

City of Duluth, Minnesota



2015 Proposed Budget **All Other Funds**

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2015 Proposed All Other Funds Budgets

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City of Duluth Minnesota - 2015 Budget

Special Revenue Funds

Funds

Parks Fund
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 Workforce Investment Act
 Senior Programs
 Other Post Employment Benefits
 Street System Maintenance Utility

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.

	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
FUND BALANCE - JANUARY 1	55,090,368	54,367,008	57,211,215	60,204,461
REVENUES				
Taxes	2,536,938	2,576,740	2,600,000	2,600,000
Intergovernmental	11,324,391	9,987,055	7,821,700	7,991,860
Miscellaneous	13,757,314	15,094,030	14,683,000	16,163,480
TOTAL REVENUES	<u>27,618,643</u>	<u>27,657,825</u>	<u>25,104,700</u>	<u>26,755,340</u>
EXPENSES				
Personal Services	13,355,883	12,221,244	12,870,700	12,750,796
Other Services and Charges	3,413,244	3,029,994	2,178,500	1,917,169
Transfers	4,820,966	3,468,252	1,736,700	4,061,654
Miscellaneous	6,751,910	6,094,128	5,325,554	5,287,706
TOTAL EXPENSES	<u>28,342,003</u>	<u>24,813,618</u>	<u>22,111,454</u>	<u>24,017,325</u>
FUND BALANCE - DECEMBER 31	54,367,008	57,211,215	60,204,461	62,942,476

City of Duluth Minnesota - 2015 Budget

Parks Fund

205

Special Revenue fund established to account for the property tax money received that is to be used for City parks only, as Proposed by the citizens of Duluth on a special referendum.

	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
FUND BALANCE - JANUARY 1	-	455,846	561,645	116,791
REVENUES				
Property Tax Levy	2,536,938	2,576,740	2,600,000	2,600,000
Licenses and Permits	-	52,973	34,000	34,000
Miscellaneous	7,000	142,198	49,500	49,500
TOTAL REVENUES	<u>2,543,938</u>	<u>2,771,911</u>	<u>2,683,500</u>	<u>2,683,500</u>
EXPENSES				
Personal Services	1,061,420	1,071,747	1,170,400	1,205,700
Other Services and Charges	389,087	479,081	588,900	413,300
Supplies	146,658	257,046	259,200	269,500
Miscellaneous	54,076	145,880	100,000	100,000
Capital Outlay	436,851	712,358	1,009,854	695,000
TOTAL EXPENSES	<u>2,088,092</u>	<u>2,666,112</u>	<u>3,128,354</u>	<u>2,683,500</u>
FUND BALANCE - DECEMBER 31	455,846	561,645	116,791	116,791

	2012	2013	2014	2015
BUDGETED FTE'S	1	1	1	1
1130 Manager, Parks & Recreation	1	1	1	1
1070 Operations Coordinator	1	1	1	1
135 Public Information Coordinator	0.5	0.5	0.5	0.5
131 Volunteer Coordinator	1.5	1.5	1.5	1.5
129 Special Events Coordinator	1	1	1	1
129 Admin Information Specialist	1	1	1	1
124 Senior Center Coordinator	1	1	1	1
28 Trails Coordinator	1	1	1	1
26 Recreation Specialist	-	1	1	1
22 Maintenance Worker				
Division Total	9	10	10	10

City of Duluth Minnesota - 2015 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.

	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
FUND BALANCE - JANUARY 1	457,699	625,237	640,155	640,155
REVENUES				
Intergovernmental	1,028,616	898,759	210,300	-
Miscellaneous	271,184	701,954	747,900	578,200
Transfers In	-	-	190,000	-
TOTAL REVENUES	1,299,800	1,600,713	1,148,200	578,200
EXPENSES				
Personal Services	7,763	-	218,700	3,500
Personal Services - Police Extra Duty Pay	-	474,719	533,600	236,800
Other Services and Charges	204,600	188,100	305,700	96,900
Transfers Out	1,599	203,780	-	135,000
Miscellaneous	345,808	114,366	90,200	110,600
Capital Equipment	572,492	604,830	-	22,600
TOTAL EXPENSES	1,132,262	1,585,795	1,148,200	605,400
FUND BALANCE - DECEMBER 31	625,237	640,155	640,155	612,955

BUDGETED FTE'S	2012	2013	2014	2015
226 Firefighter	-	-	3	-
Division Total	-	-	3	-

City of Duluth Minnesota - 2015 Budget

Police Special Grants

215

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

	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
FUND BALANCE - JANUARY 1	42,858	(8,660)	(3,908)	(3,908)
REVENUES				
Intergovernmental	1,856,433	1,083,947	741,100	817,954
Felony Forfeitures	20,142	91,214	130,000	130,000
TOTAL REVENUES	<u>1,876,575</u>	<u>1,175,161</u>	<u>871,100</u>	<u>947,954</u>
EXPENSES				
Other Services and Charges	262,074	307,127	188,400	252,400
Transfer to General Fund	752,494	634,995	471,700	509,554
Miscellaneous	138,568	203,722	193,500	186,000
Capital Equipment	774,957	24,565	17,500	0
TOTAL EXPENSES	<u>1,928,093</u>	<u>1,170,409</u>	<u>871,100</u>	<u>947,954</u>
FUND BALANCE - DECEMBER 31	(8,660)	(3,908)	(3,908)	(3,908)

City of Duluth Minnesota - 2015 Budget

Economic Development

255

Fund accounts for monies received from the U.S. Department of Housing and Urban Development Action Grant Program, and monies received for bond service fees from the issuance of Industrial Revenue Bonds. Such monies are to be used for the revitalization of the economy of the City of Duluth.

	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
FUND BALANCE - JANUARY 1	(27,220)	(8,727)	21,930	21,930
REVENUES				
Intergovernmental Revenues	1,127,911	528,291	-	-
Other Reimbursements	15,111	-	-	-
Other Miscellaneous	16,919	16,935	17,900	17,900
TOTAL REVENUES	<u>1,159,941</u>	<u>545,226</u>	<u>17,900</u>	<u>17,900</u>
EXPENSES				
Economic Development	<u>1,141,448</u>	<u>514,569</u>	<u>17,900</u>	<u>17,900</u>
TOTAL EXPENSES	<u>1,141,448</u>	<u>514,569</u>	<u>17,900</u>	<u>17,900</u>
FUND BALANCE - DECEMBER 31	(8,727)	21,930	21,930	21,930

City of Duluth Minnesota - 2015 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.

	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
FUND BALANCE - JANUARY 1	25,201,315	21,351,493	17,526,543	17,526,543
REVENUES				
Other Reimbursements	-	52,796	-	-
Investment Earnings	217,051	(1,248,269)	145,000	110,000
TOTAL REVENUES	<u>217,051</u>	<u>(1,195,473)</u>	<u>145,000</u>	<u>110,000</u>
EXPENSES				
Legal Services	58,555	37,534	-	-
Transfer to Debt Service	2,913,182	2,223,491	-	-
Transfer to General Fund (annual)	1,095,136	368,452	145,000	110,000
TOTAL EXPENSES	<u>4,066,873</u>	<u>2,629,477</u>	<u>145,000</u>	<u>110,000</u>
FUND BALANCE - DECEMBER 31	21,351,493	17,526,543	17,526,543	17,526,543

City of Duluth Minnesota - 2015 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.

	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
FUND BALANCE - JANUARY 1	242,803	289,461	256,668	249,068
REVENUES				
Intergovernmental Revenues	41,159	-	-	-
Transfer From Enterprise Funds	-	-	26,200	-
Other Reimbursements	9,505	-	-	15,000
Miscellaneous	36,468	6,293	-	-
From Public Utility	75,000	81,843	95,000	75,000
TOTAL REVENUES	162,132	88,136	121,200	90,000
EXPENSES				
Personal Services	80,691	83,472	86,400	92,500
Other Services & Charges	11,300	987	2,200	1,700
Miscellaneous	23,483	36,470	40,200	110,000
TOTAL EXPENSES	115,474	120,929	128,800	204,200
FUND BALANCE - DECEMBER 31	289,461	256,668	249,068	134,868

BUDGETED FTE'S	2012	2013	2014	2015
33 Energy Coordinator	1	1	1	1

City of Duluth Minnesota - 2015 Budget

Home 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 (CHDO's). The 2015 budget figures represent preliminary

	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
FUND BALANCE - JANUARY 1	(49,987)	(129,888)	(27,500)	(27,500)
REVENUES				
Home Grant	548,356	538,696	505,800	544,500
TOTAL REVENUES	<u>548,356</u>	<u>538,696</u>	<u>505,800</u>	<u>544,500</u>
EXPENSES				
Tenant Based Rental Assistance	109,533	117,811	85,000	125,000
Community Housing Devel Program	368,805	143,165	200,000	225,000
Home Ownership Program	111,217	-	-	-
Rehabilitation	-	132,590	170,200	140,000
Administration	38,702	42,742	50,600	54,500
TOTAL EXPENSES	<u>628,257</u>	<u>436,308</u>	<u>505,800</u>	<u>544,500</u>
FUND BALANCE - DECEMBER 31	(129,888)	(27,500)	(27,500)	(27,500)

City of Duluth Minnesota - 2015 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 2015 budget figures represent preliminary estimates only, awaiting the allocation of HUD funds.

	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
FUND BALANCE - JANUARY 1	9,509	(211,882)	(379,397)	(379,397)
REVENUES				
State of Minnesota	646,432	14,875	-	-
Community Development Block Grant	2,131,330	2,891,932	2,263,100	2,224,734
Emergency Shelter Grant	100,355	183,278	156,000	183,852
CDBG-R (ARRA)	80,182	-	-	-
Homeless Prevention & Rehousing	37,004	-	-	-
Neighborhood Stabilization	-	-	2,000	5,000
EPA Showcase Grant	218,957	218,936	130,400	-
Lead Remediation Grant	173,242	340,903	817,000	1,105,420
State Legacy Grant	168,525	-	-	-
Miscellaneous reimbursements	-	(1,810)	-	-
TOTAL REVENUES	3,556,027	3,648,114	3,368,500	3,519,006
EXPENSES				
Economic Development	320,992	259,260	339,500	336,000
Housing	2,150,999	2,030,303	1,676,700	1,858,316
Physical Improvements	409,424	669,482	452,600	400,000
Public Service Projects	353,239	315,169	339,500	338,685
Program Administration	542,764	541,415	560,200	586,005
TOTAL EXPENSES	3,777,418	3,815,629	3,368,500	3,519,006
FUND BALANCE - DECEMBER 31	(211,882)	(379,397)	(379,397)	(379,397)

City of Duluth Minnesota - 2015 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.

	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
FUND BALANCE - JANUARY 1	-	-	-	-
REVENUES				
Community Development				
Block Grant	446,453	465,556	531,500	553,000
Home Grant	25,517	28,126	50,600	54,400
CDBG-R (ARRA)	11,698	-	-	-
Homeless Prevention & Rehousing	1,933	222	-	-
Neighborhood Stabilization	11,345	8,327	2,000	5,000
Lead Paint Abatement Grant	3,360	11,319	15,000	15,000
Emergency Shelter Grant	6,854	7,059	11,700	13,800
TOTAL REVENUES	507,160	520,609	610,800	641,200
EXPENSES				
Personal Services	448,218	477,756	502,100	529,500
OPEB	9,200	5,076	9,200	9,200
Other Services and Charges	49,742	37,777	99,500	102,500
TOTAL EXPENSES	507,160	520,609	610,800	641,200
FUND BALANCE - DECEMBER 31	-	-	-	-

BUDGETED FTE'S	2012	2013	2014	2015
1150 Director, Planning & Const Services	-	0.33	0.33	0.33
1085 Manager, CD/Housing	1	1	1	1
136 Senior Planner	2	2	2	2
133 Planner II	3	3	3	3
126 Information Technician	1	0.5	0.5	0.5
Division Total	7	6.83	6.83	6.83

City of Duluth Minnesota - 2015 Budget

Workforce Investment Act

268

Special Revenue fund which accounts for monies received through the Minnesota Department's of Economic Security and Trade, Economic Development, and Human Services to provide workforce development services for unemployed and underemployed persons. The 2015 budget figures represent preliminary estimates only and are subject to change as grants are appropriated by the State and Proposed by the City Council.

