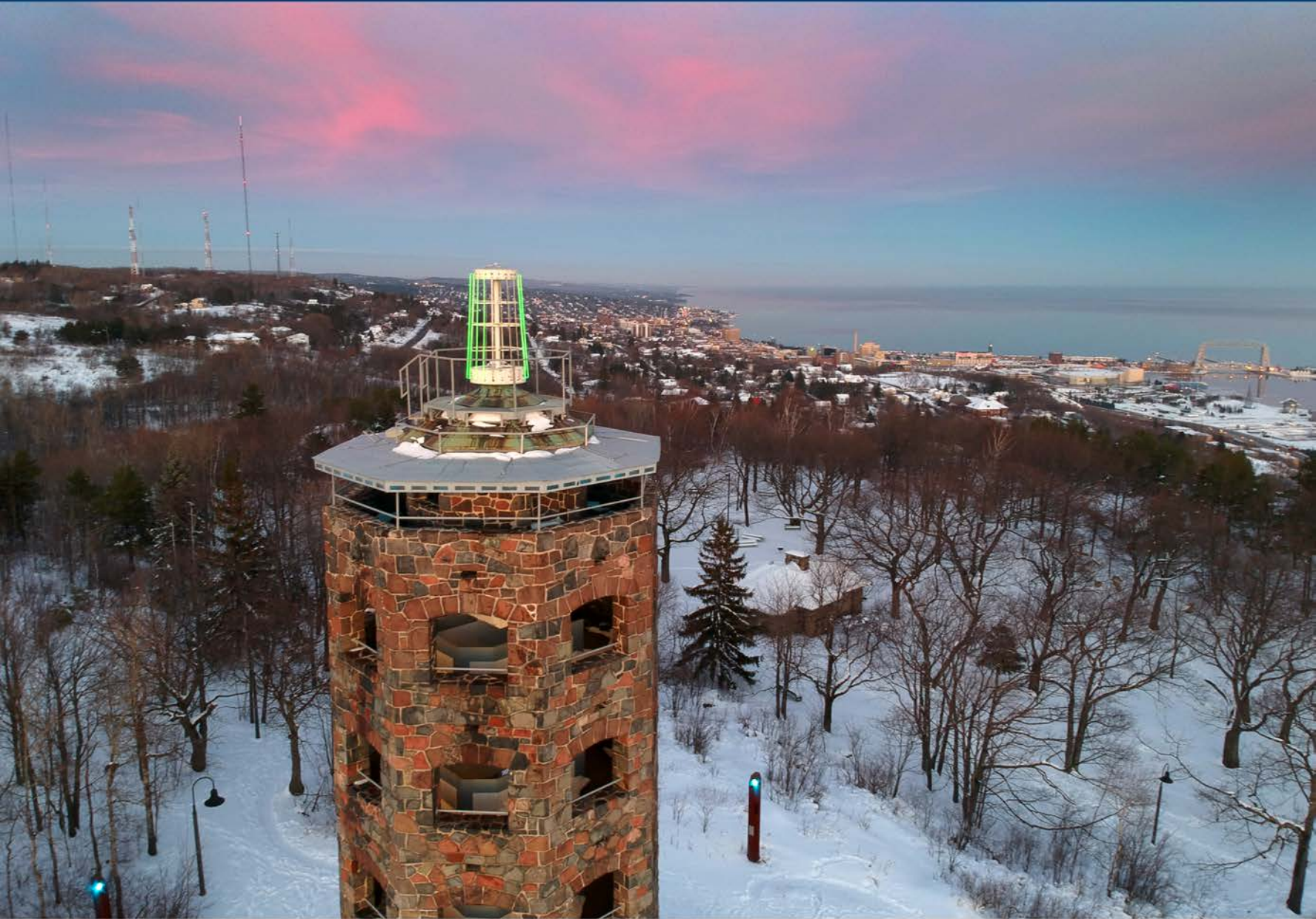


CITY OF DULUTH, MINNESOTA

2020 Adopted Annual Budget



CITY OF DULUTH

2020 Adopted Annual Budget

MAYOR

Emily Larson

CITY COUNCILORS

Gary Anderson

Joel Sipress

Roz Randorf

Renee Van Nett

Janet Kennedy

Zack Filipovich

Arik Forsman

Derek Medved

Barb Russ

CHIEF ADMINISTRATIVE OFFICER

Noah Schuchman



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INTRODUCTION



Finance Department

Room 120
411 West First Street
Duluth, Minnesota 55802



218-730-5350



wparson@duluthmn.gov

January 1, 2020

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. The 2020 budget was completed in accordance with the City's budget policies, city charter and the State of Minnesota's truth in taxation laws.

The budget process began with Mayor Emily Larson presenting the proposed general fund budget and tax levy to the City Council on September 9, 2019. The City Council approved the proposed maximum tax levy on September 23, 2019. 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 9, 2019 a truth in taxation hearing was held in the Duluth City Council Chambers at 7:00 pm to allow citizens time for public comment and questions. The final 2020 budgets, budget appropriations, tax levies, capital improvement plan, and bonding intent and plan were approved by Council on December 16, 2019.

The 2020 budget is 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.

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.

Using the public process of *Imagine Duluth 2035*, the priorities of the City of Duluth were identified: infrastructure, livable neighborhoods and affordable housing, green space and energy conservation, dynamic and diverse economy, culture and recreation, and safe and secure community.

2020 Budget Highlights:

Increased property tax levy 8.46%

Complete phase-out of the street light fee

Increased Local Government Aid (LGA) \$578,600

Increase in street improvement budget of \$7 million due to dedicated sales tax for streets

Decrease in library fine revenue due to fine free library system

Partnership with the Duluth Library Foundation for school-readiness program

Increased staffing for Sustainability Coordinator

Collaborative funding with Housing and Redevelopment Authority for full-time Housing Developer

Budget Drivers:

State Budget Considerations

LGA

Levy limits

Employee Expenses

Collective bargaining agreement wage increases

Health insurance premiums

Retiree insurance

Economy

Expanding tax base

Sales tax

Framework Goals and Assumptions:

Increased property tax levy of 8.46% which includes an increase of 1.46% for the final phase-out of the street light fee.

Increased property value growth of 6.51%

LGA

Street Sales Tax

Library Fine Free

Partnership with Library Foundation for school readiness program

Increased staffing for sustainability officer

Collaborative funding with HRA for housing developer

An increase of 10% in health care rates.

The 2020 budget focuses on the areas of transportation infrastructure, parks and libraries, energy and sustainability, and housing and affordability.

Transportation:

With legislative authorization in effect, we began collecting our fully dedicated sales tax for streets in October 2019. In 2020, we are proposing 17 miles of street work. In recognition of our community's investment in roads through the sales tax, the City of Duluth is in the process of phasing out mandatory assessments for street repairs. The 2020 Budget also funds our Transportation Planner, hired in 2019, a position that is already providing critical expertise and insight for our planning and engineering teams, and value for the community.

Parks and Libraries:

Parks and Libraries provide universal access and service to all city residents. In 2020, we are expanding our reach in both areas.

The City library system is now a fine free library system. This means that late fines have been removed from all accounts and 7,651 previously blocked cardholders now have library access renewed. We are forgoing the \$68,000 in annual fine revenue. We are also taking our commitment to early learning one step further by launching a financial partnership with the Duluth Library Foundation to improve school-readiness for children in Duluth.

In 2020 the City will continue its investment in the AmeriCorps partnership for citywide year-round Parks recreation staff, additional programming for seniors, janitorial support for community centers, and support of neighborhood- focused programming by community nonprofits.

Energy & Sustainability

The 2020 budget includes funding for a full-time Sustainability Coordinator whose focus will be on the City’s energy plan, staff efforts, and our Energy Plan Commission. The position will leverage our internal and external utilities, identify cost and energy savings, and generally place us and this community at the forefront of action.

Housing & Affordability

The 2020 budget includes collaborative funding with the Housing and Redevelopment Authority for a full-time Housing Developer to lead a City of Duluth housing team. This is the first time this level of funding and staff support has been invested in housing. The 2020 budget includes continued investment in the Tenant Landlord Connection as well as continued funding for the warming center model this upcoming winter.

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 2020 budget approvals were endorsed by the City Council, led by Council President Noah Hobbs. Mayor Larson’s 2020 proposed levy and budget presentation can be seen by clicking [HERE](#)

Throughout the budget process, employees dedicate numerous hours to innovative, sustainable ways to achieve City priorities with a minimal effect on taxpayer dollars. A sincere appreciation goes out to directors, managers, staff, and finance personnel who work collaboratively to develop a budget which reflects the annual priorities of the City.

Sincerely,



Jennifer Carlson, Budget Manager



Wayne Parson, Chief Financial Officer

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 that can vary greatly from season to season and even day to day, due to the proximity of Lake Superior. January has an average low temperature of 4°F and July has an average high temperature of 76°F. The average snowfall is 70 inches and the average precipitation is 31 inches.

Duluth was voted *Outside* magazine's best outdoors town in America. The City of Duluth provides 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. 6.7 million people visit 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. 35% 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 2019 population of 86,066, as estimated by the US Census Bureau, has remained relatively flat since the 1990 census.

There are 38,461 housing units in Duluth. The per capita income is \$29,667. Duluth's unemployment rate in 2019 was 3.0%.

Additional demographics, principal employers and property taxpayers can be found in the appendix.

City of Duluth Minnesota – 2020 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
Barb Russ	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

Gunnar Johnson

Authorities Directors

Airport	Tom Werner
DECC	Chelly Townsend
DTA	Philip Pumphrey
Spirit Mountain	Brandy Ream

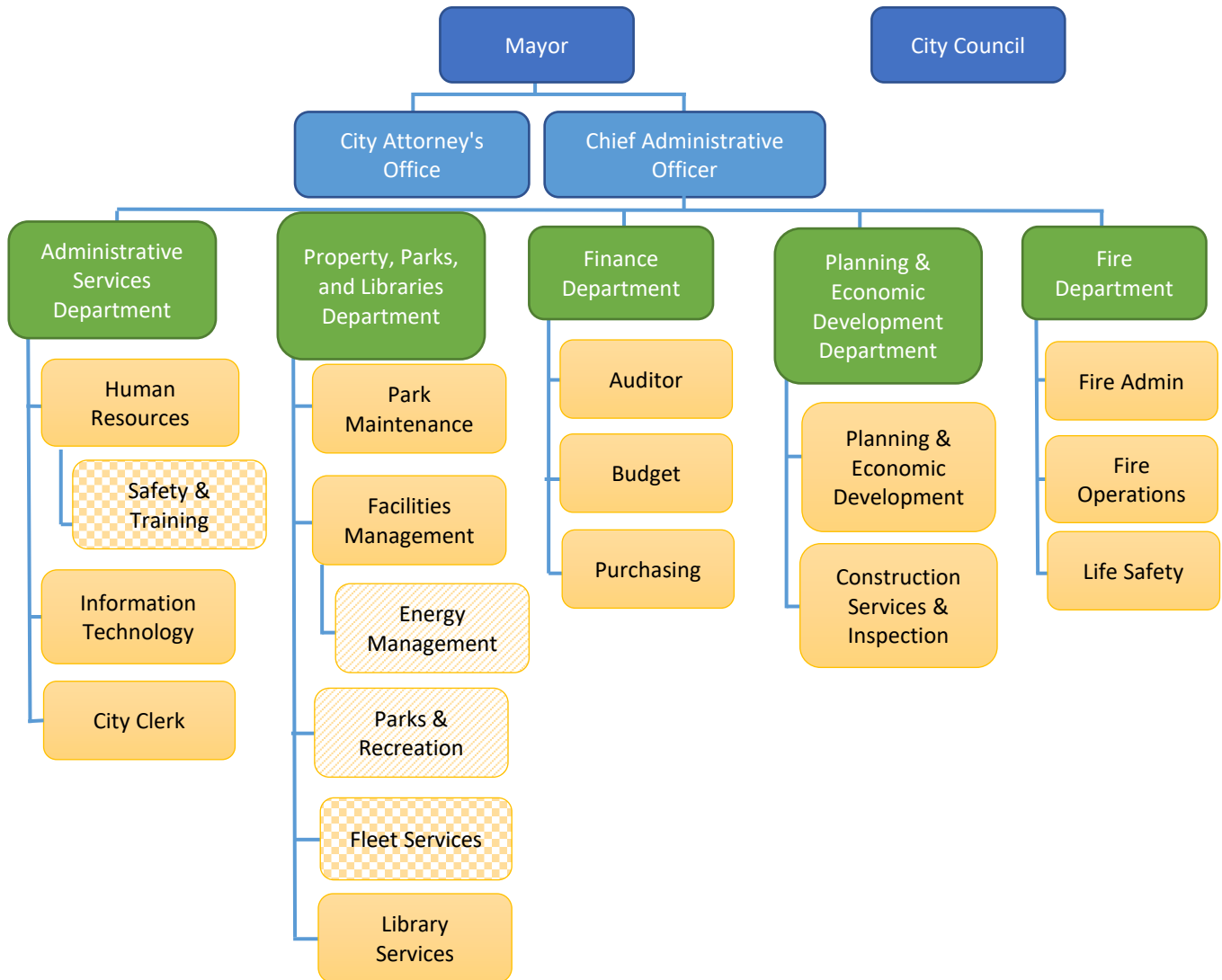
City Department Heads

Chief Financial Officer	Wayne Parson
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


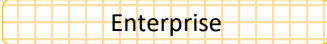

City of Duluth Minnesota - 2020 Budget

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.

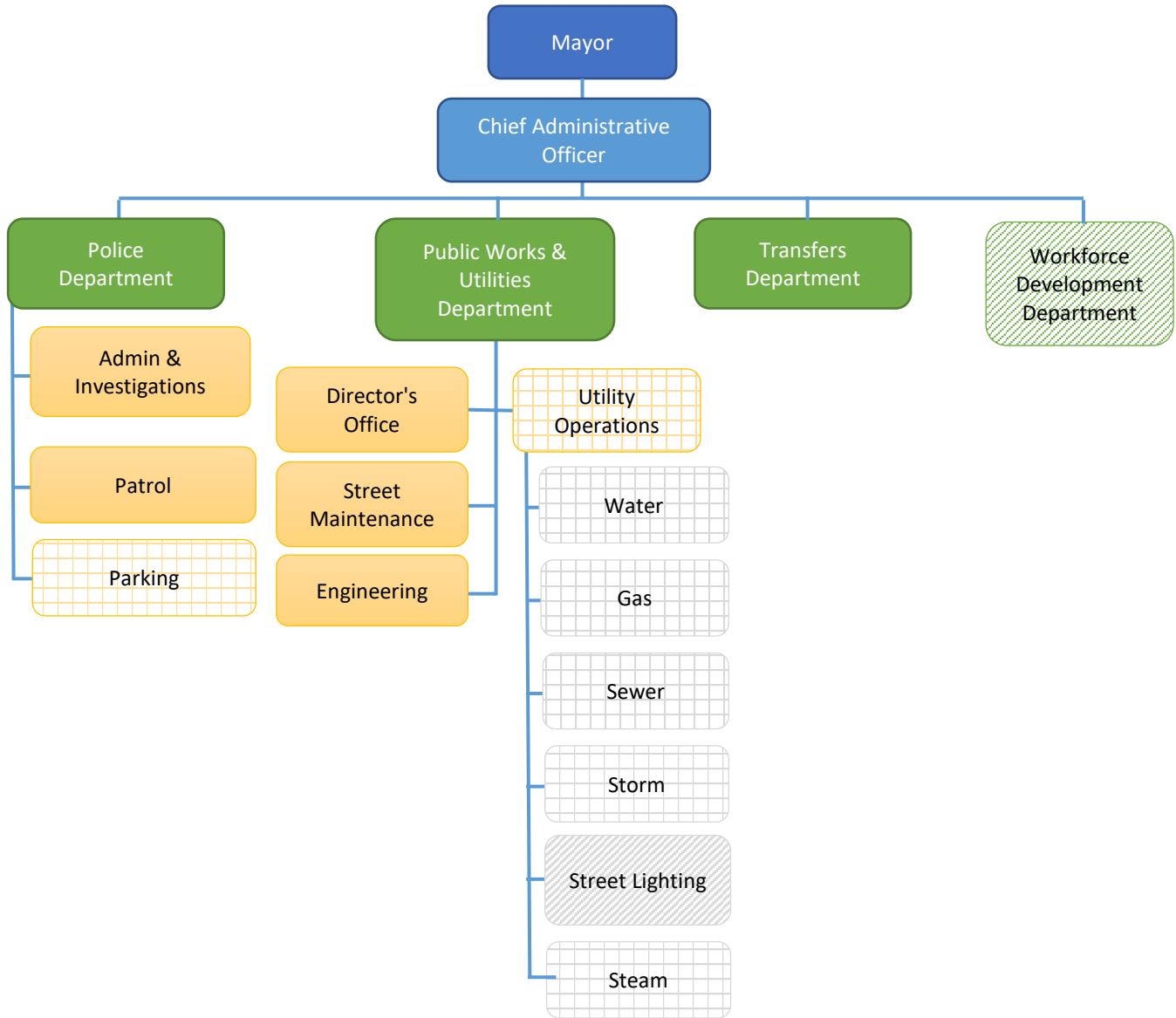


KEY
 Solid = General Fund
 Pattern=

-  Special Revenue
-  Enterprise
-  Internal Service

City of Duluth Minnesota - 2020 Budget

City of Duluth Organization Chart - continued

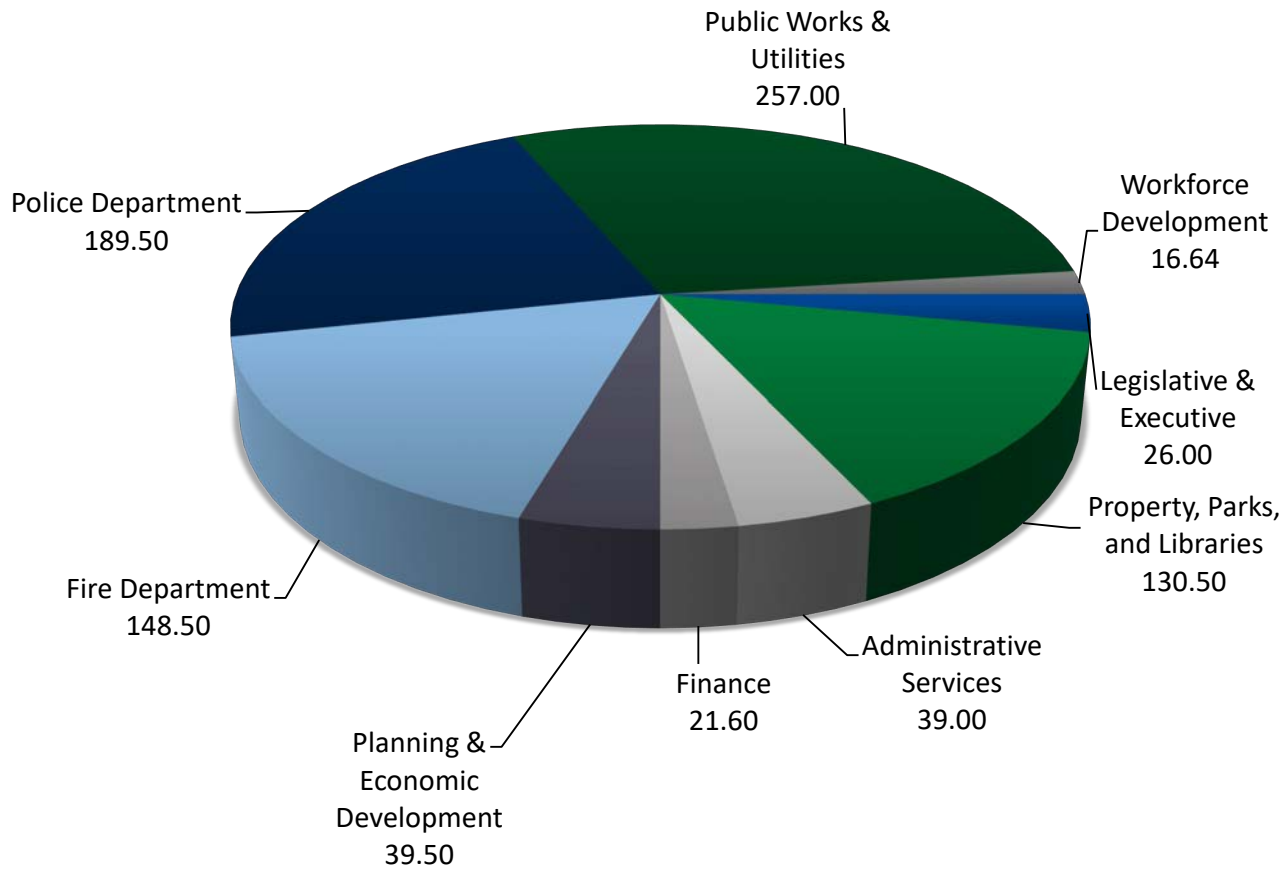


KEY
 Solid = General Fund
 Pattern=

- Special Revenue
- Enterprise
- Internal Service

CITYWIDE PERSONNEL SUMMARY

2020 Permanent FTE's by Department



Department	2017 Budget	2018 Budget	2019 Budget	2020 Approved	Difference 2020-2019
Legislative & Executive	24.50	22.50	25.00	26.00	1.00
Property, Parks, and Libraries	128.50	124.50	130.50	130.50	0.00
Administrative Services	40.00	38.50	38.65	39.00	0.35
Finance	23.00	22.00	22.00	21.60	-0.40
Planning & Economic Development	36.00	34.00	40.50	39.50	-1.00
Fire Department	146.50	146.50	146.50	148.50	2.00
Police Department	193.14	191.14	191.14	189.50	-1.64
Public Works & Utilities	261.00	258.00	258.00	257.00	-1.00
Workforce Development	18.05	18.05	16.64	16.64	0.00
TOTAL	870.69	855.19	868.93	868.24	-0.69

CITYWIDE PERSONNEL SUMMARY

Fulltime, Permanent Positions

Department/Division	2017 Budget	2018 Budget	2019 Actual	2020 Approved
LEGISLATIVE & EXECUTIVE				
City Council	0.00	0.00	0.00	0.00
Mayor Office	5.00	4.00	5.00	6.00
Chief Administrative Officer	2.50	2.50	3.00	3.00
Attorney's Office	17.00	16.00	17.00	17.00
DEPARTMENT TOTAL	24.50	22.50	25.00	26.00
PROPERTY, PARKS & LIBRARIES				
Park Maintenance	24.35	22.60	23.60	22.60
Library Services	46.70	46.70	46.70	46.70
Parks and Recreation	11.95	11.70	13.70	13.70
Facilities Management	25.30	24.30	26.30	28.30
Fleet Services	18.20	17.20	18.20	17.20
Safety and Training	1.00	1.00	1.00	1.00
Energy Management	1.00	1.00	1.00	1.00
DEPARTMENT TOTAL	128.50	124.50	130.50	130.50
ADMINISTRATIVE SERVICES				
Human Resources	11.00	10.50	10.65	10.00
Information Technology	22.00	22.00	21.00	23.00
City Clerk	7.00	6.00	7.00	6.00
DEPARTMENT TOTAL	40.00	38.50	38.65	39.00
FINANCE				
Budget Office	3.00	3.00	3.00	7.00
Auditor's Office	9.00	9.00	10.00	8.60
Purchasing	2.00	2.00	2.00	6.00
Treasurer's Office	9.00	8.00	7.00	0.00
DEPARTMENT TOTAL	23.00	22.00	22.00	21.60
PLANNING & ECONOMIC DEVELOPMENT				
Physical Planning	6.97	6.92	9.42	12.25
Construction Svs & Insp	17.50	16.50	20.50	20.50
Community Development	6.03	5.08	6.58	6.75
Business Development	5.50	5.50	4.00	0.00
DEPARTMENT TOTAL	36.00	34.00	40.50	39.50

CITYWIDE PERSONNEL SUMMARY

Fulltime, Permanent Positions

Department/Division	2017 Budget	2018 Budget	2019 Actual	2020 Approved
FIRE DEPARTMENT				
Fire Administration	3.50	3.50	3.50	4.50
Firefighting Operations	132.00	132.00	132.00	132.00
Life Safety	11.00	11.00	11.00	12.00
DEPARTMENT TOTAL	146.50	146.50	146.50	148.50
POLICE DEPARTMENT				
Administration, Investigative, Patrol	184.14	182.14	182.14	180.50
Parking	9.00	9.00	9.00	9.00
DEPARTMENT TOTAL	193.14	191.14	191.14	189.50
PUBLIC WORKS & UTILITIES				
Public Works Operations				
Director's Office	0.40	0.90	0.90	0.90
Street Maintenance	45.50	44.00	44.00	44.00
Engineering	16.25	15.45	15.45	15.45
Public Works Subtotal	62.15	60.35	60.35	60.35
Utilities Operations				
Water	58.00	56.85	57.60	56.55
Gas	76.75	77.90	77.85	76.45
Sewer	33.15	34.65	33.05	33.75
Stormwater	25.85	23.15	24.05	24.80
Street Lighting	5.10	5.10	5.10	5.10
Utilities Subtotal	198.85	197.65	197.65	196.65
DEPARTMENT TOTAL	261.00	258.00	258.00	257.00
WORKFORCE DEVELOPMENT	18.05	18.05	16.64	16.64
TOTAL CITY EMPLOYEES	870.69	855.19	868.93	868.24

City of Duluth Strengths, Challenges, and Opportunities

Thanks to the talent and dedication of City staff and in cooperation with community partners, we are not only able to strategically plan for challenges but also make progress on the larger goals of economic growth and fiscal health. Heading into 2020, the City staff are working diligently to capitalize on the City's numerous strengths and opportunities while strategically planning to solve the City's challenges.

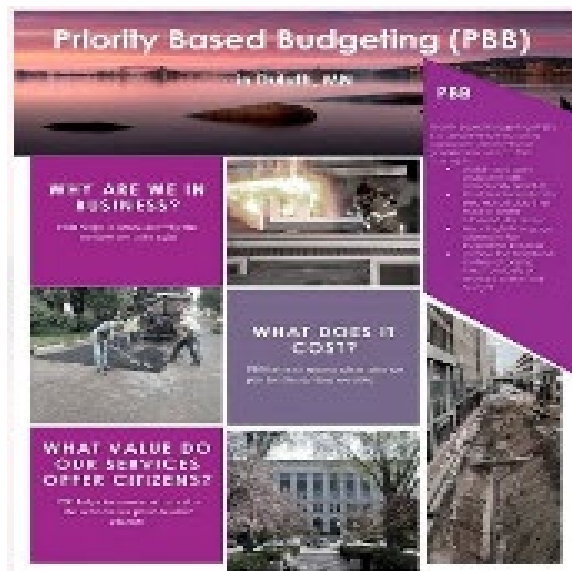
Strengths:

- 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. 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 2020, Duluth's net tax capacity grew by 6.51%, indicating a strong resurgence in real estate values post-recession. The City continues to work with developers to finalize proposed development agreements and construction plans.
- 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 will generate

approximately \$7 million annually, more than tripling what the City currently spends 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.
- In 2018, the City of Duluth invested in the Minnesota Power Community Solar Garden as a commercial tenant. The community solar garden is a solar array that is divided into 1 kW blocks that customers can subscribe to in order to meet part or all of their energy needs. Solar garden subscribers receive credit for the energy produced from their subscription with their monthly billing and are able to enjoy the benefits of solar energy without needing to install a system. This investment is estimated to save a conservative \$2 million for the City over the course of the 25-year agreement.
- To facilitate in resolving the City's fiscal challenge of the structural imbalance between revenues and expenses, the City of Duluth participated in Priority Based Budgeting for the 2020 budget cycle. Priority Based Budgeting (PBB) is a process which links budget decisions to the strategic results and outcomes that the City wishes to achieve for the long term (priorities). 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 (priorities). The PBB process continues to include input from the public to assist with defining community priorities.

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

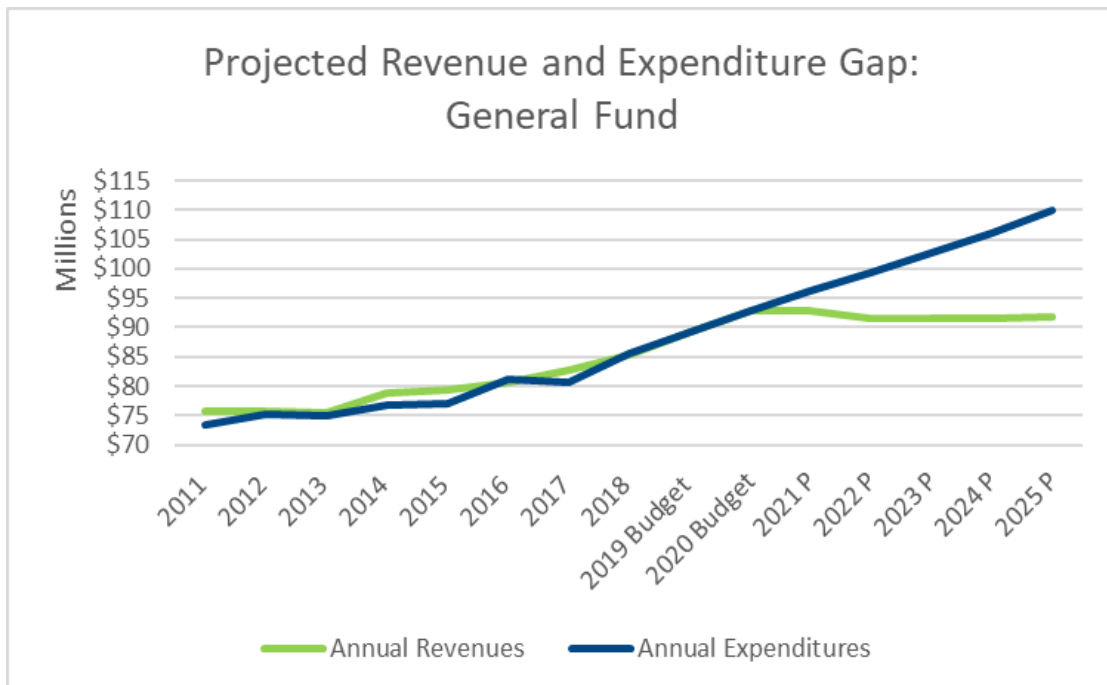


The City has identified the following priorities:

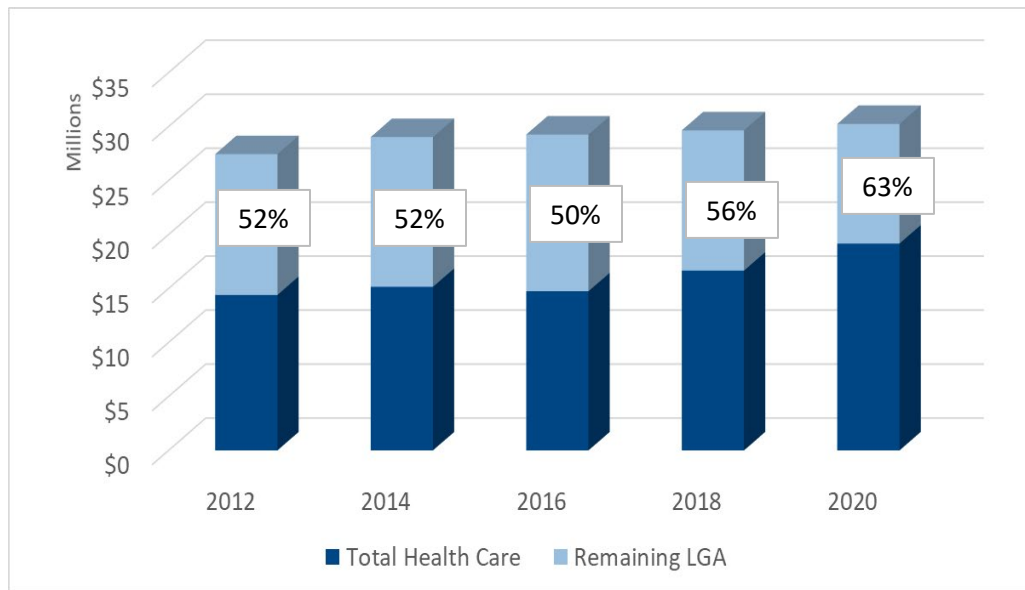
- Infrastructure
 - Safe and Secure Community
 - Livable Neighborhoods and Affordable Housing
 - Dynamic and Diverse Economy
 - Culture and Recreation
 - Green Space and Energy Conservation
 - Innovation and Excellence in Service
-
- Standard & Poor’s and Moody’s recognized Duluth’s fiscal discipline 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 over three percent each year. 84 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.



- 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. 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. Health care premiums have increased ten percent the past four years and are projected to continue to increase at a rate higher than medflation.



- Opioid overdoses continue to rise in Duluth. In 2019, there were nearly 200 overdoses, of which 15 were fatal. High prescription rates of opioids continue to be a leading contributing factor to the rise in opioid use. For the first time since the 1990s, Federal officers with the Drug Enforcement Administration (DEA) are based in Duluth. The DEA has embedded four new hires in the Lake Superior Drug and Violent Crime Task Force. The Duluth Police Department also continues to partner with other law enforcement agencies to search, seize, and arrest drug traffickers.
- As the local economy continues to expand, hundreds of new jobs are being created. We are now seeing signs of population growth that Duluth has not seen in over 60 years. With this growth comes a new set of challenges including housing, workforce recruitment, and growing income inequality. These challenges are closely interconnected and we will address them concurrently and proactively.

- 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. The high level of services and amenities in the downtown have attracted the development of several affordable and market rate properties. There is interest in developing more housing in the downtown. Affordable opportunities however, should be spread across the City, not only concentrated in the downtown or immediate vicinity. 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.

It is estimated that by 2024 nearly 3,700 affordable housing units will be needed.

- **Workforce**

Across the county, workforce availability is becoming a significant challenge in many industries. 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 that continue to burden our community and the nation. We must build better pathways to help people in poverty to grow the skill sets needed by employers so they can create a better life for themselves and their families while making positive contributions to our community.

We must proactively engage with the labor community, especially the building trades, to ensure that we are developing a deep bench of trained and qualified workers. We must proactively engage with communities of color and ensure every resident has equal access to opportunities. We must proactively engage 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 will invest approximately \$675 million to construct a new hospital tower, clinic, and outpatient surgery center on its downtown Duluth campus. It will spend 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.



A rendering of Essentia Health's planned facility. Image courtesy of the city of Duluth

St. Luke's

St. Luke's will begin 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 expand other building and facilities with a focus on increasing pedestrian access to the City's waterfront rose garden and making St. Luke's feel more of a healing place.



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

- The port of Duluth-Superior is a backbone of our economy. Approximately 30 million tons of cargo are shipped annually. \$1.5 billion in business revenue is generated from shipping. Shipping generates \$156 million in state and local sales taxes, as well as 11,500 jobs and \$545 million in payroll.
- 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. A study conducted by the Minnesota Department of Employment and Economic Development found that during the past ten years the Duluth-Superior aviation industry has seen a 19 percent growth in total jobs, 129 percent growth in value added to the local economy, and 48 percent in personal income.
- 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.
- As of the first quarter of 2019, nearly all industry sectors experienced job increases signaling a strengthening job market. Growth in employment since 2010 resulted in an

increase of 1,750 jobs and a consistent reduction in unemployment. Several industry sectors have grown rapidly in Duluth including health care, education, and professional business services. The health services sector continues to experience the greatest growth in the area.

City of Duluth Financial Principles

The 2020 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. 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 September 9, 2019. The City Council approved the proposed maximum tax levy on September 23, 2019. Finance committee meetings were held during the months of August through December where City departments and authorities presented their budgets as well as strengths, opportunities, and future challenges. On December 9, 2019, a truth in taxation hearing was held in the Duluth City Council Chambers at 7:00 pm to allow citizens time for public comment and questions. The final 2020 budgets, budget appropriations, tax levies, capital improvement plan, and bonding intent and plan were approved by Council by December 16, 2019.

For the 2020 budget process, the City of Duluth implemented Priority Based Budgeting (PBB). PBB is a unique and innovative approach used by local governments across the country to match available resources with community priorities. Community priorities were 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.

BUDGET CALENDAR

SOFTWARE BUDGET ENTRIES:

June	Work collaboratively on budget goals
July	General fund and Fleet revenues due in New World
August	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 funds due

ADMINISTRATIVE OPPORTUNITY BUDGET REVIEWS

August	General fund, Fleet, PW Utility opportunity meetings
September	Parks fund, parking fund opportunity meetings

CAPITAL BUDGETS

September	Instructions and packets sent out to departments
October	CIP and CEP administrative review meetings
Nov 25	Capital Improvement presentation to City Council

MAYOR'S BUDGET PRESENTATION to COUNCIL

Sept 9	2020 Proposed General Fund budget and tax levy presentation to Council
Sept 23	City Council sets preliminary budget and maximum property tax levy
Sept 30	2020 proposed budget book published on website

COUNCIL BUDGET REVIEW

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

Dec 9	Truth in Taxation Hearing
Dec 16	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

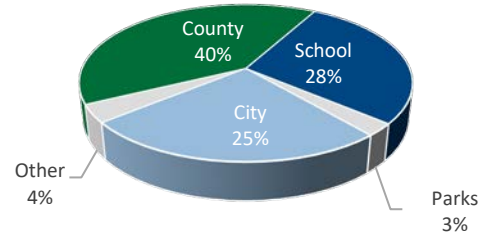
The City's final property tax levy (not including the Parks referendum levy) certified to the County was \$33,836,500; an increase of 8.46% over the 2019 levy.

The City's levy breakdown is shown below.

2020 Proposed Property Tax Levy			
	2019 Approved Levy	2020 Approved Levy	Change In Levy
General Operations Levy			
General Operations	\$ 19,195,600	\$ 21,879,300	\$ 2,683,700
Provision for Tax Delinquency	\$ 150,000	\$ 150,000	\$ -
Total General Operations Levy	\$ 19,345,600	\$ 22,029,300	\$ 2,683,700
Supplemental Parks Levy	\$ 280,000	\$ 280,000	\$ -
Capital Projects Levy			
Debt Service	\$ 6,982,600	\$ 6,982,600	\$ -
Infrastructure Permanent Improvements	\$ 280,000	\$ 280,000	\$ -
Total Capital Projects Levy	\$ 7,262,600	\$ 7,262,600	\$ -
Street Light Utility Levy			
Street Light Levy	\$ 1,307,600	\$ 1,307,600	\$ -
Street Light Levy Amendment	\$ -	\$ 457,000	\$ 457,000
Total Street Light Levy	\$ 1,307,600	\$ 1,764,600	\$ 457,000
Street Maintenance Utility Levy			
Street Maintenance	\$ 2,264,300	\$ 2,500,000	\$ 235,700
Street Maintenance Debt	\$ 735,700	\$ -	\$ (735,700)
Total Street Maintenance Utility Levy	\$ 3,000,000	\$ 2,500,000	\$ (500,000)
Total City Property Tax Levy	\$ 31,195,800	\$ 33,836,500	\$ 2,640,700
Parks Referendum Levy	\$ 2,600,000	\$ 2,600,000	\$ -
Property Tax Value Growth			\$ 2,029,700 6.51%
Proposed City Levy Tax Impact			\$ 154,000 0.49%
Proposed Street Light Amendment			\$ 457,000 1.46%
2020 Proposed City Tax Levy Increase			\$ 2,640,700 8.46%

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 \$1,199,343; 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. The City’s portion is 28% of the total. The chart below shows an average resident’s property tax bill with the breakdown by taxing entity.



Taxing Entity	2020 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 2020 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 2019 tax bill with the proposed tax bill for 2020. 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

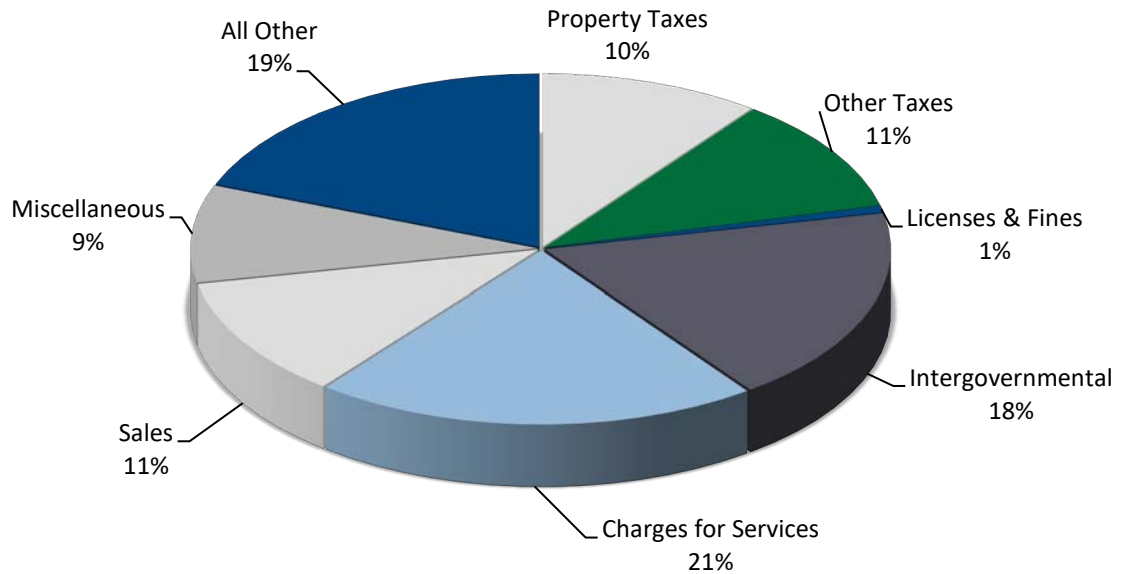
for street improvements. Five percent of the levy goes to the Street Light Utility fund. One percent of the levy goes to supplement parks. The remaining 65 percent goes into the City's General Fund to pay for services such as police, fire, libraries, planning and zoning, and street maintenance. For 2020, the portion of the City's general services paid for with property taxes is slightly over \$22 million or 24 percent of total general services. To put the amount into perspective, this does not even cover the Police Department's 2020 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 33 percent of total general fund revenue. City Sales and Use tax contributes \$14 million or 15 percent of total general fund revenue.

City of Duluth Minnesota - 2020 Budget

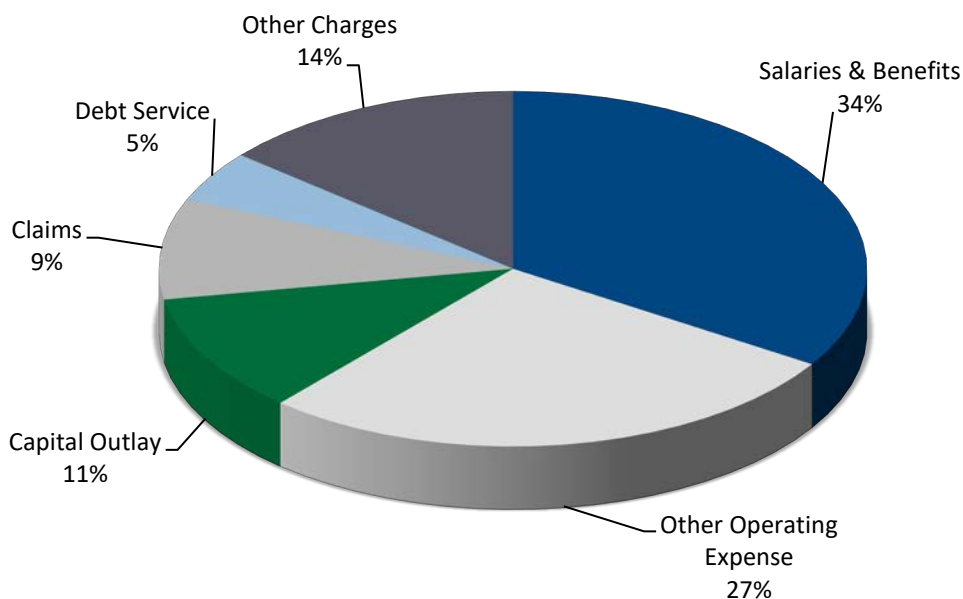
Total Approved Revenues



REVENUES	2017 Actual	2018 Actual	2019 Budget	2020 Approved
Property Taxes	27,959,122	30,400,188	33,795,800	36,436,500
Other Taxes	29,673,868	31,176,745	30,406,700	38,192,900
Licenses & Fines	2,151,567	2,404,957	2,317,200	2,190,100
Intergovernmental	49,354,377	57,219,382	65,091,681	64,782,291
Charges for Services	63,274,931	64,715,021	68,110,450	73,369,032
Sales	34,329,105	37,427,927	37,292,800	39,721,500
Miscellaneous Revenue	41,899,251	33,776,366	32,792,798	32,261,466
All Other Sources	46,904,066	52,999,103	60,625,715	67,667,730
TOTAL REVENUES	295,546,287	310,119,689	330,433,144	354,621,519

City of Duluth Minnesota - 2020 Budget

Total Approved Expenses



EXPENSES	2017 Actual	2018 Actual	2019 Budget	2020 Approved
Salaries & Benefits	96,789,272	102,053,885	107,614,731	112,838,949
Other Operating Expense	81,351,656	84,931,319	90,244,120	90,743,973
Capital Outlay	11,094,967	26,141,328	32,936,090	35,923,800
Claims	24,740,933	26,883,750	27,511,034	30,393,921
Debt Service	18,107,048	16,137,168	16,348,900	15,482,000
Other Charges	41,676,228	41,206,743	41,077,328	46,241,798
TOTAL EXPENSES	273,760,104	297,354,194	315,732,203	331,624,441

City of Duluth Minnesota - 2020 Budget

Comparison of Total Approved Revenue

	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference 2020-2019
Current Property Taxes					
General Fund	14,754,976	16,249,861	19,345,600	22,029,300	2,683,700
Special Revenue Funds	6,119,714	7,098,511	7,187,600	7,144,600	(43,000)
Debt Service Funds	6,805,401	6,774,123	6,982,600	6,982,600	-
Capital Project Funds	279,031	277,693	280,000	280,000	-
Total Current Property Taxes	27,959,122	30,400,188	33,795,800	36,436,500	2,640,700
Other Taxes					
General Fund	17,700,604	18,400,178	17,816,200	18,081,000	264,800
Special Revenue Funds	11,623,885	12,172,758	11,986,700	19,500,000	7,513,300
Debt Service Funds	349,379	603,809	603,800	611,900	8,100
Total Other Taxes	29,673,868	31,176,745	30,406,700	38,192,900	7,786,200
Licenses and Fines					
General Fund	2,151,567	2,404,957	2,317,200	2,190,100	(127,100)
Total Licenses and Fines	2,151,567	2,404,957	2,317,200	2,190,100	(127,100)
Intergovernmental					
General Fund	33,779,640	34,377,573	33,783,500	34,365,200	581,700
Special Revenue Funds	11,208,924	10,913,925	11,612,302	9,796,591	(1,815,711)
Capital Project Funds	4,365,813	11,927,884	19,695,879	20,620,500	924,621
Total Intergovernmental	49,354,377	57,219,382	65,091,681	64,782,291	(309,390)
Charges for Services					
General Fund	5,187,757	5,561,813	6,932,100	6,985,700	53,600
Enterprise Funds	54,778,635	55,104,527	56,987,755	62,032,319	5,044,564
Internal Service Funds	3,308,539	4,048,681	4,190,595	4,351,013	160,418
Total Charges for Services	63,274,931	64,715,021	68,110,450	73,369,032	5,258,582
Sales					
Enterprise Funds	34,329,105	37,427,927	37,292,800	39,721,500	2,428,700
Total Sales	34,329,105	37,427,927	37,292,800	39,721,500	2,428,700

City of Duluth Minnesota - 2020 Budget

Comparison of Total Approved Revenue

	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference 2020-2019
Miscellaneous Revenue					
General Fund	1,868,255	1,866,560	918,900	1,069,600	150,700
Special Revenue Funds	34,676,833	21,011,705	26,815,970	25,603,728	(1,212,242)
Debt Service Funds	223,961	224,392	223,000	111,500	(111,500)
Capital Project Funds	2,406,856	7,318,462	2,166,578	2,563,407	396,829
Internal Service Funds	2,723,346	3,355,246	2,668,350	2,913,231	244,881
Total Miscellaneous Revenue	41,899,251	33,776,366	32,792,798	32,261,466	(531,332)
All Other Sources					
General Fund	7,236,154	8,122,061	8,032,100	8,191,700	159,600
Debt Service Funds	8,580,371	8,116,759	7,518,400	7,633,100	114,700
Capital Project Funds	3,210,105	4,059,496	7,837,000	10,649,000	2,812,000
Enterprise Funds	3,733,078	6,723,013	9,358,671	10,492,204	1,133,533
Internal Service Funds	24,144,358	25,977,775	27,879,544	30,701,726	2,822,182
Total All Other Sources	46,904,066	52,999,103	60,625,715	67,667,730	7,042,015
Total Revenue	295,546,287	310,119,689	330,433,144	354,621,519	24,188,375

City of Duluth Minnesota - 2020 Budget

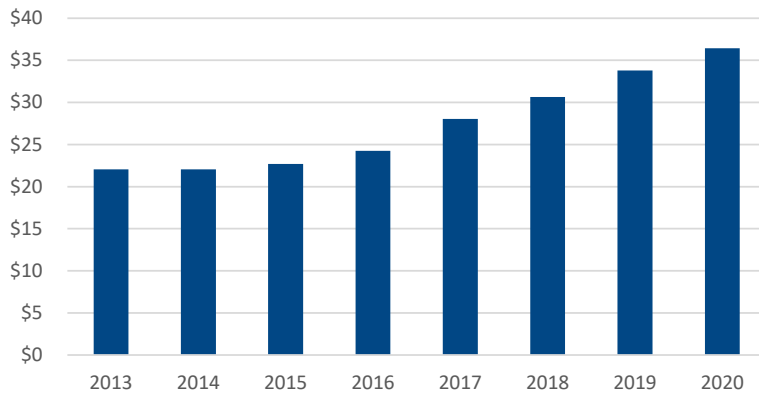
Comparison of Total Approved Expenditures

	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference 2020-2019
Salaries & Employee Benefits					
General Fund	60,395,926	63,901,949	67,022,700	70,340,000	3,317,300
Special Revenue Funds	14,377,160	16,011,276	16,253,816	17,178,295	924,479
Enterprise Funds	19,370,866	19,645,238	21,837,100	22,667,300	830,200
Internal Service Funds	2,645,320	2,495,422	2,501,115	2,653,354	152,239
Total Salaries & Employee Benefits	96,789,272	102,053,885	107,614,731	112,838,949	5,224,218
Other Operating Expense					
General Fund	19,824,286	21,656,564	21,814,400	22,266,100	451,700
Special Revenue Funds	7,005,240	6,266,620	9,283,873	7,037,907	(2,245,966)
Enterprise Funds	50,218,875	52,330,332	54,034,839	56,115,716	2,080,877
Internal Service Funds	4,303,255	4,677,804	5,111,008	5,324,250	213,242
Total Other Operating Expense	81,351,656	84,931,319	90,244,120	90,743,973	499,853
Capital Outlay					
General Fund	312,613	318,985	308,500	306,500	(2,000)
Capital Project Funds	10,782,354	25,822,343	32,627,590	35,617,300	2,989,710
Total Capital Outlay	11,094,967	26,141,328	32,936,090	35,923,800	2,987,710
Claims					
Internal Service Funds	24,740,933	26,883,750	27,511,034	30,393,921	2,882,887
Total Claims	24,740,933	26,883,750	27,511,034	30,393,921	2,882,887
Debt Service					
Debt Service Funds	18,107,048	16,137,168	16,348,900	15,482,000	(866,900)
Total Debt Service	18,107,048	16,137,168	16,348,900	15,482,000	(866,900)
Other Charges					
Special Revenue Funds	29,728,339	28,910,666	28,276,530	33,528,293	5,251,763
Enterprise Funds	11,947,889	12,296,077	12,800,798	12,713,505	(87,293)
Total Other Charges	41,676,228	41,206,743	41,077,328	46,241,798	5,164,470
Total Expenditures	273,760,104	297,354,194	315,732,203	331,624,441	15,892,238

MAJOR REVENUE SOURCE ANALYSIS

(A: Actual, B: Budget)

Property Tax Levy (in millions)



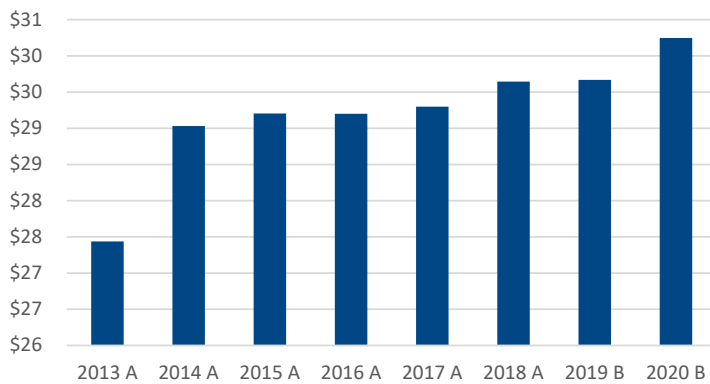
Tax Levy in millions

2013	\$22.04
2014	\$22.04
2015	\$22.69
2016	\$24.26
2017	\$28.05
2018	\$30.64
2019	\$33.80
2020	\$36.44

Description and 2020 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 8.46% over 2019; however, property tax value growth in the City was approximately 6.51% which left an overall tax levy impact of 1.95%. The 2020 property tax levy increase includes \$2.7 million for general operations and the elimination of the street light utility, adding \$457 thousand to the tax levy offset by an elimination of the street light fee on utility bills.

Local Government Aid (in millions)



LGA in millions

2013 A	\$27.44
2014 A	\$29.03
2015 A	\$29.20
2016 A	\$29.20
2017 A	\$29.30
2018 A	\$29.65
2019 B	\$29.67
2020 B	\$30.25

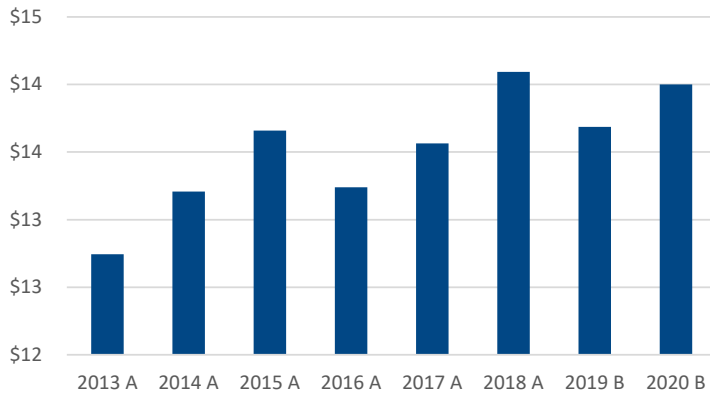
Description and 2020 Budget

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. For 2020, the City will receive a \$578 thousand increase.

MAJOR REVENUE SOURCE ANALYSIS

(A: Actual, B: Budget)

General Sales and Use Tax



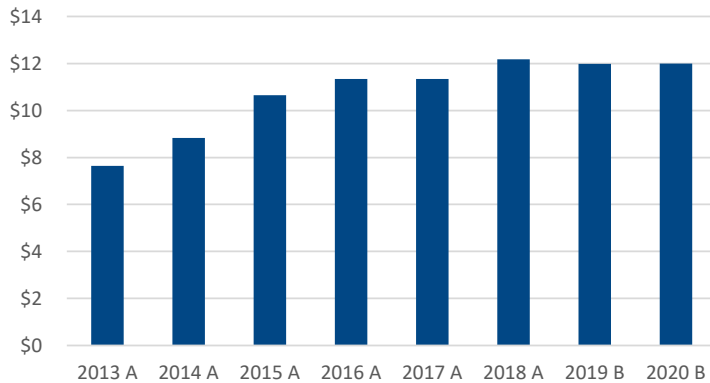
Sales Tax in millions

2013 A	\$12.74
2014 A	\$13.21
2015 A	\$13.66
2016 A	\$13.24
2017 A	\$13.56
2018 A	\$14.09
2019 B	\$13.69
2020 B	\$14.00

Description and 2020 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. In June 2018, the Supreme Court ruled in favor of authorizing states to impose sales tax collection on out-of-state sellers. Consequently, effective October 1, 2018, the MN Department of Revenue mandates remote sellers that sell goods and services into MN from other states begin collecting sales tax. The 2020 sales and use tax budget includes a slight increase in line with 2018 and 2019 actual collections.

Tourism Taxes (in millions)



Tourism Taxes in millions

2013 A	\$7.64
2014 A	\$8.83
2015 A	\$10.64
2016 A	\$11.34
2017 A	\$11.34
2018 A	\$12.17
2019 B	\$11.99
2020 B	\$12.00

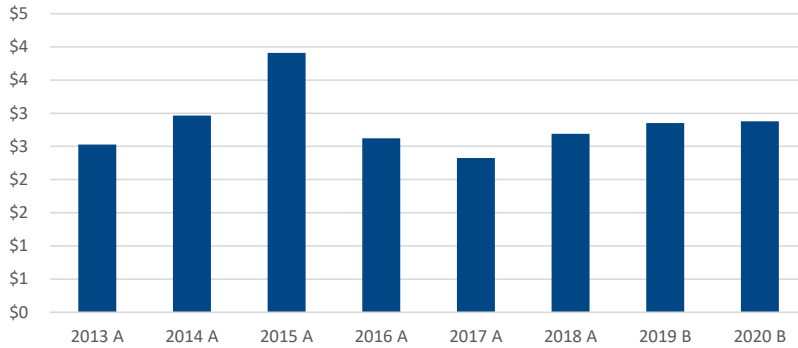
Description and 2020 Budget

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. Tourism tax revenue in 2020 is projected to remain flat with the 2019 budget. 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)



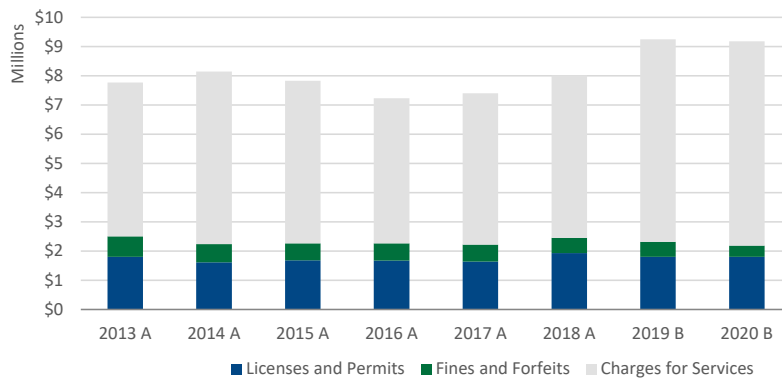
PILOT in millions

2013 A	\$2.53
2014 A	\$2.96
2015 A	\$3.91
2016 A	\$2.62
2017 A	\$2.33
2018 A	\$2.69
2019 B	\$2.85
2020 B	\$2.88

Description and 2020 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 between the general fund and the street system utility fund with the base amount of \$3.6 million (increased annually to reflect the CPI-U 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. 2020 PILOT revenues are expected to increase slightly over 2019.

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
2013 A	\$1.80	\$0.70	\$5.27	\$7.77
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 B	\$1.80	\$0.52	\$6.93	\$9.25
2020 B	\$1.80	\$0.39	\$6.99	\$9.18

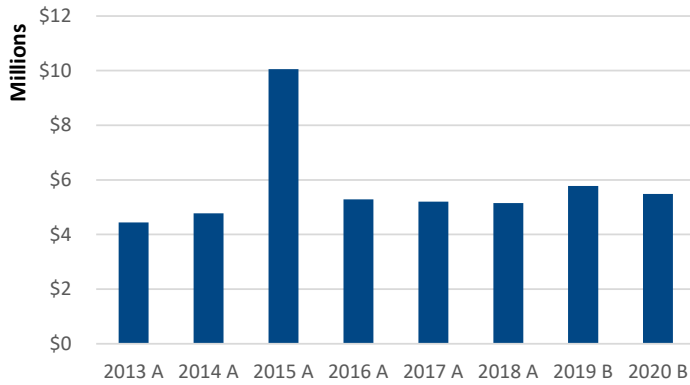
Description and 2020 Budget

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 (3.58% for 2020), 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 service. 2020 fines and forfeits are budgeted lower than 2019 due to the library's *Free From Fines* program in which overdue fines are no longer charged. Court fines are also projected to be lower than the 2019 budget.

MAJOR REVENUE SOURCE ANALYSIS

(A: Actual, B: Budget)

Parking Funds Operating Revenue



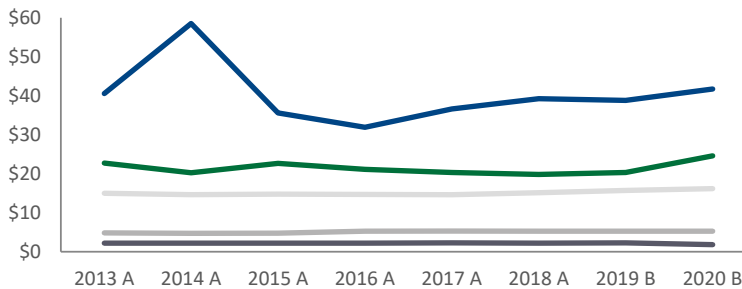
Earnings in millions

2013 A	\$4.44
2014 A	\$4.77
2015 A	\$10.06
2016 A	\$5.29
2017 A	\$5.21
2018 A	\$5.15
2019 B	\$5.78
2020 B	\$5.48

Description and 2020 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. 2020 parking revenues are projected to decrease slightly from 2019 budgeted revenues mainly due to the third phase of the re-construction of Superior Street.

Public Utility Revenues (in millions)



Gas Sewer & Clean Water Water
Stormwater Street Lighting

Description and 2020 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 increase comparable to 2019 budgets, mainly due to the natural gas, sewer and clean water, and water utilities. Natural gas revenues are dependent on rates and customer usage. Water rates are approved to increase for five consecutive years beginning January 1, 2019.

in millions	Gas	Sewer & Clean Water	Water	Stormwater	Street Lighting	Total
2013 A	\$40.58	\$22.76	\$14.98	\$4.79	\$2.20	\$85.30
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 B	\$38.82	\$20.30	\$15.74	\$5.30	\$2.25	\$82.41
2020 B	\$41.74	\$24.59	\$16.18	\$5.29	\$1.81	\$89.62

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 2020 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 - 2020 Budget

Detail by Fund

	Estimated			
	Beg. Balance	Revenues	Expenditures	Balance
General Fund	13,422,108	92,912,600	92,912,600	13,422,108
Special Revenue Funds				
Lake Superior Zoological Gardens	(410,992)	2,341,067	2,341,067	(410,992)
Parks	1,599,543	3,165,838	3,162,249	1,603,132
Special Projects	1,596,464	966,500	966,500	1,596,464
Police Grant Programs	4,683	1,827,305	1,827,305	4,683
Capital Equipment	1,894,373	3,269,445	3,400,000	1,763,818
Economic Development	5,483	277,160	118,970	163,673
Community Investment Trust	21,868,426	425,000	425,000	21,868,426
Energy Management	59,638	172,000	126,400	105,238
Special City Excise and Sales Tax	1,098,824	12,000,000	11,902,500	1,196,324
Home Investment Partnership Program	(27,559)	524,873	524,873	(27,559)
Community Development	(380,134)	2,518,572	2,518,572	(380,134)
Community Development Administration	-	786,589	786,589	-
Workforce Development	257,254	2,517,086	2,517,086	257,254
Senior Employment	(7)	512,666	512,666	(7)
Other Post Employment Benefits	61,114,193	15,171,018	11,335,518	64,949,693
DECC Revenue	5,108,131	3,754,900	2,751,200	6,111,831
Street System Maintenance Utility	741,505	2,500,000	2,500,000	741,505
Street Improvement Sales Tax	-	7,500,000	7,500,000	-
Street Lighting Fund	4,368,292	1,814,900	2,528,000	3,655,192
Total Special Revenue Funds	98,898,118	62,044,919	57,744,495	103,198,542
Debt Service Funds				
General Obligation Debt Service - Tax Levy	7,578,558	7,148,400	6,807,800	7,919,158
General Obligation Debt Service - Other Sources	6,249,517	6,877,800	6,530,600	6,596,717
Special Assessment Debt Service	217,226	175,000	373,800	18,426
Street Improvement Debt Service	2,042,044	526,000	1,219,100	1,348,944
Tax Increment Debt Service	60,400	611,900	550,700	121,600
Total Debt Service Funds	16,147,745	15,339,100	15,482,000	16,004,845

City of Duluth Minnesota - 2020 Budget

Detail by Fund

	Estimated			
	Beg. Balance	Revenues	Expenditures	Balance
Capital Projects Funds				
Special Assessment Capital Project	(179,624)	38,710	-	(140,914)
Permanent Improvements	1,230,737	21,794,000	21,794,000	1,230,737
Street Improvement Program	1,721,546	8,520,196	8,690,500	1,551,242
Capital Improvement	451,118	2,350,000	1,842,800	958,318
Tourism & Recreational Projects	5,755,979	1,410,000	3,290,000	3,875,979
Total Capital Projects Funds	8,979,756	34,112,907	35,617,300	7,475,363
Internal Service Funds				
Self-Insurance - Workers' Compensation	(197,860)	1,196,500	1,447,900	(449,260)
Self-Insurance - Liabilities	1,067,891	786,030	875,710	978,211
Medical Health Fund	4,571,507	30,620,775	30,679,679	4,512,603
Dental Health Fund	207,965	1,010,652	1,019,406	199,211
Fleet Services	(912,039)	4,352,013	4,348,830	(908,856)
Total Internal Service Funds	4,737,464	37,965,970	38,371,525	4,331,909
Enterprise Funds Estimated Revenue and Expense				
				INCOME/(LOSS)
Water Fund		16,178,700	13,015,600	3,163,100
Gas Fund		41,742,100	39,268,900	2,473,200
Sewer Fund		22,945,100	16,636,100	6,309,000
Clean Water Surcharge Fund		1,643,500	1,139,800	503,700
Stormwater Fund		5,294,100	4,978,500	315,600
Steam Fund		17,303,661	8,879,037	8,424,624
Golf Fund		1,655,242	1,846,007	(190,765)
Parking Fund		4,482,520	4,487,257	(4,737)
Priley Drive Parking Facility		1,001,100	1,245,320	(244,220)
Total Enterprise Funds		112,246,023	91,496,521	20,749,502
Total All Funds	142,185,191	354,621,519	331,624,441	165,182,269

2020 HIGHLIGHTS BY FUND

General Fund

Revenue Assumptions - The final approved 2020 General Fund revenue budget of \$92.91 million is \$3.77 million more than the 2019 approved budget. Major revenue sources in the 2020 General Fund budget include local government aid, sales tax, and property tax.

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 2020 the City will receive an increase of \$.58 million in local government aid which will bring us back to the 2009 level.

The schedule below shows the changes in revenues by major type along with the assumptions used also noted.

		\$ Variance in Millions		Narrative
2019 Approved Revenues			89.14	
Property Tax		2.68		Tax levy increase and property tax value growth
Local Government Aid		0.58		Certified LGA increase for 2020
City Sales and Use Tax		0.31		Based on projected sales and use tax collections
Other Financing Sources		0.13		Increase in police grants
All Other Operating Revenues		0.07		All other changes throughout
Total Revenue Changes			3.77	
2020 Approved Revenues			92.91	

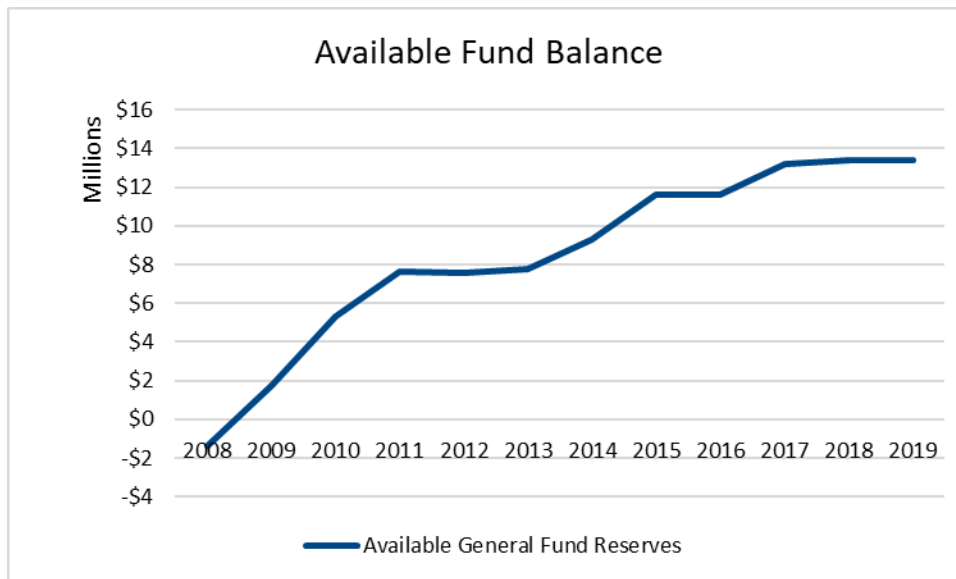
Expenditure Assumptions - As with revenues, the final approved 2020 General Fund budget is \$3.77 million more than the 2019 budget. New positions, wage increases, and a ten percent health insurance rate increase contribute to the increased 2020 expenditures.

		\$ Variance in Millions		Narrative
2019 Approved Expenditures			89.14	
Salaries and Benefits		3.36		Wage increases, 10% health insurance rate increase, and new positions
All Other Operating Expenses			0.41	All other changes throughout
Total Expense Changes			3.77	
2020 Approved Expenditures			92.91	

The number of general fund positions for 2020 increased 1.14 FTE's over 2019, from 605.16 FTE's to 606.30 FTE's. The changes by department are as follows:

Position Bridge Schedule	Full Time Equivalent Variance	
2019 Fulltime Equivalents (FTE's)		605.16
Legislative & Executive	1.00	
Property, Parks, & Libraries	1.00	
Administrative Services	.35	
Finance	(.40)	
Planning & Economic Development	(1.17)	
Fire Department	2.00	
Police Department	(1.64)	
Public Works		
Total Changes in FTE's		1.14
2020 Fulltime Equivalents (FTE's)		606.30

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 2020 General Fund budget of \$92.9 million, the minimum level (5%) would require a fund balance of \$4.6 million.



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, 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 fund, the Street Improvement Sales Tax fund, and the Street Light fund.

The **OPEB fund** 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 2019 the trust fund has accumulated assets of \$71 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). 2020 budgeted revenue is \$12 million. In 2020, \$1.7 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 \$2 million. The Great Lakes Aquarium, Spirit Mountain, and the Lake Superior Zoo will receive operating subsidies from tourism taxes in the amounts of \$.36 million, \$.42 million, and \$.51 million respectively. Debt service payments totaling \$4.4 million funded by the tourism tax fund go toward DECC improvements and Spirit Mountain. New tourism allocations will go to the Duluth Area Family YMCA in the amount of \$.07 million; Ecolibrium in the amount of \$.01 million; Catalyst Independent Television Festival in the amount of \$.05 million; and Zeitgeist in the amount of \$.03 million. 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 2020 budget includes \$2.5 million in dedicated property tax revenue. \$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.

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.

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 2019 is \$144 million. The property tax levy for debt service in 2020 is \$6.9 million. The property tax supported bond issues proposed for 2020 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 2020, a total of \$35.6 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 2020 budget are \$3.3 million in tourism and recreational projects. In 2015, the city bonded \$13.5 million for tourism and recreational capital projects along the St Louis River Corridor. The payments on the bonds 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 2020, the City will once again contract out the operation of the two municipal golf courses.

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 2014-2019. It became operational in May 2019.

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 expenses, 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 for the 2020 budget 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 2020 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.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Duluth
Minnesota**

For the Fiscal Year Beginning

January 1, 2019

Christopher P. Morrill

Executive Director

Distinguished Budget Presentation Award

The Government Finance Officers Association of the United States and Canada (GFOA) presented an Award for Distinguished Budget Presentation to the City of Duluth, Minnesota, for its annual budget for the fiscal year beginning January 1, 2019.

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 imperative so that all parties operate under the same underlying assumptions. The majority of these policies represent long-standing principles and practices which 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.

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 measureable 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 three 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.

A tool for departments to measure alignment of operational activities with the priorities of the City is through **performance measures**. 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.

