

CITY OF DULUTH, MINNESOTA

2021 Adopted Annual Budget



CITY OF DULUTH

2021 Adopted Annual Budget

MAYOR

Emily Larson

CITY COUNCILORS

Renee Van Nett

Arik Forsman

Gary Anderson

Joel Sipress

Roz Randorf

Janet Kennedy

Zack Filipovich

Derek Medved

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

January 1, 2021

Members of the Duluth City Council
And Other Interested Parties

Dear Reader,

The City of Duluth budget process is a disciplined practice which uses the strengths of highly skilled leaders to seek strategic financial solutions and opportunities to achieve City priorities. Never was this process more important as the City faced the unprecedented challenges of the pandemic and a nation's reckoning with racism and civil unrest. The 2021 budget was completed in accordance with the City's budget policies, city charter and the State of Minnesota's truth in taxation laws.

Given the many challenges of 2020, the optimistic and stable budget presented in this book was not expected. However, with concerted efforts and focused financial prudence exercised using Priority Based Budgeting over the last four years, the City has risen to the challenge of 2020 and emerged stronger.

Addressing the financial challenges of 2020 was not an easy process and came with many sacrifices and compromises. As a City, we addressed revenue shortfalls by implementing, hiring, travel and purchasing freezes, staff layoffs, concessions from bargaining units, voluntary pay reductions, halted financial commitments to others, reduced programming and closed facilities.

The 2021 budget process began with Mayor Emily Larson presenting the proposed general fund budget and tax levy to the City Council on August 24, 2020. The City Council approved the proposed maximum tax levy on September 28, 2020. 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 14, 2020 a truth in taxation hearing was held virtually at 7:00 pm to allow citizens time for public comment and questions. The final 2021 budgets, budget appropriations, tax levies, capital improvement plan, and bonding intent and plan were approved by Council on December 21, 2020.

The 2021 budget continues to be a budget focused on alignment of funding with the values of the City. This budget pairs the strategies and policy recommendations from *Imagine Duluth 2035*, the City of Duluth's recently adopted comprehensive plan, with the time intensive, staff-driven and community-influenced budgeting process called Priority Based Budgeting (PBB).

2021 Budget Highlights:

Increased property tax levy 2.98%

Budget Drivers:**State Budget Considerations**

LGA

Levy limits

Employee Expenses

Collective bargaining agreements with new concessions

Health insurance premiums

Retiree insurance

Economy

Global Pandemic influencing revenues and jobs

Sales tax decrease

Tourism tax decrease

Framework Goals and Assumptions:

Increased property tax levy of 2.98% which includes an increase of 2.02% for the street light levy.

Increased property value growth of 6.64%

Used cash reserves in the amount of \$3.8M

LGA- status quo

Dedicated ½% sales tax for streets

Health care rates stay flat

While there are no major changes in service levels or fees in 2021, we did budget for a 10% decrease in sales tax and a 25% tourism tax decrease based on the unknowns of the pandemic. The expected decrease in Tourism Tax revenue will impact the City's ability to allocate resources to as many community organizations.

This year, despite the relentless power of a pandemic, the City has:

- Invested well over two million dollars via the 1200 Fund and Duluth Economic Development Authority into local small businesses and entrepreneurs,
- Embraced curbside library delivery,
- Supported thousands of residents with Unemployment Insurance assistance and job search support,
- Opened ten miles of streets to pedestrians to allow for social distance physical activity during Stay At Home
- Made changes to our development code to promote childcare,
- Waived fees and streamlined permitting to allow for expanded sidewalk and adjacent occupancy for food and beverage sales,
- Adjusted staffing across departments to keep up with demand for services,
- Finished the completion of over fourteen miles of road work,
- Moved city meetings and services online,
- Protected the health of our workers, and
- Ran a fair and robust primary election and have ensured that in our vigorous democracy, all first amendment rights are supported, upheld and protected.

We've gotten an extraordinary amount accomplished under extenuating circumstances. In large part because at our core, Duluthians believe that the City's hard work makes a difference.

For 2021, our values are on full display as a budget built on the strength of community and what was learned during the PBB process. We bring employees back and removed furlough days; we did not increase the property tax levy to meet General Fund operating expenditures; 40% of our residential properties and 68% of commercial property owners will see a decrease in their city property tax.

We have spent the last four years steadily addressing fundamental and historical budget challenges with focus, financial prudence and an eye towards our future. In this budget we isolate our financial risks, benefit from our sensible fiscal management of the past four years and recognize the many sacrifices our staff and municipal residents are making.

The budget and property tax levy for 2021 meets the City's needs, protects workers and builds on our ability to continue to be a steady and reliable presence in the face of financial insecurity, pandemic health concerns, social fear, isolation and racial discord.

We have built a City of Duluth financial structure strong enough to survive a global pandemic. This is the year, and the work, we never anticipated but are ready for.

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

The 2021 budget approvals were endorsed by the City Council, led by Council President Gary Anderson. Mayor Larson's 2021 proposed levy and budget presentation can be seen by clicking [HERE](#)

Looking ahead to a financially positive 2021 is due to the hard work and resilience of our staff on every level. Appreciation does not seem a strong enough word to fully convey how important you all have been in the development of this year's budget.

Sincerely,



Jessica Kasper, Budget Manager



Jennifer Carlson, Finance Director

City of Duluth, MN Profile



Duluth 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. 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 was voted *Outside* magazine's best outdoors town in America, 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 227,000 jobs and contributes \$14.1 billion in annual personal income.

Higher education opportunities in Duluth include the University of Minnesota, Duluth, the College of St. Scholastica, and Lake Superior College. Thirty-five 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 85,142, as estimated by the US Census Bureau, has remained relatively flat since the 1990 census. The per capita income in Duluth is \$32,925, and the unemployment rate in December of 2020 is 5.7%.

Additional demographics and economic data can be found in the Appendix.

City of Duluth Minnesota – 2021 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

Zack Filipovich	January 2018	to	January 2022
Arik Forsman	January 2020	to	January 2024
Derek Medved	January 2020	to	January 2024
Terese Tomanek	January 2018	to	January 2022

District Councilors

1	Gary Anderson	January 2020	to	January 2024
2	Joel Sipress	January 2018	to	January 2022
3	Roz Randorf	January 2020	to	January 2024
4	Renee Van Nett	January 2018	to	January 2022
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	Roger Reinert (Interim)
DTA	Rod Fournier (Interim)
Spirit Mountain	Ann Glumac (Interim)

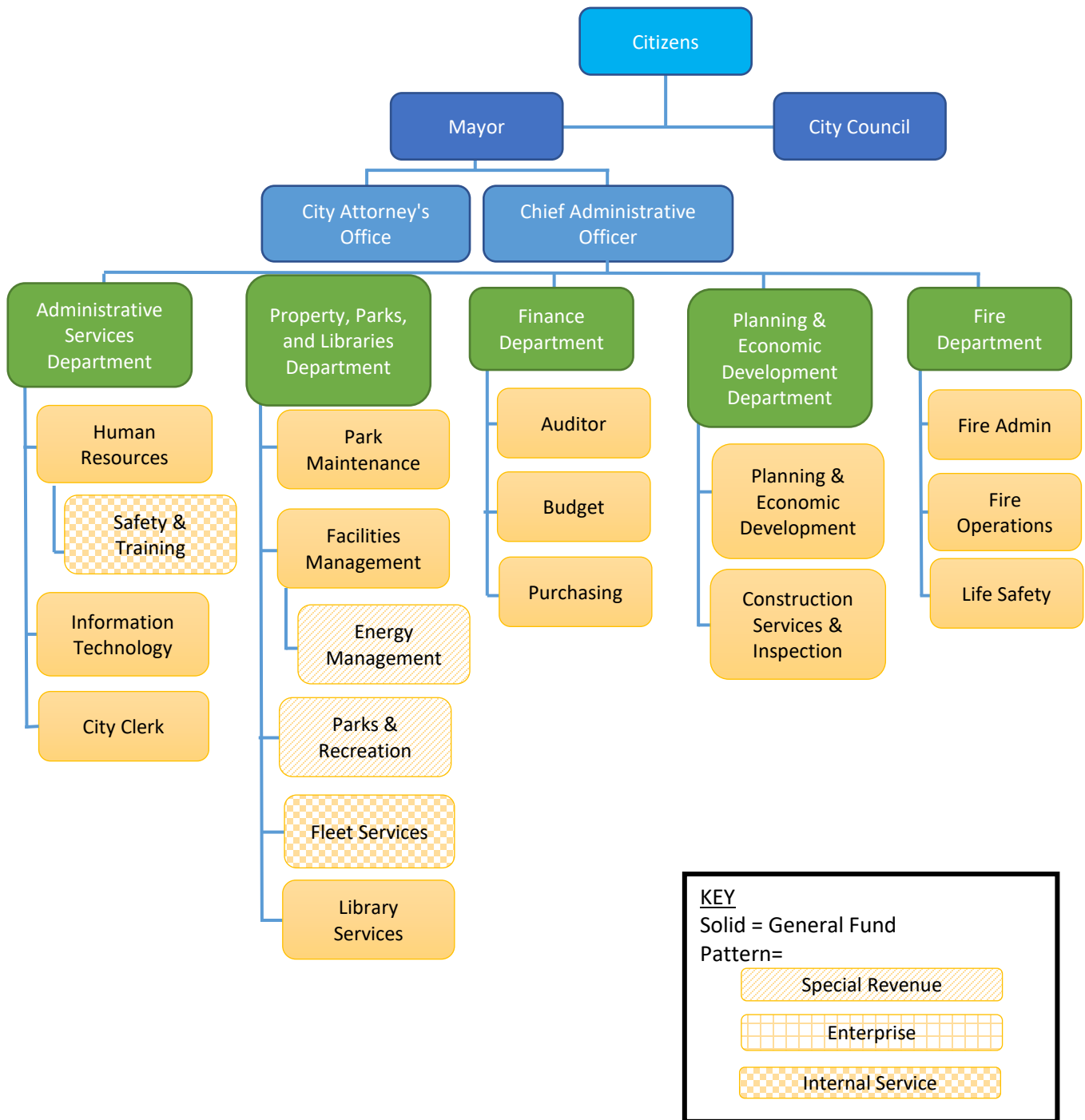
City Department Heads

Finance Director	Jen Carlson
Property, Parks & Libraries	Jim Filby Williams
Administrative Services	Chelsea Helmer
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 - 2021 Budget

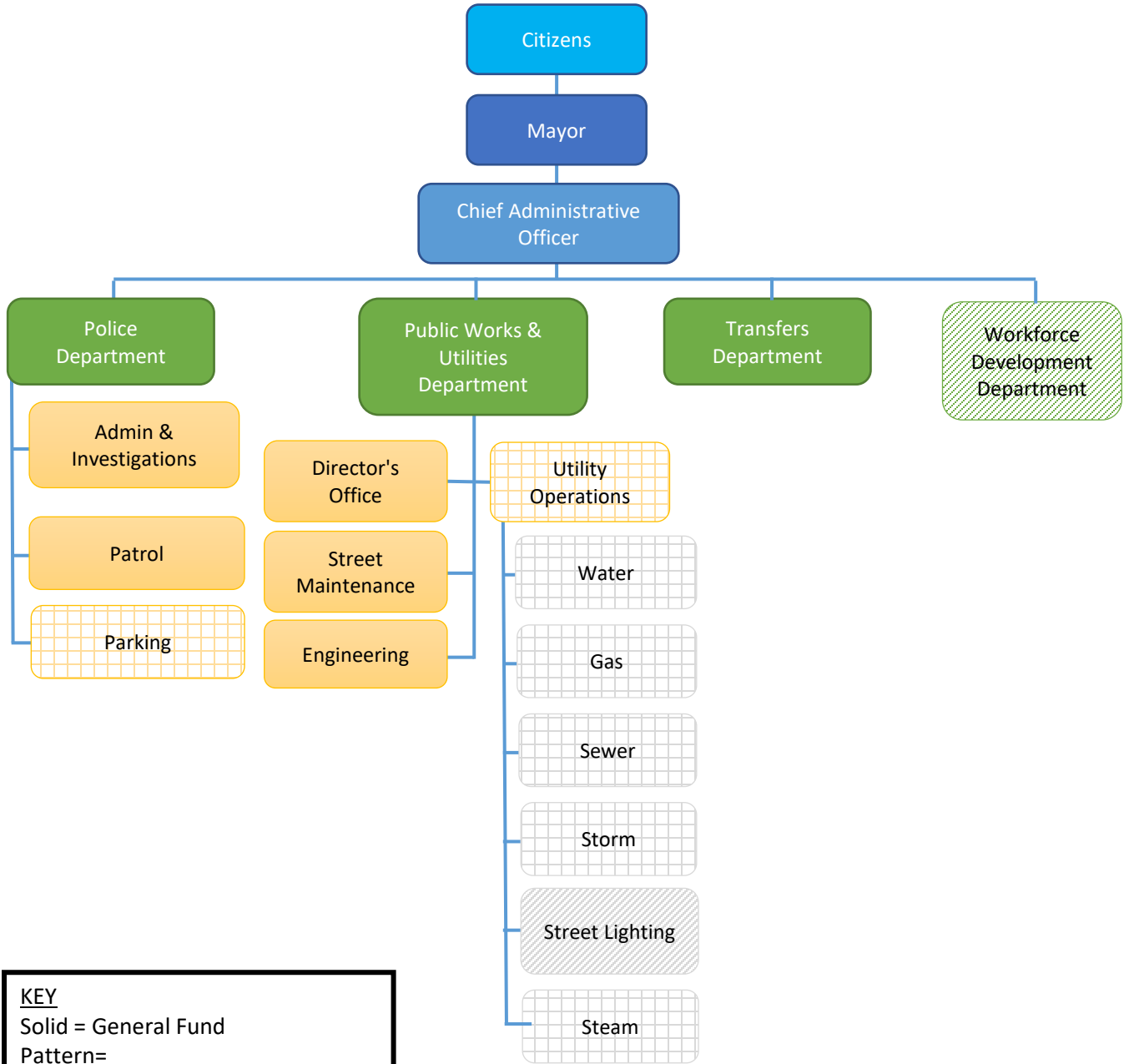
City of Duluth Organization Chart

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.

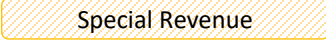




City of Duluth Minnesota - 2021 Budget

City of Duluth Organization Chart - continued

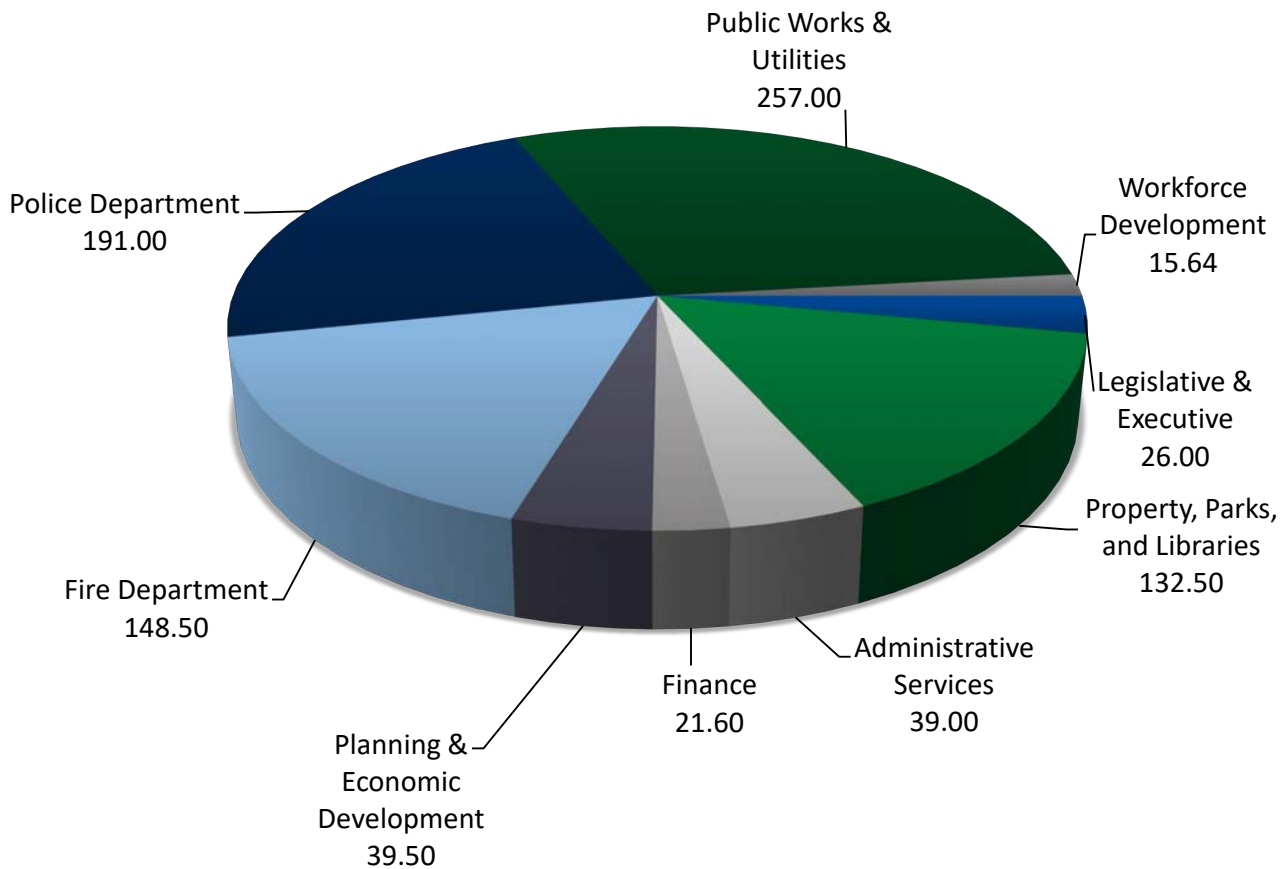


KEY
 Solid = General Fund
 Pattern =

-  Special Revenue
-  Enterprise
-  Internal Service

CITYWIDE PERSONNEL SUMMARY

2021 Permanent FTE's by Department



Department	2018 Budget	2019 Budget	2020 Budget	2021 Approved	Difference 2021-2020
Legislative & Executive	22.50	24.50	26.00	26.00	0.00
Property, Parks, and Libraries	124.50	128.50	130.50	132.50	2.00
Administrative Services	38.50	38.65	39.00	39.00	0.00
Finance	22.00	22.00	21.60	21.60	0.00
Planning & Economic Development	34.00	40.00	39.50	39.50	0.00
Fire Department	146.50	146.50	148.50	148.50	0.00
Police Department	191.14	191.14	189.50	191.00	1.50
Public Works & Utilities	258.00	258.00	257.00	257.00	0.00
Workforce Development	18.05	17.64	16.64	15.64	-1.00
TOTAL	855.19	866.93	868.24	870.74	2.50

CITYWIDE PERSONNEL SUMMARY

Fulltime, Permanent Positions

Department/Division	2018 Budget	2019 Budget	2020 Budget	2021 Approved
LEGISLATIVE & EXECUTIVE				
City Council	0.00	0.00	0.00	0.00
Mayor Office	4.00	5.00	6.00	6.00
Chief Administrative Officer	2.50	2.50	3.00	3.00
Attorney's Office	16.00	17.00	17.00	17.00
DEPARTMENT TOTAL	22.50	24.50	26.00	26.00
PROPERTY, PARKS & LIBRARIES				
Park Maintenance	22.60	23.60	22.60	22.60
Library Services	46.70	46.70	46.70	47.70
Parks and Recreation	11.70	11.70	13.70	13.70
Facilities Management	24.30	26.30	28.30	28.30
Fleet Services	17.20	18.20	17.20	18.20
Safety and Training	1.00	1.00	1.00	1.00
Energy Management	1.00	1.00	1.00	1.00
DEPARTMENT TOTAL	124.50	128.50	130.50	132.50
ADMINISTRATIVE SERVICES				
Human Resources	10.50	10.65	10.00	10.00
Information Technology	22.00	21.00	23.00	23.00
City Clerk	6.00	7.00	6.00	6.00
DEPARTMENT TOTAL	38.50	38.65	39.00	39.00
FINANCE				
Budget Office	3.00	3.00	7.00	7.00
Auditor's Office	9.00	10.00	8.60	8.60
Purchasing	2.00	2.00	6.00	6.00
Treasurer's Office	8.00	7.00	0.00	0.00
DEPARTMENT TOTAL	22.00	22.00	21.60	21.60
PLANNING & ECONOMIC DEVELOPMENT				
Physical Planning	6.92	7.92	12.25	12.25
Construction Svs & Insp	16.50	20.50	20.50	20.50
Community Development	5.08	6.08	6.75	6.75
Business Development	5.50	5.50	0.00	0.00
DEPARTMENT TOTAL	34.00	40.00	39.50	39.50

CITYWIDE PERSONNEL SUMMARY

Fulltime, Permanent Positions

Department/Division	2018 Budget	2019 Budget	2020 Budget	2021 Approved
FIRE DEPARTMENT				
Fire Administration	3.50	3.50	4.50	4.50
Firefighting Operations	132.00	132.00	132.00	132.00
Life Safety	11.00	11.00	12.00	12.00
DEPARTMENT TOTAL	146.50	146.50	148.50	148.50
POLICE DEPARTMENT				
Administration, Investigative, Patrol	182.14	182.14	180.50	183.00
Parking	9.00	9.00	9.00	8.00
DEPARTMENT TOTAL	191.14	191.14	189.50	191.00
PUBLIC WORKS & UTILITIES				
Public Works Operations				
Director's Office	0.90	0.90	0.90	0.90
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	60.35
Utilities Operations				
Water	56.85	56.85	56.55	56.55
Gas	77.90	77.90	76.45	76.45
Sewer	34.65	34.65	33.75	33.75
Stormwater	23.15	23.15	24.80	24.80
Street Lighting	5.10	5.10	5.10	5.10
Utilities Subtotal	197.65	197.65	196.65	196.65
DEPARTMENT TOTAL	258.00	258.00	257.00	257.00
WORKFORCE DEVELOPMENT	18.05	17.64	16.64	15.64
TOTAL CITY EMPLOYEES	855.19	866.93	868.24	870.74

City of Duluth Strengths, Challenges, and Opportunities

In looking at how the City of Duluth weathered the pandemic and the resulting economic impacts, we are hopeful about the resilience of staff, our fiscal policies and the strength of our community. While this year, it may seem like there may be not be much to be hopeful about, the City of Duluth learned just how strong we are.

Strengths:

- Duluth is located on the southwestern tip of Lake Superior. Lake Superior, the largest of the Great Lakes, is not only an economic engine for the community but is treasured for its picturesque beauty. Duluth has experienced growth in tourism and recreation travel, attracting over 6.7 million visitors annually. During a typical year, events such as Grandma's Marathon, Duluth Blues Fest, Tall Ships Festival, Glensheen Historical Mansion, and Bentleyville Tour of Lights have given the City national media attention.
- 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 suitable 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.
- For 2021, Duluth's net tax capacity grew by 6.64%, indicating strong real estate values despite the pandemic. The City continues to work with developers to finalize proposed development agreements and construction plans, while also proactively looking for developers for recently closed facilities.
- 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. These funds will leverage additional 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.

- Rebuild Duluth. The City and the Duluth Economic Development Authority (DEDA) have identified several vacant, developable lots throughout the city that will be available for the development of affordable housing. The purpose of this program is to build a collective knowledge of creative/innovative design and construction methodologies for infill housing in Duluth and identify how to simplify the development of affordable housing.
- At the start of the pandemic in March of 2020, the City of Duluth demonstrated an agility rarely seen in local government. Administration worked with Directors and Union Managers to reduce spending, repurpose staff, and move much of the City operations remotely and online. This sense of agility and teamwork within a City is not common, and this speaks to the resiliency of the City.
- In 2020 the City of Duluth prioritized the creation of the Sustainability Officer position located within the Chief Administrative Office. The goal of this position is to incorporate sustainability into decision making, measure and communicate progress and build partnerships for change. The City of Duluth is committed to reducing Greenhouse Gas emissions by 80% by 2050. This will be accomplished through energy conservation, renewable energy implementation, adapting infrastructure to our changing climate, supporting multi-modal transportation and care of our natural areas and open spaces.
- To address fiscal challenges of the structural imbalance between revenues and expenditures, the City of Duluth participated in Priority Based Budgeting. Priority Based Budgeting (PBB) is a process which links 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.

The City used PBB for the 2020 budget cycle and then continued using it to get through 2020's turbulent economy. For the 2021 budget cycle PBB was embedded into the budget and alignment of resources. We have already begun this active approach for the 2022 budget cycle.

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

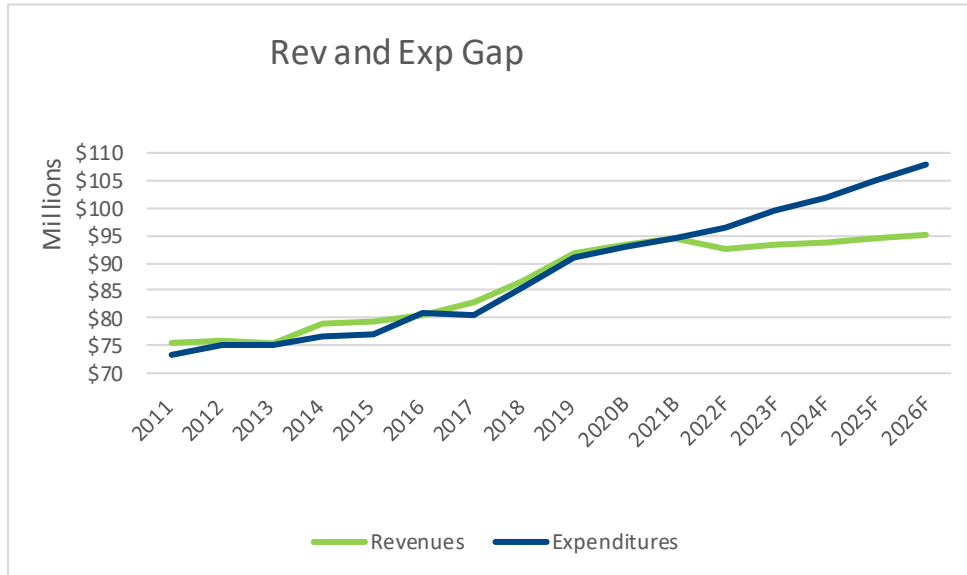


The City has identified the following priorities:

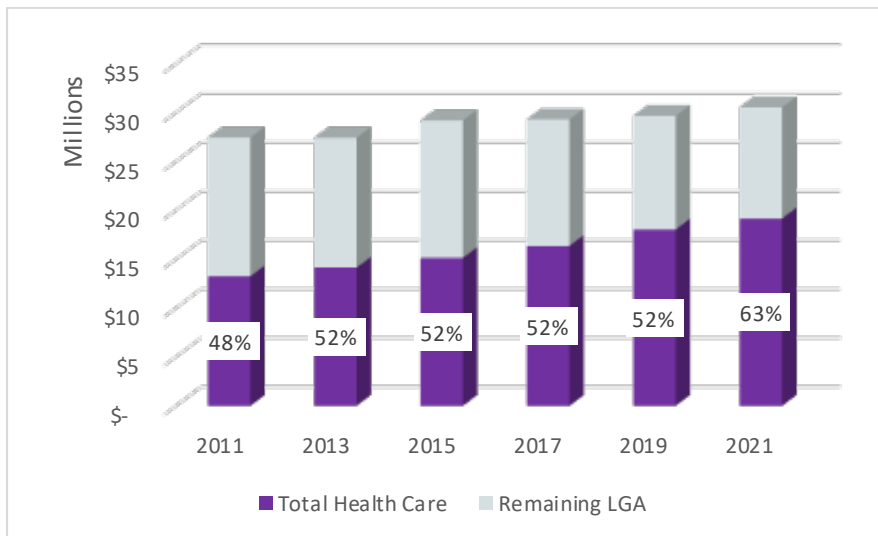
- Infrastructure
 - Safe and Secure Community
 - Livable Neighborhoods and Affordable Housing
 - Dynamic and Diverse Economy
 - Culture and Recreation
 - Green Space and Energy Conservation
 - Innovation and Excellence in Service
 - We are looking at ways in which to expand the priorities to include one that is a core value of the City - Equity and Inclusion
-
- 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:

- 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, and utilities. 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 under three percent each year. Eighty-three percent of the City's general fund expenditures consist of employee wages and benefits, which are projected to grow at a rate that exceeds inflation. The City continues diligent efforts in addressing financial challenges, to include contracting with a new vendor to reduce medical insurance costs.



- 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. However, medical expenditures are expected to continue to grow substantially in 2023 and beyond at a rate higher than medflation. 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.



- **Opioid Usage:** Opioid overdoses were the highest they've been since tracking began in 2013. In 2020, there were nearly 213 overdoses, of which 20 were fatal. High prescription rates of opioids continue to be a leading contributing factor to the rise in opioid use. On a brighter note, the Duluth Police Department was awarded a grant in the amount of \$899,055 to fund the creation of the Lake Superior Diversion and Substance Use Response Team over a three-year period. This will allow 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 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. Additionally, over 44% of the City's housing units are at least 76 years old, so improving Duluth's housing stock is also a priority.
- **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 nearly 5% due to retirements and dual income earning families becoming single earners. This new reality represents a historic opportunity to bring new jobs 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. Best of all, by meeting these needs, we give our young people the opportunity to step into great paying careers right here in Duluth.
- **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. We must build better pathways to help people in poverty to grow the skill sets needed by employers. We must also continue to work as a City to change the disparate impacts associated with being a black, indigenous, person of color in this community.

We must also proactively engage with the labor community, especially the building trades, to ensure that we are developing trained and qualified workers. Continuing to strengthen relationships with local schools, colleges and universities to ensure the skills

they are teaching match the needs of our employers. We can't guarantee success for anyone – but we should be able to guarantee everyone has equal access to opportunities in Duluth.

Duluth's reputation is improving as a "can do" city that tackles its toughest problems. In 2014, Minnesota's Leaders in Public Policy named the City of Duluth their Local Government of the Year. Our success in solving problems is now creating exciting new opportunities.

Opportunities:

- **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 helps 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 928,000 square feet of new space and renovate approximately 120,000 square feet in existing facilities. The first phase of the project is complete and the next two phases of the project are expected to be completed in the first quarter of 2023.



St. Luke's

St. Luke's began its three-phase project in 2020 with a \$36 million investment to repurpose space inside one of its buildings, retrofit to include a new emergency room and ancillary services. The project will displace parking spaces but allow for two new emergency helipads to be installed. In subsequent phases, St. Luke's plans to double the size of Building A and then add a hospital tower atop of Building A. 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.



A rendering of St. Luke's planned facility. Image courtesy of the city of Duluth

- **Shipping:** The port of Duluth-Superior is a backbone of our economy. Approximately 35 million tons of cargo are shipped annually. This year, due to the coronavirus pandemic total tonnage dropped to 25.8 million tons – the port’s lowest single-season total since 1938. The silver lining in 2020 was wind energy cargo – which came in at a record-setting pace of 525,000 freight tons – 72% increase from 2019. 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.
- **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 2021 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 eight 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 has especially paid off in 2021 as the City used saved cash reserves to fill the temporary revenue gap brought on by the current economic recession. These 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

The budget process began with Mayor Emily Larson presenting the proposed general fund budget and tax levy to the City Council on August 24, 2020. The City Council approved the proposed maximum tax levy on September 28, 2020. 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 14, 2020 a truth in taxation hearing was held virtually at 7:00 pm to provide time for public comment and questions. The final 2021 budgets, budget appropriations, tax levies, capital improvement plan, and bonding intent and plan were approved by Council on December 21, 2020.

In 2021, the City of Duluth realized the benefits of relying upon PBB over the past few years. It allowed the City to quickly assess programs in 2020 as the economy slowed. PBB is a unique and innovative approach used by local governments across the country to match available resources with community priorities. The obvious difference this year was that available resources were going to be less than 2020 and on top of that, economic indicators were extremely unpredictable. What didn't change, is the community priorities originally identified using the City's comprehensive plan, *Imagine Duluth 2035*. City priorities include infrastructure, livable neighborhoods and affordable housing, dynamic and diverse economy, culture and recreation, green space and energy conservation, and safe and secure 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/>). In the future we will be looking towards determining how to encompass the priority of racial equity and inclusion that touch all of the City's priorities.

BUDGET CALENDAR

SOFTWARE BUDGET ENTRIES:

June	Work collaboratively on budget goals
Early July	General fund and Fleet revenues due in New World
Late July	General fund and Fleet expenses due in New World
August	PW Utility funds, parks fund, parking fund due in New World
September	Special Revenue funds, Internal Service funds, Debt, Capital, Enterprise funds due

ADMINISTRATIVE OPPORTUNITY BUDGET REVIEWS

July	General Fund and Fleet
August	PW Utility Funds, Parks fund, parking fund

CAPITAL BUDGETS

August	Instructions and packets sent out to departments
Sept - Oct	CIP and CEP administrative review meetings
Nov 23	Capital Improvement presentation to City Council

MAYOR'S BUDGET PRESENTATION to COUNCIL

- Aug 24** 2021 Proposed General Fund budget and tax levy presentation to Council
- Sept 28** City Council sets preliminary budget and maximum property tax levy
- Sept 30** 2021 proposed budget book published on website

COUNCIL BUDGET REVIEW

- Sept-Nov** Schedule set by Council Finance Chair

PROPOSED TRUTH IN TAXATION MEETINGS

- Dec 14** Truth in Taxation Hearing
- Dec 21** Council approves final budget and levy

PROPERTY TAX REPORTING DEADLINES

- Sept 30** Proposed maximum property tax levies due to St. Louis County
- Dec 31** Final City property tax levies certified to St. Louis County
- Dec 31** Certification of Truth in Taxation Compliance due to MN Department of Revenue
- Dec 31** 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 \$34,844,100; an increase of 2.98% over the 2020 levy.

The City’s levy breakdown is shown below.

2021 Approved Property Tax Levy			
	2020 Approved Levy	2021 Approved Levy	Change In Levy
General Operations Levy			
General Operations	\$ 21,879,300	\$ 21,879,300	\$ -
Provision for Tax Delinquency	\$ 150,000	\$ 150,000	\$ -
Total General Operations Levy	\$ 22,029,300	\$ 22,029,300	\$ -
Supplemental Parks Levy	\$ 280,000	\$ 280,000	\$ -
Capital Projects Levy			
Debt Service	\$ 6,982,600	\$ 7,307,600	\$ 325,000
Infrastructure Permanent Improvements	\$ 280,000	\$ 280,000	\$ -
Total Capital Projects Levy	\$ 7,262,600	\$ 7,587,600	\$ 325,000
Street Light Levy	\$ 1,764,600	\$ 2,447,200	\$ 682,600
Street Maintenance Levy	\$ 2,500,000	\$ 2,500,000	\$ -
Total City Property Tax Levy	\$ 33,836,500	\$ 34,844,100	\$ 1,007,600
Parks Referendum Levy	\$ 2,600,000	\$ 2,600,000	\$ -
Approved Street Light Levy Increase		\$ 682,600	2.02%
Approved Lakewalk Debt Levy Increase		\$ 325,000	0.96%
2021 Approved City Tax Levy Increase		\$ 1,007,600	2.98%

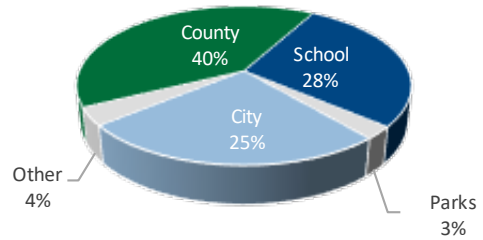
In addition, the City, on behalf of city authorities and voter approved referendum, approved levy requests as follows: The **Duluth Transit Authority** in the amount of \$1,666,900; the **Housing and Redevelopment Authority** in the amount of \$1,194,138; and **Parks Fund** in the amount of \$2,600,000 as approved in a voter referendum. These levies are separate on the property tax statement and are not included in the city levy.

Property tax bills for Duluth residents are comprised of the taxes levied for the City of Duluth, St. Louis County, the School District, the Parks Fund, and several other smaller taxing districts.

Taxing Entity 2021 Property Taxes

City of Duluth (incl. Parks)	\$ 653	28%
St. Louis County	\$ 939	40%
School District 709	\$ 653	28%
Other Entities	\$ 85	4%
Total Average Bill	\$ 2,330	100%

*Based on Market Value of \$160,900



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

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

The truth in taxation hearing is an opportunity for the public to provide comment on the City’s proposed budget and property tax levy for the year 2021 prior to its approval.

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

The statement is a comparison of your actual 2020 tax bill with the proposed tax bill for 2021. The numbers are based on the property tax levy proposals by St. Louis County, the School District, other taxing districts, as well as the City of Duluth. It also factors in any changes in your property’s market value and tax rate classification. The County mails these statements out to individual property owners to show the impact of all property tax proposals on a resident’s tax.

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

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

What services do property taxes fund?

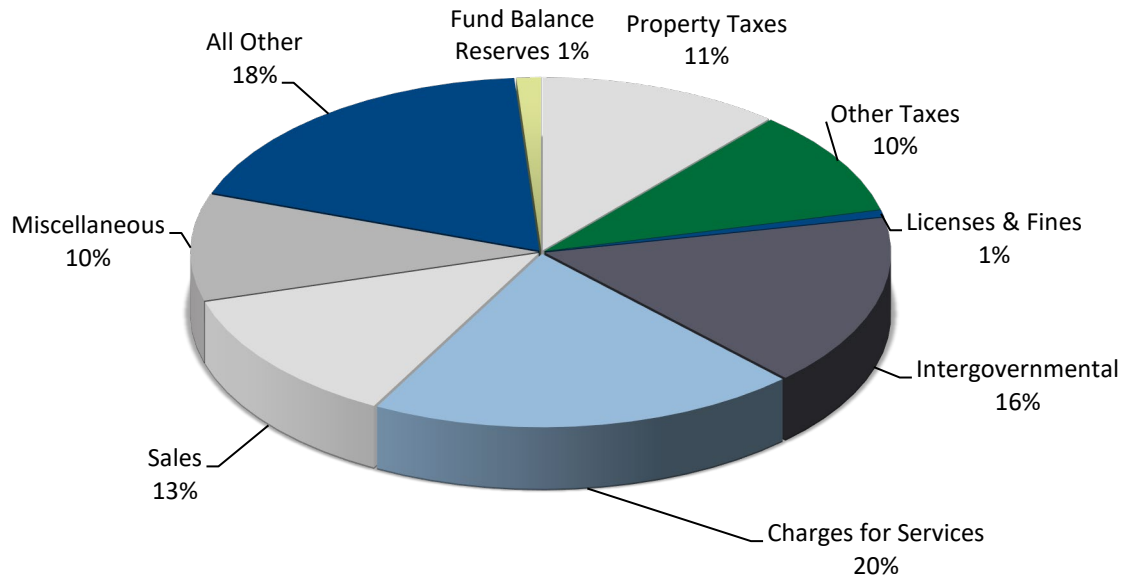
Approximately 22 percent of the City property tax levy goes to fund debt service on capital improvements and equipment. Seven percent goes to fund the Street Maintenance Utility Fund for street improvements. Seven percent of the levy goes to the Street Light Utility fund. One percent of the levy goes to supplement parks. The remaining 63 percent goes into the City’s General Fund to pay for services such as police, fire, libraries, planning and zoning, and street maintenance. For 2021, the portion of the City’s general services paid for with property taxes is slightly over \$22 million or just under 24 percent of total general services. To put the amount into perspective, this does not even cover the Police Department’s 2021 funding requirements.

If property taxes only cover 24 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 32 percent of total general fund revenue. City Sales and Use tax contributes \$12.6 million or 13 percent of total general fund revenue.

City of Duluth Minnesota - 2021 Budget

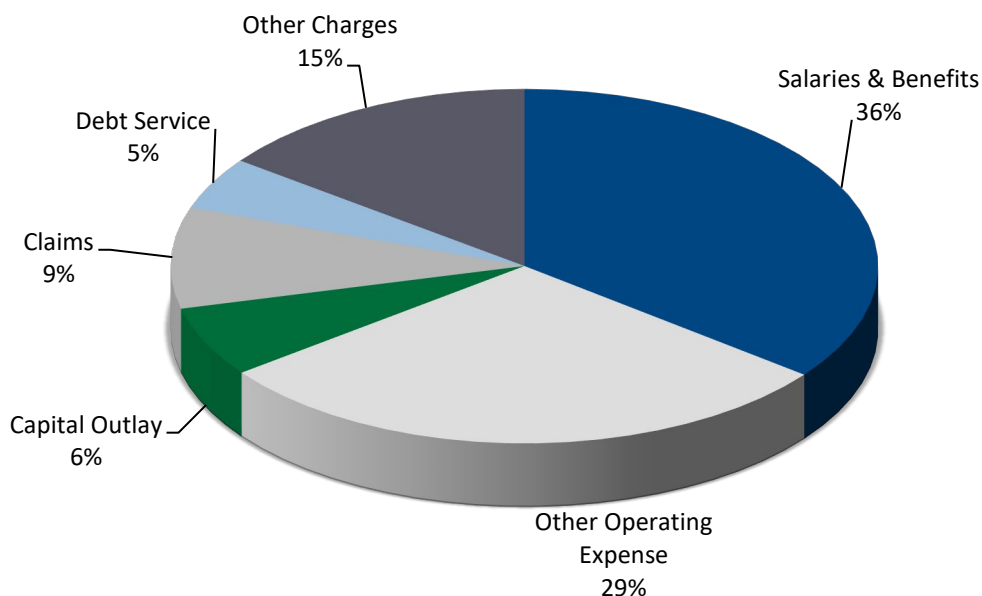
Total Approved Revenues



REVENUES	2018 Actual	2019 Actual	2020 Budget	2021 Approved
Property Taxes	30,400,188	33,575,816	36,440,500	37,444,100
Other Taxes	31,176,745	33,409,546	38,192,900	32,642,000
Licenses & Fines	2,455,142	2,532,144	2,190,100	2,098,900
Intergovernmental	57,311,382	52,457,989	64,782,291	53,377,184
Charges for Services	64,715,023	66,983,164	73,369,032	66,367,592
Sales	37,427,927	38,133,851	39,721,500	41,823,000
Miscellaneous Revenue	33,807,637	62,928,573	32,238,020	33,025,255
All Other Sources	52,999,103	57,246,063	67,667,730	61,152,397
Fund Balance Reserves	-	-	-	3,825,600
TOTAL REVENUES	310,293,147	347,267,145	354,602,073	331,756,028

City of Duluth Minnesota - 2021 Budget

Total Approved Expenses



EXPENSES	2018 Actual	2019 Actual	2020 Budget	2021 Approved
Salaries & Benefits	102,058,533	104,772,891	112,842,717	113,764,479
Other Operating Expense	84,926,672	86,620,434	90,552,905	93,679,091
Capital Outlay	26,141,328	19,558,118	35,923,800	20,488,001
Claims	26,883,750	28,553,972	30,393,921	29,556,201
Debt Service	16,137,168	28,554,936	15,482,000	15,363,900
Other Charges	41,206,742	42,558,350	46,279,098	47,616,154
TOTAL EXPENSES	297,354,195	310,618,700	331,474,441	320,467,826

City of Duluth Minnesota - 2021 Budget

Comparison of Total Approved Revenue

	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference 2021-2020
Current Property Taxes					
General Fund	16,249,861	19,215,092	22,029,300	22,029,300	-
Special Revenue Funds	7,098,511	7,149,033	7,148,600	7,827,200	678,600
Debt Service Funds	6,774,123	6,933,636	6,982,600	7,307,600	325,000
Capital Project Funds	277,693	278,055	280,000	280,000	-
Total Current Property Taxes	30,400,188	33,575,816	36,440,500	37,444,100	1,003,600
Other Taxes					
General Fund	18,400,178	18,383,350	18,081,000	16,280,100	(1,800,900)
Special Revenue Funds	12,172,758	14,414,294	19,500,000	15,750,000	(3,750,000)
Debt Service Funds	603,809	611,902	611,900	611,900	-
Total Other Taxes	31,176,745	33,409,546	38,192,900	32,642,000	(5,550,900)
Licenses and Fines					
General Fund	2,455,142	2,532,144	2,190,100	2,098,900	(91,200)
Total Licenses and Fines	2,455,142	2,532,144	2,190,100	2,098,900	(91,200)
Intergovernmental					
General Fund	34,469,573	34,511,555	34,365,200	34,444,200	79,000
Special Revenue Funds	10,913,925	10,093,241	9,796,591	13,864,384	4,067,793
Capital Project Funds	11,927,884	7,853,193	20,620,500	5,068,600	(15,551,900)
Total Intergovernmental	57,311,382	52,457,989	64,782,291	53,377,184	(11,405,107)
Charges for Services					
General Fund	5,561,813	6,990,761	6,985,700	6,678,900	(306,800)
Enterprise Funds	55,104,529	55,475,450	62,032,319	55,357,167	(6,675,152)
Internal Service Funds	4,048,681	4,516,953	4,351,013	4,331,525	(19,488)
Total Charges for Services	64,715,023	66,983,164	73,369,032	66,367,592	(7,001,440)
Sales					
Enterprise Funds	37,427,927	38,133,851	39,721,500	41,823,000	2,101,500
Total Sales	37,427,927	38,133,851	39,721,500	41,823,000	2,101,500

City of Duluth Minnesota - 2021 Budget

Comparison of Total Approved Revenue

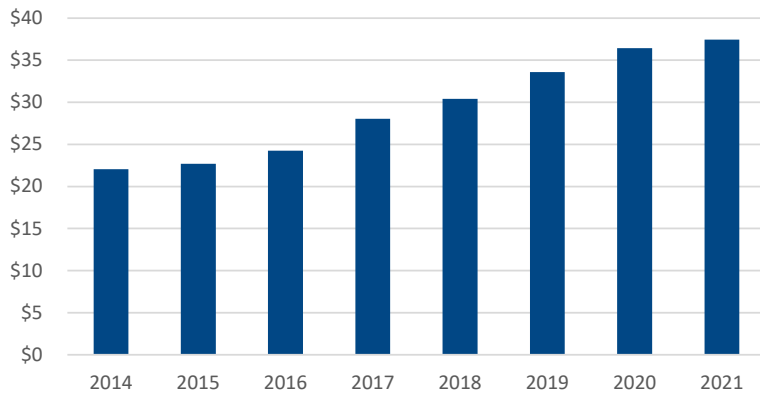
	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference 2021-2020
Miscellaneous Revenue					
General Fund	1,897,831	1,757,022	1,069,600	905,200	(164,400)
Special Revenue Funds	21,011,705	42,397,098	25,580,283	27,193,375	1,613,092
Debt Service Funds	224,392	12,320,127	111,500	-	(111,500)
Capital Project Funds	7,318,462	2,717,376	2,563,406	2,257,258	(306,148)
Internal Service Funds	3,355,246	3,736,951	2,913,231	2,669,422	(243,809)
Total Miscellaneous Revenue	33,807,637	62,928,573	32,238,020	33,025,255	787,235
All Other Sources					
General Fund	8,122,061	8,510,707	8,191,700	8,083,000	(108,700)
Debt Service Funds	8,116,759	8,039,665	7,633,100	6,875,400	(757,700)
Capital Project Funds	4,059,496	5,152,422	10,649,000	9,264,000	(1,385,000)
Enterprise Funds	6,723,013	7,480,113	10,492,204	6,067,400	(4,424,804)
Internal Service Funds	25,977,775	28,063,156	30,701,726	30,862,597	160,871
Total All Other Sources	52,999,103	57,246,063	67,667,730	61,152,397	(6,515,333)
Fund Balance Reserves	-	-	-	3,825,600	3,825,600
Total Revenue	310,293,147	347,267,145	354,602,073	331,756,028	(22,846,045)

City of Duluth Minnesota - 2021 Budget

Comparison of Total Approved Expenditures

	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference 2021-2020
Salaries & Employee Benefits					
General Fund	63,901,949	67,612,400	70,340,000	70,606,000	266,000
Special Revenue Funds	16,015,924	15,896,567	17,182,063	17,575,766	393,703
Enterprise Funds	19,645,238	18,320,724	22,667,300	22,727,900	60,600
Internal Service Funds	2,495,422	2,943,200	2,653,354	2,854,813	201,459
Total Salaries & Employee Benefits	102,058,533	104,772,891	112,842,717	113,764,479	921,762
Other Operating Expense					
General Fund	21,656,564	22,376,850	22,266,100	23,432,700	1,166,600
Special Revenue Funds	6,261,973	6,729,724	6,846,839	7,194,357	347,518
Enterprise Funds	52,330,332	52,151,902	56,115,716	57,822,535	1,706,819
Internal Service Funds	4,677,804	5,361,958	5,324,250	5,229,499	(94,751)
Total Other Operating Expense	84,926,672	86,620,434	90,552,905	93,679,091	3,126,186
Capital Outlay					
General Fund	318,985	1,107,985	306,500	306,500	0
Capital Project Funds	25,822,343	18,450,133	35,617,300	20,181,501	(15,435,799)
Total Capital Outlay	26,141,328	19,558,118	35,923,800	20,488,001	(15,435,799)
Claims					
Internal Service Funds	26,883,750	28,553,972	30,393,921	29,556,201	(837,720)
Total Claims	26,883,750	28,553,972	30,393,921	29,556,201	(837,720)
Debt Service					
Debt Service Funds	16,137,168	28,554,936	15,482,000	15,363,900	(118,100)
Total Debt Service	16,137,168	28,554,936	15,482,000	15,363,900	(118,100)
Other Charges					
Special Revenue Funds	28,910,665	30,409,355	33,565,593	34,489,952	924,359
Enterprise Funds	12,296,077	12,148,995	12,713,505	13,126,202	412,697
Total Other Charges	41,206,742	42,558,350	46,279,098	47,616,154	1,337,056
Total Expenditures	297,354,195	310,618,700	331,474,441	320,467,826	(11,006,615)

Property Tax Levy (in millions)



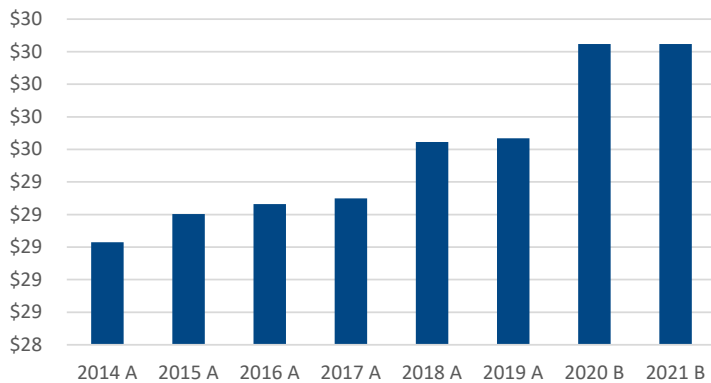
Tax Levy in millions

2014	\$22.04
2015	\$22.69
2016	\$24.26
2017	\$28.05
2018	\$30.40
2019	\$33.58
2020	\$36.44
2021	\$37.44

Description and 2021 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 2.98% over 2020; however, property tax value growth in the City was approximately 6.64% which left an overall tax levy impact of -3.66%. The 2021 property tax levy increase includes \$325 thousand for the Lakewalk debt levy increase and adding \$682 thousand to the Street Light tax levy offset by an elimination of the street light fee on utility bills.

Local Government Aid (in millions)



LGA in millions

2014 A	\$29.03
2015 A	\$29.20
2016 A	\$29.26
2017 A	\$29.30
2018 A	\$29.65
2019 A	\$29.67
2020 B	\$30.25
2021 B	\$30.25

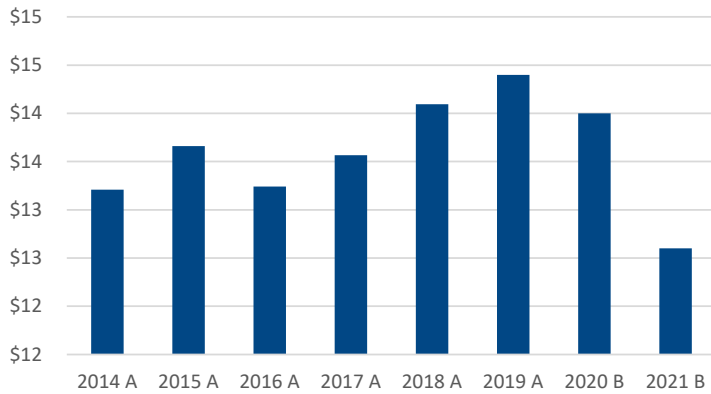
Description and 2021 Budget

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 which will remain the budgeted amount for 2021.

MAJOR REVENUE SOURCE ANALYSIS

(A: Actual, B: Budget)

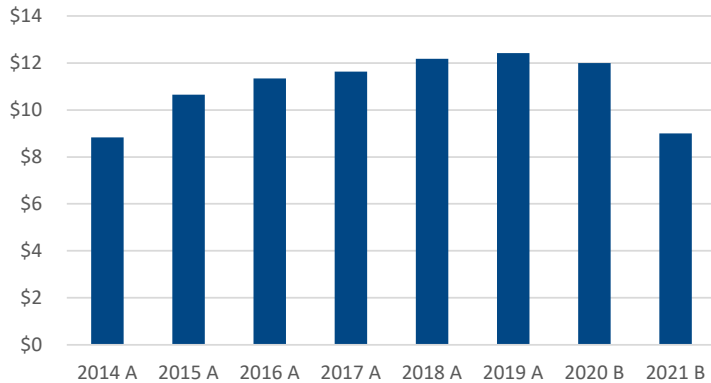
General Sales and Use Tax



Sales Tax in millions

2014 A	\$13.21
2015 A	\$13.66
2016 A	\$13.24
2017 A	\$13.56
2018 A	\$14.09
2019 A	\$14.40
2020 B	\$14.00
2021 B	\$12.60

Tourism Taxes (in millions)



Tourism Taxes in millions

2014 A	\$8.83
2015 A	\$10.64
2016 A	\$11.34
2017 A	\$11.63
2018 A	\$12.17
2019 A	\$12.42
2020 B	\$12.00
2021 B	\$9.00

Description and 2021 Budget

General Sales and Use Tax is a one percent excise tax on gross receipts from retail sales or materials purchased for use in the City of Duluth. The tax collections do not have restrictions on use other than to fund general city services in the General Fund. Many factors have impacted this revenue stream including the state law eliminating the City's ability to charge sales tax on vehicles and authorizing states to impose sales tax collection on out-of-state sellers. The 2020 sales and use tax budget included a slight increase in line with 2018 and 2019 actual collections, however, due to the pandemic induced recession in 2020 and Stay at Home Orders, actual collection are expected to come in lower. Based on the unknown course of the economy, vaccine rollout and pandemic restrictions, the 2021 sales and use tax budget includes a 10% decrease to \$12.6 million.

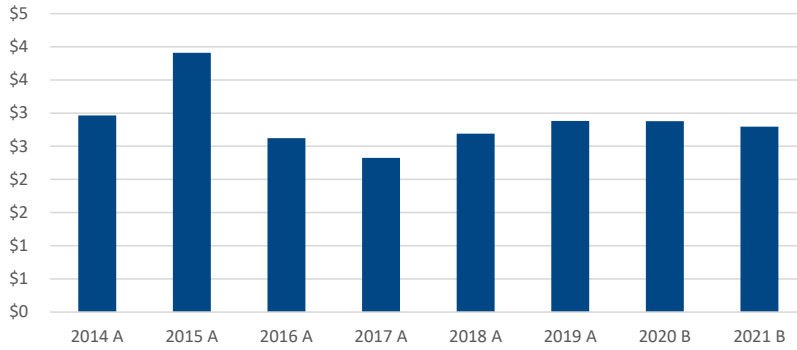
Description and 2021 Budget

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. In 2020, tourism tax revenue decreased by 30%, leading the City to reduce the budget in 2021 by 25% based on the continued unknowns surrounding the pandemic and Stay at Home Orders which reduced tourists and large events bringing tourists to Duluth. 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.

MAJOR REVENUE SOURCE ANALYSIS

(A: Actual, B: Budget)

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



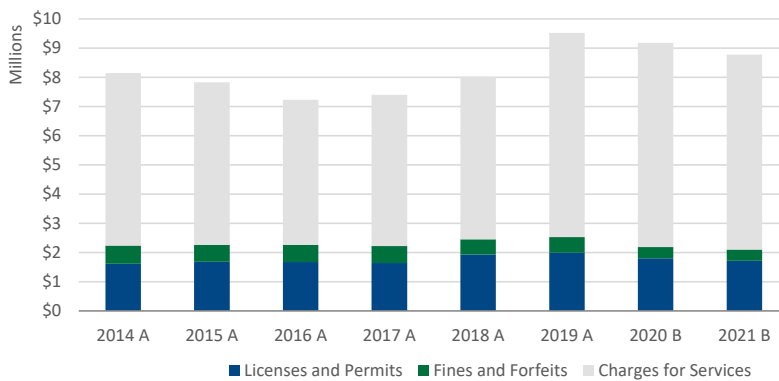
PILOT in millions

2014 A	\$2.96
2015 A	\$3.91
2016 A	\$2.62
2017 A	\$2.33
2018 A	\$2.69
2019 A	\$2.88
2020 B	\$2.88
2021 B	\$2.79

Description and 2021 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 going to the general fund and the incremental gas PILOT going 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 2021 PILOT revenues are expected to decrease slightly from 2020 based on the lower cost of gasoline in 2020.

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



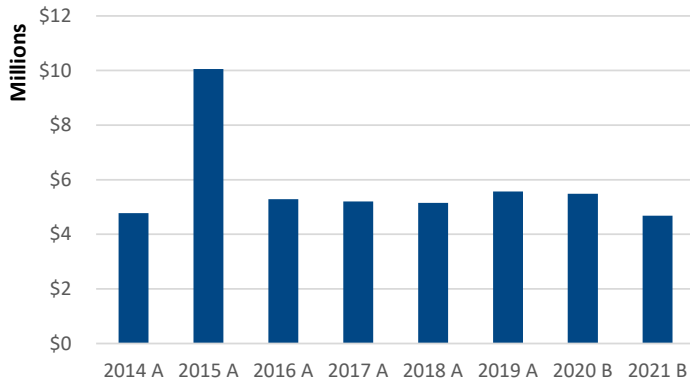
■ Licenses and Permits ■ Fines and Forfeits ■ Charges for Services

	Licenses and Permits	Fines and Forfeits	Charges for Services	Total
2014 A	\$1.61	\$0.62	\$5.91	\$8.15
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 B	\$1.80	\$0.39	\$6.99	\$9.18
2021 B	\$1.72	\$0.38	\$6.68	\$8.78

Description and 2021 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 (1.46% for 2021), 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 2021 inspection fees are budgeted lower than 2020 largely due to the decrease in permits coming in from the Medical District Expansion. Court fines are also projected to be lower than the 2020 budget.

Parking Funds Operating Revenue



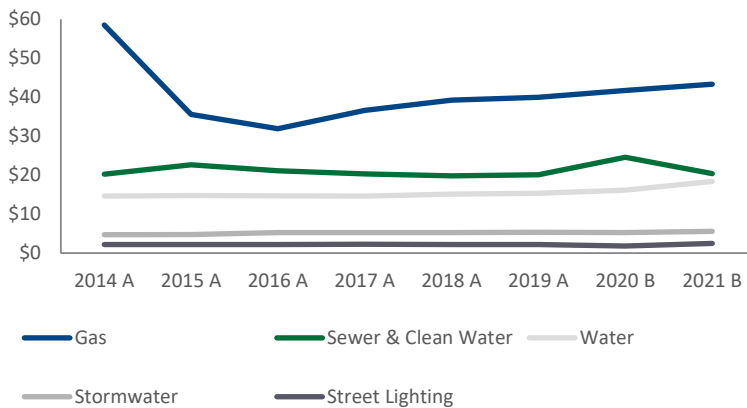
Earnings in millions

2014 A	\$4.77
2015 A	\$10.06
2016 A	\$5.29
2017 A	\$5.21
2018 A	\$5.15
2019 A	\$5.57
2020 B	\$5.48
2021 B	\$4.69

Description and 2021 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 2021 parking revenues are projected to decrease 15% from 2020 budgeted revenues mainly due to the loss of revenue associated with the pandemic leading to less tourists, and more remote working arrangements.

Public Utility Revenues (in millions)



Description and 2021 Budget

The City owns and operates five public utilities as shown. The city established a public utilities commission in 2010 which is charged with establishing rates, as well as recommending budgets for annual review and approval by the City Council. Utility revenues are budgeted to decrease comparable to 2020 budgets, mainly due to the sewer and clean water and water utilities. Natural gas revenues are dependent on rates and customer usage. Water rates were approved to increase for five consecutive years beginning January 1, 2019.

in millions	Gas	Sewer & Clean Water	Water	Stormwater	Street Lighting	Total
2014 A	\$58.53	\$20.27	\$14.63	\$4.72	\$2.23	\$100.37
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 B	\$41.74	\$24.59	\$16.18	\$5.29	\$1.81	\$89.62
2021 B	\$43.33	\$20.42	\$18.39	\$5.58	\$2.48	\$90.21

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 2021 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 - 2021 Budget

Detail by Fund

	Estimated			
	Beg. Balance	Revenues	Expenditures	Balance
General Fund	22,019,567	94,345,200	94,345,200	22,019,567
Special Revenue Funds				
Lake Superior Zoological Gardens	(406,497)	1,938,641	1,938,641	(406,497)
Parks	1,549,849	3,269,400	3,269,400	1,549,849
Special Projects	1,739,973	1,098,300	1,098,300	1,739,973
Police Grant Programs	134,160	2,246,486	2,246,486	134,160
Capital Equipment	2,444,155	3,250,000	3,250,000	2,444,155
Economic Development	162,524	548,779	120,000	591,303
Community Investment Trust	26,871,570	425,000	425,000	26,871,570
Energy Management	217,960	247,000	251,000	213,960
Special City Excise and Sales Tax	1,629,129	9,000,000	9,719,400	909,729
Home Investment Partnership Program	(123,235)	549,739	549,739	(123,235)
Community Development	(422,031)	6,054,848	6,054,848	(422,031)
Community Development Administration	(23,690)	780,389	780,389	(23,690)
Workforce Development	269,641	2,665,681	2,665,681	269,641
Senior Employment	(2,014)	392,741	392,741	(2,014)
Other Post Employment Benefits	75,346,166	17,617,580	11,908,350	81,055,396
DECC Revenue	5,454,691	2,816,175	2,842,800	5,428,066
Street System Maintenance Utility	442,539	2,500,000	2,500,000	442,539
Street Improvement Sales Tax	1,964,649	6,750,000	6,750,000	1,964,649
Street Lighting Fund	431,521	2,484,200	2,497,300	418,421
Total Special Revenue Funds	117,681,060	64,634,959	59,260,075	123,055,944
Debt Service Funds				
General Obligation Debt Service - Tax Levy	7,759,958	7,365,500	7,263,100	7,862,358
General Obligation Debt Service - Other Sources	7,124,545	6,532,100	6,530,100	7,126,545
Special Assessment Debt Service	12,455	93,000	189,200	(83,745)
Street Improvement Debt Service	1,362,749	192,400	830,800	724,349
Tax Increment Debt Service	116,632	611,900	550,700	177,832
Total Debt Service Funds	16,376,339	14,794,900	15,363,900	15,807,339

City of Duluth Minnesota - 2021 Budget

Detail by Fund

	Estimated			
	Beg. Balance	Revenues	Expenditures	Balance
Capital Projects Funds				
Special Assessment Capital Project	(142,724)	36,496	-	(106,228)
Permanent Improvements	20,618	6,059,000	6,059,000	20,618
Street Improvement Program	1,767,439	7,802,762	9,583,201	(13,000)
Capital Improvement	618,118	2,350,000	1,840,700	1,127,418
Tourism & Recreational Projects	5,410,957	621,600	2,698,600	3,333,957
Total Capital Projects Funds	7,674,407	16,869,858	20,181,501	4,362,765
Enterprise Funds Estimated Revenue and Expense				
				INCOME/(LOSS)
Golf Fund		1,151,860	1,250,384	(98,524)
Parking Fund		3,836,530	4,741,493	(904,963)
Priley Drive Parking Facility		848,900	1,239,692	(390,792)
Water Fund		18,386,700	13,013,200	5,373,500
Gas Fund		43,331,900	41,121,777	2,210,123
Sewer Fund		18,769,000	17,027,600	1,741,400
Clean Water Surcharge Fund		1,652,000	1,123,100	528,900
Stormwater Fund		5,583,688	4,941,100	642,588
Steam Fund		9,686,989	9,218,291	468,698
Total Enterprise Funds		103,247,567	93,676,637	9,570,930
Internal Service Funds				
Self-Insurance - Workers' Compensation	(864,452)	2,227,500	1,634,600	(271,552)
Self-Insurance - Liabilities	743,638	863,300	986,900	620,038
Medical Health Fund	4,942,300	29,416,935	29,628,891	4,730,344
Dental Health Fund	228,611	1,024,284	1,060,892	192,003
Fleet Services	(896,897)	4,331,525	4,329,230	(894,602)
Total Internal Service Funds	4,153,201	37,863,544	37,640,513	4,376,232
Total All Funds	167,904,574	331,756,028	320,467,826	179,192,776

2021 HIGHLIGHTS BY FUND

General Fund

Revenue Assumptions - The final approved 2021 General Fund revenue budget of \$94.35 million is \$1.44 million more than the 2020 approved budget. Major revenue sources in the 2021 General Fund budget include local government aid, sales tax, property tax and the use of cash reserves in the amount of \$3.8 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 2021 the City budgeted LGA revenue at \$30.2 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 2020 approved budget and the 2021 approved budget. The second chart shows the variance of the 2021 proposed budget and the 2021 approved budget.

2020 Approved Expenditures and 2021 Approved Expenditures Variance			
	\$ Variance in Millions		Narrative
2020 Approved Revenues		92.91	
City Sales and Use Tax	(1.40)		Based on projected sales and use tax collections.
Minnesota Power Franchise Tax	(0.35)		Decrease due to idled paper mill.
Charges for Services	(0.31)		Decrease in Inspection Services.
All Other Operating Revenues	(0.33)		All other changes throughout.
Reserves	3.83		Use of Cash Reserves to fund revenue shortfalls due to the recession caused by the pandemic.
Total Revenue Changes		1.44	
2021 Approved Revenues		94.35	

2021 Proposed Revenues and 2021 Approved Revenues Variance			
	\$ Variance in Millions		Narrative
2021 Proposed Revenues		94.24	
City Sales and Use Tax	-		
Minnesota Power Franchise Tax	-		
Charges for Services	-		
All Other Operating Revenues	0.27		Increase in State Insurance Premiums
Reserves	(0.16)		Less reserves required to balance budget
Total Revenue Changes		0.11	
2021 Approved Revenues		94.35	

Expenditure Assumptions - As with revenues, the final approved 2021 General Fund budget is \$1.44 million more than the 2020 approved budget. This year there was growth associated with annual step and longevity increases and an expected rise in worker's comp claims corresponding to a change in state law.

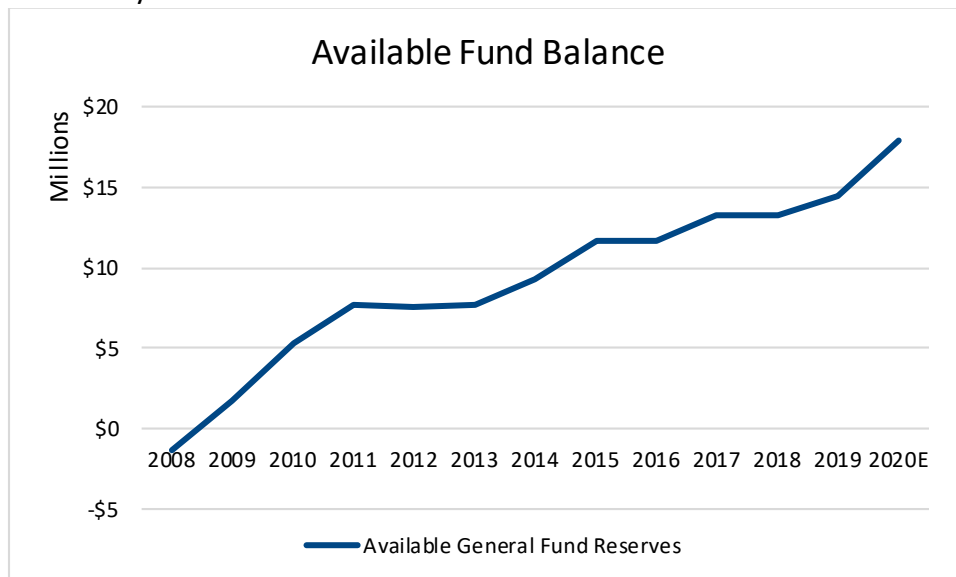
2020 Approved Expenditures and 2021 Approved Expenditures Variance			
	\$ Variance in Millions		Narrative
2020 Approved Expenditures		92.91	
Salaries and Benefits	0.27		Step/Longevity Increases for staff along with corresponding benefits.
Other Services and Charges	1.16		Increased Worker's Comp Claims.
All Other Operating Expenses	0.01		All other changes throughout.
Total Expense Changes		1.44	
2021 Approved Expenditures		94.35	

2021 Proposed Expenditures and 2021 Approved Expenditures Variance			
	\$ Variance in Millions		Narrative
2021 Proposed Expenditures		94.24	
Salaries and Benefits	0.38		Longevity and step increases approved in Memorandum of Understanding
Other Services and Charges	(0.27)		Reduction in transfers out
All Other Operating Expenses	-		
Total Expenditure Changes		0.11	
2021 Approved Expenditures		94.35	

The number of general fund positions for 2021 increased 3.50 FTE's over 2020, from 606.30 FTE's to 609.80 FTE's. The changes by department are as follows:

Position Bridge Schedule	Full Time Equivalent Variance	
2020 Fulltime Equivalents (FTE's)		606.30
Legislative & Executive	0	
Property, Parks, & Libraries	1	
Administrative Services	0	
Finance	0	
Planning & Economic Development	0	
Fire Department	0	
Police Department	2.5	
Public Works	0	
Total Changes in FTE's	3.5	
2021 Fulltime Equivalents (FTE's)		609.80

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 2021 General Fund budget of \$94.3 million, the minimum level (5%) would require a fund balance of \$4.7 million. Due to the City's agility in responding to the impacts of the pandemic and the corresponding CARES Act funding, the City's fund balance has remained healthy.



The year 2008 ended with a negative fund balance of \$1.35 million. As was the case nationally, Duluth saw record revenue deficits coupled with a late December cut in Local Government Aid from the state. Due to the timing of that reduction, the City was not able to put any recovery actions into place before year end.

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. 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 2020 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 34th Avenue West (also referred to as the St Louis River Corridor). The 2021 budgeted revenue is \$9.7 million with \$719,400 coming from the Tourism Tax Fund Balance. In 2021, \$1.3 million is budgeted to make debt payments for the projects along the St Louis River Corridor. Visit Duluth will receive a total tax allocation of \$1.5 million. The Great Lakes Aquarium, Spirit Mountain, and the Lake Superior Zoo will receive operating subsidies from tourism taxes in the amounts of \$.27 million, \$.5 million, and \$.51 million respectively. Capital Support and Debt service payments totaling \$4.1 million funded by the tourism tax fund go toward DECC improvements, Spirit Mountain, and Minnesota

Slip Bridge. Due to the expected decrease in Tourism Tax revenue, there were less recipients of the allocation this year. 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 2021 budget includes \$2.5 million in dedicated property tax revenue. Of this amount, \$1 million will be used for enhanced street maintenance, and \$1.5 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 2021, the estimated revenue is \$6.7 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 2021 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 2020 is \$135 million. The property tax levy for debt service in 2021 is \$7.3 million. The property tax supported bond issues proposed for 2021 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 2021, a total of \$20.1 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 2021 budget are \$2.6 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 will 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 2021, the City will continue to contract out the operation, and keep Enger Golf Course open and fund only minimal maintenance at Lester Golf Course.

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 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 new such as the City of Duluth’s comprehensive land use plan, *Imagine Duluth 2035*, and Priority Based Budgeting. The goal is to provide citizens, elected officials, managers and staff with the tools and information needed to 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.

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.

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. The City of Duluth used the Priority Based Budgeting approach to get through 2020 and will continue to use PBB in future budgets. 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 2021 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, 2020.

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

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

FINANCIAL POLICIES

The City of Duluth's Financial Management Policies provide a framework for fiscal management of the City. In addition, policies are created so all parties operate under the same underlying assumptions. The majority of these policies represent long-standing principles and practices that operate independently of changing circumstances and conditions. Even so, all policies are reviewed annually by the Administration and staff to determine their continued appropriateness and completeness. The City of Duluth used these policies in the formulation of the 2021 budget and to the best of our knowledge the budget complies with these policies.

These policies cover the following areas:

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

Operating Budget Policy

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

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

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

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

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

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

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

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

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

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

Budgetary Controls & Other - The City will develop and maintain accounting and budgetary control systems to adequately safeguard the assets held in public trust. The legal level of budgetary control is at the department level within a fund. Transfers may be made between departments with the approval of the 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 Chief Financial Officer (CFO). 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:

- Chief Financial Officer
- 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 objective of the Reserve Policy is to provide adequate working capital for cash flow and contingency purposes, while maintaining reasonable tax rates.

Cash Flow and Contingency - The City shall endeavor to maintain a minimum unreserved, undesignated General Fund balance of five percent (5%) of the current year's total expense budget to be used for cash flow purposes, unanticipated expenditures of a non-recurring nature, or to meet unexpected increases in service delivery costs. The City acknowledges and will make every effort to generate a seven to ten percent (7-10%) reserve as the optimum level.

To the extent that unusual contingencies exist as a result of state or federal aid uncertainties, or other highly variable factors, a balance larger than this minimum amount may be maintained. These funds will be used to avoid cash flow interruptions, generate interest income, avoid the needs for short-term borrowing, and assist in maintaining an Aa2 bond rating.

Appropriate operating contingency reserves shall be maintained in enterprise funds to provide for business interruption costs and other unanticipated expenditures of a non-recurring nature. Appropriate capital fund reserves shall also be maintained for emergency improvements relating to new regulations, or emergency needs for capital repair or replacement.