	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
FUND BALANCE - JANUARY 1	466,175	260,307	267,093	267,093
REVENUES				
Miscellaneous	6,699	11,578	5,000	
Building Rent	95,413	214,689	216,000	216,000
MN Family Investment Program	965,266	877,358	895,500	890,000
Federal Grant	821,392	931,294	576,200	703,000
State Grant	294,543	399,055	246,300	296,800
TOTAL REVENUES	<u>2,183,313</u>	<u>2,433,974</u>	<u>1,939,000</u>	<u>2,105,800</u>
EXPENSES				
Personal Services	1,667,328	1,582,319	1,200,000	1,333,000
OPEB	34,500	20,304	34,500	21,996
Other Services and Charges	687,353	824,565	704,500	750,769
TOTAL EXPENSES	<u>2,389,181</u>	<u>2,427,188</u>	<u>1,939,000</u>	<u>2,105,765</u>
FUND BALANCE - DECEMBER 31	260,307	267,093	267,093	267,128
BUDGETED FTE'S				
1085 Mgr, Employment & Training	1	1	1	1
134 Sr Comm Service Emp Dir	1	1	1	1
131 Employment Technician	18	18	18	15
126 Information Technician	2	2	2	2
Division Total	22	22	22	19

City of Duluth Minnesota - 2015 Budget

Senior Programs

270

Special Revenue fund which accounts for monies received through the Minnesota Department of Economic Security and the National Council of Senior Citizens under Title V of the Older Americans Act to provide useful part-time employment for low-income elderly and to improve community services where needed.

	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
FUND BALANCE - JANUARY 1	(72,079)	687	0	0
REVENUES				
Senior Employment Program - State	198,684	101,648	300,000	130,100
Senior Aides Program - Federal	283,431	242,785	125,000	233,300
TOTAL REVENUES	<u>482,115</u>	<u>344,433</u>	<u>425,000</u>	<u>363,400</u>
EXPENSES				
Personal Services	400,350	332,103	425,000	363,400
Other Services and Charges	8,999	13,017	-	-
TOTAL EXPENSES	<u>409,349</u>	<u>345,120</u>	<u>425,000</u>	<u>363,400</u>
FUND BALANCE - DECEMBER 31	687	0	0	0

City of Duluth Minnesota - 2015 Budget

Other Post Employment Benefits - OPEB

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 Post Employment Benefits. The "normal cost" portion of the annual required contribution is budgeted in the Medical Health Fund 630.

	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
FUND BALANCE - JANUARY 1	28,819,295	31,743,134	38,347,986	41,793,686
REVENUES				
Investment Earnings	881,208	839,057	900,000	1,115,000
Change in Fair Value	2,501,714	5,574,480	2,000,000	1,500,000
Trsf from Special Rev Funds (Grants)	-	-	43,700	25,380
Contributions- Employer	9,699,313	8,772,788	9,205,000	9,206,400
TOTAL REVENUES	13,082,235	15,186,325	12,148,700	11,846,780
EXPENSES				
Administrative Expenses	2,783	2,649	3,000	3,000
Benefits	9,655,613	8,178,824	8,700,000	8,964,400
Other Expenses	500,000	400,000	-	-
TOTAL EXPENSES	10,158,396	8,581,473	8,703,000	8,967,400
FUND BALANCE - DECEMBER 31	31,743,134	38,347,986	41,793,686	44,673,066

City of Duluth Minnesota - 2015 Budget

Street System Maintenance Utility

290

Special Revenue fund used to account for monies received for street system maintenance utility fees from residential, commercial, and industrial properties, used to fund existing street improvement debt, enhanced maintenance, and street reconstruction. The fee is an alternate source of revenue, used to replace lost revenues from the casino agreement that was used for the street system, until casino litigation is resolved.

	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
FUND BALANCE - JANUARY 1			0	0
REVENUES				
Payment in Lieu of Tax				427,100
Street System Mtce Utility Fee			1,120,000	2,880,000
TOTAL REVENUES			<u>1,120,000</u>	<u>3,307,100</u>
EXPENSES				
To Public Utilities - Cost Allocation			17,600	42,200
Transfer to Capital Project			-	1,632,500
Transfer to Debt Service			1,102,400	1,632,400
TOTAL EXPENSES			<u>1,120,000</u>	<u>3,307,100</u>
FUND BALANCE - DECEMBER 31			0	0

City of Duluth Minnesota - 2015 Budget

Debt Service Funds

Funds

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

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.

	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
FUND BALANCE - JANUARY 1	17,123,641	15,673,111	17,553,715	16,633,115
REVENUES				
Taxes	6,513,938	7,042,313	6,261,200	6,574,300
Intergovernmental	3,402	-	-	-
Special Assessments	1,601,910	1,450,406	1,264,300	1,023,000
Miscellaneous	277,044	138,332	239,700	240,900
Other Financing Sources	23,543,754	9,603,671	5,864,500	6,035,300
TOTAL REVENUES	<u>31,940,048</u>	<u>18,234,722</u>	<u>13,629,700</u>	<u>13,873,500</u>
EXPENSES				
Debt Service Payments	32,692,811	16,176,490	14,538,400	14,219,100
Miscellaneous	697,767	177,628	11,900	13,300
TOTAL EXPENSES	<u>33,390,578</u>	<u>16,354,118</u>	<u>14,550,300</u>	<u>14,232,400</u>
FUND BALANCE - DECEMBER 31	15,673,111	17,553,715	16,633,115	16,274,215

City of Duluth Minnesota - 2015 Budget

Debt Service Funds Narrative

2014 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, 2014 as it pertains to the City of Duluth is estimated as follows:

Total Gross Bonded Debt		\$152,934,800
Less:		
City - general obligation bonds paid by parking revenues	\$ 10,475,000	
City - general obligation bonds paid by other revenues	55,950,000	
Tax Abatement Bonds	6,915,000	
Utility bonds paid from Enterprise Funds	22,190,000	
Special assessment bonds	17,094,400	
Net Direct Bonded Debt		<u>\$40,310,400</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 percent of market value, or \$104 million.

<u>Year</u>	<u>Amount (in Thousands)</u>	<u>Percent of Market Value</u>	<u>Dollars Per Capita</u>
2015	\$40,310	0.8	\$467
2014	\$41,281	0.8	\$479
2013	\$40,540	0.8	\$470
2012	\$41,874	0.7	\$485
2011	\$40,949	0.7	\$471
2010	\$41,410	0.7	\$476
2009	\$22,420	0.4	\$258
2008	\$28,986	0.5	\$333
2007	\$29,284	0.6	\$337
2006	\$26,802	0.6	\$308
2005	\$19,208	0.5	\$221

The preceding table used an estimated taxable market value of \$5,214,206,000 and a population of 86,265, as reported in the 2010 census.

City of Duluth Minnesota - 2015 Budget

Debt Service Funds Narrative

The following tables provide specific information relative to the 2014 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 12/31/2014</u>	<u>2015 Levy Requirements</u>
Aerial Lift Bridge	8/07/08	945,000	182,000
DEDA - Cirrus	4/20/07	0	15,600
Police Station	12/17/09	16,935,000	1,416,800
Lakewalk & Cross City	12/18/13	1,460,000	127,700
Equipment	11/23/10	935,000	477,300
Equipment	11/29/11	1,900,000	660,600
Equipment	11/27/12	2,670,000	720,900
Equipment	12/18/13	3,835,000	812,100
Equipment	2014	2,467,300	527,900
Capital Improvement Projects	9/07/06	225,000	119,600
Capital Improvement Projects	12/13/07	465,000	167,600
Capital Improvement Projects	12/07/08	785,000	214,500
Capital Improvement Projects	11/23/10	1,585,000	255,200
Capital Improvement Projects	11/29/11	1,545,000	221,100
Capital Improvement Projects	12/18/13	1,795,000	210,900
Capital Improvement Projects	2014	1,097,000	131,400
TOTAL DEBT SERVICE			6,261,200
5% Additional required by law (1)			313,100
NET DEBT LEVY - Total required by taxation			<u>6,574,300</u>

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

City of Duluth Minnesota - 2015 Budget

General Obligation Debt Fund - Tax Levy

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

	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
FUND BALANCE - JANUARY 1	4,964,098	5,855,638	6,958,507	7,321,607
REVENUES				
Current Property Taxes	6,383,295	7,042,313	6,261,200	6,574,300
Delinquent Property Taxes	130,643	-	-	-
State Property Tax Aid	3,402	-	-	-
Earnings on Investments	-	(59,182)	-	-
Other Sources	273,799	265,351	238,800	238,800
Transfer from Debt Service	151,383	-	-	-
Transfer from Capital Project	27,421	9,403	-	-
TOTAL REVENUES	<u>6,969,943</u>	<u>7,257,885</u>	<u>6,500,000</u>	<u>6,813,100</u>
EXPENSES				
Debt Service Payments:				
Bond Principal	4,014,052	4,568,265	4,873,100	5,005,600
Bond Interest	1,382,140	1,409,123	1,258,400	1,258,000
Other Expenditures:				
Transfer to Enterprise Fund	662,185	177,628	-	-
Bond Fees	20,026	-	5,400	7,100
TOTAL EXPENSES	<u>6,078,403</u>	<u>6,155,016</u>	<u>6,136,900</u>	<u>6,270,700</u>
FUND BALANCE - DECEMBER 31	5,855,638	6,958,507	7,321,607	7,864,007

City of Duluth Minnesota - 2015 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.

	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
FUND BALANCE - JANUARY 1	2,002,078	1,611,310	2,559,864	2,618,564
REVENUES				
Sale of Bonds	7,650,000	3,400,000	-	-
Bond Premium	22,104	-	-	-
Earnings on Investments	-	(22,118)	-	-
Transfer from Special Revenue -				
Lake Superior Center	763,778	-	-	-
DECC Expansion and Parking	1,455,040	-	-	-
DECC Improvement	1,748,945	2,329,088	2,380,900	2,434,600
Spirit Mountain	201,546	500,000	500,000	500,000
Transfer from Capital Projects -				
DECC Improvement	4,704	-	-	-
Transfer from Debt Service -				
Lakewalk Homes	46,964	56,763	-	-
Funded by Others -				
Airport	621,981	618,300	624,400	964,300
Spirit Mountain	-	15,919	-	16,500
Seaway Port - Airpark	86,781	84,378	87,000	89,300
Airport - Cirrus	383,651	388,447	393,300	398,200
TOTAL REVENUES	12,985,494	7,370,777	3,985,600	4,402,900
EXPENSES				
Bond Principal	3,545,000	795,000	1,635,000	1,730,000
Bond Interest	2,274,946	2,368,257	2,289,400	2,364,900
Bond Discount/Issuance	55,425	58,966	-	-
Payment to Other Gov't Agency	7,490,075	3,200,000	-	-
Fiscal Agents	10,816	-	2,500	2,900
TOTAL EXPENSES	13,376,262	6,422,223	3,926,900	4,097,800
FUND BALANCE - DECEMBER 31	1,611,310	2,559,864	2,618,564	2,923,664

City of Duluth Minnesota - 2015 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.