APPROPRIATIONS

General Fund

City of Duluth Minnesota - 2020 Budget

General Fund

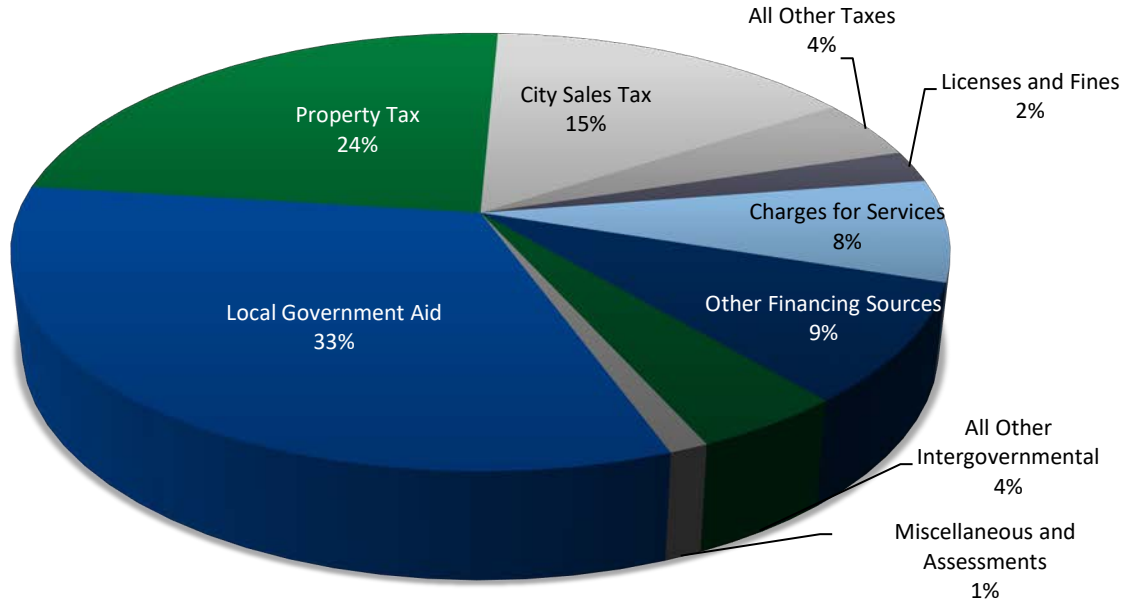
The General Fund provides general purpose government to the citizens of Duluth and accounts for all financial transactions not accounted for in another fund. This fund is used to finance activities such as general government, public safety, public works, libraries, recreation and business and economic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

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
REVENUES				
Property Tax				
General Operations Levy	14,538,857	16,070,029	19,195,600	21,879,300
Delinquent Property Taxes	216,119	179,832	150,000	150,000
City Sales Tax	13,564,369	14,094,409	13,686,700	14,000,000
All Other Taxes	4,136,235	4,305,769	4,129,500	4,081,000
Local Government Aid	29,299,670	29,645,975	29,668,600	30,247,200
All Other Intergovernmental	4,479,970	4,731,598	4,114,900	4,118,000
Licenses and Fines	2,151,567	2,404,957	2,317,200	2,190,100
Charges for Services	5,187,757	5,561,813	6,932,100	6,985,700
Other Financing Sources	7,236,154	8,122,061	8,032,100	8,191,700
Miscellaneous	1,868,255	1,866,560	918,900	1,069,600
Total Revenues	82,678,953	86,983,003	89,145,600	92,912,600
EXPENDITURES				
Permanent Salaries	40,573,913	42,226,938	44,419,400	46,295,300
Premium Pay	2,013,061	2,224,335	1,816,300	1,707,600
Other Wages	521,691	657,555	694,900	735,700
Employee Benefits	17,287,261	18,793,121	20,092,100	21,601,400
Supplies	2,795,734	2,649,957	2,970,600	3,051,600
Other Services & Charges	8,632,320	10,182,598	10,211,600	10,571,100
Utilities	1,240,651	1,251,706	1,283,100	1,294,300
Retiree Insurance	7,155,581	7,572,303	7,349,100	7,349,100
Capital	312,613	318,985	308,500	306,500
Total Expenditures	80,532,825	85,877,498	89,145,600	92,912,600

City of Duluth Minnesota - 2020 Budget

2020 General Fund Approved Revenues



Local Government Aid	\$	30,247,200
Property Tax	\$	22,029,300
City Sales Tax	\$	14,000,000
All Other Taxes	\$	4,081,000
Licenses and Fines	\$	2,190,100
Charges for Services	\$	6,985,700
Other Financing Sources	\$	8,191,700
All Other Intergovernmental	\$	4,118,000
Miscellaneous and Assessments	\$	1,069,600
TOTAL 2020 Revenues	\$	92,912,600

This graph shows the major categories of revenues expressed as a percent of total General Fund revenues estimated for budget fiscal year 2020. 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 33% 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 - 2020 Budget

General Fund Revenues		2017 Actual	2018 Actual	2019 Budget	2020 Approved
CATEGORY 10 - TAXES					
4005	Current Property Tax	14,538,857	16,070,029	19,195,600	21,879,300
4010	Delinquent Property Tax	216,119	179,832	150,000	150,000
4015	Mobile Home Tax	56,631	66,099	59,700	59,700
4040	City Sales Tax	13,564,369	14,094,409	13,686,700	14,000,000
4050	Charitable Gambling Tax	61,934	22,363	20,000	20,000
4070	MN Power Franchise Fee	3,011,968	3,138,318	3,148,500	3,100,000
4071	Cable Franchise Fee	864,001	849,931	791,500	791,500
4072	No. MN Utility Franchise Fee	7,348	8,812	6,700	6,700
4080	Forfeit Tax Sale	15,898	16,400	19,400	19,400
4090	Other Taxes	118,456	203,847	83,700	83,700
TOTAL TAXES		32,455,581	34,650,039	37,161,800	40,110,300
CATEGORY 20 - LICENSES AND PERMITS					
4101	Liquor License	517,952	534,395	495,000	498,000
4102	Beer License	16,818	19,177	14,000	14,000
4105	Hotel License	12,195	12,310	9,000	9,000
4106	Garbage Collection	16,986	16,986	16,000	16,000
4107	Horse & Carriage	286	286	700	700
4108	Emergency Wrecker License	5,816	4,005	6,000	6,000
4109	Gas Station License	11,910	9,098	8,500	8,500
4111	Pawnbroker License	772	386	1,100	1,100
4112	Peddler's License	4,925	5,634	1,000	1,000
4113	Precious Metal Dealer	1,544	1,961	1,500	1,500
4114	Pet Shop License	944	415	600	600
4115	Dog & Cat Hospitals License	913	415	700	700
4116	Dog Kennels License	562	611	400	400
4117	Massage Parlor	13,888	13,442	12,000	12,000
4118	Cigarette License	13,585	11,912	11,000	11,000
4119-01	Motor Vehicle - Dealer	5,318	4,129	4,400	4,400
4119-02	Motor Vehicle - Rental	1,602	1,602	1,800	1,800
4120	Taxi Permit	19,002	11,153	11,000	11,000
4121	Coin Operating Device	509	19,115	9,000	9,000
4122	Pool & Bowling	1,202	1,202	1,000	1,000
4123	Dance Hall License	-	90	-	-
4124	Tree Service Contractor License	-	-	1,400	1,400
4125	Transportation Network Companies License	7,000	-	-	-

City of Duluth Minnesota - 2020 Budget

General Fund Revenues	2017 Actual	2018 Actual	2019 Budget	2020 Approved
CATEGORY 20 - LICENSES AND PERMITS continued				
4126 Shared Active Mobility Systems	-	-	-	1,000
4151 Fill Permits	2,589	1,281	1,100	1,100
4152 Excavation Permits	12,320	17,012	15,000	15,000
4153 Multiple Dwell License	822,567	1,083,226	1,036,200	876,800
4154 Commercial Use/Occupancy	103,755	103,186	100,000	100,000
4155 Special Event Permit	4,320	5,076	3,000	3,000
4160 Fire Protection Systems Permit Fees	-	-	-	95,500
4170-01 Misc. Perm. & Licenses	44,038	52,623	37,000	37,000
4170-12 Misc. Perm. & Licenses Small Cell Units	-	-	-	9,000
4170-13 Misc. Perm. & Licenses Essentia Permits	-	-	-	55,000
TOTAL LICENSE AND PERMITS	1,643,318	1,930,727	1,798,400	1,802,500
CATEGORY 30 - INTERGOVERNMENTAL				
4209-02 Misc. Federal Grants (Safer Grant)	27,647	17,637	-	-
4210-02 Pass-thru Federal Grants	84,979	20,617	-	-
4220-02 State of Minnesota	16,638	25,804	5,000	5,000
4220-03 State of Minnesota-Disaster Aid	150,830	-	-	-
4221 Local Government Aid	29,299,670	29,645,975	29,668,600	30,247,200
4222 State Property Tax Aid	9,839	230	-	-
4225 Ski Trail Reimbursement	11,000	11,000	11,000	11,000
4226 Snowmobile Trail Grants	11,527	14,662	13,900	13,900
4227 Police Training Reimbursement	47,689	42,938	142,000	142,000
4230 PERA Aid	124,428	124,428	124,400	-
4232 State Insurance Premium	1,980,438	2,039,451	1,820,000	1,942,000
4233 State of MN PERA Contribution	-	419,103	-	-
4240-02 Municipal State Aid - Maintenance	1,533,400	1,533,400	1,533,400	1,533,400
4260 St. Louis County	143,500	138,411	138,400	138,400
4261 ISD 709	255,663	261,820	253,400	258,900
4300-01 HRA in Lieu of Taxes	66,305	66,012	57,400	57,400
4300-02 Ordean Foundation	16,086	16,086	16,000	16,000
TOTAL INTERGOVERNMENTAL	33,779,640	34,377,573	33,783,500	34,365,200

City of Duluth Minnesota - 2020 Budget

General Fund Revenues		2017 Actual	2018 Actual	2019 Budget	2020 Approved
CATEGORY 40 - CHARGES FOR SERVICES					
4301	Zoning Appeals Fees	-	-	600	600
4303	Use Permit - Flood & Wetlands	3,536	3,172	900	900
4306	Building Appeals Fees	360	369	-	-
4307	Planning/Zoning Fees	89,522	81,463	85,000	85,000
4310	Assessment Cost Services	71,814	-	40,600	40,600
4311	Assessment Certification Fee	38,217	42,982	20,000	20,000
4315-01	Stormwater Administrative Service	154,500	149,400	134,400	169,900
4315-02	Sewer Administrative Service	232,800	204,600	208,200	230,400
4315-03	Steam Administrative Service	44,100	50,900	55,600	53,200
4315-04	DECC Administrative Service	15,400	13,700	13,800	13,800
4315-05	DTA Administrative Service	10,300	10,300	10,300	10,300
4315-06	Grant Administration Services	73,216	81,088	69,000	69,000
4315-07	Airport Administrative Service	45,200	45,200	45,200	45,200
4315-08	DEDA Administrative Service	365,000	365,000	400,000	400,000
4315-09	Public Utility Admin Service	771,300	773,700	817,100	851,000
4315-10	Fleet Administrative Service	136,800	135,900	145,500	146,200
4315-11	Golf Administrative Service	34,000	18,800	16,100	8,100
4315-12	Group Health Admin Service	350,000	360,500	353,300	353,300
4315-13	Self Insurance Admin Service	426,000	457,500	563,200	614,500
4315-14	Spirit Mt. Administrative Service	37,700	37,700	26,200	26,200
4315-15	Parking Administrative Service	127,400	136,400	138,600	150,000
4315-16	Street Lighting System Utility	56,100	50,500	55,100	28,200
4315-17	410 West 1st Street Ramp	25,500	22,500	17,200	5,000
4319	Attorney Fees	2,825	4,300	4,000	4,000
4320	IT Services	4,596	16,623	6,300	24,600
4322	Animal Shelter Fees	12,350	15,030	12,000	12,000
4323	Garnishment Fees	240	120	-	-
4326	Criminal History Checks	318	288	400	400
4328	Pawnbroker Transaction Charge	44,403	38,561	45,000	40,000
4329	False Alarm Fees & Penalties	15,867	23,914	18,000	18,000
4340	Fire Protection Services	7,518	6,350	6,400	4,200
4341	Hydrant Maintenance Service	30,000	30,000	30,000	30,000
4351	Building Inspection Fees	1,141,289	1,479,793	2,654,800	2,654,800
4352	Plumbing Inspection Fees	113,438	185,750	182,200	182,200
4353	Electric Inspection Fees	185,918	220,819	192,300	192,300
4354	HVAC-R Inspection Fees	203,605	264,104	151,800	151,800
4355	Signs Inspection Fees	15,924	21,582	10,600	10,600
4356	House Moving Inspection Fees	13,363	13,116	9,100	9,100

City of Duluth Minnesota - 2020 Budget

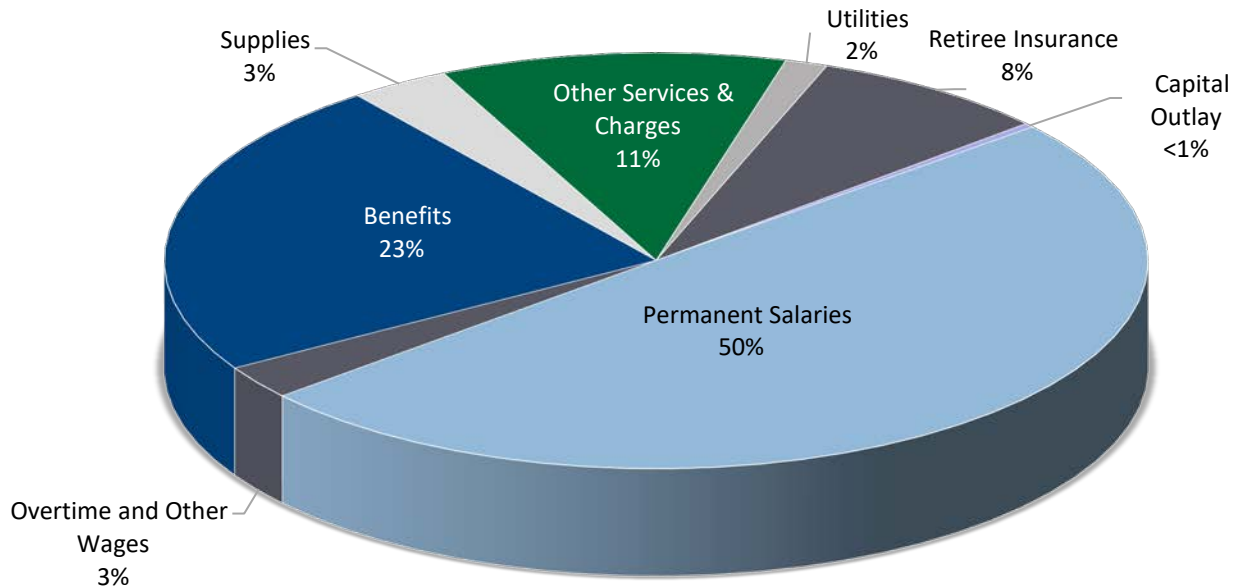
General Fund Revenues		2017 Actual	2018 Actual	2019 Budget	2020 Approved
CATEGORY 40 - CHARGES FOR SERVICES continued					
4357	Mobile Home Inspection Fees	920	758	1,900	1,900
4359	CAF Administrative Fee	8,359	16,433	15,300	15,300
4361	RZP Registration Fee	13,200	18,870	13,100	13,100
4370	Engineering Services	264,862	163,728	363,000	300,000
TOTAL CHARGES FOR SERVICES		5,187,757	5,561,813	6,932,100	6,985,700
CATEGORY 50 - FINES AND FORFEITS					
4470	License Penalties	5,498	5,909	2,000	2,000
4471	Library Fines	69,069	57,864	68,000	-
4472	Administrative Fines	42,279	46,432	21,600	21,600
4473	Court Fines	391,404	364,024	427,200	364,000
TOTAL FINES AND FORFEITS		508,249	474,230	518,800	387,600
CATEGORY 60 - SPECIAL ASSESSMENTS					
4500	Assessments	91,785	76,697	109,100	106,100
4500-12	Assessments - Service Charge	369,929	378,378	300,000	370,000
4501	Assessments - Penalty & Interest	25,697	19,166	24,800	16,800
TOTAL SPECIAL ASSESSMENTS		487,411	474,241	433,900	492,900
CATEGORY 70 - MISCELLANEOUS					
4601-02	Earnings on Investments	11,589	(35,189)	-	-
4602-01	Interest on Temporary Loans	-	18,850	-	-
4622	Rent of Buildings	535,435	496,689	73,200	78,000
4623	Rent of Land	8,758	5,965	6,600	6,600
4627	Concessions & Commissions	9,706	8,095	10,000	10,000
4631	Media Sales	20,941	21,803	27,000	22,700
4636-02	Sale of Materials	3,232	14,137	6,000	5,000
4639	Sale of Equipment	56,480	49,977	-	-
4640	Sale of Land	133,189	3,596	-	-
4644	Miscellaneous Sales	153,338	54,988	72,900	72,900
4650	Salary Reimbursement	23,584	36,993	20,000	20,000
4654	Other Reimbursements	223,286	469,180	117,900	114,400
4655	Drug Task Force Reimbursement	15,896	75,453	-	-
4660	Gifts & Donations	25,051	9,026	-	-
4680	Damages Recovered	-	230	-	-

City of Duluth Minnesota - 2020 Budget

General Fund Revenues	2017 Actual	2018 Actual	2019 Budget	2020 Approved
CATEGORY 70 - MISCELLANEOUS continued				
4700 Other Sources	9,349	11,063	-	95,700
4701 2% Retention Surtax	1,012	1,464	1,400	1,400
4702 Fond du Luth Proceeds	150,000	150,000	150,000	150,000
TOTAL MISCELLANEOUS	1,380,843	1,392,320	485,000	576,700
CATEGORY 80 - OTHER FINANCING SOURCES				
4730-20 Transfer from Special Revenue Funds	1,797,545	1,982,891	1,743,100	1,782,500
4730-22 Transfer from Police Grant Funds	696,014	878,674	828,200	916,200
Transfer from Police Grant Funds-				
4730-23 Overtime	159,367	208,354	136,000	152,300
4730-30 Transfer from Debt Service Funds	34,938	58,383	-	-
4730-50 Transfer from Enterprise Funds	1,376,700	1,386,300	1,386,300	1,356,300
4730-51 Transfer from Public Utility Funds	845,634	909,104	1,087,700	1,104,900
4731 Gas Utility in Lieu of Taxes	2,184,557	2,528,413	2,698,000	2,726,700
4732 Steam Utility in Lieu of Taxes	141,400	161,101	152,800	152,800
4805 Reimbursements	-	8,841	-	-
TOTAL OTHER FINANCING SOURCES	7,236,154	8,122,061	8,032,100	8,191,700
GENERAL FUND TOTAL	82,678,953	86,983,003	89,145,600	92,912,600

City of Duluth Minnesota - 2020 Budget

2020 General Fund Approved Expenditures

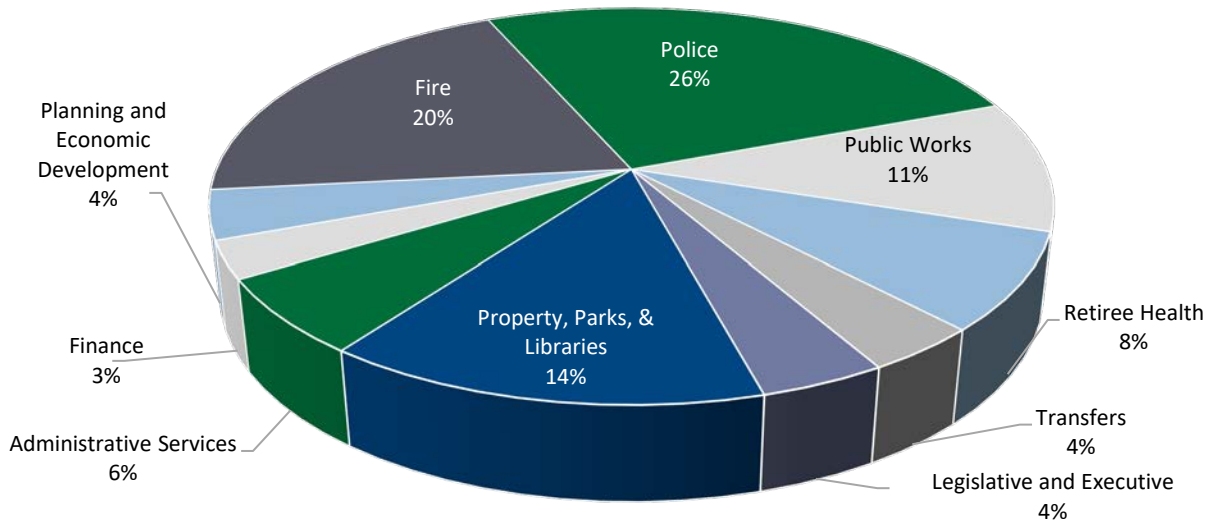


Permanent Salaries	\$	46,295,300
Overtime and Other Wages	\$	2,443,300
Benefits	\$	21,601,400
Supplies	\$	3,051,600
Other Services & Charges	\$	10,571,100
Utilities	\$	1,294,300
Retiree Insurance	\$	7,349,100
Capital Outlay	\$	306,500
TOTAL 2020 EXPENDITURES	\$	92,912,600

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 11% of the total; followed by Retiree Insurance at 8%; Supplies at 3%; Utilities at 2%; and Capital Outlay in the General Fund at less than 1%.

City of Duluth Minnesota - 2020 Budget

2020 General Fund Approved Expenditures



Legislative and Executive	\$	3,814,800
Property, Parks, & Libraries	\$	13,334,500
Administrative Services	\$	5,742,000
Finance	\$	2,815,100
Planning and Economic Development	\$	3,726,200
Fire	\$	18,624,500
Police	\$	24,021,100
Public Works	\$	9,980,100
Retiree Health	\$	7,349,100
Transfers	\$	3,505,200
TOTAL 2020 EXPENDITURES	\$	92,912,600

This graph shows the General Fund departmental budgets as a percent of the total General Fund expenditures for budget fiscal year 2020. The largest category of expense is public safety with the Police and Fire departments comprising 46% of the total; followed by Property, Parks, & Libraries department at 14%. The General Fund portion of the Public Works department comprises 11% of the total. Retiree health care comprises 8% of the total. The remaining five departments totaled together are 21%, with no department exceeding 6%.

City of Duluth Minnesota - 2020 Budget

2020 General Fund Approved Expenditures

	Permanent Salaries	Overtime	Other Wages	Benefits	Other Expense	Capital Outlay	TOTAL
LEGISLATIVE AND EXECUTIVE							
City Council	-	-	124,200	11,600	68,700	-	204,500
Mayor's Office	496,100	-	-	246,100	24,200	-	766,400
Chief Administrative Officer	310,400	-	-	135,200	10,600	-	456,200
Attorney's Office	1,688,700	-	30,000	627,900	41,100	-	2,387,700
DEPARTMENT TOTAL	2,495,200	-	154,200	1,020,800	144,600	-	3,814,800
PROPERTIES, PARKS, & LIBRARIES							
Park Maintenance	1,482,500	75,000	151,000	711,000	944,800	-	3,364,300
Library	2,832,000	800	101,800	1,234,100	458,300	306,500	4,933,500
Facilities Management	1,864,000	25,000	23,000	881,700	2,243,000	-	5,036,700
DEPARTMENT TOTAL	6,178,500	100,800	275,800	2,826,800	3,646,100	306,500	13,334,500
ADMINISTRATIVE SERVICES							
Human Resources Information	761,200	-	10,000	353,700	74,500	-	1,199,400
Technology	1,883,300	10,000	-	820,300	963,200	-	3,676,800
City Clerk	443,700	1,400	131,700	233,300	55,700	-	865,800
DEPARTMENT TOTAL	3,088,200	11,400	141,700	1,407,300	1,093,400	-	5,742,000
FINANCE							
Budget Office	652,600	6,400	-	253,500	37,100	-	949,600
Auditor's Office	655,600	7,600	-	323,600	304,100	-	1,290,900
Purchasing	389,600	-	-	170,800	14,200	-	574,600
Treasurer's Office	-	-	-	-	-	-	-
DEPARTMENT TOTAL	1,697,800	14,000	-	747,900	355,400	-	2,815,100
PLANNING AND ECONOMIC DEVELOPMENT							
Physical Planning	986,600	-	-	438,600	74,700	-	1,499,900
Construction Services & Insp	1,435,400	9,000	-	636,400	145,500	-	2,226,300
Business & Economic Development	-	-	-	-	-	-	-
DEPARTMENT TOTAL	2,422,000	9,000	-	1,075,000	220,200	-	3,726,200

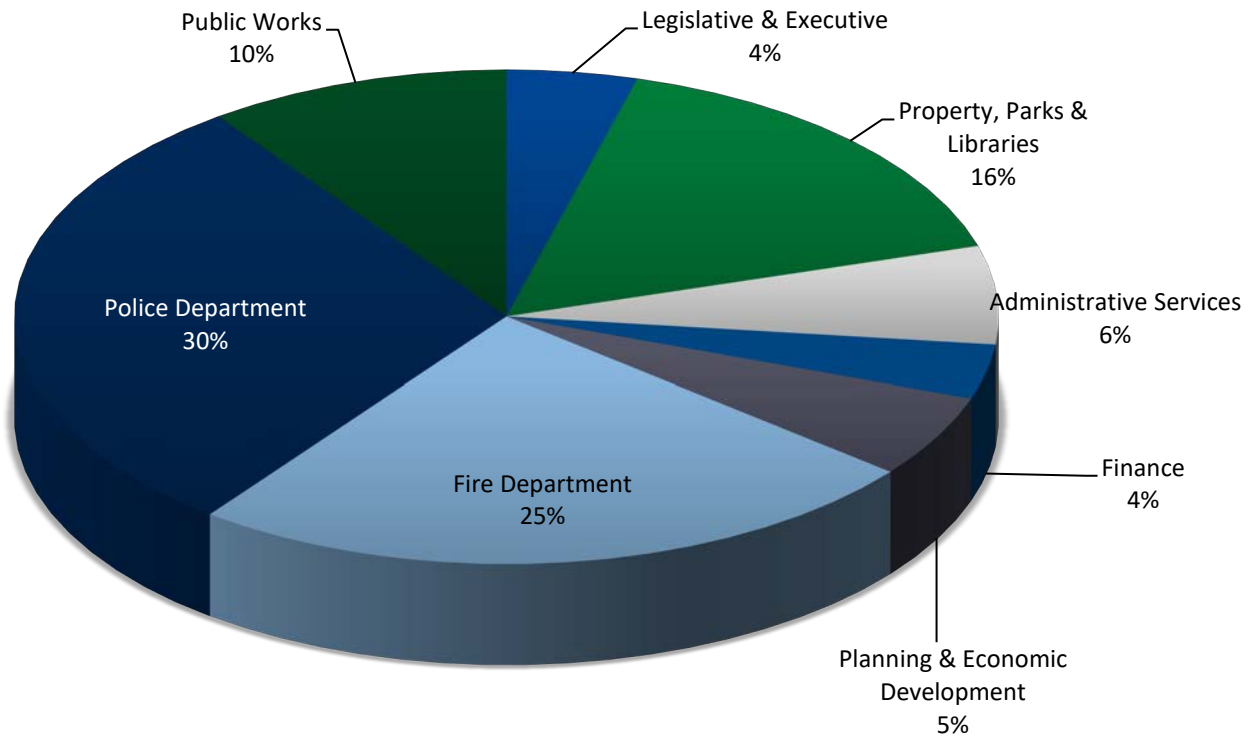
City of Duluth Minnesota - 2020 Budget

2020 General Fund Approved Expenditures

	Permanent		Other		Other	Capital	
	Salaries	Overtime	Wages	Benefits	Expense	Outlay	TOTAL
FIRE DEPARTMENT							
Fire Administration	460,900	-	-	106,200	59,000	-	626,100
Fire Operations	10,152,800	790,800	-	4,983,000	689,000	-	16,615,600
Life Safety	869,200	11,300	-	434,100	68,200	-	1,382,800
DEPARTMENT TOTAL	11,482,900	802,100	-	5,523,300	816,200	-	18,624,500
POLICE DEPARTMENT							
	14,852,500	597,300	131,600	7,047,700	1,392,000	-	24,021,100
PUBLIC WORKS							
Director's Office	79,800	-	-	29,000	800	-	109,600
Street Maintenance	2,775,700	117,000	-	1,358,800	3,683,100	-	7,934,600
Engineering	1,222,700	56,000	32,400	487,300	137,500	-	1,935,900
DEPARTMENT TOTAL	4,078,200	173,000	32,400	1,875,100	3,821,400	-	9,980,100
TRANSFERS							
	-	-	-	77,500	10,776,800	-	10,854,300
2020 APPROVED							
GENERAL FUND	46,295,300	1,707,600	735,700	21,601,400	22,266,100	306,500	92,912,600

City of Duluth Minnesota - 2020 Budget

2020 General Fund Personnel Summary



Department	2019 Budget	2020 Approved
Legislative & Executive	25.00	26.00
Property, Parks & Libraries	96.60	97.60
Administrative Services	38.65	39.00
Finance	22.00	21.60
Planning & Economic Development	33.92	32.75
Fire Department	146.50	148.50
Police Department	182.14	180.50
Public Works	60.35	60.35
TOTAL	605.16	606.30

City of Duluth Minnesota - 2020 Budget

2020 General Fund Personnel Summary

	2019 Actual	2020 Approved	Difference	Narrative
LEGISLATIVE/EXECUTIVE				
City Council	0.00	0.00	0.00	
Mayor	5.00	6.00	1.00	Public Information Officer transferred from CAO
Chief Administrative Officer	3.00	3.00	0.00	Added Sustainability Officer, PIO transferred to Mayor's Office
City Attorney	17.00	17.00	0.00	
DEPARTMENT TOTAL	25.00	26.00	1.00	
PROPERTY, PARKS & LIBRARIES				
Park Maintenance	23.60	22.60	-1.00	Maintenance worker position
Library	46.70	46.70	0.00	
Facilities Management	26.30	28.30	2.00	Director reallocated from Clerk's; added janitor I position
DEPARTMENT TOTAL	96.60	97.60	1.00	
ADMINISTRATIVE SERVICES				
Human Resources	10.65	10.00	-0.65	Org Development Coordinator
Information Technology	21.00	23.00	2.00	Police Electronics Techs transferred
City Clerk	7.00	6.00	-1.00	Director reallocated to PPL
DEPARTMENT TOTAL	38.65	39.00	0.35	
FINANCE				
Budget	3.00	7.00	4.00	Payroll & Fin Systems staff transferred from Auditor's
Auditor	10.00	8.60	-1.40	Elim Financial Analyst; payroll and fin systems to Budget, some Treasury positions to Auditor's
Purchasing	2.00	6.00	4.00	Some Treasury positions to Purchasing
Treasurer	7.00	0.00	-7.00	All positions to Auditor's and Purchasing
DEPARTMENT TOTAL	22.00	21.60	-0.40	
PLANNING & ECONOMIC DEVELOPMENT				
Physical Planning	9.42	12.25	2.83	Business Development reallocated to
Construction Svcs & Inspection	20.50	20.50	0.00	
Business & Econ Development	4.00	0.00	-4.00	Positions reallocated to Planning and Community Development
DEPARTMENT TOTAL	33.92	32.75	-1.17	

City of Duluth Minnesota - 2020 Budget

2020 General Fund Personnel Summary

	2019 Actual	2020 Approved	Difference	Narrative
FIRE				
Fire Administration	3.50	4.50	1.00	Additional Deputy Fire Chief
Firefighting Operations	132.00	132.00	0.00	
Life Safety	11.00	12.00	1.00	Fire Systems Plan Examiner
DEPARTMENT TOTAL	146.50	148.50	2.00	
POLICE				
Administration, Investigative, Patrol	182.14	180.50	-1.64	Electronics Techs to IT division
DEPARTMENT TOTAL	182.14	180.50	-1.64	
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	605.16	606.30	1.14	

City of Duluth Minnesota - 2020 Budget

Legislative and Executive Department

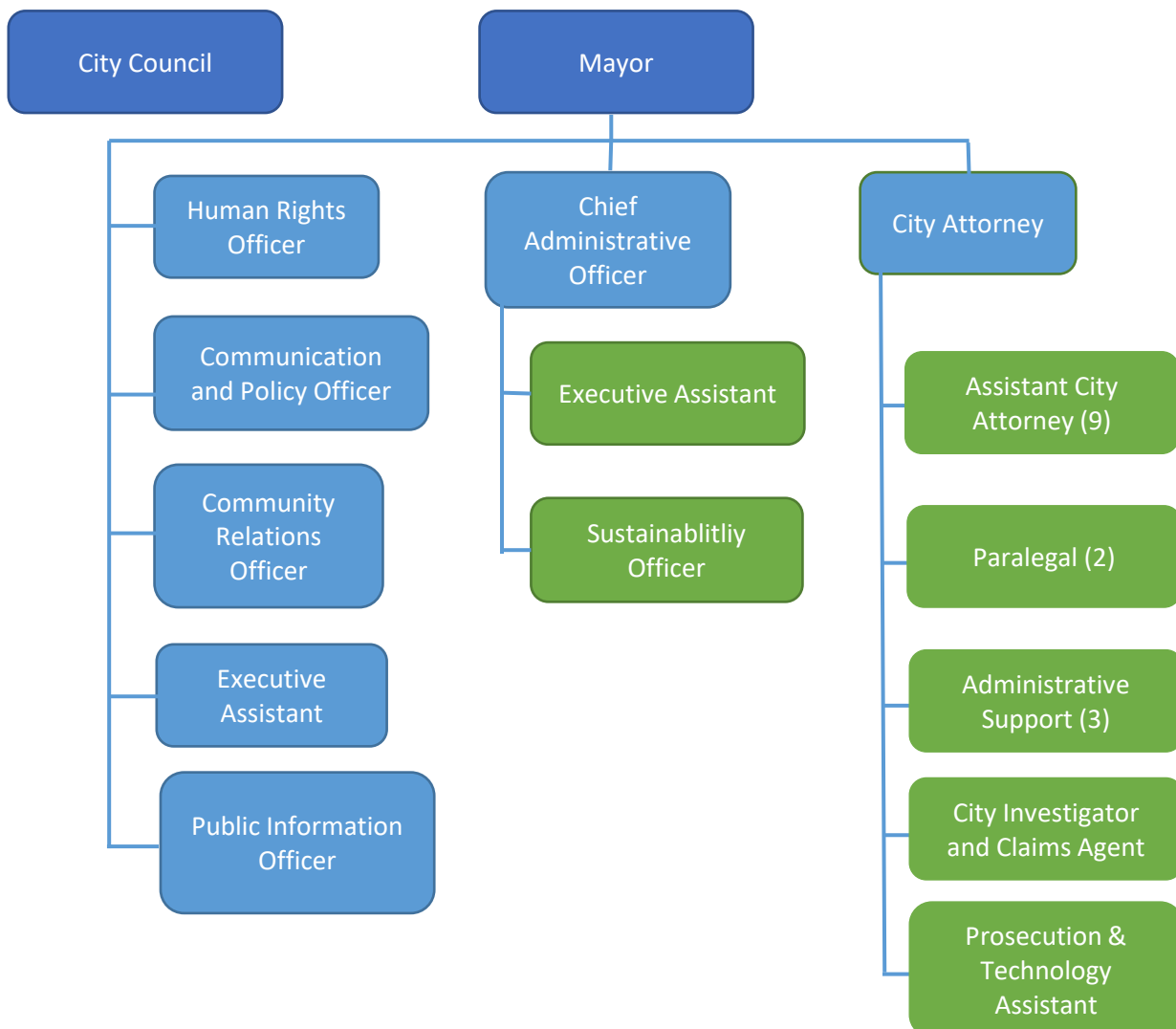
Mission and Vision

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 - 2020 Budget

City Attorney's Office

City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Estimate	2021 Projected	2022 Projected
Compliance: Provide assurance of regulatory and policy compliance to build trust, accountability and foster transparency	No. of Ordinances		17	26	25
	No. of Resolutions		103	110	110
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	800
	No. Claims Filed		5	24	15
	Amount of collected on city claims		\$10,421	\$27,472	\$15,000
	No. of Grants Reviewed			23	25
High Performing Organization: Focuses on equipping, training and continuously expanding the abilities of decision-makers, leadership, management and staff to successfully accomplish public goals	No. Lawsuits Defended, conciliation court matters, regulatory appeals		24	41	40
Long Range Planning: Supports decision-making with timely and accurate analysis, focusing on innovative, long-term solutions that benefit the community	Transaction Matters: agreements, MOUs, Development agreements			130	135
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	No. of City Policies Reviewed			30	25

City of Duluth Minnesota - 2020 Budget

City Attorney's Office

City Priority: Innovation and Excellence in Service

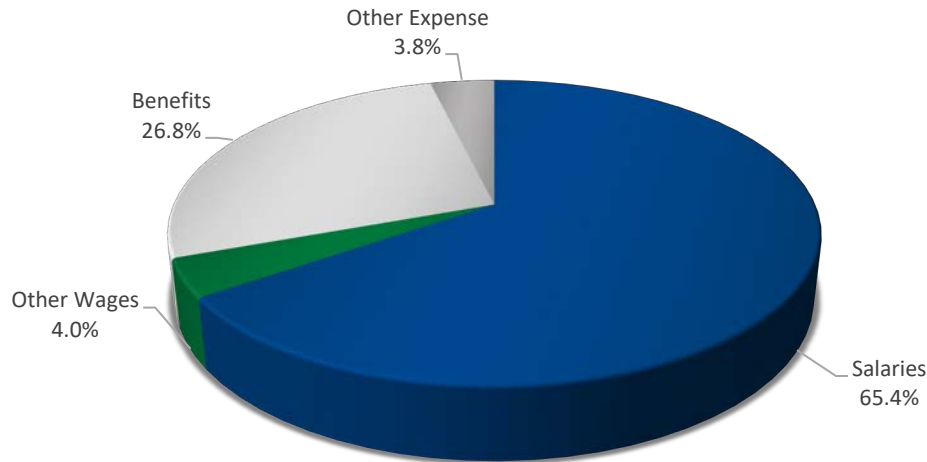
<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Estimate	2021 Projected	2022 Projected
Workforce: Attract, develop, equip, motivate, and retain a high-quality, diverse, engaged and productive workforce focused on creative service excellence	No. of Employees taking Defensive Driving Class		160	256	200
	No. CBA's negotiated, Arbitration hearings, Grievances, Worker's Comp. Claims, and Unemployment claims			121	125

City Priority: Safe and Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 Projected
Community Engagement: Offer community programming which affords safe spaces for youth and adults to play, learn, and engage	No. of Victims Contacted	168	47	113	115
	Restitution Requested	\$18,996	\$52,333	\$104,009	\$100,000
	No. of bail memos	122	107	167	170
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	12,459	10,419	11,045	12,000
	Fines Imposed	\$1,261,714	\$ 1,261,951	\$ 1,309,825	\$1,400,000
	No. of Forfeitures		81	95	95
	Forfeiture Fines Imposed		\$13,999	\$12,165	\$13,000

City of Duluth Minnesota - 2020 Budget

Legislative & Executive Department 2020 Approved Budget by Expenditure Category



Expenditures by Category	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Permanent Salaries	2,129,987	2,136,950	2,363,700	2,495,200	131,500
Overtime	279	673	-	-	-
Other Wages	115,099	155,030	154,200	154,200	-
Total Personal Services	2,245,366	2,292,654	2,517,900	2,649,400	131,500
Benefits	755,722	777,518	895,400	1,020,800	125,400
Other Expense	101,252	147,913	135,000	144,600	9,600
Capital Outlay	1,422	2,486	-	-	-
Department Total	3,103,761	3,220,571	3,548,300	3,814,800	266,500

Expenditures by Division	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
City Council	148,228	185,930	204,500	204,500	-
Mayor's Office	430,231	445,443	628,100	766,400	138,300
Chief Admin Officer	316,497	380,904	365,500	456,200	90,700
Attorney's Office	2,208,805	2,208,293	2,350,200	2,387,700	37,500
Department Total	3,103,761	3,220,571	3,548,300	3,814,800	266,500

Budgeted FTE's	2017	2018	2019	2020	Difference
	24.5	22.5	25.0	26.0	1.0

City of Duluth Minnesota - 2020 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	2017	2018	2019	2020	Difference
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There are no fulltime, permanent employees assigned to this division.

Expenditures	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Personal Services					
Permanent Salaries	-	-	-	-	-
Overtime	-	-	-	-	-
Other Wages	89,131	124,200	124,200	124,200	-
Total Salaries	89,131	124,200	124,200	124,200	-
Benefits	6,769	9,532	11,600	11,600	-
Other Expense					
Materials & Supplies	482	3,633	1,300	1,300	-
Services	3,829	4,443	14,000	12,000	(2,000)
Utilities & Mtc	41,203	40,700	44,200	49,200	5,000
Other	6,814	3,423	9,200	6,200	(3,000)
Total Other Expense	52,328	52,198	68,700	68,700	-
Division Total	148,228	185,930	204,500	204,500	-

City of Duluth Minnesota - 2020 Budget

General Fund Expenditure Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
City Council - 110-110-1101				
PERSONAL SERVICES				
5103 Other Wages	89,131	124,200	124,200	124,200
TOTAL	89,131	124,200	124,200	124,200
EMPLOYEE BENEFITS				
5121 PERA Retirement	1,499	1,852	2,100	2,100
5122 FICA - Social Security	3,977	5,790	7,700	7,700
5123 FICA - Medicare	1,292	1,891	1,800	1,800
TOTAL	6,769	9,532	11,600	11,600
OTHER EXPENDITURES				
5200 Office Supplies	-	65	-	-
5201 Computer Supplies/Software	309	1,584	1,000	1,000
5202 Audiovisual & Photography	65	1,750	-	-
5219 Other Miscellaneous Supplies	108	234	300	300
5319 Other Professional Services	1,838	1,150	5,000	4,000
5331 Travel/Training	1,336	3,063	7,000	7,000
5355 Printing & Copying	655	230	2,000	1,000
5356 Copier, Printer Lease & Supplies	-	-	-	-
5404 Equipment/Machinery Repair & Mtc	2,850	2,850	3,700	3,700
5414 Software Licenses & Mtce Agreements	38,353	37,850	40,500	45,500
5433 Dues & Subscription	298	298	1,000	1,000
5441 Other Services & Charges	4,637	144	6,000	3,000
5443 Board & Meeting Expenses	1,878	2,980	2,200	2,200
TOTAL	52,328	52,198	68,700	68,700
DIVISION TOTAL	148,228	185,930	204,500	204,500

City of Duluth Minnesota - 2020 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	2017	2018	2019	2020	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	1.0	1.0	1.0	1.0	-
Public Information					
1085 Officer	-	-	-	1.0	1.0
1105 Comm & Policy Officer	1.0	-	1.0	1.0	-
Division Total	5.0	4.0	5.0	6.0	1.0

Expenditures	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Personal Services					
Permanent Salaries	293,333	308,610	420,000	496,100	76,100
Overtime	88	158	-	-	-
Other Wages	2,793	-	-	-	-
Total Salaries	296,214	308,768	420,000	496,100	76,100
Benefits	114,033	119,569	193,500	246,100	52,600
Other Expense					
Materials & Supplies	1,419	1,518	1,700	3,000	1,300
Services	11,155	8,177	5,100	10,800	5,700
Other	7,410	7,411	7,800	10,400	2,600
Total Other Expense	19,984	17,106	14,600	24,200	9,600
Division Total	430,231	445,443	628,100	766,400	138,300

City of Duluth Minnesota - 2020 Budget

General Fund Expenditure Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
Mayor's Office - 110-110-1102				
PERSONAL SERVICES				
5100 Permanent Salaries	293,333	308,610	420,000	496,100
5101 Premium Pay	88	158	-	-
5103 Other Wages	2,793	-	-	-
TOTAL	296,214	308,768	420,000	496,100
EMPLOYEE BENEFITS				
5121 PERA Retirement	18,823	19,958	31,300	37,200
5122 FICA - Social Security	12,926	12,353	26,000	30,800
5123 FICA - Medicare	4,140	4,338	6,100	7,200
5125 Dental Insurance	1,488	1,488	1,900	2,200
5126 Life Insurance	648	648	900	1,100
5127 Health Care Savings Plan (HCSP)	6,584	5,228	20,400	10,600
5130 Cafeteria Plan Benefits	69,425	75,526	106,900	157,000
5133 Health or Fitness Program	-	30	-	-
TOTAL	114,033	119,569	193,500	246,100
OTHER EXPENDITURES				
5200 Office Supplies	689	855	1,000	2,000
5219 Other Miscellaneous Supplies	731	664	500	500
5241 Small Equip-Office/Operating	-	-	200	500
5320 Data Services	-	-	-	-
5321 Phone Service Cellular Phone	1,190	1,179	-	2,200
5322 Postage	6	33	100	100
5331 Travel/Training	8,943	6,381	3,000	6,500
5355 Printing & Copying	932	550	2,000	2,000
5356 Copier, Printer Lease & Supplies	83	34	-	-
5433 Dues & Subscription	378	517	300	400
5441 Other Services & Charges	601	33	1,500	3,000
5443 Board & Meeting Expenses	2,809	2,675	1,000	2,000
5444 Mayor's Contingent Account	3,622	4,185	5,000	5,000
TOTAL	19,984	17,106	14,600	24,200
DIVISION TOTAL	430,231	445,443	628,100	766,400

City of Duluth Minnesota - 2020 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	2017	2018	2019	2020	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	1.0	-	(1.0)
1110 Sustainability Officer	-	-	-	1.0	1.0
Division Total	2.5	2.5	3.0	3.0	0.0

Expenditures	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Personal Services					
Permanent Salaries	215,559	262,049	241,300	310,400	69,100
Overtime	156	515	-	-	-
Other Wages	-	-	-	-	-
Total Salaries	215,714	262,564	241,300	310,400	69,100
Benefits	97,585	110,697	113,600	135,200	21,600
Other Expense					
Materials & Supplies	97	898	2,000	2,000	-
Services	1,333	3,077	2,300	2,300	-
Utilities & Mtc	-	-	300	300	-
Other	1,768	3,667	6,000	6,000	-
Total Other Expense	3,198	7,642	10,600	10,600	-
Division Total	316,497	380,904	365,500	456,200	90,700

City of Duluth Minnesota - 2020 Budget

General Fund Expenditure Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
Chief Administrative Officer - 110-110-1103				
PERSONAL SERVICES				
5100 Permanent Salaries	215,559	262,049	241,300	310,400
5101 Premium Pay	156	515	-	-
5103 Other Wages	-	-	-	-
TOTAL	215,714	262,564	241,300	310,400
EMPLOYEE BENEFITS				
5121 PERA Retirement	15,865	18,788	18,000	23,300
5122 FICA - Social Security	12,508	15,867	15,000	19,200
5123 FICA - Medicare	2,966	3,710	3,500	4,500
5125 Dental Insurance	930	975	900	1,100
5126 Life Insurance	405	431	500	500
5127 Health Care Savings Plan (HCSP)	14,356	24,063	27,600	7,600
5130 Cafeteria Plan Benefits	50,526	46,805	48,100	78,900
5133 Health or Fitness Program	30	57	-	100
TOTAL	97,585	110,697	113,600	135,200
OTHER EXPENDITURES				
5200 Office Supplies	97	236	1,000	1,000
5201 Computer Supplies/Software	-	230	500	500
5219 Other Miscellaneous Supplies	-	432	500	500
5321 Phone Service Cellular Phone	1,129	983	-	-
5331 Travel/Training	169	2,061	2,000	2,000
5356 Copier, Printer Leases & Supplies	35	34	-	-
5404 Equipment/Machinery Repair & Mtc	-	-	300	300
5418 Vehicle/Equip Lease (Long-term)	-	-	300	300
5433 Dues & Subscription	1,668	2,289	500	500
5435 Books & Pamphlets	-	-	500	500
5441 Other Services & Charges	100	225	4,000	4,000
5443 Board & Meeting Expenses	-	1,153	1,000	1,000
TOTAL	3,198	7,642	10,600	10,600
DIVISION TOTAL	316,497	380,904	365,500	456,200

City of Duluth Minnesota - 2020 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	2017	2018	2019	2020	Difference
Res City Attorney	1.0	1.0	1.0	1.0	-
Assistant Attorney	10.0	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	-
Division Total	17.0	16.0	17.0	17.0	0.0

Expenditures	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Personal Services					
Permanent Salaries	1,621,096	1,566,291	1,702,400	1,688,700	(13,700)
Overtime	36	-	-	-	-
Other Wages	23,175	30,830	30,000	30,000	-
Total Salaries	1,644,307	1,597,121	1,732,400	1,718,700	(13,700)
Benefits	537,335	537,720	576,700	627,900	51,200
Other Expense					
Materials & Supplies	3,264	1,563	3,300	3,300	-
Services	9,281	55,259	12,400	12,400	-
Other	13,196	14,145	25,400	25,400	-
Total Other Expense	25,741	70,967	41,100	41,100	-
Capital Outlay	1,422	2,486	-	-	-
Division Total	2,208,805	2,208,293	2,350,200	2,387,700	37,500

City of Duluth Minnesota - 2020 Budget

General Fund Expenditure Detail	2017	2018	2019	2020
	Actual	Actual	Budget	Approved
City Attorney's Office - 110-110-1104				
PERSONAL SERVICES				
5100 Permanent Salaries	1,621,096	1,566,291	1,702,400	1,688,700
5101 Premium Pay	36	-	-	-
5103 Other Wages	23,175	30,830	30,000	30,000
TOTAL	1,644,307	1,597,121	1,732,400	1,718,700
EMPLOYEE BENEFITS				
5121 PERA Retirement	120,376	117,696	127,800	127,200
5122 FICA - Social Security	99,644	95,400	107,400	106,600
5123 FICA - Medicare	23,212	22,512	25,100	24,900
5125 Dental Insurance	6,262	6,045	6,300	6,300
5126 Life Insurance	2,727	2,633	3,100	3,100
5127 Health Care Savings Plan (HCSP)	55,266	50,033	42,400	40,500
5130 Cafeteria Plan Benefits	228,561	242,088	264,600	318,000
5133 Health or Fitness Program	1,287	1,314	-	1,300
TOTAL	537,335	537,720	576,700	627,900
OTHER EXPENDITURES				
5200 Office Supplies	3,264	1,563	3,300	3,300
5304 Legal Services	218	44,281	2,000	2,000
5321 Phone Service Cellular Phone	1,800	1,819	2,200	2,200
5331 Travel/Training	5,673	7,676	6,000	6,000
5335 Local Mileage Reimbursement	607	744	1,000	1,000
5355 Printing & Copying	-	55	100	100
5356 Copier, Printer Lease & Supplies	984	683	1,100	1,100
5414 Software Licenses & Maintenance	547	442	1,400	1,400
5433 Dues & Subscription	11,884	11,372	17,000	17,000
5441 Other Services & Charges	764	2,331	7,000	7,000
TOTAL	25,741	70,967	41,100	41,100
CAPITAL OUTLAY				
Library Materials	1,422	2,486	-	-
TOTAL	1,422	2,486	-	-
DIVISION TOTAL	2,208,805	2,208,293	2,350,200	2,387,700

City of Duluth Minnesota - 2020 Budget

General Fund Revenue Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
City Attorney's Office - 110-110-1104				
REVENUE SOURCE				
4319 Attorney Fees	2,825	4,300	4,000	4,000
4644 Miscellaneous Fees, Sales, Services	6,021	5,417	1,000	1,000
4654 Other Reimbursements	10,998	-	-	-
4730 Transfer from Special Revenue Fund	-	39,586	60,000	70,000
DIVISION TOTAL	19,844	49,303	65,000	75,000

City of Duluth Minnesota - 2020 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.

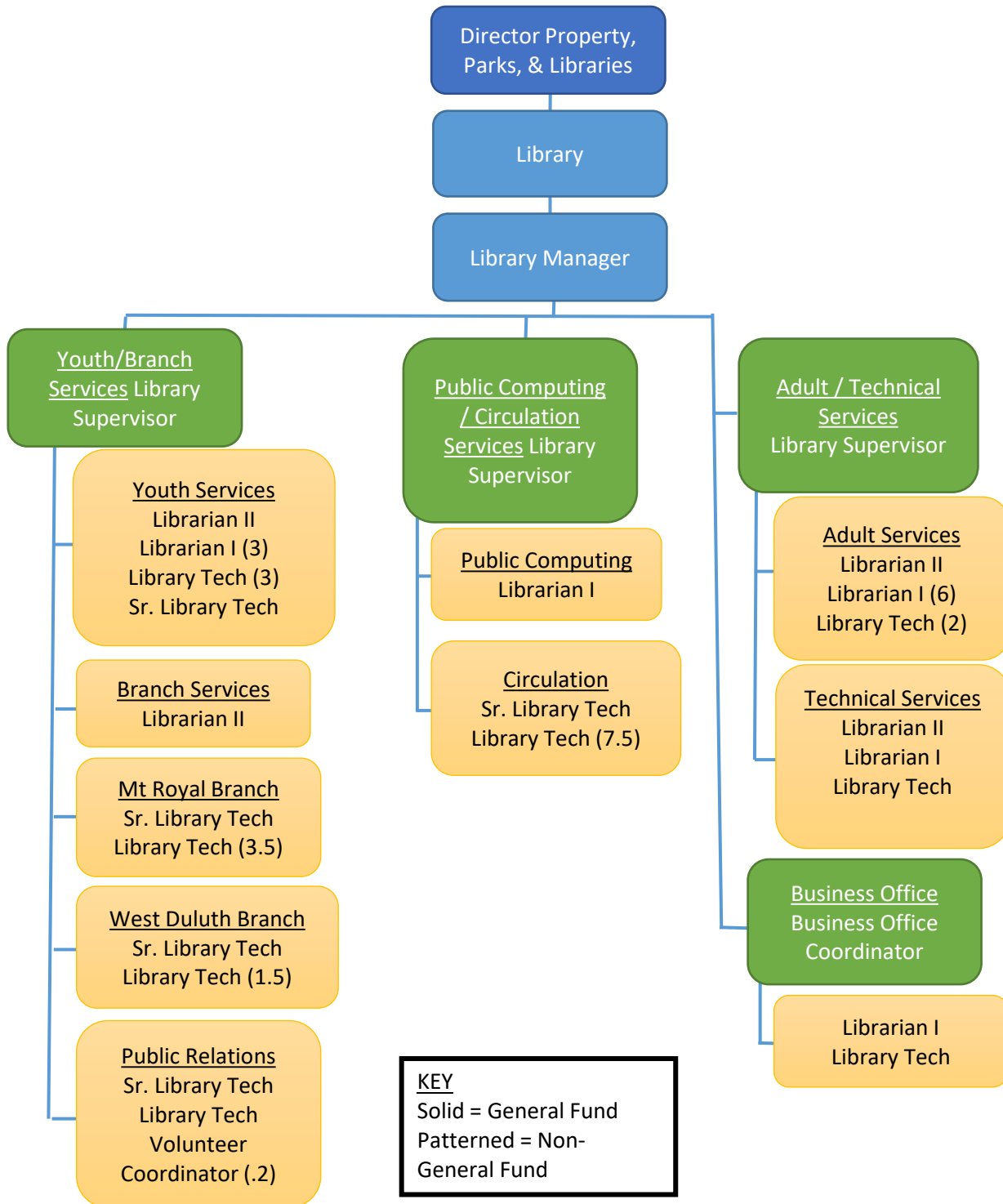
Structure

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 - 2020 Budget

Property, Parks, and Libraries Department

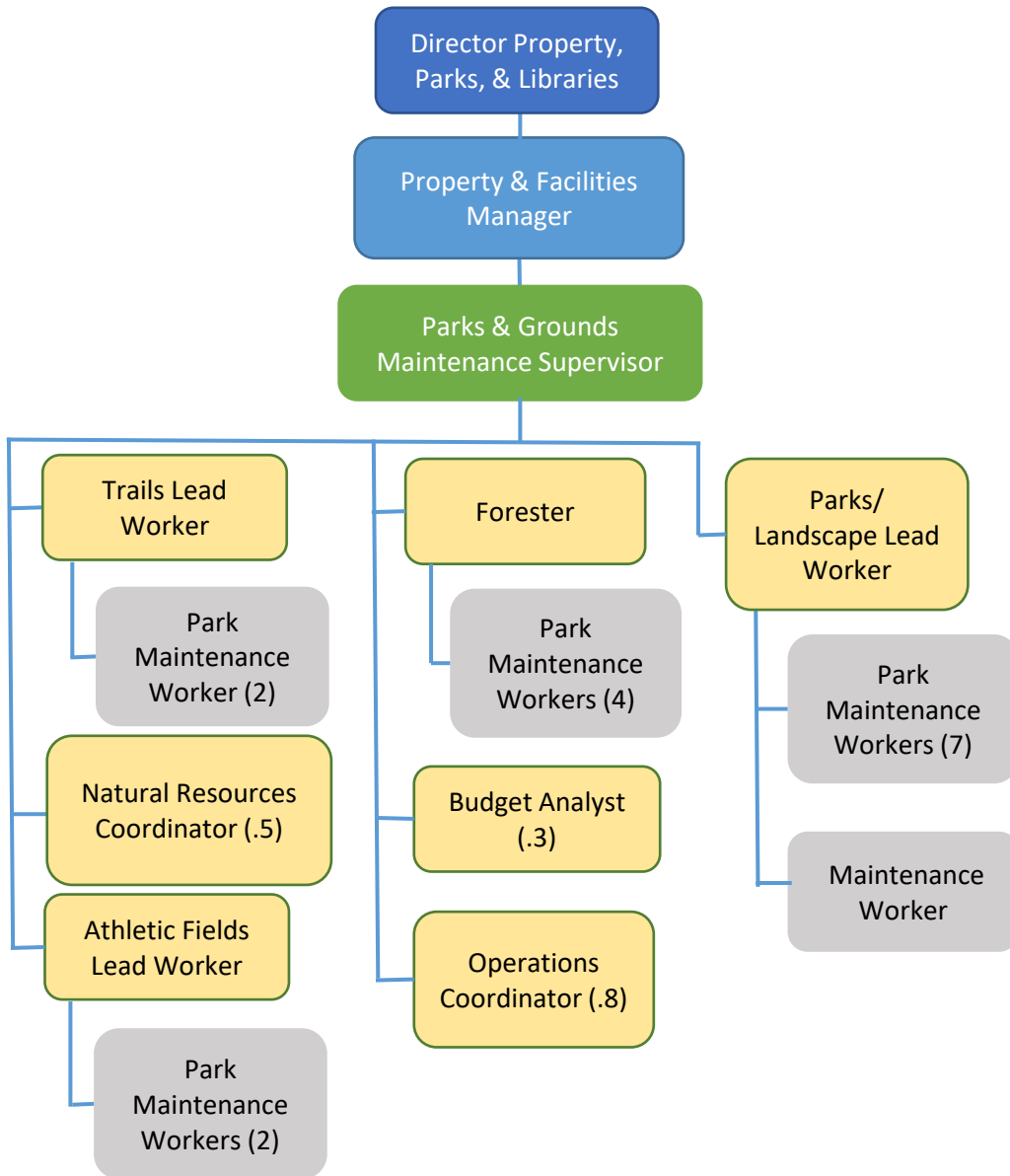
Organization Chart



City of Duluth Minnesota - 2020 Budget

Property, Parks, and Libraries Department

Organization Chart - Continued

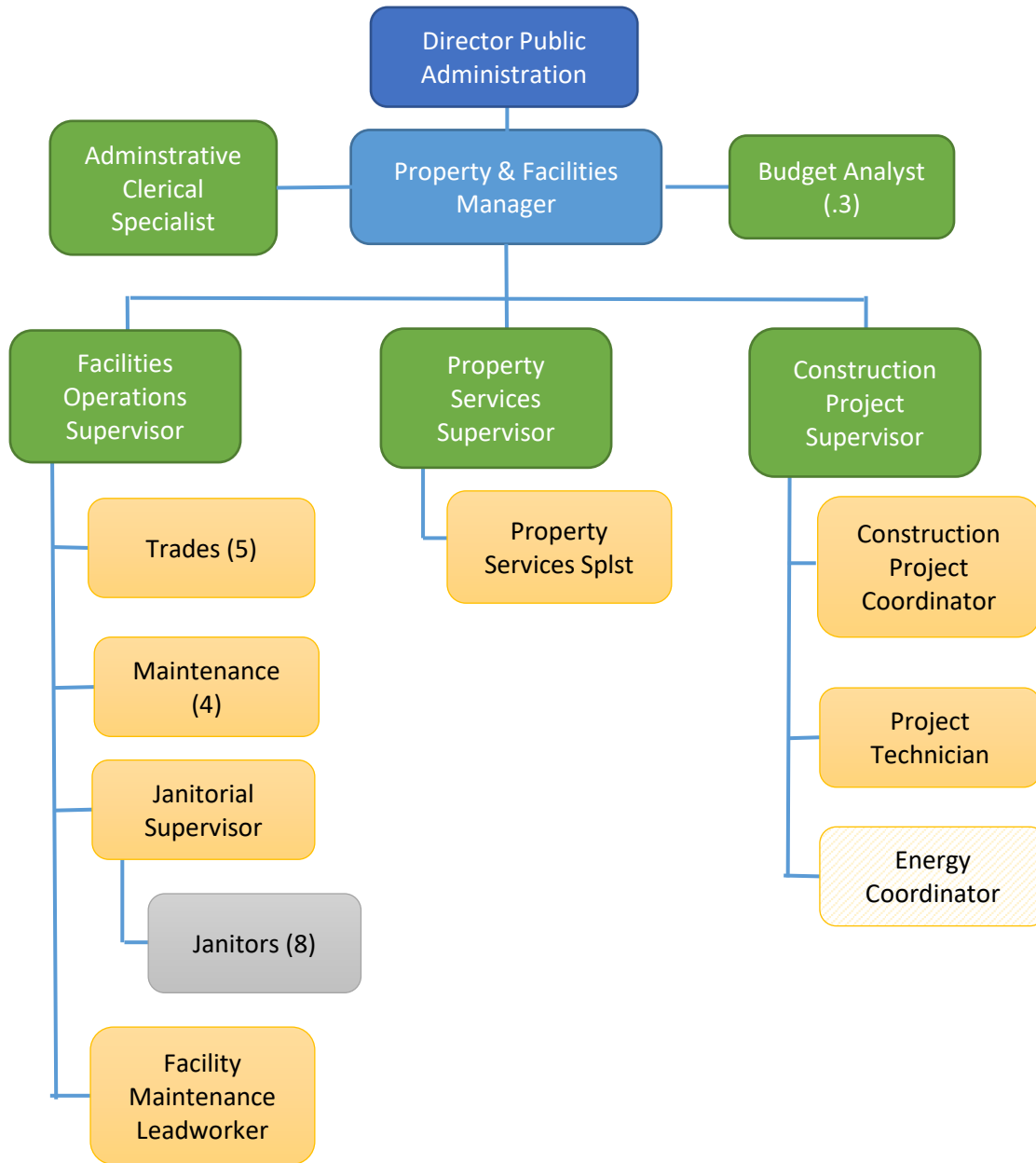


KEY
Solid = General Fund
Patterned = Non-General Fund

City of Duluth Minnesota - 2020 Budget

Property, Parks, and Libraries Department

Organization Chart - Continued

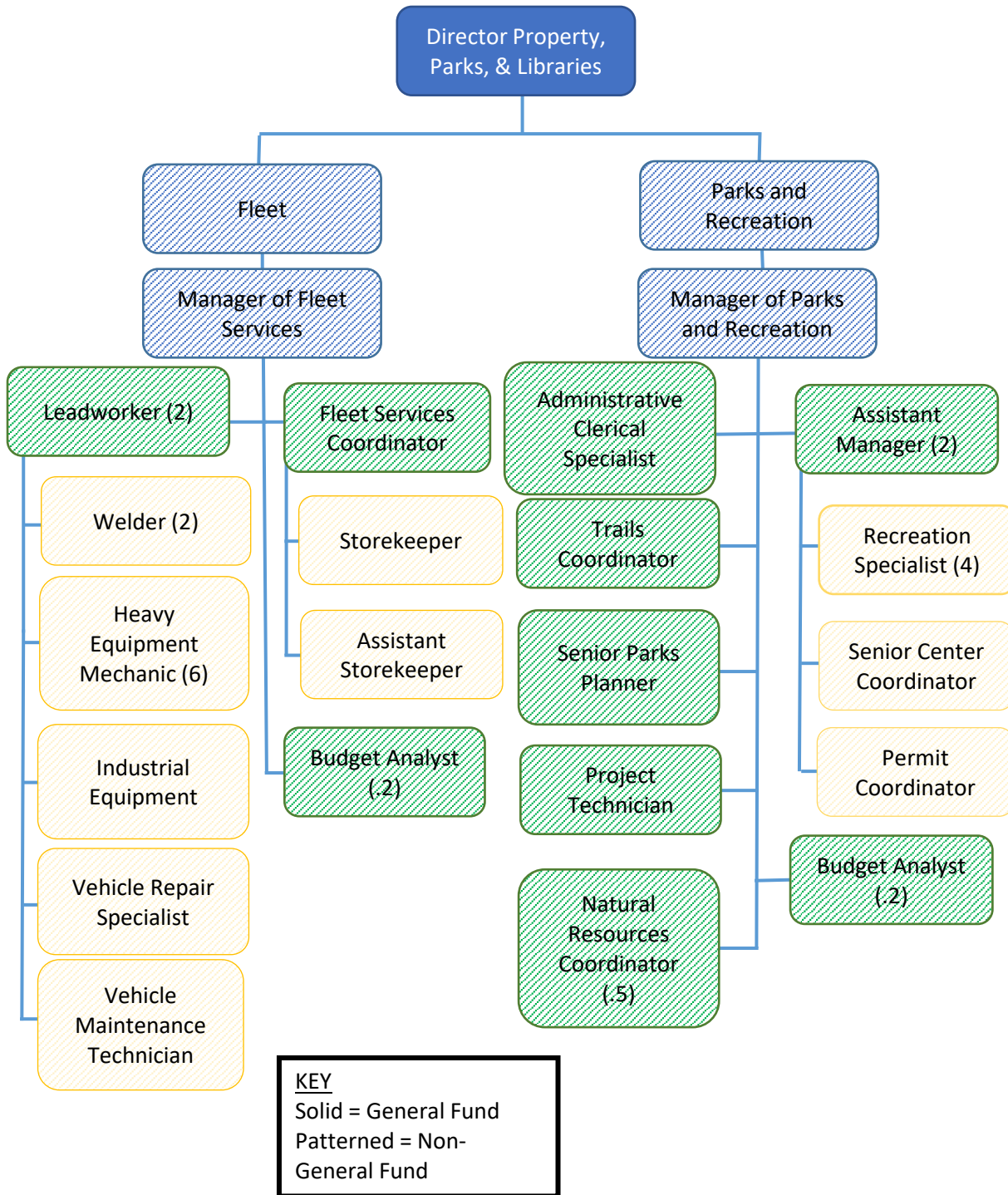


KEY
Solid = General Fund
Patterned = Non-General Fund

City of Duluth Minnesota - 2020 Budget

Property, Parks, and Libraries Department

Organization Chart - Continued



City of Duluth Minnesota - 2020 Budget

Park Maintenance

City Priority: Safe and Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 Projected
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>	2017 Actual	2018 Actual	2019 Estimate	2020 Projected
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	NA	100%
	Reexamine staff assignments and priorities.	NA	NA	NA	100%

City Priority: Green Space and Energy Conservation

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 Projected
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 - 2020 Budget

Library

City Priority: Culture and Recreation

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 Projected
	Annual number of checkouts	871,704	847,237	792,000	790,000
	Annual number of library visits	475,363	426,082	437,688	438,000
	Annual number of reference transactions	71,253	59,579	65,702	63,000
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 program participants, including outreach visits	28,435	27,716	30,241	33,000
	Total physical materials in collection	424,304	419,907	350,000	325,000
	Annual number of public computer sessions	90,489	81,685	70,388	65,000
	Annual number of website visits	371,891	501,248	399,586	400,000
	Annual number of cardholders	42,674	51,636	52,178	53,000
	Number of children and caregivers attending early literacy outreach activities	171	391	363	500

City of Duluth Minnesota - 2020 Budget

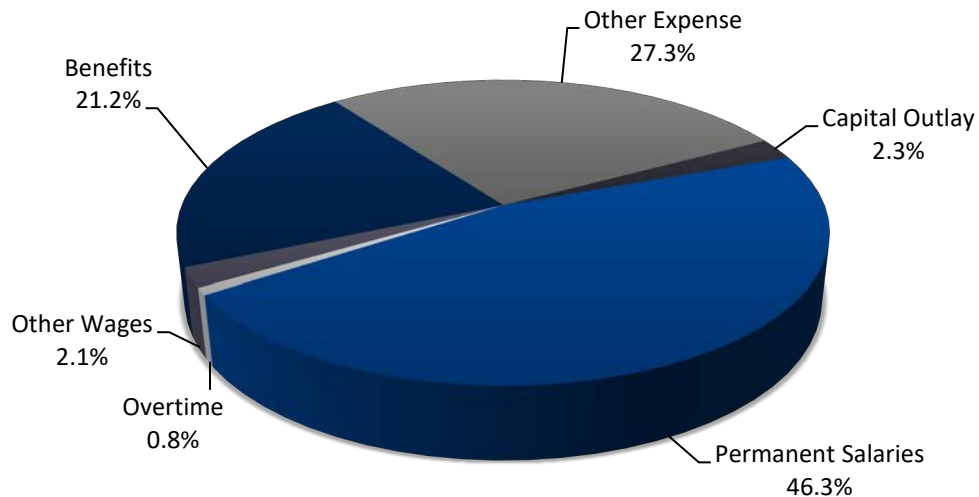
Facilities

City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 Projected
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.	5%	5% GHG reduction	5% GHG reduction	3.5% GHG reduction
	Establish the Energy Plan Commission	NA	NA	50%	50%

City of Duluth Minnesota - 2020 Budget

Property, Parks, & Libraries Department 2020 Approved Budget by Expenditure Category



Expenditures by Category	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Permanent Salaries	5,161,056	5,437,439	5,843,500	6,178,500	335,000
Overtime	76,624	87,851	100,800	100,800	-
Other Wages	180,186	253,583	299,000	275,800	(23,200)
Total Personal Services	5,417,866	5,778,872	6,243,300	6,555,100	311,800
Benefits	2,176,391	2,291,497	2,609,300	2,826,800	217,500
Other Expense	3,341,958	3,454,779	3,554,400	3,646,100	91,700
Capital Outlay	306,392	306,500	306,500	306,500	-
Department Total	11,242,606	11,831,648	12,713,500	13,334,500	621,000

Expenditures by Division	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Park Maintenance	2,911,874	2,989,445	3,345,900	3,364,300	18,400
Library Services	4,285,645	4,492,404	4,723,800	4,933,500	209,700
Facilities Management	4,045,087	4,349,800	4,643,800	5,036,700	392,900
Department Total	11,242,606	11,831,648	12,713,500	13,334,500	621,000

Budgeted FTE's	2017	2018	2019	2020	Difference
	96.35	93.60	96.60	97.60	1.00

City of Duluth Minnesota - 2020 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	2017	2018	2019	2020	Difference
1075 Bldg & Grds Maint Sup.	1.00	1.00	1.00	1.00	-
22 Maintenance Worker	3.25	2.00	3.00	1.00	(2.00)
27 Park Mtce. Worker	15.00	14.00	14.00	15.00	1.00
32 Mtce. Ops. Leadwkr.	4.00	4.00	3.00	3.00	-
34 Forester	-	-	1.00	1.00	-
34 Natural Res. Coord.	-	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	24.35	22.60	23.60	22.60	(1.00)

Expenditures	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Personal Services					
Permanent Salaries	1,337,972	1,346,399	1,478,900	1,482,500	3,600
Overtime	45,573	54,183	75,000	75,000	-
Other Wages	79,506	142,370	174,200	151,000	-
Total Salaries	1,463,051	1,542,952	1,728,100	1,708,500	(19,600)
Benefits	570,354	592,045	691,100	711,000	19,900
Other Expense					
Materials & Supplies	174,049	193,430	199,500	204,100	4,600
Services	152,995	109,566	97,100	99,200	2,100
Utilities & Maintenance	398,859	433,398	491,800	503,200	11,400
Other	152,566	118,053	138,300	138,300	-
Total Other Expense	878,469	854,448	926,700	944,800	18,100
Division Total	2,911,874	2,989,445	3,345,900	3,364,300	18,400

City of Duluth Minnesota - 2020 Budget

General Fund Expenditure Detail		2017 Actual	2018 Actual	2019 Budget	2020 Approved
Park Maintenance 110-121-1217-2145					
PERSONAL SERVICES					
5100	Permanent Salaries	1,337,972	1,346,399	1,478,900	1,482,500
5101	Premium Pay	45,573	54,183	75,000	75,000
5103	Other Wages	79,191	141,875	174,200	151,000
5118	Meal Allowance	315	495	-	-
	TOTAL	1,463,051	1,542,952	1,728,100	1,708,500
EMPLOYEE BENEFITS					
5121	PERA Retirement	101,860	102,437	114,100	114,700
5122	FICA - Social Security	89,097	93,619	107,100	105,900
5123	FICA - Medicare	20,837	21,895	25,100	24,800
5125	Dental Insurance	8,520	8,125	8,800	8,400
5126	Life Insurance	3,708	3,545	4,200	4,100
5127	Health Care Savings Plan (HCSP)	24,992	21,330	24,400	19,000
5130	Cafeteria Plan Benefits	320,678	340,598	407,400	434,100
5133	Health or Fitness Program	663	495	-	-
	TOTAL	570,354	592,045	691,100	711,000
OTHER EXPENDITURES					
5200	Office Supplies	1,485	3,162	1,500	1,500
5201	Computer Supplies/Software	-	982	5,700	5,700
5205	Safety & Training Materials	5,440	9,126	10,000	10,000
5210	Plant/Operating Supplies	4,253	399	-	-
5211	Cleaning/Janitorial Supplies	22,655	19,849	30,000	30,000
5212	Motor Fuels	52,341	64,130	55,000	68,700
5218	Uniforms	6,404	5,596	7,000	7,000
5219	Other Miscellaneous Supplies	8,764	641	-	-
5220	Repair & Maintenance Supplies	14,160	75,585	65,300	61,200
5225	Park/Landscape Materials	36,175	629	-	-
5226	Sign & Signal Materials	1,327	27	-	-
5228	Painting Supplies	6,014	6,687	10,000	5,000
5240	Small Tools	5,876	2,399	9,000	9,000
5241	Small Equip-Office/Operating	9,156	4,218	6,000	6,000
5305	Medical Svcs/Testing Fees	35	85	500	500
5310	Contract Services	137,744	92,442	71,140	71,100
5320	Data Services	145	240	1,100	1,100
5321	Phone Service	2,786	3,480	2,860	5,000
5331	Travel/Training	8,752	9,599	16,000	16,000
5335	Local Mileage Reimbursement	3,449	3,507	5,000	5,000

City of Duluth Minnesota - 2020 Budget

General Fund Expenditure Detail		2017 Actual	2018 Actual	2019 Budget	2020 Approved
Park Maintenance 110-121-1217-2145 Continued					
5356	Copier, Printer Lease & Supplies	84	213	500	500
5384	Refuse Disposal	76,008	73,903	70,000	70,000
5404	Equipment/Machinery Repair & Mtc	636	2,833	3,000	10,000
5409	Fleet Services Charges	322,214	356,662	418,800	423,200
5414	Software Licenses & Mtce Agreements	13,235	14,928	13,100	13,100
5415	Vehicle/Equip Rent (Short-term)	4,760	7,503	27,500	27,500
5419	Other Rentals	42,455	48,489	51,100	51,100
5433	Dues & Subscription	1,493	1,800	1,000	1,000
5438	Licenses	527	-	700	700
5441	Other Services & Charges	17,007	16,480	16,000	16,000
5454	Contract Tree Services	28,290	28,853	28,900	28,900
5700	Interfund Transfers Out	40,000	-	-	-
5580	Capital Equipment	4,800	-	-	-
	TOTAL	878,469	854,448	926,700	944,800
DIVISION TOTAL		2,911,874	2,989,445	3,345,900	3,364,300
REVENUE SOURCE					
4225	Ski Trails Grant	11,000	11,000	11,000	11,000
4226	Snowmobile Trails Grant	11,527	14,662	13,900	13,900
4654	Other Reimbursements	15,286	6,133	-	-
4660	Gifts and Donations	-	2,205	-	-
4730	Transfer from Special Revenue	200,000	200,000	200,000	200,000
DIVISION TOTAL		237,813	234,000	224,900	224,900

City of Duluth Minnesota - 2020 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	2017	2018	2019	2020	Difference
1105 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	19.50	21.25	1.75
128 Sr. Library Tech.	5.00	5.00	5.00	5.00	-
131 Business Ofc. Coord.	-	-	1.00	1.00	-
131 Librarian I	13.00	13.00	13.00	11.25	(1.75)
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	1.00	-	-	-
Division Total	46.70	46.70	46.70	46.70	-

Expenditures	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Personal Services					
Permanent Salaries	2,496,332	2,650,403	2,763,400	2,832,000	68,600
Overtime	795	825	800	800	-
Other Wages	100,036	103,733	101,800	101,800	-
Total Salaries	2,597,164	2,754,961	2,866,000	2,934,600	68,600
Benefits	1,018,338	1,049,099	1,140,300	1,234,100	93,800
Other Expense					
Materials & Supplies	30,238	27,755	28,500	36,800	8,300
Services	22,658	31,238	55,600	88,200	32,600
Utilities & Maintenance	53,100	60,575	53,800	57,200	3,400
Other	257,755	262,276	273,100	276,100	3,000
Total Other Expense	363,751	381,844	411,000	458,300	47,300
Capital Outlay	306,392	306,500	306,500	306,500	-
Division Total	4,285,645	4,492,404	4,723,800	4,933,500	209,700

City of Duluth Minnesota - 2020 Budget

General Fund Expenditure Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
PERSONAL SERVICES				
5100 Permanent Salaries	2,496,332	2,650,403	2,763,400	2,832,000
5101 Premium Pay	795	825	800	800
5103 Other Wages	100,036	103,733	101,800	101,800
TOTAL	2,597,164	2,754,961	2,866,000	2,934,600
EMPLOYEE BENEFITS				
5121 PERA Retirement	185,743	198,577	206,800	213,300
5122 FICA - Social Security	158,315	167,620	177,700	181,900
5123 FICA - Medicare	37,025	39,201	41,600	42,600
5125 Dental Insurance	16,266	16,678	17,400	17,400
5126 Life Insurance	7,279	7,506	8,400	8,400
5127 Health Care Savings Plan (HCSP)	91,245	51,287	68,800	51,500
5130 Cafeteria Plan Benefits	519,885	565,889	619,600	719,000
5133 Health or Fitness Program	2,580	2,340	-	-
TOTAL	1,018,338	1,049,099	1,140,300	1,234,100
OTHER EXPENDITURES				
5200 Office Supplies	5,085	5,626	6,000	5,000
5201 Computer Supplies/Software	2,457	267	700	5,700
5212 Motor Fuels	771	775	1,000	800
5219 Other Miscellaneous Supplies	17,681	17,827	17,500	18,000
5220 Repair & Maintenance Supplies	649	516	2,000	1,000
5241 Small Equip-Office/Operating	3,596	2,745	1,300	6,300
5319 Other Professional Services	7,151	14,777	41,500	71,600
5322 Postage	5,852	3,899	4,300	4,300
5331 Travel/Training	2,046	5,314	4,000	4,000
5335 Local Mileage Reimbursement	216	762	500	1,000
5355 Printing & Copying	1,466	1,166	800	800
5356 Copier, Printer Lease & Supplies	1,231	859	-	2,000
5384 Refuse Disposal	4,696	4,461	4,500	4,500
5404 Equipment/Machinery Repair & Mtc	3,412	4,207	3,000	3,000
5409 Fleet Services Charges	3,166	10,227	5,800	6,700
5412 Building Rental	194,349	194,077	203,000	209,000
5413 Library Materials/Svcs Rental	60,080	64,658	68,000	63,000
5414 Software Licenses & Mtce Agreement	46,522	46,141	45,000	47,500
5427 Credit Card Commissions	-	-	-	2,000
5433 Dues & Subscription	100	100	100	100
5441 Other Services & Charges	3,227	3,441	2,000	2,000
TOTAL	363,751	381,844	411,000	458,300

City of Duluth Minnesota - 2020 Budget

General Fund Expenditure Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
CAPITAL OUTLAY				-
5590 Library Materials	306,392	306,500	306,500	306,500
TOTAL	306,392	306,500	306,500	306,500
DIVISION TOTAL	4,285,645	4,492,404	4,723,800	4,933,500

General Fund Revenue Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
Library Services - 110-121-1218				
REVENUE SOURCE				
4220 State of Minnesota Operating	5,054	4,661	5,000	5,000
4471 Library Fines	69,069	57,864	68,000	-
4622 Rent of Buildings	1,035	1,085	700	1,000
4631 Media Sales	19,929	20,016	22,000	18,000
4644 Miscellaneous Sales	3,429	2,116	2,000	2,000
4654 Other Reimbursements	43,496	46,590	42,800	42,800
DIVISION TOTAL	142,012	132,332	140,500	68,800

City of Duluth Minnesota - 2020 Budget

Facilities Management

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

Budgeted FTE's	2017	2018	2019	2020	Difference
1145 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	-
1130 Facility Manager	1.00	1.00	1.00	1.00	-
7 Admin Sec. Specialist	1.00	-	-	-	-
22 Maintenanceworker	3.00	2.00	-	-	-
24 Senior Clerical Spec.	1.00	-	-	-	-
25 Janitorial Supervisor	1.00	1.00	1.00	1.00	-
27 Constr. Project Tech.	1.00	1.00	1.00	1.00	-
28 Building Mtceprs. I & II	1.00	3.00	5.00	4.00	(1.00)
28 Facilities Maint Spec.	-	-	-	1.00	1.00
29 Trades Positions	3.00	3.00	2.00	2.00	-
31 Master Plumber/Elect	2.00	2.00	2.00	2.00	-
32 Maint. Leadworker	-	-	1.00	1.00	-
33 Constr. Proj. Coord.	1.00	1.00	1.00	1.00	-
121 Janitor 1	6.00	5.00	7.00	8.00	1.00
126 Information Tech.	-	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	24.30	26.30	28.30	2.00

City of Duluth Minnesota - 2020 Budget

Expenditures	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Personal Services					
Permanent Salaries	1,326,752	1,440,636	1,601,200	1,864,000	262,800
Overtime	30,255	32,843	25,000	25,000	-
Other Wages	643	7,480	23,000	23,000	-
Total Salaries	1,357,650	1,480,959	1,649,200	1,912,000	262,800
Benefits	587,699	650,353	777,900	881,700	103,800
Other Expense					
Materials & Supplies	356,120	326,039	375,600	382,100	6,500
Services	249,037	316,399	269,700	372,500	102,800
Utilities & Mtc	1,267,450	1,291,236	1,319,800	1,331,800	12,000
Other	227,131	284,815	251,600	156,600	(95,000)
Total Other Expense	2,099,738	2,218,488	2,216,700	2,243,000	26,300
Division Total	4,045,087	4,349,800	4,643,800	5,036,700	392,900

City of Duluth Minnesota - 2020 Budget

General Fund Expenditure Detail		2017 Actual	2018 Actual	2019 Budget	2020 Approved
Facilities Management - 110-121-1222					
PERSONAL SERVICES					
5100	Permanent Salaries	1,326,752	1,440,636	1,601,200	1,864,000
5101	Premium Pay	30,255	32,843	25,000	25,000
5103	Other Wages	643	7,480	23,000	23,000
5118	Meal Allowance	-	-	-	-
	TOTAL	1,357,650	1,480,959	1,649,200	1,912,000
EMPLOYEE BENEFITS					
5121	PERA Retirement	97,710	108,002	119,900	139,300
5122	FICA - Social Security	81,509	88,525	102,500	118,800
5123	FICA - Medicare	19,063	20,703	24,000	27,800
5125	Dental Insurance	8,595	8,947	9,800	10,500
5126	Life Insurance	3,740	3,896	4,700	5,100
5127	Health Care Savings Plan (HCSP)	34,029	39,214	47,300	33,600
5130	Cafeteria Plan Benefits	342,276	380,394	469,700	546,600
5133	Health or Fitness Program	778	672	-	-
	TOTAL	587,699	650,353	777,900	881,700
OTHER EXPENDITURES					
5200	Office Supplies	2,391	8,477	12,000	6,000
5201	Computer Supplies/Software	6,697	5,252	5,000	5,000
5202	Audiovisual & Photography	150	-	-	-
5205	Safety & Training Materials	2,949	1,094	3,500	5,000
5210	Plant/Operating Supplies	3,647	702	-	-
5211	Cleaning/Janitorial Supplies	42,748	44,360	55,000	62,000
5212	Motor Fuels	9,693	18,228	11,000	13,300
5215	Shop Materials	30	-	-	-
5218	Uniforms	5,724	8,370	7,000	7,000
5219	Other Miscellaneous Supplies	15,098	1,637	-	-
5220	Repair & Maintenance Supplies	230,198	237,918	282,100	283,800
5228	Painting Supplies	1,730	-	-	-
5240	Small Tools	7,111	-	-	-
5241	Small Equip-Office/Operating	27,954	-	-	-
5310	Contract Services	83,162	208,203	155,700	270,000
5319	Other Professional Services	86,450	17,868	-	-
5321	Phone Service	64,205	66,529	88,000	75,500
5331	Travel/Training	5,298	14,243	15,000	15,000

City of Duluth Minnesota - 2020 Budget

General Fund Expenditure Detail		2017 Actual	2018 Actual	2019 Budget	2020 Approved
Facilities Management - 110-121-1222 continued					
5335	Local Mileage Reimbursement	7,415	9,003	8,000	10,000
5355	Printing & Copying	1,014	468	1,000	-
5356	Copier, Printer Lease & Supplies	1,493	86	2,000	2,000
5381	Electricity	532,137	539,069	530,800	557,300
5382	Water, Gas & Sewer	508,334	501,533	546,000	514,000
5384	Refuse Disposal	26,798	39,530	36,700	37,500
5385	Oil	9,579	5,925	10,000	11,000
5386	Steam	190,602	205,179	196,300	212,000
5399	Skywalk Expenses	8,374	36,917	30,000	30,000
5401	Bldg/Structure Repair & Mtc	113,830	106,931	90,000	-
5404	Equipment/Machinery Repair & Mtc	3,607	17,112	10,000	10,000
5409	Fleet Services Charges	17,948	31,179	27,800	25,300
5411	Land Rental/Easements	-	4,992	9,800	9,800
5414	Software Licenses & Mtce Agreement	51,399	81,321	70,000	60,000
5415	Vehicle/Equip Rent (Short-term)	5,625	3,845	10,000	10,000
5433	Dues & Subscription	256	248	500	-
5438	Licenses	2,541	1,659	3,500	3,500
5441	Other Services & Charges	21,478	229	-	2,000
5450	Laundry	2,074	383	-	6,000
	TOTAL	2,099,738	2,218,488	2,216,700	2,243,000
DIVISION TOTAL		4,045,087	4,349,800	4,643,800	5,036,700
REVENUE SOURCE					
4622	Rent of Buildings	126,163	82,265	72,500	77,000
4623	Rent of Land	8,758	5,965	6,600	6,600
4627	Concessions & Commissions	9,706	8,095	10,000	10,000
4654	Other Reimbursements	33,912	34,927	30,000	25,000
4730	Transfer from Special Revenue	60,000	60,000	50,000	75,000
DIVISION TOTAL		238,539	191,252	169,100	193,600

City of Duluth Minnesota - 2020 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.

