201,900
TOTAL REVENUES	16,001,046	31,940,921	16,869,858	42,237,475
EXPENSES				
Current	40,740	82,230	40,700	84,200
Capital Outlay	18,409,393	29,798,625	20,140,801	43,067,600
TOTAL EXPENSES	18,450,133	29,880,855	20,181,501	43,151,800
FUND BALANCE - DECEMBER 31	9,178,801	11,238,867	7,927,224	7,012,899



# City of Duluth Minnesota - 2022 Budget

## Special Assessment

410

This Capital Project fund was established to account for improvements which are financed by special assessments. The 2022 budget figures represent preliminary estimates only.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	(219,549)	(181,435)	(126,664)	(90,168)
REVENUES				
Assessment Collections	38,114	54,771	36,496	33,175
TOTAL REVENUES	38,114	54,771	36,496	33,175
EXPENSES				
Improvements Other Than Buildings	-	-	-	-
TOTAL EXPENSES	-	-	-	-
FUND BALANCE - DECEMBER 31	(181,435)	(126,664)	(90,168)	(56,993)

# City of Duluth Minnesota - 2022 Budget

## Permanent Improvement

411

This Capital Project fund was established in accordance with 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.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	1,230,737	20,618	2,886,762	2,886,762
<b>REVENUES</b>				
Current Property Taxes	275,577	275,970	280,000	280,000
Delinquent Property Taxes	2,478	2,501	-	-
Miscellaneous Federal Grants	1,734,053	2,131,785	1,360,000	1,340,000
State of Minnesota	133,993	694,135	-	13,775,000
Municipal State Aid	5,256,980	4,257,750	3,300,000	1,874,800
Investment Earnings	20,645	78,858	-	-
Other Sources	1,386,221	841,654	-	-
Bond Proceeds	-	4,048,886	-	-
Special Revenue Funds	1,518,603	1,097,538	744,000	1,700,000
Capital Project Funds	15,000	38,333	-	-
Public Utility Funds	-	-	375,000	415,000
<b>TOTAL REVENUES</b>	<b>10,343,550</b>	<b>13,467,410</b>	<b>6,059,000</b>	<b>19,384,800</b>
<b>EXPENSES</b>				
Improvements Other Than Buildings	11,503,669	10,509,105	6,059,000	19,384,800
Transfer to Special Revenue	-	-	-	-
Transfer to Debt Service	-	161	-	-
Transfer to Capital Projects	50,000	92,000	-	-
<b>TOTAL EXPENSES</b>	<b>11,553,669</b>	<b>10,601,266</b>	<b>6,059,000</b>	<b>19,384,800</b>
FUND BALANCE - DECEMBER 31	20,618	2,886,762	2,886,762	2,886,762

# City of Duluth Minnesota - 2022 Budget

## Street Improvement Program

440

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

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	1,686,085	1,937,743	4,151,131	2,370,692
REVENUES				
Investment Earnings	18,839	38,193	-	-
Transfer from Special Revenue	384,526	7,405,000	7,595,000	6,713,000
Assessment Collections	699,836	434,264	207,762	168,000
TOTAL REVENUES	1,103,202	7,877,457	7,802,762	6,881,000
EXPENSES				
Improvements Other than Buildings	851,544	5,200,736	9,458,201	6,894,300
Transfer to Debt Service	-	425,000	125,000	-
Transfer to General Fund	-	38,333	-	-
TOTAL EXPENSES	851,544	5,664,069	9,583,201	6,894,300
FUND BALANCE - DECEMBER 31	1,937,743	4,151,131	2,370,692	2,357,392

# City of Duluth Minnesota - 2022 Budget

## Capital Improvement

450

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

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	451,117	110,918	850,608	1,359,908
REVENUES				
Federal Grant	134,119	1,364,951	-	1,968,800
State of Minnesota	215,566	88,200	-	10,125,000
Earnings on Investments	13,221	12,608	-	-
Other Sources	137,573	-	-	-
Transfer from General Fund	700,000	-	-	-
Transfer from Capital Projects	-	92,000	-	-
Transfer from Special Revenue	818,903	763,421	550,000	899,000
Bond Proceeds	1,190,000	5,790,000	1,800,000	1,800,000
Premium on bonds	246,507	405,001	-	-
TOTAL REVENUES	3,455,888	8,516,181	2,350,000	14,792,800
EXPENSES				
Transfer to Debt Service	3,750	3,718	-	-
Transfer to Special Revenue	-	4,300,000	-	-
Transfer to Capital Projects	15,000	-	-	-
Bond Issuance Costs	40,740	82,230	40,700	84,200
Capital Improvements	3,736,598	3,390,543	1,800,000	14,242,800
TOTAL EXPENSES	3,796,088	7,776,491	1,840,700	14,327,000
FUND BALANCE - DECEMBER 31	110,918	850,608	1,359,908	1,825,708

# City of Duluth Minnesota - 2022 Budget

## Tourism & Recreational Projects

452

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

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	8,479,498	7,290,957	3,477,030	1,400,030
<b>REVENUES</b>				
Federal Grants	55,209	79,738	178,700	203,000
State of Minnesota	323,273	1,391,354	229,900	235,500
Earnings on Investments	265,213	101,348	-	-
Other Sources	225,000	2,662	213,000	232,300
Transfer from Special Revenue	191,596	450,000	-	474,900
<b>TOTAL REVENUES</b>	<b>1,060,292</b>	<b>2,025,102</b>	<b>621,600</b>	<b>1,145,700</b>
<b>EXPENSES</b>				
Capital Improvements	1,992,261	5,233,041	2,560,400	2,309,100
Transfer to Capital Projects	99,903	-	-	-
Transfer to Special Revenue	-	12,839	-	-
Other Uses	156,668	593,149	138,200	236,600
<b>TOTAL EXPENSES</b>	<b>2,248,833</b>	<b>5,839,029</b>	<b>2,698,600</b>	<b>2,545,700</b>
FUND BALANCE - DECEMBER 31	7,290,957	3,477,030	1,400,030	30

# City of Duluth Minnesota - 2022 Budget

## Funds

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

## Enterprise Funds

Enterprise funds 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.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>REVENUES</b>				
Operating	55,501,854	53,135,456	55,394,667	57,453,001
Non-Operating	7,453,709	18,081,248	6,029,900	4,421,300
Sales	38,133,852	34,987,154	41,823,000	38,578,900
<b>TOTAL REVENUES</b>	<b>101,089,415</b>	<b>106,203,858</b>	<b>103,247,567</b>	<b>100,453,201</b>
<b>OPERATING EXPENSES</b>				
Personal Services	17,946,830	16,816,847	22,727,900	22,886,800
Supplies	6,460,597	5,488,025	7,317,543	6,854,300
Other Services and Charges	21,776,333	21,764,804	22,270,760	23,449,352
Depreciation and Amortization	8,274,967	8,309,275	9,072,822	9,199,569
Miscellaneous	2,456,428	2,609,911	2,670,080	2,688,700
Cost of Sales	20,263,922	19,401,341	24,444,555	21,125,449
Interfund Transfers	5,066,487	4,206,635	5,172,977	5,478,200
Non-Operating	8,996,468	15,973,640	12,484,400	9,119,500
<b>TOTAL EXPENSES</b>	<b>91,242,032</b>	<b>94,570,478</b>	<b>106,161,037</b>	<b>100,801,870</b>

# City of Duluth Minnesota - 2022 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 and 2022, Lester Park course will be closed while still receiving minimum maintenance. Lester will be open for a final season in 2023 while the Enger Park course receives upgrades.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>REVENUE</b>				
Operating	1,471,218	1,198,492	1,151,860	1,395,801
Non-Operating	11,131	9,604	-	200,000
	<u>1,482,349</u>	<u>1,208,096</u>	<u>1,151,860</u>	<u>1,595,801</u>
<b>EXPENSES</b>				
Other Services and Charges	1,481,737	1,097,286	1,043,424	1,482,252
Depreciation and Amortization	92,641	90,105	104,405	87,569
Cost of Sales	196,811	107,725	102,555	113,549
	<u>1,771,189</u>	<u>1,295,116</u>	<u>1,250,384</u>	<u>1,683,370</u>
<b>ESTIMATED OPERATING INCOME / (LOSS)</b>	<b>(288,840)</b>	<b>(87,020)</b>	<b>(98,524)</b>	<b>(87,569)</b>

# City of Duluth Minnesota - 2022 Budget

## Golf Fund Estimated Budgetary Cash Balance

<u>OPERATING FUND</u>	2019 Actual	2020 Actual	2021 Budget	2022 Approved
ESTIMATED UNRESTRICTED CASH	(2,206,037)	(2,402,235)	(2,502,529)	(2,496,648)
Estimated Net Income (Loss)	(288,840)	(187,863)	(98,524)	(87,569)
<u>Other Sources</u>				
Depreciation	92,642	87,569	104,405	87,569
Total Sources	(196,198)	(100,294)	5,881	-
<b>ESTIMATED BUDGETARY YEAR END CASH BALANCE</b>	<u>(2,402,235)</u>	<u>(2,502,529)</u>	<u>(2,496,648)</u>	<u>(2,496,648)</u>



# City of Duluth Minnesota - 2022 Budget

## Lester Golf Course

Revenue Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
OPERATING REVENUES:				
4440 Daily Admission	197,555	-	-	-
4441 Unlimited Season - Golf	104,000	-	-	-
4442 Motor Cart	115,412	-	-	-
4443 Driving Range Fees	25,918	-	-	-
4444 Other Rentals	-	-	-	-
4445 Golf Specials/Coupons/Promotions	-	-	-	-
4627 Concessions & Commissions	182,338	-	-	-
<b>TOTAL OPERATING REVENUES</b>	<b>625,223</b>	<b>-</b>	<b>-</b>	<b>-</b>
NON-OPERATING REVENUES				
4644 Misc Fees, Sales & Service	2,960	-	-	-
<b>TOTAL NON-OPERATING REVENUES</b>	<b>2,960</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL REVENUE - LESTER</b>	<b>628,183</b>	<b>-</b>	<b>-</b>	<b>-</b>

# City of Duluth Minnesota - 2022 Budget

## Enger Golf Course

Revenue Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
OPERATING REVENUES:				
4440 Daily Admission	208,584	396,132	265,000	512,310
4441 Unlimited Season - Golf	177,220	143,596	206,610	199,000
4442 Motor Cart	139,612	207,955	214,100	264,691
4443 Driving Range Fees	56,026	90,231	91,150	116,045
4444 Other Rentals	-	-	1,275	2,700
4445 Golf Specials/Coupons/Promotions	-	-	7,600	8,225
4627 Concessions & Commissions	264,553	235,578	366,125	292,830
4730 Transfers from Parks	-	125,000	-	-
<b>TOTAL OPERATING REVENUES</b>	<b>845,995</b>	<b>1,198,492</b>	<b>1,151,860</b>	<b>1,395,801</b>
NON-OPERATING REVENUES				
4644 Misc. Fees, Sales & Services, Donations	8,171	9,604	-	200,000
<b>TOTAL NON-OPERATING REVENUES</b>	<b>8,171</b>	<b>9,604</b>	<b>-</b>	<b>200,000</b>
<b>TOTAL REVENUE - ENGER</b>	<b>854,166</b>	<b>1,208,096</b>	<b>1,151,860</b>	<b>1,595,801</b>

# City of Duluth Minnesota - 2022 Budget

## Lester Golf Course

Expense Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
OPERATING EXPENSES				
5284 Liquor Purchases	17,711	-	-	-
5285 Food & Beverage for Resale	34,298	152	-	-
5286 Golf Merchandise for Resale	37,229	-	-	-
5310 Contract Services	484,629	143,234	87,331	90,000
5415 Equipment Rental	43,056	-	-	-
5420 Depreciation	33,232	30,696	39,713	30,696
TOTAL - LESTER	650,155	174,082	127,044	120,696

# City of Duluth Minnesota - 2022 Budget

## Enger Golf Course

Expense Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
OPERATING EXPENSES				
5284 Liquor Purchases	25,117	25,117	27,538	34,511
5285 Food & Beverage for Resale	35,631	35,631	24,726	28,747
5286 Golf Merchandise for Resale	46,825	46,825	50,291	50,291
5310 Contract Services	910,996	910,996	897,760	1,333,919
5415 Equipment Rental	43,056	43,056	58,333	58,333
5420 Depreciation	59,409	59,409	64,692	56,873
<b>TOTAL - ENGER</b>	<b>1,121,034</b>	<b>1,121,034</b>	<b>1,123,340</b>	<b>1,562,674</b>

# City of Duluth Minnesota - 2022 Budget

## Parking

### City Priority: Infrastructure

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Actual	2022 Target
<b>Public Parking:</b> Ensure adequate, well-planned and accessible public parking options for residents, businesses and visitors	Number of parking tickets issued	42,684	32,000	33,028	38,000
	Number of vehicles towed as a result of parking citations	133	128	195	260
	Number of annual contractor parking permits	1,185	870	818	850
	Number of residential parking permits	2,343	2,375	2,138	2,200
	Number of on-street metered parking stalls	1,594	1,594	1,594	1,594
	Total number of off-street parking stalls managed	3,404	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 - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>REVENUES</b>				
Operating Revenue	4,097,688	2,907,434	3,451,530	4,227,800
Non-Operating	460,921	422,020	385,000	543,300
	4,558,609	3,329,454	3,836,530	4,771,100
<b>EXPENSES</b>				
Personal Services	779,910	565,810	664,500	695,100
Supplies	26,966	5,354	633,030	30,000
Other Services and Charges	1,491,894	1,295,927	1,128,715	1,444,700
Utilities	126,331	139,437	162,848	155,700
Depreciation and Amortization	567,526	571,931	475,900	568,000
Improvements - Non-Capital	217,464	167,140	129,300	158,300
Debt Service - Interest	194,760	178,326	190,900	143,200
Transfers Out	1,386,300	76,181	1,356,300	1,422,900
	4,791,151	3,000,106	4,741,493	4,617,900
<b>ESTIMATED OPERATING INCOME (LOSS)</b>	(232,542)	329,348	(904,963)	153,200
<b>BUDGETED FTE'S</b>				
1095 Parking Services Manager	-	1.00	1.00	1.00
327 Police Investigator	1.00	1.00	1.00	1.00
131 Parking Operations Specialist	1.00	-	-	-
121 Clerical Support Technician	1.00	1.00	-	-
22 Parking Services Agent	-	-	6.00	6.00
18 Parking Monitors	6.00	6.00	-	-
Division Total	9.00	9.00	8.00	8.00

# City of Duluth Minnesota - 2022 Budget

## Parking Fund Estimated Budgetary Cash Balance

<u>OPERATING FUND</u>	2021 Projected	2022 Approved
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH	3,410,426	2,234,450
Estimated Operating Income (Loss)	(904,963)	153,200
<u>Other Sources</u>		
Depreciation	<u>573,987</u>	<u>568,000</u>
Total Other Sources	573,987	568,000
<u>Other Uses</u>		
Bond Principal Payments	<u>845,000</u>	<u>860,000</u>
Total Other Uses	845,000	860,000
<b>ESTIMATED BUDGETARY YEAR END CASH BALANCE</b>	<b><u><u>2,234,450</u></u></b>	<b><u><u>2,095,650</u></u></b>

# City of Duluth Minnesota - 2022 Budget

## Parking Fund

505

Revenue Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>OPERATING REVENUES</b>				
4371 Parking Meter Revenues	768,920	339,660	428,420	874,000
4373 Transient Parking	928,433	408,312	722,719	708,300
4374 Contract Parking	1,240,402	1,245,364	1,376,941	1,565,900
4375 Charging Station Revenue	662	-	-	-
4170 Miscellaneous Permits	83,502	41,211	51,100	64,000
4472 Administrative Parking Fines	947,382	844,863	856,900	995,400
4315 Cost Allocation	15,450	18,110	15,450	20,200
4622 Rent of Buildings	110,534	9,230	-	-
4654 Other Reimbursements	2,319	684	-	-
4680 Damage or Losses Recovered	84	-	-	-
<b>TOTAL OPERATING REVENUE</b>	<b>4,097,688</b>	<b>2,907,434</b>	<b>3,451,530</b>	<b>4,227,800</b>
<b>NON-OPERATING REVENUES</b>				
4601 Earnings on Investments	37,220	29,512	-	-
4730 Transfer in from Special Revenue Fund	-	-	-	158,300
4857 Transfer in from DEDA	423,701	392,508	385,000	385,000
<b>TOTAL NON-OPERATING REVENUES</b>	<b>460,921</b>	<b>422,020</b>	<b>385,000</b>	<b>543,300</b>
<b>TOTAL REVENUE</b>	<b>4,558,609</b>	<b>3,329,454</b>	<b>3,836,530</b>	<b>4,771,100</b>



# City of Duluth Minnesota - 2022 Budget

## Parking Administration

505-015-1479

Expense Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>PERSONAL SERVICES</b>				
5100 Permanent Employees - Regular	79,973	85,769	87,100	95,200
5101 Permanent Employees - Overtime	-	-	-	-
<b>TOTAL</b>	<b>79,973</b>	<b>85,769</b>	<b>87,100</b>	<b>95,200</b>
<b>EMPLOYEE BENEFITS</b>				
5121 P.E.R.A.	5,487	6,000	6,300	6,900
5121 P.E.R.A., GASB 68	65,151	(31,487)	-	-
5122 F.I.C.A. Social Security	4,957	5,320	5,400	5,900
5123 F.I.C.A. Medicare	1,159	1,244	1,300	1,400
5125 Dental Insurance	372	396	400	400
5126 Life Insurance	204	204	200	200
5127 Health Care Savings Plan	15,345	3,640	1,900	2,000
<b>TOTAL</b>	<b>92,675</b>	<b>(14,683)</b>	<b>15,500</b>	<b>16,800</b>
<b>OPERATING EXPENSES</b>				
5219 Other Miscellaneous Supplies	1,106	1,157	1,500	1,900
5321 Phone Service	-	-	100	-
5331 Travel/Training	3,116	695	4,500	5,000
5335 Mileage Reimbursement	-	-	300	300
5441 Other Services and Charges	1,578	540	2,000	2,000
<b>TOTAL</b>	<b>5,800</b>	<b>2,392</b>	<b>8,400</b>	<b>9,200</b>
<b>1479 TOTAL - ADMINISTRATION</b>	<b>178,448</b>	<b>73,478</b>	<b>111,000</b>	<b>121,200</b>

# City of Duluth Minnesota - 2022 Budget

## Technology Center Ramp

505-015-1480-2510

Expense Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
OPERATING EXPENSES				
5307 Admin/Management Fees	9,238	9,341	14,844	9,200
5310 Contract Services	208,437	174,451	160,100	216,800
5319 Other Professional Service	310	-	-	-
5381 Electricity	28,709	35,961	43,080	40,100
5382 Water, Gas & Sewer	2,522	2,692	2,900	3,500
5384 Refuse Disposal	1,386	1,427	1,692	1,600
5386 Steam	19,639	15,921	19,221	18,100
5404 Equipment Maintenance/Repair	-	1,620	1,610	1,800
5405 Parking Lot Maintenance	2,160	-	42,000	24,800
5420 Depreciation	188,958	188,958	171,700	189,000
5493 Cost Allocation	27,720	30,000	27,720	23,300
5611 Bond Interest	-	-	700	-
TOTAL	489,079	460,371	485,567	528,200
2510 TOTAL - TECHNOLOGY CENTER RAMP	489,079	460,371	485,567	528,200

# City of Duluth Minnesota - 2022 Budget

## HART District Ramp

505-015-1480-2511

Expense Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
OPERATING EXPENSES				
5307 Admin/Management Fees	4,922	4,977	8,112	4,900
5310 Contract Services	278,423	289,045	260,083	294,100
5319 Other Professional Services	310	-	-	-
5381 Electricity	13,413	15,586	16,800	16,200
5382 Water, Gas & Sewer	6,824	5,621	7,200	2,400
5404 Equipment Maintenance/Repair	1,900	2,611	2,420	3,500
5405 Parking Lot Maintenance	23,051	111,568	15,000	-
5420 Depreciation	58,674	58,674	39,800	58,700
5493 Cost Allocation	27,720	30,000	27,720	23,300
5611 Bond Interest	-	-	100	-
TOTAL	415,237	518,082	377,235	403,100
2511 TOTAL - HART DISTRICT RAMP	415,237	518,082	377,235	403,100

# City of Duluth Minnesota - 2022 Budget

## Medical District Ramp

505-015-1480-2512

Expense Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
OPERATING EXPENSES				
5219 Other Miscellaneous Supplies	19	-	-	-
5307 Admin/Management Fees	9,300	9,403	14,040	9,300
5310 Contract Services	209,919	145,139	158,439	224,100
5319 Other Professional Services	310	-	-	-
5381 Electricity	33,414	43,551	47,024	47,000
5382 Water, Gas & Sewer	19,854	17,396	22,804	22,100
5404 Equipment Maintenance/Repair	763	4,956	4,521	6,000
5405 Parking Lot Maintenance	58,722	6,172	23,300	35,500
5420 Depreciation	249,748	249,749	227,000	249,700
5481 Property Taxes	3,308	3,318	3,500	3,500
5493 Cost Allocation	27,720	30,000	27,720	23,300
5611 Bond Interest	194,760	178,326	190,100	143,200
5620 Fiscal Agents Fees	475	475	-	500
TOTAL	808,312	688,485	718,448	764,200
2512 TOTAL - MEDICAL DISTRICT RAMP	808,312	688,485	718,448	764,200

# City of Duluth Minnesota - 2022 Budget

## Municipal Lots

505-015-1480-2513

Expense Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
OPERATING EXPENSES				
5307 Admin/Management Fees	11,412	11,538	14,632	15,900
5310 Contract Services	309,370	225,636	252,122	246,400
5319 Other Professional Services	12,310	-	-	-
5381 Electricity	1,956	2,709	3,819	2,900
5382 Water, Gas & Sewer	-	-	-	3,400
5405 Parking Lot Maintenance	133,531	49,400	49,000	98,000
5420 Depreciation	41,730	41,730	32,200	33,100
5493 Cost Allocation	27,720	30,000	27,720	23,300
TOTAL	538,029	361,013	379,493	423,000
2513 TOTAL - MUNICIPAL LOTS	538,029	361,013	379,493	423,000

# City of Duluth Minnesota - 2022 Budget

## On Street Parking & Enforcement

505-015-1481

Expense Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>PERSONAL SERVICES</b>				
5100 Permanent Employees - Regular	391,888	321,512	366,600	374,400
5101 Permanent Employees - Overtime	2,673	2,026	-	-
5103 Other Wages	11,811	828	-	-
5111 Long-Term Disability Wages	1,112	-	-	-
TOTAL	407,484	324,366	366,600	374,400
<b>EMPLOYEE BENEFITS</b>				
5121 P.E.R.A.	36,584	31,041	35,200	35,800
5122 F.I.C.A. Social Security	19,138	14,036	17,400	17,900
5123 F.I.C.A. Medicare	5,739	4,504	5,300	5,400
5125 Dental Insurance	3,007	2,442	2,800	2,800
5126 Life Insurance	1,649	1,258	1,300	1,300
5127 Health Care Savings Plan	7,890	6,853	7,800	20,000
5130 Cafeteria Plan Benefits	125,551	110,184	125,500	125,500
5133 Health or Fitness Program	220	40	-	-
TOTAL	199,778	170,358	195,300	208,700
<b>OPERATING EXPENSES</b>				
5200 Office Supplies	145	350	850	700
5212 Motor Fuels	1,129	708	3,200	2,000
5218 Uniforms	1,951	630	2,800	1,000
5219 Other Miscellaneous Supplies	1,564	-	5,880	5,600
5226 Sign & Signal Materials	-	-	600,000	-
5241 Small Equipment	21,052	2,509	18,800	18,800
5306 Collection Services	9,965	6,832	15,800	5,800
5307 Admin/Management Fees	7,200	7,200	7,200	7,200
5310 Contract Services	252,833	218,411	42,480	248,400
5355 Printing & Copying Services	-	17,622	400	-
5356 Copier, Printer Lease & Supplies	-	70	200	-
5409 Fleet Service Charges	5,809	771	7,100	7,900
5414 Software Lic & Mtc Agreements	918	1,200	1,920	1,200
5420 Depreciation	28,416	32,820	5,200	37,500
5427 Credit Card Commissions	5,075	4,220	7,000	7,000
5441 Other Services and Charges	4,707	4,429	5,000	5,800
5493 Cost Allocation	27,720	30,000	27,720	23,300

# City of Duluth Minnesota - 2022 Budget

## On Street Parking & Enforcement

505-015-1481

Expense Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
5700 Transfer to General Fund	1,386,300	76,181	1,356,300	1,422,900
TOTAL	1,754,784	403,953	2,107,850	1,795,100
 NON-OPERATING EXPENSES				
5580 Capital Equipment	90,668	99,375	-	-
TOTAL	90,668	99,375	-	-
 1481 TOTAL - ON STREET PARKING & ENFORCEMENT	 2,452,714	 998,052	 2,669,750	 2,378,200

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>REVENUES</b>				
Operating Revenue	452,308	406,224	298,200	502,900
Non-Operating	555,200	555,130	550,700	550,700
	1,007,508	961,354	848,900	1,053,600
<b>EXPENSES</b>				
Contract Services	138,664	138,207	142,588	201,900
Other Services and Charges	3,310	-	2,000	2,000
Electricity	23,042	28,129	34,200	33,800
Parking Lot Maintenance	8,518	8,212	8,900	2,900
Equipment/Machinery Repair & Maintenance	-	-	5,000	4,200
Cost Allocation	32,650	23,110	23,110	26,900
Tax Abatement	29,146	28,624	27,000	27,000
Depreciation - funded	50,000	50,000	50,000	50,000
Depreciation - unfunded	470,571	470,571	470,572	470,600
Debt Service - Interest	493,447	484,342	476,322	470,900
	1,249,348	1,231,195	1,239,692	1,290,200
<b>ESTIMATED OPERATING INCOME (LOSS)</b>	<b>(241,840)</b>	<b>(269,841)</b>	<b>(390,792)</b>	<b>(236,600)</b>



# City of Duluth Minnesota - 2022 Budget

## Priley Drive Parking Facility

	<b>2021</b>	<b>2022</b>
<u>OPERATING FUND</u>	<b>Projected</b>	<b>Approved</b>
ESTIMATED UNRESTRICTED and CAPITAL ACCOUNT CASH	502,182	410,487
Estimated Operating Income (Loss)	(390,792)	(236,600)
<u>Other Sources</u>		
Unfunded Depreciation	470,572	470,600
Total Other Sources	470,572	470,600
<u>Other Uses</u>		
Bond Principal Payments	171,475	183,600
Total Other Uses	171,475	183,600
<b>ESTIMATED BUDGETARY YEAR END CASH BALANCE</b>	<b>410,487</b>	<b>460,887</b>

# City of Duluth Minnesota - 2022 Budget

## Priley Drive Parking Facility

506

Revenue Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
OPERATING REVENUES				
4373 Transient Parking	65,949	26,870	36,000	49,300
4374 Contract Parking	386,359	371,942	262,200	453,600
4680 Damage or Losses Recovered	-	7,412	-	-
<b>TOTAL OPERATING REVENUE</b>	<b>452,308</b>	<b>406,224</b>	<b>298,200</b>	<b>502,900</b>
NON-OPERATING REVENUES				
4601 Earnings on Investments	4,489	4,419	-	-
Interfund Transfers in from				
4730-30 Debt Service	550,711	550,711	550,700	550,700
<b>TOTAL NON-OPERATING REVENUES</b>	<b>555,200</b>	<b>555,130</b>	<b>550,700</b>	<b>550,700</b>
<b>TOTAL REVENUE</b>	<b>1,007,508</b>	<b>961,354</b>	<b>848,900</b>	<b>1,053,600</b>

# City of Duluth Minnesota - 2022 Budget

## Priley Drive Parking Facility

506

Expense Detail		2019 Actual	2020 Actual	2021 Budget	2022 Approved
OPERATING EXPENSES					
5307	Admin/Management Fees	14,400	14,400	14,536	14,500
5310	Contract Services	124,264	123,807	128,052	187,400
5381	Electricity	23,042	28,129	34,200	33,800
5404	Equipment Maintenance/Repair	-	-	5,000	4,200
5405	Parking Lot Maintenance	8,518	8,212	8,900	2,900
5420	Depreciation - funded	50,000	50,000	50,000	50,000
5420	Depreciation - unfunded	470,571	470,571	470,572	470,600
5441	Other Services and Charges	3,310	-	2,000	2,000
5479	Tax Abatement	29,146	28,624	27,000	27,000
5493	Cost Allocation	32,650	23,110	23,110	26,900
5611	Bond Interest	493,447	484,342	476,322	470,900
	<b>TOTAL</b>	<b>1,249,348</b>	<b>1,231,195</b>	<b>1,239,692</b>	<b>1,290,200</b>
2510	TOTAL -Priley Drive Parking Facility	1,249,348	1,231,195	1,239,692	1,290,200

# City of Duluth Minnesota – 2022 Budget

## Public Works & Utilities Department – Enterprise Funds

### Mission and Vision

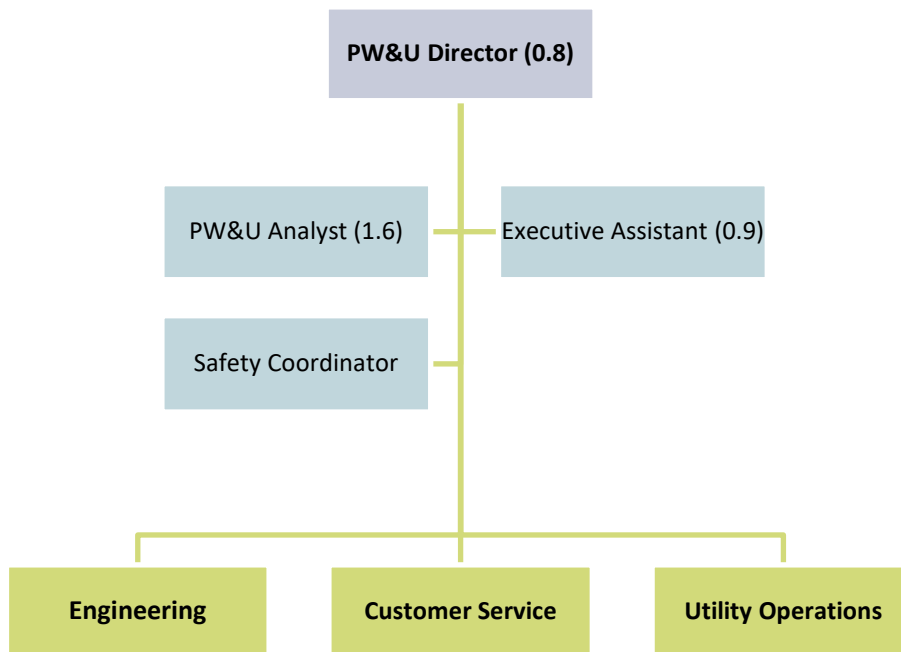
The mission of the Public Works and Utilities Department is to provide professional engineering services, street maintenance activities, and water, natural gas, sanitary sewer, storm water, and street lighting utilities to Duluth’s businesses and residents in a safe, cost-effective and environmentally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

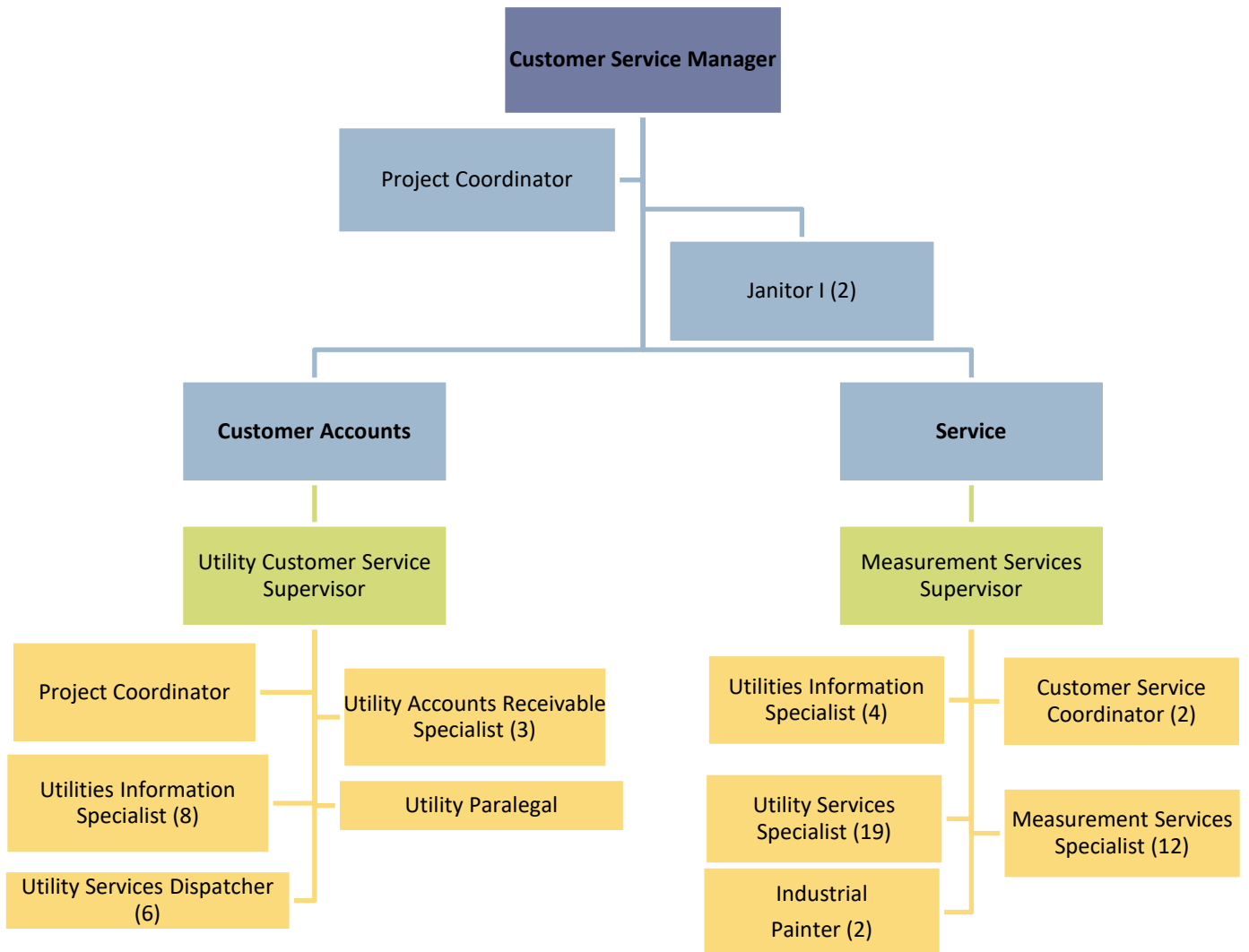
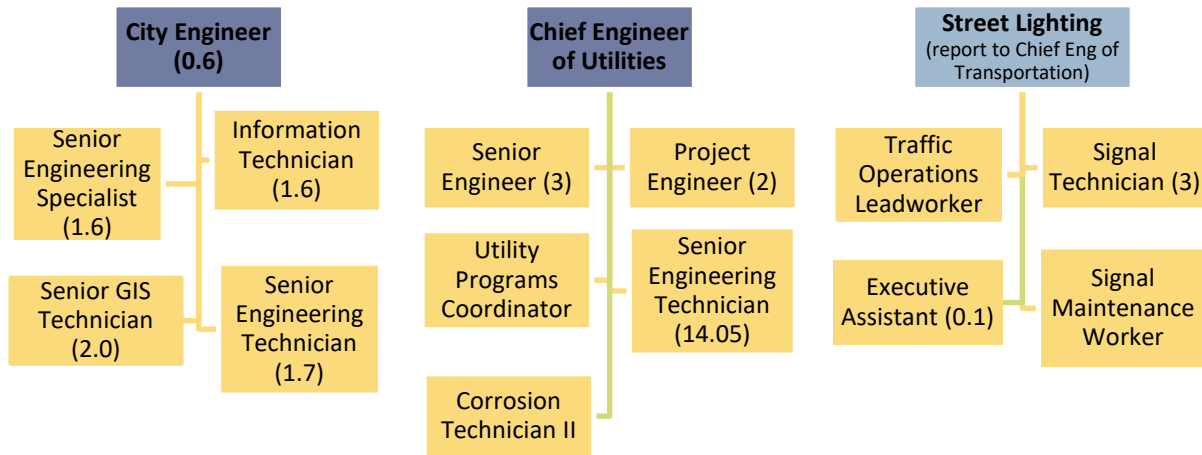
The Department’s vision is to become a functionally integrated organization operating at optimum efficiencies and providing cost-effective and reliable service for all Duluthians.

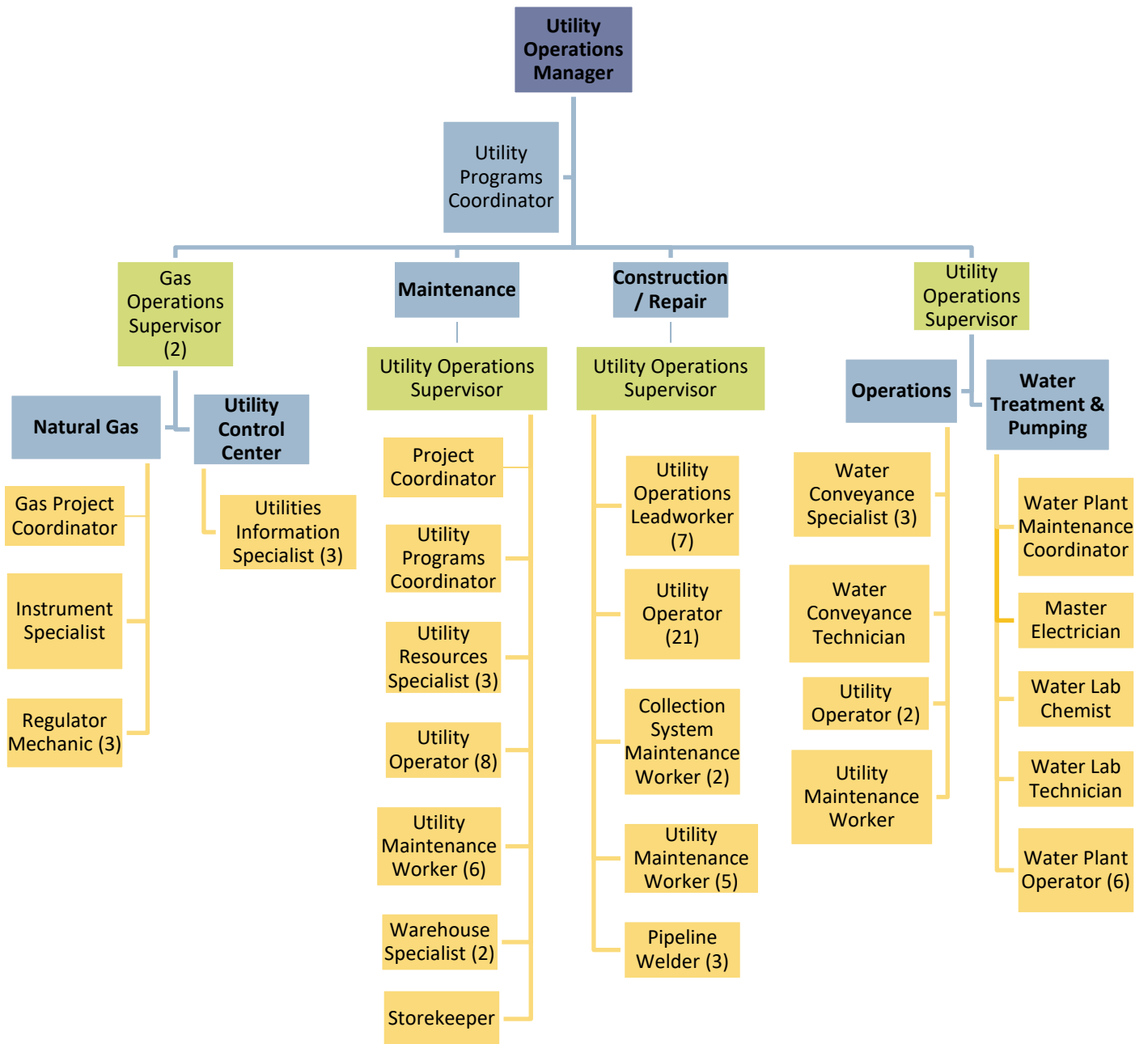
### Structure

The utilities portion of the Public Works and Utilities Department is broken into three separate divisions that span across five different funds: Water, Gas, Sewer, Storm water and Street Lighting. The Street Lighting Utility is managed by the Chief Engineer of Transportation.