	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
FUND BALANCE - JANUARY 1	2,295,525	2,221,429	2,016,655	1,715,255
REVENUES				
Construction Assessments	1,017,865	906,507	807,500	674,900
Earnings on Investments	1,034	(16,914)	300	300
TOTAL REVENUES	<u>1,018,899</u>	<u>889,593</u>	<u>807,800</u>	<u>675,200</u>
EXPENSES				
Bond Principal	890,948	916,735	956,900	905,400
Bond Interest	202,047	177,632	150,900	124,400
Fiscal Agents	-	-	1,400	1,200
TOTAL EXPENSES	<u>1,092,995</u>	<u>1,094,367</u>	<u>1,109,200</u>	<u>1,031,000</u>
FUND BALANCE - DECEMBER 31	2,221,429	2,016,655	1,715,255	1,359,455

City of Duluth Minnesota - 2015 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.

	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
FUND BALANCE - JANUARY 1	7,861,940	5,984,734	6,018,689	4,977,689
REVENUES				
Construction Assessments	584,045	543,899	456,800	348,100
Earnings on Investments	2,211	(50,923)	600	1,800
Sale of Bonds	6,905,000	-	-	-
Bond Premium	561,274	-	-	-
Transfer from Special Revenue	2,913,182	2,223,491	1,878,900	1,632,400
TOTAL REVENUES	10,965,712	2,716,467	2,336,300	1,982,300
EXPENSES				
Fiscal Agent Fees	4,740	-	2,600	2,100
Bond Principal	4,380,000	2,150,000	2,875,000	2,420,000
Bond Interest	1,007,169	532,512	499,700	410,800
Payment to Escrow	7,363,043	-	-	-
Bond Discount/Issuance	87,966	-	-	-
TOTAL EXPENSES	12,842,918	2,682,512	3,377,300	2,832,900
FUND BALANCE - DECEMBER 31	5,984,734	6,018,689	4,977,689	4,127,089

City of Duluth Minnesota - 2015 Budget

Capital Project Funds

Funds

Special Assessment Capital
 Permanent Improvements
 Street Improvement Program

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.

	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
FUND BALANCE - JANUARY 1	5,529,198	2,044,558	844,582	362,786
REVENUES				
Taxes	148,466	208,421	280,000	280,000
Intergovernmental	1,124,782	1,028,643	2,390,000	3,920,000
Miscellaneous	3,928,604	3,426,434	4,081,993	3,560,113
Other Financing Sources	31,000	(2,222)	2,634,726	1,837,500
TOTAL REVENUES	<u>5,232,852</u>	<u>4,661,276</u>	<u>9,386,719</u>	<u>9,597,613</u>
EXPENSES				
Current				
Capital Outlay	8,717,492	5,861,252	9,868,515	9,587,709
TOTAL EXPENSES	<u>8,717,492</u>	<u>5,861,252</u>	<u>9,868,515</u>	<u>9,587,709</u>
FUND BALANCE - DECEMBER 31	2,044,558	844,582	362,786	372,690

City of Duluth Minnesota - 2014 Budget

Special Assessment Capital Project

410

Capital Project fund established to account for improvements which are financed by special assessments. The 2014 budget figures represent preliminary estimates only.

	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
FUND BALANCE - JANUARY 1	23,719	32,102	13,516	10,608
REVENUES				
Assessment Collections	8,365	13,662	7,092	9,904
Earnings on Investments	18	(318)	-	-
Transfer from Debt Service	-	-	-	-
TOTAL REVENUES	<u>8,383</u>	<u>13,344</u>	<u>7,092</u>	<u>9,904</u>
EXPENSES				
Improvements Other Than Buildings	-	31,930	10,000	-
TOTAL EXPENSES	<u>-</u>	<u>31,930</u>	<u>10,000</u>	<u>-</u>
FUND BALANCE - DECEMBER 31	32,102	13,516	10,608	20,512

City of Duluth Minnesota - 2014 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.

	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
FUND BALANCE - JANUARY 1	3,107,938	369,110	300,045	270,045
REVENUES				
Current Property Taxes	138,344	207,351	280,000	280,000
Delinquent Property Taxes	10,122	1,070	-	-
Miscellaneous Federal Grants	497,911	830,476	2,390,000	920,000
State of Minnesota	626,871	198,167	-	3,000,000
Municipal State Aid	3,062,041	2,939,252	3,500,000	3,300,000
Other Share of Improvements	1,750	(2,222)	-	-
Public Utility Funds	-	-	1,454,500	205,000
TOTAL REVENUES	4,337,039	4,174,094	7,624,500	7,705,000
EXPENSES				
Improvements Other Than				
Buildings	7,067,444	3,843,159	7,594,500	7,645,000
Transfer to General Fund	8,423	-	60,000	60,000
Transfer to Special Assessment	-	400,000	-	-
TOTAL EXPENSES	7,075,867	4,243,159	7,654,500	7,705,000
FUND BALANCE - DECEMBER 31	369,110	300,045	270,045	270,045

City of Duluth Minnesota - 2014 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.

	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
FUND BALANCE - JANUARY 1	2,397,541	1,643,346	531,021	82,133
REVENUES				
Investment Earnings	885	(7,634)	-	-
Transfer from Special Revenue	29,250	-	1,180,226	1,632,500
Assessment Collections	857,295	481,472	574,901	250,209
TOTAL REVENUES	<u>887,430</u>	<u>473,838</u>	<u>1,755,127</u>	<u>1,882,709</u>
EXPENSES				
Improvements Other than Buildings	<u>1,641,625</u>	<u>1,586,163</u>	<u>2,204,015</u>	<u>1,882,709</u>
TOTAL EXPENSES	<u>1,641,625</u>	<u>1,586,163</u>	<u>2,204,015</u>	<u>1,882,709</u>
FUND BALANCE - DECEMBER 31	1,643,346	531,021	82,133	82,133

City of Duluth Minnesota - 2015 Budget

Golf Fund

503

The Golf Fund is a self supporting enterprise fund which 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 user fees through daily admissions, season passes, and concession sales.

Estimated Revenues/Expenses	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
REVENUE				
Operating	1,926,394	1,730,410	2,015,000	1,893,800
Non-Operating	540	8,570	-	-
	<u>1,926,934</u>	<u>1,738,980</u>	<u>2,015,000</u>	<u>1,893,800</u>
EXPENSES				
Personal Services	86			
Supplies	72,433	66,966	65,000	66,000
Other Services and Charges	1,536,615	1,431,548	1,443,700	1,443,100
Utilities	40,130	39,403	38,500	40,500
Depreciation and Amortization	223,935	220,569	219,000	218,600
Cost of Sales	298,249	289,905	307,500	290,000
Debt Service - Interest	21,111	11,282	4,200	1,100
	<u>2,192,559</u>	<u>2,059,673</u>	<u>2,077,900</u>	<u>2,059,300</u>
ESTIMATED OPERATING INCOME / (LOSS)	(265,625)	(320,693)	(62,900)	(165,500)

City of Duluth Minnesota - 2015 Budget

Golf Fund Estimated Budgetary Cash Balance

<u>OPERATING FUND</u>	2014 Budget	2015 Proposed
ESTIMATED UNRESTRICTED CASH	<u>(1,349,240)</u>	<u>(1,193,095)</u>
Estimated Net Income (Loss)	(62,900)	(165,500)
<u>Other Sources</u>		
Depreciation	<u>219,000</u>	<u>218,600</u>
Total Other Sources	<u>156,100</u>	<u>53,100</u>
<u>Other Uses</u>		
Capital Lease Payments	(115,538)	(120,567)
Bond Principal Payments	<u>-</u>	<u>-</u>
Total Other Uses	<u>(115,538)</u>	<u>(120,567)</u>
ESTIMATED BUDGETARY YEAR END CASH BALANCE	(1,308,678)	(1,260,562)

City of Duluth Minnesota - 2015 Budget

Lester Golf Course

Revenue Detail		2012 Actual	2013 Actual	2014 Budget	2015 Proposed
OPERATING REVENUES:					
4440	Daily Admission	255,891	209,889	275,000	250,000
4441	Unlimited Season - Golf	46,200	43,520	205,000	200,000
4441	Family Season	29,050	26,200	-	-
4441	Restricted Season	72,850	70,560	-	-
4441	Junior Unlimited	15,077	10,966	-	-
4441	College Season	13,953	9,525	-	-
4441	Patron Card	17,020	14,630	-	-
4442	Motor Cart	145,199	135,345	150,000	140,000
4443	Driving Range Fees	25,159	20,981	26,000	24,000
4443	Other Rentals	9,298	8,605	9,500	8,500
4627	Concessions & Commissions	239,527	221,976	245,000	235,000
TOTAL OPERATING REVENUES		869,224	772,197	910,500	857,500
NON-OPERATING REVENUES					
4601	Earnings on Investments	3	-	-	-
4639	Loss on Sale of Equipment	-	-	-	-
4644	Misc Fees, Sales & Service	267	4,285	-	-
TOTAL NON-OPERATING REVENUES		270	4,285	-	-
TOTAL REVENUE - LESTER		869,494	776,482	910,500	857,500

City of Duluth Minnesota - 2015 Budget

Enger Golf Course

Revenue Detail		2012 Actual	2013 Actual	2014 Budget	2015 Proposed
OPERATING REVENUES:					
4440	Daily Admission	312,083	277,552	345,000	315,000
4441	Unlimited Season - Golf	86,460	60,970	255,000	245,000
4441	Family Season	27,450	20,350	-	-
4441	Restricted Season	75,193	78,240	-	-
4441	Junior Unlimited	16,325	12,650	-	-
4441	College Season	22,493	18,219	-	-
4441	Patron Card	24,596	20,330	-	-
4442	Motor Cart	176,150	168,366	180,000	170,000
4443	Driving Range Fees	44,533	38,394	45,000	40,000
4443	Other Rentals	4,450	3,526	4,500	4,300
4622	Rent of Buildings	-	-	-	-
4627	Concessions & Commissions	267,437	259,616	275,000	262,000
TOTAL OPERATING REVENUES		1,057,170	958,213	1,104,500	1,036,300
NON-OPERATING REVENUES					
4601	Earnings on Investments	3	-	-	-
4639	Loss on Sale of Equipment	-	-	-	-
4644	Misc. Fees, Sales & Services, Donation	267	4,285	-	-
TOTAL NON-OPERATING REVENUES		270	4,285	-	-
TOTAL REVENUE - ENGER		1,057,440	962,498	1,104,500	1,036,300