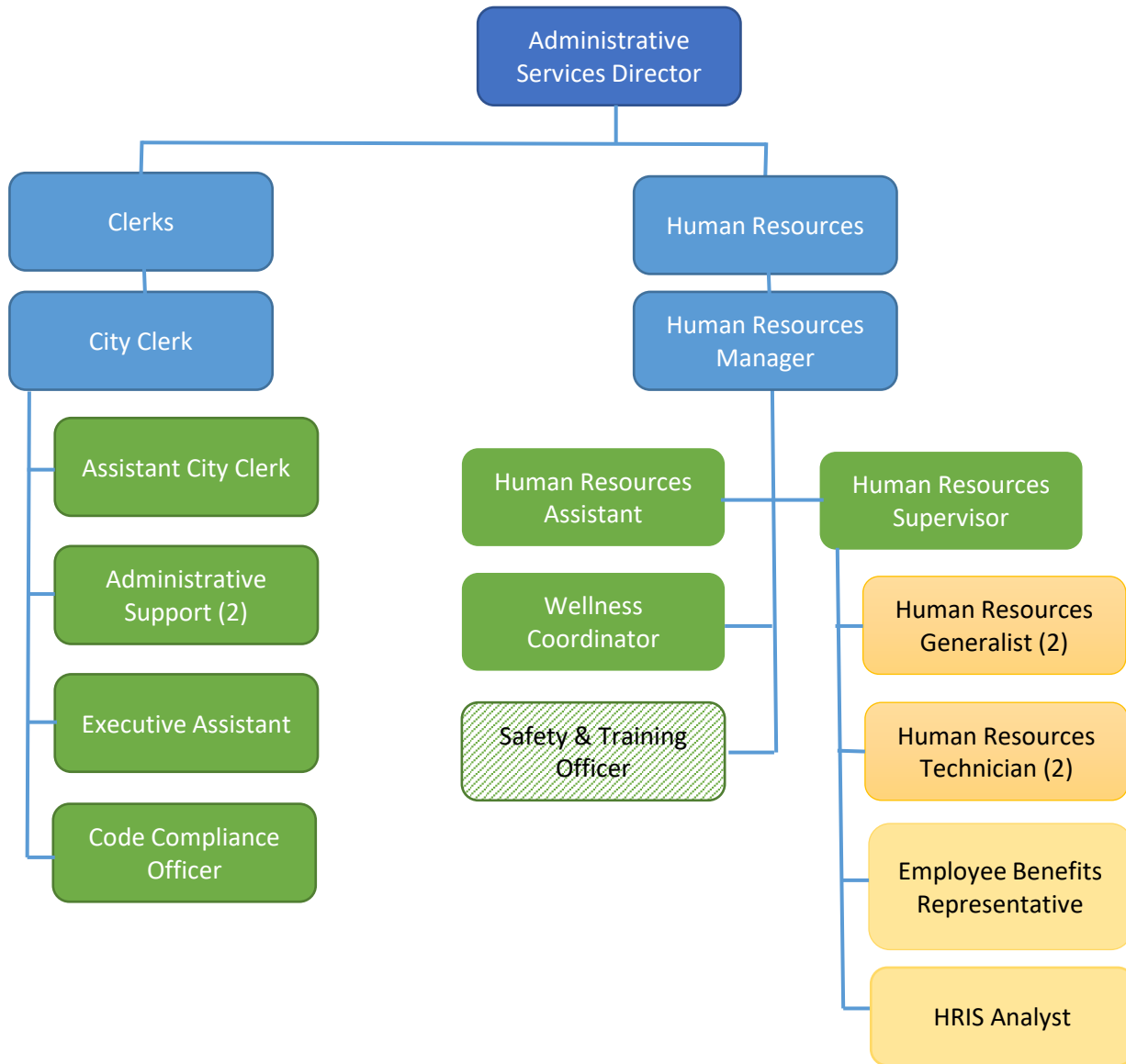
Structure

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 - 2020 Budget

Administrative Services

Organization Chart

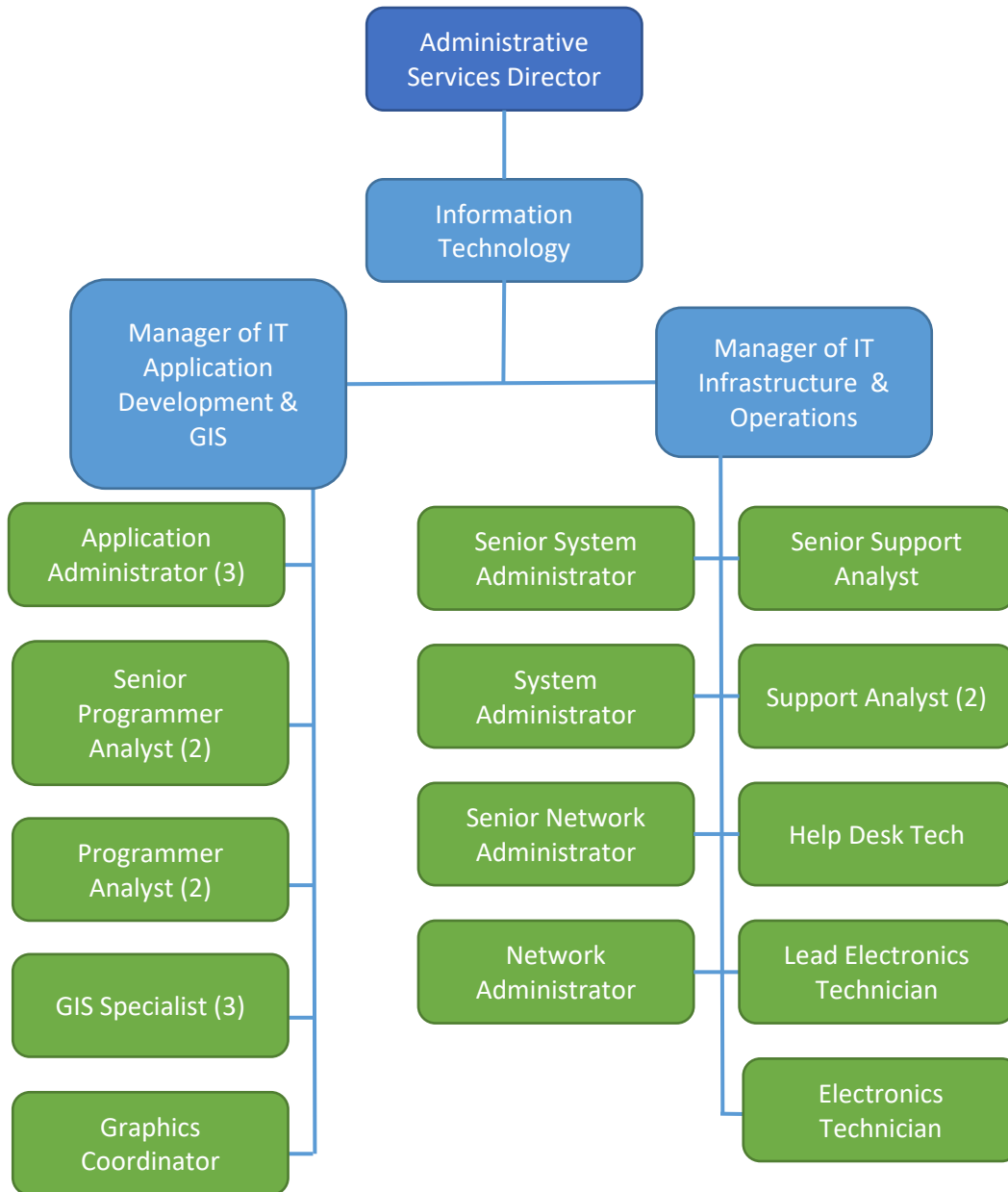


KEY
Solid = General Fund
Patterned = Non-General Fund

City of Duluth Minnesota - 2020 Budget

Administrative Services

Organization Chart - Continued



KEY

Solid = General Fund

Patterned = Non-General Fund

City of Duluth Minnesota - 2020 Budget

Human Resources

City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 Projected
Workforce: Create a supportive workplace by creating a positive work environment and supporting an engaged workforce.	% of employees conducted stay interviews with.	NA	NA	NA	10%
	% increase in employee engagement/satisfaction from survey.	NA	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	NA	25%
	% of supervisory staff participate in at least two leadership competency opportunities and trainings.	NA	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.	41	32	42	< 45
	% increase in overall favorable results over last year's employee engagement/satisfaction survey.	NA	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	NA	24%	10%
	% increase of participation in physical preventative exams.	NA	1%	-1%	5%
	% of participation in mental health and mental illness awareness through trainings and events, measured through both evaluations and surveys.	NA	NA	NA	20%

City of Duluth Minnesota - 2020 Budget

Information Technology

City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 Projected
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 - 2020 Budget

Clerks

City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2019 Actual	2020 Estimate	2021 Projected	2022 Projected
Customer Service: Ensures timely and effective two-way communication with internal customers, residents, and businesses providing equal access to information encouraging input from all areas of the organization and the community at large	Provide for greater clarity and conformity in public licensing.	5%	50%	95%	100%
	Ensure consistent execution of licensing policies and procedures in order to better serve the public.	0%	100%	100%	100%
	Establish a platform for increased cooperation and coordination between the city clerk's office and the local business community.	1%	25%	75%	100%
	Implement office practices and procedures to improve interactions with public stakeholders.	5%	50%	75%	100%
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%	100%
	Increase and diversify pool of election judges available for upcoming elections.	10%	30%	50%	100%
	Improve efficiency and coordination with election polling places.	15%	50%	75%	100%

City of Duluth Minnesota - 2020 Budget

Clerks

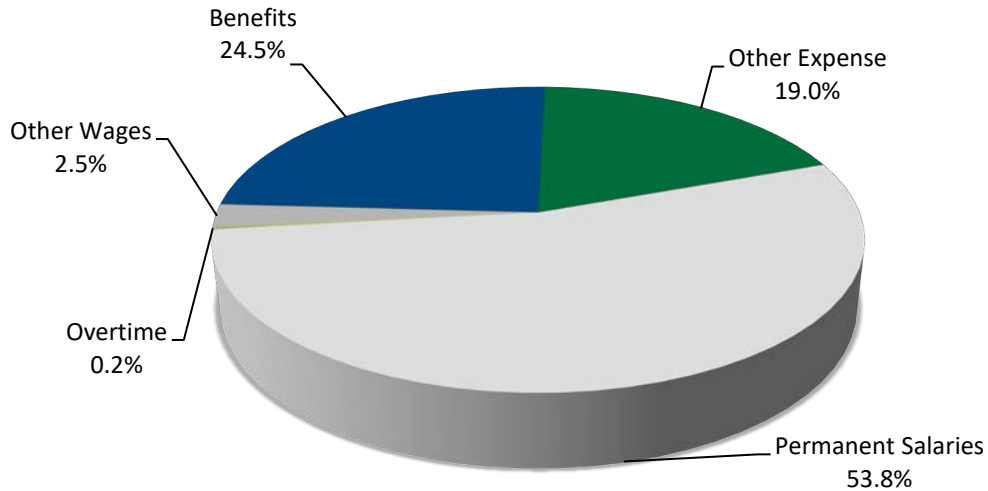
City Priority: Innovation and Excellence in Service

<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 - 2020 Budget

Administrative Services Department

2020 Approved Budget by Expenditure Category



Expenditures by Category	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Permanent Salaries	2,669,851	2,715,533	2,958,500	3,088,200	129,700
Overtime	12,259	8,710	11,000	11,400	400
Other Wages	94,275	90,393	85,000	141,700	56,700
Total Personal Services	2,776,386	2,814,636	3,054,500	3,241,300	186,800
Benefits	1,072,297	1,125,433	1,279,000	1,407,300	128,300
Other Expenditures	916,580	947,228	1,062,100	1,093,400	31,300
Department Total	4,765,263	4,887,298	5,395,600	5,742,000	346,400

Expenditures by Division	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Human Resources	1,088,585	1,073,441	1,214,700	1,199,400	(15,300)
Information Technology	2,841,984	3,041,350	3,289,700	3,676,800	387,100
City Clerk	834,694	772,507	891,200	865,800	(25,400)
Department Total	4,765,263	4,887,298	5,395,600	5,742,000	346,400

Budgeted FTE's	2017	2018	2019	2020	Difference
	40.00	38.50	38.65	39.00	0.35

City of Duluth Minnesota - 2020 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	2017	2018	2019	2020	Difference
1135 Manager, HR	1.00	1.00	1.00	1.00	-
1100 HR Supervisor	-	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	3.00	2.00	2.00	2.00	-
10 HRIS Analyst	1.00	1.00	1.00	1.00	-
10A Employee Bene. Adm.	1.00	-	-	-	-
32 Org Develop. Coord.	-	0.50	0.65	-	(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	11.00	10.50	10.65	10.00	(0.65)

Expenditures	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Personal Services					
Permanent Salaries	733,757	712,381	781,800	761,200	(20,600)
Overtime	3,542	2,068	-	-	-
Other Wages	6,077	2,821	10,000	10,000	-
Total Salaries	743,375	717,270	791,800	771,200	(20,600)
Benefits	295,264	303,510	348,400	353,700	5,300
Other Expenditures					
Materials & Supplies	3,207	2,631	7,500	7,500	-
Services	27,668	29,166	42,500	42,500	-
Utilities & Mtc	14,841	15,508	17,000	17,000	-
Other	4,229	5,357	7,500	7,500	-
Total Other Expenditures	49,945	52,662	74,500	74,500	-
Division Total	1,088,585	1,073,441	1,214,700	1,199,400	(15,300)

City of Duluth Minnesota - 2020 Budget

General Fund Expenditure Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
Human Resources - 110-122-1106				
PERSONAL SERVICES				
5100 Permanent Salaries	733,757	712,381	781,800	761,200
5101 Premium Pay	3,542	2,068	-	-
5103 Other Wages	6,077	2,821	10,000	10,000
TOTAL	743,375	717,270	791,800	771,200
EMPLOYEE BENEFITS				
5121 PERA Retirement	54,352	51,732	57,500	56,400
5122 FICA - Social Security	44,421	42,761	49,100	47,800
5123 FICA - Medicare	10,389	10,001	11,500	11,200
5125 Dental Insurance	4,092	3,829	4,000	3,700
5126 Life Insurance	1,782	1,667	1,900	1,800
5127 Health Care Savings Plan (HCSP)	9,172	21,043	34,300	22,300
5130 Cafeteria Plan Benefits	168,391	169,847	187,100	207,500
5133 Health or Fitness Program	2,666	2,631	3,000	3,000
TOTAL	295,264	303,510	348,400	353,700
OTHER EXPENDITURES				
5200 Office Supplies	1,652	1,566	3,500	3,500
5201 Computer Supplies/Software	227	775	500	500
5219 Other Miscellaneous Supplies	1,328	290	3,500	3,500
5319 Other Professional Services	7,694	9,370	13,000	13,000
5321 Phone Service	1,190	1,179	1,500	1,500
5331 Travel/Training	17,817	18,246	18,000	18,000
5355 Printing & Copying	402	50	6,000	6,000
5356 Copier, Printer Lease & Supplies	565	322	4,000	4,000
5404 Equipment/Machinery Repair & Mtc	-	-	1,000	1,000
5414 Software Licenses & Mtce Agreements	14,841	15,508	16,000	16,000
5433 Dues & Subscription	1,288	955	1,750	1,750
5435 Books & Pamphlets	523	-	750	750
5441 Other Services & Charges	2,418	4,402	5,000	5,000
TOTAL	49,945	52,662	74,500	74,500
DIVISION TOTAL	1,088,585	1,073,441	1,214,700	1,199,400

City of Duluth Minnesota - 2020 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	2017	2018	2019	2020	Difference
1135 Mgr, Ap Dev/Desktop	1.00	1.00	1.00	1.00	-
1130 Manager, IT	1.00	1.00	1.00	1.00	-
31 Electronics Tech Lead	-	-	-	1.00	1.00
33 Electronics Tech	-	-	-	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	6.00	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	22.00	21.00	23.00	2.00

Expenditures	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Personal Services					
Permanent Salaries	1,489,936	1,563,979	1,648,800	1,883,300	234,500
Overtime	7,449	5,180	10,000	10,000	-
Other Wages	3,000	-	-	-	-
Total Salaries	1,500,386	1,569,159	1,658,800	1,893,300	234,500
Benefits	556,626	632,217	695,800	820,300	124,500
Other Expenditures					
Materials & Supplies	22,235	27,867	28,900	31,400	2,500
Services	194,463	196,081	222,000	235,400	13,400
Utilities & Mtc	555,504	616,025	684,200	696,300	12,100
Other	12,770	-	-	100	100
Total Other Expenditures	784,972	839,974	935,100	963,200	28,100
Division Total	2,841,984	3,041,350	3,289,700	3,676,800	387,100

City of Duluth Minnesota - 2020 Budget

General Fund Expenditure Detail	2017	2018	2019	2020
	Actual	Actual	Budget	Approved
Information Technology - 110-122-1107				
PERSONAL SERVICES				
5100 Permanent Salaries	1,489,936	1,563,979	1,648,800	1,883,300
5101 Premium Pay	7,449	5,180	10,000	10,000
5103 Other Wages	3,000	-	-	-
TOTAL	1,500,386	1,569,159	1,658,800	1,893,300
EMPLOYEE BENEFITS				
5121 PERA Retirement	109,471	115,292	122,900	140,400
5122 FICA - Social Security	90,578	93,804	102,800	117,400
5123 FICA - Medicare	21,184	21,938	24,100	27,500
5125 Dental Insurance	7,502	7,657	7,800	8,600
5126 Life Insurance	3,267	3,335	3,800	4,100
5127 Health Care Savings Plan (HCSP)	25,188	33,408	33,400	47,600
5130 Cafeteria Plan Benefits	298,778	355,404	401,000	474,700
5133 Health or Fitness Program	660	1,380	-	-
TOTAL	556,626	632,217	695,800	820,300
OTHER EXPENDITURES				
5200 Office Supplies	1,389	900	2,500	2,500
5201 Computer Supplies/Software	17,136	21,085	23,600	23,600
5203 Paper/Stationery/Forms	104	-	-	-
5212 Motor Fuels	356	366	300	1,800
5218 Uniforms	-	-	-	1,000
5241 Small Equip-Office/Operating	3,249	5,517	2,500	2,500
5309 MIS Services	3,967	13,290	10,300	10,700
5319 Other Professional Services	24,859	27,071	40,500	40,500
5320 Data Services	128,736	122,857	131,500	138,500
5321 Phone Service	5,241	5,634	6,000	7,000
5331 Travel/Training	28,222	24,019	25,000	30,000
5335 Local Mileage Reimbursement	750	199	500	500
5355 Printing & Copying	2,688	2,959	7,000	7,000
5356 Copier, Printer Lease, & Supplies	-	53	1,200	1,200
5404 Equipment/Machinery Repair & Mtc	128,978	170,898	205,000	140,000
5409 Fleet Service Charges	268	1,105	1,200	16,100
5414 Software Licenses & Mtce Agreements	426,258	444,022	478,000	540,200
5433 Dues & Subscription	12,770	-	-	100
TOTAL	784,972	839,974	935,100	963,200
DIVISION TOTAL	2,841,984	3,041,350	3,289,700	3,676,800

City of Duluth Minnesota - 2020 Budget

General Fund Revenue Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
Information Technology - 110-122-1107				
REVENUE SOURCE				
4320 IT Services	4,596	16,623	6,300	24,600
4730 Transfer in from Public Utility	201,800	214,400	222,700	239,900
DIVISION TOTAL	206,396	231,023	229,000	264,500

City of Duluth Minnesota - 2020 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	2017	2018	2019	2020	Difference
1155 Dir., Admin. Svcs.	-	-	-	1.00	1.00
1165 Dir., Public Admin.	1.00	1.00	1.00	-	(1.00)
1125 City Clerk	1.00	1.00	1.00	-	(1.00)
1055 Assistant City Clerk	1.00	1.00	1.00	1.00	-
1055 Code Compliance Off.	-	-	1.00	1.00	-
9 Executive Assistant	1.00	1.00	1.00	1.00	-
126 Information Tech.	1.00	-	-	-	-
129 Admin. Info. Spec.	2.00	2.00	2.00	2.00	-
Division Total	7.00	6.00	7.00	6.00	(1.00)

Expenditures	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Personal Services					
Permanent Salaries	446,158	439,174	527,900	443,700	(84,200)
Overtime	1,268	1,462	1,000	1,400	400
Other Wages	85,198	87,573	75,000	131,700	56,700
Total Salaries	532,625	528,208	603,900	576,800	(27,100)
Benefits	220,407	189,706	234,800	233,300	(1,500)
Other Expenditures					
Materials & Supplies	5,531	4,989	2,600	2,600	-
Services	57,262	11,619	20,600	23,800	3,200
Utilities & Mtc	10,470	20,940	13,000	13,000	-
Other	8,400	17,045	16,300	16,300	-
Total Other Expenditures	81,663	54,593	52,500	55,700	3,200
Division Total	834,694	772,507	891,200	865,800	(25,400)

City of Duluth Minnesota - 2020 Budget

General Fund Expenditure Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
City Clerk - 110-122-1211				
PERSONAL SERVICES				
5100 Permanent Salaries	446,158	439,174	527,900	443,700
5101 Premium Pay	1,268	1,462	1,000	1,400
5103 Other Wages	85,198	87,573	75,000	131,700
TOTAL	532,625	528,208	603,900	576,800
EMPLOYEE BENEFITS				
5121 PERA Retirement	33,090	32,404	39,400	33,100
5122 FICA - Social Security	29,141	27,093	37,100	35,800
5123 FICA - Medicare	6,815	6,336	8,700	8,400
5125 Dental Insurance	2,318	2,139	2,500	2,200
5126 Life Insurance	1,013	932	1,200	1,100
5127 Health Care Savings Plan (HCSP)	23,354	7,209	9,500	21,700
5130 Cafeteria Plan Benefits	123,957	113,193	136,400	131,000
5133 Health or Fitness Program	720	400	-	-
TOTAL	220,407	189,706	234,800	233,300
OTHER EXPENDITURES				
5200 Office Supplies	2,194	2,015	1,100	1,100
5201 Computer Supplies/Software	860	1,708	500	500
5219 Other Miscellaneous Supplies	2,477	1,266	1,000	1,000
5321 Phone Service Cellular Phone	-	600	600	600
5331 Travel/Training	3,822	194	6,000	7,500
5335 Local Mileage Reimbursement	812	948	1,000	1,000
5355 Printing & Copying	51,755	8,825	13,000	14,700
5356 Copier, Printer Lease & Supplies	874	1,052	-	-
5404 Equipment/Machinery Repair & Mtc	10,470	20,940	13,000	13,000
5412 Building Rental	900	1,175	1,000	1,000
5414 Software Licenses & Mtce Agreements	5,070	9,987	10,000	10,000
5427 Credit Card Commissions	291	353	-	-
5433 Dues & Subscription	465	410	400	400
5441 Other Services & Charges	1,673	5,121	4,900	4,900
TOTAL	81,663	54,593	52,500	55,700
DIVISION TOTAL	834,694	772,507	891,200	865,800

City of Duluth Minnesota - 2020 Budget

General Fund Revenue Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
City Clerk - 110-122-1211				
REVENUE SOURCE				
4101 Liquor License	517,951	534,395	495,000	498,000
4102 Beer License	16,818	19,177	14,000	14,000
4105 Hotel License	12,195	12,310	9,000	9,000
4106 Garbage Collection	16,986	16,986	16,000	16,000
4107 Horse & Carriage	286	286	700	700
4108 Emergency Wrecker License	5,816	4,005	6,000	6,000
4109 Gas Station License	11,910	9,098	8,500	8,500
4111 Pawnbroker License	772	386	1,100	1,100
4112 Peddler's License	4,925	5,634	1,000	1,000
4113 Precious Metal Dealer	1,544	1,961	1,500	1,500
4114 Pet Shop License	944	415	600	600
4115 Dog & Cat Hospitals License	913	415	700	700
4116 Dog Kennels License	562	611	400	400
4117 Massage Establishment & Therapist	13,888	13,442	12,000	12,000
4118 Cigarette License	13,585	11,912	11,000	11,000
4119 Motor Vehicle - Dealer	5,318	5,731	4,400	4,400
4119 Motor Vehicle - Rental	1,602	-	1,800	1,800
4120 Taxi Permit	19,002	11,153	11,000	11,000
4121 Coin Operating Device	509	19,115	9,000	9,000
4122 Pool & Bowling	1,202	1,202	1,000	1,000
4123 Dance Hall License	-	90	-	-
4124 Tree Service Contractor License	-	-	1,400	1,400
4125 Transportation Network Comp License	7,000	-	-	-
4126 Shared Active Mobility Systems	-	-	-	1,000
4155 Special Event Permit	4,320	5,076	3,000	3,000
4170 Misc. Permits & Licenses	4,746	2,962	2,000	2,000
4470 License Penalties	5,498	5,909	2,000	2,000
4644 Miscellaneous Sales	65,927	688	25,000	25,000
4654 Other Reimbursements	67	-	-	-
4700 Other Sources	-	-	-	95,700
4730 Interfund Transfers In	25,000	25,000	30,000	30,000
DIVISION TOTAL	759,286	707,959	668,100	767,800

City of Duluth Minnesota - 2020 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.

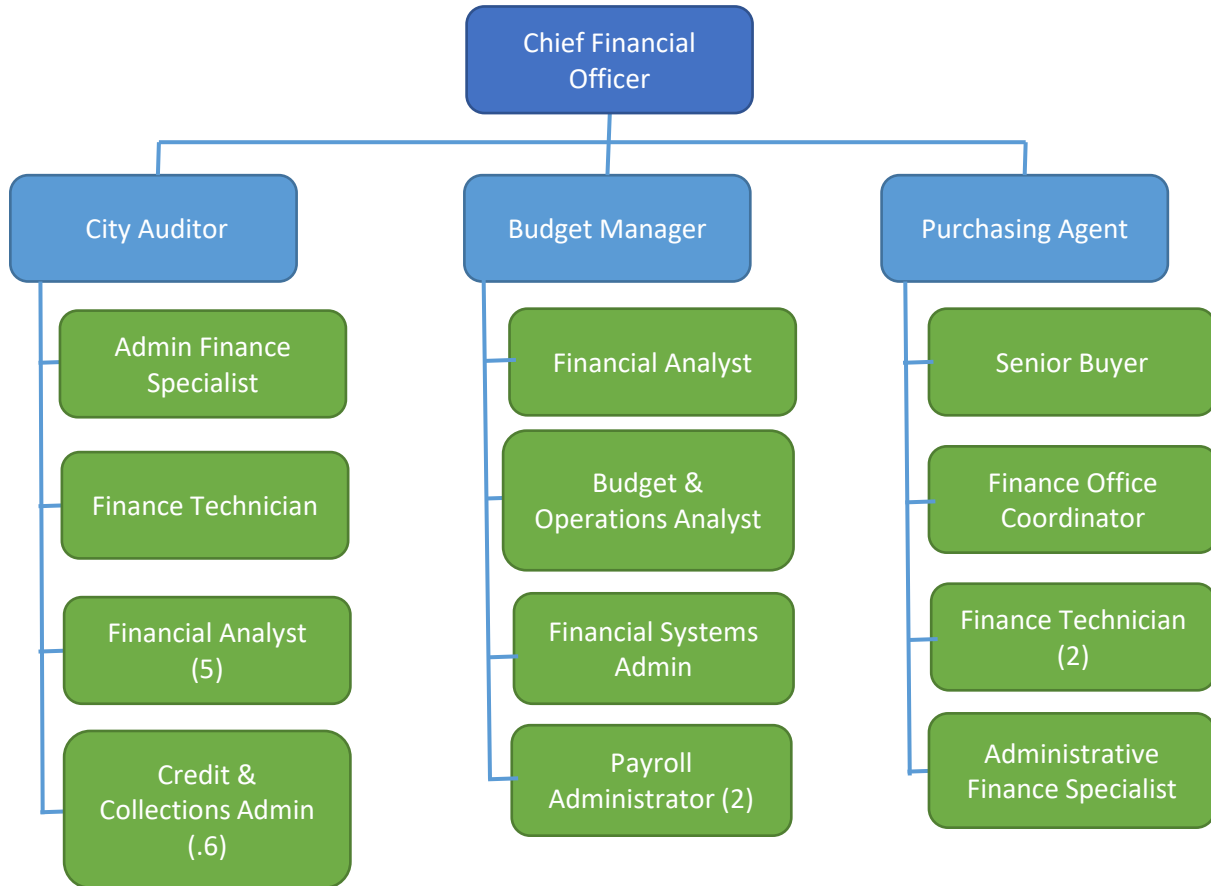
Structure

Three budgeted divisions comprise the Finance Department. A manager leads each area, supported by at least one other staff member. The Finance Department receives its funding from the General Fund.

City of Duluth Minnesota - 2020 Budget

Finance Department

Organization Chart



City of Duluth Minnesota - 2020 Budget

Finance

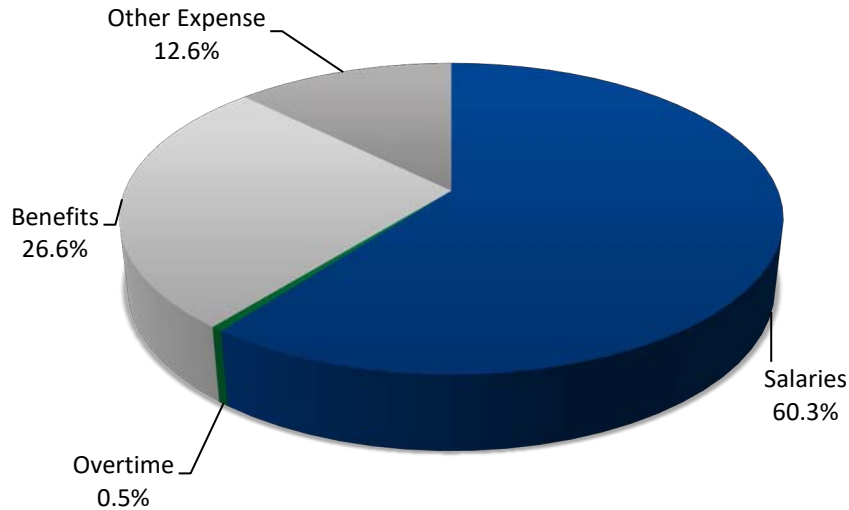
City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 Projected
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.	78%	89%	78%	89%
	Number of accounts payable voucher documents processed.	26,659	27,122	26,500	26,500
	Number of accounts payable checks written.	13,772	14,034	14,163	14,300
	Average investment portfolio yield	1.19%	1.66%	2.08%	1.65%
	Number of payment receipts processed in Finance office	6,141	6,422	6,526	6,600
	Total dollar value of supplies and services purchased	\$49.286M	\$97.715M	\$63.469M	\$70.000M
	Number of Purchase Orders processed	650	723	763	800
Long Range Planning: Supports decision-making with timely and accurate analysis, focusing on innovative, long-term solutions that benefit the community	Obtained GFOA's Certificate of Excellence in Financial Reporting .	Yes	Yes	Yes	Yes
	Obtained GFOA's Distinguished Budget Presentation Award	Yes	Yes	Yes	Yes
	Other Post-Employment Benefits Trust Account balance	\$57.465M	\$56.067M	\$71.109M	\$75.000M
Workforce: Attract, develop, equip, motivate, and retain a high-quality, diverse, engaged and productive workforce focused on creative service excellence	Number of paychecks processed.	26,033	26,629	26,640	26,640

City of Duluth Minnesota - 2020 Budget

Finance Department

2020 Approved Budget by Expenditure Category



Expenditures by Category	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Permanent Salaries	1,529,464	1,566,548	1,674,600	1,697,800	23,200
Overtime	6,411	8,842	14,000	14,000	-
Other Wages	-	-	-	-	-
Total Personal Services	1,535,874	1,575,391	1,688,600	1,711,800	23,200
Benefits	651,090	706,862	790,200	747,900	(42,300)
Other Expense	308,299	301,019	371,900	355,400	(16,500)
Department Total	2,495,264	2,583,272	2,850,700	2,815,100	(35,600)

Expenditures by Division	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Budget Office	384,185	419,211	461,800	949,600	487,800
Auditor's Office	1,294,594	1,340,523	1,469,400	1,290,900	(178,500)
Purchasing	197,752	222,989	246,400	574,600	328,200
Treasurer's Office	618,733	600,549	673,100	-	(673,100)
Department Total	2,495,264	2,583,272	2,850,700	2,815,100	(35,600)

Budgeted FTE's	2017	2018	2019	2020	Difference
	23.0	22.0	22.0	21.6	(0.4)

City of Duluth Minnesota - 2020 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	2017	2018	2019	2020	Difference
1155 Chief Financial Officer Manager, Budget &	1.0	1.0	1.0	1.0	-
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	3.0	7.0	4.0

Expenditures	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Personal Services					
Permanent Salaries	281,016	294,209	304,200	652,600	348,400
Overtime	-	-	-	6,400	6,400
Other Wages	-	-	-	-	-
Total Salaries	281,016	294,209	304,200	659,000	354,800
Benefits	98,909	121,840	130,500	253,500	123,000
Other Expense					
Materials & Supplies	52	130	2,000	2,000	-
Services	2,783	715	3,600	13,600	10,000
Other	1,426	2,317	21,500	21,500	-
Total Other Expense	4,261	3,162	27,100	37,100	10,000
Division Total	384,185	419,211	461,800	949,600	487,800

City of Duluth Minnesota - 2020 Budget

General Fund Expenditure Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
Budget Office - 110-125-1212				
PERSONAL SERVICES				
5100 Permanent Salaries	281,016	294,209	304,200	652,600
5101 Premium Pay	-	-	-	6,400
5103 Other Wages	-	-	-	-
TOTAL	281,016	294,209	304,200	659,000
EMPLOYEE BENEFITS				
5121 PERA Retirement	20,599	21,651	22,600	48,800
5122 FICA - Social Security	16,713	17,492	18,900	40,900
5123 FICA - Medicare	3,909	4,091	4,400	9,600
5125 Dental Insurance	1,116	1,085	1,100	2,600
5126 Life Insurance	486	486	600	1,300
5127 Health Care Savings Plan (HCSP)	6,987	25,395	24,100	10,200
5130 Cafeteria Plan Benefits	49,099	51,640	58,800	140,100
TOTAL	98,909	121,840	130,500	253,500
OTHER EXPENDITURES				
5200 Office Supplies	-	9	1,500	1,500
5201 Computer Supplies/Software	52	121	500	500
5331 Travel/Training	2,763	135	3,000	13,000
5355 Printing & Copying	20	580	600	600
5433 Dues & Subscription	1,217	1,634	500	500
5434 Grants & Awards	-	550	600	600
5435 Books & Pamphlets	-	-	200	200
5441 Other Services & Charges	164	-	20,200	20,200
5443 Board & Meeting Expenses	45	133	-	-
TOTAL	4,261	3,162	27,100	37,100
DIVISION TOTAL	384,185	419,211	461,800	949,600

City of Duluth Minnesota - 2020 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	2017	2018	2019	2020	Difference
1115 City Auditor	1.0	1.0	1.0	1.0	-
Financial Systems					
1085 Admin	1.0	1.0	1.0	-	(1.0)
10 Payroll Administrator	1.0	1.0	1.0	-	(1.0)
126 Finance Tech	-	-	1.0	1.0	-
129 Admin Finance Spec.	-	-	-	1.0	1.0
129 Payroll Practitioner	1.0	1.0	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	9.0	10.0	8.6	-1.4

Expenditures	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Personal Services					
Permanent Salaries	696,376	727,548	775,900	655,600	(120,300)
Overtime	6,411	8,842	14,000	7,600	(6,400)
Other Wages	-	-	-	-	-
Total Salaries	702,787	736,390	789,900	663,200	(126,700)
Benefits	298,175	319,087	354,400	323,600	(30,800)
Other Expense					
Materials & Supplies	2,741	3,909	6,000	6,000	-
Services	286,629	278,542	316,500	295,000	(21,500)
Utility & Mtc	486	743	300	800	500
Other	3,776	1,852	2,300	2,300	-
Total Other Expense	293,632	285,045	325,100	304,100	(21,000)
Division Total	1,294,594	1,340,523	1,469,400	1,290,900	(178,500)

City of Duluth Minnesota - 2020 Budget

General Fund Expenditure Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
City Auditor's Office - 110-125-1214				
PERSONAL SERVICES				
5100 Permanent Salaries	696,376	727,548	775,900	655,600
5101 Premium Pay	6,411	8,842	14,000	7,600
5103 Other Wages	-	-	-	-
TOTAL	702,787	736,390	789,900	663,200
EMPLOYEE BENEFITS				
5121 PERA Retirement	51,995	54,581	58,400	49,400
5122 FICA - Social Security	42,168	43,409	49,000	41,100
5123 FICA - Medicare	9,862	10,152	11,500	9,600
5125 Dental Insurance	3,410	3,534	3,700	3,200
5126 Life Insurance	1,519	1,539	1,800	1,500
5127 Health Care Savings Plan (HCSP)	28,310	23,302	18,800	12,200
5130 Cafeteria Plan Benefits	160,912	182,450	211,200	206,600
5133 Health or Fitness Program	-	120	-	-
TOTAL	298,175	319,087	354,400	323,600
OTHER EXPENDITURES				
5200 Office Supplies	1,547	1,694	3,000	3,000
5203 Paper/Stationery/Forms	940	992	2,000	2,000
5241 Small Equip-Office/Operating	255	1,222	1,000	1,000
5301 Auditing Services	88,322	99,715	116,800	116,800
5306 Collection Services	-	-	-	5,000
5309 IT Services	183,786	169,486	184,000	167,500
5331 Travel/Training	10,721	4,762	13,200	3,200
5355 Printing & Copying	2,169	2,975	1,000	1,000
5356 Copier, Printer Lease & Supplies	1,632	1,604	1,500	1,500
5404 Equipment/Machinery Repair & Mtc	-	-	300	800
5414 Software Licenses & Mtce Agreements	486	743	-	-
5433 Dues & Subscription	1,316	1,077	1,300	1,300
5435 Books & Pamphlets	358	-	500	500
5441 Other Services & Charges	2,102	775	500	500
TOTAL	293,632	285,045	325,100	304,100
DIVISION TOTAL	1,294,594	1,340,523	1,469,400	1,290,900

City of Duluth Minnesota - 2020 Budget

General Fund Revenue Detail	2017	2018	2019	2020
City Auditor's Office - 110-125-1214	Actual	Actual	Budget	Approved
REVENUE SOURCE				
4005 Current Property Tax	14,538,857	16,070,029	19,195,600	21,879,300
4010 Delinquent Property Tax	216,119	179,832	150,000	150,000
4015 Mobile Home Tax	56,631	66,099	59,700	59,700
4070 MN Power Franchise Fee	3,011,967	3,138,318	3,148,500	3,100,000
4071 Cable Franchise Fee	864,001	849,931	791,500	791,500
4072 No. MN Utility Franchise Fee	7,347	8,812	6,700	6,700
4080 Forfeit Tax Sale	15,898	16,400	19,400	19,400
4090 Other Taxes	118,456	203,847	83,700	83,700
4220 State of Minnesota	150,830	-	-	-
4221 Local Government Aid	29,299,670	29,645,975	29,668,600	30,247,200
4222 State Property Tax Aid	9,839	230	-	-
4230 PERA Aid	124,428	124,428	124,400	-
4300 HRA in Lieu of Taxes	66,305	66,012	57,400	57,400
4300 Ordean Foundation	16,086	16,086	16,000	16,000
4310 Assessment Cost Services	69,306	-	40,600	40,600
4315 Stormwater Administrative Service	154,500	149,400	134,400	169,900
4315 Sewer Administrative Service	232,800	204,600	208,200	230,400
4315 Steam Administrative Service	44,100	50,900	55,600	53,200
4315 DECC Administrative Service	15,400	13,700	13,800	13,800
4315 DTA Administrative Service	10,300	10,300	10,300	10,300
4315 Grant Administration Services	73,216	81,088	69,000	69,000
4315 Airport Administrative Service	45,200	45,200	45,200	45,200
4315 DEDA Administrative Service	365,000	365,000	400,000	400,000
4315 Public Utility Admin Service	771,300	773,700	817,100	851,000
4315 Fleet Administrative Service	136,800	135,900	145,500	146,200
4315 Golf Administrative Service	34,000	18,800	16,100	8,100
4315 Group Health Admin Service	350,000	360,500	353,300	353,300
4315 Self Insurance Admin Service	426,000	457,500	563,200	614,500
4315 Spirit Mt. Administrative Service	37,700	37,700	26,200	26,200
4315 Parking Administrative Service	127,400	136,400	138,600	150,000
4315 Street Lighting System Utility	56,100	50,500	55,100	28,200
4315 410 West 1st Street Ramp	25,500	22,500	17,200	5,000
4323 Garnishment Fees	180	105	-	-
4472 Administrative Fines	42,279	46,432	21,600	21,600
4473 Court Fines	391,404	364,024	427,200	364,000
4500 Assessments	54,836	61,438	58,000	55,000
4501 Assessments - Penalty & Interest	21,884	17,981	24,800	16,800
4602 Interest on Temporary Loans	-	18,850	-	-

City of Duluth Minnesota - 2020 Budget

General Fund Revenue Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
City Auditor's Office - 110-125-1214 Continued				
4622 Rent of Buildings	408,236	413,339	-	-
4654 Other Reimbursements	12,756	11,525	-	-
4700 Other Sources	9,349	11,063	-	-
4702 Fond du Luth Proceeds	150,000	150,000	150,000	150,000
4730 Transfer from Special Rev Fund	45,300	63,214	45,300	45,300
4730 Transfer from Parking Fund	1,376,700	1,376,700	1,376,700	1,346,700
4731 Gas Utility in Lieu of Taxes	2,184,557	2,528,413	2,698,000	2,726,700
4732 Steam Utility in Lieu of Taxes	141,400	161,101	152,800	152,800
4805 Reimbursements	-	8,841		
DIVISION TOTAL	56,309,937	58,532,713	61,385,300	64,504,700

City of Duluth Minnesota - 2020 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	2017	2018	2019	2020	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	2.0	6.0	4.0

Expenditures	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Personal Services					
Permanent Salaries	133,398	141,281	153,200	389,600	236,400
Overtime	-	-	-	-	-
Other Wages	-	-	-	-	-
Total Salaries	133,398	141,281	153,200	389,600	236,400
Benefits	62,687	79,455	87,500	170,800	83,300
Other Expense					
Materials & Supplies	52	188	2,300	3,800	1,500
Services	52	956	1,400	7,400	6,000
Other	1,562	1,109	2,000	3,000	1,000
Total Other Expense	1,667	2,253	5,700	14,200	8,500
Division Total	197,752	222,989	246,400	574,600	328,200

City of Duluth Minnesota - 2020 Budget

General Fund Expenditure Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
City Purchasing Office - 110-125-1215				
PERSONAL SERVICES				
5100 Permanent Salaries	133,398	141,281	153,200	389,600
5101 Premium Pay	-	-	-	-
5103 Other Wages	-	-	-	-
TOTAL	133,398	141,281	153,200	389,600
EMPLOYEE BENEFITS				
5121 PERA Retirement	9,810	10,669	11,500	28,600
5122 FICA - Social Security	7,861	8,082	9,500	24,200
5123 FICA - Medicare	1,838	1,890	2,200	5,600
5125 Dental Insurance	744	744	700	2,200
5126 Life Insurance	324	324	400	1,100
5127 Health Care Savings Plan (HCSP)	1,843	14,003	15,100	7,100
5130 Cafeteria Plan Benefits	40,267	43,742	48,100	102,000
TOTAL	62,687	79,455	87,500	170,800
OTHER EXPENDITURES				
5200 Office Supplies	-	118	2,000	3,500
5201 Computer Supplies/Software	52	70	300	300
5331 Travel/Training	42	795	-	2,000
5340 Advertising & Promotion	-	-	900	900
5355 Printing & Copying	10	161	500	4,500
5433 Dues & Subscription	510	720	1,000	1,500
5441 Other Services & Charges	1,052	389	1,000	1,500
TOTAL	1,667	2,253	5,700	14,200
DIVISION TOTAL	197,752	222,989	246,400	574,600

City of Duluth Minnesota - 2020 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	2017	2018	2019	2020	Difference
1115 City Treasurer	1.0	-	-	-	-
126 Finance Technician	2.0	2.0	2.0	-	(2.0)
129 Admin Financial Spec.	3.0	3.0	2.0	-	(2.0)
133 Finance Office Coord.	1.0	1.0	1.0	-	(1.0)
135 Credit/Collections Admi	1.0	1.0	1.0	-	(1.0)
136 Financial Analyst	1.0	1.0	1.0	-	(1.0)
Division Total	9.0	8.0	7.0	-	(7.0)

Expenditures	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Personal Services					
Permanent Salaries	418,674	403,510	441,300	-	(441,300)
Overtime	-	-	-	-	-
Other Wages	-	-	-	-	-
Total Salaries	418,674	403,510	441,300	-	(441,300)
Benefits	191,319	186,481	217,800	-	(217,800)
Other Expense					
Materials & Supplies	476	2,363	1,500	-	(1,500)
Services	6,582	6,960	11,000	-	(11,000)
Utility & Mtc	-	-	500	-	(500)
Other	1,682	1,235	1,000	-	(1,000)
Total Other Expense	8,740	10,558	14,000	-	(14,000)
Division Total	618,733	600,549	673,100	-	(673,100)

City of Duluth Minnesota - 2020 Budget

General Fund Expenditure Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
City Treasurer's Office - 110-125-1216				
PERSONAL SERVICES				
5100 Permanent Salaries	418,674	403,510	441,300	-
5101 Premium Pay	-	-	-	-
5103 Other Wages	-	-	-	-
TOTAL	418,674	403,510	441,300	-
EMPLOYEE BENEFITS				
5121 PERA Retirement	30,841	29,596	32,500	-
5122 FICA - Social Security	24,743	24,088	27,400	-
5123 FICA - Medicare	5,787	5,634	6,400	-
5125 Dental Insurance	2,658	2,356	2,600	-
5126 Life Insurance	1,154	1,026	1,300	-
5127 Health Care Savings Plan (HCSP)	18,890	18,521	19,300	-
5130 Cafeteria Plan Benefits	106,888	104,900	128,300	-
5133 Health or Fitness Program	360	360	-	-
TOTAL	191,319	186,481	217,800	-
OTHER EXPENDITURES				
5200 Office Supplies	476	1,013	1,500	-
5241 Small Equipment-Office/Operating	-	1,351	-	-
5306 Collection Services	5,959	6,530	5,000	-
5331 Travel/Training	316	-	2,000	-
5355 Printing & Copying	175	430	4,000	-
5356 Copier, Printer Lease & Supplies	132	-	-	-
5404 Equipment/Machinery Repair & Mtc	-	-	500	-
5433 Dues & Subscription	56	-	500	-
5441 Other Services & Charges	1,626	1,235	500	-
TOTAL	8,740	10,558	14,000	-
DIVISION TOTAL	618,733	600,549	673,100	-

City of Duluth Minnesota - 2020 Budget

General Fund Revenue Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
City Treasurer's Office - 110-125-1216				
REVENUE SOURCE				
4040 City Sales Tax	13,564,369	14,094,409	13,686,700	14,000,000
4050 Charitable Gambling Tax	61,934	22,363	20,000	20,000
4310 Assessment Cost Services	2,508	-	-	-
4311 Assessment Certificate Fee	38,217	42,982	20,000	20,000
4323 Garnishment Fees	60	15	-	-
4601 Earnings on Investments Chg in Fair Valu	11,589	(35,189)	-	-
4644 Miscellaneous Fees	3,507	2,346	1,000	1,000
4730 Transfer from Tourism Taxes	138,341	147,268	125,600	125,600
DIVISION TOTAL	13,820,525	14,274,194	13,853,300	14,166,600

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City of Duluth Minnesota - 2020 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, comprise the One Stop Shop – the customer gateway to the City of Duluth for building permits and plan 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 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, the city’s Consolidated Plan for federal department of Housing & Urban Development Resources.

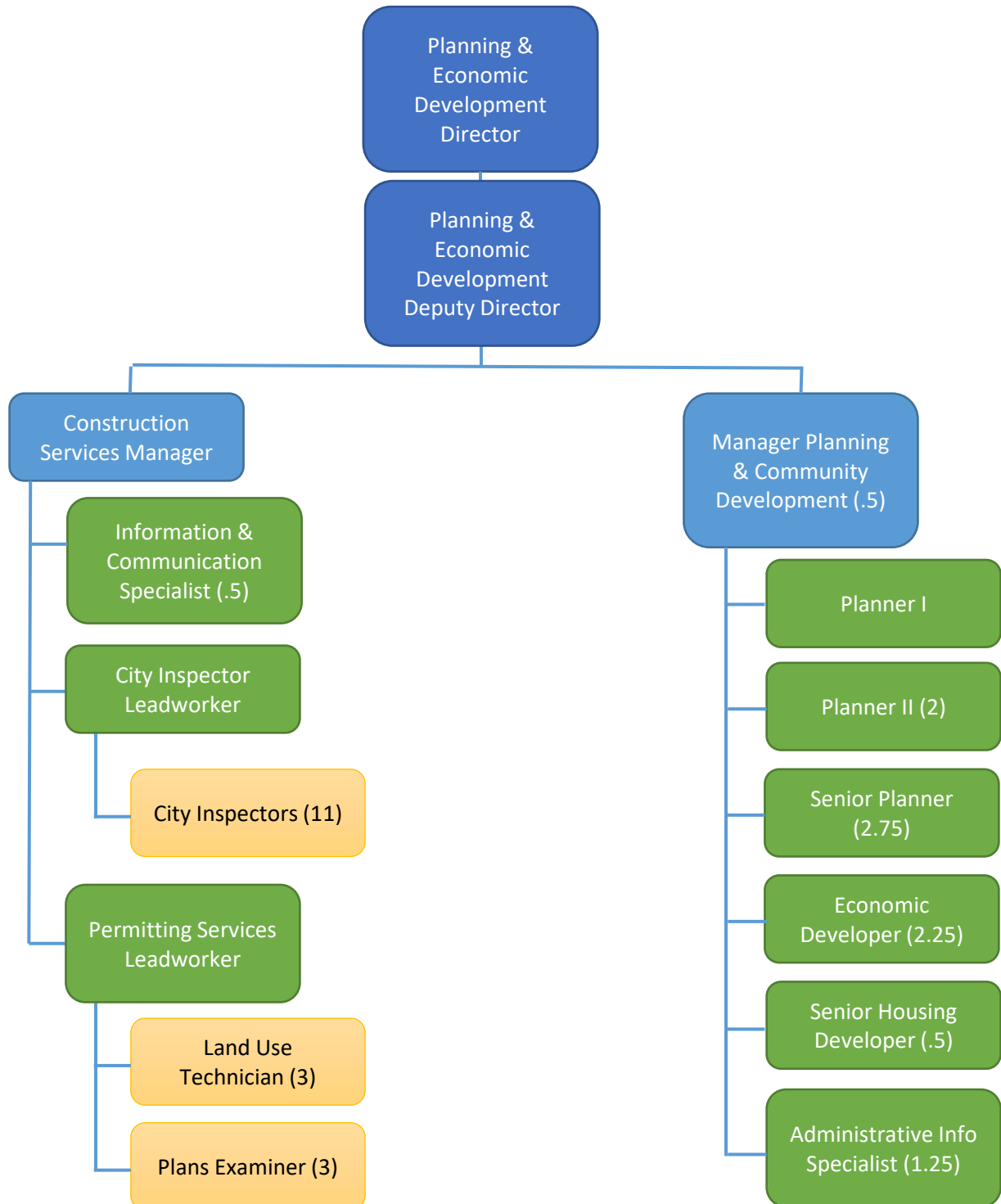
Structure

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 planning, 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 - 2020 Budget

Planning & Economic Development

Organization Chart



City of Duluth Minnesota - 2020 Budget

Planning & Development

City Priority: Livable Neighborhoods and Affordable Housing

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimated	2020 Projected
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	173	225	257	280
	Number of land use applications processed by Planning Commission or Heritage Preservation Commission	195	161	195	205
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	28	34	33	35

City Priority: Safe and Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 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 residents and visitors	Number of predevelopment meetings facilitated	256	143	164	175
	Number of formal compliance actions	31	62	37	45

City of Duluth Minnesota - 2020 Budget

Construction Services & Inspections

City Priority: Safe and Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Actual	2020 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	Valuation of construction permits issued	\$121.73M	\$159.68M	\$252.95M	\$253M
	Number of construction inspections performed	10,814	10,838	11,152	13,500

City Priority: Innovation and Excellence in Service

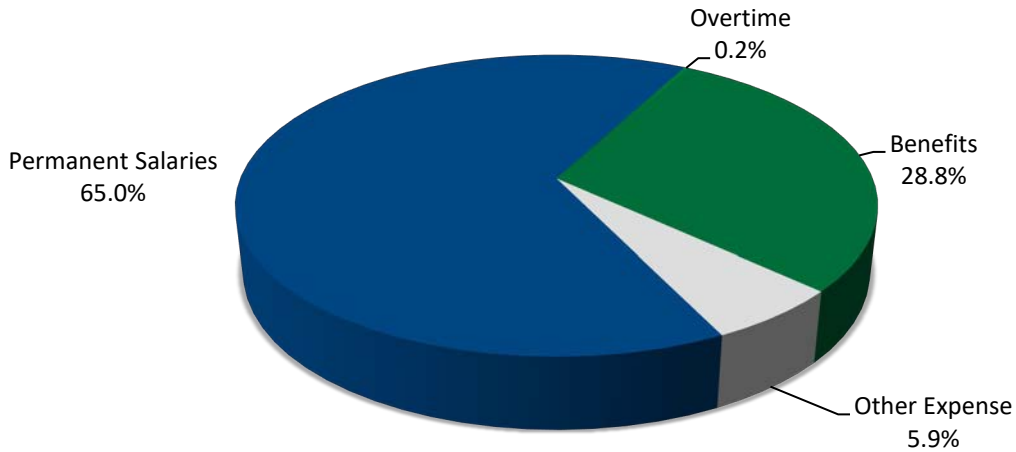
<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Actual	2020 Projected
Customer Service: Ensures timely and effective two-way communication with internal customers, residents, and businesses providing equal access to information encouraging input from all areas of the organization and the community at large	Percentage of permits issued online	62%	64%	69%	70%
	Number of pre-submittal plan review meetings	75	60	71	75

City Priority: Infrastructure

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Actual	2020 Projected
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	915	1076	1291	1500

City of Duluth Minnesota - 2020 Budget

Planning & Economic Development Department 2020 Approved Budget by Expenditure Category



Expenditures by Category	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Permanent Salaries	2,009,183	2,053,842	2,386,800	2,422,000	35,200
Overtime	10,086	7,486	9,000	9,000	-
Other Wages	3,269	2,045	-	-	-
Total Personal Services	2,022,538	2,063,374	2,395,800	2,431,000	35,200
Benefits	786,852	817,856	1,042,900	1,075,000	32,100
Other Expense	233,166	230,523	222,000	220,200	(1,800)
Capital Outlay	-	-	-	-	-
Department Total	3,042,556	3,111,752	3,660,700	3,726,200	65,500

Expenditures by Division	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Planning	764,080	773,255	844,700	1,499,900	655,200
Construction Srv&Inspect	1,651,164	1,706,363	2,143,500	2,226,300	82,800
Business & Econ Dev	627,311	632,134	672,500	-	(672,500)
Department Total	3,042,556	3,111,752	3,660,700	3,726,200	65,500

Budgeted FTE's	2017	2018	2019	2020	Difference
	29.0	28.9	33.9	32.8	(1.2)

City of Duluth Minnesota - 2020 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	2017	2018	2019	2020	Difference
1170 Dev.	0.67	0.67	0.67	1.00	0.33
1130 Econ Dev.	-	-	1.00	1.00	-
1105 Mgr Planning & CD	0.50	0.50	0.50	0.50	-
129 Admin Info Specialist	0.50	0.75	0.75	1.25	0.50
129 Planner I	1.00	1.00	1.00	1.00	-
133 Planner II	3.00	3.00	3.00	2.00	(1.00)
135 Economic Developer	-	-	-	2.25	2.25
136 Senior Planner Senior Housing	1.30	1.00	1.00	1.75	0.75
138 Developer Senior Transport	-	-	0.50	0.50	-
138 Planner	-	-	1.00	1.00	-
Division Total	6.97	6.92	9.42	12.25	2.83

Expenditures	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Personal Services					
Permanent Salaries	488,522	504,579	557,500	986,600	429,100
Overtime	1,035	2,445	-	-	-
Other Wages	3,269	2,045	-	-	-
Total Salaries	492,826	509,069	557,500	986,600	429,100
Benefits	193,085	201,013	230,800	438,600	207,800
Other Expense					
Materials & Supplies	1,049	4,584	3,100	3,800	700
Services	61,368	39,979	37,900	47,900	10,000
Other	15,752	18,611	15,400	23,000	7,600
Total Other Expense	78,169	63,173	56,400	74,700	18,300
Division Total	764,080	773,255	844,700	1,499,900	655,200

City of Duluth Minnesota - 2020 Budget

General Fund Expenditure Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
Planning & Economic Development - 110-132-1301				
PERSONAL SERVICES				
5100 Permanent Salaries	488,522	504,579	557,500	986,600
5101 Premium Pay	1,035	2,445	-	-
5103 Other Wages	3,269	2,045	-	-
TOTAL	492,826	509,069	557,500	986,600
EMPLOYEE BENEFITS				
5121 PERA Retirement	36,553	37,441	41,100	73,200
5122 FICA - Social Security	31,241	30,213	34,600	61,200
5123 FICA - Medicare	7,287	7,066	8,100	14,300
5125 Dental Insurance	2,770	(3,462)	2,800	4,600
5126 Life Insurance	1,229	211	1,300	2,200
5127 Health Care Savings Plan (HCSP)	8,706	22,487	14,500	20,200
5130 Cafeteria Plan Benefits	104,940	106,698	128,400	262,900
5133 Health or Fitness Program	360	360	-	-
TOTAL	193,085	201,013	230,800	438,600
OTHER EXPENDITURES				
5200 Office Supplies	841	1,298	1,800	2,500
5201 Computer Supplies/Software	208	892	1,000	1,000
5241 Small Equip-Office/Operating	-	2,394	300	300
5310 Contract Services	20,423	13,926	-	-
5319 Other Professional Services	32,772	20,509	20,000	21,100
5321 Phone Service	1,200	1,200	600	2,800
5322 Postage	-	-	1,000	500
5331 Travel/Training	5,337	3,167	4,000	9,000
5335 Local Mileage Reimbursement	-	-	300	2,000
5355 Printing & Copying	1,300	805	11,500	12,000
5356 Copier, Printer Lease & Supplies	336	371	500	500
5414 Software Licenses & Mtce Agreements	11,554	12,132	11,000	12,000
5433 Dues & Subscription	1,800	1,923	2,500	5,700
5435 Books & Pamphlets	-	-	200	200
5441 Other Services & Charges	1,933	4,197	1,000	1,400
5443 Board & Meeting Expenses	464	359	700	3,700
TOTAL	78,169	63,173	56,400	74,700
DIVISION TOTAL	764,080	773,255	844,700	1,499,900

City of Duluth Minnesota - 2020 Budget

General Fund Revenue Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
Planning & Economic Development - 110-132-1301				
REVENUE SOURCE				
4210 Pass-thru Federal Grants	3,700	-	-	-
4307 Planning/Zoning Fees	89,522	81,463	85,000	85,000
4631 Media Sales	96	49	100	100
4644 Misc Fees, Sales & Services	-	20	-	-
4654 Other Reimbursements	44,184	48,665	-	-
DIVISION TOTAL	137,502	130,197	85,100	85,100

City of Duluth Minnesota - 2020 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	2017	2018	2019	2020	Difference
1105 Construction Svcs Mana	1.00	1.00	1.00	1.00	-
28 Land Use Technician	2.00	2.00	2.00	3.00	1.00
29 Plans Examiner	3.00	3.00	4.00	3.00	(1.00)
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	1.00	2.00	2.00	-
31 Plumbing Inspector	2.00	2.00	3.00	3.00	-
32 Combination Svcs Inspe	1.00	1.00	2.00	2.00	-
32 Permitting Svcs Leadwo	1.00	1.00	1.00	1.00	-
36 Const Inspect Leadwork	1.00	1.00	1.00	1.00	-
132 Info & Comm Specialist	0.50	0.50	0.50	0.50	-
Division Total	16.50	16.50	20.50	20.50	-

Expenditures	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Personal Services					
Permanent Salaries	1,078,369	1,094,409	1,363,100	1,435,400	72,300
Overtime	5,577	4,080	9,000	9,000	-
Other Wages	-	-	-	-	-
Total Salaries	1,083,946	1,098,490	1,372,100	1,444,400	72,300
Benefits	437,964	454,384	624,100	636,400	12,300
Other Expense					
Materials & Supplies	16,556	15,484	16,700	18,000	1,300
Services	32,588	30,361	40,100	40,100	-
Utility & Maintenance	15,214	17,871	23,000	19,900	(3,100)
Other	48,707	62,383	47,500	47,500	-
Building Demolition	16,188	27,391	20,000	20,000	-
Total Other Expense	129,254	153,489	147,300	145,500	(1,800)
Division Total	1,651,164	1,706,363	2,143,500	2,226,300	82,800

City of Duluth Minnesota - 2020 Budget

General Fund Expenditure Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
Construction Services & Inspection - 110-132-1304				
PERSONAL SERVICES				
5100 Permanent Salaries	1,078,369	1,094,409	1,363,100	1,435,400
5101 Premium Pay	5,577	4,080	9,000	9,000
5103 Other Wages	-	-	-	-
TOTAL	1,083,946	1,098,490	1,372,100	1,444,400
EMPLOYEE BENEFITS				
5121 PERA Retirement	78,692	80,193	101,300	106,500
5122 FICA - Social Security	65,852	66,407	85,100	89,600
5123 FICA - Medicare	15,401	15,531	19,900	20,900
5125 Dental Insurance	6,262	6,169	7,600	7,600
5126 Life Insurance	2,727	2,687	3,700	3,700
5127 Health Care Savings Plan (HCSP)	31,891	26,737	29,600	23,600
5130 Cafeteria Plan Benefits	237,138	255,971	376,900	384,500
5133 Health or Fitness Program	-	690	-	-
TOTAL	437,964	454,384	624,100	636,400
OTHER EXPENDITURES				
5200 Office Supplies	2,981	2,792	3,300	3,300
5205 Safety & Training Materials	167	680	900	900
5212 Motor Fuels	9,239	11,510	11,000	12,300
5219 Other Miscellaneous Supplies	54	8	900	900
5241 Small Equip-Office/Operating	4,115	494	600	600
5321 Phone Service	6,694	6,722	4,500	4,500
5331 Travel/Training	16,323	14,606	14,000	14,000
5335 Local Mileage Reimbursement	-	38	600	600
5355 Printing & Copying	9,267	8,686	12,500	12,500
5356 Copier, Printer Lease & Supplies	304	309	8,500	8,500
5404 Equipment/Machinery Repair & Mtc	140	169	600	600
5409 Fleet Services Charges	15,075	17,702	22,400	19,300
5414 Software Licenses & Mtce Agreements	18,422	21,862	20,000	20,000
5427 Credit Card Commissions	27,017	32,318	17,500	17,500
5433 Dues & Subscription	1,442	1,618	1,500	1,500
5435 Books & Pamphlets	1,224	2,300	4,500	4,500
5441 Other Services & Charges	602	4,246	4,000	4,000

City of Duluth Minnesota - 2020 Budget

General Fund Revenue Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
Construction Services & Inspection - 110-132-1304				
5443 Board & Meeting Expenses	-	38	-	-
5453 Building Demolition	16,188	27,391	20,000	20,000
TOTAL	129,254	153,489	147,300	145,500
DIVISION TOTAL	1,651,164	1,706,363	2,143,500	2,226,300
REVENUE SOURCE				
4151 Fill Permits	2,589	1,281	1,100	1,100
4301 Zoning Appeals Fees	-	-	600	600
4303 Use Permit - Flood & Wetlands	3,536	3,172	900	900
4351 Building Inspection Fees	1,141,289	1,479,793	2,654,800	2,654,800
4352 Plumbing Inspection Fees	113,438	185,750	182,200	182,200
4353 Electric Inspection Fees	185,918	220,819	192,300	192,300
4354 HVAC-R Inspection Fees	203,605	264,104	151,800	151,800
4355 Signs Inspection Fees	15,924	21,582	10,600	10,600
4356 House Moving Inspection Fee	13,363	13,116	9,100	9,100
4357 Mobile Home Inspection Fees	920	758	1,900	1,900
4359 CAF Administrative Fee	8,359	16,433	15,300	15,300
4361 RZP Registration Fee	13,200	18,870	13,100	13,100
4500 Assessments	36,950	15,259	51,100	51,100
4501 Assessments - Penalty & Interest	3,532	1,185	-	-
4602 Interest	-	-	-	-
4631 Media Sales	116	37	3,300	3,300
4644 Miscellaneous Sales	440	1,106	500	500
4654 Other Reimbursements	-	26,819	-	-
4660 Gifts and Donations	11,835	-	-	-
4680 Damage or Losses Recovered	-	-	-	-
4701 2% Retention Surtax	1,012	1,464	1,400	1,400
DIVISION TOTAL	1,756,026	2,271,549	3,290,000	3,290,000

City of Duluth Minnesota - 2020 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	2017	2018	2019	2020	Difference
1150 Dir. Business & ED	1.00	1.00	1.00	-	(1.00)
1125 Business Dev Manager	1.00	1.00	-	-	-
Administrative Info					
129 Spec	1.00	1.00	1.00	-	(1.00)
135 Business Developer	2.00	2.00	2.00	-	(2.00)
135 Public Info Coordinator	0.50	0.50	-	-	-
Division Total	5.50	5.50	4.00	-	(4.00)

Expenditures	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Personal Services					
Permanent Salaries	442,292	454,854	466,200	-	(466,200)
Overtime	3,474	961.23	-	-	-
Other Wages	-	-	-	-	-
Total Salaries	445,766	455,815	466,200	-	(466,200)
Benefits	155,802	162,458	188,000	-	(188,000)
Other Expense					
Materials & Supplies	1,333	3,528	700	-	(700)
Services	16,508	5,410	11,000	-	(11,000)
Other	7,902	4,922	6,600	-	(6,600)
Total Other Expense	25,743	13,861	18,300	-	(18,300)
Division Total	627,311	632,134	672,500	-	(672,500)