#### Public Works & Utilities Department – Utilities Organization Charts







# City of Duluth Minnesota - 2022 Budget

## Divisions

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

## **Public Works & Utilities - Utilities**

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.

	2019	2020	2021	2022
Budgeted FTE's	192.55	191.55	191.55	190.85

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
Expenses				
Salaries and Benefits	17,166,920	16,251,037	22,063,400	22,191,700
Supplies	23,255,959	21,850,115	27,759,400	24,268,100
Other Services & Charges	17,418,350	18,013,425	18,266,377	18,782,800
Utilities	1,225,038	1,430,249	1,502,100	1,504,600
Depreciation/Amortization	5,742,092	5,808,651	6,313,800	6,423,300
Grants & Awards	526,697	533,477	600,000	600,000
Improvements -Non-Capital	168,782	283,945	342,500	518,000
Debt Service - Interest	417,753	347,977	311,400	255,100
Debt Service - Other	(11,135)	(22,755)	(27,700)	(15,800)
Capital Lease Interest	138,066	109,890	95,500	67,300
Total Operating	66,048,522	64,606,011	77,226,777	74,595,100
Non-Operating	8,996,468	15,973,640	12,484,400	9,119,500
Total Appropriation Budget	75,044,990	80,579,651	89,711,177	83,714,600

# City of Duluth Minnesota - 2022 Budget

## Utilities - Personnel Summary

Budgeted FTE's	2019	2020	2021	2022
1170 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
1115 Manager, Customer Service	1.00	1.00	1.00	1.00
1115 Senior Engineer	3.00	3.00	3.00	3.00
1105 Measurement Services Supervisor	1.00	1.00	1.00	1.00
1095 Gas Operations Supervisor	2.00	2.00	2.00	2.00
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
133 Budget & Operations Analyst	0.50	0.50	0.00	0.00
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	0.00	0.00	0.00	0.80
129 Utilities Information Specialist	16.00	15.00	15.00	15.00
126 Information Technician	2.60	2.60	2.60	0.80
122 Janitor II	1.00	1.00	0.00	0.00
38 Project Engineer	2.00	2.00	2.00	2.00
34 Instrument Specialist	1.00	1.00	1.00	1.00
34 Senior Engineering Specialist	1.60	0.80	1.60	1.60
33 Customer Service Coordinator	3.00	2.00	2.00	2.00
33 Pipeline Welder	3.00	3.00	3.00	3.00
33 Public Works and Utilities Analyst	0.80	0.80	1.30	1.60
33-32 Utility Programs Coordinator	4.00	3.00	3.00	5.00
32 Corrosion Technician II	1.00	1.00	1.00	1.00
32 Gas Project Coordinator	1.00	1.00	1.00	1.00
32 Project Coordinator	1.00	3.00	3.00	1.00
32 Utility Operations Leadworker	7.00	7.00	7.00	7.00
32 Water Lab Chemist	1.00	1.00	1.00	1.00
32 Water Plant Maintenance Coordinator	0.00	0.00	1.00	1.00
31-28 Engineering Technician	3.00	1.00	1.00	3.00
31 Master Electrician	2.00	1.00	1.00	1.00
31 Senior Engineering Technician	11.75	14.55	13.75	12.75
31 Utility Resources Specialist	4.00	4.00	4.00	3.00
31 Utility Services Specialist Journey person	10.00	10.00	11.00	16.00
31 Water Conveyance Specialist	2.00	3.00	3.00	3.00
31 Water Plant Operator A	4.00	5.00	6.00	4.00



# City of Duluth Minnesota - 2022 Budget

## Utilities - Personnel Summary

Budgeted FTE's	2019	2020	2021	2022
31-28 Utility Services Specialist Apprentice	10.00	10.00	9.00	3.00
30 Regulator Mechanic	2.00	3.00	3.00	3.00
30 Warehouse Specialist	3.00	3.00	3.00	2.00
29 Industrial Painter	2.00	2.00	2.00	2.00
29 Measurement Services Specialist	11.00	11.00	11.00	12.00
29 Water Conveyance Leadworker	0.00	0.00	0.00	1.00
29 Water Conveyance Technician	2.00	1.00	1.00	0.00
28 Collection System Maintenance Worker	2.00	2.00	2.00	2.00
28 GIS Technician	1.00	0.00	0.00	2.00
28 Senior GIS Technician	0.00	1.00	1.00	0.00
28 Utility Operator	26.00	25.00	26.00	27.00
28 Utility Operator Apprentice	9.00	7.00	6.00	4.00
28 Water Plant Operator B	1.00	2.00	1.00	0.00
27 Storekeeper	1.00	1.00	1.00	1.00
27 Water Lab Technician	1.00	1.00	1.00	1.00
26 Utility Services Dispatcher	5.00	6.00	6.00	6.00
26 Water Plant Operator C	1.00	0.00	0.00	1.00
24 Water Plant Operator D	0.00	0.00	0.00	1.00
23 Utility Maintenance Worker	10.00	12.00	11.00	13.00
22 Maintenance Worker	1.00	0.00	0.00	0.00
21 Janitor I	0.00	1.00	2.00	2.00
16 Utility Services Helper	1.00	0.00	0.00	0.00
9 Executive Assistant	0.90	0.90	0.90	0.90
<b>DEPARTMENT TOTAL</b>	<b>192.55</b>	<b>191.55</b>	<b>191.55</b>	<b>190.85</b>

# City of Duluth Minnesota - 2022 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 98% of total revenues for 2022. The most significant category of expense is personal services at 51% 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>REVENUE</b>				
Operating	15,142,720	15,099,895	15,062,500	15,533,300
Non-Operating	240,315	227,492	3,324,200	149,000
	<u>15,383,035</u>	<u>15,327,387</u>	<u>18,386,700</u>	<u>15,682,300</u>
<b>EXPENSES</b>				
Personal Services	5,126,665	4,667,652	6,503,300	6,721,100
Supplies	1,431,841	1,086,473	1,424,100	1,271,800
Other Services & Charges	1,266,067	1,120,825	1,433,900	1,403,550
Utilities	1,041,191	1,235,594	1,284,400	1,285,400
Depreciation/Amortization	1,752,474	1,773,304	1,938,200	1,985,300
Improvements -Non-Capital	64,101	73,566	-	68,250
Debt Service - Interest	201,994	185,680	175,800	159,500
Debt Service - Other	(6,951)	(6,966)	(6,900)	(3,100)
Capital Lease Interest	49,704	40,150	34,400	24,200
Transfers	138,262	172,124	226,000	221,000
	<u>11,065,348</u>	<u>10,348,402</u>	<u>13,013,200</u>	<u>13,137,000</u>
<b>ESTIMATED OPERATING INCOME (LOSS)</b>	<b>4,317,687</b>	<b>4,978,985</b>	<b>5,373,500</b>	<b>2,545,300</b>
Other Sources of Cash	1,607,553	1,605,113	1,931,300	1,982,200
Other Uses of Cash	(4,218,767)	(5,618,339)	(7,025,750)	(5,002,200)
<b>Increase (Decrease) in Cash</b>	<b><u>1,706,473</u></b>	<b><u>965,759</u></b>	<b><u>279,050</u></b>	<b><u>(474,700)</u></b>

# City of Duluth Minnesota - 2022 Budget

## Water Fund Estimated Unrestricted Cash Balance

OPERATING FUND	2021 Budget	2021 Projected	2022 Approved
ESTIMATED OPERATING INCOME (LOSS)	5,373,500	6,488,300	2,545,300
<u>Other Sources of Cash</u>			
Depreciation and Amortization	1,938,200	1,849,000	1,985,300
Interest from Bond Discount	(6,900)	(6,900)	(3,100)
Due from Other Funds	-	1,019	-
Special Assessment Principal	-	84,801	-
Total Other Sources of Cash	1,931,300	1,927,920	1,982,200
<u>Other Uses of Cash</u>			
Due to Other Funds	-	15,913	-
Capital Improvements from State Bond	3,150,000	3,150,000	-
Capital Improvements from Current Revenues	2,483,200	2,522,200	3,140,000
Capital Equipment Purchases	90,550	200,000	164,400
Bond Principal Payments	1,037,000	1,037,000	1,422,600
AMRS Lease Principal Payments	265,000	265,000	275,200
Total Other Uses of Cash	7,025,750	7,190,113	5,002,200
INCREASE (DECREASE) IN CASH	279,050	1,226,107	(474,700)
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH-BEGINNING	2,369,251	4,560,636	5,786,743
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH-ENDING	2,648,301	5,786,743	5,312,043

# City of Duluth Minnesota - 2022 Budget

## Water Fund

510 & 511

Revenue Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>OPERATING REVENUES</b>				
4636 Sale of Scrap	11,330	4,099	10,000	10,000
4680 Damage or Losses Recovered	548	-	-	-
4700 Other Sources	44	-	-	-
4800 Meter Repair	42,226	13,297	30,000	40,000
4801 Off/On Charge	28,157	8,863	25,000	30,000
4802 Interest - Customer Accounts	44,640	9,587	47,000	47,000
4805 Reimbursements	29,349	11,640	6,000	6,000
4809 Miscellaneous Operating	9,099	89,448	10,000	13,000
4810 Metered Water Sales	11,452,613	11,324,698	11,300,000	11,600,000
4811 Water for Resale	1,104,258	1,217,833	1,214,500	1,332,300
4831 Fixed Rate Charges	2,414,552	2,414,493	2,415,000	2,450,000
4851 Interest Income	5,904	5,937	5,000	5,000
<b>TOTAL OPERATING REVENUES</b>	<b>15,142,720</b>	<b>15,099,895</b>	<b>15,062,500</b>	<b>15,533,300</b>
<b>NON-OPERATING REVENUES</b>				
4220 State of Minnesota, Operating	11,508	-	3,150,000	-
4220 State of Minnesota, Capital	-	29,124	-	-
4230 Pera Aid	16,919	-	16,900	-
4601 Change in Fair Value Investments	47,466	41,998	-	-
4806 Connection Fees	11,591	11,621	11,000	12,000
4853 Gain on Sale of Assets	8,531	9,749	2,000	2,000
4730 Transfers from Special Revenue Fund	135,000	135,000	135,000	135,000
4730 Transfers from Enterprise Funds	9,300	-	9,300	-
<b>TOTAL NON-OPERATING REVENUES</b>	<b>240,315</b>	<b>227,492</b>	<b>3,324,200</b>	<b>149,000</b>
<b>TOTAL REVENUE</b>	<b>15,383,035</b>	<b>15,327,387</b>	<b>18,386,700</b>	<b>15,682,300</b>

# City of Duluth Minnesota - 2022 Budget

## Director's Office

510-500-1900

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

Expense Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>PERSONAL SERVICES</b>				
5100 Permanent Employees - Regular	65,451	76,180	65,800	75,200
5101 Permanent Employees - Overtime	264	257	-	-
TOTAL	65,715	76,437	65,800	75,200
<b>EMPLOYEE BENEFITS</b>				
5121 P.E.R.A.	4,794	5,361	4,900	5,600
5122 F.I.C.A. Social Security	3,846	4,504	4,100	4,700
5123 F.I.C.A. Medicare	949	1,079	1,000	1,100
5125 Dental Insurance	260	308	300	300
5126 Life Insurance	143	159	100	100
5127 Health Care Savings	1,969	2,221	1,000	2,400
5130 Cafeteria Plan Benefits	6,655	16,044	15,400	18,000
5133 Health or Fitness Program	72	48	-	-
TOTAL	18,688	29,724	26,800	32,200
<b>OPERATING EXPENSES</b>				
5200 Office Supplies	-	7	100	100
5241 Small Equipment	333	77	-	100
5321 Telephone	120	210	100	200
5331 Training Expense	-	-	200	200
5335 Mileage Reimbursement - Local	210	117	200	200
5441 Other Services & Charges	-	2	-	-
TOTAL	663	413	600	800
1900 TOTAL - DIRECTOR'S OFFICE	85,066	106,574	93,200	108,200

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>OPERATING EXPENSES</b>				
5420 Depreciation	1,752,474	1,773,304	1,938,200	1,985,300
5535 Improvements (Non-Capital)	64,101	73,566	-	68,250
5540 Equipment (Non-Capital)	11,279	16,379	-	5,750
5611 Bond Interest	201,994	185,680	175,800	159,500
5613 Interest from Bond Amortization	(6,951)	(6,966)	(6,900)	(3,100)
5614 Capital Lease Interest	49,704	40,150	34,400	24,200
5620 Fiscal Agents Fee	891	357	500	800
TOTAL	2,073,492	2,082,470	2,142,000	2,240,700
<b>NON-OPERATING EXPENSES</b>				
5532 Capital Improvements - Bond Financing	262,841	7,063	3,150,000	-
5533 Capital Improvements - Revenue Financing	2,837,906	4,089,152	2,483,200	3,140,000
5580 Capital Equipment	149,968	217,553	90,550	164,400
TOTAL	3,250,715	4,313,768	5,723,750	3,304,400
1905 TOTAL - CAPITAL	5,324,207	6,396,238	7,865,750	5,545,100

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>PERSONAL SERVICES</b>				
5100 Permanent Employees - Regular	36,698	39,952	36,900	143,800
5101 Permanent Employees - Overtime	154	226	-	500
5111 Long-Term Disability Wages	154	-	-	-
TOTAL	37,006	40,178	36,900	144,300
<b>EMPLOYEE BENEFITS</b>				
5121 P.E.R.A.	2,502	2,792	2,700	10,600
5121 P.E.R.A., GASB 68	277	(175,703)	-	-
5122 F.I.C.A. Social Security	2,315	2,420	2,300	8,900
5123 F.I.C.A. Medicare	541	566	500	2,100
5125 Dental Insurance	253	290	300	1,000
5126 Life Insurance	3,195	10,068	100	500
5127 Health Care Savings	523	732	700	6,900
5130 Cafeteria Plan Benefits	4,689	12,230	15,400	46,000
5133 Health or Fitness Program	82	72	-	-
5134 Other Post Retirement Benefits	(1,160,034)	(1,288,877)	-	-
5135 Retiree Health Insurance	573,457	589,388	617,400	600,300
5151 Worker's Compensation	41,100	45,900	57,900	75,200
TOTAL	(531,100)	(800,122)	697,300	751,500
<b>OPERATING EXPENSES</b>				
5200 Office Supplies	228	-	100	100
5205 Safety & Training	1,393	20	800	800
5211 Cleaning & Janitorial Supplies	3,311	3,210	3,500	3,500
5218 Uniforms	246	137	100	100
5241 Small Equipment	1,931	2,436	2,400	1,900
5301 Auditing Services	1,331	1,152	1,300	1,300
5305 Medical Services/Testing Fees	1,516	1,982	1,600	1,600
5310 Contract Services	7,081	4,996	-	5,000
5320 Data Services	21,148	17,391	14,500	13,400
5321 Telephone	3,607	3,852	2,600	3,800
5331 Training Expense	1,515	56	2,300	2,300
5333 Freight/Delivery Charges	18	5	-	-

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
5335 Mileage Reimbursement - Local	536	430	500	500
5355 Printing & Copying Services	-	187	-	-
5356 Copier, Printer Lease & Supplies	5,033	4,629	5,000	5,000
5360 Insurance	53,100	89,400	99,600	76,000
5381 Electricity	10,570	12,460	14,000	14,000
5382 Water, Gas & Sewer	18,174	16,831	17,400	18,400
5384 Refuse Disposal	4,158	4,272	4,100	4,100
5401 Building Repair & Maintenance	12,503	1,822	6,700	6,700
5404 Equipment Repair & Maintenance	154	-	1,100	1,100
5414 Software Lic & Mtc Agreements	46,985	49,043	49,500	51,400
5441 Other Services & Charges	3,573	1,242	4,000	4,000
5450 Laundry	904	800	1,200	1,000
5457 Hydrant Maintenance	30,000	30,000	30,000	30,000
5493 Cost Allocation	339,000	356,400	356,400	394,600
5700 Transfer to General Fund	55,700	59,975	60,000	55,000
TOTAL	623,715	662,728	678,700	695,600
1915 TOTAL - GENERAL EXPENSE	129,621	(97,216)	1,412,900	1,591,400



# City of Duluth Minnesota - 2022 Budget

## Engineering

510-500-1930

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

Expense Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>PERSONAL SERVICES</b>				
5100 Permanent Employees - Regular	390,363	407,902	406,000	444,100
5101 Permanent Employees - Overtime	44,839	40,218	42,200	42,200
5103 Temporary Wages	306	75	6,100	6,100
5118 Meal Allowance	1,289	356	1,200	1,200
TOTAL	436,797	448,551	455,500	493,600
<b>EMPLOYEE BENEFITS</b>				
5121 P.E.R.A.	31,981	32,753	33,200	32,800
5122 F.I.C.A. Social Security	26,088	26,764	28,200	27,500
5123 F.I.C.A. Medicare	6,101	6,260	6,600	6,400
5125 Dental Insurance	1,995	2,093	2,200	2,400
5126 Life Insurance	1,091	1,079	1,000	1,100
5127 Health Care Savings	9,331	9,406	11,000	11,800
5130 Cafeteria Plan Benefits	92,557	101,350	111,000	110,100
5133 Health or Fitness Program	241	212	-	-
5159 Project Benefits (Contra-Account)	(48,647)	(50,990)	-	-
TOTAL	120,738	128,927	193,200	192,100
<b>OPERATING EXPENSES</b>				
5200 Office Supplies	369	300	400	400
5201 Computer Supplies	11	214	100	100
5203 Paper, Stationery and Forms	87	22	100	100
5205 Safety and Training Materials	136	298	200	200
5212 Motor Fuel	3,754	2,553	3,800	3,800
5218 Uniforms	1,204	1,216	1,000	1,200
5219 Other Miscellaneous Supplies	556	439	-	-
5240 Small Tools	92	382	400	400
5241 Small Equipment	1,830	2,569	3,800	1,200
5242 Survey Equipment and Supplies	884	6,783	5,200	5,900
5310 Contract Services	51	-	-	-
5320 Data Services	1,917	2,142	1,700	2,200
5321 Telephone	1,559	1,568	1,500	1,600
5322 Postage	47	-	100	100

# City of Duluth Minnesota - 2022 Budget

## Engineering

510-500-1930

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

Expense Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
5331 Training Expenses	2,399	35	2,000	3,200
5335 Mileage Reimbursement	118	-	100	100
5355 Printing and Copying	851	375	800	800
5356 Copier, Printer Lease & Supplies	211	114	2,500	2,100
5404 Equipment Maintenance Repair	1,015	455	1,600	1,600
5409 Fleet Services	4,697	3,983	5,500	5,100
5414 Software Lic & Mtc Agreements	11,739	13,120	13,700	12,700
5433 Dues and Subscriptions	173	105	1,000	1,000
5435 Books and Pamphlets	202	-	100	100
5438 Licenses	-	185	-	200
5441 Other Services and Charges	1,651	2,325	3,400	2,600
5486 One Call System	3,289	3,806	3,600	4,500
TOTAL	38,842	42,989	52,600	51,200
1930 TOTAL - ENGINEERING	596,377	620,467	701,300	736,900

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>PERSONAL SERVICES</b>				
5100 Permanent Employees - Regular	848,061	871,300	870,400	807,200
5101 Permanent Employees - Overtime	15,096	11,355	16,400	16,400
5105 Retirement Incentive	-	2,745	-	-
5118 Meal Allowance	132	69	100	100
TOTAL	863,289	885,469	886,900	823,700
<b>EMPLOYEE BENEFITS</b>				
5121 P.E.R.A.	62,734	63,851	65,300	59,500
5122 F.I.C.A. Social Security	51,743	52,848	55,000	50,100
5123 F.I.C.A. Medicare	12,102	12,360	12,900	11,700
5125 Dental Insurance	4,877	5,129	5,300	4,600
5126 Life Insurance	2,686	2,643	2,400	2,100
5127 Health Care Savings	22,079	18,865	26,900	14,800
5130 Cafeteria Plan Benefits	223,178	243,450	253,000	220,700
5133 Health or Fitness Program	191	317	-	-
TOTAL	379,590	399,463	420,800	363,500
<b>OPERATING EXPENSES</b>				
5200 Office Supplies	1,770	1,111	2,300	1,600
5201 Computer Supplies	751	2,353	500	800
5203 Paper/Stationery/Forms	77	-	-	-
5205 Safety & Training Materials	296	112	-	-
5210 Plant/Operating Supplies	387	44	-	-
5212 Motor Fuel	14,748	10,462	14,800	14,800
5215 Shop Materials	-	132	-	-
5218 Uniforms	5,668	5,519	2,200	3,200
5219 Other Miscellaneous Supplies	-	548	-	-
5220 Repair & Maintenance Supplies	2,696	12,177	7,500	5,000
5227 Utility System	36,120	204,103	190,300	44,600
5228 Painting Supplies	750	367	1,000	1,000
5240 Small Tools	3,347	2,329	5,600	5,600
5241 Small Equipment	7,299	848	7,800	5,000

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
5310 Contract Services	34,061	23,460	42,000	42,000
5320 Data Services	-	1,885	2,600	2,800
5321 Telephone	2,787	2,999	2,300	2,900
5322 Postage	47,728	49,227	47,100	48,300
5331 Training Expenses	4,494	(192)	10,800	10,800
5339 Armored Pickup	1,856	1,466	1,800	1,800
5355 Printing & Copying	1,208	471	2,000	2,100
5356 Copier, Printer Lease & Supplies	604	376	500	500
5404 Equipment Maintenance & Repair	914	496	700	600
5409 Fleet Services	15,438	9,313	17,400	18,300
5414 Software Lic & Mtc Agreements	4,687	4,281	4,900	7,000
5418 Vehicle/Equipment Lease	151	-	-	-
5427 Credit Card Commission	36,856	38,906	37,000	39,000
5432 Uncollectible Accounts	21,791	89,417	15,000	15,000
5441 Other Services & Charges	4,103	3,253	5,000	4,600
TOTAL	250,587	465,463	421,100	277,300
1940 TOTAL - CUSTOMER SERVICE	1,493,466	1,750,395	1,728,800	1,464,500

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>PERSONAL SERVICES</b>				
5100 Permanent Employees - Regular	1,641,860	1,501,332	1,529,200	1,685,800
5101 Permanent Employees - Overtime	219,347	121,318	206,000	205,000
5103 Other Wages	9,975	-	15,600	15,600
5118 Meal Allowance	5,588	1,712	5,300	5,300
TOTAL	1,876,770	1,624,362	1,756,100	1,911,700
<b>EMPLOYEE BENEFITS</b>				
5121 P.E.R.A.	137,004	119,043	128,000	124,300
5122 F.I.C.A. Social Security	112,325	97,718	108,600	104,500
5123 F.I.C.A. Medicare	26,362	22,816	25,400	24,400
5125 Dental Insurance	9,657	9,089	9,500	10,000
5126 Life Insurance	5,272	4,665	4,300	4,600
5127 Health Care Savings	41,464	32,954	30,600	31,600
5130 Cafeteria Plan Benefits	448,853	433,264	467,500	489,000
5133 Health or Fitness Program	188	227	-	-
5141 Unemployment Compensation	5,771	958	-	-
TOTAL	786,896	720,734	773,900	788,400
<b>OPERATING EXPENSES</b>				
5200 Office Supplies	922	870	1,300	1,300
5201 Computer Supplies/Software	488	3,310	400	500
5205 Safety & Training Materials	5,200	2,672	9,200	9,200
5210 Plant/Operating Supplies	18,931	13,375	21,800	21,800
5212 Motor Fuel	66,670	37,869	67,000	67,000
5215 Shop Materials	4,924	3,449	4,500	4,500
5218 Uniforms	11,532	9,650	12,000	11,800
5219 Other Miscellaneous Supplies	8,607	5,123	2,000	2,000
5220 Repair & Maintenance Supplies	8,541	4,916	11,800	11,800
5222 Paving Materials	44,349	13,000	30,000	30,000
5224 Gravel & Other Maintenance Mtls	122,161	62,934	104,000	104,000
5227 Utility Maintenance Supply	563,080	285,382	341,500	341,500
5228 Painting Supplies	-	33	500	500

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
5240 Small Tools	17,883	9,327	19,000	19,000
5241 Small Equipment	16,885	1,633	10,100	10,100
5310 Contract Services	16,579	-	16,000	16,000
5320 Data Services	-	2,554	3,900	3,700
5321 Telephone	2,325	2,489	2,100	2,100
5331 Training Expenses	9,333	3,743	12,100	11,100
5333 Freight/Delivery Charges	3,925	2,607	4,500	4,500
5335 Mileage Reimbursement	2,948	2,341	3,000	3,000
5355 Printing and Copying	-	-	300	300
5356 Copier, Printer Lease & Supplies	307	117	400	400
5381 Electricity	4,756	6,205	5,000	5,000
5382 Water/Sewer/Gas	4,002	3,821	6,000	6,000
5384 Refuse Disposal	23,291	10,918	20,000	20,000
5404 Equipment Maintenance/Repair	7,924	5,162	9,000	9,000
5409 Fleet Service Charges	192,195	124,638	156,200	154,100
5414 Software Lic & Mtc Agreements	13	400	300	-
5415 Vehicle/Equipment Rental	5,742	5,565	18,000	18,000
5438 License	184	219	800	800
5441 Other Services & Charges	3,410	23,722	5,000	5,000
5450 Laundry	7,379	5,481	8,300	8,000
5700 Transfer to General Fund	82,562	112,149	166,000	166,000
TOTAL	1,257,048	765,674	1,072,000	1,068,000
1945 TOTAL - UTILITY OPERATIONS	3,920,714	3,110,770	3,602,000	3,768,100

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>PERSONAL SERVICES</b>				
5100 Permanent Employees - Regular	720,137	711,495	782,500	761,200
5101 Permanent Employees - Overtime	26,340	50,941	26,600	30,000
5111 Long-Term Disability Wages	-	1,641	-	-
5118 Meal Allowance	30	570	-	-
TOTAL	746,507	764,647	809,100	791,200
<b>EMPLOYEE BENEFITS</b>				
5121 P.E.R.A.	55,286	55,968	59,900	56,100
5122 F.I.C.A. Social Security	43,803	45,239	50,200	47,200
5123 F.I.C.A. Medicare	10,244	10,580	11,700	11,000
5125 Dental Insurance	3,931	3,990	4,500	4,500
5126 Life Insurance	2,156	2,054	2,100	2,100
5127 Health Care Savings	10,619	23,568	12,000	18,300
5130 Cafeteria Plan Benefits	199,370	207,603	240,600	214,500
5133 Health or Fitness Program	360	280	-	-
TOTAL	325,769	349,282	381,000	353,700
<b>OPERATING EXPENSES</b>				
5200 Office Supplies	401	1,648	800	800
5201 Computer Supplies/Software	206	437	6,200	6,200
5205 Safety & Training Materials	-	3,313	2,000	2,000
5210 Plant/Operating Supplies	9,627	7,722	9,500	9,500
5211 Cleaning/Janitorial Supplies	439	1,628	1,500	1,500
5212 Motor Fuel	4,752	2,239	4,800	4,800
5216 Treatment Chemicals	339,784	269,477	386,000	386,000
5218 Uniforms	2,805	4,070	4,000	4,300
5219 Other Miscellaneous Supplies	17,489	14,397	24,600	24,600
5220 Repair & Maintenance Supplies	55,881	57,403	85,800	85,800
5228 Painting Supplies	1,376	446	-	-
5240 Small Tools	1,178	6,150	2,000	2,000
5241 Small Equipment	17,456	3,232	7,800	7,800

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
5310 Contract Services	45,236	15,560	25,000	25,000
5319 Other Professional Services	260	-	5,000	5,000
5320 Data Services	-	123	200	700
5321 Telephone	600	600	1,000	700
5322 Postage	805	765	800	800
5331 Training Expenses	2,907	35	4,600	4,600
5335 Local Mileage Reimbursement	2,304	-	-	-
5355 Printing and Copying	221	266	5,000	5,000
5356 Copier, Printer Lease & Supplies	-	117	500	500
5381 Electricity	925,374	1,122,411	1,165,000	1,165,000
5382 Water & Sewer	78,315	73,866	77,000	77,000
5401 Building Repair & Maintenance	16,463	2,770	26,500	26,500
5404 Equipment Maintenance/Repair	55,964	62,142	172,900	157,900
5409 Fleet Services	13,665	5,365	12,800	11,400
5433 Dues and Subscriptions	6,281	-	6,300	6,500
5438 Licenses	61	-	300	300
5441 Other Services & Charges	94,076	3,869	104,800	59,800
5450 Laundry	154	142	200	300
5483 Water Testing Fees	256	820	-	-
TOTAL	1,694,336	1,661,013	2,142,900	2,082,300
1955 TOTAL-WATER TRMT & PUMPING	2,766,612	2,774,942	3,333,000	3,227,200



# City of Duluth Minnesota - 2022 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 2022. The major category of expense is purchased gas, which represents 55% 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>REVENUE</b>				
Gas Sales	38,133,852	34,987,154	41,823,000	38,578,900
Other Operating Revenues	1,564,969	1,455,317	1,380,500	1,562,600
Non-Operating Revenues	251,406	1,406,573	128,400	105,000
	<u>39,950,227</u>	<u>37,849,044</u>	<u>43,331,900</u>	<u>40,246,500</u>
<b>EXPENSES</b>				
Personal Services	6,816,177	6,466,955	9,086,300	8,977,900
Supplies	1,206,487	1,041,757	1,275,900	1,249,600
Other Services & Charges	1,876,645	1,694,257	1,842,900	1,859,150
Natural Gas Purchases	20,067,111	19,293,616	24,342,000	21,011,900
Utilities	33,503	36,287	38,800	39,300
Depreciation/Amortization	1,515,603	1,515,571	1,666,700	1,682,200
Improvements -Non-Capital	9,939	35,211	32,500	98,250
Debt Service - Interest	1,757	-	-	-
Debt Service - Other	(1,543)	-	-	-
Capital Lease Interest	45,562	36,805	31,500	22,200
Transfers	2,836,118	3,219,985	2,805,177	3,058,800
	<u>34,407,359</u>	<u>33,340,444</u>	<u>41,121,777</u>	<u>37,999,300</u>
<b>ESTIMATED OPERATING INCOME (LOSS)</b>	5,542,868	4,508,600	2,210,123	2,247,200
Other Sources of Cash	2,817,872	2,809,994	1,716,700	1,721,200
Other Uses of Cash	(5,988,490)	(5,167,901)	(3,278,350)	(3,155,300)
<b>Increase (Decrease) in Cash</b>	<u>2,372,250</u>	<u>2,150,693</u>	<u>648,473</u>	<u>813,100</u>

# City of Duluth Minnesota - 2022 Budget

## Gas Fund Estimated Unrestricted Cash Balance

OPERATING FUND	2021 Budget	2021 Projected	2022 Approved
ESTIMATED OPERATING INCOME (LOSS)	2,210,123	4,638,056	2,247,200
<u>Other Sources of Cash</u>			
Depreciation and Amortization	1,666,700	1,575,500	1,682,200
Due from Other Funds	-	1,103	-
Energy Fund Loan Repayment	50,000	50,000	39,000
Special Assessment Principal	-	6,272	-
Total Other Sources of Cash	1,716,700	1,632,875	1,721,200
<u>Other Uses of Cash</u>			
Due to Other Funds	-	21,700	-
Capital Improvements from Current Revenues	2,818,300	3,043,300	2,650,000
Capital Equipment Purchases	217,150	200,000	253,100
AMRS Lease Principal Payment	242,900	242,900	252,200
Total Other Uses of Cash	3,278,350	3,507,900	3,155,300
INCREASE (DECREASE) IN CASH	648,473	2,763,031	813,100
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - BEGINNING	5,615,134	5,838,430	8,601,461
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - ENDING	6,263,607	8,601,461	9,414,561

# City of Duluth Minnesota - 2022 Budget

## Gas Fund

520

Revenue Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>OPERATING REVENUES</b>				
<b>GAS SALES</b>				
4820 Residential Firm	19,988,767	17,970,854	21,428,000	19,772,200
4822 Comm/Industrial Firm Large	9,665,552	8,436,053	9,600,000	8,748,700
4824 Comm/Industrial Interruptible Large	4,385,370	4,457,990	6,700,000	5,858,000
4831 Fixed Rate Charges	4,094,163	4,122,257	4,095,000	4,200,000
<b>TOTAL</b>	<b>38,133,852</b>	<b>34,987,154</b>	<b>41,823,000</b>	<b>38,578,900</b>
<b>OTHER OPERATING REVENUES</b>				
4636 Sale of Scrap	-	600	500	600
4700 Other Sources	44	-	-	-
4801 Off/On Charge	28,157	8,863	25,000	27,000
4802 Interest Earned on Customer Accts	109,865	36,731	100,000	100,000
4805 Reimbursements	58,281	152,204	50,000	60,000
4809 Miscellaneous Operating Revenue	98,178	61,946	70,000	70,000
4818 Servicing Appliances	549,099	470,598	490,000	550,000
4819 Comfort Policy	468,784	468,334	450,000	500,000
4827 Gas-Interruptible Transport	252,478	255,949	195,000	255,000
4851 Interest Income - Other Sources	83	92	-	-
<b>TOTAL</b>	<b>1,564,969</b>	<b>1,455,317</b>	<b>1,380,500</b>	<b>1,562,600</b>
<b>TOTAL OPERATING REVENUES</b>	<b>39,698,821</b>	<b>36,442,471</b>	<b>43,203,500</b>	<b>40,141,500</b>
<b>NON-OPERATING REVENUES</b>				
4220 Minnesota Grants - Operating	19,474	-	-	-
4220 Minnesota Grants - Capital	-	1,229,127	-	-
4230 Pera Aid	23,365	-	23,400	-
4601 Change in Fair Value Investments	79,380	62,885	-	-
4829 Two Tier Rate	100,479	97,198	90,000	90,000
4853 Gain on Sale of Assets	13,808	17,363	15,000	15,000
4730 Transfers In from Enterprise Funds	14,900	-	-	-
<b>TOTAL NON-OPERATING REVENUES</b>	<b>251,406</b>	<b>1,406,573</b>	<b>128,400</b>	<b>105,000</b>
<b>TOTAL REVENUE</b>	<b>39,950,227</b>	<b>37,849,044</b>	<b>43,331,900</b>	<b>40,246,500</b>

# City of Duluth Minnesota - 2022 Budget

## Director's Office

520-500-1900

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

Expense Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>PERSONAL SERVICES</b>				
5100 Permanent Employees - Regular	84,743	92,199	86,300	89,100
5101 Permanent Employees - Overtime	365	412	-	-
TOTAL	85,108	92,611	86,300	89,100
<b>EMPLOYEE BENEFITS</b>				
5121 P.E.R.A.	6,221	6,513	6,400	6,600
5122 F.I.C.A. Social Security	5,033	5,483	5,300	5,500
5123 F.I.C.A. Medicare	1,227	1,308	1,300	1,300
5125 Dental Insurance	372	403	400	400
5126 Life Insurance	204	207	200	200
5127 Health Care Savings	2,402	2,577	1,500	2,700
5130 Cafeteria Plan Benefits	11,172	19,253	20,400	20,400
5133 Health or Fitness Program	72	48	-	-
TOTAL	26,703	35,792	35,500	37,100
<b>OPERATING EXPENSES</b>				
5200 Office Supplies	26	178	100	100
5241 Small Equipment	340	82	-	100
5321 Telephone	120	282	200	300
5331 Training/Travel	2,941	-	600	600
5335 Mileage Reimbursement Local	222	125	200	200
5438 Licenses	92	91	100	100
5441 Other Services & Charges	-	2	-	-
TOTAL	3,741	760	1,200	1,400
1900 TOTAL - DIRECTOR'S OFFICE	115,552	129,163	123,000	127,600

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>OPERATING EXPENSES</b>				
5420 Depreciation	1,515,603	1,515,571	1,666,700	1,682,200
5441 Other Services & Charges	-	400	-	-
5535 Improvements (Non-Capital)	9,939	35,211	32,500	98,250
5540 Equipment (Non-Capital)	13,778	540	-	5,750
5611 Bond Interest	1,757	-	-	-
5613 Interest - Bond Amortization	(1,543)	-	-	-
5614 Capital Lease Interest	45,562	36,805	31,500	22,200
5620 Fiscal Agents Fee	475	237	500	-
TOTAL	1,585,571	1,588,764	1,731,200	1,808,400
<b>NON-OPERATING EXPENSES</b>				
5533 Capital Improvements				
- Revenue Financing	2,453,566	3,491,512	2,818,300	2,650,000
5580 Capital Equipment	272,300	158,258	217,150	253,100
TOTAL	2,725,866	3,649,770	3,035,450	2,903,100
1905 TOTAL - CAPITAL	4,311,437	5,238,534	4,766,650	4,711,500