City of Duluth Minnesota - 2015 Budget

Lester Golf Course

Operating Expense Detail		2012	2013	2014	2015
		Actual	Actual	Budget	Proposed
OTHER EXPENDITURES					
5133	Life Insurance	43	-	-	-
5212	Motor Fuels	36,701	32,282	30,000	32,000
5285	Food & Beverage for Resale	65,777	54,338	65,000	60,000
5286	Golf Merchandise for Resale	97,308	90,155	95,000	90,000
5310	Contract Services			640,000	640,000
5310	Contract Services	208,080	208,080		
5310-01	Contract Services-Clubhouse P/R	119,532	110,820		
5310-02	Contract Services- Maintenance P/R	126,900	108,564		
5310-03	Contract Services-Supplies	15,148	12,825		
5310-04	Contract Services-Maintenance Supplies	68,793	59,500		
5310-05	Contract Services-Fertilizer	31,208	32,903		
5310-06	Contract Services-Other Services/Charges	134,168	103,375		
5321	Telephone	869	872	900	900
5381	Electricity	11,397	12,080	11,000	12,000
5385	Oil	7,498	8,157	7,500	7,500
5415	Equipment Rental	35,562	40,849	35,600	36,000
5420	Depreciation	103,855	104,128	104,000	103,900
5427	Credit Card Commissions	8,992	6,591	9,500	8,500
5441	Other Services & Charges	1,046	291	1,500	1,500
5493	Cost Allocation Charges	33,400	33,400	33,400	33,400
5611	Bond Interest	2,525	-	-	-
5614	Capital Lease Interest	7,709	5,263	2,000	500
5622	Bond Cost Amortization	2,682	-	-	-
TOTAL		1,119,193	1,024,473	1,035,400	1,026,200
TOTAL - LESTER		1,119,193	1,024,473	1,035,400	1,026,200

City of Duluth Minnesota - 2015 Budget

Enger Golf Course

Operating Expense Detail		2012	2013	2014	2015
		Actual	Actual	Budget	Proposed
OTHER EXPENDITURES					
5133	Life Insurance	43	-	-	-
5212	Motor Fuels	35,732	34,684	35,000	34,000
5284	Liquor Purchases	8,543	11,438	12,500	12,000
5285	Food & Beverage for Resale	77,570	71,186	85,000	78,000
5286	Golf Merchandise for Resale	49,051	62,788	50,000	50,000
5310	Contract Services			640,000	640,000
5310	Contract Services	208,080	208,080		
5310-01	Contract Services-Clubhouse P/R	119,159	111,826		
5310-02	Contract Services- Maintenance P/R	138,006	115,100		
5310-03	Contract Services-Supplies	17,609	16,447		
5310-04	Contract Services-Maintenance Supplie	68,957	57,726		
5310-05	Contract Services-Fertilizer	31,208	32,903		
5310-06	Contract Services-Other Services/Charg	86,497	84,844		
5321	Telephone	869	872	800	900
5381	Electricity	21,235	19,166	20,000	21,000
5415	Equipment Rental	35,562	40,849	35,600	36,000
5420	Depreciation	114,716	116,441	115,000	114,700
5427	Credit Card Commissions	10,385	11,196	11,000	11,000
5441	Other Services & Charges	3,185	235	2,000	1,500
5493	Cost Allocation Charges	33,400	33,400	33,400	33,400
5611	Bond Interest	2,526	-	-	-
5614	Capital Lease Interest	8,351	6,019	2,200	600
5622	Bond Cost Amortization	2,682	-	-	-
	TOTAL	1,073,366	1,035,200	1,042,500	1,033,100
	TOTAL - ENGER	1,073,366	1,035,200	1,042,500	1,033,100

City of Duluth Minnesota - 2015 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 five municipally owned utilities budgeted as the Water Fund, Gas Fund, Sewer Fund, Stormwater Fund, and Street Lighting Fund. The Public Works function is presented in the General Fund.

Mission and Core Services

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

	2012	2013	2014	2015	Difference
Budgeted FTE's	196.15	199.15	197.45	194.45	(3.00)
Expenditures	2012 Actual	2013 Actual	2014 Budget	2015 Proposed	Difference
Salaries and Benefits	18,127,206	17,796,497	18,726,200	18,679,700	(46,500)
Supplies	22,244,132	27,216,706	25,718,800	33,729,100	8,010,300
Other Services & Charges	16,302,477	16,734,005	17,303,500	18,207,100	903,600
Utilities	1,378,759	1,379,152	1,443,600	1,433,000	(10,600)
Depreciation/Amortization	4,672,743	5,041,995	5,627,500	5,817,800	190,300
Grants & Awards	2,499,994	2,378,658	2,048,000	1,588,000	(460,000)
Improvements -Non-Capital	109,704	462,219	627,500	490,000	(137,500)
Debt Service - Interest	1,052,372	910,050	963,600	837,100	(126,500)
Debt Service - Other	33,059	(11,567)	42,500	(11,600)	(54,100)
Capital Lease Interest	298,367	277,964	256,700	234,800	(21,900)
Total Operating	66,718,813	72,185,679	72,757,900	81,005,000	8,247,100
Non-Operating	11,564,867	10,161,764	9,825,000	11,909,100	2,084,100
Total Appropriation Budget	78,283,680	82,347,443	82,582,900	92,914,100	10,331,200

City of Duluth Minnesota - 2015 Budget

Utilities - Personnel Summary

		2012 Budget	2013 Budget	2014 Budget	2015 Proposed
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
1115-1130	Operations Mgr, W&G Supply	1.00	1.00	-	-
1080-1095	Utility Operations Supervisor	3.00	3.00	3.00	3.00
1045-1055	Customer Relations Supervisor	1.00	1.00	1.00	1.00
1090	Measurement Services Supervisor	1.00	1.00	1.00	1.00
1075	Chief Gas Controller	1.00	1.00	2.00	2.00
1075	Water Plant Supervisor	1.00	1.00	1.00	1.00
136	Financial Analyst	-	1.00	1.00	1.00
135	Safety & Training Specialist	0.75	0.75	-	-
133	Safety Coordinator	-	-	1.00	1.00
132	Utility Accounts Receivable Specialist	3.00	3.00	3.00	3.00
131	Paralegal	1.00	1.00	1.00	1.00
129	Administrative Information Specialist	1.40	1.40	2.00	2.00
126	Information Technician	16.60	16.60	16.50	16.50
121	Clerical Support Technician	2.00	2.00	1.00	-
121	Janitor I	2.00	2.00	2.00	2.00
39	Senior Project Engineer	-	-	2.00	2.00
36	Project Engineer	5.00	5.00	2.00	2.00
33	Program Coordinator	-	-	3.00	4.00
32	Corrosion Technician II	1.00	2.00	2.00	-
32	Gas & Energy Coordinator	1.00	1.00	1.00	1.00
32	Project Coordinator	2.80	2.80	0.80	1.00
32	Utility Operations Leadworker	7.00	7.00	7.00	7.00
32	W & G Service Leadworker	2.00	2.00	2.00	2.00
32	Water Lab Chemist	1.00	1.00	1.00	1.00
31	Pipeline Welder	3.00	3.00	3.00	3.00
31	Senior Engineering Technician	12.20	12.20	11.45	10.45
31	Water Plant Operator A	5.00	5.00	5.00	5.00
31	Water Quality Specialist	6.00	5.00	4.00	4.00
30	Appliance Mechanic Apprentice	-	-	3.00	2.00
30	Appliance Mechanic Journeyman	15.00	15.00	10.00	9.00
30	Instrument Technician	-	-	1.00	1.00
30	Senior Gas Control Operator	1.00	1.00	-	-
30	Warehouse Specialist	3.00	3.00	3.00	3.00
29	Gas Fitter	2.00	2.00	2.00	3.00
29	Lift Station Operator	2.00	2.00	2.00	2.00
29	Meter Mechanic	1.00	1.00	1.00	1.00
29	Painter	2.00	2.00	2.00	2.00
29	Regulator Mechanic	3.00	3.00	2.00	2.00

City of Duluth Minnesota - 2015 Budget

Utilities - Personnel Summary - continued

		2012	2013	2014	2015
		Budget	Budget	Budget	Proposed
29	Water Conveyance Technician	-	-	2.00	2.00
28	Collection System Maintenance Worker	9.00	9.00	5.00	4.00
28	Gas Control Operator II	1.00	1.00	-	-
28	Utility Operator	17.00	17.00	24.00	18.00
28	Utility Operator Apprentice	12.00	12.00	6.00	16.00
28	Utility Service Journeyperson	11.00	11.00	6.00	6.00
28	Utility Serviceperson	-	-	8.00	9.00
28	W & G Maintenance Journey Person	6.00	6.00	2.00	-
28	Water Plant Operator B	-	-	1.00	1.00
27	Water Lab Technician	1.00	1.00	1.00	1.00
26	Gas Control Operator I	1.00	1.00	-	-
26	Utility Service Dispatcher	6.00	5.00	5.00	5.00
23	Utility Maintenance Worker	9.00	9.00	14.00	12.00
22	Meter Reader	3.00	3.00	2.00	2.00
34	Senior Engineering Specialist	0.80	0.80	0.80	0.80
33	Public Works and Utilities Analyst	-	-	-	0.80
32	FOG Project Coordinator	-	1.00	1.00	-
31	Master Electrician	1.00	1.00	1.00	1.00
29	Corrosion Technician I	-	-	-	1.00
28	EAM Coordinator	1.00	1.00	1.00	-
28	Engineering Technician	2.20	3.20	6.50	7.50
24	Water Plant Operator C	1.00	2.00	1.00	1.00
	DEPARTMENT TOTAL	196.15	199.15	197.45	194.45

City of Duluth Minnesota - 2015 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 for this fund is metered water sales, representing 98% of total revenues for 2015. Significant categories of expense include: personnel and benefits at 47% of the 2015 total; and the combined categories of Supplies, Utilities, and Other Services and Charges representing 32% of the 2015 proposed expenses.

Presented below is a tabular summary of the major categories of revenues and expenses by function over a four year period.

Estimated Income and Expense	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
REVENUE				
Operating	13,920,473	14,878,379	14,906,500	15,017,700
Non-Operating	57,242	102,527	40,400	41,200
	<u>13,977,715</u>	<u>14,980,906</u>	<u>14,946,900</u>	<u>15,058,900</u>
EXPENSES				
Personal Services	5,442,646	5,416,847	5,771,700	5,649,700
Supplies	1,156,032	1,427,435	1,305,600	1,375,600
Other Services & Charges	1,105,708	1,244,330	1,170,500	1,266,700
Utilities	1,216,858	1,198,239	1,259,000	1,249,900
Depreciation/Amortization	1,487,132	1,576,417	1,689,800	1,781,400
Improvements -Non-Capital	29,726	109,058	25,000	62,500
Debt Service - Interest	190,209	175,594	230,500	198,600
Debt Service - Other	5,759	(1,455)	5,700	(1,500)
Capital Lease Interest	107,412	100,067	92,400	84,500
Transfers	246,395	417,470	435,500	405,700
	<u>10,987,877</u>	<u>11,664,002</u>	<u>11,985,700</u>	<u>12,073,100</u>
ESTIMATED OPERATING INCOME (LOSS)	2,989,838	3,316,904	2,961,200	2,985,800
Other Sources of Cash	2,141,869	2,118,375	1,844,800	1,929,200
Other Uses of Cash	(4,331,520)	(5,213,526)	(4,681,200)	(3,888,200)
Increase (Decrease) in Cash	<u>800,187</u>	<u>221,753</u>	<u>124,800</u>	<u>1,026,800</u>