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. Where cost-effective access to capital markets is available and debt financing is regularly used, replacement balances shall not be maintained so current consumers are not required to pay for future facilities. The City shall strive to maintain a minimum cash balance in its Enterprise Funds equal to approximately three months 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 – If at all feasible, available fund balances will not be used for ongoing operating expenditures, unless a determination has been made that available balances are in excess of required guidelines and that plans have been established to address any future operating budget shortfalls. Emphasis shall be placed on one-time uses that achieve future operating cost reductions. 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 assets. 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 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:

- Chief Financial Officer
- 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 Chief Financial Officer 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 (CAFR) is published by the City within six months of the following year. The CAFR 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 CAFR 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 - 2021 Budget

General Fund

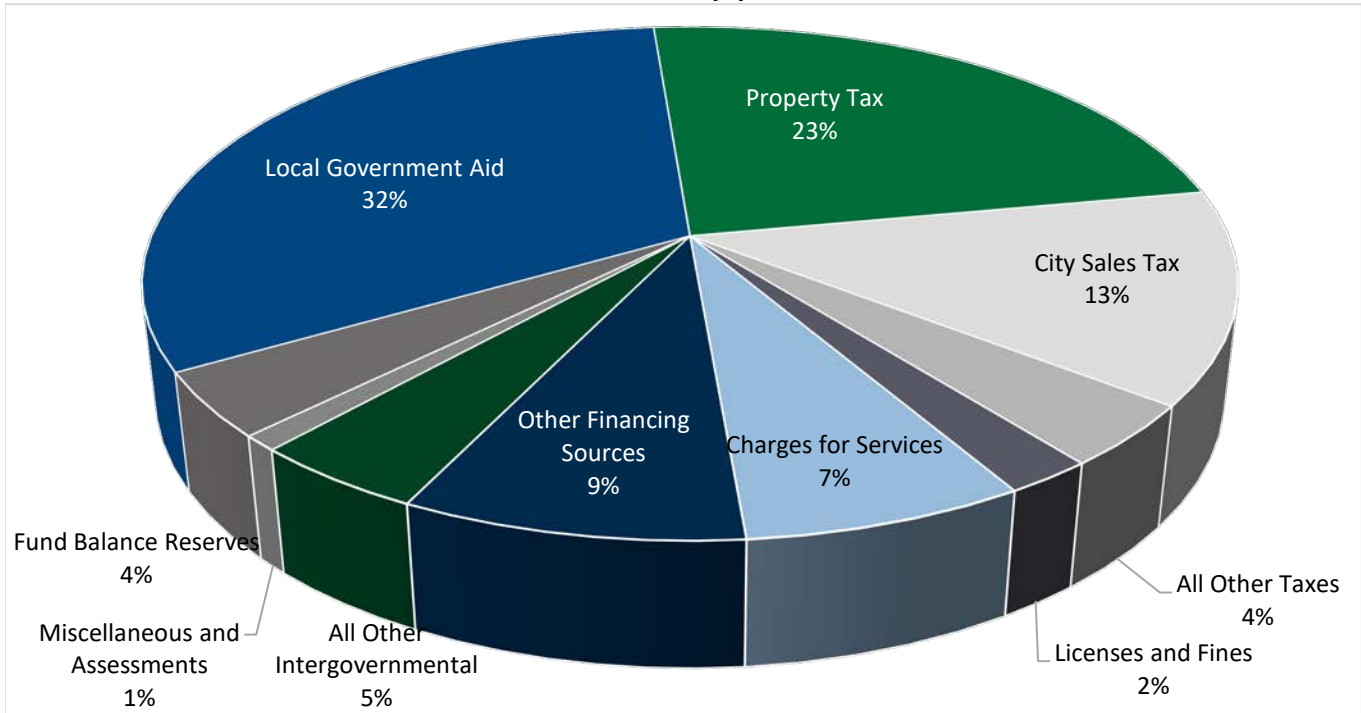
The General Fund provides general purpose government to the citizens of Duluth and accounts for all financial transactions not accounted for in another fund. This fund is used to finance activities such as general government, public safety, public works, libraries, recreation and business and economic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

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
REVENUES				
Property Tax				
General Operations Levy	16,070,029	19,040,025	21,879,300	21,879,300
Delinquent Property Taxes	179,832	175,067	150,000	150,000
City Sales Tax	14,094,409	14,453,054	14,000,000	12,600,000
All Other Taxes	4,305,769	3,930,296	4,081,000	3,680,100
Local Government Aid	29,645,975	29,668,565	30,247,200	30,247,200
All Other Intergovernmental	4,823,598	4,842,990	4,118,000	4,197,000
Licenses and Fines	2,455,142	2,532,144	2,190,100	2,098,900
Charges for Services	5,561,813	6,990,761	6,985,700	6,678,900
Other Financing Sources	8,122,061	8,510,707	8,191,700	8,083,000
Miscellaneous	1,897,831	1,757,022	1,069,600	905,200
Cash Balance Forward	-	-	-	3,825,600
Total Revenues	87,156,459	91,900,630	92,912,600	94,345,200
EXPENDITURES				
Permanent Salaries	42,226,938	43,865,331	46,295,300	46,391,000
Premium Pay	2,224,335	2,577,199	1,707,600	1,707,600
Other Wages	657,555	677,509	735,700	735,800
Employee Benefits	18,793,121	20,492,361	21,601,400	21,771,600
Supplies	2,649,957	2,957,686	3,051,600	3,060,800
Other Services & Charges	10,182,598	10,660,159	10,571,100	11,728,500
Utilities	1,251,706	1,091,742	1,294,300	1,294,300
Retiree Insurance	7,572,303	7,667,262	7,349,100	7,349,100
Capital	318,985	1,107,985	306,500	306,500
Total Expenditures	85,877,498	91,097,235	92,912,600	94,345,200

City of Duluth Minnesota - 2021 Budget

2021 General Fund Approved Revenues



Local Government Aid	\$	30,247,200
Property Tax	\$	22,029,300
City Sales Tax	\$	12,600,000
All Other Taxes	\$	3,680,100
Licenses and Fines	\$	2,098,900
Charges for Services	\$	6,678,900
Other Financing Sources	\$	8,083,000
All Other Intergovernmental	\$	4,197,000
Miscellaneous and Assessments	\$	905,200
Fund Balance Reserves	\$	3,825,600
TOTAL 2021 Revenues	\$	94,345,200

This graph shows the major categories of revenues expressed as a percent of total General Fund revenues estimated for budget fiscal year 2021. 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 32% 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 - 2021 Budget

General Fund Revenues		2018 Actual	2019 Actual	2020 Budget	2021 Approved
CATEGORY 10 - TAXES					
4005	Current Property Tax	16,070,029	19,040,025	21,879,300	21,879,300
4010	Delinquent Property Tax	179,832	175,067	150,000	150,000
4015	Mobile Home Tax	66,099	80,747	59,700	59,700
4040	City Sales and Use Tax	14,094,409	14,453,054	14,000,000	12,600,000
4050	Charitable Gambling Tax	22,363	3,898	20,000	20,000
4070	MN Power Franchise Fee	3,138,318	2,705,686	3,100,000	2,750,000
4071	Cable Franchise Fee	849,931	820,620	791,500	750,000
4072	No. MN Utility Franchise Fee	8,812	8,128	6,700	6,700
4080	Forfeit Tax Sale	16,400	7,482	19,400	10,000
4090	Other Taxes	203,847	303,734	83,700	83,700
TOTAL TAXES		34,650,039	37,598,442	40,110,300	38,309,400
CATEGORY 20 - LICENSES AND PERMITS					
4101	Liquor License	534,395	550,959	498,000	373,500
4102	Beer License	19,177	19,771	14,000	11,200
4105	Hotel License	12,310	13,578	9,000	6,500
4106	Garbage Collection	16,986	17,880	16,000	16,000
4107	Horse & Carriage	286	396	700	700
4108	Emergency Wrecker License	4,005	4,450	6,000	6,000
4109	Gas Station License	9,098	8,595	8,500	8,500
4111	Pawnbroker License	386	386	1,100	1,100
4112	Peddler's License	5,634	4,467	1,000	1,000
4113	Precious Metal Dealer	1,961	1,158	1,500	1,500
4114	Pet Shop License	415	944	600	600
4115	Dog & Cat Hospitals License	415	581	700	700
4116	Dog Kennels License	611	396	400	400
4117	Massage Parlor	13,442	13,022	12,000	10,800
4118	Cigarette License	11,912	12,515	11,000	11,000
4119-01	Motor Vehicle - Dealer	4,129	3,326	4,400	4,400
4119-02	Motor Vehicle - Rental	1,602	1,602	1,800	1,800
4120	Taxi Permit	11,153	19,677	11,000	11,000
4121	Coin Operating Device	19,115	9,270	9,000	9,000
4122	Pool & Bowling	1,202	1,202	1,000	1,000
4123	Dance Hall License	90	59	-	-
4124	Tree Service Contractor License	-	-	1,400	1,400
4125	Transportation Network Companies License	-	-	-	7,400

City of Duluth Minnesota - 2021 Budget

General Fund Revenues		2018 Actual	2019 Actual	2020 Budget	2021 Approved
CATEGORY 20 - LICENSES AND PERMITS continued					
4126	Shared Active Mobility Systems	-	3,000	1,000	3,000
4151	Fill Permits	1,281	16,703	1,100	1,100
4152	Excavation Permits	17,012	23,390	15,000	15,000
4153	Multiple Dwell License	1,083,226	1,016,787	876,800	916,400
4154	Commercial Use/Occupancy	103,186	126,580	100,000	100,000
4155	Special Event Permit	5,076	5,976	3,000	1,500
4160	Fire Protection Systems Permit Fees	-	-	95,500	95,500
4170	Misc. Perm. & Licenses	52,623	110,878	101,000	101,000
TOTAL LICENSE AND PERMITS		1,930,727	1,987,547	1,802,500	1,719,000
CATEGORY 30 - INTERGOVERNMENTAL					
4209-02	Misc. Federal Grants (Safer Grant)	17,637	11,121	-	-
4210-02	Pass-thru Federal Grants	20,617	-	-	-
4220-02	State of Minnesota	25,804	17,874	5,000	4,000
4220-03	State of Minnesota-Disaster Aid	-	-	-	-
4221	Local Government Aid	29,645,975	29,668,565	30,247,200	30,247,200
4222	State Property Tax Aid	230	236	-	-
4225	Ski Trail Reimbursement	11,000	6,600	11,000	11,000
4226	Snowmobile Trail Grants	14,662	16,097	13,900	-
4227	Police Training Reimbursement	134,938	146,144	142,000	142,000
4230	PERA Aid	124,428	124,428	-	-
4232	State Insurance Premium	2,039,451	2,124,504	1,942,000	2,132,800
4233	State of MN PERA Contribution	419,103	378,296	-	-
4240-02	Municipal State Aid - Maintenance	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	261,820	278,940	258,900	178,000
4300-01	HRA in Lieu of Taxes	66,012	66,939	57,400	57,400
4300-02	Ordean Foundation	16,086	-	16,000	-
TOTAL INTERGOVERNMENTAL		34,469,573	34,511,555	34,365,200	34,444,200
CATEGORY 40 - CHARGES FOR SERVICES					
4301	Zoning Appeals Fees	-	-	600	600
4303	Use Permit - Flood & Wetlands	3,172	3,224	900	900
4306	Building Appeals Fees	369	373	-	-
4307	Planning/Zoning Fees	81,463	98,879	85,000	78,200
4310	Assessment Cost Services	-	30,704	40,600	40,600

City of Duluth Minnesota - 2021 Budget

General Fund Revenues		2018 Actual	2019 Actual	2020 Budget	2021 Approved
CATEGORY 40 - CHARGES FOR SERVICES continued					
4311	Assessment Certification Fee	42,982	54,966	20,000	30,000
4315-01	Stormwater Administrative Service	149,400	134,400	169,900	169,900
4315-02	Sewer Administrative Service	204,600	208,200	230,400	230,400
4315-03	Steam Administrative Service	50,900	55,600	53,200	53,200
4315-04	DECC Administrative Service	13,700	13,800	13,800	13,800
4315-05	DTA Administrative Service	10,300	10,300	10,300	10,300
4315-06	Grant Administration Services	81,088	73,648	69,000	69,000
4315-07	Airport Administrative Service	45,200	45,200	45,200	45,200
4315-08	DEDA Administrative Service	365,000	400,000	400,000	400,000
4315-09	Public Utility Admin Service	773,700	817,100	851,000	851,000
4315-10	Fleet Administrative Service	135,900	145,500	146,200	146,200
4315-11	Golf Administrative Service	18,800	16,100	8,100	8,100
4315-12	Group Health Admin Service	360,500	371,315	353,300	353,300
4315-13	Self Insurance Admin Service	457,500	563,200	614,500	614,500
4315-14	Spirit Mt. Administrative Service	37,700	26,200	26,200	26,200
4315-15	Parking Administrative Service	136,400	138,600	150,000	150,000
4315-16	Street Lighting System Utility	50,500	55,100	28,200	-
4315-17	410 West 1st Street Ramp	22,500	17,200	5,000	5,000
4319	Attorney Fees	4,300	5,275	4,000	4,000
4320	IT Services	16,623	22,886	24,600	52,800
4322	Animal Shelter Fees	15,030	18,610	12,000	12,000
4323	Garnishment Fees	120	105	-	-
4326	Criminal History Checks	288	573	400	400
4328	Pawnbroker Transaction Charge	38,561	33,090	40,000	30,000
4329	False Alarm Fees & Penalties	23,914	21,417	18,000	18,000
4340	Fire Protection Services	6,350	4,200	4,200	4,200
4341	Hydrant Maintenance Service	30,000	30,000	30,000	30,000
4351	Building Inspection Fees	1,479,793	2,564,064	2,654,800	1,654,800
4352	Plumbing Inspection Fees	185,750	214,487	182,200	182,200
4353	Electric Inspection Fees	220,819	246,679	192,300	192,300
4354	HVAC-R Inspection Fees	264,104	307,805	151,800	151,800
4355	Signs Inspection Fees	21,582	16,861	10,600	10,600
4356	House Moving Inspection Fees	13,116	13,320	9,100	9,100
4357	Mobile Home Inspection Fees	758	1,078	1,900	1,900
4359	CAF Administrative Fee	16,433	25,222	15,300	15,300
4361	RZP Registration Fee	18,870	21,080	13,100	13,100
4370	Engineering Services	163,728	164,399	300,000	1,000,000
TOTAL CHARGES FOR SERVICES		5,561,813	6,990,761	6,985,700	6,678,900

City of Duluth Minnesota - 2021 Budget

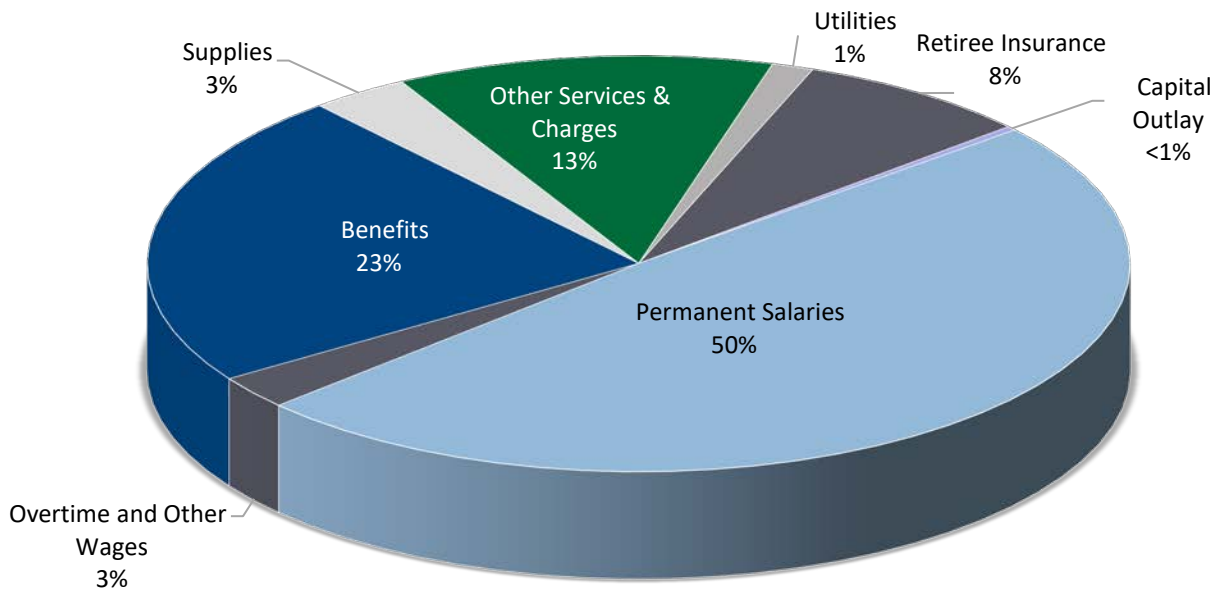
General Fund Revenues		2018 Actual	2019 Actual	2020 Budget	2021 Approved
CATEGORY 50 - FINES AND FORFEITS					
4470	License Penalties	5,909	10,351	2,000	1,500
4471	Library Fines	57,864	38,510	-	-
4472	Administrative Fines	46,432	77,714	21,600	43,400
4473	Court Fines	364,024	350,971	364,000	335,000
4474	Police Felony Forfeitures	50,186	67,051	-	-
TOTAL FINES AND FORFEITS		524,415	544,596	387,600	379,900
CATEGORY 60 - SPECIAL ASSESSMENTS					
4500	Assessments	76,697	484,685	106,100	106,100
4500-12	Assessments - Service Charge	378,378	-	370,000	370,000
4501	Assessments - Penalty & Interest	19,166	14,278	16,800	12,800
TOTAL SPECIAL ASSESSMENTS		474,241	498,963	492,900	488,900
CATEGORY 70 - MISCELLANEOUS					
4601-02	Earnings on Investments	(35,189)	83,511	-	-
4602-01	Interest on Temporary Loans	18,850	4,144	-	-
4622	Rent of Buildings	496,689	76,106	78,000	84,800
4623	Rent of Land	5,965	6,815	6,600	5,600
4627	Concessions & Commissions	8,095	11,934	10,000	-
4631	Media Sales	21,803	17,472	22,700	14,700
4635	Auction Proceeds	6,425	4,994	-	-
4636-02	Sale of Materials	14,137	5,760	5,000	5,000
4639	Sale of Equipment	49,977	69,254	-	-
4640	Sale of Land	3,596	-	-	-
4644	Miscellaneous Sales	79,833	121,990	72,900	34,500
4650	Salary Reimbursement	36,993	37,271	20,000	10,000
4654	Other Reimbursements	469,180	572,097	114,400	110,300
4655	Drug Task Force Reimbursement	75,453	50,628	-	-
4660	Gifts & Donations	9,026	26,072	-	-
4680	Damages Recovered	230	270	-	-
4700	Other Sources	11,063	18,094	95,700	-
4701	2% Retention Surtax	1,464	1,649	1,400	1,400
4702	Fond du Luth Proceeds	150,000	150,000	150,000	150,000
TOTAL MISCELLANEOUS		1,423,590	1,258,059	576,700	416,300

City of Duluth Minnesota - 2021 Budget

General Fund Revenues	2018 Actual	2019 Actual	2020 Budget	2021 Approved
CATEGORY 80 - OTHER FINANCING SOURCES				
4730-20 Transfer from Special Revenue Funds	1,982,891	2,070,965	1,782,500	1,415,100
4730-22 Transfer from Police Grant Funds	878,674	1,030,772	916,200	1,300,500
4730-23 Overtime	208,354	256,529	152,300	116,000
4730-30 Transfer from Debt Service Funds	58,383	5,259	-	-
4730-50 Transfer from Enterprise Funds	1,386,300	1,386,300	1,356,300	1,356,300
4730-51 Transfer from Public Utility Funds	909,104	879,105	1,104,900	1,101,300
4731 Gas Utility in Lieu of Taxes	2,528,413	2,728,817	2,726,700	2,641,000
4732 Steam Utility in Lieu of Taxes	161,101	152,960	152,800	152,800
4805 Reimbursements	8,841	-	-	-
TOTAL OTHER FINANCING SOURCES	8,122,061	8,510,707	8,191,700	8,083,000
Fund Balance Reserves	-	-	-	3,825,600
GENERAL FUND TOTAL	87,156,459	91,900,630	92,912,600	94,345,200

City of Duluth Minnesota - 2021 Budget

2021 General Fund Approved Expenditures

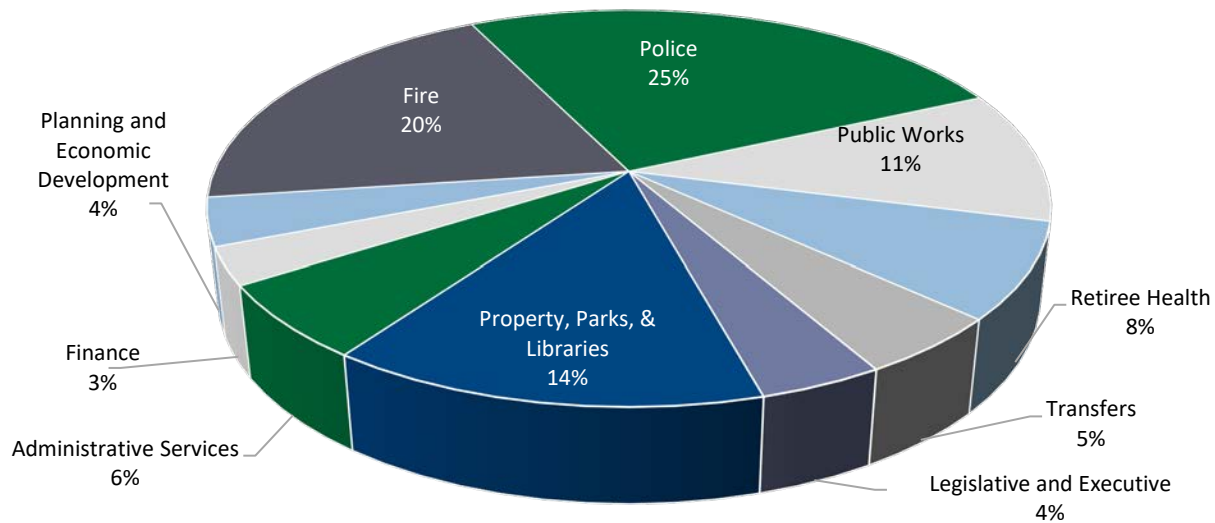


Permanent Salaries	\$	46,391,000
Overtime and Other Wages	\$	2,443,400
Benefits	\$	21,771,600
Supplies	\$	3,060,800
Other Services & Charges	\$	11,728,500
Utilities	\$	1,294,300
Retiree Insurance	\$	7,349,100
Capital Outlay	\$	306,500
TOTAL 2021 EXPENDITURES	\$	94,345,200

This graph shows the General Fund budget by expense category. The largest single category of expense is Permanent Salaries at 50% of all expenses. When the cost of benefits, overtime, and other wages is added, the total is 76% of all budgeted expenses. Other Services and Charges comprises 13% of the total; followed by Retiree Insurance at 8%; Supplies at 3%; Utilities at 1%; and Capital Outlay in the General Fund at less than 1%.

City of Duluth Minnesota - 2021 Budget

2021 General Fund Approved Expenditures



Legislative and Executive	\$	3,812,700
Property, Parks, & Libraries	\$	13,381,100
Administrative Services	\$	5,738,700
Finance	\$	2,850,200
Planning and Economic Development	\$	3,677,000
Fire	\$	18,696,200
Police	\$	24,061,100
Public Works	\$	10,189,900
Retiree Health	\$	7,349,100
Transfers	\$	4,589,200
TOTAL 2021 EXPENDITURES	\$	94,345,200

This graph shows the General Fund departmental budgets as a percent of the total General Fund expenditures for budget fiscal year 2021. The largest category of expense is public safety with the Police and Fire departments comprising 45% of the total; followed by Property, Parks, & Libraries department at 14%. The General Fund portion of the Public Works department comprises 11% of the total. Retiree health care comprises 8% of the total. The remaining five departments totaled together are 22%, with no department exceeding 6%.

City of Duluth Minnesota - 2021 Budget

2021 General Fund Approved Expenditures

	Permanent Salaries	Overtime	Other Wages	Benefits	Other Expense	Capital Outlay	TOTAL
LEGISLATIVE AND EXECUTIVE							
City Council	-	-	124,200	11,600	70,700	-	206,500
Mayor's Office	496,800	-	10,800	247,600	24,200	-	779,400
Chief Administrative Officer	313,700	-	-	147,700	20,600	-	482,000
Attorney's Office	1,594,300	-	30,000	679,400	41,100	-	2,344,800
DEPARTMENT TOTAL	2,404,800	-	165,000	1,086,300	156,600	-	3,812,700
PROPERTIES, PARKS, & LIBRARIES							
Park Maintenance	1,468,100	75,000	151,000	699,200	884,600	-	3,277,900
Library	2,813,900	800	101,800	1,334,700	448,300	306,500	5,006,000
Facilities Management	1,883,600	25,000	23,000	919,600	2,246,000	-	5,097,200
DEPARTMENT TOTAL	6,165,600	100,800	275,800	2,953,500	3,578,900	306,500	13,381,100
ADMINISTRATIVE SERVICES							
Human Resources Information Technology	791,400	-	10,000	338,200	74,500	-	1,214,100
City Clerk	446,900	1,400	121,000	206,800	85,700	-	861,800
DEPARTMENT TOTAL	3,120,800	11,400	131,000	1,342,500	1,133,000	-	5,738,700
FINANCE							
Budget Office	680,300	6,400	-	229,300	37,100	-	953,100
Auditor's Office	658,200	7,600	-	309,600	304,100	-	1,279,500
Purchasing	398,400	-	-	205,000	14,200	-	617,600
DEPARTMENT TOTAL	1,736,900	14,000	-	743,900	355,400	-	2,850,200
PLANNING AND ECONOMIC DEVELOPMENT							
Physical Planning Construction Services & Inspection	1,017,500	-	-	381,400	74,700	-	1,473,600
	1,410,200	9,000	-	638,000	146,200	-	2,203,400
DEPARTMENT TOTAL	2,427,700	9,000	-	1,019,400	220,900	-	3,677,000

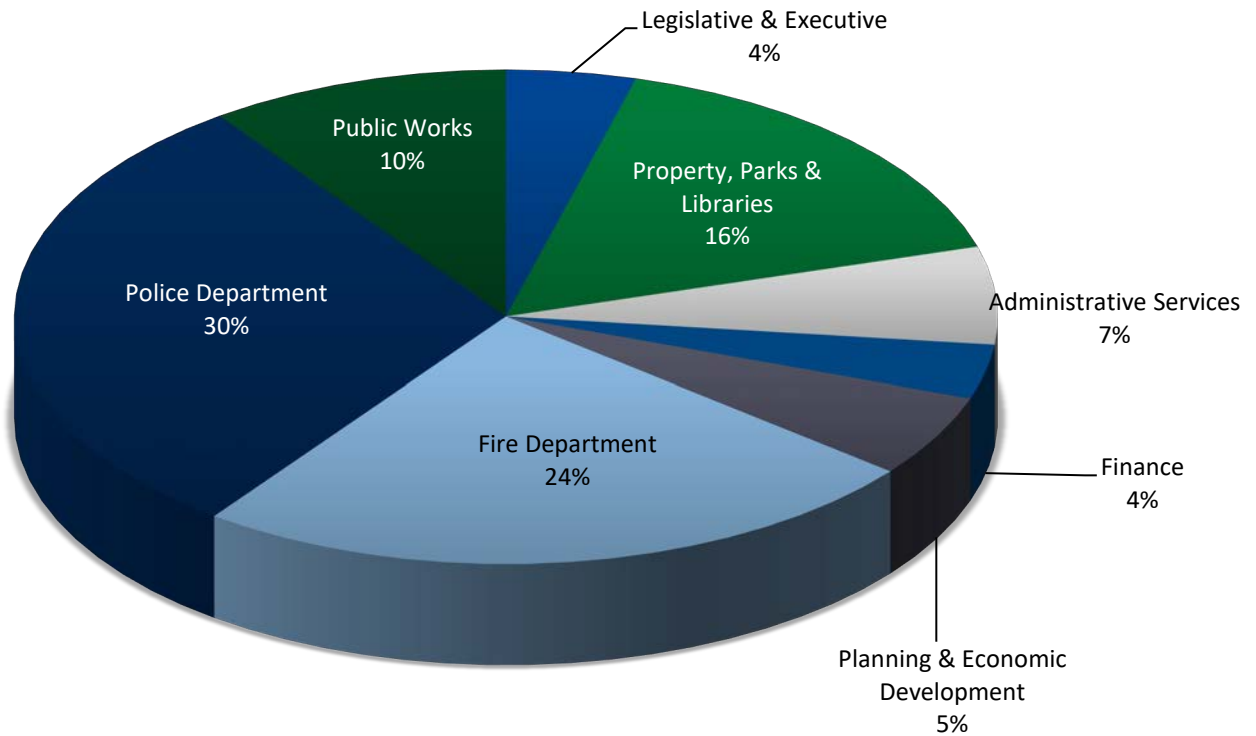
City of Duluth Minnesota - 2021 Budget

2021 General Fund Approved Expenditures

	Permanent		Other		Other	Capital	TOTAL
	Salaries	Overtime	Wages	Benefits	Expense	Outlay	
FIRE DEPARTMENT							
Fire Administration	448,100	-	-	183,000	59,000	-	690,100
Fire Operations	10,179,400	790,800	-	5,023,000	646,000	-	16,639,200
Life Safety	869,100	11,300	-	401,500	85,000	-	1,366,900
DEPARTMENT TOTAL	11,496,600	802,100	-	5,607,500	790,000	-	18,696,200
POLICE DEPARTMENT	14,957,200	597,300	131,600	7,012,100	1,362,900	-	24,061,100
PUBLIC WORKS							
Director's Office	80,600	-	-	37,600	800	-	119,000
Street Maintenance	2,769,600	117,000	-	1,363,100	3,837,600	-	8,087,300
Engineering	1,231,200	56,000	32,400	528,200	135,800	-	1,983,600
DEPARTMENT TOTAL	4,081,400	173,000	32,400	1,928,900	3,974,200	-	10,189,900
TRANSFERS	-	-	-	77,500	11,860,800	-	11,938,300
2021 APPROVED GENERAL FUND	46,391,000	1,707,600	735,800	21,771,600	23,432,700	306,500	94,345,200

City of Duluth Minnesota - 2021 Budget

2021 General Fund Personnel Summary



Department	2020 Budget	2021 Approved
Legislative & Executive	26.00	26.00
Property, Parks & Libraries	97.60	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	180.50	183.00
Public Works	60.35	60.35
TOTAL	606.30	609.80

City of Duluth Minnesota - 2021 Budget

2021 General Fund Personnel Summary

	2020 Budget	2021 Approved	Difference	Narrative
LEGISLATIVE/EXECUTIVE				
Mayor	6.00	6.00	0.00	
Chief Administrative Officer	3.00	3.00	0.00	
City Attorney	17.00	17.00	0.00	
DEPARTMENT TOTAL	26.00	26.00	0.00	
PROPERTY, PARKS & LIBRARIES				
Park Maintenance	22.60	22.60	0.00	
Library	46.70	47.70	1.00	Early Literacy Program Library Technician reimbursed by Library Foundation
Facilities Management	28.30	28.30	0.00	
DEPARTMENT TOTAL	97.60	98.60	1.00	
ADMINISTRATIVE SERVICES				
Human Resources	10.00	10.00	0.00	
Information Technology	23.00	23.00	0.00	
City Clerk	6.00	6.00	0.00	
DEPARTMENT TOTAL	39.00	39.00	0.00	
FINANCE				
Budget	7.00	7.00	0.00	
Auditor	8.60	8.60	0.00	
Purchasing	6.00	6.00	0.00	
DEPARTMENT TOTAL	21.60	21.60	0.00	
PLANNING & ECONOMIC DEVELOPMENT				
Physical Planning	12.25	12.25	0.00	
Construction Srvcs & Inspection	20.50	20.50	0.00	
DEPARTMENT TOTAL	32.75	32.75	0.00	
FIRE				
Fire Administration	4.50	4.50	0.00	
Firefighting Operations	132.00	132.00	0.00	
Life Safety	12.00	12.00	0.00	
DEPARTMENT TOTAL	148.50	148.50	0.00	

City of Duluth Minnesota - 2021 Budget

2021 General Fund Personnel Summary

	2020 Budget	2021 Approved	Difference	Narrative
POLICE				
Administration, Investigative, Patrol	180.50	183.00	2.50	Grant Funded: Project Coordinator, SAKI Property and Evidence Tech, and SAKI Police Officer
DEPARTMENT TOTAL	180.50	183.00	2.50	
PUBLIC WORKS				
Director's Office	0.90	0.90	0.00	
Street Maintenance	44.00	44.00	0.00	
Engineering	15.45	15.45	0.00	
DEPARTMENT TOTAL	60.35	60.35	0.00	
TOTAL GENERAL FUND FTE'S	606.30	609.80	3.50	

City of Duluth Minnesota - 2021 Budget

Legislative and Executive Department

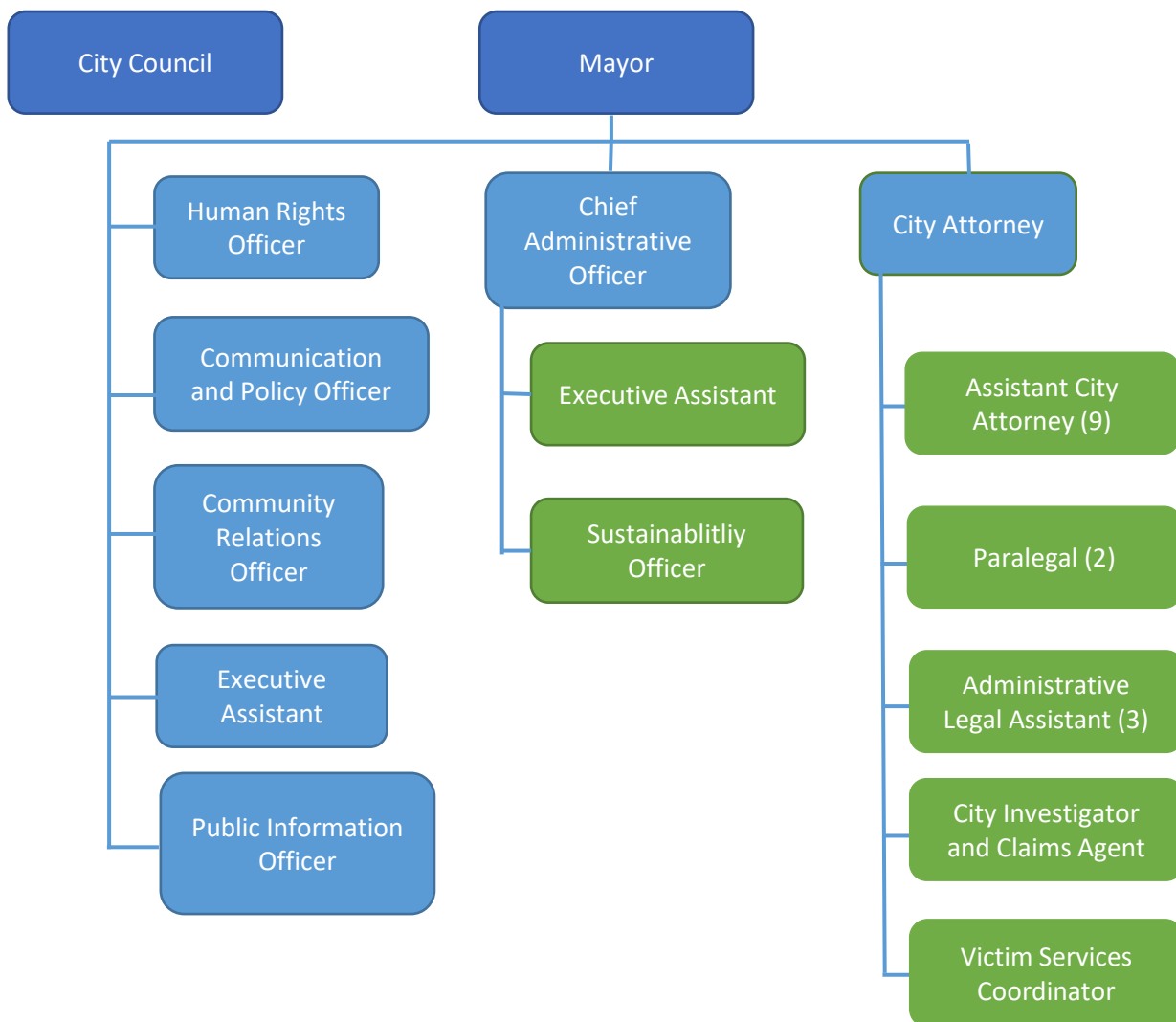
Mission and Vision

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 - 2021 Budget

City Attorney's Office

City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Actual	2021 Target
Compliance: Provide assurance of regulatory and policy compliance to build trust, accountability and foster transparency	No. of Ordinances	17	26	16	20
	No. of Resolutions	103	110	160	150
Fiscal Responsibility: 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	608	811	545	650
	No. Claims Filed	5	24	112	150
	Amount collected on city claims	\$10,421	\$27,472	\$132,823	\$75,000
	No. of Grants Reviewed		23	77	75
High Performing Organization: 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	24	41	245	245
	Transaction Matters: agreements, MOUs, Development agreements		130	414	400
Long Range Planning: Supports decision-making with timely and accurate analysis, focusing on innovative, long-term solutions that benefit the community					
	No. of City Policies Reviewed		30	38	40
Trust and Engagement: Develops sustainable fiscal and operational policies which foster trust and transparency by ensuring accountability, efficiency, integrity, innovation and best practices in all operations					

City of Duluth Minnesota - 2021 Budget

City Attorney's Office

City Priority: Innovation and Excellence in Service

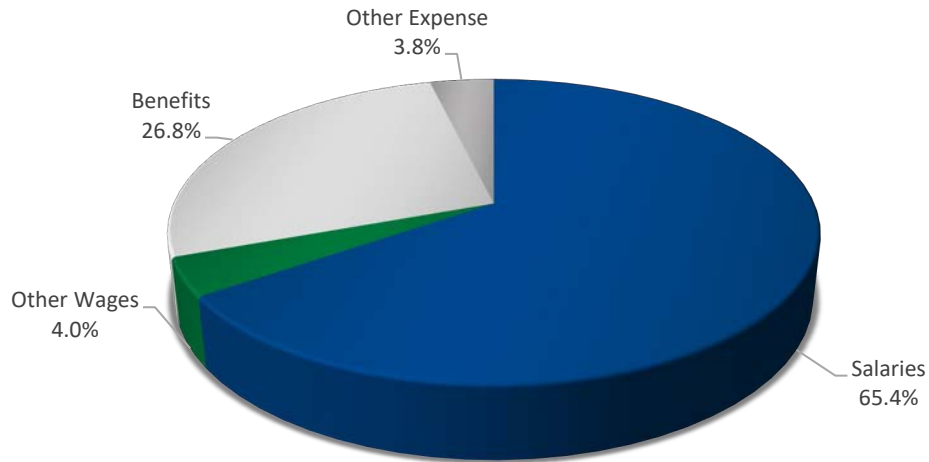
<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Actual	2021 Target
Workforce: Attract, develop, equip, motivate, and retain a high-quality, diverse, engaged and productive workforce focused on creative service excellence	No. of Employees taking Defensive Driving Class	160	256	192	225
	No. CBA's negotiated, Arbitration hearings, Grievances, Worker's Comp. Claims, and Unemployment claims		121	239	150

City Priority: Safe and Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Actual	2021 Target
Community Engagement: Offer community programming which affords safe spaces for youth and adults to play, learn, and engage	No. of Victims Contacted	47	113	119	130
	Restitution Requested	\$52,333	\$104,009	\$84,297	\$90,000
	No. of bail memos	107	167	85	90
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 visitor	Criminal Cases Prosecuted	10,419	11,045	11,875	11,000
	No. of Forfeitures	81	95	35	30
	Forfeiture Fines Collected	\$13,999	\$12,165	\$2,541	\$3,000

City of Duluth Minnesota - 2021 Budget

Legislative & Executive Department 2021 Approved Budget by Expenditure Category



Expenditures by Category	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Permanent Salaries	2,136,950	2,315,199	2,495,200	2,404,800	(90,400)
Overtime	673	209	-	-	-
Other Wages	155,030	166,363	154,200	165,000	10,800
Total Personal Services	2,292,654	2,481,771	2,649,400	2,569,800	(79,600)
Benefits	777,518	935,578	1,020,800	1,086,300	65,500
Other Expense	147,913	158,831	144,600	156,600	12,000
Capital Outlay	2,486	-	-	-	-
Department Total	3,220,571	3,576,180	3,814,800	3,812,700	(2,100)

Expenditures by Division	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
City Council	185,930	189,634	204,500	206,500	2,000
Mayor's Office	445,443	730,317	766,400	779,400	13,000
Chief Admin Officer	380,904	334,908	456,200	482,000	25,800
Attorney's Office	2,208,293	2,321,321	2,387,700	2,344,800	(42,900)
Department Total	3,220,571	3,576,180	3,814,800	3,812,700	(2,100)

Budgeted FTE's	2018	2019	2020	2021	Difference
	22.5	24.5	26.0	26.0	0.0

City of Duluth Minnesota - 2021 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	2018	2019	2020	2021	Difference
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There are no fulltime, permanent employees assigned to this division.

Expenditures	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Personal Services					
Permanent Salaries	-	-	-	-	-
Overtime	-	-	-	-	-
Other Wages	124,200	124,200	124,200	124,200	-
Total Salaries	124,200	124,200	124,200	124,200	-
Benefits	9,532	9,247	11,600	11,600	-
Other Expense					
Materials & Supplies	3,633	-	1,300	1,300	-
Services	4,443	9,280	12,000	12,000	-
Utilities & Mtc	40,700	41,819	49,200	52,200	3,000
Other	3,423	5,089	6,200	5,200	(1,000)
Total Other Expense	52,198	56,188	68,700	70,700	2,000
Division Total	185,930	189,634	204,500	206,500	2,000

City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
City Council - 110-110-1101				
PERSONAL SERVICES				
5103 Other Wages	124,200	124,200	124,200	124,200
TOTAL	124,200	124,200	124,200	124,200
EMPLOYEE BENEFITS				
5121 PERA Retirement	1,852	1,392	2,100	2,100
5122 FICA - Social Security	5,790	6,039	7,700	7,700
5123 FICA - Medicare	1,891	1,816	1,800	1,800
TOTAL	9,532	9,247	11,600	11,600
OTHER EXPENDITURES				
5200 Office Supplies	65	-	-	-
5201 Computer Supplies/Software	1,584	-	1,000	1,000
5202 Audiovisual & Photography	1,750	-	-	-
5219 Other Miscellaneous Supplies	234	-	300	300
5319 Other Professional Services	1,150	5,350	4,000	4,000
5331 Travel/Training	3,063	3,715	7,000	7,000
5355 Printing & Copying	230	215	1,000	1,000
5356 Copier, Printer Lease & Supplies	-	-	-	-
5404 Equipment/Machinery Repair & Mtc	2,850	-	3,700	3,700
5414 Software Licenses & Mtce Agreements	37,850	41,819	45,500	48,500
5433 Dues & Subscription	298	950	1,000	1,000
5441 Other Services & Charges	144	1,682	3,000	2,000
5443 Board & Meeting Expenses	2,980	2,457	2,200	2,200
TOTAL	52,198	56,188	68,700	70,700
DIVISION TOTAL	185,930	189,634	204,500	206,500

City of Duluth Minnesota - 2021 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.

Budgeted FTE's	2018	2019	2020	2021	Difference
Mayor	1.0	1.0	1.0	1.0	-
131 Executive Assistant	1.0	1.0	1.0	1.0	-
1050 Human Rights Officer	1.0	1.0	1.0	1.0	-
1070 Comm Relations Officer Public Information	1.0	1.0	1.0	1.0	-
1085 Officer	-	-	1.0	1.0	-
1110 Comm & Policy Officer	-	1.0	1.0	1.0	-
Division Total	4.0	5.0	6.0	6.0	0.0

Expenditures	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Personal Services					
Permanent Salaries	308,610	450,872	496,100	496,800	700
Overtime	158	119	-	-	-
Other Wages	-	9,680	-	10,800	10,800
Total Salaries	308,768	460,671	496,100	507,600	11,500
Benefits	119,569	251,137	246,100	247,600	1,500
Other Expense					
Materials & Supplies	1,518	3,579	3,000	3,000	-
Services	8,177	6,145	10,800	10,800	-
Other	7,411	8,785	10,400	10,400	-
Total Other Expense	17,106	18,509	24,200	24,200	-
Division Total	445,443	730,317	766,400	779,400	13,000

City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
Mayor's Office - 110-110-1102				
PERSONAL SERVICES				
5100 Permanent Salaries	308,610	450,872	496,100	496,800
5101 Premium Pay	158	119	-	-
5103 Other Wages	-	9,680	-	10,800
TOTAL	308,768	460,671	496,100	507,600
EMPLOYEE BENEFITS				
5121 PERA Retirement	19,958	30,559	37,200	37,300
5122 FICA - Social Security	12,353	21,160	30,800	31,500
5123 FICA - Medicare	4,338	6,391	7,200	7,400
5125 Dental Insurance	1,488	2,062	2,200	2,400
5126 Life Insurance	648	1,139	1,100	1,100
5127 Health Care Savings Plan (HCSP)	5,228	57,846	10,600	10,900
5130 Cafeteria Plan Benefits	75,526	131,982	157,000	157,000
5133 Health or Fitness Program	30	-	-	-
TOTAL	119,569	251,137	246,100	247,600
OTHER EXPENDITURES				
5200 Office Supplies	855	1,313	2,000	2,000
5219 Other Miscellaneous Supplies	664	51	500	500
5241 Small Equip-Office/Operating	-	2,216	500	500
5320 Data Services	-	-	-	-
5321 Phone Service Cellular Phone	1,179	2,103	2,200	2,200
5322 Postage	33	-	100	100
5331 Travel/Training	6,381	3,822	6,500	6,500
5355 Printing & Copying	550	220	2,000	2,000
5356 Copier, Printer Lease & Supplies	34	-	-	-
5433 Dues & Subscription	517	455	400	400
5441 Other Services & Charges	33	1,422	3,000	3,000
5443 Board & Meeting Expenses	2,675	2,566	2,000	2,000
5444 Mayor's Contingent Account	4,185	4,341	5,000	5,000
TOTAL	17,106	18,509	24,200	24,200
DIVISION TOTAL	445,443	730,317	766,400	779,400

City of Duluth Minnesota - 2021 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.

Budgeted FTE's	2018	2019	2020	2021	Difference
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	0.5	-	-	-
1110 Sustainability Officer	-	-	1.0	1.0	-
Division Total	2.5	2.5	3.0	3.0	0.0

Expenditures	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Personal Services					
Permanent Salaries	262,049	232,203	310,400	313,700	3,300
Overtime	515	90	-	-	-
Other Wages	-	-	-	-	-
Total Salaries	262,564	232,294	310,400	313,700	3,300
Benefits	110,697	89,874	135,200	147,700	12,500
Other Expense					
Materials & Supplies	898	2,143	2,000	2,000	-
Services	3,077	6,402	2,300	2,300	-
Utilities & Mtc	-	-	300	300	-
Other	3,667	4,196	6,000	16,000	10,000
Total Other Expense	7,642	12,741	10,600	20,600	10,000
Division Total	380,904	334,908	456,200	482,000	25,800

City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
Chief Administrative Officer - 110-110-1103				
PERSONAL SERVICES				
5100 Permanent Salaries	262,049	232,203	310,400	313,700
5101 Premium Pay	515	90	-	-
5103 Other Wages	-	-	-	-
TOTAL	262,564	232,294	310,400	313,700
EMPLOYEE BENEFITS				
5121 PERA Retirement	18,788	17,069	23,300	23,500
5122 FICA - Social Security	15,867	12,280	19,200	19,400
5123 FICA - Medicare	3,710	3,219	4,500	4,500
5125 Dental Insurance	975	791	1,100	1,200
5126 Life Insurance	431	434	500	500
5127 Health Care Savings Plan (HCSP)	24,063	5,625	7,600	19,600
5130 Cafeteria Plan Benefits	46,805	49,929	78,900	78,900
5133 Health or Fitness Program	57	529	100	100
TOTAL	110,697	89,874	135,200	147,700
OTHER EXPENDITURES				
5200 Office Supplies	236	323	1,000	1,000
5201 Computer Supplies/Software	230	-	500	500
5219 Other Miscellaneous Supplies	432	1,820	500	500
5321 Phone Service Cellular Phone	983	276	-	-
5331 Travel/Training	2,061	6,125	2,000	2,000
5356 Copier, Printer Leases & Supplies	34	-	-	-
5404 Equipment/Machinery Repair & Mtc	-	-	300	300
5418 Vehicle/Equip Lease (Long-term)	-	-	300	300
5433 Dues & Subscription	2,289	1,530	500	500
5435 Books & Pamphlets	-	-	500	500
5441 Other Services & Charges	225	1,230	4,000	14,000
5443 Board & Meeting Expenses	1,153	1,436	1,000	1,000
TOTAL	7,642	12,741	10,600	20,600
DIVISION TOTAL	380,904	334,908	456,200	482,000

City of Duluth Minnesota - 2021 Budget

City Attorney's Office

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

Budgeted FTE's	2018	2019	2020	2021	Difference
Res City Attorney	1.0	1.0	1.0	1.0	-
Assistant Attorney	9.0	9.0	9.0	9.0	-
10 Claims Adjuster	1.0	1.0	1.0	1.0	-
129 Admin Legal Assistant	3.0	3.0	3.0	3.0	-
131 Paralegal	2.0	2.0	2.0	2.0	-
131 Prosecution Assistant	-	1.0	1.0	1.0	-
Division Total	16.0	17.0	17.0	17.0	0.0

Expenditures	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Personal Services					
Permanent Salaries	1,566,291	1,632,123	1,688,700	1,594,300	(94,400)
Overtime	-	-	-	-	-
Other Wages	30,830	32,484	30,000	30,000	-
Total Salaries	1,597,121	1,664,607	1,718,700	1,624,300	(94,400)
Benefits	537,720	585,320	627,900	679,400	51,500
Other Expense					
Materials & Supplies	1,563	1,870	3,300	3,300	-
Services	55,259	48,996	12,400	12,400	-
Other	14,145	20,527	25,400	25,400	-
Total Other Expense	70,967	71,393	41,100	41,100	-
Capital Outlay	2,486	-	-	-	-
Division Total	2,208,293	2,321,321	2,387,700	2,344,800	(42,900)

City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
City Attorney's Office - 110-110-1104				
PERSONAL SERVICES				
5100 Permanent Salaries	1,566,291	1,632,123	1,688,700	1,594,300
5101 Premium Pay	-	-	-	-
5103 Other Wages	30,830	32,484	30,000	30,000
TOTAL	1,597,121	1,664,607	1,718,700	1,624,300
EMPLOYEE BENEFITS				
5121 PERA Retirement	117,696	119,402	127,200	120,600
5122 FICA - Social Security	95,400	100,196	106,600	100,700
5123 FICA - Medicare	22,512	23,501	24,900	23,600
5125 Dental Insurance	6,045	6,148	6,300	7,100
5126 Life Insurance	2,633	3,366	3,100	3,200
5127 Health Care Savings Plan (HCSP)	50,033	46,604	40,500	49,800
5130 Cafeteria Plan Benefits	242,088	284,068	318,000	373,100
5133 Health or Fitness Program	1,314	2,036	1,300	1,300
TOTAL	537,720	585,320	627,900	679,400
OTHER EXPENDITURES				
5200 Office Supplies	1,563	1,870	3,300	3,300
5304 Legal Services	44,281	39,885	2,000	2,000
5321 Phone Service Cellular Phone	1,819	1,800	2,200	2,200
5331 Travel/Training	7,676	5,443	6,000	6,000
5335 Local Mileage Reimbursement	744	728	1,000	1,000
5355 Printing & Copying	55	24	100	100
5356 Copier, Printer Lease & Supplies	683	1,116	1,100	1,100
5414 Software Licenses & Maintenance	442	355	1,400	1,400
5433 Dues & Subscription	11,372	19,380	17,000	17,000
5441 Other Services & Charges	2,331	792	7,000	7,000
TOTAL	70,967	71,393	41,100	41,100
CAPITAL OUTLAY				
Library Materials	2,486	-	-	-
TOTAL	2,486	-	-	-
DIVISION TOTAL	2,208,293	2,321,321	2,387,700	2,344,800

City of Duluth Minnesota - 2021 Budget

General Fund Revenue Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
City Attorney's Office - 110-110-1104				
REVENUE SOURCE				
4319 Attorney Fees	4,300	5,275	4,000	4,000
4644 Miscellaneous Fees, Sales, Services	5,417	4,795	1,000	1,000
4654 Other Reimbursements	-	-	-	-
4730 Transfer from Special Revenue Fund	39,586	68,744	70,000	70,000
DIVISION TOTAL	49,303	78,814	75,000	75,000

City of Duluth Minnesota - 2021 Budget

Property, Parks, and Libraries Department

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

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

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

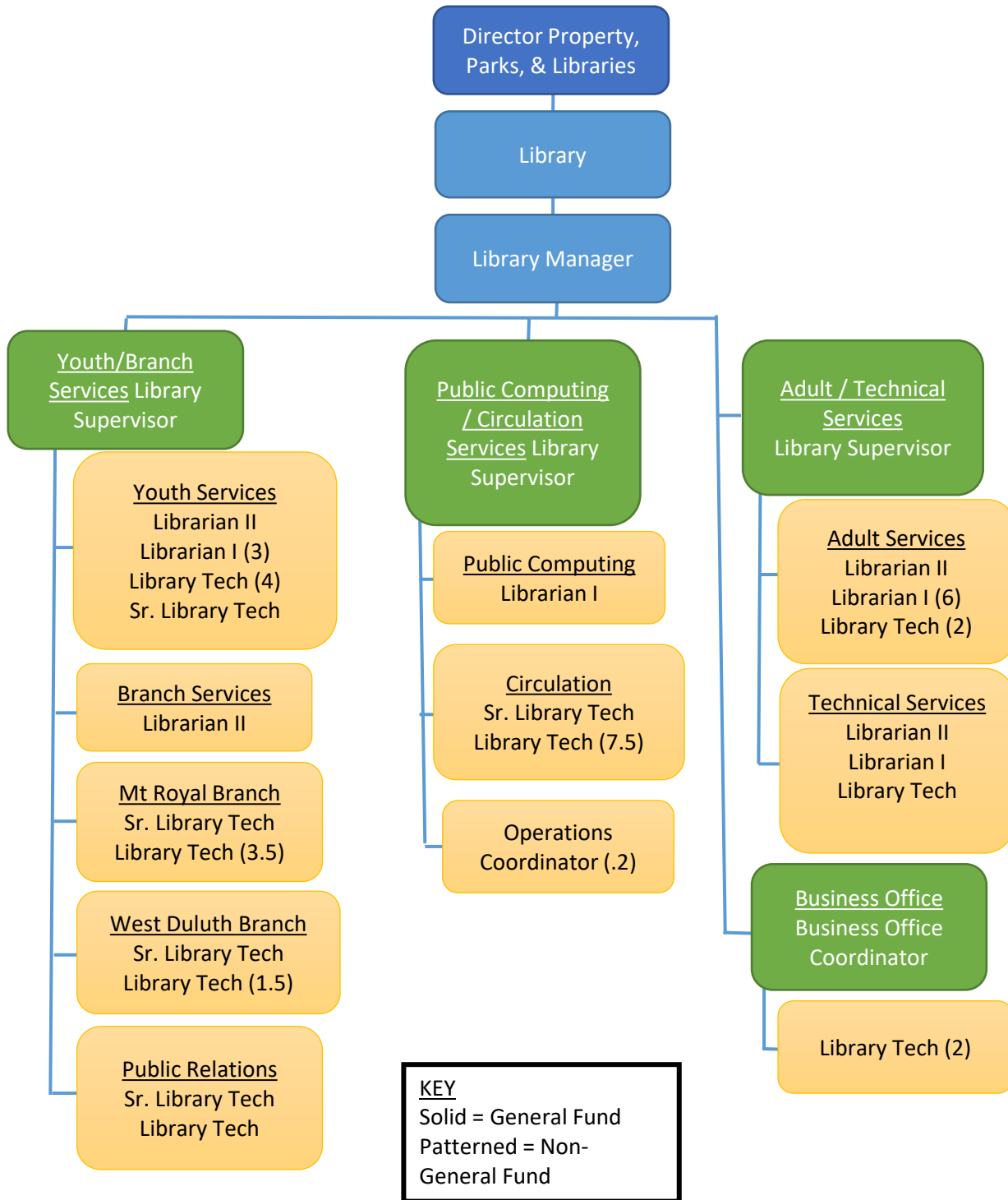
Structure

The Department of Public Administration 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 - 2021 Budget

Property, Parks, and Libraries Department

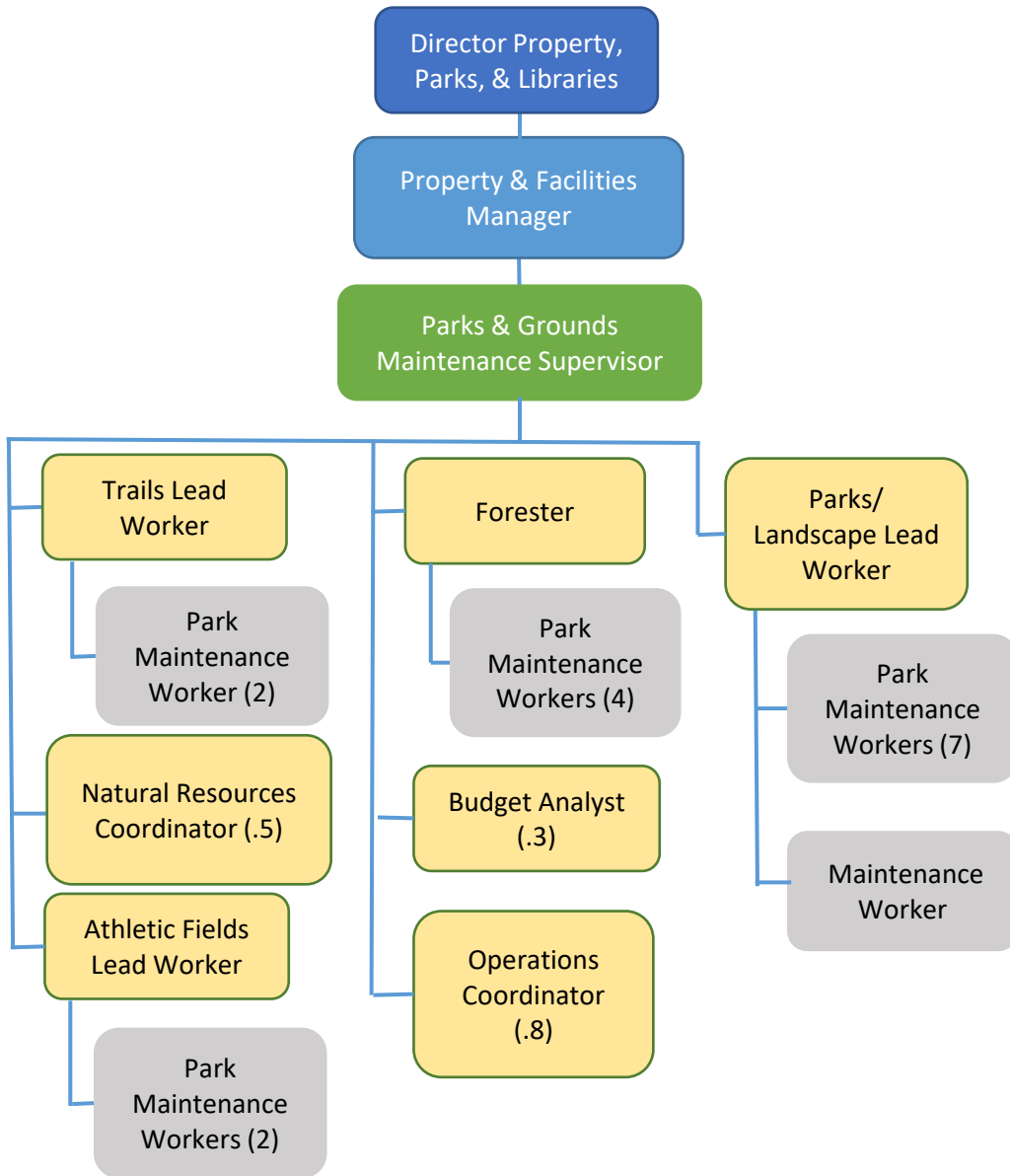
Organization Chart



City of Duluth Minnesota - 2021 Budget

Property, Parks, and Libraries Department

Organization Chart - Continued

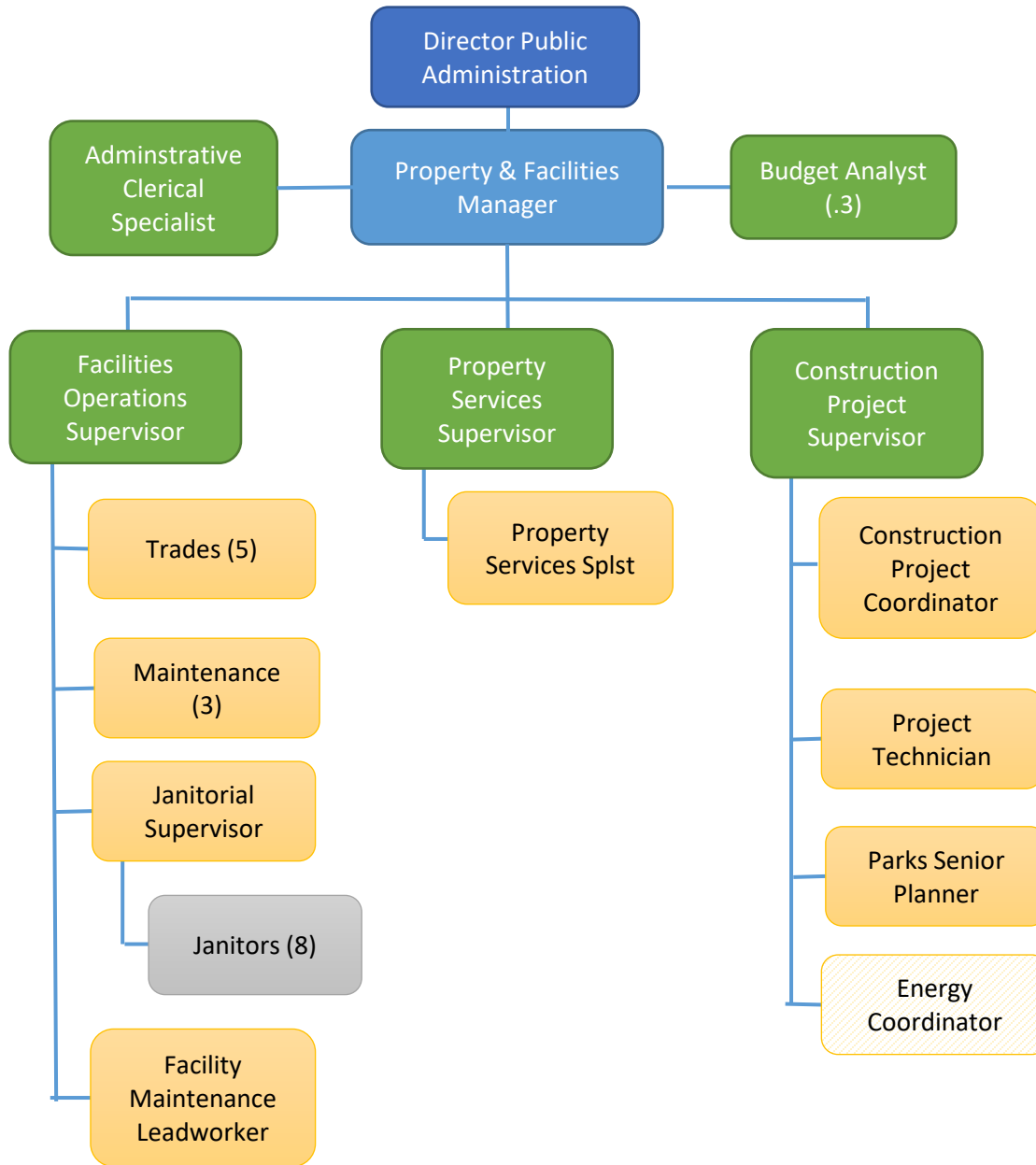


KEY
 Solid = General Fund
 Patterned = Non-General Fund

City of Duluth Minnesota - 2021 Budget

Property, Parks, and Libraries Department

Organization Chart - Continued

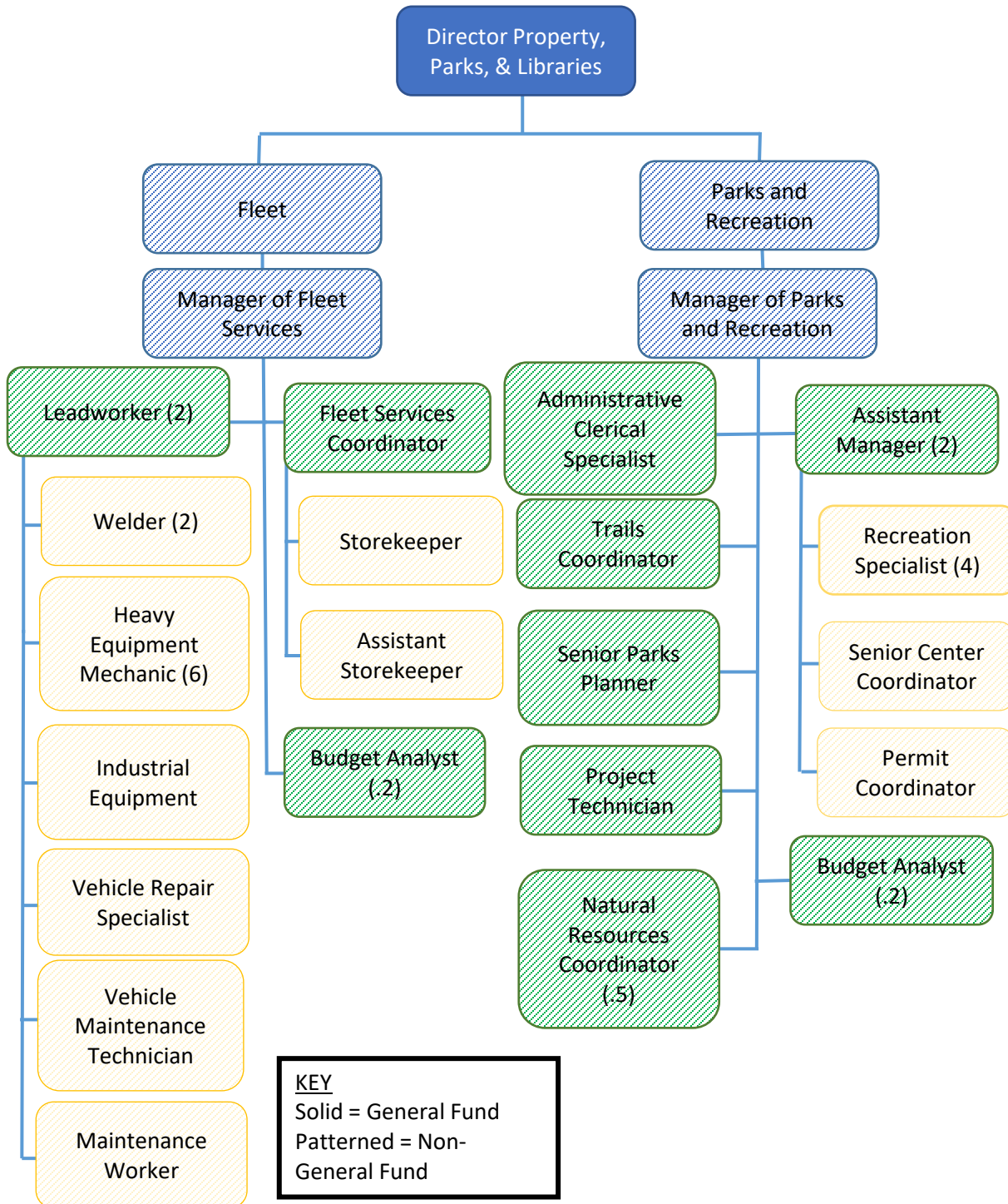


KEY
Solid = General Fund
Patterned = Non-General Fund

City of Duluth Minnesota - 2021 Budget

Property, Parks, and Libraries Department

Organization Chart - Continued



City of Duluth Minnesota - 2021 Budget

Park Maintenance

City Priority: Safe and Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Estimate	2021 Target
Public Facility Safety: Ensures parks, open spaces and public areas are designed with safety in mind, well-lit, well maintained and actively monitored.	Develop a robust and sustainable year-round Park Ranger program.	25%	25%	25%	25%

City Priority: Livable Neighborhoods and Affordable Housing

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Estimate	2021 Target
Safe/Quality Neighborhood: Promote, support, and sustain well-maintained, safe, clean, visually appealing, free of blight neighborhoods, commercial areas and public spaces.	Efficient and effective sidewalk snow removal. To improve opportunities for mobility via sidewalks.	25%	25%	25%	25%
	Update mapping and snow removal priorities.	NA	NA	75%	25%
	Reexamine staff assignments and priorities.	NA	NA	75%	25%

City Priority: Green Space and Energy Conservation

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Estimate	2021 Target
Open Space Development: Develop, preserve, enhance and invest in community parks, neighborhood parks, open spaces, green spaces, lakes and waterways, ensuring they are safe, clean, attractive and accessible to all	Quantify and define Park Maintenance activities and service levels by park location, activity, staff hours and cost.	25%	25%	25%	25%
	Develop comprehensive maintenance and operations standards manual.	25%	25%	25%	25%

City of Duluth Minnesota - 2021 Budget

Library

City Priority: Culture and Recreation

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Actual	2021 Target
Arts and Libraries: Ensure access to public libraries, museums, theater and performance groups, information resources, literacy enhancement and life-long learning opportunities for all ages	Annual number of checkouts	847,237	868,740	373,521	600,000
	Annual number of library visits	426,082	437,688	91,193	300,000
	Annual number of reference transactions	59,579	65,702	25,675	50,000
	Annual number of program participants, including outreach visits	27,716	30,241	41,288	45,000
	Total physical materials in collection	419,907	350,000	346,516	315,000
	Annual number of public computer sessions	81,685	70,388	15,503	40,000
	Annual number of website visits	501,248	399,586	346,295	400,000
	Annual number of cardholders	51,636	52,178	39,906	45,000
	Number of children and caregivers attending early literacy outreach activities	391	363	1,927	2,000

City of Duluth Minnesota - 2021 Budget

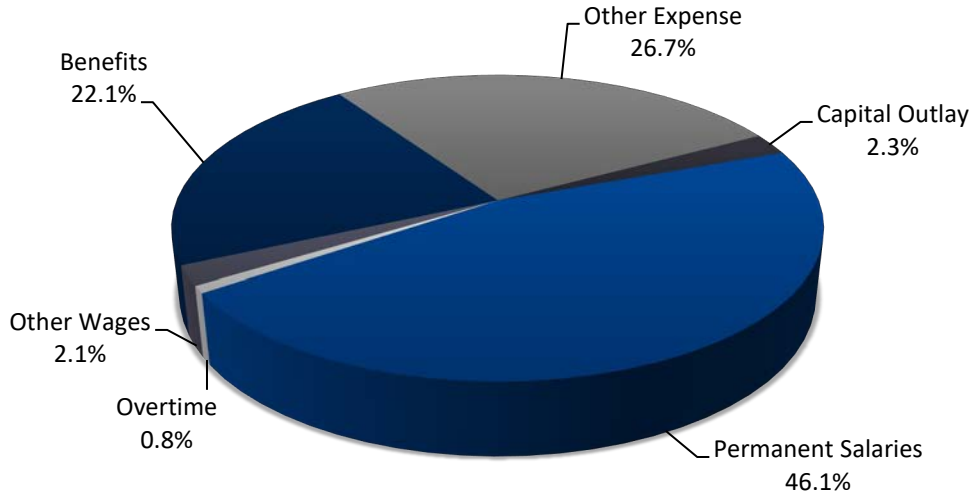
Facilities

City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Estimate	2021 Target
Long Range Planning: Supports decision-making with timely and accurate analysis, focusing on innovative, long-term solutions that benefit the community.	Develop and 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.	25%	25%	25%	25%
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.	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. Establish the Energy Plan Commission	5% GHG reduction	5% GHG reduction	3.5% GHG reduction	5% GHG reduction
		NA	50%	50%	complete

City of Duluth Minnesota - 2021 Budget

Property, Parks, & Libraries Department 2021 Approved Budget by Expenditure Category



Expenditures by Category	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Permanent Salaries	5,437,439	5,524,119	6,178,500	6,165,600	(12,900)
Overtime	87,851	112,873	100,800	100,800	-
Other Wages	253,583	226,547	275,800	275,800	-
Total Personal Services	5,778,872	5,863,540	6,555,100	6,542,200	(12,900)
Benefits	2,291,497	2,438,531	2,826,800	2,953,500	126,700
Other Expense	3,454,779	3,494,077	3,646,100	3,578,900	(67,200)
Capital Outlay	306,500	306,544	306,500	306,500	-
Department Total	11,831,648	12,102,691	13,334,500	13,381,100	46,600

Expenditures by Division	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Park Maintenance	2,989,445	3,137,381	3,364,300	3,277,900	(86,400)
Library Services	4,492,404	4,615,510	4,933,500	5,006,000	72,500
Facilities Management	4,349,800	4,349,800	5,036,700	5,097,200	60,500
Department Total	11,831,648	12,102,691	13,334,500	13,381,100	46,600

Budgeted FTE's	2018	2019	2020	2021	Difference
	94.60	96.60	97.60	98.60	1.00

City of Duluth Minnesota - 2021 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.

Budgeted FTE's	2018	2019	2020	2021	Difference
1085 Bldg & Grds Maint Sup.	1.00	1.00	1.00	1.00	-
22 Maintenance Worker	2.00	3.00	1.00	-	(1.00)
27 Park Mtce. Worker	14.00	14.00	15.00	16.00	1.00
32 Mtce. Ops. Leadwkr.	4.00	3.00	3.00	3.00	-
34 Forester	-	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	-

Division Total	22.60	23.60	22.60	22.60	-
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Expenditures	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Personal Services					
Permanent Salaries	1,346,399	1,424,526	1,482,500	1,468,100	(14,400)
Overtime	54,183	79,623	75,000	75,000	-
Other Wages	142,370	98,661	151,000	151,000	-
Total Salaries	1,542,952	1,602,811	1,708,500	1,694,100	(14,400)
Benefits	592,045	661,014	711,000	699,200	(11,800)
Other Expense					
Materials & Supplies	193,430	201,192	204,100	202,800	(1,300)
Services	109,566	99,373	99,200	98,600	(600)
Utilities & Maintenance	433,398	424,704	503,200	453,500	(49,700)
Other	118,053	148,288	138,300	129,700	(8,600)
Total Other Expense	854,448	873,557	944,800	884,600	(60,200)

Division Total	2,989,445	3,137,381	3,364,300	3,277,900	(86,400)
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City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail		2018 Actual	2019 Actual	2020 Budget	2021 Approved
Park Maintenance 110-121-1217-2145					
PERSONAL SERVICES					
5100	Permanent Salaries	1,346,399	1,424,526	1,482,500	1,468,100
5101	Premium Pay	54,183	79,623	75,000	75,000
5103	Other Wages	141,875	97,431	151,000	151,000
5118	Meal Allowance	495	1,230	-	-
	TOTAL	1,542,952	1,602,811	1,708,500	1,694,100
EMPLOYEE BENEFITS					
5121	PERA Retirement	102,437	111,144	114,700	113,600
5122	FICA - Social Security	93,619	97,437	105,900	105,000
5123	FICA - Medicare	21,895	22,788	24,800	24,600
5125	Dental Insurance	8,125	8,469	8,400	9,000
5126	Life Insurance	3,545	4,656	4,100	4,100
5127	Health Care Savings Plan (HCSP)	21,330	18,877	19,000	20,500
5130	Cafeteria Plan Benefits	340,598	397,076	434,100	422,400
5133	Health or Fitness Program	495	566	-	-
	TOTAL	592,045	661,014	711,000	699,200
OTHER EXPENDITURES					
5200	Office Supplies	3,162	1,754	1,500	1,500
5201	Computer Supplies/Software	982	415	5,700	4,000
5205	Safety & Training Materials	9,126	9,681	10,000	10,000
5210	Plant/Operating Supplies	399	335	-	-
5211	Cleaning/Janitorial Supplies	19,849	18,921	30,000	30,000
5212	Motor Fuels	64,130	72,138	68,700	72,100
5218	Uniforms	5,596	7,169	7,000	7,000
5219	Other Miscellaneous Supplies	641	19,206	-	-
5220	Repair & Maintenance Supplies	75,585	60,778	61,200	61,200
5225	Park/Landscape Materials	629	1,158	-	-
5226	Sign & Signal Materials	27	-	-	-
5228	Painting Supplies	6,687	4,794	5,000	5,000
5240	Small Tools	2,399	3,985	9,000	6,000
5241	Small Equip-Office/Operating	4,218	858	6,000	6,000
5305	Medical Svcs/Testing Fees	85	-	500	500
5310	Contract Services	92,442	75,862	71,100	71,100
5320	Data Services	240	7	1,100	500
5321	Phone Service	3,480	4,845	5,000	5,000
5331	Travel/Training	9,599	14,256	16,000	16,000
5335	Local Mileage Reimbursement	3,507	3,733	5,000	5,000

City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail		2018 Actual	2019 Actual	2020 Budget	2021 Approved
Park Maintenance 110-121-1217-2145 Continued					
5356	Copier, Printer Lease & Supplies	213	670	500	500
5384	Refuse Disposal	73,903	64,716	70,000	70,000
5404	Equipment/Machinery Repair & Mtc	2,833	6,400	10,000	10,000
5409	Fleet Services Charges	356,662	353,587	423,200	373,500
5414	Software Licenses & Mtce Agreements	14,928	11,422	13,100	13,100
5415	Vehicle/Equip Rent (Short-term)	7,503	20,455	27,500	27,500
5419	Other Rentals	48,489	57,691	51,100	55,600
5433	Dues & Subscription	1,800	2,088	1,000	2,500
5438	Licenses	-	-	700	-
5441	Other Services & Charges	16,480	26,314	16,000	2,100
5454	Contract Tree Services	28,853	22,318	28,900	28,900
5700	Interfund Transfers Out	-	8,000	-	-
5580	Capital Equipment	-	-	-	-
	TOTAL	854,448	873,557	944,800	884,600
DIVISION TOTAL		2,989,445	3,137,381	3,364,300	3,277,900
REVENUE SOURCE					
4225	Ski Trails Grant	11,000	6,600	11,000	11,000
4226	Snowmobile Trails Grant	14,662	16,097	13,900	-
4654	Other Reimbursements	6,133	9,843	-	-
4660	Gifts and Donations	2,205	4,331	-	-
4730	Transfer from Special Revenue	200,000	200,000	200,000	200,000
DIVISION TOTAL		234,000	236,870	224,900	211,000

City of Duluth Minnesota - 2021 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.