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>PERSONAL SERVICES</b>				
5100 Permanent Employees - Regular	57,452	61,465	58,000	235,800
5101 Permanent Employees - Overtime	184	282	-	500
5111 Long-Term Disability Wages	154	-	-	-
TOTAL	57,790	61,747	58,000	236,300
<b>EMPLOYEE BENEFITS</b>				
5121 P.E.R.A.	3,948	4,320	4,300	17,300
5121 PERA Retirement, GASB 68	2,570	(213,297)	-	-
5122 F.I.C.A. Social Security	3,611	3,763	3,600	14,600
5123 F.I.C.A. Medicare	845	880	800	3,400
5125 Dental Insurance	364	409	400	1,600
5126 Life Insurance	3,256	10,130	200	700
5127 Health Care Savings	908	1,138	1,100	11,400
5130 Cafeteria Plan Benefits	7,897	15,758	19,000	70,000
5133 Health or Fitness Program	206	179	-	-
5134 Other Post Retirement Benefits	(1,714,046)	(1,844,118)	-	-
5135 Retiree Health Insurance	887,988	869,970	858,000	813,200
5151 Worker's Compensation	55,700	62,000	78,300	101,600
TOTAL	(746,753)	(1,088,868)	965,700	1,033,800
<b>OPERATING EXPENSES</b>				
5200 Office Supplies	322	-	100	100
5205 Safety & Training	964	24	1,000	1,000
5211 Cleaning & Janitorial Supplies	3,944	3,637	3,500	3,500
5218 Uniforms	246	138	200	200
5241 Small Equipment	4,582	5,027	1,400	2,000
5301 Auditing Services	1,331	1,153	1,300	1,300
5305 Medical Services/Testing Fees	8,769	8,021	10,200	10,200
5310 Contract Services	7,286	5,794	-	5,000
5320 Data Services	46,229	38,935	29,500	30,500
5321 Telephone	4,028	4,126	4,200	4,300
5322 Postage	-	296	700	700
5331 Training Expense	8,208	633	11,200	11,400

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
5333 Freight/Delivery Charges	-	840	-	-
5335 Mileage Reimbursement	1,911	820	1,500	1,500
5340 Advertising and Promotion	23,881	28,006	29,500	29,500
5355 Printing & Copying	7,085	187	10,000	10,000
5356 Copier, Printer Lease & Supplies	5,417	4,947	5,000	5,000
5360 Insurance	62,200	62,200	64,400	64,800
5381 Electricity	10,910	13,027	14,000	14,000
5382 Water, Gas & Sewer	14,555	13,114	12,800	13,300
5384 Refuse Disposal	2,690	2,930	2,600	2,600
5401 Building Repair & Maintenance	16,079	2,588	4,600	4,600
5404 Equipment/Machinery Repair	-	-	2,500	2,500
5414 Software Lic & Mtc Agreements	71,231	86,147	70,100	72,900
5433 Dues and Subscriptions	11,242	5,816	7,700	7,700
5441 Other Services & Charges	4,599	2,522	4,200	4,200
5443 Board & Meeting Expenses	898	610	1,700	1,700
5450 Laundry	966	856	1,200	1,000
5452 Pipe Line Safety	18,152	6,460	12,000	15,000
5493 Cost Allocation	478,100	494,600	494,600	481,800
5711 Payment in Lieu of Taxes	2,728,817	2,778,917	2,641,377	2,900,000
5700 Transfer to General Fund	55,700	59,975	60,000	55,000
5700 Transfer to Enterprise Fund	-	311,000	-	-
TOTAL	3,600,342	3,943,346	3,503,077	3,757,300
1915 TOTAL - GENERAL EXPENSE	2,911,379	2,916,225	4,526,777	5,027,400

# City of Duluth Minnesota - 2022 Budget

## Engineering

520-500-1930

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

Expense Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>PERSONAL SERVICES</b>				
5100 Permanent Employees - Regular	800,683	910,877	895,600	935,300
5101 Permanent Employees - Overtime	49,227	43,139	60,600	50,000
5103 Temporary Wages	306	75	6,100	6,100
5118 Meal Allowance	868	356	1,100	1,100
TOTAL	851,084	954,447	963,400	992,500
<b>EMPLOYEE BENEFITS</b>				
5121 P.E.R.A.	62,814	70,327	71,200	69,700
5122 F.I.C.A. Social Security	50,700	57,259	59,700	58,000
5123 F.I.C.A. Medicare	11,857	13,391	14,000	13,600
5125 Dental Insurance	3,988	4,480	4,700	4,700
5126 Life Insurance	2,193	2,316	2,100	2,200
5127 Health Care Savings	24,555	27,144	23,800	19,900
5130 Cafeteria Plan Benefits	217,479	259,612	270,500	277,200
5133 Health or Fitness Program	264	212	-	-
5159 Project Benefits (Contra-Account)	(243,142)	(327,468)	-	-
TOTAL	130,708	107,273	446,000	445,300
<b>OPERATING EXPENSES</b>				
5200 Office Supplies	449	309	400	400
5201 Computer Supplies	12	491	100	100
5203 Paper, Stationery and Forms	94	24	100	100
5205 Safety & Training Materials	108	330	200	200
5212 Motor Fuel	5,517	4,116	5,500	5,500
5218 Uniforms	2,332	2,489	2,300	2,500
5219 Other Miscellaneous Supplies	1,404	2,862	-	-
5220 Repair & Maintenance Supplies	1,554	976	10,000	5,000
5240 Small Tools	97	255	400	400
5241 Small Equipment	3,568	4,607	10,500	7,900
5242 Survey Equipment and Supplies	1,907	8,007	5,200	5,900
5303 Engineering Services	31,126	-	-	-
5320 Data Services	2,050	2,276	1,700	2,200
5321 Telephone	3,132	3,143	3,500	3,100



# City of Duluth Minnesota - 2022 Budget

## Engineering

520-500-1930

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

Expense Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
5322 Postage	50	169	100	100
5331 Training Expenses	6,180	2,257	13,000	14,200
5335 Mileage Reimbursement	-	-	200	200
5355 Printing and Copying	617	118	800	800
5356 Copier, Printer Lease & Supplies	225	126	2,700	2,200
5404 Equipment Maintenance Repair	1,204	377	1,600	1,600
5409 Fleet Services	9,081	7,547	11,500	11,800
5414 Software Lic & Mtc Agreements	19,586	17,448	27,400	19,000
5433 Dues and Subscriptions	223	2,305	3,300	3,300
5435 Books and Pamphlets	398	-	100	100
5438 Licenses	-	185	-	200
5441 Other Services and Charges	5,900	5,670	6,500	6,200
5486 One Call System	3,320	3,825	3,600	4,500
TOTAL	100,134	69,912	110,700	97,500
1930 TOTAL - ENGINEERING	1,081,926	1,131,632	1,520,100	1,535,300

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>PERSONAL SERVICES</b>				
5100 Permanent Employees - Regular	2,775,742	2,829,270	2,851,700	2,765,700
5101 Permanent Employees - Overtime	55,522	46,858	75,900	71,500
5103 Temporary Wages	20,988	-	25,000	-
5105 Retirement Incentive	-	11,267	-	-
5118 Meal Allowance	276	135	400	400
TOTAL	2,852,528	2,887,530	2,953,000	2,837,600
<b>EMPLOYEE BENEFITS</b>				
5121 P.E.R.A.	206,230	209,224	215,800	204,100
5122 F.I.C.A. Social Security	171,240	172,162	183,100	171,500
5123 F.I.C.A. Medicare	40,048	40,263	42,900	40,100
5125 Dental Insurance	15,552	16,307	17,000	15,700
5126 Life Insurance	8,573	8,402	7,700	7,200
5127 Health Care Savings	63,401	59,538	96,600	51,800
5130 Cafeteria Plan Benefits	720,891	785,940	819,700	756,000
5133 Health or Fitness Program	310	639	-	-
TOTAL	1,226,245	1,292,475	1,382,800	1,246,400
<b>OPERATING EXPENSES</b>				
5200 Office Supplies	3,049	2,423	3,100	3,000
5201 Computer Supplies/Software	1,225	4,969	800	1,200
5203 Paper/Stationery/Forms	206	227	-	-
5205 Safety & Training Materials	979	459	-	-
5210 Plant/Operating Supplies	33,779	54,873	34,000	34,000
5212 Motor Fuel	53,768	39,790	54,000	54,000
5215 Shop Materials	2,592	3,639	17,000	17,000
5218 Uniforms	13,566	13,507	8,500	11,500
5219 Other Miscellaneous Supplies	209,453	174,824	137,000	137,000
5220 Repair & Maintenance Supplies	48,741	36,999	25,000	35,000

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
5227 Utility System Maintenance Supply	261,917	401,730	421,300	373,200
5228 Painting Supplies	6,388	6,440	7,500	7,500
5240 Small Tools	34,954	17,882	29,400	29,400
5241 Small Equipment	33,461	5,133	30,700	17,700
5310 Contract Services	46,582	37,464	67,200	67,200
5320 Data Services	-	11,834	15,000	15,300
5321 Telephone	10,274	10,653	8,600	11,200
5322 Postage	76,390	78,775	75,300	77,300
5331 Training / Travel	18,994	3,049	28,000	28,000
5335 Mileage Reimbursement	120	-	200	200
5339 Armored Pickup	2,691	2,973	2,800	2,800
5340 Advertising and Promotion	86,329	17,588	84,700	84,700
5355 Printing & Copying	2,141	1,065	3,200	3,400
5356 Copier, Printer Lease & Supplies	837	589	700	700
5401 Bldg/Structure Repair & Maintenance	29	-	-	-
5404 Equipment Repair & Maintenance	7,219	7,928	1,400	1,200
5409 Fleet Services	58,366	36,414	74,700	65,500
5414 Software Lic & Mtc Agreements	17,647	16,617	7,200	22,600
5418 Vehicle/Equipment Lease	161	-	-	-
5427 Credit Card Commissions	96,565	101,987	95,000	100,000
5432 Uncollectible Accounts	64,049	186,419	55,000	55,000
5433 Dues and Subscriptions	3,148	600	3,400	3,400
5441 Other Services & Charges	20,572	21,366	32,700	32,400
5487 Conservation Improvement	213,830	179,363	221,900	221,900
5615 Customer Deposit Refund Interest	71,071	33,320	40,000	40,000
<b>TOTAL</b>	<b>1,501,093</b>	<b>1,510,899</b>	<b>1,585,300</b>	<b>1,553,300</b>
<b>1940 TOTAL - CUSTOMER SERVICES</b>	<b>5,579,866</b>	<b>5,690,904</b>	<b>5,921,100</b>	<b>5,637,300</b>

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>PERSONAL SERVICES</b>				
5100 Permanent Employees - Regular	1,177,144	1,142,549	1,146,400	1,075,500
5101 Permanent Employees - Overtime	118,147	62,257	110,000	110,000
5118 Meal Allowance	2,574	722	3,000	3,000
TOTAL	1,297,865	1,205,528	1,259,400	1,188,500
<b>EMPLOYEE BENEFITS</b>				
5121 P.E.R.A.	96,052	87,784	92,300	79,000
5122 F.I.C.A. Social Security	77,952	72,401	77,900	66,700
5123 F.I.C.A. Medicare	18,262	16,920	18,200	15,600
5125 Dental Insurance	6,768	6,536	6,700	6,000
5126 Life Insurance	3,681	3,358	3,000	2,700
5127 Health Care Savings	26,627	22,745	21,700	17,100
5130 Cafeteria Plan Benefits	283,182	279,016	290,700	252,100
5133 Health or Fitness Program	314	201	-	-
5141 Unemployment Compensation	5,771	958	-	-
TOTAL	518,609	489,919	510,500	439,200
<b>OPERATING EXPENSES</b>				
5200 Office Supplies	1,007	934	1,500	1,300
5201 Computer Supplies/Software	569	457	300	500
5205 Safety & Training Materials	5,294	4,160	8,500	8,500
5210 Plant Operations Supplies	15,968	32,571	14,600	14,600
5212 Motor Fuel	42,377	25,921	42,600	42,600
5215 Shop Materials	25,687	13,589	15,000	15,000
5218 Uniforms	9,300	9,103	9,800	9,600
5219 Other Miscellaneous Supplies	5,015	3,140	2,500	2,500
5220 Repair and Maintenance Supplies	2,770	4,950	8,800	8,800
5222 Paving Materials	23,071	11,818	25,000	25,000
5224 Gravel & Other Maintenance Supplies	61,457	45,809	60,000	60,000
5227 Utility Maintenance Supply	154,650	16,872	125,700	125,700
5228 Painting Supplies	3	388	500	500
5240 Small Tools	24,114	18,137	22,300	22,300
5241 Small Equipment	26,430	12,715	10,300	10,300

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
5310 Contract Services	987	-	4,200	4,200
5320 Data Services	-	2,184	3,200	3,300
5321 Telephone	2,795	3,698	3,100	3,300
5331 Training Expense	3,510	6,916	7,400	7,300
5333 Freight/Delivery Charges	5,667	5,018	4,500	4,500
5335 Mileage Reimbursement	2,337	1,829	2,300	2,300
5355 Printing and Copying	1,735	-	300	300
5356 Copier, Printer Lease & Supplies	377	125	400	400
5384 Refuse Disposal	8,140	5,322	7,800	7,800
5404 Equipment Repair & Maintenance	16,006	3,261	13,000	13,000
5409 Fleet Service Charges	122,626	78,805	92,500	96,600
5414 Software Lic & Mtc Agreements	13	400	300	-
5415 Vehicle/Equipment Rental	3,765	3,664	6,500	6,500
5441 Other Services & Charges	2,552	8,361	2,500	2,500
5450 Laundry	5,824	4,936	8,400	5,000
5700 Transfer to General Fund	51,601	70,093	103,800	103,800
TOTAL	625,647	395,176	607,600	608,000
1945 TOTAL - UTILITY OPERATIONS	2,442,121	2,090,623	2,377,500	2,235,700

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>PERSONAL SERVICES</b>				
5100 Permanent Employees - Regular	361,586	301,625	307,200	318,500
5101 Permanent Employees - Overtime	11,023	6,799	6,000	-
5118 Meal Allowance	120	45	-	-
TOTAL	372,729	308,469	313,200	318,500
<b>EMPLOYEE BENEFITS</b>				
5121 P.E.R.A. Contribution	27,361	23,019	23,100	23,500
5122 F.I.C.A. Social Security	22,651	18,758	19,400	19,800
5123 F.I.C.A. Medicare	5,297	4,387	4,500	4,600
5125 Dental Insurance	1,569	1,360	1,300	1,300
5126 Life Insurance	860	694	600	600
5127 Health Care Savings	11,941	11,194	3,500	3,700
5130 Cafeteria Plan Benefits	73,882	60,620	60,100	60,100
TOTAL	143,561	120,032	112,500	113,600
<b>OPERATING EXPENSES</b>				
5200 Office Supplies	54	179	500	500
5201 Computer Supplies/Software	4,371	798	10,000	10,000
5210 Plant Operations Supplies	20,254	21,432	22,000	30,000
5212 Motor Fuel	3,318	2,903	3,300	3,300
5218 Uniforms	660	384	1,100	800
5219 Other Miscellaneous Supplies	2,235	128	2,500	2,500
5220 Repair & Maintenance Supplies	32,086	14,574	72,000	92,000
5227 Utility System Mtc Supplies	542	-	-	-
5241 Small Equipment	13,711	4,348	7,800	7,800
5280 Natural Gas Purchases	20,067,111	19,293,616	24,342,000	21,011,900
5310 Contract Services	367	-	-	-
5320 Data Services	-	1,102	1,000	1,800
5321 Telephone	1,924	2,043	1,800	2,000
5331 Training Expense	4,294	3,020	7,600	7,600
5333 Freight/Delivery Charges	197	-	-	-
5356 Copier, Printer Lease & Supplies	-	261	300	300

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
5381 Electricity	8,038	10,146	10,000	10,000
5382 Water/Sewer/Gas	-	-	2,000	2,000
5404 Equipment Maintenance Repair	160	2,687	2,500	2,500
5409 Fleet Services Charges	3,074	2,641	3,000	3,500
5414 Software Lic & Mtc Agreements	2,723	-	-	-
5433 Dues and Subscriptions	2,385	290	500	500
5441 Other Services & Charges	6,587	4,080	6,500	6,500
5450 Laundry	563	-	-	-
TOTAL	20,174,654	19,364,632	24,496,400	21,195,500
1960 TOTAL - NATURAL GAS	20,690,944	19,793,133	24,922,100	21,627,600

# City of Duluth Minnesota - 2022 Budget

## Sewer Fund

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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 98% of total revenues for 2022. The major expense category is for contractual services and charges paid to the Western Lake Superior Sanitary District (WLSSD), constituting 56% 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>REVENUE</b>				
Operating Revenue	17,973,609	17,526,647	18,687,400	19,047,400
Non-Operating Revenue	441,266	4,922,143	81,600	190,300
	<u>18,414,875</u>	<u>22,448,790</u>	<u>18,769,000</u>	<u>19,237,700</u>
<b>EXPENSES</b>				
Personal Services	2,944,597	2,690,274	3,727,100	3,736,400
Supplies	296,247	261,875	436,700	444,600
Other Services & Charges	1,023,532	1,017,213	1,071,400	1,082,550
WLSSD Treatment	9,024,266	9,494,802	9,500,000	9,737,500
Utilities	129,911	137,342	152,900	153,500
Depreciation/ Amortization	1,469,382	1,499,486	1,626,600	1,668,500
Sanitary Sewer -Grants	221,445	130,077	200,000	200,000
Improvements -Non-Capital	20,454	117,652	82,500	103,250
Debt Service - Interest	96,250	65,043	51,400	32,700
Debt Service - Other	3,881	(9,250)	(14,300)	(12,100)
Capital Lease Interest	42,800	32,935	29,600	20,900
Transfers	107,301	130,068	163,700	158,700
	<u>15,380,066</u>	<u>15,567,517</u>	<u>17,027,600</u>	<u>17,326,500</u>
<b>ESTIMATED OPERATING INCOME (LOSS)</b>	<b>3,034,809</b>	<b>6,881,273</b>	<b>1,741,400</b>	<b>1,911,200</b>
Other Sources of Cash	1,090,260	5,369,216	1,612,300	1,656,400
Other Uses of Cash	(3,444,389)	(13,640,690)	(3,887,450)	(3,470,300)
<b>Increase (Decrease) in Cash</b>	<b><u>680,680</u></b>	<b><u>(1,390,201)</u></b>	<b><u>(533,750)</u></b>	<b><u>97,300</u></b>



# City of Duluth Minnesota - 2022 Budget

## Sewer Fund Estimated Unrestricted Cash Balance

OPERATING FUND	2021 Budget	2021 Projected	2022 Approved
ESTIMATED OPERATING INCOME (LOSS)	1,741,400	1,785,426	1,911,200
<u>Other Sources of Cash</u>			
Depreciation and Amortization	1,626,600	1,570,400	1,668,500
Interest from Bond Discount	(14,300)	(14,300)	(12,100)
Due from Other Funds	-	563	-
Special Assessment Principal	-	91,179	-
Total Other Sources of Cash	1,612,300	1,647,842	1,656,400
<u>Other Uses of Cash</u>			
Due to Other Funds	-	11,386	-
Infrastructure System Replacement Fund	119,900	119,200	104,600
Capital Improvements from Current Revenues	2,379,500	1,000,000	2,125,000
Capital Equipment Purchases	214,050	150,000	383,000
Bond Principal Payments	945,800	945,800	620,800
AMRS Lease Principal Payment	228,200	228,200	236,900
Total Other Uses of Cash	3,887,450	2,454,586	3,470,300
INCREASE (DECREASE) IN CASH	(533,750)	978,682	97,300
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - BEGINNING	1,484,711	1,014,946	1,993,628
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - ENDING	950,961	1,993,628	2,090,928

# City of Duluth Minnesota - 2022 Budget

## Sewer Fund

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Revenue Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>OPERATING REVENUES:</b>				
4636 Sale of Materials	253	35	500	500
4700 Other Sources	44	-	-	-
4802 Interest Earned on Customer Accts	51,499	12,261	55,000	55,000
4805 Reimbursements	33,850	34,068	33,000	33,000
4809 Misc. Operating Revenue	3,981	576	2,000	2,000
4831 Fixed Rate Charges	1,948,979	1,954,079	1,945,000	1,950,000
4833 Sewer Revenues	15,777,441	15,358,493	16,500,000	16,850,000
4834 Fond du Lac Grinder Pump Surcharge	12,025	11,961	11,900	11,900
4839 Point of Sale Inspection Fee	141,361	149,460	140,000	145,000
4851 Interest Income - Other Sources	4,176	5,714	-	-
<b>TOTAL OPERATING REVENUES</b>	<b>17,973,609</b>	<b>17,526,647</b>	<b>18,687,400</b>	<b>19,047,400</b>
<b>NON-OPERATING REVENUES:</b>				
4220 Minnesota Grants - Capital	314,828	4,829,399	-	-
4230 Pera Aid	8,283	-	8,300	-
4601 Change in Fair Value Investments	26,580	11,667	-	-
4806 Connection Fees	13,860	-	-	-
4853 Gain on Sale of Assets	-	1,847	3,000	3,000
4854 Utility Special Assessments	-	8,965	-	-
4857 Capital Contributions	-	-	-	117,000
4730 Transfer from Enterprise Funds	77,715	70,265	70,300	70,300
<b>TOTAL NON-OPERATING REVENUES</b>	<b>441,266</b>	<b>4,922,143</b>	<b>81,600</b>	<b>190,300</b>
<b>TOTAL REVENUE</b>	<b>18,414,875</b>	<b>22,448,790</b>	<b>18,769,000</b>	<b>19,237,700</b>

# City of Duluth Minnesota - 2022 Budget

## Director's Office

530-500-1900

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

Expense Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>PERSONAL SERVICES</b>				
5100 Permanent Employees - Regular	62,151	72,647	62,400	71,700
5101 Permanent Employees - Overtime	241	219	-	-
TOTAL	62,392	72,866	62,400	71,700
<b>EMPLOYEE BENEFITS</b>				
5121 P.E.R.A.	4,552	5,110	4,600	5,300
5122 F.I.C.A. Social Security	3,640	4,282	3,900	4,400
5123 F.I.C.A. Medicare	901	1,027	900	1,000
5125 Dental Insurance	242	289	300	300
5126 Life Insurance	133	148	100	100
5127 Health Care Savings	1,891	2,142	900	2,300
5130 Cafeteria Plan Benefits	6,120	15,456	14,800	17,500
5133 Health or Fitness Program	72	48	-	-
TOTAL	17,551	28,502	25,500	30,900
<b>OPERATING EXPENSES</b>				
5241 Small Equipment	333	77	-	100
5321 Telephone	120	174	100	200
5331 Training Expense	-	-	200	200
5335 Mileage Reimbursement	206	114	200	200
5356 Copier, Printer Lease & Supplies	72	35	100	100
5441 Other Services & Charges	-	2	-	-
TOTAL	731	402	600	800
1900 TOTAL - DIRECTOR'S OFFICE	80,674	101,770	88,500	103,400

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>OPERATING EXPENSES</b>				
5420 Depreciation	1,469,382	1,499,486	1,626,600	1,668,500
5535 Improvements (Non-Capital)	20,454	117,652	82,500	103,250
5540 Equipment (Non-Capital)	7,649	739	-	5,750
5611 Bond Interest	96,250	65,043	51,400	32,700
5613 Interest - from Amortization	3,881	(9,250)	(14,300)	(12,100)
5614 Capital Lease Interest	42,800	32,935	29,600	20,900
5620 Fiscal Agents Fee	1,901	1,781	1,900	1,500
TOTAL	1,642,317	1,708,386	1,777,700	1,820,500
<b>NON-OPERATING EXPENSES</b>				
5533 Capital Improvements - Revenue	1,272,403	7,007,584	2,379,500	2,125,000
5580 Capital Equipment	212,560	158,343	214,050	383,000
TOTAL	1,484,963	7,165,927	2,593,550	2,508,000
1905 TOTAL - CAPITAL	3,127,280	8,874,313	4,371,250	4,328,500

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>PERSONAL SERVICES</b>				
5100 Permanent Employees - Regular	33,239	36,366	33,400	69,700
5101 Permanent Employees - Overtime	149	217	-	500
5111 Long-Term Disability Wages	155	-	-	-
<b>TOTAL</b>	<b>33,543</b>	<b>36,583</b>	<b>33,400</b>	<b>70,200</b>
<b>EMPLOYEE BENEFITS</b>				
5121 P.E.R.A.	2,261	2,537	2,500	5,100
5121 P.E.R.A., GASB 68	(18,678)	(136,239)	-	-
5122 F.I.C.A. Social Security	2,099	2,196	2,100	4,300
5123 F.I.C.A. Medicare	491	514	500	1,000
5125 Dental Insurance	234	270	300	500
5126 Life Insurance	1,152	1,890	100	200
5127 Health Care Savings	459	664	700	4,200
5130 Cafeteria Plan Benefits	4,154	11,642	14,800	25,000
5133 Health or Fitness Program	62	54	-	-
5134 Other Post Retirement Benefits	(486,947)	(623,851)	-	-
5135 Retiree Health Insurance	159,578	158,971	164,000	155,900
5151 Worker's Compensation	37,800	34,000	30,600	35,300
<b>TOTAL</b>	<b>(297,335)</b>	<b>(547,352)</b>	<b>215,600</b>	<b>231,500</b>
<b>OPERATING EXPENSES</b>				
5200 Office Supplies	212	-	100	100
5205 Safety & Training	1,481	134	600	600
5211 Cleaning & Janitorial Supplies	3,281	3,209	3,500	3,500
5218 Uniforms	246	137	100	100
5241 Small Equipment	1,645	1,211	3,100	1,900
5301 Auditing Services	1,331	1,153	1,300	1,300
5305 Medical Services/Testing Fees	1,278	702	1,600	1,600
5310 Contract Services	7,081	4,996	-	5,000
5320 Data Services	16,534	14,709	12,900	13,600
5321 Telephone	2,819	2,660	2,200	2,600
5331 Training / Travel	1,565	57	2,300	2,300

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
5333 Freight/Delivery Charges	-	5	-	-
5335 Mileage Reimbursement - Local	402	365	300	300
5355 Printing & Copying Services	-	187	-	-
5356 Copier, Printer Lease & Supplies	5,027	4,629	5,000	5,000
5360 Insurance	24,100	23,600	51,400	24,200
5381 Electricity	9,354	12,247	14,000	14,000
5382 Water, Gas & Sewer	10,586	9,174	13,400	14,000
5384 Refuse Disposal	2,690	2,756	2,600	2,600
5401 Building Repair & Maintenance	11,353	1,689	4,400	4,400
5404 Equipment/Machinery Repair & Mtc	-	-	1,900	1,900
5414 Software Lic & Mtc Agreements	44,811	47,783	47,600	49,700
5441 Other Services & Charges	4,440	2,187	3,500	3,500
5450 Laundry	904	800	1,200	1,000
5493 Cost Allocation	208,200	230,400	230,400	238,200
5700 Transfer to General Fund	55,700	59,975	60,000	55,000
TOTAL	415,040	424,765	463,400	446,400
1915 TOTAL - UTILITY GENERAL	151,248	(86,004)	712,400	748,100

# City of Duluth Minnesota - 2022 Budget

## Engineering

530-500-1930

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

Expense Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>PERSONAL SERVICES</b>				
5100 Permanent Employees - Regular	393,618	408,803	402,900	429,600
5101 Permanent Employees - Overtime	40,059	38,729	37,700	37,700
5103 Temporary Wages	306	75	6,100	6,100
5105 Retirement Incentive	-	3,966	-	-
5118 Meal Allowance	1,161	356	1,000	1,000
TOTAL	435,144	451,929	447,700	474,400
<b>EMPLOYEE BENEFITS</b>				
5121 P.E.R.A.	31,935	32,514	32,600	31,800
5122 F.I.C.A. Social Security	26,099	26,938	27,700	26,600
5123 F.I.C.A. Medicare	6,104	6,300	6,500	6,200
5125 Dental Insurance	1,994	2,078	2,200	2,300
5126 Life Insurance	1,091	1,073	1,000	1,000
5127 Health Care Savings	7,903	9,652	9,400	11,500
5130 Cafeteria Plan Benefits	87,768	101,042	111,000	108,900
5133 Health or Fitness Program	241	212	-	-
5159 Project Benefits (Contra-Account)	(8,158)	(104,186)	-	-
TOTAL	154,977	75,623	190,400	188,300
<b>OPERATING EXPENSES</b>				
5200 Office Supplies	369	303	400	400
5201 Computer Supplies	11	215	100	100
5203 Paper, Stationary & Forms	87	25	100	100
5205 Safety & Training Materials	113	97	200	200
5212 Motor Fuels	3,314	2,207	3,300	3,900
5218 Uniforms	1,159	1,114	1,000	1,100
5219 Other Miscellaneous Supplies	176	136	-	-
5240 Small Tools	92	246	400	400
5241 Small Equipment	2,126	2,669	4,100	1,200
5242 Survey Equipment and Supplies	1,154	5,152	5,200	5,900
5320 Data Services	1,917	2,142	1,700	2,200
5321 Telephone	1,784	1,661	2,000	1,700
5322 Postage	47	-	100	100

# City of Duluth Minnesota - 2022 Budget

## Engineering

530-500-1930

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

Expense Detail	2019	2020	2021	2022
	Actual	Actual	Budget	Approved
5331 Training Expenses	1,397	35	3,400	4,600
5335 Mileage Reimbursement - Local	1,866	1,314	2,000	1,500
5355 Printing and Copying	476	-	800	800
5356 Copier, Printer Lease & Supplies	211	114	2,600	2,200
5404 Equipment Maintenance/Repair	552	-	1,600	1,600
5409 Fleet Services Charges	4,144	3,681	5,100	4,200
5414 Software Lic & Mtc Agreements	11,789	13,587	11,400	10,400
5433 Dues & Subscriptions	426	105	800	800
5435 Books & Pamphlets	-	-	100	100
5438 Licenses	-	185	-	200
5441 Other Services and Charges	2,937	4,174	5,600	5,000
5486 One Call System	3,289	3,806	3,600	4,500
TOTAL	39,436	42,968	55,600	53,200
1930 TOTAL - ENGINEERING	629,557	570,520	693,700	715,900



# City of Duluth Minnesota - 2022 Budget

## Customer Service

530-500-1940

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

Expense Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>PERSONAL SERVICES</b>				
5100 Permanent Employees - Regular	222,905	226,884	216,100	190,400
5101 Permanent Employees - Overtime	2,799	1,182	2,300	2,300
5118 Meal Allowance	21	18	-	-
TOTAL	225,725	228,084	218,400	192,700
<b>EMPLOYEE BENEFITS</b>				
5121 P.E.R.A.	16,288	16,402	16,000	14,000
5122 F.I.C.A. Social Security	13,462	13,414	13,500	11,800
5123 F.I.C.A. Medicare	3,148	3,137	3,200	2,800
5125 Dental Insurance	1,317	1,366	1,300	1,100
5126 Life Insurance	726	704	600	500
5127 Health Care Savings	9,211	6,052	6,800	4,100
5130 Cafeteria Plan Benefits	56,957	60,819	62,400	52,200
5133 Health or Fitness Program	119	80	-	-
TOTAL	101,228	101,974	103,800	86,500
<b>OPERATING EXPENSES</b>				
5200 Office Supplies	527	241	1,000	800
5201 Computer Supplies	190	280	400	600
5212 Motor Fuel	16	-	-	-
5241 Small Equipment	1,650	661	2,400	2,400
5310 Contract Services	23,276	18,632	33,600	33,600
5320 Data Services	-	27	-	200
5321 Telephone	283	385	300	300
5322 Postage	38,182	39,382	37,800	38,800
5331 Training Expense	3,239	(1,103)	3,000	3,000
5339 Armored Pickup	1,483	1,466	1,400	1,400
5355 Printing & Copying	966	377	1,400	1,400
5356 Copier, Printer Lease & Supplies	241	269	300	300
5404 Equipment Repair & Maintenance	84	116	200	100
5409 Fleet Services	-	-	1,900	-
5414 Software Lic & Mtc Agreements	3,835	3,567	4,100	4,100
5418 Vehicle/Equipment Lease	151	-	-	-
5427 Credit Card Commission	44,651	46,358	45,000	45,000

# City of Duluth Minnesota - 2022 Budget

## Customer Service

530-500-1940

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

Expense Detail	2019	2020	2021	2022
	Actual	Actual	Budget	Approved
5432 Uncollectible Accounts	27,172	110,769	23,000	23,000
5441 Other Services & Charges	274	17	700	700
TOTAL	146,220	221,444	156,500	155,700
1940 TOTAL-CUSTOMER SERVICES	473,173	551,502	478,700	434,900

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>PERSONAL SERVICES</b>				
5100 Permanent Employees - Regular	973,492	988,612	1,025,900	1,137,700
5101 Permanent Employees - Overtime	59,935	41,509	73,000	70,000
5103 Temporary Wages	13,965	-	21,800	21,800
5118 Meal Allowance	2,246	791	2,200	2,200
TOTAL	1,049,638	1,030,912	1,122,900	1,231,700
<b>EMPLOYEE BENEFITS</b>				
5121 P.E.R.A.	75,395	74,684	80,900	83,800
5122 F.I.C.A. Social Security	63,095	62,223	69,500	70,500
5123 F.I.C.A. Medicare	14,756	14,553	16,300	16,500
5125 Dental Insurance	5,935	6,060	6,500	6,800
5126 Life Insurance	3,250	3,121	2,900	3,100
5127 Health Care Savings	23,264	23,072	21,000	22,300
5130 Cafeteria Plan Benefits	267,028	283,864	315,800	325,500
5133 Health or Fitness Program	88	133	-	-
5141 Unemployment Compensation	3,768	785	-	-
TOTAL	456,579	468,495	512,900	528,500
<b>OPERATING EXPENSES</b>				
5200 Office Supplies	981	896	2,500	1,300
5201 Computer Supplies	2,172	1,302	3,200	3,200
5205 Safety & Training Materials	4,521	1,992	6,500	6,500
5210 Plant Operations Supplies	24,082	22,097	33,700	33,700
5212 Motor Fuel	51,230	29,434	51,500	61,900
5215 Shop Materials	241	56	1,000	1,000
5218 Uniforms	9,047	6,707	11,200	11,600
5219 Other Miscellaneous Supplies	1,277	1,982	2,000	2,000
5220 Repair and Maintenance Supplies	17,042	76,865	119,100	119,100
5222 Paving Materials	21,252	11,398	17,000	17,000
5224 Gravel and other Mtc Materials	61,190	40,686	50,000	50,000
5227 Utility Maintenance Supply	56,710	35,145	79,500	79,500
5240 Small Tools	5,669	6,215	9,000	9,000

# City of Duluth Minnesota - 2022 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	2019	2020	2021	2022
	Actual	Actual	Budget	Approved
5241 Small Equipment	9,813	4,146	10,300	10,400
5310 Contract Services	18,426	24,511	51,100	51,300
5320 Data Services	-	1,315	3,000	2,700
5321 Telephone	1,280	1,461	1,100	1,100
5331 Training Expense	7,550	1,979	9,400	8,400
5333 Freight/Delivery Charges	1,405	1,447	1,500	1,500
5335 Mileage Reimbursement	2,389	2,000	2,500	2,500
5355 Printing and Copying	1,083	-	500	500
5356 Copier, Printer Lease & Supplies	585	116	600	600
5381 Electricity	101,385	106,494	114,000	114,000
5382 Water, Gas & Sewer	8,586	9,427	11,500	11,500
5384 Refuse Disposal	16,283	12,823	17,000	17,000
5404 Equipment Maintenance/Repair	38,321	21,429	20,000	32,000
5409 Fleet Service Charges	143,083	111,157	122,200	119,700
5414 Software Lic & Mtc Agreements	1,263	1,650	1,600	1,300
5415 Vehicle/Equipment Rental	1,224	1,007	5,800	5,800
5433 Dues and Subscriptions	170	206	1,400	1,000
5438 Licenses	463	265	1,000	1,000
5441 Other Services & Charges	3,912	4,696	4,000	4,000
5450 Laundry	3,778	3,434	5,600	5,000
5700 Transfer to General Fund	51,601	70,093	103,700	103,700
TOTAL	668,014	614,431	874,000	890,800
1945 TOTAL - UTILITY OPERATIONS	2,174,231	2,113,838	2,509,800	2,651,000

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
OPERATING EXPENSES				
5484 Western Lake Superior Sanitary District Service Charge	9,024,266	9,494,802	9,500,000	9,737,500
5485 Western Lake Superior Sanitary District Testing	215,585	218,359	216,000	221,000
1965 TOTAL- SEWER TREATMENT	9,239,851	9,713,161	9,716,000	9,958,500

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>PERSONAL SERVICES</b>				
5100 Permanent Employees - Regular	471,514	480,637	505,100	403,200
5101 Permanent Employees - Overtime	16,498	14,827	20,500	20,000
5118 Meal Allowance	240	81	300	300
TOTAL	488,252	495,545	525,900	423,500
<b>EMPLOYEE BENEFITS</b>				
5121 P.E.R.A.	35,645	36,415	39,100	30,100
5122 F.I.C.A. Social Security	29,164	29,430	32,600	25,000
5123 F.I.C.A. Medicare	6,821	6,883	7,600	5,800
5125 Dental Insurance	2,731	2,831	3,000	2,300
5126 Life Insurance	1,498	1,455	1,400	1,000
5127 Health Care Savings	7,268	7,461	12,800	6,100
5130 Cafeteria Plan Benefits	133,647	162,581	171,700	136,200
5133 Health or Fitness Program	129	57	-	-
TOTAL	216,903	247,113	268,200	206,500
<b>OPERATING EXPENSES</b>				
5200 Office Supplies	388	398	800	600
5201 Computer Supplies/Software	-	30	-	-
5205 Safety & Training	393	175	1,000	1,000
5212 Motor Fuels	2,495	1,886	2,500	3,500
5218 Uniforms	1,903	1,976	1,700	1,700
5220 Repair & Maintenance Supplies	392	-	-	-
5241 Small Equipment	7,267	375	8,200	8,200
5320 Data Services	-	1,146	-	1,600
5321 Telephone	3,171	3,368	2,800	2,800
5331 Training Expense	500	-	2,500	2,500
5335 Mileage Reimbursement	12,038	5,043	3,200	8,500
5355 Printing & Copying	1,139	-	2,000	2,000
5356 Copier, Printer Lease & Supplies	232	44	200	200
5404 Equipment Maintenance Repair	326	-	3,000	3,000

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
5409 Fleet Services	4,463	4,625	3,500	3,300
5418 Vehicle/Equipment Lease	1,212	-	-	-
5441 Other Services and Charges	24,644	1,023	23,000	23,000
5450 Laundry	1,852	1,520	2,300	2,300
5482 Private Property Sewer Grants	221,445	130,077	200,000	200,000
TOTAL	283,860	151,686	256,700	264,200
1970 TOTAL INFLOW & INFILTRATION	989,015	894,344	1,050,800	894,200