City of Duluth Minnesota - 2020 Budget

General Fund Expenditure Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
Business & Economic Development - 110-132-1310				
PERSONAL SERVICES				
5100 Permanent Salaries	442,292	454,854	466,200	-
5101 Premium Pay	3,474	961	-	-
5103 Other Wages	-	-	-	-
TOTAL	445,766	455,815	466,200	-
EMPLOYEE BENEFITS				
5121 PERA Retirement	32,416	30,617	34,400	-
5122 FICA - Social Security	27,080	25,326	28,900	-
5123 FICA - Medicare	6,333	6,447	6,800	-
5125 Dental Insurance	2,046	1,969	2,000	-
5126 Life Insurance	891	851	1,000	-
5127 Health Care Savings Plan (HCSP)	10,176	20,733	21,300	-
5130 Cafeteria Plan Benefits	76,830	76,516	93,600	-
5133 Health or Fitness Program	30	-	-	-
TOTAL	155,802	162,458	188,000	-
OTHER EXPENDITURES				
5200 Office Supplies	1,249	3,528	700	-
5319 Other Professional Service	340	90	1,094	-
5321 Phone Service	2,663	1,721	2,200	-
5331 Travel/Training	11,158	2,100	4,200	-
5335 Local Mileage Reimbursement	2,157	1,479	3,006	-
5355 Printing & Copying	190	20	500	-
5356 Copier, Printer Lease & Supplies	83	-	-	-
5433 Dues & Subscription	3,235	820	3,200	-
5441 Other Services & Charges	786	1,415	400	-
5443 Board & Meeting Expenses	3,881	2,687	3,000	-
TOTAL	25,743	13,861	18,300	-
DIVISION TOTAL	627,311	632,134	672,500	-
REVENUE SOURCE				
4644 Miscellaneous Sales	69,463	36,302	37,400	37,400
4654 Other Reimbursements Refunds	2,927	3,573	-	-
DIVISION TOTAL	72,390	39,875	37,400	37,400

City of Duluth Minnesota - 2020 Budget

Fire Department

Mission and Vision

“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 149 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. There has been an increase in demand for services such as EMS, Hazmat, specialized rescue, code enforcement, emergency management, and quality of life services. Utilization of services has steadily increased, with a noted jump of 300% in emergency calls in the last two decades. 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. Within the Department, there are three main Divisions:

- Administration
- Operations
- Fire Prevention and Life Safety

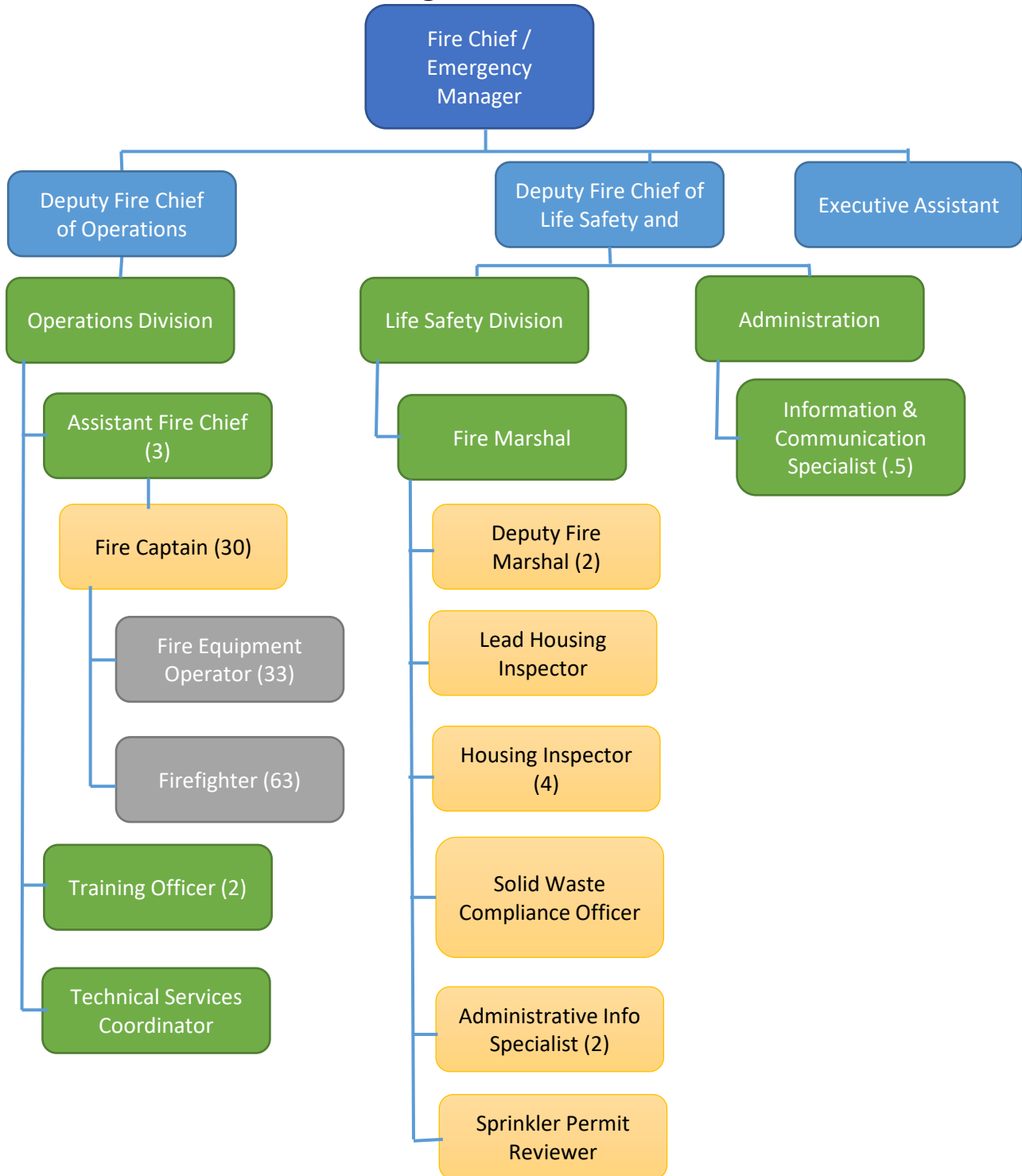
The structure of the Fire Department has four main components: Fire Administration, Emergency Operations, Life Safety Services (Prevention, Plan Review, Licensing and Inspection Services), and Emergency Management. From these business lines, we provide programs that support our mission. The following represent the primary services and programs the Fire Department provides:

- All Hazard Emergency Response
- Fire Code Management and Inspection
- Housing Code Enforcement and Rental Licensing Programs
- Nuisance & Blight Abatement – Quality of Life
- Public Safety & School Fire Safety Programs
- Fire Cause and Arson Investigation
- City Wide Emergency Management and Preparedness

City of Duluth Minnesota - 2020 Budget

Fire Department

Organization Chart



City of Duluth Minnesota - 2020 Budget

Fire Department

City Priority: Safe and Secure Community

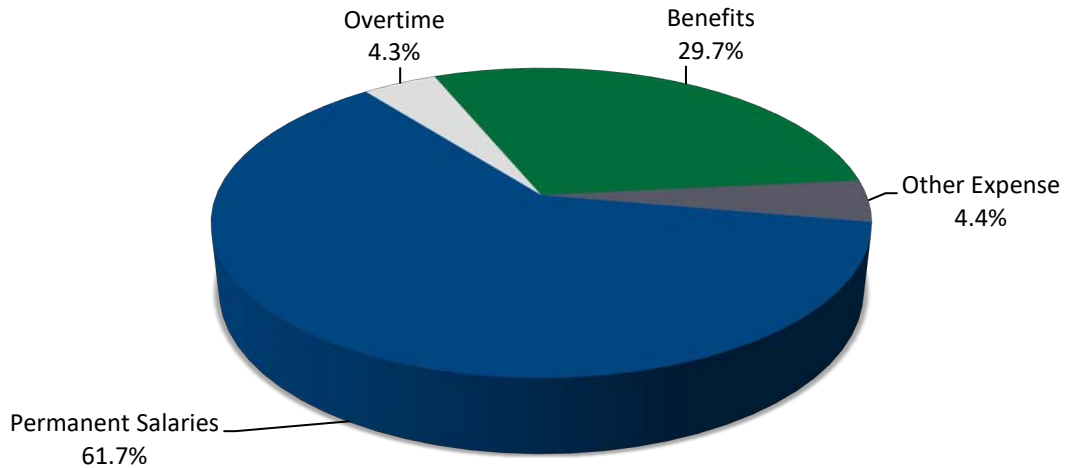
<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 Projected
Service Response: Provides for a well-planned, effective and prompt response to emergencies of all kinds, including individual calls for service, fires, public safety threats and natural disasters	Calls for medical and non fire suppression	13,050	13,021	13,438	13,600
	Calls for fire suppression service	189	232	265	260
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 Violations identified	9,963	10,962	10,615	10,700
	Number of Properties Inspected	6,793	6,855	8,334	8,350

City Priority: Livable Neighborhoods and Affordable Housing

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 Projected
Safe/Quality Neighborhood: Promote, support and sustain well-maintained, safe, clean visually appealing, free of blight neighborhoods, commercial areas and public spaces	Solid Waste code enforcement - Number of blight/solid waste inspections (includes abandoned vehicles)	1,110	781	1,167	1,150
	Vacant building registration - cases opened	100	132	62	50
	Vacant building registration - active cases	283	377	340	320

City of Duluth Minnesota - 2020 Budget

Fire Department 2020 Approved Budget by Expenditure Category



Expenditures by Category	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Permanent Salaries	10,494,963	10,680,126	11,094,800	11,482,900	388,100
Overtime	908,615	1,014,175	933,500	802,100	(131,400)
Other Wages	-	-	-	-	-
Total Personal Services	11,403,577	11,694,302	12,028,300	12,285,000	256,700
Benefits	4,600,282	4,818,747	5,173,200	5,523,300	350,100
Other Expense	679,209	694,206	791,000	816,200	25,200
Capital Outlay	-	-	-	-	-
Department Total	16,683,068	17,207,254	17,992,500	18,624,500	632,000

Expenditures by Division	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Fire Administration	498,694	533,855	543,500	626,100	82,600
Fire Operations	15,038,381	15,499,832	16,224,000	16,615,600	391,600
Life Safety	1,145,994	1,173,568	1,225,000	1,382,800	157,800
Department Total	16,683,068	17,207,254	17,992,500	18,624,500	632,000

Budgeted FTE's	2017	2018	2019	2020	Difference
	146.5	146.5	146.5	148.5	2.0

City of Duluth Minnesota - 2020 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	2017	2018	2019	2020	Difference
1160 Fire Chief	1.00	1.00	1.00	1.00	-
1135 Deputy Fire Chief	1.00	1.00	1.00	2.00	1.00
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	3.50	4.50	1.00

Expenditures	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Personal Services					
Permanent Salaries	325,651	346,974	355,600	460,900	105,300
Overtime	-	2	-	-	-
Other Wages	-	-	-	-	-
Total Salaries	325,651	346,975	355,600	460,900	105,300
Benefits	115,789	129,434	128,900	106,200	(22,700)
Other Expense					
Materials & Supplies	18,107	15,363	20,400	20,400	-
Services	11,014	8,696	9,800	9,800	-
Utilities & Mtc	4,024	3,777	4,000	4,000	-
Other	24,110	29,608	24,800	24,800	-
Total Other Expense	57,254	57,445	59,000	59,000	-
Division Total	498,694	533,855	543,500	626,100	82,600

City of Duluth Minnesota - 2020 Budget

General Fund Expenditure Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
Fire Administration - 110-150-1501				
PERSONAL SERVICES				
5100 Permanent Salaries	325,651	346,974	355,600	460,900
5101 Premium Pay	-	2	-	-
5103 Other Wages	-	-	-	-
TOTAL	325,651	346,975	355,600	460,900
EMPLOYEE BENEFITS				
5121 PERA Retirement	42,557	47,237	50,500	33,900
5122 FICA - Social Security	5,847	5,912	6,200	6,300
5123 FICA - Medicare	4,639	4,899	5,200	6,700
5125 Dental Insurance	1,302	1,302	1,300	1,700
5126 Life Insurance	567	567	600	800
5127 Health Care Savings Plan (HCSP)	11,777	13,017	6,300	4,500
5130 Cafeteria Plan Benefits	49,099	56,500	58,800	52,300
TOTAL	115,789	129,434	128,900	106,200
OTHER EXPENDITURES				
5200 Office Supplies	1,182	1,259	3,000	3,000
5202 Audiovisual & Photography	210	-	-	-
5210 Plant/Operating Supplies	2,029	1,581	2,000	2,000
5211 Cleaning/Janitorial Supplies	7,845	7,209	7,500	7,500
5219 Other Miscellaneous Supplies	2,529	2,640	3,000	3,000
5220 Repair & Maintenance Supplies	479	268	1,100	1,100
5228 Painting Supplies	617	274	700	700
5229 Ground Mtc Supplies	175	310	200	200
5240 Small Tools	76	290	400	400
5241 Small Equip-Office/Operating	2,964	1,532	2,500	2,500
5321 Phone Service	209	-	2,600	2,600
5322 Postage	590	379	500	500
5331 Travel/Training	8,722	7,111	5,000	5,000
5355 Printing & Copying	710	800	1,200	1,200
5356 Copier, Printer Lease & Supplies	782	406	500	500
5400 Misc Repair & Mtc Service	2,726	3,013	2,000	2,000
5401 Bldg/Structure Repair & Mtc	1,297	764	2,000	2,000
5433 Dues & Subscription	2,238	2,297	2,500	2,500
5440 Emergency Management	19,974	21,582	20,000	20,000

City of Duluth Minnesota - 2020 Budget

General Fund Expenditure Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
Fire Administration - 110-150-1501				
5441 Other Services & Charges	1,152	3,370	1,500	1,500
5443 Board & Meeting Expenses	747	2,359	800	800
TOTAL	57,254	57,445	59,000	59,000
DIVISION TOTAL	498,694	533,855	543,500	626,100

General Fund Revenue Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
Fire Administration - 110-150-1501				
REVENUE SOURCE				
4232 State Insurance Premium	472,493	490,214	520,000	712,000
4340 Fire Protection Services	7,518	6,350	6,400	4,200
4341 Hydrant Maintenance Services	30,000	30,000	30,000	30,000
4654 Other Reimbursements	6,163	8,854	4,000	5,500
4730 Transfer from Special Revenue	10,000	36,283	20,000	20,000
DIVISION TOTAL	526,174	571,700	580,400	771,700

City of Duluth Minnesota - 2020 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	2017	2018	2019	2020	Difference
233 Assistant Chief	3.00	3.00	3.00	3.00	-
226 Firefighter	64.00	64.00	63.00	63.00	-
227 Equipment Operator	33.00	33.00	33.00	33.00	-
228 Captain	29.00	29.00	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	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Personal Services					
Permanent Salaries	9,433,480	9,584,515	9,966,500	10,152,800	186,300
Overtime	895,422	1,000,113	922,200	790,800	(131,400)
Other Wages	-	-	-	-	-
Total Salaries	10,328,902	10,584,627	10,888,700	10,943,600	54,900
Benefits	4,154,785	4,341,321	4,662,000	4,983,000	321,000
Other Expense					
Materials & Supplies	181,370	188,571	160,000	194,200	34,200
Services	56,702	51,560	47,800	47,800	-
Utilities & Mtc	269,905	273,013	399,800	381,300	(18,500)
Other	46,716	60,739	65,700	65,700	-
Total Other Expense	554,694	573,883	673,300	689,000	15,700
Division Total	15,038,381	15,499,832	16,224,000	16,615,600	391,600

City of Duluth Minnesota - 2020 Budget

General Fund Expenditure Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
Fire Operations - 110-150-1502				
PERSONAL SERVICES				
5100 Permanent Salaries	9,433,480	9,584,515	9,966,500	10,152,800
5101 Premium Pay	895,422	1,000,113	922,200	790,800
5103 Other Wages	-	-	-	-
TOTAL	10,328,902	10,584,627	10,888,700	10,943,600
EMPLOYEE BENEFITS				
5121 PERA Retirement	1,639,348	1,689,046	1,819,800	1,904,900
5122 FICA - Social Security	-	-	-	-
5123 FICA - Medicare	145,179	148,717	157,900	158,600
5125 Dental Insurance	48,856	48,469	49,100	49,100
5126 Life Insurance	20,669	20,777	23,800	23,800
5127 Health Care Savings Plan (HCSP)	287,869	344,589	225,500	230,700
5130 Cafeteria Plan Benefits	1,996,390	2,072,272	2,368,500	2,598,500
5133 Health or Fitness Program	16,475	17,453	17,400	17,400
TOTAL	4,154,785	4,341,321	4,662,000	4,983,000
OTHER EXPENDITURES				
5205 Safety & Training Materials	9,319	7,838	7,500	7,500
5210 Plant/Operating Supplies	3,455	3,963	3,500	3,500
5212 Motor Fuels	59,038	79,358	50,000	84,200
5218 Uniforms	13,732	11,784	10,000	10,000
5219 Other Miscellaneous Supplies	29,305	32,886	25,000	25,000
5220 Repair & Maintenance Supplies	2,773	2,903	3,000	3,000
5241 Small Equip-Office/Operating	63,748	49,838	61,000	61,000
5305 Medical Svcs/Testing Fees	5,431	4,940	5,000	5,000
5319 Other Professional Services	22,561	15,769	22,500	22,500
5320 Data Services	15,329	16,546	8,000	8,000
5321 Phone Service	6,915	7,171	7,000	7,000
5322 Postage	391	11	300	300
5384 Refuse Disposal	6,076	7,123	5,000	5,000
5409 Fleet Services Charges	269,905	273,013	399,800	381,300
5414 Software Lic/Mtc Agree	4,701	19,717	22,500	22,500
5441 Other Services & Charges	5,934	7,343	6,200	6,200
5446 Tuition Reimbursement	11,052	8,619	20,000	20,000
5450 Laundry	25,028	25,060	17,000	17,000
TOTAL	554,694	573,883	673,300	689,000
DIVISION TOTAL	15,038,381	15,499,832	16,224,000	16,615,600

City of Duluth Minnesota - 2020 Budget

General Fund Revenue Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
Fire Operations - 110-150-1502				
REVENUE SOURCE				
4654 Other Reimbursements	-	2,297	-	-
4730 Transfer from Special Revenue	196,859	193,216	123,100	127,500
DIVISION TOTAL	196,859	195,513	123,100	127,500

City of Duluth Minnesota - 2020 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	2017	2018	2019	2020	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	11.00	12.00	1.00

Expenditures	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Personal Services					
Permanent Salaries	735,832	748,638	772,700	869,200	96,500
Overtime	13,193	14,061	11,300	11,300	-
Other Wages	-	-	-	-	-
Total Salaries	749,025	762,699	784,000	880,500	96,500
Benefits	329,707	347,991	382,300	434,100	51,800
Other Expense					
Materials & Supplies	13,278	15,549	10,600	18,700	8,100
Services	24,834	23,933	29,000	28,500	(500)
Utilities & Mtc	12,082	18,331	13,300	14,700	1,400
Other	17,067	5,065	5,800	6,300	500
Total Other Expense	67,262	62,878	58,700	68,200	9,500
Division Total	1,145,994	1,173,568	1,225,000	1,382,800	157,800

City of Duluth Minnesota - 2020 Budget

General Fund Expenditure Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
Life Safety - 110-150-1503				
PERSONAL SERVICES				
5100 Permanent Salaries	735,832	748,638	772,700	869,200
5101 Premium Pay	13,193	14,061	11,300	11,300
5103 Other Wages	-	-	-	-
TOTAL	749,025	762,699	784,000	880,500
EMPLOYEE BENEFITS				
5121 PERA Retirement	79,442	81,788	85,900	95,800
5122 FICA - Social Security	27,983	27,782	30,400	35,900
5123 FICA - Medicare	10,535	10,637	11,400	12,800
5125 Dental Insurance	4,069	4,030	4,100	4,500
5126 Life Insurance	1,789	1,755	2,000	2,200
5127 Health Care Savings Plan (HCSP)	16,121	18,641	10,600	12,200
5130 Cafeteria Plan Benefits	188,801	202,510	237,900	270,700
5133 Health or Fitness Program	968	848	-	-
TOTAL	329,707	347,991	382,300	434,100
OTHER EXPENDITURES				
5200 Office Supplies	932	896	1,500	1,500
5202 Audiovisual & Photography	715	679	1,000	500
5205 Safety & Training Materials	638	899	1,000	1,500
5212 Motor Fuels	9,114	11,317	4,000	12,100
5219 Other Miscellaneous Supplies	1,485	895	1,500	1,500
5241 Small Equipment-Office Operating	395	862	1,600	1,600
5321 Phone Service	6,449	6,877	2,600	2,600
5331 Travel/Training	14,644	14,855	17,000	18,000
5335 Local Mileage Reimbursement	25	-	1,000	1,000
5355 Printing & Copying	855	1,763	3,000	3,000
5356 Copier, Printer Lease & Supplies	2,861	437	5,400	3,900
5400 Misc Repair & Mtc Service	-	-	300	300
5409 Fleet Services Charges	11,684	15,721	10,000	11,400
5427 Credit Card Commissions	398	2,610	3,000	3,000
5433 Dues and Subscriptions	666	595	500	1,000
5435 Books & Pamphlets	2,410	576	2,500	2,500
5441 Other Services and Charges	2,618	582	2,500	2,500
5443 Board & Meeting Expenses	151	37	300	300
5446 Tuition Reimbursement	-	260	-	-
5459 Fire Safety Education Account	11,221	3,015	-	-
TOTAL	67,262	62,878	58,700	68,200
DIVISION TOTAL	1,145,994	1,173,568	1,225,000	1,382,800

City of Duluth Minnesota - 2020 Budget

General Fund Revenue Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
Life Safety - 110-150-1503				
REVENUE SOURCE				
4153 Multiple Dwelling License	822,567	1,083,226	1,036,200	876,800
4154 Commercial Use/Occupancy Permit	103,755	103,186	100,000	100,000
4160 Fire Protection Systems Permit Fees	-	-	-	95,500
4306 Building Appeals Fees	360	369	-	-
4644 Misc Fees, Sales, Service	4,550	6,993	6,000	6,000
4660 Gifts and Donations	9,349	5,701	-	-
DIVISION TOTAL	940,581	1,199,475	1,142,200	1,078,300

City of Duluth Minnesota - 2020 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

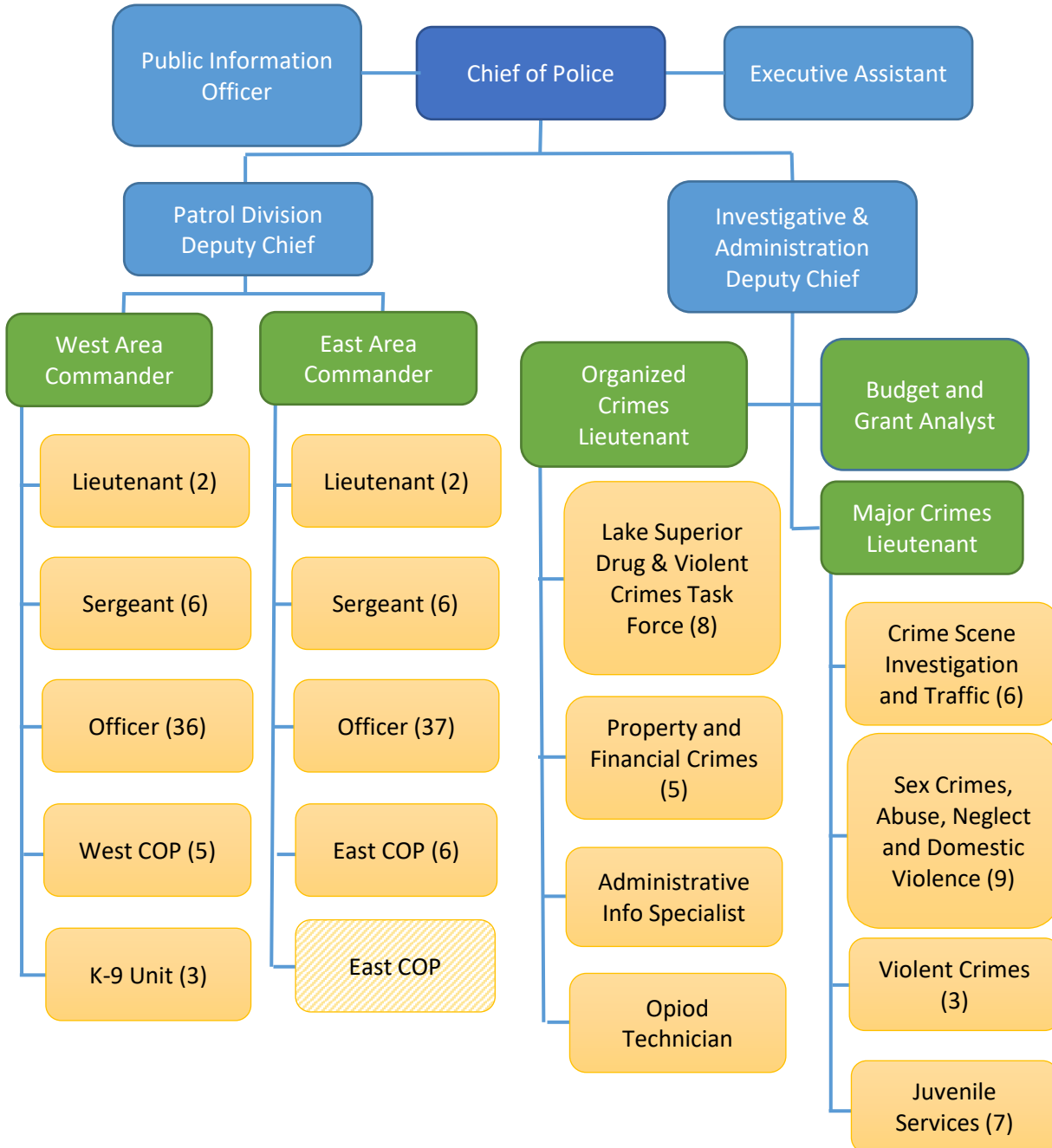
The Patrol Division is divided into two geographic patrol areas. Each area is under the command of a lieutenant. The Patrol Division consists of the following units:

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

City of Duluth Minnesota - 2020 Budget

Police Department

Organization Chart

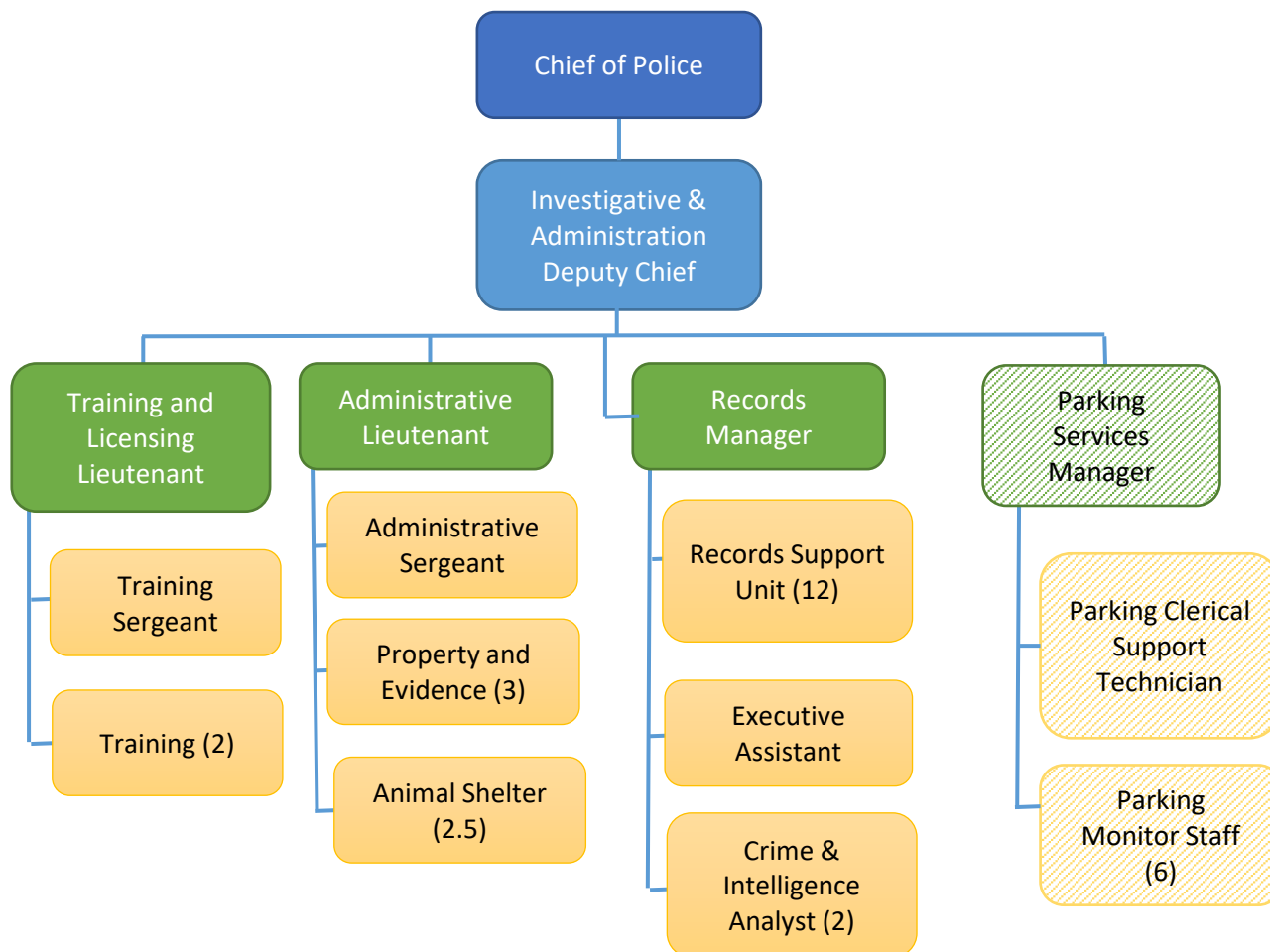


KEY
 Solid = General Fund
 Patterned = Non-General Fund

City of Duluth Minnesota - 2020 Budget

Police Department

Organization Chart - Continued



KEY
Solid = General Fund
Patterned = Non-General Fund

City of Duluth Minnesota - 2020 Budget

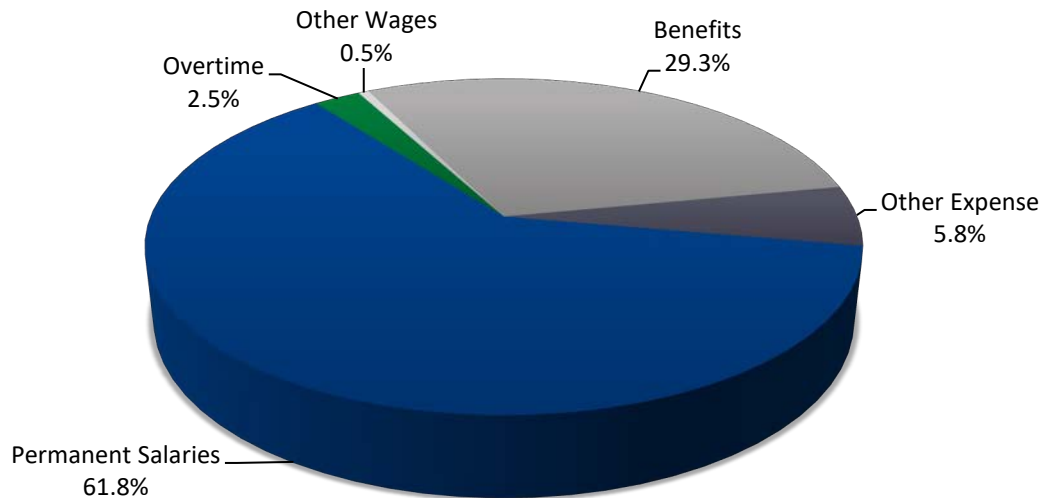
Police

City Priority: Safe and Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Actual	2020 Projected
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	2,741	2,269	3,610	3,742
	Priority one response time (min/sec)	0:07:52	0:07:15	0:06:59	0:06:29
	Number of priority two calls	9,872	7,668	9,714	8,927
	Priority two response time (min/sec)	0:12:01	0:17:02	0:12:26	0:14:14
	Number of sexual/aggravated assaults/robberies (Aggravated Assault, Rape, Robbery)	289	313	295	305
	Total number of investigations initiated.	3,595	2,636	2,873	2,313
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	4,146	4,043	3,987	3,900
	Number of part II crimes	6,442	6,401	6,876	7,007
	Number of part I and II crimes	10,588	10,444	10,863	10,907
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	730
	Number of shelter intake other animals		22	8	15
	Number of owner claimed dogs/cats		252	262	260
	Number of transferred dogs/cats		453	425	440

City of Duluth Minnesota - 2020 Budget

Police Department 2020 Approved Budget by Expenditure Category



Expenditures by Category	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Permanent Salaries	12,921,986	13,769,473	14,183,800	14,852,500	668,700
Overtime	752,680	806,069	575,000	597,300	22,300
Other Wages	110,197	138,765	131,600	131,600	-
Total Personal Services	13,784,864	14,714,307	14,890,400	15,581,400	691,000
Benefits	5,628,115	6,152,081	6,501,600	7,047,700	546,100
Other Expense	1,419,599	1,306,908	1,357,600	1,392,000	34,400
Department Total	20,832,577	22,173,295	22,749,600	24,021,100	1,271,500

Budgeted FTE's	2017	2018	2019	2020	Difference
	184.14	182.14	182.14	180.50	(1.64)

City of Duluth Minnesota - 2020 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	2017	2018	2019	2020	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	3.00	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
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	1.00	-	(1.00)
33 Elec Tech Leadworker	1.00	1.00	1.00	-	(1.00)
124 Police Records Tech I	3.00	2.00	1.00	2.00	1.00
126 Information Tech	1.00	1.00	1.00	-	(1.00)
128 Police Records Tech II	7.00	7.00	8.00	6.00	(2.00)
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	0.64	-	(0.64)
133 Budget & Ops Analyst	1.00	1.00	1.00	-	(1.00)
133 Sr Police Records Tech	1.00	1.00	1.00	1.00	-
Budget & Grants					
134 Analyst	-	-	-	1.00	1.00
326 Police Officer	68.00	68.00	71.00	68.00	(3.00)
327 Police Investigator	53.00	53.00	50.00	53.00	3.00
328 Sergeant	22.00	22.00	22.00	22.00	-
Department Total	184.14	182.14	182.14	180.50	(1.64)

City of Duluth Minnesota - 2020 Budget

Expenditures	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Personal Services					
Permanent Salaries	12,921,986	13,769,473	14,183,800	14,852,500	668,700
Overtime	752,680	806,069	575,000	597,300	22,300
Other Wages	110,197	138,765	131,600	131,600	-
Total Salaries	13,784,864	14,714,307	14,890,400	15,581,400	691,000
Benefits	5,628,115	6,152,081	6,501,600	7,047,700	546,100
Other Expense					
Materials & Supplies	390,775	433,282	356,100	394,300	38,200
Services	142,784	135,844	148,100	164,100	16,000
Utilities & Maintenance	316,423	308,305	307,900	292,100	(15,800)
Other	569,618	429,477	545,500	541,500	(4,000)
Total Other Expense	1,419,599	1,306,908	1,357,600	1,392,000	34,400
Department Total	20,832,577	22,173,295	22,749,600	24,021,100	1,271,500

General Fund Expenditure Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
Police Department				
PERSONAL SERVICES				
5100 Permanent Salaries	12,921,986	13,769,473	14,183,800	14,852,500
5101 Premium Pay	752,680	806,069	575,000	597,300
5103 Other Wages	105,691	137,522	131,600	131,600
5111 Long-Term Disability Wages	4,506	1,242	-	-
TOTAL	13,784,864	14,714,307	14,890,400	15,581,400
EMPLOYEE BENEFITS				
5121 PERA Retirement	2,048,812	2,178,878	2,328,400	2,494,300
5122 FICA - Social Security	94,180	98,099	101,300	96,600
5123 FICA - Medicare	193,471	206,506	215,600	225,900
5125 Dental Insurance	65,448	65,735	67,800	67,100
5126 Life Insurance	28,526	28,633	32,800	32,500
5127 Health Care Savings Plan (HCSP)	442,505	593,037	387,400	516,800
5130 Cafeteria Plan Benefits	2,754,213	2,980,104	3,367,100	3,613,300
5133 Health or Fitness Program	960	1,088	1,200	1,200
TOTAL	5,628,115	6,152,081	6,501,600	7,047,700

City of Duluth Minnesota - 2020 Budget

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
OTHER EXPENDITURES				
5200 Office Supplies	17,003	17,982	20,000	20,000
5201 Computer Supplies/Software	1,601	1,032	2,000	1,500
5202 Audiovisual & Photography	311	1,000	1,000	1,000
5205 Safety & Training Materials	928	1,872	1,500	1,500
5211 Cleaning/Janitorial Supplies	13,955	6,416	2,000	-
5212 Motor Fuels	210,228	241,559	207,000	257,200
5214 Food for Animals	2,425	1,425	2,500	2,000
5217 Ammunition	39,706	45,975	50,000	50,000
5218 Uniforms	79,039	52,229	39,100	34,100
5219 Other Miscellaneous Supplies	15,184	57,347	20,000	20,000
5220 Repair & Maintenance Supplies	9,277	2,856	9,000	5,000
5241 Small Equip-Office/Operating	1,119	3,590	2,000	2,000
5305 Medical Svcs/Testing Fees	711	1,080	1,000	1,000
5319 Other Professional Services	46,987	33,313	32,000	30,000
5320 Data Services	6,069	29,445	46,600	36,000
5321 Phone Service	74,066	57,243	53,000	81,600
5322 Postage	1,579	963	2,000	1,500
5331 Travel/Training	5,096	5,543	5,000	5,000
5355 Printing & Copying	2,821	2,527	3,000	4,000
5356 Copier, Printer Lease & Supplies	2,659	3,195	2,500	2,500
5384 Refuse Disposal	2,797	2,536	3,000	2,500
5401 Bldg/Structure Repair & Mtc	6,100	1,972	-	-
5404 Equipment/Machinery Repair & Mtc	7,339	-	-	-
5409 Fleet Services Charges	302,983	306,333	307,900	292,100
5411 Land Rental/Easements	1,000	1,000	-	-
5414 Software Licenses & Mtce Agreements	194,947	186,191	327,000	327,000
5433 Dues & Subscription	3,468	3,851	4,000	4,000
5435 Books & Pamphlets	135	-	-	-
5437 Automated Pawn System	20,987	21,286	11,500	11,500
5438 Licenses	5,310	5,486	5,500	5,500
5441 Other Services & Charges	33,635	29,970	37,000	32,000
5443 Board & Meeting Expenses	1,253	842	1,000	2,000
5448 Police Training	88,957	58,965	157,000	157,000
5460 Law Enforcement Center Expenses	217,426	109,387	-	-
5490 Donations to Civic Organizations	2,500	2,500	2,500	2,500
5580 Capital Equipment	-	9,999		
TOTAL	1,419,599	1,306,908	1,357,600	1,392,000
DEPARTMENT TOTAL	20,832,577	22,173,295	22,749,600	24,021,100

City of Duluth Minnesota - 2020 Budget

General Fund Revenue Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
Police Department				
REVENUE SOURCE				
4209 Federal Grant	10,647	17,637	-	-
4210 Pass-thru Federal Grant	81,279	20,617	-	-
4220 State of Minnesota	11,584	16,143	-	-
4227 Police Training Reimbursement	47,689	42,938	50,000	50,000
4232 State Insurance Premium	1,507,945	1,549,238	1,300,000	1,230,000
4261 ISD 709	226,525	237,828	228,400	230,900
4322 Animal Shelter Fees	12,350	15,030	12,000	12,000
4326 Criminal History Checks	318	288	400	400
4328 Pawnbroker Transaction Surcharge	44,403	38,561	45,000	40,000
4329 False Alarm Fees & Penalties	15,867	23,914	18,000	18,000
4631 Media Sales	597	1,248	1,500	1,200
4650 Salaries Reimbursement	23,584	36,993	20,000	20,000
4654 Other Reimbursements	25,561	13,249	15,000	15,000
4655 Drug Task Force Reimbursement	15,896	75,453	-	-
4660 Gifts and Donations	2,867	1,120	-	-
4730 Transfer from Tourism Taxes	307,100	332,100	307,100	307,100
4730 Transfer from Police Grant Fund	696,014	878,674	828,200	916,200
4730 Transfer from Police Grant Fund - OT	159,367	208,354	136,000	152,300
DEPARTMENT TOTAL	3,189,593	3,509,384	2,961,600	2,993,100

City of Duluth Minnesota - 2020 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.

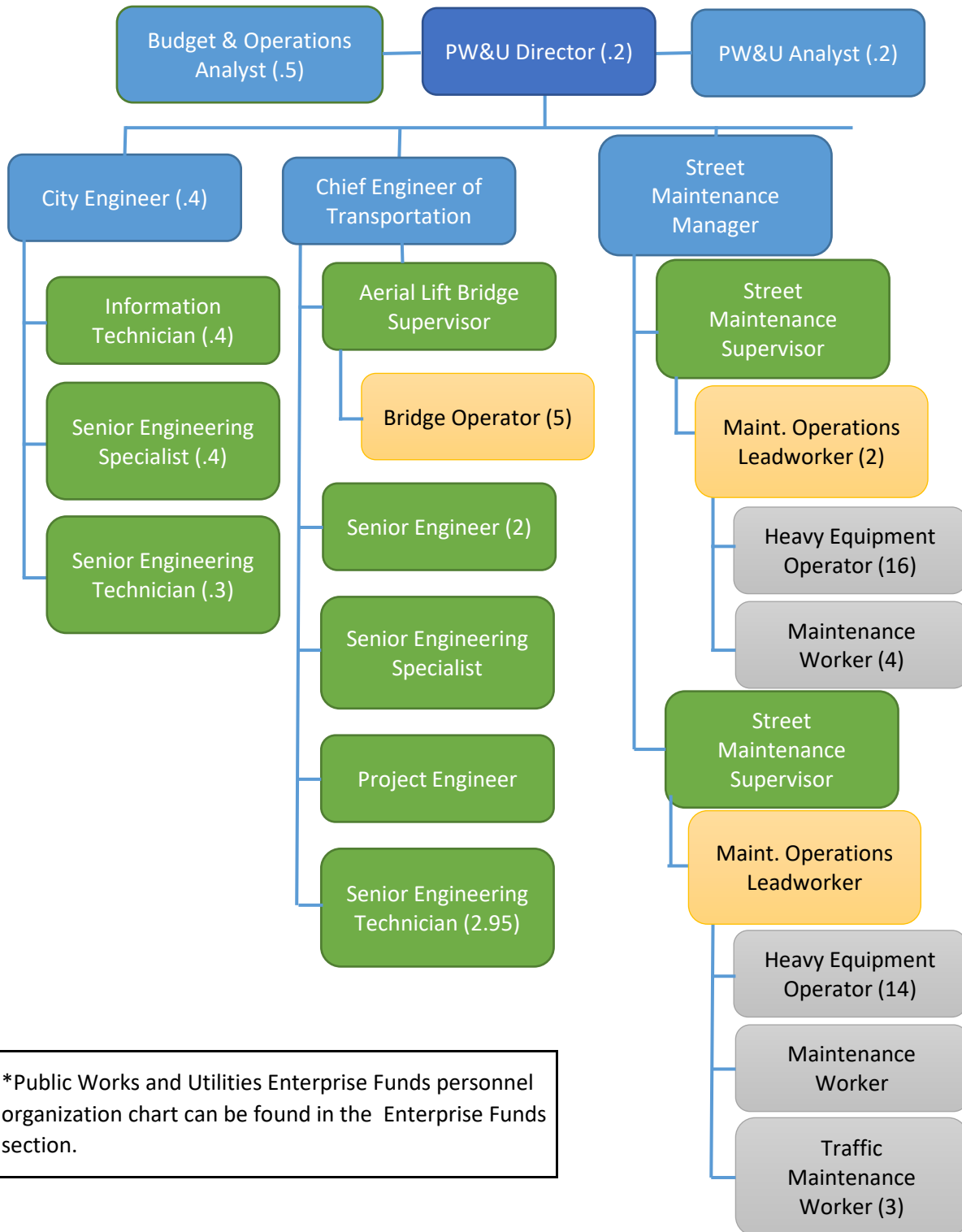
Structure

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 - 2020 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 - 2020 Budget

Director's Office & Capital Divisions

City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 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	\$ 2,837,203
	Gas Fund	\$ 331,866	\$ 1,886,098	\$ 4,377,595	\$ 4,278,595
	Sanitary Sewer Fund	\$ 279,605	\$ 1,836,814	\$ 2,307,761	\$ 1,728,161
	Clean Water Fund	\$ 759,616	\$ 805,442	\$ 695,542	\$ 580,442
	Stormwater Fund	\$ 889,030	\$ 1,509,373	\$ 1,341,897	\$ 846,297

City Priority: Infrastructure

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 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	\$ 2,919	\$ 2,548	\$ 4,966	\$ 5,504
	Gas Fund	\$ 3,507	\$ 3,596	\$ 2,690	\$ 3,853
	Sanitary Sewer Fund	\$ 1,008	\$ 2,359	\$ 2,128	\$ 6,498
	Stormwater Fund	\$ 578	\$ 765	\$ 1,362	\$ 1,378

City of Duluth Minnesota - 2020 Budget

Utility Operations Division

City Priority: Infrastructure

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 Projected
Utilities: Design, build, improve and proactively maintain a utility infrastructure system that provides safe, affordable and reliable water, sewer, storm drainage, natural gas, steam and hot water services to the community	Water Main Breaks Repaired	70	104	114	96
	Gas Services & Mains - Valves inspected and operated	367	516	445	440
	Sanitary Pipe cleaned (ft)	532,262	485,456	397,142	470,000
Water Quality: Protect water resources in order to maintain water quality of streams, aquifers and to preserve existing hydrology patterns.	Ditch line restored (ft)	10,945	8,595	3,063	7,500

City Priority: Safe & Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 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	3,469	3,427	3,400	3,400
	Water Hydrants Repaired/Replaced	107	160	185	150
	Inflow and Infiltration Home Inspections	511	1,807	1,932	1,400

City of Duluth Minnesota - 2020 Budget

Customer Service Division

City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 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	7,787	8,138	8,781	8,300
Trust and Engagement: Develops sustainable fiscal and operational policies which foster trust and transparency by ensuring accountability, efficiency, integrity, innovation, and best practices in all operations.	Water Meters tested/repared	590	703	806	700
	Gas Meters tested/repared	253	1773	1487	1100

City Priority: Safe & Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 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	16,618	13,969	22,220	22,000

City of Duluth Minnesota - 2020 Budget

Engineering

City Priority: Infrastructure

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 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	9	10	12	6
	Gas Projects	9	11	14	7
	Sanitary Sewer Projects	11	4	13	6
	Stormwater Projects	3	6	7	6
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	8	15	7	19
	Paving (Miles)	11.44	5.49	2.53	17

City Priority: Safe & Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 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	9,118	9,298	9,721	10,100

City of Duluth Minnesota - 2020 Budget

Street Maintenance

City Priority: Safe and Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 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)	5613	5088	5776	6000
	Crack Sealing (miles)	5.75	2.11	64.7	75
	Traffic Line, Symbols & Crosswalk Painting (Gallons of paint used)	6415	7515	8015	8150

City Priority: Infrastructure

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 Projected
Water Quality: Protect water resources in order to maintain water quality of streams, aquifers and to preserve existing hydrology patterns.	Street sweeping (miles)	1,854	2,088	2,223	2,200

City of Duluth Minnesota - 2020 Budget

Street Lighting

City Priority: Infrastructure

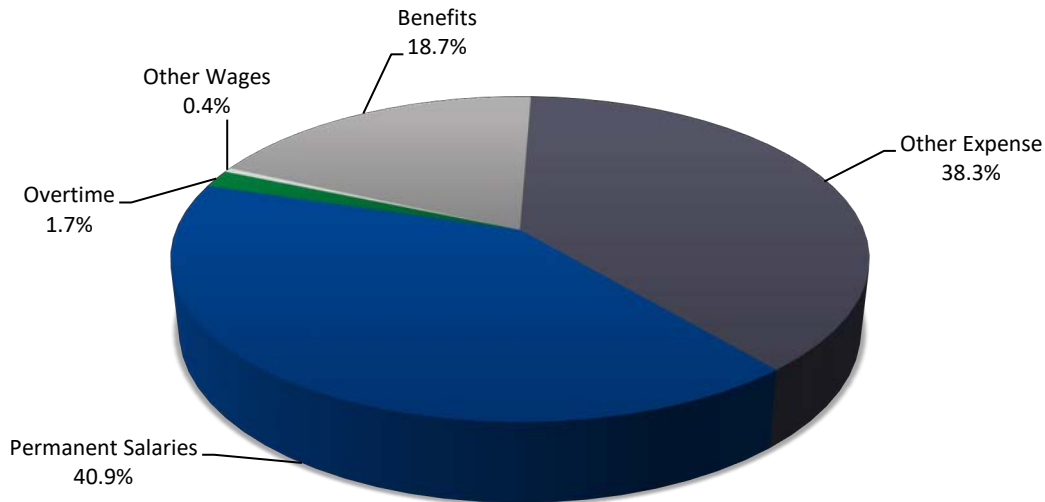
<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 Projected
Transportation: Continually invest in building and improving a well-designed, well-maintained, accessible transportation system of safe and sustainable roadways, street lights, sidewalks and bridges	Number of traffic signals maintained	120	120	120	120
	Residential Street Lights	3700	3700	3700	3700

City Priority: Livable Neighborhoods and Affordable Housing

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 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	3300	3350

City of Duluth Minnesota - 2020 Budget

Public Works & Utilities - General Operations 2020 Approved Budget by Expenditure Category



Expenditures by Category	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Permanent Salaries	3,657,421	3,835,601	3,913,700	4,078,200	164,500
Overtime	246,108	290,528	173,000	173,000	-
Other Wages	32,081	26,976	35,100	42,400	-
Total Personal Services	3,935,610	4,153,105	4,121,800	4,293,600	171,800
Benefits	1,553,923	1,612,831	1,713,000	1,865,100	152,100
Other Expense	3,400,139	3,473,591	3,712,600	3,821,400	108,800
Department Total	8,889,673	9,239,527	9,547,400	9,980,100	432,700

Expenditures by Division	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Director's Office	54,392	100,622	103,800	109,600	5,800
Street Maintenance	7,070,092	7,276,559	7,556,700	7,934,600	377,900
Engineering	1,765,189	1,862,346	1,886,900	1,935,900	49,000
Department Total	8,889,673	9,239,527	9,547,400	9,980,100	432,700

Budgeted FTE's	2017	2018	2019	2020	Difference
	62.2	60.4	60.4	60.4	-

City of Duluth Minnesota - 2020 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	2017	2018	2019	2020	Difference
1170 Director	0.20	0.20	0.20	0.20	-
33 PW&U Analyst Budget & Operations	0.20	0.20	0.20	0.20	-
133 Analyst	-	0.50	0.50	0.50	-
Division Total	0.40	0.90	0.90	0.90	-

Expenditures	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Personal Services					
Permanent Salaries	43,341	73,684	76,000	79,800	3,800
Overtime	472	392	-	-	-
Other Wages	-	-	-	-	-
Total Salaries	43,814	74,076	76,000	79,800	3,800
Benefits	9,757	25,685	27,000	29,000	2,000
Other Expense					
Materials & Supplies	200	88	200	200	-
Services	384	529	500	400	-
Other	238	245	100	200	-
Total Other Expense	821	862	800	800	
Division Total	54,392	100,622	103,800	109,600	5,800

City of Duluth Minnesota - 2020 Budget

General Fund Expenditure Detail	2017	2018	2019	2020
	Actual	Actual	Budget	Approved
Public Works Director - 110-500-1900				
PERSONAL SERVICES				
5100 Permanent Salaries	43,341	73,684	76,000	79,800
5101 Premium Pay	472	392	-	-
5103 Other Wages	-	-	-	-
TOTAL	43,814	74,076	76,000	79,800
EMPLOYEE BENEFITS				
5121 PERA Retirement	3,142	5,368	5,600	5,900
5122 FICA - Social Security	2,588	4,317	4,700	4,900
5123 FICA - Medicare	634	1,059	1,100	1,200
5125 Dental Insurance	149	327	300	300
5126 Life Insurance	65	146	200	200
5127 Health Care Savings Plan (HCSP)	1,413	2,044	900	1,100
5130 Cafeteria Plan Benefits	1,766	12,424	14,200	15,400
TOTAL	9,757	25,685	27,000	29,000
OTHER EXPENDITURES				
5200 Office Supplies	100	88	100	100
5241 Small Equip-Office/Operating	100	-	100	100
5321 Phone Service	120	120	100	100
5331 Travel/Training	-	211	100	100
5335 Local Mileage Reimbursement	264	198	300	200
5433 Dues & Subscription	238	245	100	200
TOTAL	821	862	800	800
DIVISION TOTAL	54,392	100,622	103,800	109,600

City of Duluth Minnesota - 2020 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	2017	2018	2019	2020	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	6.00	5.00	5.00	4.00	(1.00)
27 Heavy Equip Operator	30.00	30.00	30.00	31.00	1.00
Traffic Maintenance					
27 Worker	3.00	3.00	3.00	3.00	-
32 Maintenance Ops Lead	3.00	3.00	3.00	3.00	-
Budget & Operations					
133 Analyst	0.50	-	-	-	-
Division Total	45.50	44.00	44.00	44.00	-

Expenditures	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Personal Services					
Permanent Salaries	2,468,730	2,586,075	2,655,200	2,775,700	120,500
Overtime	181,199	183,855	117,000	117,000	-
Other Wages	19,957	8,335	10,000	10,000	-
Total Salaries	2,669,885	2,778,264	2,782,200	2,902,700	120,500
Benefits	1,124,529	1,123,937	1,211,000	1,348,800	137,800
Other Expense					
Materials & Supplies	1,543,508	1,361,082	1,695,300	1,676,700	(18,600)
Services	30,122	49,632	45,300	39,900	(5,400)
Utility & Mtc	1,112,989	1,501,237	1,353,900	1,438,100	84,200
Other	589,058	462,407	469,000	528,400	59,400
Total Other Expense	3,275,677	3,374,358	3,563,500	3,683,100	119,600
Division Total	7,070,092	7,276,559	7,556,700	7,934,600	377,900

City of Duluth Minnesota - 2020 Budget

General Fund Expenditure Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
Street Maintenance - 110-500-1920				
PERSONAL SERVICES				
5100 Permanent Salaries	2,468,730	2,586,075	2,655,200	2,775,700
5101 Premium Pay	181,199	183,855	117,000	117,000
5103 Other Wages	11,362	835	-	-
5118 Meal Allowance	8,595	7,500	10,000	10,000
TOTAL	2,669,885	2,778,264	2,782,200	2,902,700
EMPLOYEE BENEFITS				
5121 PERA Retirement	194,583	197,005	203,200	212,800
5122 FICA - Social Security	162,662	166,047	171,900	179,300
5123 FICA - Medicare	38,042	38,850	40,200	41,900
5125 Dental Insurance	16,096	16,081	16,100	16,400
5126 Life Insurance	7,020	6,993	7,800	7,900
5127 Health Care Savings Plan (HCSP)	75,149	48,880	51,400	53,600
5130 Cafeteria Plan Benefits	630,527	649,391	720,400	836,900
5133 Health or Fitness Program	450	690	-	-
TOTAL	1,124,529	1,123,937	1,211,000	1,348,800
OTHER EXPENDITURES				
5200 Office Supplies	567	2,423	1,500	1,500
5201 Computer Supplies/Software	1,739	318	2,000	2,000
5205 Safety & Training Materials	13,735	8,739	12,000	12,000
5210 Plant/Operating Supplies	12,192	15,869	17,000	17,000
5211 Cleaning/Janitorial Supplies	4,894	4,230	6,000	6,000
5212 Motor Fuels	228,726	269,579	250,000	285,400
5215 Shop Materials	-	1,497	1,600	2,000
5218 Uniforms	11,497	15,543	13,100	13,100
5219 Other Miscellaneous Supplies	17,356	13,635	17,600	17,600
5220 Repair & Maintenance Supplies	6,032	4,870	10,000	10,000
5222 Blacktop	188,621	235,584	241,000	-
5223 Salt & Sand	840,241	551,982	856,700	1,020,000
5224 Gravel & Other Misc Materials	93,172	114,503	130,700	133,600
5226 Sign & Signal Materials	45,995	41,649	64,000	64,000
5228 Painting Supplies	65,116	71,888	65,100	85,500
5240 Small Tools	4,961	3,538	5,000	5,000
5241 Small Equip-Office/Operating	8,664	5,236	2,000	2,000
5320 Data Services	2,709	4,336	3,000	6,600
5321 Phone Service	2,530	2,173	2,200	2,600

City of Duluth Minnesota - 2020 Budget

General Fund Expenditure Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
Street Maintenance - 110-500-1920 continued				
5331 Travel/Training	3,888	3,249	7,000	7,000
5335 Local Mileage Reimbursement	14,644	13,824	16,000	16,000
5356 Copier, Printer Lease & Supplies	163	56	600	500
5384 Refuse Disposal	6,188	25,994	16,500	7,200
5409 Fleet Services Charges	1,112,989	1,501,237	1,353,900	1,438,100
5412 Building Rental	161,683	41,947	45,000	45,000
5414 Software Licenses & Mtce Agreements	35,746	35,079	35,500	33,500
5415 Vehicle/Equip Rent (Short Term)	23,085	26,826	28,300	34,000
5418 Vehicle/Equip Rent (Long Term)	350,892	350,892	352,000	400,000
5419 Other Rentals	1,275	-	-	-
5441 Other Services & Charges	16,377	7,662	8,200	15,900
TOTAL	3,275,677	3,374,358	3,563,500	3,683,100
DIVISION TOTAL	7,070,092	7,276,559	7,556,700	7,934,600
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	143,500	138,411	138,400	138,400
4261 ISD 709	29,137	23,992	25,000	28,000
4500 Assessments	-	-	-	-
4636 Sale of Materials	3,232	14,137	6,000	5,000
4654 Other Reimbursements	26,076	29,805	26,000	26,000
4680 Damage or Losses Recovered	-	230	-	-
4730 Transfer from Tourism Taxes	300,000	300,000	300,000	300,000
4730 Transfer from Enterprise Funds	643,834	9,600	9,600	9,600
4730 Transfer from Public Utility Funds	-	694,704	865,000	865,000
DIVISION TOTAL	2,679,179	2,749,280	2,903,400	2,905,400

City of Duluth Minnesota - 2020 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	2017	2018	2019	2020	Difference
1140 City Engineer	0.40	0.40	0.40	0.40	-
1140 Chief Eng Transportator	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.	3.75	3.15	3.15	3.15	-
34 Sr. Engineering Spec.	1.20	1.20	1.20	1.20	-
36 Project Engineer	2.00	2.00	2.00	2.00	-
39 Sr Project Engineer	1.00	1.00	1.00	1.00	-
126 Information Technician	0.60	0.40	0.40	0.40	-
Division Total	16.25	15.45	15.45	15.45	-

Expenditures	2017 Actual	2018 Actual	2019 Budget	2020 Approved	Difference
Personal Services					
Permanent Salaries	1,145,350	1,175,842	1,182,500	1,222,700	40,200
Overtime	64,436	106,281	56,000	56,000	-
Other Wages	12,125	18,642	25,100	32,400	7,300
Total Salaries	1,221,911	1,300,765	1,263,600	1,311,100	47,500
Benefits	419,637	463,209	475,000	487,300	12,300
Other Expense					
Materials & Supplies	29,679	15,514	44,800	39,400	(5,400)
Services	45,091	44,401	53,900	50,800	(3,100)
Utility & Mtc	24,310	12,895	17,400	18,900	1,500
Other	24,561	25,562	32,200	28,400	(3,800)
Total Other Expense	123,641	98,372	148,300	137,500	(10,800)
Division Total	1,765,189	1,862,346	1,886,900	1,935,900	49,000

City of Duluth Minnesota - 2020 Budget

General Fund Expenditure Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
Engineering - 110-500-1930				
PERSONAL SERVICES				
5100 Permanent Salaries	1,145,350	1,175,842	1,182,500	1,222,700
5101 Premium Pay	64,436	106,281	56,000	56,000
5103 Other Wages	12,125	18,642	25,100	32,400
TOTAL	1,221,911	1,300,765	1,263,600	1,311,100
EMPLOYEE BENEFITS				
5118 Meal Allowance	250	473	200	200
5121 PERA Retirement	88,208	94,499	91,000	94,100
5122 FICA - Social Security	73,543	78,600	78,400	81,700
5123 FICA - Medicare	17,200	18,382	18,400	19,100
5125 Dental Insurance	5,970	5,877	5,800	5,700
5126 Life Insurance	2,600	2,559	2,800	2,800
5127 Health Care Savings Plan (HCSP)	20,754	40,008	37,200	20,300
5130 Cafeteria Plan Benefits	211,019	222,717	241,200	263,400
5133 Health or Fitness Program	93	93	-	-
TOTAL	419,637	463,209	475,000	487,300
OTHER EXPENDITURES				
5200 Office Supplies	2,128	1,518	2,800	1,900
5201 Computer Supplies/Software	543	(1,622)	300	200
5203 Paper/Stationery/Forms	56	94	500	500
5205 Safety & Training Materials	355	1,703	2,200	1,500
5211 Cleaning/Janitorial Supplies	95	619	800	700
5212 Motor Fuels	3,596	2,834	4,200	3,100
5218 Uniforms	795	725	800	800
5219 Other Miscellaneous Supplies	598	309	400	300
5220 Repair & Maintenance Supplies	15,680	6,776	15,700	18,000
5240 Small Tools	334	480	3,400	4,400
5241 Small Equip-Office/Operating	3,759	2,079	5,100	3,100
5242 Survey Equipment and Supplies	1,740	-	8,600	4,900
5303 Engineering Services	17,455	27,543	31,500	34,000
5319 Other Professional Services	-	-	500	500
5320 Data Services	1,563	3,384	2,600	2,700
5321 Phone Service	3,753	4,083	4,300	4,300
5322 Postage	-	7	100	100
5331 Travel/Training	19,527	6,776	11,000	5,900

City of Duluth Minnesota - 2020 Budget

General Fund Expenditure Detail	2017	2018	2019	2020
	Actual	Actual	Budget	Approved
Engineering - 110-500-1930 continued				
5335 Local Mileage Reimbursement	990	434	1,000	800
5355 Printing & Copying	1,099	973	1,000	500
5356 Copier, Printer Lease & Supplies	271	751	1,500	1,500
5384 Refuse Disposal	432	451	400	500
5404 Equipment/Machinery Repair & Mtc	20,496	10,574	10,600	13,100
5409 Fleet Services Charges	3,814	2,321	6,800	5,800
5411 Land Rental/Easements	-	-	1,000	1,000
5414 Software Licenses & Mtce Agreement	17,977	16,533	17,400	16,700
5433 Dues & Subscription	191	349	2,700	2,700
5435 Books & Pamphlets	-	8	700	400
5438 Licenses	-	326	-	600
5441 Other Services & Charges	5,985	7,935	10,000	6,600
5450 Laundry	408	410	400	400
TOTAL	123,641	98,372	148,300	137,500
DIVISION TOTAL	1,765,189	1,862,346	1,886,900	1,935,900
REVENUE SOURCE				
4152 Excavation Permits	12,320	17,012	15,000	15,000
4170 Miscellaneous Permits	39,292	49,661	35,000	99,000
4370 Engineering Services	264,862	163,728	363,000	300,000
4631 Media Sales	203	412	100	100
4654 Other Reimbursements	-	-	100	100
4730 Transfer from Tourism Taxes	57,000	57,000	57,000	57,000
DIVISION TOTAL	373,676	287,813	470,200	471,200

City of Duluth Minnesota - 2020 Budget

Transfers and Other Functions

This 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
EXPENDITURES				
Citywide Dues & Lobbying	105,042	111,968	83,700	124,500
Citywide Communications	173,747	186,168	236,800	236,800
Miscellaneous	159,859	194,038	272,700	208,900
Civic Affairs and Awards	19,889	18,395	65,500	65,500
Business Improvement Dist.	375,037	378,233	300,000	370,000
Public Access Television	182,000	182,000	182,000	182,000
Sales Tax Administration	99,675	103,346	120,000	120,000
Other Services and Charges	-	174	-	-
Capital Program - CEP	525	895,503	-	47,000
Interfund Transfers to Capital Proj Funds	-	105,000	-	-
Unemployment Compensation	7,742	18,018	27,500	27,500
Benefits Administration	84,872	78,684	100,000	123,000
Retiree Insurance	7,197,012	7,615,562	7,399,100	7,399,100
Self Insurance Contribution	1,000,000	1,200,000	1,400,000	1,400,000
MN PERA Contribution Employer Exp	-	419,103	-	-
Accruals	-	31,425	500,000	500,000
Interfund Transfers to Special Rev Funds	-	-	-	50,000
DEPARTMENT TOTAL	9,405,400	11,537,616	10,687,300	10,854,300
REVENUE SOURCE				
4233 State of MN PERA Contribution	-	419,103	-	-
4500 Assessments - Service Charge	369,929	378,378	300,000	300,000
4501 Assessment Penalty & Interest	282	-	-	-
4639 Sale of Equipment	56,480	49,977	-	-
4640 Sale of Land	133,189	3,596	-	-
4654 Other Reimbursements	378	223,529	-	-
4660 Gifts and Donations	1,000	-	-	-
4730 Transfer from Special Revenue	457,945	529,225	425,000	425,000
4730 Transfer from Debt Service	34,938	58,383	-	-
DEPARTMENT TOTAL	1,054,141	1,662,190	725,000	725,000

Special Revenue Funds

City of Duluth Minnesota - 2020 Budget

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.