Budgeted FTE's	2018	2019	2020	2021	Difference
1115 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	19.50	21.25	22.50	1.25
128 Sr. Library Tech.	5.00	5.00	5.00	5.00	-
131 Business Ofc. Coord.	-	1.00	1.00	1.00	-
131 Librarian I	13.00	13.00	11.25	11.00	(0.25)
131 Volunteer Coord.	0.20	0.20	0.20	0.20	-
133 Librarian II	4.00	4.00	4.00	4.00	-
136 Librarian III	1.00	-	-	-	-
Division Total	46.70	46.70	46.70	47.70	1.00

Expenditures	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Personal Services					
Permanent Salaries	2,650,403	2,658,957	2,832,000	2,813,900	(18,100)
Overtime	825	408	800	800	-
Other Wages	103,733	120,405	101,800	101,800	-
Total Salaries	2,754,961	2,779,771	2,934,600	2,916,500	(18,100)
Benefits	1,049,099	1,127,163	1,234,100	1,334,700	100,600
Other Expense					
Materials & Supplies	27,755	28,263	36,800	35,200	(1,600)
Services	31,238	50,555	88,200	74,600	(13,600)
Utilities & Maintenance	60,575	57,057	57,200	57,400	200
Other	262,276	266,157	276,100	281,100	5,000
Total Other Expense	381,844	402,032	458,300	448,300	(10,000)
Capital Outlay	306,500	306,544	306,500	306,500	-
Division Total	4,492,404	4,615,510	4,933,500	5,006,000	72,500

City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
PERSONAL SERVICES				
5100 Permanent Salaries	2,650,403	2,658,957	2,832,000	2,813,900
5101 Premium Pay	825	408	800	800
5103 Other Wages	103,733	120,405	101,800	101,800
TOTAL	2,754,961	2,779,771	2,934,600	2,916,500
EMPLOYEE BENEFITS				
5121 PERA Retirement	198,577	199,423	213,300	213,000
5122 FICA - Social Security	167,620	168,891	181,900	180,800
5123 FICA - Medicare	39,201	39,499	42,600	42,300
5125 Dental Insurance	16,678	16,458	17,400	18,900
5126 Life Insurance	7,506	9,229	8,400	8,600
5127 Health Care Savings Plan (HCSP)	51,287	55,817	51,500	68,300
5130 Cafeteria Plan Benefits	565,889	633,954	719,000	802,800
5133 Health or Fitness Program	2,340	3,893	-	-
TOTAL	1,049,099	1,127,163	1,234,100	1,334,700
OTHER EXPENDITURES				
5200 Office Supplies	5,626	4,318	5,000	3,900
5201 Computer Supplies/Software	267	590	5,700	700
5212 Motor Fuels	775	792	800	1,300
5219 Other Miscellaneous Supplies	17,827	19,690	18,000	24,000
5220 Repair & Maintenance Supplies	516	7	1,000	1,000
5241 Small Equip-Office/Operating	2,745	2,867	6,300	4,300
5319 Other Professional Services	14,777	35,726	71,600	58,500
5322 Postage	3,899	4,239	4,300	4,300
5331 Travel/Training	5,314	4,745	4,000	2,500
5335 Local Mileage Reimbursement	762	1,211	1,000	1,000
5355 Printing & Copying	1,166	516	800	1,800
5356 Copier, Printer Lease & Supplies	859	747	2,000	2,000
5384 Refuse Disposal	4,461	3,370	4,500	4,500
5404 Equipment/Machinery Repair & Mtc	4,207	3,803	3,000	2,000
5409 Fleet Services Charges	10,227	5,588	6,700	5,400
5412 Building Rental	194,077	201,459	209,000	214,000
5413 Library Materials/Svcs Rental	64,658	61,938	63,000	63,000
5414 Software Licenses & Mtce Agreement	46,141	47,667	47,500	50,000
5427 Credit Card Commissions	-	645	2,000	2,000
5433 Dues & Subscription	100	-	100	100
5441 Other Services & Charges	3,441	2,115	2,000	2,000
TOTAL	381,844	402,032	458,300	448,300

City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
CAPITAL OUTLAY				-
5590 Library Materials	306,500	306,544	306,500	306,500
TOTAL	306,500	306,544	306,500	306,500
DIVISION TOTAL	4,492,404	4,615,510	4,933,500	5,006,000
REVENUE SOURCE				
4220 State of Minnesota Operating	4,661	4,536	5,000	4,000
4471 Library Fines	57,864	38,510	-	-
4622 Rent of Buildings	1,085	800	1,000	-
4631 Media Sales	20,016	16,504	18,000	10,000
4644 Miscellaneous Sales	2,116	2,255	2,000	1,000
4654 Other Reimbursements	46,590	46,003	42,800	42,500
DIVISION TOTAL	132,332	108,608	68,800	57,500

City of Duluth Minnesota - 2021 Budget

Facilities Management

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

Budgeted FTE's	2018	2019	2020	2021	Difference
1150 Director P, P, & L	-	-	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 Architect	1.00	-	-	-	-
1105 Constr. Proj. Supv.	-	1.00	1.00	1.00	-
1135 Facility Manager	1.00	1.00	1.00	1.00	-
7 Admin Sec. Specialist	1.00	-	-	-	-
21 Janitor 1	6.00	7.00	8.00	8.00	-
22 Maintenanceworker	3.00	-	-	-	-
24 Senior Clerical Spec.	1.00	-	-	-	-
25 Janitorial Supervisor	1.00	1.00	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	1.00	5.00	4.00	2.00	(2.00)
28 Facilities Maint Spec.	-	-	1.00	1.00	-
29 Trades Positions	3.00	2.00	2.00	3.00	1.00
31 Master Plumber/Elect	2.00	2.00	2.00	2.00	-
32 Maint. Leadworker	-	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	-
133 Budget Analyst	0.30	0.30	0.30	0.30	-
133 Property Srvcs. Spec.	1.00	1.00	1.00	1.00	-
Division Total	25.30	26.30	28.30	28.30	-

City of Duluth Minnesota - 2021 Budget

Expenditures	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Personal Services					
Permanent Salaries	1,440,636	1,440,636	1,864,000	1,883,600	19,600
Overtime	32,843	32,843	25,000	25,000	-
Other Wages	7,480	7,480	23,000	23,000	-
Total Salaries	1,480,959	1,480,959	1,912,000	1,931,600	19,600
Benefits	650,353	650,353	881,700	919,600	37,900
Other Expense					
Materials & Supplies	326,039	326,039	382,100	381,800	(300)
Services	316,399	316,399	372,500	372,500	-
Utilities & Mtc	1,291,236	1,291,236	1,331,800	1,331,800	-
Other	284,815	284,815	156,600	159,900	3,300
Total Other Expense	2,218,488	2,218,488	2,243,000	2,246,000	3,000
Division Total	4,349,800	4,349,800	5,036,700	5,097,200	60,500

City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail		2018 Actual	2019 Actual	2020 Budget	2021 Approved
Facilities Management - 110-121-1222					
PERSONAL SERVICES					
5100	Permanent Salaries	1,440,636	1,440,636	1,864,000	1,883,600
5101	Premium Pay	32,843	32,843	25,000	25,000
5103	Other Wages	7,480	7,480	23,000	23,000
5118	Meal Allowance	-	-	-	-
	TOTAL	1,480,959	1,480,959	1,912,000	1,931,600
EMPLOYEE BENEFITS					
5121	PERA Retirement	108,002	108,002	139,300	141,000
5122	FICA - Social Security	88,525	88,525	118,800	120,000
5123	FICA - Medicare	20,703	20,703	27,800	28,100
5125	Dental Insurance	8,947	8,947	10,500	11,200
5126	Life Insurance	3,896	3,896	5,100	5,100
5127	Health Care Savings Plan (HCSP)	39,214	39,214	33,600	53,100
5130	Cafeteria Plan Benefits	380,394	380,394	546,600	561,100
5133	Health or Fitness Program	672	672	-	-
	TOTAL	650,353	650,353	881,700	919,600
OTHER EXPENDITURES					
5200	Office Supplies	8,477	8,477	6,000	6,000
5201	Computer Supplies/Software	5,252	5,252	5,000	5,000
5202	Audiovisual & Photography	-	-	-	-
5205	Safety & Training Materials	1,094	1,094	5,000	5,000
5210	Plant/Operating Supplies	702	702	-	-
5211	Cleaning/Janitorial Supplies	44,360	44,360	62,000	62,000
5212	Motor Fuels	18,228	18,228	13,300	13,000
5215	Shop Materials	-	-	-	-
5218	Uniforms	8,370	8,370	7,000	7,000
5219	Other Miscellaneous Supplies	1,637	1,637	-	-
5220	Repair & Maintenance Supplies	237,918	237,918	283,800	283,800
5228	Painting Supplies	-	-	-	-
5240	Small Tools	-	-	-	-
5241	Small Equip-Office/Operating	-	-	-	-
5310	Contract Services	208,203	208,203	270,000	270,000
5319	Other Professional Services	17,868	17,868	-	-
5321	Phone Service	66,529	66,529	75,500	76,500
5331	Travel/Training	14,243	14,243	15,000	15,000

City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail		2018 Actual	2019 Actual	2020 Budget	2021 Approved
Facilities Management - 110-121-1222 continued					
5335	Local Mileage Reimbursement	9,003	9,003	10,000	10,000
5355	Printing & Copying	468	468	-	-
5356	Copier, Printer Lease & Supplies	86	86	2,000	1,000
5381	Electricity	539,069	539,069	557,300	557,300
5382	Water, Gas & Sewer	501,533	501,533	514,000	502,000
5384	Refuse Disposal	39,530	39,530	37,500	37,500
5385	Oil	5,925	5,925	11,000	15,000
5386	Steam	205,179	205,179	212,000	220,000
5399	Skywalk Expenses	36,917	36,917	30,000	30,000
5401	Bldg/Structure Repair & Mtc	106,931	106,931	-	-
5404	Equipment/Machinery Repair & Mtc	17,112	17,112	10,000	10,000
5409	Fleet Services Charges	31,179	31,179	25,300	28,600
5411	Land Rental/Easements	4,992	4,992	9,800	9,800
5414	Software Licenses & Mtce Agreement	81,321	81,321	60,000	60,000
5415	Vehicle/Equip Rent (Short-term)	3,845	3,845	10,000	10,000
5433	Dues & Subscription	248	248	-	-
5438	Licenses	1,659	1,659	3,500	1,500
5441	Other Services & Charges	229	229	2,000	5,500
5450	Laundry	383	383	6,000	4,500
	TOTAL	2,218,488	2,218,488	2,243,000	2,246,000
DIVISION TOTAL		4,349,800	4,349,800	5,036,700	5,097,200
REVENUE SOURCE					
4622	Rent of Buildings	82,265	82,265	77,000	84,800
4623	Rent of Land	5,965	5,965	6,600	5,600
4627	Concessions & Commissions	8,095	8,095	10,000	-
4654	Other Reimbursements	34,927	34,927	25,000	24,000
4730	Transfer from Special Revenue	60,000	60,000	75,000	-
DIVISION TOTAL		191,252	191,252	193,600	114,400

City of Duluth Minnesota - 2021 Budget

Administrative Services Department

Mission and Vision

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

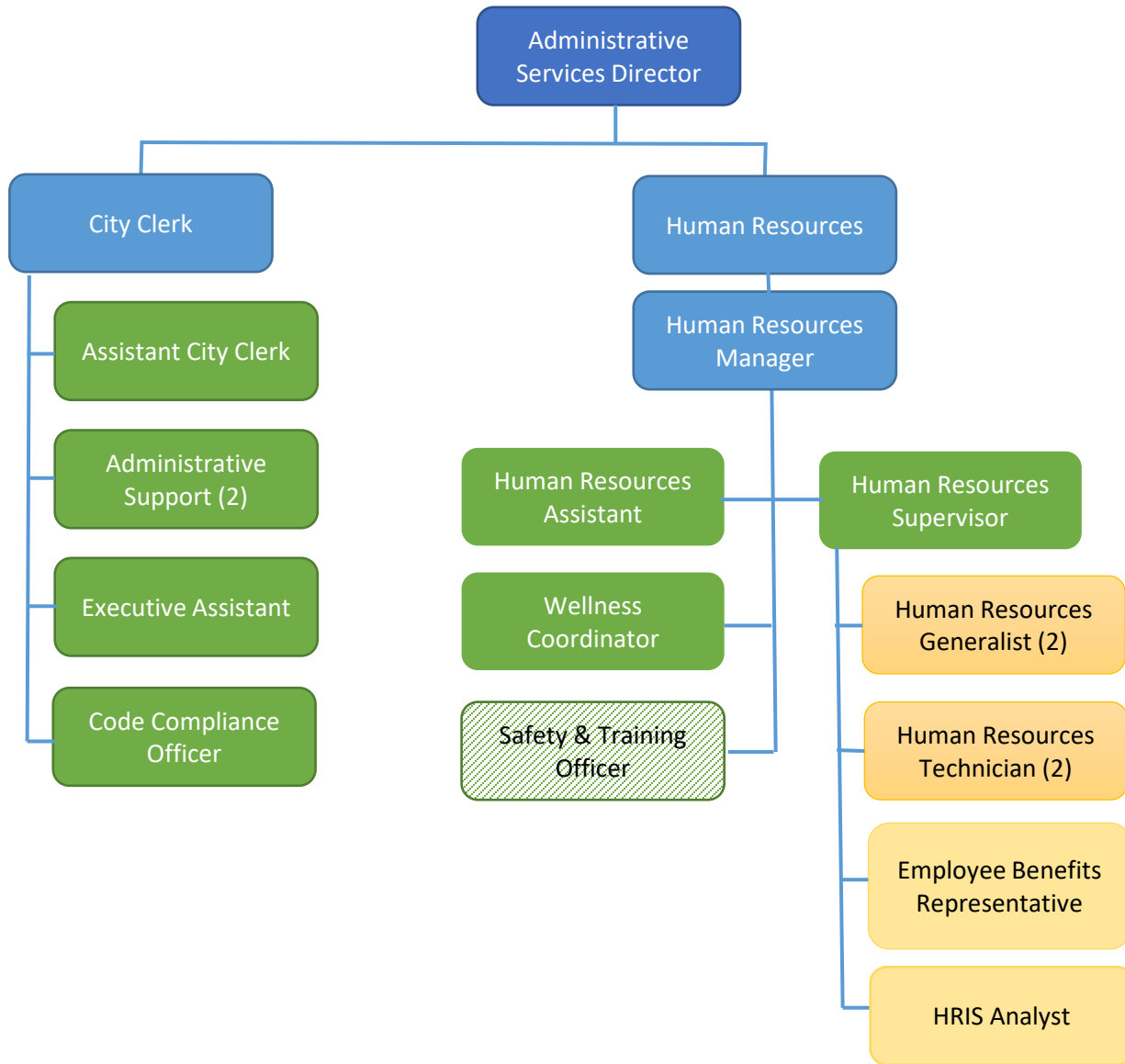
Structure

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

City of Duluth Minnesota - 2021 Budget

Administrative Services

Organization Chart



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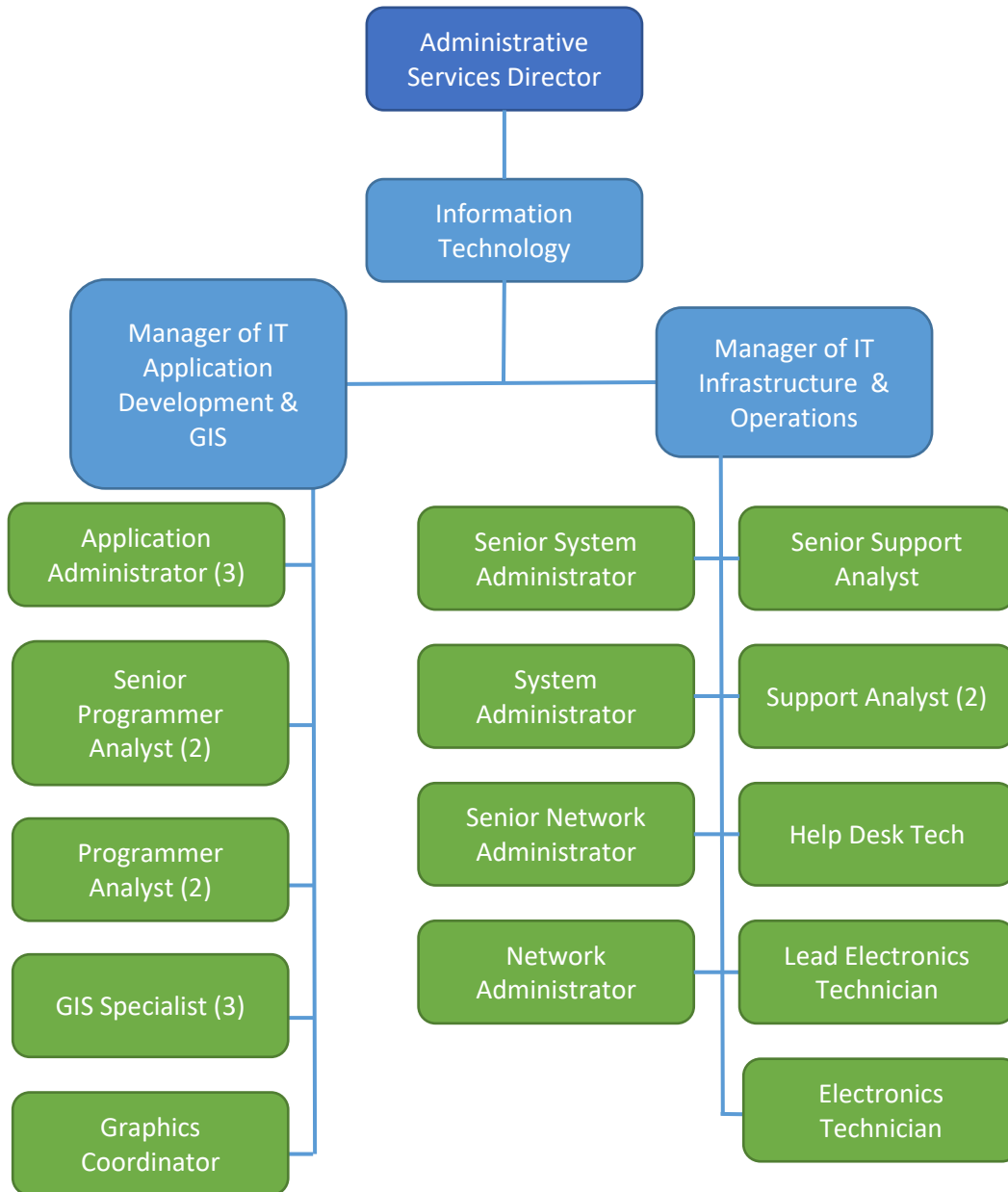
Solid = General Fund

Patterned = Non-General Fund

City of Duluth Minnesota - 2021 Budget

Administrative Services

Organization Chart - Continued



KEY

Solid = General Fund

Patterned = Non-General Fund

City of Duluth Minnesota - 2021 Budget

Human Resources

City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Estimate	2021 Target
Workforce: 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%
High Performing Organization: Focuses on equipping, training and continuously expanding the abilities of decision-makers, leadership, management and staff to successfully accomplish public goals	% of employees attending a human resources provided training	NA	NA	25%
	% of supervisory staff participate in at least two leadership competency opportunities and trainings.	NA	NA	50%
High Performing Organization: Create a "Safety Culture" mindset by providing a work environment free from hazards that can cause harm to employees.	Number of recordable workplace injuries.	32	42	< 45
	% increase in overall favorable results over last year's employee engagement/satisfaction survey.	NA	NA	5%
High Performing Organization: Support the health and wellbeing fo all City employees and famaility by actively encouraging health behaviors.	% increase in participation of Wellness Program.	NA	24%	10%
	% increase of participation in physical preventative exams.	1%	-1%	5%
	% of participation in mental health and mental illness awareness through trainings and events, measured through both evaluations and surveys.	NA	NA	20%

City of Duluth Minnesota - 2021 Budget

Information Technology

City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Estimate	2021 Target
Customer Service: Ensures timely and effective two-way communication with internal customers, residents, and businesses providing equal access to information encouraging input from all areas of the organization and the community at large	Expansion of online customer offerings	5%	25%	40%
Fiscal Responsibility: Operations are supported by sustainable funding sources and costs are managed in an effective and efficient manner to maintain sustainability.	Consolidate duplicative timekeeping applications		40%	100%
High Performing Organization: Focuses on equipping, training and continuously expanding the abilities of decision-makers, leadership, management and staff to successfully accomplish public goals.	Expand GIS mapping services and offerings to include GIS Map Galleries, Story Maps, Real-Time Mapping and Improved Asset Management.	10%	30%	50%

City of Duluth Minnesota - 2021 Budget

Clerks

City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Estimate	2021 Target	2022 Target
	Provide for greater clarity and conformity in public licensing.	5%	50%	95%	100%
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	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%
	Trust and Engagement: Develops sustainable fiscal and operational policies which foster trust and transparency by ensuring accountability, efficiency, integrity, innovation and best practices in all operations	Improve transparency of election processes to ensure public trust and engagement.	8%	30%	50%
	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 - 2021 Budget

Clerks

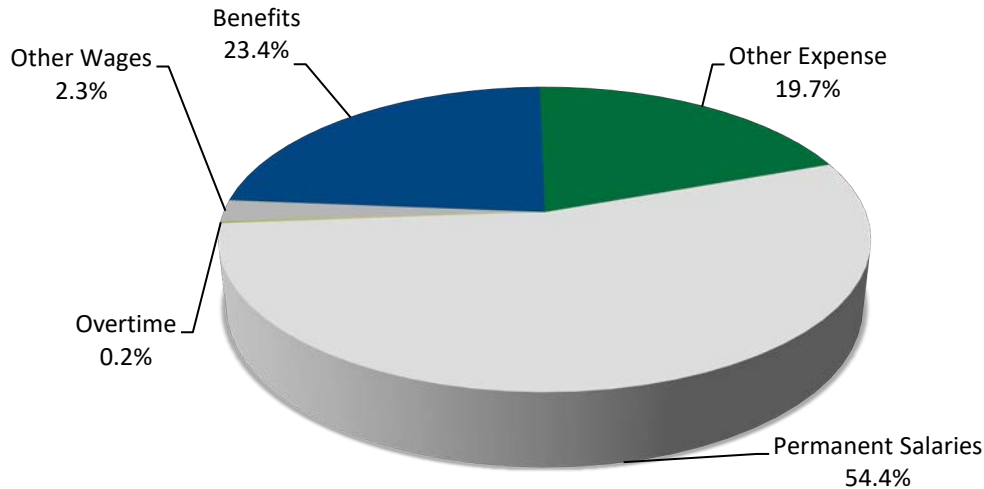
City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Estimate	2021 Projected	2022 Projected
Compliance: Provides assurance of regulatory and policy compliance to build trust, accountability, and foster transparency	Create and implement a regulatory compliance system whereby questions and complaints are processed in a transparent and effective manner.	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 - 2021 Budget

Administrative Services Department

2021 Approved Budget by Expenditure Category



Expenditures by Category	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Permanent Salaries	2,715,533	3,048,197	3,088,200	3,120,800	32,600
Overtime	8,710	12,481	11,400	11,400	-
Other Wages	90,393	81,894	141,700	131,000	(10,700)
Total Personal Services	2,814,636	3,142,572	3,241,300	3,263,200	21,900
Benefits	1,125,433	1,317,957	1,407,300	1,342,500	(64,800)
Other Expenditures	947,228	1,002,737	1,093,400	1,133,000	39,600
Department Total	4,887,298	5,463,266	5,742,000	5,738,700	(3,300)

Expenditures by Division	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Human Resources	1,073,441	1,140,016	1,199,400	1,214,100	14,700
Information Technology	3,041,350	3,446,628	3,676,800	3,662,800	(14,000)
City Clerk	772,507	876,622	865,800	861,800	(4,000)
Department Total	4,887,298	5,463,266	5,742,000	5,738,700	(3,300)

Budgeted FTE's	2018	2019	2020	2021	Difference
	38.50	38.65	39.00	39.00	0.00

City of Duluth Minnesota - 2021 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.

Budgeted FTE's	2018	2019	2020	2021	Difference
1135 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	-
10A Employee Bene. Adm.	-	-	-	-	-
32 Org Develop. Coord.	0.50	0.65	-	-	-
127 HR Assistant	1.00	1.00	1.00	1.00	-
128 Wellness Coordinator	1.00	1.00	1.00	1.00	-
Division Total	10.50	10.65	10.00	10.00	-

Expenditures	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Personal Services					
Permanent Salaries	712,381	732,930	761,200	791,400	30,200
Overtime	2,068	3,728	-	-	-
Other Wages	2,821	11,948	10,000	10,000	-
Total Salaries	717,270	748,606	771,200	801,400	30,200
Benefits	303,510	325,731	353,700	338,200	(15,500)
Other Expenditures					
Materials & Supplies	2,631	4,115	7,500	7,500	-
Services	29,166	38,589	42,500	40,500	(2,000)
Utilities & Mtc	15,508	16,358	17,000	19,000	2,000
Other	5,357	6,616	7,500	7,500	-
Total Other Expenditures	52,662	65,679	74,500	74,500	-
Division Total	1,073,441	1,140,016	1,199,400	1,214,100	14,700

City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
Human Resources - 110-122-1106				
PERSONAL SERVICES				
5100 Permanent Salaries	712,381	732,930	761,200	791,400
5101 Premium Pay	2,068	3,728	-	-
5103 Other Wages	2,821	11,948	10,000	10,000
TOTAL	717,270	748,606	771,200	801,400
EMPLOYEE BENEFITS				
5121 PERA Retirement	51,732	54,369	56,400	58,500
5122 FICA - Social Security	42,761	44,703	47,800	49,700
5123 FICA - Medicare	10,001	10,455	11,200	11,600
5125 Dental Insurance	3,829	3,658	3,700	4,000
5126 Life Insurance	1,667	2,006	1,800	1,800
5127 Health Care Savings Plan (HCSP)	21,043	23,072	22,300	16,700
5130 Cafeteria Plan Benefits	169,847	184,628	207,500	192,900
5133 Health or Fitness Program	2,631	2,840	3,000	3,000
TOTAL	303,510	325,731	353,700	338,200
OTHER EXPENDITURES				
5200 Office Supplies	1,566	2,992	3,500	3,500
5201 Computer Supplies/Software	775	305	500	500
5219 Other Miscellaneous Supplies	290	819	3,500	3,500
5319 Other Professional Services	9,370	13,109	13,000	13,000
5321 Phone Service	1,179	627	1,500	2,000
5331 Travel/Training	18,246	21,131	18,000	18,000
5355 Printing & Copying	50	1,721	6,000	6,000
5356 Copier, Printer Lease & Supplies	322	2,000	4,000	1,500
5404 Equipment/Machinery Repair & Mtc	-	(1,025)	1,000	1,000
5414 Software Licenses & Mtce Agreements	15,508	17,383	16,000	18,000
5433 Dues & Subscription	955	2,548	1,750	1,500
5435 Books & Pamphlets	-	-	750	1,000
5441 Other Services & Charges	4,402	4,068	5,000	5,000
TOTAL	52,662	65,679	74,500	74,500
DIVISION TOTAL	1,073,441	1,140,016	1,199,400	1,214,100

City of Duluth Minnesota - 2021 Budget

Information Technology

Provides 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/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 (GIS) development is also a major program.

Budgeted FTE's	2018	2019	2020	2021	Difference
1135 Mgr, Ap Dev/Desktop	1.00	1.00	1.00	1.00	-
1135 Manager, IT	1.00	1.00	1.00	1.00	-
31 Electronics Tech	-	-	1.00	1.00	-
33 Electronics Tech Lead	-	-	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.	6.00	5.00	5.00	5.00	-
140 Sr Systems Admin	1.00	1.00	1.00	1.00	-
142 Sr. Network Admin.	1.00	1.00	1.00	1.00	-
142 Sr. Program Analyst	2.00	2.00	2.00	2.00	-
Division Total	22.00	21.00	23.00	23.00	-

Expenditures	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Personal Services					
Permanent Salaries	1,563,979	1,812,125	1,883,300	1,882,500	(800)
Overtime	5,180	7,248	10,000	10,000	-
Other Wages	-	-	-	-	-
Total Salaries	1,569,159	1,819,374	1,893,300	1,892,500	(800)
Benefits	632,217	769,509	820,300	797,500	(22,800)
Other Expenditures					
Materials & Supplies	27,867	42,371	31,400	32,900	1,500
Services	196,081	185,673	235,400	234,200	(1,200)
Utilities & Mtc	616,025	629,700	696,300	705,600	9,300
Other	-	-	100	100	-
Total Other Expenditures	839,974	857,745	963,200	972,800	9,600
Division Total	3,041,350	3,446,628	3,676,800	3,662,800	(14,000)

City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
Information Technology - 110-122-1107				
PERSONAL SERVICES				
5100 Permanent Salaries	1,563,979	1,812,125	1,883,300	1,882,500
5101 Premium Pay	5,180	7,248	10,000	10,000
5103 Other Wages	-	-	-	-
TOTAL	1,569,159	1,819,374	1,893,300	1,892,500
EMPLOYEE BENEFITS				
5121 PERA Retirement	115,292	133,610	140,400	140,200
5122 FICA - Social Security	93,804	108,153	117,400	117,300
5123 FICA - Medicare	21,938	25,294	27,500	27,400
5125 Dental Insurance	7,657	8,525	8,600	9,100
5126 Life Insurance	3,335	4,692	4,100	4,100
5127 Health Care Savings Plan (HCSP)	33,408	48,076	47,600	36,400
5130 Cafeteria Plan Benefits	355,404	439,949	474,700	463,000
5133 Health or Fitness Program	1,380	1,210	-	-
TOTAL	632,217	769,509	820,300	797,500
OTHER EXPENDITURES				
5200 Office Supplies	900	2,976	2,500	2,500
5201 Computer Supplies/Software	21,085	32,329	23,600	26,500
5203 Paper/Stationery/Forms	-	46	-	-
5212 Motor Fuels	366	362	1,800	400
5218 Uniforms	-	550	1,000	1,000
5241 Small Equip-Office/Operating	5,517	6,110	2,500	2,500
5309 MIS Services	13,290	11,917	10,700	9,500
5319 Other Professional Services	27,071	33,834	40,500	40,500
5320 Data Services	122,857	108,674	138,500	138,500
5321 Phone Service	5,634	5,574	7,000	7,000
5331 Travel/Training	24,019	20,385	30,000	30,000
5335 Local Mileage Reimbursement	199	-	500	500
5355 Printing & Copying	2,959	4,752	7,000	7,000
5356 Copier, Printer Lease, & Supplies	53	537	1,200	1,200
5404 Equipment/Machinery Repair & Mtc	170,898	144,149	140,000	157,500
5409 Fleet Service Charges	1,105	3,157	16,100	2,100
5414 Software Licenses & Mtce Agreements	444,022	482,394	540,200	546,000
5433 Dues & Subscription	-	-	100	100
TOTAL	839,974	857,745	963,200	972,800
DIVISION TOTAL	3,041,350	3,446,628	3,676,800	3,662,800

City of Duluth Minnesota - 2021 Budget

General Fund Revenue Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
Information Technology - 110-122-1107				
REVENUE SOURCE				
4320 IT Services	16,623	22,886	24,600	52,800
4730 Transfer in from Public Utility	214,400	222,700	239,900	236,300
DIVISION TOTAL	231,023	245,586	264,500	289,100

City of Duluth Minnesota - 2021 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	2018	2019	2020	2021	Difference
1165 Dir., Admin. Svcs.	-	-	1.00	1.00	-
1165 Dir., Public Admin.	1.00	1.00	-	-	-
1125 City Clerk	1.00	1.00	-	-	-
1055 Assistant City Clerk	1.00	1.00	1.00	1.00	-
1055 Code Compliance Off.	-	1.00	1.00	1.00	-
9 Executive Assistant	1.00	1.00	1.00	1.00	-
126 Information Tech.	-	-	-	-	-
129 Admin. Info. Spec.	2.00	2.00	2.00	2.00	-
Division Total	6.00	7.00	6.00	6.00	-

Expenditures	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Personal Services					
Permanent Salaries	439,174	503,141	443,700	446,900	3,200
Overtime	1,462	1,505	1,400	1,400	-
Other Wages	87,573	69,946	131,700	121,000	(10,700)
Total Salaries	528,208	574,592	576,800	569,300	(7,500)
Benefits	189,706	222,717	233,300	206,800	(26,500)
Other Expenditures					
Materials & Supplies	4,989	2,621	2,600	2,600	-
Services	11,619	49,437	23,800	53,800	30,000
Utilities & Mtc	20,940	13,000	13,000	13,000	-
Other	17,045	14,255	16,300	16,300	-
Total Other Expenditures	54,593	79,313	55,700	85,700	30,000
Division Total	772,507	876,622	865,800	861,800	(4,000)

City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
City Clerk - 110-122-1211				
PERSONAL SERVICES				
5100 Permanent Salaries	439,174	503,141	443,700	446,900
5101 Premium Pay	1,462	1,505	1,400	1,400
5103 Other Wages	87,573	69,946	131,700	121,000
TOTAL	528,208	574,592	576,800	569,300
EMPLOYEE BENEFITS				
5121 PERA Retirement	32,404	37,240	33,100	33,100
5122 FICA - Social Security	27,093	30,514	35,800	35,300
5123 FICA - Medicare	6,336	7,136	8,400	8,300
5125 Dental Insurance	2,139	2,395	2,200	2,400
5126 Life Insurance	932	1,309	1,100	1,100
5127 Health Care Savings Plan (HCSP)	7,209	24,053	21,700	21,700
5130 Cafeteria Plan Benefits	113,193	119,609	131,000	104,900
5133 Health or Fitness Program	400	462	-	-
TOTAL	189,706	222,717	233,300	206,800
OTHER EXPENDITURES				
5200 Office Supplies	2,015	1,164	1,100	1,100
5201 Computer Supplies/Software	1,708	523	500	500
5219 Other Miscellaneous Supplies	1,266	933	1,000	1,000
5321 Phone Service Cellular Phone	600	-	600	600
5331 Travel/Training	194	3,322	7,500	7,500
5335 Local Mileage Reimbursement	948	1,023	1,000	1,000
5355 Printing & Copying	8,825	44,959	14,700	44,700
5356 Copier, Printer Lease & Supplies	1,052	133	-	-
5404 Equipment/Machinery Repair & Mtc	20,940	13,000	13,000	13,000
5412 Building Rental	1,175	980	1,000	1,000
5414 Software Licenses & Mtce Agreements	9,987	8,124	10,000	10,000
5427 Credit Card Commissions	353	666	-	-
5433 Dues & Subscription	410	110	400	400
5441 Other Services & Charges	5,121	4,376	4,900	4,900
TOTAL	54,593	79,313	55,700	85,700
DIVISION TOTAL	772,507	876,622	865,800	861,800

City of Duluth Minnesota - 2021 Budget

General Fund Revenue Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
City Clerk - 110-122-1211				
REVENUE SOURCE				
4101 Liquor License	534,395	550,959	498,000	373,500
4102 Beer License	19,177	19,771	14,000	11,200
4105 Hotel License	12,310	13,578	9,000	6,500
4106 Garbage Collection	16,986	17,880	16,000	16,000
4107 Horse & Carriage	286	396	700	700
4108 Emergency Wrecker License	4,005	4,450	6,000	6,000
4109 Gas Station License	9,098	8,595	8,500	8,500
4111 Pawnbroker License	386	386	1,100	1,100
4112 Peddler's License	5,634	4,467	1,000	1,000
4113 Precious Metal Dealer	1,961	1,158	1,500	1,500
4114 Pet Shop License	415	944	600	600
4115 Dog & Cat Hospitals License	415	581	700	700
4116 Dog Kennels License	611	396	400	400
4117 Massage Establishment & Therapist	13,442	13,022	12,000	10,800
4118 Cigarette License	11,912	12,515	11,000	11,000
4119 Motor Vehicle - Dealer	5,731	3,326	4,400	4,400
4119 Motor Vehicle - Rental	-	1,602	1,800	1,800
4120 Taxi Permit	11,153	19,677	11,000	11,000
4121 Coin Operating Device	19,115	9,270	9,000	9,000
4122 Pool & Bowling	1,202	1,202	1,000	1,000
4123 Dance Hall License	90	59	-	-
4124 Tree Service Contractor License	-	-	1,400	1,400
4125 Transportation Network Comp License	-	-	-	7,400
4126 Shared Active Mobility Systems	-	3,000	1,000	3,000
4155 Special Event Permit	5,076	5,976	3,000	1,500
4170 Misc. Permits & Licenses	2,962	2,374	2,000	2,000
4470 License Penalties	5,909	10,351	2,000	1,500
4644 Miscellaneous Sales	688	43,647	25,000	25,000
4654 Other Reimbursements	-	-	-	-
4700 Other Sources	-	-	95,700	-
4730 Interfund Transfers In	25,000	25,000	30,000	25,000
DIVISION TOTAL	707,959	774,581	767,800	543,500

City of Duluth Minnesota - 2021 Budget

Finance Department

Mission and Vision

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

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

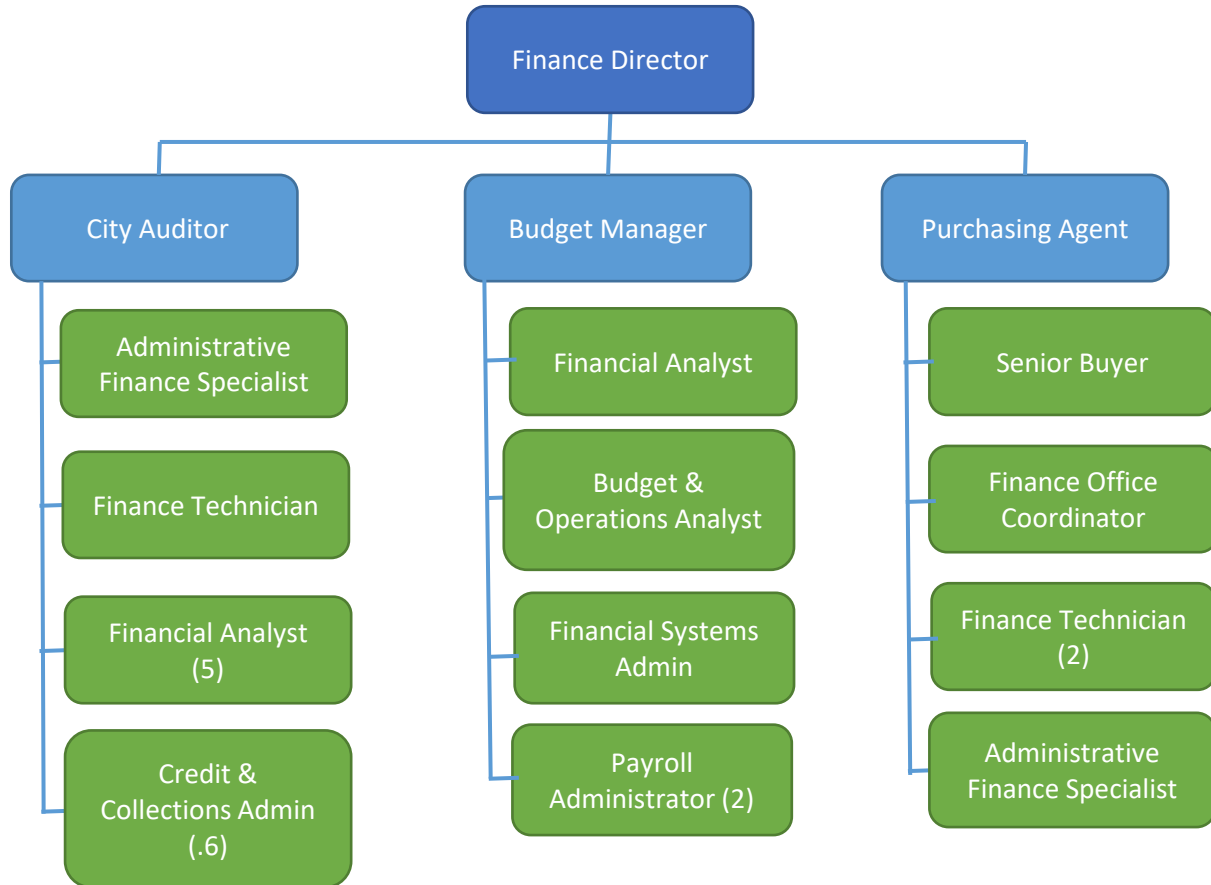
Structure

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

City of Duluth Minnesota - 2021 Budget

Finance Department

Organization Chart



City of Duluth Minnesota - 2021 Budget

Finance

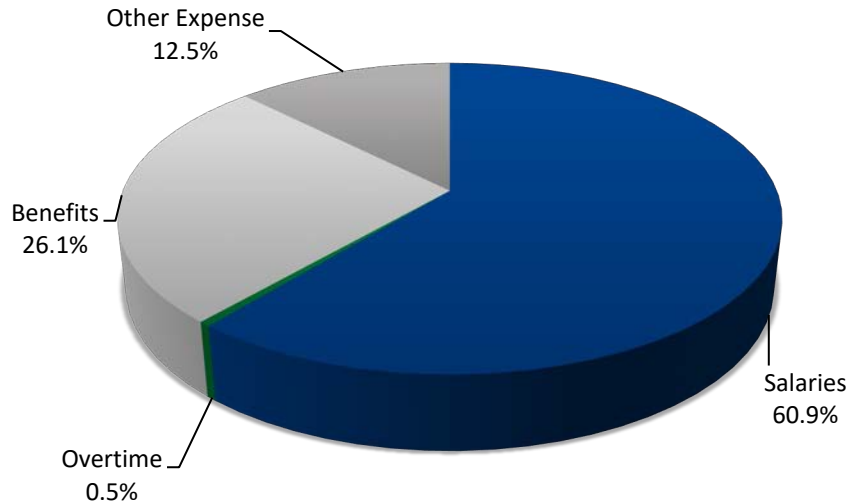
City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Estimate	2021 Target
Fiscal Responsibility: Operations are supported by sustainable funding sources and costs are managed in an effective and efficient manner to maintain sustainability	Percent of departments meeting their expenditure appropriation.	89%	78%	89%	100%
	Number of accounts payable voucher documents processed.	27,122	25,959	21,891	22,000
	Number of accounts payable checks written.	14,034	14,163	12,369	13,000
	Average investment portfolio yield	1.66%	2.08%	1.21%	0.65%
	Number of payment receipts processed in Finance office	6,422	6,526	5,437	6,000
	Total dollar value of supplies and services purchased	\$97.715M	\$71.259M	\$126.409M	\$100M
	Number of Purchase Orders processed	723	778	724	750
Long Range Planning: Supports decision-making with timely and accurate analysis, focusing on innovative, long-term solutions that benefit the community	To obtain GFOA's Certificate of Excellence in Financial Reporting.	Yes	Yes	Yes	Yes
	To obtain GFOA's Distinguished Budget Presentation Award	Yes	Yes	Yes	Yes
	Other Post-Employment Benefits Trust Account balance	\$56.067M	\$71.109M	\$82.5M	\$85.0M
Workforce: Attract, develop, equip, motivate, and retain a high-quality, diverse, engaged and productive workforce focused on creative service excellence	Number of paychecks processed.	26,629	29,588	27,540	28,685

City of Duluth Minnesota - 2021 Budget

Finance Department

2021 Approved Budget by Expenditure Category



Expenditures by Category	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Permanent Salaries	1,566,548	1,615,244	1,697,800	1,736,900	39,100
Overtime	8,842	23,576	14,000	14,000	-
Other Wages	-	11	-	-	-
Total Personal Services	1,575,391	1,638,830	1,711,800	1,750,900	39,100
Benefits	706,862	699,928	747,900	743,900	(4,000)
Other Expense	299,669	350,516	355,400	355,400	-
Department Total	2,581,921	2,689,275	2,815,100	2,850,200	35,100

Expenditures by Division	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Budget Office	419,211	505,325	949,600	953,100	3,500
Auditor's Office	1,340,523	1,319,320	1,290,900	1,279,500	(11,400)
Purchasing	222,989	234,018	574,600	617,600	43,000
Treasurer's Office	599,199	630,611	-	-	-
Department Total	2,581,921	2,689,275	2,815,100	2,850,200	35,100

Budgeted FTE's	2018	2019	2020	2021	Difference
	22.0	23.0	21.6	21.6	-

City of Duluth Minnesota - 2021 Budget

Budget Office

Under the leadership of the Chief Financial Officer, 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.

Budgeted FTE's	2018	2019	2020	2021	Difference
1160 Chief Financial Officer	1.0	1.0	1.0	1.0	-
Manager, Budget &					
1115 Fiscal Analysis	1.0	1.0	1.0	1.0	-
1085 Financial Syst. Admin.	-	-	1.0	1.0	-
10 Payroll Administrator	-	-	2.0	2.0	-
133 Budget Analyst	-	-	1.0	1.0	-
136 Financial Analyst	1.0	1.0	1.0	1.0	-
Division Total	3.0	3.0	7.0	7.0	0.0

Expenditures	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Personal Services					
Permanent Salaries	294,209	351,334	652,600	680,300	27,700
Overtime	-	199	6,400	6,400	-
Other Wages	-	-	-	-	-
Total Salaries	294,209	351,532	659,000	686,700	27,700
Benefits	121,840	128,115	253,500	229,300	(24,200)
Other Expense					
Materials & Supplies	130	229	2,000	2,000	-
Services	715	3,530	13,600	13,600	-
Other	2,317	21,919	21,500	21,500	-
Total Other Expense	3,162	25,678	37,100	37,100	-
Division Total	419,211	505,325	949,600	953,100	3,500

City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
Budget Office - 110-125-1212				
PERSONAL SERVICES				
5100 Permanent Salaries	294,209	351,334	652,600	680,300
5101 Premium Pay	-	199	6,400	6,400
5103 Other Wages	-	-	-	-
TOTAL	294,209	351,532	659,000	686,700
EMPLOYEE BENEFITS				
5121 PERA Retirement	21,651	25,773	48,800	50,500
5122 FICA - Social Security	17,492	21,057	40,900	42,600
5123 FICA - Medicare	4,091	4,925	9,600	10,000
5125 Dental Insurance	1,085	1,332	2,600	2,800
5126 Life Insurance	486	731	1,300	1,300
5127 Health Care Savings Plan (HCSP)	25,395	9,374	10,200	11,000
5130 Cafeteria Plan Benefits	51,640	64,453	140,100	111,100
5133 Health or Fitness Program	-	470	-	-
TOTAL	121,840	128,115	253,500	229,300
OTHER EXPENDITURES				
5200 Office Supplies	9	76	1,500	1,500
5201 Computer Supplies/Software	121	152	500	500
5331 Travel/Training	135	3,453	13,000	13,000
5355 Printing & Copying	580	78	600	600
5433 Dues & Subscription	1,634	952	500	500
5434 Grants & Awards	550	550	600	600
5435 Books & Pamphlets	-	30	200	200
5441 Other Services & Charges	-	20,360	20,200	20,200
5443 Board & Meeting Expenses	133	27	-	-
TOTAL	3,162	25,678	37,100	37,100
DIVISION TOTAL	419,211	505,325	949,600	953,100

City of Duluth Minnesota - 2021 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	2018	2019	2020	2021	Difference
1115 City Auditor	1.0	1.0	1.0	1.0	-
Financial Systems					
1085 Admin	1.0	1.0	-	-	-
10 Payroll Administrator	1.0	1.0	-	-	-
126 Finance Tech	-	1.0	1.0	1.0	-
129 Admin Finance Spec.	-	-	1.0	1.0	-
129 Payroll Practitioner	1.0	1.0	-	-	-
Credit/Collections					
135 Admin	-	-	0.6	0.6	-
136 Financial Analyst	5.0	5.0	5.0	5.0	-
Division Total	9.0	10.0	8.6	8.6	0.0

Expenditures	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Personal Services					
Permanent Salaries	727,548	681,825	655,600	658,200	2,600
Overtime	8,842	23,085	7,600	7,600	-
Other Wages	-	-	-	-	-
Total Salaries	736,390	704,910	663,200	665,800	2,600
Benefits	319,087	301,149	323,600	309,600	(14,000)
Other Expense					
Materials & Supplies	3,909	3,365	6,000	6,000	-
Services	278,542	286,762	295,000	295,000	-
Utility & Mtc	743	203	800	800	-
Other	1,852	22,930	2,300	2,300	-
Total Other Expense	285,045	313,261	304,100	304,100	-
Division Total	1,340,523	1,319,320	1,290,900	1,279,500	(11,400)

City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
City Auditor's Office - 110-125-1214				
PERSONAL SERVICES				
5100 Permanent Salaries	727,548	681,825	655,600	658,200
5101 Premium Pay	8,842	23,085	7,600	7,600
5103 Other Wages	-	-	-	-
TOTAL	736,390	704,910	663,200	665,800
EMPLOYEE BENEFITS				
5121 PERA Retirement	54,581	51,210	49,400	49,400
5122 FICA - Social Security	43,409	42,329	41,100	41,300
5123 FICA - Medicare	10,152	9,899	9,600	9,700
5125 Dental Insurance	3,534	2,991	3,200	3,400
5126 Life Insurance	1,539	1,648	1,500	1,500
5127 Health Care Savings Plan (HCSP)	23,302	31,154	12,200	12,100
5130 Cafeteria Plan Benefits	182,450	161,707	206,600	192,200
5133 Health or Fitness Program	120	210	-	-
TOTAL	319,087	301,149	323,600	309,600
OTHER EXPENDITURES				
5200 Office Supplies	1,694	2,944	3,000	3,000
5203 Paper/Stationery/Forms	992	-	2,000	2,000
5241 Small Equip-Office/Operating	1,222	421	1,000	1,000
5301 Auditing Services	99,715	101,858	116,800	116,800
5306 Collection Services	-	-	5,000	5,000
5309 IT Services	169,486	173,981	167,500	167,500
5331 Travel/Training	4,762	5,394	3,200	3,200
5355 Printing & Copying	2,975	3,616	1,000	1,000
5356 Copier, Printer Lease & Supplies	1,604	1,913	1,500	1,500
5404 Equipment/Machinery Repair & Mtc	-	-	800	800
5414 Software Licenses & Mtce Agreements	743	203	-	-
5433 Dues & Subscription	1,077	909	1,300	1,300
5435 Books & Pamphlets	-	-	500	500
5441 Other Services & Charges	775	22,021	500	500
TOTAL	285,045	313,261	304,100	304,100
DIVISION TOTAL	1,340,523	1,319,320	1,290,900	1,279,500

City of Duluth Minnesota - 2021 Budget

General Fund Revenue Detail	2018	2019	2020	2021
City Auditor's Office - 110-125-1214	Actual	Actual	Budget	Approved
REVENUE SOURCE				
4005 Current Property Tax	16,070,029	19,040,025	21,879,300	21,879,300
4010 Delinquent Property Tax	179,832	175,067	150,000	150,000
4015 Mobile Home Tax	66,099	80,747	59,700	59,700
4040 City Sales Tax	-	-	-	12,600,000
4050 Charitable Gambling 3% Tax	-	-	-	20,000
4070 MN Power Franchise Fee	3,138,318	2,705,686	3,100,000	2,750,000
4071 Cable Franchise Fee	849,931	820,620	791,500	750,000
4072 No. MN Utility Franchise Fee	8,812	8,128	6,700	6,700
4080 Forfeit Tax Sale	16,400	7,482	19,400	10,000
4090 Other Taxes	203,847	303,734	83,700	83,700
4221 Local Government Aid	29,645,975	29,668,565	30,247,200	30,247,200
4222 State Property Tax Aid	230	236	-	-
4230 PERA Aid	124,428	124,428	-	-
4300 HRA in Lieu of Taxes	66,012	66,939	57,400	57,400
4300 Ordean Foundation	16,086	-	16,000	-
4310 Assessment Cost Services	-	30,704	40,600	40,600
4311 Assessment Certificate Fee	-	-	-	30,000
4315 Stormwater Administrative Service	149,400	134,400	169,900	169,900
4315 Sewer Administrative Service	204,600	208,200	230,400	230,400
4315 Steam Administrative Service	50,900	55,600	53,200	53,200
4315 DECC Administrative Service	13,700	13,800	13,800	13,800
4315 DTA Administrative Service	10,300	10,300	10,300	10,300
4315 Grant Administration Services	81,088	73,648	69,000	69,000
4315 Airport Administrative Service	45,200	45,200	45,200	45,200
4315 DEDA Administrative Service	365,000	400,000	400,000	400,000
4315 Public Utility Admin Service	773,700	817,100	851,000	851,000
4315 Fleet Administrative Service	135,900	145,500	146,200	146,200
4315 Golf Administrative Service	18,800	16,100	8,100	8,100
4315 Group Health Admin Service	360,500	371,315	353,300	353,300
4315 Self Insurance Admin Service	457,500	563,200	614,500	614,500
4315 Spirit Mt. Administrative Service	37,700	26,200	26,200	26,200
4315 Parking Administrative Service	136,400	138,600	150,000	150,000
4315 Street Lighting System Utility	50,500	55,100	28,200	-
4315 410 West 1st Street Ramp	22,500	17,200	5,000	5,000
4323 Garnishment Fees	105	105	-	-
4472 Administrative Fines	46,432	77,714	21,600	43,400
4473 Court Fines	364,024	350,971	364,000	335,000
4500 Assessments	61,438	75,891	55,000	55,000

City of Duluth Minnesota - 2021 Budget

General Fund Revenue Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
City Auditor's Office - 110-125-1214 Continued				
4501 Assessments - Penalty & Interest	17,981	14,055	16,800	12,800
4602 Interest on Temporary Loans	18,850	4,144	-	-
4622 Rent of Buildings	413,339	-	-	-
4644 Misc. Fees, Sales & Services	-	-	-	1,000
4654 Other Reimbursements	11,525	6,978	-	-
4700 Other Sources	11,063	18,094	-	-
4702 Fond du Luth Proceeds	150,000	150,000	150,000	150,000
4730 Transfer from Special Rev Fund	63,214	62,890	45,300	140,800
4730 Transfer from Police Grant Fund- OT	-	880		
4730 Transfer from Parking Fund	1,376,700	1,376,700	1,346,700	1,346,700
4731 Gas Utility in Lieu of Taxes	2,528,413	2,728,817	2,726,700	2,641,000
4732 Steam Utility in Lieu of Taxes	161,101	152,960	152,800	152,800
4805 Reimbursements	8,841	-		
DIVISION TOTAL	58,532,713	61,144,023	64,504,700	76,709,200

City of Duluth Minnesota - 2021 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.

Budgeted FTE's	2018	2019	2020	2021	Difference
1100 Purchasing Agent	1.0	1.0	1.0	1.0	-
126 Finance Technician	-	-	2.0	2.0	-
129 Admin Finance Spec.	-	-	1.0	1.0	-
133 Finance Office Coord.	-	-	1.0	1.0	-
133 Senior Buyer	1.0	1.0	1.0	1.0	-
Division Total	2.0	2.0	6.0	6.0	0.0

Expenditures	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Personal Services					
Permanent Salaries	141,281	155,014	389,600	398,400	8,800
Overtime	-	101	-	-	-
Other Wages	-	-	-	-	-
Total Salaries	141,281	155,115	389,600	398,400	8,800
Benefits	79,455	74,596	170,800	205,000	34,200
Other Expense					
Materials & Supplies	188	230	3,800	3,800	-
Services	956	2,198	7,400	7,400	-
Other	1,109	1,880	3,000	3,000	-
Total Other Expense	2,253	4,308	14,200	14,200	-
Division Total	222,989	234,018	574,600	617,600	43,000

City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
City Purchasing Office - 110-125-1215				
PERSONAL SERVICES				
5100 Permanent Salaries	141,281	155,014	389,600	398,400
5101 Premium Pay	-	101	-	-
5103 Other Wages	-	-	-	-
TOTAL	141,281	155,115	389,600	398,400
EMPLOYEE BENEFITS				
5121 PERA Retirement	10,669	11,548	28,600	29,500
5122 FICA - Social Security	8,082	8,918	24,200	24,700
5123 FICA - Medicare	1,890	2,086	5,600	5,800
5125 Dental Insurance	744	744	2,200	2,400
5126 Life Insurance	324	408	1,100	1,100
5127 Health Care Savings Plan (HCSP)	14,003	3,329	7,100	13,300
5130 Cafeteria Plan Benefits	43,742	47,563	102,000	128,200
TOTAL	79,455	74,596	170,800	205,000
OTHER EXPENDITURES				
5200 Office Supplies	118	179	3,500	3,500
5201 Computer Supplies/Software	70	51	300	300
5331 Travel/Training	795	2,198	2,000	2,000
5340 Advertising & Promotion	-	-	900	900
5355 Printing & Copying	161	-	4,500	4,500
5356 Copier, Printer Lease & Supplies	-	205	-	-
5433 Dues & Subscription	720	584	1,500	1,500
5441 Other Services & Charges	389	1,296	1,500	1,500
TOTAL	2,253	4,513	14,200	14,200
DIVISION TOTAL	222,989	234,223	574,600	617,600

City of Duluth Minnesota - 2021 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.

Budgeted FTE's	2018	2019	2020	2021	Difference
1115 City Treasurer	-	-	-	-	-
126 Finance Technician	2.0	2.0	-	-	-
129 Admin Financial Spec.	3.0	3.0	-	-	-
133 Finance Office Coord.	1.0	1.0	-	-	-
135 Credit/Collections Admi	1.0	1.0	-	-	-
136 Financial Analyst	1.0	1.0	-	-	-
Division Total	8.0	8.0	-	-	-

Expenditures	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Personal Services					
Permanent Salaries	403,510	427,071	-	-	-
Overtime	-	191	-	-	-
Other Wages	-	11	-	-	-
Total Salaries	403,510	427,273	-	-	-
Benefits	186,481	196,069	-	-	-
Other Expense					
Materials & Supplies	2,363	1,944	-	-	-
Services	6,960	5,118	-	-	-
Utility & Mtc	-	-	-	-	-
Other	1,235	208	-	-	-
Total Other Expense	10,558	7,270	-	-	-
Division Total	600,549	630,611	-	-	-

City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
City Treasurer's Office - 110-125-1216				
PERSONAL SERVICES				
5100 Permanent Salaries	403,510	427,071	-	-
5101 Premium Pay	-	191	-	-
5103 Other Wages	-	11	-	-
TOTAL	403,510	427,273	-	-
EMPLOYEE BENEFITS				
5121 PERA Retirement	29,596	31,663	-	-
5122 FICA - Social Security	24,088	25,432	-	-
5123 FICA - Medicare	5,634	5,948	-	-
5125 Dental Insurance	2,356	2,652	-	-
5126 Life Insurance	1,026	1,440	-	-
5127 Health Care Savings Plan (HCSP)	18,521	6,928	-	-
5130 Cafeteria Plan Benefits	104,900	121,696	-	-
5133 Health or Fitness Program	360	310	-	-
TOTAL	186,481	196,069	-	-
OTHER EXPENDITURES				
5200 Office Supplies	1,013	1,740	-	-
5241 Small Equipment-Office/Operating	1,351	204	-	-
5306 Collection Services	6,530	4,513	-	-
5331 Travel/Training	-	129	-	-
5355 Printing & Copying	430	476	-	-
5356 Copier, Printer Lease & Supplies	-	-	-	-
5404 Equipment/Machinery Repair & Mtc	-	-	-	-
5433 Dues & Subscription	-	-	-	-
5441 Other Services & Charges	1,235	208	-	-
TOTAL	10,558	7,270	-	-
DIVISION TOTAL	600,549	630,611	-	-

City of Duluth Minnesota - 2021 Budget

General Fund Revenue Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
City Treasurer's Office - 110-125-1216				
REVENUE SOURCE				
4040 City Sales Tax	14,094,409	14,453,054	-	-
4050 Charitable Gambling Tax	22,363	3,898	-	-
4310 Assessment Cost Services	-	-	-	-
4311 Assessment Certificate Fee	42,982	54,966	-	-
4323 Garnishment Fees	15	-	-	-
4601 Earnings on Investments Chg in Fair Valu	(35,189)	83,511	-	-
4644 Miscellaneous Fees	2,346	3,706	-	-
4730 Transfer from Tourism Taxes	147,268	131,897	-	-
DIVISION TOTAL	14,274,194	14,731,033	-	-

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City of Duluth Minnesota - 2021 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.

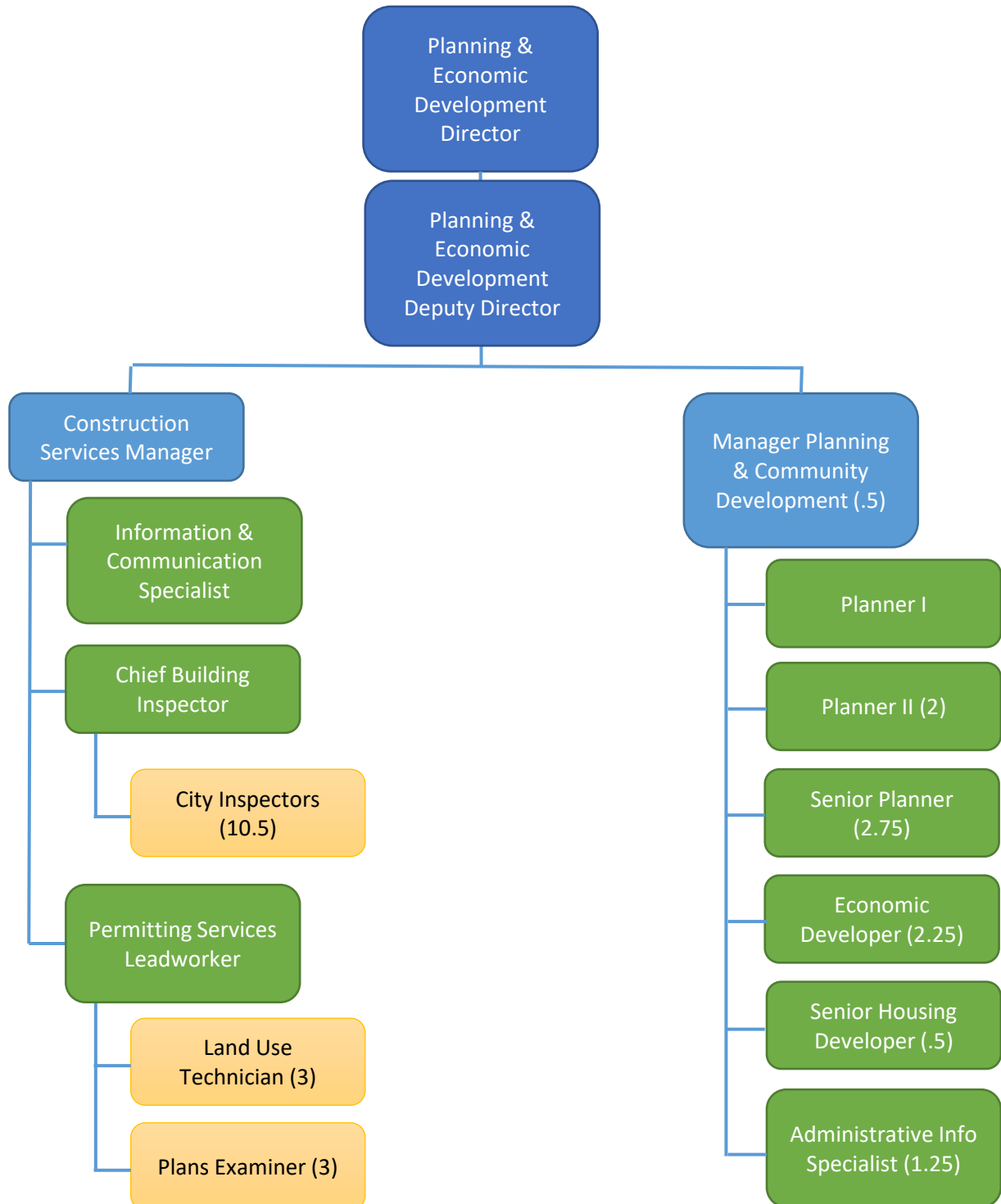
Structure

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 - 2021 Budget

Planning & Economic Development

Organization Chart



City of Duluth Minnesota - 2021 Budget

Planning & Development

City Priority: Livable Neighborhoods and Affordable Housing

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Estimated	2021 Target
Development/ Redevelopment: Encourage and support strategically planned, well-designed and uniformly regulated mixed-use development and redevelopment, enhancing its desirability as a great place to live and work	Number of plan reviews performed, including shoreland permits	225	213	218	220
	Number of land use applications processed by Planning Commission or Heritage Preservation Commission	161	103	105	120
Community Involvement: Instill a sense of community pride through proactive communication, engagement, outreach, participation, and volunteerism.	Total number of community development applications evaluated for funding	34	33	57	50

City Priority: Safe and Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Estimated	2021 Target
Livable Community: Ensure regulatory compliance in order to provide clean and well-maintained neighborhoods, to protect property, the environment, and the lives and health of residents and visitors	Number of predevelopment meetings facilitated	143	161	122	150
	Number of formal compliance actions	62	35	7	60

City of Duluth Minnesota - 2021 Budget

Construction Services & Inspections

City Priority: Safe and Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Actual	2021 Target
Livable Community: Ensure regulatory compliance in order to provide clean and well-maintained neighborhoods, to protect property, the environment and the lives and health of its residents and visitors	Valuation of construction permits issued	\$160M	\$253M	\$392M	\$253M
	Number of construction inspections performed	10,838	11,152	9,890	11,000

City Priority: Innovation and Excellence in Service

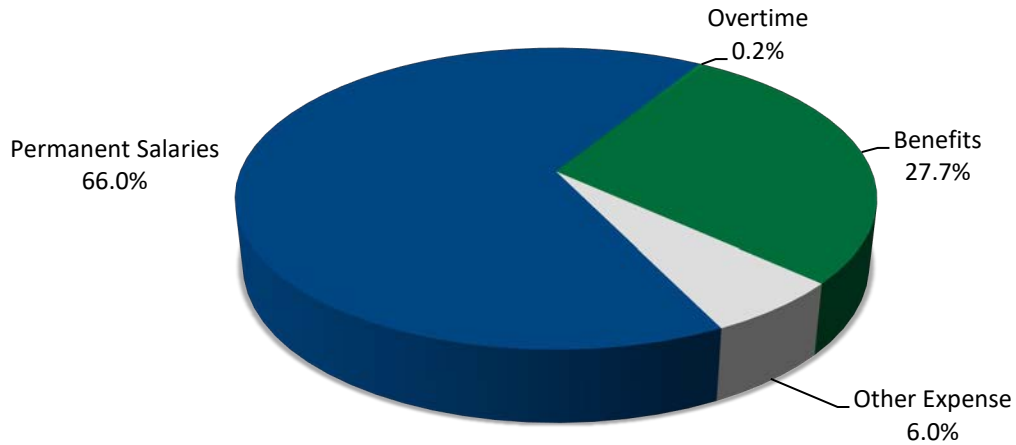
<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Actual	2021 Target
Customer Service: Ensures timely and effective two-way communication with internal customers, residents, and businesses providing equal access to information encouraging input from all areas of the organization and the community at large	Percentage of permits issued online	64%	69%	94%	85%
	Number of pre-submittal plan review meetings	60	71	25	50

City Priority: Infrastructure

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Actual	2021 Target
Buildings: Ensure buildings and properties throughout the community are well-kept, safe, and compliant with community standards	Number of plan reviews for compliance with building, energy, accessibility, and other standards	1076	1291	1041	1300

City of Duluth Minnesota - 2021 Budget

Planning & Economic Development Department 2021 Approved Budget by Expenditure Category



Expenditures by Category	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Permanent Salaries	2,053,842	2,190,358	2,422,000	2,427,700	5,700
Overtime	7,486	12,914	9,000	9,000	-
Other Wages	2,045	1,002	-	-	-
Total Personal Services	2,063,374	2,204,273	2,431,000	2,436,700	5,700
Benefits	817,856	883,620	1,075,000	1,019,400	(55,600)
Other Expense	230,523	243,824	220,200	220,900	700
Capital Outlay	-	-	-	-	-
Department Total	3,111,752	3,331,717	3,726,200	3,677,000	(49,200)

Expenditures by Division	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Planning	773,255	924,431	1,499,900	1,473,600	(26,300)
Construction Srv&Inspect	1,706,363	2,020,351	2,226,300	2,203,400	(22,900)
Business & Econ Dev	632,134	386,934	-	-	-
Department Total	3,111,752	3,331,717	3,726,200	3,677,000	(49,200)

Budgeted FTE's	2018	2019	2020	2021	Difference
	28.9	33.9	32.8	32.8	-

City of Duluth Minnesota - 2021 Budget

Planning & Economic Development

Planning & Economic 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 & Economic Development.

Budgeted FTE's	2018	2019	2020	2021	Difference
1170 Dir. Planning & Econ Dev	0.67	0.67	1.00	1.00	-
1130 Deputy Dir. Plng & Econ	-	1.00	1.00	1.00	-
1105 Mgr Planning & CD	0.50	0.50	0.50	0.50	-
129 Admin Info Specialist	0.75	0.75	1.25	1.25	-
129 Planner I	1.00	1.00	1.00	1.00	-
133 Planner II	3.00	3.00	2.00	2.00	-
135 Economic Developer	-	-	2.25	2.25	-
136 Senior Planner Senior Housing	1.00	1.00	1.75	1.75	-
138 Developer Senior Transport	-	0.50	0.50	0.50	-
138 Planner	-	1.00	1.00	1.00	-
Division Total	6.92	9.42	12.25	12.25	-

Expenditures	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Personal Services					
Permanent Salaries	504,579	612,057	986,600	1,017,500	30,900
Overtime	2,445	5,205	-	-	-
Other Wages	2,045	1,002	-	-	-
Total Salaries	509,069	618,264	986,600	1,017,500	30,900
Benefits	201,013	239,920	438,600	381,400	(57,200)
Other Expense					
Materials & Supplies	4,584	4,544	3,800	3,200	(600)
Services	39,979	37,334	47,900	45,900	(2,000)
Other	18,611	24,369	23,000	25,600	2,600
Total Other Expense	63,173	66,248	74,700	74,700	-
Division Total	773,255	924,431	1,499,900	1,473,600	(26,300)

City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
Planning & Economic Development - 110-132-1301				
PERSONAL SERVICES				
5100 Permanent Salaries	504,579	612,057	986,600	1,017,500
5101 Premium Pay	2,445	5,205	-	-
5103 Other Wages	2,045	1,002	-	-
TOTAL	509,069	618,264	986,600	1,017,500
EMPLOYEE BENEFITS				
5121 PERA Retirement	37,441	45,328	73,200	74,800
5122 FICA - Social Security	30,213	38,618	61,200	63,100
5123 FICA - Medicare	7,066	9,032	14,300	14,800
5125 Dental Insurance	(3,462)	2,900	4,600	4,900
5126 Life Insurance	211	1,584	2,200	2,200
5127 Health Care Savings Plan (HCSP)	22,487	14,599	20,200	25,500
5130 Cafeteria Plan Benefits	106,698	127,331	262,900	196,100
5133 Health or Fitness Program	360	528	-	-
TOTAL	201,013	239,920	438,600	381,400
OTHER EXPENDITURES				
5200 Office Supplies	1,298	1,833	2,500	1,900
5201 Computer Supplies/Software	892	777	1,000	1,000
5241 Small Equip-Office/Operating	2,394	1,934	300	300
5310 Contract Services	13,926	-	-	-
5319 Other Professional Services	20,509	24,710	21,100	21,100
5321 Phone Service	1,200	1,037	2,800	2,800
5322 Postage	-	23	500	500
5331 Travel/Training	3,167	4,678	9,000	9,000
5335 Local Mileage Reimbursement	-	-	2,000	2,000
5355 Printing & Copying	805	6,655	12,000	10,000
5356 Copier, Printer Lease & Supplies	371	232	500	500
5414 Software Licenses & Mtce Agreements	12,132	12,738	12,000	12,000
5433 Dues & Subscription	1,923	2,639	5,700	5,700
5435 Books & Pamphlets	-	34	200	200
5441 Other Services & Charges	4,197	8,515	1,400	4,000
5443 Board & Meeting Expenses	359	443	3,700	3,700
TOTAL	63,173	66,248	74,700	74,700
DIVISION TOTAL	773,255	924,431	1,499,900	1,473,600

City of Duluth Minnesota - 2021 Budget

General Fund Revenue Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
Planning & Economic Development - 110-132-1301				
REVENUE SOURCE				
4210 Pass-thru Federal Grants	-	-	-	-
4307 Planning/Zoning Fees	81,463	98,879	85,000	78,200
4631 Media Sales	49	-	100	100
4644 Misc Fees, Sales & Services	20	-	-	-
4654 Other Reimbursements	48,665	-	-	-
4660 Gifts and Donations	-	3,250		
DIVISION TOTAL	130,197	102,129	85,100	78,300

City of Duluth Minnesota - 2021 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.

Budgeted FTE's	2018	2019	2020	2021	Difference
1105 Construction Svcs Manager	1.00	1.00	1.00	1.00	-
28 Land Use Technician	2.00	2.00	3.00	3.00	-
29 Plans Examiner	3.00	4.00	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 Inspector	1.00	2.00	2.00	2.00	-
31 Plumbing Inspector	2.00	3.00	3.00	3.00	-
32 Combination Svcs Inspector	1.00	2.00	2.00	2.00	-
32 Permitting Svcs Leadworker	1.00	1.00	1.00	1.00	-
36 Const Inspect Leadworker	1.00	1.00	1.00	1.00	-
132 Info & Comm Specialist	0.50	0.50	0.50	0.50	-

Division Total	16.50	20.50	20.50	20.50	-
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Expenditures	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Personal Services					
Permanent Salaries	1,094,409	1,308,771	1,435,400	1,410,200	(25,200)
Overtime	4,080	7,182	9,000	9,000	-
Other Wages	-	-	-	-	-
Total Salaries	1,098,490	1,315,953	1,444,400	1,419,200	(25,200)
Benefits	454,384	540,031	636,400	638,000	1,600
Other Expense					
Materials & Supplies	15,484	31,865	18,000	29,700	11,700
Services	30,361	34,705	40,100	29,100	(11,000)
Utility & Maintenance	17,871	17,989	19,900	19,300	(600)
Other	62,383	74,810	47,500	48,100	600
Building Demolition	27,391	5,000	20,000	20,000	-
Total Other Expense	153,489	164,368	145,500	146,200	700
Division Total	1,706,363	2,020,351	2,226,300	2,203,400	(22,900)

City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
Construction Services & Inspection - 110-132-1304				
PERSONAL SERVICES				
5100 Permanent Salaries	1,094,409	1,308,771	1,435,400	1,410,200
5101 Premium Pay	4,080	7,182	9,000	9,000
5103 Other Wages	-	-	-	-
TOTAL	1,098,490	1,315,953	1,444,400	1,419,200
EMPLOYEE BENEFITS				
5121 PERA Retirement	80,193	96,511	106,500	104,300
5122 FICA - Social Security	66,407	79,666	89,600	88,000
5123 FICA - Medicare	15,531	18,631	20,900	20,600
5125 Dental Insurance	6,169	7,099	7,600	5,900
5126 Life Insurance	2,687	3,893	3,700	3,700
5127 Health Care Savings Plan (HCSP)	26,737	31,326	23,600	58,500
5130 Cafeteria Plan Benefits	255,971	302,064	384,500	357,000
5133 Health or Fitness Program	690	840	-	-
TOTAL	454,384	540,031	636,400	638,000
OTHER EXPENDITURES				
5200 Office Supplies	2,792	2,511	3,300	3,300
5205 Safety & Training Materials	680	897	900	900
5212 Motor Fuels	11,510	13,557	12,300	13,600
5219 Other Miscellaneous Supplies	8	1,043	900	4,400
5241 Small Equip-Office/Operating	494	13,857	600	7,500
5321 Phone Service	6,722	11,460	4,500	4,500
5331 Travel/Training	14,606	15,358	14,000	14,400
5335 Local Mileage Reimbursement	38	-	600	200
5355 Printing & Copying	8,686	7,616	12,500	9,000
5356 Copier, Printer Lease & Supplies	309	271	8,500	1,000
5404 Equipment/Machinery Repair & Mtc	169	377	600	600
5409 Fleet Services Charges	17,702	17,612	19,300	18,700
5414 Software Licenses & Mtce Agreements	21,862	16,818	20,000	20,000
5427 Credit Card Commissions	32,318	50,732	17,500	17,500
5433 Dues & Subscription	1,618	1,211	1,500	1,500
5435 Books & Pamphlets	2,300	4,495	4,500	4,500
5441 Other Services & Charges	4,246	1,554	4,000	4,600

City of Duluth Minnesota - 2021 Budget

General Fund Revenue Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
Construction Services & Inspection - 110-132-1304				
5443 Board & Meeting Expenses	38	-	-	-
5453 Building Demolition	27,391	5,000	20,000	20,000
TOTAL	153,489	164,368	145,500	146,200
DIVISION TOTAL	1,706,363	2,020,351	2,226,300	2,203,400
REVENUE SOURCE				
4151 Fill Permits	1,281	16,703	1,100	1,100
4301 Zoning Appeals Fees	-	-	600	600
4303 Use Permit - Flood & Wetlands	3,172	3,224	900	900
4351 Building Inspection Fees	1,479,793	2,564,064	2,654,800	1,654,800
4352 Plumbing Inspection Fees	185,750	214,487	182,200	182,200
4353 Electric Inspection Fees	220,819	246,679	192,300	192,300
4354 HVAC-R Inspection Fees	264,104	307,805	151,800	151,800
4355 Signs Inspection Fees	21,582	16,861	10,600	10,600
4356 House Moving Inspection Fee	13,116	13,320	9,100	9,100
4357 Mobile Home Inspection Fees	758	1,078	1,900	1,900
4359 CAF Administrative Fee	16,433	25,222	15,300	15,300
4361 RZP Registration Fee	18,870	21,080	13,100	13,100
4500 Assessments	15,259	9,212	51,100	51,100
4501 Assessments - Penalty & Interest	1,185	222	-	-
4602 Interest	-	-	-	-
4631 Media Sales	37	75	3,300	3,300
4644 Miscellaneous Sales	1,106	140	500	500
4654 Other Reimbursements	26,819	5,000	-	-
4660 Gifts and Donations	-	-	-	-
4680 Damage or Losses Recovered	-	-	-	-
4701 2% Retention Surtax	1,464	1,649	1,400	1,400
DIVISION TOTAL	2,271,549	3,446,821	3,290,000	2,290,000

City of Duluth Minnesota - 2021 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.