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>REVENUE</b>				
Operating Revenue	1,641,800	1,638,279	1,652,000	1,652,000
Non-Operating Revenue	8,596	5,363	-	-
	<u>1,650,396</u>	<u>1,643,642</u>	<u>1,652,000</u>	<u>1,652,000</u>
<b>EXPENSES</b>				
Other Services & Charges	7,487	17,499	8,200	8,200
Depreciation/ Amortization	566,871	566,871	566,900	566,900
Grants & Awards	305,252	403,400	400,000	400,000
Debt Service - Interest	104,926	88,352	77,700	60,700
Transfers	70,265	70,265	70,300	70,300
	<u>1,054,801</u>	<u>1,146,387</u>	<u>1,123,100</u>	<u>1,106,100</u>
<b>ESTIMATED OPERATING INCOME (LOSS)</b>	595,595	497,255	528,900	545,900
Other Sources of Cash	571,220	566,871	566,900	566,900
Other Uses of Cash	(1,167,989)	(1,196,778)	(1,201,200)	(1,159,200)
<b>Increase (Decrease) in Cash</b>	<u>(1,174)</u>	<u>(132,652)</u>	<u>(105,400)</u>	<u>(46,400)</u>



# City of Duluth Minnesota - 2022 Budget

## Clean Water Fund Estimated Unrestricted Cash Balance

<u>OPERATING FUND</u>	<b>2021 Budget</b>	<b>2021 Projected</b>	<b>2022 Approved</b>
ESTIMATED OPERATING INCOME (LOSS)	528,900	516,700	545,900
<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	1,201,200	1,201,200	1,159,200
Total Other Uses of Cash	1,201,200	1,201,200	1,159,200
INCREASE (DECREASE) IN CASH	(105,400)	(117,600)	(46,400)
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - BEGINNING	784,168	671,615	554,015
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - ENDING	678,768	554,015	507,615

# City of Duluth Minnesota - 2022 Budget

## Clean Water Surcharge Fund

532

Revenue Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
OPERATING REVENUES				
4836 I & I Surcharge	16,154	9,035	12,000	12,000
4837 Clean Water Surcharge	1,625,646	1,629,244	1,640,000	1,640,000
TOTAL	1,641,800	1,638,279	1,652,000	1,652,000
NON-OPERATING REVENUES				
4601 Change in Fair Value Investments	8,596	5,363	-	-
TOTAL	8,596	5,363	-	-
TOTAL REVENUE	1,650,396	1,643,642	1,652,000	1,652,000

# City of Duluth Minnesota - 2022 Budget

## Clean Water Surcharge Fund

532

Expense Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
OPERATING EXPENSES				
5420 Depreciation	566,871	566,871	566,900	566,900
5427 Credit Card Commissions	4,043	4,228	3,200	3,200
5432 Uncollectible Accounts	3,444	13,271	5,000	5,000
5434 Grants & Awards	305,252	403,400	400,000	400,000
5611 Bond Interest	104,926	88,352	77,700	60,700
5700 Transfers to Sewer Fund	70,265	70,265	70,300	70,300
TOTAL	1,054,801	1,146,387	1,123,100	1,106,100

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>REVENUE</b>				
Stormwater Sewer Service	5,255,575	5,382,638	5,546,188	5,029,100
Miscellaneous Revenue	40,263	17,655	37,500	37,000
Non-Operating	53,898	80,854	-	1,000
	5,349,736	5,481,147	5,583,688	5,067,100
<b>EXPENSES</b>				
Personal Services	2,279,481	2,426,156	2,746,700	2,756,300
Supplies	254,273	166,394	280,700	290,200
Other Services and Charges	540,166	538,375	593,300	636,550
Utilities	20,433	21,026	26,000	26,400
Depreciation and Amortization	437,762	453,419	515,400	520,400
Improvements - Non-Capital	74,288	57,516	227,500	248,250
Debt Service - Interest	12,826	8,902	6,500	2,200
Bond Amortization	(6,522)	(6,539)	(6,500)	(600)
Transfers Out	528,241	538,012	551,500	546,500
	4,140,948	4,203,261	4,941,100	5,026,200
<b>ESTIMATED OPERATING INCOME (LOSS)</b>	1,208,788	1,277,886	642,588	40,900
Other Sources of Cash	339,229	323,065	508,900	519,800
Other Uses of Cash	(1,851,472)	(1,065,251)	(1,271,650)	(549,000)
<b>Increase (Decrease) in Cash</b>	(303,455)	535,700	(120,162)	11,700

# City of Duluth Minnesota - 2022 Budget

## Stormwater Fund Estimated Unrestricted Cash Balance

OPERATING FUND	2021 Budget	2021 Projected	2022 Approved
ESTIMATED OPERATING INCOME (LOSS)	642,588	1,401,300	40,900
<u>Other Sources of Cash</u>			
Depreciation and Amortization	515,400	478,100	520,400
Interest from Bond Discount	(6,500)	(6,500)	(600)
Due from Other Funds	-	591	-
Special Assessment Principal	-	578	-
Total Other Sources of Cash	508,900	472,769	519,800
<u>Other Uses of Cash</u>			
Due to Other Funds	-	9,848	-
Capital Improvements from Current Revenues	1,001,300	1,051,300	285,000
Capital Equipment Purchases	130,350	100,000	119,000
Bond Principal Payments	140,000	140,000	145,000
Total Other Uses of Cash	1,271,650	1,301,148	549,000
INCREASE (DECREASE) IN CASH	(120,162)	572,921	11,700
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - BEGINNING	595,472	1,666,349	2,239,270
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - ENDING	475,310	2,239,270	2,250,970

# City of Duluth Minnesota - 2022 Budget

## Stormwater Fund

535

Revenue Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
OPERATING REVENUES:				
4636 Sale of Materials	3,395	291	3,000	3,000
4700 Other Sources	44	-	-	-
4170 Miscellaneous Permits & Licenses	16,950	11,175	16,000	16,000
4835 Stormwater Revenues	5,255,575	5,382,638	5,546,188	5,029,100
4802 Interest Earned on Customer Accounts	12,407	2,525	14,000	14,000
4805 Reimbursements	4,426	1,977	2,000	2,000
4809 Miscellaneous Operating Revenues	72	-	-	-
4851 Interest - Other Sources	2,969	1,687	2,500	2,000
<b>TOTAL OPERATING REVENUES</b>	<b>5,295,838</b>	<b>5,400,293</b>	<b>5,583,688</b>	<b>5,066,100</b>
NON-OPERATING REVENUES:				
4209 Direct Federal Grants, Operating	29,645	-	-	-
4220 State of Minnesota, Capital	-	63,034	-	-
4601 Change in Fair Value Investments	14,030	15,989	-	-
4853 Gain/Loss-Sale of Fixed Assets	4,623	1,831	-	1,000
4730 Transfers from Enterprise Funds	5,600	-	-	-
<b>TOTAL NON-OPERATING REVENUES</b>	<b>53,898</b>	<b>80,854</b>	<b>-</b>	<b>1,000</b>
<b>TOTAL REVENUE</b>	<b>5,349,736</b>	<b>5,481,147</b>	<b>5,583,688</b>	<b>5,067,100</b>

# City of Duluth Minnesota - 2022 Budget

## Director's Office

535-500-1900

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

Expense Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>PERSONAL SERVICES</b>				
5100 Permanent Employees - Regular	62,151	72,647	62,400	71,700
5101 Permanent Employees - Overtime	241	219	-	-
TOTAL	62,392	72,866	62,400	71,700
<b>EMPLOYEE BENEFITS</b>				
5121 P.E.R.A.	4,552	5,110	4,600	5,300
5122 F.I.C.A. Social Security	3,640	4,282	3,900	4,400
5123 F.I.C.A. Medicare	901	1,027	900	1,000
5125 Dental Insurance	242	289	300	300
5126 Life Insurance	133	148	100	100
5127 Health Care Savings	1,891	2,142	900	2,300
5130 Cafeteria Plan Benefits	6,120	15,456	14,800	17,500
5133 Health or Fitness Program	72	48	-	-
TOTAL	17,551	28,502	25,500	30,900
<b>OPERATING EXPENSES</b>				
5241 Small Equipment	333	77	-	100
5321 Telephone	120	174	100	200
5331 Training Expense	-	-	100	100
5335 Mileage Reimbursement-Local	206	114	200	200
5356 Copier, Printer Lease & Spplies	74	-	100	100
5441 Other Services & Charges	-	2	-	-
TOTAL	733	367	500	700
1900 TOTAL - DIRECTOR'S OFFICE	80,676	101,735	88,400	103,300

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>OPERATING EXPENSES</b>				
5420 Depreciation	437,762	453,419	515,400	520,400
5535 Improvements (Non-Capital)	74,288	57,516	227,500	248,250
5540 Equipment (Non-Capital)	5,051	740	-	5,750
5611 Bond Interest	12,826	8,902	6,500	2,200
5613 Interest from Amortization	(6,522)	(6,539)	(6,500)	(600)
5620 Fiscal Agent Fees	60	-	-	-
TOTAL	523,465	514,038	742,900	776,000
<b>NON-OPERATING EXPENSES</b>				
5533 Capital Improvements - Revenue	1,322,993	782,576	1,001,300	285,000
5580 Capital Equipment	211,931	61,599	130,350	119,000
TOTAL	1,534,924	844,175	1,131,650	404,000
1905 TOTAL - CAPITAL	2,058,389	1,358,213	1,874,550	1,180,000



# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>PERSONAL SERVICES</b>				
5100 Permanent Employees - Regular	33,239	36,366	33,400	69,700
5101 Permanent Employees - Overtime	149	218	-	500
5111 Long-Term Disability Wages	155	-	-	-
<b>TOTAL</b>	<b>33,543</b>	<b>36,584</b>	<b>33,400</b>	<b>70,200</b>
<b>EMPLOYEE BENEFITS</b>				
5121 P.E.R.A.	2,261	2,537	2,500	5,100
5121 P.E.R.A., GASB 68	60,587	(8,547)	-	-
5122 F.I.C.A. Social Security	2,098	2,196	2,100	4,300
5123 F.I.C.A. Medicare	491	513	500	1,000
5125 Dental Insurance	233	269	300	500
5126 Life Insurance	128	141	100	200
5127 Health Care Savings	459	663	700	4,200
5130 Cafeteria Plan Benefits	4,154	11,641	14,800	25,000
5133 Health or Fitness Program	62	54	-	-
5134 Other Post Retirement Benefits	(158,947)	(247,340)	-	-
5135 Retiree Health Insurance	29,877	32,572	34,500	32,400
5151 Worker's Compensation	16,700	17,000	19,500	24,000
<b>TOTAL</b>	<b>(41,897)</b>	<b>(188,301)</b>	<b>75,000</b>	<b>96,700</b>
<b>OPERATING EXPENSES</b>				
5200 Office Supplies	212	-	100	100
5205 Safety & Training Materials	912	20	600	600
5211 Cleaning and Janitorial Supplies	3,281	3,210	3,500	3,500
5218 Uniforms	246	137	200	200
5241 Small Equipment	1,625	1,212	2,100	2,000
5301 Auditing Services	444	1,153	1,300	1,300
5305 Medical Services/Testing Fees	1,102	613	1,500	1,500
5310 Contract Services	7,081	4,996	-	5,000
5320 Data Services	9,724	8,208	7,000	5,900
5321 Telephone	1,081	1,140	1,200	1,100
5331 Training Expenses	1,472	56	2,300	2,300
5333 Freight/Delivery Charges	-	5	-	-

# City of Duluth Minnesota - 2022 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	2019	2020	2021	2022
	Actual	Actual	Budget	Approved
5335 Mileage Reimbursement - Local	402	365	300	300
5356 Copier, Printer Lease & Supplies	5,032	4,629	5,000	5,000
5360 Insurance	16,700	18,700	14,600	15,100
5381 Electricity	10,390	12,247	14,000	14,000
5382 Water & Gas	10,043	8,779	12,000	12,400
5384 Refuse Disposal	5,775	4,268	6,600	6,600
5401 Building Repair & Maintenance	9,617	1,704	4,200	4,200
5414 Software Lic & Mtc Agreements	28,961	29,444	31,300	32,800
5441 Other Services and Charges	3,164	1,338	3,400	3,400
5450 Laundry	904	801	1,200	1,000
5493 Cost Allocation Charges	134,400	169,900	169,900	196,800
5700 Transfer to General Fund	55,600	59,975	60,000	55,000
5700 Transfer to Special Revenue Funds	2,000	-	-	-
TOTAL	310,168	332,900	342,300	370,100
1915 TOTAL - UTILITY EXPENSE	301,814	181,183	450,700	537,000

# City of Duluth Minnesota - 2022 Budget

## Engineering

535-500-1930

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

Expense Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>PERSONAL SERVICES</b>				
5100 Permanent Employees - Regular	505,974	466,884	465,300	493,100
5101 Permanent Employees - Overtime	23,405	19,442	23,200	23,200
5103 Temporary Wages	306	75	6,100	6,100
5105 Retirement Incentive	-	3,966	-	-
5118 Meal Allowance	627	356	600	600
TOTAL	530,312	490,723	495,200	523,000
<b>EMPLOYEE BENEFITS</b>				
5121 P.E.R.A.	39,204	35,752	36,400	36,600
5122 F.I.C.A. Social Security	31,434	29,034	30,700	30,600
5123 F.I.C.A. Medicare	7,352	6,790	7,200	7,100
5125 Dental Insurance	2,271	2,153	2,300	2,300
5126 Life Insurance	1,244	1,110	1,000	1,100
5127 Health Care Savings	15,753	15,389	11,400	10,600
5130 Cafeteria Plan Benefits	118,802	120,262	129,500	125,900
5133 Health or Fitness Program	241	212	-	-
5141 Unemployment Compensation	3,274	785	-	-
5159 Project Benefits (Contra-Account)	(73,957)	(1,312)	-	-
TOTAL	145,618	210,175	218,500	214,200
<b>OPERATING EXPENSES</b>				
5200 Office Supplies	369	303	400	400
5201 Computer Supplies	11	623	100	100
5203 Paper, Stationery and Forms	87	25	100	100
5205 Safety & Training Materials	107	97	200	200
5212 Motor Fuel	2,499	1,925	2,500	3,400
5218 Uniforms	850	797	600	800
5219 Other Miscellaneous Supplies	176	200	-	-
5240 Small Tools	92	246	400	400
5241 Small Equipment	1,995	3,286	3,200	2,600
5242 Survey Equipment and Supplies	199	3,960	5,200	5,900
5303 Engineering Services	397	-	17,500	22,500
5310 Contract Services	2,672	2,427	-	-

# City of Duluth Minnesota - 2022 Budget

## Engineering

535-500-1930

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

Expense Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
5320 Data Services	1,912	2,137	3,800	4,300
5321 Telephone	2,541	2,419	2,700	2,400
5322 Postage	41	-	100	100
5331 Training Expenses	4,527	872	2,500	3,700
5335 Mileage Reimbursement	2,274	2,318	2,200	2,300
5355 Printing and Copying	476	-	800	800
5356 Copier, Printer Lease & Splies	211	114	2,500	2,100
5404 Equipment Maintenance Repair	541	-	1,600	1,600
5409 Fleet Services	3,600	3,334	3,300	3,300
5414 Software Lic & Mtc Agreements	12,574	10,881	12,100	11,700
5433 Dues and Subscriptions	328	105	300	300
5435 Books and Pamphlets	-	140	100	100
5438 Licenses	-	185	-	200
5441 Other Services and Charges	1,558	26,634	24,600	23,100
5486 One Call system	3,289	3,806	3,600	4,500
TOTAL	43,326	66,834	90,400	96,900
1930 TOTAL - ENGINEERING	719,256	767,732	804,100	834,100

# City of Duluth Minnesota - 2022 Budget

## Customer Service

535-500-1940

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

Expense Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>PERSONAL SERVICES</b>				
5100 Permanent Employees - Regular	172,134	174,902	166,400	138,400
5101 Permanent Employees - Overtime	2,543	1,073	1,700	1,700
5118 Meal Allowance	21	18	-	-
TOTAL	174,698	175,993	168,100	140,100
<b>EMPLOYEE BENEFITS</b>				
5121 P.E.R.A.	12,587	12,669	12,300	10,200
5122 F.I.C.A. Social Security	10,415	10,367	10,400	8,600
5123 F.I.C.A. Medicare	2,435	2,425	2,400	2,000
5125 Dental Insurance	1,020	1,062	1,000	800
5126 Life Insurance	564	548	500	400
5127 Health Care Savings	6,948	4,535	5,000	2,800
5130 Cafeteria Plan Benefits	44,221	47,202	48,400	38,200
5133 Health or Fitness Program	95	66	-	-
TOTAL	78,285	78,874	80,000	63,000
<b>OPERATING EXPENSES</b>				
5200 Office Supplies	371	187	800	600
5201 Computer Supplies	143	188	300	400
5212 Motor Fuels	16	-	-	-
5241 Small Equipment	1,237	370	700	800
5310 Contract Services	17,442	13,974	25,200	25,200
5320 Data Services	-	13	-	100
5321 Telephone	189	263	200	200
5322 Postage	28,637	29,536	28,300	29,000
5331 Training Expense	2,283	(115)	2,200	2,200
5339 Armored Pickup	1,113	1,466	1,000	1,000
5355 Printing & Copying	725	282	1,100	1,100
5356 Copier, Printer Lease & Supplies	181	133	300	300
5404 Equipment Repair & Maintenance	63	87	200	100
5418 Vehicle/Equipment Lease	151	-	-	-
5427 Credit Card Commission	13,053	13,639	13,000	13,000
5432 Uncollectible Accounts	9,176	22,164	4,900	4,900
5441 Other Services & Charges	206	32	500	500
TOTAL	74,986	82,219	78,700	79,400
1940 TOTAL - CUSTOMER SERVICES	327,969	337,086	326,800	282,500

# City of Duluth Minnesota - 2022 Budget

## Utility Operations

535-500-1945

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

Expense Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>PERSONAL SERVICES</b>				
5100 Permanent Employees - Regular	810,321	990,485	996,100	981,300
5101 Permanent Employees - Overtime	60,239	55,489	65,000	62,500
5103 Other Wages	15,960	-	25,000	25,000
5118 Meal Allowance	1,772	714	1,800	1,800
TOTAL	888,292	1,046,688	1,087,900	1,070,600
<b>EMPLOYEE BENEFITS</b>				
5121 P.E.R.A.	63,662	75,997	78,300	72,500
5122 F.I.C.A. Social Security	52,592	62,691	67,300	60,800
5123 F.I.C.A. Medicare	12,299	14,661	15,800	14,200
5125 Dental Insurance	4,757	5,875	6,200	5,900
5126 Life Insurance	2,608	3,050	2,800	2,700
5127 Health Care Savings	17,708	20,983	19,900	18,800
5130 Cafeteria Plan Benefits	236,793	290,689	310,400	301,000
5133 Health or Fitness Program	268	106	-	-
TOTAL	390,687	474,052	500,700	475,900
<b>OPERATING EXPENSES</b>				
5200 Office Supplies	1,508	865	1,500	1,300
5201 Computer Supplies/Software	505	437	600	600
5205 Safety & Training Materials	3,968	1,877	4,600	4,600
5210 Plant Operating Supplies	14,126	11,690	14,000	14,000
5212 Motor Fuels	39,493	21,745	39,700	47,900
5218 Uniforms	6,355	6,296	7,600	7,900
5219 Other Miscellaneous Supplies	1,786	933	2,000	2,000
5220 Repair and Maintenance Supplies	6,251	4,866	7,000	7,000
5222 Blacktop	23,712	9,796	18,500	18,500
5224 Gravel and Other Maintenance Materials	52,019	41,120	53,000	53,000
5227 Utility Maintenance Supplies	76,156	46,009	98,300	98,300
5240 Small Tools	6,402	2,957	4,600	4,600
5241 Small Equipment	7,231	940	8,300	8,300
5310 Contract Services	3,251	8,613	5,300	9,600

# City of Duluth Minnesota - 2022 Budget

## Utility Operations

535-500-1945

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

Expense Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
5320 Data Services	-	1,652	1,900	2,800
5321 Telephone	1,310	1,492	1,200	1,200
5331 Training Expense	1,511	1,000	4,000	3,000
5333 Freight and Delivery Charges	900	1,730	1,000	1,000
5335 Mileage Reimbursement	4,258	2,112	4,800	4,800
5355 Printing & Copying	1,599	8,475	8,000	9,000
5356 Copier, Printer Lease & Supplies	585	117	600	600
5384 Refuse Disposal	9,756	13,563	12,000	12,000
5404 Equipment/Maintenance Repair	4,306	3,236	6,100	6,100
5409 Fleet Services	128,151	91,592	113,900	112,600
5414 Software Lic & Mtc Agreements	3,138	3,125	3,200	3,200
5415 Vehicle/Equip Rent	3,158	3,135	10,500	10,500
5433 Dues and Subscriptions	6,794	7,326	7,500	2,500
5441 Other Services & Charges	26,406	3,106	4,000	4,000
5450 Laundry	3,513	2,905	4,400	4,400
5700 Transfer to General Fund	470,641	478,037	491,500	491,500
TOTAL	908,789	780,747	939,600	946,800
1945 TOTAL - UTILITY OPERATIONS	2,187,768	2,301,487	2,528,200	2,493,300

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>REVENUE</b>				
Operating	7,861,704	7,502,875	8,126,989	8,465,100
Miscellaneous	5,430,976	10,452,069	1,560,000	2,682,000
	<u>13,292,680</u>	<u>17,954,944</u>	<u>9,686,989</u>	<u>11,147,100</u>
<b>EXPENSES</b>				
Duluth Steam Co-op Management Contract	2,804,672	2,959,235	2,969,418	3,053,200
Fuel Expense	3,244,783	2,926,172	3,267,113	3,568,100
Other Operating & Maintenance Expenses	673,168	733,417	771,757	782,700
Depreciation/Amortization	1,352,137	1,318,017	1,658,145	1,600,100
In Lieu of Taxes	152,960	152,800	152,796	154,000
Debt Service - Interest	156,684	186,957	398,112	336,300
Debt Service - Other	950	187,812	950	1,400
	<u>8,385,354</u>	<u>8,464,410</u>	<u>9,218,291</u>	<u>9,495,800</u>
ESTIMATED OPERATING INCOME/(LOSS)	4,907,326	9,490,534	468,698	1,651,300
Other Sources of Cash	7,071,708	22,464,165	1,658,145	1,600,100
Other Uses of Cash	(11,979,034)	(26,363,725)	(2,515,000)	(5,660,000)
Increase (Decrease) in Cash	<u>-</u>	<u>5,590,974</u>	<u>(388,157)</u>	<u>(2,408,600)</u>



# City of Duluth Minnesota - 2022 Budget

## Steam Utility Fund Estimated Cash Balance

OPERATING FUND	2021 Budget	2021 Projected	2022 Approved
ESTIMATED OPERATING INCOME (LOSS)	468,698	969,832	1,651,300
<u>Other Sources of Cash</u>			
Depreciation and Amortization	1,658,145	1,532,955	1,600,100
Due from Other Funds	-	23,218	-
Total Other Sources of Cash	1,658,145	1,556,173	1,600,100
<u>Other Uses of Cash</u>			
Due to Other Funds	-	1,198,673	-
Capital Improvements	250,000	-	250,000
Capital Improvements - Bond Financing	-	3,381,098	1,800,000
Capital Improvements - Revenue Financing	1,500,000	1,425,007	2,550,000
Bond Principal Payments	765,000	670,000	1,060,000
Total Other Uses of Cash	2,515,000	6,674,778	5,660,000
INCREASE (DECREASE) IN CASH	(388,157)	(4,148,773)	(2,408,600)
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH-BEGINNING	5,590,974	5,590,974	1,442,201
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH-ENDING	5,202,817	1,442,201	(966,399)

# City of Duluth Minnesota - 2022 Budget

## Steam Utility Fund

540

Revenue Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
OPERATING REVENUES:				
4801 Off/On Charge	300	600	-	-
4802 Interest Earned on Customer Accts	23,656	7,933	22,800	18,000
4809 Misc Non-Operating Income	4,155	21,632	11,000	9,600
4840 Energy Charge	3,052,978	2,804,241	3,114,038	3,418,900
4842 Capacity Charge	4,055,606	4,110,407	4,167,672	4,243,200
4843 Steam Repair - Labor	5,649	13,519	4,200	4,200
4844 Steam Repair - Materials	4,546	3,516	6,000	6,000
4845 Hot Water Sales	337,297	172,504	277,040	290,300
4846 Chilled Water Capacity Charge	198,253	198,253	198,253	198,300
4847 Chilled Water Energy Charge	82,907	91,893	105,289	102,100
4858 Infrastructure Charge	96,357	78,377	220,697	174,500
<b>TOTAL OPERATING REVENUES</b>	<b>7,861,704</b>	<b>7,502,875</b>	<b>8,126,989</b>	<b>8,465,100</b>
MISCELLANEOUS REVENUES:				
4210 Pass-thru Federal Grants	-	-	1,500,000	2,550,000
4220 Minnesota Grants - Capital	5,269,398	10,287,879	-	-
4601 Earnings on Investments	-	65,837	-	-
4855 DECC Capacity Charge	229,473	103,154	60,000	132,000
4720 Gain/Loss on Sale Capital Assets	(67,895)	(4,801)	-	-
<b>TOTAL MISCELLANEOUS REVENUES</b>	<b>5,430,976</b>	<b>10,452,069</b>	<b>1,560,000</b>	<b>2,682,000</b>
<b>TOTAL REVENUE</b>	<b>13,292,680</b>	<b>17,954,944</b>	<b>9,686,989</b>	<b>11,147,100</b>

# City of Duluth Minnesota - 2022 Budget

## Steam Utility Fund

540

Expense Detail by Division	2019 Actual	2020 Actual	2021 Budget	2022 Approved
1490 Production	3,244,783	2,926,172	3,267,113	3,568,100
1491 Chiller Production	84,070	76,805	65,057	65,100
1492 Production Maintenance	238,175	188,082	270,000	228,000
1493 Transmission & Distribution	83,980	227,203	228,000	210,000
1494 Customer Accounting	5,000	5,500	6,500	6,000
1495 Administration & General	4,514,193	4,620,302	4,921,359	5,083,700
1497 Hot Water	23,933	14,410	21,600	15,600
1499 Debt Service & Capital	191,220	405,936	438,662	319,300
<b>TOTAL EXPENSES</b>	<b>8,385,354</b>	<b>8,464,410</b>	<b>9,218,291</b>	<b>9,495,800</b>

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
5216 Chemicals	12,185	16,772	48,000	48,000
5220 Repair and Mtc Supplies	5,764	7,241	-	-
5310 Contract Services	-	359	-	-
5381 Electricity	83,861	83,621	120,000	99,000
5382 Water, Gas and Sewer	204,363	200,048	177,100	164,500
5383 Natural Gas	2,403,996	2,397,794	2,519,880	3,061,400
5384 Refuse Disposal	2,121	1,898	-	-
5385 Oil	16,906	14,243	26,078	25,000
5387 Coal	501,431	199,540	348,890	155,400
5388 Ash Handling	14,156	4,656	27,165	14,800
1490 TOTAL - PRODUCTION	3,244,783	2,926,172	3,267,113	3,568,100

# City of Duluth Minnesota - 2022 Budget

## Chiller Production

540-1491

Records the variable cost of producing and distributing chilled water.

Expense Detail	2019	2020	2021	2022
	Actual	Actual	Budget	Approved
5216 Chemicals	40,991	17,874	7,500	7,500
5220 Repair & Mntc Supplies	6,831	5,982	6,600	6,600
5310 Contract Services	561	21,664	10,250	10,300
5381 Electricity	30,467	25,049	35,233	35,200
5382 Water, Gas & Sewer	5,220	6,236	5,474	5,500
1491 TOTAL - PRODUCTION	84,070	76,805	65,057	65,100

# City of Duluth Minnesota - 2022 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.

<b>Expense Detail</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Budget</b>	<b>2022 Approved</b>
5205 Safety Equipment & Supplies	9,380	1,918	12,000	6,000
5220 Repair Materials & Supplies	157,087	159,652	192,000	156,000
5310 Contract Services	71,513	26,512	66,000	66,000
5441 Other Services & Charges	195	-	-	-
1492 TOTAL - PRODUCTION MAINTENANCE	238,175	188,082	270,000	228,000

# City of Duluth Minnesota - 2022 Budget

## Transmission & Distribution

540-1493

Provides the materials, supplies, and contractual services when required for the operation of the distribution system, involving ten miles of line, 105 manholes, and 230 services.

Expense Detail	2019	2020	2021	2022
	Actual	Actual	Budget	Approved
5220 Repair Materials & Supplies	34,954	89,932	144,000	132,000
5310 Contract Services	49,026	137,271	84,000	78,000
1493 TOTAL - TRANSMISSIONS & DISTRIBUTION	83,980	227,203	228,000	210,000

# City of Duluth Minnesota - 2022 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

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
5200 Office Supplies	-	-	500	-
5432 Uncollectible Accounts	5,000	5,500	6,000	6,000
1494 TOTAL - CUSTOMER ACCOUNTING	5,000	5,500	6,500	6,000



# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
5200 Office Supplies	1,751	1,598	2,400	2,100
5301 Audit Fees	3,002	1,557	1,500	2,800
5307 Management Contract	2,804,672	2,959,235	2,969,418	3,053,200
5319 Other Professional Services	14,214	11,793	4,300	9,100
5321 Telephone Service	7,412	4,423	4,200	4,800
5322 Postage	1,348	1,327	1,200	1,300
5331 Travel/Training	-	-	1,000	1,200
5340 Advertising & Promotion	4,007	4,945	4,800	6,000
5361 General Liability Boiler Insurance	82,881	88,004	41,000	101,300
5384 Refuse Disposal	-	-	1,800	2,300
5404 Equipment/Machinery Repair & Mtc	-	-	1,200	-
5415 Vehicle/Equip Rent (Short-term)	5,267	5,268	6,000	6,000
5420 Depreciation	1,318,551	1,286,850	1,618,545	1,618,500
5433 Dues & Subscription	11,477	4,696	4,800	3,600
5438 Licenses Operating	39,108	33,453	35,300	35,300
5441 Other Services & Charges	11,820	11,153	14,400	28,100
5443 Board & Meeting Expenses	123	-	900	900
5480 Payment in Lieu of Taxes	152,960	152,800	152,796	154,000
5493 Cost Allocation	55,600	53,200	55,800	53,200
<b>1495 TOTAL - ADMINISTRATION &amp; GENERAL</b>	<b>4,514,193</b>	<b>4,620,302</b>	<b>4,921,359</b>	<b>5,083,700</b>

# City of Duluth Minnesota - 2022 Budget

## Hot Water

540-1497

Expense Detail	2019 Actual	2020 Actual	2021 Budget	2022 Approved
5216 Chemicals	350	-	-	-
5220 Repair & Maintenance Supplies	-	-	4,800	1,200
5310 Contract Services	-	-	4,800	1,200
5381 Electricity	22,603	13,767	12,000	13,200
5441 Other Services & Charges	980	643	-	-
1497 TOTAL - HOT WATER	23,933	14,410	21,600	15,600

# City of Duluth Minnesota - 2022 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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
<b>OPERATING EXPENSES</b>				
5611 Bond Interest	156,684	186,957	395,916	336,300
5612 Other Debt Interest	-	-	2,196	-
5620 Fiscal Agents Fee	950	1,433	950	1,400
5621 Bond Issuance/Discount Fees	-	186,379	-	-
5622 Bond Amortization	33,586	31,167	39,600	(18,400)
TOTAL	191,220	405,936	438,662	319,300
<b>NON-OPERATING EXPENSES</b>				
5530 Capital Improvements	-	-	250,000	250,000
5530 Capital Improvements - Bond Financing	-	-	-	1,800,000
5530 Capital Improvements - Revenue	-	-	-	-
5530 Financing	-	-	1,500,000	2,550,000
TOTAL	-	-	1,750,000	4,600,000
1499 TOTAL - DEBT SERVICE & CAPITAL	191,220	405,936	2,188,662	4,919,300

# City of Duluth Minnesota - 2022 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.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	5,122,131	4,580,062	7,738,821	7,961,852
REVENUES				
Participation from Other Funds	28,063,156	30,035,050	30,862,597	32,208,457
Charges for Services	4,516,953	3,984,386	4,331,525	4,651,600
Miscellaneous	3,736,951	4,061,414	2,669,422	3,739,100
TOTAL REVENUES	36,317,060	38,080,850	37,863,544	40,599,157
EXPENSES				
Personal Services	2,943,200	3,091,958	2,854,813	3,524,466
Other Expenditures	5,361,958	5,258,457	5,229,499	5,011,283
Claims	28,553,972	26,571,676	29,556,201	31,666,815
TOTAL EXPENSES	36,859,130	34,922,091	37,640,513	40,202,564
FUND BALANCE - DECEMBER 31	4,580,062	7,738,821	7,961,852	8,358,445

# City of Duluth Minnesota - 2022 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.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	(173,360)	(613,052)	(1,679,693)	(1,086,793)
REVENUES				
Transfer from City Funds				
- General	1,000,000	900,000	1,900,000	2,736,000
- Public Utility	151,300	158,900	186,300	235,800
Other Reimbursements	100,114	68,165	141,200	140,600
TOTAL REVENUES	1,251,414	1,127,065	2,227,500	3,112,400
EXPENSES				
Personal Services	846,622	1,150,056	697,900	1,408,300
Claims: Workers' Compensation	276,102	321,508	376,100	409,600
Other Services and Charges	568,382	722,142	560,600	639,200
TOTAL EXPENSES	1,691,106	2,193,706	1,634,600	2,457,100
FUND BALANCE - DECEMBER 31	(613,052)	(1,679,693)	(1,086,793)	(431,493)
BUDGETED FTE'S				
1110 Safety & Training Officer	1	1	1	1

# City of Duluth Minnesota - 2022 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.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	1,081,591	854,625	984,858	861,258
REVENUES				
Transfer from City Funds				
- General	400,000	500,000	500,000	500,000
- Public Utility	156,100	193,900	230,100	179,900
- Duluth Steam	20,363	20,363	40,100	42,100
Duluth Airport	47,015	47,015	64,700	70,400
DEDA	24,812	24,812	28,400	30,100
Other Reimbursements	18,345	6,075	-	-
<b>TOTAL REVENUES</b>	<b>666,635</b>	<b>792,165</b>	<b>863,300</b>	<b>822,500</b>
EXPENSES				
Claims: Liability	346,831	39,664	395,200	355,200
Property/Boiler Insurance	187,902	308,203	229,200	323,000
Other Services and Charges	358,868	314,066	362,500	383,200
<b>TOTAL EXPENSES</b>	<b>893,601</b>	<b>661,933</b>	<b>986,900</b>	<b>1,061,400</b>
FUND BALANCE - DECEMBER 31	854,625	984,858	861,258	622,358

# City of Duluth Minnesota - 2022 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.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	4,869,884	5,001,204	8,894,280	8,682,324
REVENUES				
City Employer/Employee Premium	25,398,379	27,261,691	26,957,857	27,414,437
Sub-Group Employer/Employee Premium	2,324,058	2,359,407	2,359,078	2,562,371
Miscellaneous	1,206,471	1,538,838	100,000	969,205
TOTAL REVENUES	28,928,908	31,159,936	29,416,935	30,946,013
EXPENSES				
Personal Services	371,315	380,598	390,113	399,866
Claims	27,031,683	25,468,582	27,788,457	29,877,970
Other Services and Charges	1,394,590	1,417,680	1,450,321	730,608
TOTAL EXPENSES	28,797,588	27,266,860	29,628,891	31,008,444
FUND BALANCE - DECEMBER 31	5,001,204	8,894,280	8,682,324	8,619,893

# City of Duluth Minnesota - 2022 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.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	255,821	237,365	445,452	408,844
REVENUES				
City Employer/Employee Premiums	865,187	928,369	955,140	999,720
Sub-Group Employer/Employee Premiums	80,373	82,829	69,144	66,924
Miscellaneous	-	4,484	-	-
TOTAL REVENUES	945,560	1,015,682	1,024,284	1,066,644
EXPENSES				
Claims	899,356	741,922	996,444	1,024,045
Other Services and Charges	64,660	65,673	64,448	66,575
TOTAL EXPENSES	964,016	807,595	1,060,892	1,090,620
FUND BALANCE - DECEMBER 31	237,365	445,452	408,844	384,868



# City of Duluth Minnesota - 2022 Budget

## Fleet Services

### City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Actual	2021 Estimate	2022 Target
<b>High Performing Organization:</b> 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	3,511	2,959	3,131	3,400
	Percent of in house work orders to outsource workorders.	87%	86%	86%	90%
	Percent of hours worked billed by shop mechanics.	78%	80%	81%	80%
	Train and support new users on Collective Data system.	40%	50%	60%	75%
<b>Long Range Planning:</b> 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	N/A	5%	100%
	Complete remodel of upstairs area to accommodate breakroom, locker room, training area, and a fitness center.	60%	95%	95%	100%
<b>Transportation:</b> 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	N/A	10%	25%
<b>High Performing Organization:</b> Focuses on equipping, training and continuously expanding the abilities of decision-makers, leadership, management and staff to successfully accomplish public goals	Reduce inventory by using FIMS to run reports.	-10%	-5%	-5%	-5%
	Expand FIMS use in Capital Planning	40%	60%	75%	100%
	Incorporate the new service vehicle into the PM scheduling	N/A	N/A	50%	75%
	Implement scheduling module to reduce downtime.	40%	50%	60%	75%
	Develop and implement Fleet right-sizing and usage standards	50%	75%	75%	100%

# City of Duluth Minnesota - 2022 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.

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
FUND BALANCE - JANUARY 1	(911,805)	(900,081)	(906,076)	(903,781)
REVENUES				
SALES & SERVICES (BY ACCOUNT):				
Fuel Sales	1,050,096	619,574	1,054,000	1,236,100
Fleet Repair Part Sales, Fleet Parts	915,411	831,514	942,500	900,100
Fleet Repair Part Sales, Sublet Part Sales	499,848	572,994	292,630	400,000
Fleet Repair Part Sales, Fleet Repair				
Services Other Cost	-	-	-	8,900
Fleet Repair Services, Fleet Labor	1,755,310	1,599,054	1,836,665	1,803,500
Fleet Repair Services, Sublet Labor	296,288	361,250	205,730	303,000
<b>TOTAL SALES &amp; SERVICES</b>	<b>4,516,953</b>	<b>3,984,386</b>	<b>4,331,525</b>	<b>4,651,600</b>
SALES & SERVICES (BY FUND):				
General Fund	3,440,605	3,264,399	3,337,125	3,648,700
Parks Fund	2,848	7,894	2,800	3,700
Special Projects Fund	2,044	2,098	1,900	-
Parking Fund	6,938	1,479	10,300	9,900
Water and Gas	614,046	394,557	569,400	562,100
Sewer	208,745	152,991	190,000	196,500
Stormwater	173,760	118,597	159,400	167,200
Street Light Utility	67,967	42,371	60,600	63,500
<b>TOTAL SALES &amp; SERVICES</b>	<b>4,516,953</b>	<b>3,984,386</b>	<b>4,331,525</b>	<b>4,651,600</b>
Other Revenue	7,590	1,616	-	-
<b>TOTAL REVENUES</b>	<b>4,524,543</b>	<b>3,986,002</b>	<b>4,331,525</b>	<b>4,651,600</b>
EXPENSES				
Personal Services	1,164,589	1,115,323	1,227,700	1,170,500
Benefits	560,674	445,981	539,100	545,800
Other Expenses	2,787,556	2,430,693	2,562,430	2,868,700
<b>TOTAL EXPENSES</b>	<b>4,512,819</b>	<b>3,991,997</b>	<b>4,329,230</b>	<b>4,585,000</b>
FUND BALANCE - DECEMBER 31	(900,081)	(906,076)	(903,781)	(837,181)

# City of Duluth Minnesota - 2022 Budget

## Fleet Services - Personnel Summary

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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
1125 Fleet Services Manager	1.00	1.00	1.00	1.00
1075 Service Center Supervisor	-	-	-	1.00
133 Budget & Operations Analyst	0.20	0.20	0.20	0.20
32 Fleet Services Coordinator	-	-	1.00	-
32 Fleet Services Leadworker	2.00	2.00	2.00	1.00
30 Asset & Supply Specialist	-	-	-	1.00
28 Fleet Assistant	1.00	1.00	-	-
28 Heavy Equipment Mechanic	6.00	6.00	6.00	6.00
28 Welder	2.00	2.00	2.00	2.00
27 Industrial Equipment Technician	1.00	1.00	1.00	1.00
27 Inventory Tech II	-	-	-	1.00
27 Storekeeper	1.00	1.00	1.00	-
27 Vehicle Repair Specialist	1.00	1.00	1.00	1.00
25 Vehicle Maintenance Mechanic	1.00	1.00	1.00	1.00
24 Assistant Storekeeper	1.00	1.00	1.00	-
24 Inventory Tech I	-	-	-	1.00
22 Maintenance Worker	1.00	-	1.00	-
<b>Division Total</b>	<b>18.20</b>	<b>17.20</b>	<b>18.20</b>	<b>17.20</b>

# City of Duluth Minnesota - 2022 Budget

## Fleet Services - Expense Detail

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	2019 Actual	2020 Actual	2021 Budget	2022 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	1,155,142	1,091,501	1,207,700	1,160,500
5101 Permanent Employees - Overtime	9,199	16,028	20,000	10,000
5105 Pass-thru Federal Grants, Operating	-	7,794	-	-
5111 Long-Term Disability Wages	158	-	-	-
5118 Meal Allowance	90	-	-	-
TOTAL	1,164,589	1,115,323	1,227,700	1,170,500
5121 P.E.R.A.	84,955	80,568	90,300	86,400
5121 P.E.R.A., GASB 68	45,222	(58,338)	-	-
5122 F.I.C.A. Social Security	69,631	67,037	76,100	72,600
5123 F.I.C.A. Medicare	16,285	15,678	17,800	17,000
5125 Dental Insurance	6,739	6,481	7,200	6,800
5126 Life Insurance	4,541	5,874	3,300	3,100
5127 Health Care Savings Plan	19,904	25,100	24,000	25,100
5130 Cafeteria Plan Benefits	313,037	303,581	320,400	334,800
5133 Health or Fitness Program	360	-	-	-
TOTAL	560,674	445,981	539,100	545,800
OTHER EXPENSES				
5200 Office Supplies	652	413	1,000	1,000
5201 Computer Supplies/Software	1,695	-	-	-
5205 Safety & Training Materials	2,625	1,373	5,000	5,000
5210 Plant/Operating Supplies	8,238	17,355	20,000	20,000
5211 Cleaning/Janitorial Supplies	689	350	-	-
5212 Motor Fuel	1,053,432	621,289	1,054,000	1,211,700
5215 Shop Materials	16,759	17,020	16,600	17,500
5218 Uniforms	-	600	400	400
5219 Other Miscellaneous Supplies	2,452	363	-	-
5221 Equipment Repair Supplies	1,095,262	1,088,613	950,100	1,000,000
5240 Small Tools	6,939	6,665	8,000	8,000
5241 Small Equipment	502	30	-	-
5319 Other Professional Services	30	-	4,000	4,000
5320 Data Services	10,488	9,184	-	5,300
5321 Telephone	540	546	570	1,100
5331 Travel/Training	369	800	5,000	5,000
5335 Local Mileage Reimbursement	85	5	130	500

# City of Duluth Minnesota - 2022 Budget

## Fleet Services - Expense Detail

660

	2019 Actual	2020 Actual	2021 Budget	2022 Approved
5356 Copier, Printer Lease & Supplies	2,973	2,823	3,100	3,100
5381 Electricity	16,616	17,439	19,000	19,000
5382 Water, Gas and Sewer	17,187	15,846	19,000	19,000
5384 Refuse Disposal	1,238	1,112	1,500	1,500
5401 Building Structure Repair	1,732	945	-	-
5404 Equipment Repair & Maintenance	295,058	374,554	202,730	300,000
5414 Software Licenses & Maintenance	11,726	19,968	25,200	22,000
5420 Depreciation	64,038	59,288	46,400	38,400
5438 Licenses	4,079	8,701	2,500	8,000
5441 Other Services and Charges	17,118	9,847	20,000	20,000
5450 Laundry	9,534	9,364	12,000	12,000
5493 Cost Allocation Charges	145,500	146,200	146,200	146,200
TOTAL	2,787,556	2,430,693	2,562,430	2,868,700
5580 Capital Equipment	-	9,846	-	-
TOTAL EXPENSES	4,512,819	4,001,843	4,329,230	4,585,000

# City of Duluth Minnesota - 2022 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 2022 capital improvement budget and the 2022 through 2026 capital improvement plans.