Funds

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

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	82,633,870	95,152,487	95,160,824	98,949,177
REVENUES				
Taxes	17,743,599	19,271,269	19,174,300	26,644,600
Intergovernmental	11,208,924	10,913,925	11,612,302	9,796,591
Miscellaneous	34,676,833	21,011,705	26,815,970	25,603,728
TOTAL REVENUES	63,629,356	51,196,899	57,602,572	62,044,919
EXPENSES				
Personal Services	14,377,160	16,011,276	16,253,816	17,178,295
Other Services and Charges	7,005,240	6,266,620	9,283,873	7,037,907
Interfund Transfers	14,153,316	15,883,232	14,363,160	21,628,137
Miscellaneous	15,575,023	13,027,434	13,913,370	11,900,156
TOTAL EXPENSES	51,110,739	51,188,562	53,814,219	57,744,495
FUND BALANCE - DECEMBER 31	95,152,487	95,160,824	98,949,177	103,249,601

City of Duluth Minnesota - 2020 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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	(446,628)	(393,972)	(410,992)	(410,992)
REVENUES				
Intergovernmental, State of MN	160,000	160,000	160,000	190,000
Admissions	632,161	610,444	848,195	1,150,007
Concessions & Commissions, Misc	200,846	226,949	233,610	243,560
Reimbursement, Lake Superior Zoological Society	71,295	-	72,500	159,470
Gifts and Donations	8,626	12,868	50,000	76,820
Other Sources	10,987	18,656	10,930	11,210
Interfund Transfer from Tourism Tax	710,000	510,000	510,000	510,000
TOTAL REVENUES	1,793,915	1,538,917	1,885,235	2,341,067
EXPENSES				
Phone Service	901	837	3,420	3,924
Contract Services, Zoo Personnel	1,098,838	862,646	1,016,501	1,169,794
Contract Services, Op Expenses	611,866	679,908	851,914	963,749
Capital Outlay	18,783	-	-	-
Bank Charges	10,871	12,546	13,400	16,300
Interest	-	-	-	187,300
TOTAL EXPENSES	1,741,259	1,555,937	1,885,235	2,341,067
FUND BALANCE - DECEMBER 31	(393,972)	(410,992)	(410,992)	(410,992)

City of Duluth Minnesota - 2020 Budget

Parks

City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimated	2020 Projected
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.):	\$ 4,055,855	\$ 6,657,670	\$ 5,386,214	\$ 18,837,891
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	N/A	560
	Number of public presentations, panels, etc. Division members participate in/deliver	N/A	N/A	N/A	25

City Priority: Culture and Recreation

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 Projected
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	N/A	229	233
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	N/A	39	41

City of Duluth Minnesota - 2020 Budget

Parks

City Priority: Safe and Secure Community

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 Projected
	Amount invested in community programs	\$ 238,152	\$ 243,615	\$ 244,087	\$ 219,569
	Number of free programs offered	N/A	N/A	N/A	31%
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	N/A	\$ 5,830	\$ 6,100
	Number of tabling/outreach events	N/A	N/A	N/A	25
	Registered Program Participants	N/A	N/A	N/A	905
	Drop-in Program Participants	N/A	N/A	N/A	9,993

City Priority: Infrastructure

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 Projected
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	N/A	6	12

City Priority: Dynamic and Diverse Economy

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 Projected
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	228	263	232	195
	Special Event Permits	101	86	137	120
	Commercial Operator Permits	0	0	4	10
	Building Reservations	268	173	244	275

City of Duluth Minnesota - 2020 Budget

Parks and Recreation

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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	1,254,165	1,456,907	1,602,643	1,599,543
REVENUES				
Property Tax Levy	2,606,841	2,599,941	2,880,000	2,880,000
Intergovernmental Revenue	836,395	795,079	75,000	80,000
Licenses and Permits	67,673	72,339	120,000	64,700
Miscellaneous	147,321	149,460	152,913	141,138
Interfund Transfer	33,857	82,345	-	-
TOTAL REVENUES	3,692,087	3,699,164	3,227,913	3,165,838
EXPENSES				
Personal Services	1,206,902	1,193,526	1,578,700	1,715,800
Other Services and Charges	500,978	685,464	933,013	638,838
Supplies	186,110	185,334	210,000	193,900
Miscellaneous	101,650	57,000	9,300	-
Interfund Transfer	286,430	763,000	-	116,800
Capital Outlay	1,207,275	669,104	500,000	496,911
TOTAL EXPENSES	3,489,345	3,553,427	3,231,013	3,162,249
FUND BALANCE - DECEMBER 31	1,456,907	1,602,643	1,599,543	1,603,132

City of Duluth Minnesota - 2020 Budget

Parks continued

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BUDGETED FTE'S	2017	2018	2019	2020
1105 Manager, Parks & Recreation	1.00	1.00	1.00	1.00
1080 Assistant Manager	1.00	1.00	1.00	2.00
22 Maintenance Worker	0.75	-	-	-
26 Recreation Specialist	2.00	2.00	4.00	4.00
27 Project Technician	-	1.00	1.00	1.00
30 Senior Recreation Specialist	-	1.00	-	-
30 Trails Coordinator	1.00	1.00	1.00	1.00
34 Natural Resources Coordinator	-	0.50	0.50	0.50
34 Project Coordinator	2.00	-	-	-
34 Senior Parks Planner	-	1.00	2.00	1.00
124 Senior Center Coordinator	1.00	1.00	1.00	1.00
127 Administrative Clerical Specialist	-	-	1.00	1.00
129 Administrative Information Specialist	1.00	1.00	-	-
129 Permit Coordinator	1.00	1.00	1.00	1.00
129 Special Events Coordinator	1.00	-	-	-
133 Budget and Operations Analyst	0.20	0.20	0.20	0.20
Division Total	11.95	11.70	13.70	13.70

City of Duluth Minnesota - 2020 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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	934,165	1,248,302	1,596,464	1,596,464
REVENUES				
Intergovernmental	412,092	733,394	232,500	217,500
Miscellaneous	968,614	1,210,926	694,600	749,000
TOTAL REVENUES	1,380,706	1,944,320	927,100	966,500
EXPENSES				
Personal Services	971	-	-	-
Personal Services - Police Extra Duty Pay	292,687	368,354	285,900	295,800
Other Services and Charges	318,364	485,582	154,000	197,800
Interfund Transfer	369,709	431,429	372,500	377,500
Miscellaneous	57,114	68,162	100,600	90,600
Capital Equipment	27,724	242,631	14,100	4,800
TOTAL EXPENSES	1,066,569	1,596,158	927,100	966,500
FUND BALANCE - DECEMBER 31	1,248,302	1,596,464	1,596,464	1,596,464

City of Duluth Minnesota - 2020 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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	34,642	1,026,450	591,505	4,683
REVENUES				
Intergovernmental	1,486,776	1,884,758	1,943,039	1,727,305
Felony Forfeitures	1,309,056	64,594	100,000	100,000
TOTAL REVENUES	2,795,832	1,949,352	2,043,039	1,827,305
EXPENSES				
Other Services and Charges	577,794	698,194	774,944	443,468
Interfund Transfer to General Fund	855,380	1,087,230	962,860	1,256,837
Miscellaneous	275,945	152,377	252,579	127,000
Capital Equipment	94,905	446,496	639,478	-
TOTAL EXPENSES	1,804,024	2,384,297	2,629,861	1,827,305
FUND BALANCE - DECEMBER 31	1,026,450	591,505	4,683	4,683

City of Duluth Minnesota - 2020 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 and the Parking enterprise fund.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	2,717,232	2,305,971	3,371,902	1,894,373
REVENUES				
Earnings on Investments	3,410	21,399	-	-
Bond Proceeds	3,845,855	4,130,676	3,397,471	3,269,445
TOTAL REVENUES	3,849,265	4,152,075	3,397,471	3,269,445
EXPENSES				
Bond Issuance Costs	49,201	36,438	102,529	130,555
Capital Equipment - Nonrolling	1,387,502	1,266,837	1,629,971	1,691,445
Capital Equipment - Rolling	2,823,823	1,782,869	3,142,500	1,578,000
TOTAL EXPENSES	4,260,526	3,086,144	4,875,000	3,400,000
FUND BALANCE - DECEMBER 31	2,305,971	3,371,902	1,894,373	1,763,818

City of Duluth Minnesota - 2020 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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	8,796	10,921	5,454	5,483
REVENUES				
Intergovernmental	593,734	97,737	1,720,000	100,000
Rent Revenues	-	18,616	437,510	177,160
Other Reimbursements	2,146	117	-	-
Other Miscellaneous	18,803	-	-	-
TOTAL REVENUES	614,683	116,470	2,157,510	277,160
EXPENSES				
Economic Development	612,558	121,937	2,157,481	118,970
TOTAL EXPENSES	612,558	121,937	2,157,481	118,970
FUND BALANCE - DECEMBER 31	10,921	5,454	5,483	163,673

City of Duluth Minnesota - 2020 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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	20,216,936	23,155,370	21,868,426	21,868,426
REVENUES				
Investment Earnings	3,396,379	(757,719)	425,000	425,000
TOTAL REVENUES	3,396,379	(757,719)	425,000	425,000
EXPENSES				
Interfund Transfer to General Fund	457,945	529,225	425,000	425,000
TOTAL EXPENSES	457,945	529,225	425,000	425,000
FUND BALANCE - DECEMBER 31	23,155,370	21,868,426	21,868,426	21,868,426

City of Duluth Minnesota - 2020 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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	571,082	312,997	154,063	59,638
REVENUES				
Other Reimbursements	45,000	31,498	50,150	40,000
Miscellaneous	868	1,083	-	-
Interfund Transfer from General Fund	-	8,728	57,000	57,000
Interfund Transfer from Public Utility	75,000	75,000	75,000	75,000
TOTAL REVENUES	120,868	116,309	182,150	172,000
EXPENSES				
Personal Services	81,131	87,696	88,300	102,600
Other Services and Charges	238,319	159,568	188,275	23,800
Miscellaneous	364	1,391	-	-
Interfund Transfer to Special Revenue Funds	30,000	-	-	-
Interfund Transfer to Enterprise Funds	29,139	26,588	-	-
TOTAL EXPENSES	378,953	275,243	276,575	126,400
FUND BALANCE - DECEMBER 31	312,997	154,063	59,638	105,238
BUDGETED FTE'S				
33 Energy Coordinator	1	1	1	1

City of Duluth Minnesota - 2020 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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	1,177,129	577,815	883,624	1,098,824
REVENUES				
Hotel Motel 3%	2,766,812	2,945,351	2,901,000	2,908,200
Hotel Motel 1%	922,271	981,809	963,800	963,600
Add'l. 2.0% Hotel Motel Tax	1,725,055	1,836,021	1,807,200	1,802,300
Add'l. .5% Hotel Motel Tax	431,263	459,005	451,800	450,200
Food & Beverage Tax 1.0%	2,568,215	2,644,699	2,605,733	2,612,100
Food & Beverage Tax .75%	1,926,161	1,983,524	1,954,300	1,959,100
Food & Beverage Tax .5%	1,284,108	1,322,349	1,302,867	1,304,500
Change in Fair Value	2,263.00	(1,384.00)	-	-
Other Reimbursements	353.00	-	-	-
TOTAL REVENUES	11,626,501	12,171,374	11,986,700	12,000,000
EXPENSES				
Duluth Entertainment & Convention Center	98,289	99,361	100,000	110,200
Other Contract Services	49,178	-	-	-
Advertising & Publicity	2,028,067	2,081,291	2,025,000	2,000,000
Business Improvement District	150,000	250,000	200,000	220,000
Great Lakes Aquarium	370,638	360,000	360,000	360,000
Lake Superior Zoological Gardens	710,000	510,000	510,000	510,000
Spirit Mountain	393,971	420,700	420,700	420,700
St. Louis County Heritage & Arts Center	225,666	220,000	220,000	220,000
Duluth Children's Museum	-	-	20,000	20,000
Canal Park Trolley	-	-	55,000	-
Hawk Ridge Bird Observatory	-	-	20,000	20,000
Public Arts	39,800	15,000	15,000	15,000
Duluth Sister Cities International	39,800	40,000	40,000	40,000
Lake Superior & Mississippi Railroad	19,900	20,000	20,000	20,000
Rail Alliance	8,970	15,000	15,000	15,000
Glensheen	49,750	50,000	50,000	50,000

City of Duluth Minnesota - 2020 Budget

Special City Excise and Sales Tax (Tourism Taxes) continued

258

Fourth Fest Fireworks	50,000	50,000	57,000	57,000
Duluth Area Family Y	-	-	-	75,000
Ecolibrium	-	-	-	15,000
Catalyst	-	-	-	50,000
Zeitgeist	-	-	-	30,000
Transfer to General Fund	1,107,741	1,116,668	1,095,000	1,095,000
Interfund Transfer to Capital Project Funds	1,039,270	550,000	550,000	550,000
Interfund Transfer to Debt Service				
- DECC	3,634,668	3,802,277	3,745,700	3,754,900
- Spirit Mountain	500,000	500,000	500,000	500,000
- St Louis River Corridor	1,710,107	1,765,268	1,753,100	1,754,700
TOTAL EXPENSES	12,225,815	11,865,565	11,771,500	11,902,500
Increase (Decrease) Undesignated Fund Balance	(599,314)	305,809	215,200	97,500
FUND BALANCE - DECEMBER 31	577,815	883,624	1,098,824	1,196,324

City of Duluth Minnesota - 2020 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 2020 budget figures represent preliminary estimates only.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	(30,478)	(88,848)	(27,559)	(27,559)
REVENUES				
Home Grant	286,828	581,324	596,143	524,873
TOTAL REVENUES	286,828	581,324	596,143	524,873
EXPENSES				
Tenant Based Rental Assistance	44,340	48,690	110,000	78,731
Community Housing Devel Program	173,231	342,000	125,000	262,437
Rehabilitation	86,566	89,478	301,529	131,218
Administration	41,061	39,867	59,614	52,487
TOTAL EXPENSES	345,198	520,035	596,143	524,873
FUND BALANCE - DECEMBER 31	(88,848)	(27,559)	(27,559)	(27,559)

City of Duluth Minnesota - 2020 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 2020 budget figures represent preliminary estimates only, awaiting the allocation of HUD funds.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	(285,452)	(509,159)	(380,134)	(380,134)
REVENUES				
State of Minnesota	969,999	150,000	-	-
Community Development Block Grant	2,124,328	2,162,509	2,364,628	2,303,948
Emergency Shelter Grant	195,789	419,023	197,842	194,624
Interfund Transfer from Special Revenue Fund	179,422	-	-	-
Miscellaneous reimbursements	380,462	35,963	25,000	20,000
TOTAL REVENUES	3,850,000	2,767,495	2,587,470	2,518,572
EXPENSES				
Economic Development	316,868	318,629	329,654	345,592
Housing	2,484,381	980,749	879,078	1,036,777
Physical Improvements	462,578	505,841	234,650	115,197
Public Service Projects	290,292	378,649	531,754	407,169
Program Administration	519,588	454,602	612,334	613,837
TOTAL EXPENSES	4,073,707	2,638,470	2,587,470	2,518,572
FUND BALANCE - DECEMBER 31	(509,159)	(380,134)	(380,134)	(380,134)

City of Duluth Minnesota - 2020 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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	-	-	-	-
REVENUES				
Community Development Block Grant	522,795	507,520	613,837	693,382
Home Grant	22,249	16,811	52,614	54,111
HRA Environmental	-	-	25,000	25,000
Lead Paint Abatement Grant	6,238	-	-	-
Emergency Shelter Grant	10,614	23,376	14,838	14,096
TOTAL REVENUES	561,896	547,707	706,289	786,589
EXPENSES				
Personal Services	514,154	521,902	621,100	703,700
OPEB	1,669	1,155	2,300	-
Other Services and Charges	46,073	24,650	82,889	82,889
TOTAL EXPENSES	561,896	547,707	706,289	786,589
FUND BALANCE - DECEMBER 31	-	-	-	-
BUDGETED FTE'S				
1155 Director, Planning & Economic Dev.	0.33	0.33	0.33	-
1090 Manager, CD/Housing	0.50	0.50	0.50	0.50
129 Administrative Information Specialist	0.50	0.25	0.25	0.75
129 Planner I	1.00	1.00	2.00	1.00
133 Planner II	2.00	2.00	2.00	2.00
135 Economic Developer	-	-	-	0.75
138 Senior Housing Developer	-	-	-	0.50
138 Senior Planner	1.70	1.00	1.50	1.25
DIVISION TOTAL	6.03	5.08	6.58	6.75

City of Duluth Minnesota - 2020 Budget

Workforce Development

City Priority: Dynamic and Diverse Economy

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 Projected
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	1200	1300
	Percent of enrolled clients pursuing education and training who attained a credential		69%	70%	72%
	Employment placement rate among enrolled clients			81%	79%

City of Duluth Minnesota - 2020 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 2020 budget figures represent preliminary estimates only and are subject to change as grants are appropriated by the State and approved by the City Council.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	218,300	260,155	257,254	257,254
REVENUES				
Miscellaneous	6,850	10,190	-	-
Building Rent	241,910	250,360	237,849	246,575
MN Family Investment Program	926,445	943,380	878,298	902,089
Federal Grant	666,075	696,206	779,041	733,854
State Grant	392,479	422,632	637,025	577,068
Local Grant	8,036	13,826	-	-
Interfund Transfer from General Fund	-	-	-	50,000
Interfund Transfer from Component Unit- DEDA	-	-	-	7,500
TOTAL REVENUES	2,241,795	2,336,594	2,532,213	2,517,086
EXPENSES				
Personal Services	1,398,835	1,474,371	1,483,200	1,657,323
OPEB	5,377	4,648	5,777	3,768
Other Services and Charges	795,728	860,476	1,043,236	855,995
TOTAL EXPENSES	2,199,940	2,339,495	2,532,213	2,517,086
FUND BALANCE - DECEMBER 31	260,155	257,254	257,254	257,254
BUDGETED FTE'S				
1150 Director Workforce Development	-	-	1.00	1.00
1085 Workforce Operations Manager	1.00	1.00	-	1.00
37 Youth Program Tutor	0.30	0.30	-	-
126 Information Technician	2.00	2.00	1.00	1.00
131 Employment Technician	13.75	13.75	13.64	13.64
134 Operations Administrator	1.00	1.00	1.00	-
DIVISION TOTAL	18.05	18.05	16.64	16.64

City of Duluth Minnesota - 2020 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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	(2,008)	13	(7)	(7)
REVENUES				
Senior Employment Program - State	101,375	114,062	211,829	286,885
Senior Aides Program - Federal	251,206	312,006	225,819	225,781
TOTAL REVENUES	352,581	426,068	437,648	512,666
EXPENSES				
Personal Services	337,447	392,728	372,625	483,454
Other Services and Charges	13,113	18,590	65,023	29,212
Interfund Transfer to General Fund	-	14,770	-	-
TOTAL EXPENSES	350,560	426,088	437,648	512,666
FUND BALANCE - DECEMBER 31	13	(7)	(7)	(7)

City of Duluth Minnesota - 2020 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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	49,063,497	57,717,139	56,404,693	61,114,193
REVENUES				
Investment Earnings	1,214,542	1,329,415	1,304,000	1,435,000
Investment Earnings-City Pooled	-	-	400,000	400,000
Change in Fair Value	6,967,672	(3,170,583)	3,000,000	2,000,000
Interfund Transfer from Special Revenue Funds	-	-	8,500	3,500
Contributions- Employer	10,222,267	11,678,484	10,947,491	11,332,518
TOTAL REVENUES	18,404,481	9,837,316	15,659,991	15,171,018
EXPENSES				
Administrative Expenses	3,543	3,853	3,000	3,000
Benefits	9,747,296	11,145,909	10,947,491	11,332,518
TOTAL EXPENSES	9,750,839	11,149,762	10,950,491	11,335,518
FUND BALANCE - DECEMBER 31	57,717,139	56,404,693	61,114,193	64,949,693

City of Duluth Minnesota - 2020 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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	2,846,775	3,531,704	4,175,331	5,108,131
REVENUES				
Investment Earnings Change in Fair Value	(8,155)	(6,943)	-	-
Interfund Transfer from Special Revenue Funds (Tourism)				
- Hotel/Motel Tax	1,708,506	1,818,754	1,696,200	1,795,800
- Food & Beverage Tax	1,926,162	1,983,524	1,906,400	1,959,100
TOTAL REVENUES	3,626,513	3,795,335	3,602,600	3,754,900
EXPENSES				
Miscellaneous	687,734	781,191	-	-
Interfund Transfer to Debt Service	2,253,850	2,370,517	2,669,800	2,751,200
TOTAL EXPENSES	2,941,584	3,151,708	2,669,800	2,751,200
FUND BALANCE - DECEMBER 31	3,531,704	4,175,331	5,108,131	6,111,831

City of Duluth Minnesota - 2020 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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	404,139	476,936	741,505	741,505
REVENUES				
Property Tax	2,756,370	3,747,339	3,000,000	2,500,000
Other Reimbursements	8,739	-	-	-
State of Minnesota Operating Grant	-	9,000	-	-
Earnings On Investments	(1,644)	(1,980)	-	-
Interest Earned-Customer Accounts	1,503	1,013	-	-
Interfund Transfer from Capital Projects	-	9,606	-	-
TOTAL REVENUES	2,764,968	3,764,978	3,000,000	2,500,000
EXPENSES				
Personal Services	234,918	276,210	350,000	350,000
Supplies	527,653	193,010	287,000	561,000
Small Equipment-Office/Operating	-	23,115	-	-
Other Services and Charges	92,095	101,150	111,000	80,000
Non-Capital Improvements	-	14,500	-	-
Uncollectible Accounts	912	-	-	-
Allowance-Uncollectible Accounts	(5,233)	3,414	-	-
Interfund Transfer to Capital Projects	543,646	1,855,454	1,516,000	1,509,000
Interfund Transfer to Debt Service	1,298,181	1,033,556	736,000	-
TOTAL EXPENSES	2,692,171	3,500,409	3,000,000	2,500,000
FUND BALANCE - DECEMBER 31	476,936	741,505	741,505	741,505

City of Duluth Minnesota - 2020 Budget

Street Improvement Sales Tax

291

Additional half percent general sales tax dedicated to street improvement.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	-	-	-	-
REVENUES				
Sales Tax	-	-	-	7,050,000
Use Tax	-	-	-	450,000
TOTAL REVENUES	-	-	-	7,500,000
EXPENSES				
Interfund Transfer to Capital Projects	-	-	-	7,500,000
TOTAL EXPENSES	-	-	-	7,500,000
FUND BALANCE - DECEMBER 31	-	-	-	-

City of Duluth Minnesota - 2020 Budget

Street Lighting Fund

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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	3,900,519	4,012,727	4,275,592	4,368,292
REVENUE				
Taxes	756,503	751,231	1,307,600	1,764,600
Street Lighting Fee	1,393,852	1,381,476	845,000	-
Miscellaneous	90,387	41,951	85,500	45,500
Investment Earnings	5,524	5,491	5,000	4,800
Change in Fair Value Investments	(5,347)	3,083	-	-
Interfund Transfer from Special Rev Funds	29,139	26,588	5,000	-
	2,270,058	2,209,820	2,248,100	1,814,900
EXPENSE				
Personal Services	562,820	550,581	526,500	537,100
Supplies	266,583	136,194	251,200	360,600
Other Services and Charges	404,982	322,812	429,500	433,600
Utilities	673,041	670,451	700,000	670,000
Depreciation	205,727	229,667	211,000	-
Non-Capital Improvements	7,447	-	-	-
Transfers	37,250	37,250	37,200	37,200
Capital	-	-	-	489,500
	2,157,850	1,946,955	2,155,400	2,528,000
FUND BALANCE - DECEMBER 31	4,012,727	4,275,592	4,368,292	3,655,192
BUDGETED FTE'S				
32 Traffic Operations Leadworker	1.0	1.0	1.0	1.0
9 Executive Assistant	0.1	0.1	0.1	0.1
22 Maintenance Worker	1.0	1.0	1.0	1.0
30 Signal Technician	3.0	3.0	3.0	3.0
Fund Total	5.1	5.1	5.1	5.1

Debt Service Funds

City of Duluth Minnesota - 2020 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 as outlined in the budget summary in the Introduction Section of the document.

Funds

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

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	19,734,866	17,586,930	17,168,845	16,147,745
REVENUES				
Taxes and Tax Increment	7,154,780	7,377,932	7,586,400	7,594,500
Special Assessments	771,267	562,441	391,800	276,000
Miscellaneous	223,961	224,392	223,000	111,500
Other Financing Sources	7,809,104	7,554,318	7,126,600	7,357,100
TOTAL REVENUES	15,959,112	15,719,083	15,327,800	15,339,100
EXPENSES				
Debt Service Payments	17,702,282	15,482,073	15,673,800	14,800,500
Miscellaneous	404,766	655,095	675,100	681,500
TOTAL EXPENSES	18,107,048	16,137,168	16,348,900	15,482,000
FUND BALANCE - DECEMBER 31	17,586,930	17,168,845	16,147,745	16,004,845

City of Duluth Minnesota - 2020 Budget

Debt Service Funds Narrative

2019 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, 2019 as it pertains to the City of Duluth is estimated as follows:

Total Gross Bonded Debt	\$144,171,900
Less:	
City - general obligation bonds paid by parking revenues	18,322,000
City - general obligation bonds paid by other revenues	61,020,000
Tax Abatement Bonds	11,770,000
Utility bonds paid from Enterprise Funds	12,794,500
Special assessment bonds	3,125,000
 Net Direct Bonded Debt	 <u>\$37,140,400</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 \$134.0 million.

Year	Amount (in thousands)	Percent of Market Value	Dollars Per Capita
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
2009	\$41,410	0.7	\$476

The preceding table used an estimated taxable market value of \$6,700,241,200 and a population of 86,265, as reported in the 2010 census.

City of Duluth Minnesota - 2020 Budget

Debt Service Funds Narrative

The following tables provide specific information relative to the 2019 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 12/31/2019</u>	<u>2020 Levy Requirements</u>
AAR Abatement	-	-	93,800
Miller Hill Flats Abatement	-	-	9,200
Capstone LLC Abatement	-	-	13,900
Police Station	12/17/2009	13,565,000	1,244,200
Lakewalk & Cross City Equipment	12/18/2013	1,050,000	126,000
Equipment	11/5/2015	1,390,000	726,200
Equipment	11/9/2016	2,240,000	805,800
Equipment	11/21/2017	2,955,000	807,400
Equipment	10/17/2018	3,885,000	825,000
Equipment	2019	3,170,000	734,300
Capital Improvement Projects	11/23/2010	485,000	252,400
Capital Improvement Projects	11/29/2011	620,000	217,600
Capital Improvement Projects	12/18/2013	960,000	208,400
Capital Improvement Projects	10/30/2014	700,000	128,200
Capital Improvement Projects	11/5/2015	1,170,000	182,200
Capital Improvement Projects	11/9/2016	935,000	133,400
Capital Improvement Projects	11/21/2017	1,420,000	183,400
Capital Improvement Projects	10/17/2018	1,310,000	171,000
Capital Improvement Projects	2019	1,200,000	161,700
TOTAL DEBT SERVICE			7,024,100
5% Additional required by law (1)			345,400
			7,369,500
Less: Cash on hand			(386,900)
NET DEBT LEVY - Total required by taxation			6,982,600

(1)

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

City of Duluth Minnesota - 2020 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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	7,332,204	7,489,157	7,531,258	7,578,558
REVENUES				
Property Taxes	6,805,401	6,774,123	6,982,600	6,982,600
Earnings on Investments	(10,019)	(4,465)	-	-
Other Sources	230,331	225,600	223,000	111,500
Transfer from Special Revenue	-	-	-	54,300
Transfer from Capital Project	1,871	5,013	-	-
TOTAL REVENUES	7,027,584	7,000,271	7,205,600	7,148,400
EXPENSES				
Debt Service Payments				
- Bond Principal	5,475,000	5,540,000	5,565,000	5,375,000
- Bond Interest	1,349,581	1,372,988	1,469,200	1,308,300
Other Expenditures				
- Tax Abatement	38,925	37,102	116,900	116,900
- Bond Fees	7,125	8,080	7,200	7,600
TOTAL EXPENSES	6,870,631	6,958,170	7,158,300	6,807,800
FUND BALANCE - DECEMBER 31	7,489,157	7,531,258	7,578,558	7,919,158

City of Duluth Minnesota - 2020 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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	6,592,293	5,990,410	6,320,717	6,249,517
REVENUES				
Earnings on Investments	(4,348)	(5,645)	-	-
Transfer from Special Revenue				
- DECC Improvement	2,253,850	2,308,114	2,314,200	2,402,300
- DECC Improvement - Seawall	-	62,404	355,600	348,900
- Spirit Mountain	500,000	500,000	500,000	500,000
- St. Louis River Corridor	1,710,107	1,765,268	1,353,000	1,754,700
Transfer from Capital Projects				
- Excess Proceeds on Bonds	732,836	4,308	-	-
Funded by Others	-			
- Airport	1,212,112	1,205,270	1,208,400	1,209,600
- Spirit Mountain	16,519	18,819	15,900	17,900
- Seaway Port - Airpark	87,976	89,677	-	-
- Airport - Cirrus	-	567,534	643,800	644,400
TOTAL REVENUES	6,509,052	6,515,749	6,390,900	6,877,800
EXPENSES				
Bond Principal	4,320,000	3,440,000	3,740,000	3,910,000
Bond Interest	2,785,710	2,740,214	2,717,100	2,616,300
Fiscal Agents	5,225	5,228	5,000	4,300
TOTAL EXPENSES	7,110,935	6,185,442	6,462,100	6,530,600
FUND BALANCE - DECEMBER 31	5,990,410	6,320,717	6,249,517	6,596,717

City of Duluth Minnesota - 2020 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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	1,129,867	899,975	525,326	217,226
REVENUES				
Construction Assessments	531,009	387,976	248,700	175,000
Earnings on Investments	49	2,146	-	-
TOTAL REVENUES	531,058	390,122	248,700	175,000
EXPENSES				
Bond Principal	701,000	722,000	530,000	360,000
Bond Interest	58,525	41,346	25,400	12,800
Fiscal Agents	1,425	1,425	1,400	1,000
TOTAL EXPENSES	760,950	764,771	556,800	373,800
FUND BALANCE - DECEMBER 31	899,975	525,326	217,226	18,426

City of Duluth Minnesota - 2020 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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	4,680,502	3,208,887	2,791,544	2,042,044
REVENUES				
Construction Assessments	240,258	174,465	143,100	101,000
Earnings on Investments	3,600	1,111	-	-
Transfer from Capital Project	-	-	-	425,000
Transfer from Special Revenue	1,298,181	1,033,556	735,700	-
TOTAL REVENUES	1,542,039	1,209,132	878,800	526,000
EXPENSES				
Fiscal Agent Fees	1,188	950	1,200	1,000
Bond Principal	2,770,000	1,460,000	1,510,000	1,145,000
Bond Interest	242,466	165,525	117,100	73,100
TOTAL EXPENSES	3,013,654	1,626,475	1,628,300	1,219,100
FUND BALANCE - DECEMBER 31	3,208,887	2,791,544	2,042,044	1,348,944

City of Duluth Minnesota - 2020 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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	-	(1,499)	-	60,400
REVENUES				
Tax increments	349,379	603,809	603,800	611,900
TOTAL REVENUES	349,379	603,809	603,800	611,900
EXPENSES				
Other Miscellaneous Expenditures	1,499	500	-	-
Transfer to General Fund	34,938	58,383	-	-
Transfer to Enterprise Fund	314,441	543,427	543,400	550,700
TOTAL EXPENSES	350,878	602,310	543,400	550,700
FUND BALANCE - DECEMBER 31	(1,499)	-	60,400	121,600

Capital Project Funds

City of Duluth Minnesota - 2020 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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	14,387,247	13,866,697	11,627,889	8,979,756
REVENUES				
Taxes	279,031	277,693	280,000	280,000
Intergovernmental	4,365,813	11,927,884	19,695,879	20,620,500
Miscellaneous	2,406,856	7,318,462	2,166,578	2,563,407
Other Financing Sources	3,210,105	4,059,496	7,837,000	10,649,000
TOTAL REVENUES	10,261,805	23,583,535	29,979,457	34,112,907
EXPENSES				
Current	42,770	129,576	38,250	42,800
Capital Outlay	10,739,584	25,692,767	32,589,340	35,574,500
TOTAL EXPENSES	10,782,354	25,822,343	32,627,590	35,617,300
FUND BALANCE - DECEMBER 31	13,866,697	11,627,889	8,979,756	7,475,363

City of Duluth Minnesota - 2020 Budget

Special Assessment

410

Capital Project fund established to account for improvements which are financed by special assessments. The 2020 budget figures represent preliminary estimates only.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	(196,445)	(276,566)	(219,550)	(179,624)
REVENUES				
Assessment Collections	34,987	57,016	39,926	38,710
TOTAL REVENUES	34,987	57,016	39,926	38,710
EXPENSES				
Improvements Other Than Buildings	115,108	-	-	-
TOTAL EXPENSES	115,108	-	-	-
FUND BALANCE - DECEMBER 31	(276,566)	(219,550)	(179,624)	(140,914)

City of Duluth Minnesota - 2020 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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	(379,773)	885,569	1,230,737	1,230,737
REVENUES				
Current Property Taxes	275,465	274,862	280,000	280,000
Delinquent Property Taxes	3,566	2,831	-	-
Miscellaneous Federal Grants	1,666,059	2,293,655	1,468,400	1,229,200
State of Minnesota	-	-	9,800,000	11,000,000
Municipal State Aid	2,262,371	6,768,755	7,357,000	7,451,300
Investment Earnings	(45)	(10,814)	-	-
Other Sources	67,390	602,042	406,700	-
Special Revenue Funds	1,072,197	569,541	483,700	743,500
Capital Project Funds	125,322	64,000	-	-
Public Utility Funds	-	-	6,056,600	1,090,000
TOTAL REVENUES	5,472,325	10,564,872	25,852,400	21,794,000
EXPENSES				
Improvements Other Than Buildings	4,206,983	10,210,098	25,852,400	21,794,000
Transfer to Special Revenue	-	9,606	-	-
TOTAL EXPENSES	4,206,983	10,219,704	25,852,400	21,794,000
FUND BALANCE - DECEMBER 31	885,569	1,230,737	1,230,737	1,230,737

City of Duluth Minnesota - 2020 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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	815,673	1,198,149	1,686,086	1,721,546
REVENUES				
Investment Earnings	(3,160)	(4,568)	-	-
Transfer from Special Revenue	543,646	1,285,913	890,000	8,265,500
Assessment Collections	459,267	511,639	235,460	254,696
Other Reimbursements	-	-	450,000	-
TOTAL REVENUES	999,753	1,792,984	1,575,460	8,520,196
EXPENSES				
Improvements Other than Buildings	491,954	1,305,048	1,540,000	8,265,500
Transfer to PI Fund	125,322	-	-	-
Transfer to Debt Service	-	-	-	425,000
TOTAL EXPENSES	617,276	1,305,048	1,540,000	8,690,500
FUND BALANCE - DECEMBER 31	1,198,149	1,686,086	1,721,546	1,551,242

City of Duluth Minnesota - 2020 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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	3,824,343	2,256,666	451,118	451,118
REVENUES				
Federal Grant	225,684	-	-	-
State of Minnesota	-	1,940,094	-	-
Municipal State Aid	25,979	-	-	-
Earnings on Investments	32,818	60,613	-	-
Transfer from General Fund	-	105,000	-	-
Transfer from Special Revenue	1,206,456	650,000	-	550,000
Bond Proceeds	1,545,000	5,760,000	1,375,000	1,800,000
Premium on bonds	95,392	308,111	66,192	-
TOTAL REVENUES	3,131,329	8,823,819	1,441,192	2,350,000
EXPENSES				
Transfer to Debt Service	1,422	7,011	2,942	-
Transfer to Special Revenue	3,857	-	-	-
Transfer to Capital Projects	-	64,000	-	-
Bond Issuance Costs	42,770	129,576	38,250	42,800
Capital Improvements	4,650,957	10,428,779	1,400,000	1,800,000
TOTAL EXPENSES	4,699,007	10,629,366	1,441,192	1,842,800
FUND BALANCE - DECEMBER 31	2,256,666	451,118	451,118	958,318

City of Duluth Minnesota - 2020 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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	10,323,449	9,802,879	8,479,498	5,755,979
REVENUES				
Federal Grants	185,720	473,923	1,070,479	480,000
State of Minnesota	-	451,457	-	460,000
Earnings on Investments	114,597	167,266	-	-
Other Sources	128,000	469,198	-	470,000
Transfer from General Fund	42,850	-	-	-
Transfer from Special Revenue	152,244	783,000	-	-
TOTAL REVENUES	623,411	2,344,844	1,070,479	1,410,000
EXPENSES				
Capital Improvements	1,071,138	3,286,744	3,793,998	3,290,000
Transfer to Capital Projects	33,000	100,000	-	-
Other Uses	39,842	281,482	-	-
TOTAL EXPENSES	1,143,981	3,668,226	3,793,998	3,290,000
FUND BALANCE - DECEMBER 31	9,802,879	8,479,498	5,755,979	3,875,979

Enterprise Funds

City of Duluth Minnesota - 2020 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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
REVENUE				
Operating	1,729,296	1,691,816	1,752,604	1,655,242
Non-Operating	1,151	553	-	-
	<u>1,730,447</u>	<u>1,692,369</u>	<u>1,752,604</u>	<u>1,655,242</u>
EXPENSES				
Other Services and Charges	1,584,085	1,520,408	1,587,955	1,535,289
Depreciation and Amortization	104,405	94,341	104,405	104,405
Cost of Sales	251,987	238,408	241,824	206,313
	<u>1,940,477</u>	<u>1,853,157</u>	<u>1,934,184</u>	<u>1,846,007</u>
ESTIMATED OPERATING INCOME / (LOSS)	(210,030)	(160,788)	(181,580)	(190,765)

City of Duluth Minnesota - 2020 Budget

Golf Fund Estimated Budgetary Cash Balance

<u>OPERATING FUND</u>	2017 Actual	2018 Actual	2019 Budget	2020 Approved
ESTIMATED UNRESTRICTED CASH	(2,033,965)	(2,139,590)	(2,206,037)	(2,283,212)
Estimated Net Income (Loss)	(210,030)	(160,788)	(181,580)	(190,765)
<u>Other Sources</u>				
Depreciation	104,405	94,341	104,405	104,405
Total Sources	(105,625)	(66,447)	(77,175)	(86,360)
ESTIMATED BUDGETARY YEAR END CASH BALANCE	(2,139,590)	(2,206,037)	(2,283,212)	(2,369,572)

City of Duluth Minnesota - 2020 Budget

Lester Golf Course

Revenue Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
OPERATING REVENUES:				
4440 Daily Admission	193,366	236,357	215,322	214,000
4441 Unlimited Season - Golf	124,985	141,772	128,975	110,250
4442 Motor Cart	127,581	140,997	134,126	123,990
4443 Driving Range Fees	24,937	36,322	29,010	30,088
4444 Other Rentals	696	1,266	1,295	980
4445 Golf Specials/Coupons/Promotions	1,404	2,410	1,300	2,500
4627 Concessions & Commissions	210,149	241,471	214,955	202,000
TOTAL OPERATING REVENUES	683,118	800,595	724,983	683,808
NON-OPERATING REVENUES				
4644 Misc Fees, Sales & Service	1,072	(112)	-	-
TOTAL NON-OPERATING REVENUES	1,072	(112)	-	-
TOTAL REVENUE - LESTER	684,190	800,483	724,983	683,808

City of Duluth Minnesota - 2020 Budget

Enger Golf Course

Revenue Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
OPERATING REVENUES:				
4440 Daily Admission	259,347	251,947	284,765	265,000
4441 Unlimited Season - Golf	226,471	176,681	208,000	191,972
4442 Motor Cart	190,814	140,996	164,000	157,000
4443 Driving Range Fees	52,637	42,913	52,500	62,000
4444 Other Rentals	952	1,567	1,890	1,550
4445 Golf Specials/Coupons/Promotions	10,266	5,805	7,502	7,500
4627 Concessions & Commissions	305,691	271,312	308,964	286,412
TOTAL OPERATING REVENUES	1,046,178	891,221	1,027,621	971,434
NON-OPERATING REVENUES				
4639 Loss on Sale of Equipment	-	-	-	-
4644 Misc. Fees, Sales & Services, Donations	79	665	-	-
TOTAL NON-OPERATING REVENUES	79	665	-	-
TOTAL REVENUE - ENGER	1,046,257	891,886	1,027,621	971,434

City of Duluth Minnesota - 2020 Budget

Lester Golf Course

Expense Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
OPERATING EXPENSES				
5284 Liquor Purchases	26,370	18,340	23,909	22,525
5285 Food & Beverage for Resale	31,764	36,853	27,000	29,250
5286 Golf Merchandise for Resale	31,401	46,579	41,830	38,700
5310 Contract Services	549,362	630,265	573,013	529,587
5415 Equipment Rental	43,056	43,056	43,056	43,056
5420 Depreciation	39,713	34,082	39,713	39,713
TOTAL - LESTER	721,666	809,175	748,521	702,831

City of Duluth Minnesota - 2020 Budget

Enger Golf Course

Expense Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
OPERATING EXPENSES				
5284 Liquor Purchases	35,116	34,696	33,927	29,546
5285 Food & Beverage for Resale	52,213	44,606	41,326	33,891
5286 Golf Merchandise for Resale	75,123	57,334	73,832	52,401
5310 Contract Services	948,611	804,031	928,830	919,590
5415 Equipment Rental	43,056	43,056	43,056	43,056
5420 Depreciation	64,692	60,259	64,692	64,692
TOTAL - ENGER	1,218,811	1,043,982	1,185,663	1,143,176

City of Duluth Minnesota - 2020 Budget

Parking

City Priority: Infrastructure

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Actual	2020 Projected
Public Parking: Ensure adequate, well-planned and accessible public parking options for residents, businesses and visitors	Number of parking tickets issued	34,437	31,542	42,684	45,000
	Number of vehicles towed as a result of parking citations	197	133	133	200
	Number of annual contractor parking permits	1020	979	1185	800
	Number of residential parking permits	2419	2372	2343	2400
	Number of on-street metered parking stalls	1594	1594	1594	1594
	Total number of off-street parking stalls managed	3404	3404	3404	3404
	Number of parking ramps and lots	29	29	29	29
	Number of residential parking zones	3	3	3	3

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
REVENUES				
Operating Revenue	4,060,635	3,742,298	4,399,798	4,097,520
Non-Operating	386,576	407,625	385,000	385,000
	4,447,211	4,149,923	4,784,798	4,482,520
EXPENSES				
Personal Services	439,298	517,341	655,900	716,700
Supplies	27,509	47,973	36,930	42,700
Other Services and Charges	1,174,308	1,308,751	1,252,997	1,266,303
Utilities	161,473	154,894	189,350	172,154
Depreciation and Amortization	550,954	560,433	475,900	475,900
Improvements - Non-Capital	169,207	179,857	282,000	266,300
Debt Service - Interest	226,133	210,933	190,900	190,900
Transfers Out	1,376,700	1,386,300	1,386,300	1,356,300
	4,125,582	4,366,482	4,470,277	4,487,257
ESTIMATED OPERATING INCOME (LOSS)	321,629	(216,559)	314,521	(4,737)
BUDGETED FTE'S				
1100 Parking Manager	1.00	-	-	-
1095 Parking Services Manager	-	-	-	1.00
18 Parking Monitors	6.00	6.00	6.00	-
22 Parking Services Agent	-	-	-	6.00
121 Clerical Support Technician	1.00	1.00	1.00	1.00
131 Parking Operations Specialist	1.00	1.00	1.00	-
327 Police Investigator	-	1.00	1.00	1.00
Division Total	9.00	9.00	9.00	9.00

City of Duluth Minnesota - 2020 Budget

Parking Fund Estimated Budgetary Cash Balance

<u>OPERATING FUND</u>	2019 Projected	2020 Approved
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH	3,816,478	2,879,178
Estimated Operating Income (Loss)	(579,800)	(4,737)
<u>Other Sources</u>		
Depreciation	556,500	475,900
Total Other Sources	556,500	475,900
<u>Other Uses</u>		
Bond Principal Payments	810,000	810,000
Capital Equipment	104,000	780,000
Total Other Uses	914,000	1,590,000
ESTIMATED BUDGETARY YEAR END CASH BALANCE	2,879,178	1,760,341

City of Duluth Minnesota - 2020 Budget

Parking Fund

505

Revenue Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
OPERATING REVENUES				
4371 Parking Meter Revenues	771,629	731,059	718,800	724,500
4373 Transient Parking	961,121	888,905	1,047,050	1,015,900
4374 Contract Parking	1,229,295	1,214,483	1,282,788	1,315,760
4375 Charging Station Revenue	203	1,156	-	-
4170 Miscellaneous Permits	41,514	37,497	49,110	48,010
4472 Administrative Parking Fines	928,111	744,674	1,186,600	977,900
4315 Cost Allocation	23,500	15,000	15,450	15,450
4622 Rent of Buildings	105,262	107,866	100,000	-
4654 Other Reimbursements	-	1,035	-	-
4680 Damage or Losses Recovered	-	623	-	-
TOTAL OPERATING REVENUE	4,060,635	3,742,298	4,399,798	4,097,520
NON-OPERATING REVENUES				
4601 Earnings on Investments	(5,856)	1,411	-	-
4857 Transfer in from DEDA	392,432	406,214	385,000	385,000
TOTAL NON-OPERATING REVENUES	386,576	407,625	385,000	385,000
TOTAL REVENUE	4,447,211	4,149,923	4,784,798	4,482,520

City of Duluth Minnesota - 2020 Budget

Parking Administration

505-015-1479

Expense Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	73,301	62,952	63,100	86,100
5101 Permanent Employees - Overtime	549	229	-	-
TOTAL	73,850	63,181	63,100	86,100
EMPLOYEE BENEFITS				
5121 P.E.R.A.	4,342	4,430	4,500	6,200
5121 P.E.R.A., GASB 68	(5,720)	(68,972)	-	-
5122 F.I.C.A. Social Security	4,553	3,925	3,900	5,300
5123 F.I.C.A. Medicare	1,065	918	900	1,200
5125 Dental Insurance	434	372	400	400
5126 Life Insurance	189	162	200	200
5127 Health Care Savings Plan	1,278	1,175	1,200	1,600
5130 Cafeteria Plan Benefits	12,188	6,480	10,700	-
TOTAL	18,329	(51,510)	21,800	14,900
OPERATING EXPENSES				
5219 Other Miscellaneous Supplies	914	621	1,200	1,100
5321 Phone Service	47	-	100	100
5331 Travel/Training	3,148	2,746	4,000	4,000
5335 Mileage Reimbursement	-	365	500	500
5441 Other Services and Charges	1,602	2,131	2,000	2,000
TOTAL	5,711	5,863	7,800	7,700
1479 TOTAL - ADMINISTRATION	97,890	17,534	92,700	108,700

City of Duluth Minnesota - 2020 Budget

Technology Center Ramp

505-015-1480-2510

Expense Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
OPERATING EXPENSES				
5307 Admin/Management Fees	10,643	9,269	10,643	10,643
5310 Contract Services	181,047	183,414	172,882	169,281
5381 Electricity	46,022	39,957	54,570	44,220
5382 Water, Gas & Sewer	2,983	3,179	3,400	3,400
5384 Refuse Disposal	2,197	1,378	2,300	1,708
5386 Steam	17,237	18,644	20,090	19,990
5404 Equipment Maintenance/Repair	1,109	446	2,800	1,544
5405 Parking Lot Maintenance	17,762	17,959	20,000	34,000
5420 Depreciation	190,586	188,958	171,700	171,700
5493 Cost Allocation	25,480	27,280	27,720	27,720
5611 Bond Interest	-	-	700	700
TOTAL	495,066	490,484	486,805	484,906
2510 TOTAL - TECHNOLOGY CENTER RAMP	495,066	490,484	486,805	484,906

City of Duluth Minnesota - 2020 Budget

HART District Ramp

505-015-1480-2511

Expense Detail		2017 Actual	2018 Actual	2019 Budget	2020 Approved
OPERATING EXPENSES					
5307	Admin/Management Fees	12,814	4,938	12,814	12,814
5310	Contract Services	265,329	292,832	243,239	238,420
5381	Electricity	15,358	15,797	17,400	16,500
5382	Water, Gas & Sewer	6,926	6,880	7,100	7,100
5404	Equipment Maintenance/Repair	45	569	2,800	2,550
5405	Parking Lot Maintenance	135,733	143,941	62,000	20,000
5420	Depreciation	58,674	58,674	39,800	39,800
5493	Cost Allocation	25,480	27,280	27,720	27,720
5611	Bond Interest	-	-	100	100
	TOTAL	520,359	550,911	412,973	365,004
2511	TOTAL - HART DISTRICT RAMP	520,359	550,911	412,973	365,004

City of Duluth Minnesota - 2020 Budget

Medical District Ramp

505-015-1480-2512

Expense Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
OPERATING EXPENSES				
5307 Admin/Management Fees	10,714	9,331	12,814	12,814
5310 Contract Services	185,434	186,867	161,647	165,221
5381 Electricity	46,652	45,377	51,010	48,320
5382 Water, Gas & Sewer	19,468	20,705	27,656	24,500
5404 Equipment Maintenance/Repair	2,708	3,875	4,000	4,000
5405 Parking Lot Maintenance	4,350	4,486	-	23,300
5420 Depreciation	249,748	249,748	227,000	227,000
5481 Property Taxes	3,826	3,142	3,500	3,500
5493 Cost Allocation	25,480	27,280	27,720	27,720
5611 Bond Interest	226,133	210,933	190,100	190,100
5620 Fiscal Agents Fees	713	475	-	-
TOTAL	775,226	762,219	705,447	726,475
2512 TOTAL - MEDICAL DISTRICT RAMP	775,226	762,219	705,447	726,475

City of Duluth Minnesota - 2020 Budget

Municipal Lots

505-015-1480-2513

Expense Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
OPERATING EXPENSES				
5307 Admin/Management Fees	4,814	11,449	6,000	6,000
5310 Contract Services	221,546	257,155	217,808	217,808
5381 Electricity	6,827	4,355	8,124	8,124
5405 Parking Lot Maintenance	11,362	13,471	200,000	189,000
5441 Other Services & Charges	87	10,175	-	-
5420 Depreciation	33,096	37,413	32,200	32,200
5493 Cost Allocation	25,480	27,280	27,720	27,720
TOTAL	303,212	361,298	491,852	480,852
2513 TOTAL - MUNICIPAL LOTS	303,212	361,298	491,852	480,852

City of Duluth Minnesota - 2020 Budget

On Street Parking & Enforcement

505-015-1481

Expense Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	245,381	340,233	382,400	402,400
5101 Permanent Employees - Overtime	63	3,396	-	-
5103 Other Wages	-	4,449	-	-
TOTAL	245,444	348,078	382,400	402,400
EMPLOYEE BENEFITS				
5121 P.E.R.A.	18,366	30,217	34,400	37,600
5122 F.I.C.A. Social Security	13,272	16,467	19,000	19,700
5123 F.I.C.A. Medicare	3,509	4,973	5,600	5,800
5125 Dental Insurance	2,139	2,728	3,000	3,000
5126 Life Insurance	932	1,188	1,400	1,400
5127 Health Care Savings Plan	3,579	11,695	12,900	8,500
5130 Cafeteria Plan Benefits	59,878	90,114	112,300	137,300
5133 Health or Fitness Program	-	210	-	-
TOTAL	101,675	157,592	188,600	213,300
OPERATING EXPENSES				
5200 Office Supplies	694	325	1,000	1,000
5212 Motor Fuels	2,621	2,777	2,700	3,000
5218 Uniforms	2,316	5,895	5,000	3,000
5219 Other Miscellaneous Supplies	3,835	8,028	4,000	9,800
5241 Small Equipment	17,129	30,327	23,030	24,800
5306 Collection Services	17,520	10,703	18,000	15,800
5310 Contract Services	107,918	90,011	220,000	240,200
5355 Printing & Copying Services	1,310	1,450	350	400
5356 Copier, Printer Lease & Supplies	32	-	200	200
5409 Fleet Service Charges	3,209	12,009	4,800	6,800
5414 Software Lic & Mtc Agreements	1,008	990	1,200	1,400
5420 Depreciation	18,850	25,640	5,200	5,200
5427 Credit Card Commissions	6,320	3,446	7,000	7,000
5441 Other Services and Charges	1,768	73,185	3,000	3,000
5493 Cost Allocation	25,480	27,280	27,720	27,720
5700 Transfer to General Fund	1,376,700	1,386,300	1,386,300	1,356,300
TOTAL	1,586,710	1,678,366	1,709,500	1,705,620

City of Duluth Minnesota - 2020 Budget

On Street Parking & Enforcement

505-015-1481

Expense Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
NON-OPERATING EXPENSES				
5580 Capital Equipment	28,295	133,518	104,000	780,000
TOTAL	28,295	133,518	104,000	780,000
TOTAL - ON STREET PARKING & 1481 ENFORCEMENT	1,962,124	2,317,554	2,384,500	3,101,320

City of Duluth Minnesota - 2020 Budget

Priley Drive Parking Facility

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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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
REVENUES				
Operating Revenue	446,597	457,088	454,692	450,400
Non-Operating	313,879	541,831	543,400	550,700
	760,476	998,919	998,092	1,001,100
EXPENSES				
Contract Services	137,403	135,447	121,844	134,500
Other Services and Charges	-	-	2,000	2,000
Electricity	34,291	27,594	35,100	34,200
Parking Lot Maintenance	2,925	6,671	12,000	12,000
Bldg Structure Repair & Mtc./Elevator Repairs & Mtc.	-	227	-	-
Equipment/Machinery Repair & Maintenance	-	-	5,000	5,000
Cost Allocation	49,000	37,500	32,650	23,110
Tax Abatement	22,219	26,409	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	426,295	502,793	495,599	486,938
	1,192,704	1,257,212	1,251,765	1,245,320
ESTIMATED OPERATING INCOME (LOSS)	(432,228)	(258,293)	(253,673)	(244,220)

City of Duluth Minnesota - 2020 Budget

Priley Drive Parking Facility

	2019	2020
<u>OPERATING FUND</u>	Projected	Proposed
ESTIMATED UNRESTRICTED and CAPITAL ACCOUNT CASH	430,094	429,387
Estimated Operating Income (Loss)	(253,673)	(244,220)
<u>Other Sources</u>		
Unfunded Depreciation	470,572	470,572
Total Other Sources	470,572	470,572
<u>Other Uses</u>		
Bond Principal Payments	217,606	219,731
Total Other Uses	217,606	219,731
ESTIMATED BUDGETARY YEAR END CASH BALANCE	429,387	436,008

City of Duluth Minnesota - 2020 Budget

Priley Drive Parking Facility

506

Revenue Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
OPERATING REVENUES				
4373 Transient Parking	48,947	80,681	49,692	62,200
4374 Contract Parking	397,650	376,407	405,000	388,200
TOTAL OPERATING REVENUE	446,597	457,088	454,692	450,400
NON-OPERATING REVENUES				
4601 Earnings on Investments	(562)	(1,596)	-	-
Interfund Transfers in from				
4730-30 Debt Service	314,441	543,427	543,400	550,700
TOTAL NON-OPERATING REVENUES	313,879	541,831	543,400	550,700
TOTAL REVENUE	760,476	998,919	998,092	1,001,100

City of Duluth Minnesota - 2020 Budget

Priley Drive Parking Facility

506

Expense Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
OPERATING EXPENSES				
5307 Admin/Management Fees	14,400	14,400	14,400	14,400
5310 Contract Services	123,003	121,047	107,444	120,100
5381 Electricity	34,291	27,594	35,100	34,200
Bldg Structure Repair & 5401-01 Mtc./Elevator Repairs & Mtc.	-	227	-	-
5404 Equipment Maintenance/Repair	-	-	5,000	5,000
5405 Parking Lot Maintenance	2,925	6,671	12,000	12,000
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	-	-	2,000	2,000
5479 Tax Abatement	22,219	26,409	27,000	27,000
5493 Cost Allocation	49,000	37,500	32,650	23,110
5611 Bond Interest	426,295	502,793	495,599	486,938
TOTAL	1,192,704	1,257,212	1,251,765	1,245,320
TOTAL -Priley Drive Parking 2510 Facility	1,192,704	1,257,212	1,251,765	1,245,320

City of Duluth Minnesota – 2020 Budget

Public Works & Utilities Department – Enterprise Funds

Mission and Vision

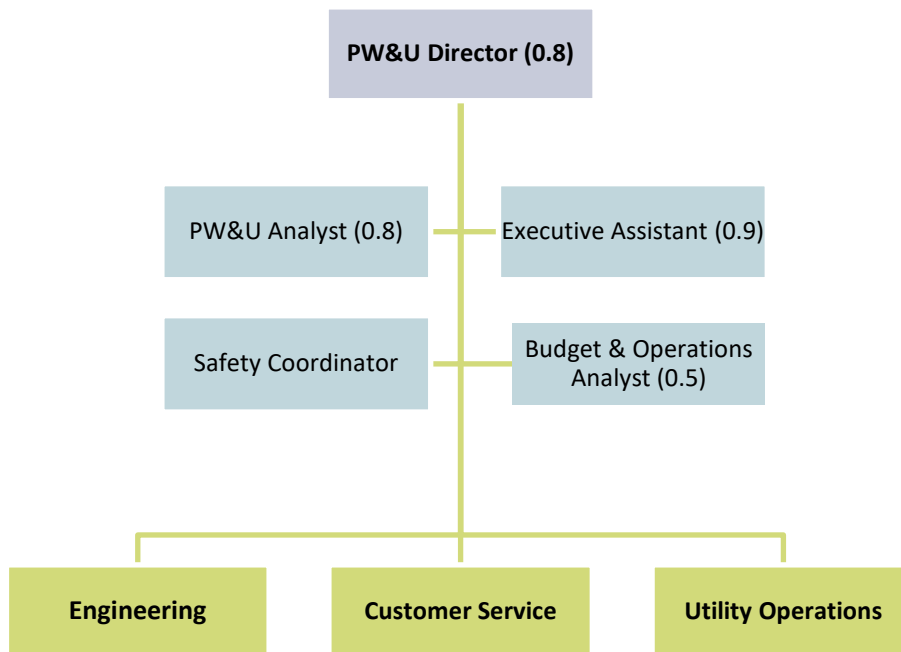
The mission of the Public Works and Utilities Department is to provide professional engineering services, street maintenance activities, and water, natural gas, sanitary sewer, storm water, and street lighting utilities to Duluth’s businesses and residents in a safe, cost-effective and environmentally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

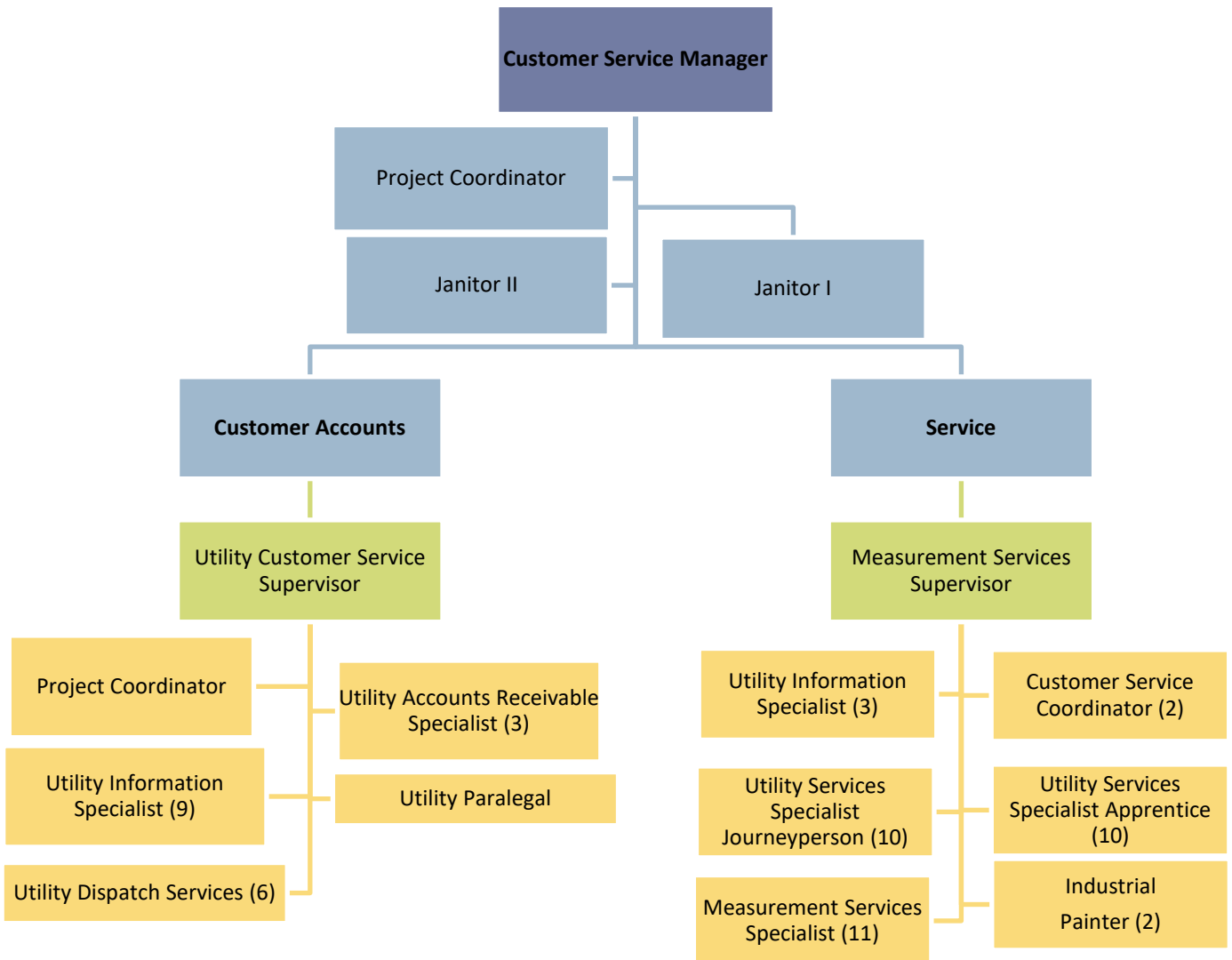
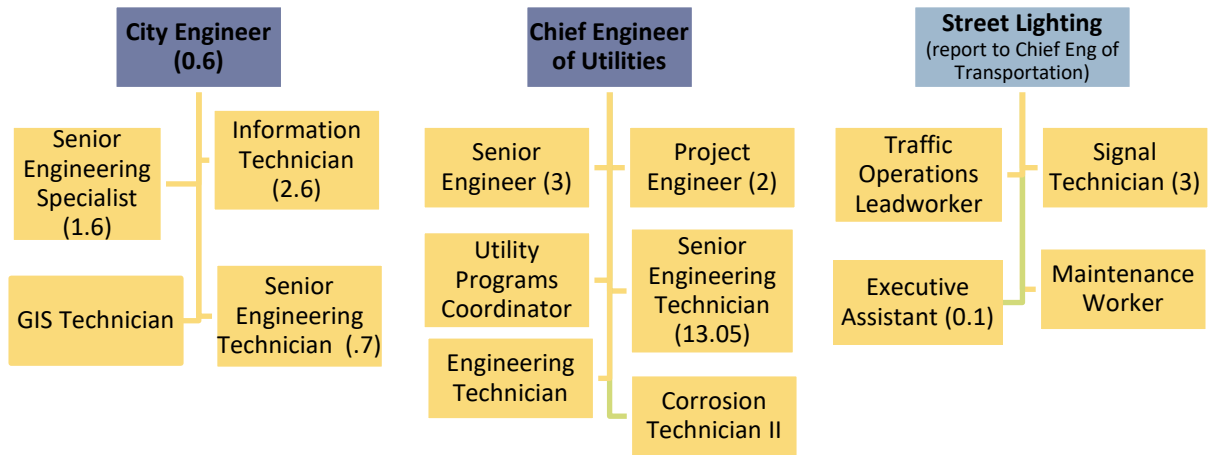
The Department’s vision is to become a functionally integrated organization operating at optimum efficiencies and providing cost-effective and reliable service for all Duluthians.

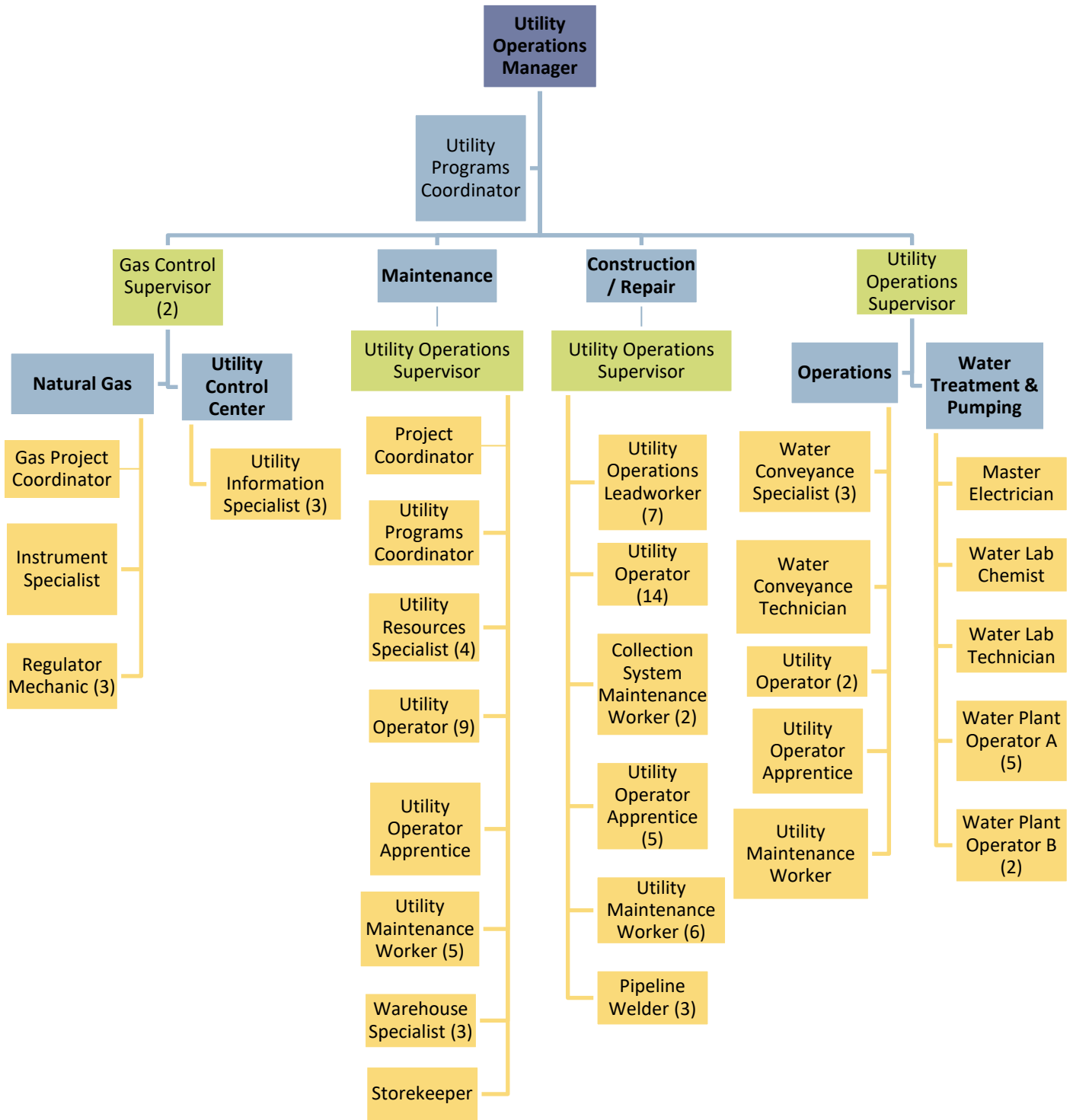
Structure

The utilities portion of the Public Works and Utilities Department is broken into three separate divisions that span across five different utility funds: Water, Gas, Sewer, Stormwater 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 - 2020 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.

	2017	2018	2019	2020
Budgeted FTE's	193.75	192.55	192.55	191.55

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
Expenses				
Salaries and Benefits	18,931,568	19,127,897	21,181,200	21,950,600
Supplies	22,010,508	23,163,604	24,012,500	25,900,500
Other Services & Charges	16,430,415	17,399,690	17,802,000	18,018,400
Utilities	1,509,603	1,527,690	1,546,500	1,532,400
Depreciation/Amortization	5,590,559	5,719,390	6,203,100	6,164,600
Grants & Awards	260,765	430,752	700,000	640,000
Improvements -Non-Capital	160,406	523,870	299,000	357,600
Debt Service - Interest	479,842	403,945	328,100	374,900
Debt Service - Other	(26,011)	(25,316)	(8,600)	(22,700)
Capital Lease Interest	188,241	163,624	148,800	122,600
Reimbursed Project Costs	345,994	-	-	-
Total Operating	65,881,890	68,435,146	72,212,600	75,038,900
Non-Operating	7,509,107	8,828,439	11,062,600	17,920,600
Total Appropriation Budget	73,390,997	77,263,585	83,275,200	92,959,500

City of Duluth Minnesota - 2020 Budget

Utilities - Personnel Summary

	2017 Budget	2018 Budget	2019 Budget	2020 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
1095 Gas Control 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
9 Executive Assistant	0.90	0.90	0.90	0.90
16 Utility Services Helper	-	2.00	1.00	-
22 Maintenance Worker	1.00	1.00	1.00	-
23 Utility Maintenance Worker	13.00	10.00	10.00	12.00
24 Assistant Storekeeper	1.00	1.00	-	-
24 Water Plant Operator C	1.00	-	1.00	-
24 Water Plant Operator D	-	1.00	-	-
26 Utility Services Dispatcher	5.00	5.00	5.00	6.00
27 Storekeeper	-	-	1.00	1.00
27 Water Lab Technician	1.00	1.00	1.00	1.00
28 Collection System Maintenance Worker	2.00	2.00	2.00	2.00
28 Engineering Technician	3.00	3.00	3.00	1.00
28 Senior GIS Technician	-	-	-	1.00
28 Utility Operator	19.00	29.00	26.00	25.00
28 Utility Operator Apprentice	16.00	7.00	9.00	7.00
28 Utility Services Specialist Apprentice	12.00	12.00	10.00	10.00
28 Water Plant Operator B	1.00	1.00	1.00	2.00
29 Industrial Painter	2.00	2.00	2.00	2.00
29 Measurement Services Specialist	12.00	10.00	11.00	11.00
29 Regulator Mechanic	2.00	2.00	2.00	3.00
29 Water Conveyance Technician	3.00	3.00	2.00	1.00
30 Instrument Specialist	1.00	1.00	1.00	1.00
30 Utility Services Specialist Journeyman	8.00	8.00	10.00	10.00
30 Warehouse Specialist	2.00	2.00	3.00	3.00
31 Master Electrician	1.00	1.00	2.00	1.00
31 Pipeline Welder	3.00	3.00	3.00	3.00
31 Senior Engineering Technician	12.95	13.55	11.75	14.55
31 Utility Resources Specialist	4.00	4.00	4.00	4.00

City of Duluth Minnesota - 2020 Budget

Utilities - Personnel Summary

	2017 Budget	2018 Budget	2019 Budget	2020 Approved
31 Water Conveyance Specialist	1.00	1.00	2.00	3.00
31 Water Plant Operator A	5.00	5.00	4.00	5.00
32 Corrosion Technician II	1.00	1.00	1.00	1.00
32 Gas Project Coordinator	-	-	1.00	1.00
32 Project Coordinator	2.00	3.00	1.00	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
33 Customer Service Coordinator	2.00	2.00	3.00	2.00
33 Public Works and Utilities Analyst	0.80	0.80	0.80	0.80
33 Utility Programs Coordinator	4.00	4.00	4.00	3.00
34 Senior Engineering Specialist	0.80	0.80	1.60	0.80
36 Project Engineer	4.00	1.00	2.00	2.00
39 Senior Project Engineer	1.00	-	-	-
121 Janitor I	1.00	-	-	1.00
122 Janitor II	-	1.00	1.00	1.00
126 Information Technician	2.40	2.60	2.60	2.60
129 Utilities Information Specialist	16.00	16.00	16.00	15.00
130 GIS Technician	1.00	1.00	1.00	-
132 Utility Accounts Receivable Specialist	3.00	3.00	3.00	3.00
133 Budget & Operations Analyst	0.50	0.50	0.50	0.50
133 Safety Coordinator	1.00	1.00	1.00	1.00
133 Utility Paralegal	1.00	1.00	1.00	1.00
DEPARTMENT TOTAL	193.75	192.55	192.55	191.55

City of Duluth Minnesota - 2020 Budget

Water Fund

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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 2020. 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
REVENUE				
Operating	14,461,362	14,925,155	15,571,000	16,004,500
Non-Operating	192,803	176,857	173,200	174,200
	<u>14,654,165</u>	<u>15,102,012</u>	<u>15,744,200</u>	<u>16,178,700</u>
EXPENSES				
Personal Services	5,700,134	5,538,249	6,299,400	6,522,600
Supplies	1,281,962	949,511	1,324,800	1,453,900
Other Services & Charges	1,170,275	1,334,401	1,296,500	1,358,800
Utilities	1,276,124	1,321,654	1,351,900	1,333,700
Depreciation/Amortization	1,826,881	1,818,409	1,967,700	1,885,100
Improvements -Non-Capital	17,716	253,700	55,000	6,400
Debt Service - Interest	118,399	119,291	82,000	192,000
Debt Service - Other	(4,656)	(4,981)	(4,500)	(7,000)
Capital Lease Interest	67,767	58,905	53,600	44,100
Transfers	127,984	151,482	221,700	226,000
	<u>11,582,586</u>	<u>11,540,621</u>	<u>12,648,100</u>	<u>13,015,600</u>
ESTIMATED OPERATING INCOME (LOSS)	3,071,579	3,561,391	3,096,100	3,163,100
Other Sources of Cash	2,349,374	1,565,082	1,963,200	1,878,100
Other Uses of Cash	(5,420,953)	(3,138,429)	(4,648,000)	(6,023,000)
Increase (Decrease) in Cash	<u>-</u>	<u>1,988,044</u>	<u>411,300</u>	<u>(981,800)</u>

City of Duluth Minnesota - 2020 Budget

Water Fund Estimated Unrestricted Cash Balance

OPERATING FUND	2019 Budget	2019 Projected	2020 Approved
ESTIMATED OPERATING INCOME (LOSS)	3,096,100	3,550,600	3,163,100
<u>Other Sources of Cash</u>			
Depreciation and Amortization	1,967,700	1,785,700	1,885,100
Interest from Bond Discount	(4,500)	(7,000)	(7,000)
PERA Retirement, GASB 68	-	(75,900)	-
Due from Other Funds	-	10,794	-
Special Assessment Principal	-	109,212	-
Total Other Sources of Cash	1,963,200	1,822,806	1,878,100
<u>Other Uses of Cash</u>			
Due to Other Funds	-	20,046	-
Capital Improvements from Current Revenues	3,180,000	2,098,000	4,497,200
Capital Equipment Purchases	257,200	213,600	286,500
Bond Principal Payments	965,000	965,000	984,000
AMR Lease Principal Payments	245,800	245,800	255,300
Total Other Uses of Cash	4,648,000	3,542,446	6,023,000
INCREASE (DECREASE) IN CASH	411,300	1,830,960	(981,800)
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH-BEGINNING	2,256,416	1,988,044	3,819,004
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH-ENDING	2,667,716	3,819,004	2,837,204

City of Duluth Minnesota - 2020 Budget

Water Fund

510

Revenue Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
OPERATING REVENUES				
4636 Sale of Scrap	12,314	17,849	10,000	10,000
4680 Damage or Losses Recovered	10,795	-	-	-
4700 Other Sources	-	7,238	-	-
4800 Meter Repair	14,975	44,354	25,000	30,000
4801 Off/On Charge	25,696	27,983	25,000	25,000
4802 Interest - Customer Accounts	48,659	45,126	48,000	47,000
4805 Reimbursements	39,526	18,192	5,000	6,000
4809 Miscellaneous Operating	10,870	13,488	15,000	13,000
4810 Metered Water Sales	10,768,788	11,249,385	12,000,000	12,300,000
4811 Water for Resale	1,115,311	1,091,011	1,035,000	1,157,500
4831 Fixed Rate Charges	2,408,826	2,402,783	2,403,000	2,411,000
4851 Interest Income	5,602	7,746	5,000	5,000
TOTAL OPERATING REVENUES	14,461,362	14,925,155	15,571,000	16,004,500
NON-OPERATING REVENUES				
4230 Pera Aid	16,919	16,919	16,900	16,900
4601 Change in Fair Value Investments	(2,067)	(34,007)	-	-
4806 Connection Fees	11,214	13,266	11,000	11,000
4832 Overcharge Refunds	(15,978)	-	-	-
4853 Gain on Sale of Assets	15,762	36,379	1,000	2,000
4854 Utility Assessment	22,653	-	-	-
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	192,803	176,857	173,200	174,200
TOTAL REVENUE	14,654,165	15,102,012	15,744,200	16,178,700

City of Duluth Minnesota - 2020 Budget

Director's Office

510-500-1900

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

Expense Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	60,836	63,856	65,300	67,200
5101 Permanent Employees - Overtime	603	508	500	500
TOTAL	61,439	64,364	65,800	67,700
EMPLOYEE BENEFITS				
5121 P.E.R.A.	4,404	4,650	4,800	4,900
5122 F.I.C.A. Social Security	3,676	3,765	4,100	4,200
5123 F.I.C.A. Medicare	889	930	1,000	1,000
5125 Dental Insurance	254	260	300	300
5126 Life Insurance	111	113	100	100
5127 Health Care Savings	1,602	1,723	900	900
5130 Cafeteria Plan Benefits	4,834	6,075	6,700	7,300
TOTAL	15,770	17,516	17,900	18,700
OPERATING EXPENSES				
5200 Office Supplies	95	35	100	100
5241 Small Equipment	-	-	300	100
5321 Telephone	120	120	100	100
5331 Training Expense	-	211	200	200
5335 Mileage Reimbursement - Local	279	213	300	300
TOTAL	494	579	1,000	800
1900 TOTAL - DIRECTOR'S OFFICE	77,703	82,459	84,700	87,200

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
OPERATING EXPENSES				
5420 Depreciation	1,826,881	1,818,409	1,967,700	1,885,100
5535 Improvements (Non-Capital)	17,716	253,700	55,000	6,400
5540 Equipment (Non-Capital)	19,997	776	-	-
5611 Bond Interest	118,399	119,291	82,000	192,000
5613 Interest from Bond Amortization	(4,656)	(4,981)	(4,500)	(7,000)
5614 Capital Lease Interest	67,767	58,905	53,600	44,100
5620 Fiscal Agents Fee	515	911	500	400
5621 Bond Issuance/Discount Fees	-	77,945	-	-
TOTAL	2,046,619	2,324,956	2,154,300	2,121,000
NON-OPERATING EXPENSES				
5510 Land	5,263	-	-	-
5532 Capital Improvements - Bonds	2,550	1,446,658	200,000	1,000,000
5533 Capital Improvements - Revenue Financing	2,291,905	564,851	3,180,000	4,497,200
5580 Capital Equipment	311,591	424,324	257,200	286,500
TOTAL	2,611,309	2,435,833	3,637,200	5,783,700
1905 TOTAL - CAPITAL	4,657,928	4,760,789	5,791,500	7,904,700

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	34,180	33,000	37,300	38,500
5101 Permanent Employees - Overtime	494	990	-	-
TOTAL	34,674	33,990	37,300	38,500
EMPLOYEE BENEFITS				
5121 P.E.R.A.	2,365	2,500	2,700	2,700
5121 P.E.R.A., GASB 68	223,506	(75,876)	-	-
5122 F.I.C.A. Social Security	2,131	2,105	2,300	2,400
5123 F.I.C.A. Medicare	498	492	500	600
5125 Dental Insurance	244	249	300	300
5126 Life Insurance	4,849	4,885	100	100
5127 Health Care Savings	2,001	529	600	600
5130 Cafeteria Plan Benefits	8,550	8,703	10,800	5,300
5133 Health or Fitness Program	42	60	-	-
5134 Other Post Retirement Benefits	(333,441)	(313,736)	-	-
5135 Retiree Health Insurance	557,862	569,134	549,600	627,600
5151 Worker's Compensation	52,500	48,700	41,100	45,900
TOTAL	521,107	247,745	608,000	685,500
OPERATING EXPENSES				
5200 Office Supplies	-	-	100	100
5201 Computer Supplies/Software	173	101	-	-
5205 Safety & Training	4,901	1,644	800	800
5211 Cleaning & Janitorial Supplies	3,295	3,943	3,500	3,500
5212 Motor Fuels	60	-	200	-
5218 Uniforms	138	308	100	100
5219 Other Miscellaneous Supplies	30	-	-	-
5241 Small Equipment	1,566	463	1,200	2,000
5301 Auditing Services	1,405	1,378	1,300	1,300
5305 Medical Services/Testing Fees	2,855	4,731	4,000	1,700
5310 Contract Services	2,461	7,228	-	-
5320 Data Services	21,107	21,010	21,300	14,400
5321 Telephone	3,628	3,574	3,600	3,600

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
5331 Training Expense	157	575	2,800	2,800
5333 Freight/Delivery Charges	517	117	-	-
5335 Mileage Reimbursement - Local	-	306	300	300
5356 Copier, Printer Lease & Supplies	6,792	5,771	5,500	5,500
5360 Insurance	53,300	32,800	53,100	89,400
5381 Electricity	12,945	14,139	13,500	13,000
5382 Water, Gas & Sewer	17,680	18,530	17,800	17,400
5384 Refuse Disposal	3,849	3,973	4,000	4,100
5401 Building Repair & Maintenance	8,010	41,072	8,500	6,300
5404 Equipment Repair & Maintenance	2,250	539	1,000	1,000
5414 Software Lic & Mtc Agreements	44,254	46,113	45,500	46,800
5441 Other Services & Charges	8,277	3,711	4,000	4,200
5450 Laundry	1,000	940	1,200	1,200
5457 Hydrant Maintenance	30,000	30,000	30,000	30,000
5493 Cost Allocation	332,000	331,000	339,000	356,400
5700 Transfer to General Fund	50,450	53,600	55,700	60,000
TOTAL	613,100	627,566	618,000	665,900
1915 TOTAL - GENERAL EXPENSE	1,168,881	909,301	1,263,300	1,389,900

City of Duluth Minnesota - 2020 Budget

Engineering

510-500-1930

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

Expense Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	340,107	376,898	364,700	417,500
5101 Permanent Employees - Overtime	37,580	38,121	35,000	50,000
5103 Temporary Wages	2,914	309	2,700	2,700
5118 Meal Allowance	1,273	776	1,200	1,200
TOTAL	381,874	416,104	403,600	471,400
EMPLOYEE BENEFITS				
5121 P.E.R.A.	27,849	30,523	29,600	34,600
5122 F.I.C.A. Social Security	22,777	24,860	24,900	29,200
5123 F.I.C.A. Medicare	5,327	5,814	5,800	6,800
5125 Dental Insurance	1,923	2,050	2,000	2,100
5126 Life Insurance	837	893	1,000	1,000
5127 Health Care Savings	7,050	6,348	5,800	7,000
5130 Cafeteria Plan Benefits	82,951	87,687	105,200	111,900
5133 Health or Fitness Program	216	114	-	-
TOTAL	148,930	158,289	174,300	192,600
OPERATING EXPENSES				
5200 Office Supplies	455	825	500	500
5201 Computer Supplies	324	3	200	200
5203 Paper, Stationery and Forms	56	94	200	200
5205 Safety and Training Materials	241	97	300	300
5212 Motor Fuel	3,097	3,154	3,000	3,400
5218 Uniforms	353	435	400	400
5219 Other Miscellaneous Supplies	183	161	-	-
5240 Small Tools	158	513	500	500
5241 Small Equipment	4,211	1,104	1,900	3,800
5242 Survey Equipment and Supplies	2,107	2,911	7,500	3,900
5303 Engineering Services	7,112	3,235	5,000	-
5320 Data Services	1,668	1,651	1,600	1,700
5321 Telephone	1,554	1,525	1,500	1,500
5322 Postage	-	22	100	100
5331 Training Expenses	2,097	1,258	3,500	3,200

City of Duluth Minnesota - 2020 Budget

Engineering

510-500-1930

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

Expense Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
5335 Mileage Reimbursement	-	-	300	100
5355 Printing and Copying	1,267	547	1,000	800
5356 Copier, Printer Lease & Supplies	152	165	600	600
5404 Equipment Maintenance Repair	380	814	1,600	1,600
5409 Fleet Services	5,590	3,716	9,200	8,600
5414 Software Lic & Mtc Agreements	9,253	10,599	14,500	15,400
5433 Dues and Subscriptions	387	179	1,000	1,000
5435 Books and Pamphlets	80	8	-	-
5438 Licenses	-	204	-	100
5441 Other Services and Charges	1,960	2,123	2,100	1,500
5486 One Call System	3,077	2,809	3,600	3,600
TOTAL	45,762	38,152	60,100	53,000
1930 TOTAL - ENGINEERING	576,566	612,545	638,000	717,000