Budgeted FTE's	2018	2019	2020	2021	Difference
1150 Dir. Business & ED	1.00	1.00	-	-	-
1125 Business Dev Manager Administrative Info	1.00	-	-	-	-
129 Spec	1.00	1.00	-	-	-
135 Business Developer	2.00	2.00	-	-	-
135 Public Info Coordinator	0.50	-	-	-	-
Division Total	5.50	4.00	-	-	-

Expenditures	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Personal Services					
Permanent Salaries	454,854	269,530	-	-	-
Overtime	961	526.96	-	-	-
Other Wages	-	-	-	-	-
Total Salaries	455,815	270,057	-	-	-
Benefits	162,458	103,669	-	-	-
Other Expense					
Materials & Supplies	3,528	378	-	-	-
Services	5,410	9,358	-	-	-
Other	4,922	3,472	-	-	-
Total Other Expense	13,861	13,208	-	-	-
Division Total	632,134	386,934	-	-	-

City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
Business & Economic Development - 110-132-1310				
PERSONAL SERVICES				
5100 Permanent Salaries	454,854	269,530	-	-
5101 Premium Pay	961	527	-	-
5103 Other Wages	-	-	-	-
TOTAL	455,815	270,057	-	-
EMPLOYEE BENEFITS				
5121 PERA Retirement	30,617	16,119	-	-
5122 FICA - Social Security	25,326	16,149	-	-
5123 FICA - Medicare	6,447	3,777	-	-
5125 Dental Insurance	1,969	1,395	-	-
5126 Life Insurance	851	757	-	-
5127 Health Care Savings Plan (HCSP)	20,733	4,553	-	-
5130 Cafeteria Plan Benefits	76,516	60,920	-	-
5133 Health or Fitness Program	-	-	-	-
TOTAL	162,458	103,669	-	-
OTHER EXPENDITURES				
5200 Office Supplies	3,528	370	-	-
5319 Other Professional Service	90	540	-	-
5321 Phone Service	1,721	1,353	-	-
5331 Travel/Training	2,100	7,436	-	-
5335 Local Mileage Reimbursement	1,479	29	-	-
5355 Printing & Copying	20	-	-	-
5356 Copier, Printer Lease & Supplies	-	7	-	-
5433 Dues & Subscription	820	1,720	-	-
5441 Other Services & Charges	1,415	131	-	-
5443 Board & Meeting Expenses	2,687	1,621	-	-
TOTAL	13,861	13,208	-	-
DIVISION TOTAL	632,134	386,934	-	-
REVENUE SOURCE				
4644 Miscellaneous Sales	36,302	37,391	-	-
4654 Other Reimbursements Refunds	3,573	-	-	-
DIVISION TOTAL	39,875	37,391	-	-

City of Duluth Minnesota - 2021 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.

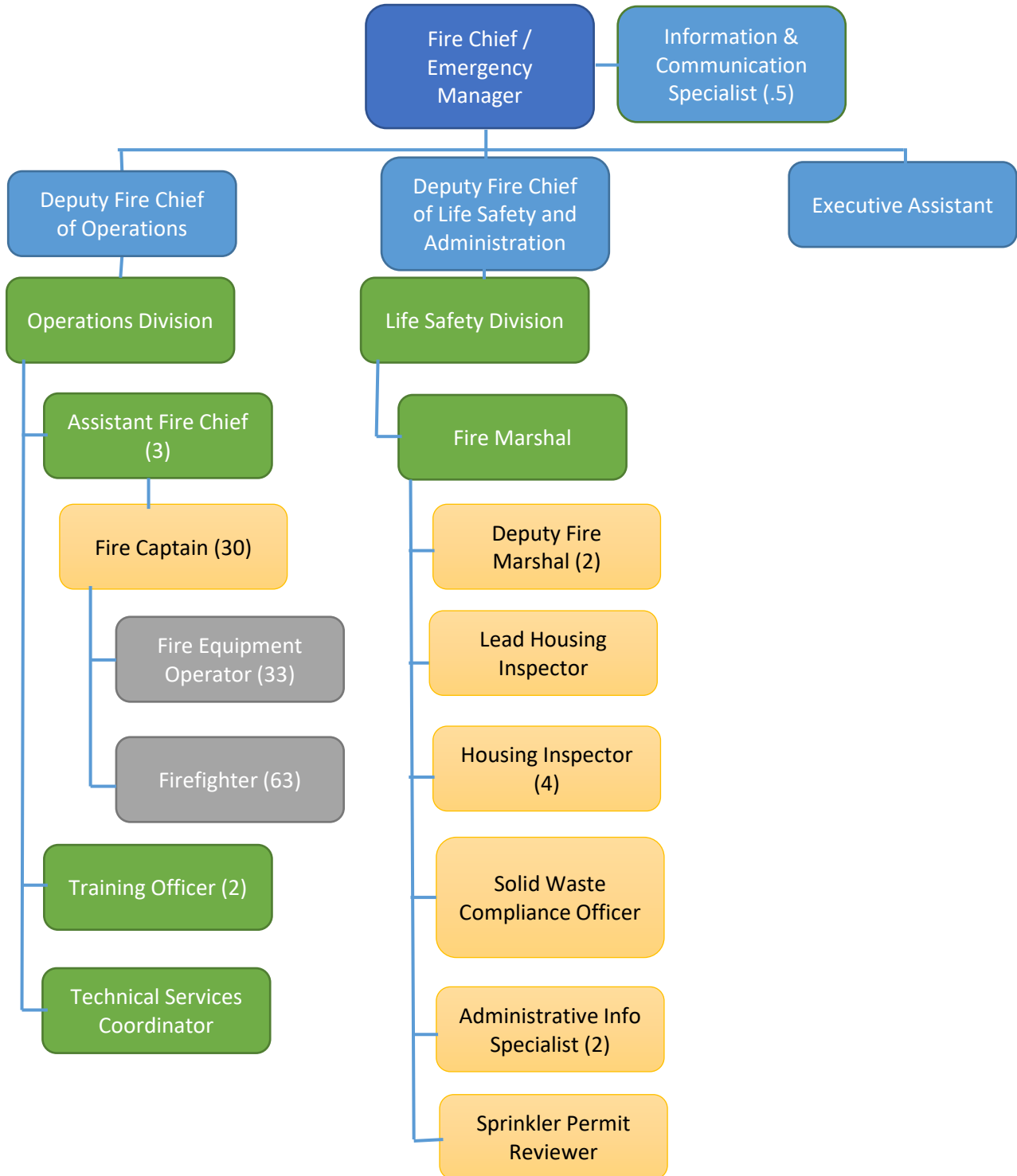
The department has three major divisions, and within those divisions, are two primary sub-divisions, which comprise the operational structure and prevention structure of the department. The department seeks to further the mission through the following programs:

- 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 - 2021 Budget

Fire Department

Organization Chart



City of Duluth Minnesota - 2021 Budget

Fire Department

City Priority: Safe and Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Actual	2021 Target
Service Response: Provides for a well-planned, effective and prompt response to emergencies of all kinds, including individual calls for service, fires, public safety threats and natural disasters	Calls for medical and non fire suppression	13,021	13,438	13,496	13,500
	Calls for fire suppression service	232	265	338	340
Livable Community: Ensure regulatory compliance in order to provide clean and well-maintained neighborhoods, to protect property, the environment and the lives and health of its residents and visitors	Number of Code Enforcement Cases opened including solid waste code enforcement	4,702	5,558	3,482	4,100
	Number of Inspections (does not include blight/solid waste)	5,787	6,215	4,157	5,000

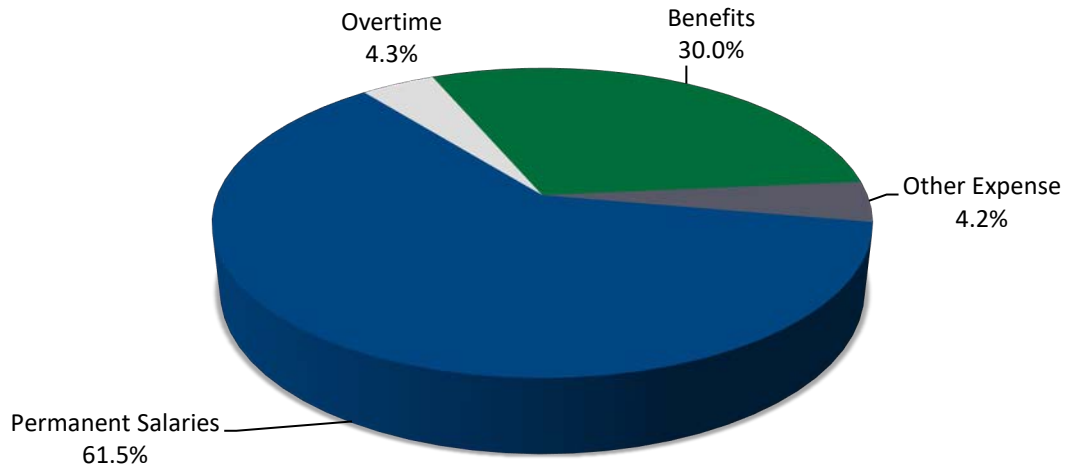
City Priority: Livable Neighborhoods and Affordable Housing

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Actual	2021 Target
Safe/Quality Neighborhood: Promote, support and sustain well-maintained, safe, clean visually appealing, free of blight neighborhoods, commercial areas and public spaces	Vacant building registration - cases opened	133	72	44	20
	Vacant building registration - active cases	377	340	199	100

City of Duluth Minnesota - 2021 Budget

Fire Department

2021 Approved Budget by Expenditure Category



Expenditures by Category	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Permanent Salaries	10,680,126	11,126,132	11,482,900	11,496,600	13,700
Overtime	1,014,175	1,008,377	802,100	802,100	-
Other Wages	-	-	-	-	-
Total Personal Services	11,694,302	12,134,508	12,285,000	12,298,700	13,700
Benefits	4,818,747	5,242,854	5,523,300	5,607,500	84,200
Other Expense	694,206	785,122	816,200	790,000	(26,200)
Capital Outlay	-	-	-	-	-
Department Total	17,207,254	18,162,484	18,624,500	18,696,200	71,700

Expenditures by Division	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Fire Administration	533,855	627,270	626,100	690,100	64,000
Fire Operations	15,499,832	16,332,434	16,615,600	16,639,200	23,600
Life Safety	1,173,568	1,202,779	1,382,800	1,366,900	(15,900)
Department Total	17,207,254	18,162,484	18,624,500	18,696,200	71,700

Budgeted FTE's	2018	2019	2020	2021	Difference
	146.5	146.5	148.5	148.5	-

City of Duluth Minnesota - 2021 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	2018	2019	2020	2021	Difference
1165 Fire Chief	1.00	1.00	1.00	1.00	-
1135 Deputy Fire Chief	1.00	1.00	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	0.50	-
Division Total	3.50	3.50	4.50	4.50	-

Expenditures	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Personal Services					
Permanent Salaries	346,974	417,652	460,900	448,100	(12,800)
Overtime	2	2,501	-	-	-
Other Wages	-	-	-	-	-
Total Salaries	346,975	420,154	460,900	448,100	(12,800)
Benefits	129,434	158,826	106,200	183,000	76,800
Other Expense					
Materials & Supplies	15,363	14,241	20,400	20,400	-
Services	8,696	8,772	9,800	9,800	-
Utilities & Mtc	3,777	4,269	4,000	4,000	-
Other	29,608	21,008	24,800	24,800	-
Total Other Expense	57,445	48,291	59,000	59,000	-
Division Total	533,855	627,270	626,100	690,100	64,000

City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
Fire Administration - 110-150-1501				
PERSONAL SERVICES				
5100 Permanent Salaries	346,974	417,652	460,900	448,100
5101 Premium Pay	2	2,501	-	-
5103 Other Wages	-	-	-	-
TOTAL	346,975	420,154	460,900	448,100
EMPLOYEE BENEFITS				
5121 PERA Retirement	47,237	60,426	33,900	69,000
5122 FICA - Social Security	5,912	5,960	6,300	5,900
5123 FICA - Medicare	4,899	5,878	6,700	6,500
5125 Dental Insurance	1,302	1,580	1,700	1,800
5126 Life Insurance	567	867	800	800
5127 Health Care Savings Plan (HCSP)	13,017	14,089	4,500	7,400
5130 Cafeteria Plan Benefits	56,500	69,785	52,300	91,600
5133 Health or Fitness Program	-	240	-	-
TOTAL	129,434	158,826	106,200	183,000
OTHER EXPENDITURES				
5200 Office Supplies	1,259	1,235	3,000	3,000
5210 Plant/Operating Supplies	1,581	1,640	2,000	2,000
5211 Cleaning/Janitorial Supplies	7,209	6,615	7,500	7,500
5212 Motor Fuels	-	133	-	-
5219 Other Miscellaneous Supplies	2,640	2,787	3,000	3,000
5220 Repair & Maintenance Supplies	268	343	1,100	1,100
5228 Painting Supplies	274	465	700	700
5229 Ground Mtc Supplies	310	70	200	200
5240 Small Tools	290	578	400	400
5241 Small Equip-Office/Operating	1,532	376	2,500	2,500
5321 Phone Service	-	-	2,600	2,600
5322 Postage	379	274	500	500
5331 Travel/Training	7,111	5,731	5,000	5,000
5355 Printing & Copying	800	2,357	1,200	1,200
5356 Copier, Printer Lease & Supplies	406	410	500	500
5400 Misc Repair & Mtc Service	3,013	1,863	2,000	2,000
5401 Bldg/Structure Repair & Mtc	764	2,405	2,000	2,000
5433 Dues & Subscription	2,297	2,071	2,500	2,500
5440 Emergency Management	21,582	16,827	20,000	20,000

City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
Fire Administration - 110-150-1501				
5441 Other Services & Charges	3,370	1,368	1,500	1,500
5443 Board & Meeting Expenses	2,359	742	800	800
TOTAL	57,445	48,291	59,000	59,000
DIVISION TOTAL	533,855	627,270	626,100	690,100
REVENUE SOURCE				
4232 State Insurance Premium	490,214	753,627	712,000	712,000
4340 Fire Protection Services	6,350	4,200	4,200	4,200
4341 Hydrant Maintenance Services	30,000	30,000	30,000	30,000
4654 Other Reimbursements	8,854	8,486	5,500	2,800
4730 Transfer from Special Revenue	36,283	25,283	20,000	10,000
DIVISION TOTAL	571,700	821,596	771,700	759,000

City of Duluth Minnesota - 2021 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	2018	2019	2020	2021	Difference
233 Assistant Chief	3.00	3.00	3.00	3.00	-
226 Firefighter	64.00	63.00	63.00	63.00	-
227 Equipment Operator	33.00	33.00	33.00	33.00	-
228 Captain	29.00	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	-
Division Total	132.00	132.00	132.00	132.00	-

Expenditures	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Personal Services					
Permanent Salaries	9,584,515	9,943,848	10,152,800	10,179,400	26,600
Overtime	1,000,113	996,803	790,800	790,800	-
Other Wages	-	-	-	-	-
Total Salaries	10,584,627	10,940,651	10,943,600	10,970,200	26,600
Benefits	4,341,321	4,721,055	4,983,000	5,023,000	40,000
Other Expense					
Materials & Supplies	188,571	185,038	194,200	185,300	(8,900)
Services	51,560	60,956	47,800	47,800	-
Utilities & Mtc	273,013	356,688	381,300	347,200	(34,100)
Other	60,739	68,046	65,700	65,700	-
Total Other Expense	573,883	670,728	689,000	646,000	(43,000)
Division Total	15,499,832	16,332,434	16,615,600	16,639,200	23,600

City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
Fire Operations - 110-150-1502				
PERSONAL SERVICES				
5100 Permanent Salaries	9,584,515	9,943,848	10,152,800	10,179,400
5101 Premium Pay	1,000,113	996,803	790,800	790,800
5103 Other Wages	-	-	-	-
TOTAL	10,584,627	10,940,651	10,943,600	10,970,200
EMPLOYEE BENEFITS				
5121 PERA Retirement	1,689,046	1,821,523	1,904,900	1,913,000
5122 FICA - Social Security	-	-	-	-
5123 FICA - Medicare	148,717	152,919	158,600	159,000
5125 Dental Insurance	48,469	48,485	49,100	52,300
5126 Life Insurance	20,777	26,561	23,800	23,800
5127 Health Care Savings Plan (HCSP)	344,589	347,213	230,700	224,900
5130 Cafeteria Plan Benefits	2,072,272	2,299,547	2,598,500	2,632,600
5133 Health or Fitness Program	17,453	24,808	17,400	17,400
TOTAL	4,341,321	4,721,055	4,983,000	5,023,000
OTHER EXPENDITURES				
5205 Safety & Training Materials	7,838	4,053	7,500	7,500
5210 Plant/Operating Supplies	3,963	2,909	3,500	3,500
5212 Motor Fuels	79,358	81,081	84,200	75,300
5218 Uniforms	11,784	12,283	10,000	10,000
5219 Other Miscellaneous Supplies	32,886	27,453	25,000	25,000
5220 Repair & Maintenance Supplies	2,903	2,054	3,000	3,000
5241 Small Equip-Office/Operating	49,838	55,205	61,000	61,000
5305 Medical Svcs/Testing Fees	4,940	3,290	5,000	5,000
5319 Other Professional Services	15,769	15,025	22,500	22,500
5320 Data Services	16,546	17,457	8,000	8,000
5321 Phone Service	7,171	6,657	7,000	7,000
5322 Postage	11	202	300	300
5360 Insurance	-	11,443		
5384 Refuse Disposal	7,123	6,881	5,000	5,000
5409 Fleet Services Charges	273,013	356,688	381,300	347,200
5414 Software Lic/Mtc Agree	19,717	28,060	22,500	22,500
5441 Other Services & Charges	7,343	4,855	6,200	6,200
5446 Tuition Reimbursement	8,619	10,140	20,000	20,000
5450 Laundry	25,060	24,991	17,000	17,000
TOTAL	573,883	670,728	689,000	646,000
DIVISION TOTAL	15,499,832	16,332,434	16,615,600	16,639,200

City of Duluth Minnesota - 2021 Budget

General Fund Revenue Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
Fire Operations - 110-150-1502				
REVENUE SOURCE				
4654 Other Reimbursements	2,297	2,009	-	-
4660 Gifts and Donations	-	15,000	-	-
4730 Transfer from Special Revenue	193,216	225,484	127,500	63,800
DIVISION TOTAL	195,513	242,493	127,500	63,800

City of Duluth Minnesota - 2021 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	2018	2019	2020	2021	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	4.00	-
32 Lead Housing Inspector	1.00	1.00	1.00	1.00	-
Sprinkler Permit					
32 Reviewer	-	-	1.00	1.00	-
Admin Information					
129 Spec	2.00	2.00	2.00	2.00	-
Division Total	11.00	11.00	12.00	12.00	-

Expenditures	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Personal Services					
Permanent Salaries	748,638	764,631	869,200	869,100	(100)
Overtime	14,061	9,072	11,300	11,300	-
Other Wages	-	-	-	-	-
Total Salaries	762,699	773,704	880,500	880,400	(100)
Benefits	347,991	362,973	434,100	401,500	(32,600)
Other Expense					
Materials & Supplies	15,549	14,321	18,700	16,400	(2,300)
Services	23,933	22,302	28,500	28,500	-
Utilities & Mtc	18,331	16,477	14,700	13,800	(900)
Other	5,065	13,003	6,300	26,300	20,000
Total Other Expense	62,878	66,103	68,200	85,000	16,800
Division Total	1,173,568	1,202,779	1,382,800	1,366,900	(15,900)

City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
Life Safety - 110-150-1503				
PERSONAL SERVICES				
5100 Permanent Salaries	748,638	764,631	869,200	869,100
5101 Premium Pay	14,061	9,072	11,300	11,300
5103 Other Wages	-	-	-	-
TOTAL	762,699	773,704	880,500	880,400
EMPLOYEE BENEFITS				
5121 PERA Retirement	81,788	82,828	95,800	95,100
5122 FICA - Social Security	27,782	29,654	35,900	35,900
5123 FICA - Medicare	10,637	10,774	12,800	12,800
5125 Dental Insurance	4,030	4,046	4,500	4,800
5126 Life Insurance	1,755	2,210	2,200	2,200
5127 Health Care Savings Plan (HCSP)	18,641	24,103	12,200	20,500
5130 Cafeteria Plan Benefits	202,510	207,957	270,700	230,200
5133 Health or Fitness Program	848	1,400	-	-
TOTAL	347,991	362,973	434,100	401,500
OTHER EXPENDITURES				
5200 Office Supplies	896	1,327	1,500	1,500
5202 Audiovisual & Photography	679	167	500	500
5205 Safety & Training Materials	899	1,543	1,500	1,500
5212 Motor Fuels	11,317	9,753	12,100	9,800
5219 Other Miscellaneous Supplies	895	409	1,500	1,500
5241 Small Equipment-Office Operating	862	1,121	1,600	1,600
5321 Phone Service	6,877	5,337	2,600	2,600
5331 Travel/Training	14,855	16,163	18,000	18,000
5335 Local Mileage Reimbursement	-	-	1,000	1,000
5355 Printing & Copying	1,763	265	3,000	3,000
5356 Copier, Printer Lease & Supplies	437	537	3,900	3,900
5400 Misc Repair & Mtc Service	-	48	300	300
5409 Fleet Services Charges	15,721	13,880	11,400	10,500
5427 Credit Card Commissions	2,610	2,548	3,000	3,000
5433 Dues and Subscriptions	595	1,015	1,000	1,000
5435 Books & Pamphlets	576	1,918	2,500	2,500
5441 Other Services and Charges	582	2,270	2,500	22,500
5443 Board & Meeting Expenses	37	310	300	300
5446 Tuition Reimbursement	260	-	-	-
5459 Fire Safety Education Account	3,015	7,491	-	-
TOTAL	62,878	66,103	68,200	85,000
DIVISION TOTAL	1,173,568	1,202,779	1,382,800	1,366,900

City of Duluth Minnesota - 2021 Budget

General Fund Revenue Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
Life Safety - 110-150-1503				
REVENUE SOURCE				
4153 Multiple Dwelling License	1,083,226	1,016,787	876,800	916,400
4154 Commercial Use/Occupancy Permit	103,186	126,580	100,000	100,000
4160 Fire Protection Systems Permit Fees	-	-	95,500	95,500
4306 Building Appeals Fees	369	373	-	-
4644 Misc Fees, Sales, Service	6,993	9,271	6,000	6,000
4660 Gifts and Donations	5,701	3,491	-	-
DIVISION TOTAL	1,199,475	1,156,502	1,078,300	1,117,900

City of Duluth Minnesota - 2021 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 consists of approximately 158 sworn police officers and 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 two divisions, each managed by a Deputy Chief.

The Investigative/Administrative Division contains all investigative units and administrative functions. There are currently four lieutenants assigned to this division, which consists of the following units:

Crime Scene Investigation, Lake Superior Drug & Gang Task Force, Records Support, Violent Crimes, Personnel, Training & Licensing, Forensic Computer Examiner, Property/Financial Crimes, Juvenile Services/School Resource, Internal Investigations, Crash Investigations, Sex Crimes, Abuse, Domestic Violence, Fleet, IT, Animal Shelter, and Grants

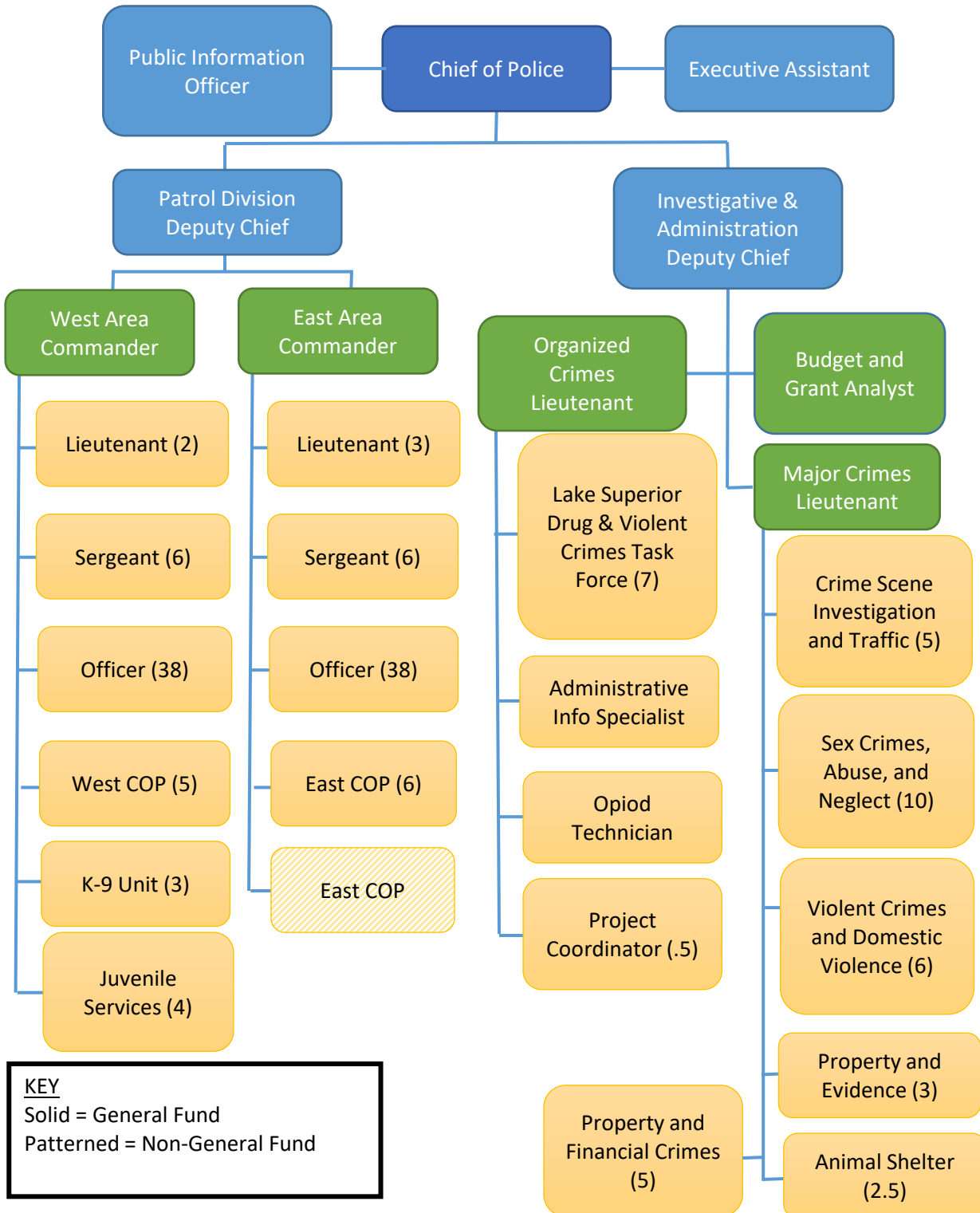
The Patrol Division is divided into two geographic patrol areas. Each area is under the command of a lieutenant. The Patrol Division consists of the following units:

Patrol, Community Policing, Canine Unit, Tactical Response Team, Bike Patrol Unit, and Mental Health Unit

City of Duluth Minnesota - 2021 Budget

Police Department

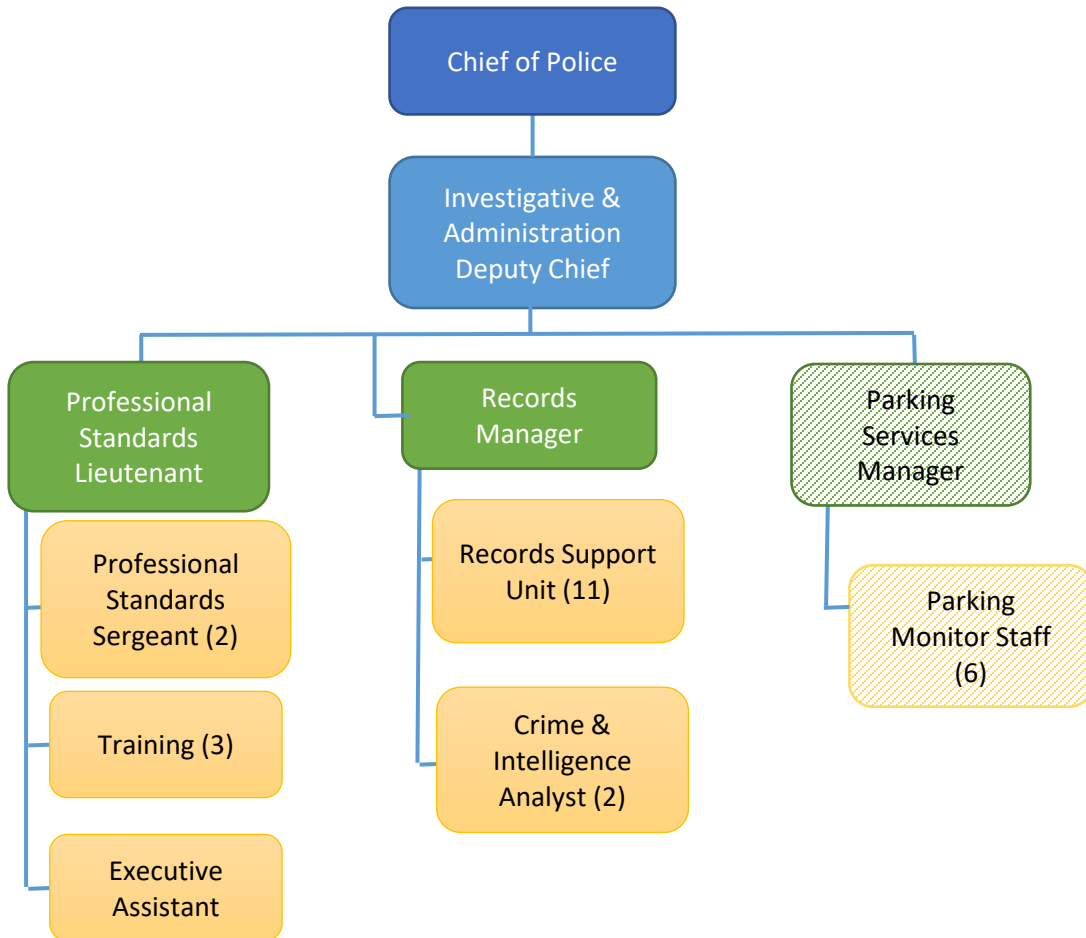
Organization Chart



City of Duluth Minnesota - 2021 Budget

Police Department

Organization Chart - Continued



KEY

Solid = General Fund

Patterned = Non-General Fund

City of Duluth Minnesota - 2021 Budget

Police

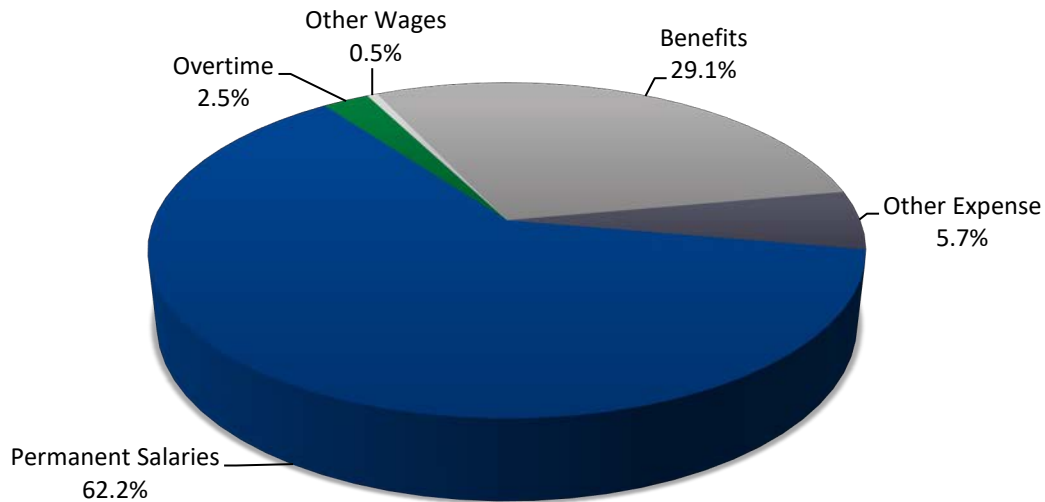
City Priority: Safe and Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Actual	2021 Target
Service Response: Provides for a well-planned, effective and prompt response to emergencies of all kinds, including individual calls for service, fires, public safety threats and natural disasters	Number of priority one calls	2,269	3,610	2,684	3,119
	Priority one response time (min/sec)	0:07:15	0:06:59	0:11:09	0:10:42
	Number of priority two calls	7,668	9,714	6,968	6,889
	Priority two response time (min/sec)	0:17:02	0:12:26	0:24:55	0:25:08
	Number of sexual/aggravated assaults/robberies (Aggravated Assault, Rape, Robbery)	313	295	251	254
	Total number of investigations initiated.	2,636	2,873	4,454	4,093
Safety Presence: Fosters a feeling of personal safety through a visible and approachable public safety presence, proactive prevention, community care-taking and education	Number of part I crimes	4,043	3,987	3,455	3,376
	Number of part II crimes	6,401	6,876	4,240	4,457
	Number of part I and II crimes	10,444	10,863	7,695	7,833
Livable Community: Ensure regulatory compliance in order to provide clean and well-maintained neighborhoods, to protect property, the environment and the lives and health of its residents and visitors	Number of shelter intake dogs/cats	746	716	637	709
	Number of shelter intake other animals	22	8	7	6
	Number of owner claimed dogs/cats	252	262	229	272
	Number of transferred dogs/cats	453	425	327	369

City of Duluth Minnesota - 2021 Budget

Police Department

2021 Approved Budget by Expenditure Category



Expenditures by Category	2018	2019	2020	2021	Difference
	Actual	Actual	Budget	Approved	
Permanent Salaries	13,769,473	13,978,001	14,852,500	14,957,200	104,700
Overtime	806,069	1,041,181	597,300	597,300	-
Other Wages	138,765	193,167	131,600	131,600	-
Total Personal Services	14,714,307	15,212,348	15,581,400	15,686,100	104,700
Benefits	6,152,081	6,566,281	7,047,700	7,012,100	(35,600)
Other Expense	1,392,171	1,401,707	1,392,000	1,362,900	(29,100)
Department Total	22,258,559	23,180,335	24,021,100	24,061,100	40,000

Budgeted FTE's	2018	2019	2020	2021	Difference
	182.14	182.14	180.50	183.00	

City of Duluth Minnesota - 2021 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	2018	2019	2020	2021	Difference
Chief of Police	1.00	1.00	1.00	1.00	-
1130 Deputy Chief	2.00	2.00	2.00	2.00	-
1110 Lieutenant	10.00	10.00	10.00	10.00	-
1085 Public Info Officer	-	-	1.00	1.00	-
Police Records & Tech					
1090 Mgr	1.00	1.00	1.00	1.00	-
21 Animal Services Tech	0.50	0.50	0.50	0.50	-
24 Evidence Technician	2.00	2.00	2.00	2.00	-
27 Animal Control Officer	1.00	1.00	1.00	1.00	-
27 Opioid Program Tech	-	-	1.00	1.00	-
28 Project Coordinator	-	-	-	0.50	0.50
29 Prop & Evidence Spec	1.00	1.00	1.00	1.00	-
30 Animal Shelter Lead	1.00	1.00	1.00	1.00	-
31 Electronic Tech	1.00	1.00	-	-	-
33 Elec Tech Leadworker	1.00	1.00	-	-	-
124 Police Records Tech I	2.00	1.00	2.00	2.00	-
126 Information Tech	1.00	1.00	-	-	-
128 Police Records Tech II	7.00	8.00	6.00	6.00	-
129 Admin Info Specialist	1.00	1.00	1.00	1.00	-
130 Data Release Coor	-	-	1.00	1.00	-
131 Crime & Intel Analyst	2.00	2.00	2.00	2.00	-
131 Executive Assistant	2.00	2.00	2.00	2.00	-
131 Grant Coordinator	0.64	0.64	-	-	-
133 Budget & Ops Analyst	1.00	1.00	-	-	-
133 Sr Police Records Tech	1.00	1.00	2.00	2.00	-
Budget & Grants					
134 Analyst	-	-	1.00	1.00	-
326 Police Officer	68.00	71.00	73.00	76.00	3.00
327 Police Investigator	53.00	50.00	47.00	46.00	(1.00)
328 Sergeant	22.00	22.00	22.00	22.00	-
Department Total	182.14	182.14	180.50	183.00	2.50

City of Duluth Minnesota - 2021 Budget

Expenditures	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Personal Services					
Permanent Salaries	13,769,473	13,978,001	14,852,500	14,957,200	104,700
Overtime	806,069	1,041,181	597,300	597,300	-
Other Wages	138,765	193,167	131,600	131,600	-
Total Salaries	14,714,307	15,212,348	15,581,400	15,686,100	104,700
Benefits	6,152,081	6,566,281	7,047,700	7,012,100	(35,600)
Other Expense					
Materials & Supplies	433,282	378,127	394,300	364,500	(29,800)
Services	135,844	223,516	164,100	164,100	-
Utilities & Maintenance	308,305	320,978	292,100	292,800	700
Other	514,740	479,087	541,500	541,500	-
Total Other Expense	1,392,171	1,401,707	1,392,000	1,362,900	(29,100)
Department Total	22,258,559	23,180,335	24,021,100	24,061,100	40,000

General Fund Expenditure Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
Police Department - 110-160-1610				
PERSONAL SERVICES				
5100 Permanent Salaries	13,769,473	13,978,001	14,852,500	14,957,200
5101 Premium Pay	806,069	1,041,181	597,300	597,300
5103 Other Wages	137,522	193,039	131,600	131,600
5111 Long-Term Disability Wages	1,242	127	-	-
TOTAL	14,714,307	15,212,348	15,581,400	15,686,100
EMPLOYEE BENEFITS				
5121 PERA Retirement	2,178,878	2,350,250	2,494,300	2,551,500
5122 FICA - Social Security	98,099	121,570	96,600	96,500
5123 FICA - Medicare	206,506	219,311	225,900	227,400
5125 Dental Insurance	65,735	64,016	67,100	72,500
5126 Life Insurance	28,633	35,080	32,500	32,900
5127 Health Care Savings Plan (HCSP)	593,037	687,974	516,800	452,700
5130 Cafeteria Plan Benefits	2,980,104	3,086,750	3,613,300	3,577,400
5133 Health or Fitness Program	1,088	1,330	1,200	1,200
TOTAL	6,152,081	6,566,281	7,047,700	7,012,100

City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
Police Department - 110-160-1610				
OTHER EXPENDITURES				
5200 Office Supplies	17,982	13,426	20,000	20,000
5201 Computer Supplies/Software	1,032	1,731	1,500	1,500
5202 Audiovisual & Photography	1,000	1,250	1,000	1,000
5205 Safety & Training Materials	1,872	1,243	1,500	1,500
5211 Cleaning/Janitorial Supplies	6,416	115	-	-
5212 Motor Fuels	241,559	226,847	257,200	227,400
5214 Food for Animals	1,425	2,294	2,000	2,000
5217 Ammunition	45,975	38,175	50,000	50,000
5218 Uniforms	52,229	67,611	34,100	34,100
5219 Other Miscellaneous Supplies	57,347	21,298	20,000	20,000
5220 Repair & Maintenance Supplies	2,856	2,935	5,000	5,000
5241 Small Equip-Office/Operating	3,590	1,202	2,000	2,000
5305 Medical Svcs/Testing Fees	1,080	1,397	1,000	1,000
5319 Other Professional Services	33,313	118,994	30,000	30,000
5320 Data Services	29,445	34,850	36,000	36,000
5321 Phone Service	57,243	49,223	81,600	81,600
5322 Postage	963	1,296	1,500	1,500
5331 Travel/Training	5,543	9,275	5,000	5,000
5355 Printing & Copying	2,527	4,571	4,000	4,000
5356 Copier, Printer Lease & Supplies	3,195	1,852	2,500	2,500
5384 Refuse Disposal	2,536	2,058	2,500	2,500
5401 Bldg/Structure Repair & Mtc	1,972	-	-	-
5409 Fleet Services Charges	306,333	320,978	292,100	292,800
5411 Land Rental/Easements	1,000	-	-	-
5414 Software Licenses & Mtce Agreements	186,191	309,868	327,000	327,000
5433 Dues & Subscription	3,851	3,694	4,000	4,000
5437 Automated Pawn System	21,286	11,435	11,500	11,500
5438 Licenses	5,486	4,950	5,500	5,500
5441 Other Services & Charges	115,234	74,789	32,000	32,000
5443 Board & Meeting Expenses	842	1,881	2,000	2,000
5448 Police Training	58,965	69,969	157,000	157,000
5460 Law Enforcement Center Expenses	109,387	-	-	-
5490 Donations to Civic Organizations	2,500	2,500	2,500	2,500
5580 Capital Equipment	9,999	-	-	-
TOTAL	1,392,171	1,401,707	1,392,000	1,362,900
DEPARTMENT TOTAL	22,258,559	23,180,335	24,021,100	24,061,100

City of Duluth Minnesota - 2021 Budget

General Fund Revenue Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
Police Department - 110-160-1610				
REVENUE SOURCE				
4209 Federal Grant	17,637	11,121	-	-
4210 Pass-thru Federal Grant	20,617	-	-	-
4220 State of Minnesota	16,143	13,338	-	-
4227 Police Training Reimbursement	134,938	146,144	142,000	142,000
4232 State Insurance Premium	1,549,238	1,370,877	1,230,000	1,420,800
4261 ISD 709	237,828	248,850	230,900	160,000
4322 Animal Shelter Fees	15,030	18,610	12,000	12,000
4326 Criminal History Checks	288	573	400	400
4328 Pawnbroker Transaction Surcharge	38,561	33,090	40,000	30,000
4329 False Alarm Fees & Penalties	23,914	21,417	18,000	18,000
4474 Police Felony Forfeitures	50,186	67,051		
4631 Media Sales	1,248	879	1,200	1,200
4635 Auction Proceeds	6,425	4,994		
4644 Misc. Fees, Sales & Services	24,845	20,171		
4650 Salaries Reimbursement	36,993	37,271	20,000	10,000
4654 Other Reimbursements	13,249	53,136	15,000	15,000
4655 Drug Task Force Reimbursement	75,453	50,628	-	-
4660 Gifts and Donations	1,120	-	-	-
4730 Transfer from Tourism Taxes	332,100	344,600	307,100	243,100
4730 Transfer from Police Grant Fund	878,674	1,030,772	916,200	1,300,500
4730 Transfer from Police Grant Fund - OT	208,354	255,649	152,300	116,000
DEPARTMENT TOTAL	3,682,840	3,729,170	3,085,100	3,469,000

City of Duluth Minnesota - 2021 Budget

Public Works & Utilities Department – General Fund

Mission and Vision

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

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

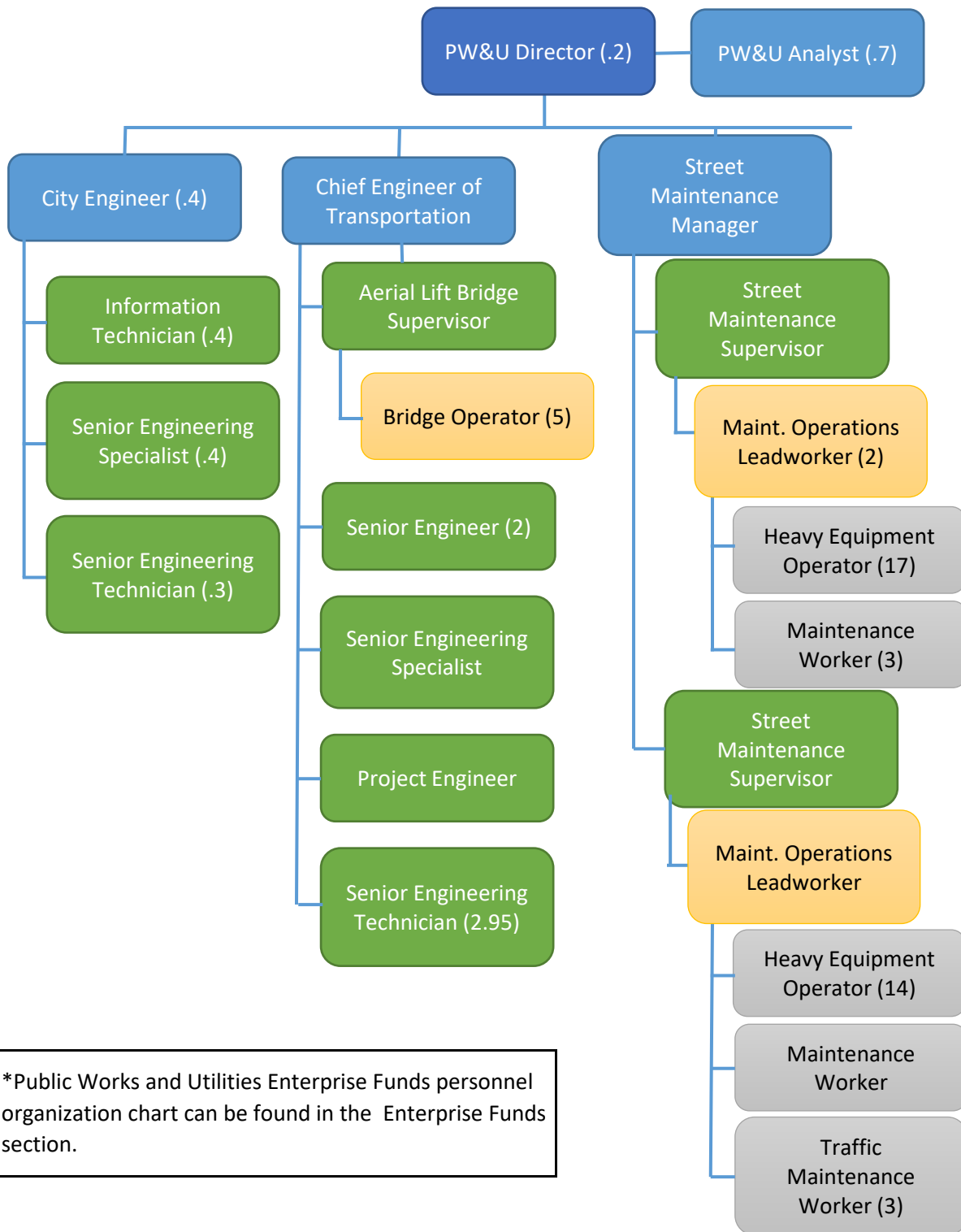
Structure

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

City of Duluth Minnesota - 2021 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 - 2021 Budget

Director's Office & Capital Divisions

City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Estimate	2021 Projected
Fiscal Responsibility: Operations are supported by sustainable funding sources and costs are managed in an effective and efficient manner to maintain sustainability	<u>Cash Balances</u>				
	Water Fund	\$ 1,988,044	\$ 3,819,003	\$ 3,564,787	\$ 3,727,137
	Gas Fund	\$ 1,886,098	\$ 4,377,595	\$ 3,336,356	\$ 3,984,829
	Sanitary Sewer Fund	\$ 1,836,814	\$ 2,307,761	\$ 1,014,946	\$ 583,300
	Clean Water Fund	\$ 805,442	\$ 695,542	\$ 671,615	\$ 566,215
	Stormwater Fund	\$ 1,509,373	\$ 1,341,897	\$ 1,666,349	\$ 1,546,187

City Priority: Infrastructure

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Estimate	2021 Projected
Utilities: Design, build, improve and proactively maintain a utility infrastructure system that provides safe, affordable and reliable water, sewer, storm drainage, natural gas, steam and hot water services to the community	<u>Capital Investment (amt in thousands)</u>				
	Water Fund	\$ 2,548	\$ 4,966	\$ 3,875	\$ 5,601
	Gas Fund	\$ 3,596	\$ 2,690	\$ 3,546	\$ 2,818
	Sanitary Sewer Fund	\$ 2,359	\$ 2,128	\$ 8,467	\$ 2,380
	Stormwater Fund	\$ 765	\$ 1,362	\$ 1,342	\$ 1,196

City of Duluth Minnesota - 2021 Budget

Utility Operations Division

City Priority: Infrastructure

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Estimate	2021 Projected
Utilities: Design, build, improve and proactively maintain a utility infrastructure system that provides safe, affordable and reliable water, sewer, storm drainage, natural gas, steam and hot water services to the community	Water Main Breaks Repaired	104	114	72	70
	Gas Services & Mains - Valves inspected and operated	516	445	442	450
	Sanitary Pipe cleaned (ft)	485,456	397,142	400,394	400,000
Water Quality: Protect water resources in order to maintain water quality of streams, aquifers and to preserve existing hydrology patterns.	Ditch line restored (ft)	8,595	3,063	7,795	6,000

City Priority: Safe & Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Estimate	2021 Projected
Livable Community: Ensure regulatory compliance in order to provide clean and well-maintained neighborhoods, to protect property, the environment and the lives and health of its residents and visitors	Water Samples Completed for testing	3,427	3,400	1,107	3,000
	Water Hydrants Repaired/Replaced	160	185	213	200
	Inflow and Infiltration Home Inspections	1,807	1,932	1,742	1,800

City of Duluth Minnesota - 2021 Budget

Customer Service Division

City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Estimate	2021 Projected
Customer Service: Ensures timely and effective two-way communication with internal customers, residents, and businesses providing equal access to information to information encouraging input from all areas of the organization and community at large.	Appliance Service & Furnace cleaning & venting Workorders Completed	8,138	8,781	7,098	8,100
Trust and Engagement: Develops sustainable fiscal and operational policies which foster trust and transparency by ensuring accountability, efficiency, integrity, innovation, and best practices in all operations.	Water Meters tested/repared	703	806	620	750
	Gas Meters tested/repared	1773	1487	1381	1400

City Priority: Safe & Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Estimate	2021 Projected
Livable Community: Ensure regulatory compliance in order to provide clean and well-maintained neighborhoods, to protect property, the environment and the lives and health of its residents and visitors	Gas leak detection survey	13,969	22,220	16,302	18,000

City of Duluth Minnesota - 2021 Budget

Engineering

City Priority: Infrastructure

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Estimate	2021 Projected
Capital Improvement Projects					
Utilities: Design, build, improve and proactively maintain a utility infrastructure system that provides safe, affordable and reliable water, sewer, storm drainage, natural gas, steam and hot water services to the community	Water Projects	10	12	8	5
	Gas Projects	11	14	5	6
	Sanitary Sewer Projects	4	13	11	2
	Stormwater Projects	6	7	7	7
Transportation: Continually invest in building and improving a well-designed, well-maintained, accessible transportation system of safe and sustainable roadways, street lights, sidewalks and bridges	Transportation Projects	15	7	10	9
	Paving (Miles)	5.49	2.53	14.5	10.06

City Priority: Safe & Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Estimate	2021 Projected
Livable Community: Ensure regulatory compliance in order to provide clean and well-maintained neighborhoods, to protect property, the environment and the lives and health of its residents and visitors	Number of Gopher State One-Call tickets processed	9,298	9,721	11,241	12,000

City of Duluth Minnesota - 2021 Budget

Street Maintenance

City Priority: Safe and Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Estimate	2021 Projected
Transportation: Designs and constructs a safe transportation network that is well-maintained, accessible and enhances traffic flow for all types of mobility options	Pothole Patching & Repair (Tons of Blacktop applied)	5088	5776	3825	6000
	Crack Sealing (miles)	2.11	64.7	0	75
	Traffic Line, Symbols & Crosswalk Painting (Gallons of paint used)	7515	8015	6500	8150

City Priority: Infrastructure

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Estimate	2021 Projected
Water Quality: Protect water resources in order to maintain water quality of streams, aquifers and to preserve existing hydrology patterns.	Street sweeping (miles)	2,088	2,223	1,693	2,200

City of Duluth Minnesota - 2021 Budget

Street Lighting

City Priority: Infrastructure

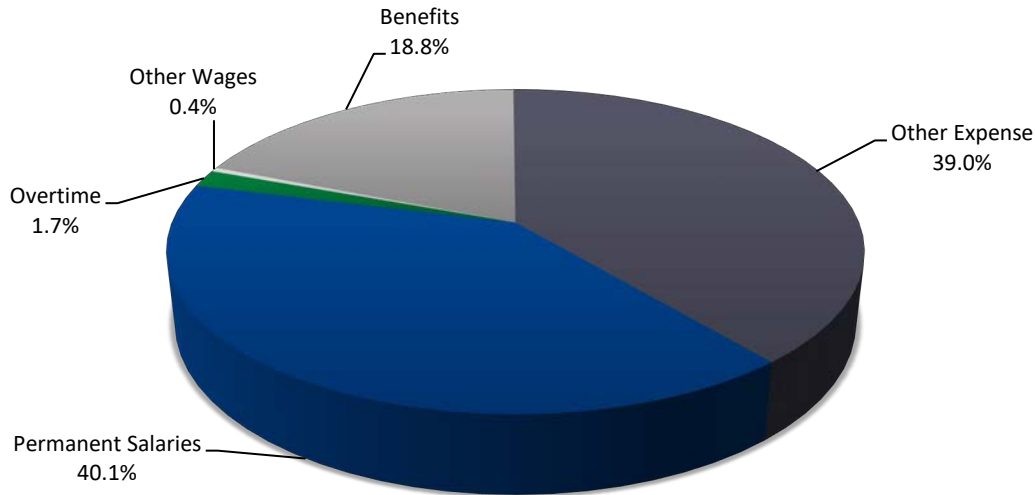
<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Estimate	2021 Projected
	Number of traffic signals maintained	120	120	120	117
Transportation: Continually invest in building and improving a well-designed, well-maintained, accessible transportation system of safe and sustainable roadways, street lights, sidewalks and bridges	Decorative Street Lights	3900	3900	3900	3350
	Residential Street Lights MP&L Leased & Maintained	3700	3700	3700	3700

City Priority: Livable Neighborhoods and Affordable Housing

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Estimate	2021 Projected
Safe/Quality Neighborhood: Promote, support, and sustain well-maintained, safe, clean, visually appealing, free of blight neighborhoods, commercial areas and public spaces	Number of holiday lighting outlets maintained	3300	3300	3350	3350

City of Duluth Minnesota - 2021 Budget

Public Works & Utilities - General Operations 2021 Approved Budget by Expenditure Category



Expenditures by Category	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Permanent Salaries	3,835,601	3,895,667	4,078,200	4,081,400	3,200
Overtime	290,528	360,808	173,000	173,000	-
Other Wages	26,976	22,536	42,400	42,400	-
Total Personal Services	4,153,105	4,279,011	4,293,600	4,296,800	3,200
Benefits	1,612,831	1,761,491	1,865,100	1,918,900	53,800
Other Expense	3,473,591	3,973,533	3,821,400	3,974,200	152,800
Department Total	9,239,527	10,014,035	9,980,100	10,189,900	209,800

Expenditures by Division	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Director's Office	100,622	106,296	109,600	119,000	9,400
Street Maintenance	7,276,559	8,085,037	7,934,600	8,087,300	152,700
Engineering	1,862,346	1,822,703	1,935,900	1,983,600	47,700
Department Total	9,239,527	10,014,035	9,980,100	10,189,900	209,800

Budgeted FTE's	2018	2019	2020	2021	Difference
	60.4	60.4	60.4	60.4	-

City of Duluth Minnesota - 2021 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	2018	2019	2020	2021	Difference
1170 Director	0.20	0.20	0.20	0.20	-
33 PW&U Analyst Budget & Operations	0.20	0.20	0.20	0.70	0.50
133 Analyst	0.50	0.50	0.50	-	(0.50)
Division Total	0.90	0.90	0.90	0.90	-

Expenditures	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Personal Services					
Permanent Salaries	73,684	76,630	79,800	80,600	800
Overtime	392	209	-	-	-
Other Wages	-	-	-	-	-
Total Salaries	74,076	76,839	79,800	80,600	800
Benefits	25,685	27,979	29,000	37,600	8,600
Other Expense					
Materials & Supplies	88	171	200	200	-
Services	529	1,056	400	400	-
Other	245	253	200	200	-
Total Other Expense	862	1,479	800	800	
Division Total	100,622	106,296	109,600	119,000	9,400

City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail	2018	2019	2020	2021
	Actual	Actual	Budget	Approved
Public Works Director - 110-500-1900				
PERSONAL SERVICES				
5100 Permanent Salaries	73,684	76,630	79,800	80,600
5101 Premium Pay	392	209	-	-
5103 Other Wages	-	-	-	-
TOTAL	74,076	76,839	79,800	80,600
EMPLOYEE BENEFITS				
5121 PERA Retirement	5,368	5,647	5,900	6,000
5122 FICA - Social Security	4,317	4,474	4,900	5,000
5123 FICA - Medicare	1,059	1,097	1,200	1,200
5125 Dental Insurance	327	335	300	400
5126 Life Insurance	146	184	200	200
5127 Health Care Savings Plan (HCSP)	2,044	2,141	1,100	1,300
5130 Cafeteria Plan Benefits	12,424	14,029	15,400	23,500
5133 Health or Fitness Program	-	72	-	-
TOTAL	25,685	27,979	29,000	37,600
OTHER EXPENDITURES				
5200 Office Supplies	88	64	100	100
5241 Small Equip-Office/Operating	-	107	100	100
5321 Phone Service	120	120	100	100
5331 Travel/Training	211	739	100	100
5335 Local Mileage Reimbursement	198	197	200	200
5433 Dues & Subscription	245	253	200	200
TOTAL	862	1,479	800	800
DIVISION TOTAL	100,622	106,296	109,600	119,000

City of Duluth Minnesota - 2021 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 its variety of 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	2018	2019	2020	2021	Difference
1115 Street Maintenance	1.00	1.00	1.00	1.00	-
1090 Street Maintenance	2.00	2.00	2.00	2.00	-
22 Maintenance Worker	5.00	5.00	5.00	4.00	(1.00)
27 Heavy Equip Operator Traffic Maintenance	30.00	30.00	30.00	31.00	1.00
27 Worker	3.00	3.00	3.00	3.00	-
32 Maintenance Ops Lead	3.00	3.00	3.00	3.00	-
Division Total	44.00	44.00	44.00	44.00	-

Expenditures	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Personal Services					
Permanent Salaries	2,586,075	2,635,784	2,775,700	2,769,600	(6,100)
Overtime	183,855	279,379	117,000	117,000	-
Other Wages	8,335	13,650	10,000	10,000	-
Total Salaries	2,778,264	2,928,813	2,902,700	2,896,600	(6,100)
Benefits	1,123,937	1,268,267	1,348,800	1,353,100	4,300
Other Expense					
Materials & Supplies	1,361,082	1,653,710	1,676,700	1,716,400	39,700
Services	49,632	42,638	39,900	41,900	2,000
Utility & Mtc	1,501,237	1,727,649	1,438,100	1,545,900	107,800
Other	462,407	463,959	528,400	533,400	5,000
Total Other Expense	3,374,358	3,887,956	3,683,100	3,837,600	154,500
Division Total	7,276,559	8,085,037	7,934,600	8,087,300	152,700

City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
Street Maintenance - 110-500-1920				
PERSONAL SERVICES				
5100 Permanent Salaries	2,586,075	2,635,784	2,775,700	2,769,600
5101 Premium Pay	183,855	279,379	117,000	117,000
5103 Other Wages	835	-	-	-
5118 Meal Allowance	7,500	13,650	10,000	10,000
TOTAL	2,778,264	2,928,813	2,902,700	2,896,600
EMPLOYEE BENEFITS				
5121 PERA Retirement	197,005	219,109	212,800	212,500
5122 FICA - Social Security	166,047	180,818	179,300	179,000
5123 FICA - Medicare	38,850	42,288	41,900	41,900
5125 Dental Insurance	16,081	15,919	16,400	17,400
5126 Life Insurance	6,993	8,739	7,900	7,900
5127 Health Care Savings Plan (HCSP)	48,880	72,504	53,600	54,900
5130 Cafeteria Plan Benefits	649,391	728,104	836,900	839,500
5133 Health or Fitness Program	690	786	-	-
TOTAL	1,123,937	1,268,267	1,348,800	1,353,100
OTHER EXPENDITURES				
5200 Office Supplies	2,423	533	1,500	1,500
5201 Computer Supplies/Software	318	2,000	2,000	2,000
5205 Safety & Training Materials	8,739	11,059	12,000	12,000
5210 Plant/Operating Supplies	15,869	12,154	17,000	17,000
5211 Cleaning/Janitorial Supplies	4,230	5,219	6,000	12,000
5212 Motor Fuels	269,579	340,107	285,400	332,100
5215 Shop Materials	1,497	1,906	2,000	2,500
5218 Uniforms	15,543	13,179	13,100	14,600
5219 Other Miscellaneous Supplies	13,635	15,061	17,600	17,600
5220 Repair & Maintenance Supplies	4,870	5,751	10,000	10,000
5222 Blacktop	235,584	238,447	-	-
5223 Salt & Sand	551,982	797,765	1,020,000	1,005,000
5224 Gravel & Other Misc Materials	114,503	83,238	133,600	133,600
5226 Sign & Signal Materials	41,649	55,119	64,000	64,000
5228 Painting Supplies	71,888	64,347	85,500	85,500
5240 Small Tools	3,538	7,612	5,000	5,000
5241 Small Equip-Office/Operating	5,236	214	2,000	2,000
5320 Data Services	4,336	5,109	6,600	6,600
5321 Phone Service	2,173	2,029	2,600	2,600

City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
Street Maintenance - 110-500-1920				
5331 Travel/Training	3,249	4,054	7,000	7,000
5335 Local Mileage Reimbursement	13,824	17,057	16,000	16,000
5356 Copier, Printer Lease & Supplies	56	142	500	500
5384 Refuse Disposal	25,994	14,248	7,200	9,200
5409 Fleet Services Charges	1,501,237	1,727,649	1,438,100	1,545,900
5412 Building Rental	41,947	33,583	45,000	45,000
5414 Software Licenses & Mtce Agreements	35,079	37,049	33,500	38,500
5415 Vehicle/Equip Rent (Short Term)	26,826	28,060	34,000	34,000
5418 Vehicle/Equip Rent (Long Term)	350,892	350,892	400,000	400,000
5441 Other Services & Charges	7,662	14,375	15,900	15,900
TOTAL	3,374,358	3,887,956	3,683,100	3,837,600
DIVISION TOTAL	7,276,559	8,085,037	7,934,600	8,087,300
REVENUE SOURCE				
4220 State of Minnesota Operating	5,000	-	-	-
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	23,992	30,090	28,000	18,000
4636 Sale of Materials	14,137	5,760	5,000	5,000
4654 Other Reimbursements	29,805	43,788	26,000	26,000
4680 Damage or Losses Recovered	230	270	-	-
4730 Transfer from Tourism Taxes	300,000	300,000	300,000	237,400
4730 Transfer from Enterprise Funds	9,600	9,600	9,600	9,600
4730 Transfer from Public Utility Funds	694,704	656,405	865,000	865,000
DIVISION TOTAL	2,749,280	2,717,724	2,905,400	2,832,800

City of Duluth Minnesota - 2021 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 construction 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	2018	2019	2020	2021	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	0.30	-	(0.30)
31 Sr. Engineering Tech.	3.15	3.15	3.15	3.25	0.10
34 Sr. Engineering Spec.	1.20	1.20	1.20	1.40	0.20
36 Project Engineer	2.00	2.00	2.00	2.00	-
126 Information Technician	0.40	0.40	0.40	0.40	-
Division Total	15.45	15.45	15.45	15.45	0.00

Expenditures	2018 Actual	2019 Actual	2020 Budget	2021 Approved	Difference
Personal Services					
Permanent Salaries	1,175,842	1,183,253	1,222,700	1,231,200	8,500
Overtime	106,281	81,220	56,000	56,000	-
Other Wages	18,642	8,886	32,400	32,400	-
Total Salaries	1,300,765	1,273,359	1,311,100	1,319,600	8,500
Benefits	463,209	465,245	487,300	528,200	40,900
Other Expense					
Materials & Supplies	15,514	18,996	39,400	40,500	1,100
Services	44,401	29,214	50,800	52,900	2,100
Utility & Mtc	12,895	13,633	18,900	17,900	(1,000)
Other	25,562	22,889	28,400	24,500	(3,900)
Total Other Expense	98,372	84,733	137,500	135,800	(1,700)
Division Total	1,862,346	1,823,338	1,935,900	1,983,600	47,700

City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
Engineering - 110-500-1930				
PERSONAL SERVICES				
5100 Permanent Salaries	1,175,842	1,183,253	1,222,700	1,231,200
5101 Premium Pay	106,281	81,220	56,000	56,000
5103 Other Wages	18,642	8,886	32,400	32,400
TOTAL	1,300,765	1,273,359	1,311,100	1,319,600
EMPLOYEE BENEFITS				
5118 Meal Allowance	473	346	200	200
5121 PERA Retirement	94,499	92,358	94,100	94,900
5122 FICA - Social Security	78,600	76,280	81,700	81,800
5123 FICA - Medicare	18,382	17,840	19,100	19,100
5125 Dental Insurance	5,877	5,685	5,700	6,100
5126 Life Insurance	2,559	3,118	2,800	2,800
5127 Health Care Savings Plan (HCSP)	40,008	25,115	20,300	45,500
5130 Cafeteria Plan Benefits	222,717	244,169	263,400	277,800
5133 Health or Fitness Program	93	335	-	-
TOTAL	463,209	465,245	487,300	528,200
OTHER EXPENDITURES				
5200 Office Supplies	1,518	1,171	1,900	1,300
5201 Computer Supplies/Software	(1,622)	3,369	200	200
5203 Paper/Stationery/Forms	94	87	500	500
5205 Safety & Training Materials	1,703	613	1,500	1,500
5211 Cleaning/Janitorial Supplies	619	496	700	700
5212 Motor Fuels	2,834	2,547	3,100	2,400
5218 Uniforms	725	1,554	800	1,500
5219 Other Miscellaneous Supplies	309	235	300	200
5220 Repair & Maintenance Supplies	6,776	5,975	18,000	18,000
5240 Small Tools	480	600	4,400	3,800
5241 Small Equip-Office/Operating	2,079	1,538	3,100	4,200
5242 Survey Equipment and Supplies	-	811	4,900	6,200
5303 Engineering Services	27,543	12,023	34,000	34,000
5319 Other Professional Services	-	-	500	500
5320 Data Services	3,384	1,917	2,700	1,700
5321 Phone Service	4,083	4,020	4,300	4,300
5322 Postage	7	7	100	100
5331 Travel/Training	6,776	7,873	5,900	8,300

City of Duluth Minnesota - 2021 Budget

General Fund Expenditure Detail	2018	2019	2020	2021
	Actual	Actual	Budget	Approved
Engineering - 110-500-1930 continued				
5335 Local Mileage Reimbursement	434	1,154	800	800
5355 Printing & Copying	973	1,252	500	1,200
5356 Copier, Printer Lease & Supplies	751	514	1,500	1,500
5384 Refuse Disposal	451	454	500	500
5404 Equipment/Machinery Repair & Mtc	10,574	11,664	13,100	13,100
5409 Fleet Services Charges	2,321	1,969	5,800	4,800
5411 Land Rental/Easements	-	114	1,000	500
5414 Software Licenses & Mtce Agreement	16,533	16,055	16,700	13,100
5433 Dues & Subscription	349	223	2,700	2,700
5435 Books & Pamphlets	8	-	400	400
5438 Licenses	326	-	600	-
5441 Other Services & Charges	7,935	5,442	6,600	7,400
5450 Laundry	410	421	400	400
5580 Capital Equipment	-	635		
TOTAL	98,372	84,733	137,500	135,800
DIVISION TOTAL	1,862,346	1,823,338	1,935,900	1,983,600
REVENUE SOURCE				
4152 Excavation Permits	17,012	23,390	15,000	15,000
4170 Miscellaneous Permits	49,661	108,504	99,000	99,000
4370 Engineering Services	163,728	164,399	300,000	1,000,000
4631 Media Sales	412	15	100	100
4654 Other Reimbursements	-	392	100	-
4730 Transfer from Tourism Taxes	57,000	57,000	57,000	-
DIVISION TOTAL	287,813	353,700	471,200	1,114,100

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
EXPENDITURES				
Citywide Dues & Lobbying	111,968	123,314	124,500	124,500
Citywide Communications	186,168	168,978	236,800	236,800
Miscellaneous	194,038	186,597	208,900	292,900
Civic Affairs and Awards	18,395	16,774	65,500	65,500
Business Improvement Dist.	378,233	399,582	370,000	370,000
Public Access Television	182,000	182,000	182,000	182,000
Sales Tax Administration	103,346	97,389	120,000	120,000
Other Services and Charges	174	-	-	-
Capital Program - CEP	895,503	1,500,806	47,000	47,000
Interfund Transfers to Capital Proj Funds	105,000	-	-	-
Unemployment Compensation	18,018	15,531	27,500	27,500
Benefits Administration	78,684	196,815	123,000	123,000
Retiree Insurance	7,615,562	7,720,588	7,399,100	7,399,100
Self Insurance Contribution	1,200,000	1,400,000	1,400,000	2,400,000
State of MN PERA Contribution Employer Ex	419,103	378,296	-	-
Accruals	31,425	-	500,000	500,000
Interfund Transfers to Special Rev Funds	-	-	50,000	50,000
DEPARTMENT TOTAL	11,537,616	12,386,670	10,854,300	11,938,300
REVENUE SOURCE				
4233 State of MN PERA Contribution	419,103	378,296	-	-
4500 Assessments - Service Charge	378,378	399,582	370,000	370,000
4639 Sale of Equipment	49,977	69,254	-	-
4640 Sale of Land	3,596	-	-	-
4654 Other Reimbursements	223,529	367,673	-	-
4730 Transfer from Special Revenue	529,225	570,067	425,000	425,000
4730 Transfer from Debt Service	58,383	5,259	-	-
4999 Cash Balance Forward	-	-	-	3,825,600
DEPARTMENT TOTAL	1,662,190	1,790,131	795,000	4,620,600

City of Duluth Minnesota - 2021 Budget

Funds

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

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	95,700,744	95,709,081	113,250,081	117,681,060
REVENUES				
Taxes	19,271,269	21,563,327	26,648,600	23,577,200
Intergovernmental	10,913,925	10,093,241	9,796,591	13,864,384
Miscellaneous	21,011,705	42,397,098	25,580,283	27,193,375
TOTAL REVENUES	51,196,899	74,053,665	62,025,474	64,634,959
EXPENSES				
Personal Services	16,015,924	15,896,567	17,182,063	17,575,766
Other Services and Charges	6,261,973	6,729,724	6,846,839	7,194,357
Transfers	14,849,675	15,221,389	21,628,137	19,564,836
Miscellaneous	14,060,990	15,187,966	11,937,456	14,925,116
TOTAL EXPENSES	51,188,563	53,035,645	57,594,495	59,260,075
FUND BALANCE - DECEMBER 31	95,709,081	116,727,101	117,681,060	123,055,944

City of Duluth Minnesota - 2021 Budget

Lake Superior Zoological Gardens

200

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

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	(393,972)	(410,992)	(406,497)	(406,497)
REVENUES				
Intergovernmental, State of MN	160,000	126,863	190,000	190,000
Admissions	610,444	745,966	1,150,007	969,865
Concessions & Commissions, Misc	226,949	236,377	243,560	190,826
Reimbursement, Lake Superior Zoological Society	-	-	159,470	-
Gifts and Donations	12,868	13,348	76,820	61,500
Other Sources	18,656	67,916	11,210	16,450
Interfund Transfer from Tourism Tax	510,000	510,000	510,000	510,000
TOTAL REVENUES	1,538,917	1,700,470	2,341,067	1,938,641
EXPENSES				
Phone Service	837	835	3,924	3,425
Contract Services, Zoo Personnel	862,646	939,819	1,169,794	968,475
Contract Services, Op Expenses	679,908	737,514	963,749	754,912
Bank Charges	12,546	17,807	16,300	20,000
Interest	-	-	187,300	191,829
TOTAL EXPENSES	1,555,937	1,695,975	2,341,067	1,938,641
FUND BALANCE - DECEMBER 31	(410,992)	(406,497)	(406,497)	(406,497)

City of Duluth Minnesota - 2021 Budget

Parks

City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Actual	2021 Target
Fiscal Responsibility: Operations are supported by sustainable funding sources and costs are managed in an effective and efficient manner to maintain sustainability	Total amount of funding leveraged above Parks Fund dollars (Grants, Half and Half, General Fund, etc.):	\$ 6,683,947	\$ 5,366,758	\$ 9,032,562	\$ 8,084,100
High Performing Organization: Focuses on equipping, training and continuously expanding the abilities of decision-makers, leadership, management and staff to successfully accomplish public goals	Number of training hours completed by Division (Conference, workshop)	N/A	N/A	87	200
	Number of public presentations, panels, etc. Division members participate in/deliver	N/A	N/A	6	5

City Priority: Culture and Recreation

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Actual	2021 Target
Open Space Development: Develop, preserve, enhance and invest in community parks, neighborhood parks, open spaces, green spaces, lakes and waterways, ensuring they are safe, clean, attractive and accessible to all	Total miles of improved trail	N/A	229	237	237
Transportation: Provide a city-wide trail network that is contiguous, connecting neighborhoods, community facilities, parks and open spaces and offering an alternative to the automobile for residents and visitors	Total miles of paved urban trail	N/A	39	43.5	44

City of Duluth Minnesota - 2021 Budget

Parks

City Priority: Safe and Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Actual	2021 Target
	Amount invested in community programs	\$ 243,615	\$ 244,087	\$ 221,569	\$ 273,961
	Number of free programs offered	N/A	N/A	42%	42
Community Engagement: Offer community programming which affords safe spaces for youth and adults to play, learn, and engage	Amount of fee assistance applied to programming	N/A	\$ 5,830	\$ 1,176	\$1,400
	Number of tabling/outreach events	N/A	N/A	0	0
	Registered Program Participants	N/A	N/A	6,003	7,000
	Drop-in Program Participants	N/A	N/A	4,428	5,500

City Priority: Infrastructure

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Actual	2021 Target
Way-Finding: 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.	N/A	6	6	6

City Priority: Dynamic and Diverse Economy

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Actual	2021 Target
Attracting Business: Support the attraction, development and retention of a well-balanced mix of sustainable businesses that provide jobs for local workers, promote tourism and diversify the City's economy.	Wedding/Private Event Permits	263	232	67	75
	Special Event Permits	86	137	25	60
	Commercial Operator Permits	0	4	12	12
	Building Reservations	173	244	32	50

City of Duluth Minnesota - 2021 Budget

Parks

205

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

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	1,456,907	1,602,643	1,546,260	1,549,849
REVENUES				
Property Tax Levy	2,599,941	2,869,541	2,880,000	2,880,000
Intergovernmental Revenue	795,079	162,868	80,000	-
Licenses and Permits	72,339	76,557	64,700	40,200
Miscellaneous	149,460	174,966	141,138	349,200
Transfers In	82,345	10,000	-	-
TOTAL REVENUES	3,699,164	3,293,933	3,165,838	3,269,400
EXPENSES				
Personal Services	1,193,526	1,520,143	1,715,800	1,711,000
Other Services and Charges	685,464	1,039,619	638,838	703,700
Supplies	185,334	201,278	193,900	209,300
Miscellaneous	57,000	-	-	-
Transfers Out	763,000	237,485	116,800	120,400
Capital Outlay	669,104	351,791	496,911	525,000
TOTAL EXPENSES	3,553,427	3,350,316	3,162,249	3,269,400
FUND BALANCE - DECEMBER 31	1,602,643	1,546,260	1,549,849	1,549,849

City of Duluth Minnesota - 2021 Budget

Parks continued

205

BUDGETED FTE'S	2018	2019	2020	2021
1105 Manager, Parks & Recreation	1.00	1.00	1.00	1.00
1080 Assistant Manager	1.00	1.00	1.00	2.00
133 Budget and Operations Analyst	-	0.20	0.20	0.20
129 Special Events Coordinator	1.00	-	-	-
129 Permit Coordinator	1.00	1.00	1.00	1.00
129 Administrative Information Specialist	1.00	1.00	-	-
127 Administrative Clerical Specialist	-	-	1.00	1.00
124 Senior Center Coordinator	1.00	1.00	1.00	1.00
34 Project Coordinator	2.00	-	-	-
34 Senior Parks Planner	-	1.00	2.00	1.00
34 Natural Resources Coordinator	-	0.50	0.50	0.50
30 Trails Coordinator	1.00	1.00	1.00	1.00
30 Senior Recreation Specialist	-	1.00	-	-
27 Project Technician	-	-	1.00	1.00
26 Recreation Specialist	2.00	2.00	4.00	4.00
22 Maintenance Worker	0.75	-	-	-
Division Total	11.75	10.70	13.70	13.70

City of Duluth Minnesota - 2021 Budget

Special Projects

210

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

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	1,248,302	1,596,464	1,739,973	1,739,973
REVENUES				
Intergovernmental	733,394	736,723	217,500	262,500
Miscellaneous	1,210,926	1,053,669	749,000	835,800
TOTAL REVENUES	1,944,320	1,790,392	966,500	1,098,300
EXPENSES				
Personal Services	-	505	-	-
Personal Services - Police Extra Duty Pay	368,354	380,472	295,800	295,800
Other Services and Charges	485,582	386,370	197,800	381,950
Transfers Out	431,429	479,511	377,500	343,750
Miscellaneous	68,162	75,776	90,600	76,800
Capital Equipment	242,631	324,249	4,800	-
TOTAL EXPENSES	1,596,158	1,646,883	966,500	1,098,300
FUND BALANCE - DECEMBER 31	1,596,464	1,739,973	1,739,973	1,739,973

City of Duluth Minnesota - 2021 Budget

Police Grant Programs

215

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

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	1,026,450	591,505	134,160	134,160
REVENUES				
Intergovernmental	1,884,758	1,776,183	1,727,305	2,146,486
Felony Forfeitures	64,594	142,168	100,000	100,000
TOTAL REVENUES	1,949,352	1,918,351	1,827,305	2,246,486
EXPENSES				
Other Services and Charges	698,194	653,398	443,468	515,000
Transfer to General Fund	1,087,230	1,287,301	1,256,837	1,416,486
Miscellaneous	152,377	205,183	127,000	295,000
Capital Equipment	446,496	229,814	-	20,000
TOTAL EXPENSES	2,384,297	2,375,696	1,827,305	2,246,486
FUND BALANCE - DECEMBER 31	591,505	134,160	134,160	134,160

City of Duluth Minnesota - 2021 Budget

Capital Equipment

250

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

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	2,305,971	3,371,902	2,444,155	2,444,155
REVENUES				
Earnings on Investments	21,399	77,628	-	-
Bond Proceeds	4,130,676	3,441,475	3,250,000	3,250,000
TOTAL REVENUES	4,152,075	3,519,103	3,250,000	3,250,000
EXPENSES				
Bond Issuance Costs	36,438	45,924	50,000	50,000
Capital Equipment - Nonrolling	1,266,837	1,834,475	1,595,000	1,550,000
Capital Equipment - Rolling	1,782,869	2,566,451	1,605,000	1,650,000
TOTAL EXPENSES	3,086,144	4,446,850	3,250,000	3,250,000
FUND BALANCE - DECEMBER 31	3,371,902	2,444,155	2,444,155	2,444,155

City of Duluth Minnesota - 2021 Budget

Economic Development

255

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

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	10,923	5,456	4,334	162,524
REVENUES				
Intergovernmental	97,737	157,317	100,000	100,000
Rent Revenues	18,616	19,022	177,160	448,779
Other Reimbursements	117	77	-	-
TOTAL REVENUES	116,470	176,416	277,160	548,779
EXPENSES				
Economic Development	121,937	177,538	118,970	120,000
TOTAL EXPENSES	121,937	177,538	118,970	120,000
FUND BALANCE - DECEMBER 31	5,456	4,334	162,524	591,303

City of Duluth Minnesota - 2021 Budget

Community Investment Fund

256

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

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	23,155,370	21,868,426	26,871,570	26,871,570
REVENUES				
Investment Earnings	(757,719)	5,573,211	425,000	425,000
TOTAL REVENUES	(757,719)	5,573,211	425,000	425,000
EXPENSES				
Transfer to General Fund (annual)	529,225	570,067	425,000	425,000
TOTAL EXPENSES	529,225	570,067	425,000	425,000
FUND BALANCE - DECEMBER 31	21,868,426	26,871,570	26,871,570	26,871,570

City of Duluth Minnesota - 2021 Budget

Energy Management

257

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

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	312,997	154,063	172,360	217,960
REVENUES				
Other Reimbursements	31,498	27,372	40,000	15,000
Miscellaneous	1,083	1,415	-	-
Interfund Transfer from General Fund	8,728	57,000	57,000	157,000
Interfund Transfer from Special Revenue Fur	-	3,000	-	-
Interfund Transfer from Public Utility	75,000	75,000	75,000	75,000
TOTAL REVENUES	116,309	163,787	172,000	247,000
EXPENSES				
Personal Services	87,696	93,699	102,600	96,700
Other Services and Charges	159,568	51,376	23,800	153,700
Miscellaneous	1,391	415	-	600
Interfund Trsf to Enterprise Funds	26,588	-	-	-
TOTAL EXPENSES	275,243	145,490	126,400	251,000
FUND BALANCE - DECEMBER 31	154,063	172,360	217,960	213,960
BUDGETED FTE'S				
33 Energy Coordinator	1	1	1	1

City of Duluth Minnesota - 2021 Budget

Special City Excise and Sales Tax (Tourism Taxes)

258

Special revenue fund 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.