### 2022 Proposed Improvements

The 2022 capital improvement program outlines total proposed projects in the amount of \$78,822,002 funded through various sources including bonding, State bonding, City Tourism Tax 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, and the Water, Gas, Sewer, Stormwater and Street Lighting utilities.

To identify funded projects, 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 \$1,800,000.

State Bonding Projects are to be funded by Federal Funding totaling \$2,625,000, State Bonds totaling \$13,500,000 and Other City Funding totaling \$5,500,000 for a combined total of \$21,625,000.

Parks and trails are to be funded by federal grants totaling \$2,903,726; ARPA Funding totaling \$250,000; state grants totaling \$1,455,307; St Louis River Corridor bond proceeds (½ and ½ tax) of \$1,488,430; other Grants and Donations totaling \$8,025,138; Other City funding of \$625,000 and the Parks fund contribution of \$1,807,613 for a combined program total of \$16,555,214.

# City of Duluth Minnesota - 2022 Budget

## Capital Improvement Plan

The Street and Bridge Improvement and Preservation program for 2022 totals \$27,336,788. Funding sources include \$3,213,788 from aids and grants, \$1,250,000 from State Bond, \$12,525,000 from State Bonding requests, \$280,000 from property tax dollars levied in the Permanent Improvement fund, \$7,250,000 from the local sales tax dedicated to street improvement (.5%), \$1,212,000 from the Street System Maintenance levy, \$390,000 from the Street Lighting Fund and \$1,216,000 from other City funding sources.

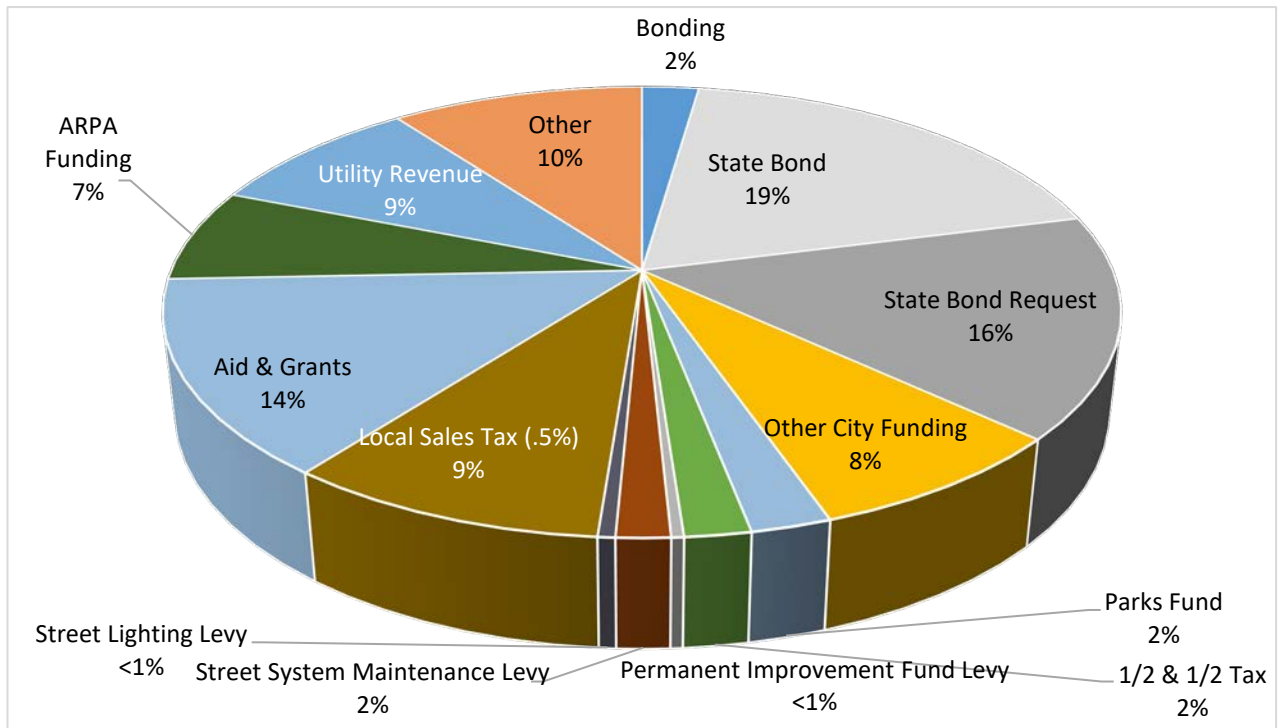
2022 Capital Utility Projects total \$11,505,000 and will be funded using \$5,000,000 from ARPA Funding and \$6,505,000 from utility revenue.

# City of Duluth Minnesota - 2022 Budget

## Capital Improvement Plan

### 2022 Funding Sources

Bonding	1,800,000
State Bond	14,750,000
State Bond Request	12,525,000
Other City Funding	6,125,000
Parks Fund	1,807,613
1/2 & 1/2 Tax	1,488,430
Permanent Improvement Fund Levy	280,000
Street System Maintenance Levy	1,212,000
Street Lighting Levy	390,000
Local Sales Tax (.5%)	7,250,000
Aid & Grants	10,998,821
ARPA Funding	5,250,000
Utility Revenue	6,920,000
Other	<u>8,025,138</u>
<b>Total</b>	<b>78,822,002</b>





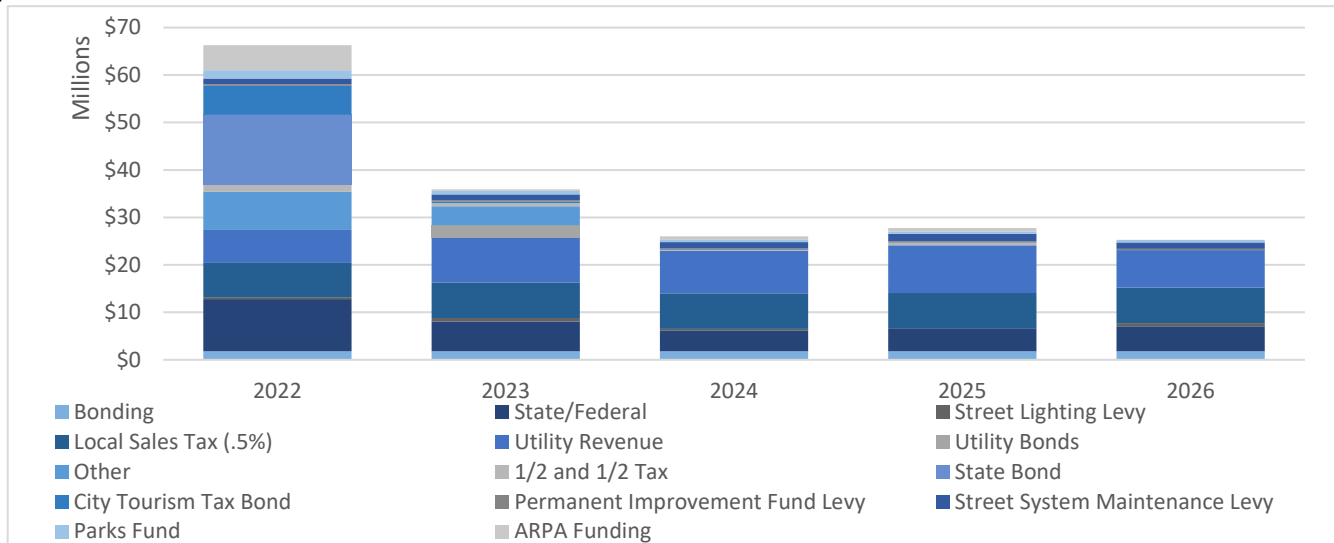
# City of Duluth Minnesota - 2022 Budget

## Capital Improvement Plan

### 5 Year Funding Sources

#### Five Year Improvement Plan Funding

The City has identified \$193.8 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 \$18.07 million in capital improvements. Shown in the chart below are the funding sources by year for the five-year capital improvement plan.



	2022	2023	2024	2025	2026	Total
Bonding	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	9,000,000
State Bond	14,750,000	-	-	-	-	14,750,000
State Bond Request	12,525,000	-	-	-	-	12,525,000
City Tourism Tax Bond	6,125,000	271,750	25,000	25,000	25,000	6,471,750
State/Federal	10,998,821	6,250,000	4,325,000	4,860,000	5,250,000	31,683,821
ARPA Funding	5,250,000	302,000	723,000	725,000	-	7,000,000
Permanent Improvement Fund Levy	280,000	280,000	280,000	280,000	280,000	1,400,000
Street System Maintenance Levy	1,212,000	1,300,000	1,300,000	1,500,000	1,300,000	6,612,000
Street Lighting Levy	390,000	760,000	400,000	-	700,000	2,250,000
Local Sales Tax (.5%)	7,250,000	7,500,000	7,500,000	7,400,000	7,500,000	37,150,000
Utility Revenue	6,920,000	9,457,500	8,962,500	10,097,500	7,860,000	43,297,500
Utility Bonds	-	2,600,000	-	-	-	2,600,000
Parks Fund	1,807,613	735,000	525,000	525,000	525,000	4,117,613
Other	8,025,138	4,000,000	6,600	-	-	12,031,738
1/2 and 1/2 Tax	1,488,430	651,700	175,000	567,500	-	2,882,630
<b>Total Plan</b>	<b>78,822,002</b>	<b>35,907,950</b>	<b>26,022,100</b>	<b>27,780,000</b>	<b>25,240,000</b>	<b>193,772,052</b>

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### 2022 Funding Sources by Project

<b>Facilities</b>	<b>Bond</b>				
CIP Eligible Capital Maintenance					
Building Improvements/COVID Studies	300,000				
Maintenance Buildings Improvements	250,000				
Civic Buildings (CCW/City Hall/Library)	1,250,000				
<b>Total</b>	<b>1,800,000</b>				

<b>Parks and Trails</b>	<b>Parks Fund</b>	<b>1/2 &amp; 1/2 Tax</b>	<b>Aids/Grants</b>	<b>Other</b>	<b>ARPA Funding</b>
St. Louis River Land Conveyance	240,000	-	-	4,200,000	-
St. Louis River Natural Area Land Acquisition	30,000	-	900,000	2,800,000	-
Lincoln Park Restoration	587,500	810,000	1,092,026	186,575	-
Hartley Legacy Project	266,113	-	905,782	838,563	-
Spirit Landing Project	-	375,000	250,000	-	-
Enger Golf Course Renovation	-	-	-	500,000	-
Projects	-	-	-	-	250,000
Parks Strategic Master Plan	80,000	-	-	-	-
Neighborhood Parks	25,000	54,430	-	-	-
Signage & Wayfinding	100,000	-	-	-	-
Sustainable Infrastructure	237,000	-	-	25,000	-
Lakewalk Shoreline Improvements	-	-	-	100,000	-
Brighton Beach Park Restoration and Lakewalk Extension	127,000	-	500,000	-	-
Waabisheshikana (The Marten Trail) Storm Damage Repair & Extension	-	-	487,000	-	-
Grand Avenue Nordic Center – Phase II	-	50,000	224,225	-	-
Cross City Trail- Irving Park to Greene Street	-	199,000	-	-	-
Other Trail Improvements	115,000	-	-	-	-
<b>Total</b>	<b>1,807,613</b>	<b>1,488,430</b>	<b>4,359,033</b>	<b>8,650,138</b>	<b>250,000</b>

<b>State Bonding Projects</b>	<b>State Bond</b>	<b>Other City Funding</b>	<b>Federal Funding</b>
Seawall & Surface Improvements	13,500,000	5,500,000	2,625,000
<b>Total</b>	<b>13,500,000</b>	<b>5,500,000</b>	<b>2,625,000</b>

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### 2022 Funding Sources by Project

Street & Bridge Reconstruction and Preservation Program	Permanent Improvement		Street Mtc Levy/Local		State Bond/Request
	Fund Levy	Aids/Grants	Sales Tax	Other	
Aerial Lift Bridge Painting and Misc. Structural Repairs	-	840,000	-	-	12,000,000
Brighton Beach Rd Reconstruction	-	801,000	349,000	-	-
Lakewood Rd Reclaim (with County)	-	-	350,000	-	-
St. Andrews Bridge Replacement at Tischer Creek	200,000	-	-	-	525,000
21st Av E Reconditioning London Rd to Woodland Ave	-	-	1,300,000	300,000	1,250,000
Replacement (City share of County Projects)	-	-	-	90,000	-
Arrowhead Rd & Woodland Ave Signal Replacement (City Share of Cty project)	-	225,000	-	-	-
Arrowhead Rd Mill & Overlay (w/County)	-	925,000	-	-	-
Glenwood & Snively Intersection Improvements (County)	-	923,788	-	-	-
Engineering for 2023 Federal project	-	300,000	-	-	-
Street Preservation (Various Locations)	-	-	6,363,000	-	-
Patch Project	60,000	-	-	415,000	-
Sidewalks	20,000	-	100,000	-	-
<b>Total</b>	<b>280,000</b>	<b>4,014,788</b>	<b>8,462,000</b>	<b>805,000</b>	<b>13,775,000</b>
<b>Capital Utility Projects</b>	<b>Utility Rev/Bond</b>	<b>ARPA Funding</b>			
Cathodic Protection System on 42-inch steel construction	10,000	-			
East 2nd St	-	-			
Hidden Valley Phase 2 water main	25,000	1,400,000			
Lead Service Line Revolving Loan Fund	-	2,000,000			
Lead Service Replacement	-	1,600,000			

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### 2022 Funding Sources by Project

	Utility Rev/Bond	ARPA Funding
<b>Capital Utility Projects Continued</b>		
Lead Service Replacement (Misc)	30,000	-
Morris Thomas Rd. (with County)	1,260,000	-
Water Mains and Services (By Ops)	15,000	-
3rd St, Vernon St, 2nd St Alley	200,000	-
Building shell at Stora Enso	140,000	-
Patch Projects	10,000	-
Street Projects	280,000	-
Gas Blanket Project	1,500,000	-
Meter relocations/bollards	250,000	-
Michigan Street 10-inch	120,000	-
Steel main replacements	440,000	-
Uprating of Upper Woodland	5,000	-
Clarkhouse Creek	100,000	-
Citywide sanitary sewer	1,425,000	-
Lift Station rehabilitation	450,000	-
Citywide manhole adjustments	100,000	-
Non-Capital storm projects	145,000	-
<b>Total</b>	<b>6,505,000</b>	<b>5,000,000</b>

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### 5 Year Project Summary

<b>Facilities</b>	2022	2023	2024	2025	2026	Total
CIP Eligible VFA Building Improvements	300,000	375,000	520,000	600,000	500,000	2,295,000
Facilities Building Improvements	-	-	-	415,000	-	415,000
Fleet Building Improvements	-	-	-	35,000	-	35,000
42nd Tool House Improvements	-	-	-	-	300,000	300,000
40th Tool House Improvements	-	250,000	-	-	-	250,000
Tree Farm/Riley Road Improvements	250,000	-	-	-	-	250,000
City Center West Improvements	-	500,000	-	-	100,000	600,000
City Hall Improvements	1,250,000	250,000	250,000	400,000	400,000	2,550,000
Library Improvements	-	425,000	-	-	-	425,000
Firehall #1 Improvements	-	-	300,000	-	250,000	550,000
Firehall #2 Improvements	-	-	250,000	-	-	250,000
Firehall #4 Improvements	-	-	200,000	-	-	200,000
Firehall #7 Improvements	-	-	-	100,000	-	100,000
Firehall #10 Improvements	-	-	280,000	250,000	-	530,000
Public Safety Building (Police)	-	-	-	-	250,000	250,000
<b>Facilities Total</b>	<b>1,800,000</b>	<b>1,800,000</b>	<b>1,800,000</b>	<b>1,800,000</b>	<b>1,800,000</b>	<b>9,000,000</b>
<b>Parks and Trails</b>	2022	2023	2024	2025	2026	Total
St. Louis County Tax Forfeit Land Conveyance	4,440,000	-	-	-	-	4,440,000
St. Louis River Natural Area Land Acquisition	3,730,000	-	-	-	-	3,730,000
Lincoln Park Restoration	2,676,101	-	-	-	-	2,676,101
Hartley Legacy Project	2,010,458	-	-	-	-	2,010,458
Spirit Landing Project	625,000	-	-	-	-	625,000
Enger Golf Course Renovation	500,000	4,000,000	-	-	-	4,500,000

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### 5 Year Project Summary

<b>Parks and Trails Continued</b>	2022	2023	2024	2025	2026	Total
Lester Park Golf Course- public planning process	-	75,000	-	-	-	75,000
ARPA Projects	250,000	302,000	723,000	725,000	-	2,000,000
Parks Strategic Master Plan Memorial Park MMP Implementation	80,000	-	-	-	-	80,000
Neighborhood Parks	-	-	85,000	510,000	-	595,000
Signage & Wayfinding	79,430	235,000	221,600	127,500	150,000	813,530
Sustainable Infrastructure	100,000	-	100,000	80,000	100,000	380,000
Other Park Improvements - TBD	262,000	170,000	210,000	210,000	185,000	1,037,000
Lakewalk Improvements	-	-	-	-	25,000	25,000
Brighton Beach Park Restoration and Lakewalk Extension	100,000	-	75,000	-	-	175,000
Waabisheshikana (The Marten Trail) Extension	627,000	50,000	-	-	-	677,000
Grand Avenue Nordic Center – Phase II	487,000	420,000	-	-	-	907,000
Cross City Trail - Irving Park to Greene Street	274,225	-	-	-	-	274,225
St. Louis River Estuary Water Trail Improvements	199,000	931,500	-	-	-	1,130,500
Amity Creek Multi-Purpose Trail	-	100,000	-	-	-	100,000
Trailhead Improvements/Parking	-	10,000	-	-	-	10,000
Other Trail Improvements	-	-	-	125,000	-	125,000
<b>Parks and Trails Total</b>	115,000	56,950	40,000	65,000	90,000	366,950
<b>Parks and Trails Total</b>	16,555,214	6,350,450	1,454,600	1,842,500	550,000	26,752,764
<b>State Bonding Projects</b>	2022	2023	2024	2025	2026	Total
Seawall & Surface Improvements	21,625,000	-	-	-	-	21,625,000
<b>State Bonding Projects Total</b>	21,625,000	-	-	-	-	21,625,000

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### 5 Year Project Summary

<b>Street &amp; Bridge Reconstruction and Preservation Program</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
Aerial Lift Bridge Painting and Misc. Structural	12,840,000	-	-	-	-	12,840,000
Brighton Beach Rd Reconstruction	1,150,000	-	-	-	-	1,150,000
Lakewood Rd Reclaim (with County)	350,000	-	-	-	-	350,000
St. Andrews Bridge Replacement at Tischer Creek	725,000	-	-	-	-	725,000
21st Ave E Reconditioning London Rd to Woodland Ave	2,850,000	-	-	-	-	2,850,000
Engineering for Next Year's Federal Project	300,000	300,000	300,000	300,000	300,000	1,500,000
Federal Projects TBD	-	-	-	-	1,850,000	1,850,000
Snively Rd & Woodland Ave Signal Replacement (City)	90,000	-	-	-	-	90,000
Arrowhead Rd & Arrowhead Rd Mill & Overlay (w/County)	225,000	-	-	-	-	225,000
Glenwood & Snively Intersection Improvements	925,000	-	-	-	-	925,000
Street Preservation (Various Locations)	923,788	-	-	-	-	923,788
3rd St Recondition- Mesaba Ave to 12th Ave E	6,363,000	11,700,000	10,575,000	8,400,000	10,500,000	47,538,000
Cross City Trail Segment 3- Irving Park to Keenes Creek Park	-	2,500,000	-	-	-	2,500,000
Gogebic Creek/Steel Creek (MNDOT)	-	810,000	-	-	-	810,000
MNDOT ADA upgrades along I-35 ramps 68th Ave W to 26th Ave E (City Match)	-	290,000	-	-	-	290,000
	-	-	200,000	-	-	200,000

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### 5 Year Project Summary

<b>Street &amp; Bridge Program Continued</b>	2022	2023	2024	2025	2026	Total
Railroad St -Canal Park Dr to 5th Ave W	-	-	2,250,000	-	-	2,250,000
Garfield Ave and Port Terminal Reconditioning Engineering NHS Federal 2025 project	-	-	100,000	360,000	-	460,000
Lake Ave/Canal Park Dr/Buchanan St Reconditioning	-	-	-	2,600,000	-	2,600,000
London Rd 26th Ave E to 60th Ave E (MNDOT)	-	-	-	2,000,000	-	2,000,000
Central Ent Reconstuction (MNDOT project)	-	-	-	-	1,700,000	1,700,000
Mesaba Ave Turn Lane/Signal 1st St (MNDOT)	-	-	-	-	300,000	300,000
Patch Project	475,000	475,000	475,000	475,000	475,000	2,375,000
Misc Annual Infrastructure Sidewalks	-	200,000	200,000	200,000	200,000	800,000
	120,000	120,000	120,000	120,000	120,000	600,000
<b>Street, Bridge, and Preservation Total</b>	<b>27,336,788</b>	<b>16,395,000</b>	<b>14,220,000</b>	<b>14,455,000</b>	<b>15,445,000</b>	<b>87,851,788</b>
<b>Capital Utility Projects</b>	2022	2023	2024	2025	2026	Total
1st St E: 9th Ave E to 12th Ave E	-	-	202,500	-	-	202,500
40th Avenue West (County)	-	-	600,000	-	-	600,000
4th Street water main, 6th	-	-	-	200,000	-	200,000
5th Street water main, 6th Ave East to Mesaba Ave	-	-	-	1,100,000	-	1,100,000
6th Ave East- 3rd St to 6th St	-	157,500	-	-	-	157,500
Cathodic Protection System on 42-inch steel construction	10,000	80,000	80,000	-	-	170,000
Duluth Heights Phases #1 and #2	-	490,000	-	-	-	490,000
Duluth Heights #3	-	-	-	-	1,000,000	1,000,000



# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### 5 Year Project Summary

<b>Capital Utility Projects Continued</b>	2022	2023	2024	2025	2026	Total
Electrical upgrades at WTP	-	-	-	1,500,000	-	1,500,000
Far East Superior Street	-	300,000	300,000	700,000	-	1,300,000
Fascia repairs at main WTP pump building	-	100,000	-	-	-	100,000
Hidden Valley Phase 2 water main replacement	1,425,000	-	-	-	-	1,425,000
Lead Service Line Revolving Loan Fund	2,000,000	-	-	-	-	2,000,000
Lead Service Replacement (ARP Funded)	1,600,000	-	-	-	-	1,600,000
Lead Service Replacement (Misc)	30,000	-	-	-	-	30,000
MNDOT Gogebic Creek	-	200,000	-	-	-	200,000
MNDOT TH23 Mission Creek Bridge	-	650,000	-	-	-	650,000
MNDOT US Steel Creek	-	120,000	-	-	-	120,000
Morris Thomas Rd. (with County)	1,260,000	20,000	-	-	-	1,280,000
Pump #4 Study	-	-	-	-	50,000	50,000
Raleigh St, 59th Ave W to Grand Ave	-	530,000	-	-	-	530,000
Upper Lakeside phase 1, connection on Glenwood	-	-	900,000	-	-	900,000
Upper Lakeside phase 2, connection at golf course	-	-	-	787,500	-	787,500
Upper Lakeside phase 3 upgrades	-	-	-	-	800,000	800,000
Water Mains and Services (By Ops)	15,000	-	-	-	-	15,000
Water Plant Bldg & Structural Repairs	-	-	-	-	650,000	650,000
Woodland Pump Station construction	-	2,600,000	-	-	-	2,600,000
20th Ave W, 23rd Ave W, 10th St	-	500,000	500,000	-	-	1,000,000
3rd St, Vernon St, 2nd St Alley	200,000	-	-	-	-	200,000

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### 5 Year Project Summary

<b>Capital Utility Projects Continued</b>	2022	2023	2024	2025	2026	Total
Building shell at Stora Enso	140,000	-	-	-	-	140,000
Gas Blanket Project	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	7,500,000
Meter relocations/ bollards	250,000	250,000	250,000	250,000	250,000	1,250,000
Michigan Street 10-inch	120,000	-	-	-	-	120,000
MNDOT Central entrance, 8 inch replacement	-	-	320,000	-	-	320,000
MNDOT Gogebic culverts	-	100,000	-	-	-	100,000
Steel main replacements	440,000	500,000	500,000	500,000	500,000	2,440,000
Patch Projects	10,000	-	-	-	-	10,000
Uprating of Upper Woodland	5,000	-	-	-	-	5,000
40th Ave W with SLC	-	-	50,000	-	-	50,000
4th St water main replace	-	-	-	150,000	-	150,000
6th Ave E to Mesaba Ave	-	-	-	150,000	-	150,000
Citywide manhole adjustments	100,000	100,000	100,000	100,000	100,000	500,000
rehabilitation/lining Heights 1 & 2	1,425,000	1,900,000	1,950,000	1,850,000	1,850,000	8,975,000
Lift Station rehabilitation	-	100,000	100,000	-	-	200,000
Annual Transportation SIP projects	450,000	450,000	450,000	450,000	450,000	2,250,000
40th Ave W (County)	280,000	150,000	150,000	150,000	150,000	880,000
Clarkhouse Creek	-	-	150,000	-	-	150,000
Gogebic Creek CIPP and storm improvements	100,000	-	-	-	-	100,000
Kenwood Avenue box culvert fish passage - Chester Creek	-	275,000	-	-	-	275,000
Lower Coffee Creek	-	40,000	300,000	300,000	-	640,000
Non-Capital storm projects	-	100,000	-	-	-	100,000
US Steel Creek	145,000	145,000	145,000	145,000	145,000	725,000
	-	5,000	-	-	-	5,000
<b>Capital Utility Projects</b>	<b>11,505,000</b>	<b>11,362,500</b>	<b>8,547,500</b>	<b>9,682,500</b>	<b>7,445,000</b>	<b>48,542,500</b>
<b>GRAND TOTAL</b>	<b>78,822,002</b>	<b>35,907,950</b>	<b>26,022,100</b>	<b>27,780,000</b>	<b>25,240,000</b>	<b>193,772,052</b>

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### 5 Year Funding Sources

	2022	2023	2024	2025	2026	Total
Bond	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	9,000,000
State Bond	14,750,000	-	-	-	-	14,750,000
State Bond Request	12,525,000	-	-	-	-	12,525,000
Other City Funding	6,125,000	271,750	25,000	25,000	25,000	6,471,750
Parks Fund	1,807,613	735,000	525,000	525,000	525,000	4,117,613
1/2 & 1/2 Tax	1,488,430	651,700	175,000	567,500	-	2,882,630
Permanent Improvement Fund Levy	280,000	280,000	280,000	280,000	280,000	1,400,000
Street System Maintenance Levy	1,212,000	1,300,000	1,300,000	1,500,000	1,300,000	6,612,000
Street Lighting Levy	390,000	760,000	400,000	-	700,000	2,250,000
Local Sales Tax (.5%)	7,250,000	7,500,000	7,500,000	7,400,000	7,500,000	37,150,000
Minnesota State Aid	1,873,788	3,650,000	2,845,000	3,020,000	3,770,000	15,158,788
State Grants	1,741,307	-	-	-	-	1,741,307
Federal Grants/Aid	7,383,726	2,600,000	1,480,000	1,840,000	1,480,000	14,783,726
ARPA Funding	5,250,000	302,000	723,000	725,000	-	7,000,000
Other Funding Sources	8,025,138	4,000,000	6,600	-	-	12,031,738
Utilities - Bond	-	2,600,000	-	-	-	2,600,000
Utilities - Current Year Revenue						
-Water	1,321,000	2,793,500	2,248,500	4,453,500	2,666,000	13,482,500
-Gas	2,798,800	2,953,800	3,173,800	2,353,800	2,353,800	13,634,000
-Sewer	2,278,700	2,603,700	2,703,700	2,603,700	2,453,700	12,643,500
-Stormwater	521,500	1,106,500	836,500	686,500	386,500	3,537,500
<b>Total</b>	<b>78,822,002</b>	<b>35,907,950</b>	<b>26,022,100</b>	<b>27,780,000</b>	<b>25,240,000</b>	<b>193,772,052</b>

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### Capital Improvement Program Summary

#### Operating Cost Implications of Proposed Projects:

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.

<b>Projects</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
CIP Eligible VFA Building Improvements	300,000	375,000	520,000	600,000	500,000	2,295,000
Maintenance Buildings Improvements	250,000	250,000	-	450,000	300,000	1,250,000
Civic Buildings (CCW/City Hall/Library)	1,250,000	1,175,000	250,000	400,000	500,000	3,575,000
(Fire/Police)	-	-	1,030,000	350,000	500,000	1,880,000
<b>Total</b>	<b>1,800,000</b>	<b>1,800,000</b>	<b>1,800,000</b>	<b>1,800,000</b>	<b>1,800,000</b>	<b>9,000,000</b>
<b>Funding</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
Capital Improvement Bond	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	9,000,000

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### CIP Eligible VFA 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.

<b>Project</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
CIP Eligible VFA Building Improvements	300,000	375,000	520,000	600,000	500,000	2,295,000
<b>Total</b>	300,000	375,000	520,000	600,000	500,000	2,295,000
<b>Funding</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
Capital Improvement Bond	300,000	375,000	520,000	600,000	500,000	2,295,000

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### CIP Eligible VFA Building Improvements

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**Project Title:**

CIP Eligible VFA Building Improvements

**Description:**

These fund 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 2022-2026

Capital Improvement Bond      \$    2,295,000

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# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 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.

<b>Project</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
Facilities Building Improvements	-	-	-	415,000	-	415,000
Fleet Building Improvements	-	-	-	35,000	-	35,000
42nd Ave W Tool House Improvements	-	-	-	-	300,000	300,000
40th Ave W Tool House Improvements	-	250,000	-	-	-	250,000
Tree Farm/Riley Road Improvements	250,000	-	-	-	-	250,000
<b>Total</b>	<b>250,000</b>	<b>250,000</b>	<b>-</b>	<b>450,000</b>	<b>300,000</b>	<b>1,250,000</b>
<b>Funding</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
Capital Improvement Bond	250,000	250,000	-	450,000	300,000	1,250,000

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### Maintenance

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**Project Title:**

Facilities Building - HVAC

**Description:**

Ventilation/AC

**Funding Source:**

FY 2025



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Capital Improvement Bond      \$      415,000

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**Project Title:**

Fleet Roof (Design)

**Description:**

Design (\$35,000 FY 2025), Roof replacement (\$950,000 FY 2027+)

**Funding Source:**

FY 2025



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Capital Improvement Bond      \$      35,000

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**Project Title:**

42nd Ave W Toolhouse - Structural Repairs

**Description:**

Structural study and repairs

**Funding Source:**

FY 2026



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Capital Improvement Bond      \$      300,000

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# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### Maintenance

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**Project Title:**

Tree Farm / Riley Road

**Description:**

Fiber connectivity

**Funding Source:**

FY 2022

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Capital Improvement Bond      \$      250,000



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**Project Title:**

40th Ave W Toolhouse

**Description:**

Portable/above ground material storage

**Funding Source:**

FY 2023

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Capital Improvement Bond      \$      250,000



# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 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.

<b>Project</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
City Center West Improvements	-	500,000	-	-	100,000	600,000
City Hall Improvements	1,250,000	250,000	250,000	400,000	400,000	2,550,000
Library Improvements	-	425,000	-	-	-	425,000
<b>Total</b>	<b>1,250,000</b>	<b>1,175,000</b>	<b>250,000</b>	<b>400,000</b>	<b>500,000</b>	<b>3,575,000</b>

<b>Funding</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
Capital Improvement Bond	1,250,000	1,175,000	250,000	400,000	500,000	3,575,000

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### Civic (City Center West/City Hall/Library)

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**Project Title:**

City Center West Improvements

**Description:**

EOC Driveway/Parking Lot

**Funding Source:**

FY 2023

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Capital Improvement Bond      \$      500,000



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**Project Title:**

City Hall Improvements

**Description:**

Mechanical Electrical and Plumbing Renewal

**Funding Source:**

FY 2022

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Capital Improvement Bond      \$      800,000



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**Project Title:**

City Hall Improvements

**Description:**

Grounds/Priley Circle Improvements

**Funding Source:**

FY 2022-2026

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Capital Improvement Bond      \$      1,750,000



# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### Civic (City Center West/City Hall/Library)

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**Project Title:**

Library Improvements

**Description:**

Elevator Upgrade

**Funding Source:**

FY 2023



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Capital Improvement Bond      \$      425,000

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**Project Title:**

City Center West Improvements

**Description:**

Flooring and Paint

**Funding Source:**

FY 2026



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Capital Improvement Bond      \$      100,000

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# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### Public Safety (Fire/Police)

**Description:**

Over the next five years, the City is proposing to invest \$1.9 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).