City of Duluth Minnesota - 2015 Budget

Water Fund Estimated Unrestricted Cash Balance

OPERATING FUND	2014 Budget	2014 Projected	2015 Proposed
ESTIMATED OPERATING INCOME (LOSS)	2,961,200	2,542,700	2,985,800
<u>Other Sources of Cash</u>			
Depreciation and Amortization	1,689,800	1,661,800	1,781,400
Bond Amortization	5,700	(1,500)	(1,500)
Due from Other Funds	-	2,700	-
Special Assessment Principal	149,300	149,300	149,300
Total Other Sources of Cash	<u>1,844,800</u>	<u>1,812,300</u>	<u>1,929,200</u>
<u>Other Uses of Cash</u>			
Due to Other Funds	-	113,100	-
Capital Improvements from Current Revenues	-	229,900	1,835,000
Infrastructure Improvements	2,964,000	2,587,000	-
Capital Equipment Purchases	295,800	422,400	292,900
Bond Principal Payments	1,217,600	1,373,000	1,548,700
AMR Lease Principal Payments	203,800	203,800	211,600
Total Other Uses of Cash	<u>4,681,200</u>	<u>4,929,200</u>	<u>3,888,200</u>
INCREASE (DECREASE) IN CASH	124,800	(574,200)	1,026,800
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH- BEGINNING	<u>1,560,987</u>	<u>1,021,940</u>	<u>447,740</u>
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH- ENDING	<u><u>1,685,787</u></u>	<u><u>447,740</u></u>	<u><u>1,474,540</u></u>

City of Duluth Minnesota - 2015 Budget

Water Fund

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Revenue Detail	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
OPERATING REVENUES:				
4636 Sale of Scrap	13,478	15,938	12,000	12,000
4680 Damage or Losses Recovered	678	-	-	-
4800 Meter Repair	17,440	15,553	14,000	25,000
4801 Off/On Charge	20,115	32,658	25,000	25,000
4802 Interest - Customer Accounts	44,478	48,045	44,000	45,000
4805 Reimbursements	22,422	36,429	6,000	5,000
4807 Water Tower Lease	139,661	117,648	110,000	135,000
4809 Miscellaneous Operating	8,835	15,592	10,000	14,000
4810 Metered Water Sales	10,195,823	10,992,766	11,020,000	11,048,300
4811 Water for Resale	1,120,054	1,206,067	1,302,000	1,308,300
4831 Fixed Rate Charges	2,328,633	2,385,961	2,353,500	2,395,100
4851 Interest Income	8,856	11,722	10,000	5,000
TOTAL OPERATING REVENUES	13,920,473	14,878,379	14,906,500	15,017,700
NON-OPERATING REVENUES:				
4220 State of Minnesota Operating	-	5,252	-	-
4230 Pera Aid	16,919	16,919	16,900	16,900
4601 Change in Fair Value Investments	-	(9,300)	-	-
4601 GASB #31 Adjustment	7,637	22,826	-	-
4806 Connection Fees	17,926	5,737	8,000	7,000
4850 Earnings on Investments	401	384	800	600
4853 Gain on Sale of Assets	1,273	-	1,000	1,000
4854 Utility Assessment	2,426	50,049	3,000	5,000
4730 Tranfers from Enterprise Funds	10,660	10,660	10,700	10,700
TOTAL NON-OPERATING REVENUES	57,242	102,527	40,400	41,200
TOTAL REVENUE	13,977,715	14,980,906	14,946,900	15,058,900

City of Duluth Minnesota - 2015 Budget

Director's Office

510-500-1900

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

Expense Detail	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
PERSONAL SERVICES				
5100 Permanent Employees - Regular	55,163	49,120	64,400	66,300
5101 Permanent Employees - Overtime	654	697	500	500
TOTAL	55,817	49,817	64,900	66,800
EMPLOYEE BENEFITS				
5121 P.E.R.A.	3,791	6,160	4,500	4,800
5122 F.I.C.A. Social Security	3,316	3,030	4,000	4,100
5123 F.I.C.A. Medicare	784	725	900	1,000
5125 Dental Insurance	306	261	100	300
5126 Life Insurance	143	121	200	200
5127 Health Care Savings	2,707	1,499	600	600
5130 Cafeteria Plan Benefits	6,546	5,370	7,100	9,800
TOTAL	17,593	17,166	17,400	20,800
OPERATING EXPENSES				
5200 Office Supplies	77	163	100	100
5241 Small Equipment	194	156	300	300
5321 Telephone	155	120	100	100
5331 Training Expense	50	-	500	300
5335 Mileage Reimbursement - Local	-	75	100	100
5356 Copier, Printer Lease & Supplies	72	-	100	-
5438 Licenses	101	-	-	-
5441 Other Services and Charges	-	144	-	-
TOTAL	649	658	1,200	900
1900 TOTAL - DIRECTOR'S OFFICE	74,059	67,641	83,500	88,500

City of Duluth Minnesota - 2015 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	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
OPERATING EXPENSES				
5420 Depreciation	1,487,132	1,576,417	1,689,800	1,781,400
5535 Improvements (Non-Capital)	29,726	109,058	25,000	62,500
5540 Equipment (Non-Capital)	-	-	-	10,000
5611 Bond Interest	190,209	175,594	230,500	198,600
5613 Interest from Bond Amortization	(1,459)	(1,455)	(1,500)	(1,500)
5614 Capital Lease Interest	107,412	100,067	92,400	84,500
5620 Fiscal Agents Fee	613	481	400	600
5622 Bond Amortization	7,218	-	7,200	-
TOTAL	1,820,851	1,960,162	2,043,800	2,136,100
NON-OPERATING EXPENSES				
5532 Capital Improvements - Bonds	417,555	53,952	-	-
5533 Capital Improvements - Revenue Financing	1,169,974	1,365,157	-	1,835,000
5536 Utility Infrastructure Replacmt Proj	986,331	1,892,555	2,964,000	-
5580 Capital Equipment	56,347	227,462	295,800	292,900
TOTAL	2,630,207	3,539,126	3,259,800	2,127,900
1905 TOTAL - CAPITAL	4,451,058	5,499,288	5,303,600	4,264,000

City of Duluth Minnesota - 2015 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	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
PERSONAL SERVICES				
5100 Permanent Employees - Regular	39,319	35,985	50,500	41,700
5101 Permanent Employees - Overtime	655	1,834	-	-
TOTAL	39,974	37,819	50,500	41,700
EMPLOYEE BENEFITS				
5121 P.E.R.A.	2,776	2,545	3,500	3,000
5122 F.I.C.A. Social Security	2,401	2,313	3,100	2,600
5123 F.I.C.A. Medicare	561	541	700	600
5125 Dental Insurance	321	291	200	300
5126 Life Insurance	4,189	4,444	200	200
5127 Health Care Savings	350	370	500	400
5130 Cafeteria Plan Benefits	5,473	6,988	11,400	9,300
5133 Health or Fitness Program	-	57	-	-
5134 Other Post Retirement Benefits	149,837	12,251	-	-
5135 Retiree Health Insurance	600,220	524,435	587,200	550,600
5151 Worker's Compensation	99,800	61,400	40,800	38,300
TOTAL	865,928	615,635	647,600	605,300
OPERATING EXPENSES				
5200 Office Supplies	73	504	500	500
5201 Computer Supplies/Software	27,494	28,956	29,800	-
5205 Safety & Training	365	2,029	1,000	900
5211 Cleaning & Janitorial Supplies	1,859	1,054	3,200	2,500
5241 Small Equipment	3,088	2,481	700	700
5301 Auditing Services	1,258	1,063	1,600	1,400
5305 Medical Services/Testing Fees	2,008	2,534	1,400	2,500
5310 Contract Services	2,229	15,582	-	-
5320 Data Services	10,396	10,834	14,200	15,000
5321 Telephone	10,793	10,022	11,000	8,900
5331 Training Expense	4,495	542	1,600	3,100
5335 Mileage Reimbursement - Local	-	-	100	100
5356 Copier, Printer Lease & Supplies	4,691	6,057	5,900	5,000
5360 Insurance	192,700	131,100	74,900	113,800
5381 Electricity	16,502	16,792	12,000	13,000
5382 Water, Gas & Sewer	14,672	18,605	21,000	21,000
5384 Refuse Disposal	2,687	3,082	3,500	3,600
5401 Building Repair & Maintenance	8,951	4,980	9,100	9,200
5404 Equipment Repair & Maintenance	475	13	-	5,000
5414 Software Lic & Mtc Agreements	-	-	-	29,300
5433 Dues and Subscriptions	5,220	-	-	-
5441 Other Services & Charges	21,178	20,317	17,000	17,500
5450 Laundry	2,638	2,405	2,200	2,200
5457 Hydrant Maintenance	30,000	30,000	30,000	30,000
5493 Cost Allocation	383,200	383,200	383,200	385,300
5700 Transfer to General Fund	7,637	22,826	21,700	21,700
5700 Transfer to Special Revenue Funds	-	-	13,800	-
5700 Transfer to Internal Service Funds	-	148,000	120,000	104,000
TOTAL	754,609	862,978	779,400	796,200
1915 TOTAL - GENERAL EXPENSE	1,660,511	1,516,432	1,477,500	1,443,200

City of Duluth Minnesota - 2015 Budget

Engineering

510-500-1930

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

Expense Detail	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
PERSONAL SERVICES				
5100 Permanent Employees - Regular	297,329	294,021	338,200	346,000
5101 Permanent Employees - Overtime	17,347	21,299	20,000	25,000
5103 Temporary Wages	1,668	2,905	18,700	5,300
5118 Meal Allowance	-	250	-	-
TOTAL	316,344	318,475	376,900	376,300
EMPLOYEE BENEFITS				
5121 P.E.R.A.	22,045	22,499	24,100	25,500
5122 F.I.C.A. Social Security	19,142	19,139	23,400	23,300
5123 F.I.C.A. Medicare	4,477	4,476	5,500	5,500
5125 Dental Insurance	1,878	1,868	800	1,900
5126 Life Insurance	881	877	1,000	900
5127 Health Care Savings	4,123	5,861	4,700	6,000
5130 Cafeteria Plan Benefits	53,481	64,801	81,400	84,000
TOTAL	106,027	119,521	140,900	147,100
OPERATING EXPENSES				
5200 Office Supplies	181	625	300	300
5201 Computer Supplies	7,773	7,071	13,500	-
5203 Paper, Stationery and Forms	516	417	300	400
5205 Safety and Training Materials	160	189	200	500
5212 Motor Fuel	5,923	4,030	6,500	6,500
5219 Other Miscellaneous Supplies	62	280	-	-
5240 Small Tools	421	793	600	800
5241 Small Equipment	2,860	1,224	5,000	2,700
5242 Survey Equipment and Supplies	6,665	3,135	5,100	5,600
5320 Data Services	-	49	800	1,000
5321 Telephone	1,772	1,651	1,100	1,100
5322 Postage	13	-	100	100
5331 Training Expenses	2,819	2,449	3,300	3,300
5335 Mileage Reimbursement	114	158	300	300
5355 Printing and Copying	369	2,728	600	600
5356 Copier, Printer Lease & Supplies	3,408	4,313	4,000	4,500
5404 Equipment Maintenance Repair	416	393	600	600
5409 Fleet Services	8,939	3,642	5,500	3,000
5414 Software Lic & Mtc Agreements	-	-	-	7,300
5433 Dues and Subscriptions	451	300	600	600
5435 Books and Pamphlets	-	86	200	200
5438 Licenses	-	-	100	-
5441 Other Services and Charges	1,500	2,430	10,300	11,000
5486 One Call System	2,953	2,968	3,000	3,000
TOTAL	47,315	38,931	62,000	53,400
1930 TOTAL - ENGINEERING	469,686	476,927	579,800	576,800

City of Duluth Minnesota - 2015 Budget

Customer Services

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 checks the integrity of customer utility connections.