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	1,177,129	1,482,938	1,531,629	1,629,129
REVENUES				
Hotel Motel 3%	2,945,351	3,026,955	2,908,200	2,181,100
Hotel Motel 1%	981,809	1,008,985	963,600	722,800
Add'l. 2.0% Hotel Motel Tax	1,836,021	1,869,774	1,800,800	1,350,600
Add'l. .5% Hotel Motel Tax	459,005	467,444	450,200	337,600
Food & Beverage Tax 1.0%	2,644,699	2,685,727	2,612,100	1,959,100
Food & Beverage Tax .75%	1,983,524	2,014,295	1,959,100	1,469,300
Food & Beverage Tax .5%	1,322,349	1,342,864	1,306,000	979,500
Change in Fair Value	(1,384.00)	5,347.00	-	-
TOTAL REVENUES	12,171,374	12,421,391	12,000,000	9,000,000
EXPENSES				
Duluth Entertainment & Convention Center	99,361	107,912	110,200	114,300
Advertising & Publicity	2,081,291	2,027,387	2,000,000	1,500,000
Business Improvement District	250,000	200,000	220,000	220,000
Great Lakes Aquarium	360,000	360,000	360,000	270,000
Lake Superior Zoological Gardens	510,000	510,000	510,000	510,000
Spirit Mountain	420,700	755,700	420,700	645,700
St. Louis County Heritage & Arts Center	220,000	220,000	220,000	165,000
Duluth Children's Museum	-	20,000	20,000	-
Canal Park Trolley	-	55,000	-	-
Hawk Ridge Bird Observatory	-	20,000	20,000	-
Public Arts	15,000	15,000	15,000	-
Duluth Sister Cities International	40,000	39,695	40,000	-
Lake Superior & Mississippi Railroad	20,000	20,000	20,000	-
Rail Alliance	15,000	14,725	15,000	15,000
Glensheen	50,000	50,000	50,000	-
Independent Television Festival	-	50,000	-	-

City of Duluth Minnesota - 2021 Budget

Special City Excise and Sales Tax (Tourism Taxes) continued

258

Fourth Fest Fireworks	50,000	57,000	57,000	57,000
Duluth Area Family Y	-	-	75,000	25,000
Ecolibrium	-	-	15,000	-
Catalyst	-	-	50,000	-
Zeitgeist	-	-	30,000	-
UMD Athletics	-	-	-	20,000
Transfer to General Fund	1,116,668	1,101,297	1,095,000	821,300
Interfund Transfer to Capital Project Funds	550,000	550,000	550,000	550,000
Interfund Transfer to Debt Service				
- DECC	3,802,277	3,883,439	3,754,900	2,963,600
- Spirit Mountain	500,000	500,000	500,000	500,000
- St Louis River Corridor	1,765,268	1,815,545	1,754,700	1,342,500
TOTAL EXPENSES	11,865,565	12,372,700	11,902,500	9,719,400
Increase (Decrease) Undesignated Fund Balance	305,809	48,691	97,500	(719,400)
FUND BALANCE - DECEMBER 31	1,482,938	1,531,629	1,629,129	909,729

City of Duluth Minnesota - 2021 Budget

Home Investment Partnerships Program

260

Special Revenue fund established to account for monies received from the U.S. Department of Housing and Urban Development under the Home Investment Partnership (HOME) Program. These costs include single family rehabilitation and administration of the program, as well as funds targeted to affordable housing development by special community housing organizations. The 2021 budget figures represent preliminary estimates only.

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	(88,848)	(27,559)	(123,235)	(123,235)
REVENUES				
Home Grant	581,324	445,608	524,873	549,739
TOTAL REVENUES	581,324	445,608	524,873	549,739
EXPENSES				
Tenant Based Rental Assistance	48,690	100,284	78,731	94,766
Community Housing Devel Program	342,000	403,000	262,437	200,000
Rehabilitation	89,478	-	131,218	200,000
Administration	39,867	38,000	52,487	54,973
TOTAL EXPENSES	520,035	541,284	524,873	549,739
FUND BALANCE - DECEMBER 31	(27,559)	(123,235)	(123,235)	(123,235)

City of Duluth Minnesota - 2021 Budget

Community Development

262

Special Revenue fund established to account for monies received from the U.S. Department of Housing and Urban Development (HUD) as a grantee under the Community Development Block Grant Program (CDBG). These monies are to be expended for projects considered necessary for the renewal and revitalization of targeted eligible neighborhoods and low and moderate income households. The 2021 budget figures represent preliminary estimates only, awaiting the allocation of HUD funds.

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	(509,159)	(380,134)	(422,031)	(422,031)
REVENUES				
State of Minnesota	150,000	60,000	-	-
Community Development Block Grant	2,162,509	2,335,602	2,303,948	2,426,497
Community Development Block Grant Cares Act	-	-	-	3,399,647
Emergency Shelter Grant	419,023	153,876	194,624	208,704
Miscellaneous reimbursements	35,963	12,500	20,000	20,000
TOTAL REVENUES	2,767,495	2,561,978	2,518,572	6,054,848
EXPENSES				
Economic Development	318,629	309,091	345,592	901,377
Housing	980,749	984,166	1,036,777	1,160,798
Physical Improvements	505,841	453,693	115,197	707,400
Public Service Projects	378,649	340,011	407,169	2,088,561
Program Administration	454,602	516,914	613,837	1,196,712
TOTAL EXPENSES	2,638,470	2,603,875	2,518,572	6,054,848
FUND BALANCE - DECEMBER 31	(380,134)	(422,031)	(422,031)	(422,031)

City of Duluth Minnesota - 2021 Budget

Community Development Administration

265

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

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	-	-	(23,690)	(23,690)
REVENUES				
Community Development Block Grant	507,520	480,636	693,382	686,320
Home Grant	16,811	13,788	54,111	54,973
HRA Environmental	-	-	25,000	25,000
Emergency Shelter Grant	23,376	13,382	14,096	14,096
TOTAL REVENUES	547,707	507,806	786,589	780,389
EXPENSES				
Personal Services	521,902	506,983	703,700	697,500
OPEB	1,155	-	-	-
Other Services and Charges	24,650	24,513	82,889	82,889
TOTAL EXPENSES	547,707	531,496	786,589	780,389
FUND BALANCE - DECEMBER 31	-	(23,690)	(23,690)	(23,690)
BUDGETED FTE'S				
1155 Director, Planning & Econ Dev	0.33	0.33	-	-
1090 Manager, CD/Housing	0.50	0.50	0.50	0.50
138 Senior Housing Developer	-	-	0.50	0.50
138 Senior Planner	1.00	1.00	1.25	1.25
135 Economic Developer	-	-	0.75	0.75
133 Planner II	2.00	2.00	2.00	2.00
129 Administrative Info Specialist	0.25	0.25	0.75	0.75
129 Planner I	1.00	2.00	1.00	1.00
DIVISION TOTAL	5.08	6.08	6.75	6.75

City of Duluth Minnesota - 2021 Budget

Workforce Development

City Priority: Dynamic and Diverse Economy

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Estimate	2021 Target
Workforce Development: Help individuals build economic self-sufficiency and achieve their potential, while helping our community build a resilient economy through investment in its current and future workforce.	Number of people enrolled in Duluth Workforce Development programs	1264	1418	1309	1400
	Percent of enrolled clients pursuing education and training who attained a credential	69%	65%	49%	66%
	Percent of non-MFIP clients who successfully exited	73%	63%	76%	76%

City of Duluth Minnesota - 2021 Budget

Workforce Development

268

Special Revenue fund which accounts for monies received through the Minnesota Department of Employment and Economic Development and St. Louis County to provide job training and employment opportunities for economically disadvantaged, unemployed, and underemployed persons. The 2021 budget figures represent preliminary estimates only and are subject to change as grants are appropriated by the State and approved by the City Council.

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	260,155	257,254	269,641	269,641
REVENUES				
Miscellaneous	10,190	4,556	-	-
Building Rent	250,360	258,043	246,575	232,516
MN Family Investment Program	943,380	878,298	902,089	902,091
Federal Grant	696,206	730,498	733,854	645,053
State Grant	422,632	704,745	577,068	836,021
Local Grant	13,826	-	-	-
Interfund Trsf in from General Fund	-	-	50,000	50,000
Interfund Trsf from Component Unit-DEDA	-	-	7,500	-
TOTAL REVENUES	2,336,594	2,576,140	2,517,086	2,665,681
EXPENSES				
Personal Services	1,474,371	1,507,612	1,657,323	1,628,721
OPEB	4,648	5,709	3,768	3,230
Other Services and Charges	860,476	1,050,432	855,995	1,033,730
TOTAL EXPENSES	2,339,495	2,563,753	2,517,086	2,665,681
FUND BALANCE - DECEMBER 31	257,254	269,641	269,641	269,641
BUDGETED FTE'S				
1150 Director Workforce Development	-	1.00	1.00	1.00
1085 Workforce Development Ops Manager	1.00	1.00	1.00	1.00
136 Workforce Development Ops Administrator	1.00	-	-	-
132 Workforce Development Technician II	-	-	-	5.00
131 Employment Technician	13.75	13.64	13.64	6.64
130 Workforce Development Technician I	-	-	-	2.00
126 Information Technician	2.00	1.00	1.00	1.00
37 Youth Program Tutor	0.30	-	-	-
DIVISION TOTAL	18.05	16.64	16.64	16.64

City of Duluth Minnesota - 2021 Budget

Senior Employment

270

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

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	13	(7)	(2,014)	(2,014)
REVENUES				
Senior Employment Program - State	114,062	137,017	286,885	166,997
Senior Aides Program - Federal	312,006	202,794	225,781	225,744
TOTAL REVENUES	426,068	339,811	512,666	392,741
EXPENSES				
Personal Services	392,728	309,522	483,454	340,165
Other Services and Charges	18,590	14,706	29,212	52,576
Transfers to General Fund	14,770	17,590	-	-
TOTAL EXPENSES	426,088	341,818	512,666	392,741
FUND BALANCE - DECEMBER 31	(7)	(2,014)	(2,014)	(2,014)

City of Duluth Minnesota - 2021 Budget

Other Postemployment Benefits

280

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

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	57,717,139	56,404,693	71,510,666	75,346,166
REVENUES				
Investment Earnings	1,329,415	1,500,343	1,435,000	1,509,000
Investment Earnings-City Pooled	-	-	400,000	400,000
Change in Fair Value	(3,170,583)	12,736,135	2,000,000	3,800,000
Transfer from Special Revenue Funds	-	-	3,500	3,230
Contributions- Employer	11,678,484	11,642,994	11,332,518	11,905,350
TOTAL REVENUES	9,837,316	25,879,472	15,171,018	17,617,580
EXPENSES				
Administrative Expenses	3,853	4,173	3,000	3,000
Benefits	11,145,909	10,769,326	11,332,518	11,905,350
TOTAL EXPENSES	11,149,762	10,773,499	11,335,518	11,908,350
FUND BALANCE - DECEMBER 31	56,404,693	71,510,666	75,346,166	81,055,396

City of Duluth Minnesota - 2021 Budget

DECC Revenue

281

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

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	3,531,704	4,175,331	4,450,991	5,454,691
REVENUES				
Investment Earnings Change in Fair Value	(6,943)	45,277	-	-
Transfer from Special Revenue Funds (Tourism)				
- Hotel/Motel Tax	1,818,754	1,869,145	1,795,800	1,346,850
- Food & Beverage Tax	1,983,524	2,014,295	1,959,100	1,469,325
TOTAL REVENUES	3,795,335	3,928,717	3,754,900	2,816,175
EXPENSES				
Miscellaneous	781,191	814,282	-	-
Transfer to Debt Service	2,370,517	2,838,775	2,751,200	2,842,800
TOTAL EXPENSES	3,151,708	3,653,057	2,751,200	2,842,800
FUND BALANCE - DECEMBER 31	4,175,331	4,450,991	5,454,691	5,428,066

City of Duluth Minnesota - 2021 Budget

Street System Maintenance Utility

290

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

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	476,936	741,505	442,539	442,539
REVENUES				
Property Tax	3,747,339	2,977,734	2,500,000	2,500,000
Other Reimbursements	-	4,000	-	-
State of Minnesota Operating Grant	9,000	-	-	-
Earnings On Investments	(1,980)	7,447	-	-
Interest Earned-Customer Accounts	1,013	253	-	-
Transfers In from Capital Projects	9,606	50,000	-	-
TOTAL REVENUES	3,764,978	3,039,434	2,500,000	2,500,000
EXPENSES				
Personal Services	276,210	295,700	350,000	350,000
Supplies	193,010	266,172	561,000	581,000
Small Equipment-Office/Operating	23,115	-	-	-
Other Services and Charges	101,151	146,424	80,000	80,000
Non-Capital Improvements	14,500	-	-	-
Uncollectible Accounts	-	75	-	-
Allowance-Uncollectible Accounts	3,414	(556)	-	-
Transfer to Debt Service	1,033,556	727,456	-	-
Transfer to Capital Projects	1,855,453	1,903,129	1,509,000	1,489,000
Transfer Out to Enterprise	-	-	-	-
TOTAL EXPENSES	3,500,409	3,338,400	2,500,000	2,500,000
FUND BALANCE - DECEMBER 31	741,505	442,539	442,539	442,539

City of Duluth Minnesota - 2021 Budget

Street Improvement Sales Tax

291

Additional half percent general sales tax dedicated to street improvement.

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	-	-	1,964,649	1,964,649
REVENUES				
Sales Tax	-	1,998,250	7,050,000	6,345,000
Use Tax	-	-	450,000	405,000
TOTAL REVENUES	-	1,998,250	7,500,000	6,750,000
EXPENSES				
Contract Services	-	33,601	-	-
Transfer to Capital Projects	-	-	7,500,000	6,750,000
TOTAL EXPENSES	-	33,601	7,500,000	6,750,000
FUND BALANCE - DECEMBER 31	-	1,964,649	1,964,649	1,964,649

City of Duluth Minnesota - 2020 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.

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	4,012,727	4,275,592	4,621,641	431,521
PRIOR PERIOD ADJUSTMENT (caused by the Street Lighting Fund becoming a special revenue fund)	-	-	(3,477,020)	-
FUND BALANCE - JANUARY 1 (Restated)	4,012,727	4,275,592	1,144,621	431,521
REVENUE				
Taxes	751,231	1,301,758	1,768,600	2,447,200
Street Lighting Fee	1,381,476	829,059	-	-
Miscellaneous	41,951	44,785	41,500	37,000
Investment Earnings	5,491	4,170	4,800	-
Change in Fair Value Investments	3,083	15,624	-	-
Interfund Transfer from General Fund	-	24,000	-	-
Interfund Transfer from Special Rev Funds	26,588	-	-	-
	2,209,820	2,219,396	1,814,900	2,484,200
EXPENSE				
Personal Services	550,581	506,896	537,100	547,300
Supplies	136,194	234,066	360,600	296,000
Other Services and Charges	322,812	201,069	433,600	384,700
Utilities	670,451	549,013	670,000	850,000
Depreciation	229,667	291,651	-	-
Non-Capital Improvements	-	53,402	-	-
Transfers	37,250	37,250	37,200	-
Capital	-	-	489,500	419,300
	1,946,955	1,873,347	2,528,000	2,497,300
FUND BALANCE - DECEMBER 31	4,275,592	4,621,641	431,521	418,421

City of Duluth Minnesota - 2020 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	2018	2019	2020	2021
9 Executive Assistant	0.1	0.1	0.1	0.1
32 Traffic Operations Leadworker	1.0	1.0	1.0	1.0
30 Signal Technician	3.0	3.0	3.0	3.0
22 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 - 2021 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

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	17,586,930	17,168,845	16,519,239	16,376,339
REVENUES				
Taxes and Tax Increment	7,377,932	7,545,538	7,594,500	7,919,500
Special Assessments	562,441	377,416	276,000	160,400
Miscellaneous	224,392	12,320,127	111,500	-
Other Financing Sources	7,554,318	7,662,249	7,357,100	6,715,000
TOTAL REVENUES	15,719,083	27,905,330	15,339,100	14,794,900
EXPENSES				
Debt Service Payments	15,482,073	15,988,529	14,800,500	14,551,600
Miscellaneous	655,095	12,566,407	681,500	812,300
TOTAL EXPENSES	16,137,168	28,554,936	15,482,000	15,363,900
FUND BALANCE - DECEMBER 31	17,168,845	16,519,239	16,376,339	15,807,339

City of Duluth Minnesota - 2021 Budget

Debt Service Funds Narrative

2020 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, 2020 as it pertains to the City of Duluth is estimated as follows:

Total Gross Bonded Debt		\$151,204,600
Less:		
City - general obligation bonds paid by parking revenues	17,334,500	
City - general obligation bonds paid by other revenues	61,910,000	
Tax Abatement Bonds	10,915,000	
Utility bonds paid from Enterprise Funds	21,650,000	
Special assessment bonds	1,620,000	
 Net Direct Bonded Debt		 <u>\$37,775,100</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 \$141.1 million.

Year	Amount (in thousands)	Percent of Market Value	Dollars Per Capita
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
2010	\$40,949	0.7	\$471

The preceding table used an estimated taxable market value of \$7,055,058,100 and a population of 86,265, as reported in the 2010 census.

City of Duluth Minnesota - 2021 Budget

Debt Service Funds Narrative

The following tables provide specific information relative to the 2020 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 12/31/2020</u>	<u>2021 Levy Requirements</u>
Miller Hill Flats Abatement	-	-	18,400
Capstone LLC Abatement	-	-	69,800
Cityview Flats Abatement	-	-	60,000
Firststreet Lofts Abatement	-	-	20,000
Bluffs Senior Housing Abatement	-	-	12,500
Costco Abatement	-	-	67,500
Police Station	10/9/2019	9,755,000	1,119,000
Lakewalk & Cross City	12/18/2013	960,000	128,300
Lakewalk	10/21/2020	4,150,000	326,100
Equipment	11/9/2016	1,520,000	806,000
Equipment	11/21/2017	2,255,000	803,400
Equipment	10/17/2018	3,190,000	828,900
Equipment	10/9/2019	3,070,000	717,500
Equipment	10/21/2020	2,960,000	671,300
Capital Improvement Projects	11/29/2011	420,000	221,500
Capital Improvement Projects	12/18/2013	780,000	207,900
Capital Improvement Projects	10/30/2014	590,000	125,900
Capital Improvement Projects	11/5/2015	1,010,000	184,000
Capital Improvement Projects	11/9/2016	835,000	139,400
Capital Improvement Projects	11/21/2017	1,280,000	184,000
Capital Improvement Projects	10/17/2018	1,220,000	170,500
Capital Improvement Projects	10/9/2019	1,190,000	155,500
Capital Improvement Projects	10/21/2020	1,640,000	192,900
TOTAL DEBT SERVICE			7,230,300
5% Additional required by law (1)			361,500
			7,591,800
Less: Cash on hand			(284,200)
NET DEBT LEVY - Total required by taxation			7,307,600

(1)

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

City of Duluth Minnesota - 2021 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
2021	3,138,936	5,055,000	474,339	3,450,000	281,044	870,000
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
2026-2030	8,240,289	32,480,000	12,900	645,000	584,959	5,150,000
2031-2035	1,887,669	21,690,000	-	-	39,060	1,230,000
2036-2040	3,200	320,000	-	-	-	-
Total	\$ 24,116,351	\$ 85,985,000	\$ 1,288,514	\$ 13,700,000	\$ 1,835,499	\$ 10,915,000

City of Duluth Minnesota - 2021 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.

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	7,489,157	7,531,258	7,419,358	7,759,958
REVENUES				
Property Taxes	6,774,123	6,933,636	6,982,600	7,307,600
Earnings on Investments	(4,465)	74,733	-	-
Proceeds from Refunding Bond	-	11,969,482	-	-
Other Sources	225,600	245,790	111,500	-
Transfer from Special Revenue	-	7,889	54,300	57,900
Transfer from Capital Project	5,013	7,955	-	-
TOTAL REVENUES	7,000,271	19,239,485	7,148,400	7,365,500
EXPENSES				
Debt Service Payments				
- Bond Principal	5,540,000	5,565,000	5,375,000	5,360,000
- Bond Interest	1,372,988	1,784,048	1,308,300	1,647,300
Other Expenditures				
- Payment to Escrow Agent	-	11,849,546	-	-
- Tax Abatement	37,102	58,878	116,900	248,200
- Bond Fees	8,080	93,913	7,600	7,600
TOTAL EXPENSES	6,958,170	19,351,385	6,807,800	7,263,100
FUND BALANCE - DECEMBER 31	7,531,258	7,419,358	7,759,958	7,862,358

City of Duluth Minnesota - 2021 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.

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	5,990,410	6,320,717	6,777,345	7,124,545
REVENUES				
Earnings on Investments	(5,645)	65,039	-	-
Transfer from Special Revenue				
- DECC Improvement	2,308,114	2,314,175	2,402,300	2,491,300
- DECC Improvement - Seawall	62,404	355,600	348,900	351,500
- Spirit Mountain	500,000	500,000	500,000	500,000
- St. Louis River Corridor	1,765,268	1,815,545	1,754,700	1,316,000
Transfer from Capital Projects				
- Excess Proceeds on Bonds	4,308	-	-	-
Funded by Others				
- Airport	1,205,270	1,208,846	1,209,600	1,213,800
- Spirit Mountain	18,819	15,919	17,900	14,700
- Seaway Port - Airpark	89,677	-	-	-
- Airport - Cirrus	567,534	643,825	644,400	644,800
TOTAL REVENUES	6,515,749	6,918,949	6,877,800	6,532,100
EXPENSES				
Bond Principal	3,440,000	3,740,000	3,910,000	4,015,000
Bond Interest	2,740,214	2,717,096	2,616,300	2,510,800
Fiscal Agents	5,228	5,225	4,300	4,300
TOTAL EXPENSES	6,185,442	6,462,321	6,530,600	6,530,100
FUND BALANCE - DECEMBER 31	6,320,717	6,777,345	7,124,545	7,126,545

City of Duluth Minnesota - 2021 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.

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	899,975	525,326	211,255	12,455
REVENUES				
Construction Assessments	387,976	238,370	175,000	93,000
Earnings on Investments	2,146	4,319	-	-
TOTAL REVENUES	390,122	242,689	175,000	93,000
EXPENSES				
Bond Principal	722,000	530,000	360,000	185,000
Bond Interest	41,346	25,335	12,800	3,700
Fiscal Agents	1,425	1,425	1,000	500
TOTAL EXPENSES	764,771	556,760	373,800	189,200
FUND BALANCE - DECEMBER 31	525,326	211,255	12,455	(83,745)

City of Duluth Minnesota - 2021 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.

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	3,208,887	2,791,544	2,055,849	1,362,749
REVENUES				
Construction Assessments	174,465	139,046	101,000	67,400
Earnings on Investments	1,111	25,803	-	-
Transfer from Capital Project	-	-	425,000	125,000
Transfer from Special Revenue	1,033,556	727,456	-	-
TOTAL REVENUES	1,209,132	892,305	526,000	192,400
EXPENSES				
Fiscal Agent Fees	950	950	1,000	1,000
Bond Principal	1,460,000	1,510,000	1,145,000	790,000
Bond Interest	165,525	117,050	73,100	39,800
TOTAL EXPENSES	1,626,475	1,628,000	1,219,100	830,800
FUND BALANCE - DECEMBER 31	2,791,544	2,055,849	1,362,749	724,349

City of Duluth Minnesota - 2021 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.

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	(1,499)	-	55,432	116,632
REVENUES				
Tax increments	603,809	611,902	611,900	611,900
TOTAL REVENUES	603,809	611,902	611,900	611,900
EXPENSES				
Other Miscellaneous Expenditures	500	500	-	-
Transfer to General Fund	58,383	5,259	-	-
Transfer to Enterprise Fund	543,427	550,711	550,700	550,700
TOTAL EXPENSES	602,310	556,470	550,700	550,700
FUND BALANCE - DECEMBER 31	-	55,432	116,632	177,832

City of Duluth Minnesota - 2021 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.

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	13,866,696	11,627,888	9,178,801	7,674,407
REVENUES				
Taxes	277,693	278,055	280,000	280,000
Intergovernmental	11,927,884	7,853,193	20,620,500	5,068,600
Miscellaneous	7,318,462	2,717,376	2,563,406	2,257,258
Other Financing Sources	4,059,496	5,152,422	10,649,000	9,264,000
TOTAL REVENUES	23,583,535	16,001,046	34,112,906	16,869,858
EXPENSES				
Current	129,576	40,740	42,800	40,700
Capital Outlay	25,692,767	18,409,393	35,574,500	20,140,801
TOTAL EXPENSES	25,822,343	18,450,133	35,617,300	20,181,501
FUND BALANCE - DECEMBER 31	11,627,888	9,178,801	7,674,407	4,362,765

City of Duluth Minnesota - 2021 Budget

Special Assessment

410

Capital Project fund established to account for improvements which are financed by special assessments. The 2021 budget figures represent preliminary estimates only.

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	(276,565)	(219,549)	(181,435)	(142,724)
REVENUES				
Assessment Collections	57,016	38,114	38,710	36,496
TOTAL REVENUES	57,016	38,114	38,710	36,496
EXPENSES				
Improvements Other Than Buildings	-	-	-	-
TOTAL EXPENSES	-	-	-	-
FUND BALANCE - DECEMBER 31	(219,549)	(181,435)	(142,724)	(106,228)

City of Duluth Minnesota - 2021 Budget

Permanent Improvement

411

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

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	885,569	1,230,737	20,618	20,618
REVENUES				
Current Property Taxes	274,862	275,577	280,000	280,000
Delinquent Property Taxes	2,831	2,478	-	-
Miscellaneous Federal Grants	2,293,655	1,734,053	1,229,200	1,360,000
State of Minnesota	-	133,993	11,000,000	-
Municipal State Aid	6,768,755	5,256,980	7,451,300	3,300,000
Investment Earnings	(10,814)	20,645	-	-
Other Sources	602,042	1,386,221	-	-
Special Revenue Funds	569,541	1,518,603	743,500	744,000
Capital Project Funds	64,000	15,000	-	-
Public Utility Funds	-	-	1,090,000	375,000
TOTAL REVENUES	10,564,872	10,343,550	21,794,000	6,059,000
EXPENSES				
Improvements Other Than Buildings	10,210,098	11,503,669	21,794,000	6,059,000
Transfer to Special Revenue	9,606	-	-	-
Transfer to Capital Projects	-	50,000	-	-
TOTAL EXPENSES	10,219,704	11,553,669	21,794,000	6,059,000
FUND BALANCE - DECEMBER 31	1,230,737	20,618	20,618	20,618

City of Duluth Minnesota - 2021 Budget

Street Improvement Program

440

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

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	1,198,149	1,686,085	1,937,743	1,767,439
REVENUES				
Investment Earnings	(4,568)	18,839	-	-
Transfer from Special Revenue	1,285,913	384,526	8,265,500	7,595,000
Assessment Collections	511,639	699,836	254,696	207,762
TOTAL REVENUES	1,792,984	1,103,202	8,520,196	7,802,762
EXPENSES				
Improvements Other than Buildings	1,305,048	851,544	8,265,500	9,458,201
Transfer to Debt Service	-	-	425,000	125,000
TOTAL EXPENSES	1,305,048	851,544	8,690,500	9,583,201
FUND BALANCE - DECEMBER 31	1,686,085	1,937,743	1,767,439	(13,000)

City of Duluth Minnesota - 2021 Budget

Capital Improvement

450

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

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	2,256,665	451,117	110,918	618,118
REVENUES				
Federal Grant	-	134,119	-	-
State of Minnesota	1,940,094	215,566	-	-
Earnings on Investments	60,613	13,221	-	-
Other Sources	-	137,573	-	-
Transfer from General Fund	105,000	700,000	-	-
Transfer from Special Revenue	650,000	818,903	550,000	550,000
Bond Proceeds	5,760,000	1,190,000	1,800,000	1,800,000
Premium on bonds	308,111	246,507	-	-
TOTAL REVENUES	8,823,819	3,455,888	2,350,000	2,350,000
EXPENSES				
Transfer to Debt Service	7,011	3,750	-	-
Transfer to Capital Projects	64,000	15,000	-	-
Bond Issuance Costs	129,576	40,740	42,800	40,700
Capital Improvements	10,428,779	3,736,598	1,800,000	1,800,000
TOTAL EXPENSES	10,629,366	3,796,088	1,842,800	1,840,700
FUND BALANCE - DECEMBER 31	451,117	110,918	618,118	1,127,418

City of Duluth Minnesota - 2021 Budget

Tourism & Recreational Projects

452

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

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	9,802,879	8,479,498	7,290,957	5,410,957
REVENUES				
Federal Grants	473,923	55,209	480,000	178,700
State of Minnesota	451,457	323,273	460,000	229,900
Earnings on Investments	167,266	265,213	-	-
Other Sources	469,198	225,000	470,000	213,000
Transfer from Special Revenue	783,000	191,596	-	-
TOTAL REVENUES	2,344,844	1,060,292	1,410,000	621,600
EXPENSES				
Capital Improvements	3,286,744	1,992,261	3,290,000	2,560,400
Transfer to Capital Projects	100,000	99,903	-	-
Other Uses	281,482	156,668	-	138,200
TOTAL EXPENSES	3,668,226	2,248,833	3,290,000	2,698,600
FUND BALANCE - DECEMBER 31	8,479,498	7,290,957	5,410,957	3,333,957

City of Duluth Minnesota - 2021 Budget

Funds

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

Enterprise Funds

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.

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
REVENUES				
Operating	60,468,916	60,946,689	71,181,723	56,954,667
Non-Operating	1,358,626	2,008,874	1,342,800	4,469,900
Sales	37,427,927	38,133,851	39,721,500	41,823,000
TOTAL REVENUES	99,255,469	101,089,414	112,246,023	103,247,567
EXPENSES				
Personal Services	19,645,238	18,320,724	22,667,300	22,727,900
Supplies	2,480,179	3,215,802	3,384,600	4,050,430
Other Services and Charges	25,145,679	24,801,450	25,787,639	25,276,815
Depreciation and Amortization	8,633,139	8,736,983	9,070,966	9,509,544
Miscellaneous	2,503,524	2,216,253	2,532,703	2,494,416
Cost of Sales	20,969,806	20,263,922	22,764,913	24,444,555
Interfund Transfers	4,894,082	5,066,487	5,288,400	5,172,977
TOTAL EXPENSES	84,271,647	82,621,621	91,496,521	93,676,637

City of Duluth Minnesota - 2021 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.

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
REVENUE				
Operating	1,691,816	1,471,218	1,655,242	1,151,860
Non-Operating	553	11,131	-	-
	1,692,369	1,482,349	1,655,242	1,151,860
EXPENSES				
Other Services and Charges	1,520,408	1,481,737	1,535,289	1,043,424
Depreciation and Amortization	94,341	92,641	104,405	104,405
Cost of Sales	238,408	196,811	206,313	102,555
	1,853,157	1,771,189	1,846,007	1,250,384
ESTIMATED OPERATING INCOME / (LOSS)	(160,788)	(288,840)	(190,765)	(98,524)

City of Duluth Minnesota - 2021 Budget

Golf Fund Estimated Budgetary Cash Balance

<u>OPERATING FUND</u>	2018 Actual	2019 Actual	2020 Budget	2021 Approved
ESTIMATED UNRESTRICTED CASH	(2,139,590)	(2,206,037)	(2,402,235)	(2,488,595)
Estimated Net Income (Loss)	(160,788)	(288,840)	(190,765)	(98,524)
<u>Other Sources</u>				
Depreciation	94,341	92,642	104,405	104,405
Total Sources	(66,447)	(196,198)	(86,360)	5,881
ESTIMATED BUDGETARY YEAR END CASH BALANCE	<u>(2,206,037)</u>	<u>(2,402,235)</u>	<u>(2,488,595)</u>	<u>(2,482,714)</u>

City of Duluth Minnesota - 2021 Budget

Lester Golf Course

Revenue Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
OPERATING REVENUES:				
4440 Daily Admission	236,357	197,555	214,000	-
4441 Unlimited Season - Golf	141,772	104,000	110,250	-
4442 Motor Cart	140,997	115,412	123,990	-
4443 Driving Range Fees	36,322	25,918	30,088	-
4444 Other Rentals	1,266	-	980	-
4445 Golf Specials/Coupons/Promotions	2,410	-	2,500	-
4627 Concessions & Commissions	241,471	182,338	202,000	-
TOTAL OPERATING REVENUES	800,595	625,223	683,808	-
NON-OPERATING REVENUES				
4644 Misc Fees, Sales & Service	(112)	2,960	-	-
TOTAL NON-OPERATING REVENUES	(112)	2,960	-	-
TOTAL REVENUE - LESTER	800,483	628,183	683,808	-

City of Duluth Minnesota - 2021 Budget

Enger Golf Course

Revenue Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
OPERATING REVENUES:				
4440 Daily Admission	251,947	208,584	265,000	265,000
4441 Unlimited Season - Golf	176,681	177,220	191,972	206,610
4442 Motor Cart	140,996	139,612	157,000	214,100
4443 Driving Range Fees	42,913	56,026	62,000	91,150
4444 Other Rentals	1,567	-	1,550	1,275
4445 Golf Specials/Coupons/Promotions	5,805	-	7,500	7,600
4627 Concessions & Commissions	271,312	264,553	286,412	366,125
TOTAL OPERATING REVENUES	891,221	845,995	971,434	1,151,860
NON-OPERATING REVENUES				
4644 Misc. Fees, Sales & Services, Donations	665	8,171	-	-
TOTAL NON-OPERATING REVENUES	665	8,171	-	-
TOTAL REVENUE - ENGER	891,886	854,166	971,434	1,151,860

City of Duluth Minnesota - 2021 Budget

Lester Golf Course

Expense Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
OPERATING EXPENSES				
5284 Liquor Purchases	18,340	17,711	22,525	-
5285 Food & Beverage for Resale	36,853	34,298	29,250	-
5286 Golf Merchandise for Resale	46,579	37,229	38,700	-
5310 Contract Services	630,265	484,629	529,587	87,331
5415 Equipment Rental	43,056	43,056	43,056	-
5420 Depreciation	34,082	33,232	39,713	39,713
TOTAL - LESTER	809,175	650,155	702,831	127,044

City of Duluth Minnesota - 2021 Budget

Enger Golf Course

Expense Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
OPERATING EXPENSES				
5284 Liquor Purchases	34,696	25,117	29,546	27,538
5285 Food & Beverage for Resale	44,606	35,631	33,891	24,726
5286 Golf Merchandise for Resale	57,334	46,825	52,401	50,291
5310 Contract Services	804,031	910,996	919,590	897,760
5415 Equipment Rental	43,056	43,056	43,056	58,333
5420 Depreciation	60,259	59,409	64,692	64,692
TOTAL - ENGER	1,043,982	1,121,034	1,143,176	1,123,340

City of Duluth Minnesota - 2021 Budget

Parking

City Priority: Infrastructure

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Actual	2021 Target
	Number of parking tickets issued	31,542	42,684	32,000	45,000
	Number of vehicles towed as a result of parking citations	133	133	128	200
	Number of annual contractor parking permits	979	1185	870	900
Public Parking: Ensure adequate, well-planned and accessible public parking options for residents, businesses and visitors	Number of residential parking permits	2372	2343	2375	2400
	Number of on-street metered parking stalls	1594	1594	1594	1594
	Total number of off-street parking stalls managed	3404	3404	4265	5165
	Number of parking ramps and lots	29	29	29	30
	Number of residential parking zones	3	3	3	3

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
REVENUES				
Operating Revenue	3,742,298	4,097,688	4,097,520	3,451,530
Non-Operating	407,625	460,921	385,000	385,000
	4,149,923	4,558,609	4,482,520	3,836,530
EXPENSES				
Personal Services	517,341	779,910	716,700	664,500
Supplies	47,973	26,947	42,700	633,030
Other Services and Charges	1,308,751	1,491,912	1,266,303	1,128,715
Utilities	154,894	126,331	172,154	162,848
Depreciation and Amortization	560,433	567,527	475,900	475,900
Improvements - Non-Capital	179,857	217,464	266,300	129,300
Debt Service - Interest	210,933	194,760	190,900	190,900
Transfers Out	1,386,300	1,386,300	1,356,300	1,356,300
	4,366,482	4,791,151	4,487,257	4,741,493
ESTIMATED OPERATING INCOME (LOSS)	(216,559)	(232,542)	(4,737)	(904,963)
BUDGETED FTE'S				
1100 Parking Manager	1.00	-	-	-
1095 Parking Services Manager	-	-	1.00	1.00
327 Police Investigator	-	1.00	1.00	1.00
131 Parking Operations Specialist	1.00	1.00	-	-
121 Clerical Support Technician	1.00	1.00	1.00	-
22 Parking Services Agent	-	-	-	6.00
18 Parking Monitors	6.00	6.00	6.00	-
Division Total	9.00	9.00	9.00	8.00

City of Duluth Minnesota - 2021 Budget

Parking Fund Estimated Budgetary Cash Balance

<u>OPERATING FUND</u>	2020 Projected	2021 Approved
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH	3,431,244	2,880,113
Estimated Operating Income (Loss)	(197,031)	(904,963)
<u>Other Sources</u>		
Depreciation	<u>475,900</u>	<u>475,900</u>
Total Other Sources	475,900	475,900
<u>Other Uses</u>		
Bond Principal Payments	<u>830,000</u>	<u>845,000</u>
Total Other Uses	830,000	845,000
ESTIMATED BUDGETARY YEAR END CASH BALANCE	<u><u>2,880,113</u></u>	<u><u>1,606,050</u></u>

City of Duluth Minnesota - 2021 Budget

Parking Fund

505

Revenue Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
OPERATING REVENUES				
4371 Parking Meter Revenues	731,059	768,920	724,500	428,420
4373 Transient Parking	888,905	928,433	1,015,900	722,719
4374 Contract Parking	1,214,483	1,240,402	1,315,760	1,376,941
4375 Charging Station Revenue	1,156	662	-	-
4170 Miscellaneous Permits	37,497	83,502	48,010	51,100
4472 Administrative Parking Fines	744,674	947,382	977,900	856,900
4315 Cost Allocation	15,000	15,450	15,450	15,450
4622 Rent of Buildings	107,866	110,534	-	-
4654 Other Reimbursements	1,035	2,319	-	-
4680 Damage or Losses Recovered	623	84	-	-
TOTAL OPERATING REVENUE	3,742,298	4,097,688	4,097,520	3,451,530
NON-OPERATING REVENUES				
4601 Earnings on Investments	1,411	37,220	-	-
4857 Transfer in from DEDA	406,214	423,701	385,000	385,000
TOTAL NON-OPERATING REVENUES	407,625	460,921	385,000	385,000
TOTAL REVENUE	4,149,923	4,558,609	4,482,520	3,836,530

City of Duluth Minnesota - 2021 Budget

Parking Administration

505-015-1479

Expense Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	62,952	79,973	86,100	87,100
5101 Permanent Employees - Overtime	229	-	-	-
TOTAL	63,181	79,973	86,100	87,100
EMPLOYEE BENEFITS				
5121 P.E.R.A.	4,430	5,487	6,200	6,300
5121 P.E.R.A., GASB 68	(68,972)	65,151	-	-
5122 F.I.C.A. Social Security	3,925	4,957	5,300	5,400
5123 F.I.C.A. Medicare	918	1,159	1,200	1,300
5125 Dental Insurance	372	372	400	400
5126 Life Insurance	162	204	200	200
5127 Health Care Savings Plan	1,175	15,345	1,600	1,900
5130 Cafeteria Plan Benefits	6,480	-	-	-
TOTAL	(51,510)	92,675	14,900	15,500
OPERATING EXPENSES				
5219 Other Miscellaneous Supplies	621	1,106	1,100	1,500
5321 Phone Service	-	-	100	100
5331 Travel/Training	2,746	3,116	4,000	4,500
5335 Mileage Reimbursement	365	-	500	300
5441 Other Services and Charges	2,131	1,578	2,000	2,000
TOTAL	5,863	5,800	7,700	8,400
1479 TOTAL - ADMINISTRATION	17,534	178,448	108,700	111,000

City of Duluth Minnesota - 2021 Budget

Technology Center Ramp

505-015-1480-2510

Expense Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
OPERATING EXPENSES				
5307 Admin/Management Fees	9,269	9,238	10,643	14,844
5310 Contract Services	183,414	208,437	169,281	160,100
5319 Other Professional Service	-	310	-	-
5381 Electricity	39,957	28,709	44,220	43,080
5382 Water, Gas & Sewer	3,179	2,522	3,400	2,900
5384 Refuse Disposal	1,378	1,386	1,708	1,692
5386 Steam	18,644	19,639	19,990	19,221
5404 Equipment Maintenance/Repair	446	-	1,544	1,610
5405 Parking Lot Maintenance	17,959	2,160	34,000	42,000
5420 Depreciation	188,958	188,958	171,700	171,700
5493 Cost Allocation	27,280	27,720	27,720	27,720
5611 Bond Interest	-	-	700	700
TOTAL	490,484	489,079	484,906	485,567
2510 TOTAL - TECHNOLOGY CENTER RAMP	490,484	489,079	484,906	485,567

City of Duluth Minnesota - 2021 Budget

HART District Ramp

505-015-1480-2511

Expense Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
OPERATING EXPENSES				
5307 Admin/Management Fees	4,938	4,922	12,814	8,112
5310 Contract Services	292,832	278,422	238,420	260,083
5319 Other Professional Services	-	310	-	-
5381 Electricity	15,797	13,413	16,500	16,800
5382 Water, Gas & Sewer	6,880	6,824	7,100	7,200
5404 Equipment Maintenance/Repair	569	1,900	2,550	2,420
5405 Parking Lot Maintenance	143,941	23,051	20,000	15,000
5420 Depreciation	58,674	58,674	39,800	39,800
5493 Cost Allocation	27,280	27,720	27,720	27,720
5611 Bond Interest	-	-	100	100
TOTAL	550,911	415,236	365,004	377,235
2511 TOTAL - HART DISTRICT RAMP	550,911	415,236	365,004	377,235

City of Duluth Minnesota - 2021 Budget

Medical District Ramp

505-015-1480-2512

Expense Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
OPERATING EXPENSES				
5219 Other Miscellaneous Supplies	-	19	-	-
5307 Admin/Management Fees	9,331	9,300	12,814	14,040
5310 Contract Services	186,867	209,919	165,221	158,439
5319 Other Professional Services	-	310	-	-
5381 Electricity	45,377	33,414	48,320	47,024
5382 Water, Gas & Sewer	20,705	19,854	24,500	22,804
5404 Equipment Maintenance/Repair	3,875	763	4,000	4,521
5405 Parking Lot Maintenance	4,486	58,722	23,300	23,300
5420 Depreciation	249,748	249,749	227,000	227,000
5481 Property Taxes	3,142	3,308	3,500	3,500
5493 Cost Allocation	27,280	27,720	27,720	27,720
5611 Bond Interst	210,933	194,760	190,100	190,100
5620 Fiscal Agents Fees	475	475	-	-
TOTAL	762,219	808,313	726,475	718,448
2512 TOTAL - MEDICAL DISTRICT RAMP	762,219	808,313	726,475	718,448

City of Duluth Minnesota - 2021 Budget

Municipal Lots

505-015-1480-2513

Expense Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
OPERATING EXPENSES				
5307 Admin/Management Fees	11,449	11,412	6,000	14,632
5310 Contract Services	257,155	309,370	217,808	252,122
5319 Other Professional Services	-	12,310	-	-
5381 Electricity	4,355	1,956	8,124	3,819
5405 Parking Lot Maintenance	13,471	133,531	189,000	49,000
5441 Other Services & Charges	10,175	-	-	-
5420 Depreciation	37,413	41,730	32,200	32,200
5493 Cost Allocation	27,280	27,720	27,720	27,720
TOTAL	361,298	538,029	480,852	379,493
2513 TOTAL - MUNICIPAL LOTS	361,298	538,029	480,852	379,493

City of Duluth Minnesota - 2021 Budget

On Street Parking & Enforcement

505-015-1481

Expense Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	340,233	391,888	402,400	366,600
5101 Permanent Employees - Overtime	3,396	2,673	-	-
5103 Other Wages	4,449	11,811	-	-
5111 Long-Term Disability Wages	-	1,112	-	-
TOTAL	348,078	407,484	402,400	366,600
EMPLOYEE BENEFITS				
5121 P.E.R.A.	30,217	36,584	37,600	35,200
5122 F.I.C.A. Social Security	16,467	19,138	19,700	17,400
5123 F.I.C.A. Medicare	4,973	5,739	5,800	5,300
5125 Dental Insurance	2,728	3,007	3,000	2,800
5126 Life Insurance	1,188	1,649	1,400	1,300
5127 Health Care Savings Plan	11,695	7,890	8,500	7,800
5130 Cafeteria Plan Benefits	90,114	125,551	137,300	125,500
5133 Health or Fitness Program	210	220	-	-
TOTAL	157,592	199,778	213,300	195,300
OPERATING EXPENSES				
5200 Office Supplies	325	145	1,000	850
5212 Motor Fuels	2,777	1,129	3,000	3,200
5218 Uniforms	5,895	1,951	3,000	2,800
5219 Other Miscellaneous Supplies	8,028	1,564	9,800	5,880
5226 Sign & Signal Materials	-	-	-	600,000
5241 Small Equipment	30,327	21,052	24,800	18,800
5306 Collection Services	10,703	9,965	15,800	15,800
5307 Admin/Management Fees	-	7,200	-	7,200
5310 Contract Services	90,011	252,833	240,200	42,480
5355 Printing & Copying Services	1,450	-	400	400
5356 Copier, Printer Lease & Supplies	-	-	200	200
5409 Fleet Service Charges	12,009	5,809	6,800	7,100
5414 Software Lic & Mtc Agreements	990	918	1,400	1,920
5420 Depreciation	25,640	28,416	5,200	5,200
5427 Credit Card Commissions	3,446	5,075	7,000	7,000
5441 Other Services and Charges	73,185	4,707	3,000	5,000
5493 Cost Allocation	27,280	27,720	27,720	27,720

City of Duluth Minnesota - 2021 Budget

On Street Parking & Enforcement

505-015-1481

Expense Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
5700 Transfer to General Fund	1,386,300	1,386,300	1,356,300	1,356,300
TOTAL	1,678,366	1,754,784	1,705,620	2,107,850
 NON-OPERATING EXPENSES				
5580 Capital Equipment	133,518	90,668	780,000	-
TOTAL	133,518	90,668	780,000	-
 1481 TOTAL - ON STREET PARKING & ENFORCEMENT	 2,317,554	 2,452,714	 3,101,320	 2,669,750

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
REVENUES				
Operating Revenue	457,088	452,308	450,400	298,200
Non-Operating	541,831	555,200	550,700	550,700
	998,919	1,007,508	1,001,100	848,900
EXPENSES				
Contract Services	135,447	138,664	134,500	142,588
Other Services and Charges	-	3,310	2,000	2,000
Electricity	27,594	23,042	34,200	34,200
Parking Lot Maintenance	6,671	8,518	12,000	8,900
Bldg Structure Repair & Mtc./Elevator Repairs & Mtc.	227	-	-	-
Equipment/Machinery Repair & Maintenance	-	-	5,000	5,000
Cost Allocation	37,500	32,650	23,110	23,110
Tax Abatement	26,409	29,146	27,000	27,000
Depreciation - funded	50,000	50,000	50,000	50,000
Depreciation - unfunded	470,571	470,571	470,572	470,572
Debt Service - Interest	502,793	495,599	486,938	476,322
	1,257,212	1,251,500	1,245,320	1,239,692
ESTIMATED OPERATING INCOME (LOSS)	(258,293)	(243,992)	(244,220)	(390,792)

City of Duluth Minnesota - 2021 Budget

Priley Drive Parking Facility

	2020	2021
<u>OPERATING FUND</u>	Projected	Proposed
ESTIMATED UNRESTRICTED and CAPITAL ACCOUNT CASH	481,638	467,761
Estimated Operating Income (Loss)	(244,220)	(390,792)
<u>Other Sources</u>		
Unfunded Depreciation	470,572	470,572
Total Other Sources	470,572	470,572
<u>Other Uses</u>		
Bond Principal Payments	240,229	305,172
Total Other Uses	240,229	305,172
ESTIMATED BUDGETARY YEAR END CASH BALANCE	467,761	242,369

City of Duluth Minnesota - 2021 Budget

Priley Drive Parking Facility

506

Revenue Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
OPERATING REVENUES				
4373 Transient Parking	80,682	65,949	62,200	36,000
4374 Contract Parking	376,406	386,359	388,200	262,200
TOTAL OPERATING REVENUE	457,088	452,308	450,400	298,200
NON-OPERATING REVENUES				
4601 Earnings on Investments	(1,597)	4,489	-	-
Interfund Transfers in from				
4730-30 Debt Service	543,427	550,711	550,700	550,700
TOTAL NON-OPERATING REVENUES	541,830	555,200	550,700	550,700
TOTAL REVENUE	998,918	1,007,508	1,001,100	848,900

City of Duluth Minnesota - 2021 Budget

Priley Drive Parking Facility

506

Expense Detail		2018 Actual	2019 Actual	2020 Budget	2021 Approved
OPERATING EXPENSES					
5307	Admin/Management Fees	14,400	14,400	14,400	14,536
5310	Contract Services	121,047	124,264	120,100	128,052
5381	Electricity	27,594	23,042	34,200	34,200
5401-01	Bldg Structure Repair & Mtc./Elevator Repairs & Mtc.	227	-	-	-
5404	Equipment Maintenance/Repair	-	-	5,000	5,000
5405	Parking Lot Maintenance	6,671	8,518	12,000	8,900
5420	Depreciation - funded	50,000	50,000	50,000	50,000
5420	Depreciation - unfunded	470,571	470,571	470,572	470,572
5441	Other Services and Charges	-	3,310	2,000	2,000
5479	Tax Abatement	26,409	29,146	27,000	27,000
5493	Cost Allocation	37,500	32,650	23,110	23,110
5611	Bond Interest	502,793	495,599	486,718	476,322
	TOTAL	1,257,212	1,251,500	1,245,100	1,239,692
2510	TOTAL -Priley Drive Parking Facility	1,257,212	1,251,500	1,245,100	1,239,692

City of Duluth Minnesota – 2021 Budget

Public Works & Utilities Department – Enterprise Funds

Mission and Vision

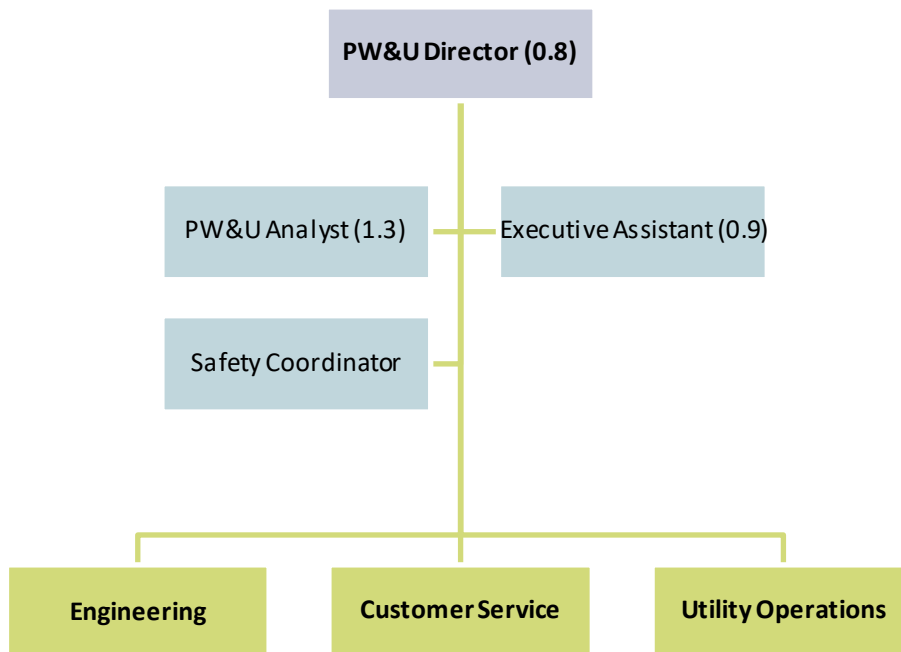
The mission of the Public Works and Utilities Department is to provide professional engineering services, street maintenance activities, and water, natural gas, sanitary sewer, storm water, and street lighting utilities to Duluth’s businesses and residents in a safe, cost-effective and environmentally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

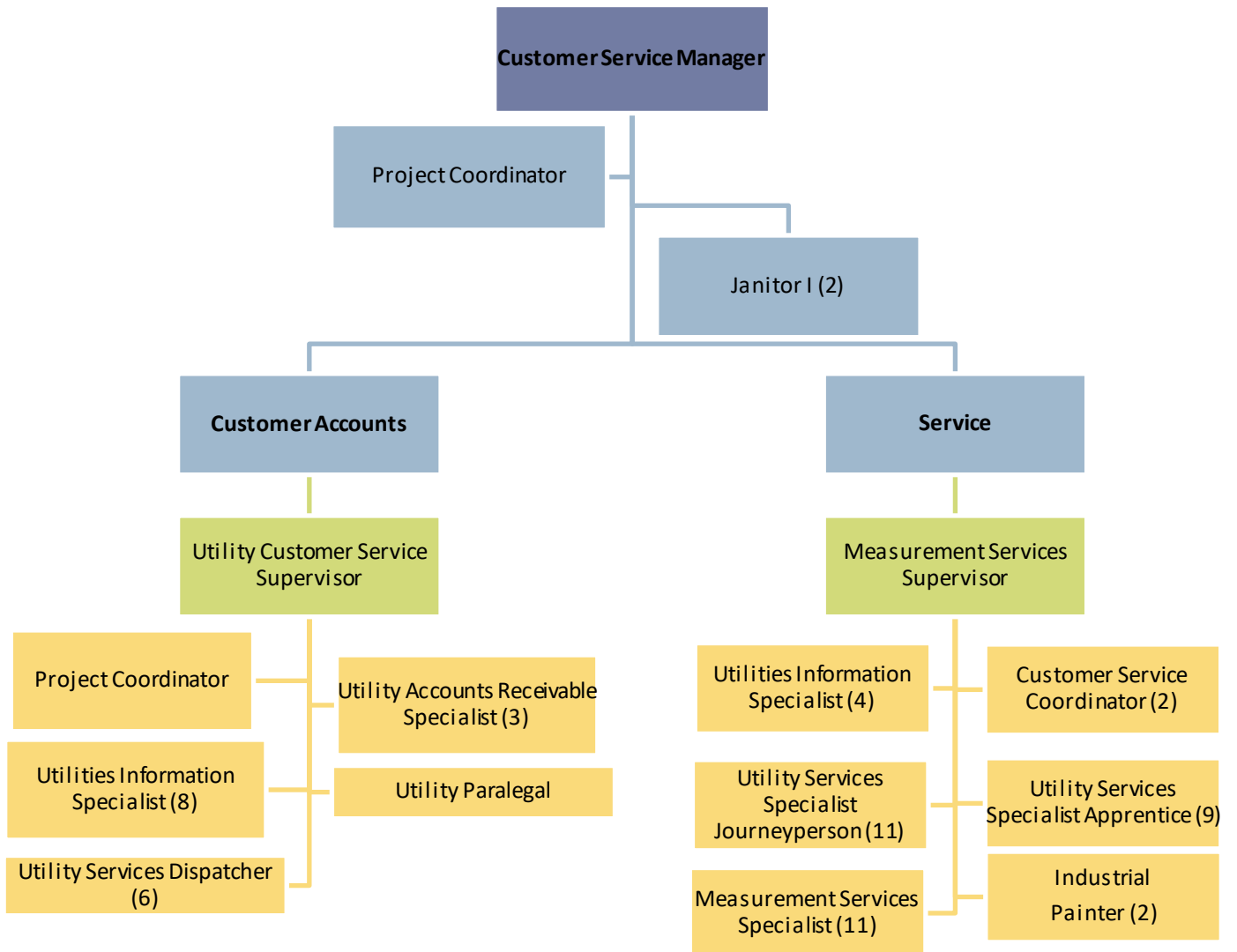
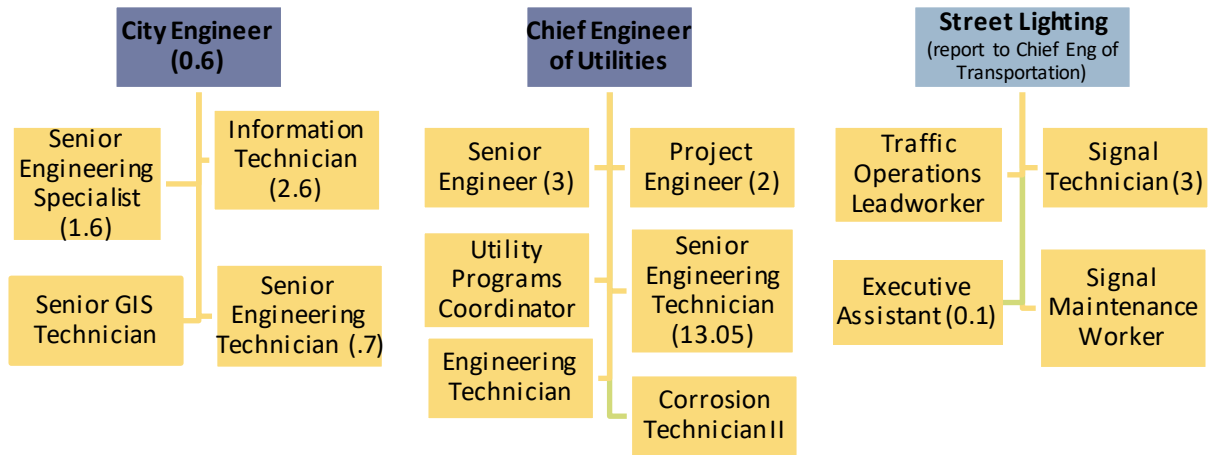
The Department’s vision is to become a functionally integrated organization operating at optimum efficiencies and providing cost-effective and reliable service for all Duluthians.

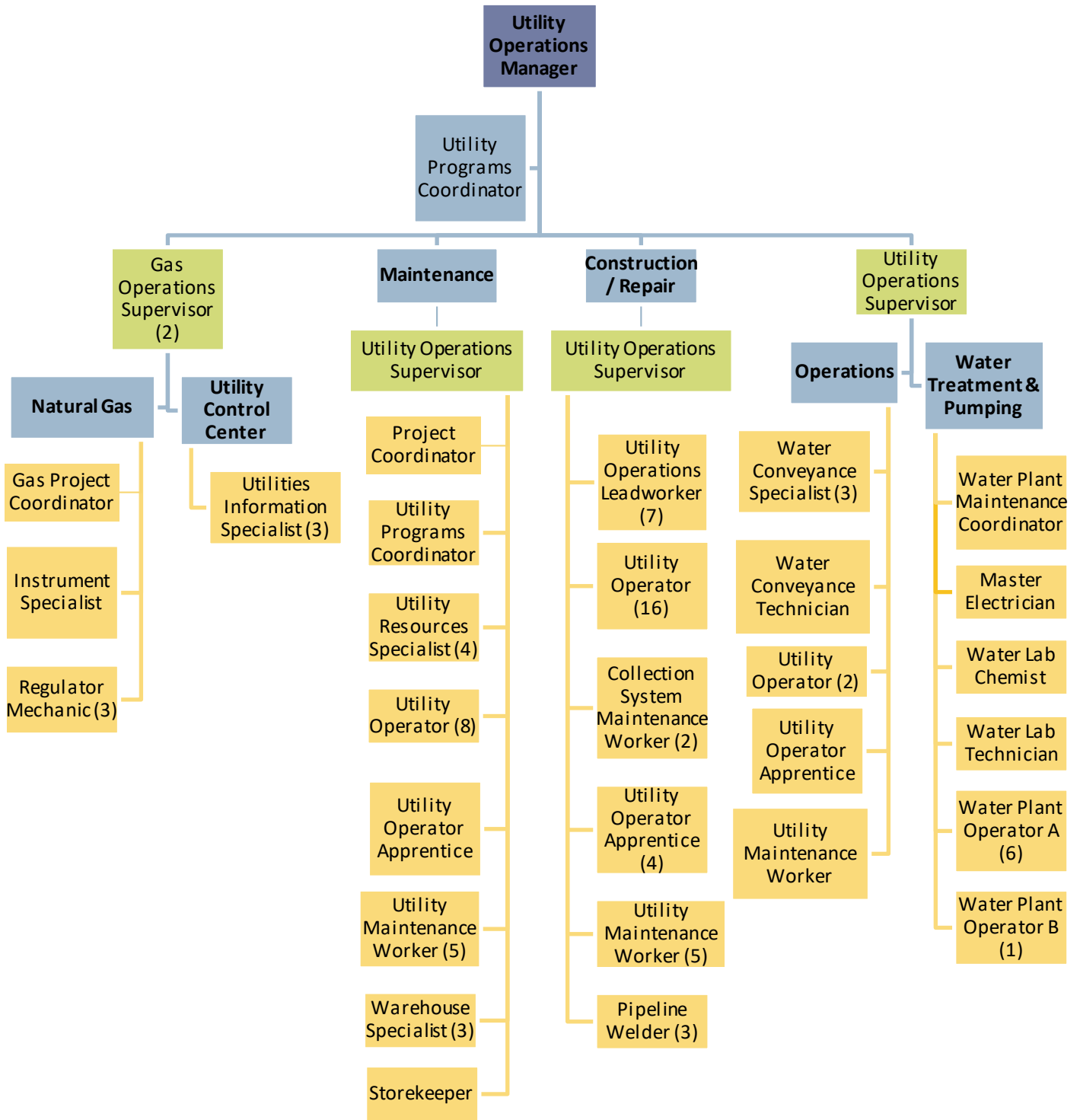
Structure

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 - 2021 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.