<b>Project</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
Firehall #1 Improvements	-	-	300,000	-	250,000	550,000
Firehall #2 Improvements	-	-	250,000	-	-	250,000
Firehall #4 Improvements	-	-	200,000	-	-	200,000
Firehall #7 Improvements	-	-	-	100,000	-	100,000
Firehall #10 Improvements	-	-	280,000	250,000	-	530,000
Public Safety Building (Police)	-	-	-	-	250,000	250,000
<b>Total</b>	-	-	1,030,000	350,000	500,000	1,880,000
<b>Funding</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
Capital Improvement Bond	-	-	1,030,000	350,000	500,000	1,880,000

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### Public Safety (Fire/Police)

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**Project Title:**

Firehall #1 Improvements

**Description:**

ADA / Bathroom Upgrades

**Funding Source:**

FY 2024

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Capital Improvement Bond      \$      300,000



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**Project Title:**

Firehall #1 Improvements

**Description:**

Living Quarters Upgrade / Reorganization

**Funding Source:**

FY 2026

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Capital Improvement Bond      \$      250,000



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**Project Title:**

Firehall #2 Improvements

**Description:**

Flooring Upgrades & Interior Remodel

**Funding Source:**

FY 2024

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Capital Improvement Bond      \$      250,000





# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### Public Safety (Fire/Police)

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**Project Title:**

Firehall #4 Improvements

**Description:**

Flooring Upgrades & Interior/Kitchen Remodel

**Funding Source:**

FY 2024

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Capital Improvement Bond      \$      200,000



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**Project Title:**

Firehall #10 HVAC

**Description:**

Implement HVAC study/install furnace

**Funding Source:**

FY 2024

---

Capital Improvement Bond      \$      280,000



---

**Project Title:**

Firehall #10 Tuckpointing

**Description:**

Tuckpointing

**Funding Source:**

FY 2025

---

Capital Improvement Bond      \$      250,000



# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### Public Safety (Fire/Police)

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**Project Title:**

Firehall #7 Electrical

**Description:**

electrical distribution

**Funding Source:**

FY 2025



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Capital Improvement Bond	\$	100,000
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**Project Title:**

PSB Misc Maintenance

**Description:**

Capital maintenance based on asset management system (VFA)

**Funding Source:**

FY 2026



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Capital Improvement Bond	\$	250,000
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# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### State Bonding Projects

**Description:**

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.

<b>Projects</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
Seawall & Surface Improvements	21,625,000	-	-	-	-	21,625,000
<b>Total</b>	<b>21,625,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21,625,000</b>

<b>Funding</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
Federal Funding	2,625,000	-	-	-	-	2,625,000
State Bond	13,500,000	-	-	-	-	13,500,000
Other City Funding	5,500,000	-	-	-	-	5,500,000
<b>Total</b>	<b>21,625,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21,625,000</b>

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### Parks and Trails Summary

**Description:**

Park and trail capital projects are funded from three major sources: Parks Fund, 1/2 and 1/2 tax, and federal and state grants. The Parks Fund allocates monies each year for small park and trail capital projects (usually less than \$100,000 each). The 1/2 and 1/2 tax was authorized in 2014 to fund a total of \$18 million park, trail, and outdoor recreation projects in the St. Louis River Corridor. The 1/2 and 1/2 tax and the Parks Fund 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.

<b>Projects</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
Parks	14,752,989	4,782,000	1,339,600	1,652,500	460,000	22,987,089
Trails	1,802,225	1,568,450	115,000	190,000	90,000	3,765,675
<b>Total</b>	<b>16,555,214</b>	<b>6,350,450</b>	<b>1,454,600</b>	<b>1,842,500</b>	<b>550,000</b>	<b>26,752,764</b>

<b>Funding</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
Federal Grant	2,903,726	600,000	-	-	-	3,503,726
ARPA Funding	250,000	302,000	723,000	725,000	-	2,000,000
State Grant	1,455,307	-	-	-	-	1,455,307
Other Grants/ Donations/ Funding	8,025,138	4,000,000	6,600	-	-	12,031,738
Parks Fund	1,807,613	525,000	525,000	525,000	525,000	3,907,613
1/2 and 1/2 Tax	1,488,430	651,700	175,000	567,500	-	2,882,630
Other City Funding	625,000	271,750	25,000	25,000	25,000	971,750
<b>Total</b>	<b>16,555,214</b>	<b>6,350,450</b>	<b>1,454,600</b>	<b>1,842,500</b>	<b>550,000</b>	<b>26,752,764</b>

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### Parks Detail

Project	2022	2023	2024	2025	2026	Total
St. Louis County Tax Forfeit						
Land Conveyance	4,440,000	-	-	-	-	4,440,000
St. Louis River Natural Area						
Land Acquisition	3,730,000	-	-	-	-	3,730,000
Lincoln Park Restoration	2,676,101	-	-	-	-	2,676,101
Hartley Legacy Project	2,010,458	-	-	-	-	2,010,458
Spirit Landing Project						
Land Purchase/Design	370,000	-	-	-	-	370,000
Trail Alignment	175,000	-	-	-	-	175,000
Park Restoration	80,000	-	-	-	-	80,000
Enger Golf Course Renovation	500,000	4,000,000			-	4,500,000
Lester Park Golf Course-public planning process	-	75,000	-	-	-	75,000
ARPA Projects	250,000	302,000	723,000	725,000	-	2,000,000
Parks Strategic Master Plan	80,000	-	-	-	-	80,000
Memorial Park MMP Implementation	-	-	85,000	510,000	-	595,000
Neighborhood Parks:						
Fond du Lac and Historical Parks	20,000	160,000	-	-	-	180,000
Grassy Point Park	34,430	-	-	-	-	34,430
Kingsbury Fishing Pier	25,000	-	-	-	-	25,000
Norton Park	-	55,000	215,000	-	-	270,000
Duluth Heights	-	20,000	-	-	150,000	170,000
Grant Park	-	-	-	70,000	-	70,000
Lower Chester Park	-	-	6,600	-	-	6,600
Morgan Park	-	-	-	50,000	-	50,000
Birchwood Park	-	-	-	7,500	-	7,500
Signage & Wayfinding	100,000	-	100,000	80,000	100,000	380,000
Sustainable Infrastructure:						
Parks Facilities-Deferred Maintenance	114,000	-	-	-	-	114,000
Asset Management Plan	25,000	15,000	10,000	10,000	10,000	70,000
Golf Subsidy	25,000	-	-	-	-	25,000
Natural Resources	55,000	55,000	55,000	75,000	75,000	315,000

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### Parks Detail

Project	2022	2023	2024	2025	2026	Total
Playgrounds (Full/Component Replacement)	43,000	100,000	145,000	125,000	100,000	513,000
Other Park Improvements - TBD	-	-	-	-	25,000	25,000
<b>Total</b>	<b>14,752,989</b>	<b>4,782,000</b>	<b>1,339,600</b>	<b>1,652,500</b>	<b>460,000</b>	<b>22,987,089</b>

Funding	2022	2023	2024	2025	2026	Total
Federal Grant	1,692,501	-	-	-	-	1,692,501
ARPA Funding	250,000	302,000	723,000	725,000	-	2,000,000
State Grant	1,455,307	-	-	-	-	1,455,307
Other Grants/Donations/Fundin	8,025,138	4,000,000	6,600	-	-	12,031,738
Parks Fund	1,565,613	295,000	410,000	335,000	435,000	3,040,613
1/2 and 1/2 Tax	1,239,430	160,000	175,000	567,500	-	2,141,930
Other City Funding	525,000	25,000	25,000	25,000	25,000	625,000
<b>Total</b>	<b>14,752,989</b>	<b>4,782,000</b>	<b>1,339,600</b>	<b>1,652,500</b>	<b>460,000</b>	<b>22,987,089</b>

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### 2022-2026 Parks Projects

**Project Title:**

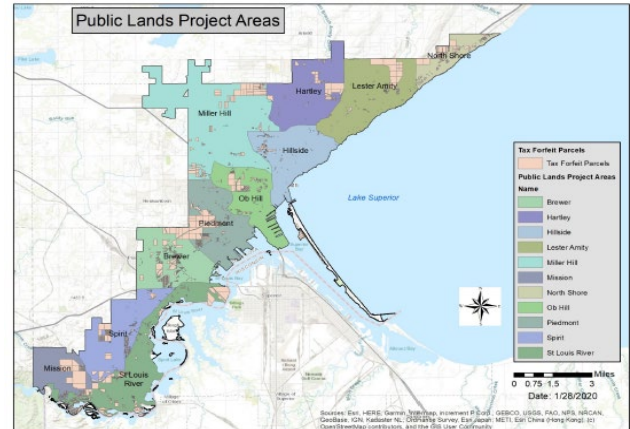
St. Louis County Land Conveyance

**Description:**

Conveyance from St. Louis County to the City of Duluth of \$4.2 million of tax forfeit green space to be managed as part of the City system of protected green space.

**Funding Source:**

	FY 2022
Parks Fund	240,000
Other Grants/Donations/Funding	4,200,000
	4,440,000



**Project Title:**

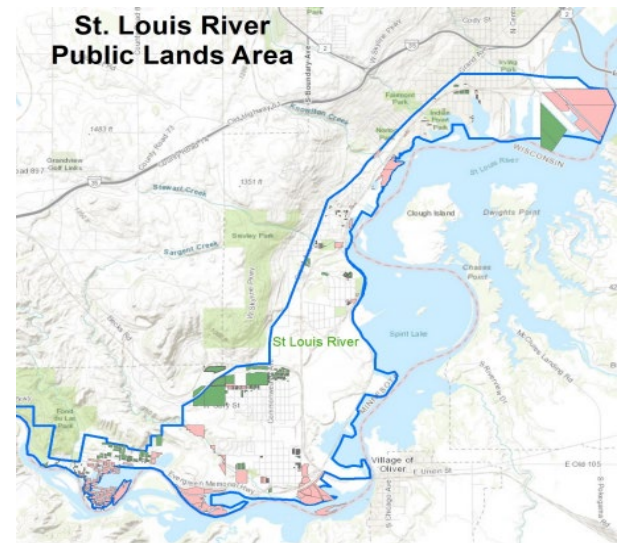
St. Louis River Natural Area Land Acquisition

**Description:**

Federally funded acquisition of \$3.5 million worth of tax forfeit property located within or immediately around the St. Louis River Natural Area.

**Funding Source:**

	FY 2022
Parks Fund	30,000
Federal Grant	900,000
Other Grants/Donations/Funding	2,800,000
	3,730,000



# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### 2022-2026 Parks Projects

**Project Title:**

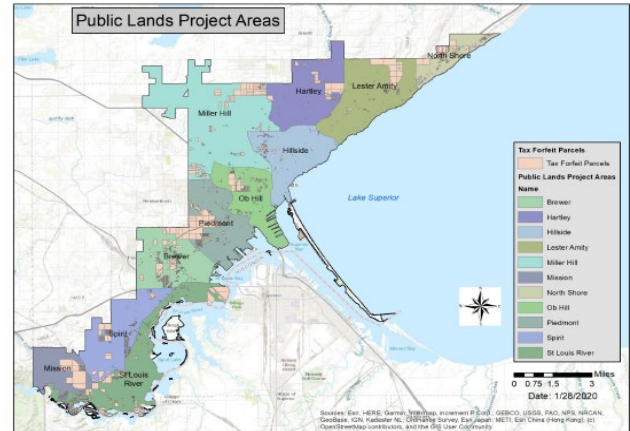
Lincoln Park Restoration

**Description:**

Comprehensive restoration of developed lower portion of Lincoln Park.

**Funding Source:**

	FY 2022
Parks Fund	587,500
1/2 & 1/2	810,000
Federal Grant	792,501
State Grant	299,525
Other Grants/Donations/Funding	186,575
	2,676,101



**Project Title:**

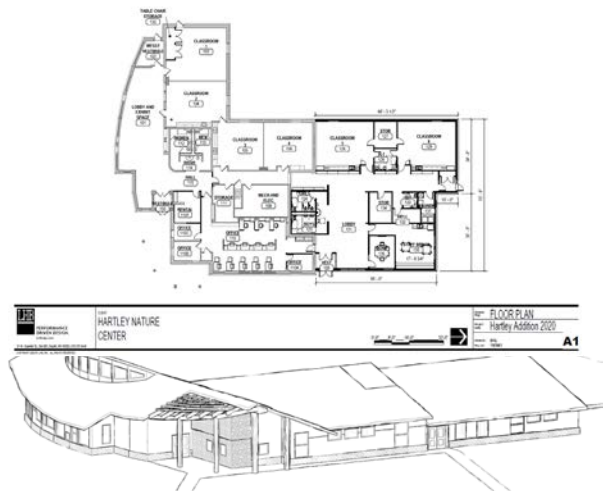
Hartley Legacy Project

**Description:**

Renovation and expansion of Hartley Nature

**Funding Source:**

	FY 2022
Parks Fund	266,113
State Grant	905,782
Other Grants/Donations/Funding	838,563
	2,010,458



# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### 2022-2026 Parks Projects

**Project Title:**

Spirit Landing Project

**Description:**

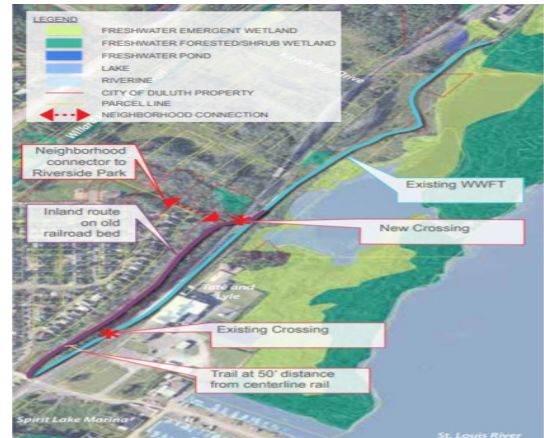
Acquisition and restoration of eight-acre riverfront property and connection of trail systems to and through the property.

**Funding Source:**

1/2 & 1/2  
State Grant

FY 2022

375,000
250,000
625,000



**Project Title:**

Enger Golf Course Renovation

**Description:**

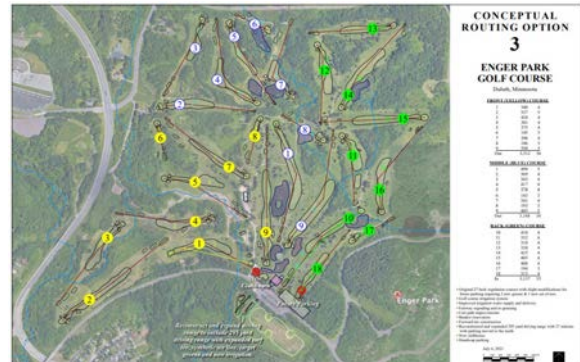
Enger Golf Course renovation items include a new irrigation system, new clubhouse, improvements to fairways, and bunker renovations.

**Funding Source:**

Other City Funding  
Other Grants

FY 2022-2023

500,000
4,000,000
4,500,000





# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### 2022-2026 Parks Projects

---

**Project Title:**

American Rescue Plan Act (ARPA) Projects

**Description:**

Neighborhood park improvements and deferred maintenance needs in Qualified Census Tracts: playgrounds, benches, tables, sport courts, etc.

**Funding Source:**

ARPA Funding

FY 2022-2025

2,000,000



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**Project Title:**

Parks Strategic Master Plan

**Description:**

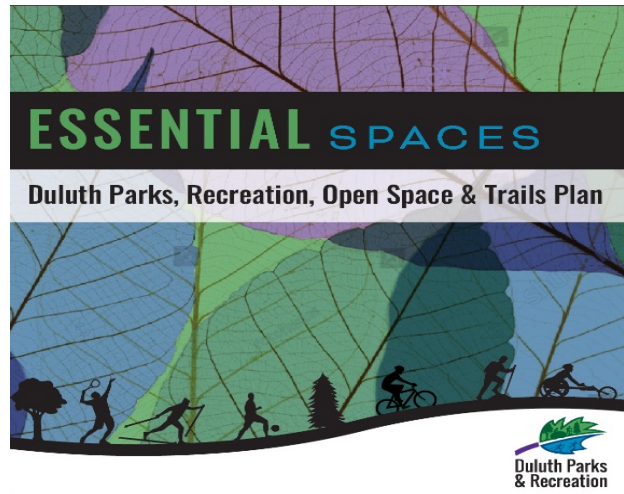
Create an updated master plan for the Parks and Recreation Department.

**Funding Source:**

Parks Fund

FY 2022

80,000





# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### 2022-2026 Parks Projects

---

**Project Title:**

Neighborhood Parks

**Description:**

Implementation of mini-master plan for Norton Park miscellaneous infrastructure renewal throughout the system.

**Funding Source:**

	<u>FY 2022 - 2026</u>
Parks Fund	445,000
1/2 & 1/2	361,930
Other Grants/Donations/Funding	6,600
	<u>813,530</u>

---

**Project Title:**

Signage & Wayfinding

**Description:**

Entrance signs, kiosks, and wayfinding at various

**Funding Source:**

	<u>FY 2022-2026</u>
Parks Fund	380,000



# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### 2022-2026 Parks Projects

**Project Title:**

Sustainable Infrastructure

**Description:**

Deferred and enhanced maintenance and upgrades to outdoor parks' assets and facilities.



**Funding Source:**

Parks Fund

Other City Funding

FY 2022-2026

937,000

125,000

1,062,000



**Project Title:**

Lester Park Golf Course

**Description:**

Lester Park Golf Course will reopen for one final season of golf in 2023 . A public process will guide the future use(s) of this parkland.

**Funding Source:**

Parks Fund

FY 2023

75,000



# City of Duluth Minnesota - 2022 Budget

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## City of Duluth 2022-2026 Capital Improvement Plan

### 2022-2026 Parks Projects

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**Project Title:**

Memorial Park MMP Implementation

**Description:**

Development, design, and Phase I implementation of new Memorial Park Mini-Master Plan



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FY 2024-2025

**Funding Source:**

1/2 & 1/2

595,000

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# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### Trails Detail

Project	2022	2023	2024	2025	2026	Total
Lakewalk Improvements:						
Interpretive Plan	100,000	-	-	-	-	100,000
Management Plan	-	-	75,000	-	-	75,000
Brighton Beach Park:						
Green Space Renewal	127,000	-	-	-	-	127,000
Signage & Wayfinding	-	50,000	-	-	-	50,000
Remove Old Road & Restore Landscape	500,000	-	-	-	-	500,000
Waabizheshikana-The Marten Trail:						
Storm Damage Repair	487,000	-	-	-	-	487,000
Segment I Construction	-	420,000	-	-	-	420,000
Grand Avenue Nordic Center	274,225	-	-	-	-	274,225
Cross City Trail:						
Phase III: Irving Park to Greene Street	199,000	931,500	-	-	-	1,130,500
St. Louis River Estuary Water Trail Improvements:						
Munger Landing Park Improvements	-	50,000	-	-	-	50,000
Perch Lake Improvements	-	50,000	-	-	-	50,000
Amity Creek Mutli-Purpose Trail Trailhead	-	10,000	-	-	-	10,000
Improvements/Parking Lots	-	-	-	125,000	-	125,000
Other Trail Improvements:						
ADA Access	5,000	10,000	10,000	10,000	10,000	45,000
Bridges/Infrastructure Failures	35,000	31,950	30,000	30,000	30,000	156,950
Central School Connector	-	-	-	25,000	-	25,000
Forest Hill Property Acquisition	40,000	15,000	-	-	-	55,000
Park Point Beach Access-matching/design	10,000	-	-	-	-	10,000

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### Trails Detail

<b>Project</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
Other Trail Improvements- TBD	25,000	-	-	-	50,000	75,000
<b>Total</b>	1,802,225	1,568,450	115,000	190,000	90,000	3,765,675

<b>Funding</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
Federal Grant	1,211,225	600,000	-	-	-	1,811,225
State Grant	-	-	-	-	-	-
Parks Fund	242,000	230,000	115,000	190,000	90,000	867,000
1/2 and 1/2 Tax	249,000	491,700	-	-	-	740,700
Other City Funding	100,000	246,750	-	-	-	346,750
<b>Total</b>	1,802,225	1,568,450	115,000	190,000	90,000	3,765,675

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### 2022-2026 Trails Projects

**Project Title:**

Lakewalk Improvements

**Description:**

Lakewalk interpretive and management plans.

**Funding Source:**

Parks Fund

Other City Funding

	FY 2022, 2024
Parks Fund	75,000
Other City Funding	100,000
	<u>175,000</u>



**Project Title:**

Brighton Beach Park Restoration and Lakewalk Extension

**Description:**

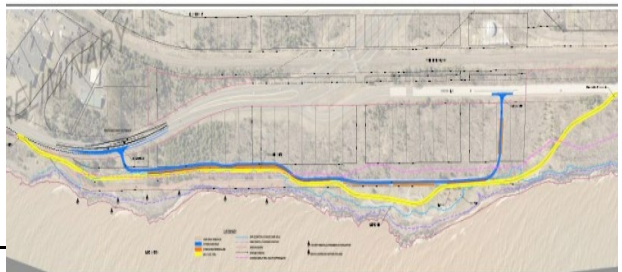
Extension of the Lakewalk, construction of new northeast entrance road, stabilization of shoreline, and renewal of park amenities.

**Funding Source:**

Parks Fund

Federal Grant

	FY 2022-2023
Parks Fund	177,000
Federal Grant	500,000
	<u>677,000</u>





# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### 2022-2026 Trails Projects

**Project Title:**

Waabisheshikana (The Marten Trail) Storm Damage Repair & Extension

**Description:**

Repair of storm-damaged segment behind Spirit Cove neighborhood and construction of new segments I, II, and III.

**Funding Source:**

	FY 2022-2023
1/2 & 1/2	335,000
Parks Fund	85,000
Federal Grant	487,000
	907,000

*\*Excludes construction costs to be paid directly by federal agencies and US Steel.*



**Project Title:**

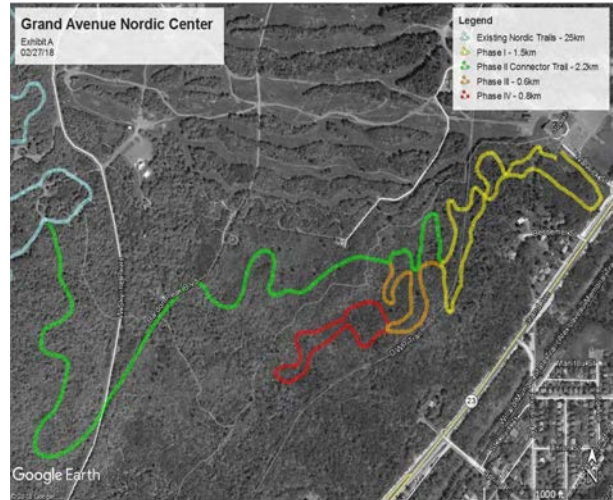
Grand Avenue Nordic Center – Phase II

**Description:**

Phase II, the Connector, will provide a two-way trail that connects the Phase I loop to 20 km (12.4 miles) of Spirit Mountain Nordic Center trails, as well as 14 km (8.7 miles) of Magney-Snively Nordic trails, at the top of Spirit Mountain.

**Funding Source:**

	FY 2022
1/2 & 1/2	50,000
Federal Grant	224,225
	274,225



# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### 2022-2026 Trails Projects

**Project Title:**

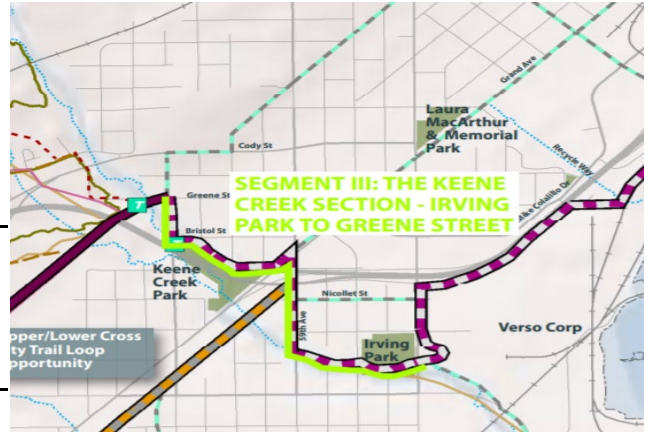
Cross City Trail - Irving Park to Greene Street

**Description:**

Construction of Cross City Trail Segment III from Irving Park to Greene Street

**Funding Source:**

	<u>FY 2022-2023</u>
Parks Fund	28,050
Other City Funding	246,750
1/2 & 1/2	255,700
Federal Grants	600,000
	<u>1,130,500</u>



**Project Title:**

St. Louis River Estuary Water Trail Improvements

**Description:**

New/improved canoe/kayak accesses at Munger Landing and Perch Lake

**Funding Source:**

	<u>FY 2023</u>
1/2 & 1/2	100,000





# City of Duluth Minnesota - 2022 Budget

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## City of Duluth 2022-2026 Capital Improvement Plan

### 2022-2026 Trails Projects

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**Project Title:**

Other Trail Improvements

**Description:**

Other trail improvements

**Funding Source:**

Parks Fund

FY 2022-2026

501,950



# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 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 2022 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	2022	2023	2024	2025	2026	Total
Aerial Lift Bridge Painting and Misc. Structural Repairs	12,840,000	-	-	-	-	12,840,000
Brighton Beach Rd Reconstruction	1,150,000	-	-	-	-	1,150,000
Lakewood Rd Reclaim (with County)	350,000	-	-	-	-	350,000
St. Andrews Bridge Replacement at Tischer Creek	725,000	-	-	-	-	725,000
21st Av E Reconditioning	2,850,000	-	-	-	-	2,850,000
London Rd to Woodland Ave Engineering for Next Year's Federal Project	300,000	300,000	300,000	300,000	300,000	1,500,000
Federal Projects TBD	-	-	-	-	1,850,000	1,850,000
Snively Rd & Woodland Ave Signal Replacement (City share of County Projects)	90,000	-	-	-	-	90,000
Arrowhead Rd & Woodland Ave Signal Replacement (City Share of Cty project)	225,000	-	-	-	-	225,000

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### Street Improvement & Bridge Projects Summary

Arrowhead Rd Mill & Overlay (w/County)	925,000	-	-	-	-	925,000
Glenwood & Snively Intersection Improvements (County)	923,788	-	-	-	-	923,788
Street Preservation (Various Locations)	6,363,000	11,700,000	10,575,000	8,400,000	10,500,000	47,538,000
3rd St Recondition- Mesaba Ave to 12th Ave E	-	2,500,000	-	-	-	2,500,000
Cross City Trail Segment 3- Irving Park to Keenes Creek Park	-	810,000	-	-	-	810,000
Gogebic Creek/Steel Creek (MNDOT)	-	290,000	-	-	-	290,000
MNDOT ADA upgrades along I-35 ramps 68th Ave W to 26th Ave E (City)	-	-	200,000	-	-	200,000
Railroad St -Canal Park Dr to 5th Ave W	-	-	2,250,000	-	-	2,250,000
Garfield Ave and Port Terminal Reconditioning Engineering NHS Federal 2025 project	-	-	100,000	360,000	-	460,000
Lake Ave/Canal Park Dr/Buchanan St Reconditioning	-	-	-	2,600,000	-	2,600,000
London Rd 26th Ave E to 60th Ave E (MNDOT)	-	-	-	2,000,000	-	2,000,000
Central Ent Reconstuction (MNDOT project)	-	-	-	-	1,700,000	1,700,000
Mesaba Ave Turn Lane/Signal 1st St (MNDOT)	-	-	-	-	300,000	300,000
Patch Project	475,000	475,000	475,000	475,000	475,000	2,375,000
Misc Annual Infrastructure Sidewalks	-	200,000	200,000	200,000	200,000	800,000
	120,000	120,000	120,000	120,000	120,000	600,000
<b>Total</b>	<b>27,336,788</b>	<b>16,395,000</b>	<b>14,220,000</b>	<b>14,455,000</b>	<b>15,445,000</b>	<b>87,851,788</b>

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### Street Improvement & Bridge Projects Summary

<b>Funding</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
Federal	1,855,000	2,000,000	1,480,000	1,840,000	1,480,000	8,655,000
State	15,934,788	3,650,000	2,845,000	3,020,000	3,770,000	29,219,788
Street System Mtce Levy	1,212,000	1,300,000	1,300,000	1,500,000	1,300,000	6,612,000
Local Sales Tax (.5%)	7,250,000	7,500,000	7,500,000	7,400,000	7,500,000	37,150,000
Permanent Improvement	280,000	280,000	280,000	280,000	280,000	1,400,000
Street Lighting	390,000	760,000	400,000	-	700,000	2,250,000
Other (Utility & Parks Funds)	415,000	905,000	415,000	415,000	415,000	2,565,000
<b>Total</b>	<b>27,336,788</b>	<b>16,395,000</b>	<b>14,220,000</b>	<b>14,455,000</b>	<b>15,445,000</b>	<b>87,851,788</b>

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 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, and other items that are not eligible for other funding sources. 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.

<b>Project</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
Permanent Improvements	-	200,000	200,000	200,000	200,000	800,000
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
<b>Total</b>	<b>595,000</b>	<b>795,000</b>	<b>795,000</b>	<b>795,000</b>	<b>795,000</b>	<b>3,775,000</b>

<b>Funding</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
PI Fund	80,000	280,000	280,000	280,000	280,000	1,200,000
Street System Mtce Levy	100,000	100,000	100,000	100,000	100,000	500,000
Other (Utilities Funds)	415,000	415,000	415,000	415,000	415,000	2,075,000
<b>Total</b>	<b>595,000</b>	<b>795,000</b>	<b>795,000</b>	<b>795,000</b>	<b>795,000</b>	<b>3,775,000</b>

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### Street Improvement & Bridge Projects

**Project Title:**

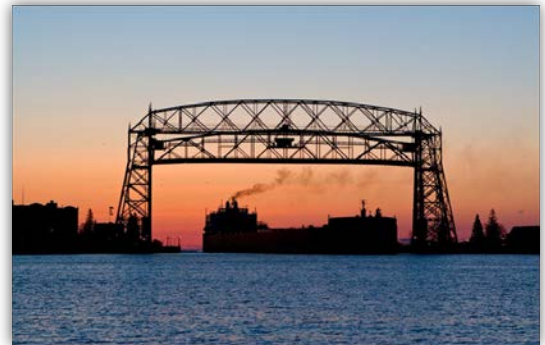
Aerial Lift Bridge Painting and Misc. Structural Repairs

**Description:**

Grating, Sidewalk, Painting and Misc repairs.

**Funding Source:**

	2022
State Bond	\$ 12,000,000
MSA	\$ 840,000
	<u>\$ 12,840,000</u>



**Project Title:**

Brighton Beach Rd Reconstruction

**Description:**

New road construction in conjunction with Parks.

**Funding Source:**

	2022
Street System Maint. Levy	\$ 349,000
Federal	\$ 515,000
State	\$ 286,000
	<u>\$ 1,150,000</u>



# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### Street Improvement & Bridge Projects

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**Project Title:**

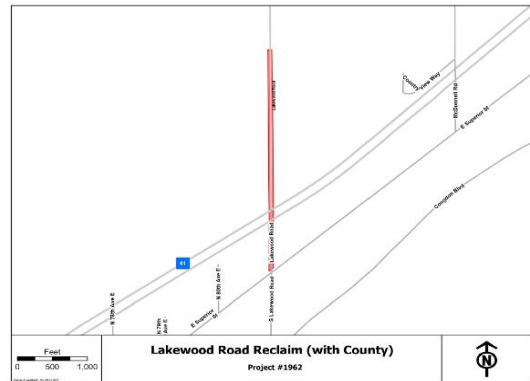
Lakewood Rd Reclaim ( County)

**Description:**

Coordination with county to reclaim Lakewood Rd.

**Funding Source:**

	2022
Street System Maint. Levy	\$ 350,000



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**Project Title:**

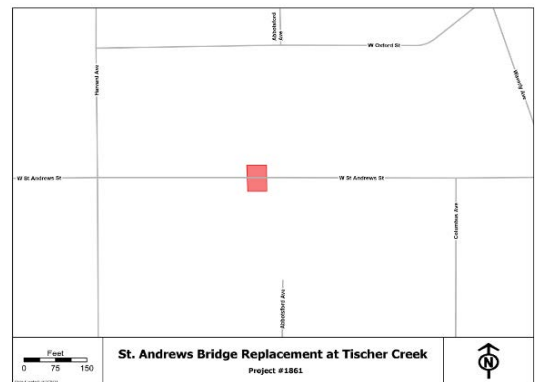
St. Andrews Bridge Replacement at Tischer Creek

**Description:**

Bridge Replacement

**Funding Source:**

	2022
State	\$ 525,000
Permanent Improvements	\$ 200,000
	\$ 725,000



# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### Street Improvement & Bridge Projects

**Project Title:**

21st Ave E Reconditioning- London Rd to Woodland Ave

**Description:**

**Funding Source:**

	2022
State	\$ 1,250,000
Street Lighting Fund	\$ 300,000
Street System Maint. Levy	\$ 1,300,000
	\$ 2,850,000



**Project Title:**

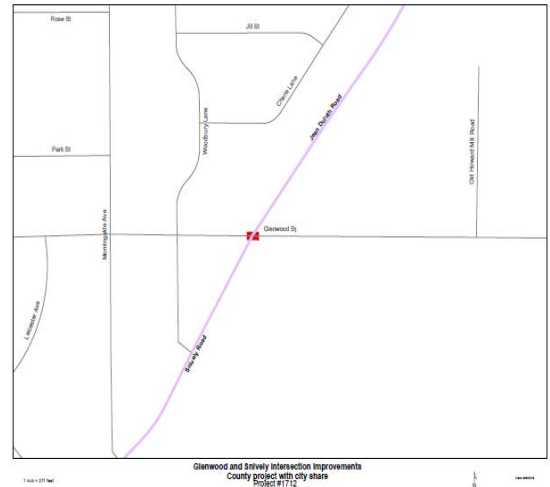
Glenwood St & Snively Rd

**Description:**

Intersection Improvements (with County)

**Funding Source:**

	2022
Federal	\$ 600,462
MSA	\$ 323,326
	\$ 923,788





# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### Street Improvement & Bridge Projects

**Project Title:**

Snively Rd & Woodland Ave

**Description:**

Signal Replacement (County Project) City share for Hardy St leg.

**Funding Source:**

	<u>2022</u>
Street Lighting Fund	\$ 90,000



**Project Title:**

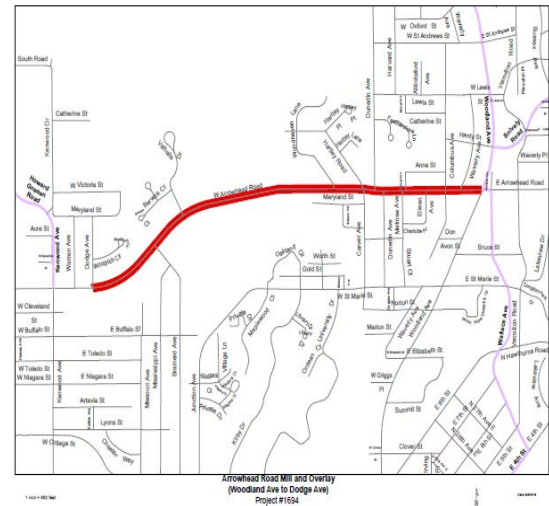
Arrowhead Rd -Dodge Ave to Woodland Ave

**Description:**

Mill & Overlay and Signal Replacement (with County)

**Funding Source:**

	<u>2022</u>
Federal	\$ 593,288
MSA	\$ 331,712
	<u>\$ 925,000</u>



# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### Street Improvement & Bridge Projects

**Project Title:**

**Street Preservation Projects**  
**2022 Project Goal: 15.19 miles of Street**  
**improvements**

**Description:**

Various Locations: Annual preservation projects are determined on criteria outlined in the City's Street Improvement Program.

**Funding Source:**

	2022-2026
MSA	\$ 6,675,000
Local Sales Tax	\$ 34,751,000
Street System Mtce Fund	\$ 6,112,000
	\$ 47,538,000

**2022 Street Preservation Plan**

Year	2022 Segments	Cost	Mileage	Const notes
2022	91st Ave W, Idaho to Grace St	\$126,000	0.18	Mill & Overlay
2022	Hilton, 88th Ave W to Falcon	\$161,000	0.23	Mill & Overlay
2022	Hilton, 91st Ave W to Idaho	\$84,000	0.12	Mill & Overlay
2022	Zimmerly Ave, Commonwealth to Grand Ave	\$160,000	0.23	Reclaim
2022	94th Ave W, Zimmerly to Boyd Ave	\$50,000	0.07	Reclaim
2022	Boyd Ave, 93rd to Dead End near 96th Ave W	\$150,000	0.21	Reclaim
2022	95th Ave W, Zimmerly to Clyde	\$100,000	0.14	Reclaim
2022	Clay St, Vinland to Skyline	\$200,000	0.34	Reclaim
2022	Skyline Pkwy, 24th Ave W to Haines Rd	\$1,127,000	1.61	Reclaim
2022	Lincoln Park Dr Recondition, 3rd to First Bridge	\$100,000	0.24	Reclaim
2022	Twin Ponds Wall Repairs	\$100,000		
2022	11th Ave W, 1st St to 6th St	\$217,000	0.31	Reconstruct
2022	W 1st St, Mesaba Ave to N 6th Ave W	\$73,500	0.07	Mill & Overlay
2022	1st Ave E, Mesaba Ave to E 4th St	\$340,000	0.34	Reclaim
2022	7th St, Mesaba Ave to 6th Ave E	\$420,000	0.6	Mill & Overlay
2022	4th Ave E, 4th St to Central Ent	\$260,000	0.37	Mill & Overlay
2022	8th St, 4th Ave E to 5th Ave E	\$50,000	0.07	Mill & Overlay
2022	10th St, 4th Ave E to 5th Ave E	\$50,000	0.07	Mill & Overlay
2022	5th Ave E, 7th St to 10th St	\$140,000	0.2	Mill & Overlay
2022	Ridgewood Rd, 34th Ave E to 800ft	\$106,000	0.15	Mill & Overlay
2022	Pinewood Ln, Crescent Vw to E 3rd St	\$133,000	0.19	Mill & Overlay
2022	E 3rd St, Pinewood Ln to 37th Ave E	\$135,000	0.19	Mill & Overlay
2022	E 4th St, Pinewood Ln to 550' S	\$70,000	0.1	Mill & Overlay
2022	Melwood Ave, Ridgewood Rd to Cul de Sac	\$219,000	0.31	Reclaim
2022	Crescent View Dr, Pinewood Ln to 220' N	\$60,000	0.02	Mill & Overlay

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### Street Improvement & Bridge Projects

2022	N 45th Ave E, E Superior St to London Rd	\$161,000	0.19	Mill & Overlay
2022	Wyoming St, 51st to 52nd Ave E	\$11,000	0.11	Overlay
2022	N 54th Ave E, Glenwood to E Superior St	\$27,000	0.27	Overlay
2022	Guardrail, Retaining Walls, Bridge, Erosion	\$300,000		
	Chip Seal	\$350,000	6.61	
	Engineering	\$300,000		
	Contingency	\$582,500		
	<b>Total Street Preservation Project</b>	<b>\$6,363,000</b>	<b>13.54</b>	

#### Other City Projects in 2022:

	Brighton Beach Roadway	\$350,000	0.4	Reconstruct
2022	Lakewood Reclaim, Superior St to City Limits	\$350,000	0.64	Reclaim
	21st Ave E, London Rd to Woodland	\$1,300,000	0.61	Mill & Overlay

<b>Total 2022 Miles</b>		<b>15.19</b>
<b>Total 2022 Construction Cost</b>	<b>\$7,130,500</b>	
<b><u>Maint, Engineering &amp; Contingency Cost</u></b>	<b><u>\$1,232,500</u></b>	
<b>Total 2022 Costs</b>	<b>\$8,363,000</b>	

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### Street Improvement & Bridge Projects

**Project Title:**

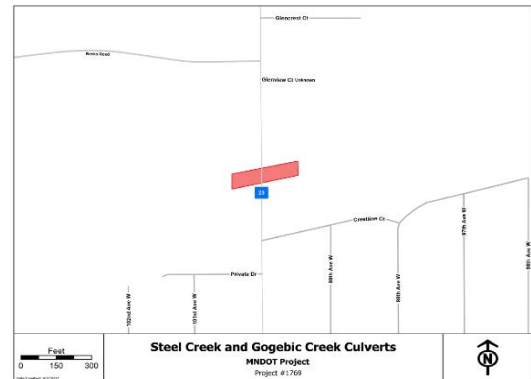
Gogebic Creek/Steel Creek (MNDOT)

**Description:**

Culvert replacement with MNDOT project.