Expense Detail	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
PERSONAL SERVICES				
5100 Permanent Employees - Regular	770,576	778,093	801,700	839,300
5101 Permanent Employees - Overtime	35,349	39,602	41,500	40,500
5103 Temporary Wages	35	-	-	-
5118 Meal Allowance	152	208	-	-
TOTAL	806,112	817,903	843,200	879,800
EMPLOYEE BENEFITS				
5121 P.E.R.A.	55,744	57,634	56,700	61,300
5122 F.I.C.A. Social Security	49,275	49,769	52,300	54,600
5123 F.I.C.A. Medicare	11,524	11,640	12,300	12,800
5125 Dental Insurance	5,579	5,599	2,300	5,500
5126 Life Insurance	2,648	2,625	2,700	2,800
5127 Health Care Savings	18,248	16,617	8,100	9,400
5130 Cafeteria Plan Benefits	153,260	182,426	211,000	209,900
TOTAL	296,278	326,310	345,400	356,300
OPERATING EXPENSES				
5200 Office Supplies	3,408	2,591	3,300	3,300
5201 Computer Supplies	257	251	400	400
5203 Paper/Stationery	1,561	436	2,300	2,300
5212 Motor Fuel	14,849	17,131	23,100	20,800
5218 Uniforms	2,488	2,855	2,500	2,500
5219 Other Miscellaneous Supplies	1,233	324	-	-
5220 Repair & Maintenance Supplies	27,839	40,220	44,000	44,000
5227 Utility System	48,663	67,969	65,400	110,800
5228 Painting Supplies	1,960	746	3,000	3,000
5240 Small Tools	2,610	1,410	1,500	2,500
5241 Small Equipment	3,261	2,378	5,100	4,200
5310 Contract Services	32,802	38,232	37,200	37,200
5320 Data Services	43	588	-	-
5321 Telephone	2,912	2,492	3,200	3,200
5322 Postage	40,320	42,220	48,900	51,500
5331 Training Expenses	485	1,001	2,200	7,800
5339 Armored Pickup	1,295	1,107	1,200	1,200
5355 Printing & Copying	905	27	700	700
5356 Copier, Printer Lease & Supplies	844	195	500	500
5401 Building Repair & Maintenance	37	195	-	-
5404 Equipment Maintenance & Repair	2,785	3,253	3,500	1,100
5409 Fleet Services	16,614	15,691	16,800	17,600
5414 Software Lic & Mtc Agreements	-	-	-	2,200
5427 Credit Card Commission	10,234	14,389	9,100	15,200
5432 Uncollectible Accounts	(107,274)	9,786	15,000	15,000
5441 Other Services & Charges	2,620	796	2,400	2,400
TOTAL	112,751	266,283	291,300	349,400
1940 TOTAL - CUSTOMER SERVICE	1,215,141	1,410,496	1,479,900	1,585,500

City of Duluth Minnesota - 2015 Budget

Utility Operations

510-500-1945

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

Expense Detail	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
PERSONAL SERVICES				
5100 Permanent Employees - Regular	1,385,656	1,404,451	1,454,000	1,343,800
5101 Permanent Employees - Overtime	219,472	243,893	275,000	260,000
5118 Meal Allowance	5,190	4,876	3,000	4,000
TOTAL	1,610,318	1,653,220	1,732,000	1,607,800
EMPLOYEE BENEFITS				
5121 P.E.R.A.	110,820	114,873	102,200	98,100
5122 F.I.C.A. Social Security	97,910	100,452	107,200	99,400
5123 F.I.C.A. Medicare	22,982	23,609	25,100	23,300
5125 Dental Insurance	9,458	9,367	4,100	8,700
5126 Life Insurance	4,396	4,396	4,700	4,300
5127 Health Care Savings	15,699	26,050	26,500	12,600
5130 Cafeteria Plan Benefits	253,104	287,697	335,500	325,700
5141 Unemployment Compensation	-	967	-	-
TOTAL	514,369	567,411	605,300	572,100
OPERATING EXPENSES				
5200 Office Supplies	1,553	1,776	2,000	2,500
5201 Computer Supplies/Software	246	-	4,200	4,000
5205 Safety & Training Materials	9,052	9,741	3,000	5,300
5210 Plant/Operating Supplies	13,811	24,621	11,000	16,000
5212 Motor Fuel	80,183	92,447	75,000	80,000
5215 Shop Materials	1,932	4,329	2,500	2,700
5218 Uniforms	1,701	3,135	4,000	5,700
5219 Other Miscellaneous Supplies	-	38	-	2,000
5220 Repair & Maintenance Supplies	7,831	16,820	3,500	4,700
5222 Paving Materials	6,533	17,498	20,000	20,000
5224 Gravel & Other Maintenance Mtls	39,867	59,194	60,000	60,000
5227 Utility Maintenance Supply	265,930	412,424	262,000	310,000
5228 Painting Supplies	368	224	300	300
5240 Small Tools	9,997	23,976	8,000	9,000
5241 Small Equipment	2,783	22,873	12,000	10,000
5310 Contract Services	32,714	38,029	23,000	28,000
5321 Telephone	2,196	1,832	2,500	2,700
5331 Training Expenses	11,803	3,225	9,000	9,000
5335 Mileage Reimbursement	4,712	2,915	5,000	4,000
5355 Printing and Copying	212	-	500	200
5356 Copier, Printer Lease & Supplies	-	467	1,000	500
5382 Water/Sewer/Gas	3,673	5,504	6,000	6,000
5384 Refuse Disposal	5,151	6,673	8,500	7,500
5404 Equipment Maintenance/Repair	1,233	6,314	2,700	3,000
5409 Fleet Service Charges	130,865	171,423	110,000	145,000
5414 Software Lic & Mtc Agreements	-	-	-	700
5415 Vehicle/Equipment Rental	13,884	3,135	10,000	12,000
5419 Other Rentals	3,410	7,409	-	-
5438 License	437	183	500	500
5441 Other Services & Charges	13,082	12,383	3,000	3,000
5450 Laundry	9,481	10,405	9,700	12,200
5700 Transfer to General Fund	238,758	246,644	280,000	280,000
TOTAL	913,398	1,205,637	938,900	1,046,500
1945 TOTAL - UTILITY OPERATIONS	3,038,085	3,426,268	3,276,200	3,226,400

City of Duluth Minnesota - 2015 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	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
PERSONAL SERVICES				
5100 Permanent Employees - Regular	573,638	616,094	642,900	657,200
5101 Permanent Employees - Overtime	31,683	23,788	20,000	25,000
TOTAL	605,321	639,882	662,900	682,200
EMPLOYEE BENEFITS				
5121 P.E.R.A.	42,281	45,290	45,700	48,600
5122 F.I.C.A. Social Security	36,415	38,719	41,100	42,300
5123 F.I.C.A. Medicare	8,516	9,055	9,600	9,900
5125 Dental Insurance	3,799	4,179	1,700	4,000
5126 Life Insurance	1,774	1,962	2,000	2,000
5127 Health Care Savings	5,255	5,929	19,300	12,300
5130 Cafeteria Plan Benefits	110,525	148,554	165,300	174,400
TOTAL	208,565	253,688	284,700	293,500
OPERATING EXPENSES				
5200 Office Supplies	1,945	1,428	1,200	1,500
5210 Plant/Operating Supplies	5,479	16,111	12,000	9,000
5211 Cleaning/Janitorial Supplies	-	-	-	2,000
5212 Motor Fuel	4,730	6,371	4,500	5,000
5216 Treatment Chemicals	459,677	396,067	513,000	495,800
5218 Uniforms	2,308	2,381	2,800	2,800
5219 Other Miscellaneous Supplies	13,328	10,005	12,000	12,000
5220 Repair & Maintenance Supplies	42,592	104,147	63,000	76,000
5228 Painting Supplies	1,100	2,247	1,500	1,500
5240 Small Tools	1,073	298	1,500	6,000
5241 Small Equipment	16,173	9,866	8,900	16,200
5310 Contract Services	19,283	16,553	20,000	35,000
5319 Other Professional Services	1,721	19,647	15,000	5,000
5320 Data Services	594	727	5,400	700
5321 Telephone	2,403	1,155	2,700	1,200
5322 Postage	224	220	300	500
5331 Training Expenses	5,000	4,773	7,000	7,000
5335 Local Mileage Reimbursement	6,475	5,313	6,000	6,000
5355 Printing and Copying	694	548	1,000	800
5356 Copier, Printer Lease & Supplies	100	149	1,700	500
5381 Electricity	1,118,063	1,083,830	1,140,000	1,115,000
5382 Water & Sewer	63,948	73,508	80,000	94,900
5401 Building Repair & Maintenance	2,969	23,296	35,100	16,200
5404 Equipment Maintenance/Repair	48,868	58,575	80,000	55,000
5409 Fleet Services	3,482	5,137	5,000	5,000
5433 Dues and Subscriptions	72	5,430	5,000	5,500
5438 Licenses	145	55	300	300
5441 Other Services & Charges	68,217	61,093	65,500	60,500
5450 Laundry	4,995	3,576	5,000	2,000
5483 Water Testing Fees	-	-	2,000	2,000
TOTAL	1,895,658	1,912,506	2,097,400	2,040,900
1955 TOTAL-WATER TRMT & PUMPING	2,709,544	2,806,076	3,045,000	3,016,600

City of Duluth Minnesota - 2015 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 gas to the citizens of Duluth. Other services provided are the inspection, maintenance, and servicing of customer gas utilization equipment.

The major funding source for this fund is metered gas sales which represents 97% of total revenues for 2015. The major category of expense is purchased gas, representing 66% of all expenses proposed.

Presented below is a tabular summary of the major categories of revenues and expenses by function over a four year period.

Estimated Income and Expense	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
REVENUE				
Operating Revenues	1,529,310	1,399,481	1,452,800	1,512,600
Gas Sales	32,412,219	39,061,884	37,844,800	46,895,300
Non-Operating Revenues	149,241	114,132	98,100	95,900
	<u>34,090,770</u>	<u>40,575,497</u>	<u>39,395,700</u>	<u>48,503,800</u>
EXPENSES				
Personal Services	7,199,041	7,188,488	7,252,500	7,271,900
Supplies	991,033	1,004,138	796,500	991,200
Other Services & Charges	1,400,467	1,471,737	1,521,400	1,697,100
Natural Gas Purchases	19,376,845	24,132,568	22,986,200	30,737,100
Utilities	34,903	39,938	41,100	36,400
Depreciation/Amortization	1,272,122	1,313,680	1,435,400	1,500,300
Improvements -Non-Capital	4,450	54,102	242,500	57,500
Debt Service - Interest	197,328	176,414	161,800	136,100
Debt Service - Other	(7,890)	(21,507)	(7,900)	(21,500)
Capital Lease Interest	98,461	91,728	84,700	77,500
Transfers	2,971,329	2,611,361	2,887,200	4,096,800
	<u>33,538,089</u>	<u>38,062,647</u>	<u>37,401,400</u>	<u>46,580,400</u>
ESTIMATED OPERATING INCOME (LOSS)				
	552,681	2,512,850	1,994,300	1,923,400
Other Sources of Cash	3,890,899	1,594,465	1,607,900	1,659,200
Other Uses of Cash	(2,470,413)	(4,266,172)	(4,323,200)	(7,038,600)
Increase (Decrease) in Cash	<u>1,973,167</u>	<u>(158,857)</u>	<u>(721,000)</u>	<u>(3,456,000)</u>