	2018	2019	2020	2021
Budgeted FTE's	192.55	192.55	191.55	191.55

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
Expenses				
Salaries and Benefits	19,127,897	17,540,814	21,950,600	22,063,400
Supplies	23,163,604	23,255,966	25,900,500	27,759,400
Other Services & Charges	17,399,690	17,418,354	18,018,400	18,266,377
Utilities	1,527,690	1,225,037	1,532,400	1,502,100
Depreciation/Amortization	5,719,390	5,742,094	6,164,600	6,313,800
Grants & Awards	430,752	526,697	640,000	600,000
Improvements -Non-Capital	523,870	168,783	357,600	342,500
Debt Service - Interest	403,945	417,752	374,900	311,400
Debt Service - Other	(25,316)	(11,135)	(22,700)	(27,700)
Capital Lease Interest	163,624	138,066	122,600	95,500
Total Operating	68,435,146	66,422,428	75,038,900	77,226,777
Non-Operating	8,828,439	8,996,468	17,920,600	12,484,400
Total Appropriation Budget	77,263,585	75,418,896	92,959,500	89,711,177

City of Duluth Minnesota - 2021 Budget

Utilities - Personnel Summary

	2018 Budget	2019 Budget	2020 Budget	2021 Approved
1165 Director of Public Works & Utilities	0.80	0.80	0.80	0.80
1140 City Engineer	0.60	0.60	0.60	0.60
1130 Chief Engineer - Utilities	1.00	1.00	1.00	1.00
1115-1130 Manager, Customer Service	1.00	1.00	1.00	1.00
1115-1130 Manager, Utility Operations	1.00	1.00	1.00	1.00
1110 Senior Engineer	3.00	3.00	3.00	3.00
1095 Gas Operations Supervisor	2.00	2.00	2.00	2.00
1090 Measurement Services Supervisor	1.00	1.00	1.00	1.00
1080-1095 Utility Operations Supervisor	3.00	3.00	3.00	3.00
1055-1085 Utility Customer Service Supervisor	1.00	1.00	1.00	1.00
133 Budget & Operations Analyst	0.50	0.50	0.50	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
130 GIS Technician	1.00	1.00	0.00	0.00
129 Utilities Information Specialist	16.00	16.00	15.00	15.00
126 Information Technician	2.60	2.60	2.60	2.60
122 Janitor II	1.00	1.00	1.00	0.00
121 Janitor I	0.00	0.00	1.00	2.00
36 Project Engineer	1.00	2.00	2.00	2.00
34 Senior Engineering Specialist	0.80	1.60	0.80	1.60
33 Customer Service Coordinator	2.00	3.00	2.00	2.00
33 Public Works and Utilities Analyst	0.80	0.80	0.80	1.30
33 Utility Programs Coordinator	4.00	4.00	3.00	3.00
32 Corrosion Technician II	1.00	1.00	1.00	1.00
32 Gas Project Coordinator	0.00	1.00	1.00	1.00
32 Project Coordinator	3.00	1.00	3.00	3.00
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	0.00	1.00
31 Master Electrician	1.00	2.00	1.00	1.00
31 Pipeline Welder	3.00	3.00	3.00	3.00
31 Senior Engineering Technician	13.55	11.75	14.55	13.75
31 Utility Resources Specialist	4.00	4.00	4.00	4.00
31 Water Conveyance Specialist	1.00	2.00	3.00	3.00
31 Water Plant Operator A	5.00	4.00	5.00	6.00
30 Instrument Specialist	1.00	1.00	1.00	1.00
30 Utility Services Specialist Journeyman	8.00	10.00	10.00	11.00

City of Duluth Minnesota - 2021 Budget

Utilities - Personnel Summary

	2018 Budget	2019 Budget	2020 Budget	2021 Approved
30 Warehouse Specialist	2.00	3.00	3.00	3.00
29 Industrial Painter	2.00	2.00	2.00	2.00
29 Measurement Services Specialist	10.00	11.00	11.00	11.00
29 Regulator Mechanic	2.00	2.00	3.00	3.00
29 Water Conveyance Technician	3.00	2.00	1.00	1.00
28 Collection System Maintenance Worker	2.00	2.00	2.00	2.00
28 Engineering Technician	3.00	3.00	1.00	1.00
28 Senior GIS Technician	0.00	0.00	1.00	1.00
28 Utility Operator	29.00	26.00	25.00	26.00
28 Utility Operator Apprentice	7.00	9.00	7.00	6.00
28 Utility Services Specialist Apprentice	12.00	10.00	10.00	9.00
28 Water Plant Operator B	1.00	1.00	2.00	1.00
27 Storekeeper	0.00	1.00	1.00	1.00
27 Water Lab Technician	1.00	1.00	1.00	1.00
26 Utility Services Dispatcher	5.00	5.00	6.00	6.00
24 Assistant Storekeeper	1.00	0.00	0.00	0.00
24 Water Plant Operator C	0.00	1.00	0.00	0.00
24 Water Plant Operator D	1.00	0.00	0.00	0.00
23 Utility Maintenance Worker	10.00	10.00	12.00	11.00
22 Maintenance Worker	1.00	1.00	0.00	0.00
16 Utility Services Helper	2.00	1.00	0.00	0.00
9 Executive Assistant	0.90	0.90	0.90	0.90
DEPARTMENT TOTAL	192.55	192.55	191.55	191.55

City of Duluth Minnesota - 2021 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 2021. The most significant category of expense is personal services at 50% 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
REVENUE				
Operating	14,925,155	15,142,719	16,004,500	15,062,500
Non-Operating	176,857	240,316	174,200	3,324,200
	<u>15,102,012</u>	<u>15,383,035</u>	<u>16,178,700</u>	<u>18,386,700</u>
EXPENSES				
Personal Services	5,538,249	5,175,306	6,522,600	6,503,300
Supplies	949,511	1,431,846	1,453,900	1,424,100
Other Services & Charges	1,334,401	1,266,069	1,358,800	1,433,900
Utilities	1,321,654	1,041,191	1,333,700	1,284,400
Depreciation/Amortization	1,818,409	1,752,474	1,885,100	1,938,200
Improvements -Non-Capital	253,700	64,101	6,400	-
Debt Service - Interest	119,291	201,994	192,000	175,800
Debt Service - Other	(4,981)	(6,951)	(7,000)	(6,900)
Capital Lease Interest	58,905	49,704	44,100	34,400
Transfers	151,482	138,262	226,000	226,000
	<u>11,540,621</u>	<u>11,113,996</u>	<u>13,015,600</u>	<u>13,013,200</u>
ESTIMATED OPERATING INCOME (LOSS)	3,561,391	4,269,039	3,163,100	5,373,500
Other Sources of Cash	1,565,082	1,607,553	1,878,100	1,931,300
Other Uses of Cash	(3,138,429)	(4,218,767)	(7,023,000)	(7,025,750)
Increase (Decrease) in Cash	<u>1,988,044</u>	<u>1,657,825</u>	<u>(1,981,800)</u>	<u>279,050</u>

City of Duluth Minnesota - 2021 Budget

Water Fund Estimated Unrestricted Cash Balance

OPERATING FUND	2020 Budget	2020 Projected	2021 Approved
ESTIMATED OPERATING INCOME (LOSS)	3,163,100	2,276,352	5,373,500
<u>Other Sources of Cash</u>			
Depreciation and Amortization	1,885,100	1,817,000	1,938,200
Interest from Bond Discount	(7,000)	(7,000)	(6,900)
Due from Other Funds	-	8,689	-
Special Assessment Principal	-	98,188	-
Total Other Sources of Cash	1,878,100	1,916,877	1,931,300
<u>Other Uses of Cash</u>			
Due to Other Funds	-	43,259	-
Capital Improvements from State Bond	1,000,000	-	3,150,000
Capital Improvements from Current Revenues	4,497,200	3,853,665	2,483,200
Capital Equipment Purchases	286,500	333,623	90,550
Bond Principal Payments	984,000	984,000	1,037,000
AMRS Lease Principal Payments	255,300	255,300	265,000
Total Other Uses of Cash	7,023,000	5,469,847	7,025,750
INCREASE (DECREASE) IN CASH	(1,981,800)	(1,276,618)	279,050
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH-BEGINNING	3,819,004	3,645,869	2,369,251
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH-ENDING	1,837,204	2,369,251	2,648,301

City of Duluth Minnesota - 2021 Budget

Water Fund

510 & 511

Revenue Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
OPERATING REVENUES				
4636 Sale of Scrap	17,849	11,330	10,000	10,000
4680 Damage or Losses Recovered	-	548	-	-
4700 Other Sources	7,238	44	-	-
4800 Meter Repair	44,354	42,226	30,000	30,000
4801 Off/On Charge	27,983	28,157	25,000	25,000
4802 Interest - Customer Accounts	45,126	44,640	47,000	47,000
4805 Reimbursements	18,192	29,349	6,000	6,000
4809 Miscellaneous Operating	13,488	9,099	13,000	10,000
4810 Metered Water Sales	11,249,385	11,452,612	12,300,000	11,300,000
4811 Water for Resale	1,091,011	1,104,258	1,157,500	1,214,500
4831 Fixed Rate Charges	2,402,783	2,414,552	2,411,000	2,415,000
4851 Interest Income	7,746	5,904	5,000	5,000
TOTAL OPERATING REVENUES	14,925,155	15,142,719	16,004,500	15,062,500
NON-OPERATING REVENUES				
4220 State of Minnesota, Operating	-	11,509	-	3,150,000
4230 Pera Aid	16,919	16,919	16,900	16,900
4601 Change in Fair Value Investments	(34,007)	47,466	-	-
4806 Connection Fees	13,266	11,591	11,000	11,000
4853 Gain on Sale of Assets	36,379	8,531	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	9,300	9,300
TOTAL NON-OPERATING REVENUES	176,857	240,316	174,200	3,324,200
TOTAL REVENUE	15,102,012	15,383,035	16,178,700	18,386,700

City of Duluth Minnesota - 2021 Budget

Director's Office

510-500-1900

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

Expense Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	63,856	65,451	67,200	65,800
5101 Permanent Employees - Overtime	508	264	500	-
TOTAL	64,364	65,715	67,700	65,800
EMPLOYEE BENEFITS				
5121 P.E.R.A.	4,650	4,794	4,900	4,900
5122 F.I.C.A. Social Security	3,765	3,846	4,200	4,100
5123 F.I.C.A. Medicare	930	949	1,000	1,000
5125 Dental Insurance	260	260	300	300
5126 Life Insurance	113	143	100	100
5127 Health Care Savings	1,723	1,969	900	1,000
5130 Cafeteria Plan Benefits	6,075	6,655	7,300	15,400
TOTAL	17,516	18,688	18,700	26,800
OPERATING EXPENSES				
5200 Office Supplies	35	-	100	100
5241 Small Equipment	-	333	100	-
5321 Telephone	120	120	100	100
5331 Training Expense	211	-	200	200
5335 Mileage Reimbursement - Local	213	210	300	200
TOTAL	579	663	800	600
1900 TOTAL - DIRECTOR'S OFFICE	82,459	85,066	87,200	93,200

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
OPERATING EXPENSES				
5420 Depreciation	1,818,409	1,752,474	1,885,100	1,938,200
5535 Improvements (Non-Capital)	253,700	64,101	6,400	-
5540 Equipment (Non-Capital)	776	11,279	-	-
5611 Bond Interest	119,291	201,994	192,000	175,800
5613 Interest from Bond Amortization	(4,981)	(6,951)	(7,000)	(6,900)
5614 Capital Lease Interest	58,905	49,704	44,100	34,400
5620 Fiscal Agents Fee	911	891	400	500
5621 Bond Issuance/Discount Fees	77,945	-	-	-
TOTAL	2,324,956	2,073,492	2,121,000	2,142,000
NON-OPERATING EXPENSES				
5532 Capital Improvements - Bond Financing	1,446,658	262,841	1,000,000	3,150,000
5533 Capital Improvements - Revenue Financing	564,851	2,837,906	4,497,200	2,483,200
5580 Capital Equipment	424,324	149,968	286,500	90,550
TOTAL	2,435,833	3,250,715	5,783,700	5,723,750
1905 TOTAL - CAPITAL	4,760,789	5,324,207	7,904,700	7,865,750

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	33,000	36,699	38,500	36,900
5101 Permanent Employees - Overtime	990	153	-	-
5111 Long-Term Disability Wages	-	154	-	-
TOTAL	33,990	37,006	38,500	36,900
EMPLOYEE BENEFITS				
5121 P.E.R.A.	2,500	2,502	2,700	2,700
5121 P.E.R.A., GASB 68	(75,876)	277	-	-
5122 F.I.C.A. Social Security	2,105	2,315	2,400	2,300
5123 F.I.C.A. Medicare	492	541	600	500
5125 Dental Insurance	249	253	300	300
5126 Life Insurance	4,885	3,195	100	100
5127 Health Care Savings	529	523	600	700
5130 Cafeteria Plan Benefits	8,703	4,689	5,300	15,400
5133 Health or Fitness Program	60	82	-	-
5134 Other Post Retirement Benefits	(313,736)	(1,160,034)	-	-
5135 Retiree Health Insurance	569,134	573,457	627,600	617,400
5151 Worker's Compensation	48,700	41,100	45,900	57,900
TOTAL	247,745	(531,100)	685,500	697,300
OPERATING EXPENSES				
5200 Office Supplies	-	228	100	100
5201 Computer Supplies/Software	101	-	-	-
5205 Safety & Training	1,644	1,393	800	800
5211 Cleaning & Janitorial Supplies	3,943	3,311	3,500	3,500
5218 Uniforms	308	246	100	100
5241 Small Equipment	463	1,931	2,000	2,400
5301 Auditing Services	1,378	1,331	1,300	1,300
5305 Medical Services/Testing Fees	4,731	1,517	1,700	1,600
5310 Contract Services	7,228	7,081	-	-
5320 Data Services	21,010	21,148	14,400	14,500
5321 Telephone	3,574	3,607	3,600	2,600
5331 Training Expense	575	1,515	2,800	2,300

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
5333 Freight/Delivery Charges	117	18	-	-
5335 Mileage Reimbursement - Local	306	536	300	500
5356 Copier, Printer Lease & Supplies	5,771	5,033	5,500	5,000
5360 Insurance	32,800	53,100	89,400	99,600
5381 Electricity	14,139	10,570	13,000	14,000
5382 Water, Gas & Sewer	18,530	18,174	17,400	17,400
5384 Refuse Disposal	3,973	4,158	4,100	4,100
5401 Building Repair & Maintenance	41,072	12,503	6,300	6,700
5404 Equipment Repair & Maintenance	539	154	1,000	1,100
5414 Software Lic & Mtc Agreements	46,113	46,985	46,800	49,500
5441 Other Services & Charges	3,711	3,573	4,200	4,000
5450 Laundry	940	904	1,200	1,200
5457 Hydrant Maintenance	30,000	30,000	30,000	30,000
5493 Cost Allocation	331,000	339,000	356,400	356,400
5700 Transfer to General Fund	53,600	55,700	60,000	60,000
TOTAL	627,566	623,716	665,900	678,700
1915 TOTAL - GENERAL EXPENSE	909,301	129,622	1,389,900	1,412,900

City of Duluth Minnesota - 2021 Budget

Engineering

510-500-1930

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

Expense Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	376,898	390,363	417,500	406,000
5101 Permanent Employees - Overtime	38,121	44,839	50,000	42,200
5103 Temporary Wages	309	306	2,700	6,100
5118 Meal Allowance	776	1,289	1,200	1,200
TOTAL	416,104	436,797	471,400	455,500
EMPLOYEE BENEFITS				
5121 P.E.R.A.	30,523	31,981	34,600	33,200
5122 F.I.C.A. Social Security	24,860	26,088	29,200	28,200
5123 F.I.C.A. Medicare	5,814	6,101	6,800	6,600
5125 Dental Insurance	2,050	1,995	2,100	2,200
5126 Life Insurance	893	1,091	1,000	1,000
5127 Health Care Savings	6,348	9,331	7,000	11,000
5130 Cafeteria Plan Benefits	87,687	92,557	111,900	111,000
5133 Health or Fitness Program	114	241	-	-
TOTAL	158,289	169,385	192,600	193,200
OPERATING EXPENSES				
5200 Office Supplies	825	369	500	400
5201 Computer Supplies	3	11	200	100
5203 Paper, Stationery and Forms	94	87	200	100
5205 Safety and Training Materials	97	136	300	200
5212 Motor Fuel	3,154	3,754	3,400	3,800
5218 Uniforms	435	1,204	400	1,000
5219 Other Miscellaneous Supplies	161	556	-	-
5240 Small Tools	513	92	500	400
5241 Small Equipment	1,104	1,830	3,800	3,800
5242 Survey Equipment and Supplies	2,911	884	3,900	5,200
5303 Engineering Services	3,235	-	-	-
5310 Contract Services	-	51	-	-
5320 Data Services	1,651	1,917	1,700	1,700
5321 Telephone	1,525	1,559	1,500	1,500
5322 Postage	22	47	100	100

City of Duluth Minnesota - 2021 Budget

Engineering

510-500-1930

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

Expense Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
5331 Training Expenses	1,258	2,399	3,200	2,000
5335 Mileage Reimbursement	-	118	100	100
5355 Printing and Copying	547	851	800	800
5356 Copier, Printer Lease & Supplies	165	211	600	2,500
5404 Equipment Maintenance Repair	814	1,015	1,600	1,600
5409 Fleet Services	3,716	4,697	8,600	5,500
5414 Software Lic & Mtc Agreements	10,599	11,739	15,400	13,700
5433 Dues and Subscriptions	179	173	1,000	1,000
5435 Books and Pamphlets	8	202	-	100
5438 Licenses	204	-	100	-
5441 Other Services and Charges	2,123	1,651	1,500	3,400
5486 One Call System	2,809	3,289	3,600	3,600
TOTAL	38,152	38,842	53,000	52,600
1930 TOTAL - ENGINEERING	612,545	645,024	717,000	701,300

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	697,529	848,059	866,600	870,400
5101 Permanent Employees - Overtime	11,245	15,096	22,800	16,400
5111 Long-Term Disability Wages	203	-	-	-
5118 Meal Allowance	48	132	100	100
TOTAL	709,025	863,287	889,500	886,900
EMPLOYEE BENEFITS				
5121 P.E.R.A.	51,758	62,734	65,300	65,300
5122 F.I.C.A. Social Security	42,284	51,743	55,200	55,000
5123 F.I.C.A. Medicare	9,890	12,102	12,900	12,900
5125 Dental Insurance	4,147	4,877	4,900	5,300
5126 Life Insurance	1,807	2,686	2,400	2,400
5127 Health Care Savings	15,253	22,079	21,700	26,900
5130 Cafeteria Plan Benefits	178,730	223,178	244,500	253,000
5133 Health or Fitness Program	153	191	-	-
TOTAL	304,022	379,590	406,900	420,800
OPERATING EXPENSES				
5200 Office Supplies	1,247	1,771	2,300	2,300
5201 Computer Supplies	1,663	751	500	500
5203 Paper/Stationery/Forms	-	78	-	-
5205 Safety & Training Materials	713	296	-	-
5210 Plant/Operating Supplies	123	387	-	-
5212 Motor Fuel	15,347	14,748	16,100	14,800
5215 Shop Materials	42	-	-	-
5218 Uniforms	3,855	5,668	2,200	2,200
5219 Other Miscellaneous Supplies	1,691	-	-	-
5220 Repair & Maintenance Supplies	11,402	2,696	10,000	7,500
5227 Utility System	88,609	36,120	201,900	190,300
5228 Painting Supplies	505	750	1,000	1,000
5240 Small Tools	4,008	3,347	4,600	5,600
5241 Small Equipment	2,351	7,299	7,200	7,800

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
5310 Contract Services	38,099	34,061	42,000	42,000
5320 Data Services	-	-	2,600	2,600
5321 Telephone	2,284	2,787	2,500	2,300
5322 Postage	42,991	47,728	47,100	47,100
5331 Training Expenses	2,218	4,494	5,800	10,800
5339 Armored Pickup	1,447	1,856	1,800	1,800
5355 Printing & Copying	1,822	1,208	2,000	2,000
5356 Copier, Printer Lease & Supplies	697	604	500	500
5401 Building Repair & Maintenance	127	-	-	-
5404 Equipment Maintenance & Repair	3,032	914	700	700
5409 Fleet Services	23,712	15,438	20,400	17,400
5414 Software Lic & Mtc Agreements	4,652	4,687	4,900	4,900
5418 Vehicle/Equipment Lease	869	151	-	-
5427 Credit Card Commission	28,215	36,856	22,000	37,000
5432 Uncollectible Accounts	15,016	21,791	15,000	15,000
5441 Other Services & Charges	1,744	4,103	5,100	5,000
TOTAL	298,481	250,589	418,200	421,100
1940 TOTAL - CUSTOMER SERVICE	1,311,528	1,493,466	1,714,600	1,728,800

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	1,640,238	1,641,858	1,639,000	1,529,200
5101 Permanent Employees - Overtime	222,512	219,347	206,000	206,000
5103 Other Wages	12,677	9,975	16,900	15,600
5118 Meal Allowance	5,755	5,588	5,200	5,300
TOTAL	1,881,182	1,876,768	1,867,100	1,756,100
EMPLOYEE BENEFITS				
5121 P.E.R.A.	136,474	137,004	135,800	128,000
5122 F.I.C.A. Social Security	113,746	112,325	115,400	108,600
5123 F.I.C.A. Medicare	26,603	26,362	27,000	25,400
5125 Dental Insurance	9,712	9,657	9,600	9,500
5126 Life Insurance	4,227	5,272	4,600	4,300
5127 Health Care Savings	35,428	41,464	32,000	30,600
5130 Cafeteria Plan Benefits	390,675	448,853	474,900	467,500
5133 Health or Fitness Program	471	188	-	-
5141 Unemployment Compensation	1,375	5,771	-	-
TOTAL	718,711	786,896	799,300	773,900
OPERATING EXPENSES				
5200 Office Supplies	1,074	922	1,300	1,300
5201 Computer Supplies/Software	435	489	300	400
5205 Safety & Training Materials	6,739	5,200	9,200	9,200
5210 Plant/Operating Supplies	21,168	18,931	22,100	21,800
5212 Motor Fuel	75,159	66,670	80,500	67,000
5215 Shop Materials	5,567	4,924	4,500	4,500
5218 Uniforms	12,108	11,532	12,000	12,000
5219 Other Miscellaneous Supplies	10,722	8,607	2,000	2,000
5220 Repair & Maintenance Supplies	12,914	8,541	11,800	11,800
5222 Paving Materials	23,427	44,349	28,000	30,000
5224 Gravel & Other Maintenance Mtls	101,735	122,161	90,000	104,000
5227 Utility Maintenance Supply	(26,103)	563,081	341,500	341,500
5228 Painting Supplies	49	-	500	500

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
5240 Small Tools	15,865	17,883	19,000	19,000
5241 Small Equipment	5,754	16,885	8,600	10,100
5310 Contract Services	46,509	16,579	12,000	16,000
5320 Data Services	-	-	3,900	3,900
5321 Telephone	2,502	2,325	3,000	2,100
5331 Training Expenses	16,171	9,333	12,100	12,100
5333 Freight/Delivery Charges	2,136	3,925	5,000	4,500
5335 Mileage Reimbursement	3,270	2,948	3,400	3,000
5355 Printing and Copying	-	-	300	300
5356 Copier, Printer Lease & Supplies	232	307	500	400
5381 Electricity	5,288	4,756	5,300	5,000
5382 Water/Sewer/Gas	6,041	4,002	6,000	6,000
5384 Refuse Disposal	22,608	23,291	17,000	20,000
5404 Equipment Maintenance/Repair	10,762	7,924	9,000	9,000
5409 Fleet Service Charges	172,598	192,195	160,100	156,200
5414 Software Lic & Mtc Agreements	789	13	-	300
5415 Vehicle/Equipment Rental	14,877	5,742	22,000	18,000
5419 Other Rentals	1,154	-	-	-
5438 License	825	184	800	800
5441 Other Services & Charges	5,843	3,410	5,000	5,000
5450 Laundry	6,221	7,379	8,300	8,300
5700 Transfer to General Fund	97,882	82,562	166,000	166,000
TOTAL	682,321	1,257,050	1,071,000	1,072,000
1945 TOTAL - UTILITY OPERATIONS	3,282,214	3,920,714	3,737,400	3,602,000

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	666,625	720,135	712,900	782,500
5101 Permanent Employees - Overtime	23,161	26,340	24,700	26,600
5118 Meal Allowance	84	30	-	-
TOTAL	689,870	746,505	737,600	809,100
EMPLOYEE BENEFITS				
5121 P.E.R.A.	51,174	55,286	54,500	59,900
5122 F.I.C.A. Social Security	40,841	43,803	45,700	50,200
5123 F.I.C.A. Medicare	9,552	10,244	10,700	11,700
5125 Dental Insurance	3,776	3,931	3,900	4,500
5126 Life Insurance	1,645	2,156	1,900	2,100
5127 Health Care Savings	11,199	10,619	16,600	12,000
5130 Cafeteria Plan Benefits	179,226	199,370	214,500	240,600
5133 Health or Fitness Program	18	360	-	-
TOTAL	297,431	325,769	347,800	381,000
OPERATING EXPENSES				
5200 Office Supplies	551	401	1,000	800
5201 Computer Supplies/Software	2,526	207	6,200	6,200
5205 Safety & Training Materials	-	-	2,500	2,000
5210 Plant/Operating Supplies	9,276	9,627	9,000	9,500
5211 Cleaning/Janitorial Supplies	1,155	439	2,100	1,500
5212 Motor Fuel	5,219	4,752	5,600	4,800
5216 Treatment Chemicals	392,911	339,784	402,700	386,000
5218 Uniforms	2,836	2,805	5,000	4,000
5219 Other Miscellaneous Supplies	30,469	17,489	24,600	24,600
5220 Repair & Maintenance Supplies	86,050	55,881	85,800	85,800
5228 Painting Supplies	-	1,376	-	-
5240 Small Tools	2,605	1,178	2,500	2,000
5241 Small Equipment	1,953	17,456	9,900	7,800
5310 Contract Services	35,162	45,236	25,000	25,000

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
5319 Other Professional Services	9,275	261	5,000	5,000
5320 Data Services	-	-	200	200
5321 Telephone	416	600	600	1,000
5322 Postage	383	805	800	800
5331 Training Expenses	2,502	2,907	4,600	4,600
5335 Local Mileage Reimbursement	5,523	2,304	-	-
5355 Printing and Copying	-	221	5,000	5,000
5356 Copier, Printer Lease & Supplies	130	-	500	500
5381 Electricity	1,212,643	925,374	1,225,000	1,165,000
5382 Water & Sewer	65,013	78,315	67,000	77,000
5401 Building Repair & Maintenance	30,095	16,463	26,500	26,500
5404 Equipment Maintenance/Repair	48,850	55,964	162,900	172,900
5409 Fleet Services	16,132	13,665	16,500	12,800
5414 Software Lic & Mtc Agreements	400	-	-	-
5433 Dues and Subscriptions	-	6,281	6,200	6,300
5438 Licenses	6,101	61	300	300
5441 Other Services & Charges	61,167	94,076	59,800	104,800
5450 Laundry	154	154	300	200
5483 Water Testing Fees	820	256	-	-
TOTAL	2,030,317	1,694,338	2,163,100	2,142,900
1955 TOTAL-WATER TRMT & PUMPING	3,017,618	2,766,612	3,248,500	3,333,000

City of Duluth Minnesota - 2021 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 95% of total revenues for 2021. The major category of expense is purchased gas, which represents 57% 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
REVENUE				
Gas Sales	37,427,927	38,133,851	39,721,500	41,823,000
Other Operating Revenues	1,676,479	1,564,969	1,882,300	1,380,500
Non-Operating Revenues	131,388	251,407	138,300	128,400
	<u>39,235,794</u>	<u>39,950,227</u>	<u>41,742,100</u>	<u>43,331,900</u>
EXPENSES				
Personal Services	8,008,786	7,059,322	9,074,500	9,086,300
Supplies	998,771	1,206,486	1,165,500	1,275,900
Other Services & Charges	1,790,365	1,876,644	1,811,000	1,842,900
Natural Gas Purchases	20,731,398	20,067,111	22,558,600	24,342,000
Utilities	41,159	33,503	38,800	38,800
Depreciation/Amortization	1,491,898	1,515,602	1,653,000	1,666,700
Improvements -Non-Capital	94,644	9,939	6,400	32,500
Debt Service - Interest	21,870	1,757	-	-
Debt Service - Other	(17,618)	(1,543)	-	-
Capital Lease Interest	53,996	45,562	40,500	31,500
Transfers	2,643,189	2,836,118	2,920,600	2,805,177
	<u>35,858,458</u>	<u>34,650,501</u>	<u>39,268,900</u>	<u>41,121,777</u>
ESTIMATED OPERATING INCOME (LOSS)	3,377,336	5,299,726	2,473,200	2,210,123
Other Sources of Cash	4,631,483	2,817,872	1,803,000	1,716,700
Other Uses of Cash	(6,454,587)	(5,988,490)	(4,375,200)	(3,278,350)
Increase (Decrease) in Cash	<u>1,554,232</u>	<u>2,129,108</u>	<u>(99,000)</u>	<u>648,473</u>

City of Duluth Minnesota - 2021 Budget

Gas Fund Estimated Unrestricted Cash Balance

OPERATING FUND	2020 Budget	2020 Projected	2021 Approved
ESTIMATED OPERATING INCOME (LOSS)	2,473,200	1,114,250	2,210,123
<u>Other Sources of Cash</u>			
Depreciation and Amortization	1,653,000	1,550,800	1,666,700
Due from Other Funds	-	13,975	-
Interfund Loan Repayment	-	2,510,937	-
Energy Fund Loan Repayment	150,000	311,000	50,000
Special Assessment Principal	-	6,272	-
Total Other Sources of Cash	1,803,000	4,392,984	1,716,700
<u>Other Uses of Cash</u>			
Due to Other Funds	-	55,024	-
Capital Improvements from Current Revenues	3,846,500	3,266,312	2,818,300
Capital Equipment Purchases	294,700	351,970	217,150
AMRS Lease Principal Payment	234,000	234,000	242,900
Total Other Uses of Cash	4,375,200	3,907,306	3,278,350
INCREASE (DECREASE) IN CASH	(99,000)	1,599,928	648,473
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - BEGINNING	4,377,595	4,015,206	5,615,134
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - ENDING	4,278,595	5,615,134	6,263,607

City of Duluth Minnesota - 2021 Budget

Gas Fund

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Revenue Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
OPERATING REVENUES				
GAS SALES				
4820 Residential Firm	20,170,000	19,988,765	21,531,000	21,428,000
4822 Comm/Industrial Firm Large	9,445,680	9,665,553	10,083,100	9,600,000
4824 Comm/Industrial Interruptible Large	3,763,715	4,385,370	4,017,700	6,700,000
4831 Fixed Rate Charges	4,048,532	4,094,163	4,089,700	4,095,000
TOTAL	37,427,927	38,133,851	39,721,500	41,823,000
OTHER OPERATING REVENUES				
4636 Sale of Scrap	1,012	-	500	500
4700 Other Sources	11,741	44	526,800	-
4801 Off/On Charge	27,983	28,157	25,000	25,000
4802 Interest Earned on Customer Accts	105,221	109,865	105,000	100,000
4805 Reimbursements	301,484	58,281	50,000	50,000
4809 Miscellaneous Operating Revenue	75,293	98,178	50,000	70,000
4818 Servicing Appliances	519,729	549,099	490,000	490,000
4819 Comfort Policy	436,437	468,784	440,000	450,000
4827 Gas-Interruptible Transport	197,490	252,478	195,000	195,000
4851 Interest Income - Other Sources	89	83	-	-
TOTAL	1,676,479	1,564,969	1,882,300	1,380,500
TOTAL OPERATING REVENUES	39,104,406	39,698,820	41,603,800	43,203,500
NON-OPERATING REVENUES				
4220 Minnesota Grants - Operating	-	19,475	-	-
4230 Pera Aid	23,365	23,365	23,400	23,400
4601 Change in Fair Value Investments	(22,494)	79,380	-	-
4829 Two Tier Rate	87,700	100,479	85,000	90,000
4853 Gain on Sale of Assets	27,917	13,808	15,000	15,000
4730 Transfers In from Enterprise Funds	14,900	14,900	14,900	-
TOTAL NON-OPERATING REVENUES	131,388	251,407	138,300	128,400
TOTAL REVENUE	39,235,794	39,950,227	41,742,100	43,331,900

City of Duluth Minnesota - 2021 Budget

Director's Office

520-500-1900

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

Expense Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	82,639	84,743	87,400	86,300
5101 Permanent Employees - Overtime	625	365	500	-
TOTAL	83,264	85,108	87,900	86,300
EMPLOYEE BENEFITS				
5121 P.E.R.A.	6,012	6,221	6,400	6,400
5122 F.I.C.A. Social Security	4,925	5,033	5,400	5,300
5123 F.I.C.A. Medicare	1,201	1,227	1,300	1,300
5125 Dental Insurance	372	372	400	400
5126 Life Insurance	162	204	200	200
5127 Health Care Savings	1,954	2,402	1,300	1,500
5130 Cafeteria Plan Benefits	10,206	11,172	12,300	20,400
5133 Health or Fitness Program	-	72	-	-
TOTAL	24,832	26,703	27,300	35,500
OPERATING EXPENSES				
5200 Office Supplies	32	26	100	100
5241 Small Equipment	-	340	100	-
5321 Telephone	120	120	100	200
5331 Training/Travel	3,432	2,941	600	600
5335 Mileage Reimbursement Local	228	222	300	200
5438 Licenses	98	92	100	100
5441 Other Services & Charges	317	-	-	-
TOTAL	4,227	3,741	1,300	1,200
1900 TOTAL - DIRECTOR'S OFFICE	112,323	115,552	116,500	123,000

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
OPERATING EXPENSES				
5420 Depreciation	1,491,898	1,515,602	1,653,000	1,666,700
5441 Other Services & Charges	1,538	-	-	-
5535 Improvements (Non-Capital)	94,644	9,939	6,400	32,500
5540 Equipment (Non-Capital)	4,200	13,778	-	-
5611 Bond Interest	21,870	1,757	-	-
5613 Interest - Bond Amortization	(17,618)	(1,543)	-	-
5614 Capital Lease Interest	53,996	45,562	40,500	31,500
5620 Fiscal Agents Fee	554	475	500	500
TOTAL	1,651,082	1,585,570	1,700,400	1,731,200
NON-OPERATING EXPENSES				
5533 Capital Improvements				
- Revenue Financing	2,657,376	2,453,566	3,846,500	2,818,300
5580 Capital Equipment	483,448	272,300	294,700	217,150
TOTAL	3,140,824	2,725,866	4,141,200	3,035,450
1905 TOTAL - CAPITAL	4,791,906	4,311,436	5,841,600	4,766,650

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	52,616	57,452	59,500	58,000
5101 Permanent Employees - Overtime	1,138	184	-	-
	-	154	-	-
TOTAL	53,754	57,790	59,500	58,000
EMPLOYEE BENEFITS				
5121 P.E.R.A.	3,857	3,948	4,200	4,300
5121 P.E.R.A., GASB 68	100,455	2,570	-	-
5122 F.I.C.A. Social Security	3,339	3,611	3,700	3,600
5123 F.I.C.A. Medicare	781	845	900	800
5125 Dental Insurance	361	364	400	400
5126 Life Insurance	4,933	3,256	200	200
5127 Health Care Savings	887	908	1,000	1,100
5130 Cafeteria Plan Benefits	11,619	7,897	8,800	19,000
5133 Health or Fitness Program	150	206	-	-
5134 Other Post Retirement Benefits	(472,922)	(1,714,046)	-	-
5135 Retiree Health Insurance	923,114	887,988	993,400	858,000
5151 Worker's Compensation	46,700	55,700	62,000	78,300
TOTAL	623,274	(746,753)	1,074,600	965,700
OPERATING EXPENSES				
5200 Office Supplies	-	322	100	100
5201 Computer Supplies/Software	108	-	-	-
5205 Safety & Training	1,076	964	1,000	1,000
5211 Cleaning & Janitorial Supplies	4,407	3,944	3,500	3,500
5218 Uniforms	310	246	200	200
5241 Small Equipment	4,762	4,582	2,500	1,400
5301 Auditing Services	1,378	1,331	1,300	1,300
5305 Medical Services/Testing Fees	4,731	8,769	10,400	10,200
5310 Contract Services	7,620	7,286	-	-
5319 Other Professional Services	642	-	-	-
5320 Data Services	42,306	46,229	24,400	29,500
5321 Telephone	4,032	4,028	4,000	4,200

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
5322 Postage	-	-	700	700
5331 Training Expense	7,785	8,208	12,100	11,200
5333 Freight/Delivery Charges	130	-	-	-
5335 Mileage Reimbursement	765	1,911	1,200	1,500
5340 Advertising and Promotion	25,083	23,881	29,500	29,500
5355 Printing & Copying	6,737	7,085	10,000	10,000
5356 Copier, Printer Lease & Supplies	6,099	5,417	5,500	5,000
5360 Insurance	62,400	62,200	62,200	64,400
5381 Electricity	14,882	10,910	13,000	14,000
5382 Water, Gas & Sewer	14,931	14,555	12,800	12,800
5384 Refuse Disposal	2,663	2,690	2,600	2,600
5401 Building Repair & Maintenance	68,708	16,079	4,200	4,600
5404 Equipment/Machinery Repair	891	-	2,300	2,500
5414 Software Lic & Mtc Agreements	72,798	71,231	66,700	70,100
5433 Dues and Subscriptions	3,816	11,242	7,200	7,700
5441 Other Services & Charges	5,040	4,599	4,400	4,200
5443 Board & Meeting Expenses	4,097	898	1,700	1,700
5450 Laundry	1,004	966	1,200	1,200
5452 Pipe Line Safety	6,913	18,152	12,000	12,000
5493 Cost Allocation	442,700	478,100	494,600	494,600
5711 Payment in Lieu of Taxes	2,528,413	2,728,817	2,756,800	2,641,377
5700 Transfer to General Fund	53,600	55,700	60,000	60,000
TOTAL	3,400,827	3,600,342	3,608,100	3,503,077
1915 TOTAL - GENERAL EXPENSE	4,077,855	2,911,379	4,742,200	4,526,777

City of Duluth Minnesota - 2021 Budget

Engineering

520-500-1930

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

Expense Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	734,614	800,680	875,300	895,600
5101 Permanent Employees - Overtime	47,539	49,228	80,000	60,600
5103 Temporary Wages	309	306	2,700	6,100
5118 Meal Allowance	753	869	1,500	1,100
TOTAL	783,215	851,083	959,500	963,400
EMPLOYEE BENEFITS				
5121 P.E.R.A.	57,983	62,815	71,100	71,200
5122 F.I.C.A. Social Security	46,933	50,700	59,400	59,700
5123 F.I.C.A. Medicare	10,976	11,857	13,900	14,000
5125 Dental Insurance	3,823	3,989	4,300	4,700
5126 Life Insurance	1,665	2,193	2,100	2,100
5127 Health Care Savings	13,393	24,556	22,200	23,800
5130 Cafeteria Plan Benefits	189,853	217,479	260,900	270,500
5133 Health or Fitness Program	144	265	-	-
TOTAL	324,770	373,854	433,900	446,000
OPERATING EXPENSES				
5200 Office Supplies	839	449	500	400
5201 Computer Supplies	3	12	200	100
5203 Paper, Stationery and Forms	130	93	200	100
5205 Safety & Training Materials	104	108	400	200
5212 Motor Fuel	6,808	5,517	7,300	5,500
5218 Uniforms	825	2,332	1,100	2,300
5219 Other Miscellaneous Supplies	1,340	1,404	-	-
5220 Repair & Maintenance Supplies	-	1,554	10,000	10,000
5240 Small Tools	-	97	1,100	400
5241 Small Equipment	2,014	3,568	10,500	10,500
5242 Survey Equipment and Supplies	9,885	1,907	3,900	5,200
5303 Engineering Services	95,936	31,126	-	-
5320 Data Services	1,783	2,049	1,700	1,700
5321 Telephone	3,191	3,132	3,500	3,500
5322 Postage	118	50	100	100

City of Duluth Minnesota - 2021 Budget

Engineering

520-500-1930

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

Expense Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
5331 Training Expenses	7,371	6,180	13,100	13,000
5335 Mileage Reimbursement	5	-	200	200
5355 Printing and Copying	574	617	1,000	800
5356 Copier, Printer Lease & Supplies	174	225	800	2,700
5404 Equipment Maintenance Repair	359	1,204	1,600	1,600
5409 Fleet Services	11,533	9,081	17,400	11,500
5414 Software Lic & Mtc Agreements	14,608	19,586	22,500	27,400
5433 Dues and Subscriptions	179	223	3,300	3,300
5435 Books and Pamphlets	9	398	-	100
5438 Licenses	449	-	300	-
5441 Other Services and Charges	5,644	5,900	5,300	6,500
5486 One Call System	2,843	3,320	3,600	3,600
TOTAL	166,724	100,132	109,600	110,700
1930 TOTAL - ENGINEERING	1,274,709	1,325,069	1,503,000	1,520,100

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	2,342,909	2,775,743	2,823,200	2,851,700
5101 Permanent Employees - Overtime	57,363	55,522	79,500	75,900
5103 Temporary Wages	17,196	20,988	25,000	25,000
5111 Long-Term Disability Wages	1,825	-	-	-
5118 Meal Allowance	192	276	300	400
TOTAL	2,419,485	2,852,529	2,928,000	2,953,000
EMPLOYEE BENEFITS				
5121 P.E.R.A.	175,528	206,229	213,500	215,800
5122 F.I.C.A. Social Security	144,305	171,240	181,500	183,100
5123 F.I.C.A. Medicare	33,748	40,048	42,500	42,900
5125 Dental Insurance	13,529	15,552	15,800	17,000
5126 Life Insurance	5,891	8,573	7,700	7,700
5127 Health Care Savings	49,946	63,401	78,200	96,600
5130 Cafeteria Plan Benefits	577,315	720,891	785,900	819,700
5133 Health or Fitness Program	244	310	-	-
TOTAL	1,000,506	1,226,244	1,325,100	1,382,800
OPERATING EXPENSES				
5200 Office Supplies	1,791	3,049	3,100	3,100
5201 Computer Supplies/Software	5,648	1,225	800	800
5203 Paper/Stationery/Forms	-	206	-	-
5205 Safety & Training Materials	3,280	979	-	-
5210 Plant/Operating Supplies	36,981	33,779	35,000	34,000
5212 Motor Fuel	46,021	53,768	48,900	54,000
5215 Shop Materials	7,393	2,592	17,000	17,000
5218 Uniforms	13,160	13,566	8,500	8,500
5219 Other Miscellaneous Supplies	193,930	209,453	132,000	137,000
5220 Repair & Maintenance Supplies	63,973	48,741	35,000	25,000

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
5227 Utility System Maintenance Supply	228,490	261,917	302,100	421,300
5228 Painting Supplies	10,001	6,388	7,500	7,500
5240 Small Tools	35,976	34,954	27,400	29,400
5241 Small Equipment	24,747	33,461	30,000	30,700
5310 Contract Services	61,098	46,582	67,200	67,200
5320 Data Services	-	-	15,000	15,000
5321 Telephone	9,230	10,274	9,700	8,600
5322 Postage	68,776	76,390	75,300	75,300
5331 Training / Travel	6,846	18,994	28,000	28,000
5335 Mileage Reimbursement	399	120	200	200
5339 Armored Pickup	2,484	2,691	2,800	2,800
5340 Advertising and Promotion	88,594	86,329	92,000	84,700
5355 Printing & Copying	2,995	2,141	3,200	3,200
5356 Copier, Printer Lease & Supplies	1,064	837	700	700
5401 Bldg/Structure Repair & Maintenance	172	29	-	-
5404 Equipment Repair & Maintenance	7,414	7,219	1,400	1,400
5409 Fleet Services	86,145	58,366	71,800	74,700
5414 Software Lic & Mtc Agreements	7,458	17,647	7,200	7,200
5418 Vehicle/Equipment Lease	928	161	-	-
5427 Credit Card Commissions	69,450	96,565	58,000	95,000
5432 Uncollectible Accounts	41,243	64,049	55,000	55,000
5433 Dues and Subscriptions	3,043	3,148	3,400	3,400
5441 Other Services & Charges	25,674	20,572	31,900	32,700
5487 Conservation Improvement	109,945	213,830	221,900	221,900
5615 Customer Deposit Refund Interest	41,061	71,071	40,000	40,000
TOTAL	1,305,410	1,501,093	1,432,000	1,585,300
1940 TOTAL - CUSTOMER SERVICES	4,725,401	5,579,866	5,685,100	5,921,100

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	1,463,910	1,177,144	1,143,700	1,146,400
5101 Permanent Employees - Overtime	123,158	118,147	111,200	110,000
5118 Meal Allowance	3,026	2,574	3,000	3,000
TOTAL	1,590,094	1,297,865	1,257,900	1,259,400
EMPLOYEE BENEFITS				
5121 P.E.R.A.	116,024	96,052	92,000	92,300
5122 F.I.C.A. Social Security	96,636	77,952	77,800	77,900
5123 F.I.C.A. Medicare	22,601	18,262	18,200	18,200
5125 Dental Insurance	8,601	6,768	6,400	6,700
5126 Life Insurance	3,751	3,681	3,100	3,000
5127 Health Care Savings	35,322	26,627	20,500	21,700
5130 Cafeteria Plan Benefits	326,986	283,182	284,200	290,700
5133 Health or Fitness Program	357	314	-	-
5141 Unemployment Compensation	1,375	5,771	-	-
TOTAL	611,653	518,609	502,200	510,500
OPERATING EXPENSES				
5200 Office Supplies	1,221	1,007	2,000	1,500
5201 Computer Supplies/Software	223	569	300	300
5205 Safety & Training Materials	12,485	5,294	8,500	8,500
5210 Plant Operations Supplies	15,663	15,968	14,600	14,600
5212 Motor Fuel	44,243	42,377	47,400	42,600
5215 Shop Materials	17,242	25,687	15,000	15,000
5218 Uniforms	10,725	9,300	9,800	9,800
5219 Other Miscellaneous Supplies	4,008	5,015	2,500	2,500
5220 Repair and Maintenance Supplies	12,735	2,770	8,800	8,800
5222 Paving Materials	19,366	23,071	22,000	25,000
5224 Gravel & Other Maintenance Supplies	65,364	61,457	59,000	60,000
5227 Utility Maintenance Supply	(25,783)	154,650	136,500	125,700
5228 Painting Supplies	408	3	500	500
5240 Small Tools	21,609	24,114	21,300	22,300
5241 Small Equipment	1,737	26,430	7,700	10,300

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
5310 Contract Services	6,583	987	5,200	4,200
5320 Data Services	-	-	3,200	3,200
5321 Telephone	3,086	2,795	3,000	3,100
5331 Training Expense	19,096	3,510	10,800	7,400
5333 Freight/Delivery Charges	2,066	5,667	1,800	4,500
5335 Mileage Reimbursement	2,138	2,337	3,400	2,300
5355 Printing and Copying	-	1,735	300	300
5356 Copier, Printer Lease & Supplies	248	377	300	400
5384 Refuse Disposal	7,689	8,140	7,800	7,800
5404 Equipment Repair & Maintenance	18,031	16,006	11,000	13,000
5409 Fleet Service Charges	98,109	122,626	93,000	92,500
5414 Software Lic & Mtc Agreements	26	13	-	300
5415 Vehicle/Equipment Rental	7,937	3,765	8,000	6,500
5419 Other Rentals	101	-	-	-
5441 Other Services & Charges	2,330	2,552	2,500	2,500
5450 Laundry	4,550	5,824	8,400	8,400
5700 Transfer to General Fund	61,176	51,601	103,800	103,800
TOTAL	434,412	625,647	618,400	607,600
1945 TOTAL - UTILITY OPERATIONS	2,636,159	2,442,121	2,378,500	2,377,500

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	338,712	361,586	303,000	307,200
5101 Permanent Employees - Overtime	15,657	11,023	4,000	6,000
5118 Meal Allowance	96	120	-	-
TOTAL	354,465	372,729	307,000	313,200
EMPLOYEE BENEFITS				
5121 P.E.R.A. Contribution	26,367	27,361	22,600	23,100
5122 F.I.C.A. Social Security	21,485	22,651	19,000	19,400
5123 F.I.C.A. Medicare	5,025	5,297	4,500	4,500
5125 Dental Insurance	1,564	1,569	1,300	1,300
5126 Life Insurance	682	860	600	600
5127 Health Care Savings	15,242	11,941	3,500	3,500
5130 Cafeteria Plan Benefits	69,037	73,882	60,100	60,100
5133 Health or Fitness Program	72	-	-	-
TOTAL	139,474	143,561	111,600	112,500
OPERATING EXPENSES				
5200 Office Supplies	282	54	800	500
5201 Computer Supplies/Software	2,233	4,371	10,000	10,000
5210 Plant Operations Supplies	28,206	20,254	24,500	22,000
5212 Motor Fuel	3,000	3,318	3,200	3,300
5218 Uniforms	656	660	1,100	1,100
5219 Other Miscellaneous Supplies	1,911	2,235	2,000	2,500
5220 Repair & Maintenance Supplies	53,542	32,086	72,000	72,000
5227 Utility System Mtc Supplies	2,353	542	-	-
5241 Small Equipment	1,308	13,711	6,000	7,800
5280 Natural Gas Purchases	20,731,398	20,067,111	22,558,600	24,342,000
5310 Contract Services	-	367	-	-
5319 Other Professional Services	47	-	-	-
5320 Data Services	-	-	1,000	1,000
5321 Telephone	2,003	1,924	1,800	1,800
5331 Training Expense	4,882	4,294	14,200	7,600

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
5333 Freight/Delivery Charges	89	197	-	-
5356 Copier, Printer Lease & Supplies	-	-	300	300
5381 Electricity	9,581	8,038	11,000	10,000
5382 Water/Sewer/Gas	1,765	-	2,000	2,000
5400 Miscellaneous Repair & Maint	68	-	-	-
5404 Equipment Maintenance Repair	17,755	160	5,000	2,500
5409 Fleet Services Charges	3,408	3,074	4,600	3,000
5414 Software Lic & Mtc Agreements	9,488	2,723	-	-
5433 Dues and Subscriptions	5,305	2,385	500	500
5438 Licenses	265	-	-	-
5441 Other Services & Charges	6,686	6,587	6,000	6,500
5450 Laundry	759	563	-	-
TOTAL	20,886,990	20,174,654	22,724,600	24,496,400
1960 TOTAL - NATURAL GAS	21,380,929	20,690,944	23,143,200	24,922,100

City of Duluth Minnesota - 2021 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 80% of total revenues for 2021. 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
REVENUE				
Operating Revenue	18,081,471	17,987,469	22,856,100	18,687,400
Non-Operating Revenue	100,372	427,406	89,000	81,600
	<u>18,181,843</u>	<u>18,414,875</u>	<u>22,945,100</u>	<u>18,769,000</u>
EXPENSES				
Personal Services	3,498,683	2,952,752	3,637,200	3,727,100
Supplies	254,176	296,249	434,500	436,700
Other Services & Charges	963,159	1,023,533	1,009,500	1,071,400
WLSSD Treatment	9,234,233	9,024,266	9,272,100	9,500,000
Utilities	140,613	129,910	134,900	152,900
Depreciation/ Amortization	1,431,919	1,469,383	1,569,100	1,626,600
Sanitary Sewer -Grants	187,432	221,445	240,000	200,000
Improvements -Non-Capital	34,123	20,455	68,400	82,500
Debt Service - Interest	125,813	96,250	77,900	51,400
Debt Service - Other	3,831	3,881	(9,200)	(14,300)
Capital Lease Interest	50,723	42,800	38,000	29,600
Transfers	114,776	107,301	163,700	163,700
	<u>16,039,481</u>	<u>15,388,225</u>	<u>16,636,100</u>	<u>17,027,600</u>
ESTIMATED OPERATING INCOME (LOSS)	2,142,362	3,026,650	6,309,000	1,741,400
Other Sources of Cash	3,723,438	1,090,260	1,559,900	1,612,300
Other Uses of Cash	(4,308,591)	(3,444,389)	(8,448,500)	(3,887,450)
Increase (Decrease) in Cash	<u>1,557,209</u>	<u>672,521</u>	<u>(579,600)</u>	<u>(533,750)</u>

City of Duluth Minnesota - 2021 Budget

Sewer Fund Estimated Unrestricted Cash Balance

OPERATING FUND	2020 Budget	2020 Projected	2021 Approved
ESTIMATED OPERATING INCOME (LOSS)	6,309,000	6,912,277	1,741,400
<u>Other Sources of Cash</u>			
Depreciation and Amortization	1,569,100	1,511,000	1,626,600
Interest from Bond Discount	(9,200)	(9,200)	(14,300)
Due from Other Funds	-	167	-
Special Assessment Principal	-	108,456	-
Total Other Sources of Cash	1,559,900	1,610,423	1,612,300
<u>Other Uses of Cash</u>			
Capital Grants	-	5,125,566	-
Due to Other Funds	-	33,003	-
Infrastructure System Replacement Fund	119,900	119,900	119,900
Capital Improvements from Current Revenues	6,430,000	2,590,454	2,379,500
Capital Equipment Purchases	405,500	185,300	214,050
Bond Principal Payments	1,273,300	1,273,300	945,800
AMRS Lease Principal Payment	219,800	219,800	228,200
Total Other Uses of Cash	8,448,500	9,547,323	3,887,450
INCREASE (DECREASE) IN CASH	(579,600)	(1,024,623)	(533,750)
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - BEGINNING	2,307,761	2,509,334	1,484,711
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - ENDING	1,728,161	1,484,711	950,961

City of Duluth Minnesota - 2021 Budget

Sewer Fund

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Revenue Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
OPERATING REVENUES:				
4636 Sale of Materials	371	253	500	500
4700 Other Sources	1,939	44	4,343,000	-
4802 Interest Earned on Customer Accts	53,182	51,499	53,500	55,000
4805 Reimbursements	32,086	33,850	28,000	33,000
4806 Connection Fees	-	13,860	-	-
4809 Misc. Operating Revenue	4,276	3,981	2,000	2,000
4831 Fixed Rate Charges	1,940,687	1,948,979	1,940,100	1,945,000
4833 Sewer Revenues	15,878,642	15,777,441	16,329,600	16,500,000
4834 Fond du Lac Grinder Pump Surcharge	11,889	12,025	11,900	11,900
4839 Point of Sale Inspection Fee	150,773	141,361	140,000	140,000
4851 Interest Income - Other Sources	7,626	4,176	7,500	-
TOTAL OPERATING REVENUES	18,081,471	17,987,469	22,856,100	18,687,400
NON-OPERATING REVENUES:				
4220 Minnesota Grants - Capital	-	314,828	-	-
4230 Pera Aid	8,283	8,283	8,300	8,300
4601 Change in Fair Value Investments	(2,494)	26,580	-	-
4853 Gain on Sale of Assets	17,572	-	3,000	3,000
4854 Utility Special Assessments	(704)	-	-	-
4730 Transfer from Enterprise Funds	77,715	77,715	77,700	70,300
TOTAL NON-OPERATING REVENUES	100,372	427,406	89,000	81,600
TOTAL REVENUE	18,181,843	18,414,875	22,945,100	18,769,000

City of Duluth Minnesota - 2021 Budget

Director's Office

530-500-1900

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

Expense Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	60,583	62,151	63,800	62,400
5101 Permanent Employees - Overtime	479	241	500	-
TOTAL	61,062	62,392	64,300	62,400
EMPLOYEE BENEFITS				
5121 P.E.R.A.	4,416	4,552	4,700	4,600
5122 F.I.C.A. Social Security	3,560	3,640	4,000	3,900
5123 F.I.C.A. Medicare	882	901	900	900
5125 Dental Insurance	242	242	200	300
5126 Life Insurance	105	133	100	100
5127 Health Care Savings	1,693	1,891	800	900
5130 Cafeteria Plan Benefits	5,589	6,120	6,700	14,800
5133 Health or Fitness Program	-	72	-	-
TOTAL	16,487	17,551	17,400	25,500
OPERATING EXPENSES				
5241 Small Equipment	-	333	100	-
5321 Telephone	120	120	100	100
5331 Training Expense	211	-	200	200
5335 Mileage Reimbursement	209	206	200	200
5356 Copier, Printer Lease & Supplies	39	72	100	100
TOTAL	579	731	700	600
1900 TOTAL - DIRECTOR'S OFFICE	78,128	80,674	82,400	88,500

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
OPERATING EXPENSES				
5420 Depreciation	1,431,919	1,469,383	1,569,100	1,626,600
5535 Improvements (Non-Capital)	34,123	20,455	68,400	82,500
5540 Equipment (Non-Capital)	348	7,649	-	-
5611 Bond Interest	125,813	96,250	77,900	51,400
5613 Interest - from Amortization	3,831	3,881	(9,200)	(14,300)
5614 Capital Lease Interest	50,723	42,800	38,000	29,600
5620 Fiscal Agents Fee	1,743	1,900	1,900	1,900
TOTAL	1,648,500	1,642,318	1,746,100	1,777,700
NON-OPERATING EXPENSES				
5533 Capital Improvements - Revenue	2,034,177	1,272,403	6,430,000	2,379,500
5580 Capital Equipment	310,665	212,560	405,500	214,050
TOTAL	2,344,842	1,484,963	6,835,500	2,593,550
1905 TOTAL - CAPITAL	3,993,342	3,127,281	8,581,600	4,371,250

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	29,730	33,238	35,000	33,400
5101 Permanent Employees - Overtime	965	148	-	-
5111 Long-Term Disability Wages	-	154	-	-
TOTAL	30,695	33,540	35,000	33,400
EMPLOYEE BENEFITS				
5121 P.E.R.A.	2,274	2,261	2,500	2,500
5121 P.E.R.A., GASB 68	87,004	(18,678)	-	-
5122 F.I.C.A. Social Security	1,899	2,099	2,200	2,100
5123 F.I.C.A. Medicare	444	491	500	500
5125 Dental Insurance	231	234	200	300
5126 Life Insurance	1,555	1,152	100	100
5127 Health Care Savings	469	459	500	700
5130 Cafeteria Plan Benefits	8,217	4,154	4,700	14,800
5133 Health or Fitness Program	45	62	-	-
5134 Other Post Retirement Benefits	(117,987)	(486,947)	-	-
5135 Retiree Health Insurance	152,476	159,578	172,100	164,000
5151 Worker's Compensation	41,900	37,800	34,000	30,600
TOTAL	178,527	(297,335)	216,800	215,600
OPERATING EXPENSES				
5200 Office Supplies	15	213	100	100
5205 Safety & Training	1,614	1,482	600	600
5211 Cleaning & Janitorial Supplies	4,079	3,281	3,500	3,500
5218 Uniforms	308	246	100	100
5241 Small Equipment	313	1,645	1,900	3,100
5301 Auditing Services	1,378	1,331	1,300	1,300
5305 Medical Services/Testing Fees	4,731	1,279	1,400	1,600
5310 Contract Services	7,228	7,081	-	-
5320 Data Services	16,727	16,534	12,500	12,900
5321 Telephone	2,804	2,819	2,800	2,200
5331 Training / Travel	575	1,566	2,800	2,300

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
5335 Mileage Reimbursement - Local	230	402	200	300
5356 Copier, Printer Lease & Supplies	5,771	5,027	5,500	5,000
5360 Insurance	12,000	24,100	23,600	51,400
5381 Electricity	13,925	9,353	13,000	14,000
5382 Water, Gas & Sewer	11,105	10,586	13,400	13,400
5384 Refuse Disposal	2,663	2,690	2,600	2,600
5401 Building Repair & Maintenance	32,876	11,353	4,100	4,400
5404 Equipment/Machinery Repair & Mtc	713	-	1,700	1,900
5414 Software Lic & Mtc Agreements	44,624	44,811	45,000	47,600
5441 Other Services & Charges	4,618	4,440	3,700	3,500
5450 Laundry	944	904	1,200	1,200
5493 Cost Allocation	204,600	208,200	230,400	230,400
5700 Transfer to General Fund	53,600	55,700	60,000	60,000
TOTAL	427,441	415,043	431,400	463,400
1915 TOTAL - UTILITY GENERAL	636,663	151,248	683,200	712,400

City of Duluth Minnesota - 2021 Budget

Engineering

530-500-1930

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

Expense Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	378,904	393,618	408,000	402,900
5101 Permanent Employees - Overtime	33,405	40,059	45,000	37,700
5103 Temporary Wages	309	306	2,700	6,100
5118 Meal Allowance	672	1,161	900	1,000
TOTAL	413,290	435,144	456,600	447,700
EMPLOYEE BENEFITS				
5121 P.E.R.A.	30,152	31,935	33,400	32,600
5122 F.I.C.A. Social Security	24,810	26,099	28,300	27,700
5123 F.I.C.A. Medicare	5,802	6,104	6,600	6,500
5125 Dental Insurance	2,013	1,994	2,100	2,200
5126 Life Insurance	876	1,091	1,000	1,000
5127 Health Care Savings	5,959	7,903	6,400	9,400
5130 Cafeteria Plan Benefits	81,551	87,768	101,000	111,000
5133 Health or Fitness Program	111	241	-	-
TOTAL	151,274	163,135	178,800	190,400
OPERATING EXPENSES				
5200 Office Supplies	825	369	500	400
5201 Computer Supplies	30	11	200	100
5203 Paper, Stationary & Forms	94	87	200	100
5205 Safety & Training Materials	97	113	500	200
5212 Motor Fuels	2,947	3,314	3,200	3,300
5218 Uniforms	415	1,159	400	1,000
5219 Other Miscellaneous Supplies	161	176	-	-
5240 Small Tools	513	92	700	400
5241 Small Equipment	659	2,126	4,100	4,100
5242 Survey Equipment and Supplies	3,285	1,154	3,900	5,200
5303 Engineering Services	102	-	-	-
5320 Data Services	1,644	1,917	1,700	1,700
5321 Telephone	1,858	1,784	2,000	2,000
5322 Postage	66	47	100	100
5331 Training Expenses	605	1,397	4,600	3,400

City of Duluth Minnesota - 2021 Budget

Engineering

530-500-1930

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

Expense Detail	2018	2019	2020	2021
	Actual	Actual	Budget	Approved
5335 Mileage Reimbursement - Local	2,055	1,866	2,000	2,000
5355 Printing and Copying	192	476	1,000	800
5356 Copier, Printer Lease & Supplies	165	211	700	2,600
5404 Equipment Maintenance/Repair	339	552	1,600	1,600
5409 Fleet Services Charges	3,438	4,144	5,800	5,100
5414 Software Lic & Mtc Agreements	8,328	11,789	13,000	11,400
5433 Dues & Subscriptions	179	426	800	800
5435 Books & Pamphlets	8	-	-	100
5438 Licenses	204	-	100	-
5441 Other Services and Charges	3,630	2,937	4,100	5,600
5486 One Call System	2,809	3,289	3,600	3,600
TOTAL	34,648	39,436	54,800	55,600
1930 TOTAL - ENGINEERING	599,212	637,715	690,200	693,700

City of Duluth Minnesota - 2021 Budget

Customer Service

530-500-1940

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

Expense Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	177,217	222,905	230,300	216,100
5101 Permanent Employees - Overtime	210	2,799	2,300	2,300
5118 Meal Allowance	-	21	-	-
TOTAL	177,427	225,725	232,600	218,400
EMPLOYEE BENEFITS				
5121 P.E.R.A.	12,958	16,288	17,000	16,000
5122 F.I.C.A. Social Security	10,606	13,462	14,400	13,500
5123 F.I.C.A. Medicare	2,480	3,148	3,400	3,200
5125 Dental Insurance	1,113	1,317	1,300	1,300
5126 Life Insurance	485	726	600	600
5127 Health Care Savings	3,625	9,211	5,100	6,800
5130 Cafeteria Plan Benefits	42,932	56,957	61,800	62,400
5133 Health or Fitness Program	122	119	-	-
TOTAL	74,321	101,228	103,600	103,800
OPERATING EXPENSES				
5200 Office Supplies	252	527	1,000	1,000
5201 Computer Supplies	-	190	400	400
5212 Motor Fuel	285	16	-	-
5241 Small Equipment	310	1,650	3,100	2,400
5310 Contract Services	30,479	23,276	33,600	33,600
5321 Telephone	248	283	300	300
5322 Postage	34,402	38,182	37,800	37,800
5331 Training Expense	1,529	3,239	3,000	3,000
5339 Armored Pickup	1,168	1,483	1,400	1,400
5355 Printing & Copying	1,578	966	1,400	1,400
5356 Copier, Printer Lease & Supplies	398	241	300	300
5401 Building Repair & Maintenance	350	-	-	-
5404 Equipment Repair & Maintenance	208	84	200	200
5409 Fleet Services	32	-	-	1,900
5414 Software Lic & Mtc Agreements	3,877	3,835	4,100	4,100
5418 Vehicle/Equipment Lease	869	151	-	-
5427 Credit Card Commission	35,270	44,651	28,000	45,000

City of Duluth Minnesota - 2021 Budget

Customer Service

530-500-1940

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

Expense Detail	2018	2019	2020	2021
	Actual	Actual	Budget	Approved
5432 Uncollectible Accounts	20,738	27,172	23,000	23,000
5441 Other Services & Charges	396	274	700	700
TOTAL	132,389	146,220	138,300	156,500
1940 TOTAL-CUSTOMER SERVICES	384,137	473,173	474,500	478,700

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	1,129,202	973,491	994,400	1,025,900
5101 Permanent Employees - Overtime	88,071	59,936	74,100	73,000
5103 Temporary Wages	17,748	13,965	23,700	21,800
5118 Meal Allowance	2,687	2,246	2,000	2,200
TOTAL	1,237,708	1,049,638	1,094,200	1,122,900
EMPLOYEE BENEFITS				
5121 P.E.R.A.	88,612	75,395	78,500	80,900
5122 F.I.C.A. Social Security	73,985	63,095	67,700	69,500
5123 F.I.C.A. Medicare	17,303	14,756	15,800	16,300
5125 Dental Insurance	7,159	5,935	5,900	6,500
5126 Life Insurance	3,120	3,250	2,800	2,900
5127 Health Care Savings	24,323	23,264	20,900	21,000
5130 Cafeteria Plan Benefits	318,943	267,028	282,600	315,800
5133 Health or Fitness Program	18	88	-	-
5141 Unemployment Compensation	2,056	3,768	-	-
TOTAL	535,519	456,579	474,200	512,900
OPERATING EXPENSES				
5200 Office Supplies	1,292	981	3,000	2,500
5201 Computer Supplies	3,063	2,172	3,000	3,200
5205 Safety & Training Materials	6,586	4,521	6,500	6,500
5210 Plant Operations Supplies	43,729	24,082	33,200	33,700
5212 Motor Fuel	52,948	51,230	56,600	51,500
5215 Shop Materials	240	241	1,000	1,000
5218 Uniforms	10,023	9,047	11,200	11,200
5219 Other Miscellaneous Supplies	11,222	1,277	2,000	2,000
5220 Repair and Maintenance Supplies	42,374	17,042	119,100	119,100
5222 Paving Materials	12,369	21,252	15,000	17,000
5224 Gravel and other Mtc Materials	36,164	61,190	48,000	50,000
5227 Utility Maintenance Supply	(3,106)	56,710	79,500	79,500
5240 Small Tools	10,869	5,669	9,000	9,000

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
5241 Small Equipment	4,703	9,813	9,300	10,300
5310 Contract Services	19,448	18,426	51,100	51,100
5320 Data Services	-	-	3,000	3,000
5321 Telephone	2,063	1,280	2,000	1,100
5331 Training Expense	8,446	7,550	12,400	9,400
5333 Freight/Delivery Charges	1,383	1,405	900	1,500
5335 Mileage Reimbursement	2,898	2,389	3,400	2,500
5355 Printing and Copying	-	1,083	500	500
5356 Copier, Printer Lease & Supplies	289	585	500	600
5381 Electricity	105,786	101,385	97,000	114,000
5382 Water, Gas & Sewer	9,797	8,586	11,500	11,500
5384 Refuse Disposal	14,555	16,283	16,000	17,000
5404 Equipment Maintenance/Repair	33,367	38,321	10,000	20,000
5409 Fleet Service Charges	104,132	143,083	127,900	122,200
5414 Software Lic & Mtc Agreements	1,443	1,263	1,600	1,600
5415 Vehicle/Equipment Rental	17,139	1,224	7,000	5,800
5419 Other Rentals	101	-	-	-
5433 Dues and Subscriptions	951	170	900	1,400
5438 Licenses	664	463	1,000	1,000
5441 Other Services & Charges	3,442	3,912	3,000	4,000
5450 Laundry	4,089	3,778	5,600	5,600
5700 Transfer to General Fund	61,176	51,601	103,700	103,700
TOTAL	623,645	668,014	855,400	874,000
1945 TOTAL - UTILITY OPERATIONS	2,396,872	2,174,231	2,423,800	2,509,800

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
OPERATING EXPENSES				
5484 Western Lake Superior Sanitary District Service Charge	9,234,233	9,024,266	9,272,100	9,500,000
5485 Western Lake Superior Sanitary District Testing	216,889	215,585	216,000	216,000
1965 TOTAL- SEWER TREATMENT	9,451,122	9,239,851	9,488,100	9,716,000

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	402,508	471,513	508,000	505,100
5101 Permanent Employees - Overtime	29,304	16,498	15,500	20,500
5118 Meal Allowance	446	240	300	300
TOTAL	432,258	488,251	523,800	525,900
EMPLOYEE BENEFITS				
5121 P.E.R.A.	32,322	35,646	38,700	39,100
5122 F.I.C.A. Social Security	25,784	29,164	32,500	32,600
5123 F.I.C.A. Medicare	6,030	6,821	7,600	7,600
5125 Dental Insurance	2,363	2,731	2,800	3,000
5126 Life Insurance	1,029	1,498	1,400	1,400
5127 Health Care Savings	8,517	7,268	7,400	12,800
5130 Cafeteria Plan Benefits	113,926	133,647	149,500	171,700
5133 Health or Fitness Program	144	129	-	-
TOTAL	190,115	216,904	239,900	268,200
OPERATING EXPENSES				
5200 Office Supplies	768	388	1,000	800
5201 Computer Supplies/Software	103	-	-	-
5205 Safety & Training	65	393	1,600	1,000
5212 Motor Fuels	2,414	2,495	3,800	2,500
5218 Uniforms	1,571	1,903	1,700	1,700
5220 Repair & Maintenance Supplies	304	392	-	-
5240 Small Tools	62	-	-	-
5241 Small Equipment	211	7,267	5,500	8,200
5321 Telephone	1,361	3,171	2,800	2,800
5322 Postage	-	-	700	-
5331 Training Expense	1,217	500	5,300	2,500
5335 Mileage Reimbursement	8,422	12,038	6,300	3,200
5355 Printing & Copying	900	1,139	2,000	2,000
5356 Copier, Printer Lease & Supplies	-	232	200	200

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
5404 Equipment Maintenance Repair	-	326	3,000	3,000
5409 Fleet Services	2,780	4,463	4,900	3,500
5418 Vehicle/Equipment Lease	6,978	1,212	-	-
5441 Other Services and Charges	5,752	24,644	3,000	23,000
5450 Laundry	2,134	1,852	2,300	2,300
5482 Private Property Sewer Grants	187,432	221,445	240,000	200,000
TOTAL	222,474	283,860	284,100	256,700
1970 TOTAL INFLOW & INFILTRATION	844,847	989,015	1,047,800	1,050,800

City of Duluth Minnesota - 2021 Budget

Clean Water Surcharge Fund

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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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
REVENUE				
Operating Revenue	1,637,196	1,641,800	1,643,500	1,652,000
Non-Operating Revenue	(783)	8,596	-	-
	<u>1,636,413</u>	<u>1,650,396</u>	<u>1,643,500</u>	<u>1,652,000</u>
EXPENSES				
Other Services & Charges	7,266	7,488	8,200	8,200
Depreciation/ Amortization	562,746	566,871	566,900	566,900
Grants & Awards	243,320	305,252	400,000	400,000
Debt Service - Interest	121,252	104,925	94,400	77,700
Transfers	70,265	70,265	70,300	70,300
	<u>1,004,849</u>	<u>1,054,801</u>	<u>1,139,800</u>	<u>1,123,100</u>
ESTIMATED OPERATING INCOME (LOSS)	631,564	595,595	503,700	528,900
Other Sources of Cash	567,697	571,220	566,900	566,900
Other Uses of Cash	(1,153,435)	(1,167,989)	(1,185,700)	(1,201,200)
Increase (Decrease) in Cash	<u>45,826</u>	<u>(1,174)</u>	<u>(115,100)</u>	<u>(105,400)</u>

City of Duluth Minnesota - 2021 Budget

Clean Water Fund Estimated Unrestricted Cash Balance

<u>OPERATING FUND</u>	2020 Budget	2020 Projected	2021 Approved
ESTIMATED OPERATING INCOME (LOSS)	503,700	598,700	528,900
<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	1,185,700	1,185,700	1,201,200
Total Other Uses of Cash	1,185,700	1,185,700	1,201,200
INCREASE (DECREASE) IN CASH	(115,100)	(20,100)	(105,400)
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - BEGINNING	695,542	804,268	784,168
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - ENDING	580,442	784,168	678,768

City of Duluth Minnesota - 2021 Budget

Clean Water Surcharge Fund

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Revenue Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
OPERATING REVENUES				
4836 I & I Surcharge	18,346	16,154	12,000	12,000
4837 Clean Water Surcharge	1,618,850	1,625,646	1,631,500	1,640,000
TOTAL	1,637,196	1,641,800	1,643,500	1,652,000
NON-OPERATING REVENUES				
4601 Change in Fair Value Investments	(783)	8,596	-	-
TOTAL	(783)	8,596	-	-
TOTAL REVENUE	1,636,413	1,650,396	1,643,500	1,652,000

City of Duluth Minnesota - 2021 Budget

Clean Water Surcharge Fund

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Expense Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
OPERATING EXPENSES				
5420 Depreciation	562,746	566,871	566,900	566,900
5427 Credit Card Commissions	3,174	4,043	3,200	3,200
5432 Uncollectible Accounts	4,092	3,445	5,000	5,000
5434 Grants & Awards	243,320	305,252	400,000	400,000
5611 Bond Interest	121,252	104,925	94,400	77,700
5700 Transfers to Sewer Fund	70,265	70,265	70,300	70,300
TOTAL	1,004,849	1,054,801	1,139,800	1,123,100

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
REVENUE				
Stormwater Sewer Service	5,245,031	5,255,576	5,255,000	5,546,188
Miscellaneous Revenue	40,764	40,263	33,500	37,500
Non-Operating	783	53,897	5,600	-
	<u>5,286,578</u>	<u>5,349,736</u>	<u>5,294,100</u>	<u>5,583,688</u>
EXPENSES				
Personal Services	2,082,179	2,353,434	2,716,300	2,746,700
Supplies	229,748	254,274	288,000	280,700
Other Services and Charges	562,484	540,167	626,700	593,300
Utilities	24,264	20,433	25,000	26,000
Depreciation and Amortization	414,418	437,764	490,500	515,400
Improvements - Non-Capital	141,403	74,288	276,400	227,500
Debt Service - Interest	15,719	12,826	10,600	6,500
Bond Amortization	(6,548)	(6,522)	(6,500)	(6,500)
Transfers Out	528,070	528,241	551,500	551,500
	<u>3,991,737</u>	<u>4,214,905</u>	<u>4,978,500</u>	<u>4,941,100</u>
ESTIMATED OPERATING INCOME (LOSS)	1,294,841	1,134,831	315,600	642,588
Other Sources of Cash	494,593	339,229	484,000	508,900
Other Uses of Cash	(1,169,091)	(1,851,472)	(1,295,200)	(1,271,650)
Increase (Decrease) in Cash	<u>620,343</u>	<u>(377,412)</u>	<u>(495,600)</u>	<u>(120,162)</u>

City of Duluth Minnesota - 2021 Budget

Stormwater Fund Estimated Unrestricted Cash Balance

OPERATING FUND	2020 Budget	2020 Projected	2021 Approved
ESTIMATED OPERATING INCOME (LOSS)	315,600	580,661	642,588
<u>Other Sources of Cash</u>			
Depreciation and Amortization	490,500	466,900	515,400
Interest from Bond Discount	(6,500)	(6,500)	(6,500)
Due from Other Funds	-	4,977	-
Special Assessment Principal	-	894	-
Total Other Sources of Cash	484,000	466,271	508,900
<u>Other Uses of Cash</u>			
Due to Other Funds	-	23,042	-
Capital Improvements from Current Revenues	1,101,400	1,339,489	1,001,300
Capital Equipment Purchases	58,800	85,890	130,350
Bond Principal Payments	135,000	135,000	140,000
Total Other Uses of Cash	1,295,200	1,583,421	1,271,650
INCREASE (DECREASE) IN CASH	(495,600)	(536,489)	(120,162)
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - BEGINNING	1,341,897	1,131,961	595,472
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - ENDING	846,297	595,472	475,310

City of Duluth Minnesota - 2021 Budget

Stormwater Fund

535

Revenue Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
OPERATING REVENUES:				
4636 Sale of Materials	2,525	3,395	3,000	3,000
4700 Other Sources	349	44	-	-
4170 Miscellaneous Permits & Licenses	14,950	16,950	15,000	16,000
4835 Stormwater Revenues	5,245,031	5,255,576	5,255,000	5,546,188
4802 Interest Earned on Customer Accounts	11,639	12,407	13,000	14,000
4805 Reimbursements	7,797	4,426	500	2,000
4809 Miscellaneous Operating Revenues	1,498	72	-	-
4851 Interest - Other Sources	2,006	2,969	2,000	2,500
TOTAL OPERATING REVENUES	5,285,795	5,295,839	5,288,500	5,583,688
NON-OPERATING REVENUES:				
4209 Direct Federal Grants, Operating	-	29,644	-	-
4601 Change in Fair Value Investments	(4,817)	14,030	-	-
4853 Gain/Loss-Sale of Fixed Assets	-	4,623	-	-
4730 Transfers from Enterprise Funds	5,600	5,600	5,600	-
TOTAL NON-OPERATING REVENUES	783	53,897	5,600	-
TOTAL REVENUE	5,286,578	5,349,736	5,294,100	5,583,688

City of Duluth Minnesota - 2021 Budget

Director's Office

535-500-1900

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

Expense Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	60,583	62,151	63,800	62,400
5101 Permanent Employees - Overtime	479	241	500	-
TOTAL	61,062	62,392	64,300	62,400
EMPLOYEE BENEFITS				
5121 P.E.R.A.	4,416	4,552	4,700	4,600
5122 F.I.C.A. Social Security	3,560	3,640	4,000	3,900
5123 F.I.C.A. Medicare	882	901	900	900
5125 Dental Insurance	242	242	200	300
5126 Life Insurance	105	133	100	100
5127 Health Care Savings	1,693	1,891	800	900
5130 Cafeteria Plan Benefits	5,589	6,120	6,700	14,800
5133 Health or Fitness Program	-	72	-	-
TOTAL	16,487	17,551	17,400	25,500
OPERATING EXPENSES				
5241 Small Equipment	-	333	100	-
5321 Telephone	120	120	100	100
5331 Training Expense	211	-	100	100
5335 Mileage Reimbursement-Local	209	206	200	200
5356 Copier, Printer Lease & Spplies	56	74	100	100
TOTAL	596	733	600	500
1900 TOTAL - DIRECTOR'S OFFICE	78,145	80,676	82,300	88,400

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
OPERATING EXPENSES				
5420 Depreciation	414,418	437,764	490,500	515,400
5535 Improvements (Non-Capital)	141,403	74,288	276,400	227,500
5540 Equipment (Non-Capital)	348	5,051	-	-
5611 Bond Interest	15,719	12,826	10,600	6,500
5613 Interest from Amortization	(6,548)	(6,522)	(6,500)	(6,500)
5620 Fiscal Agent Fees	120	59	100	-
TOTAL	565,460	523,466	771,100	742,900
NON-OPERATING EXPENSES				
5533 Capital Improvements - Revenue	713,011	1,322,993	1,101,400	1,001,300
5580 Capital Equipment	193,929	211,931	58,800	130,350
TOTAL	906,940	1,534,924	1,160,200	1,131,650
1905 TOTAL - CAPITAL	1,472,400	2,058,390	1,931,300	1,874,550

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	29,726	33,239	35,000	33,400
5101 Permanent Employees - Overtime	965	148	-	-
5111 Long-Term Disability Wages	-	154	-	-
TOTAL	30,691	33,541	35,000	33,400
EMPLOYEE BENEFITS				
5121 P.E.R.A.	2,273	2,260	2,500	2,500
5121 P.E.R.A., GASB 68	(172,354)	60,587	-	-
5122 F.I.C.A. Social Security	1,899	2,098	2,200	2,100
5123 F.I.C.A. Medicare	444	491	500	500
5125 Dental Insurance	229	233	200	300
5126 Life Insurance	98	128	100	100
5127 Health Care Savings	469	459	500	700
5130 Cafeteria Plan Benefits	8,216	4,154	4,700	14,800
5133 Health or Fitness Program	45	62	-	-
5134 Other Post Retirement Benefits	(8,718)	(158,947)	-	-
5135 Retiree Health Insurance	27,443	29,877	32,300	34,500
5151 Worker's Compensation	14,000	16,700	17,000	19,500
TOTAL	(125,956)	(41,898)	60,000	75,000
OPERATING EXPENSES				
5200 Office Supplies	19	213	100	100
5205 Safety & Training Materials	1,050	912	600	600
5211 Cleaning and Janitorial Supplies	3,988	3,281	3,500	3,500
5218 Uniforms	308	246	100	200
5241 Small Equipment	313	1,625	1,900	2,100
5301 Auditing Services	459	444	400	1,300
5305 Medical Services/Testing Fees	4,731	1,103	1,300	1,500
5310 Contract Services	7,228	7,081	-	-
5320 Data Services	9,898	9,724	7,000	7,000
5321 Telephone	1,068	1,082	1,000	1,200
5331 Training Expenses	575	1,472	2,800	2,300
5335 Mileage Reimbursement - Local	230	402	200	300

City of Duluth Minnesota - 2021 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	2018	2019	2020	2021
	Actual	Actual	Budget	Approved
5356 Copier, Printer Lease & Supplies	5,771	5,032	5,500	5,000
5360 Insurance	14,400	16,700	18,700	14,600
5381 Electricity	13,925	10,390	13,000	14,000
5382 Water & Gas	10,339	10,043	12,000	12,000
5384 Refuse Disposal	6,299	5,775	7,600	6,600
5401 Building Repair & Maintenance	19,732	9,617	3,900	4,200
5404 Equipment/Machinery Repair & Mtc	678	-	-	-
5414 Software Lic & Mtc Agreements	26,810	28,961	29,000	31,300
5441 Other Services and Charges	3,714	3,164	3,600	3,400
5450 Laundry	944	904	1,200	1,200
5493 Cost Allocation Charges	149,400	134,400	169,900	169,900
5700 Transfer to General Fund	53,600	55,600	60,000	60,000
5700 Transfer to Special Revenue Funds	-	2,000	-	-
TOTAL	335,479	310,171	343,300	342,300
1915 TOTAL - UTILITY EXPENSE	240,214	301,814	438,300	450,700