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	664,829	697,529	735,900	866,600
5101 Permanent Employees - Overtime	12,839	11,245	22,800	22,800
5111 Long-Term Disability Wages	-	203	-	-
5118 Meal Allowance	96	48	100	100
TOTAL	677,764	709,025	758,800	889,500
EMPLOYEE BENEFITS				
5121 P.E.R.A.	49,262	51,758	55,900	65,300
5122 F.I.C.A. Social Security	40,561	42,284	47,100	55,200
5123 F.I.C.A. Medicare	9,487	9,890	11,000	12,900
5125 Dental Insurance	4,101	4,147	4,300	4,900
5126 Life Insurance	1,785	1,807	2,100	2,400
5127 Health Care Savings	18,918	15,253	14,900	21,700
5130 Cafeteria Plan Benefits	163,095	178,730	208,100	244,500
5133 Health or Fitness Program	115	153	-	-
TOTAL	287,324	304,022	343,400	406,900
OPERATING EXPENSES				
5200 Office Supplies	1,886	1,247	2,300	2,300
5201 Computer Supplies	1,823	1,663	500	500
5205 Safety & Training Materials	172	713	-	-
5210 Plant/Operating Supplies	-	123	-	-
5212 Motor Fuel	11,801	15,347	12,000	16,100
5215 Shop Materials	1,013	42	-	-
5218 Uniforms	2,766	3,855	2,200	2,200
5219 Other Miscellaneous Supplies	1,697	1,691	-	-
5220 Repair & Maintenance Supplies	9,568	11,402	7,500	10,000
5227 Utility System	98,386	88,609	88,500	201,900
5228 Painting Supplies	43	505	1,000	1,000
5240 Small Tools	3,501	4,008	5,600	4,600
5241 Small Equipment	9,292	2,351	8,400	7,200
5310 Contract Services	37,293	38,099	43,300	42,000

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
5320 Data Services	-	-	-	2,600
5321 Telephone	2,137	2,284	2,200	2,500
5322 Postage	42,465	42,991	47,100	47,100
5331 Training Expenses	3,696	2,218	10,000	5,800
5339 Armored Pickup	1,182	1,447	1,300	1,800
5355 Printing & Copying	368	1,822	2,000	2,000
5356 Copier, Printer Lease & Supplies	232	697	500	500
5401 Building Repair & Maintenance	-	127	-	-
5404 Equipment Maintenance & Repair	704	3,032	800	700
5409 Fleet Services	16,742	23,712	17,000	20,400
5414 Software Lic & Mtc Agreements	4,473	4,652	4,900	4,900
5418 Vehicle/Equipment Lease	724	869	-	-
5427 Credit Card Commission	22,419	28,215	20,000	22,000
5432 Uncollectible Accounts	12,670	15,016	15,000	15,000
5441 Other Services & Charges	839	1,744	5,300	5,100
TOTAL	287,892	298,481	297,400	418,200
1940 TOTAL - CUSTOMER SERVICE	1,252,980	1,311,528	1,399,600	1,714,600

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	1,674,807	1,640,238	1,851,400	1,639,000
5101 Permanent Employees - Overtime	190,331	222,512	200,000	206,000
5103 Other Wages	9,702	12,677	16,900	16,900
5118 Meal Allowance	4,711	5,755	5,000	5,200
TOTAL	1,879,551	1,881,182	2,073,300	1,867,100
EMPLOYEE BENEFITS				
5121 P.E.R.A.	137,068	136,474	150,700	135,800
5122 F.I.C.A. Social Security	114,252	113,746	128,200	115,400
5123 F.I.C.A. Medicare	26,721	26,603	30,000	27,000
5125 Dental Insurance	10,321	9,712	11,100	9,600
5126 Life Insurance	4,498	4,227	5,400	4,600
5127 Health Care Savings	39,062	35,428	38,900	32,000
5130 Cafeteria Plan Benefits	387,733	390,675	501,600	474,900
5133 Health or Fitness Program	120	471	-	-
5141 Unemployment Compensation	916	1,375	-	-
TOTAL	720,691	718,711	865,900	799,300
OPERATING EXPENSES				
5200 Office Supplies	953	1,074	2,100	1,300
5201 Computer Supplies/Software	171	435	300	300
5205 Safety & Training Materials	6,447	6,739	8,500	9,200
5210 Plant/Operating Supplies	12,994	21,168	22,100	22,100
5212 Motor Fuel	48,437	75,159	70,000	80,500
5215 Shop Materials	5,099	5,567	5,000	4,500
5218 Uniforms	10,277	12,108	12,900	12,000
5219 Other Miscellaneous Supplies	3,821	10,722	2,500	2,000
5220 Repair & Maintenance Supplies	11,643	12,914	9,800	11,800
5222 Paving Materials	17,769	23,427	25,000	28,000
5224 Gravel & Other Maintenance Mtls	118,626	101,735	80,000	90,000
5227 Utility Maintenance Supply	319,604	(26,103)	350,100	341,500
5228 Painting Supplies	487	49	500	500
5240 Small Tools	23,356	15,865	19,000	19,000

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
5241 Small Equipment	4,760	5,754	14,800	8,600
5310 Contract Services	45,558	46,509	24,000	12,000
5320 Data Services	-	-	-	3,900
5321 Telephone	2,617	2,502	3,000	3,000
5331 Training Expenses	16,985	16,171	10,500	12,100
5333 Freight/Delivery Charges	34	2,136	500	5,000
5335 Mileage Reimbursement	2,952	3,270	3,300	3,400
5355 Printing and Copying	113	-	300	300
5356 Copier, Printer Lease & Supplies	142	232	500	500
5381 Electricity	5,209	5,288	5,300	5,300
5382 Water/Sewer/Gas	5,189	6,041	5,000	6,000
5384 Refuse Disposal	13,333	22,608	12,000	17,000
5401 Bldg/Structure Repair & Mtc	194	-	-	-
5404 Equipment Maintenance/Repair	5,983	10,762	8,500	9,000
5409 Fleet Service Charges	111,897	172,598	154,100	160,100
5414 Software Lic & Mtc Agreements	280	789	-	-
5415 Vehicle/Equipment Rental	29,426	14,877	21,000	22,000
5419 Other Rentals	-	1,154	-	-
5438 License	276	825	500	800
5441 Other Services & Charges	4,986	5,843	5,300	5,000
5450 Laundry	6,283	6,221	8,000	8,300
5700 Transfer to General Fund	77,534	97,882	166,000	166,000
TOTAL	913,435	682,321	1,050,400	1,071,000
1945 TOTAL - UTILITY OPERATIONS	3,513,677	3,282,214	3,989,600	3,737,400

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	649,119	666,625	635,300	712,900
5101 Permanent Employees - Overtime	28,153	23,161	24,000	24,700
5118 Meal Allowance	54	84	-	-
TOTAL	677,326	689,870	659,300	737,600
EMPLOYEE BENEFITS				
5121 P.E.R.A.	49,846	51,174	48,600	54,500
5122 F.I.C.A. Social Security	40,037	40,841	40,900	45,700
5123 F.I.C.A. Medicare	9,363	9,552	9,600	10,700
5125 Dental Insurance	3,816	3,776	3,600	3,900
5126 Life Insurance	1,663	1,645	1,700	1,900
5127 Health Care Savings	21,699	11,199	9,900	16,600
5130 Cafeteria Plan Benefits	167,170	179,226	177,500	214,500
5133 Health or Fitness Program	90	18	-	-
TOTAL	293,684	297,431	291,800	347,800
OPERATING EXPENSES				
5200 Office Supplies	872	551	1,000	1,000
5201 Computer Supplies/Software	670	2,526	-	6,200
5205 Safety & Training Materials	-	-	-	2,500
5210 Plant/Operating Supplies	10,282	9,276	11,000	9,000
5211 Cleaning/Janitorial Supplies	3,030	1,155	4,000	2,100
5212 Motor Fuel	4,335	5,219	6,500	5,600
5216 Treatment Chemicals	374,241	392,911	396,800	402,700
5218 Uniforms	3,279	2,836	3,000	5,000
5219 Other Miscellaneous Supplies	30,524	30,469	23,100	24,600
5220 Repair & Maintenance Supplies	102,381	86,050	94,000	85,800
5228 Painting Supplies	417	-	1,500	-
5240 Small Tools	1,127	2,605	2,000	2,500
5241 Small Equipment	2,969	1,953	10,500	9,900
5310 Contract Services	60,991	35,162	35,000	25,000
5319 Other Professional Services	4,200	9,275	5,000	5,000

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
5320 Data Services	-	-	-	200
5321 Telephone	454	416	500	600
5322 Postage	817	383	1,000	800
5331 Training Expenses	3,365	2,502	7,100	4,600
5335 Local Mileage Reimbursement	5,801	5,523	6,000	-
5355 Printing and Copying	-	-	5,000	5,000
5356 Copier, Printer Lease & Supplies	-	130	500	500
5381 Electricity	1,176,037	1,212,643	1,250,000	1,225,000
5382 Water & Sewer	59,064	65,013	60,300	67,000
5401 Building Repair & Maintenance	13,025	30,095	26,500	26,500
5404 Equipment Maintenance/Repair	49,500	48,850	140,000	162,900
5409 Fleet Services	6,159	16,132	14,400	16,500
5414 Software Lic & Mtc Agreements	2,384	400	-	-
5433 Dues and Subscriptions	-	-	6,000	6,200
5438 Licenses	5,938	6,101	300	300
5441 Other Services & Charges	52,313	61,167	56,000	59,800
5450 Laundry	155	154	500	300
5483 Water Testing Fees	820	820	-	-
TOTAL	1,975,150	2,030,317	2,167,500	2,163,100
1955 TOTAL-WATER TRMT & PUMPING	2,946,160	3,017,618	3,118,600	3,248,500

City of Duluth Minnesota - 2020 Budget

Gas Fund

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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 2020. 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
REVENUE				
Gas Sales	34,329,105	37,427,927	37,292,800	39,721,500
Other Operating Revenues	1,791,084	1,676,479	1,410,500	1,882,300
Non-Operating Revenues	145,891	131,388	118,300	138,300
Project Reimbursements	345,994	-	-	-
	<u>36,612,074</u>	<u>39,235,794</u>	<u>38,821,600</u>	<u>41,742,100</u>
EXPENSES				
Personal Services	7,845,608	8,008,786	8,881,000	9,074,500
Supplies	1,215,756	998,771	1,141,200	1,165,500
Other Services & Charges	1,665,926	1,790,365	1,777,500	1,811,000
Natural Gas Purchases	18,991,411	20,731,398	20,906,700	22,558,600
Utilities	43,548	41,159	40,600	38,800
Depreciation/Amortization	1,409,755	1,491,898	1,654,400	1,653,000
Improvements -Non-Capital	53,616	94,644	29,000	6,400
Debt Service - Interest	42,164	21,870	10,100	-
Debt Service - Other	(17,936)	(17,618)	(1,500)	-
Capital Lease Interest	62,119	53,996	49,100	40,500
Reimbursed Project Costs	345,994	-	-	-
Transfers	2,283,466	2,643,189	2,857,500	2,920,600
	<u>33,941,427</u>	<u>35,858,458</u>	<u>37,345,600</u>	<u>39,268,900</u>
ESTIMATED OPERATING INCOME (LOSS)	2,670,647	3,377,336	1,476,000	2,473,200
Other Sources of Cash	2,658,215	4,631,483	1,802,900	1,803,000
Other Uses of Cash	(8,104,459)	(6,454,587)	(4,438,600)	(4,375,200)
Increase (Decrease) in Cash	(2,775,597)	1,554,232	(1,159,700)	(99,000)

City of Duluth Minnesota - 2020 Budget

Gas Fund Estimated Unrestricted Cash Balance

OPERATING FUND	2019 Budget	2019 Projected	2020 Approved
ESTIMATED OPERATING INCOME (LOSS)	1,476,000	1,664,100	2,473,200
<u>Other Sources of Cash</u>			
Depreciation and Amortization	1,654,400	1,536,800	1,653,000
Interest from Bond Discount	(1,500)	(1,500)	-
PERA Retirement, GASB 68	-	100,500	-
Due from Other Funds	-	8,942	-
Interfund Loan Repayment	-	2,597,498	-
Energy Fund Loan Repayment	150,000	150,000	150,000
Special Assessment Principal	-	6,272	-
Total Other Sources of Cash	1,802,900	4,398,512	1,803,000
<u>Other Uses of Cash</u>			
Due to Other Funds	-	21,215	-
Capital Improvements from Current Revenues	3,180,000	2,481,000	3,846,500
Capital Equipment Purchases	528,200	338,500	294,700
Bond Principal Payments	505,000	505,000	-
AMR Lease Principal Payment	225,400	225,400	234,000
Total Other Uses of Cash	4,438,600	3,571,115	4,375,200
INCREASE (DECREASE) IN CASH	(1,159,700)	2,491,497	(99,000)
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - BEGINNING	2,367,550	1,886,098	4,377,595
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - ENDING	1,207,850	4,377,595	4,278,595

City of Duluth Minnesota - 2020 Budget

Gas Fund

520

Revenue Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
OPERATING REVENUES				
GAS SALES				
4820 Residential Firm	18,362,532	20,170,000	20,122,800	21,531,000
4822 Comm/Industrial Firm Large	8,480,881	9,445,680	9,293,900	10,083,100
4824 Comm/Industrial Interruptible Large	3,518,781	3,763,715	3,856,100	4,017,700
4831 Fixed Rate Charges	3,966,911	4,048,532	4,020,000	4,089,700
TOTAL	34,329,105	37,427,927	37,292,800	39,721,500
OTHER OPERATING REVENUES				
4636 Sale of Scrap	-	1,012	500	500
4700 Other Sources	-	11,741	-	526,800
4801 Off/On Charge	25,696	27,983	25,000	25,000
4802 Interest Earned on Customer Accts	82,602	105,221	95,000	105,000
4805 Reimbursements	544,706	301,484	200,000	50,000
4809 Miscellaneous Operating Revenue	101,420	75,293	75,000	50,000
4818 Servicing Appliances	430,162	519,729	430,000	490,000
4819 Comfort Policy	396,337	436,437	400,000	440,000
4827 Gas-Interruptible Transport	209,969	197,490	185,000	195,000
4851 Interest Income - Other Sources	192	89	-	-
TOTAL	1,791,084	1,676,479	1,410,500	1,882,300
TOTAL OPERATING REVENUES	36,120,189	39,104,406	38,703,300	41,603,800
NON-OPERATING REVENUES				
4220 Minnesota Grants - Operating	5,584	-	-	-
4230 Pera Aid	23,365	23,365	23,400	23,400
4601 Change in Fair Value Investments	6,724	(22,494)	-	-
4829 Two Tier Rate	70,902	87,700	70,000	85,000
4853 Gain on Sale of Assets	24,416	27,917	10,000	15,000
4730 Transfers In from Enterprise Funds	14,900	14,900	14,900	14,900
TOTAL NON-OPERATING REVENUES	145,891	131,388	118,300	138,300
PROJECT REIMBURSEMENTS				
4700 Project Reimbursements	345,994	-	-	-
TOTAL REVENUE	36,612,074	39,235,794	38,821,600	41,742,100

City of Duluth Minnesota - 2020 Budget

Director's Office

520-500-1900

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

Expense Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	78,330	82,639	84,800	87,400
5101 Permanent Employees - Overtime	734	625	500	500
TOTAL	79,064	83,264	85,300	87,900
EMPLOYEE BENEFITS				
5121 P.E.R.A.	5,666	6,012	6,200	6,400
5122 F.I.C.A. Social Security	4,764	4,925	5,300	5,400
5123 F.I.C.A. Medicare	1,143	1,201	1,200	1,300
5125 Dental Insurance	360	372	400	400
5126 Life Insurance	157	162	200	200
5127 Health Care Savings	1,791	1,954	1,100	1,300
5130 Cafeteria Plan Benefits	7,901	10,206	11,200	12,300
TOTAL	21,782	24,832	25,600	27,300
OPERATING EXPENSES				
5200 Office Supplies	103	32	100	100
5241 Small Equipment	158	-	300	100
5321 Telephone	120	120	100	100
5331 Training/Travel	2,926	3,432	900	600
5335 Mileage Reimbursement Local	294	228	300	300
5438 Licenses	120	98	-	100
5441 Other Services & Charges	-	317	-	-
TOTAL	3,721	4,227	1,700	1,300
1900 TOTAL - DIRECTOR'S OFFICE	104,567	112,323	112,600	116,500

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
OPERATING EXPENSES				
5420 Depreciation	1,409,755	1,491,898	1,654,400	1,653,000
5441 Other Services & Charges	-	1,538	-	-
5535 Improvements (Non-Capital)	53,616	94,644	29,000	6,400
5540 Equipment (Non-Capital)	18,336	4,200	-	-
5611 Bond Interest	42,164	21,870	10,100	-
5613 Interest - Bond Amortization	(17,936)	(17,618)	(1,500)	-
5614 Capital Lease Interest	62,119	53,996	49,100	40,500
5620 Fiscal Agents Fee	633	554	600	500
5441 Reimbursed Project Costs	345,994	-	-	-
TOTAL	1,914,681	1,651,082	1,741,700	1,700,400
NON-OPERATING EXPENSES				
5510 Land	5,263	-	-	-
5533 Capital Improvements - Revenue Financing	3,146,719	2,657,376	3,180,000	3,846,500
5580 Capital Equipment	344,943	483,448	528,200	294,700
TOTAL	3,496,925	3,140,824	3,708,200	4,141,200
1905 TOTAL - CAPITAL	5,411,606	4,791,906	5,449,900	5,841,600

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	49,404	52,616	57,300	59,500
5101 Permanent Employees - Overtime	494	1,138	-	-
TOTAL	49,898	53,754	57,300	59,500
EMPLOYEE BENEFITS				
5121 P.E.R.A.	3,404	3,857	4,100	4,200
5121 P.E.R.A., GASB 68	445,156	100,455	-	-
5122 F.I.C.A. Social Security	3,079	3,339	3,600	3,700
5123 F.I.C.A. Medicare	720	781	800	900
5125 Dental Insurance	337	361	400	400
5126 Life Insurance	4,890	4,933	200	200
5127 Health Care Savings	2,278	887	1,000	1,000
5130 Cafeteria Plan Benefits	10,758	11,619	14,000	8,800
5133 Health or Fitness Program	105	150	-	-
5134 Other Post Retirement Benefits	(558,052)	(472,922)	-	-
5135 Retiree Health Insurance	898,890	923,114	958,800	993,400
5151 Worker's Compensation	56,100	46,700	55,700	62,000
TOTAL	867,665	623,274	1,038,600	1,074,600
OPERATING EXPENSES				
5200 Office Supplies	43	-	100	100
5201 Computer Supplies/Software	345	108	-	-
5205 Safety & Training	505	1,076	1,000	1,000
5211 Cleaning & Janitorial Supplies	3,642	4,407	3,500	3,500
5212 Motor Fuels	60	-	200	-
5218 Uniforms	138	310	200	200
5241 Small Equipment	6,206	4,762	1,200	2,500
5301 Auditing Services	1,405	1,378	1,300	1,300
5305 Medical Services/Testing Fees	2,921	4,731	4,000	10,400
5310 Contract Services	2,461	7,620	-	-
5319 Other Professional Services	-	642	-	-
5320 Data Services	46,615	42,306	35,900	24,400
5321 Telephone	5,176	4,032	4,000	4,000

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
5322 Postage	-	-	700	700
5331 Training Expense	19,544	7,785	24,300	12,100
5333 Freight/Delivery Charges	408	130	-	-
5335 Mileage Reimbursement	-	765	600	1,200
5340 Advertising and Promotion	24,128	25,083	24,500	29,500
5355 Printing & Copying	5,993	6,737	10,000	10,000
5356 Copier, Printer Lease & Supplies	7,296	6,099	5,500	5,500
5360 Insurance	62,400	62,400	62,200	62,200
5381 Electricity	15,457	14,882	13,500	13,000
5382 Water, Gas & Sewer	14,028	14,931	13,100	12,800
5384 Refuse Disposal	2,322	2,663	2,500	2,600
5401 Building Repair & Maintenance	7,049	68,708	6,400	4,200
5404 Equipment/Machinery Repair	5,241	891	2,300	2,300
5414 Software Lic & Mtc Agreements	67,681	72,798	65,200	66,700
5433 Dues and Subscriptions	9,488	3,816	7,200	7,200
5441 Other Services & Charges	5,489	5,040	4,600	4,400
5443 Board & Meeting Expenses	1,290	4,097	1,700	1,700
5450 Laundry	1,068	1,004	1,200	1,200
5452 Pipe Line Safety	16,612	6,913	12,000	12,000
5493 Cost Allocation	439,300	442,700	478,100	494,600
5711 Payment in Lieu of Taxes	2,184,557	2,528,413	2,698,000	2,756,800
5700 Transfer to General Fund	50,450	53,600	55,700	60,000
TOTAL	3,009,318	3,400,827	3,540,700	3,608,100
1915 TOTAL - GENERAL EXPENSE	3,926,881	4,077,855	4,636,600	4,742,200

City of Duluth Minnesota - 2020 Budget

Engineering

520-500-1930

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

Expense Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	713,362	734,614	773,100	875,300
5101 Permanent Employees - Overtime	53,497	47,539	60,000	80,000
5103 Temporary Wages	2,914	309	2,700	2,700
5111 Long-Term Disability Wages	-	-	-	-
5118 Meal Allowance	1,109	753	1,500	1,500
TOTAL	770,882	783,215	837,300	959,500
EMPLOYEE BENEFITS				
5121 P.E.R.A.	57,044	57,983	61,900	71,100
5122 F.I.C.A. Social Security	46,158	46,933	51,800	59,400
5123 F.I.C.A. Medicare	10,795	10,976	12,100	13,900
5125 Dental Insurance	3,877	3,823	4,000	4,300
5126 Life Insurance	1,688	1,665	1,900	2,100
5127 Health Care Savings	21,825	13,393	14,000	22,200
5130 Cafeteria Plan Benefits	180,187	189,853	220,400	260,900
5133 Health or Fitness Program	192	144	-	-
TOTAL	321,766	324,770	366,100	433,900
OPERATING EXPENSES				
5200 Office Supplies	896	839	500	500
5201 Computer Supplies	334	3	200	200
5203 Paper, Stationery and Forms	103	130	200	200
5205 Safety & Training Materials	249	104	400	400
5212 Motor Fuel	5,792	6,808	5,500	7,300
5218 Uniforms	924	825	900	1,100
5219 Other Miscellaneous Supplies	186	1,340	-	-
5220 Repair & Maintenance Supplies	-	-	-	10,000
5240 Small Tools	754	-	1,100	1,100
5241 Small Equipment	8,250	2,014	6,800	10,500
5242 Survey Equipment and Supplies	6,064	9,885	7,500	3,900
5303 Engineering Services	23,531	95,936	15,000	-
5310 Contract Services	-	-	-	-
5320 Data Services	1,895	1,783	1,600	1,700

City of Duluth Minnesota - 2020 Budget

Engineering

520-500-1930

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

Expense Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
5321 Telephone	3,990	3,191	3,500	3,500
5322 Postage	-	118	100	100
5331 Training Expenses	12,892	7,371	13,400	13,100
5335 Mileage Reimbursement	1	5	300	200
5355 Printing and Copying	1,320	574	1,000	1,000
5356 Copier, Printer Lease & Supplies	204	174	800	800
5404 Equipment Maintenance Repair	390	359	1,600	1,600
5409 Fleet Services	14,651	11,533	17,400	17,400
5414 Software Lic & Mtc Agreements	15,125	14,608	18,200	22,500
5433 Dues and Subscriptions	191	179	700	3,300
5435 Books and Pamphlets	-	9	-	-
5438 Licenses	-	449	400	300
5441 Other Services and Charges	8,321	5,644	4,700	5,300
5486 One Call System	3,259	2,843	3,600	3,600
TOTAL	109,322	166,724	105,400	109,600
1930 TOTAL - ENGINEERING	1,201,970	1,274,709	1,308,800	1,503,000

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	2,236,395	2,342,909	2,601,400	2,823,200
5101 Permanent Employees - Overtime	64,990	57,363	76,500	79,500
5103 Temporary Wages	17,325	17,196	25,000	25,000
5111 Long-Term Disability Wages	-	1,825	-	-
5118 Meal Allowance	474	192	500	300
TOTAL	2,319,184	2,419,485	2,703,400	2,928,000
EMPLOYEE BENEFITS				
5121 P.E.R.A.	167,164	175,528	197,300	213,500
5122 F.I.C.A. Social Security	139,136	144,305	167,600	181,500
5123 F.I.C.A. Medicare	32,539	33,748	39,200	42,500
5125 Dental Insurance	13,387	13,529	14,700	15,800
5126 Life Insurance	5,827	5,891	7,100	7,700
5127 Health Care Savings	52,044	49,946	52,800	78,200
5130 Cafeteria Plan Benefits	519,492	577,315	701,700	785,900
5133 Health or Fitness Program	251	244	-	-
TOTAL	929,840	1,000,506	1,180,400	1,325,100
OPERATING EXPENSES				
5200 Office Supplies	2,990	1,791	3,100	3,100
5201 Computer Supplies/Software	2,922	5,648	800	800
5205 Safety & Training Materials	237	3,280	-	-
5210 Plant/Operating Supplies	27,053	36,981	40,000	35,000
5212 Motor Fuel	37,526	46,021	45,000	48,900
5215 Shop Materials	11,103	7,393	17,000	17,000
5218 Uniforms	10,093	13,160	8,500	8,500
5219 Other Miscellaneous Supplies	164,608	193,930	132,000	132,000
5220 Repair & Maintenance Supplies	62,708	63,973	25,000	35,000
5227 Utility System Maintenance Supply	298,475	228,490	275,500	302,100

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
5228 Painting Supplies	6,094	10,001	7,500	7,500
5240 Small Tools	53,965	35,976	27,400	27,400
5241 Small Equipment	57,078	24,747	34,200	30,000
5310 Contract Services	59,751	61,098	69,200	67,200
5320 Data Services	-	-	-	15,000
5321 Telephone	8,559	9,230	8,600	9,700
5322 Postage	67,933	68,776	75,300	75,300
5331 Training / Travel	27,589	6,846	34,300	28,000
5335 Mileage Reimbursement	167	399	200	200
5339 Armored Pickup	2,008	2,484	2,100	2,800
5340 Advertising and Promotion	82,905	88,594	92,000	92,000
5355 Printing & Copying	709	2,995	3,200	3,200
5356 Copier, Printer Lease & Supplies	387	1,064	700	700
5401 Bldg/Structure Repair & Maintenance	-	172	-	-
5404 Equipment Repair & Maintenance	1,380	7,414	1,600	1,400
5409 Fleet Services	54,748	86,145	59,000	71,800
5414 Software Lic & Mtc Agreements	7,171	7,458	7,200	7,200
5418 Vehicle/Equipment Lease	1,393	928	-	-
5427 Credit Card Commissions	49,032	69,450	54,000	58,000
5432 Uncollectible Accounts	5,807	41,243	55,000	55,000
5433 Dues and Subscriptions	815	3,043	3,900	3,400
5441 Other Services & Charges	26,374	25,674	32,400	31,900
5487 Conservation Improvement	151,975	109,945	221,900	221,900
5615 Customer Deposit Refund Interest	18,729	41,061	20,000	40,000
TOTAL	1,302,284	1,305,410	1,356,600	1,432,000
1940 TOTAL - CUSTOMER SERVICES	4,551,308	4,725,401	5,240,400	5,685,100

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	1,346,943	1,463,910	1,367,200	1,143,700
5101 Permanent Employees - Overtime	98,808	123,158	108,000	111,200
5118 Meal Allowance	2,777	3,026	3,000	3,000
TOTAL	1,448,528	1,590,094	1,478,200	1,257,900
EMPLOYEE BENEFITS				
5121 P.E.R.A.	105,589	116,024	108,200	92,000
5122 F.I.C.A. Social Security	88,327	96,636	91,500	77,800
5123 F.I.C.A. Medicare	20,657	22,601	21,400	18,200
5125 Dental Insurance	8,119	8,601	8,000	6,400
5126 Life Insurance	3,537	3,751	3,900	3,100
5127 Health Care Savings	27,016	35,322	30,000	20,500
5130 Cafeteria Plan Benefits	286,805	326,986	351,400	284,200
5133 Health or Fitness Program	290	357	-	-
5141 Unemployment Compensation	916	1,375	-	-
TOTAL	541,256	611,653	614,400	502,200
OPERATING EXPENSES				
5200 Office Supplies	2,476	1,221	2,100	2,000
5201 Computer Supplies/Software	174	223	300	300
5205 Safety & Training Materials	10,236	12,485	8,500	8,500
5210 Plant Operations Supplies	14,039	15,663	14,600	14,600
5212 Motor Fuel	30,653	44,243	41,800	47,400
5215 Shop Materials	16,868	17,242	15,000	15,000
5218 Uniforms	9,454	10,725	10,100	9,800
5219 Other Miscellaneous Supplies	5,957	4,008	3,000	2,500
5220 Repair and Maintenance Supplies	14,825	12,735	7,300	8,800
5222 Paving Materials	11,649	19,366	20,000	22,000
5224 Gravel & Other Maintenance Supplies	68,114	65,364	57,000	59,000
5227 Utility Maintenance Supply	113,763	(25,783)	148,100	136,500
5228 Painting Supplies	455	408	500	500
5240 Small Tools	22,604	21,609	21,300	21,300
5241 Small Equipment	13,420	1,737	12,300	7,700

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
5310 Contract Services	4,927	6,583	6,000	5,200
5320 Data Services	-	-	-	3,200
5321 Telephone	2,671	3,086	3,100	3,000
5331 Training Expense	7,383	19,096	10,800	10,800
5333 Freight/Delivery Charges	101	2,066	500	1,800
5335 Mileage Reimbursement	2,235	2,138	2,300	3,400
5355 Printing and Copying	147	-	500	300
5356 Copier, Printer Lease & Supplies	219	248	500	300
5384 Refuse Disposal	6,373	7,689	7,800	7,800
5400 Misc Repair & Mtc Service	-	-	-	-
5401 Bldg/Structure Repair & Mtc	207	-	-	-
5404 Equipment Repair & Maintenance	10,687	18,031	10,000	11,000
5409 Fleet Service Charges	71,913	98,109	88,300	93,000
5414 Software Lic & Mtc Agreements	-	26	-	-
5415 Vehicle/Equipment Rental	43,853	7,937	13,000	8,000
5419 Other Rentals	490	101	-	-
5441 Other Services & Charges	429	2,330	2,000	2,500
5450 Laundry	4,477	4,550	8,400	8,400
5700 Transfer to General Fund	48,459	61,176	103,800	103,800
TOTAL	539,258	434,412	618,900	618,400
1945 TOTAL - UTILITY OPERATIONS	2,529,042	2,636,159	2,711,500	2,378,500

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	349,235	338,712	343,400	303,000
5101 Permanent Employees - Overtime	10,423	15,657	9,000	4,000
5118 Meal Allowance	96	96	-	-
TOTAL	359,754	354,465	352,400	307,000
EMPLOYEE BENEFITS				
5121 P.E.R.A. Contribution	25,784	26,367	26,000	22,600
5122 F.I.C.A. Social Security	21,788	21,485	21,800	19,000
5123 F.I.C.A. Medicare	5,095	5,025	5,100	4,500
5125 Dental Insurance	1,600	1,564	1,600	1,300
5126 Life Insurance	702	682	800	600
5127 Health Care Savings	10,268	15,242	12,400	3,500
5130 Cafeteria Plan Benefits	70,752	69,037	74,300	60,100
5133 Health or Fitness Program	-	72	-	-
TOTAL	135,989	139,474	142,000	111,600
OPERATING EXPENSES				
5200 Office Supplies	441	282	800	800
5201 Computer Supplies/Software	4,187	2,233	6,000	10,000
5210 Plant Operations Supplies	23,874	28,206	21,000	24,500
5212 Motor Fuel	2,937	3,000	5,000	3,200
5218 Uniforms	658	656	800	1,100
5219 Other Miscellaneous Supplies	3,395	1,911	2,000	2,000
5220 Repair & Maintenance Supplies	65,504	53,542	92,000	72,000
5227 Utility System Mtc Supplies	-	2,353	-	-
5241 Small Equipment	10,469	1,308	6,000	6,000
5280 Natural Gas Purchases	18,991,411	20,731,398	20,906,700	22,558,600
5310 Contract Services	33	-	-	-
5319 Other Professional Services	12,220	47	-	-
5320 Data Services	-	-	-	1,000
5321 Telephone	1,746	2,003	2,200	1,800
5331 Training Expense	12,305	4,882	20,300	14,200

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
5333 Freight/Delivery Charges	-	89	-	-
5356 Copier, Printer Lease & Supplies	34	-	300	300
5381 Electricity	11,880	9,581	12,000	11,000
5382 Water/Sewer/Gas	2,183	1,765	2,000	2,000
5400 Miscellaneous Repair & Maint	-	68	-	-
5404 Equipment Maintenance Repair	160	17,755	1,000	5,000
5409 Fleet Services Charges	3,237	3,408	4,500	4,600
5414 Software Lic & Mtc Agreements	10,334	9,488	3,500	-
5433 Dues and Subscriptions	5,643	5,305	6,600	500
5438 Licenses	43	265	-	-
5441 Other Services & Charges	53,989	6,686	6,000	6,000
5450 Laundry	552	759	900	-
TOTAL	19,217,235	20,886,990	21,099,600	22,724,600
1960 TOTAL - NATURAL GAS	19,712,978	21,380,929	21,594,000	23,143,200

City of Duluth Minnesota - 2020 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 2020. 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
REVENUE				
Operating Revenue	17,923,927	18,081,470	18,580,400	22,856,100
Non-Operating Revenue	789,614	100,372	89,000	89,000
	<u>18,713,541</u>	<u>18,181,842</u>	<u>18,669,400</u>	<u>22,945,100</u>
EXPENSES				
Personal Services	3,132,134	3,498,683	3,445,400	3,637,200
Supplies	272,270	254,176	349,200	434,500
Other Services & Charges	931,639	963,159	990,100	1,009,500
WLSSD Treatment	8,986,192	9,234,233	9,254,200	9,272,100
Utilities	168,331	140,613	128,400	134,900
Depreciation/ Amortization	1,377,332	1,431,919	1,543,000	1,569,100
Sanitary Sewer -Grants	212,765	187,432	300,000	240,000
Improvements -Non-Capital	19,440	34,123	80,000	68,400
Debt Service - Interest	160,317	125,813	111,200	77,900
Debt Service - Other	3,399	3,831	3,900	(9,200)
Capital Lease Interest	58,355	50,723	46,100	38,000
Transfers	98,909	114,776	159,300	163,700
	<u>15,421,083</u>	<u>16,039,481</u>	<u>16,410,800</u>	<u>16,636,100</u>
ESTIMATED OPERATING INCOME (LOSS)	3,292,458	2,142,361	2,258,600	6,309,000
Other Sources of Cash	1,517,565	3,723,439	1,546,900	1,559,900
Other Uses of Cash	(6,101,673)	(4,308,591)	(3,838,400)	(8,448,500)
Increase (Decrease) in Cash	<u>(1,291,650)</u>	<u>1,557,209</u>	<u>(32,900)</u>	<u>(579,600)</u>

City of Duluth Minnesota - 2020 Budget

Sewer Fund Estimated Unrestricted Cash Balance

OPERATING FUND	2019 Budget	2019 Projected	2020 Approved
ESTIMATED OPERATING INCOME (LOSS)	2,258,600	2,677,800	6,309,000
<u>Other Sources of Cash</u>			
Depreciation and Amortization	1,543,000	1,472,100	1,569,100
Interest from Bond Discount	3,900	3,900	(9,200)
PERA Retirement, GASB 68	-	87,000	-
Due from Other Funds	-	5,302	-
Special Assessment Principal	-	117,320	-
Total Other Sources of Cash	1,546,900	1,685,622	1,559,900
<u>Other Uses of Cash</u>			
Due to Other Funds	-	22,875	-
Infrastructure System Replacement Fund	119,900	119,900	119,900
Capital Improvements from Current Revenues	1,800,000	2,073,000	6,430,000
Capital Equipment Purchases	414,800	228,000	405,500
Bond Principal Payments	1,292,000	1,237,000	1,273,300
AMR Lease Principal Payment	211,700	211,700	219,800
Total Other Uses of Cash	3,838,400	3,892,475	8,448,500
INCREASE (DECREASE) IN CASH	(32,900)	470,947	(579,600)
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - BEGINNING	1,323,410	1,836,814	2,307,761
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - ENDING	1,290,510	2,307,761	1,728,161

City of Duluth Minnesota - 2020 Budget

Sewer Fund

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Revenue Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
OPERATING REVENUES:				
4636 Sale of Materials	-	371	500	500
4700 Other Sources	-	1,939	-	4,343,000
4802 Interest Earned on Customer Accts	52,997	53,182	53,500	53,500
4805 Reimbursements	33,868	32,086	27,000	28,000
4809 Misc. Operating Revenue	2,667	4,276	2,000	2,000
4831 Fixed Rate Charges	1,940,283	1,940,687	1,936,300	1,940,100
4832 Overcharge Refunds	(29,284)	-	-	-
4833 Sewer Revenues	15,772,668	15,878,641	16,409,300	16,329,600
4834 Fond du Lac Grinder Pump Surcharge	11,945	11,889	11,800	11,900
4839 Point of Sale Inspection Fee	127,700	150,773	130,000	140,000
4851 Interest Income - Other Sources	11,083	7,626	10,000	7,500
TOTAL OPERATING REVENUES	17,923,927	18,081,470	18,580,400	22,856,100
NON-OPERATING REVENUES:				
4220 Minnesota Grants - Capital	489,257	-	-	-
4230 Pera Aid	8,283	8,283	8,300	8,300
4601 Change in Fair Value Investments	(6,321)	(2,494)	-	-
4853 Gain on Sale of Assets	17,735	17,572	3,000	3,000
4854 Utility Special Assessments	(1,323)	(704)	-	-
4857 Capital Contributions	204,268	-	-	-
4730 Transfer from Enterprise Funds	77,715	77,715	77,700	77,700
TOTAL NON-OPERATING REVENUES	789,614	100,372	89,000	89,000
TOTAL REVENUE	18,713,541	18,181,842	18,669,400	22,945,100

City of Duluth Minnesota - 2020 Budget

Director's Office

530-500-1900

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

Expense Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	57,821	60,583	61,900	63,800
5101 Permanent Employees - Overtime	571	479	500	500
TOTAL	58,392	61,062	62,400	64,300
EMPLOYEE BENEFITS				
5121 P.E.R.A.	4,185	4,416	4,600	4,700
5122 F.I.C.A. Social Security	3,487	3,560	3,900	4,000
5123 F.I.C.A. Medicare	845	882	900	900
5125 Dental Insurance	236	242	200	200
5126 Life Insurance	103	105	100	100
5127 Health Care Savings	1,575	1,693	800	800
5130 Cafeteria Plan Benefits	4,392	5,589	6,100	6,700
TOTAL	14,823	16,487	16,600	17,400
OPERATING EXPENSES				
5241 Small Equipment	81	-	300	100
5321 Telephone	120	120	100	100
5331 Training Expense	-	211	200	200
5335 Mileage Reimbursement	276	209	300	200
5356 Copier, Printer Lease & Supplies	61	39	100	100
TOTAL	538	579	1,000	700
1900 TOTAL - DIRECTOR'S OFFICE	73,753	78,128	80,000	82,400

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
OPERATING EXPENSES				
5420 Depreciation	1,377,332	1,431,919	1,543,000	1,569,100
5535 Improvements (Non-Capital)	19,440	34,123	80,000	68,400
5540 Equipment (Non-Capital)	13,767	348	-	-
5611 Bond Interest	160,317	125,813	111,200	77,900
5613 Interest - from Amortization	3,399	3,831	3,900	(9,200)
5614 Capital Lease Interest	58,355	50,723	46,100	38,000
5620 Fiscal Agents Fee	1,900	1,743	1,900	1,900
TOTAL	1,634,510	1,648,500	1,786,100	1,746,100
NON-OPERATING EXPENSES				
5510 Land	5,263	-	-	-
5532 Capital Improvements-Bond	314,404	-	-	-
5533 Capital Improvements - Revenue	473,147	2,034,177	1,800,000	6,430,000
5580 Capital Equipment	144,769	310,665	414,800	405,500
TOTAL	937,583	2,344,842	2,214,800	6,835,500
1905 TOTAL - CAPITAL	2,572,093	3,993,342	4,000,900	8,581,600

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	31,642	29,730	33,900	35,000
5101 Permanent Employees - Overtime	494	965	-	-
TOTAL	32,136	30,695	33,900	35,000
EMPLOYEE BENEFITS				
5121 P.E.R.A.	2,192	2,274	2,500	2,500
5121 P.E.R.A., GASB 68	(13,619)	87,004	-	-
5122 F.I.C.A. Social Security	1,973	1,899	2,100	2,200
5123 F.I.C.A. Medicare	461	444	500	500
5125 Dental Insurance	229	231	200	200
5126 Life Insurance	1,443	1,555	100	100
5127 Health Care Savings	1,955	469	500	500
5130 Cafeteria Plan Benefits	8,182	8,217	10,300	4,700
5133 Health or Fitness Program	32	45	-	-
5134 Other Post Retirement Benefits	(66,119)	(117,987)	-	-
5135 Retiree Health Insurance	148,756	152,476	157,500	172,100
5151 Worker's Compensation	32,900	41,900	37,800	34,000
TOTAL	118,385	178,527	211,500	216,800
OPERATING EXPENSES				
5200 Office Supplies	-	15	100	100
5201 Computer Supplies/Software	173	-	-	-
5205 Safety & Training	390	1,614	600	600
5211 Cleaning & Janitorial Supplies	3,295	4,079	3,500	3,500
5212 Motor Fuels	60	-	200	-
5218 Uniforms	138	308	100	100
5219 Other Miscellaneous Supplies	30	-	-	-
5241 Small Equipment	795	313	1,200	1,900
5301 Auditing Services	1,405	1,378	1,300	1,300
5305 Medical Services/Testing Fees	2,820	4,731	4,000	1,400
5310 Contract Services	2,461	7,228	-	-
5320 Data Services	16,298	16,727	16,600	12,500
5321 Telephone	2,716	2,804	2,800	2,800

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
5331 Training / Travel	373	575	2,800	2,800
5335 Mileage Reimbursement - Local	-	230	200	200
5356 Copier, Printer Lease & Supplies	6,792	5,771	5,500	5,500
5360 Insurance	-	12,000	24,100	23,600
5381 Electricity	14,201	13,925	13,500	13,000
5382 Water, Gas & Sewer	11,044	11,105	13,900	13,400
5384 Refuse Disposal	2,322	2,663	2,500	2,600
5401 Building Repair & Maintenance	6,443	32,876	6,400	4,100
5404 Equipment/Machinery Repair & Mtc	3,938	713	1,700	1,700
5414 Software Lic & Mtc Agreements	44,446	44,624	43,600	45,000
5441 Other Services & Charges	3,798	4,618	3,700	3,700
5450 Laundry	1,000	944	1,200	1,200
5493 Cost Allocation	232,800	204,600	208,200	230,400
5700 Transfer to General Fund	50,450	53,600	55,600	60,000
TOTAL	408,188	427,441	413,300	431,400
1915 TOTAL - UTILITY GENERAL	558,709	636,663	658,700	683,200

City of Duluth Minnesota - 2020 Budget

Engineering

530-500-1930

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

Expense Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	337,471	378,904	371,600	408,000
5101 Permanent Employees - Overtime	34,272	33,405	30,000	45,000
5103 Temporary Wages	2,914	309	2,700	2,700
5118 Meal Allowance	1,218	672	1,200	900
TOTAL	375,875	413,290	405,500	456,600
EMPLOYEE BENEFITS				
5121 P.E.R.A.	27,318	30,152	29,700	33,400
5122 F.I.C.A. Social Security	22,527	24,810	25,100	28,300
5123 F.I.C.A. Medicare	5,268	5,802	5,900	6,600
5125 Dental Insurance	1,848	2,013	2,000	2,100
5126 Life Insurance	805	876	1,000	1,000
5127 Health Care Savings	6,673	5,959	5,500	6,400
5130 Cafeteria Plan Benefits	76,381	81,551	99,800	101,000
5133 Health or Fitness Program	201	111	-	-
TOTAL	141,021	151,274	169,000	178,800
OPERATING EXPENSES				
5200 Office Supplies	488	825	500	500
5201 Computer Supplies	324	30	200	200
5203 Paper, Stationary & Forms	56	94	200	200
5205 Safety & Training Materials	121	97	500	500
5212 Motor Fuels	2,664	2,947	3,000	3,200
5218 Uniforms	283	415	400	400
5219 Other Miscellaneous Supplies	12	161	-	-
5240 Small Tools	187	513	700	700
5241 Small Equipment	3,949	659	2,000	4,100
5242 Survey Equipment and Supplies	2,021	3,285	7,500	3,900
5303 Engineering Services	10,514	102	10,000	-
5320 Data Services	1,626	1,644	1,600	1,700
5321 Telephone	1,657	1,858	2,000	2,000
5322 Postage	-	66	100	100
5331 Training Expenses	2,307	605	4,900	4,600

City of Duluth Minnesota - 2020 Budget

Engineering

530-500-1930

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

Expense Detail	2017	2018	2019	2020
	Actual	Actual	Budget	Approved
5335 Mileage Reimbursement - Local	2,118	2,055	2,000	2,000
5355 Printing and Copying	828	192	1,000	1,000
5356 Copier, Printer Lease & Supplies	152	165	700	700
5404 Equipment Maintenance/Repair	378	339	1,600	1,600
5409 Fleet Services Charges	4,053	3,438	5,800	5,800
5414 Software Lic & Mtc Agreements	7,274	8,328	12,300	13,000
5433 Dues & Subscriptions	191	179	800	800
5435 Books & Pamphlets	-	8	-	-
5438 Licenses	-	204	-	100
5441 Other Services and Charges	3,840	3,630	4,100	4,100
5486 One Call System	3,077	2,809	3,600	3,600
TOTAL	48,120	34,648	65,500	54,800
1930 TOTAL - ENGINEERING	565,016	599,212	640,000	690,200

City of Duluth Minnesota - 2020 Budget

Customer Service

530-500-1940

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

Expense Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	169,938	177,217	186,300	230,300
5101 Permanent Employees - Overtime	1,132	210	2,300	2,300
TOTAL	171,070	177,427	188,600	232,600
EMPLOYEE BENEFITS				
5121 P.E.R.A.	12,392	12,958	13,800	17,000
5122 F.I.C.A. Social Security	10,194	10,606	11,700	14,400
5123 F.I.C.A. Medicare	2,384	2,480	2,700	3,400
5125 Dental Insurance	1,110	1,113	1,100	1,300
5126 Life Insurance	483	485	500	600
5127 Health Care Savings	5,828	3,625	3,400	5,100
5130 Cafeteria Plan Benefits	39,086	42,932	47,300	61,800
5133 Health or Fitness Program	85	122	-	-
TOTAL	71,562	74,321	80,500	103,600
OPERATING EXPENSES				
5200 Office Supplies	759	252	1,000	1,000
5201 Computer Supplies	-	-	400	400
5212 Motor Fuel	732	285	-	-
5241 Small Equipment	1,120	310	2,500	3,100
5310 Contract Services	29,725	30,479	34,600	33,600
5321 Telephone	226	248	300	300
5322 Postage	33,981	34,402	37,800	37,800
5331 Training Expense	965	1,529	2,400	3,000
5339 Armored Pickup	944	1,168	1,000	1,400
5355 Printing & Copying	294	1,578	1,400	1,400
5356 Copier, Printer Lease & Supplies	157	398	300	300
5401 Building Repair & Maintenance	-	350	-	-
5404 Equipment Repair & Maintenance	214	208	300	200
5409 Fleet Services	5,099	32	-	-
5414 Software Lic & Mtc Agreements	3,728	3,877	4,100	4,100
5418 Vehicle/Equipment Lease	724	869	-	-
5427 Credit Card Commission	29,477	35,270	25,000	28,000

City of Duluth Minnesota - 2020 Budget

Customer Service

530-500-1940

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

Expense Detail	2017	2018	2019	2020
	Actual	Actual	Budget	Approved
5432 Uncollectible Accounts	3,464	20,738	23,000	23,000
5441 Other Services & Charges	111	396	700	700
TOTAL	111,720	132,389	134,800	138,300
1940 TOTAL-CUSTOMER SERVICES	354,352	384,137	403,900	474,500

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	1,005,240	1,129,202	946,700	994,400
5101 Permanent Employees - Overtime	61,322	88,071	72,000	74,100
5103 Temporary Wages	13,582	17,748	23,700	23,700
5118 Meal Allowance	1,791	2,687	2,000	2,000
TOTAL	1,081,935	1,237,708	1,044,400	1,094,200
EMPLOYEE BENEFITS				
5121 P.E.R.A.	77,833	88,612	74,900	78,500
5122 F.I.C.A. Social Security	65,556	73,985	64,600	67,700
5123 F.I.C.A. Medicare	15,332	17,303	15,100	15,800
5125 Dental Insurance	6,510	7,159	5,800	5,900
5126 Life Insurance	2,857	3,120	2,800	2,800
5127 Health Care Savings	38,108	24,323	24,500	20,900
5130 Cafeteria Plan Benefits	263,629	318,943	274,100	282,600
5133 Health or Fitness Program	23	18	-	-
5141 Unemployment Compensation	2,565	2,056	-	-
TOTAL	472,413	535,519	461,800	474,200
OPERATING EXPENSES				
5200 Office Supplies	1,478	1,292	2,100	3,000
5201 Computer Supplies	1,223	3,063	1,400	3,000
5205 Safety & Training Materials	6,313	6,586	6,200	6,500
5210 Plant Operations Supplies	50,130	43,729	30,100	33,200
5212 Motor Fuel	38,686	52,948	48,000	56,600
5215 Shop Materials	1,165	240	1,500	1,000
5218 Uniforms	8,545	10,023	11,000	11,200
5219 Other Miscellaneous Supplies	7,916	11,222	2,500	2,000
5220 Repair and Maintenance Supplies	8,226	42,374	17,600	119,100
5222 Paving Materials	9,931	12,369	15,000	15,000
5224 Gravel and other Mtc Materials	54,871	36,164	50,000	48,000
5227 Utility Maintenance Supply	31,178	(3,106)	88,300	79,500
5240 Small Tools	10,643	10,869	9,000	9,000

City of Duluth Minnesota - 2020 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	2017	2018	2019	2020
	Actual	Actual	Budget	Approved
5241 Small Equipment	6,103	4,703	19,200	9,300
5310 Contract Services	19,272	19,448	27,500	51,100
5320 Data Services	-	-	-	3,000
5321 Telephone	1,603	2,063	2,000	2,000
5331 Training Expense	15,087	8,446	14,400	12,400
5333 Freight/Delivery Charges	749	1,383	500	900
5335 Mileage Reimbursement	2,496	2,898	2,500	3,400
5355 Printing and Copying	138	-	1,000	500
5356 Copier, Printer Lease & Supplies	642	289	500	500
5381 Electricity	133,537	105,786	91,000	97,000
5382 Water, Gas & Sewer	9,549	9,797	10,000	11,500
5384 Refuse Disposal	12,865	14,555	16,000	16,000
5404 Equipment Maintenance/Repair	13,456	33,367	27,000	10,000
5409 Fleet Service Charges	108,278	104,132	126,000	127,900
5410 Fond Du Lac Grinder Pump	-	-	1,500	-
5414 Software Lic & Mtc Agreements	1,844	1,443	1,300	1,600
5415 Vehicle/Equipment Rental	9,439	17,139	6,500	7,000
5419 Other Rentals	-	101	-	-
5433 Dues and Subscriptions	275	951	900	900
5438 Licenses	849	664	1,000	1,000
5441 Other Services & Charges	3,465	3,442	3,000	3,000
5443 Board & Meeting Expenses	77	-	-	-
5450 Laundry	4,311	4,089	4,800	5,600
5700 Transfer to General Fund	48,459	61,176	103,700	103,700
TOTAL	622,799	623,645	743,000	855,400
1945 TOTAL - UTILITY OPERATIONS	2,177,147	2,396,872	2,249,200	2,423,800

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
OPERATING EXPENSES				
5484 Western Lake Superior Sanitary District Service Charge	8,986,192	9,234,233	9,254,200	9,272,100
5485 Western Lake Superior Sanitary District Testing	216,697	216,889	217,000	216,000
1965 TOTAL- SEWER TREATMENT	9,202,889	9,451,122	9,471,200	9,488,100

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	407,358	402,508	503,600	508,000
5101 Permanent Employees - Overtime	15,940	29,304	15,000	15,500
5118 Meal Allowance	161	446	300	300
TOTAL	423,459	432,258	518,900	523,800
EMPLOYEE BENEFITS				
5121 P.E.R.A.	30,812	32,322	38,500	38,700
5122 F.I.C.A. Social Security	25,592	25,784	32,200	32,500
5123 F.I.C.A. Medicare	5,985	6,030	7,500	7,600
5125 Dental Insurance	2,369	2,363	2,900	2,800
5126 Life Insurance	1,026	1,029	1,400	1,400
5127 Health Care Savings	6,491	8,517	12,100	7,400
5130 Cafeteria Plan Benefits	98,536	113,926	157,700	149,500
5133 Health or Fitness Program	252	144	-	-
TOTAL	171,063	190,115	252,300	239,900
OPERATING EXPENSES				
5200 Office Supplies	1,091	768	1,000	1,000
5201 Computer Supplies/Software	-	103	-	-
5205 Safety & Training	32	65	200	1,600
5212 Motor Fuels	2,622	2,414	3,500	3,800
5218 Uniforms	1,980	1,571	1,700	1,700
5220 Repair & Maintenance Supplies	2,652	304	-	-
5240 Small Tools	-	62	-	-
5241 Small Equipment	9,807	211	16,000	5,500
5321 Telephone	1,374	1,361	1,300	2,800
5322 Postage	-	-	700	700
5331 Training Expense	3,040	1,217	5,300	5,300
5335 Mileage Reimbursement	10,453	8,422	5,000	6,300
5355 Printing & Copying	75	900	2,000	2,000
5356 Copier, Printer Lease & Supplies	134	-	200	200

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
5404 Equipment Maintenance Repair	33	-	3,000	3,000
5409 Fleet Services	4,419	2,780	5,200	4,900
5418 Vehicle/Equipment Lease	6,978	6,978	1,800	-
5441 Other Services and Charges	584	5,752	1,500	3,000
5450 Laundry	2,146	2,134	2,100	2,300
5482 Private Property Sewer Grants	212,765	187,432	300,000	240,000
TOTAL	260,185	222,474	350,500	284,100
1970 TOTAL INFLOW & INFILTRATION	854,707	844,847	1,121,700	1,047,800

City of Duluth Minnesota - 2020 Budget

Clean Water Surcharge Fund

532

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

Estimated Income and Expense	2017 Actual	2018 Actual	2019 Budget	2020 Approved
REVENUE				
Operating Revenue	1,625,730	1,637,195	1,632,000	1,643,500
Non-Operating Revenue	(240)	(783)	-	-
	<u>1,625,490</u>	<u>1,636,412</u>	<u>1,632,000</u>	<u>1,643,500</u>
EXPENSES				
Other Services & Charges	9,252	7,266	7,600	8,200
Depreciation/ Amortization	557,796	562,745	566,900	566,900
Grants & Awards	48,000	243,320	400,000	400,000
Debt Service - Interest	137,301	121,252	110,900	94,400
Transfers	70,265	70,265	70,300	70,300
	<u>822,614</u>	<u>1,004,848</u>	<u>1,155,700</u>	<u>1,139,800</u>
ESTIMATED OPERATING INCOME (LOSS)	802,876	631,564	476,300	503,700
Other Sources of Cash	557,796	567,697	566,900	566,900
Other Uses of Cash	(1,143,864)	(1,153,435)	(1,168,000)	(1,185,700)
Increase (Decrease) in Cash	<u>216,808</u>	<u>45,826</u>	<u>(124,800)</u>	<u>(115,100)</u>

City of Duluth Minnesota - 2020 Budget

Clean Water Fund Estimated Unrestricted Cash Balance

<u>OPERATING FUND</u>	<u>2019 Budget</u>	<u>2019 Projected</u>	<u>2020 Approved</u>
ESTIMATED OPERATING INCOME (LOSS)	476,300	491,200	503,700
<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	1,168,000	1,168,000	1,185,700
Total Other Uses of Cash	1,168,000	1,168,000	1,185,700
INCREASE (DECREASE) IN CASH	(124,800)	(109,900)	(115,100)
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - BEGINNING	1,002,816	805,442	695,542
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - ENDING	878,016	695,542	580,442

City of Duluth Minnesota - 2020 Budget

Clean Water Surcharge Fund

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Revenue Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
OPERATING REVENUES				
4836 I & I Surcharge	8,572	18,346	12,000	12,000
4837 Clean Water Surcharge	1,617,158	1,618,849	1,620,000	1,631,500
TOTAL	1,625,730	1,637,195	1,632,000	1,643,500
NON-OPERATING REVENUES				
4601 Change in Fair Value Investments	(240)	(783)	-	-
TOTAL	(240)	(783)	-	-
TOTAL REVENUE	1,625,490	1,636,412	1,632,000	1,643,500

City of Duluth Minnesota - 2020 Budget

Clean Water Surcharge Fund

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Expense Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
OPERATING EXPENSES				
5420 Depreciation	557,796	562,745	566,900	566,900
5427 Credit Card Commissions	2,517	3,174	2,600	3,200
5432 Uncollectible Accounts	6,735	4,092	5,000	5,000
5434 Grants & Awards	48,000	243,320	400,000	400,000
5611 Bond Interest	137,301	121,252	110,900	94,400
5700 Transfers to Sewer Fund	70,265	70,265	70,300	70,300
TOTAL	822,614	1,004,848	1,155,700	1,139,800

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
REVENUE				
Stormwater Sewer Service	5,254,971	5,245,031	5,260,000	5,255,000
Miscellaneous Revenue	43,300	40,764	33,000	33,500
Non-Operating	388	783	5,600	5,600
	5,298,659	5,286,578	5,298,600	5,294,100
EXPENSES				
Personal Services	2,253,692	2,082,179	2,555,400	2,716,300
Supplies	249,109	229,748	290,600	288,000
Other Services and Charges	566,674	562,484	620,200	626,700
Utilities	21,600	24,264	25,600	25,000
Depreciation and Amortization	418,796	414,418	471,100	490,500
Improvements - Non-Capital	69,634	141,403	135,000	276,400
Debt Service - Interest	21,661	15,719	13,900	10,600
Bond Amortization	(6,818)	(6,548)	(6,500)	(6,500)
Transfers Out	519,833	528,070	547,100	551,500
	4,114,181	3,991,737	4,652,400	4,978,500
ESTIMATED OPERATING INCOME (LOSS)	1,184,478	1,294,841	646,200	315,600
Other Sources of Cash	471,775	494,593	464,600	484,000
Other Uses of Cash	(862,004)	(1,169,091)	(1,632,400)	(1,295,200)
Increase (Decrease) in Cash	794,249	620,343	(521,600)	(495,600)

City of Duluth Minnesota - 2020 Budget

Stormwater Fund Estimated Unrestricted Cash Balance

OPERATING FUND	2019 Budget	2019 Projected	2020 Approved
ESTIMATED OPERATING INCOME (LOSS)	646,200	1,102,000	315,600
<u>Other Sources of Cash</u>			
Depreciation and Amortization	471,100	444,200	490,500
Interest from Bond Discount	(6,500)	(6,500)	(6,500)
PERA Retirement, GASB #68	-	(172,400)	-
Due from Other Funds	-	5,456	-
Special Assessment Principal	-	894	-
Total Other Sources of Cash	464,600	271,650	484,000
<u>Other Uses of Cash</u>			
Due to Other Funds	-	8,526	-
Capital Improvements from Current Revenues	1,265,000	1,172,000	1,101,400
Capital Equipment Purchases	237,400	230,600	58,800
Bond Principal Payments	130,000	130,000	135,000
Total Other Uses of Cash	1,632,400	1,541,126	1,295,200
INCREASE (DECREASE) IN CASH	(521,600)	(167,476)	(495,600)
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - BEGINNING	883,862	1,509,373	1,341,897
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - ENDING	362,262	1,341,897	846,297

City of Duluth Minnesota - 2020 Budget

Stormwater Fund

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Revenue Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
OPERATING REVENUES:				
4636 Sale of Materials	3,767	2,525	3,000	3,000
4700 Other Sources	-	349	-	-
4170 Miscellaneous Permits & Licenses	14,350	14,950	13,000	15,000
4835 Stormwater Revenues	5,254,971	5,245,031	5,260,000	5,255,000
4802 Interest Earned on Customer Accounts	13,744	11,639	13,000	13,000
4805 Reimbursements	8,495	7,797	500	500
4809 Miscellaneous Operating Revenues	-	1,498	-	-
4851 Interest - Other Sources	2,944	2,006	3,500	2,000
TOTAL OPERATING REVENUES	5,298,271	5,285,795	5,293,000	5,288,500
NON-OPERATING REVENUES:				
4601 Change in Fair Value Investments	(5,212)	(4,817)	-	-
4730 Transfers from Enterprise Funds	5,600	5,600	5,600	5,600
TOTAL NON-OPERATING REVENUES	388	783	5,600	5,600
TOTAL REVENUE	5,298,659	5,286,578	5,298,600	5,294,100

City of Duluth Minnesota - 2020 Budget

Director's Office

535-500-1900

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

Expense Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	57,821	60,583	61,900	63,800
5101 Permanent Employees - Overtime	571	479	500	500
TOTAL	58,392	61,062	62,400	64,300
EMPLOYEE BENEFITS				
5121 P.E.R.A.	4,185	4,416	4,600	4,700
5122 F.I.C.A. Social Security	3,487	3,560	3,900	4,000
5123 F.I.C.A. Medicare	845	882	900	900
5125 Dental Insurance	236	242	200	200
5126 Life Insurance	103	105	100	100
5127 Health Care Savings	1,575	1,693	800	800
5130 Cafeteria Plan Benefits	4,392	5,589	6,100	6,700
TOTAL	14,823	16,487	16,600	17,400
OPERATING EXPENSES				
5241 Small Equipment	81	-	300	100
5321 Telephone	120	120	100	100
5331 Training Expense	-	211	100	100
5335 Mileage Reimbursement-Local	276	209	300	200
5356 Copier, Printer Lease & Spplies	57	56	100	100
TOTAL	534	596	900	600
1900 TOTAL - DIRECTOR'S OFFICE	73,749	78,145	79,900	82,300

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
OPERATING EXPENSES				
5420 Depreciation	418,796	414,418	471,100	490,500
5535 Improvements (Non-Capital)	69,634	141,403	135,000	276,400
5540 Equipment (Non-Capital)	13,767	348	-	-
5611 Bond Interest	21,661	15,719	13,900	10,600
5613 Interest from Amortization	(6,818)	(6,548)	(6,500)	(6,500)
5620 Fiscal Agent Fees	218	120	200	100
TOTAL	517,258	565,460	613,700	771,100
NON-OPERATING EXPENSES				
5510 Land	5,263	-	-	-
5533 Capital Improvements - Revenue	299,866	713,011	1,265,000	1,101,400
5580 Capital Equipment	158,162	193,929	237,400	58,800
TOTAL	463,291	906,940	1,502,400	1,160,200
1905 TOTAL - CAPITAL	980,549	1,472,400	2,116,100	1,931,300

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	31,641	29,726	33,900	35,000
5101 Permanent Employees - Overtime	494	965	-	-
TOTAL	32,135	30,691	33,900	35,000
EMPLOYEE BENEFITS				
5121 P.E.R.A.	2,191	2,273	2,500	2,500
5121 P.E.R.A., GASB 68	16,184	(172,354)	-	-
5122 F.I.C.A. Social Security	1,973	1,899	2,100	2,200
5123 F.I.C.A. Medicare	461	444	500	500
5125 Dental Insurance	228	229	200	200
5126 Life Insurance	101	98	100	100
5127 Health Care Savings	1,955	469	500	500
5130 Cafeteria Plan Benefits	8,181	8,216	10,300	4,700
5133 Health or Fitness Program	32	45	-	-
5134 Other Post Retirement Benefits	32,684	(8,718)	-	-
5135 Retiree Health Insurance	25,151	27,443	29,600	32,300
5151 Worker's Compensation	13,300	14,000	16,700	17,000
TOTAL	102,441	(125,956)	62,500	60,000
OPERATING EXPENSES				
5200 Office Supplies	-	19	100	100
5205 Safety & Training Materials	390	1,050	600	600
5211 Cleaning and Janitorial Supplies	3,295	3,988	3,500	3,500
5212 Motor Fuels	60	-	200	-
5218 Uniforms	138	308	100	100
5241 Small Equipment	795	313	1,200	1,900
5301 Auditing Services	470	459	400	400
5305 Medical Services/Testing Fees	2,877	4,731	4,000	1,300
5310 Contract Services	2,461	7,228	-	-
5320 Data Services	9,764	9,898	10,000	7,000
5321 Telephone	1,094	1,068	1,000	1,000
5331 Training Expenses	157	575	2,800	2,800
5335 Mileage Reimbursement - Local	-	230	200	200

City of Duluth Minnesota - 2020 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	2017	2018	2019	2020
	Actual	Actual	Budget	Approved
5356 Copier, Printer Lease & Supplies	6,792	5,771	5,500	5,500
5360 Insurance	8,000	14,400	16,700	18,700
5381 Electricity	12,112	13,925	13,500	13,000
5382 Water & Gas	9,488	10,339	12,100	12,000
5384 Refuse Disposal	5,506	6,299	7,500	7,600
5401 Building Repair & Maintenance	6,232	19,732	6,200	3,900
5404 Equipment/Machinery Repair & Mtc	-	678	-	-
5414 Software Lic & Mtc Agreements	26,188	26,810	28,200	29,000
5441 Other Services and Charges	21,328	3,714	3,600	3,600
5450 Laundry	1,000	944	1,200	1,200
5493 Cost Allocation Charges	154,500	149,400	134,400	169,900
5700 Transfer to General Fund	50,450	53,600	55,600	60,000
TOTAL	323,097	335,479	308,600	343,300
1915 TOTAL - UTILITY EXPENSE	457,673	240,214	405,000	438,300

City of Duluth Minnesota - 2020 Budget

Engineering

535-500-1930

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

Expense Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	458,411	495,944	491,000	470,900
5101 Permanent Employees - Overtime	18,049	24,788	25,000	35,000
5103 Temporary Wages	2,914	309	2,700	2,700
5118 Meal Allowance	395	582	500	600
TOTAL	479,769	521,623	519,200	509,200
EMPLOYEE BENEFITS				
5121 P.E.R.A.	34,500	37,995	38,300	37,600
5122 F.I.C.A. Social Security	28,533	31,068	32,200	31,500
5123 F.I.C.A. Medicare	6,673	7,265	7,500	7,400
5125 Dental Insurance	2,224	2,296	2,300	2,100
5126 Life Insurance	969	1,000	1,100	1,000
5127 Health Care Savings	33,287	9,991	8,400	8,500
5130 Cafeteria Plan Benefits	94,201	109,355	119,200	119,400
5133 Health or Fitness Program	138	108	-	-
5141 Unemployment Compensation	2,098	2,264	-	-
TOTAL	202,623	201,342	209,000	207,500
OPERATING EXPENSES				
5200 Office Supplies	439	826	500	500
5201 Computer Supplies	324	3	600	400
5203 Paper, Stationery and Forms	56	94	200	200
5205 Safety & Training Materials	121	97	500	500
5212 Motor Fuel	2,154	2,770	2,500	3,000
5218 Uniforms	368	300	500	500
5219 Other Miscellaneous Supplies	12	44	-	-
5240 Small Tools	187	630	800	800
5241 Small Equipment	6,471	631	1,900	3,200
5242 Survey Equipment and Supplies	1,644	1,931	7,500	3,900
5303 Engineering Services	5,765	21,756	55,000	27,500
5310 Contract Services	43,804	169	15,000	15,000
5320 Data Services	1,603	1,638	1,600	3,800
5321 Telephone	1,930	2,569	2,700	2,700

City of Duluth Minnesota - 2020 Budget

Engineering

535-500-1930

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

Expense Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
5322 Postage	-	-	100	100
5331 Training Expenses	3,174	3,002	5,300	5,000
5335 Mileage Reimbursement	2,118	2,055	2,200	2,200
5355 Printing and Copying	828	537	1,000	1,000
5356 Copier, Printer Lease & Spplies	152	165	600	600
5404 Equipment Maintenance Repair	105	295	1,600	1,600
5409 Fleet Services	2,274	2,147	3,900	4,000
5414 Software Lic & Mtc Agreements	8,185	9,034	13,200	13,900
5433 Dues and Subscriptions	118	284	400	300
5435 Books and Pamphlets	-	8	-	-
5438 Licenses	-	326	-	100
5441 Other Services and Charges	795	1,187	2,800	23,100
5486 One Call system	3,077	2,809	3,600	3,600
TOTAL	85,704	55,307	124,000	117,500
1930 TOTAL - ENGINEERING	768,096	778,272	852,200	834,200

City of Duluth Minnesota - 2020 Budget

Customer Service

535-500-1940

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

Expense Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	124,052	129,432	136,000	177,100
5101 Permanent Employees - Overtime	839	153	1,700	1,700
TOTAL	124,891	129,585	137,700	178,800
EMPLOYEE BENEFITS				
5121 P.E.R.A.	9,052	9,466	10,100	13,100
5122 F.I.C.A. Social Security	7,445	7,751	8,500	11,100
5123 F.I.C.A. Medicare	1,741	1,813	2,000	2,600
5125 Dental Insurance	813	815	800	1,000
5126 Life Insurance	354	355	400	500
5127 Health Care Savings	4,028	2,669	2,500	3,900
5130 Cafeteria Plan Benefits	28,674	31,428	34,600	48,000
5133 Health or Fitness Program	64	92	-	-
TOTAL	52,171	54,389	58,900	80,200
OPERATING EXPENSES				
5200 Office Supplies	500	189	800	800
5201 Computer Supplies	-	-	300	300
5212 Motor Fuels	174	173	-	-
5241 Small Equipment	852	224	800	1,200
5310 Contract Services	22,294	22,859	26,000	25,200
5321 Telephone	116	127	200	200
5322 Postage	25,464	25,775	28,300	28,300
5331 Training Expense	475	1,138	1,800	2,200
5339 Armored Pickup	708	872	800	1,000
5355 Printing & Copying	221	839	1,100	1,100
5356 Copier, Printer Lease & Spplies	97	298	300	300
5401 Building Repair & Maintenance	-	250	-	-
5404 Equipment Repair & Maintenance	112	127	200	200
5409 Fleet Services	-	32	-	-
5418 Vehicle/Equipment Lease	724	869	-	-
5427 Credit Card Commission	8,122	10,333	8,000	9,000
5432 Uncollectible Accounts	2,282	7,211	4,900	4,900
5441 Other Services & Charges	67	184	500	500

City of Duluth Minnesota - 2020 Budget

Customer Service

535-500-1940

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

Expense Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
TOTAL	62,208	71,500	74,000	75,200
1940 TOTAL - CUSTOMER SERVICES	239,270	255,474	270,600	334,200

City of Duluth Minnesota - 2020 Budget

Utility Operations

535-500-1945

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

Expense Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	758,035	754,790	901,300	952,000
5101 Permanent Employees - Overtime	57,692	67,273	81,000	80,000
5103 Other Wages	15,523	20,283	27,000	27,000
5118 Meal Allowance	1,601	1,632	2,200	2,000
TOTAL	832,851	843,978	1,011,500	1,061,000
EMPLOYEE BENEFITS				
5121 P.E.R.A.	61,169	60,386	72,500	76,400
5122 F.I.C.A. Social Security	50,522	50,692	62,600	65,700
5123 F.I.C.A. Medicare	11,815	11,853	14,600	15,400
5125 Dental Insurance	4,957	4,415	5,400	5,600
5126 Life Insurance	2,134	1,917	2,600	2,700
5127 Health Care Savings	24,105	14,107	18,300	24,500
5130 Cafeteria Plan Benefits	198,828	205,557	267,700	312,600
5133 Health or Fitness Program	66	51	-	-
TOTAL	353,596	348,978	443,700	502,900
OPERATING EXPENSES				
5200 Office Supplies	1,557	1,192	2,100	2,000
5201 Computer Supplies/Software	230	3,274	600	600
5205 Safety & Training Materials	5,698	6,376	4,600	4,600
5210 Plant Operating Supplies	16,463	13,122	14,000	14,000
5212 Motor Fuels	33,018	45,442	48,000	48,600
5218 Uniforms	7,580	7,563	7,000	7,600
5219 Other Miscellaneous Supplies	1,823	4,638	2,000	2,000
5220 Repair and Maintenance Supplies	2,053	3,906	7,000	7,000
5222 Blacktop	9,971	14,193	16,500	16,500
5224 Gravel and Other Maintenance Materials	58,631	49,929	56,000	53,000
5227 Utility Maintenance Supplies	86,242	57,839	92,000	98,300
5240 Small Tools	4,810	7,194	4,200	4,600
5241 Small Equipment	2,972	1,490	13,700	7,600
5310 Contract Services	24,174	434	9,000	5,300
5320 Data Services	-	-	-	1,900

City of Duluth Minnesota - 2020 Budget

Utility Operations

535-500-1945

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

Expense Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
5321 Telephone	1,013	1,167	1,200	1,200
5331 Training Expense	3,248	2,384	6,000	6,400
5333 Freight and Delivery Charges	998	714	600	1,000
5335 Mileage Reimbursement	6,182	3,826	4,500	6,700
5355 Printing & Copying	1,729	5,451	6,500	8,500
5356 Copier, Printer Lease & Supplies	529	289	300	300
5384 Refuse Disposal	6,919	13,599	11,000	12,000
5404 Equipment/Maintenance Repair	3,662	7,191	5,100	5,600
5409 Fleet Services	92,888	115,533	109,800	115,700
5414 Software Lic & Mtc Agreements	-	1,276	1,200	3,200
5415 Vehicle/Equip Rent	13,372	13,850	21,000	13,000
5419 Other Rentals	1,900	101	-	-
5433 Dues and Subscriptions	5,000	6,776	7,000	7,400
5441 Other Services & Charges	5,623	14,442	29,000	4,000
5450 Laundry	4,020	3,555	4,400	4,400
5700 Transfer to General Fund	469,383	474,470	491,500	491,500
TOTAL	871,688	881,216	975,800	954,500
1945 TOTAL - UTILITY OPERATIONS	2,058,135	2,074,172	2,431,000	2,518,400

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
REVENUE				
Operating	7,485,033	7,647,995	7,926,761	8,187,757
Miscellaneous	1,513,722	5,323,623	8,011,171	9,115,904
	8,998,755	12,971,618	15,937,932	17,303,661
EXPENSES				
Duluth Steam Co-op Management Contract	2,801,132	2,986,510	2,931,413	2,911,520
Fuel Expense	3,158,034	3,046,353	3,332,619	3,449,320
Other Operating & Maintenance Expenses	886,202	728,612	892,157	870,007
Depreciation	1,200,684	1,235,611	1,305,873	1,318,551
In Lieu of Taxes	141,400	161,101	152,800	152,796
Bond Interest	209,525	201,463	189,049	176,843
	8,396,977	8,359,650	8,803,911	8,879,037
ESTIMATED OPERATING INCOME/(LOSS)	601,778	4,611,968	7,134,021	8,424,624

City of Duluth Minnesota - 2020 Budget

Steam Utility Fund

540

Revenue Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
OPERATING REVENUES:				
4801 Off/On Charge	-	1,500	-	-
4802 Interest Earned on Customer Accts	(779)	24,121	22,800	22,800
4809 Misc Non-Operating Income	31,031	69,725	11,000	11,000
4840 Energy Charge	2,943,566	2,814,134	3,127,639	3,276,849
4842 Capacity Charge	3,962,755	4,088,047	4,094,880	4,150,176
4843 Steam Repair - Labor	2,380	8,889	4,200	4,200
4844 Steam Repair - Materials	4,764	2,682	6,000	6,000
4845 Hot Water Sales	257,804	304,409	263,350	274,020
4846 Chilled Water Capacity Charge	189,614	198,253	198,253	198,253
4847 Chilled Water Energy Charge	93,898	115,100	112,191	114,534
4858 Infrastructure Charge	-	21,135	86,448	129,925
TOTAL OPERATING REVENUES	7,485,033	7,647,995	7,926,761	8,187,757
MISCELLANEOUS REVENUES:				
4210 Pass-thru Federal Grants	-	-	7,782,171	9,000,000
4220 Minnesota Grants - Capital	1,296,791	5,095,641	-	-
4220 Minnesota Grants - Operating	29,586	-	-	-
4850 Earnings on Investments	-	2,986	-	-
4855 DECC Capacity Charge	227,121	232,098	229,000	115,904
4720 Gain/Loss on Sale Capital Assets	(39,776)	(7,102)	-	-
TOTAL MISCELLANEOUS REVENUES	1,513,722	5,323,623	8,011,171	9,115,904
TOTAL REVENUE	8,998,755	12,971,618	15,937,932	17,303,661

City of Duluth Minnesota - 2020 Budget

Steam Utility Fund

540

Expense Detail by Division	2017 Actual	2018 Actual	2019 Budget	2020 Approved
1490 Production	3,158,034	3,046,353	3,332,619	3,449,320
1491 Chiller Production	47,513	53,290	65,057	65,057
1492 Production Maintenance	366,605	268,632	279,000	279,000
1493 Transmission & Distribution	244,367	134,617	318,000	318,000
1494 Customer Accounting	6,869	6,895	11,900	6,500
1495 Administration & General	4,345,297	4,630,093	4,586,636	4,562,667
1497 Hot Water	18,767	18,307	21,650	21,650
1499 Debt Service & Capital	209,525	201,463	189,049	176,843
TOTAL EXPENSES	8,396,977	8,359,650	8,803,911	8,879,037

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
5216 Chemicals	59,719	71,371	54,000	54,000
5220 Repair and Mtc Supplies	2,496	3,741	-	-
5381 Electricity	150,023	123,059	160,000	120,000
5382 Water, Gas and Sewer	190,266	201,678	200,200	184,250
5383 Natural Gas	1,534,861	1,701,147	1,889,330	2,448,620
5384 Refuse Disposal	2,172	2,177	-	-
5385 Oil	14,583	23,802	29,388	27,337
5387 Coal	1,158,571	896,148	955,725	581,504
5388 Ash Handling	45,343	23,230	43,976	33,609
1490 TOTAL - PRODUCTION	3,158,034	3,046,353	3,332,619	3,449,320

City of Duluth Minnesota - 2020 Budget

Chiller Production

540-1491

Records the variable cost of producing and distributing chilled water.