City of Duluth Minnesota - 2015 Budget

Gas Fund Estimated Unrestricted Cash Balance

OPERATING FUND	2014 Budget	2014 Projected	2015 Proposed
ESTIMATED OPERATING INCOME (LOSS)	1,994,300	4,586,400	1,923,400
<u>Other Sources of Cash</u>			
Depreciation and Amortization	1,435,400	1,380,300	1,500,300
Bond Amortization	(7,900)	(21,500)	(21,500)
Due from Other Funds	-	10,500	-
Energy Fund Loan Repayment	150,000	150,000	150,000
Special Assessment Principal	30,400	30,400	30,400
Total Other Sources of Cash	<u>1,607,900</u>	<u>1,549,700</u>	<u>1,659,200</u>
<u>Other Uses of Cash</u>			
Due to Other Funds	-	29,000	-
Capital Improvements from Current Revenues	2,923,000	3,258,000	5,600,000
Capital Equipment Purchases	317,400	477,900	321,700
Bond Principal Payments	896,000	896,000	923,000
AMR Lease Principal Payment	186,800	186,800	193,900
Total Other Uses of Cash	<u>4,323,200</u>	<u>4,847,700</u>	<u>7,038,600</u>
INCREASE (DECREASE) IN CASH	(721,000)	1,288,400	(3,456,000)
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - BEGINNING	<u>3,206,555</u>	<u>3,597,280</u>	<u>4,885,680</u>
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - ENDING	<u><u>2,485,555</u></u>	<u><u>4,885,680</u></u>	<u><u>1,429,680</u></u>

City of Duluth Minnesota - 2015 Budget

Gas Fund

520

Revenue Detail	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
OPERATING REVENUES:				
4636 Sale of Scrap	437	1,803	1,000	1,000
4801 Off/On Charge	20,115	32,658	25,000	25,000
4802 Interest Earned on Customer Accts	107,130	115,757	130,000	145,000
4805 Reimbursements	408,231	107,973	225,000	220,000
4809 Miscellaneous Operating Revenue	97,738	85,865	80,000	65,000
4818 Servicing Appliances	299,645	369,251	285,000	300,000
4819 Comfort Policy	395,357	402,316	385,000	390,000
4820 Residential Firm	18,253,747	22,399,635	21,306,500	27,021,700
4822 Comm/Industrial Firm Large	7,748,214	9,805,774	9,044,000	12,499,200
4824 Comm/Industrial Interruptible Large	3,165,778	3,432,563	3,695,200	3,521,600
4827 Gas-Interruptible Transport	199,024	282,205	320,000	363,000
4831 Fixed Rate Charges	3,244,480	3,423,912	3,799,100	3,852,800
4851 Interest Income - Other Sources	1,633	1,653	1,800	3,600
TOTAL OPERATING REVENUES	33,941,529	40,461,365	39,297,600	48,407,900
NON-OPERATING REVENUES:				
4230 Pera Aid	23,365	23,365	23,400	23,400
4601 Change in Fair Value Investments	-	(44,934)	-	-
4601 GASB #31 Adjustment	71,500	73,362	-	-
4829 Two Tier Rate	30,827	49,604	48,000	48,000
4850 Earnings on Investments	3,759	1,775	3,700	4,500
4853 Gain on Sale of Assets	3,349	(4,983)	2,000	2,000
4854 Utility Special Assessments	451	(47)	5,000	2,000
4730 Transfers In from Enterprise Funds	15,990	15,990	16,000	16,000
TOTAL NON-OPERATING REVENUES	149,241	114,132	98,100	95,900
TOTAL REVENUE	34,090,770	40,575,497	39,395,700	48,503,800

City of Duluth Minnesota - 2015 Budget

Director's Office

520-500-1900

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

Expense Detail	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
PERSONAL SERVICES				
5100 Permanent Employees - Regular	63,159	57,760	73,200	75,800
5101 Permanent Employees - Overtime	740	844	500	500
TOTAL	<u>63,899</u>	<u>58,604</u>	<u>73,700</u>	<u>76,300</u>
EMPLOYEE BENEFITS				
5121 P.E.R.A.	4,312	13,107	5,100	5,500
5122 F.I.C.A. Social Security	3,817	3,578	4,600	4,700
5123 F.I.C.A. Medicare	902	853	1,100	1,100
5125 Dental Insurance	382	338	200	400
5126 Life Insurance	179	157	200	200
5127 Health Care Savings	3,978	1,576	700	700
5130 Cafeteria Plan Benefits	7,857	6,918	8,700	11,500
TOTAL	<u>21,427</u>	<u>26,527</u>	<u>20,600</u>	<u>24,100</u>
OPERATING EXPENSES				
5200 Office Supplies	62	75	100	100
5241 Small Equipment	194	156	300	300
5321 Telephone	155	120	100	100
5331 Training/Travel	390	611	500	400
5335 Mileage Reimbursement Local	27	83	100	100
5356 Copier, Printer Lease & Supplies	63	-	100	-
5433 Dues & Subscription	-	202	-	-
5438 Licenses	101	-	-	-
5441 Other Services & Charges	-	144	-	-
TOTAL	<u>992</u>	<u>1,391</u>	<u>1,200</u>	<u>1,000</u>
1900 TOTAL - DIRECTOR'S OFFICE	86,318	86,522	95,500	101,400

City of Duluth Minnesota - 2015 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	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
OPERATING EXPENSES				
5420 Depreciation	1,272,122	1,313,680	1,435,400	1,500,300
5535 Improvements (Non-Capital)	4,450	54,102	242,500	57,500
5540 Equipment (Non-Capital)	870	-	-	15,000
5611 Bond Interest	197,328	176,414	161,800	136,100
5613 Interest - Bond Amortization	(21,579)	(21,507)	(21,500)	(21,500)
5614 Capital Lease Interest	98,461	91,728	84,700	77,500
5620 Fiscal Agents Fee	321	613	600	600
5622 Bond Amortization	13,689	-	13,600	-
TOTAL	1,565,662	1,615,030	1,917,100	1,765,500
NON-OPERATING EXPENSES				
5533 Capital Improvements - Revenue Financing	1,603,761	2,306,600	2,923,000	5,600,000
5580 Capital Equipment	170,921	222,825	317,400	321,700
TOTAL	1,774,682	2,529,425	3,240,400	5,921,700
1905 TOTAL - CAPITAL	3,340,344	4,144,455	5,157,500	7,687,200

City of Duluth Minnesota - 2015 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	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
PERSONAL SERVICES				
5100 Permanent Employees - Regular	36,342	41,954	59,700	51,700
5101 Permanent Employees - Overtime	475	1,537	-	-
TOTAL	36,817	43,491	59,700	51,700
EMPLOYEE BENEFITS				
5121 P.E.R.A.	2,577	3,021	4,200	3,800
5122 F.I.C.A. Social Security	2,196	2,642	3,700	3,200
5123 F.I.C.A. Medicare	514	618	900	700
5125 Dental Insurance	293	309	200	300
5126 Life Insurance	4,393	4,612	200	200
5127 Health Care Savings	327	417	600	500
5130 Cafeteria Plan Benefits	5,353	9,892	15,500	13,400
5133 Health or Fitness Program	-	255	-	-
5134 Other Post Retirement Benefits	137,882	42,870	-	-
5135 Retiree Health Insurance	938,548	816,970	898,500	912,100
5151 Worker's Compensation	132,500	81,100	51,100	48,600
TOTAL	1,224,583	962,706	974,900	982,800
OPERATING EXPENSES				
5200 Office Supplies	3,066	122	2,000	1,000
5201 Computer Supplies/Software	41,360	44,021	45,200	-
5205 Safety & Training	3,814	1,712	1,300	1,100
5211 Cleaning & Janitorial Supplies	11,266	7,287	2,700	2,500
5241 Small Equipment	3,510	2,470	700	700
5301 Auditing Services	1,258	1,063	1,600	1,400
5305 Medical Services/Testing Fees	4,708	3,454	4,000	2,500
5310 Contract Services	47,935	15,298	-	-
5320 Data Services	16,464	16,447	18,000	44,200
5321 Telephone	14,797	12,197	22,700	14,000
5331 Training Expense	29,929	18,329	21,600	22,300
5335 Mileage Reimbursement	795	-	200	100
5356 Copier, Printer Lease & Supplies	4,222	4,097	4,700	3,700
5360 Insurance	62,000	62,000	62,000	62,500
5381 Electricity	14,428	14,805	15,100	13,000
5382 Water, Gas & Sewer	12,437	16,141	16,500	13,900
5384 Refuse Disposal	1,351	1,469	2,300	2,000
5401 Building Repair & Maintenance	9,601	3,176	8,000	7,100
5404 Equipment/Machinery Repair	1,760	13	-	12,500
5414 Software Lic & Mtc Agreements	-	-	-	44,300
5433 Dues and Subscriptions	6,676	9,386	6,600	6,800
5438 Licenses	-	-	100	100
5441 Other Services & Charges	60,752	52,598	49,600	48,500
5450 Laundry	2,638	2,405	2,200	2,200
5452 Pipe Line Safety	8,677	12,236	12,000	12,000
5493 Cost Allocation	489,200	489,200	489,200	491,300
5711 Payment in Lieu of Taxes	2,889,700	2,375,793	2,726,000	4,027,100
5700 Transfer to General Fund	71,500	73,362	21,700	21,700
5700 Transfer to Special Revenue Fund	-	-	16,500	-
5700 Transfer to Internal Service Funds	-	137,700	103,000	38,000
TOTAL	3,813,844	3,376,781	3,655,500	4,896,500
1915 TOTAL - GENERAL EXPENSE	5,075,244	4,382,978	4,690,100	5,931,000

City of Duluth Minnesota - 2015 Budget

Engineering

520-500-1930

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

Expense Detail	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
PERSONAL SERVICES				
5100 Permanent Employees - Regular	589,079	651,015	583,400	619,000
5101 Permanent Employees - Overtime	38,987	46,192	45,000	45,000
5103 Temporary Wages	1,687	3,017	4,500	5,300
5118 Meal Allowance	-	550	-	-
TOTAL	629,753	700,774	632,900	669,300
EMPLOYEE BENEFITS				
5121 P.E.R.A.	43,868	49,541	41,500	45,700
5122 F.I.C.A. Social Security	38,192	42,432	39,200	41,500
5123 F.I.C.A. Medicare	8,932	9,924	9,200	9,700
5125 Dental Insurance	3,494	3,990	1,500	3,400
5126 Life Insurance	1,646	1,873	1,700	1,700
5127 Health Care Savings	6,630	10,647	7,000	8,600
5130 Cafeteria Plan Benefits	97,547	140,800	137,900	148,200
TOTAL	200,309	259,207	238,000	258,800
OPERATING EXPENSES				
5200 Office Supplies	283	687	300	300
5201 Computer Supplies	7,973	8,345	13,600	-
5203 Paper, Stationery and Forms	583	448	300	300
5205 Safety & Training Materials	111	586	500	500
5212 Motor Fuel	10,533	7,968	9,000	9,000
5219 Other Miscellaneous Supplies	240	280	-	-
5240 Small Tools	405	893	600	800
5241 Small Equipment	4,368	1,405	10,800	10,000
5242 Survey Equipment and Supplies	6,965	6,075	5,100	5,600
5303 Engineering Services	5,879	19,914	40,000	10,000
5320 Data Services	-	-	800	1,400
5321 Telephone	3,991	4,488	3,800	3,800
5322 Postage	13	-	100	100
5331 Training Expenses	2,674	2,698	11,300	14,300
5335 Mileage Reimbursement	127	47	300	300
5355 Printing and Copying	369	420	500	200
5356 Copier, Printer Lease & Supplies	3,353	4,313	4,100	4,700
5404 Equipment Maintenance Repair	767	862	600	600
5409 Fleet Services	14,360	9,740	9,000	7,000
5414 Software Lic & Mtc Agreements	-	-	-	11,600
5433 Dues and Subscriptions	451	300	600	600
5435 Books and Pamphlets	123	86	200	200
5438 Licenses	-	-	100	-
5441 Other Services and Charges	2,098	2,695	12,500	13,100
5486 One Call System	2,979	2,893	2,900	2,900
TOTAL	68,645	75,143	127,000	97,300
1930 TOTAL - ENGINEERING	898,707	1,035,124	997,900	1,025,400

