

## **City of Duluth Communications Office**

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DATE: 9/24/2024 SUBJECT: Mayor Roger Reinert's zero max levy budget proposal passes City Council unanimously BY: Kelli Latuska, Public Information Officer

## Mayor Roger Reinert's zero max levy budget proposal passes council unanimously

[DULUTH, MN] At their regularly scheduled meeting on Monday, September 23, in a 9-0 vote, the Duluth City Council passed a maximum levy of 1.85% for the 2025 budget year, limiting the growth in the municipality's tax levy to an amount equal to new growth in the tax base. This translates to a 0% increase in the city's portion of property taxes for current residents and businesses. This is the first 0% city levy since 2014.

"Duluth residents have been clear that they wanted us to pump the brakes a little on property tax increases this year," said Mayor Reinert. "I said in my State of the City last April that I would propose a 'new growth only' budget and am grateful for a unanimous city council vote in support of that direction."

While the maximum levy was passed last night, the city's administration and city council will have until December 31, 2024 to pass the final 2025 budget.

"With inflation and wage increases, we're also feeling some of the same pressures as other cities and organizations," said City Administrator Dave Montgomery. "The continued conversation between administration and council will provide fine-tuning on our final 2025 budget, but we'll continue to align our shared priorities through that process."

Comparative city preliminary levy data shows that the Duluth 2025 max levy is a significant relief, considering the financial pressures every city faces. For comparison, Bloomington has proposed an increase of 11.5%, Rochester an increase of 9.96%, and Minneapolis and St. Paul have proposed increases of 8.1% and 7.9%, respectively.

For more information on the City of Duluth's 2025 budget, please visit: <u>https://duluthmn.gov/finance/</u>.

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