**Funding Source:**

	2023
Utilities Funds	\$ 280,000
Street Lighting Fund	\$ 10,000
	\$ 290,000



**Project Title:**

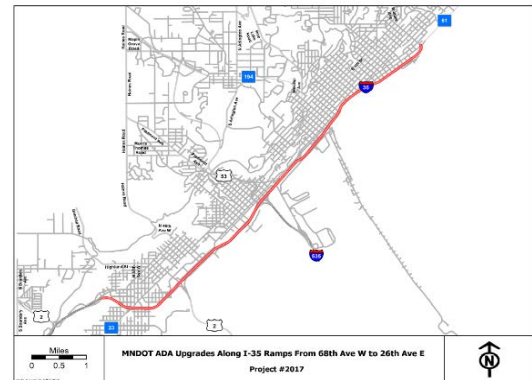
MNDOT ADA upgrades along I-35 ramps 68th Ave W to 26th Ave E (City Match)

**Description:**

ADA Ramp and sidewalk work adjacent to the I35 corridor, city match.

**Funding Source:**

	2024
State	\$ 200,000



# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### Street Improvement & Bridge Projects

**Project Title:**

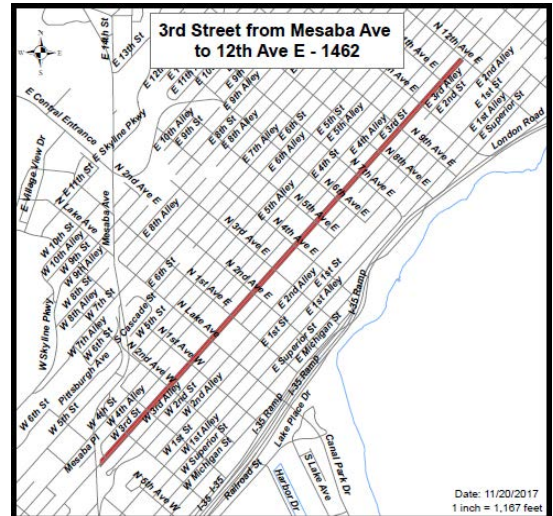
3rd St from Mesaba Ave to 12th Ave E

**Description:**

Street Reconditioning

**Funding Source:**

	2023
Federal	\$ 1,400,000
MSA	\$ 350,000
Street Lighting	\$ 750,000
	\$ 2,500,000



**Project Title:**

Cross City Trail Segment 3 from Irving Park to Keene Creek Park

**Description:**

Connecting the Cross City Trail to the Western part of the City.

**Funding Source:**

	2023
Federal	\$ 600,000
Parks Fund	\$ 210,000
	\$ 810,000

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### Street Improvement & Bridge Projects

**Project Title:**

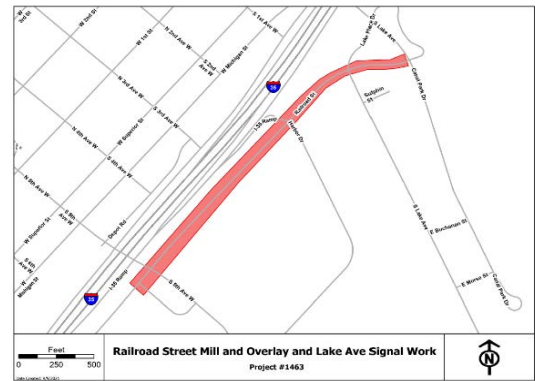
Railroad Street: Canal Park Dr to 5th Ave W

**Description:**

Reconditioning road post TPI

**Funding Source:**

	2024
Federal	\$ 1,480,000
MSA	\$ 370,000
Street Lighting	\$ 400,000
	\$ 2,250,000



**Project Title:**

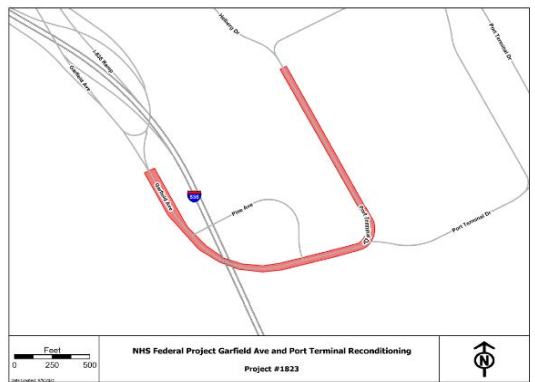
Garfield Ave and Port Terminal Reconditioning  
Engineering NHS Federal 2025 project

**Description:**

Reconditioning of street post TPI

**Funding Source:**

	2024 & 2025
Federal	\$ 360,000
MSA	\$ 100,000
	\$ 460,000



# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### Street Improvement & Bridge Projects

**Project Title:**

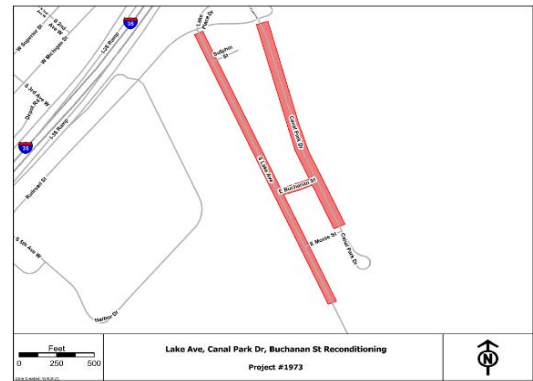
Lake Ave/Canal Park Dr/Buchanan St Reconditioning

**Description:**

Reconditioning streets for preservation

**Funding Source:**

	2025
Federal	\$ 1,480,000
MSA	\$ 720,000
Street System Maint. Levy	\$ 400,000
	\$ 2,600,000



**Project Title:**

London Rd 26th Ave E to 60th Ave E (MNDOT)

**Description:**

Coordinate with MNDOT for reconditioning of London Rd (MN 61)

**Funding Source:**

	2025
MSA	\$ 2,000,000



# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### Street Improvement & Bridge Projects

**Project Title:**

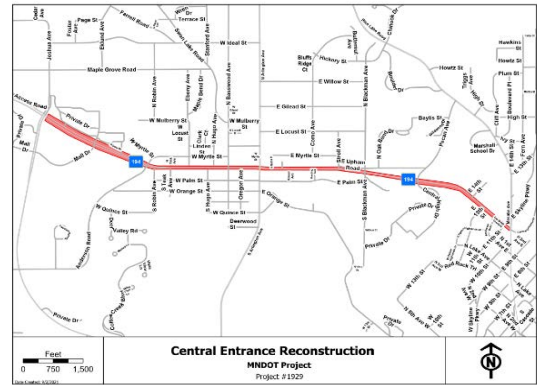
Central Ent Reconstuction (MNDOT)

**Description:**

Total reconstruction of roadway.

**Funding Source:**

	<u>2026</u>
MSA	\$ 1,300,000
Street Lighting Fund	\$ 400,000
	<u>\$ 1,700,000</u>



**Project Title:**

Mesaba Ave Turn Lane/Signal 1st St (MNDOT)

**Description:**

Traffic flow upgrades.

**Funding Source:**

	<u>2026</u>
Street Lighting Fund	\$ 300,000





# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 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, as well as the continued extension of the city's natural gas system.

**Operating Cost Implications of 2022 Approved Projects:**

The Water Fund projects are for replacement and rehabilitation of the water system to increase system reliability 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	2022	2023	2024	2025	2026	Total
Water	6,155,000	5,227,500	2,082,500	4,287,500	2,500,000	20,252,500
Gas	2,695,000	2,850,000	3,070,000	2,250,000	2,250,000	13,115,000
Sewer	2,175,000	2,500,000	2,600,000	2,500,000	2,350,000	12,125,000
Stormwater	480,000	785,000	795,000	645,000	345,000	3,050,000
<b>Total</b>	<b>11,505,000</b>	<b>11,362,500</b>	<b>8,547,500</b>	<b>9,682,500</b>	<b>7,445,000</b>	<b>48,542,500</b>

Funding	2022	2023	2024	2025	2026	Total
ARP Fund	5,000,000	-	-	-	-	5,000,000
Water Revenue Bonds	-	2,600,000	-	-	-	2,600,000
Water - Current Revenue	1,155,000	2,627,500	2,082,500	4,287,500	2,500,000	12,652,500
Gas - Current Revenue	2,695,000	2,850,000	3,070,000	2,250,000	2,250,000	13,115,000
Sewer - Current Revenue	2,175,000	2,500,000	2,600,000	2,500,000	2,350,000	12,125,000
Stormwater - Current Revenue	480,000	785,000	795,000	645,000	345,000	3,050,000
<b>Total</b>	<b>11,505,000</b>	<b>11,362,500</b>	<b>8,547,500</b>	<b>9,682,500</b>	<b>7,445,000</b>	<b>48,542,500</b>

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 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. In 2021 the City will issue a \$3.15 million bond to complete rehabilitation of the Middle Pump Station.

Operating Cost Implications of 2022 Approved Projects:

Project	2022	2023	2024	2025	2026	Total
1st St E: 9th Ave E to 12th Ave E	-	-	202,500	-	-	202,500
40th Avenue West (County)	-	-	600,000	-	-	600,000
4th Street water main, 6th Ave East to Mesaba Ave (design)	-	-	-	200,000	-	200,000
5th Street water main, 6th Ave East to Mesaba Ave	-	-	-	1,100,000	-	1,100,000
6th Ave East- 3rd St to 6th St	-	157,500	-	-	-	157,500
Cathodic Protection System on 42-inch steel construction	10,000	80,000	80,000	-	-	170,000
Duluth Heights Phases #1 and #2	-	490,000	-	-	-	490,000
Duluth Heights #3	-	-	-	-	1,000,000	1,000,000
Electrical upgrades at WTP	-	-	-	1,500,000	-	1,500,000
Far East Superior Street water main off 42-inch	-	300,000	300,000	700,000	-	1,300,000
Fascia repairs at main WTP pump building	-	100,000	-	-	-	100,000
Hidden Valley Phase 2 water main replacement	1,400,000	-	-	-	-	1,400,000
<b>Project Continued</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 Capital Improvement Plan

### Water Capital Projects

Lead Service Line Revolving Loan Fund	2,000,000	-	-	-	-	2,000,000
Lead Service Replacement (ARP Funded)	1,600,000	-	-	-	-	1,600,000
Lead Service Replacement (Misc)	30,000	-	-	-	-	30,000
MNDOT Gogebic Creek	-	200,000	-	-	-	200,000
MNDOT TH23 Mission Creek Bridge	-	650,000	-	-	-	650,000
MNDOT US Steel Creek	-	120,000	-	-	-	120,000
Morris Thomas Rd. water main (County)	1,100,000	-	-	-	-	1,100,000
Pump #4 Study	-	-	-	-	50,000	50,000
Raleigh St, 59th Ave W to Grand Ave	-	530,000	-	-	-	530,000
Upper Lakeside phase 1, connection on Glenwood	-	-	900,000	-	-	900,000
Upper Lakeside phase 2, connection at golf course	-	-	-	787,500	-	787,500
Upper Lakeside phase 3 upgrades	-	-	-	-	800,000	800,000
Water Mains and Services (By Ops)	15,000	-	-	-	-	15,000
Water Plant Bldg & Structural Repairs	-	-	-	-	650,000	650,000
Woodland Pump Station construction	-	2,600,000	-	-	-	2,600,000
<b>Total</b>	<b>6,155,000</b>	<b>5,227,500</b>	<b>2,082,500</b>	<b>4,287,500</b>	<b>2,500,000</b>	<b>20,252,500</b>
<b>Funding</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
ARP Fund	5,000,000	-	-	-	-	5,000,000
Water Improvement Bonds	-	2,600,000	-	-	-	2,600,000
Water - Current Revenue	1,155,000	2,627,500	2,082,500	4,287,500	2,500,000	12,652,500
<b>Total</b>	<b>6,155,000</b>	<b>5,227,500</b>	<b>2,082,500</b>	<b>4,287,500</b>	<b>2,500,000</b>	<b>20,252,500</b>

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 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.

Operating Cost Implications of 2022 Approved Projects:

<b>Project</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
20th Ave W, 23rd Ave W, 10th St	-	500,000	500,000	-	-	1,000,000
3rd St, Vernon St, 2nd St Alley	200,000	-	-	-	-	200,000
Building shell at Stora Enso	140,000	-	-	-	-	140,000
Gas Blanket Project	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	7,500,000
Meter relocations/bollards	250,000	250,000	250,000	250,000	250,000	1,250,000
Michigan Street 10-inch MNDOT Central entrance, 8 inch replacement	120,000	-	-	-	-	120,000
MNDOT Gogebic culverts	-	-	320,000	-	-	320,000
Patch Projects	-	100,000	-	-	-	100,000
	10,000	-	-	-	-	10,000
Steel main replacements	440,000	500,000	500,000	500,000	500,000	2,440,000
Street Projects	30,000	-	-	-	-	30,000
Uprating of Upper Woodland	5,000	-	-	-	-	5,000
<b>Total</b>	<b>2,695,000</b>	<b>2,850,000</b>	<b>3,070,000</b>	<b>2,250,000</b>	<b>2,250,000</b>	<b>13,115,000</b>
<b>Funding</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
Gas - Current Revenue	2,695,000	2,850,000	3,070,000	2,250,000	2,250,000	13,115,000
<b>Total</b>	<b>2,695,000</b>	<b>2,850,000</b>	<b>3,070,000</b>	<b>2,250,000</b>	<b>2,250,000</b>	<b>13,115,000</b>

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 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.

Operating Cost Implications of 2022 Approved Projects:

<b>Project</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
40th Ave W with SLC	-	-	50,000	-	-	50,000
4th St Water main Replace 6th Ave E to Mesaba Ave				150,000	-	150,000
Citywide manhole adjustments	50,000	50,000	50,000	50,000	50,000	250,000
Citywide sanitary sewer rehabilitation/lining	1,425,000	1,900,000	1,950,000	1,850,000	1,850,000	8,975,000
Heights 1 & 2	-	100,000	100,000	-	-	200,000
Lift Station rehabilitation	450,000	450,000	450,000	450,000	450,000	2,250,000
Miscellaneous Street Projects	100,000					100,000
Morris Thomas with SLC	150,000	-	-	-	-	150,000
PW&U Garfield Facility roof	-	-	-	-	-	-
<b>Total</b>	<b>2,175,000</b>	<b>2,500,000</b>	<b>2,600,000</b>	<b>2,500,000</b>	<b>2,350,000</b>	<b>12,125,000</b>
<b>Funding</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
	-	-	-	-	-	
Sewer - Current Revenue	2,175,000	2,500,000	2,600,000	2,500,000	2,350,000	12,125,000
<b>Total</b>	<b>2,175,000</b>	<b>2,500,000</b>	<b>2,600,000</b>	<b>2,500,000</b>	<b>2,350,000</b>	<b>12,125,000</b>

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022-2026 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 Chester, Clarkhouse, Gogebic, Greys and Lower Coffee Creeks is planned to repair deteriorated public infrastructure. Significant costs will occur in the repair and replacement of storm sewer in steep slope areas that discharge into streams located throughout the city.

Operating Cost Implications of 2022 Approved Projects:

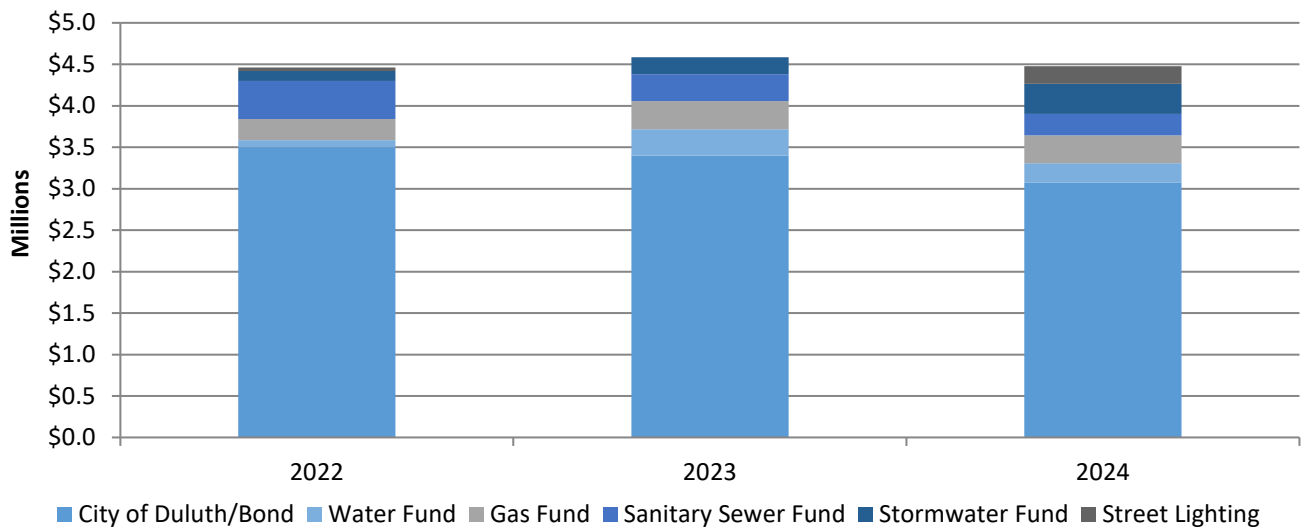
<b>Project</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
Annual Transportation SIP projects	150,000	150,000	150,000	150,000	150,000	750,000
40th Ave W (County)	-	-	150,000	-	-	150,000
Citywide manhole adjustments	50,000	50,000	50,000	50,000	50,000	250,000
Clarkhouse Creek	100,000	-	-	-	-	100,000
Gogebic Creek CIPP and storm improvements		275,000	-	-	-	275,000
Hidden Valley 2	25,000	-	-	-	-	25,000
Kenwood Avenue box culvert fish passage - Chester Creek	-	40,000	300,000	300,000	-	640,000
Lower Coffee Creek	-	100,000	-	-	-	100,000
Morris Thomas Road (County)	10,000	20,000	-	-	-	30,000
Non-Capital storm projects	145,000	145,000	145,000	145,000	145,000	725,000
US Steel Creek	-	5,000	-	-	-	5,000
<b>Total</b>	<b>480,000</b>	<b>785,000</b>	<b>795,000</b>	<b>645,000</b>	<b>345,000</b>	<b>3,050,000</b>
<b>Funding</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
Stormwater - Current Revenue	480,000	785,000	795,000	645,000	345,000	3,050,000
<b>Total</b>	<b>480,000</b>	<b>785,000</b>	<b>795,000</b>	<b>645,000</b>	<b>345,000</b>	<b>3,050,000</b>

# City of Duluth Minnesota - 2022 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. \$13.52 million in equipment purchases are proposed in this plan for the period of 2022 through 2024. Of that total, \$9.97 million of equipment will be financed using bond proceeds and the balance of \$3.55 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.



	2022	2023	2024	Total
City of Duluth/Bond	3,500,000	3,400,000	3,072,000	9,972,000
Water Fund	86,400	316,100	235,700	638,200
Gas Fund	253,100	340,300	335,800	929,200
Sanitary Sewer Fund	461,000	323,900	257,900	1,042,800
Stormwater Fund	119,000	204,100	363,600	686,700
Street Lighting	42,000	-	210,000	252,000
<b>Total Plan</b>	<b>4,461,500</b>	<b>4,584,400</b>	<b>4,475,000</b>	<b>13,520,900</b>

# City of Duluth Minnesota - 2022 Budget

## Capital Equipment Plan

### 2022 Proposed Equipment:

The City's proposed 2022 capital equipment plan includes \$4.46 million for capital equipment purchases, of which \$3.50 million will be financed using bond proceeds and the remaining \$.96 million will be paid for from utility revenues and the street lighting property tax levy.

For 2022, the City is proposing bonding for rolling stock purchases in the amount of \$1.65 million comprised of Fire vehicles and equipment totaling \$122,500; Construction Services vehicles and equipment totaling \$52,500; Police vehicles and equipment totaling \$525,000; Facilities vehicles and equipment totaling \$40,000; Park Maintenance vehicles and equipment totaling \$246,000; Parks and Rec vehicles and equipment totaling \$59,000; Street Maintenance vehicles and equipment totaling \$550,000; Library vehicles and equipment totaling \$35,000; and Transportation Engineering vehicles and equipment totaling \$20,000. For 2022 the City is also proposing bonding for non-rolling stock equipment in the amount of \$1.85 million for technology improvements and replacements, Fire equipment, and Police equipment.

The breakdown of equipment purchases for the utility funds in 2022 includes \$60,000 for non-rolling stock equipment and \$901,500 for rolling stock vehicles for a total of \$961,500 in 2022; to be paid for using utility revenues and the street lighting property tax levy.



# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022 - 2024 Capital Equipment Program

### City of Duluth Rolling Stock Vehicles

	2022	2023	2024	Total
<b>Fire Department</b>				
Vehicles and Equipment	122,500	120,000	95,000	337,500
Subtotal Fire Department	122,500	120,000	95,000	337,500
<b>Construction Services</b>				
Vehicles and Equipment	52,500	30,000	-	82,500
Subtotal Construction Services	52,500	30,000	-	82,500
<b>Police Department</b>				
Vehicles and Equipment	525,000	554,600	605,000	1,684,600
Subtotal Police Department	525,000	554,600	605,000	1,684,600
<b>Facilities Management</b>				
Vehicles and Equipment	40,000	46,000	-	86,000
Subtotal Facilities Management	40,000	46,000	-	86,000
<b>Park Maintenance</b>				
Vehicles and Equipment	246,000	91,000	250,000	587,000
Subtotal Park Maintenance	246,000	91,000	250,000	587,000
<b>Parks and Rec</b>				
Vehicles and Equipment	59,000	33,400	40,000	132,400
Subtotal Parks Department	59,000	33,400	40,000	132,400
<b>Street Maintenance</b>				
Vehicles and Equipment	550,000	800,000	550,000	1,900,000
Subtotal Street Maintenance	550,000	800,000	550,000	1,900,000
<b>Library</b>				
Vehicles and Equipment	35,000	-	-	35,000
Subtotal Library	35,000	-	-	35,000
<b>Transportation Engineering</b>				
Vehicles and Equipment	20,000	-	34,000	54,000
Subtotal Transportation Engineering	20,000	-	34,000	54,000
<b>Rolling Stock Bond Total</b>	<b>1,650,000</b>	<b>1,675,000</b>	<b>1,574,000</b>	<b>4,899,000</b>

# City of Duluth Minnesota - 2022 Budget

## Estimated Operating Costs for 2022 Rolling Stock Vehicles

Item Description	2022	2023	2024	2025	2026	2027	6-year total
Construction Svcs SUVs (2)	650	775	900	1,700	1,575	1,425	7,037
Engineering Sedan	400	1,850	1,600	600	1,100	1,100	6,652
Facilities Van	1,225	725	450	750	1,800	2,825	7,771
Fire Sedan (2)	400	1,850	1,600	600	1,100	1,100	6,652
Fire Pickup Squad	4,175	6,250	5,375	2,475	2,275	2,200	22,708
Fire SUV Squad	4,175	6,250	5,375	2,475	2,275	2,200	22,708
Library Mini Van	625	200	1,900	900	1,950	825	6,417
Park Maint Wood Chipper	500	500	1,000	1,000	1,500	825	5,315
Park Maint Sidewalk Cleaner	4,275	7,325	7,700	9,725	10,850	11,400	51,283
Parks and Rec Van (2) Avg	1,225	725	450	750	1,800	2,825	7,771
Police SUV Squads (10) Avg	4,175	6,250	5,375	2,475	2,275	2,200	22,708
PW&U Welding Trailer	500	500	1,000	1,000	1,500	825	5,315
PW&U Service Body (2) Avg	2,300	675	1,100	1,725	2,600	3,225	11,616
PW&U Pickup	2,300	675	1,100	1,725	2,600	3,225	11,616
PW&U Rodder	3,575	3,775	4,375	5,750	5,350	6,025	28,863
PW&U Step Vans (2) Avg	3,575	3,775	4,375	5,750	5,350	6,025	28,863
PW&U Pump Trailer	500	500	1,000	1,000	1,500	825	5,315
Street Maint Pickup (2) Avg	2,300	675	1,100	1,725	2,600	3,225	11,616
Streets Plow Trucks (2) Avg	8,625	13,325	20,525	19,100	26,475	26,650	114,689

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022 - 2024 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 - Life Safety Vehicle

**Description:**

This vehicle is used by Life Safety to provide timely inspections on properties.

**Funding Source:**

Capital Equipment Bond

FY 2022

25,500



**City Priority Strategic Alignment:**

City Priority

Safe and Secure Community

Definition

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

---

#### Fire Department - Tahoe Response Vehicle

**Description:**

A light response vehicle is used for emergency response purposes and so reduces the wear and tear on an expensive engine pumper apparatus.

**Funding Source:**

Capital Equipment Bond

FY 2022

50,000



**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 - 2022 Budget

## City of Duluth 2022 - 2024 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 - Crew Cab Rapid Response Vehicle

**Description:**

A light response vehicle is used for emergency response purposes and so reduces the wear and tear on an expensive engine pumper apparatus.

**Funding Source:**

FY 2022

Capital Equipment Bond

47,000

**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



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#### Construction Services - Inspector Vehicle

**Description:**

Used for Inspectors to visit construction sites where Inspectors spend over 80% of their time.

**Funding Source:**

FY 2022

Capital Equipment Bond

52,500

**City Priority Strategic Alignment:**

City Priority

Livable Neighborhoods and Affordable Housing

Definition

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



# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022 - 2024 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.

#### 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:

FY 2022

Capital Equipment Bond

525,000

Fun Fact: The DPD will travel approximately 1.5 million miles annually.

##### 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

#### Facilities Management - 4WD Service Van

##### Description:

This is a mobile maintenance shop that transports people and tools to on-site locations throughout the City to provide maintenance services.



##### Funding Source:

FY 2022

Capital Equipment Bond

40,000

##### City Priority Strategic Alignment:

###### City Priority

Infrastructure

###### Definition

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



# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022 - 2024 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 - Sidewalk Cleaner

**Description:**

This is used primarily for snow blowing and sweeping City sidewalks.

**Funding Source:**

Capital Equipment Bond

FY 2022

197,000



**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

#### Park Maintenance - Stump Grinder

**Description:**

This unit is used to grind stumps after a tree is removed to remove the stump and roots. It can also be used to dig holes for planting trees.

**Funding Source:**

Capital Equipment Bond

FY 2022

49,000



**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 - 2022 Budget

## City of Duluth 2022 - 2024 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.

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#### Parks and Rec - Two Full Size Vans

##### Description:

These vans would allow us to serve more of the community by allowing us to bring participants to parks they would otherwise never see or have known existed.

##### Funding Source:

FY 2022

Capital Equipment Bond

59,000



##### 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

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#### Street Maintenance - Retro Fit Plow Trucks

##### Description:

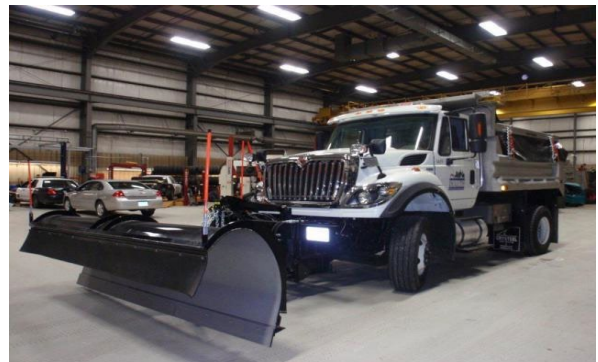
Plow trucks are used for snow plowing, sanding of roads, hauling blacktop, gravel, sand, salt, and other materials.

##### Funding Source:

FY 2022

Capital Equipment Bond

470,000



Fun Fact: In addition to hauling sand/salt & blacktop, each truck will plow approximately 20,000 cu.ft. of snow

##### 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

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# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022 - 2024 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 Pickups

**Description:**

Used to transport employees and materials to job sites.

**Funding Source:**

FY 2022

Capital Equipment Bond

80,000

**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



#### Library - Delivery Van

**Description:**

This van is used to transport bins full of books among the library's three locations each day. It is occasionally used for outreach events, such as going to a farmer's market or community center, or for out-of-town travel to library conferences or workshops.

**Funding Source:**

FY 2022

Capital Equipment Bond

35,000

**City Priority Strategic Alignment:**

City Priority

Culture and Recreation

Definition

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.



Fun Fact: The library delivery van has been used five days a week since 2008.



# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022 - 2024 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 Vehicle

##### Description:

This vehicle is used in engineering services, including inspections and construction project supervision at locations throughout the city.

##### Funding Source:

Capital Equipment Bond

FY 2022

20,000



##### City Priority Strategic Alignment:

##### City Priority

Livable Neighborhoods and Affordable Housing

##### Definition

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

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# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022 - 2024 Capital Equipment Program

### City of Duluth Non-Rolling Stock Equipment

	2022	2023	2024	Total
<b>IT</b>				
Life Cycle Projects	1,255,000	1,210,000	770,000	3,235,000
Innovation Projects	65,000	115,000	555,000	735,000
Subtotal IT	1,320,000	1,325,000	1,325,000	3,970,000
<b>Fire</b>				
Water rescue equipment	20,000	-	-	20,000
Extractors	15,000	-	-	15,000
Rope rescue equipment	-	-	20,000	20,000
Personal Protection Equipment	95,000	65,000	68,000	228,000
SCBA	325,000	325,000	-	650,000
Portable Radios	45,000	-	-	45,000
Medical Bags	-	10,000	-	10,000
Subtotal Fire	500,000	400,000	88,000	988,000
<b>Police</b>				
Police Equipment	30,000	-	25,000	55,000
Subtotal Police	30,000	-	25,000	55,000
<b>Transportation Engineering</b>				
Engineering GPS Units	-	-	60,000	60,000
	-	-	60,000	60,000
<b>Non-Rolling Stock Bond Total</b>	<b>1,850,000</b>	<b>1,725,000</b>	<b>1,498,000</b>	<b>5,073,000</b>

# City of Duluth Minnesota - 2022 Budget

## Operating Costs for Non Rolling Stock Equipment

Item Description	2022	2023	2024	2025	2026	2027	6-year total
Police Video Consolidation	\$ 23,100	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 2,023,100
Network Equipment							
Replacements	\$ 20,000	\$ 30,000	\$ 20,000	\$ 30,000	\$ 20,000	\$ 20,000	\$ 140,000
Police RMS System	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 500,000
ARMER Radio Replacements	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 120,000
Document Mgt	\$ 40,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 100,000	\$ 100,000	\$ 450,000
Security Regulations	\$ -	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 50,000	\$ 90,000
Knox Box Replacements	\$ -	\$ -	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 20,000
TRAKiT Replacement	\$ -	\$ -	\$ 20,000	\$ 20,000	\$ 25,000	\$ 25,000	\$ 90,000
Atty File Management	\$ -	\$ 30,000	\$ 30,000	\$ 32,000	\$ 34,000	\$ 36,000	\$ 162,000
Community Center Technology	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 500,000
Library Scan and Fax	\$ -	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 6,000

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022 - 2024 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>2022-2024</u>
Police Video Consolidation	400,000
Radio Replacements	515,000
Enterprise Wide PC/Laptop	700,000
EOL Phone Refresh	100,000
Firewall Replacement (3) +Analyzer	115,000
Fire MDC Replacement	50,000
Router Replacements	80,000
Core Switch Replacement	40,000
Camera System Hardware Replacements	65,000
Pictometry/Lidar Imagery	30,000
Civil Defense Siren Replacement	350,000
Network Equipment Replacements	600,000
Conference Room Technology Needs	50,000
Security Regulations	50,000
NOC Network Blades	20,000
Backup Server Replacements	20,000
Priority Two Storage	50,000
<b>Total</b>	<b>3,235,000</b>

\*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	3,235,000
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Fun Fact: The City hosts over 5,000 network devices and more than 250 applications and integrations across 42 City facilities.

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022 - 2024 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.



Fun Fact: Professionals spend 5 – 15 percent of their time reading information, but up to 50 percent looking for it.

##### Innovation Project Goals:

Community Center Technology	35,000
Ballot Box Camera	5,000
Library Scan and Fax	25,000
ITSC Project Planning	460,000
Document Mgt	200,000
PC / Peripheral Adds	10,000
<b>Total</b>	<b>735,000</b>

2022-2024 \*estimated project costs



Fun Fact: In the US, there is a hacker attack every 39 seconds. The global average cost of a data breach is \$3.9 million. 95% of cybersecurity breaches are due to human error. Since COVID-19, the US FBI reported a 300% increase in reported cybercrimes.

##### Funding Source:

Capital Equipment Bond	735,000
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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 - 2022 Budget

## City of Duluth 2022 - 2024 Capital Equipment Program

### City of Duluth Non-Rolling Stock Equipment

#### Fire - Water rescue equipment

**Description:**

This equipment will replace out of service rescue suits and upgrade to beach and swift water suits and equipment.

**Funding Source:**

FY 2022

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



#### Fire - Extractor

**Description:**

An extractor is a specialized commercial wash machine which is used to clean turnout gear after it has been worn on a fire scene or hazmat call.

**Funding Source:**

FY 2022

Capital Equipment Bond

15,000

**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 - 2022 Budget

## City of Duluth 2022 - 2024 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.



Fun Fact: The jacket weighs up to 15 lbs and the pants weigh up to 30 lbs. That's why firefighters always wear suspenders. The knees have special material for all the crawling they do.

**Funding Source:**

FY 2022

Capital Equipment Bond

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

#### Fire - SCBA

**Description:**

A self-contained breathing apparatus (SCBA) is a respiratory device that contains and delivers breathable compressed air.



**Funding Source:**

FY 2022

Capital Equipment Bond

325,000

**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 - 2022 Budget

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## City of Duluth 2022 - 2024 Capital Equipment Program

### City of Duluth Non-Rolling Stock Equipment

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#### Fire - Portable Radios

**Description:**

Portable radios are essential to firefighters in the operations for receiving notification from 911 dispatch and communications during emergency response.

**Funding Source:**

Capital Equipment Bond

FY 2022

45,000



**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

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# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022 - 2024 Capital Equipment Program

### Utility Funds Capital Equipment Summary

	2022	2023	2024	Total
<b>Water Fund</b>				
Cars/Pick-ups	13,600	6,200	56,200	76,000
Trucks/Vans	54,800	49,500	112,100	216,400
Dump Trucks	-	81,900	-	81,900
Excavator/Vactor	-	145,800	50,600	196,400
Other Rolling Stock	3,000	17,700	1,800	22,500
Non-Rolling Capital Equipment	15,000	15,000	15,000	45,000
Subtotal Water Fund	86,400	316,100	235,700	638,200
<b>Gas Fund</b>				
Cars/Pick-ups	54,400	12,400	101,900	168,700
Trucks/Vans	171,700	210,300	120,800	502,800
Dump Trucks	-	18,900	18,900	37,800
Excavator/Vactor	-	57,000	77,400	134,400
Other Rolling Stock	12,000	26,700	-	38,700
Non-Rolling Capital Equipment	15,000	15,000	16,800	46,800
Subtotal Gas Fund	253,100	340,300	335,800	929,200
<b>Sanitary Sewer Fund</b>				
Cars/Pick-ups	-	64,200	26,500	90,700
Trucks/Vans	234,000	104,100	100,000	438,100
Dump Trucks	-	12,600	12,600	25,200
Excavator/Vactor	92,000	49,500	42,000	183,500
Other Rolling Stock	120,000	78,500	61,800	260,300
Non-Rolling Capital Equipment	15,000	15,000	15,000	45,000
Subtotal Sanitary Sewer Fund	461,000	323,900	257,900	1,042,800
<b>Stormwater Fund</b>				
Cars/Pick-ups	-	6,200	3,400	9,600
Trucks/Vans	104,000	104,100	100,000	308,100
Dump Trucks	-	12,600	12,600	25,200
Excavator/Vactor	-	35,700	220,000	255,700
Other Rolling Stock	-	30,500	-	30,500
Non-Rolling Capital Equipment	15,000	15,000	27,600	57,600
Subtotal Stormwater Fund	119,000	204,100	363,600	686,700
<b>Street Lighting Fund</b>				
Pick-ups	42,000	-	210,000	252,000
Subtotal Street Lighting Fund	42,000	-	210,000	252,000
<b>Utility Funds Total</b>	<b>961,500</b>	<b>1,184,400</b>	<b>1,403,000</b>	<b>3,548,900</b>

# City of Duluth Minnesota - 2022 Budget

## City of Duluth 2022 - 2024 Capital Equipment Program

### City of Duluth Utilities Rolling Stock Vehicles

#### Public Works and Utilities - Utility Engineering

Midsized Pickup Truck

##### Description:

Transportation of employees and materials to projects in the field.

##### Funding Source:

FY 2022

Gas Fund

30,500

##### 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 - Customer Service

Pickup Truck

##### Description:

Transportation of employees, materials and mobile office while in the field.

##### Funding Source:

FY 2022

Water Fund

6,600

Gas Fund

26,400

Total

33,000

##### 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 - 2022 Budget

## City of Duluth 2022 - 2024 Capital Equipment Program

### City of Duluth Utilities Rolling Stock Vehicles

#### Public Works and Utilities - Customer Service

Three Service Vans

#### Description:

These replacements will be used for the installation of water and gas services and meters as well as provide natural gas appliance repairs.

#### Funding Source:

	<u>FY 2022</u>
Water Fund	28,800
Gas Fund	115,200
<b>Total</b>	<b>144,000</b>



#### 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 - Utility Operations

Mechanical Rodder

#### Description:

This truck mechanically clears the sewer conveyance systems.

#### Funding Source:

FY 2022

Sanitary Sewer Fund	92,000
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#### 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 - 2022 Budget

## City of Duluth 2022 - 2024 Capital Equipment Program

### City of Duluth Utilities Rolling Stock Vehicles

#### Public Works and Utilities - Utility Operations

Step Van Construction

#### Description:

This van uses cameras to monitor the condition of the conveyance systems.

#### Funding Source:

	<u>FY 2022</u>
Water Fund	13,000
Gas Fund	13,000
Sanitary Sewer Fund	91,000
Storm Fund	13,000
<b>Total</b>	<b>130,000</b>



#### 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 - Utility Operations

6" Pump for Sanitary

#### Description:

It's used for bypassing plugged sewer lines or shut down lift stations. It can also be used for dewatering things such as large main breaks.