City of Duluth Minnesota - 2021 Budget

Engineering

535-500-1930

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

Expense Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	495,944	505,974	470,900	465,300
5101 Permanent Employees - Overtime	24,788	23,405	35,000	23,200
5103 Temporary Wages	309	306	2,700	6,100
5118 Meal Allowance	582	626	600	600
TOTAL	521,623	530,311	509,200	495,200
EMPLOYEE BENEFITS				
5121 P.E.R.A.	37,995	39,204	37,600	36,400
5122 F.I.C.A. Social Security	31,068	31,434	31,500	30,700
5123 F.I.C.A. Medicare	7,265	7,352	7,400	7,200
5125 Dental Insurance	2,296	2,271	2,100	2,300
5126 Life Insurance	1,000	1,244	1,000	1,000
5127 Health Care Savings	9,991	15,753	8,500	11,400
5130 Cafeteria Plan Benefits	109,355	118,802	119,400	129,500
5133 Health or Fitness Program	108	241	-	-
5141 Unemployment Compensation	2,264	3,274	-	-
TOTAL	201,342	219,575	207,500	218,500
OPERATING EXPENSES				
5200 Office Supplies	826	369	500	400
5201 Computer Supplies	3	11	400	100
5203 Paper, Stationery and Forms	94	87	200	100
5205 Safety & Training Materials	97	107	500	200
5212 Motor Fuel	2,770	2,499	3,000	2,500
5218 Uniforms	300	850	500	600
5219 Other Miscellaneous Supplies	44	176	-	-
5240 Small Tools	630	92	800	400
5241 Small Equipment	631	1,995	3,200	3,200
5242 Survey Equipment and Supplies	1,931	199	3,900	5,200
5303 Engineering Services	21,756	397	27,500	17,500
5310 Contract Services	169	2,672	15,000	-
5320 Data Services	1,638	1,912	3,800	3,800
5321 Telephone	2,569	2,541	2,700	2,700

City of Duluth Minnesota - 2021 Budget

Engineering

535-500-1930

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

Expense Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
5322 Postage	-	41	100	100
5331 Training Expenses	3,002	4,527	5,000	2,500
5335 Mileage Reimbursement	2,055	2,274	2,200	2,200
5355 Printing and Copying	537	476	1,000	800
5356 Copier, Printer Lease & Spplies	165	211	600	2,500
5404 Equipment Maintenance Repair	295	541	1,600	1,600
5409 Fleet Services	2,147	3,600	4,000	3,300
5414 Software Lic & Mtc Agreements	9,034	12,574	13,900	12,100
5433 Dues and Subscriptions	284	328	300	300
5435 Books and Pamphlets	8	-	-	100
5438 Licenses	326	-	100	-
5441 Other Services and Charges	1,187	1,558	23,100	24,600
5486 One Call system	2,809	3,289	3,600	3,600
TOTAL	55,307	43,326	117,500	90,400
1930 TOTAL - ENGINEERING	778,272	793,212	834,200	804,100

City of Duluth Minnesota - 2021 Budget

Customer Service

535-500-1940

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

Expense Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	129,432	172,135	177,100	166,400
5101 Permanent Employees - Overtime	153	2,542	1,700	1,700
	-	21	-	-
TOTAL	129,585	174,698	178,800	168,100
EMPLOYEE BENEFITS				
5121 P.E.R.A.	9,466	12,587	13,100	12,300
5122 F.I.C.A. Social Security	7,751	10,415	11,100	10,400
5123 F.I.C.A. Medicare	1,813	2,435	2,600	2,400
5125 Dental Insurance	815	1,020	1,000	1,000
5126 Life Insurance	355	564	500	500
5127 Health Care Savings	2,669	6,948	3,900	5,000
5130 Cafeteria Plan Benefits	31,428	44,221	48,000	48,400
5133 Health or Fitness Program	92	95	-	-
TOTAL	54,389	78,285	80,200	80,000
OPERATING EXPENSES				
5200 Office Supplies	189	371	800	800
5201 Computer Supplies	-	143	300	300
5212 Motor Fuels	173	16	-	-
5241 Small Equipment	224	1,237	1,200	700
5310 Contract Services	22,859	17,442	25,200	25,200
5321 Telephone	127	189	200	200
5322 Postage	25,775	28,637	28,300	28,300
5331 Training Expense	1,138	2,283	2,200	2,200
5339 Armored Pickup	872	1,113	1,000	1,000
5355 Printing & Copying	839	725	1,100	1,100
5356 Copier, Printer Lease & Spplies	298	181	300	300
5401 Building Repair & Maintenance	250	-	-	-
5404 Equipment Repair & Maintenance	127	63	200	200
5409 Fleet Services	32	-	-	-
5418 Vehicle/Equipment Lease	869	151	-	-
5427 Credit Card Commission	10,333	13,053	9,000	13,000
5432 Uncollectible Accounts	7,211	9,176	4,900	4,900

City of Duluth Minnesota - 2021 Budget

Customer Service

535-500-1940

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

Expense Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
5441 Other Services & Charges	184	206	500	500
TOTAL	71,500	74,986	75,200	78,700
1940 TOTAL - CUSTOMER SERVICES	255,474	327,969	334,200	326,800

City of Duluth Minnesota - 2021 Budget

Utility Operations

535-500-1945

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

Expense Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	754,790	810,318	952,000	996,100
5101 Permanent Employees - Overtime	67,273	60,240	80,000	65,000
5103 Other Wages	20,283	15,960	27,000	25,000
5118 Meal Allowance	1,632	1,772	2,000	1,800
TOTAL	843,978	888,290	1,061,000	1,087,900
EMPLOYEE BENEFITS				
5121 P.E.R.A.	60,386	63,662	76,400	78,300
5122 F.I.C.A. Social Security	50,692	52,593	65,700	67,300
5123 F.I.C.A. Medicare	11,853	12,299	15,400	15,800
5125 Dental Insurance	4,415	4,758	5,600	6,200
5126 Life Insurance	1,917	2,608	2,700	2,800
5127 Health Care Savings	14,107	17,708	24,500	19,900
5130 Cafeteria Plan Benefits	205,557	236,793	312,600	310,400
5133 Health or Fitness Program	51	268	-	-
TOTAL	348,978	390,689	502,900	500,700
OPERATING EXPENSES				
5200 Office Supplies	1,192	1,508	2,000	1,500
5201 Computer Supplies/Software	3,274	505	600	600
5205 Safety & Training Materials	6,376	3,968	4,600	4,600
5210 Plant Operating Supplies	13,122	14,126	14,000	14,000
5212 Motor Fuels	45,442	39,493	48,600	39,700
5218 Uniforms	7,563	6,355	7,600	7,600
5219 Other Miscellaneous Supplies	4,638	1,786	2,000	2,000
5220 Repair and Maintenance Supplies	3,906	6,251	7,000	7,000
5222 Blacktop	14,193	23,712	16,500	18,500
5224 Gravel and Other Maintenance Materials	49,929	52,019	53,000	53,000
5227 Utility Maintenance Supplies	57,839	76,156	98,300	98,300
5240 Small Tools	7,194	6,402	4,600	4,600
5241 Small Equipment	1,490	7,231	7,600	8,300
5310 Contract Services	434	3,251	5,300	5,300

City of Duluth Minnesota - 2021 Budget

Utility Operations

535-500-1945

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

Expense Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
5320 Data Services	-	-	1,900	1,900
5321 Telephone	1,167	1,310	1,200	1,200
5331 Training Expense	2,384	1,511	6,400	4,000
5333 Freight and Delivery Charges	714	900	1,000	1,000
5335 Mileage Reimbursement	3,826	4,258	6,700	4,800
5355 Printing & Copying	5,451	1,599	8,500	8,000
5356 Copier, Printer Lease & Supplies	289	585	300	600
5384 Refuse Disposal	13,599	9,756	12,000	12,000
5404 Equipment/Maintenance Repair	7,191	4,306	5,600	6,100
5409 Fleet Services	115,533	128,151	115,700	113,900
5414 Software Lic & Mtc Agreements	1,276	3,138	3,200	3,200
5415 Vehicle/Equip Rent	13,850	3,158	13,000	10,500
5419 Other Rentals	101	-	-	-
5433 Dues and Subscriptions	6,776	6,794	7,400	7,500
5441 Other Services & Charges	14,442	26,406	4,000	4,000
5450 Laundry	3,555	3,513	4,400	4,400
5700 Transfer to General Fund	474,470	470,641	491,500	491,500
TOTAL	881,216	908,789	954,500	939,600
1945 TOTAL - UTILITY OPERATIONS	2,074,172	2,187,768	2,518,400	2,528,200

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
REVENUE				
Operating	7,647,995	7,861,703	8,187,757	8,126,989
Miscellaneous	5,323,623	5,430,976	9,115,904	1,560,000
	12,971,618	13,292,679	17,303,661	9,686,989
EXPENSES				
Duluth Steam Co-op Management Contract	2,986,510	2,804,670	2,911,520	2,969,418
Fuel Expense	3,046,353	3,244,783	3,449,320	3,267,113
Other Operating & Maintenance Expenses	728,612	673,170	870,007	771,757
Depreciation	1,235,611	1,318,551	1,318,551	1,618,545
In Lieu of Taxes	161,101	152,960	152,796	152,796
Bond Interest	201,463	191,219	176,843	438,662
	8,359,650	8,385,353	8,879,037	9,218,291
ESTIMATED OPERATING INCOME/(LOSS)	4,611,968	4,907,326	8,424,624	468,698

City of Duluth Minnesota - 2021 Budget

Steam Utility Fund

540

Revenue Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
OPERATING REVENUES:				
4801 Off/On Charge	1,500	300	-	-
4802 Interest Earned on Customer Accts	24,121	23,656	22,800	22,800
4809 Misc Non-Operating Income	69,725	4,155	11,000	11,000
4840 Energy Charge	2,814,134	3,052,978	3,276,849	3,114,038
4842 Capacity Charge	4,088,047	4,055,605	4,150,176	4,167,672
4843 Steam Repair - Labor	8,889	5,649	4,200	4,200
4844 Steam Repair - Materials	2,682	4,546	6,000	6,000
4845 Hot Water Sales	304,409	337,297	274,020	277,040
4846 Chilled Water Capacity Charge	198,253	198,253	198,253	198,253
4847 Chilled Water Energy Charge	115,100	82,907	114,534	105,289
4858 Infrastructure Charge	21,135	96,357	129,925	220,697
TOTAL OPERATING REVENUES	7,647,995	7,861,703	8,187,757	8,126,989
MISCELLANEOUS REVENUES:				
4210 Pass-thru Federal Grants	-	-	9,000,000	1,500,000
4220 Minnesota Grants - Capital	5,095,641	5,269,398	-	-
4850 Earnings on Investments	2,986	-	-	-
4855 DECC Capacity Charge	232,098	229,473	115,904	60,000
4720 Gain/Loss on Sale Capital Assets	(7,102)	(67,895)	-	-
TOTAL MISCELLANEOUS REVENUES	5,323,623	5,430,976	9,115,904	1,560,000
TOTAL REVENUE	12,971,618	13,292,679	17,303,661	9,686,989

City of Duluth Minnesota - 2021 Budget

Steam Utility Fund

540

Expense Detail by Division	2018 Actual	2019 Actual	2020 Budget	2021 Approved
1490 Production	3,046,353	3,244,783	3,449,320	3,267,113
1491 Chiller Production	53,290	84,070	65,057	65,057
1492 Production Maintenance	268,632	238,175	279,000	270,000
1493 Transmission & Distribution	134,617	83,980	318,000	228,000
1494 Customer Accounting	6,895	5,000	6,500	6,500
1495 Administration & General	4,630,093	4,514,193	4,562,667	4,921,359
1497 Hot Water	18,307	23,933	21,650	21,600
1499 Debt Service & Capital	201,463	191,219	176,843	438,662
TOTAL EXPENSES	8,359,650	8,385,353	8,879,037	9,218,291

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
5216 Chemicals	71,371	12,185	54,000	48,000
5220 Repair and Mtc Supplies	3,741	5,764	-	-
5381 Electricity	123,059	83,861	120,000	120,000
5382 Water, Gas and Sewer	201,678	204,363	184,250	177,100
5383 Natural Gas	1,701,147	2,403,996	2,448,620	2,519,880
5384 Refuse Disposal	2,177	2,121	-	-
5385 Oil	23,802	16,906	27,337	26,078
5387 Coal	896,148	501,432	581,504	348,890
5388 Ash Handling	23,230	14,155	33,609	27,165
1490 TOTAL - PRODUCTION	3,046,353	3,244,783	3,449,320	3,267,113

City of Duluth Minnesota - 2021 Budget

Chiller Production

540-1491

Records the variable cost of producing and distributing chilled water.

Expense Detail	2018	2019	2020	2021
	Actual	Actual	Budget	Approved
5216 Chemicals	2,969	40,991	7,500	7,500
5220 Repair & Mntc Supplies	7,067	6,831	6,600	6,600
5310 Contract Services	-	561	10,250	10,250
5381 Electricity	38,423	30,467	35,233	35,233
5382 Water, Gas & Sewer	4,831	5,220	5,474	5,474
1491 TOTAL - PRODUCTION	53,290	84,070	65,057	65,057

City of Duluth Minnesota - 2021 Budget

Production Maintenance

540-1492

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

Expense Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
5205 Safety Equipment & Supplies	11,855	9,380	15,000	12,000
5220 Repair Materials & Supplies	168,537	157,087	192,000	192,000
5310 Contract Services	87,378	71,513	72,000	66,000
5441 Other Services & Charges	862	195	-	-
1492 TOTAL - PRODUCTION MAINTENANCE	268,632	238,175	279,000	270,000

City of Duluth Minnesota - 2021 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	2018	2019	2020	2021
	Actual	Actual	Budget	Approved
5220 Repair Materials & Supplies	52,073	34,954	108,000	144,000
5310 Contract Services	82,544	49,026	210,000	84,000
1493 TOTAL - TRANSMISSIONS & DISTRIBUTION	134,617	83,980	318,000	228,000

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
5200 Office Supplies	-	-	500	500
5322 Postage	545	-	-	-
5432 Uncollectible Accounts	6,350	5,000	6,000	6,000
1494 TOTAL - CUSTOMER ACCOUNTING	6,895	5,000	6,500	6,500

City of Duluth Minnesota - 2021 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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
5200 Office Supplies	1,778	1,752	2,400	2,400
5301 Audit Fees	1,139	3,002	1,100	1,500
5307 Management Contract	2,986,510	2,804,670	2,911,520	2,969,418
5319 Other Professional Services	23,866	14,214	1,200	4,300
5321 Telephone Service	9,314	7,412	7,800	4,200
5322 Postage	687	1,348	1,200	1,200
5331 Travel/Training	-	-	1,500	1,000
5340 Advertising & Promotion	3,350	4,007	4,800	4,800
5361 General Liability Boiler Insurance	73,054	82,881	33,000	41,000
5384 Refuse Disposal	-	-	2,400	1,800
5404 Equipment/Machinery Repair & Mtc	-	-	1,200	1,200
5415 Vehicle/Equip Rent (Short-term)	7,607	5,268	6,000	6,000
5420 Depreciation	1,235,611	1,318,551	1,318,551	1,618,545
5433 Dues & Subscription	9,406	11,477	6,000	4,800
5438 Licenses Operating	53,118	39,108	39,800	35,300
5441 Other Services & Charges	11,318	11,820	14,400	14,400
5443 Board & Meeting Expenses	1,334	123	1,200	900
5480 Payment in Lieu of Taxes	161,101	152,960	152,796	152,796
5493 Cost Allocation	50,900	55,600	55,800	55,800
1495 TOTAL - ADMINISTRATION & GENERAL	4,630,093	4,514,193	4,562,667	4,921,359

City of Duluth Minnesota - 2021 Budget

Hot Water

540-1497

Expense Detail	2018 Actual	2019 Actual	2020 Budget	2021 Approved
5216 Chemicals	507	351	-	-
5220 Repair & Maintenance Supplies	-	-	6,000	4,800
5310 Contract Services	-	(1)	8,400	4,800
5381 Electricity	17,776	22,603	7,250	12,000
5441 Other Services & Charges	24	980	-	-
1497 TOTAL - HOT WATER	18,307	23,933	21,650	21,600

City of Duluth Minnesota - 2021 Budget

Debt Service

540-1499

To pay the interest expense on the outstanding bond issues and the DEDA storefront loan.

Expense Detail	2018	2019	2020	2021
	Actual	Actual	Budget	Approved
5611 Bond Interest	166,959	156,683	139,057	395,916
5612 Other Debt Interest	-	-	5,132	2,196
5620 Fiscal Agents Fee	950	950	950	950
5622 Bond Amortization	33,554	33,586	31,704	39,600
1499 TOTAL - DEBT SERVICE	201,463	191,219	176,843	438,662

City of Duluth Minnesota - 2021 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.

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	5,776,099	5,100,825	4,558,756	4,153,201
REVENUES				
Participation from Other Funds	25,977,775	28,063,156	30,701,726	30,862,597
Charges for Services	4,048,681	4,516,953	4,351,013	4,331,525
Miscellaneous	3,355,246	3,736,951	2,913,231	2,669,422
TOTAL REVENUES	33,381,702	36,317,060	37,965,970	37,863,544
EXPENSES				
Personal Services	2,495,422	2,943,200	2,653,354	2,854,813
Other Expenditures	4,677,804	5,361,958	5,324,250	5,229,499
Claims	26,883,750	28,553,972	30,393,921	29,556,201
TOTAL EXPENSES	34,056,976	36,859,130	38,371,525	37,640,513
FUND BALANCE - DECEMBER 31	5,100,825	4,558,756	4,153,201	4,376,232

City of Duluth Minnesota - 2021 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.

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	193,328	(173,360)	(613,052)	(864,452)
REVENUES				
Transfer from City Funds				
- General	800,000	1,000,000	900,000	1,900,000
- Public Utility	151,300	151,300	158,800	186,300
Other Reimbursements	406,863	100,114	137,700	141,200
TOTAL REVENUES	1,358,163	1,251,414	1,196,500	2,227,500
EXPENSES				
Personal Services	591,165	846,622	532,900	697,900
Claims: Workers' Compensation	657,024	276,102	371,000	376,100
Other Services and Charges	476,662	568,382	544,000	560,600
TOTAL EXPENSES	1,724,851	1,691,106	1,447,900	1,634,600
FUND BALANCE - DECEMBER 31	(173,360)	(613,052)	(864,452)	(271,552)
BUDGETED FTE'S				
1100 Safety & Training Officer	1	1	1	1

City of Duluth Minnesota - 2021 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.

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	962,324	1,060,284	833,318	743,638
REVENUES				
Transfer from City Funds				
- General	400,000	400,000	500,000	500,000
- Public Utility	121,600	156,100	193,840	230,100
- Duluth Steam	20,298	20,363	20,360	40,100
Duluth Airport	47,347	47,015	47,020	64,700
DEDA	24,575	24,812	24,810	28,400
Other Reimbursements	10,755	18,345	-	-
TOTAL REVENUES	624,575	666,635	786,030	863,300
EXPENSES				
Claims: Liability	22,951	346,831	325,400	395,200
Property/Boiler Insurance	188,826	187,902	190,470	229,200
Other Services and Charges	314,838	358,868	359,840	362,500
TOTAL EXPENSES	526,615	893,601	875,710	986,900
FUND BALANCE - DECEMBER 31	1,060,284	833,318	743,638	620,038

City of Duluth Minnesota - 2021 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.

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	5,311,217	4,869,884	5,001,204	4,942,300
REVENUES				
City Employer/Employee Premium	23,594,321	25,398,379	27,922,972	26,957,857
Sub-Group Employer/Employee Premium	2,100,192	2,324,058	2,597,803	2,359,078
Miscellaneous	750,766	1,206,471	100,000	100,000
TOTAL REVENUES	26,445,279	28,928,908	30,620,775	29,416,935
EXPENSES				
Personal Services	360,500	371,315	382,454	390,113
Claims	25,378,569	27,031,683	28,742,051	27,788,457
Other Services and Charges	1,147,543	1,394,590	1,555,174	1,450,321
TOTAL EXPENSES	26,886,612	28,797,588	30,679,679	29,628,891
FUND BALANCE - DECEMBER 31	4,869,884	5,001,204	4,942,300	4,730,344

City of Duluth Minnesota - 2021 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.

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	245,766	255,821	237,365	228,611
REVENUES				
City Employer/Employee Premiums	818,334	865,187	933,924	955,140
Sub-Group Employer/Employee Premiums	79,159	80,373	76,728	69,144
TOTAL REVENUES	897,493	945,560	1,010,652	1,024,284
EXPENSES				
Claims	825,206	899,356	955,470	996,444
Other Services and Charges	62,232	64,660	63,936	64,448
TOTAL EXPENSES	887,438	964,016	1,019,406	1,060,892
FUND BALANCE - DECEMBER 31	255,821	237,365	228,611	192,003

City of Duluth Minnesota - 2021 Budget

Fleet Services

City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Estimate	2021 Target
High Performing Organization: Focuses on equipping, training and continuously expanding the abilities of decision-makers, leadership, management and staff to successfully accomplish public goals	Train outside departments to utilize the City GPS system	0%	65%	75%	100%
	Separate Assets By Departments	70%	75%	90%	100%
	Inactivate Retired Units	0%	75%	90%	100%
	Train and support new users on new site.	0%	40%	50%	60%
	Maintain training and peripherally support department users.	0%	100%	100%	100%
Long Range Planning: Supports decision-making with timely and accurate analysis, focusing on innovative, long-term solutions that benefit the community	Develop and implement action plan w/Facilities Management.	40%	60%	100%	100%
	Move parts department downstairs.	75%	90%	100%	100%
	Complete remodel of upstairs area to accommodate breakroom, locker room, training area, and a fitness center.	0%	60%	95%	100%
High Performing Organization: Focuses on equipping, training and continuously expanding the abilities of decision-makers, leadership, management and staff to successfully accomplish public goals	Reduce inventory by using FIMS to run reports.	-10%	-10%	-5%	-5%
	Expand FIMS use in Capital Planning	20%	40%	60%	80%
	Use certification-tracking capabilities to monitor licenses and certs.	60%	80%	90%	100%
	Implement scheduling module to reduce downtime.	20%	40%	50%	75%
	Develop and implement Fleet right-sizing and usage standards	40%	50%	75%	100%

City of Duluth Minnesota - 2021 Budget

Fleet Services

City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2018 Actual	2019 Actual	2020 Estimate	2021 Target
High Performing Organization: Focuses on equipping, training and continuously expanding the abilities of decision-makers, leadership, management and staff to successfully accomplish public goals	Develop new polices and procedures for mobile repairs	0%	0%	60%	75%
	Outfit and prepare new mobile repair truck for service	0%	0%	75%	100%
	Incorporate the new service vehicle into the PM scheduling	0%	0%	50%	75%

City of Duluth Minnesota - 2021 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.

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
FUND BALANCE - JANUARY 1	(936,536)	(911,804)	(900,080)	(896,897)
REVENUES				
SALES & SERVICES (BY ACCOUNT):				
Fuel Sales	1,011,852	1,050,096	1,083,300	1,054,000
Fleet Repair Part Sales, Fleet Parts	805,857	915,411	851,500	942,500
Fleet Repair Part Sales, Sublet Part Sales	268,205	499,848	330,110	292,630
Fleet Repair Services, Fleet Labor	1,772,699	1,755,310	1,880,373	1,836,665
Fleet Repair Services, Sublet Labor	190,068	296,288	205,730	205,730
TOTAL SALES & SERVICES	4,048,681	4,516,953	4,351,013	4,331,525
SALES & SERVICES (BY FUND):				
General Fund	3,027,102	3,440,605	3,285,313	3,337,525
Special Projects Fund	1,215	2,848	4,000	2,700
Parks Fund	4,092	2,044	-	1,900
Parking Fund	14,786	6,938	9,800	10,000
Water and Gas	614,306	614,046	604,800	569,400
Sewer	168,976	208,745	202,200	190,000
Stormwater	166,096	173,760	171,300	159,400
Street Light Utility	52,108	67,967	73,600	60,600
TOTAL SALES & SERVICES	4,048,681	4,516,953	4,351,013	4,331,525
Other Revenue	7,511	7,590	1,000	-
TOTAL REVENUES	4,056,192	4,524,543	4,352,013	4,331,525
EXPENSES				
Personal Services	1,113,191	1,164,588	1,196,500	1,227,700
Benefits	430,566	560,675	541,500	539,100
Other Expenses	2,487,703	2,787,556	2,610,830	2,562,430
TOTAL EXPENSES	4,031,460	4,512,819	4,348,830	4,329,230
FUND BALANCE - DECEMBER 31	(911,804)	(900,080)	(896,897)	(894,602)

City of Duluth Minnesota - 2021 Budget

Fleet Services - Personnel Summary

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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
1100 Fleet Services Manager	1.00	1.00	1.00	1.00
133 Budget & Operations Analyst	0.20	0.20	0.20	0.20
32 Fleet Services Coordinator	-	-	1.00	1.00
32 Fleet Services Leadworker	2.00	2.00	2.00	2.00
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 Storekeeper	1.00	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	1.00
22 Maintenance Worker	-	1.00	-	1.00
Division Total	17.20	18.20	17.20	18.20

City of Duluth Minnesota - 2021 Budget

Fleet Services - Expense Detail

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	2018 Actual	2019 Actual	2020 Budget	2021 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	1,104,185	1,155,142	1,176,500	1,207,700
5101 Permanent Employees - Overtime	8,946	9,198	20,000	20,000
5103 Other Wages	-	158	-	-
5118 Meal Allowance	60	90	-	-
TOTAL	1,113,191	1,164,588	1,196,500	1,227,700
5121 P.E.R.A.	81,602	84,955	88,200	90,300
5121 P.E.R.A., GASB 68	(45,599)	45,222	-	-
5122 F.I.C.A. Social Security	66,720	69,631	74,200	76,100
5123 F.I.C.A. Medicare	15,604	16,285	17,300	17,800
5125 Dental Insurance	6,739	6,739	6,400	7,200
5126 Life Insurance	4,277	4,541	3,100	3,300
5127 Health Care Savings Plan	23,921	19,905	17,500	24,000
5130 Cafeteria Plan Benefits	277,152	313,037	334,800	320,400
5133 Health or Fitness Program	150	360	-	-
TOTAL	430,566	560,675	541,500	539,100
OTHER EXPENSES				
5200 Office Supplies	507	652	1,500	1,000
5201 Computer Supplies/Software	1,084	1,695	-	-
5205 Safety & Training Materials	2,850	2,625	5,000	5,000
5210 Plant/Operating Supplies	8,462	8,238	20,000	20,000
5211 Cleaning/Janitorial Supplies	1,766	689	-	-
5212 Motor Fuel	1,015,225	1,053,433	1,083,300	1,054,000
5215 Shop Materials	16,438	16,759	16,100	16,600
5218 Uniforms	-	-	-	400
5219 Other Miscellaneous Supplies	4,405	2,452	-	-
5221 Equipment Repair Supplies	949,908	1,095,262	950,100	950,100
5240 Small Tools	2,105	6,939	10,000	8,000
5241 Small Equipment	664	502	-	-
5319 Other Professional Services	4,505	30	6,000	4,000
5320 Data Services	5,677	10,488	-	-
5321 Telephone	534	540	570	570
5331 Travel/Training	2,005	369	5,000	5,000
5335 Local Mileage Reimbursement	59	85	130	130
5356 Copier, Printer Lease & Supplies	2,828	2,973	3,000	3,100

City of Duluth Minnesota - 2021 Budget

Fleet Services - Expense Detail

660

	2018 Actual	2019 Actual	2020 Budget	2021 Approved
5381 Electricity	16,635	16,616	19,000	19,000
5382 Water, Gas and Sewer	17,802	17,187	19,000	19,000
5384 Refuse Disposal	1,255	1,238	1,500	1,500
5401 Building Structure Repair	2,760	1,732	-	-
5404 Equipment Repair & Maintenance	181,852	295,058	202,730	202,730
5414 Software Licenses & Maintenance	11,870	11,726	25,200	25,200
5420 Depreciation	64,934	64,038	59,000	46,400
5438 Licenses	6,583	4,079	7,500	2,500
5441 Other Services and Charges	16,329	17,118	18,000	20,000
5450 Laundry	7,879	9,533	12,000	12,000
5493 Cost Allocation Charges	135,900	145,500	146,200	146,200
5540 Non-Capital Equipment	4,882	-	-	-
TOTAL	2,487,703	2,787,556	2,610,830	2,562,430
5580 Capital Equipment	21,732	-	-	-
TOTAL EXPENSES	4,053,192	4,512,819	4,348,830	4,329,230

City of Duluth Minnesota - 2021 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 2021 capital improvement budget and the 2021 through 2025 capital improvement plans.

2021 Proposed Improvements

The 2021 capital improvement program outlines total proposed projects in the amount of \$55,679,727 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. The chart on the next page shows the breakdown of funding for the 2021 program.

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 State Bonds totaling \$13,500,000 and City Tourism Tax Bonds totaling \$6,500,000 for a combined total of \$20,000,000.

Parks and trails are to be funded by federal grants totaling \$2,444,351; state grants totaling \$1,937,500; St Louis River Corridor bond proceeds (½ and ½ tax) of \$1,472,430; other Grants and Donations totaling \$3,409,575; Other City funding of \$92,000 and the Parks fund contribution of \$2,133,621 for a combined program total of \$11,489,477.

City of Duluth Minnesota - 2021 Budget

Capital Improvement Plan

The Street and Bridge Improvement and Preservation program for 2021 totals \$10,007,150. Funding sources include \$1,717,150 from aids and grants, \$280,000 from property tax dollars levied in the Permanent Improvement fund, \$6,750,000 from the local sales tax dedicated to street improvement (.5%), \$845,000 from the Street System Maintenance levy, and \$415,000 from other City funding sources.

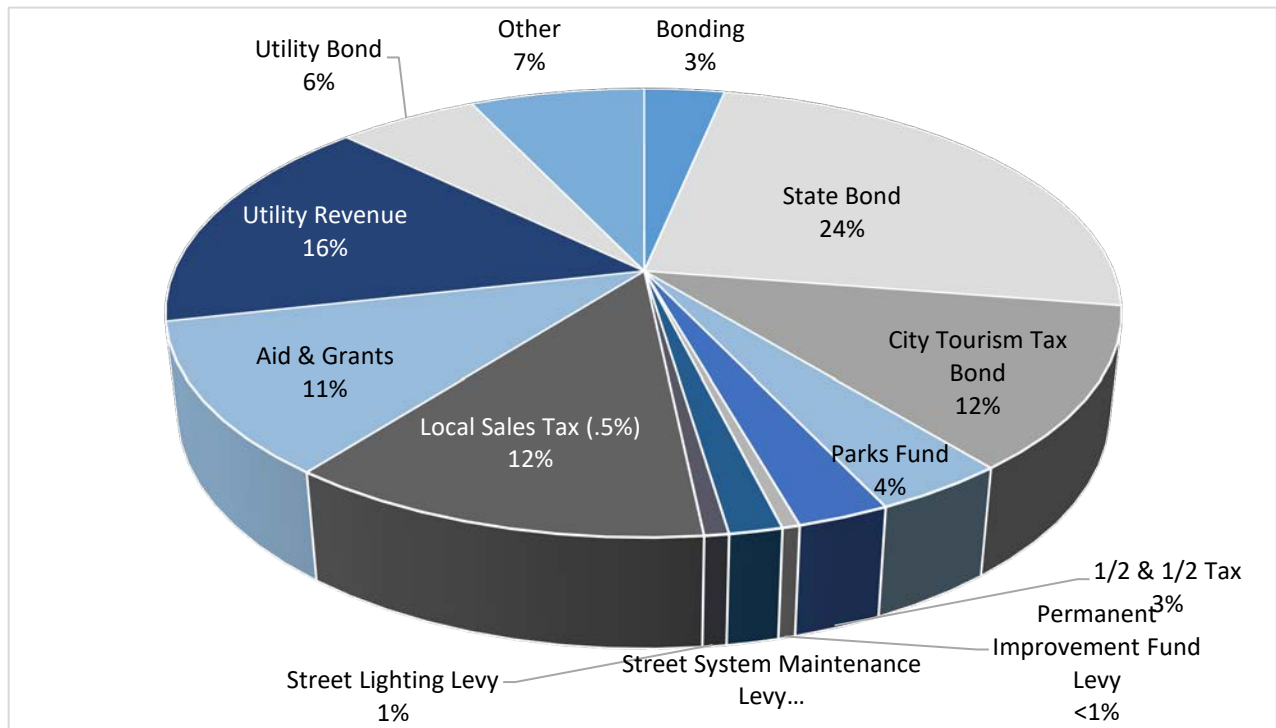
2021 Capital Utility Projects total \$12,383,100 and will be funded using \$8,844,800 from utility revenue, \$3,150,000 from utility bond proceeds, and \$388,300 from the Street Lighting levy.

City of Duluth Minnesota - 2021 Budget

Capital Improvement Plan

2021 Funding Sources

Bonding	\$1,800,000
State Bond	\$13,500,000
City Tourism Tax Bond	\$6,500,000
Parks Fund	\$2,133,621
1/2 & 1/2 Tax	\$1,472,430
Permanent Improvement Fund Levy	\$280,000
Street System Maintenance Levy	\$845,000
Street Lighting Levy	\$388,300
Local Sales Tax (.5%)	\$6,750,000
Aid & Grants	\$6,099,001
Utility Revenue	\$8,844,800
Utility Bond	\$3,150,000
Other	\$3,916,575
Total	\$55,679,727



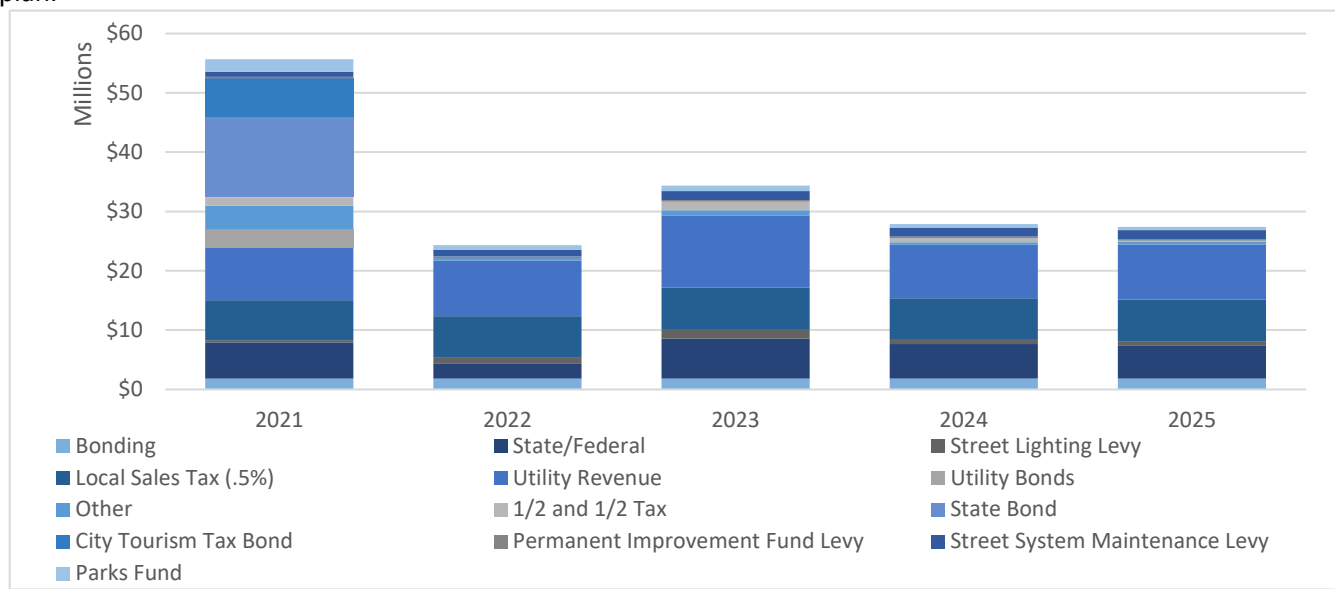
City of Duluth Minnesota - 2021 Budget

Capital Improvement Plan

2021 Funding Sources

Five Year Improvement Plan Funding

The City has identified \$169.6 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 \$18.65 million in capital improvements. Shown in the chart below are the funding sources by year for the five-year capital improvement plan.



	2021	2022	2023	2024	2025	Total
Bonding	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	9,000,000
State Bond	13,500,000	-	-	-	-	13,500,000
City Tourism Tax Bond	6,500,000	-	-	-	-	6,500,000
State/Federal	6,099,001	2,521,302	6,750,000	5,844,219	5,650,000	26,864,522
Permanent Improvement Fund Levy	280,000	280,000	280,000	280,000	280,000	1,400,000
Street System Maintenance Levy	845,000	1,056,000	1,500,000	1,500,000	1,500,000	6,401,000
Street Lighting Levy	388,300	1,000,000	1,625,000	700,000	700,000	4,413,300
Local Sales Tax (.5%)	6,750,000	7,000,000	7,000,000	7,000,000	7,000,000	34,750,000
Utility Revenue	8,844,800	9,387,500	12,157,500	9,047,500	9,287,500	48,724,800
Utility Bonds	3,150,000	-	-	-	-	3,150,000
Parks Fund	2,133,621	820,000	936,050	600,000	550,000	5,039,671
Other	3,916,575	433,750	871,750	415,000	415,000	6,052,075
1/2 and 1/2 Tax	1,472,430	35,000	1,443,700	690,000	207,500	3,848,630
Total Plan	55,679,727	24,333,552	34,364,000	27,876,719	27,390,000	169,643,998

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

2021 Funding Sources by Project

Facilities	Bond			
CIP Eligible Capital Maintenance Building Improvements/COVID Studies	150,000			
Civic Buildings (CCW/City Hall/Library)	1,400,000			
Public Safety (Fire/Police)	250,000			
Total	1,800,000			
Parks and Trails	Parks Fund	1/2 & 1/2 Tax	Aids/Grants	Other
St. Louis River Natural Area Land Acquisition	45,000	-	900,000	2,800,000
Lincoln Park Restoration	37,500	810,000	1,092,026	186,575
Hartley Legacy Project	4,500	-	1,293,975	423,000
Spirit Landing Project	-	375,000	-	-
Parks Strategic Master Plan	200,000	-	-	-
Neighborhood Parks	85,000	53,430	32,000	-
Signage & Wayfinding	150,000	-	-	-
Sustainable Infrastructure	1,227,200	-	-	-
Brighton Beach Park Restoration and Lakewalk Extension	213,421	-	375,000	92,000
Fairmount Snowmobile Trail Reconstruction	-	175,000	390,625	-
Grand Avenue Nordic Center – Phase II	-	50,000	224,225	-
DWP Rail-to-Trail Conversion	-	9,000	74,000	-
Other Trail Improvements	171,000	-	-	-
Total	2,133,621	1,472,430	4,381,851	3,501,575
		City Tourism		
State Bonding Projects	State Bond	Tax Bond		
Seawall & Surface Improvements	13,500,000	6,500,000		
Total	13,500,000	6,500,000		
Street & Bridge Reconstruction and Preservation Program	Permanent Improvement Fund Levy	Aids/Grants	Street Mtc Levy/Local Sales Tax	Other
2nd St Reconstruction Project 6th Ave E to 9th Ave E (yr 2)	-	-	2,300,000	-
E Superior St reconditioning- 45th Ave E to 60th Ave E	-	1,717,150	-	-
Street Preservation (Various Locations)	-	-	5,195,000	-
Patch Project	60,000	-	-	415,000
Misc Annual Infrastructure	200,000	-	-	-
Sidewalks	20,000	-	100,000	-
Total	280,000	1,717,150	7,595,000	415,000

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

2021 Funding Sources by Project

Capital Utility Projects	Utility Rev/Bond	Street Lighting Levy
Cathodic Protection System on 42-inch steel construction	80,000	-
East 2nd St	700,000	-
Hidden Valley Phase 2 water main replacement	1,400,000	-
Middle Pump Station (Bond)	3,150,000	-
PW&U Garfield Facility roof	262,800	-
Woodland Pump Station design	200,000	-
Woodland Pump Station study	5,000	-
Gas Blanket Project	1,500,000	-
Meter relocations/bollards	250,000	-
Morris Thomas Rd. 16-inch main PIGGING	100,000	-
Steel main replacements	100,000	-
Stora Flow Meter	250,000	-
Woodland Ave 6" Steel Dressers (2 miles)	500,000	-
Citywide sanitary sewer rehabilitation/lining	1,877,000	-
Lift Station rehabilitation	450,000	-
Annual Transportation SIP projects	150,000	-
Citywide manhole adjustments	50,000	-
Citywide pipe repairs & steep slope "down drains"	200,000	-
Fond du lac, Gary-New Duluth Storm Projects	200,000	-
Non-Capital storm projects	145,000	-
Norton Road & Thurber Rd - Chester Creek - STUDY/DESIGN Culvert/Bridge	75,000	-
Park Point 12th-19th Sts at Minn Ave	350,000	-
Intersection Signal Replacement at St Marie & Carver (split 21-22)	-	277,800
Intersection Signal Replacement at Warwick and TH 23	-	110,500
Total	11,994,800	388,300

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

5 Year Project Summary

Facilities	2021	2022	2023	2024	2025	Total
CIP Eligible Capital Maintenance Building Improvements	100,000	470,000	500,000	250,000	550,000	1,870,000
COVID Air Quality Studies/Improvements	50,000	-	-	-	250,000	300,000
Facilities Building Improvements	-	-	-	-	500,000	500,000
Fleet building Improvements 42nd Tool House	-	50,000	950,000	-	-	1,000,000
Improvements	-	-	-	250,000	-	250,000
Tree Farm/Riley Road Improvements	-	350,000	-	-	-	350,000
City Center West Improvements	125,000	550,000	-	-	-	675,000
City Hall Improvements	1,150,000	-	-	-	-	1,150,000
Library Improvements	125,000	-	-	400,000	-	525,000
Firehall #1 Improvements	-	100,000	-	300,000	-	400,000
Firehall #2 Improvements	-	-	-	250,000	-	250,000
Firehall #4 Improvements	-	-	-	350,000	-	350,000
Firehall #7 Improvements	-	-	-	-	100,000	100,000
Firehall #10 Improvements	-	280,000	125,000	-	250,000	655,000
CIP Eligible Fire Hall Capital Maintenance Improvements	250,000	-	-	-	-	250,000
Public Safety Building (Police)	-	-	225,000	-	150,000	375,000
Facilities Total	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	9,000,000
Parks and Trails	2021	2022	2023	2024	2025	Total
St. Louis River Natural Area Land Acquisition	3,745,000	-	-	-	-	3,745,000
Lincoln Park Restoration	2,126,101	-	-	-	-	2,126,101
Hartley Legacy Project	1,721,475	-	-	-	-	1,721,475
Spirit Landing Project	375,000	-	-	-	-	375,000
Parks Strategic Master Plan	200,000	-	-	-	-	200,000

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

5 Year Project Summary

Parks and Trails Continued	2021	2022	2023	2024	2025	Total
Memorial Park MMP Implementation	-	-	85,000	510,000	-	595,000
Neighborhood Parks	170,430	154,000	630,000	180,000	207,500	1,341,930
Signage & Wayfinding	150,000	-	-	-	-	150,000
Sustainable Infrastructure	1,227,200	375,000	240,000	375,000	337,500	2,554,700
Brighton Beach Park Restoration and Lakewalk Extension	680,421	177,000	-	-	-	857,421
Fairmount Snowmobile Trail Reconstruction	565,625	-	-	-	-	565,625
Waabisheshikana (The Marten Trail) Extension	-	-	420,000	-	-	420,000
Grand Avenue Nordic Center – Phase II	274,225	-	-	-	-	274,225
DWP Rail-to-Trail Conversion	83,000	-	-	-	-	83,000
All Weather Mountain Bike Trail-Phase III	-	39,000	73,000	-	-	112,000
Cross City Trail - Irving Park to Greene Street	-	-	1,093,500	-	-	1,093,500
St. Louis River Estuary Water Trail Improvements	-	-	100,000	-	-	100,000
Lakewalk Management Plan	-	-	75,000	-	-	75,000
Other Trail Improvements	171,000	110,000	510,000	225,000	212,500	1,228,500
Parks and Trails Total	11,489,477	855,000	3,226,500	1,290,000	757,500	17,618,477
State Bonding Projects	2021	2022	2023	2024	2025	Total
Seawall & Surface Improvements	20,000,000	-	-	-	-	20,000,000
State Bonding Projects Total	20,000,000	-	-	-	-	20,000,000

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

5 Year Project Summary

Street & Bridge Reconstruction and Preservation Program	2021	2022	2023	2024	2025	Total
E Superior St reconditioning- 45th Ave E to 60th Ave E	1,717,150	-	-	-	-	1,717,150
2nd St Reconstruction Project 6th Ave E to 9th Ave E (yr 2)	2,300,000	-	-	-	-	2,300,000
Engineering for following year's Federal Projects	-	300,000	300,000	300,000	300,000	1,200,000
Federal Projects TBD	-	-	-	-	1,850,000	1,850,000
Signal Replacement (City share of County Projects) Snively & Woodland	-	93,750	-	-	-	93,750
Signal Replacement (City Share of Cty project) Arrowhead & Woodland	-	345,549	-	-	-	345,549
Glenwood & Snively Intersection Improvements (County)	-	1,221,302	-	-	-	1,221,302
Arrowhead Rd Mill & Overlay (w/County)	-	579,451	-	-	-	579,451
Street Preservation (Various)	5,195,000	7,956,000	11,900,000	11,900,000	11,900,000	48,851,000
3rd St Recondition- Mesaba Ave to 12th Ave E	-	-	1,750,000	-	-	1,750,000
Cross City Trail Segment 3- Irving Park to Keene Creek	-	-	810,000	-	-	810,000
Phase 2 of MNDOT ADA upgrade at 5th Ave W Bridges (City Match)	-	-	-	194,219	-	194,219
Railroad St -Canal Park Dr to 5th Ave W	-	-	-	1,850,000	-	1,850,000
Patch Project	475,000	475,000	475,000	475,000	475,000	2,375,000
Misc Annual Infrastructure	200,000	200,000	200,000	200,000	200,000	1,000,000
Sidewalks	120,000	120,000	120,000	120,000	120,000	600,000
Street, Bridge, and Preservation Total	10,007,150	11,291,052	15,555,000	15,039,219	14,845,000	66,737,421

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

5 Year Project Summary

Capital Utility Projects	2021	2022	2023	2024	2025	Total
1st St E: 9th Ave E to 12th Ave E	-	-	-	202,500	-	202,500
24th Ave. West, 3rd St to 7th St	-	450,000	-	-	-	450,000
40th Avenue West (County)	-	-	-	900,000	-	900,000
4th Street water main, 6th Ave East to Mesaba Ave design and replace	-	-	-	-	350,000	350,000
5th Street water main, 6th Ave East to Mesaba Ave	-	-	-	-	1,100,000	1,100,000
6th Ave East- 3rd St to 6th St Cathodic Protection System on 42-inch steel construction	80,000	80,000	80,000	80,000	-	320,000
Duluth Heights Phases #1 and #2	-	417,500	490,000	-	-	907,500
East 2nd St	700,000	-	-	-	-	700,000
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
Middle Pump Station (Bond)	3,150,000	-	-	-	-	3,150,000
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. utilities (with County)	100,000	2,240,000	400,000	-	-	2,740,000
PW&U Garfield Facility roof	262,800	-	-	-	-	262,800
Raleigh St, 59th Ave W to Grand Ave	-	-	530,000	-	-	530,000

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

5 Year Project Summary

Capital Utility Projects Continued	2021	2022	2023	2024	2025	Total
Upper Lakeside phase 1, connection on Glenwood	-	-	-	900,000	-	900,000
Upper Lakeside phase 2, connection at golf course	-	-	-	-	787,500	787,500
Woodland Pump Station construction	-	-	2,600,000	-	-	2,600,000
Woodland Pump Station design	200,000	-	-	-	-	200,000
Woodland Pump Station study	5,000	-	-	-	-	5,000
WTP pump station service entrance Transformer	-	850,000	-	-	-	850,000
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
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	100,000	-	500,000	500,000	500,000	1,600,000
Stora Flow Meter	250,000	-	-	-	-	250,000
Uprating of Upper Woodland	-	5,000	-	-	-	5,000
Woodland Ave 6" Steel Dressers (2 miles)	500,000	-	-	-	-	500,000
Citywide sanitary sewer rehabilitation/lining	1,877,000	1,750,000	1,900,000	1,950,000	1,850,000	9,327,000
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

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

5 Year Project Summary

Capital Utility Projects Continued	2021	2022	2023	2024	2025	Total
Annual Transportation SIP projects	150,000	100,000	100,000	100,000	-	450,000
Block long culvert & Ditch system Improvements	-	-	250,000	250,000	-	500,000
Citywide manhole adjustments	50,000	50,000	50,000	50,000	-	200,000
Citywide pipe repairs & steep slope "down drains"	200,000	310,000	250,000	250,000	-	1,010,000
Clarkhouse Creek	-	100,000	-	-	-	100,000
Fond du lac, Gary-New Duluth Storm Projects	200,000	-	-	-	-	200,000
Gogebic Creek CIPP and storm improvements	-	-	275,000	-	-	275,000
Greys Creek	-	100,000	-	-	-	100,000
Kenwood Avenue box culvert fish passage - Chester Creek	-	-	40,000	300,000	300,000	640,000
Lower Coffee Creek	-	100,000	-	-	-	100,000
Non-Capital storm projects	145,000	145,000	145,000	145,000	-	580,000
Norton Road & Thurber Rd - Chester Creek - STUDY/DESIGN						
Culvert/Bridge	75,000	-	-	-	-	75,000
Park Point 12th-19th Sts at Minn Ave	350,000	-	-	-	-	350,000
Superior Street, Lakewood to McQuade Rd culvert extensions	-	150,000	-	-	-	150,000
12th Ave E & Superior St	-	-	-	-	350,000	350,000
1st Ave E & 3rd St	-	-	350,000	-	-	350,000
21st Ave E & Superior St	-	350,000	-	-	-	350,000
3rd Ave E & 3rd St	-	-	225,000	-	-	225,000
46th Ave W & Colalillo Dr	-	-	-	-	350,000	350,000
4th Ave W & 3rd St	-	-	350,000	-	-	350,000
6th Ave E & 3rd St	-	-	350,000	-	-	350,000

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

5 Year Project Summary

Capital Utility Projects Continued	2021	2022	2023	2024	2025	Total
Canal Park Dr & Railroad St	-	-	-	350,000	-	350,000
Elinor St & Grand Ave Intersection Signal	-	350,000	-	-	-	350,000
Replacement at St Marie & Carver (split 21-22) Intersection Signal	277,800	-	-	-	-	277,800
Replacement at Warwick and TH 23	110,500	-	-	-	-	110,500
Lake Ave & 3rd St	-	-	350,000	-	-	350,000
Lake Ave & Buchanan St	-	-	-	350,000	-	350,000
Woodland Ave & Arrowhead Rd	-	200,000	-	-	-	200,000
Woodland Ave & Snively Rd	-	100,000	-	-	-	100,000
Capital Utility Projects Total	12,383,100	10,387,500	13,782,500	9,747,500	9,987,500	56,288,100
GRAND TOTAL	55,679,727	24,333,552	34,364,000	27,876,719	27,390,000	169,643,998

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

5 Year Funding Sources

	2021	2022	2023	2024	2025	Total
Bond	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	9,000,000
State Bond	13,500,000	-	-	-	-	13,500,000
City Tourism Tax Bond	6,500,000	-	-	-	-	6,500,000
Parks Fund	2,133,621	820,000	936,050	600,000	550,000	5,039,671
1/2 & 1/2 Tax	1,472,430	35,000	1,443,700	690,000	207,500	3,848,630
Permanent Improvement Fund Levy	280,000	280,000	280,000	280,000	280,000	1,400,000
Street System Maintenance Levy	845,000	1,056,000	1,500,000	1,500,000	1,500,000	6,401,000
Street Lighting Levy	388,300	1,000,000	1,625,000	700,000	700,000	4,413,300
Local Sales Tax (.5%)	6,750,000	7,000,000	7,000,000	7,000,000	7,000,000	34,750,000
Minnesota State Aid	357,150	1,181,302	4,150,000	4,245,000	4,170,000	14,103,452
State Grants	1,937,500	-	-	-	-	1,937,500
Federal Grants/Aid	3,804,351	1,340,000	2,600,000	1,599,219	1,480,000	10,823,570
Other Funding Sources	3,916,575	433,750	871,750	415,000	415,000	6,052,075
Utilities - Bond	3,150,000	-	-	-	-	3,150,000
Utilities - Current Year Revenue						
-Water	2,450,700	2,897,500	5,227,500	2,082,500	4,287,500	16,945,700
-Gas	2,818,300	3,035,000	2,970,000	3,070,000	2,250,000	14,143,300
-Sewer	2,379,500	2,350,000	2,450,000	2,550,000	2,450,000	12,179,500
-Stormwater	1,196,300	1,105,000	1,510,000	1,345,000	300,000	5,456,300
Total	55,679,727	24,333,552	34,364,000	27,876,719	27,390,000	169,643,998

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 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 in facilities that are eligible for CIP bond funding (i.e. 27 of 148 City buildings). 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 as well as repair and replacement of facility systems that are at the end of their life cycle. Funding at historical and current levels for CIP eligible facilities has a direct correlation to increased maintenance costs, facility system failures, non-compliance with code and accessibility, deteriorating operational efficiency, and increased utility cost while directly compounding deferred maintenance cost increases in our capital program.

Projects	2021	2022	2023	2024	2025	Total
CIP Eligible Capital Maintenance	150,000	470,000	500,000	250,000	800,000	2,170,000
Maintenance Buildings						
Improvements	-	400,000	950,000	250,000	500,000	2,100,000
Civic Buildings (CCW/City						
Hall/Library)	1,400,000	550,000	-	400,000	-	2,350,000
Public Safety Buildings						
(Fire/Police)	250,000	380,000	350,000	900,000	500,000	2,380,000
Total	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	9,000,000
Funding	2021	2022	2023	2024	2025	Total
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 - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

CIP Eligible Capital Maintenance Building Improvements

Description:

It is important to maintain a city-wide program of facility system replacements and accessibility compliance for structures. Many remote sites need masonry tuck pointing; this is our primary point of water migration into finished spaces. There are damaged window heads, sills and parapets which also need repairs. Additionally, many remote sites are being heated with boilers or furnaces which are 20 years old and beyond. Replacing these with modern, high efficient units with electronic controls can realize significant annual energy savings over the continued life of the structure. All of these types of system replacements and facility upgrades are aimed at keeping these public buildings in the best state of repair and function possible with the funding available.

Project	2021	2022	2023	2024	2025	Total
CIP Eligible Capital Maintenance Building Improvements	100,000	470,000	500,000	250,000	550,000	1,870,000
COVID Air Quality Studies/Improvements	50,000	-	-	-	250,000	300,000
Total	150,000	470,000	500,000	250,000	800,000	2,170,000
Funding	2021	2022	2023	2024	2025	Total
Capital Improvement Bond	150,000	470,000	500,000	250,000	800,000	2,170,000

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

CIP Eligible Capital Maintenance Building Improvements

Project Title:

CIP Eligible Capital Maintenance 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 2021-2025

Capital Improvement Bond	1,870,000
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Project Title:

COVID HVAC Studies/Improvements

Description:

Study will examine HVAC systems in City buildings and propose options for improving air quality, specifically reducing COVID-19 transmission.

**Funding Source:**

FY 2021, 2025

Capital Improvement Bond	300,000
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City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

Maintenance

Description:

As a group of CIP eligible facilities, the Maintenance buildings that support the activities of Property and Facilities Management and Maintenance Operations represent some of the most rapidly deteriorating CIP eligible facilities that the City currently owns. Each of these facilities have significant capital needs that are extremely critical to maintain facility integrity and to continue operations as viable assets housing core City services. The group of maintenance facilities represents many challenges and opportunities. As part of a longer term strategy for this element of the portfolio, the reality that most of these facilities have capital improvement needs in excess of 50% of their replacement value has driven Property and Facilities Management to consider investments that are primarily aimed at maintaining the facility integrity and ensuring the safety and comfort of City staff working out of these facilities while not significantly improving the assets. As assets, this group of buildings have significant value for potential resale, as most are located on prime real estate, and should a longer term solution aimed at a total consolidation of maintenance activities into one newly constructed facility come to fruition, the focus of this part of the capital plan is on – primarily – maintaining the status quo in a manner that sufficiently meets the operational needs and protects the assets from significant deterioration over the next 5 years.

Project	2021	2022	2023	2024	2025	Total
Facilities Building Improvements	-	-	-	-	500,000	500,000
Fleet building Improvements	-	50,000	950,000	-	-	1,000,000
42nd Tool House Improvements	-	-	-	250,000	-	250,000
Tree Farm/Riley Road Improvements	-	350,000	-	-	-	350,000
Total	-	400,000	950,000	250,000	500,000	2,100,000
Funding	2021	2022	2023	2024	2025	Total
Capital Improvement Bond	-	400,000	950,000	250,000	500,000	2,100,000

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

Maintenance

Project Title:

Facilities Building Improvements

Description:

Ventilation and air conditioning improvements

Funding Source:

FY 2025

Capital Improvement Bond

500,000



Project Title:

Fleet Building Improvements

Description:

Roof design/engineering and replacement

Funding Source:

FY 2022-2023

Capital Improvement Bond

1,000,000



Project Title:

42nd Toolhouse Improvements

Description:

Structural study and repair

Funding Source:

FY 2024

Capital Improvement Bond

250,000



City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

Maintenance

Project Title:

Tree Farm / Riley Road Improvements

Description:

Yard/cold storage

Funding Source:

FY 2022

Capital Improvement Bond

350,000



City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

Civic (City Center West/City Hall/Library)

Description:

These are the public facing facilities that are owned and operated by the City. Much of the activity in these facilities support the operation of City business by housing staff and serving as points of direct engagement with the public seeking City services such as Construction Services, Planning, Engineering, City Clerk, Elections, Public Library, City Council, Public Commissions and the like. These investments constitute renewal and improvement of core facility infrastructure systems such as lighting, HVAC, emergency systems, and building envelope improvements.

Project	2021	2022	2023	2024	2025	Total
City Center West Improvements	125,000	550,000	-	-	-	675,000
City Hall Improvements	1,150,000	-	-	-	-	1,150,000
Library Improvements	125,000	-	-	400,000	-	525,000
Total	1,400,000	550,000	-	400,000	-	2,350,000

Funding	2021	2022	2023	2024	2025	Total
Capital Improvement Bond	1,400,000	550,000	-	400,000	-	2,350,000

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

Civic (City Center West/City Hall/Library)

Project Title:

City Center West Improvements

Description:

EOC driveway and parking lot, flooring and paint, and EOC radiant heat

**Funding Source:**

FY 2021-2022

Capital Improvement Bond 675,000

Project Title:

City Hall Improvements

Description:

Remaining Remodel Phases

**Funding Source:**

FY 2021

Capital Improvement Bond 1,150,000

Project Title:

Library Improvements

Description:

Cabling and elevator upgrade at main library

**Funding Source:**

FY 2021, 2024

Capital Improvement Bond 525,000

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

Public Safety (Fire/Police)

Description:

Over the next five years, the City is proposing to invest \$2.74 million in capital maintenance projects at firehalls and police facilities throughout the City. There are also remodeling projects to accommodate staff reorganizations as part of the Fire Department consolidation plan. Energy improvements consist of installing new windows and overhead doors, lighting, building controls and replacing furnaces and roofs. Repair and maintenance projects consist of masonry and brick repair, as well as resolving drainage issues and replacing driveways, apparatus bay doors, heating systems, ventilation systems and deferred maintenance requirements identified by the City asset management system (VFA).

Project	2021	2022	2023	2024	2025	Total
Firehall #1 Improvements	-	100,000	-	300,000	-	400,000
Firehall #2 Improvements	-	-	-	250,000	-	250,000
Firehall #4 Improvements	-	-	-	350,000	-	350,000
Firehall #7 Improvements	-	-	-	-	100,000	100,000
Firehall #10 Improvements	-	280,000	125,000	-	250,000	655,000
CIP Eligible Fire Hall Capital Maintenance Improvements	250,000	-	-	-	-	250,000
Public Safety Building (Police)	-	-	225,000	-	150,000	375,000
Total	250,000	380,000	350,000	900,000	500,000	2,380,000
Funding	2021	2022	2023	2024	2025	Total
Capital Improvement Bond	250,000	380,000	350,000	900,000	500,000	2,380,000

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

Public Safety (Fire/Police)

Project Title:

Firehall #1 Improvements

Description:

ADA / bathroom upgrades, and living quarters upgrade / reorganization

**Funding Source:**

FY 2022, 2024

Capital Improvement Bond 400,000

Project Title:

Firehall #2 Improvements

Description:

Flooring upgrades and interior remodel

**Funding Source:**

FY 2024

Capital Improvement Bond 250,000

Project Title:

Firehall #4 Improvements

Description:

Flooring upgrades and interior/kitchen remodel

**Funding Source:**

FY 2024

Capital Improvement Bond 350,000

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

Public Safety (Fire/Police)

Project Title:

Firehall #7 Improvements

Description:

Electrical distribution

Funding Source:

FY 2025

Capital Improvement Bond

100,000



Project Title:

Firehall #10 Improvements

Description:

HVAC upgrades and basement/bedroom remodel and tuckpointing

Funding Source:

FY 2022-23, 2025

Capital Improvement Bond

655,000



Project Title:

CIP Eligible Fire Hall Capital Maintenance Improvements

Description:

These fund improvements related to upgrades for fire halls include the continuing implementation of recommendations from the Fire Hall 1 HVAC study and continued work on upgrading living spaces for gender equity and kitchens in fire halls.

Funding Source:

FY 2021

Capital Improvement Bond

250,000



City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

Public Safety (Fire/Police)

Project Title:

Public Safety Capital Maintenance Building
Improvements

Description:

Miscellaneous maintenance

Funding Source:

FY 2023, 2025



Capital Improvement Bond

375,000

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

State Bonding Projects

Description:

The City of Duluth submitted a \$20 million project to the state for consideration in their bonding bill. The state awarded the City \$13.5 million 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.

Projects	2021	2022	2023	2024	2025	Total
Seawall & Surface Improvements	20,000,000	-	-	-	-	20,000,000
Total	20,000,000	-	-	-	-	20,000,000
Funding	2021	2022	2023	2024	2025	Total
State Bond	13,500,000	-	-	-	-	13,500,000
City Tourism Tax Bond	6,500,000	-	-	-	-	6,500,000
Total	20,000,000	-	-	-	-	20,000,000

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 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.

Projects	2021	2022	2023	2024	2025	Total
Parks	9,715,206	529,000	955,000	1,065,000	545,000	12,809,206
Trails	1,774,271	326,000	2,271,500	225,000	212,500	4,809,271
Total	11,489,477	855,000	3,226,500	1,290,000	757,500	17,618,477

Funding	2021	2022	2023	2024	2025	Total
Federal Grant	2,444,351	-	600,000	-	-	3,044,351
State Grant	1,937,500	-	-	-	-	1,937,500
Other Grants/ Donations/ Funding	3,409,575	-	-	-	-	3,409,575
Parks Fund	2,133,621	820,000	936,050	600,000	550,000	5,039,671
Other City Funding	92,000	-	246,750	-	-	338,750
1/2 and 1/2 Tax	1,472,430	35,000	1,443,700	690,000	207,500	3,848,630
Total	11,489,477	855,000	3,226,500	1,290,000	757,500	17,618,477

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

Parks Detail

Project	2021	2022	2023	2024	2025	Total
St. Louis River Natural Area Land Acquisition	3,745,000	-	-	-	-	3,745,000
Lincoln Park Restoration	2,126,101	-	-	-	-	2,126,101
Hartley Legacy Project	1,721,475	-	-	-	-	1,721,475
Spirit Landing Project	375,000	-	-	-	-	375,000
Parks Strategic Master Plan	200,000	-	-	-	-	200,000
Memorial Park MMP Implementation	-	-	85,000	510,000	-	595,000
Neighborhood Parks	170,430	154,000	630,000	180,000	207,500	1,341,930
Signage & Wayfinding	150,000	-	-	-	-	150,000
Sustainable Infrastructure	1,227,200	375,000	240,000	375,000	337,500	2,554,700
Total	9,715,206	529,000	955,000	1,065,000	545,000	12,809,206

Funding	2021	2022	2023	2024	2025	Total
Federal Grant	1,704,501	-	-	-	-	1,704,501
State Grant	1,613,500	-	-	-	-	1,613,500
Other Grants/Donations/Funding	3,409,575	-	-	-	-	3,409,575
Parks Fund	1,749,200	529,000	600,000	375,000	337,500	3,590,700
1/2 and 1/2 Tax	1,238,430	-	355,000	690,000	207,500	2,490,930
Total	9,715,206	529,000	955,000	1,065,000	545,000	12,809,206

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

2021-2025 Parks Projects

Project Title:

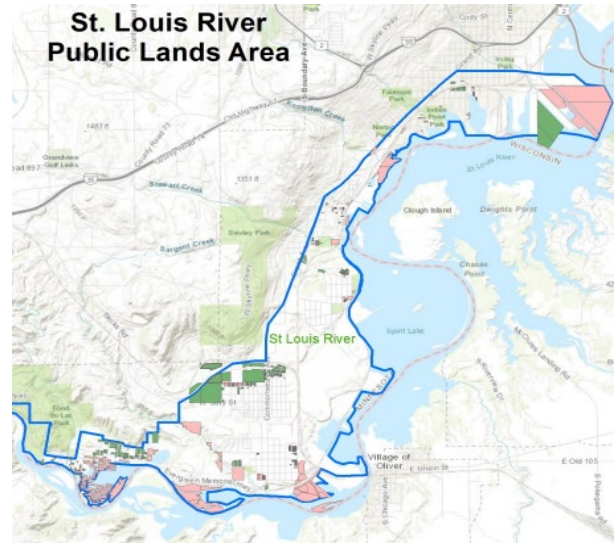
St. Louis River Natural Area Land Acquisition

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 2021
Parks Fund	45,000
Federal Grant	900,000
Other Grants/Donations/Funding	2,800,000
	3,745,000



Project Title:

Lincoln Park Restoration

Description:

Comprehensive restoration of developed lower portion of Lincoln Park.

Funding Source:

	FY 2021
Parks Fund	37,500
1/2 & 1/2	810,000
Federal Grant	792,501
State Grant	299,525
Other Grants/Donations/Funding	186,575
	2,126,101



City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

2021-2025 Parks Projects

Project Title:

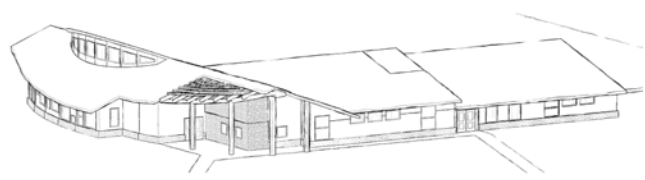
Hartley Legacy Project

Description:

Renovation and expansion of Hartley Nature Center building, improvement of parking, and installation of wayfinding signage.

Funding Source:

	FY 2021
Parks Fund	4,500
State Grant	1,293,975
Other Grants/Donations/Funding	423,000
	1,721,475



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:

	FY 2021
1/2 & 1/2	375,000



City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

2021-2025 Parks Projects

Project Title:

Parks Strategic Master Plan

Description:

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

Funding Source:

Parks Fund

FY 2021

200,000



Project Title:

Memorial Park MMP Implementation

Description:

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

Funding Source:

1/2 & 1/2

FY 2023-2024

595,000



City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

2021-2025 Parks Projects

Project Title:

Neighborhood Parks

Description:

Implementation of mini-master plans for Norton Park and Lower Chester Park, and miscellaneous infrastructure renewal throughout the system.



Funding Source:

	FY 2021 - 2025
Parks Fund	599,000
1/2 & 1/2	710,930
Federal Grant	12,000
State Grant	20,000
	1,341,930



Project Title:

Signage & Wayfinding

Description:

Upper Chester Park full sign package and remaining signs for Enger Park.

Funding Source:

	FY 2021
Parks Fund	150,000



City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

2021-2025 Parks Projects

Project Title:

Sustainable Infrastructure

Description:

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

**Funding Source:**

Parks Fund

FY 2021-2025

2,554,700



City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

Trails Detail

Project	2021	2022	2023	2024	2025	Total
Brighton Beach Park Restoration and Lakewalk Extension	680,421	177,000	-	-	-	857,421
Fairmount Snowmobile Trail Reconstruction	565,625	-	-	-	-	565,625
Grand Avenue Nordic Center – Phase II	274,225	-	-	-	-	274,225
DWP Rail-to-Trail Conversion	83,000	-	-	-	-	83,000
All Weather Mountain Bike Trail-Phase III	-	39,000	73,000	-	-	112,000
Cross City Trail - Irving Park to Greene Street	-	-	1,093,500	-	-	1,093,500
Waabisheshikana (The Marten Trail) Extension	-	-	420,000	-	-	420,000
St. Louis River Estuary Water Trail Improvements	-	-	100,000	-	-	100,000
Lakewalk Management Plan	-	-	75,000	-	-	75,000
Other Trail Improvements	171,000	110,000	510,000	225,000	212,500	1,228,500
Total	1,774,271	326,000	2,271,500	225,000	212,500	4,809,271

Funding	2021	2022	2023	2024	2025	Total
Federal Grant	739,850	-	600,000	-	-	1,339,850
State Grant	324,000	-	-	-	-	324,000
Other Grants/Donations/Funding	-	-	-	-	-	-
Parks Fund	384,421	291,000	336,050	225,000	212,500	1,448,971
Other City Funding	92,000	-	246,750	-	-	338,750
1/2 and 1/2 Tax	234,000	35,000	1,088,700	-	-	1,357,700
Total	1,774,271	326,000	2,271,500	225,000	212,500	4,809,271

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

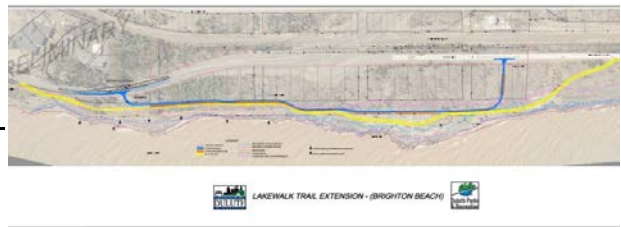
2021-2025 Trails Projects

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:

	FY 2021-2022
Parks Fund	390,421
Other City Funding	92,000
Federal Grant	375,000
	857,421

Project Title:

Fairmount Snowmobile Trail Reconstruction

Description:

This project will return the western section of the Duluth Cross Town snowmobile trail to its original scenic route, on the slopes of Thompson Hill. The project will also replace the shared use bridges at Kingsbury Creek and Knowlton Creek.



Funding Source:

	FY 2021
1/2 & 1/2	175,000
Federal Grant	140,625
State Grant	250,000
	565,625

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

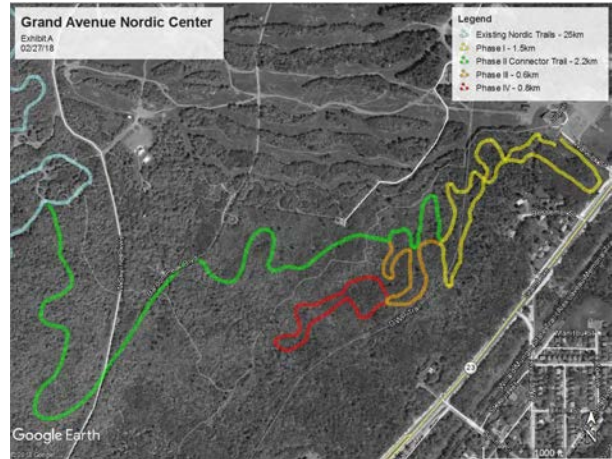
2021-2025 Trails Projects

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:

	<u>FY 2021</u>
1/2 & 1/2	50,000
Federal Grant	224,225
	<u>274,225</u>

Project Title:

DWP Rail-to-Trail Conversion

Description:

This project will complete the conversion of 5.5 miles of the former Duluth Winnipeg and Pacific (DWP) Railroad bed from Spirit Mountain to the intersection of West Skyline Parkway and Becks Road to a multi-use accessible trail.



Funding Source:

	<u>FY 2021</u>
1/2 & 1/2	9,000
State Grant	74,000
	<u>83,000</u>

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

2021-2025 Trails Projects

Project Title:

All Weather Mountain Bike Trail-Phase III

Description:

Completion of trail that can be ridden in all weather conditions above the Norton Park neighborhood in western Duluth.

Funding Source:

	<u>FY 2022-2023</u>
Parks Fund	77,000
1/2 & 1/2	35,000
Spirit Mountain (\$90,000 in-kind)	<u>112,000</u>



Project Title:

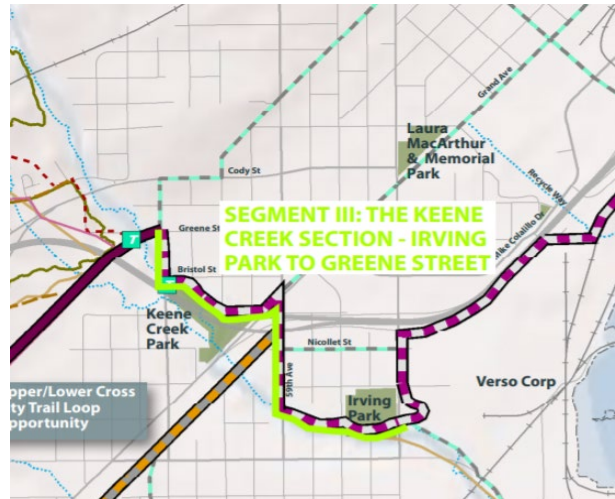
Cross City Trail - Irving Park to Greene Street

Description:

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

Funding Source:

	<u>FY 2023</u>
Parks Fund	28,050
Other City Funding	246,750
1/2 & 1/2	218,700
Federal Grants	<u>600,000</u>
	1,093,500



City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

2021-2025 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.

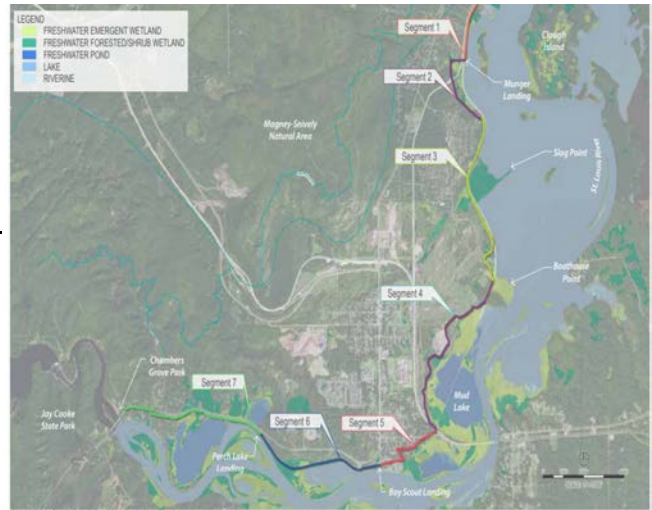
Funding Source:

1/2 & 1/2

FY 2023

420,000

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



Project Title:

St. Louis River Estuary Water Trail Improvements

Description:

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

Funding Source:

1/2 & 1/2

FY 2023

100,000



City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

2021-2025 Trails Projects

Project Title:

Lakewalk Management Plan

Description:

Develop plan for Lakewalk management

Funding Source:

Parks Fund

FY 2023

75,000



Project Title:

Other Trail Improvements

Description:

Other trail improvements

Funding Source:

Parks Fund

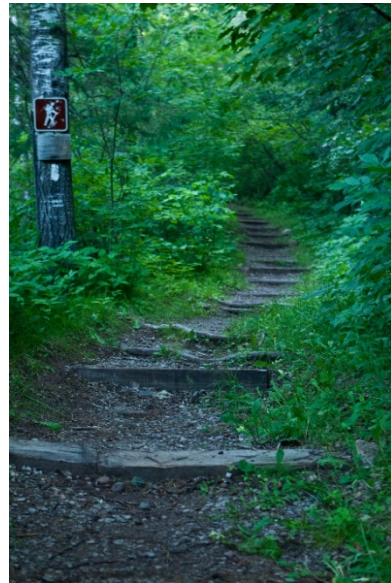
1/2 & 1/2

FY 2021-2025

793,500

435,000

1,228,500



City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 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 2021 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	2021	2022	2023	2024	2025	Total
E Superior St reconditioning- Lester River Rd to TH61	1,717,150	-	-	-	-	1,717,150
2nd St Reconstruction Project 6th Ave E to 9th Ave E (yr 2)	2,300,000	-	-	-	-	2,300,000
Engineering for following year's Federal Projects	-	300,000	300,000	300,000	300,000	1,200,000
Federal Projects TBD	-	-	-	-	1,850,000	1,850,000
Signal Replacement (City share of County Projects)						
Snively & Woodland	-	93,750	-	-	-	93,750
Signal Replacement (City Share Of Cty project)						
Arrowhead & Woodland	-	345,549	-	-	-	345,549
Arrowhead Rd Mill & Overlay (w/County)	-	579,451	-	-	-	579,451
Glenwood & Snively Intersection Improvements (County)	-	1,221,302	-	-	-	1,221,302
Street Preservation (Various Locations)	5,195,000	7,956,000	11,900,000	11,900,000	11,900,000	48,851,000

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

Street Improvement & Bridge Projects Summary

3rd St Recondition- Mesaba Ave to 12th Ave E	-	-	1,750,000	-	-	1,750,000
Cross City Trail Segment 3- Irving Park to Keenes Creek Phase 2 of MNDOT ADA upgrade at 5th Ave W	-	-	810,000	-	-	810,000
Bridges (City Match) Railroad St -Canal Park Dr to 5th Ave W	-	-	-	194,219	-	194,219
Patch Project	475,000	475,000	475,000	475,000	475,000	2,375,000
Misc Annual Infrastructure	200,000	200,000	200,000	200,000	200,000	1,000,000
Sidewalks	120,000	120,000	120,000	120,000	120,000	600,000
Total	10,007,150	11,291,052	15,555,000	15,039,219	14,845,000	66,737,421
Funding	2021	2022	2023	2024	2025	Total
Federal	1,360,000	1,340,000	2,000,000	1,599,219	1,480,000	7,779,219
State	357,150	1,181,302	4,150,000	4,245,000	4,170,000	14,103,452
Street System Mtce Levy	845,000	1,056,000	1,500,000	1,500,000	1,500,000	6,401,000
Local Sales Tax (.5%)	6,750,000	7,000,000	7,000,000	7,000,000	7,000,000	34,750,000
Permanent Improvement	280,000	280,000	280,000	280,000	280,000	1,400,000
Special Assessments	-	-	-	-	-	-
Other (Utility Funds)	415,000	433,750	625,000	415,000	415,000	2,303,750
Total	10,007,150	11,291,052	15,555,000	15,039,219	14,845,000	66,737,421

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 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.