Expense Detail	2017	2018	2019	2020
	Actual	Actual	Budget	Approved
5216 Chemicals	1,762	2,969	7,500	7,500
5220 Repair & Mntc Supplies	9,548	7,067	6,600	6,600
5310 Contract Services	-	-	10,250	10,250
5381 Electricity	31,364	38,423	35,233	35,233
5382 Water, Gas & Sewer	4,839	4,831	5,474	5,474
1491 TOTAL - PRODUCTION	47,513	53,290	65,057	65,057

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
5205 Safety Equipment & Supplies	8,359	11,855	15,000	15,000
5220 Repair Materials & Supplies	225,614	168,537	192,000	192,000
5310 Contract Services	129,648	87,378	72,000	72,000
5441 Other Services & Charges	2,984	862	-	-
1492 TOTAL - PRODUCTION MAINTENANCE	366,605	268,632	279,000	279,000

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
5216 Chemicals	3,227	-	-	-
5220 Repair Materials & Supplies	75,448	52,073	108,000	108,000
5310 Contract Services	165,159	82,544	210,000	210,000
5409 Fleet Services Charges	533	-	-	-
1493 TOTAL - TRANSMISSIONS & DISTRIBUTION	244,367	134,617	318,000	318,000

City of Duluth Minnesota - 2020 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

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
5200 Office Supplies	-	-	500	500
5322 Postage	869	545	1,200	-
5432 Uncollectible Accounts	6,000	6,350	10,200	6,000
1494 TOTAL - CUSTOMER ACCOUNTING	6,869	6,895	11,900	6,500

City of Duluth Minnesota - 2020 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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
5200 Office Supplies	2,762	1,778	3,800	2,400
5301 Audit Fees	849	1,139	1,200	1,100
5304 Legal Services	1,000	-	3,000	-
5307 Management Contract	2,801,132	2,986,510	2,931,413	2,911,520
5319 Other Professional Services	25,815	23,866	18,000	1,200
5321 Telephone Service	10,481	9,314	9,600	7,800
5322 Postage	219	687	600	1,200
5331 Travel/Training	-	-	-	1,500
5340 Advertising & Promotion	12,302	3,350	9,000	4,800
5361 General Liability Boiler Insurance	20,013	73,054	22,000	33,000
5384 Refuse Disposal	-	-	1,200	2,400
5404 Equipment/Machinery Repair & Mtc	-	-	3,000	1,200
5415 Vehicle/Equip Rent (Short-term)	7,513	7,607	6,000	6,000
5420 Depreciation	1,200,684	1,235,611	1,305,873	1,318,551
5433 Dues & Subscription	6,186	9,406	1,750	6,000
5438 Licenses Operating	58,477	53,118	51,000	39,800
5441 Other Services & Charges	11,054	11,318	9,600	14,400
5443 Board & Meeting Expenses	1,310	1,334	1,200	1,200
5480 Payment in Lieu of Taxes	141,400	161,101	152,800	152,796
5493 Cost Allocation	44,100	50,900	55,600	55,800
1495 TOTAL - ADMINISTRATION & GENERAL	4,345,297	4,630,093	4,586,636	4,562,667

City of Duluth Minnesota - 2020 Budget

Hot Water

540-1497

Expense Detail	2017 Actual	2018 Actual	2019 Budget	2020 Approved
5216 Chemicals	2,513	507	-	-
5220 Repair & Maintenance Supplies	2,255	-	6,000	6,000
5310 Contract Services	4,954	-	8,400	8,400
5381 Electricity	8,570	17,776	7,250	7,250
5441 Other Services & Charges	475	24	-	-
1497 TOTAL - HOT WATER	18,767	18,307	21,650	21,650

City of Duluth Minnesota - 2020 Budget

Debt Service

540-1499

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

Expense Detail	2017	2018	2019	2020
	Actual	Actual	Budget	Approved
5611 Bond Interest	174,930	166,959	148,579	139,057
5612 Other Debt Interest	-	-	8,066	5,132
5620 Fiscal Agents Fee	1,009	950	700	950
5622 Bond Amortization	33,586	33,554	31,704	31,704
1499 TOTAL - DEBT SERVICE	209,525	201,463	189,049	176,843

Internal Service Funds

City of Duluth Minnesota - 2020 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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	7,310,670	5,797,406	5,122,132	4,737,464
REVENUES				
Participation from Other Funds	24,144,358	25,977,775	27,879,544	30,701,726
Charges for Services	3,308,539	4,048,681	4,190,595	4,351,013
Miscellaneous	2,723,346	3,355,246	2,668,350	2,913,231
TOTAL REVENUES	30,176,243	33,381,702	34,738,489	37,965,970
EXPENSES				
Personal Services	2,645,320	2,495,422	2,501,115	2,653,354
Other Expenditures	4,303,255	4,677,804	5,111,008	5,324,250
Claims	24,740,933	26,883,750	27,511,034	30,393,921
TOTAL EXPENSES	31,689,507	34,056,976	35,123,157	38,371,525
FUND BALANCE - DECEMBER 31	5,797,406	5,122,132	4,737,464	4,331,909

City of Duluth Minnesota - 2020 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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	976,172	193,328	(173,360)	(197,860)
REVENUES				
Transfer from City Funds				
- General	600,000	800,000	900,000	900,000
- Public Utility	154,800	151,300	156,000	158,800
Other Reimbursements	88,887	406,863	151,300	137,700
TOTAL REVENUES	843,687	1,358,163	1,207,300	1,196,500
EXPENSES				
Personal Services	769,342	591,165	453,200	532,900
Claims: Workers' Compensation	360,094	657,024	275,400	371,000
Other Services and Charges	497,095	476,662	503,200	544,000
TOTAL EXPENSES	1,626,531	1,724,851	1,231,800	1,447,900
FUND BALANCE - DECEMBER 31	193,328	(173,360)	(197,860)	(449,260)
BUDGETED FTE'S				
1100 Safety & Training Officer	1	1	1	1

City of Duluth Minnesota - 2020 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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	1,546,823	983,631	1,081,591	1,067,891
REVENUES				
Transfer from City Funds				
- General	400,000	400,000	500,000	500,000
- Public Utility	123,700	121,600	156,100	193,840
- Duluth Steam	20,013	20,298	20,300	20,360
Duluth Airport	47,330	47,347	47,300	47,020
DEDA	24,559	24,575	24,600	24,810
Other Reimbursements	10,520	10,755	-	-
TOTAL REVENUES	626,122	624,575	748,300	786,030
EXPENSES				
Claims: Liability	747,597	22,951	255,200	325,400
Property/Boiler Insurance	190,166	188,826	187,800	190,470
Other Services and Charges	251,551	314,838	319,000	359,840
TOTAL EXPENSES	1,189,314	526,615	762,000	875,710
FUND BALANCE - DECEMBER 31	983,631	1,081,591	1,067,891	978,211

City of Duluth Minnesota - 2020 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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	5,167,766	5,311,217	4,869,884	4,571,507
REVENUES				
City Employer/Employee Premium	21,984,272	23,594,321	25,233,240	27,922,972
Sub-Group Employer/Employee Premium	1,856,440	2,100,192	2,338,454	2,597,803
Miscellaneous	683,073	750,766	100,000	100,000
TOTAL REVENUES	24,523,785	26,445,279	27,671,694	30,620,775
EXPENSES				
Personal Services	350,000	360,500	371,315	382,454
Claims	22,825,695	25,378,569	26,080,961	28,742,051
Other Services and Charges	1,204,639	1,147,543	1,517,795	1,555,174
TOTAL EXPENSES	24,380,334	26,886,612	27,970,071	30,679,679
FUND BALANCE - DECEMBER 31	5,311,217	4,869,884	4,571,507	4,512,603

City of Duluth Minnesota - 2020 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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	249,854	245,766	255,821	207,965
REVENUES				
City Employer/Employee Premiums	789,684	818,334	842,004	933,924
Sub-Group Employer/Employee Premiums	75,533	79,159	71,796	76,728
TOTAL REVENUES	865,217	897,493	913,800	1,010,652
EXPENSES				
Claims	807,547	825,206	899,473	955,470
Other Services and Charges	61,758	62,232	62,183	63,936
TOTAL EXPENSES	869,305	887,438	961,656	1,019,406
FUND BALANCE - DECEMBER 31	245,766	255,821	207,965	199,211

City of Duluth Minnesota - 2020 Budget

Fleet Services

City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 Projected
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%	0%	65%	100%
	Separate Assets By Departments	60%	70%	75%	100%
	Inactivate Retired Units	0%	0%	90%	100%
	Train and support new users on new site.	0%	0%	40%	60%
	Maintain training and peripherally support department users.	0%	0%	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.	0%	40%	60%	100%
	Move parts department downstairs.	0%	75%	90%	100%
	Complete remodel of upstairs area to accommodate breakroom, locker room, training area, and a fitness center.	0%	0%	60%	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.	0%	-10%	-10%	-5%
	Expand FIMS use in Capital Planning	0%	20%	40%	80%
	Use certification-tracking capabilities to monitor licenses and certs.	0%	40%	80%	100%
	Implement scheduling module to reduce downtime.	0%	20%	60%	80%
	Develop and implement Fleet right-sizing and usage standards	0%	40%	80%	100%

City of Duluth Minnesota - 2020 Budget

Fleet Services

City Priority: Innovation and Excellence in Service

<u>Objective:</u>	<u>Strategy/Measure:</u>	2017 Actual	2018 Actual	2019 Estimate	2020 Projected
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%	0%	100%
	Outfit and prepare new mobile repair truck for service	0%	0%	10%	100%
	Incorporate the new service vehicle into the PM scheduling	0%	0%	20%	50%

City of Duluth Minnesota - 2020 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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
FUND BALANCE - JANUARY 1	(629,945)	(936,536)	(911,804)	(912,039)
REVENUES				
SALES & SERVICES (BY ACCOUNT):				
Fuel Sales	817,416	1,011,852	948,400	1,083,300
Fleet Repair Part Sales, Fleet Parts	782,900	805,857	910,000	851,500
Fleet Repair Part Sales, Sublet Part Sales	280,673	268,205	330,110	330,110
Fleet Repair Services, Fleet Labor	1,246,903	1,772,699	1,796,355	1,880,373
Fleet Repair Services, Sublet Labor	180,647	190,068	205,730	205,730
TOTAL SALES & SERVICES	3,308,539	4,048,681	4,190,595	4,351,013
SALES & SERVICES (BY FUND):				
General Fund	2,522,216	3,027,102	3,197,095	3,282,313
Special Projects Fund	2,863	4,092	-	3,000
Parks Fund	295	1,215	4,700	4,000
Parking Fund	5,830	14,786	7,500	9,800
Water and Gas	429,635	614,306	553,100	604,800
Sewer	166,613	168,976	191,700	202,200
Stormwater	130,568	166,096	164,400	171,300
Steam	533	-	-	-
Street Light Utility	49,986	52,108	72,100	73,600
TOTAL SALES & SERVICES	3,308,539	4,048,681	4,190,595	4,351,013
Other Revenue	8,893	7,511	6,800	1,000
TOTAL REVENUES	3,317,432	4,056,192	4,197,395	4,352,013

City of Duluth Minnesota - 2020 Budget

Fleet Services

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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.

	2017 Actual	2018 Actual	2019 Budget	2020 Approved
EXPENSES				
Personal Services	1,019,916	1,113,191	1,162,700	1,196,500
Benefits	506,062	430,566	513,900	541,500
Other Expenses	2,098,045	2,487,703	2,521,030	2,610,830
TOTAL EXPENSES	3,624,023	4,031,460	4,197,630	4,348,830
FUND BALANCE - DECEMBER 31	(936,536)	(911,804)	(912,039)	(908,856)

City of Duluth Minnesota - 2020 Budget

Fleet Services - Personnel Summary

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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
1100 Fleet Services Manager	1.00	1.00	1.00	1.00
22 Maintenance Worker	1.00	-	1.00	-
24 Assistant Storekeeper	1.00	1.00	1.00	1.00
25 Equipment Maintenance Specialist	2.00	-	-	-
25 Vehicle Maintenance Mechanic	-	1.00	1.00	1.00
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
28 Fleet Assistant	1.00	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
32 Fleet Services Coordinator	-	-	-	1.00
32 Fleet Services Leadworker	2.00	2.00	2.00	2.00
133 Budget & Operations Analyst	0.20	0.20	0.20	0.20
Division Total	18.20	17.20	18.20	17.20

City of Duluth Minnesota - 2020 Budget

Fleet Services - Expense Detail

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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
PERSONAL SERVICES				
5100 Permanent Employees - Regular	1,013,918	1,104,185	1,142,700	1,176,500
5101 Permanent Employees - Overtime	5,998	8,946	20,000	20,000
5103 Other Wages	-	-	-	-
5118 Meal Allowance	-	60	-	-
TOTAL	1,019,916	1,113,191	1,162,700	1,196,500
5121 P.E.R.A.	72,781	81,602	85,300	88,200
5121 P.E.R.A., GASB 68	75,918	(45,599)	-	-
5122 F.I.C.A. Social Security	61,115	66,720	72,100	74,200
5123 F.I.C.A. Medicare	14,293	15,604	16,900	17,300
5125 Dental Insurance	6,371	6,739	6,800	6,400
5126 Life Insurance	4,117	4,277	3,300	3,100
5127 Health Care Savings Plan	21,153	23,921	22,600	17,500
5130 Cafeteria Plan Benefits	238,026	277,152	306,900	334,800
5133 Health or Fitness Program	120	150	-	-
5141 Unemployment Compensation	12,168	-	-	-
TOTAL	506,062	430,566	513,900	541,500
OTHER EXPENDITURES				
5200 Office Supplies	1,409	507	1,500	1,500
5201 Computer Supplies/Software	-	1,084	5,800	-
5205 Safety & Training Materials	2,653	2,850	5,000	5,000
5210 Plant/Operating Supplies	7,302	8,462	11,000	20,000
5211 Cleaning/Janitorial Supplies	916	1,766	1,000	-
5212 Motor Fuel	819,461	1,015,225	948,400	1,083,300
5215 Shop Materials	15,105	16,438	16,100	16,100
5219 Other Miscellaneous Supplies	2,425	4,405	5,000	-
5221 Equipment Repair Supplies	800,239	949,908	1,000,100	950,100
5240 Small Tools	6,046	2,105	8,000	10,000
5241 Small Equipment	3,127	664	2,000	-
5305 Medical Services/Testing Fees	-	-	-	-
5319 Other Professional Services	-	4,505	8,000	6,000
5320 Data Services	4,280	5,677	7,500	-
5321 Telephone	741	534	570	570

City of Duluth Minnesota - 2020 Budget

Fleet Services - Expense Detail

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	2017 Actual	2018 Actual	2019 Budget	2020 Approved
OTHER EXPENDITURES CONTINUED				
5331 Travel/Training	1,927	2,005	5,000	5,000
5335 Local Mileage Reimbursement	24	59	130	130
5356 Copier, Printer Lease & Supplies	2,698	2,828	3,000	3,000
5381 Electricity	16,668	16,635	19,000	19,000
5382 Water, Gas and Sewer	11,812	17,802	14,000	19,000
5384 Refuse Disposal	1,177	1,255	1,500	1,500
5401 Building Structure Repair	1,588	2,760	3,000	-
5404 Equipment Repair & Maintenance	164,398	181,852	202,730	202,730
5414 Software Licenses & Maintenance	11,906	11,870	11,900	25,200
5419 Other Rental	-	-	1,000	-
5420 Depreciation	64,631	64,934	61,800	59,000
5438 Licenses	939	6,583	2,500	7,500
5441 Other Services and Charges	10,611	16,329	18,000	18,000
5450 Laundry	9,162	7,879	12,000	12,000
5493 Cost Allocation Charges	136,800	135,900	145,500	146,200
5540 Non-Capital Equipment	-	4,882	-	-
TOTAL	2,098,045	2,487,703	2,521,030	2,610,830
5580 Capital Equipment	-	21,732	-	-
TOTAL EXPENSES	3,624,023	4,053,192	4,197,630	4,348,830

CAPITAL PROGRAM

City of Duluth Minnesota - 2020 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 secondly, 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 2020 capital improvement budget and the 2020 through 2024 capital improvement plans.

2020 Proposed Improvements

The 2020 capital improvement program outlines total proposed projects in the amount of \$66,003,721 funded through various sources including bonding, the Parks fund, the ½ and ½ tax, state and federal grants, the Permanent Improvement fund, the Street System Maintenance levy, the local sales tax dedicated to streets (.5%) and utilities revenue. Included in the capital improvement budget are projects for facilities, parks and trails, streets and bridges, and the Water, Gas, Sewer, Stormwater and Street Lighting utilities. The following chart shows the breakdown of funding for the 2020 program.

Capital improvements to city buildings and infrastructure will be funded by issuing a capital improvement bond in the amount of \$1,800,000.

Parks and trails are to be funded by federal grants totaling \$2,736,381; state grants totaling \$3,143,339; St Louis River Corridor bond proceeds (½ and ½ tax) of \$5,582,632; other Grants and Donations totaling \$3,637,153; other City funding totaling \$374,086; and the Parks fund contribution of \$1,480,061 for a combined program total of \$16,953,652.

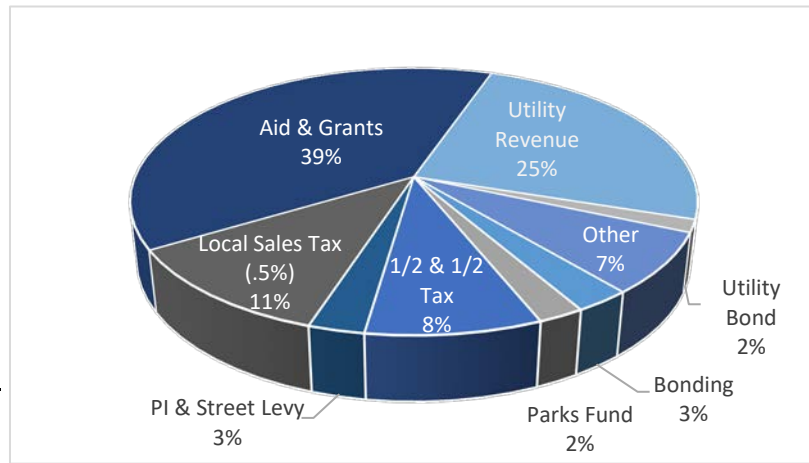
The Street and Bridge Improvement and Preservation program for 2020 totals \$29,919,469. Funding sources include \$19,805,469 from aids and grants, \$280,000 from property tax dollars levied in the Permanent Improvement fund, \$7,500,000 from the local sales tax dedicated to street improvement (.5%), \$1,509,000 from the Street System Maintenance levy, and \$825,000 from other City funding sources.

2020 Capital Utility Projects total \$17,330,600 and will be funded using \$16,330,600 from utility revenue and \$1,000,000 from utility bond proceeds.

City of Duluth Minnesota - 2020 Budget

Capital Improvement Plan

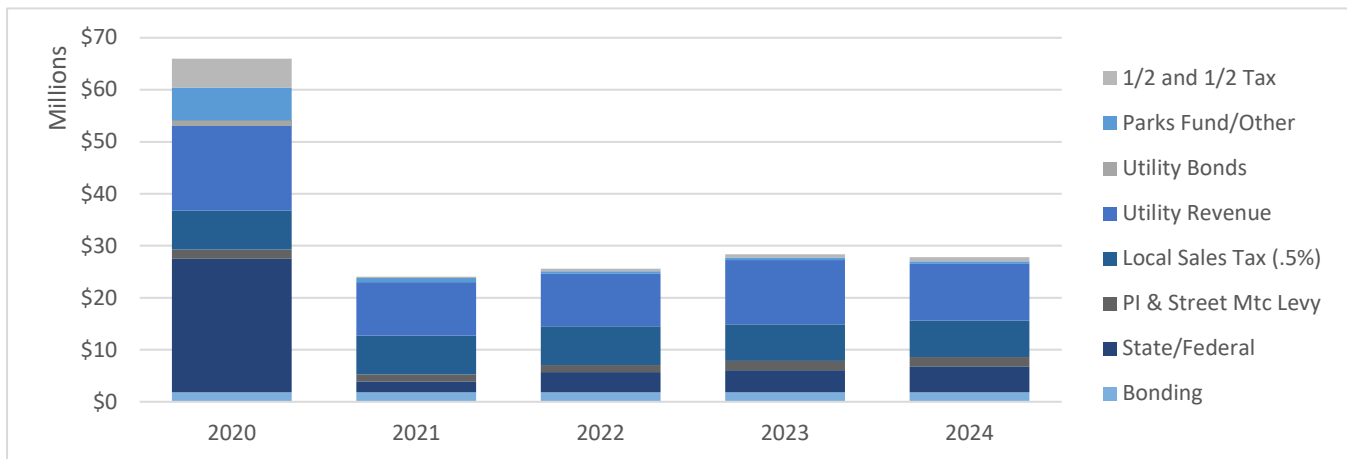
Bonding	\$1,800,000
Parks Fund	\$1,480,061
1/2 & 1/2 Tax	\$5,582,632
PI & Street Levy	\$1,789,000
Local Sales Tax (.5%)	\$7,500,000
Aid & Grants	\$25,685,189
Utility Revenue	\$16,330,600
Utility Bond	\$1,000,000
Other	\$4,836,239
Total	\$66,003,721



Five Year Improvement Plan Funding

The City has identified \$171.8 million in improvements along with funding sources over the course of the next five years. The City will bond for certain types of improvements as allowed in State Statute. As can be seen below, over the next five years, the City is proposing to bond for a total of \$9 million in capital improvements.

Shown in the chart below are the funding sources by year for the five-year capital improvement plan.



	2020	2021	2022	2023	2024	Total
Bonding	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	9,000,000
State/Federal	25,685,189	2,117,150	3,900,000	4,300,000	5,044,219	41,046,558
PI & Street Mtc Levy	1,789,000	1,336,644	1,336,000	1,780,000	1,780,000	8,021,644
Local Sales Tax (.5%)	7,500,000	7,500,000	7,500,000	7,000,000	7,000,000	36,500,000
Utility Revenue	16,330,600	10,250,000	10,040,000	12,395,000	10,900,000	59,915,600
Utility Bonds	1,000,000	-	-	-	-	1,000,000
Parks Fund/Other	6,316,300	825,000	518,750	500,000	500,000	8,660,050
1/2 and 1/2 Tax	5,582,632	209,430	510,000	575,000	794,283	7,671,345
Total Plan	66,003,721	24,038,224	25,604,750	28,350,000	27,818,502	171,815,197

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

2020 Funding Sources by Project

Facilities	Bond			
CIP Eligible VFA Building Improvements	125,000			
Maintenance Buildings Improvements	425,000			
Civic Buildings (CCW/City Hall/Library)	750,000			
Public Safety Buildings (Fire/Police)	500,000			
Total	1,800,000			
Parks and Trails	Parks Fund	1/2 & 1/2 Tax	Aids/Grants	Other
Zoo Exhibit Restoration	-	1,900,000	1,900,000	-
Spirit Landing, Trail & Water Access	-	679,245	2,322,578	110,500
Lincoln Park Restoration	37,500	810,000	1,278,601	-
Wade/Wheeler Ball Field Improvements	200,000	607,234	275,000	16,294
Lower Chester MMP Implementation	26,840	-	-	-
Keene Park MMP Implementation	225,000	90,000	52,000	-
Piedmont Park MMP Implementation	-	47,707	219,341	-
Natural Resources	129,900	-	-	-
Merritt Park MMP Implementation	75,000	90,000	-	-
Other Park Improvements	342,821	113,180	-	-
Cross City Trail-River Route & Wayfinding	-	464,917	1,350,452	-
DWP Trail	51,000	79,360	889,198	-
Brighton Beach Lakewalk Extension	92,000	-	300,000	247,292
DWP - Sargent Creek Bridge	-	351,911	250,000	-
Snowmobile Trail	-	175,000	390,625	-
Grand Avenue Nordic Center	-	50,000	150,000	-
Western Waterfront Trail	-	89,078	89,078	-
All Weather Mountain Bike Trail-Phase II	90,000	35,000	-	-
Lakewalk Mini-Master Plan	75,000	-	-	-
St. Louis River Heritage Trail	50,000	-	50,000	-
Other Trail Improvements	85,000	-	-	-
Total	1,480,061	5,582,632	9,516,873	374,086
Street & Bridge Reconstruction and Preservation Program	PI/Prior Year	Street Mtc		
	PI	Aids/Grants	Levy/Local Sales Tax	Other
Downtown Superior Street	-	5,330,000	643,500	555,000
Aerial Lift Bridge Paint & Structural Repairs	-	1,000,000	-	11,000,000
East Superior St recon.- Lester River Rd to TH61	-	1,356,250	-	-
Woodland Ave & Kent Rd- Signal Replacement	-	500,000	-	-

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

2020 Funding Sources by Project

Street & Bridge Reconstruction and Preservation Program Continued	PI/Prior Year		Street Mtc	Other
	PI	Aids/Grants	Levy/Local Sales Tax	
Rice Lake Rd /Arlington /Arrowhead intersection improvements	60,000	150,000	-	270,000
Lake (2020) & 5th Ave West (2024) Bridges -ADA improvements	-	319,219	-	-
Engineering for following year's Federal Projects	-	150,000	-	-
Street Preservation (Various Locations)	-	-	8,265,500	-
Misc Annual Infrastructure	200,000	-	-	-
Sidewalks (includes 27th Ave W)	20,000	-	100,000	-
Total	280,000	8,805,469	9,009,000	11,825,000
	Utility			
Capital Utility Projects	<u>Rev/Bond</u>			
2nd Street 20-inch main 6th to 12th Ave. East	1,000,000			
Annual Transportation SIP projects	100,000			
Arrowhead and Rice Lake (County)	350,000			
Cathodic Protection System on 42-inch steel	80,000			
Citywide sanitary sewer rehabilitation/lining	1,500,000			
Clarkhouse Creek	50,000			
Decker Road	2,199,500			
Gas Blanket Project	1,500,000			
Greys Creek	50,000			
Lift Station 15 Twin Ports Interchange	4,400,000			
Lower Coffee Creek	50,000			
Meter relocations/bollards	100,000			
Michigan Street 16-inch	526,800			
Middle Pump Station	2,400,000			
Morris Thomas Rd. 16-inch main inspection	100,000			
PW&U Garfield Facility gravel cover	24,800			
PW&U Garfield Facility roof	500,000			
Steel main replacements	100,000			
Stora Enso flow meter	250,000			
Superior Street	575,000			
Technology Drive signal system	120,000			
Warwick signal system	110,500			
Woodland Ave and E Calvary water main	1,244,000			
Total	17,330,600			

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

5 Year Project Summary

Facilities	2020	2021	2022	2023	2024	Total
CIP Eligible VFA Building Improvements	125,000	10,000	1,650,000	1,000,000	5,000	2,790,000
Facilities Building Improvements	75,000	-	-	-	-	75,000
Fleet building Improvements	-	-	-	450,000	-	450,000
42nd Tool House Improvements	-	-	-	-	250,000	250,000
40th Tool House Improvements	350,000	-	-	-	-	350,000
Lund Tool House Improvements	-	-	-	-	45,000	45,000
Tree Farm/Riley Road Improvements	-	350,000	-	-	-	350,000
City Center West Improvements	-	625,000	50,000	-	-	675,000
City Hall Improvements	750,000	-	-	-	-	750,000
Library Improvements	-	125,000	-	-	400,000	525,000
Firehall #1 Improvements	-	360,000	100,000	-	300,000	760,000
Firehall #2 Improvements	-	-	-	-	450,000	450,000
Firehall #4 Improvements	-	-	-	-	350,000	350,000
Firehall #7 Improvements	-	-	-	-	-	-
Firehall #8 Improvements	-	50,000	-	-	-	50,000
Firehall #10 Improvements	-	280,000	-	125,000	-	405,000
Firehall #11 Improvements	-	-	-	-	-	-
Public Safety Building	500,000	-	-	225,000	-	725,000
Facilities Total	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	9,000,000
Parks and Trails	2020	2021	2022	2023	2024	Total
Zoo Exhibit Restoration	3,800,000	-	-	-	-	3,800,000
Spirit Landing, Trail & Water Access	3,112,323	-	-	-	-	3,112,323
Lincoln Park Restoration	2,126,101	-	-	-	-	2,126,101
Wade/Wheeler Ball Field Improvements	1,098,528	-	-	-	-	1,098,528

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

5 Year Project Summary

Parks and Trails Continued	2020	2021	2022	2023	2024	Total
Memorial Park MMP Implementation	-	85,000	510,000	-	-	595,000
Lower Chester MMP Implementation	26,840	375,000	-	-	-	401,840
Keene Park MMP Implementation	367,000	-	-	-	-	367,000
Piedmont Park MMP Implementation	267,048	-	-	-	-	267,048
Norton Park MMP Implementation	-	225,000	-	-	-	225,000
Natural Resources	129,900	50,000	-	-	-	179,900
Merritt Park MMP Implementation	165,000	-	-	-	-	165,000
Brighton Beach	-	100,000	-	-	-	100,000
Parks Strategic Master Plan	-	60,000	-	-	-	60,000
Other Park Improvements	456,001	114,430	250,000	575,000	575,000	1,970,431
Cross City Trail-River Route & Wayfinding	1,815,369	-	-	-	-	1,815,369
DWP Trail	1,019,558	-	-	-	-	1,019,558
Cross City Trail-Irving Park to Greene Street	-	-	-	-	819,283	819,283
Brighton Beach Lakewalk Extension	639,292	-	-	-	-	639,292
DWP - Sargent Creek Bridge	601,911	-	-	-	-	601,911
Snowmobile Trail	565,625	-	-	-	-	565,625
Grand Avenue Nordic Center	200,000	-	-	-	-	200,000
Western Waterfront Trail	178,156	-	-	-	-	178,156
All Weather Mountain Bike Trail-Phase II	125,000	-	-	-	-	125,000
Lakewalk Mini-Master Plan	75,000	-	-	-	-	75,000
St. Louis River Heritage Trail	100,000	-	-	-	-	100,000
Other Trail Improvements	85,000	25,000	250,000	500,000	500,000	1,360,000
Parks and Trails Total	16,953,652	1,034,430	1,010,000	1,075,000	1,894,283	21,967,365

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

5 Year Project Summary

Street & Bridge Reconstruction and Preservation Program	2020	2021	2022	2023	2024	Total
Superior Street	6,528,500	-	-	-	-	6,528,500
Aerial Lift Bridge Paint & Structural Repairs	12,000,000	-	-	-	-	12,000,000
E Superior St reconditioning-Lerster River Rd to TH61	1,356,250	-	-	-	-	1,356,250
Woodland Ave & Kent Rd-Signal Replacement	500,000	-	-	-	-	500,000
Rice Lake Rd /Arlington /Arrowhead intersection improvements	480,000	-	-	-	-	480,000
Lake (2020) & 5th Ave	319,219	-	-	-	194,219	513,438
East 3rd Street Recondition Engineering for following year's Federal Projects	-	-	-	1,650,000	-	1,650,000
Federal Projects TBD	150,000	-	150,000	150,000	150,000	600,000
Railroad Street (Lake Ave to 5th Ave W)	-	-	-	-	1,600,000	1,600,000
Glenwood & Snively Intersection Improvements (County)	-	1,717,150	-	-	-	1,717,150
Arrowhead Rd Mill & Overlay (w/County)	-	-	750,000	-	-	750,000
Street Preservation (Various Locations)	-	-	925,000	-	-	925,000
Signal Replacement (City)	8,265,500	8,856,644	10,456,000	10,900,000	10,900,000	49,378,144
Misc Annual Infrastructure	-	-	93,750	-	-	93,750
Sidewalks (includes 27th Ave)	200,000	260,000	260,000	260,000	260,000	1,240,000
Street, Bridge, and Preservation Total	120,000	120,000	120,000	120,000	120,000	600,000
	29,919,469	10,953,794	12,754,750	13,080,000	13,224,219	79,932,232

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

5 Year Project Summary

Capital Utility Projects	2020	2021	2022	2023	2024	Total
20th Ave. West, 23rd Avenue West, 10th Street	-	-	-	500,000	500,000	1,000,000
24th Ave. West, 3rd to 7th Street	-	-	450,000	-	-	450,000
2nd Street 20-inch main 6th to 12th Ave. East	1,000,000	-	-	-	-	1,000,000
3rd Street, Vernon, 2nd Street Alley	-	-	200,000	-	-	200,000
40th Avenue West (County)	-	-	-	-	600,000	600,000
4th Street water main, 6th Ave East to Mesaba (design)	-	-	-	-	200,000	200,000
Annual Transportation SIP projects	100,000	100,000	100,000	100,000	100,000	500,000
Arrowhead and Rice Lake (County)	350,000	-	-	-	-	350,000
Block-long culvert & ditch system improvements	-	-	-	250,000	250,000	500,000
Brewery Creek tuck pointing	-	190,000	-	-	-	190,000
Building shell at Stora Enso	-	-	140,000	-	-	140,000
Cathodic Protection System on 42-inch steel	80,000	80,000	80,000	-	-	240,000
Citywide pipe repairs & steep slope down drains	-	110,000	310,000	250,000	250,000	920,000
Citywide sanitary sewer rehabilitation/lining	1,500,000	2,000,000	2,000,000	2,000,000	2,000,000	9,500,000
Clarkhouse Creek	50,000	100,000	-	-	-	150,000
Decker Road	2,199,500	-	-	-	-	2,199,500
Duluth Heights #1 and #2	-	-	907,500	-	-	907,500
Duluth Heights #3	-	-	-	-	1,000,000	1,000,000
Electrical upgrades at WTP	-	-	-	-	1,500,000	1,500,000
Far East Superior Street water main off 42-inch	-	-	-	600,000	700,000	1,300,000
Fascia repairs at main WTP pump building	-	-	-	100,000	-	100,000
Gas Blanket Project	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	7,500,000

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

5 Year Project Summary

Capital Utility Projects Continued	2020	2021	2022	2023	2024	Total
Gogebic Creek CIPP and storm improvements	-	-	-	275,000	-	275,000
Greys Creek	50,000	100,000	-	-	-	150,000
Hidden Valley phase 2 water main replacement	-	1,400,000	-	-	-	1,400,000
Kenwood Avenue box culvert fish passage - Chester Creek	-	-	40,000	300,000	300,000	640,000
Lift Station 15 Twin Ports Interchange	4,400,000	-	-	-	-	4,400,000
Lift Station rehabilitation	-	450,000	450,000	450,000	450,000	1,800,000
Lower Coffee Creek	50,000	100,000	100,000	-	-	250,000
Meter relocations/bollards	100,000	250,000	250,000	250,000	250,000	1,100,000
Michigan Street 10-inch	-	-	120,000	-	-	120,000
Michigan Street 16-inch	526,800	-	-	-	-	526,800
Middle Pump Station	2,400,000	-	-	-	-	2,400,000
MNDOT Central entrance, 8 inch replacement	-	-	-	-	100,000	100,000
MNDOT Gogebic Creek	-	-	-	300,000	-	300,000
MNDOT US Steel Creek	-	-	-	120,000	-	120,000
Morris Thomas Rd. 16-inch main inspection	100,000	-	-	-	-	100,000
Morris Thomas Rd. water main (County)	-	2,140,000	-	-	-	2,140,000
PW&U Garfield Facility gravel cover	24,800	300,000	-	-	-	324,800
PW&U Garfield Facility roof	500,000	-	-	-	-	500,000
Raleigh St, 59th to Grand	-	530,000	-	-	-	530,000
Steel main replacements	100,000	100,000	500,000	500,000	500,000	1,700,000
Stora Enso flow meter	250,000	-	-	-	-	250,000
Superior Street laterals	50,000	-	-	-	-	50,000
Superior Street reconstruction	525,000	-	-	-	-	525,000
Superior Street, Lakewood to McQuade Rd culvert exts	-	-	100,000	-	-	100,000

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

5 Year Project Summary

Capital Utility Projects Continued	2020	2021	2022	2023	2024	Total
Technology Drive signal system	120,000	-	-	-	-	120,000
Traffic signal & street lighting communications upgrades	-	100,000	-	-	-	100,000
Traffic signal upgrades	-	700,000	700,000	700,000	700,000	2,800,000
Upper Lakeside phase 1, connection on Glenwood	-	-	900,000	-	-	900,000
Upper Lakeside phase 2,	-	-	787,500	-	-	787,500
Upper Lakeside phase 3 upgrades	-	-	-	1,600,000	-	1,600,000
Warwick signal system	110,500	-	-	-	-	110,500
Woodland Ave. 6-inch steel pipe replacement	500,000	-	-	-	-	500,000
Woodland Ave. and East Calvary water main (County)	744,000	-	-	-	-	744,000
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	-	-	200,000	-	-	200,000
Capital Utility Projects Total	17,330,600	10,250,000	10,040,000	12,395,000	10,900,000	60,915,600
GRAND TOTAL	66,003,721	24,038,224	25,604,750	28,350,000	27,818,502	171,815,197

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

5 Year Funding Sources

	2020	2021	2022	2023	2024	Total
Bond	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	9,000,000
Parks Fund	1,480,061	825,000	500,000	500,000	500,000	3,805,061
1/2 & 1/2 Tax	5,582,632	209,430	510,000	575,000	794,283	7,671,345
Permanent Improvement Fund	280,000	280,000	280,000	280,000	280,000	1,400,000
Street System Maintenance Levy	1,509,000	1,056,644	1,056,000	1,500,000	1,500,000	6,621,644
Local Sales Tax (.5%)	7,500,000	7,500,000	7,500,000	7,000,000	7,000,000	36,500,000
Minnesota State Aid	7,576,250	-	-	-	-	7,576,250
State Grants	14,143,339	832,150	2,560,000	2,980,000	3,125,000	23,640,489
Federal Grants/Aid	3,965,600	1,285,000	1,340,000	1,320,000	1,919,219	9,829,819
Other Funding Sources	4,836,239	-	18,750	-	-	4,854,989
Utilities - Bond	1,000,000	-	-	-	-	1,000,000
Utilities - Current Year Revenue						
-Water	4,497,200	3,185,000	3,530,000	5,220,000	4,000,000	20,432,200
-Gas	3,846,500	2,865,000	2,710,000	2,850,000	2,850,000	15,121,500
-Sewer	6,430,000	2,525,000	2,450,000	2,450,000	2,450,000	16,305,000
-Stormwater	1,101,400	875,000	650,000	1,175,000	900,000	4,701,400
-Street Lighting	455,500	800,000	700,000	700,000	700,000	3,355,500
Total	66,003,721	24,038,224	25,604,750	28,350,000	27,818,502	171,815,197

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

Capital Improvement Program Summary

Operating Cost Implications of Proposed Projects:

The Capital Improvement Program is the principal funding program the City uses to make large, planned improvements and corrections to its building inventory and infrastructure. It traditionally consists of issuing general obligation bonds for City Hall, public safety facilities, libraries and public works facilities. The City maintains 148 structures with an average age of over 40 years. These structures require continued accessibility and code compliance efforts.

Projects	2020	2021	2022	2023	2024	Total
CIP Eligible VFA Building	125,000	10,000	1,650,000	1,000,000	5,000	2,790,000
Maintenance Buildings						
Improvements	425,000	350,000	-	450,000	295,000	1,520,000
Civic Buildings (CCW/City Hall/Library)	750,000	750,000	50,000	-	400,000	1,950,000
Public Safety Buildings (Fire/Police)	500,000	690,000	100,000	350,000	1,100,000	2,740,000
Total	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	9,000,000
Funding	2020	2021	2022	2023	2024	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 - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

CIP Eligible VFA Building Improvements

Description:

It is important to maintain a city-wide program of facility system replacements and accessibility compliance for structures. Many remote sites need masonry tuck pointing; this is our primary point of water migration into finished spaces. 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	2020	2021	2022	2023	2024	Total
CIP Eligible VFA Building Improvements	125,000	10,000	1,650,000	1,000,000	5,000	2,790,000
Total	125,000	10,000	1,650,000	1,000,000	5,000	2,790,000
Funding	2020	2021	2022	2023	2024	Total
Capital Improvement Bond	125,000	10,000	1,650,000	1,000,000	5,000	2,790,000

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

CIP Eligible VFA Building Improvements

Project Title:

CIP Eligible VFA Building Improvements

Description:

These fund improvements related to deferred maintenance, end-of-life-cycle systems, and other facility improvement requirements identified in the City's asset management system.

**Funding Source:**

FY 2020-2024

Capital Improvement Bond

2,790,000

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 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 constricted 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	2020	2021	2022	2023	2024	Total
Facilities Building Improvements	75,000	-	-	-	-	75,000
Fleet building Improvements	-	-	-	450,000	-	450,000
42nd Tool House Improvements	-	-	-	-	250,000	250,000
40th Tool House Improvements	350,000	-	-	-	-	350,000
Lund Tool House Improvements	-	-	-	-	45,000	45,000
Tree Farm/Riley Road Improvements	-	350,000	-	-	-	350,000
Total	425,000	350,000	-	450,000	295,000	1,520,000
Funding	2020	2021	2022	2023	2024	Total
Capital Improvement Bond	425,000	350,000	-	450,000	295,000	1,520,000

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

Maintenance

Project Title:

Facilities Building Improvements

Description:

Build additional garage in yard to replace shipping containers

**Funding Source:**

FY 2020

Capital Improvement Bond

75,000

Project Title:

40th Toolhouse Improvements

Description:

New salt shed

**Funding Source:**

FY 2020

Capital Improvement Bond

350,000

Project Title:

Tree Farm / Riley Road Improvements

Description:

New salt shed

**Funding Source:**

FY 2021

Capital Improvement Bond

350,000

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

Maintenance

Project Title:

Fleet Building Improvements

Description:

Replace roof

**Funding Source:**

FY 2023

Capital Improvement Bond 450,000

Project Title:

42nd Toolhouse Improvements

Description:

Structural study and repair

**Funding Source:**

FY 2024

Capital Improvement Bond 250,000

Project Title:

Lund Toolhouse Improvements

Description:

Lighting upgrades

**Funding Source:**

FY 2024

Capital Improvement Bond 45,000

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 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 and 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	2020	2021	2022	2023	2024	Total
City Center West Improvements	-	625,000	50,000	-	-	675,000
City Hall Improvements	750,000	-	-	-	-	750,000
Library Improvements	-	125,000	-	-	400,000	525,000
Total	750,000	750,000	50,000	-	400,000	1,950,000

Funding	2020	2021	2022	2023	2024	Total
Capital Improvement Bond	750,000	750,000	50,000	-	400,000	1,950,000

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

Civic (City Center West/City Hall/Library)

Project Title:

City Center West Improvements

Description:

EOC driveway and parking lot and EOC radiant heat

**Funding Source:**

FY 2021-2022

Capital Improvement Bond 675,000

Project Title:

City Hall Improvements

Description:

Fourth and ground floor remodel

**Funding Source:**

FY 2020

Capital Improvement Bond 750,000

Project Title:

Library Improvements

Description:

Cabling at main library

**Funding Source:**

FY 2021, 2024

Capital Improvement Bond 525,000

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

Public Safety (Fire/Police)

Description:

Over the next five years, the City is proposing to invest \$2.8 million in capital maintenance projects at firehalls and police facilities throughout the City. There are remodeling projects to accommodate staff reorganizations as part of the Fire Department consolidation plan. Energy improvements consist of installing new windows and overhead doors, lighting, building controls and replacing furnaces and roofs. Repair and maintenance projects consist of masonry and brick repair, as well as resolving drainage issues and replacing driveways, apparatus bay doors, heating systems, ventilation systems and deferred maintenance requirements identified by the City asset management system (VFA).

Project	2020	2021	2022	2023	2024	Total
Firehall #1 Improvements	-	360,000	100,000	-	300,000	760,000
Firehall #2 Improvements	-	-	-	-	450,000	450,000
Firehall #4 Improvements	-	-	-	-	350,000	350,000
Firehall #7 Improvements	-	-	-	-	-	-
Firehall #8 Improvements	-	50,000	-	-	-	50,000
Firehall #10 Improvements	-	280,000	-	125,000	-	405,000
Firehall #11 Improvements	-	-	-	-	-	-
Public Safety Building (Police)	500,000	-	-	225,000	-	725,000
Total	500,000	690,000	100,000	350,000	1,100,000	2,740,000

Funding	2020	2021	2022	2023	2024	Total
Capital Improvement Bond	500,000	690,000	100,000	350,000	1,100,000	2,740,000

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

Public Safety (Fire/Police)

Project Title:

Firehall #1 Improvements

Description:

Mechanical system and building control upgrades, ADA / bathroom upgrades, and living quarters upgrade / reorganization

**Funding Source:**

FY 2021-2022, 2024

Capital Improvement Bond 760,000

Project Title:

Firehall #2 Improvements

Description:

Flooring upgrades, interior remodel, and roof replacement

**Funding Source:**

FY 2024

Capital Improvement Bond 450,000

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 - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

Public Safety (Fire/Police)

Project Title:

Firehall #8 Improvements

Description:

Replace concrete in front of garage

**Funding Source:**

FY 2021

Capital Improvement Bond 50,000

Project Title:

Firehall #10 Improvements

Description:

HVAC upgrades and basement/bedroom remodel

**Funding Source:**

FY 2021, 2023

Capital Improvement Bond 405,000

Project Title:

Public Safety Building Improvements

Description:

Impound lot and miscellaneous maintenance

**Funding Source:**

FY 2020, 2023

Capital Improvement Bond 725,000

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

Parks and Trails Summary

Description:

Parks and trails 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 parks and trails 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 in parks, trails, 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 parks and trails capital improvements. Selection and design of capital projects is shaped by input and direction from the community, Parks Commission, and City Council.

Projects	2020	2021	2022	2023	2024	Total
Parks	11,548,741	1,009,430	760,000	575,000	575,000	14,468,171
Trails	5,404,911	25,000	250,000	500,000	1,319,283	7,499,194
Total	16,953,652	1,034,430	1,010,000	1,075,000	1,894,283	21,967,365

Funding	2020	2021	2022	2023	2024	Total
Federal Grant	2,736,381	-	-	-	600,000	3,336,381
State Grant	3,143,339	-	-	-	-	3,143,339
Other Grants/ Donations/ Funding	3,637,153	-	-	-	-	3,637,153
Parks Fund	1,480,061	825,000	500,000	500,000	500,000	3,805,061
Other City Funding	374,086	-	-	-	-	374,086
1/2 and 1/2 Tax	5,582,632	209,430	510,000	575,000	794,283	7,671,345
Total	16,953,652	1,034,430	1,010,000	1,075,000	1,894,283	21,967,365

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

Parks Detail

Project	2020	2021	2022	2023	2024	Total
Zoo Exhibit Restoration	3,800,000	-	-	-	-	3,800,000
Spirit Landing, Trail & Water Access	3,112,323	-	-	-	-	3,112,323
Lincoln Park Restoration	2,126,101	-	-	-	-	2,126,101
Wade/Wheeler Ball Field Improvements	1,098,528	-	-	-	-	1,098,528
Memorial Park MMP Implementation	-	85,000	510,000	-	-	595,000
Lower Chester MMP Implementation	26,840	375,000	-	-	-	401,840
Keene Park MMP Implementation	367,000	-	-	-	-	367,000
Piedmont Park MMP Implementation	267,048	-	-	-	-	267,048
Norton Park MMP Implementation	-	225,000	-	-	-	225,000
Natural Resources	129,900	50,000	-	-	-	179,900
Merritt Park MMP Implementation	165,000	-	-	-	-	165,000
Brighton Beach	-	100,000	-	-	-	100,000
Parks Strategic Master Plan	-	60,000	-	-	-	60,000
Other Park Improvements	456,001	114,430	250,000	575,000	575,000	1,970,431
Total	11,548,741	1,009,430	760,000	575,000	575,000	14,468,171

Funding	2020	2021	2022	2023	2024	Total
Federal Grant	944,226	-	-	-	-	944,226
State Grant	1,466,141	-	-	-	-	1,466,141
Other Grants/ Donations/ Funding	3,637,153	-	-	-	-	3,637,153
Parks Fund	1,037,061	800,000	250,000	250,000	250,000	2,587,061
Other City Funding	126,794	-	-	-	-	126,794
1/2 and 1/2 Tax	4,337,366	209,430	510,000	325,000	325,000	5,706,796
Total	11,548,741	1,009,430	760,000	575,000	575,000	14,468,171

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

Parks Projects

Project Title:

Zoo Exhibit Restoration

Description:

This project will design, construct, and equip a new large brown bear exhibit and adjacent large cat exhibit in the space of the former Polar Shores exhibit.



Funding Source:

	FY 2020
1/2 & 1/2	1,900,000
State Bond	1,900,000
Total	3,800,000

Project Title:

Spirit Landing, Trail & Water Access

Description:

This project will include a new road and adjoining paved trail from Grand Avenue to a new accessible canoe/kayak access and trailhead on the riverfront.



Funding Source:

	FY 2020
1/2 & 1/2	679,245
Other City Funding	110,500
State Grant	797,000
Other Grants/Donations	1,525,578
Total	3,112,323

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

Parks Projects

Project Title:

Lincoln Park Restoration

Description:

This project is the implementation of the Lincoln Park Mini-Master Plan Phase I.



Funding Source:

	FY 2020
Parks Fund	37,500
1/2 & 1/2	810,000
Federal Grant	792,501
State Grant	299,525
Other Grants/Donations	186,575
Total	2,126,101

Project Title:

Wade/Wheeler Ball Field Improvements

Description:

This project includes upgrades to existing amenities, including: family-assist restroom; bocce ball courts; playing surface upgrades; an accessible water fountain; and burying power lines. New facilities include: accessibility improvements; dugouts per competition standards, and basketball/tennis/pickleball courts.



Funding Source:

	FY 2020
Parks Fund	200,000
1/2 & 1/2	607,234
Other City Funds	16,294
State Grant	250,000
Other Grants/Donations	25,000
Total	1,098,528

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

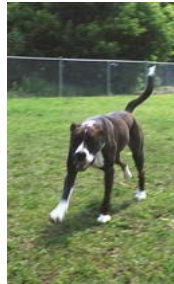
Parks Projects

Project Title:

Neighborhood Parks

Description:

This project is the implementation of the Mini-Masterplan: Keene Park, Merritt Park, & Piedmont Park (2020); Norton Park & Lower Chester Park (2021).



Funding Source:

	<u>FY 2020-2021</u>
Parks Fund	836,840
1/2 & 1/2	317,707
Federal Grant	151,725
State Grant	<u>119,616</u>
Total	1,425,888



Project Title:

Natural Resources

Description:

This project includes a Natural Resources Plan/implementation, invasive removal and land acquisition for natural areas.

Funding Source:

	<u>FY 2020-2021</u>
Parks Fund	179,900



City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

Parks Projects

Project Title:

Other Park Improvements

Description:

This project includes signage, bridges, large maintenance projects, future project design and projects with funding under \$100,000.



Funding Source:

	<u>FY 2020-2024</u>
Parks Fund	1,172,821
1/2 & 1/2	797,610
Total	<u>1,970,431</u>

Project Title:

Memorial Park Mini-Masterplan Implementation

Description:

This project is the Memorial Park Mini-Masterplan design and implementation.



Funding Source:

	<u>FY 2021-2022</u>
1/2 & 1/2	595,000

Project Title:

Brighton Beach Mini-Masterplan Implementation

Description:

This project is the Brighton Beach Mini-Masterplan Implementation-Green Space.



Funding Source:

	<u>FY 2021</u>
Parks Fund	100,000

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

Parks Projects

Project Title:

Parks Strategic Master Plan

Description:

This project will create an updated master plan for the Parks and Recreation Department.

Funding Source:

Parks Fund

FY 2021

60,000



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City of Duluth 2020-2024 Capital Improvement Plan

Trails Detail

Project	2020	2021	2022	2023	2024	Total
Cross City Trail-River Route & Wayfinding	1,815,369	-	-	-	-	1,815,369
DWP Trail	1,019,558	-	-	-	-	1,019,558
Cross City Trail-Irving Park to Greene Street	-	-	-	-	819,283	819,283
Brighton Beach Lakewalk Extension	639,292	-	-	-	-	639,292
DWP - Sargent Creek Bridge	601,911	-	-	-	-	601,911
Snowmobile Trail	565,625	-	-	-	-	565,625
Grand Avenue Nordic Center	200,000	-	-	-	-	200,000
Western Waterfront Trail	178,156	-	-	-	-	178,156
All Weather Mountain Bike Trail-Phase II	125,000	-	-	-	-	125,000
Lakewalk Mini-Master Plan	75,000	-	-	-	-	75,000
St. Louis River Heritage Trail	100,000	-	-	-	-	100,000
Other Trail Improvements	85,000	25,000	250,000	500,000	500,000	1,360,000
Total	5,404,911	25,000	250,000	500,000	1,319,283	7,499,194

Funding	2020	2021	2022	2023	2024	Total
Federal Grant	1,792,155	-	-	-	600,000	2,392,155
State Grant	1,677,198	-	-	-	-	1,677,198
Other Grants/Donations/Funding	-	-	-	-	-	-
Parks Fund	443,000	25,000	250,000	250,000	250,000	1,218,000
Other City Funding	247,292	-	-	-	-	247,292
1/2 and 1/2 Tax	1,245,266	-	-	250,000	469,283	1,964,549
Total	5,404,911	25,000	250,000	500,000	1,319,283	7,499,194

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

Trails Projects

Project Title:

Paved Trails: Cross City Trail-River Route and Wayfinding

Description:

These two projects will complete one phase of the Cross City Trail system, from Carlton Street to Irving Park, and will add wayfinding signage along the trail.

Funding Source:

	FY 2020
1/2 & 1/2	464,917
Federal Grants	1,062,452
State Grant	288,000
Total	1,815,369



Project Title:

Crushed Stone Trails: DWP Trail Legacy Project

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:

	FY 2020
Parks Fund	51,000
1/2 & 1/2	79,360
State Grant	889,198
Total	1,019,558



City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

Trails Projects

Project Title:

Brighton Beach Lakewalk Extension

Description:

This project will construct the final segment of the Lakewalk, which will connect the bike lanes on North Shore Scenic Byway to the existing Lakewalk and Cross City Trail, creating a continuous commuter trail the length of Duluth.



Funding Source:

	FY 2020
Parks Fund	92,000
Other City Funding	247,292
Federal Grant	300,000
Total	639,292

Project Title:

Crushed Stone Trails: DWP Trail-Sargent Creek Bridge

Description:

This project will be the Sargent Creek Bridge restoration. This is the second and final major bridge restoration necessary to realize the DWP Multiuse Trail span from Spirit Mountain to Becks Road.



Funding Source:

	FY 2020
1/2 & 1/2	351,911
State Grant	250,000
Total	601,911

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

Trails Projects

Project Title:

Natural Surface Trails: Snowmobile Trail

Description:

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



Funding Source:

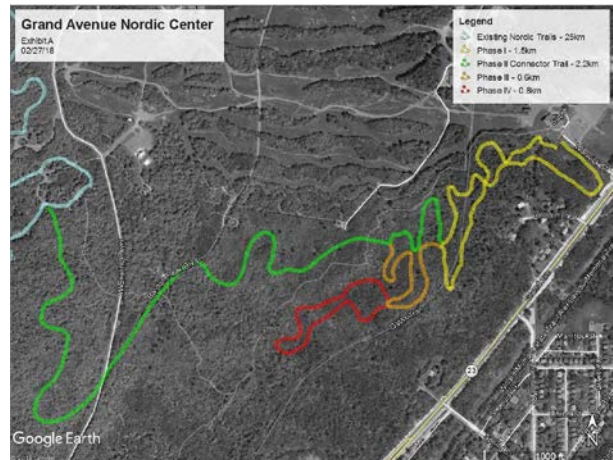
	FY 2020
1/2 & 1/2	175,000
Federal Grant	140,625
State Grant	250,000
Total	565,625

Project Title:

Grand Avenue Nordic Center – Phase II

Description:

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



Funding Source:

	FY 2020
1/2 & 1/2	50,000
Federal Grant	150,000
Total	200,000

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

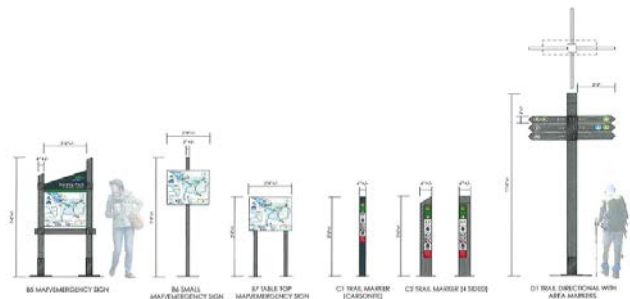
Trails Projects

Project Title:

Crushed Stone Trails: *Western Waterfront Trail
Wayfinding

Description:

This project will improve public access to the St. Louis River estuary through upgraded wayfinding signage and amenities on the Western Waterfront Trail.
* Trail proposed to be renamed *Waabizheskikana-The Marten Trail: A River Heritage Trail*, pending City Council approval.



Funding Source:

	<u>FY 2020</u>
1/2 & 1/2	89,078
Federal Grant	89,078
Total	<u>178,156</u>

Project Title:

Natural Surface Trails: All Weather Trail-Phase II

Description:

This project is a partnership between the City of Duluth and Spirit Mountain for the creation of an All-Weather Mountain Bike Trail.

Funding Source:

	<u>FY 2020</u>
Parks Fund	90,000
1/2 & 1/2	35,000
Spirit Mountain (\$90,000 in-kind)	<u>125,000</u>
Total	<u>125,000</u>



City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

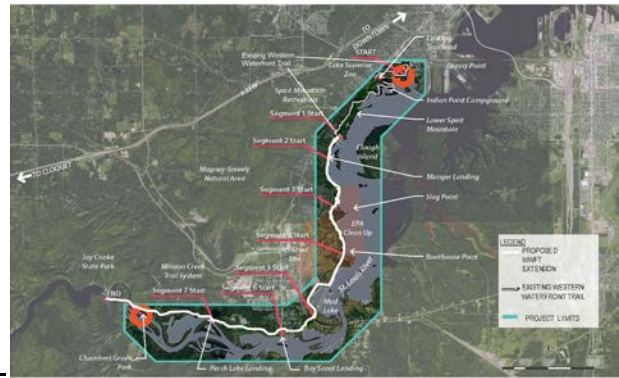
Trails Projects

Project Title:

St. Louis River Heritage Trail Interpretive Plan

Description:

This project will create a stakeholder-driven Heritage Trail Plan that defines the specific details and significant common themes of interpretation along the Western Waterfront Trail (*Waabizheskikana-The Marten Trail: A River Heritage Trail*) on the St. Louis River.



Funding Source:

	FY 2020
Parks Fund	50,000
Federal Grant	50,000
Total	100,000

Project Title:

Lakewalk Mini-Master Plan

Description:

This project is an assessment of current and future Lakewalk assets.



Funding Source:

	FY 2020
Parks Fund	75,000

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City of Duluth 2020-2024 Capital Improvement Plan

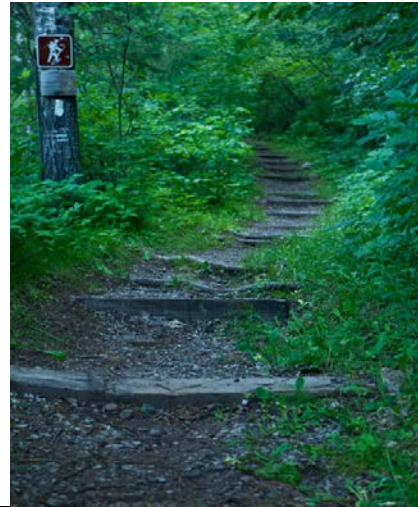
Trails Projects

Project Title:

Other Trail Improvements

Description:

This project will provide other trail improvements.



Funding Source:

	FY 2020-2024
Parks Fund	860,000
1/2 & 1/2	500,000
Total	1,360,000

Project Title:

Paved Trails: Cross City Trail-Irving Park to Greene Street

Description:

This project will complete one phase of the Cross City Trail system, from Irving Park to Greene Street.



Funding Source:

	FY 2024
1/2 & 1/2	219,283
Federal Grant	600,000
Total	819,283

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 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 (MSA), 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 2020 Approved Projects:

The three year Downtown Superior Street reconstruction project will end in 2020. Beginning in 2020, the Street Improvement Program will begin 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	2020	2021	2022	2023	2024	Total
Downtown Superior Street	6,528,500	-	-	-	-	6,528,500
Aerial Lift Bridge Paint & Structural Repairs	12,000,000	-	-	-	-	12,000,000
East Superior St reconditioning- Lester River Rd to TH61	1,356,250	-	-	-	-	1,356,250
Woodland Ave & Kent Rd- Signal Replacement	500,000	-	-	-	-	500,000
Rice Lake Rd /Arlington /Arrowhead intersection improvements	480,000	-	-	-	-	480,000
Lake (2020) & 5th Ave West (2024) Bridges -ADA improvements	319,219	-	-	-	194,219	513,438
East 3rd Street reconditioning	-	-	-	1,650,000	-	1,650,000
Engineering for following year's Federal Projects	150,000	-	150,000	150,000	150,000	600,000
Federal Projects TBD	-	-	-	-	1,600,000	1,600,000

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

Street Improvement & Bridge Projects Summary

Railroad Street (Lake Ave to 5th Ave W)	-	1,717,150	-	-	-	1,717,150
Project	2020	2021	2022	2023	2024	Total
Glenwood & Snively Intersection Improvements (County)	-	-	750,000	-	-	750,000
Arrowhead Rd Mill & Overlay (w/County)	-	-	925,000	-	-	925,000
Street Preservation (Various Locations)	8,265,500	8,856,644	10,456,000	10,900,000	10,900,000	49,378,144
Signal Replacement (City share of County Projects)	-	-	93,750	-	-	93,750
Misc Annual Infrastructure	200,000	260,000	260,000	260,000	260,000	1,240,000
Sidewalks (includes 27th Ave W)	120,000	120,000	120,000	120,000	120,000	600,000
Total	29,919,469	10,953,794	12,754,750	13,080,000	13,224,219	79,932,232
Funding	2020	2021	2022	2023	2024	Total
Federal	1,229,219	1,285,000	1,340,000	1,320,000	1,319,219	6,493,438
State	18,576,250	832,150	2,560,000	2,980,000	3,125,000	28,073,400
Street System Mtce Levy	1,509,000	1,056,644	1,056,000	1,500,000	1,500,000	6,621,644
Local Sales Tax (.5%)	7,500,000	7,500,000	7,500,000	7,000,000	7,000,000	36,500,000
Permanent Improvement	280,000	280,000	280,000	280,000	280,000	1,400,000
Special Assessments	150,000	-	-	-	-	150,000
Other (Utility Funds)	675,000	-	18,750	-	-	693,750
Total	29,919,469	10,953,794	12,754,750	13,080,000	13,224,219	79,932,232

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 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	2020	2021	2022	2023	2024	Total
Permanent Improvements	140,000	200,000	200,000	200,000	200,000	940,000
Patch & Sidewalks	180,000	180,000	180,000	180,000	180,000	900,000
Total	320,000	380,000	380,000	380,000	380,000	1,840,000

Funding	2020	2021	2022	2023	2024	Total
PI Fund	220,000	280,000	280,000	280,000	280,000	1,340,000
Street System Mtce Levy	100,000	100,000	100,000	100,000	100,000	500,000
Total	320,000	380,000	380,000	380,000	380,000	1,840,000

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

Street Improvement & Bridge Projects

Project Title:

Downtown Superior Street Reconstruction

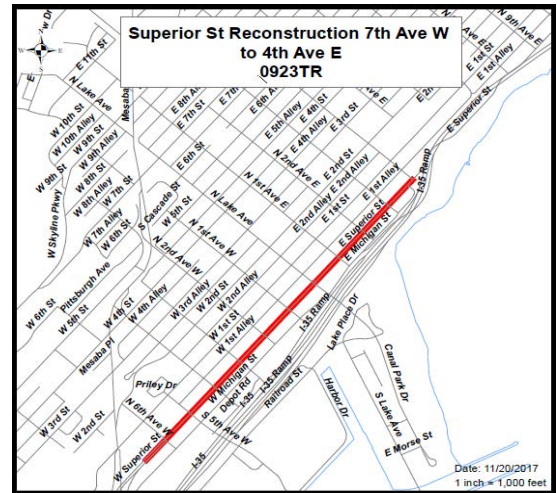
www.superiorstreet.org

Description:

Downtown street reconstruction Lake Ave to 3rd Ave W

Funding Source:

	<u>2020</u>
Municipal State Aid	5,330,000
Utility Funds	555,000
Street System Mtce Levy	643,500
	<u>6,528,500</u>



Project Title:

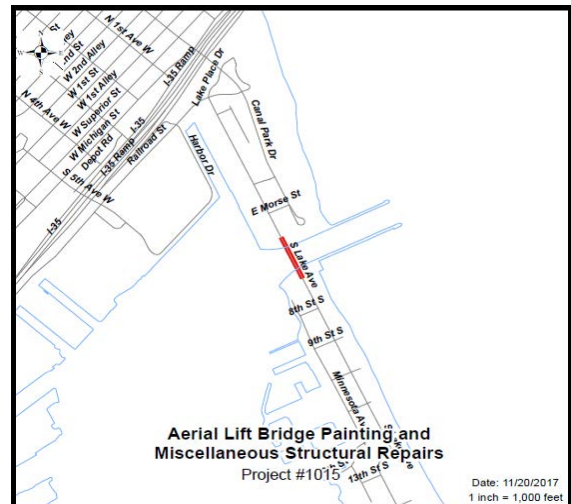
Aerial Lift Bridge

Description:

Painting and misc. structural Repairs

Funding Source:

	<u>2020</u>
Municipal State Aid	1,000,000
State Bridge Bond	11,000,000
	<u>12,000,000</u>



City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

Street Improvement & Bridge Projects

Project Title:

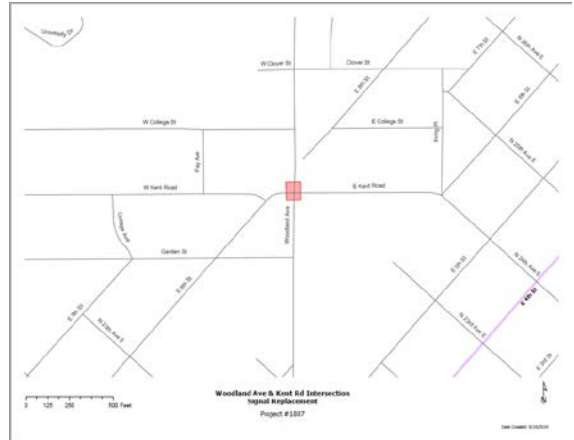
Woodland Ave & Kent Road

Description:

Signal replacement

Funding Source:

	2020
Municipal State Aid	500,000



Project Title:

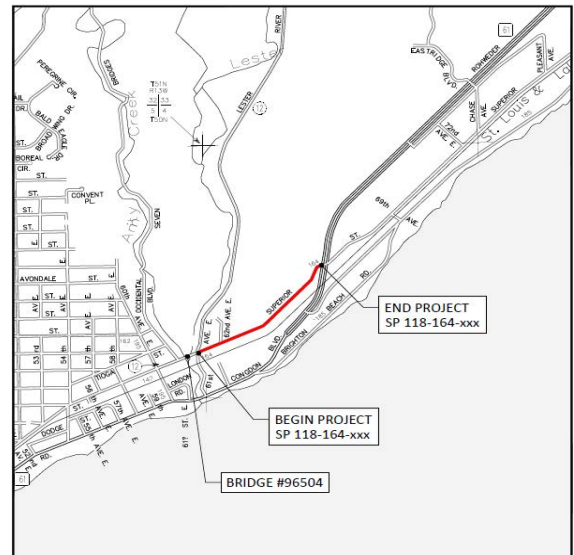
East Superior Street Reconditioning

Description:

Street reconditioning from Lester River Road to TH 61

Funding Source:

	2020
Federal	1,110,000
Municipal State Aid	246,250
	1,356,250



City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

Street Improvement & Bridge Projects

Project Title:

Rice Lake Rd/Arlington Ave/Arrowhead Rd

Description:

Intersection improvements (including sidewalk)
City share of County project.

Funding Source:

	2020
Municipal State Aid	150,000
Special Assessment Fund	150,000
Street Lighting Fund	120,000
Permanent Improvement Fund	60,000
	480,000



Project Title:

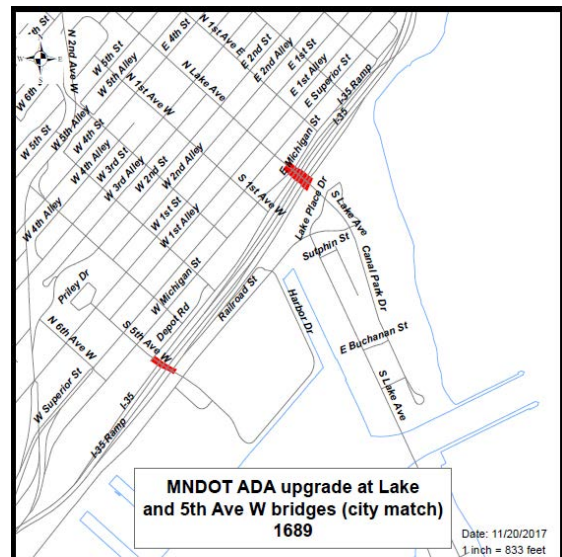
5th Ave W & Lake Ave Bridges

Description:

ADA upgrades and bridges rehab (MNDOT)

Funding Source:

	2020 & 2024
Federal	238,438
Municipal State Aid	275,000
	513,438



City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

Street Improvement & Bridge Projects

Project Title:

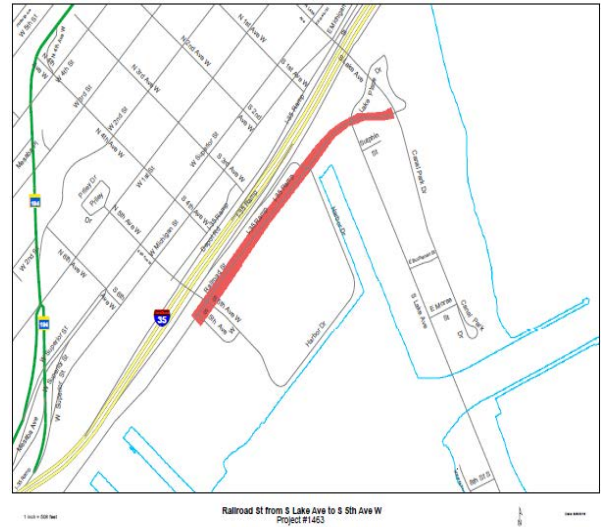
Railroad Street: Lake Ave to 5th Ave W

Description:

Street improvements

Funding Source:

	2021
Federal	1,285,000
Municipal State Aid	432,150
	1,717,150



Project Title:

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



City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

Street Improvement & Bridge Projects

Project Title:

Glenwood Ave & Snively Rd

Description:

Intersection improvements (with County)

Funding Source:

	<u>2022</u>
Federal	600,000
Municipal State Aid	<u>150,000</u>
	750,000



Glenwood and Snively Intersection Improvements
County project with city share
Project #1712

Project Title:

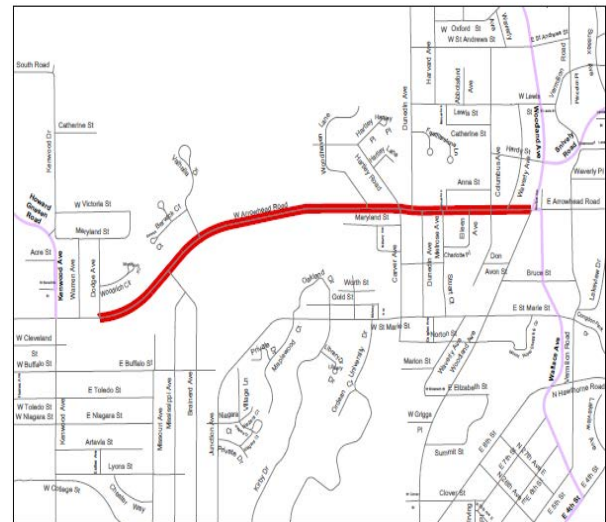
Arrowhead Rd: Dodge Ave to Woodland Ave

Description:

Mill & overlay and signal replacement (with County)

Funding Source:

	<u>2022</u>
Federal	665,000
Municipal State Aid	<u>260,000</u>
	925,000



Arrowhead Road Mill and Overlay
(Woodland Ave to Dodge Ave)
Project #1694

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

Street Improvement & Bridge Projects



Project Title:

Street Preservation Projects*

Description:

Various Locations: Annual preservation projects are determined on criteria outlined in the City's Street Improvement Program. 2020 project goal is 18.61 miles of street improvements.