#### Funding Source:

	<u>FY 2022</u>
Sanitary Sewer Fund	120,000



#### 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 - 2022 Budget

## City of Duluth 2022 - 2024 Capital Equipment Program

### City of Duluth Utilities Rolling Stock Vehicles

#### Public Works and Utilities - Utility Operations

1 Ton Pickup Truck with Crane

##### Description:

The transport of materials and trailered equipment for utility repair and maintenance activities.



##### Funding Source:

FY 2022

Sanitary Sewer Fund

130,000

##### 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 - Utility Operations

1 Ton Pickup with Flatbed for Welders

##### Description:

The transport of materials and trailered equipments for utility repair and maintenance activities.



##### Funding Source:

FY 2022

Water Fund

7,000

Gas Fund

28,000

Total

35,000

##### 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 - 2022 Budget

## City of Duluth 2022 - 2024 Capital Equipment Program

### City of Duluth Utilities Rolling Stock Vehicles

#### Public Works and Utilities - Street Lighting

Pickup Truck

##### Description:

Transportation of employees, materials and mobile office while in the field.

##### Funding Source:

FY 2022

Street Lighting Fund

42,000

##### 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 - Utility Operations

Step Van Construction

##### Description:

Transportation of employees, construction materials and mobile office while in the field.

##### Funding Source:

FY 2022

Water Fund

13,000

Gas Fund

13,000

Sanitary Sewer Fund

13,000

Stormwater Fund

91,000

Total 130,000



##### 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 - 2022 Budget

## City of Duluth 2022 - 2024 Capital Equipment Program

### City of Duluth Other Rolling/Non-Rolling Stock Equipment

#### Public Works & Utilities - Utility Operations

Welder

**Description:**

Welding and joining water and gas pipes.

**Funding Source:**

	<u>FY 2022</u>
Water Fund	3,000
Gas Fund	<u>12,000</u>
Total	15,000



**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 & Utilities - Engineering

Trimble GPS

**Description:**

GPS Units are used for locating and recording above ground infrastructure.

**Funding Source:**

	<u>FY 2022</u>
Water Fund	15,000
Gas Fund	15,000
Sanitary Sewer Fund	15,000
Storm Fund	<u>15,000</u>
Total	60,000



**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



## Legislation Details (With Text)

**File #:** 21-057-O      **Name:**  
**Type:** Ordinance      **Status:** Passed  
**File created:** 11/24/2021      **In control:** Finance  
**On agenda:** 12/6/2021      **Final action:** 12/20/2021  
**Title:** AN ORDINANCE SETTING THE BUDGET FOR THE FISCAL YEAR 2022 APPROPRIATING MONIES FOR THE SUPPORT OF THE CITY GOVERNMENT, PUBLIC UTILITIES, AND PUBLIC ENTERPRISE FUNDS AND FOR OTHER PURPOSES.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Motion to Amend: #1 (21-057-O) - Passed Unanimously., 2. Motion to Amend: #2 (21-057-O) - Passed Unanimously

Date	Ver.	Action By	Action	Result
12/20/2021	1	City Council	adopted as amended	
12/6/2021	1	City Council	read for the first time	

AN ORDINANCE SETTING THE BUDGET FOR THE FISCAL YEAR 2022 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, 2022, 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 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 \$3,054,000 from the gas and steam public utility funds to the general fund for administrative services; comprised of \$2,900,000 or seven percent of the gross revenues of the gas utility fund to the general fund; and \$154,000 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 2022.

General Fund

110	Legislative and Executive	3,830,400
121	Property, Parks, and Libraries	13,621,200
122	Administrative Services	5,795,200
125	Finance	2,814,500
132	Planning and Economic Development	3,746,600
150	Fire	19,106,700
160	Police	26,406,600
500	Public Works	10,439,900
700	Transfers and Other Functions	13,568,300
	Total General Fund	99,329,400

Special Revenue

205	Parks Fund	3,176,000
268 & 270	Workforce Development Fund	3,276,648
290	Street System Maintenance Utility	2,500,000
550	Street Lighting Fund	2,511,500

Public Enterprise		
503	Golf Fund	1,683,370
505	Parking Fund	5,477,900
506	Priley Drive Parking Facility	1,473,800
Public Utilities		
510 & 511	Water Fund	18,139,200
520	Gas Fund	41,154,600
530 & 532	Sewer and Clean Water Fund	23,062,100
535	Stormwater Fund	5,575,200
540	Steam Fund	15,155,800

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, 2022.

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 2022 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 utility; and the three public enterprise funds of parking, Priley Drive parking facility, and golf.



## Legislation Details (With Text)

File #: 21-068-O Name:  
Type: Ordinance Status: Passed  
File created: 11/24/2021 In control: Finance  
On agenda: 12/6/2021 Final action: 12/20/2021  
Title: AN ORDINANCE DETERMINING THE SUM TO BE RAISED BY TAXATION FOR GENERAL PURPOSES FOR THE YEAR 2022.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A, 2. Motion to Amend: #1 (21-068-O) - Withdrawn, 3. Motion to Amend: #2 (21-068-O) - Passed Unanimously., 4. Motion to Amend: #3 (21-068-O) - Passed Unanimously, 5. Motion to Amend: #4 (21-068-O) - Passed Unanimously, 6. Motion to Amend: #5 (21-068-O) - Passed Unanimously

Date	Ver.	Action By	Action	Result
12/20/2021	1	City Council	adopted as amended	
12/6/2021	1	City Council	read for the first time	

AN ORDINANCE DETERMINING THE SUM TO BE RAISED BY TAXATION FOR GENERAL PURPOSES FOR THE YEAR 2022.

### CITY PROPOSAL:

The city of Duluth does ordain:

Section 1. That the sum to be raised by taxation for the year 2022 is hereby determined to be the sum of \$38,295,026 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. That there will be levied for the support of the general fund the sum of \$25,387,726.

Section 3. There will be levied for support of the Parks fund the amount of \$280,000.

Section 4. That there will be levied for the support of the street lighting fund the sum of \$2,447,200.

Section 5. That there will be levied for the support of the street maintenance utility fund the amount of \$2,300,000.

Section 6. That there will be levied for the support of the Duluth housing trust fund the amount of \$292,500

Section 7. That for the payment of debt, there will be levied for the general obligation debt fund the sum of \$7,307,600.

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 this ordinance shall take effect January 1, 2022.

STATEMENT OF PURPOSE: This ordinance sets the property tax levy for the year 2022. The 2022 levy reflects a total increase of 10.72% which will be offset by total property tax growth in the City of 4.94%.



## Legislation Details (With Text)

File #: 21-061-O Name:  
Type: Ordinance Status: Passed  
File created: 11/24/2021 In control: Finance  
On agenda: 12/6/2021 Final action: 12/20/2021  
Title: AN ORDINANCE DETERMINING THE SUM TO BE RAISED BY TAXATION FOR THE SPECIAL PARKS FUND LEVY FOR THE YEAR 2022.

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
12/20/2021	1	City Council	adopted	
12/6/2021	1	City Council	read for the first time	

AN ORDINANCE DETERMINING THE SUM TO BE RAISED BY TAXATION FOR THE SPECIAL PARKS FUND LEVY FOR THE YEAR 2022.

### CITY PROPOSAL:

The city of Duluth does ordain:

Section 1. That the sum to be raised by taxation for the year 2022 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 10134, approved by voter referendum on November 9, 2011, pursuant to the authority contained in Laws of Minnesota, 1983, 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, 2022.

STATEMENT OF PURPOSE: This ordinance sets the property tax levy for the year 2022 for the parks fund levy. Ordinance 10134, approved by voter referendum on November 9, 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 #: 21-058-O Name:  
 Type: Ordinance Status: Passed  
 File created: 11/24/2021 In control: Finance  
 On agenda: 12/6/2021 Final action: 12/20/2021  
 Title: AN ORDINANCE DETERMINING THE SUM TO BE RAISED BY TAXATION FOR THE SPECIAL TAXING DISTRICT, DULUTH TRANSIT AUTHORITY, FOR THE YEAR 2022.

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
12/20/2021	1	City Council	adopted	
12/6/2021	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 2022.

CITY PROPOSAL:

The city of Duluth does ordain:

Section 1. That the sum to be raised by taxation for the year 2022 for Duluth Transit Authority taxing district's operations is hereby determined to be the sum of \$1,666,900 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 \$1,666,900.

Section 3. That this ordinance shall take effect January 1, 2022.

STATEMENT OF PURPOSE: This ordinance sets the property tax levy for the year 2022 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 DTA, in reviewing their needs for 2022, is opting not to request the full levy allowable. Instead, the DTA is requesting the same levy amount as 2021.



## Legislation Details (With Text)

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File #: 21-0922R Name:  
Type: Resolution Status: Passed  
File created: 11/24/2021 In control: Finance  
On agenda: 12/6/2021 Final action: 12/6/2021  
Title: RESOLUTION APPROVING THE FISCAL YEAR JANUARY 1, 2022 TO DECEMBER 31, 2022,  
OPERATION BUDGET OF THE DULUTH AIRPORT AUTHORITY.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A

Date	Ver.	Action By	Action	Result
12/6/2021	1	City Council	adopted	

RESOLUTION APPROVING THE FISCAL YEAR JANUARY 1, 2022 TO DECEMBER 31, 2022, OPERATION BUDGET OF THE DULUTH AIRPORT AUTHORITY.

### CITY PROPOSAL:

RESOLVED, that the operations budget for the fiscal year January 1, 2022 to December 31, 2022, in the amount of \$16,866,199 for the Duluth Airport Authority is hereby approved.

STATEMENT OF PURPOSE: This resolution adopts the 2022 operating budget for the Duluth Airport Authority, a detailed budget is attached as Exhibit A.



## Legislation Details (With Text)

File #: 21-0918R Name:  
Type: Resolution Status: Passed  
File created: 11/22/2021 In control: Finance  
On agenda: 12/6/2021 Final action: 12/6/2021  
Title: RESOLUTION ESTABLISHING ANNUAL BONDING PLAN FOR 2022.  
Sponsors:  
Indexes:  
Code sections:  
Attachments: 1. Exhibit A

Date	Ver.	Action By	Action	Result
12/6/2021	1	City Council	adopted	

RESOLUTION ESTABLISHING ANNUAL BONDING PLAN FOR 2022.

### 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 2022.

General obligation bonds and notes to be issued in 2022	\$18,100,000
General obligation bonds and notes scheduled to be retired in 2022	\$16,116,500
Net anticipated increase in general obligation bonding for 2022	\$1,983,500

STATEMENT OF PURPOSE: This resolution sets forth the city's estimated bond and note issuances and repayments for the year 2022 as required by Section 20-33 of the city code. The city estimates its bonding activity in 2022 will result in a net increase of \$1,983,500 in the amount of the city's general obligation outstanding debt during 2022; 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 #: 21-0914R Name:  
 Type: Resolution Status: Passed  
 File created: 11/17/2021 In control: Finance  
 On agenda: 12/6/2021 Final action: 12/6/2021  
 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
12/6/2021	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 2022 through 2026 which has been presented to the Council in the section entitled "Capital Improvement Program Summary" in the document entitled "2022-2026 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 6, 2021, 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 6, 2021, 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 \$2,000,000 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 \$2,000,000 (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 and the Tree Farm/Riley Road public works facility, and for the payment of costs of issuance of the Bonds.

(d) If, within 30 days after December 6, 2021, 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 2022-2026 capital improvement plan and declares the City's intent to issue general obligation capital improvement bonds in 2022 in an amount not to exceed \$2,000,000 for certain capital improvements as listed in the resolution. The estimated costs of the capital improvements to be financed by the 2022 bonds are \$1,800,000 plus underwriter discount and costs of issuance.



Legislation Details (With Text)

File #: 21-0913R Name:  
Type: Resolution Status: Passed  
File created: 11/17/2021 In control: Finance  
On agenda: 12/6/2021 Final action: 12/6/2021  
Title: RESOLUTION OF THE CITY OF DULUTH, MINNESOTA, STATING THE INTENT TO ISSUE GENERAL OBLIGATION CAPITAL EQUIPMENT NOTES, SERIES 2022, IN THE APPROXIMATE AMOUNT OF \$4,000,000 AND APPROVING THE CAPITAL EQUIPMENT LIST ASSOCIATED WITH THE NOTES.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A

Date	Ver.	Action By	Action	Result
12/6/2021	1	City Council	adopted	

RESOLUTION OF THE CITY OF DULUTH, MINNESOTA, STATING THE INTENT TO ISSUE GENERAL OBLIGATION CAPITAL EQUIPMENT NOTES, SERIES 2022, IN THE APPROXIMATE AMOUNT OF \$4,000,000 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 2022 in an amount up to \$4,000,000 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 2022.

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 2022 to finance the purchase of capital equipment. It further approves the capital equipment list as items to be financed in 2022 in an amount of \$3,500,000 plus an additional amount for costs of issuance and discount.



Legislation Details (With Text)

File #: 21-0832R Name:  
 Type: Resolution Status: Passed  
 File created: 10/18/2021 In control: Finance  
 On agenda: 10/25/2021 Final action: 11/8/2021  
 Title: RESOLUTION DISTRIBUTING THE ESTIMATED 2022 HOTEL-MOTEL AND FOOD AND BEVERAGE TOURISM TAXES. (REPLACEMENT)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A, 2. Economic Developer, 3. Motion to Amend: Sipress/Filipovich (1) - Passed Unanimously., 4. Motion to Amend: Kennedy/Medved - Passed 5 Yea 4 Nay(Councilors Filipovich, Randorf, Sipress and President Van Nett), 5. Motion to Amend: Sipress/Filipovich (2) - Passed unanimously.

Date	Ver.	Action By	Action	Result
11/8/2021	1	City Council	adopted as amended	
10/25/2021	1	City Council	tabled	

RESOLUTION DISTRIBUTING THE ESTIMATED 2022 HOTEL-MOTEL AND FOOD AND BEVERAGE TOURISM TAXES. (REPLACEMENT)

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 return to pre-pandemic levels of approximately \$12 million. 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
- Spirit Mountain Tax Abatement Bonds (Grand Avenue Chalet & Improvements) - \$7,055,000
- Minnesota Slip Bridge Interfund Loan - \$2,200,000
- Promotion and Publicity 3% Hotel/Motel Tax Mandate

WHEREAS, the allocations for City funding to the General Fund and Parks are focused on the costs of providing services for events and tourist-focused activities which include but are not limited to: Lakewalk, Enger Tower, Rose Garden, Public Safety staffing and road closures for special events.

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 2022 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:	\$2,908,200	\$1,112,400	\$1,795,800
1% Hotel/Motel Tax:	\$963,600	\$669,100	\$294,500
1% Food & Beverage:	\$2,612,100	\$2,612,100	\$0
Additional 2% Hotel/Motel:	\$1,802,300	\$901,100	\$901,200
Additional .75% Food & Beverage:	\$1,959,100	\$0	\$1,959,100
Additional .5% Food&Bev & .5% Hotel/Motel	\$1,754,700	\$0	\$1,754,700
Tourism Tax Fund Unappropriated Fund Balance	\$1,347,600	\$1,347,600	\$0
Total:	\$13,347,600	\$6,642,300	\$6,705,300
DECC- Amsoil Arena Debt Service	\$3,754,900	\$0	\$3,754,900
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	\$1,754,700	\$0	\$1,754,700
Minnesota Slip Bridge	\$550,000	\$0	\$550,000
DECC - Bayfront Park Management	\$71,300	\$71,300	\$0
DECC - Blue Bridge Operations	\$44,500	\$44,500	\$0
Tourism Events Support General Fund	\$1,165,000	\$1,165,000	\$0
Funds allocated pursuant to Resolution 21-0847	\$100,000	\$100,000	\$0
Greater Downtown Council/Duluth Downtown Waterfront District	\$220,000	\$220,000	\$0
Lake Superior Zoo	\$510,000	\$510,000	\$0
Northern Lights Express	\$15,000	\$15,000	\$0
Bellmont Partners	\$1,800,000	\$1,800,000	\$0
Visit Duluth Event and Convention Sales	\$650,000	\$650,000	\$0
Visit Duluth Website	\$300,000	\$300,000	\$0
Fourth Fest Fireworks	\$57,000	\$57,000	\$0
Duluth Airport - Denver Flight	\$50,000	\$50,000	\$0
Great Lakes Aquarium	\$320,000	\$320,000	\$0
The Depot Foundation	\$200,000	\$200,000	\$0
Duluth Sister Cities International	\$20,000	\$20,000	\$0

Lake Superior & Mississippi Railroad	\$20,000	\$20,000	\$0
Glensheen	\$30,000	\$30,000	\$0
Duluth Children's Museum	\$15,000	\$15,000	\$0
Hawk Ridge Bird Observatory	\$25,000	\$25,000	\$0
North Shore Scenic Railroad	\$45,000	\$45,000	\$0
City of Duluth Parks and Recreation	\$46,000	\$46,000	\$0
Spirit Mountain Operations	\$440,000	\$440,000	\$0
Funds allocated pursuant to Resolution 21-0847	\$450,000	\$450,000	\$0
Zeitgeist Center for Arts and Community	\$20,000	\$20,000	\$0
Kraus Anderson Bike Duluth Festival	\$8,500	\$8,500	\$0
Gary New Duluth Skateboard Park	\$20,000	\$20,000	\$0
Total	\$13,347,600	\$6,642,300	\$6,705,300

STATEMENT OF PURPOSE: This resolution distributes the 2022 estimated tourism taxes as required by Minnesota State Statutes, City ordinance, or City policy. A 33% increase in 2022 tax collections was factored in determining the allocations above. A comparison of 2021 approved allocations to 2022 proposed allocations is attached as Exhibit A.

For 2022, the City intends to use \$1,347,600 of unappropriated fund balance from the tourism tax fund.

This year, the City reinstated its application process for tourism tax allocations after taking one year off due to the pandemic and projected decreases in revenue. As in previous years, 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 third 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 #: 21-0961R Name:

Type: Resolution Status: Passed

File created: 12/9/2021 In control: Public Works and Utilities

On agenda: 12/20/2021 Final action: 12/20/2021

Title: RESOLUTION AMENDING RESOLUTION 21-0832R, ADOPTED AS AMENDED ON NOVEMBER 8, 2021, TO ADD \$30,000 TO TOURISM EVENTS SUPPORT GENERAL FUND.

Sponsors: Joel Sipress

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
12/20/2021	1	City Council	adopted	

RESOLUTION AMENDING RESOLUTION 21-0832R, ADOPTED AS AMENDED ON NOVEMBER 8, 2021, TO ADD \$30,000 TO TOURISM EVENTS SUPPORT GENERAL FUND.

BY COUNCILOR SIPRESS:

RESOLVED, that resolution no. 21-0832, distributing the estimated 2022 hotel-motel and food and beverage tourism taxes be amended to read as follows:

RESOLVED, that the 2022 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:	\$2,908,200	\$1,112,400	\$1,795,800
1% Hotel/Motel Tax:	\$963,600	\$669,100	\$294,500
1% Food & Beverage:	\$2,612,100	\$2,612,100	\$0
Additional 2% Hotel/Motel:	\$1,802,300	\$901,100	\$901,200
Additional .75% Food & Beverage:	\$1,959,100	\$0	\$1,959,100
Additional .5% Food&Bev & .5% Hotel/Motel	\$1,754,700	\$0	\$1,754,700
Tourism Tax Fund Unappropriated Fund Balance	\$1,377,600	\$1,377,600	\$0
Total:	\$13,377,600	\$6,672,300	\$6,705,300
DECC- Amsoil Arena Debt Service	\$3,754,900	\$0	\$3,754,900
Spirit Mountain Bond - Chalet	\$500,000	\$0	\$500,000



Spirit Mountain Adventure Park Lease	\$145,700	\$0	\$145,000
St. Louis River corridor Debt Service	\$1,754,700	\$0	\$1,754,700
Minnesota Slip Bridge	\$550,000	\$0	\$550,000
DECC - Bayfront Park Management	\$71,300	\$71,300	\$0
DECC - Blue Bridge Operations	\$44,500	\$44,500	\$0
Tourism Events Support General Fund	\$1,195,000	\$1,195,000	\$0
Funds allocated pursuant to Resolution 21-0847	\$100,000	\$100,000	\$0
Greater Downtown Council/Duluth Downtown Waterfront District	\$220,000	\$220,000	\$0
Lake Superior Zoo	\$510,000	\$510,000	\$0
Northern Lights Express	\$15,000	\$15,000	\$0
Bellmont Partners	\$1,800,000	\$1,800,000	\$0
Visit Duluth Event and Convention Sales	\$650,000	\$650,000	\$0
Visit Duluth Website	\$300,000	\$300,000	\$0
Fourth Fest Fireworks	\$57,000	\$57,000	\$0
Duluth Airport - Denver flight	\$50,000	\$50,000	\$0
Great Lakes Aquarium	\$320,000	\$320,000	\$0
The Depot Foundation	\$200,000	\$200,000	\$0
Duluth Sister Cities International	\$20,000	\$20,000	\$0
Lake Superior & Mississippi Railroad	\$20,000	\$20,000	\$0
Glensheen	\$30,000	\$30,000	\$0
Duluth Children's Museum	\$15,000	\$15,000	\$0
Hawk Ridge Bird Observatory	\$25,000	\$25,000	\$0
North Shore Scenic Railroad	\$45,000	\$45,000	\$0
City of Duluth Parks and Recreation	\$46,000	\$46,000	\$0
Spirit Mountain Operations	\$440,000	\$440,000	\$0
Funds allocated pursuant to Resolution 21-0847	\$450,000	\$450,000	\$0
Zeitgeist Center for Arts and Community	\$20,000	\$20,000	\$0
Kraus Anderson Bike Duluth Festival	\$8,500	\$8,500	\$0
Gary New Duluth Skateboard park	\$20,000	\$20,000	
Total	\$13,377,600	\$6,672,300	\$6,705,300

STATEMENT OF PURPOSE: The purpose of this resolution is to amend resolution 21-0832R to provide an additional \$30,000 to the tourism events support general fund.



Legislation Details (With Text)

File #: 21-0995R Name:   
 Type: Resolution Status: Passed   
 File created: 12/13/2021 In control: Finance   
 On agenda: 12/20/2021 Final action: 12/20/2021   
 Title: RESOLUTION AMENDING RESOLUTION 21-0832R, ADOPTED AS AMENDED ON NOVEMBER 8, 2021, TO DISTRIBUTE AN ADDITIONAL \$30,000 TO VARIOUS COMMUNITY ORGANIZATIONS.   
 Sponsors: Terese Tomanek, Janet Kennedy   
 Indexes:   
 Code sections:   
 Attachments:

Date	Ver.	Action By	Action	Result
12/20/2021	1	City Council	adopted	

RESOLUTION AMENDING RESOLUTION 21-0832R, ADOPTED AS AMENDED ON NOVEMBER 8, 2021, TO DISTRIBUTE AN ADDITIONAL \$30,000 TO VARIOUS COMMUNITY ORGANIZATIONS.

BY COUNCILOR KENNEDY AND COUNCILOR TOMANEK:

RESOLVED, that resolution no. 21-0832, distributing the estimated 2022 hotel-motel and food and beverage tourism taxes be amended to read as follows:

RESOLVED, that the 2022 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:	\$2,908,200	\$1,112,400	\$1,795,800
1% Hotel/Motel Tax:	\$963,600	\$669,100	\$294,500
1% Food & Beverage:	\$2,612,100	\$2,612,100	\$0
Additional 2% Hotel/Motel:	\$1,802,300	\$901,100	\$901,200
Additional .75% Food & Beverage:	\$1,959,100	\$0	\$1,959,100
Additional .5% Food&Bev & .5% Hotel/Motel	\$1,754,700	\$0	\$1,754,700
Tourism Tax Fund Unappropriated Fund Balance	\$1,377,600	\$1,377,600	\$0
Total:	\$13,347,600 <b>\$13,377,600</b>	\$6,642,300 <b>\$6,672,300</b>	\$6,705,300

DECC- Amsoil Arena Debt Service	\$3,754,900	\$0	\$3,754,900
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	\$1,754,700	\$0	\$1,754,700
Minnesota Slip Bridge	\$550,000	\$0	\$550,000
DECC - Bayfront Park Management	\$71,300	\$71,300	\$0
DECC - Blue Bridge Operations	\$44,500	\$44,500	\$0
Tourism Events Support General Fund	\$1,165,000	\$1,165,000	\$0
Funds allocated pursuant to Resolution 21-0847	\$100,000	\$100,000	\$0
Greater Downtown Council/Duluth Downtown Waterfront District	\$220,000	\$220,000	\$0
Lake Superior Zoo	\$510,000	\$510,000	\$0
Northern Lights Express	\$15,000	\$15,000	\$0
Bellmont Partners	\$1,800,000	\$1,800,000	\$0
Visit Duluth Event and Convention Sales	\$650,000	\$650,000	\$0
Visit Duluth Website	\$300,000	\$300,000	\$0
Fourth Fest Fireworks	\$57,000	\$57,000	\$0
Duluth Airport - Denver flight	\$50,000	\$50,000	\$0
Great Lakes Aquarium	\$320,000	\$320,000	\$0
The Depot Foundation	\$200,000	\$200,000	\$0
Duluth Sister Cities International	\$20,000 \$25,000	\$20,000 \$25,000	\$0
Lake Superior & Mississippi Railroad	\$20,000	\$20,000	\$0
Glensheen	\$30,000 \$35,000	\$30,000 \$35,000	\$0
Duluth Children's Museum	\$15,000 \$20,000	\$15,000 \$20,000	\$0
Hawk Ridge Bird Observatory	\$25,000 \$30,000	\$25,000 \$30,000	\$0
North Shore Scenic Railroad	\$45,000 \$50,000	\$45,000 \$50,000	\$0
City of Duluth Parks and Recreation	\$46,000	\$46,000	\$0
Spirit Mountain Operations	\$440,000	\$440,000	\$0
Funds allocated pursuant to Resolution 21-0847	\$450,000	\$450,000	\$0

Zeitgeist Center for Arts and Community	\$20,000 <b>\$25,000</b>	\$20,000 <b>\$25,000</b>	\$0
Kraus Anderson Bike Duluth Festival	\$8,500	\$8,500	\$0
Gary New Duluth Skateboard park	\$20,000	\$20,000	
Total	<del>\$13,347,600</del> <b>\$13,377,600</b>	<del>\$6,672,300</del> <b>\$6,672,300</b>	\$6,705,300

STATEMENT OF PURPOSE: The purpose of this resolution is to amend resolution 21-0832R to distribute an additional \$5,000 to each of the following community organizations: Duluth Sister Cities International, Glensheen, Duluth Children’s Museum, Hawk Ridge Bird Observatory, North Shore Scenic railroad, and Zeitgeist Center for Arts and Community.



## Legislation Details (With Text)

File #: 21-0922R Name:  
Type: Resolution Status: Passed  
File created: 11/24/2021 In control: Finance  
On agenda: 12/6/2021 Final action: 12/6/2021  
Title: RESOLUTION APPROVING THE FISCAL YEAR JANUARY 1, 2022 TO DECEMBER 31, 2022, OPERATION BUDGET OF THE DULUTH AIRPORT AUTHORITY.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A

Date	Ver.	Action By	Action	Result
12/6/2021	1	City Council	adopted	

RESOLUTION APPROVING THE FISCAL YEAR JANUARY 1, 2022 TO DECEMBER 31, 2022, OPERATION BUDGET OF THE DULUTH AIRPORT AUTHORITY.

### CITY PROPOSAL:

RESOLVED, that the operations budget for the fiscal year January 1, 2022 to December 31, 2022, in the amount of \$16,866,199 for the Duluth Airport Authority is hereby approved.

STATEMENT OF PURPOSE: This resolution adopts the 2022 operating budget for the Duluth Airport Authority, a detailed budget is attached as Exhibit A.



## Legislation Details (With Text)

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File #: 21-0924R Name:  
Type: Resolution Status: Passed  
File created: 11/24/2021 In control: Finance  
On agenda: 12/6/2021 Final action: 12/6/2021  
Title: RESOLUTION APPROVING THE FISCAL YEAR JANUARY 1, 2022 TO DECEMBER 31, 2022 BUDGETS OF THE DULUTH ECONOMIC DEVELOPMENT AUTHORITY.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A

Date	Ver.	Action By	Action	Result
12/6/2021	1	City Council	adopted	

RESOLUTION APPROVING THE FISCAL YEAR JANUARY 1, 2022 TO DECEMBER 31, 2022 BUDGETS OF THE DULUTH ECONOMIC DEVELOPMENT AUTHORITY.

### CITY PROPOSAL:

RESOLVED, that the DEDA operating fund, debt service fund, capital projects fund, MRO maintenance fund, attached in Exhibit A are hereby approved.

STATEMENT OF PURPOSE: This resolution adopts the various DEDA budgets for fiscal year 2022. The DEDA adopted the DEDA budgets at its October 27, 2021 meeting.

# City of Duluth Minnesota - 2022 Budget

## DEMOGRAPHIC AND ECONOMIC STATISTICS

Fiscal Year	Population	Total Personal Income	Per Capita		Unemployment Rate
			Personal Income	Per Capita School Enrollment	
2012	86,211	2,368,110,337	27,469	8,634	6.0%
2013	86,128	2,510,223,601	29,145	8,517	5.2%
2014	86,238	2,605,207,475	30,210	8,353	4.4%
2015	86,110	2,763,072,824	32,088	8,281	3.3%
2016	86,293	2,709,298,125	31,396	8,115	3.9%
2017	86,066	2,770,709,396	32,193	8,066	3.5%
2018	85,884	2,894,363,625	33,701	8,215	2.9%
2019	85,618	3,020,478,591	35,279	8,229	3.2%
2020	86,697	2,937,415,786	33,881	8,371	6.3%
2021*	86,697	3,043,051,123	35,100	7,727	3.5%

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	
<b>Total Housing Units</b>	<b>38,496</b>		<b>49,757</b>		<b>27,705</b>		<b>17,806</b>	
1980 or newer	7,373	19.2%	27,932	56.1%	13,567	49.0%	8,213	46.1%
1960 to 1979	6,933	18.0%	11,480	23.1%	7,120	25.7%	4,011	22.5%
1940 to 1959	7,543	19.6%	6,424	12.9%	3,755	13.6%	2,179	12.2%
1939 or earlier	16,647	43.2%	3,921	7.9%	3,263	11.8%	3,403	19.1%

Data source: American Community Survey

# City of Duluth Minnesota - 2022 Budget

## PRINCIPAL EMPLOYERS

Employer	Type of Business	Employees	Rank	% of Total City Employment
Essentia Health	Health Care	6,513	1	14.64%
St. Luke's Hospital	Health Care	2,241	2	5.04%
St. Louis County	Public Administration	1,881	3	4.23%
Independent School District No.709	Educational Services	1,450	4	3.26%
ALLETE	Utilities	1,314	5	2.95%
Duluth Air National Guard Base	Public Administration	1,068	6	2.40%
Cirrus Design	Manufacturing	1,000	7	2.25%
United Health Care	Finance and Insurance	999	8	2.25%
University of Minnesota - Duluth	Educational Services	953	9	2.14%
City of Duluth	Public Administration	871	10	1.96%
		<u>18,290</u>		<u>41.12%</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	2017	2018	2019	2020	2021
General government	134.00	126.50	131.65	134.10	135.10
Public Safety					
Police	183.14	182.14	182.14	180.50	183.00
Fire	144.00	146.50	146.50	148.50	148.50
Public Works	86.50	82.95	83.95	82.95	82.95
Culture and recreation					
Parks and recreation	11.95	11.70	11.70	13.70	13.70
Library	46.70	46.70	46.70	46.70	47.70
Urban & Economic Development	54.05	50.64	57.64	56.14	55.14
Water & Gas	133.75	134.75	135.45	133.00	133.00
Sewer	32.65	34.65	33.05	33.75	33.75
Stormwater	25.35	23.15	24.05	24.80	24.80
Parking	9.00	9.00	9.00	9.00	8.00
Street Lighting	5.10	5.10	5.10	5.10	5.10
Total	<u>866.19</u>	<u>853.78</u>	<u>866.93</u>	<u>868.24</u>	<u>870.74</u>



# City of Duluth Minnesota - 2022 Budget

## TOTAL ESTIMATED MARKET VALUES

Fiscal Year End	Total Estimated Market Value	Tax Capacity	% Capacity to Market Value	Tax Rate
2012	5,569,039,800	61,532,873	1.10%	0.31597
2013	5,473,015,800	61,948,785	1.13%	0.33198
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

## PRINCIPAL PROPERTY TAXPAYERS

Taxpayer	Type of Business	Estimated Market Value	Rank	% of Market Value
Minnesota Power	Electric utility	153,667,900	1	2.14%
Summit Management LLC	Apartments & shopping mall	82,008,300	2	1.14%
Essentia Health	Healthcare & hospital	68,259,600	3	0.95%
Simon Property, Inc.	Shopping mall	52,233,100	4	0.73%
Wisconsin Central LLC	Railroad	37,787,300	5	0.53%
Ansa Propco Partnership	Lease administration	32,269,900	6	0.45%
Hall Equities Group	Hotels	24,789,000	7	0.35%
NewPage (Stora Enso)	Paper mill	24,007,200	8	0.33%
Burlington Northern	Railroad	22,430,600	9	0.31%
Lift Bridge Partners LLC	Real estate development	21,540,700	10	0.30%
		518,993,600		7.23%

# City of Duluth Minnesota - 2022 Budget

## OPERATING INDICATORS BY FUNCTION

	2016	2017	2018	2019	2020
<b>Police</b>					
Criminal offences	10,447	10,561	10,437	10,890	7,695
Cleared by arrest	4,062	3,802	3,267	3,518	2,580
Traffic violations	6,819	5,196	5,421	4,568	10,223
Parking violations	56,687	34,437	31,934	42,684	31,556
<b>Fire</b>					
Number of calls answered	12,799	13,239	13,255	13,698	13,815
Number of inspections	4,871	7,490	7,367	8,382	4,607
<b>Public works</b>					
Construction permits:					
Permits issued	6,645	6,376	7,386	8,052	7,315
Estimated cost of construction during year in dollars	151,343,988	121,737,989	165,363,720	252,369,122	399,964,675
<b>Culture and recreation</b>					
<b>Parks and recreation department</b>					
Participation in special events	49,125	67,300	62,925	68,725	-
Attendance for parks permitted event permits	-	-	-	-	2,000
Participation in recreation	31,555	25,210	27,197	44,373	10,431
Zoo regular customers	76,316	81,538	78,439	79,128	32,533
<b>Library</b>					
Registered borrowers	45,424	42,674	51,636	52,178	39,906
Items in collection	435,385	424,304	419,907	346,516	332,450
Items loaned	848,293	871,704	847,237	868,740	373,521
Library visits	461,403	475,363	426,082	437,668	91,193
Internet uses	92,656	90,489	81,685	70,338	15,503
Reference/ research questions answered	59,321	71,253	59,579	65,702	25,675

# City of Duluth Minnesota - 2022 Budget

## OPERATING INDICATORS BY FUNCTION continued

	2016	2017	2018	2019	2020
<b>Water</b>					
Meters in service	28,134	28,243	28,345	28,422	28,598
Average number of gallons treated per month	415,642,500	408,434,167	388,512,500	374,256,680	334,648,416
Water pumped - million cubic feet	667	655	623	600	537
Water sold - million cubic feet	566	568	562	528	464
Daily average consumption in gallons	11,590,274	11,648,560	12,773,013	12,307,089	11,002,308
<b>Gas</b>					
Meters in service	28,540	28,712	28,957	29,234	29,484
MMBTU sold	4,770,804	5,218,978	5,063,708	5,984,783	5,737,419
<b>Sewer</b>					
Number of service connections	27,985	27,993	28,030	28,075	27,766
Daily average treatment in gallons	13,729,690	14,355,390	12,093,510	14,111,340	11,002,140
<b>Stormwater</b>					
Cleaning storm sewer pipe (in feet)	20,017	107,965	125,776	82,597	2,841
<b>Steam District #1</b>					
Steam sold (in 1,000 lbs)	313,408	305,465	345,262	350,306	293,441
<b>Golf</b>					
Season passes	731	436	462	307	183
Skyline passes	2,146	1,818	1,354	1,045	726
Daily tickets	38,894	34,358	39,661	33,223	15,924
Carts	39,846	28,555	25,048	21,079	16,649
Rounds played	75,544	67,657	60,988	51,402	39,337

# City of Duluth Minnesota - 2022 Budget

## CAPITAL ASSETS BY FUNCTION

	2016	2017	2018	2019	2020
<b>Police</b>					
Patrol units	97	102	123	120	120
<b>Fire</b>					
Fire stations	8	8	8	8	8
<b>Public works</b>					
<b>Miles of streets and alleys:</b>					
Miles of streets: paved	475.77	475.74	475.77	475.77	476.13
Miles of streets: unpaved	47.96	47.96	47.96	47.96	47.96
Miles of sidewalk	411.08	352.00	352.13	352.13	352.96
<b>Number of street lights:</b>					
Ornamental lamps (no. of bulbs)	3,940	3,930	3,809	3,809	3,350
Overhead street lamps	3,665	3,665	3,665	3,665	3,700
<b>Culture and recreation</b>					
<b>Parks and recreation</b>					
Number of parks	129	129	129	129	129
Park acreage	12,000	12,000	12,000	12,000	12,000
Number of ski hills	2	2	2	2	2
Number of municipal tennis courts	17	17	17	17	17
Community clubs/field houses operated	19	19	18	17	17
Number of athletic fields	48	48	48	48	48
Number of hiking trails	14	14	14	25	25
<b>Library</b>					
Libraries/branches	3	3	3	3	3
<b>Water</b>					
Miles of water mains	428.30	428.40	429.40	432.50	430.00
Number of hydrants	2,699	2,708	2,717	2,738	2,747
Max daily capacity of plant in gallons	32,000,000	32,000,000	32,000,000	32,000,000	32,000,000
<b>Gas</b>					
Miles of gas mains	538.20	544.40	548.10	551.10	554.60
<b>Sewer</b>					
Miles of sanitary sewers	397.60	398.80	398.10	398.10	398.00
<b>Stormwater</b>					
Miles of storm sewers	405.00	412.00	413.00	413.00	415.00
<b>Steam District #1</b>					
Miles of line	11.00	11.00	11.00	11.00	11.00
<b>Golf</b>					
Number of municipal golf courses	2	2	2	2	2

# 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.

## **ARRA- American Recovery and Reinvestment Act**

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 period and the proposed means of financing them.

## **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.

## **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.

**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.

**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.

**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-upon set of principles for the planning and programming of the budget and its funding.

**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.

**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.

**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 pay for day-to-day services.

**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.

**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".

**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.

# COMMON ACRONYMS

**ARPA**–American Rescue Plan Act

**CAO** – Chief Administrative Officer

**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

**GIS** – Geographical Information Systems

**GO** – General Obligation

**HUD** – Housing and Urban Development

**LAN** – Local Area Network

**LGA** – Local Government Aid

**PBB** – Priority Based Budgeting

**PW&U** – Public Works and Utilities