Project	2021	2022	2023	2024	2025	Total
Permanent Improvements	200,000	200,000	200,000	200,000	200,000	1,000,000
Patch Project	475,000	475,000	475,000	475,000	475,000	2,375,000
Patch & Sidewalks	120,000	120,000	120,000	120,000	120,000	600,000
Total	795,000	795,000	795,000	795,000	795,000	3,975,000

Funding	2021	2022	2023	2024	2025	Total
PI Fund	280,000	280,000	280,000	280,000	280,000	1,400,000
Street System Mtce Levy	100,000	100,000	100,000	100,000	100,000	500,000
Other (Utilities)	415,000	415,000	415,000	415,000	415,000	2,075,000
Total	795,000	795,000	795,000	795,000	795,000	3,975,000

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

Street Improvement & Bridge Projects

Project Title:

1908: E Superior St Reconditioning: 45th Ave E to 60th Ave E

Description:

Street reconditioning from 45

Funding Source:

	2021
Federal	\$ 1,360,000
MSA	\$ 357,150
	\$ 1,717,150



Project Title:

1851: 2nd St Reconstruction Year 2

Description:

Full Reconstruction of Street and Utilities

Funding Source:

	2021
Street Sales Tax	\$ 2,300,000



City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

Street Improvement & Bridge Projects

Project Title:

1697: Snively Rd & Woodland Ave

Description:

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

Funding Source:

	2022
Federal	\$ 75,000
Street Lighting Fund	\$ 18,750
	\$ 93,750



Project Title:

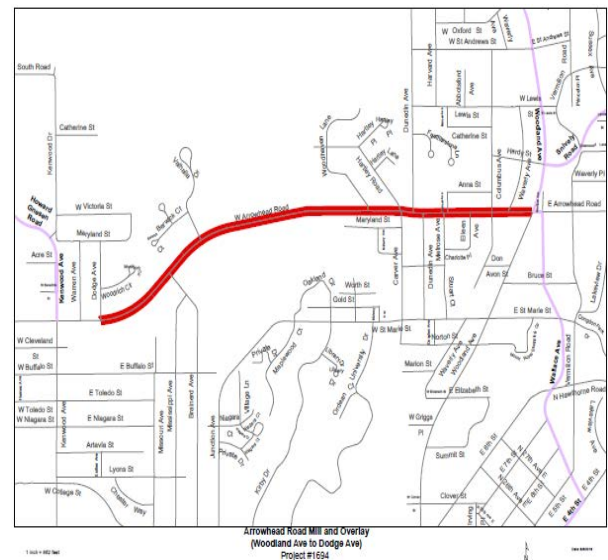
#1696: Arrowhead Rd: Dodge to Woodland Ave

Description:

Mill & Overlay and Signal Replacement (with County)

Funding Source:

	2022
Federal	\$ 287,958
MSA	\$ 637,042
	\$ 925,000



City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

Street Improvement & Bridge Projects

Project Title:

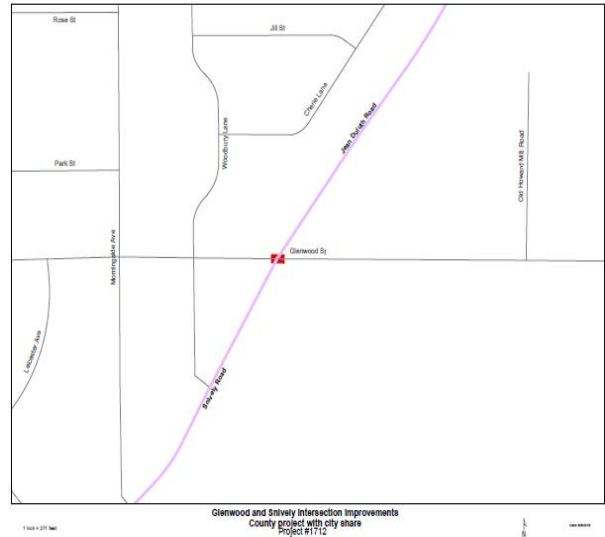
#1712: Glenwood Ave & Snively Rd

Description:

Intersection Improvements (with County)

Funding Source:

	2022
Federal	\$ 977,042
MSA	\$ 244,260
	\$ 1,221,302



City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

Street Improvement & Bridge Projects

Project Title: Street Preservation Projects

2021 Project Goal: 10.06 miles of Street improvements

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

Funding Source:

	2021-2025
MSA	\$ 7,556,644
Local Sales Tax	\$ 34,750,000
Street System Mtce Fund	\$ 6,544,356
	<u>\$ 48,851,000</u>

2021 Street Preservation Plan

Year	Proj No	Segments Deferred from 2020 to 2021	Cost	Mileage	Const notes
2020	1692	Vermillion Rd, from end of concrete past Oxford to current end of pave	\$82,000	0.1	Mill/Overlay
2020	1692	Melrose Ave- Arrowhead Road to Brookline	\$40,000	0.13	Mill/Overlay
2020	1692	Stuart Ct, from Brookline St to W St Marie St	\$32,000	0.13	Mill/Overlay
2020	1692	Restormal St- Third St to dead end 264' West of Anson Ave	\$173,000	0.41	Mill/Overlay
2020	1692	131st Ave W- TH23 to Mission Ck Pkwy	\$94,000	0.4	Overlay
2020	1692	Elk, Vermillion to Lochaire	\$105,000	0.69	Overlay
2020	1692	Norton- Howard Gnesen to Rice Lake Road	\$856,000	2.23	Reclaim

Year	Proj No	2021 Segments	Cost	Mileage	Const notes
2021	1693	90th Ave W, from Hilton St to Falcon St	\$65,000	0.13	Mill and overlay
2021	1693	Falcon Street, from 93rd Ave W to 88th Ave W	\$150,000	0.3	Mill and overlay
2021	1693	Thurber Road, from Norton Road to End of pavement	\$190,000	0.38	Reclaim
2021	1693	Burning Tree Rd, from Maple Grove Rd to 160 feet south of Mtn Shadow Dr	\$960,000	0.24	Reconstruct
2021	1693	Mtn Shadow Dr, from Burning Tree Rd to Mall Dr	\$90,000	0.18	Mill and overlay
2021	1693	Mall Dr, from Decker Rd to Mtn Shadow Dr	\$40,000	0.08	Mill and overlay
2021	1693	Matterhorn Dr, from Burning Tree Rd to Maple Grove Rd	\$125,000	0.25	Mill and overlay

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

Street Improvement & Bridge Projects

2021	1693	Matterhorn Circle, from Matterhorn Drive	\$8,000	0.04	overlay
2021	1693	Joshua Ave, from Central Entrance to the end of divided Rd east	\$20,000	0.04	Mill and overlay
2021	1693	Frontage Road to TH53, from Joshua Ave to change in pavement 900 ft north	\$90,000	0.18	Mill and overlay
2021	1693	Pinewood Lane, from Crescent View Drive to 3rd Street	\$125,000	0.25	Mill and overlay
2021	1693	3rd Street, from Pinewood Lane to 37th Ave E	\$110,000	0.22	Mill and overlay
2021	1693	4th Street, from Pinewood Lane southerly 550 feet	\$50,000	0.1	Mill and overlay
2021	1693	Ridgewood Road, from 34th Ave E - SW for 800 feet	\$75,000	0.15	Mill and overlay
2021	1693	Raleigh, from Central Ave to 59th Ave W	\$125,000	0.25	Mill and overlay
2021	1693	3rd Ave W, from 2nd St alley to 4th St	\$90,000	0.18	Mill and overlay
2021	1693	Lake Ave, from 1st St alley to 2nd St alley	\$35,000	0.07	Remove brick/pave
2021	1693	W 9th Street, from 5th Ave W to 8th Ave W	\$36,000	0.18	overlay
2021	1693	12th St alley, from 6th Ave E westerly	\$14,000	0.07	overlay
2021	1693	W Stowe St, Griak to Commonwealth	\$70,000	0.14	Reclaim
2021	1693	Elinor, N 56th Ave W to Central Ave	\$30,000	0.06	Mill and overlay
2021	1693	56th Ave W, from Elinor to 8th Street	\$140,000	0.28	Mill and overlay
2021	1693	58th Ave W, from Elinor to 8th Street	\$70,000	0.14	Mill and overlay

Chip Seal	\$350,000
Engineering	\$300,000
Contingency	<u>\$455,000</u>
Total Street Preservation Project	\$5,195,000

Other City Projects in 2021:

		E Second Street, 6th Ave E to 9th Ave E	\$2,300,000	0.27	Reconstruction
		E Superior Street, 45th Ave E to 60th Ave E	\$1,717,100	1.39	Hybrid reconditioning
		Decker Road, Anderson to Piedmont	\$500,000	0.4	Reconditioning

Total 2021 Miles	10.06
Total 2021 Construction Cost	\$8,607,100
Maint, Engineering & Contingency Cost	<u>\$1,105,000</u>
Total 2021 Costs	\$9,712,100

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

Street Improvement & Bridge Projects

Project Title:

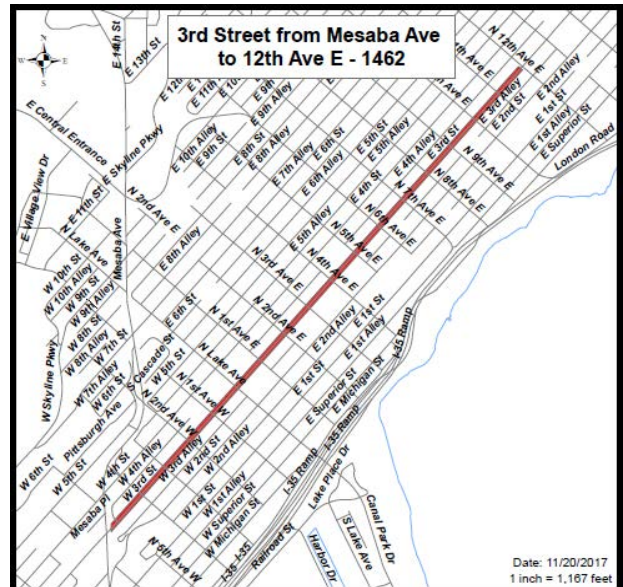
#1462: 3rd St: Mesaba Ave to 12th St E

Description:

Street Recondition

Funding Source:

	2023	
Federal	\$ 1,400,000	
MSA	\$ 350,000	
	<u> </u>	
	\$ 1,750,000	



Project Title:

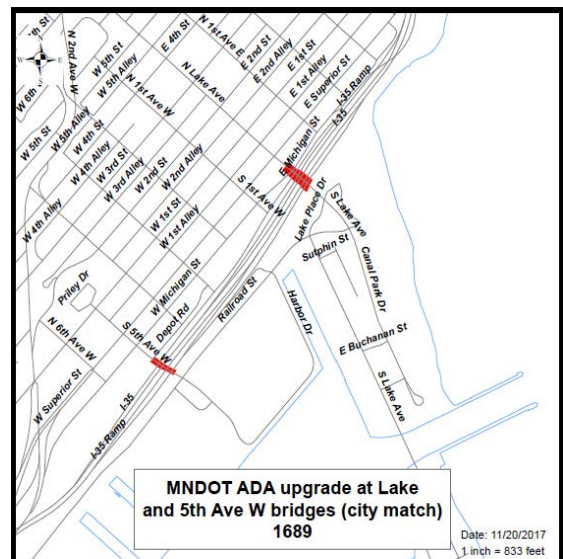
1689: 5th Ave W & Lake Ave Bridges Phase 2)

Description:

ADA upgrades and Bridges Rehab (MNDOT)

Funding Source:

	2024	
Federal	\$ 119,219	
MSA	\$ 75,000	
	<u> </u>	
	\$ 194,219	



City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

Street Improvement & Bridge Projects

Project Title:

#1463: Railroad Street: Lake Ave to 5th Ave W

Description:

Engineering (2023) & Street Improvements (2024)

Funding Source:

	2023 & 2024
Federal	\$ 1,480,000
MSA	\$ 670,000
	\$ 2,150,000



Railroad St from S Lake Ave to S 5th Ave W
Project #1463

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 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 2021 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. Street Lighting's signal system replacements provides cost avoidance of maintenance on temporary fixtures.

Project	2021	2022	2023	2024	2025	Total
Water	5,600,700	2,897,500	5,227,500	2,082,500	4,287,500	20,095,700
Gas	2,818,300	3,035,000	2,970,000	3,070,000	2,250,000	14,143,300
Sewer	2,379,500	2,350,000	2,450,000	2,550,000	2,450,000	12,179,500
Stormwater	1,196,300	1,105,000	1,510,000	1,345,000	300,000	5,456,300
Street Lighting	388,300	1,000,000	1,625,000	700,000	700,000	4,413,300
Total	12,383,100	10,387,500	13,782,500	9,747,500	9,987,500	56,288,100

Funding	2021	2022	2023	2024	2025	Total
Water Revenue Bonds	3,150,000	-	-	-	-	3,150,000
Water - Current Revenue	2,450,700	2,897,500	5,227,500	2,082,500	4,287,500	16,945,700
Gas - Current Revenue	2,818,300	3,035,000	2,970,000	3,070,000	2,250,000	14,143,300
Sewer - Current Revenue	2,379,500	2,350,000	2,450,000	2,550,000	2,450,000	12,179,500
Stormwater - Current Revenue	1,196,300	1,105,000	1,510,000	1,345,000	300,000	5,456,300
Street Lighting -Property Tax Levy	388,300	1,000,000	1,625,000	700,000	700,000	4,413,300
Total	12,383,100	10,387,500	13,782,500	9,747,500	9,987,500	56,288,100

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 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.

Project	2021	2022	2023	2024	2025	Total
1st St E: 9th Ave E to 12th Ave E	-	-	-	202,500	-	202,500
24th Ave. West, 3rd St to 7th St	-	450,000	-	-	-	450,000
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	80,000	80,000	80,000	80,000	-	320,000
Duluth Heights Phases #1 and #2	-	417,500	490,000	-	-	907,500
East 2nd St	700,000	-	-	-	-	700,000
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

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

Water Capital Projects

Project Continued	2021	2022	2023	2024	2025	Total
Middle Pump Station (Bond)	3,150,000	-	-	-	-	3,150,000
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
PW&U Garfield Facility roof	65,700	-	-	-	-	65,700
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
Woodland Pump Station construction	-	-	2,600,000	-	-	2,600,000
Woodland Pump Station design	200,000	-	-	-	-	200,000
Woodland Pump Station study	5,000	-	-	-	-	5,000
WTP pump station service entrance Transformer	-	850,000	-	-	-	850,000
Total	5,600,700	2,897,500	5,227,500	2,082,500	4,287,500	20,095,700
Funding	2021	2022	2023	2024	2025	Total
Water Improvement Bonds	3,150,000	-	-	-	-	3,150,000
Water - Current Revenue	2,450,700	2,897,500	5,227,500	2,082,500	4,287,500	16,945,700
Total	5,600,700	2,897,500	5,227,500	2,082,500	4,287,500	20,095,700

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

Natural Gas Capital Projects

Description:

The proposed gas projects over the next five years include the continued extension of the system into unserved areas and the relocation of gas meters due to code requirements. Other significant costs include projects to replace existing thin wall plastic mains and older steel mains where leaks occur.

Project	2021	2022	2023	2024	2025	Total
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	-	-	120,000	-	-	120,000
MNDOT Central entrance, 8 inch replacement	-	-	-	320,000	-	320,000
MNDOT Gogebic culverts	-	-	100,000	-	-	100,000
Morris Thomas Rd. 16-inch main PIGGING	100,000	-	-	-	-	100,000
Morris Thomas Rd. 16-inch main replacement	-	940,000	-	-	-	940,000
PW&U Garfield Facility roof	118,300	-	-	-	-	118,300
Steel main replacements	100,000	-	500,000	500,000	500,000	1,600,000
Stora Flow Meter	250,000	-	-	-	-	250,000
Uprating of Upper Woodland	-	5,000	-	-	-	5,000
Woodland Ave 6" Steel Dressers (2 miles)	500,000	-	-	-	-	500,000
Total	2,818,300	3,035,000	2,970,000	3,070,000	2,250,000	14,143,300
Funding	2021	2022	2023	2024	2025	Total
Gas - Current Revenue	2,818,300	3,035,000	2,970,000	3,070,000	2,250,000	14,143,300
Total	2,818,300	3,035,000	2,970,000	3,070,000	2,250,000	14,143,300

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

Sanitary Sewer Capital Projects

Description:

The proposed sanitary sewer projects over the next five years focus on the continued lining or rehabilitation of leaking pipes and the reconstruction of sanitary sewer lift stations located throughout the city.

Project	2021	2022	2023	2024	2025	Total
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 sanitary sewer rehabilitation/lining	1,877,000	1,750,000	1,900,000	1,950,000	1,850,000	9,327,000
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
Morris Thomas with SLC	-	150,000	-	-	-	150,000
PW&U Garfield Facility roof	52,500	-	-	-	-	52,500
Total	2,379,500	2,350,000	2,450,000	2,550,000	2,450,000	12,179,500
Funding	2021	2022	2023	2024	2025	Total
Sewer - Current Revenue	2,379,500	2,350,000	2,450,000	2,550,000	2,450,000	12,179,500
Total	2,379,500	2,350,000	2,450,000	2,550,000	2,450,000	12,179,500

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 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.

Project	2021	2022	2023	2024	2025	Total
Annual Transportation SIP projects	150,000	100,000	100,000	100,000	-	450,000
Block long culvert & Ditch system Improvements	-	-	250,000	250,000	-	500,000
40th Ave W (County)	-	-	-	250,000	-	250,000
Citywide manhole adjustments	50,000	50,000	50,000	50,000	-	200,000
Citywide pipe repairs & steep slope "down drains"	200,000	310,000	250,000	250,000	-	1,010,000
Clarkhouse Creek	-	100,000	-	-	-	100,000
Fond du lac, Gary-New Duluth Storm Projects	200,000	-	-	-	-	200,000
Gogebic Creek CIPP and storm improvements	-	-	275,000	-	-	275,000
Greys Creek	-	100,000	-	-	-	100,000
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)	-	50,000	400,000	-	-	450,000
Non-Capital storm projects	145,000	145,000	145,000	145,000	-	580,000
Norton Road & Thurber Rd - Chester Creek - STUDY/DESIGN Culvert/Bridge	75,000	-	-	-	-	75,000

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

Stormwater Capital Projects

Project Continued	2021	2022	2023	2024	2025	Total
Park Point 12th-19th Sts at Minn Ave	350,000	-	-	-	-	350,000
PW&U Garfield Facility roof Superior Street, Lakewood to McQuade Rd culvert extensions	26,300	-	-	-	-	26,300
	-	150,000	-	-	-	150,000
Total	1,196,300	1,105,000	1,510,000	1,345,000	300,000	5,456,300
Funding	2021	2022	2023	2024	2025	Total
Stormwater - Current Reven	1,196,300	1,105,000	1,510,000	1,345,000	300,000	5,456,300
Total	1,196,300	1,105,000	1,510,000	1,345,000	300,000	5,456,300

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021-2025 Capital Improvement Plan

Street Lighting Capital Projects

Description:

The proposed street lighting capital plan over the next five years will utilize most resources on the replacement of traffic signal systems located throughout the city. In years where current revenues are not sufficient to complete all projects some may be delayed unless other funding sources are available.

Project	2021	2022	2023	2024	2025	Total
12th Ave E & Superior St	-	-	-	-	350,000	350,000
1st Ave E & 3rd St	-	-	350,000	-	-	350,000
21st Ave E & Superior St	-	350,000	-	-	-	350,000
3rd Ave E & 3rd St	-	-	225,000	-	-	225,000
46th Ave W & Colalillo Dr	-	-	-	-	350,000	350,000
4th Ave W & 3rd St	-	-	350,000	-	-	350,000
6th Ave E & 3rd St	-	-	350,000	-	-	350,000
Canal Park Dr & Railroad St	-	-	-	350,000	-	350,000
Elinor St & Grand Ave	-	350,000	-	-	-	350,000
Intersection Signal Replacement at St Marie & Carver (split 21-22)	277,800	-	-	-	-	277,800
Intersection Signal Replacement at Warwick and TH 23	110,500	-	-	-	-	110,500
Lake Ave & 3rd St	-	-	350,000	-	-	350,000
Lake Ave & Buchanan St	-	-	-	350,000	-	350,000
Woodland Ave & Arrowhead Rd	-	200,000	-	-	-	200,000
Woodland Ave & Snively Rd	-	100,000	-	-	-	100,000
Total	388,300	1,000,000	1,625,000	700,000	700,000	4,413,300

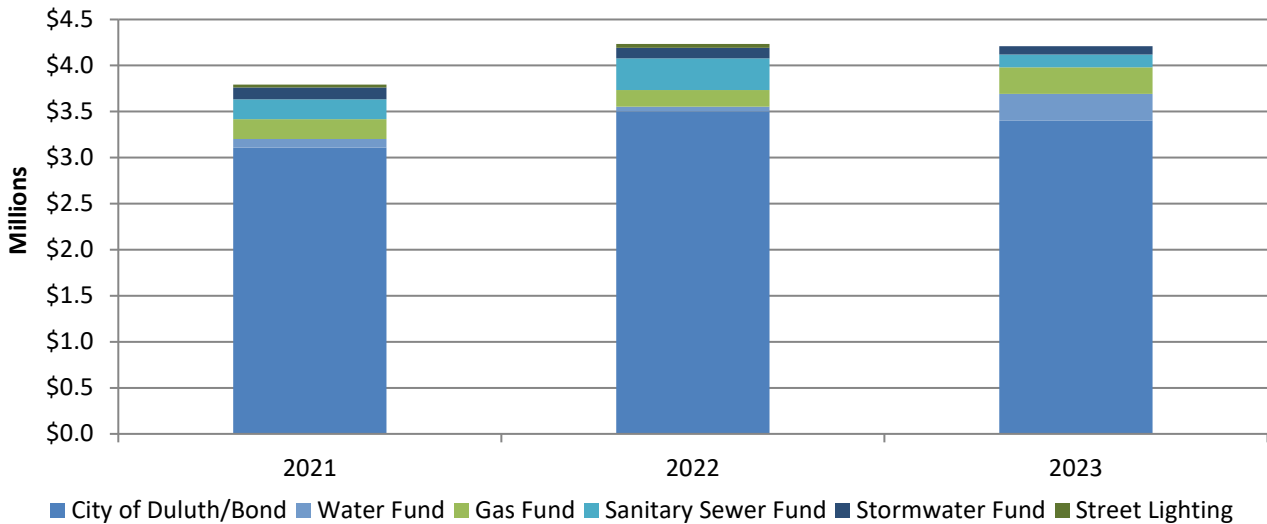
Funding	2021	2022	2023	2024	2025	Total
Street Lighting - Property Tax Levy	388,300	1,000,000	1,625,000	700,000	700,000	4,413,300
Total	388,300	1,000,000	1,625,000	700,000	700,000	4,413,300

City of Duluth Minnesota - 2021 Budget

Capital Equipment Plan

Three Year 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. \$12.24 million in equipment purchases are proposed in this plan for the period of 2021 through 2023. Of that total, \$10.01 million of equipment will be financed using bond proceeds and the balance of \$2.22 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.



	2021	2022	2023	Total
City of Duluth/Bond	3,110,000	3,500,000	3,400,000	10,010,000
Water Fund	90,550	52,250	291,850	434,650
Gas Fund	217,150	181,900	290,350	689,400
Sanitary Sewer Fund	214,050	342,425	138,675	695,150
Stormwater Fund	130,350	114,925	87,625	332,900
Street Lighting	31,000	42,000	-	73,000
Total Plan	3,793,100	4,233,500	4,208,500	12,235,100

City of Duluth Minnesota - 2021 Budget

Capital Equipment Plan

2021 Proposed Equipment:

The City's proposed 2021 capital equipment plan includes \$3.79 million for capital equipment purchases, of which \$3.11 million will be financed using bond proceeds and the remaining \$.68 million will be paid for from utility revenues and the street lighting property tax levy.

For 2021, the City is proposing bonding for rolling stock purchases in the amount of \$1.65 million comprised of Park Maintenance vehicles totaling \$175,000; Fire vehicles totaling \$165,000; Police vehicles totaling \$620,000; Street Maintenance vehicles totaling \$550,000; Facilities equipment totaling \$90,000; and Transportation Engineering vehicles totaling \$50,000. For 2021 the City is also proposing bonding for non-rolling stock equipment in the amount of \$1.46 million for technology improvements and replacements and fire equipment.

The breakdown of equipment purchases for the utility funds in 2021 includes \$46,100 for non-rolling stock equipment and \$637,000 for rolling stock vehicles for a total of \$683,100 in 2021; to be paid for using utility revenues and the street lighting property tax levy.

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021 - 2023 Capital Equipment Program

City of Duluth Rolling Stock Vehicles

	2021	2022	2023	Total
Fire Department				
Vehicles and Equipment	165,000	122,500	120,000	407,500
Subtotal Fire Department	165,000	122,500	120,000	407,500
Construction Services				
Vehicles and Equipment	-	52,500	30,000	82,500
Subtotal Construction Services	-	52,500	30,000	82,500
Police Department				
Vehicles and Equipment	620,000	525,000	554,600	1,699,600
Subtotal Police Department	620,000	525,000	554,600	1,699,600
Facilities Management				
Vehicles and Equipment	90,000	40,000	46,000	176,000
Subtotal Facilities Management	90,000	40,000	46,000	176,000
Park Maintenance				
Vehicles and Equipment	175,000	246,000	91,000	512,000
Subtotal Park Maintenance	175,000	246,000	91,000	512,000
Parks Department				
Vehicles and Equipment	-	59,000	33,400	92,400
Subtotal Parks Department	-	59,000	33,400	92,400
Street Maintenance				
Vehicles and Equipment	550,000	550,000	800,000	1,900,000
Subtotal Street Maintenance	550,000	550,000	800,000	1,900,000
Library				
Vehicles and Equipment	-	35,000	-	35,000
Subtotal Library	-	35,000	-	35,000
Transportation Engineering				
Vehicles and Equipment	50,000	20,000	-	70,000
Subtotal Transportation Engineering	50,000	20,000	-	70,000
Rolling Stock Bond Total	1,650,000	1,650,000	1,675,000	4,975,000

City of Duluth Minnesota - 2021 Budget

Estimated Operating Costs for Rolling Stock Vehicles

Item Description	2021	2022	2023	2024	2025	2026	6-year total
New Engine	41,154	20,698	35,911	27,241	24,561	28,101	177,665
Half-ton Crew Cab Pick-up	1,342	4,216	3,758	3,378	2,556	2,892	18,142
Construction Srvc Vehicles	1,296	2,065	1,569	1,569	1,569	1,603	9,671
Police Vehicles	4,733	4,558	5,839	3,582	4,884	5,311	28,908
Skidsteer & Trailer	4,711	5,244	3,321	4,161	8,003	4,690	30,130
Crafc0 Trailer	7,381	3,831	4,588	4,621	4,153	4,803	29,379
2- Retro Fit Plow Trucks	17,447	20,671	15,711	19,025	16,235	17,667	106,755
Loader	5,633	6,373	5,557	11,455	6,580	7,264	42,861
3/4 Ton Pickup - Traffic	1,342	4,216	3,758	3,378	2,556	2,892	18,142
4WD Mowers	4,820	2,837	5,631	3,458	3,458	3,901	24,104
Skidsteer	4,711	5,244	3,321	4,161	8,003	4,690	30,130
Trailers	1,389	2,132	879	1,700	5,233	2,057	13,389
John Deere Gator	496	268	671	1,609	2,096	1,026	6,167
Tower Replacement	41,154	20,698	35,911	27,241	24,561	28,101	177,665
Vehicle Replacements	1,342	4,216	3,758	3,378	2,556	2,892	18,142
Construction Serv Vehicles	1,296	2,065	1,569	1,569	1,569	1,603	9,671
Police Vehicles	4,733	4,558	5,839	3,582	4,884	5,311	28,908
Truck with Lift & Service Body	2,218	9,017	3,126	4,298	5,206	4,504	28,369
Service Van	2,823	1,552	2,320	3,083	2,691	2,187	14,655
Genie Lift	916	521	750	750	750	683	4,369
Tool Cat	3,172	2,486	3,677	5,191	2,511	3,353	20,390
SnoQuip Blowers	7,290	7,888	5,480	5,136	6,554	6,300	38,648
Sidewalk Cleaner	3,890	5,917	11,370	13,402	7,853	8,045	50,477
5 Yard Dump/Chipper Truck	17,447	20,671	15,711	19,025	16,235	17,667	106,755
4x4 Crewcab Pickup	1,342	4,216	3,758	3,378	2,556	2,892	18,142
Crew Cab w/service body	1,342	4,216	3,758	3,378	2,556	2,892	18,142
Asphalt Trailer	7,381	3,831	4,588	4,621	4,153	4,803	29,379
Retro Fit Plow Trucks	17,447	20,671	15,711	19,025	16,235	17,667	106,755
3/4 Ton Pickups	1,342	4,216	3,758	3,378	2,556	2,892	18,142
3/4 Ton Pickup w/Plow	1,342	4,216	3,758	3,378	2,556	2,892	18,142
3/4 Ton Crew	1,342	4,216	3,758	3,378	2,556	2,892	18,142
Engineering Vehicle	1,078	1,546	875	1,001	1,463	1,191	7,153
Vehicle Replacements	900	2,000	4,000	4,000	4,000	2,609	17,509
Police Vehicles	5,000	5,000	5,000	5,000	5,000	5,493	30,493
4WD Service Van	2,000	1,500	2,000	3,000	3,000	2,043	13,543
Truck with Service Body	2,500	8,500	3,000	4,000	5,000	4,378	27,378
Skidsteer	4,000	4,000	5,000	3,500	7,000	4,292	27,792
Turfco Top Dresser	500	500	1,000	1,000	1,500	815	5,315

City of Duluth Minnesota - 2021 Budget

Estimated Operating Costs for Rolling Stock Vehicles

Item Description	2021	2022	2023	2024	2025	2026	6-year total
John Deere Gator	500	300	700	1,750	2,000	1,039	6,289
1-Ton Dump Truck with Plow	2,000	3,000	2,000	2,000	2,000	2,060	13,060
Tool Cat	500	300	700	1,750	2,000	1,039	6,289
Zero Turn Mower	5,000	3,000	5,500	3,500	3,500	3,948	24,448
Small SUV for Transport	1,500	2,000	1,500	1,500	1,500	1,631	9,631
Retro Fit Plow Trucks	18,000	20,000	15,000	20,000	16,000	17,682	106,682
Sweeper	4,000	6,500	12,000	14,000	22,000	10,214	68,714
Engineering Vehicle	700	150	2,000	1,500	1,000	1,004	6,354
Fire Rapid Response SUV	600	1,700	300	867	750	800	5,017
Inspector SUV	900	1,300	950	1,050	925	975	6,100
Police Vehicles (EA)	3,500	3,800	5,000	1,800	3,800	5,000	22,900
Facilities Service Bodies	1,000	850	1,000	1,200	1,500	1,800	7,350
Cargo Van	1,500	700	4,500	2,000	2,300	2,600	13,600
Sweeper	1,200	18,000	13,000	24,000	18,000	20,000	94,200
1 Ton Dump Truck	5,000	15,000	3,500	7,833	7,000	7,500	45,833
Plow Truck	6,750	8,000	24,000	12,500	13,000	13,500	77,750
1-Ton Truck	2,000	3,000	2,000	2,000	2,000	2,000	13,000
1-Ton Truck	2,000	3,000	2,000	2,000	2,000	2,000	13,000
Toro Workman	650	650	650	650	650	650	3,900
1-Ton Truck	2,000	3,000	2,000	2,000	2,000	2,000	13,000
1-Ton Truck w/Service Body	2,000	3,000	2,000	2,000	2,000	2,000	13,000

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021 - 2023 Capital Equipment Program

City of Duluth Rolling Stock Vehicles

Fire Department - Vehicle Replacements

Description:

These squads are used by Fire Administration and Life Safety. The old squads will be reallocated within the department.

Funding Source:

Capital Equipment Bond

FY 2021

165,000



Fun Fact: This squad had been on over 5,791 runs since its acquisition.

City Priority Strategic Alignment:

City Priority

Safe and Secure Community

Definition

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

Police Department - Police Vehicles

Description:

Annual police vehicle replacement is required for overall police fleet sustainability. The Duluth Police Dept. needs to ensure our police vehicles are safe, efficient and functional in order to meet the expectations of our community.

Funding Source:

Capital Equipment Bond

FY 2021

620,000



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

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021 - 2023 Capital Equipment Program

City of Duluth Rolling Stock Vehicles

Facilities - Two 1-Ton Trucks-Extended Cab

Description:

These trucks are mobile maintenance shops that transport people and tools to on-site locations throughout the City to provide maintenance services.



Funding Source:

FY 2021

Capital Equipment Bond

90,000

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

Park Maintenance - Two 1-Ton Trucks

Description:

These are used for transportation of personnel, hauling of materials and supplies for horticultural work and winter snow and ice control for Parks infrastructure.



Funding Source:

FY 2021

Capital Equipment Bond

73,000

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 - 2021 Budget

City of Duluth 2021 - 2023 Capital Equipment Program

City of Duluth Rolling Stock Vehicles

Park Maintenance - Cany Com Wheelbarrow

Description:

This is a self-propelled, tracked wheelbarrow, used to carry material and supplies to work on natural trail surfaces.

Funding Source:

Capital Equipment Bond

FY 2021

12,000



City Priority Strategic Alignment:

City Priority

Green Space and Energy Conservation

Definition

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

Park Maintenance - Chipper

Description:

This unit is operated to grind tree branches and trees that are removed during storm events and to grind all of the branches that we take from boulevard trees during pruning cycles.

Funding Source:

Capital Equipment Bond

FY 2021

58,000



Fun Fact: This piece of equipment has the highest hazard potential in Park Maintenance.

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 - 2021 Budget

City of Duluth 2021 - 2023 Capital Equipment Program

City of Duluth Rolling Stock Vehicles

Park Maintenance - Toro Workman

Description:

This is used to haul employees and materials to provide maintenance at soccer fields, ball fields, and parks.



Funding Source:

FY 2021

Capital Equipment Bond

32,000

City Priority Strategic Alignment:

City Priority

Culture and Recreation

Definition

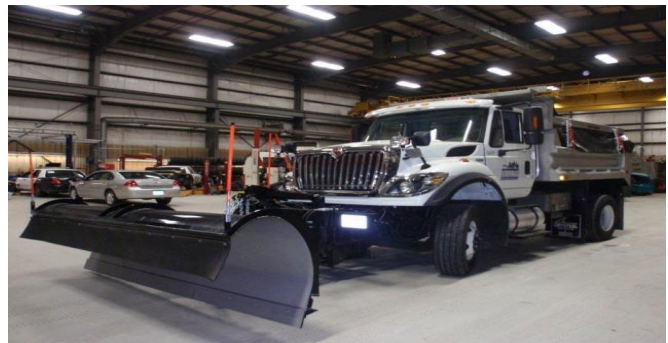
Open Space Development: Design, develop and enhance its parks, trails, open spaces and recreation facilities, ensuring they are sustainable, convenient, safe, accessible, attractive and well-maintained

Fun Fact: These vehicles allow Park Maintenance to respond to inclement weather conditions to provide playability on ball fields.

Street Maintenance - New Plow Truck

Description:

This vehicle is used year round for hauling blacktop for patching streets, filling potholes, and plowing and applying salt/sand to streets.



Funding Source:

FY 2021

Capital Equipment Bond

506,000

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

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

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021 - 2023 Capital Equipment Program

City of Duluth Rolling Stock Vehicles

Street Maintenance - Plow Truck Accessories

Description:

This vehicle is used year round for hauling blacktop for patching streets, filling potholes, and plowing and applying salt/sand to streets.



Funding Source:

FY 2021

Capital Equipment Bond

44,000

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

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:

FY 2021

Capital Equipment Bond

50,000



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

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021 - 2023 Capital Equipment Program

City of Duluth Non-Rolling Stock Equipment

	2021	2022	2023	Total
IT				
Life Cycle Projects	1,105,000	1,020,000	1,075,000	3,200,000
Innovation Projects	245,000	300,000	250,000	795,000
Subtotal IT	1,350,000	1,320,000	1,325,000	3,995,000
Fire				
Water rescue equipment	5,000	20,000	-	25,000
Extractors	-	15,000	-	15,000
Rope rescue equipment	20,000	-	-	20,000
Personal Protection Equipment	5,000	95,000	-	100,000
AEDs	80,000	-	-	80,000
SCBA	-	325,000	325,000	650,000
Portable Radios	-	45,000	-	45,000
Medical Bags	-	-	10,000	10,000
Turnout Gear	-	-	65,000	65,000
Subtotal Fire	110,000	500,000	400,000	1,010,000
Police				
Police Equipment	-	30,000	-	30,000
Subtotal Police	-	30,000	-	30,000
Non-Rolling Stock Bond Total	1,460,000	1,850,000	1,725,000	5,035,000

City of Duluth Minnesota - 2021 Budget

Operating Costs for Non Rolling Stock Equipment

Item Description	2021	2022	2023	2024	2025	2026	6-year total
Police Video Consolidation	\$ 23,100	\$ 23,100		\$ 25,000	\$ 25,000	\$ 25,000	\$ 121,200
Network Equipment							
Replacements	\$ 10,000	\$ 20,000	\$ 30,000	\$ 20,000	\$ 30,000	\$ 20,000	\$ 130,000
Police RMS System	\$ -	\$ (90,000)	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 310,000
ARMER Radio Replacements	\$ -	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 100,000
Document Mgt	\$ 40,000	\$ 40,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 100,000	\$ 390,000
Security Regulations	\$ -	\$ -	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 40,000
Knox Box Replacements	\$ -	\$ -	\$ -	\$ 5,000	\$ 5,000	\$ 5,000	\$ 15,000
Duluth Tax & Special							
Assessments Online Trxs	\$ -	\$ 10,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 90,000
TRAKiT Replacement	\$ -	\$ -	\$ (40,000)	\$ 75,000	\$ 75,000	\$ 75,000	\$ 185,000
Atty File Management		\$ -	\$ 30,000	\$ 30,000	\$ 32,000	\$ 34,000	\$ 36,000

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021 - 2023 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>2021-2023</u>	*estimated project costs
Printer Refresh	100,000	
Pictometry/Lidar Imagery	32,000	
ARMER Radio Replacements	800,000	
Enterprise Wide PC/Laptop	700,000	
Network Equipment Replacements	950,000	
Camera System Hardware Replacements	88,000	
Conference Room Technology Needs	25,000	
Fire MDC Replacement	100,000	
PC / Peripheral Adds	5,000	
Police Video Consolidation	400,000	
Total	3,200,000	

Fun Fact: The City monitors and manages over 6,000 network connections.



Fun Fact: Most of the City's 150 printers are 9+ years old. The City averages over 200,000 printed pages per month.

Funding Source:

Capital Equipment Bond	3,200,000
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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 - 2021 Budget

City of Duluth 2021 - 2023 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:

TRAKiT Upgrade	125,000
Document Mgt	250,000
Security Regulations	70,000
ITSC Project Planning	350,000
Total	795,000

2021-2023 *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	795,000
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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 - 2021 Budget

City of Duluth 2021 - 2023 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 2021

Capital Equipment Bond

5,000

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 - Rope Rescue Equipment

Description:

The equipment is used for technical rope rescue. The gear needed includes rope, webbing, prussic, Arizona vortex, helmets and miscellaneous associated gear.

Funding Source:

FY 2021

Capital Equipment Bond

20,000

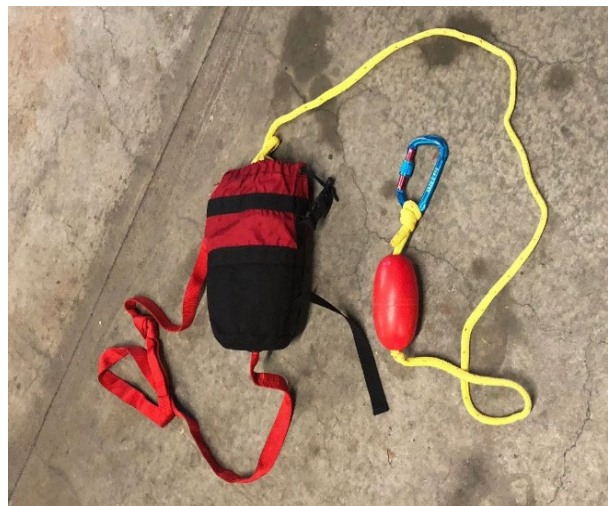
City Priority Strategic Alignment:

City Priority

Safe and Secure Community

Definition

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



City of Duluth Minnesota - 2021 Budget

City of Duluth 2021 - 2023 Capital Equipment Program

City of Duluth Non-Rolling Stock Equipment

Fire - Personal Protection Equipment

Description:

This equipment will be replaced in compliance with industry standards for cancer reduction and prevention.

Funding Source:

Capital Equipment Bond

FY 2021

5,000



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.

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 - AEDs

Description:

An AED, or automated external defibrillator, is used to help those experiencing sudden cardiac arrest.

Funding Source:

Capital Equipment Bond

FY 2021

80,000



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 - 2021 Budget

City of Duluth 2021 - 2023 Capital Equipment Program

Utility Funds Capital Equipment Summary

	2021	2022	2023	Total
Water Fund				
Cars/Pick-ups	31,700	13,500	20,700	65,900
Trucks/Vans	35,800	15,200	22,800	73,800
Dump Trucks	15,500	-	-	15,500
Excavator/Vactor	-	-	145,800	145,800
Other Rolling Stock	550	20,550	99,550	120,650
Non-Rolling Capital Equipment	7,000	3,000	3,000	13,000
Subtotal Water Fund	90,550	52,250	291,850	434,650
Gas Fund				
Cars/Pick-ups	71,800	64,250	99,700	235,750
Trucks/Vans	104,200	60,800	91,200	256,200
Dump Trucks	15,500	-	-	15,500
Excavator/Vactor	-	-	57,000	57,000
Other Rolling Stock	550	44,850	30,450	75,850
Non-Rolling Capital Equipment	25,100	12,000	12,000	49,100
Subtotal Gas Fund	217,150	181,900	290,350	689,400
Sanitary Sewer Fund				
Cars/Pick-ups	37,000	6,750	44,300	88,050
Trucks/Vans	13,000	-	-	13,000
Dump Trucks	108,500	-	-	108,500
Excavator/Vactor	-	92,000	49,500	141,500
Other Rolling Stock	48,550	191,550	23,875	263,975
Non-Rolling Capital Equipment	7,000	52,125	21,000	80,125
Subtotal Sanitary Sewer Fund	214,050	342,425	138,675	695,150
Stormwater Fund				
Cars/Pick-ups	13,000	-	10,300	23,300
Trucks/Vans	91,000	-	-	91,000
Dump Trucks	15,500	-	35,700	51,200
Excavator/Vactor	-	-	-	-
Other Rolling Stock	3,850	113,550	34,625	152,025
Non-Rolling Capital Equipment	7,000	1,375	7,000	15,375
Subtotal Stormwater Fund	130,350	114,925	87,625	332,900
Street Lighting Fund				
Pick-ups	31,000	42,000	-	73,000
Subtotal Street Lighting Fund	31,000	42,000	-	73,000
Utility Funds Total	683,100	733,500	808,500	2,225,100

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021 - 2023 Capital Equipment Program

City of Duluth Utilities Rolling Stock Vehicles

Public Works and Utilities - Utility Operations

Pickups

Description:

Transportation of employees and materials to the field for projects.



Funding Source:

	FY 2021
Water Fund	25,500
Gas Fund	28,900
Sanitary Sewer Fund	6,800
Stormwater Fund	6,800
Total	68,000

City Priority Strategic Alignment:

City Priority

Infrastructure

Definition

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

Public Works and Utilities - Sanitary Fund

Small SUV

Description:

Transportation of employees to residences within the city for inspection of sewer connections.



Funding Source:

	FY 2021
Sanitary Sewer Fund	24,000

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

Fun Fact: There are 398 miles of Sanitary Sewer pipe in Duluth.

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021 - 2023 Capital Equipment Program

City of Duluth Utilities Rolling Stock Vehicles

Public Works and Utilities - Street Lighting

3/4 Ton Pickup

Description:

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



Funding Source:

Street Lighting

FY 2021
31,000

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

Fun Fact: Street Lighting maintains over 2,200 decorative and 1,052 cobra head street lights.

Public Works and Utilities - Utility Engineering

1/2 Ton Pickup

Description:

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



Funding Source:

Water Fund
Gas Fund
Sanitary Sewer Fund
Stormwater Fund

	FY 2021
	6,200
	12,400
	6,200
	6,200
Total	31,000

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 - 2021 Budget

City of Duluth 2021 - 2023 Capital Equipment Program

City of Duluth Utilities Rolling Stock Vehicles

Public Works and Utilities - Utility Engineering

Midsized Pickup

Description:

Transportation of employees and materials to the field for projects.



Funding Source:

Gas Fund

FY 2021	
30,500	

City Priority Strategic Alignment:

City Priority

Infrastructure

Definition

Utilities: Design, build, improve and proactively maintain a utility infrastructure system that provides safe, affordable and reliable water, sewer, storm drainage, natural gas, steam and hot water services to the community

Fun Fact: Over 28,000 active meters in each of the Gas Utility and Water Utility require routine maintenance, repair and replacement.

Public Works and Utilities - Customer Service

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:

Water Fund

Gas Fund

FY 2021	
22,800	
91,200	
Total	114,000

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

Fun Fact: The appliance service team maintained gas appliances throughout the COVID crisis.

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021 - 2023 Capital Equipment Program

City of Duluth Utilities Rolling Stock Vehicles

Public Works and Utilities - Utility Operations

Construction Van

Description:

The replacement will be used to transport gravel, sand, rock and trailered equipment for infrastructure repair and maintenance.

Funding Source:

	FY 2021
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

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

Tandem Dump Truck

Description:

Transportation of employees, construction materials to the field.

Funding Source:

	FY 2021
Water Fund	15,500
Gas Fund	15,500
Sanitary Sewer Fund	108,500
Stormwater Fund	15,500

Total 155,000



Fun Fact: Approximately 20,000 tons of gravel was used in utility maintenance and repair activities during 2019.

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 - 2021 Budget

City of Duluth 2021 - 2023 Capital Equipment Program

City of Duluth Utilities Rolling Stock Vehicles

Public Works and Utilities - Utility Operations

Storm Pipe Trailer

Description:

The trailer is used for hauling culverts and pipe.



Funding Source:

	<u>FY 2021</u>
Water Fund	550
Gas Fund	550
Sanitary Sewer Fund	550
Stormwater Fund	<u>3,850</u>
Total	5,500

City Priority Strategic Alignment:

City Priority

Infrastructure

Definition

Utilities: Design, build, improve and proactively maintain a utility infrastructure system that provides safe, affordable and reliable water, sewer, storm drainage, natural gas, steam and hot water services to the community

Fun Fact: There are 398 miles of Sanitary Sewer pipe in Duluth.

City of Duluth Minnesota - 2021 Budget

City of Duluth 2021 - 2023 Capital Equipment Program

City of Duluth Non-Rolling Stock Equipment

Public Works & Utilities - Utility Operations

Bypass Pump

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:

Sanitary Sewer Fund

FY 2021
48,000

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 - Utility Engineering

GPS Unit (1) Trimble R10 GNSS

Description:

GPS units are used for locating & recoding above ground infrastructure.



Funding Source:

Water Fund Revenue

7,000

Gas Fund Revenue

7,000

Sanitary Sewer Fund Revenue

7,000

Stormwater Fund Revenue

7,000

Total	28,000
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Fun Fact: GPS units are used for locating above and below ground infrastructure. Precision can be as high as 8mm horizontal and 15mm vertical. Respectively, that is within 1/3 and 2/3 of an inch.

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 - 2021 Budget

City of Duluth 2021 - 2023 Capital Equipment Program

City of Duluth Non-Rolling Stock Equipment

Public Works & Utilities - Utility Engineering

Allegro QX Survey Equipment

Description:

Gather precise data on the City's Transmission Line, Distribution Lines, and Steel Service Lines.



Funding Source:

Gas Fund

FY 2021

8,000

Fun Fact: This piece of equipment will detect and record changes in pipe coating. The pipe coating protects the steel pipe from corrosives in the soil, extending the life of the pipe.

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 - Utility Engineering

PCMx Magnetometer

Description:

The PCMx will enable us to identify and prioritize preventative maintenance on our gas mains; extending asset life by identifying possible sources of corrosion at an early stage.



Funding Source:

Gas Fund

FY 2021

10,100

Fun Fact: This equipment can detect minute current shorts on our pipeline caused by interference from other structures.

City Priority Strategic Alignment:

City Priority

Infrastructure

Definition

Utilities: Design, build, improve and proactively maintain a utility infrastructure system that provides safe, affordable and reliable water, sewer, storm drainage, natural gas, steam and hot water services to the community



Legislation Details (With Text)

File #: 20-065-O Name:
 Type: Ordinance Status: Passed
 File created: 12/4/2020 In control: Finance
 On agenda: 12/14/2020 Final action: 12/21/2020
 Title: AN ORDINANCE SETTING THE BUDGET FOR THE FISCAL YEAR 2021 APPROPRIATING MONIES FOR THE SUPPORT OF THE CITY GOVERNMENT, PUBLIC UTILITIES, AND PUBLIC ENTERPRISE FUNDS AND FOR OTHER PURPOSES (REPLACEMENT).

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
12/21/2020	1	City Council	adopted	
12/14/2020	1	City Council	read for the first time	

AN ORDINANCE SETTING THE BUDGET FOR THE FISCAL YEAR 2021 APPROPRIATING MONIES FOR THE SUPPORT OF THE CITY GOVERNMENT, PUBLIC UTILITIES, AND PUBLIC ENTERPRISE FUNDS AND FOR OTHER PURPOSES (REPLACEMENT).

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, 2021, 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 \$2,793,800 from the gas and steam public utility funds to the general fund for administrative services; comprised of \$2,641,000 or seven percent of the gross revenues of the gas utility fund to the general fund; and \$152,800 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 2021.

General Fund

110	Legislative and Executive	3,812,700
121	Property, Parks, and Libraries	13,381,100
122	Administrative Services	5,738,700
125	Finance	2,850,200
132	Planning and Economic Development	3,677,000
150	Fire	18,696,200
160	Police	24,061,100
500	Public Works	10,189,900
700	Transfers and Other Functions	11,938,300
	Total General Fund	94,345,200

Special Revenue

205	Parks Fund	3,269,400
268 & 270	Workforce Development Fund	3,058,422
290	Street System Maintenance Utility	2,500,000
550	Street Lighting Fund	2,497,300

Public Enterprise		
503	Golf Fund	1,145,979
505	Parking Fund	5,586,193
506	Priley Drive Parking Facility	1,544,864
Public Utilities		
510 & 511	Water Fund	20,155,650
520	Gas Fund	44,400,127
530 & 532	Sewer and Clean Water Fund	23,239,350
535	Stormwater Fund	6,212,750
540	Steam Fund	9,218,291

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, 2021.

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 2021 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.

The budget appropriation for the General Fund utilizes fund balance reserves in the amount of \$3,825,600 to fund the revenue gap due to the economic recession caused by the pandemic.



Legislation Details (With Text)

File #: 20-064-O Name:

Type: Ordinance Status: Passed

File created: 12/4/2020 In control: Finance

On agenda: 12/14/2020 Final action: 12/21/2020

Title: AN ORDINANCE DETERMINING THE SUM TO BE RAISED BY TAXATION FOR GENERAL PURPOSES FOR THE YEAR 2021.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A

Date	Ver.	Action By	Action	Result
12/21/2020	1	City Council	adopted	
12/14/2020	1	City Council	read for the first time	

AN ORDINANCE DETERMINING THE SUM TO BE RAISED BY TAXATION FOR GENERAL PURPOSES FOR THE YEAR 2021.

CITY PROPOSAL:

The city of Duluth does ordain:

Section 1. That the sum to be raised by taxation for the year 2021 is hereby determined to be the sum of \$34,844,100 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 \$22,029,300.

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 \$2,500,000.

Section 6. That for the payment of debt, there will be levied for the general obligation debt fund the sum of \$7,307,600.

Section 7. 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 8. That this ordinance shall take effect January 1, 2021.

STATEMENT OF PURPOSE: This ordinance sets the property tax levy for the year 2021. The 2021 levy

reflects a total increase of 2.98% which will be offset by total property tax growth in the City of 6.64%.



Legislation Details (With Text)

File #: 20-063-O Name:

Type: Ordinance Status: Passed

File created: 12/4/2020 In control: Finance

On agenda: 12/14/2020 Final action: 12/21/2020

Title: AN ORDINANCE DETERMINING THE SUM TO BE RAISED BY TAXATION FOR THE SPECIAL PARKS FUND LEVY FOR THE YEAR 2021.

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
12/21/2020	1	City Council	adopted	
12/14/2020	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 2021.

CITY PROPOSAL:

The city of Duluth does ordain:

Section 1. That the sum to be raised by taxation for the year 2021 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, 2021.

STATEMENT OF PURPOSE: This ordinance sets the property tax levy for the year 2021 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 #: 20-062-O Name:
 Type: Ordinance Status: Passed
 File created: 12/4/2020 In control: Finance
 On agenda: 12/14/2020 Final action: 12/21/2020
 Title: AN ORDINANCE DETERMINING THE SUM TO BE RAISED BY TAXATION FOR THE SPECIAL TAXING DISTRICT, DULUTH TRANSIT AUTHORITY, FOR THE YEAR 2021.

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
12/21/2020	1	City Council	adopted	
12/14/2020	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 2021.

CITY PROPOSAL:

The city of Duluth does ordain:

Section 1. That the sum to be raised by taxation for the year 2021 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, 2021.

STATEMENT OF PURPOSE: This ordinance sets the property tax levy for the year 2021 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 2021, is opting not to request the full levy allowable. Instead, the DTA is requesting the same levy amount as 2020.



Legislation Details (With Text)

File #: 20-0854R Name:

Type: Resolution Status: Passed

File created: 11/16/2020 In control: Finance

On agenda: 12/14/2020 Final action: 12/14/2020

Title: RESOLUTION ESTABLISHING ANNUAL BONDING PLAN FOR 2021.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A

Date	Ver.	Action By	Action	Result
12/14/2020	1	City Council	adopted	

RESOLUTION ESTABLISHING ANNUAL BONDING PLAN FOR 2021.

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 2021.

General obligation bonds and notes to be issued in 2021	\$14,900,000
General obligation bonds and notes scheduled to be retired in 2021	\$15,204,000
Net anticipated decrease in general obligation bonding for 2021	\$304,000

STATEMENT OF PURPOSE: This resolution sets forth the city's estimated bond and note issuances and repayments for the year 2021 as required by Section 20-33 of the city code. The city estimates its bonding activity in 2021 will result in a net decrease of \$304,000 in the amount of the city's general obligation outstanding debt during 2021; 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 #: 20-0867R Name:
 Type: Resolution Status: Passed
 File created: 11/25/2020 In control: Finance
 On agenda: 12/14/2020 Final action: 12/14/2020
 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
12/14/2020	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 2021 through 2025 which has been presented to the Council in the section entitled "Capital Improvement Program Summary" in the document entitled "2021-2025 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 14, 2020, 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 14, 2020, 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 \$1,900,000 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 \$1,900,000 (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, the library and City Center West (public safety facility and library), and for the payment of costs of issuance of the Bonds.

(d) If, within 30 days after December 14, 2020, 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 2021-2025 capital improvement plan and declares the City's intent to issue general obligation capital improvement bonds in 2021 in an amount not to exceed \$1,900,000 for certain capital improvements as listed in the resolution. The estimated costs of the capital improvements to be financed by the 2021 bonds are \$1,800,000 plus underwriter discount and costs of issuance.



Legislation Details (With Text)

File #: 20-0866R Name:
 Type: Resolution Status: Passed
 File created: 11/25/2020 In control: Finance
 On agenda: 12/14/2020 Final action: 12/14/2020
 Title: RESOLUTION OF THE CITY OF DULUTH, MINNESOTA, STATING THE INTENT TO ISSUE GENERAL OBLIGATION CAPITAL EQUIPMENT NOTES, SERIES 2021, IN THE APPROXIMATE AMOUNT OF \$3,350,000 AND APPROVING THE CAPITAL EQUIPMENT LIST ASSOCIATED WITH THE NOTES.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A

Date	Ver.	Action By	Action	Result
12/14/2020	1	City Council	adopted	

RESOLUTION OF THE CITY OF DULUTH, MINNESOTA, STATING THE INTENT TO ISSUE GENERAL OBLIGATION CAPITAL EQUIPMENT NOTES, SERIES 2021, IN THE APPROXIMATE AMOUNT OF \$3,350,000 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 2021 in an amount up to \$3,350,000 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 2021.

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 2021 to finance the purchase of capital equipment. It further approves the capital equipment list as items to be financed in 2021 in an amount of \$3,110,000 plus an additional amount for costs of issuance and discount.



Legislation Details (With Text)

File #: 21-0175R **Name:**
Type: Resolution **Status:** Passed
File created: 3/11/2021 **In control:** Finance
On agenda: 3/22/2021 **Final action:** 3/22/2021
Title: RESOLUTION OF THE CITY OF DULUTH, MINNESOTA, AMENDING RESOLUTION 20-0866R ADOPTED DECEMBER 14, 2020, MODIFYING THE CAPITAL EQUIPMENT LIST ASSOCIATED WITH THE PROPOSED CAPITAL EQUIPMENT NOTES.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A

Date	Ver.	Action By	Action	Result
3/22/2021	1	City Council	adopted	

RESOLUTION OF THE CITY OF DULUTH, MINNESOTA, AMENDING RESOLUTION 20-0866R ADOPTED DECEMBER 14, 2020, MODIFYING THE CAPITAL EQUIPMENT LIST ASSOCIATED WITH THE PROPOSED CAPITAL EQUIPMENT 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, in Resolution No. 20-0866R adopted December 14, 2020 (the “Original Resolution”), declared the intent of the City to issue capital equipment notes in 2021 in an amount up to \$3,350,000 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. Exhibit A to the Original Resolution listed the capital equipment to be financed, which list of equipment was approved for purchase in 2021.

Section 4. Due to changing needs of the City and due to the COVID-19 pandemic causing supply shortages, the list of capital equipment to be financed and which is authorized to be purchased in 2021 is hereby amended in its entirety as set forth on Exhibit A. Specific capital equipment to be acquired and financed shall be approved by the Council, or if the cost of the item of capital equipment is less than \$150,000, the Finance Director shall approve the equipment to be acquired. Except as modified by this Resolution, the Original Resolution remains in full force and

effect and is hereby ratified and approved.

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 amends Resolution No. 20-0866R, which states the City's intent to issue general obligation capital equipment notes in 2021 to finance the purchase of capital equipment. The capital equipment list to be financed in 2021 in an amount of \$3,110,000 plus an additional amount for costs of issuance and discount is amended. There is no change in the total cost of the capital equipment to be financed.



Legislation Details (With Text)

File #: 20-0884R Name:
 Type: Resolution Status: Passed
 File created: 12/4/2020 In control: Finance
 On agenda: 12/14/2020 Final action: 12/14/2020
 Title: RESOLUTION DISTRIBUTING THE ESTIMATED 2021 HOTEL-MOTEL AND FOOD AND BEVERAGE TOURISM TAXES.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A, 2. 20-0884 MTA - Passed unanimously. 9-0

Date	Ver.	Action By	Action	Result
12/14/2020	1	City Council	adopted as amended	

RESOLUTION DISTRIBUTING THE ESTIMATED 2021 HOTEL-MOTEL AND FOOD AND BEVERAGE TOURISM TAXES.

CITY PROPOSAL:

WHEREAS, Tourism Taxes are collected on specific purchases and are used to fund legislatively allowable expenses mandated by Minnesota Laws and City Ordinance.

WHEREAS, it is expected that the tourism tax collections will be \$9 million for 2021. A significant amount of these collections- more than 60%- 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 2021 hotel-motel and food and beverage tourism taxes, as estimated, be distributed in the following manner:

	Promotional	Capital
--	-------------	---------

	Total	& Operational Support	Support & Debt Service
3% Hotel/Motel Tax:	\$2,181,100	\$834,300	\$1,346,800
1% Hotel/Motel Tax:	\$722,800	\$722,800	\$0
1% Food & Beverage:	\$1,959,100	\$1,959,100	\$0
Additional 2% Hotel/Motel:	\$1,351,700	\$675,800	\$675,900
Additional .75% Food & Beverage:	\$1,469,300	\$0	\$1,469,300
Additional .5% Food&Bev & .5% Hotel/Motel	\$1,316,000	\$0	\$1,316,000
Tourism Tax Fund Balance	\$719,400	\$25,600	\$693,800
Total:	\$9,719,400	\$4,217,600	\$5,501,800
DECC- Amsoil Arena Debt Service	\$2,963,600	\$0	\$2,963,600
Spirit Mountain Bond - Chalet	\$475,000	\$0	\$475,000
Spirit Mountain Adventure Park Lease	\$145,700	\$0	\$145,700
St Louis River Corridor Debt Service	\$1,342,500	\$0	\$1,342,500
Minnesota Slip Bridge	\$550,000	\$0	\$550,000
DECC - Bayfront Park Management	\$71,300	\$71,300	\$0
DECC - Blue Bridge Operations	\$43,000	\$43,000	\$0
Tourism Events Support General Fund	\$821,300	\$821,300	\$0
Business Improve District	\$220,000	\$220,000	\$0
Lake Superior Zoo	\$510,000	\$510,000	\$0
Rail Alliance	\$15,000	\$15,000	\$0
Advertising and Publicity	\$1,500,000	\$1,500,000	\$0
Fourth Fest Fireworks	\$57,000	\$57,000	\$0
UMD Athletics	\$20,000	\$20,000	\$0
Great Lakes Aquarium	\$270,000	\$270,000	\$0
Depot Foundation	\$165,000	\$165,000	\$0
Spirit Mountain Operations	\$500,000	\$500,000	\$0
Duluth Area Family Y	\$25,000	\$25,000	\$0
Duluth Children's Museum	\$5,000	\$5,000	\$0
Glensheen	\$20,000	\$20,000	\$0
Total	\$9,719,400	\$4,217,600	\$5,501,800

STATEMENT OF PURPOSE: This resolution distributes the 2021 estimated tourism taxes as required by Minnesota State Statutes, City ordinance, or City policy. A 25% decrease in 2021 tax collections was factored in determining the allocations above. A comparison of 2020 approved allocations to 2021 proposed allocations is attached as Exhibit A.

In previous years, the City instituted an application process for tourism tax allocations. All applicants were

asked to apply for funds, submit budgets, and answer a series of questions and report on previous tourism tax funding levels and uses. Due to the pandemic and projected decreases in tourism revenue, the City did not have an application process but rather allocated the reduced tourism funds and fund balance in the tourism tax fund to fulfill existing debt obligations, legislative intentions, contractual agreements, commitments, and protect large tourism asset investments.



Legislation Details (With Text)

File #: 20-0882R Name:
Type: Resolution Status: Passed
File created: 12/4/2020 In control: Finance
On agenda: 12/14/2020 Final action: 12/14/2020
Title: RESOLUTION APPROVING THE FISCAL YEAR JANUARY 1, 2021 TO DECEMBER 31, 2021, OPERATION BUDGET OF THE DULUTH TRANSIT AUTHORITY.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A

Date	Ver.	Action By	Action	Result
12/14/2020	1	City Council	adopted	

RESOLUTION APPROVING THE FISCAL YEAR JANUARY 1, 2021 TO DECEMBER 31, 2021, OPERATION BUDGET OF THE DULUTH TRANSIT AUTHORITY.

CITY PROPOSAL:

RESOLVED, that the operation budget for the fiscal year January 1, 2021 to December 31, 2021, in the amount of \$19,565,536 for the Duluth Transit Authority is hereby approved.

STATEMENT OF PURPOSE: This resolution adopts the 2021 operating budget for the Duluth Transit Authority, a detailed budget is attached as Exhibit A.

The budget includes an increase of \$433,834 or 2.26% over the 2020 budget. This resolution adopts the budget as presented for the current year.



Legislation Details (With Text)

File #: 20-0882R Name:
Type: Resolution Status: Passed
File created: 12/4/2020 In control: Finance
On agenda: 12/14/2020 Final action: 12/14/2020
Title: RESOLUTION APPROVING THE FISCAL YEAR JANUARY 1, 2021 TO DECEMBER 31, 2021, OPERATION BUDGET OF THE DULUTH TRANSIT AUTHORITY.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A

Date	Ver.	Action By	Action	Result
12/14/2020	1	City Council	adopted	

RESOLUTION APPROVING THE FISCAL YEAR JANUARY 1, 2021 TO DECEMBER 31, 2021, OPERATION BUDGET OF THE DULUTH TRANSIT AUTHORITY.

CITY PROPOSAL:

RESOLVED, that the operation budget for the fiscal year January 1, 2021 to December 31, 2021, in the amount of \$19,565,536 for the Duluth Transit Authority is hereby approved.

STATEMENT OF PURPOSE: This resolution adopts the 2021 operating budget for the Duluth Transit Authority, a detailed budget is attached as Exhibit A.

The budget includes an increase of \$433,834 or 2.26% over the 2020 budget. This resolution adopts the budget as presented for the current year.



Legislation Details (With Text)

File #: 20-0880R Name:
Type: Resolution Status: Passed
File created: 12/4/2020 In control: Finance
On agenda: 12/14/2020 Final action: 12/14/2020
Title: RESOLUTION APPROVING THE FISCAL YEAR JANUARY 1, 2021 TO DECEMBER 31, 2021 BUDGETS OF THE DULUTH ECONOMIC DEVELOPMENT AUTHORITY.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A

Date	Ver.	Action By	Action	Result
12/14/2020	1	City Council	adopted	

RESOLUTION APPROVING THE FISCAL YEAR JANUARY 1, 2021 TO DECEMBER 31, 2021 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 2021. The DEDA adopted the DEDA budgets at its October 28, 2020 meeting.

City of Duluth Minnesota - 2021 Budget

DEMOGRAPHIC AND ECONOMIC STATISTICS

Fiscal Year	Population	Total Personal Income	Per Capita		Unemployment Rate
			Personal Income	Per Capita School Enrollment	
2011	86,277	2,324,435,029	26,942	8,815	6.8%
2012	86,200	2,368,110,337	27,472	8,686	6.0%
2013	86,128	2,510,223,601	29,145	8,517	5.2%
2014	86,238	2,605,207,475	30,210	8,517	4.4%
2015	86,110	2,763,072,824	32,075	8,353	3.3%
2016	86,293	2,709,298,125	31,397	8,115	3.9%
2017	86,066	2,770,709,396	32,191	8,067	3.5%
2018	85,884	2,894,363,625	33,693	8,515	2.9%
2019	85,618	3,018,766,661	34,591	8,229	3.2%
2020*	85,618	2,804,931,092	32,761	8,371	6.3%

Data sources:

The population figures are estimates of the US Census Bureau. Total personal income is from the MN Department of Employment and Economic Development's website. The school enrollment figures were provided by the Duluth School District.

* Estimates

MINNESOTA CITIES HOUSING STOCK COMPARISON

Age of Housing Stock	Duluth		Rochester		St. Cloud		Mankato	
Total Housing Units	38,496		49,757		27,705		17,806	
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 - 2021 Budget

PRINCIPAL EMPLOYERS

Employer	Type of Business	Employees	Rank	% of Total City Employment
Essentia Health	Health Care	6,513	1	15.64%
St. Luke's Hospital	Health Care	2,249	2	5.40%
St. Louis County	Public Administration	1,990	3	4.78%
Independent School District No.709	Educational Services	1,450	4	3.48%
ALLETE	Utilities	1,314	5	3.16%
Duluth Air National Guard Base	Public Administration	1,068	6	2.56%
Cirrus Design	Manufacturing	1,000	7	2.40%
United Health Care	Finance and Insurance	999	8	2.40%
University of Minnesota - Duluth	Educational Services	953	9	2.29%
City of Duluth	Public Administration	850	10	2.04%
		<u>18,386</u>		<u>44.15%</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	2016	2017	2018	2019	2020
General government	132.40	133.00	126.50	132.15	134.10
Public Safety					
Police	180.50	184.14	182.14	182.14	180.50
Fire	144.50	146.50	146.50	146.50	148.50
Public Works	86.25	86.50	82.95	83.95	82.95
Culture and recreation					
Parks and recreation	11.75	11.95	11.70	13.70	13.70
Library	46.50	46.70	46.70	46.70	46.70
Urban & Economic Development	54.05	54.05	52.05	57.14	56.14
Water & Gas	129.15	134.75	134.75	135.45	133.00
Sewer	35.80	33.15	34.65	33.05	33.75
Stormwater	27.30	25.85	23.15	24.05	24.80
Parking	9.00	9.00	9.00	9.00	9.00
Street Lighting	5.10	5.10	5.10	5.10	5.10
Total	<u>862.30</u>	<u>870.69</u>	<u>855.19</u>	<u>868.93</u>	<u>868.24</u>

City of Duluth Minnesota - 2021 Budget

TOTAL ESTIMATED MARKET VALUES

Fiscal Year End	Total Estimated Market Value	Tax Capacity	% Capacity to Market Value	Tax Rate
2011	5,531,528,600	65,577,970	1.19%	0.27956
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	70,164,860	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

PRINCIPAL PROPERTY TAXPAYERS

Taxpayer	Type of Business	Estimated Market Value	Rank	% of Market Value
Minnesota Power	Electric utility	149,030,600	1	2.21%
Summit Management LLC	Apartments & shopping mall	79,986,600	2	1.19%
Essentia Health	Healthcare & hospital	66,262,700	3	0.98%
Simon Property, Inc.	Shopping mall	52,233,100	4	0.78%
Wisconsin Central LLC	Railroad	35,354,200	5	0.53%
Ansa Propco Partnership	Lease administration	32,650,900	6	0.49%
Hall Equities Group	Hotels	24,716,800	7	0.37%
Lift Bridge Partners LLC	Real estate development	21,540,700	8	0.32%
Burlington Northern	Railroad	19,569,400	9	0.29%
St. Luke's Hospital	Healthcare & hospital	19,241,700	10	0.29%
		500,586,700		7.45%

City of Duluth Minnesota - 2021 Budget

OPERATING INDICATORS BY FUNCTION

	2015	2016	2017	2018	2019
Police					
Criminal offences	10,262	10,447	10,561	10,437	10,890
Cleared by arrest	4,081	4,062	3,802	3,267	3,518
Traffic violations	8,525	6,819	5,196	5,421	4,568
Parking violations	50,647	55,226	34,437	31,934	42,684
Fire					
Number of calls answered	12,231	12,799	13,239	13,255	13,698
Number of inspections	1,200	1,200	7,490	7,367	8,382
Public works					
Construction permits:					-
Permits issued	1,896	2,085	2,071	1,882	2,188
Estimated cost of construction during year in dollars	160,884,495	108,815,274	92,039,794	120,632,556	203,247,704
Culture and recreation					
Parks and recreation department					
Participation in special events	23,122	49,125	67,300	62,925	68,725
Participation in recreation	22,586	31,555	25,210	27,197	44,373
Zoo regular customers	64,071	76,316	81,538	78,439	79,128
Library					
Registered borrowers	47,086	45,424	42,674	51,636	52,178
Items in collection	444,790	435,385	424,304	419,907	346,516
Items loaned	927,389	848,293	871,704	847,237	868,740
Library visits	474,982	461,403	475,363	426,082	437,668
Internet uses	109,965	92,656	90,489	81,685	70,338
Reference/ research questions answered	77,896	59,321	71,253	59,579	65,702

City of Duluth Minnesota - 2021 Budget

OPERATING INDICATORS BY FUNCTION continued

	2015	2016	2017	2018	2019
Water					
Meters in service	28,134	28,134	28,243	28,345	28,422
Average number of gallons treated per month	431,616,667	415,642,500	408,434,167	388,512,500	374,256,680
Water pumped - million cubic feet	692.4	666.8	655.2	623.3	600.4
Water sold - million cubic feet	589.8	565.6	568.4	561.9	527.6
Daily average consumption in gallons	14,190,136	11,590,274	11,648,560	12,773,013	12,307,089
Gas					
Meters in service	26,896	28,540	28,712	28,957	29,234
MMBTU sold	4,885,371	4,770,804	5,218,978	5,063,708	5,984,783
Sewer					
Number of service connections	27,963	27,985	27,993	28,030	28,075
Daily average treatment in gallons	13,000,530	13,729,690	14,355,390	12,093,510	14,111,340
Stormwater					
Cleaning storm sewer pipe (in feet)	3,330	20,017	107,965	125,776	82,597
Steam District #1					
Steam sold (in 1,000 lbs)	332,830	313,408	305,465	345,262	350,306
Golf					
Season passes	795	731	436	462	307
Daily tickets	46,700	38,894	34,358	39,661	33,223
Carts	42,606	39,846	28,555	25,048	21,079
Rounds played	81,082	75,544	67,657	60,988	51,402

City of Duluth Minnesota - 2021 Budget

CAPITAL ASSETS BY FUNCTION

	2015	2016	2017	2018	2019
Police					
Patrol units	93	97	102	123	120
Fire					
Fire stations	8	8	8	8	8
Public works					
Miles of streets and alleys:					
Miles of streets: paved	473.80	475.77	175.74	475.77	475.77
Miles of streets: unpaved	47.96	47.96	47.96	47.96	47.96
Miles of sidewalk	410.98	411.08	352.00	352.13	352.13
Number of street lights:					
Ornamental lamps (no. of bulbs)	3,930	3,940	3,930	3,809	3,809
Overhead street lamps	3,665	3,665	3,665	3,665	3,665
Culture and recreation					
Parks and recreation					
Number of parks	128	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	19	17	17	17	17
Community clubs/field houses operated	19	19	19	18	17
Number of athletic fields	57	48	48	48	48
Number of hiking trails	14	14	14	14	25
Library					
Libraries/branches	3	3	3	3	3
Water					
Miles of water mains	433.40	428.30	428.40	429.40	432.50
Number of hydrants	2,688	2,699	2,708	2,717	2,738
Max daily capacity of plant in gallons	32,000,000	32,000,000	32,000,000	32,000,000	32,000,000
Gas					
Miles of gas mains	534.70	538.20	544.40	548.10	551.10
Sewer					
Miles of sanitary sewers	395.30	397.60	398.80	398.10	398.10
Stormwater					
Miles of storm sewers	398.07	404.56	412.00	413.00	413.00
Steam District #1					
Miles of line	11.00	11.00	11.00	11.00	11.00
Golf					
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.

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 (CAFR)

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

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 incurrance 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

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