Funding Source:

	<u>2020-2024</u>
Municipal State Aid	7,400,000
Local Sales Tax	36,500,000
Street System Mtce Levy	5,478,144
	<u>49,378,144</u>

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City of Duluth 2020-2024 Capital Improvement Plan

Street Improvement & Bridge Projects

Project Title:

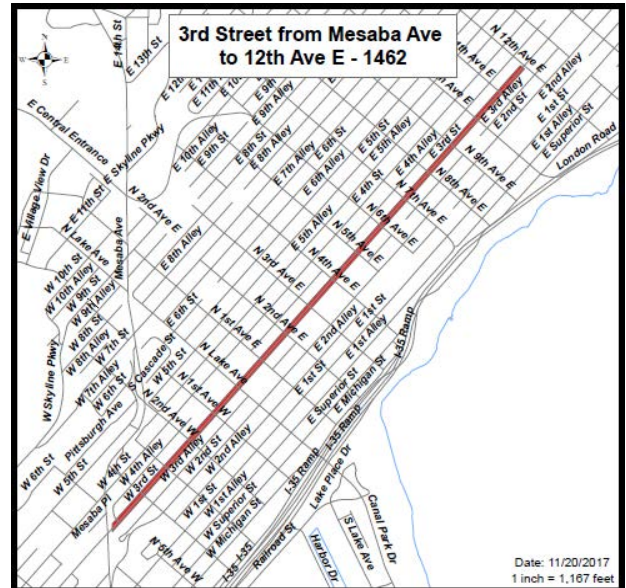
3rd St: Mesaba Ave to 12th Ave E

Description:

Street reconditioning

Funding Source:

	2023
Federal	1,320,000
Municipal State Aid	330,000
	1,650,000



Date: 11/20/2017
1 inch = 1,167 feet

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 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 2020 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	2020	2021	2022	2023	2024	Total
Water	5,497,200	3,185,000	3,530,000	5,220,000	4,000,000	21,432,200
Gas	3,846,500	2,865,000	2,710,000	2,850,000	2,850,000	15,121,500
Sewer	6,430,000	2,525,000	2,450,000	2,450,000	2,450,000	16,305,000
Stormwater	1,101,400	875,000	650,000	1,175,000	900,000	4,701,400
Street Lighting	455,500	800,000	700,000	700,000	700,000	3,355,500
Total	17,330,600	10,250,000	10,040,000	12,395,000	10,900,000	60,915,600
Funding	2020	2021	2022	2023	2024	Total
Water Improvement						
Bonds/Loans	1,000,000	-	-	-	-	1,000,000
Water - Current Revenue	4,497,200	3,185,000	3,530,000	5,220,000	4,000,000	20,432,200
Gas - Current Revenue	3,846,500	2,865,000	2,710,000	2,850,000	2,850,000	15,121,500
Sewer - Current Revenue	6,430,000	2,525,000	2,450,000	2,450,000	2,450,000	16,305,000
Stormwater - Current Revenue	1,101,400	875,000	650,000	1,175,000	900,000	4,701,400
Street Lighting - Current Revenue	455,500	800,000	700,000	700,000	700,000	3,355,500
Total	17,330,600	10,250,000	10,040,000	12,395,000	10,900,000	60,915,600

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 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. Bonding of \$4.05 Million in 2018 continues to fund the 2020 Downtown Superior Street reconstruction of water mains.

Project	2020	2021	2022	2023	2024	Total
2nd Street 20-inch main 6th to 12th Ave. East	1,000,000	-	-	-	-	1,000,000
24th Ave. West, 3rd to 7th Street	-	-	450,000	-	-	450,000
4th Street water main, 6th Ave East to Mesaba (design)	-	-	-	-	200,000	200,000
40th Avenue West (County) Arrowhead and Rice Lake (County)	200,000	-	-	-	-	200,000
Cathodic Protection System on 42-inch steel	80,000	80,000	80,000	-	-	240,000
Decker Road	1,117,000	-	-	-	-	1,117,000
Duluth Heights #1 and #2	-	-	907,500	-	-	907,500
Duluth Heights #3	-	-	-	-	1,000,000	1,000,000
Electrical upgrades at WTP	-	-	-	-	1,500,000	1,500,000
Far East Superior Street water main off 42-inch	-	-	-	600,000	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	2,400,000	-	-	-	-	2,400,000
MNDOT Gogebic Creek	-	-	-	200,000	-	200,000
MNDOT US Steel Creek	-	-	-	120,000	-	120,000
Morris Thomas Rd. water main (County)	-	1,100,000	-	-	-	1,100,000

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 Capital Improvement Plan

Water Capital Projects

Project	2020	2021	2022	2023	2024	Total
PW&U Garfield Facility gravel cover	6,200	75,000	-	-	-	81,200
PW&U Garfield Facility roof	125,000	-	-	-	-	125,000
Raleigh St, 59th to Grand	-	530,000	-	-	-	530,000
Upper Lakeside phase 1, connection on Glenwood	-	-	900,000	-	-	900,000
Upper Lakeside phase 2, connection at golf course	-	-	787,500	-	-	787,500
Upper Lakeside phase 3 upgrades	-	-	-	1,600,000	-	1,600,000
Woodland Ave. and East Calvary water main (County)	569,000	-	-	-	-	569,000
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	-	-	200,000	-	-	200,000
Total	5,497,200	3,185,000	3,530,000	5,220,000	4,000,000	21,432,200
Funding	2020	2021	2022	2023	2024	Total
Water Improvement Bonds	1,000,000	-	-	-	-	1,000,000
Water - Current Revenue	4,497,200	3,185,000	3,530,000	5,220,000	4,000,000	20,432,200
Total	5,497,200	3,185,000	3,530,000	5,220,000	4,000,000	21,432,200

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 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	2020	2021	2022	2023	2024	Total
3rd Street, Vernon, 2nd Street Alley	-	-	200,000	-	-	200,000
20th Ave. West, 23rd Avenue West, 10th Street	-	-	-	500,000	500,000	1,000,000
Building shell at Stora Enso	-	-	140,000	-	-	140,000
Decker Road 6-inch	538,500	-	-	-	-	538,500
Gas Blanket Project	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	7,500,000
Meter relocations/bollards	100,000	250,000	250,000	250,000	250,000	1,100,000
Michigan Street 10-inch	-	-	120,000	-	-	120,000
Michigan Street 16-inch	526,800	-	-	-	-	526,800
MNDOT Central entrance, 8 inch replacement	-	-	-	-	100,000	100,000
MNDOT Gogebic culverts	-	-	-	100,000	-	100,000
Morris Thomas Rd. 16-inch main inspection	100,000	-	-	-	-	100,000
Morris Thomas Rd. 16-inch main replacement	-	940,000	-	-	-	940,000
PW&U Garfield Facility gravel cover	6,200	75,000	-	-	-	81,200
PW&U Garfield Facility roof	225,000	-	-	-	-	225,000
Steel main replacements	100,000	100,000	500,000	500,000	500,000	1,700,000
Stora Enso flow meter	250,000	-	-	-	-	250,000
Woodland Ave. 6-inch steel pipe replacement	500,000	-	-	-	-	500,000
Total	3,846,500	2,865,000	2,710,000	2,850,000	2,850,000	15,121,500
Funding	2020	2021	2022	2023	2024	Total
Gas - Current Revenue	3,846,500	2,865,000	2,710,000	2,850,000	2,850,000	15,121,500
Total	3,846,500	2,865,000	2,710,000	2,850,000	2,850,000	15,121,500

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 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. Of the total cost to relocate Lift Station 15, \$4.0 million is reimbursable by the Minnesota Department of Transportation.

Project	2020	2021	2022	2023	2024	Total
Arrowhead and Rice Lake (County)	150,000	-	-	-	-	150,000
Citywide sanitary sewer rehabilitation/lining	1,500,000	2,000,000	2,000,000	2,000,000	2,000,000	9,500,000
Decker Road	223,800	-	-	-	-	223,800
Lift Station 15 Twin Ports Interchange	4,400,000	-	-	-	-	4,400,000
Lift Station rehabilitation	-	450,000	450,000	450,000	450,000	1,800,000
PW&U Garfield Facility gravel cover	6,200	75,000	-	-	-	81,200
PW&U Garfield Facility roof	100,000	-	-	-	-	100,000
Superior Street laterals	50,000	-	-	-	-	50,000
Total	6,430,000	2,525,000	2,450,000	2,450,000	2,450,000	16,305,000
Funding	2020	2021	2022	2023	2024	Total
Sewer - Current Revenue	6,430,000	2,525,000	2,450,000	2,450,000	2,450,000	16,305,000
Total	6,430,000	2,525,000	2,450,000	2,450,000	2,450,000	16,305,000

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 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 Brewery, 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. Downtown Superior Street reconstruction continues during 2020.

Project	2020	2021	2022	2023	2024	Total
Annual Transportation SIP projects	100,000	100,000	100,000	100,000	100,000	500,000
Block-long culvert & ditch system improvements	-	-	-	250,000	250,000	500,000
Brewery Creek tuck pointing	-	190,000	-	-	-	190,000
Citywide pipe repairs & steep slope "down drains"	-	110,000	310,000	250,000	250,000	920,000
Clarkhouse Creek	50,000	100,000	-	-	-	150,000
Decker Road	320,200	-	-	-	-	320,200
Gogebic Creek CIPP and storm improvements	-	-	-	275,000	-	275,000
Greys Creek	50,000	100,000	-	-	-	150,000
Kenwood Avenue box culvert fish passage - Chester Creek	-	-	40,000	300,000	300,000	640,000
Lower Coffee Creek	50,000	100,000	100,000	-	-	250,000
Morris Thomas Road (County)	-	100,000	-	-	-	100,000
PW&U Garfield Facility gravel cover	6,200	75,000	-	-	-	81,200
PW&U Garfield Facility roof	50,000	-	-	-	-	50,000
Superior Street, Lakewood to McQuade Rd culvert exts	-	-	100,000	-	-	100,000
Superior Street reconstruction	300,000	-	-	-	-	300,000
Woodland/Calvary reconstruction (County)	175,000	-	-	-	-	175,000
Total	1,101,400	875,000	650,000	1,175,000	900,000	4,701,400
Funding	2020	2021	2022	2023	2024	Total
Stormwater - Current Revenue	1,101,400	875,000	650,000	1,175,000	900,000	4,701,400
Total	1,101,400	875,000	650,000	1,175,000	900,000	4,701,400

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020-2024 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. Signal and lighting replacements for the Downtown Superior Street project continues in 2020.

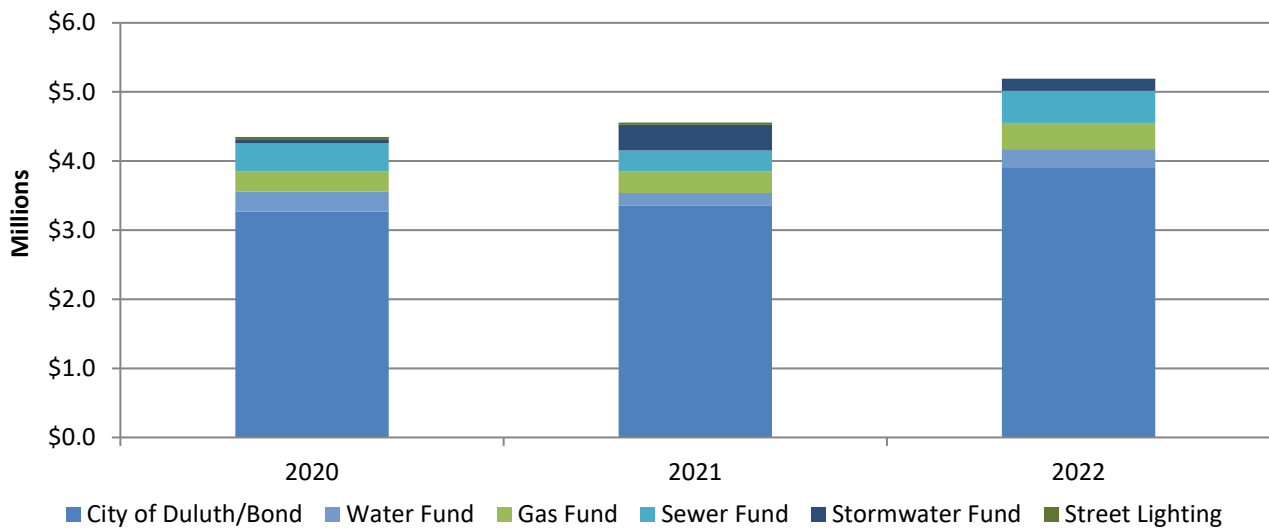
Project	2020	2021	2022	2023	2024	Total
Superior Street reconstruction	225,000	-	-	-	-	225,000
Traffic signal & street lighting communications upgrades	-	100,000	-	-	-	100,000
Traffic signal upgrades	-	700,000	700,000	700,000	700,000	2,800,000
Technology Drive signal system	120,000	-	-	-	-	120,000
Warwick signal system	110,500	-	-	-	-	110,500
Total	455,500	800,000	700,000	700,000	700,000	3,355,500
Funding	2020	2021	2022	2023	2024	Total
Street Lighting - Current Revenue	455,500	800,000	700,000	700,000	700,000	3,355,500
Total	455,500	800,000	700,000	700,000	700,000	3,355,500

City of Duluth Minnesota - 2020 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. \$14.09 million in equipment purchases are proposed in this plan for the period of 2020 through 2022. Of that total, \$10.52 million of equipment will be financed using bond proceeds and the balance of \$3.57 million will be paid for using utility revenues. Shown in the chart below are the various funding sources by year for the plan.



	2020	2021	2022	Total
City of Duluth/Bond	3,269,445	3,354,350	3,900,000	10,523,795
Water Fund	286,500	181,550	271,500	739,550
Gas Fund	294,700	318,450	382,650	995,800
Sewer Fund	405,500	297,725	460,000	1,163,225
Stormwater Fund	58,800	374,275	175,350	608,425
Street Lighting	34,000	31,000	-	65,000
Total Plan	4,348,945	4,557,350	5,189,500	14,095,795

City of Duluth Minnesota - 2020 Budget

Capital Equipment Plan

2020 Proposed Equipment:

The City's proposed 2020 capital equipment plan includes \$4.35 million for capital equipment purchases, of which \$3.27 million will be financed using bond proceeds and the remaining \$1.08 million will be paid for using utility revenues.

For 2020, the City is proposing bonding for rolling stock purchases in the amount of \$1.58 million comprised of Park Maintenance vehicles totaling \$191,000; Fire vehicles totaling \$45,000; Police vehicles totaling \$615,000; Parks vehicles totaling \$30,000; Street Maintenance vehicles totaling \$530,000; Facilities equipment totaling \$150,000; and Transportation Engineering vehicles totaling \$17,000. For 2020 the City is also proposing bonding for non-rolling stock equipment in the amount of \$1.69 million for technology improvements and replacements, police and fire equipment, voting equipment for clerk's office, and engineering equipment.

The breakdown of equipment purchases for the utility funds in 2020 includes \$90,000 for non-rolling stock equipment and \$990,000 for rolling stock vehicles for a total of \$1.08 million in 2020; to be paid for using utility revenues.

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020 - 2022 Capital Equipment Program

City of Duluth Rolling Stock Vehicles

	2020	2021	2022	Total
Fire Department				
Unspecified vehicle for Life Safety	-	-	40,000	40,000
Vehicle Replacements	45,000	165,000	82,500	292,500
Subtotal Fire Department	45,000	165,000	122,500	332,500
Construction Services				
Construction Services Vehicles	-	-	52,500	52,500
Subtotal Construction Services	-	-	52,500	52,500
Police Department				
Police Vehicles	615,000	620,000	525,000	1,760,000
Subtotal Police Department	615,000	620,000	525,000	1,760,000
Facilities Management				
JLG Lift	-	90,000	-	90,000
Truck with Service Body	50,000	-	-	50,000
Skidsteer	60,000	-	-	60,000
4WD Service Van	40,000	-	40,000	80,000
Subtotal Facilities Management	150,000	90,000	40,000	280,000
Park Maintenance				
Turfco Top Dresser	22,000	-	-	22,000
John Deere Gator	21,000	-	-	21,000
1-Ton Dump Truck with Plow	72,000	-	-	72,000
Tool Cat	40,000	-	-	40,000
Zero Turn Mower	36,000	-	-	36,000
Wide Area Mower	-	73,000	-	73,000
Wheelbarrow, Chipper, SandPro	-	102,000	-	102,000
Sidewalk Cleaner	-	-	197,000	197,000
Stump Grinder	-	-	49,000	49,000
Subtotal Park Maintenance	191,000	175,000	246,000	612,000
Parks Department				
Small SUV for Transport	30,000	-	-	30,000
2 Full Size Vans	-	-	59,000	59,000
Subtotal Parks Department	30,000	-	59,000	89,000

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020 - 2022 Capital Equipment Program

City of Duluth Rolling Stock Vehicles

	2020	2021	2022	Total
Street Maintenance				
Retro Fit Plow Trucks	190,000	-	470,000	660,000
Sweeper	265,000	-	-	265,000
1 Ton Dump Truck w/Plow	75,000	60,000	-	135,000
Plow Truck	-	235,000	-	235,000
Backhoe	-	75,000	-	75,000
3/4 Ton Pickup w/Plow	-	120,000	-	120,000
Asphalt Trailer	-	60,000	-	60,000
3/4 Ton Pickups	-	-	80,000	80,000
Subtotal Street Maintenance	530,000	550,000	550,000	1,630,000
Library				
Library Delivery Van	-	-	35,000	35,000
Subtotal Library	-	-	35,000	35,000
Transportation Engineering				
Engineering Vehicles	17,000	50,000	20,000	87,000
Subtotal Transportation Engineering	17,000	50,000	20,000	87,000
Rolling Stock Bond Total	1,578,000	1,650,000	1,650,000	4,878,000

City of Duluth Minnesota - 2020 Budget

Operating Costs for Rolling Stock Vehicles

Item Description	2020	2021	2022	2023	2024	2025	6-year total
New Engine	\$ 14,132	\$ 41,154	\$ 20,698	\$ 35,911	\$ 27,241	\$ 24,561	\$ 163,696
Half-ton Crew Cab Pick-up	\$ 1,595	\$ 1,342	\$ 4,216	\$ 3,758	\$ 3,378	\$ 2,556	\$ 16,845
Construction Srvc Vehicles	\$ 1,271	\$ 1,296	\$ 2,065	\$ 1,569	\$ 1,569	\$ 1,569	\$ 9,339
Police Vehicles	\$ 7,340	\$ 4,733	\$ 4,558	\$ 5,839	\$ 3,582	\$ 4,884	\$ 30,937
Skidsteer & Trailer	\$ 1,880	\$ 4,711	\$ 5,244	\$ 3,321	\$ 4,161	\$ 8,003	\$ 27,320
CrafcO Trailer	\$ 3,405	\$ 7,381	\$ 3,831	\$ 4,588	\$ 4,621	\$ 4,153	\$ 27,980
2- Retro Fit Plow Trucks	\$ 13,827	\$ 17,447	\$ 20,671	\$ 15,711	\$ 19,025	\$ 16,235	\$ 102,916
Loader	\$ 6,717	\$ 5,633	\$ 6,373	\$ 5,557	\$ 11,455	\$ 6,580	\$ 42,314
3/4 Ton Pickup - Traffic	\$ 1,595	\$ 1,342	\$ 4,216	\$ 3,758	\$ 3,378	\$ 2,556	\$ 16,845
4WD Mowers	\$ 2,522	\$ 4,820	\$ 2,837	\$ 5,631	\$ 3,458	\$ 3,458	\$ 22,725
Skidsteer	\$ 1,880	\$ 4,711	\$ 5,244	\$ 3,321	\$ 4,161	\$ 8,003	\$ 27,320
Trailers	\$ 650	\$ 1,389	\$ 2,132	\$ 879	\$ 1,700	\$ 5,233	\$ 11,983
Wide Area Mower	\$ 2,522	\$ 4,820	\$ 2,837	\$ 5,631	\$ 3,458	\$ 3,458	\$ 22,725
John Deere Gator	\$ 837	\$ 496	\$ 268	\$ 671	\$ 1,609	\$ 2,096	\$ 5,978
Tower Replacement	\$ 14,132	\$ 41,154	\$ 20,698	\$ 35,911	\$ 27,241	\$ 24,561	\$ 163,696
Vehicle Replacements	\$ 1,595	\$ 1,342	\$ 4,216	\$ 3,758	\$ 3,378	\$ 2,556	\$ 16,845
Construction Serv Vehicles	\$ 1,271	\$ 1,296	\$ 2,065	\$ 1,569	\$ 1,569	\$ 1,569	\$ 9,339
Police Vehicles	\$ 7,340	\$ 4,733	\$ 4,558	\$ 5,839	\$ 3,582	\$ 4,884	\$ 30,937
Truck with Lift & Service Body	\$ 2,369	\$ 2,218	\$ 9,017	\$ 3,126	\$ 4,298	\$ 5,206	\$ 26,234
Service Van	\$ 269	\$ 2,823	\$ 1,552	\$ 2,320	\$ 3,083	\$ 2,691	\$ 12,738
Genie Lift	\$ 295	\$ 916	\$ 521	\$ 750	\$ 750	\$ 750	\$ 3,981
Tool Cat	\$ 2,492	\$ 3,172	\$ 2,486	\$ 3,677	\$ 5,191	\$ 2,511	\$ 19,529
SnoQuip Blowers	\$ 4,354	\$ 7,290	\$ 7,888	\$ 5,480	\$ 5,136	\$ 6,554	\$ 36,701
Sidewalk Cleaner	\$ 4,435	\$ 3,890	\$ 5,917	\$ 11,370	\$ 13,402	\$ 7,853	\$ 46,867
5 Yard Dump/Chipper Truck	\$ 13,827	\$ 17,447	\$ 20,671	\$ 15,711	\$ 19,025	\$ 16,235	\$ 102,916
4x4 Crewcab Pickup	\$ 1,595	\$ 1,342	\$ 4,216	\$ 3,758	\$ 3,378	\$ 2,556	\$ 16,845
Crew Cab w/service body	\$ 1,595	\$ 1,342	\$ 4,216	\$ 3,758	\$ 3,378	\$ 2,556	\$ 16,845
Asphalt Trailer	\$ 3,405	\$ 7,381	\$ 3,831	\$ 4,588	\$ 4,621	\$ 4,153	\$ 27,980
Retro Fit Plow Trucks	\$ 13,827	\$ 17,447	\$ 20,671	\$ 15,711	\$ 19,025	\$ 16,235	\$ 102,916
3/4 Ton Pickups	\$ 1,595	\$ 1,342	\$ 4,216	\$ 3,758	\$ 3,378	\$ 2,556	\$ 16,845
3/4 Ton Pickup w/Plow	\$ 1,595	\$ 1,342	\$ 4,216	\$ 3,758	\$ 3,378	\$ 2,556	\$ 16,845
3/4 Ton Crew	\$ 1,595	\$ 1,342	\$ 4,216	\$ 3,758	\$ 3,378	\$ 2,556	\$ 16,845
Engineering Vehicle	\$ 974	\$ 1,078	\$ 1,546	\$ 875	\$ 1,001	\$ 1,463	\$ 6,936
Vehicle Replacements	\$ 300	\$ 900	\$ 2,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 15,200
Police Vehicles	\$ 7,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 32,000
4WD Service Van	\$ 400	\$ 2,000	\$ 1,500	\$ 2,000	\$ 3,000	\$ 3,000	\$ 11,900
Truck with Service Body	\$ 2,500	\$ 2,500	\$ 8,500	\$ 3,000	\$ 4,000	\$ 5,000	\$ 25,500
Skidsteer	\$ 1,500	\$ 4,000	\$ 4,000	\$ 5,000	\$ 3,500	\$ 7,000	\$ 25,000
TurfcO Top Dresser	\$ 250	\$ 500	\$ 500	\$ 1,000	\$ 1,000	\$ 1,500	\$ 4,750

City of Duluth Minnesota - 2020 Budget

Operating Costs for Rolling Stock Vehicles

Item Description	2020	2021	2022	2023	2024	2025	6-year total
John Deere Gator	\$ 800	\$ 500	\$ 300	\$ 700	\$ 1,750	\$ 2,000	\$ 6,050
1-Ton Dump Truck with Plow	\$ 1,000	\$ 2,000	\$ 3,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 12,000
Tool Cat	\$ 800	\$ 500	\$ 300	\$ 700	\$ 1,750	\$ 2,000	\$ 6,050
Zero Turn Mower	\$ 2,500	\$ 5,000	\$ 3,000	\$ 5,500	\$ 3,500	\$ 3,500	\$ 23,000
Small SUV for Transport	\$ 1,500	\$ 1,500	\$ 2,000	\$ 1,500	\$ 1,500	\$ 1,500	\$ 9,500
Retro Fit Plow Trucks	\$ 14,000	\$ 18,000	\$ 20,000	\$ 15,000	\$ 20,000	\$ 16,000	\$ 103,000
Sweeper	\$ 1,000	\$ 4,000	\$ 6,500	\$ 12,000	\$ 14,000	\$ 22,000	\$ 59,500
1 Ton Dump Truck w/Plow	\$ 1,000	\$ 2,000	\$ 3,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 12,000
Engineering Vehicle	\$ 500	\$ 700	\$ 150	\$ 2,000	\$ 1,500	\$ 1,000	\$ 5,850

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020 - 2022 Capital Equipment Program

City of Duluth Rolling Stock Vehicles

Fire Department - Replace Squad

Description:

This squad is used by Station 4 to respond to medical calls. The old squad will be reallocated within the department.

Funding Source:

FY 2020

Capital Equipment Bond

45,000



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:

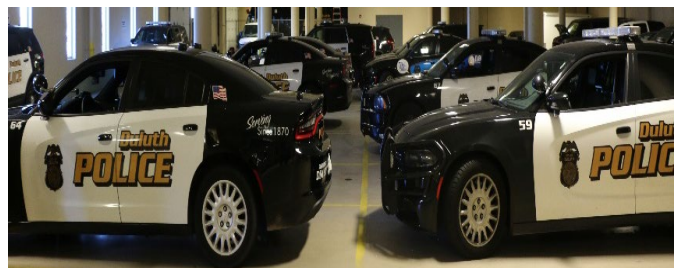
Annual police vehicle replacement is required for overall police fleet sustainability. The Duluth Police Dept. needs to ensure our police vehicles are safe, efficient and functional in order to meet the expectations of our community.

Funding Source:

FY 2020

Capital Equipment Bond

615,000



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 - 2020 Budget

City of Duluth 2020 - 2022 Capital Equipment Program

City of Duluth Rolling Stock Vehicles

Facilities - 4WD Service Van

Funding Source:	<u>FY 2020</u>
Capital Equipment Bond	40,000

City Priority Strategic Alignment:

<u>City Priority</u>	<u>Definition</u>
Infrastructure	Facilities: Continuously improve and invest in a well-maintained, safe and effective public infrastructure network and accessible, efficient, adequately regulated city facilities

Facilities - Truck with Service Body

Funding Source:	<u>FY 2020</u>
Capital Equipment Bond	50,000

City Priority Strategic Alignment:

<u>City Priority</u>	<u>Definition</u>
Infrastructure	Facilities: Continuously improve and invest in a well-maintained, safe and effective public infrastructure network and accessible, efficient, adequately regulated city facilities

Facilities - Skidsteer for Public Safety Building

Funding Source:	<u>FY 2020</u>
Capital Equipment Bond	60,000

City Priority Strategic Alignment:

<u>City Priority</u>	<u>Definition</u>
Infrastructure	Facilities: Continuously improve and invest in a well-maintained, safe and effective public infrastructure network and accessible, efficient, adequately regulated city facilities

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020 - 2022 Capital Equipment Program

City of Duluth Rolling Stock Vehicles

Park Maintenance - Turfco Top Dresser

Funding Source:	<u>FY 2020</u>
Capital Equipment Bond	22,000

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 - John Deere Gator

Description:

A gator is a 6-wheel low-impact utility turf vehicle that is used to transport 2 employees, materials, and supplies in a small utility manually-operated dumpbox.

Funding Source:	<u>FY 2020</u>
Capital Equipment Bond	21,000



Fun Fact: These units can drive through a foot of water without stopping when working on trails.

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 - 2020 Budget

City of Duluth 2020 - 2022 Capital Equipment Program

City of Duluth Rolling Stock Vehicles

Park Maintenance - 1-Ton Dump Pickup with Plow

Description:

This is a heavy duty pickup truck with a 1-yard dump box instead of a pickup box.



Funding Source:

FY 2020

Capital Equipment Bond

72,000

Fun Fact: This unit is the most used vehicle in all of Park Maintenance's fleet. They are operated 5-6 days per week, all year long.

City Priority Strategic Alignment:

City Priority

Livable Neighborhoods and Affordable Housing

Definition

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

Park Maintenance - Tool Cat

Funding Source:

FY 2020

Capital Equipment Bond

40,000

City Priority Strategic Alignment:

City Priority

Livable Neighborhoods and Affordable Housing

Definition

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

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020 - 2022 Capital Equipment Program

City of Duluth Rolling Stock Vehicles

Park Maintenance - Zero Turn Mower

Funding Source:	<u>FY 2020</u>
Capital Equipment Bond	36,000

City Priority Strategic Alignment:

<u>City Priority</u>	<u>Definition</u>
Culture and Recreation	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 Engineering - Engineering Vehicle

Description:

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

Funding Source:	<u>FY 2020</u>
Capital Equipment Bond	17,000



Fun Fact: Baling wire is holding up right rear bumper of the replaced vehicle.

City Priority Strategic Alignment:

<u>City Priority</u>	<u>Definition</u>
Livable Neighborhoods and Affordable Housing	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 - 2020 Budget

City of Duluth 2020 - 2022 Capital Equipment Program

City of Duluth Rolling Stock Vehicles

Street Maintenance - Retro Fit Plow Trucks

Description:

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

Funding Source:

FY 2020

Capital Equipment Bond

190,000



Fun Fact: In addition to hauling materials; our trucks will plow approximately 20,000,000 cu.ft. of snow each year!

City Priority Strategic Alignment:

City Priority

Safe and Secure Community

Definition

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

Street Maintenance - Street Sweeper

Description:

Street sweepers are used to remove the dirt and debris from city streets.

Funding Source:

FY 2020

Capital Equipment Bond

265,000



Fun Fact: Each year approximately 5,500 yards of salt/sand, leaves, and debris are swept from our streets as part of our storm water management program.

City Priority Strategic Alignment:

City Priority

Livable Neighborhoods and Affordable Housing

Definition

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

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020 - 2022 Capital Equipment Program

City of Duluth Rolling Stock Vehicles

Street Maintenance - 1 Ton Dump Truck w/Plow

Description:

These trucks haul traffic control devices, personnel, paint, paint beads, conducting traffic control, serving as a chase truck, etc. Some are equipped with snow plows as well.



Funding Source:

FY 2020

Capital Equipment Bond

75,000

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

Parks - Small SUV for Transport

Description:

This vehicle will be shared among the four Recreation Specialists for Citywide engagement and recreation programming and events.



Funding Source:

FY 2020

Capital Equipment Bond

30,000

City Priority Strategic Alignment:

City Priority

Culture and Recreation

Definition

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

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020 - 2022 Capital Equipment Program

City of Duluth Non-Rolling Stock Equipment

	2020	2021	2022	Total
IT				
ARMER Radio Replacements	200,000	400,000	300,000	900,000
Enterprise Wide PC/Laptop Replacements	225,000	250,000	250,000	725,000
Network Equipment Replacements	200,000	200,000	300,000	700,000
PC / Peripheral Adds	5,000	5,000	5,000	15,000
Document Mgt	-	100,000	100,000	200,000
TRAKiT Upgrade	500,000	125,000	-	625,000
Conference Room Technology Needs	-	-	45,000	45,000
Security Regulations	-	50,000	-	50,000
Pictometry/Lidar Imagery	-	-	45,000	45,000
Duluth Tax & Special Assessments Online Trxs	-	25,000	-	25,000
ITSC Project Planning	-	100,000	250,000	350,000
Camera System Hardware Replacements	20,000	20,000	20,000	60,000
Attorney File Management	90,000	-	-	90,000
Aerial Lift Bridge PLC	85,000	-	-	85,000
City Hall Electronic Kiosks	-	50,000	-	50,000
Community Center Projectors	-	-	5,000	5,000
Library Scan and Fax	-	25,000	-	25,000
Subtotal IT	1,325,000	1,350,000	1,320,000	3,995,000
Library				
Replacement furniture at Main Library	-	20,000	30,000	50,000
Shelving	-	-	25,000	25,000
Microfilm Reader	-	-	15,000	15,000
Subtotal Library	-	20,000	70,000	90,000
Parks				
Community Center Furniture Replacements	-	-	5,000	5,000
Subtotal Parks	-	-	5,000	5,000

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020 - 2022 Capital Equipment Program

City of Duluth Non-Rolling Stock Equipment

	2020	2021	2022	Total
City Clerk				
Election Equipment	11,200	-	-	11,200
Subtotal Clerk	11,200	-	-	11,200
Fire				
Personal Protection Equipment	215,850	50,000	50,000	315,850
Water Rescue Equipment	25,000	25,000	-	50,000
EOC Upgrade	50,000	-	-	50,000
Extractors	-	15,000	-	15,000
Rope Rescue Equipment	-	20,000	-	20,000
AEDs	-	-	125,000	125,000
SCBA	-	-	650,000	650,000
Subtotal Fire	290,850	110,000	825,000	1,225,850
Police				
Taser	-	30,000	30,000	60,000
Firearms	-	25,150	-	25,150
Digital Recorder	9,400	90,000	-	99,400
Spex Forensic Reflective UV Imaging Camera	35,000	-	-	35,000
Panoscan PointGun Scanner	19,995	-	-	19,995
Subtotal Police	64,395	145,150	30,000	239,545
Street Maintenance				
Air Compressor	-	18,000	-	18,000
Subtotal Street Maintenance	-	18,000	-	18,000
Engineering				
GPS Unit Replacement	-	61,200	-	61,200
Subtotal Engineering	-	61,200	-	61,200
Non-Rolling Stock Bond Total	1,691,445	1,704,350	2,250,000	5,645,795

City of Duluth Minnesota - 2020 Budget

Operating Costs for Non Rolling Stock Equipment

Item Description	2020	2021	2022	2023	2024	2025	6-year total
Police Video Consolidation	\$ 23,100	\$ 23,100		\$ 25,000	\$ 25,000	\$ 25,000	\$ 121,200
St Maintenance Sign Printer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PC / Peripheral Adds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Enterprise Wide PC/Laptop Replacements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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
Enterprise Wide PC/Laptop Replacements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Network Equipment Replacements							\$ -
PC / Peripheral Adds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Document Mgt	\$ 40,000	\$ 40,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 100,000	\$ 390,000
Fire Video Conferencing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Security Regulations	\$ -	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 25,000
Pictometry/Lidar Imagery	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Knox Box Replacements	\$ -	\$ -	\$ -	\$ 5,000	\$ 5,000	\$ 5,000	\$ 15,000
Conference Room Technology Needs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Duluth Tax & Special Assessments Online Trxs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Library System	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TRAKiT Replacement	\$ -	\$ (40,000)	\$ (40,000)	\$ (40,000)	\$ 75,000	\$ 75,000	\$ 30,000
ITSC Project Planning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Camera System Hardware Replacements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020 - 2022 Capital Equipment Program

City of Duluth Non-Rolling Stock Equipment

IT - ARMER Radio Replacement

Description:

Current models being used citywide will no longer be supported in 2019 making our models obsolete upon failure. All radios will need to move to more current industry supported standard.



Funding Source:

FY 2020

Capital Equipment Bond

200,000

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

IT - Enterprise Wide PC/Laptop Replacements

Description:

This is for the replacement of approximately 250 PCs and laptops to maintain optimum performance and reliability as well as keep up with application and security payloads. The City Council adopted a resolution to maintain a 4 year life cycle of computer equipment.



Funding Source:

FY 2020

Capital Equipment Bond

225,000

City Priority Strategic Alignment:

City Priority

Innovation and Excellence in Service

Definition

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

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020 - 2022 Capital Equipment Program

City of Duluth Non-Rolling Stock Equipment

IT - Network Equipment Replacements

Description:

This is the annual life cycle replacement of network technology infrastructure.



Funding Source:

FY 2020

Capital Equipment Bond

200,000

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

City Priority Strategic Alignment:

City Priority

Innovation and Excellence in Service

Definition

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

IT - PC / Peripheral Adds

Description:

This is for desktop computing environments for added staff or new work functions.



Funding Source:

FY 2020

Capital Equipment Bond

5,000

City Priority Strategic Alignment:

City Priority

Innovation and Excellence in Service

Definition

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

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020 - 2022 Capital Equipment Program

City of Duluth Non-Rolling Stock Equipment

IT - TRAKiT Upgrade

Description:

This upgrade is necessary as development has ceased in the current version of TRAKiT that is in use by Construction Services, PWU Engineering, and Life Safety.

Funding Source:

Capital Equipment Bond

FY 2020

500,000

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



Fun Fact: City of Duluth inspectors complete nearly 11,000 inspections per year.

IT - Camera System Hardware Replacements

Description:

The cameras are used for public safety, port security, and building security. They are aging and require ongoing funding for replacement and maintenance to remain functional.

Funding Source:

Capital Equipment Bond

FY 2020

20,000

City Priority Strategic Alignment:

City Priority

Safe and Secure Community

Definition

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



Fun Fact: The average US citizen appears on a security camera over 300 times a day and approximately 25 million surveillance cameras are operating around the world.

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020 - 2022 Capital Equipment Program

City of Duluth Non-Rolling Stock Equipment

IT - Attorney File Management

Description:

This is for the criminal division's electronic filing system (TCP). It is unsupported and needs updating.



Funding Source:

FY 2020

Capital Equipment Bond

90,000

Fun Fact: Presently there are 1,120 civil (non-criminal) cases open. There have been 1,820 criminal cases opened excluding any that have resolved quickly.

City Priority Strategic Alignment:

City Priority

Innovation and Excellence in Service

Definition

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

IT - Aerial Lift Bridge PLC

Description:

This is an upgrade to digital operation of current electromechanical systems to operate the Aerial Lift Bridge.

Funding Source:

FY 2020

Capital Equipment Bond

85,000



City Priority Strategic Alignment:

City Priority

Safe and Secure Community

Definition

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

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020 - 2022 Capital Equipment Program

City of Duluth Non-Rolling Stock Equipment

Clerks - Election Equipment

Description:

This is for the two additional machines to process ballots at secondary early voting location in 2020.



Funding Source:

FY 2020

Capital Equipment Bond

11,200

City Priority Strategic Alignment:

City Priority

Culture and Recreation

Definition

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

Fire - Personal Protection Equipment

Description:

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



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

Funding Source:

FY 2020

Capital Equipment Bond

215,850

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 - 2020 Budget

City of Duluth 2020 - 2022 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 2020

Capital Equipment Bond

25,000



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 - EOC Upgrade

Description:

This equipment will replace multiple monitors, a projector, re-wiring, and other cost associated with reconfiguration. There will be seamless integration with multiple types of devices.

Funding Source:

FY 2020

Capital Equipment Bond

50,000



City Priority Strategic Alignment:

City Priority

Innovation and Excellence in Service

Definition

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

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020 - 2022 Capital Equipment Program

City of Duluth Non-Rolling Stock Equipment

Police - Digital Recorder

Description:

These units will be used to digitally dictate reports.



Fun Fact: The Police Department processes over 12,000 Case Narrative Transcriptions per year. It is estimated that a 1/3 of these transcriptions are over 20 minutes in length.

Funding Source:

Capital Equipment Bond

	<u>FY 2020</u>
	9,400

City Priority Strategic Alignment:

City Priority

Innovation and Excellence in Service

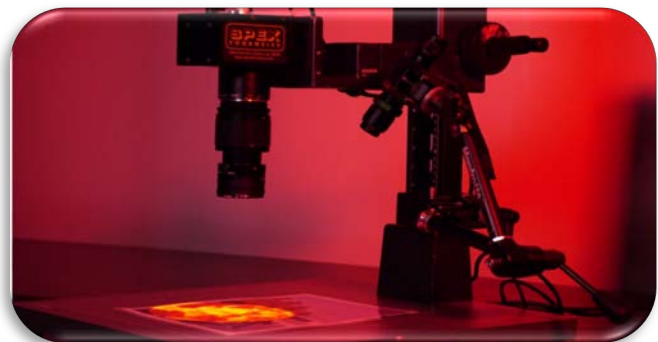
Definition

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

Police - Spex Forensic Reflective UV Imaging Camera

Description:

These cameras will allow CSIU investigators to examine items for evidence prior to applying any treatment to them, thus preserving the evidence from unnecessary damage or contamination of DNA evidence.



Funding Source:

Capital Equipment Bond

	<u>FY 2020</u>
	35,000

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 - 2020 Budget

City of Duluth 2020 - 2022 Capital Equipment Program

City of Duluth Non-Rolling Stock Equipment

Police - Panoscan PointGun Scanner

Description:

This equipment will allow CSIU investigators to conduct a 3D scan of smaller, typically indoor crime scenes to accurately document the scene with a 3D scale diagram in minutes.

Funding Source:

FY 2020

Capital Equipment Bond

19,995



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 - 2020 Budget

City of Duluth 2020 - 2022 Capital Equipment Program

Utility Funds Capital Equipment Summary

	2020	2021	2022	Total
Water Fund				
Cars/Pick-ups	15,200	41,750	27,450	84,400
Trucks/Vans	164,350	36,000	70,600	270,950
Dump Trucks	54,250	31,000	-	85,250
Excavator/Vactor	-	52,500	131,250	183,750
Other Rolling Stock	12,800	5,300	19,200	37,300
Non-Rolling Capital Equipment	39,900	15,000	23,000	77,900
Subtotal Water Fund	286,500	181,550	271,500	739,550
Gas Fund				
Cars/Pick-ups	15,200	37,550	79,100	131,850
Trucks/Vans	213,850	100,800	172,000	486,650
Dump Trucks	38,750	124,000	-	162,750
Excavator/Vactor	-	37,500	93,750	131,250
Other Rolling Stock	19,000	8,600	19,800	47,400
Non-Rolling Capital Equipment	7,900	10,000	18,000	35,900
Subtotal Gas Fund	294,700	318,450	382,650	995,800
Sewer Fund				
Cars/Pick-ups	41,600	6,100	12,850	60,550
Trucks/Vans	14,250	7,200	248,400	269,850
Dump Trucks	193,750	-	-	193,750
Excavator/Vactor	-	227,500	93,750	321,250
Other Rolling Stock	133,000	51,925	92,000	276,925
Non-Rolling Capital Equipment	22,900	5,000	13,000	40,900
Subtotal Sewer Fund	405,500	297,725	460,000	1,163,225
Stormwater Fund				
Cars/Pick-ups	-	6,100	6,100	12,200
Trucks/Vans	8,550	130,000	100,000	238,550
Dump Trucks	23,250	-	-	23,250
Excavator/Vactor	-	212,500	56,250	268,750
Other Rolling Stock	4,200	20,675	-	24,875
Non-Rolling Capital Equipment	22,800	5,000	13,000	40,800
Subtotal Stormwater Fund	58,800	374,275	175,350	608,425

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020 - 2022 Capital Equipment Program

Utility Funds Capital Equipment Summary

	2020	2021	2022	Total
Street Lighting Fund				
Pick-ups	34,000	31,000	-	65,000
Subtotal Street Lighting Fund	34,000	31,000	-	65,000
Utility Funds Total	1,079,500	1,203,000	1,289,500	3,572,000

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020 - 2022 Capital Equipment Program

City of Duluth Utilities Rolling Stock Vehicles

Public Works and Utilities - Street Lighting:

3/4 Ton Pick-Up with Lift Gate and Racks

Description:

This replacement will be used for transporting decorative light poles, electrical wire and other heavy repair and maintenance materials.

Funding Source:

	<u>FY 2020</u>
Street Lighting Fund Revenue	34,000



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

City Priority Strategic Alignment:

City Priority
Infrastructure

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

Public Works and Utilities - Customer Service:

Step Van

Description:

This replacement will be used for the installation and repair of water and gas meters and service lines.

Funding Source:

	<u>FY 2020</u>
Water Fund Revenue	14,000
Gas Fund Revenue	56,000
Total	70,000



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

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 - 2020 Budget

City of Duluth 2020 - 2022 Capital Equipment Program

City of Duluth Utilities Rolling Stock Vehicles

Public Works and Utilities - Customer Service:

1 Ton Vans (2)

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:

	FY 2020
Water Fund Revenue	14,400
Gas Fund Revenue	57,600
Total	72,000



Fun Fact: Over 7,600 appliance service and furnace cleaning work orders were completed in 2018.

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

3/4 Ton Extended Cab Pick-up

Description:

The replacement will be used to transport materials and trailered equipment for sanitary sewer repair and maintenance activities.

Funding Source:

	FY 2020
Sanitary Sewer Fund Revenue	34,000



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

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 - 2020 Budget

City of Duluth 2020 - 2022 Capital Equipment Program

City of Duluth Utilities Rolling Stock Vehicles

Public Works and Utilities - Utility Operations

1 Ton Compressor Truck

Description:

The replacement will be used for the transport of light construction equipment and to perform valve box cleanouts.

Funding Source:

	<u>FY 2020</u>
Water Fund Revenue	8,200
Gas Fund Revenue	32,800
Total	<u>41,000</u>



Fun Fact: There are 7,564 water valves and 1,605 gas valves controlling pipes 1" and larger in diameter.

City Priority Strategic Alignment:

City Priority

Infrastructure

Definition

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

Public Works and Utilities - Utility Operations

1 Ton Welding Truck

Description:

The replacement will be used for transporting welding equipment and supplies utilized on pipeline and other infrastructure repairs.

Funding Source:

	<u>FY 2020</u>
Water Fund Revenue	7,000
Gas Fund Revenue	28,000
Total	<u>35,000</u>



Fun Fact: Pipeline welders must re-test for certification every six months.

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 - 2020 Budget

City of Duluth 2020 - 2022 Capital Equipment Program

City of Duluth Utilities Rolling Stock Vehicles

Public Works and Utilities - Utility Operations

1 Ton Dump Truck

Description:

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

Funding Source:

	FY 2020
Water Fund Revenue	19,950
Gas Fund Revenue	14,250
Sanitary Sewer Fund Revenue	14,250
Stormwater Fund Revenue	8,550
Total	57,000

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: Most repairs require both the removal and safe disposal of poor soils as well as the addition of clean fill.

Public Works and Utilities - Utility Operations

Tandem Dump Trucks (2)

Description:

These replacements will be used to transport materials for infrastructure repair.

Excavator/Vactor

Funding Source:

	FY 2020
Water Fund Revenue	54,250
Gas Fund Revenue	38,750
Sanitary Sewer Fund Revenue	193,750
Stormwater Fund Revenue	23,250
Total	310,000

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: Approximately 20,000 tons of gravel will be used in utility maintenance and repair activities during 2019.

City of Duluth Minnesota - 2020 Budget

City of Duluth 2020 - 2022 Capital Equipment Program

City of Duluth Utilities Rolling Stock Vehicles

Public Works and Utilities - Utility Operations

1.5 Ton Service Truck

Description:

The replacement will be used to determine location and extent of leaks in utility pipelines.

Funding Source:

	FY 2020
Water Fund Revenue	100,800
Gas Fund Revenue	25,200
Total	126,000



Fun Fact: Utility Operations repaired 104 water main breaks and inspected 516 natural gas valves in 2018.

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

Forklift

Description:

The replacement will be used for loading and moving pipe, culverts, castings and other heavy materials at the PW&U Garfield facility.

Funding Source:

	FY 2020
Water Fund Revenue	9,800
Gas Fund Revenue	7,000
Sanitary Sewer Fund Revenue	7,000
Stormwater Fund Revenue	4,200
Total	28,000



Fun Fact: Forklift safety training is required for use of equipment. Recertification is required every 3 years.

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 - 2020 Budget

City of Duluth 2020 - 2022 Capital Equipment Program

City of Duluth Utilities Rolling Stock Vehicles

Public Works and Utilities - Utility Operations

Welding Machine

Description:

This truck mounted welder will be used to repair pipelines and other infrastructure.



Funding Source:

	FY 2020
Water Fund Revenue	3,000
Gas Fund Revenue	12,000
Total	15,000

Fun Fact: Stringent welding qualifications for natural gas pipelines are detailed in a 459 page Operations and Maintenance Manual. This manual is updated annually.

City Priority Strategic Alignment:

City Priority

Infrastructure

Definition

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

Public Works and Utilities - Utility Operations

6" Trailer Mounted Pump

Description:

This will be used for bypass pumping at lift stations and pumping out flooded basements.



Funding Source:

	FY 2020
Sanitary Sewer Fund Revenue	26,000

Fun Fact: When young and spry, this 26 year-old could pump over 1,000 gallons per minute.

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 - 2020 Budget

City of Duluth 2020 - 2022 Capital Equipment Program

City of Duluth Utilities Rolling Stock Vehicles

Public Works and Utilities - Utility Operations

Wheeled Generator

Description:

This replacement will be a critical emergency response generator needed to operate sewer lift stations in the event of electrical power failure.

Funding Source:

	<u>FY 2020</u>
Sanitary Sewer Fund Revenue	100,000



Fun Fact: There are 52 lift stations that require routine maintenance and emergency backup plans.

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 - Natural Gas

3/4 Ton Pick-up with Service Body

Description:

This replacement will be used for the maintenance and repair of the SCADA communication system.

Funding Source:

	<u>FY 2020</u>
Water Fund Revenue	15,200
Gas Fund Revenue	15,200
Sanitary Sewer Fund Revenue	7,600
Total	38,000



Fun Fact: Approximately 100 site locations are linked to monitor real time data that provides critical utility operations information.

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 - 2020 Budget

City of Duluth 2020 - 2022 Capital Equipment Program

City of Duluth Non-Rolling Stock Equipment

Public Works & Utilities - Water Treatment and Pumping:

Turbidimeters (4)

Description:

They provide water plant operators crucial information about the quality of incoming water and the effectiveness of the plant's five filters.



Funding Source:

FY 2020

Water Fund Revenue

22,000

City Priority Strategic Alignment:

Fun Fact: The Safe Drinking Water Act requires turbidimeters run 24/7.

City Priority

Safe and Secure Community

Definition

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

Public Works & Utilities - Utility Operations:

Camera Head for CCTV

Description:

CCTV camera is used for televising and inspecting sanitary sewer and stormwater pipelines. Changing technology provides clearer pictures, which is critical for assessing the condition of infrastructure and prioritizing replacement schedules.



Funding Source:

FY 2020

Sanitary Sewer Fund Revenue

15,000

Stormwater Fund Revenue

15,000

Total 30,000

City Priority Strategic Alignment:

Fun Fact: Approximately 31 miles of Sanitary pipe and 24 miles of Stormwater pipe were televised in 2018.

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 - 2020 Budget

City of Duluth 2020 - 2022 Capital Equipment Program

City of Duluth Non-Rolling Stock Equipment

Public Works & Utilities - Utility Operations:

Hydrant Flow Test Equipment

Description:

Replacement gauges are necessary to maintain proper pressures in the system for new construction and the safety of our water conveyance system. Current gauges are past their useful life.



Funding Source:

FY 2020

Water Fund Revenue

10,000

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 over 2,700 water hydrants in the City of Duluth.

Public Works & Utilities - Utility Engineering:

GPS Unit (1) Trimble R10 GNSS

Description:

Trade in of old R8 2012 model based on a planned 5 year rotation cycle. As of January 2018, R8 models have no replacement parts available.

Funding Source:

FY 2020

Water Fund Revenue

7,900

Gas Fund Revenue

7,900

Sanitary Sewer Fund Revenue

7,900

Stormwater Fund Revenue

7,800

Total 31,500

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: 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.

APPENDIX

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 \$2,879,500 from the gas and steam public utility funds to the general fund for administrative services; comprised of \$2,726,700 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 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 funds, and 290 in the street system maintenance utility fund; the accounts numbered 503 in the golf fund, 505 and 506 in the parking funds, 510 and 511 in the water fund, 520 in the gas fund, 530 and 532 in the sewer fund, 535 in the stormwater fund, 540 in the steam fund, 550 in the street light 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 2020.

General Fund

110	Legislative and Executive	3,814,800
121	Property, Parks, and Libraries	13,334,500
122	Administrative Services	5,742,000
125	Finance	2,815,100
132	Planning and Economic Development	3,726,200
150	Fire	18,624,500
160	Police	24,021,100
500	Public Works	9,980,100
700	Transfers and Other Functions	10,854,300
	Total General Fund	92,912,600

Special Revenue

205	Parks Fund	3,162,249
268 & 270	Workforce Development Fund	3,029,752
290	Street System Maintenance Utility	2,500,000
550	Street Lighting Fund	2,854,600

Public Enterprise		
503	Golf Fund	1,741,602
505	Parking Fund	6,077,257
506	Priley Drive Parking Facility	1,465,050
510 & 511	Water Fund	20,038,600
520	Gas Fund	43,644,100
530 & 532	Sewer and Clean Water Fund	27,410,100
535	Stormwater Fund	6,273,700
540	Steam Fund	8,879,037

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 secure. 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, 2020.

STATEMENT OF PURPOSE: This ordinance established 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.



Legislation Details (With Text)

File #: 19-059-O Name:
 Type: Ordinance Status: Passed
 File created: 11/27/2019 In control: Finance
 On agenda: 12/9/2019 Final action: 12/16/2019
 Title: AN ORDINANCE DETERMINING THE SUM TO BE RAISED BY TAXATION FOR GENERAL PURPOSES FOR THE YEAR 2020.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A

Date	Ver.	Action By	Action	Result
12/16/2019	1	City Council	adopted	
12/9/2019	1	City Council	read for the first time	

AN ORDINANCE DETERMINING THE SUM TO BE RAISED BY TAXATION FOR GENERAL PURPOSES FOR THE YEAR 2020.

CITY PROPOSAL:

The city of Duluth does ordain:

Section 1. That the sum to be raised by taxation for the year 2020 is hereby determined to be the sum of \$33,836,500 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 \$1,764,600.

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 \$6,982,600.

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, 2020.

STATEMENT OF PURPOSE: This ordinance sets the property tax levy for the year 2020. The 2020 levy reflects a total increase of 8.46% which will be partially offset by a growth in property tax values of 6.51%.



Legislation Details (With Text)

File #: 19-066-O Name:
Type: Ordinance Status: Passed
File created: 11/27/2019 In control: Finance
On agenda: 12/9/2019 Final action: 12/16/2019
Title: AN ORDINANCE DETERMING THE SUM TO BE RAISED BY TAXATION FOR THE SPECIAL PARKS FUND LEVY FOR THE YEAR 2020.

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
12/16/2019	1	City Council	adopted	
12/9/2019	1	City Council	read for the first time	

AN ORDINANCE DETERMING THE SUM TO BE RAISED BY TAXATION FOR THE SPECIAL PARKS FUND LEVY FOR THE YEAR 2020.

CITY PROPOSAL:

The city of Duluth does ordain:

Section 1. That the sum to be raised by taxation for the year 2020 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, 2020.

STATEMENT OF PURPOSE: This ordinance sets the property tax levy for the year 2020 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 #: 19-062-O Name:
 Type: Ordinance Status: Passed
 File created: 11/27/2019 In control: Finance
 On agenda: 12/9/2019 Final action: 12/16/2019
 Title: AN ORDINANCE DETERMINING THE SUM TO BE RAISED BY TAXATION FOR THE SPECIAL TAXING DISTRICT, DULUTH TRANSIT AUTHORITY, FOR THE YEAR 2020.

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
12/16/2019	1	City Council	adopted	
12/9/2019	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 2020.

CITY PROPOSAL:

The city of Duluth does ordain:

Section 1. That the sum to be raised by taxation for the year 2020 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, 2020.

STATEMENT OF PURPOSE: This ordinance sets the property tax levy for the year 2020 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 2020, is opting not to request the full levy available. Instead, the DTA is requesting \$175,000 more than 2019 for capital projects and to replace tourism taxes that support the trolley services.



Legislation Details (With Text)

File #: 19-0836R Name:
Type: Resolution Status: Passed
File created: 11/26/2019 In control: Finance
On agenda: 12/9/2019 Final action: 12/9/2019
Title: RESOLUTION ESTABLISHING ANNUAL BONDING PLAN FOR 2020.
Sponsors:
Indexes:
Code sections:
Attachments: 1. Exhibit A

Date	Ver.	Action By	Action	Result
12/9/2019	1	City Council	adopted	

RESOLUTION ESTABLISHING ANNUAL BONDING PLAN FOR 2020.

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 2020.

General obligation bonds and notes to be issued in 2020	\$23,075,000
General obligation bonds and notes scheduled to be retired in 2020	\$15,878,000
Net anticipated increase in general obligation bonding for 2020	\$7,197,000

STATEMENT OF PURPOSE: This resolution sets forth the city's estimated bond and note issuances and repayments for the year 2020 as required by Section 20-33 of the city code. The city estimates its bonding activity in 2020 will result in a net increase of \$7,197,000 in the amount of the city's general obligation outstanding debt during 2020; 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 #: 19-0807R Name:
 Type: Resolution Status: Passed
 File created: 11/18/2019 In control: Finance
 On agenda: 12/9/2019 Final action: 12/9/2019
 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
12/9/2019	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 2020 through 2024 which has been presented to the Council in the section entitled "Capital Improvement Program Summary" in the document entitled "2020-2024 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 9, 2019, 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 9, 2019, 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, libraries, public safety facilities and public works facilities) under the Act throughout the City, including improvements to the City Hall, Public Safety Building (Police), and 40th Street Tool House, and for the payment of costs of issuance of the Bonds.

(d) If, within 30 days after December 9, 2019, 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 2020-2024 capital improvement plan and declares the City's intent to issue general obligation capital improvement bonds in 2019 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 2020 bonds are \$1,800,000 plus underwriter discount and costs of issuance.



Legislation Details (With Text)

File #: 19-0808R Name:

Type: Resolution Status: Passed

File created: 11/18/2019 In control: Finance

On agenda: 12/9/2019 Final action: 12/9/2019

Title: RESOLUTION OF THE CITY OF DULUTH, MINNESOTA, STATING THE INTENT TO ISSUE GENERAL OBLIGATION CAPITAL EQUIPMENT NOTES, SERIES 2020, IN THE APPROXIMATE AMOUNT OF \$3,400,000 AND APPROVING THE CAPITAL EQUIPMENT LIST ASSOCIATED WITH THE NOTES.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A

Date	Ver.	Action By	Action	Result
12/9/2019	1	City Council	adopted	

RESOLUTION OF THE CITY OF DULUTH, MINNESOTA, STATING THE INTENT TO ISSUE GENERAL OBLIGATION CAPITAL EQUIPMENT NOTES, SERIES 2020, IN THE APPROXIMATE AMOUNT OF \$3,400,000 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 2020 in an amount up to \$3,400,000 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 2020.

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 2020 to finance the purchase of capital equipment. It further approves the capital equipment list as items to be financed in 2020 in an amount of \$3,269,445 plus an additional amount for costs of issuance and discount.



Legislation Details (With Text)

File #: 19-0743R Name:
Type: Resolution Status: Passed
File created: 10/18/2019 In control: Finance
On agenda: 11/12/2019 Final action: 11/12/2019
Title: RESOLUTION DISTRIBUTING THE ESTIMATED 2020 HOTEL-MOTEL AND FOOD AND BEVERAGE TOURISM TAXES

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A - Tourism Tax Comparison

Date	Ver.	Action By	Action	Result
11/12/2019	1	City Council	adopted	Pass

RESOLUTION DISTRIBUTING THE ESTIMATED 2020 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 \$12 million for 2020. 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 2020 hotel-motel and food and beverage tourism taxes, as estimated, be distributed in the following manner:

	Total	Promotional & Operational Support	Capital Support & Debt Service
3% Hotel/Motel Tax:	\$2,908,200	\$1,112,400	\$1,795,800
1% Hotel/Motel Tax:	\$963,600	\$669,100	\$294,500
1% Food & Beverage:	\$2,612,100	\$2,612,100	\$0
Additional 2% Hotel/Motel:	\$1,802,300	\$901,100	\$901,200
Additional .75% Food & Beverage:	\$1,959,100	\$0	\$1,959,100
Additional .5% Food&Bev & .5% Hotel/Motel	\$1,754,700	\$0	\$1,754,700
Total:	\$12,000,000	\$5,294,700	\$6,705,300
DECC- Amsoil Arena Debt Service	\$3,754,900	\$0	\$3,754,900
Spirit Mountain Bond - Chalet	\$500,000	\$0	\$500,000
Spirit Mountain Adventure Park Lease	\$145,700	\$0	\$145,700
Visit Duluth	\$2,000,000	\$2,000,000	\$0
Duluth Area Family Y	\$75,000	\$75,000	\$0
Tourism Events Support General Fund	\$895,000	\$895,000	\$0
Tourist-Related Park Maintenance	\$200,000	\$200,000	\$0
Lake Superior Zoo	\$510,000	\$510,000	\$0
Great Lakes Aquarium	\$360,000	\$360,000	\$0
Business Improve District	\$220,000	\$220,000	\$0
Depot Foundation	\$220,000	\$220,000	\$0
Public Arts	\$15,000	\$15,000	\$0
Sister Cities	\$40,000	\$40,000	\$0
Lake Superior & Mississippi Railroad	\$20,000	\$20,000	\$0
Rail Alliance	\$15,000	\$15,000	\$0
DECC - Bayfront Park Management	\$69,200	\$69,200	\$0
DECC - Blue Bridge Operations	\$41,000	\$41,000	\$0
Glensheen Matching Funds	\$50,000	\$50,000	\$0
St Louis River Corridor Debt Service	\$1,754,700	\$0	\$1,754,700
Spirit Mountain Operations	\$275,000	\$275,000	\$0
Fourth Fest Fireworks	\$57,000	\$57,000	\$0
Minnesota Slip Bridge	\$550,000	\$0	\$550,000
Hawk Ridge Bird Observatory	\$20,000	\$20,000	\$0
Duluth Children's Museum	\$20,000	\$20,000	\$0
Ecolibrium	\$15,000	\$15,000	\$0
Catalyst (Independent Television Festival)	\$50,000	\$50,000	\$0
Zeitgeist	\$30,000	\$30,000	\$0
Undesignated Fund Balance	\$97,500	\$97,500	\$0
Total	\$12,000,000	\$5,294,700	\$6,705,300

STATEMENT OF PURPOSE: This resolution distributes the 2020 estimated tourism taxes as required by Minnesota State Statutes, City ordinance, or City policy. No growth in 2020 tax collections was factored in determining the allocations above. A comparison of 2019 approved allocations to 2020 proposed allocations is attached as Exhibit A.

For 2019 and 2020, the City instituted an application process for tourism tax allocations. All applicants were asked to apply for funds, submit budgets, answer a series of questions and report on previous tourism tax funding levels and uses. This process was implemented with the intent to provide greater accountability, and transparency to a significant source of public funding. The City intends to continue this process with the hope that additional tourism experiences will be a part of the tourism tax portfolio for 2021.

The tourism tax allocations include a requirement of all tourism tax funded entities to participate in two Community Day events for public access for their services. Visit Duluth will help coordinate these events, and it will allow the local Duluth community, who also invests into tourism tax through food and beverage funding, to have the opportunity to benefit from that investment. Additionally, we are asking Visit Duluth to coordinate a broader City Pass for tourism outlets - both those that receive funding and those that do not. We believe that these two changes help bring the Duluth community into better understanding of the value of tourism to our economy, provide affordable community fun at some of the best assets Duluth has to offer, and that our community will then be able to, in turn, provide personal promotion and endorsement of these experiences to visitors they encounter.



Legislation Details (With Text)

File #: 19-0843R Name:
Type: Resolution Status: Passed
File created: 11/27/2019 In control: Finance
On agenda: 12/9/2019 Final action: 12/9/2019
Title: RESOLUTION APPROVING THE FISCAL YEAR JANUARY 1, 2020 TO DECEMBER 31, 2020, OPERATION BUDGET OF THE DULUTH AIRPORT AUTHORITY.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A

Date	Ver.	Action By	Action	Result
12/9/2019	1	City Council	adopted	

RESOLUTION APPROVING THE FISCAL YEAR JANUARY 1, 2020 TO DECEMBER 31, 2020, OPERATION BUDGET OF THE DULUTH AIRPORT AUTHORITY.

CITY PROPOSAL:

RESOLVED, that the operations budget for the fiscal year January 1, 2020 to December 31, 2020, in the amount of \$15,483,236 for the Duluth Airport Authority is hereby approved.

STATEMENT OF PURPOSE: This resolution adopts the 2020 operating budget for the Duluth Airport Authority, a detailed budget is attached as Exhibit A. The authority's budget request does not anticipate the need for a City subsidy.



Legislation Details (With Text)

File #: 19-0841R Name:
Type: Resolution Status: Passed
File created: 11/27/2019 In control: Finance
On agenda: 12/9/2019 Final action: 12/9/2019
Title: RESOLUTION APPROVING THE FISCAL YEAR JANUARY 1, 2020 TO DECEMBER 31, 2020,
OPERATION BUDGET OF THE DULUTH TRANSIT AUTHORITY.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A

Date	Ver.	Action By	Action	Result
12/9/2019	1	City Council	adopted	

RESOLUTION APPROVING THE FISCAL YEAR JANUARY 1, 2020 TO DECEMBER 31, 2020, OPERATION BUDGET OF THE DULUTH TRANSIT AUTHORITY.

CITY PROPOSAL:

RESOLVED, that the operation budget for the fiscal year January 1, 2020 to December 31, 2020, in the amount of \$19,131,701 for the Duluth Transit Authority is hereby approved.

STATEMENT OF PURPOSE: This resolution adopts the 2020 operating budget for the Duluth Transit Authority, a detailed budget is attached as Exhibit A.

The budget includes an increase of \$285,167 or 1.5% over the 2019 budget. This resolution adopts the budget as presented for the current year.



Legislation Details (With Text)

File #: 19-0844R Name:
Type: Resolution Status: Passed
File created: 11/27/2019 In control: Finance
On agenda: 12/9/2019 Final action: 12/9/2019
Title: RESOLUTION APPROVING THE FISCAL YEAR JANUARY 1, 2020 TO DECEMBER 31, 2020 BUDGETS OF THE DULUTH ECONOMIC DEVELOPMENT AUTHORITY.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A

Date	Ver.	Action By	Action	Result
12/9/2019	1	City Council	adopted	

RESOLUTION APPROVING THE FISCAL YEAR JANUARY 1, 2020 TO DECEMBER 31, 2020 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 2020. The DEDA adopted the DEDA budgets at its October 23, 2019 meeting.

City of Duluth Minnesota - 2020 Budget

DEMOGRAPHIC AND ECONOMIC STATISTICS

Fiscal Year	Population	Total Personal Income	Per Capita		Unemployment Rate
			Personal Income	Per Capita School Enrollment	
2010	86,265	2,260,614,999	26,205	8,780	7.6%
2011	86,277	2,324,435,029	26,942	8,815	7.1%
2012	86,200	2,368,110,337	27,472	8,686	6.0%
2013	86,128	2,510,223,601	29,145	8,517	5.4%
2014	86,238	2,605,207,475	30,210	8,517	4.8%
2015	86,110	2,761,947,379	32,075	8,353	3.4%
2016	86,293	2,709,373,102	31,397	8,115	4.1%
2017	86,066	2,770,534,310	32,191	8,067	3.8%
2018	85,884	2,893,707,377	33,693	8,515	2.9%
2019	85,884	2,970,783,850	34,591	8,515	3.0%

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	38,485		48,648		27,678		17,543	
1980 or newer	7,012	18.2%	27,087	55.7%	13,562	49.0%	7,988	45.5%
1960 to 1979	6,736	17.5%	11,327	23.3%	6,980	25.2%	3,852	22.0%
1940 to 1959	7,816	20.3%	6,164	12.7%	3,736	13.5%	2,236	12.7%
1939 or earlier	16,921	44.0%	4,070	8.4%	3,400	12.3%	3,467	19.8%

Data source: American Community Survey

City of Duluth Minnesota - 2020 Budget

PRINCIPAL EMPLOYERS

Employer	Type of Business	Employees	Rank	% of Total City Employment
Essentia Health	Health Care	6,569	1	11.14%
St. Luke's Hospital	Health Care	2,348	2	3.98%
St. Louis County	Public Administration	1,847	3	3.13%
University of Minnesota - Duluth	Educational Services	1,635	4	2.77%
Independent School District No.709	Educational Services	1,426	5	2.42%
ALLETE	Utilities	1,314	6	2.23%
Duluth Air National Guard Base	Public Administration	1,068	7	1.81%
Cirrus Design	Manufacturing	1,000	8	1.70%
United Health Care	Finance and Insurance	999	9	1.69%
City of Duluth	Public Administration	867	10	1.47%
		<u>19,073</u>		<u>32.34%</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	2015	2016	2017	2018	2019
General government	131.65	132.40	133.00	126.50	132.15
Public Safety					
Police	178.50	180.50	184.14	182.14	182.14
Fire	143.00	144.50	146.50	146.50	146.50
Public Works	85.05	86.25	86.50	82.95	83.95
Culture and recreation					
Parks and recreation	9.75	11.75	11.95	11.70	13.70
Library	46.50	46.50	46.70	46.70	46.70
Urban & Economic Development	55.50	54.05	54.05	52.05	57.14
Water & Gas	128.65	129.15	134.75	134.75	135.45
Sewer	36.93	35.80	33.15	34.65	33.05
Stormwater	26.87	27.30	25.85	23.15	24.05
Parking	8.00	9.00	9.00	9.00	9.00
Street Lighting	5.10	5.10	5.10	5.10	5.10
Total	<u>855.50</u>	<u>862.30</u>	<u>870.69</u>	<u>855.19</u>	<u>868.93</u>

City of Duluth Minnesota - 2020 Budget

TOTAL ESTIMATED MARKET VALUES

Fiscal Year End	Total Estimated Market Value	Tax Capacity	% Capacity to Market Value	Tax Rate
2010	5,696,100,100	67,344,436	1.18%	0.26331
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%	0.34568
2018	6,224,187,356	73,636,389	1.18%	1.39625

PRINCIPAL PROPERTY TAXPAYERS

Taxpayer	Type of Business	Estimated Market Value	Rank	% of Market Value
Minnesota Power	Electric utility	145,648,500	1	2.34%
Essentia Health	Healthcare & hospital	110,949,500	2	1.78%
Simon Property, Inc.	Shopping mall	52,790,900	3	0.85%
D M & I R Railroad	Railroad	37,484,100	4	0.60%
Ascena Retail Group	Lease administration	34,758,500	5	0.56%
Burlington Northern	Railroad	21,116,500	6	0.34%
Hall Equities Group	Real estate development	18,855,700	7	0.30%
St. Luke's Hospital	Healthcare & hospital	18,139,100	8	0.29%
NewPage (StoraEnso)	Paper mill	18,099,100	9	0.29%
Tech Village	Office & tech building	17,738,800	10	0.28%
		475,580,700		7.63%

City of Duluth Minnesota - 2020 Budget

OPERATING INDICATORS BY FUNCTION

	2014	2015	2016	2017	2018
Police					
Criminal offences	9,472	10,262	10,447	10,561	10,437
Cleared by arrest	4,070	4,081	4,062	3,802	3,267
Traffic violations	9,307	8,525	6,819	5,196	5,421
Parking violations	55,097	50,647	55,226	34,437	31,934
Fire					
Number of calls answered	11,114	12,231	12,799	13,239	13,255
Number of inspections	1,200	1,200	1,200	7,490	7,367
Public works					
Construction permits:					
Permits issued	2,030	1,896	2,085	2,071	1,882
Estimated cost of construction during year in dollars	182,409,369	160,884,495	108,815,274	92,039,794	120,632,556
Culture and recreation					
Parks and recreation department					
Participation in special events	30,749	23,122	49,125	67,300	62,925
Participation in recreation	28,304	22,586	31,555	25,210	27,197
Zoo regular customers	65,270	64,071	76,316	81,538	78,439
Library					
Registered borrowers	48,147	47,086	45,424	42,674	51,636
Items in collection	456,753	444,790	435,385	424,304	419,907
Items loaned	923,063	927,389	848,293	871,704	847,237
Library visits	492,106	474,982	461,403	475,363	426,082
Internet uses	118,825	109,965	92,656	90,489	81,685
Reference/ research questions answered	89,232	77,896	59,321	71,253	59,579

City of Duluth Minnesota - 2020 Budget

OPERATING INDICATORS BY FUNCTION continued

	2014	2015	2016	2017	2018
Water					
Meters in service	28,131	28,134	28,134	28,243	28,345
Average number of gallons treated per month	433,676,667	431,616,667	415,642,500	408,434,167	388,512,500
Water pumped - million cubic feet	695.7	692.4	666.8	655.2	623.3
Water sold - million cubic feet	591.0	589.8	565.6	568.4	561.9
Daily average consumption in gallons	14,257,863	14,190,136	11,590,274	11,648,560	12,773,013
Gas					
Meters in service	26,585	26,896	28,540	28,712	28,957
MMBTU sold	5,679,683	4,885,371	4,770,804	5,218,978	5,063,708
Sewer					
Number of service connections	27,956	27,963	27,985	27,993	28,030
Daily average treatment in gallons	14,257,000	13,000,530	13,729,690	14,355,390	12,093,510
Stormwater					
Cleaning storm sewer pipe (in feet)	2,700	3,330	20,017	107,965	125,776
Steam District #1					
Steam sold (in 1,000 lbs)	300,669	332,830	313,408	305,465	345,262
Golf					
Season passes	644	795	731	436	462
Daily tickets	28,860	46,700	38,894	34,358	39,661
Carts	15,056	42,606	39,846	28,555	25,048
Rounds played	60,172	81,082	75,544	67,657	60,988

City of Duluth Minnesota - 2020 Budget

CAPITAL ASSETS BY FUNCTION

	2014	2015	2016	2017	2018
Police					
Patrol units	93	93	97	102	123
Fire					
Fire stations	8	8	8	8	8
Public works					
Miles of streets and alleys:					
Miles of streets: paved	472.51	473.80	475.77	175.74	475.77
Miles of streets: unpaved	47.96	47.96	47.96	47.96	47.96
Miles of sidewalk	410.98	410.98	411.08	352.00	352.13
Number of street lights:					
Ornamental lamps (no. of bulbs)	3,930	3,930	3,940	3,930	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	128	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	19	17	17	17
Community clubs/field houses operated	19	19	19	19	18
Number of athletic fields	57	57	48	48	48
Number of hiking trails	14	14	14	14	14
Library					
Libraries/branches	3	3	3	3	3
Water					
Miles of water mains	429.50	433.40	428.30	428.40	429.40
Number of hydrants	2,677	2,688	2,699	2,708	2,717
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	534.70	538.20	544.40	548.10
Sewer					
Miles of sanitary sewers	402.00	395.30	397.60	398.80	398.10
Stormwater					
Miles of storm sewers	435.00	398.07	404.56	412.00	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.

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 incurrence of a liability, an expenditure is not recorded.

Expense

Charges incurred by proprietary funds (whether paid immediately or unpaid) for operations, maintenance, interest or other charges.

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.