City of Duluth Minnesota - 2015 Budget

Customer Services

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 checks 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		2012	2013	2014	2015
		Actual	Actual	Budget	Proposed
PERSONAL SERVICES					
5100	Permanent Employees - Regular	2,112,656	2,159,596	2,222,800	2,252,900
5101	Permanent Employees - Overtime	107,533	114,931	133,500	119,500
5103	Temporary Wages	17,257	15,913	20,100	20,100
5118	Meal Allowance	386	488	-	-
	TOTAL	2,237,832	2,290,928	2,376,400	2,392,500
EMPLOYEE BENEFITS					
5121	P.E.R.A.	153,871	160,103	157,300	164,900
5122	F.I.C.A. Social Security	136,933	139,818	147,300	148,300
5123	F.I.C.A. Medicare	32,025	32,699	34,500	34,800
5125	Dental Insurance	14,747	14,945	6,300	14,400
5126	Life Insurance	6,980	7,011	7,300	7,200
5127	Health Care Savings	43,344	52,937	26,200	23,400
5130	Cafeteria Plan Benefits	409,380	493,291	563,300	555,800
	TOTAL	797,280	900,804	942,200	948,800
OPERATING EXPENSES					
5200	Office Supplies	4,114	2,978	3,900	3,900
5201	Computer Supplies/Software	528	430	600	600
5203	Paper/Stationery	2,099	-	3,500	3,500
5210	Plant/Operating Supplies	3,935	6,775	7,500	17,000
5212	Motor Fuel	56,438	58,074	62,400	63,600
5215	Shop Materials	8,199	19,609	7,000	15,500
5218	Uniforms	6,186	7,309	5,800	5,800
5219	Other Miscellaneous Supplies	67,909	113,860	86,000	111,000
5220	Repair & Maintenance Supplies	69,983	36,582	22,000	22,000
5227	Utility System Maintenance Supply	53,067	140,745	118,600	282,800
5228	Painting Supplies	8,242	8,846	7,500	7,500
5240	Small Tools	15,338	15,466	8,000	17,500
5241	Small Equipment	14,127	1,555	23,200	21,100
5310	Contract Services	49,001	57,348	55,800	59,800
5320	Data Services	171	2,352	-	-
5321	Telephone	9,878	8,848	7,600	7,600
5322	Postage	59,105	63,371	73,500	77,500
5331	Training / Travel	2,940	5,245	9,700	23,500
5339	Armored Pickup	1,895	1,661	1,800	1,800
5340	Advertising and Promotion	120,156	125,932	134,700	134,700
5355	Printing & Copying	1,129	27	1,400	1,400
5356	Copier, Printer Lease & Supplies	1,304	249	700	700
5404	Equipment Repair & Maintenance	4,268	4,962	5,100	1,600
5409	Fleet Services	57,415	49,418	46,600	47,700
5414	Software Lic & Mtc Agreements	-	-	-	3,300
5427	Credit Card Commissions	35,982	36,395	30,800	38,400
5432	Uncollectible Accounts	(20,758)	45,475	65,000	65,000
5433	Dues and Subscriptions	505	485	800	800
5438	Licenses	-	-	100	100
5441	Other Services & Charges	4,783	3,321	3,700	3,700
5487	Conservation Improvement	28,103	120,479	60,000	176,900
5615	Customer Deposit Refund Interest	1,393	2,982	-	-
5700	Transfer to Special Revenue Funds	-	6,843	-	-
	TOTAL	667,435	947,622	853,300	1,216,300
1940	TOTAL - CUSTOMER SERVICES	3,702,547	4,139,354	4,171,900	4,557,600

City of Duluth Minnesota - 2015 Budget

Utility Operations

520-500-1945

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

Expense Detail	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
PERSONAL SERVICES				
5100 Permanent Employees - Regular	1,012,252	1,014,924	947,500	969,300
5101 Permanent Employees - Overtime	116,529	129,573	175,000	155,000
5118 Meal Allowance	3,222	3,089	2,400	3,000
TOTAL	1,132,003	1,147,586	1,124,900	1,127,300
EMPLOYEE BENEFITS				
5121 P.E.R.A.	77,380	78,923	66,500	70,400
5122 F.I.C.A. Social Security	69,080	70,252	69,600	69,700
5123 F.I.C.A. Medicare	16,240	16,469	16,300	16,300
5125 Dental Insurance	6,768	6,579	2,600	6,000
5126 Life Insurance	3,139	3,092	3,000	3,000
5127 Health Care Savings	11,558	22,934	17,800	9,100
5130 Cafeteria Plan Benefits	167,008	193,520	203,000	205,700
5141 Unemployment Compensation	-	967	-	-
TOTAL	351,173	392,736	378,800	380,200
OPERATING EXPENSES				
5200 Office Supplies	3,251	4,701	2,000	3,000
5201 Computer Supplies/Software	106	-	4,200	4,000
5205 Safety & Training Materials	48,209	40,133	3,800	4,000
5210 Plant Operations Supplies	33,097	37,988	8,400	11,500
5212 Motor Fuel	64,637	59,854	70,000	70,000
5215 Shop Materials	13,240	16,894	6,000	9,300
5218 Uniforms	7,590	9,206	5,700	4,700
5219 Other Miscellaneous Supplies	1,078	505	-	2,000
5220 Repair and Maintenance Supplies	28,514	18,607	4,000	6,500
5222 Paving Materials	14,620	20,417	10,000	15,000
5224 Gravel & Other Maintenance Supplies	61,234	58,571	22,000	25,000
5227 Utility Maintenance Supply	205,082	108,679	135,500	156,300
5228 Painting Supplies	-	529	500	500
5240 Small Tools	22,732	18,158	8,600	9,000
5241 Small Equipment	9,327	824	7,000	8,700
5310 Contract Services	1,916	5,182	7,600	9,100
5321 Telephone	3,007	2,140	3,000	3,000
5331 Training Expense	192	2,344	4,600	4,600
5335 Mileage Reimbursement	3,587	2,088	4,000	3,500
5355 Printing and Copying	212	-	500	500
5356 Copier, Printer Lease & Supplies	1,570	744	1,000	700
5384 Refuse Disposal	7,374	5,653	5,000	5,500
5404 Equipment Repair & Maintenance	2,258	2,066	1,000	1,500
5409 Fleet Service Charges	122,784	101,272	90,000	95,000
5414 Software Lic & Mtc Agreements	-	-	-	700
5415 Vehicle/Equipment Rental	2,496	1,026	3,000	4,500
5419 Other Rentals	921	1,577	-	-
5441 Other Services & Charges	11,605	3,854	1,500	2,500
5450 Laundry	5,619	6,166	6,700	7,400
5700 Transfer to General Fund	10,129	17,663	20,000	10,000
TOTAL	686,387	546,841	435,600	478,000
1945 TOTAL - UTILITY OPERATIONS	2,169,563	2,087,163	1,939,300	1,985,500

City of Duluth Minnesota - 2015 Budget

Natural Gas

520-500-1960

The Natural Gas Division is responsible for the purchase and odorizing of natural gas and 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	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
PERSONAL SERVICES				
5100 Permanent Employees - Regular	378,884	295,222	300,000	255,800
5101 Permanent Employees - Overtime	3,029	6,752	5,000	7,000
5118 Meal Allowance	10	80	-	-
TOTAL	381,923	302,054	305,000	262,800
EMPLOYEE BENEFITS				
5121 P.E.R.A. Contribution	27,189	20,107	21,500	18,900
5122 F.I.C.A. Social Security	23,363	18,423	18,900	16,300
5123 F.I.C.A. Medicare	5,464	4,309	4,400	3,800
5125 Dental Insurance	2,217	1,579	700	1,300
5126 Life Insurance	1,027	743	800	600
5127 Health Care Savings	8,505	7,747	7,600	2,400
5130 Cafeteria Plan Benefits	54,277	50,163	71,500	54,000
TOTAL	122,042	103,071	125,400	97,300
OPERATING EXPENSES				
5200 Office Supplies	293	568	500	500
5201 Computer Supplies/Software	17	11,898	-	-
5210 Plant Operations Supplies	15,361	25,415	19,200	20,700
5212 Motor Fuel	5,828	7,554	6,500	7,000
5218 Uniforms	1,282	163	900	900
5219 Other Miscellaneous Supplies	527	3,772	1,000	1,000
5220 Repair & Maintenance Supplies	45,954	62,024	27,400	23,500
5228 Painting Supplies	-	-	500	300
5241 Small Equipment	4,156	2,919	4,300	3,800
5280 Natural Gas Purchases	19,376,845	24,132,568	22,986,200	30,737,100
5319 Other Professional Services	1,345	2,241	10,000	3,000
5320 Data Services	29,246	28,283	31,600	1,900
5321 Telephone	3,643	2,005	4,200	2,700
5331 Training Expense	5,345	12,382	14,000	14,000
5335 Local Mileage Reimbursement	1,082	716	2,000	1,000
5355 Printing and Copying	-	17	400	400
5356 Copier, Printer Lease & Supplies	-	-	1,000	500
5381 Electricity	6,998	7,886	7,500	8,000
5382 Water/Sewer/Gas	1,040	1,106	2,000	1,500
5400 Miscellaneous Repair & Maint	-	1,233	2,000	-
5404 Equipment Maintenance Repair	24,137	-	25,500	5,000
5409 Fleet Services Charges	5,738	2,347	5,000	5,000
5414 Software Lic & Mtc Agreements	-	-	-	500
5433 Dues and Subscriptions	4,480	5,241	4,500	6,600
5441 Other Services & Charges	2,766	1,013	3,000	9,000
TOTAL	19,536,083	24,311,351	23,159,200	30,853,900
1960 TOTAL - NATURAL GAS	20,040,048	24,716,476	23,589,600	31,214,000

City of Duluth Minnesota - 2015 Budget

Sewer Fund

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The Sewer Fund accounts for the provision of sewer service to the citizens of Duluth as a self-supporting enterprise fund. Activities include the operation and maintenance of the City's sanitary sewer collection system.

The major expense category is for contractual services and charges paid to the Western Lake Superior Sanitary District (WLSSD), constituting 51% of total approved expenses. Presented below is a tabular summary of the major categories of revenues and expenses over a four year period.

Estimated Income and Expense	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
REVENUE				
Operating Revenue	18,524,986	18,736,960	19,004,800	18,458,400
Non-Operating Revenue	464,755	572,454	32,700	32,900
	<u>18,989,741</u>	<u>19,309,414</u>	<u>19,037,500</u>	<u>18,491,300</u>
EXPENSES				
Personal Services	3,494,359	3,199,182	3,524,600	3,409,100
Supplies	394,291	368,596	374,900	345,000
Other Services & Charges	973,770	1,129,057	1,083,300	1,080,200
WLSSD Treatment	8,504,062	8,610,904	8,656,300	8,341,700
Utilities	109,062	120,282	120,400	120,500
Depreciation/ Amortization	1,278,670	1,292,942	1,401,800	1,409,300
Sanitary Sewer -Grants	1,213,307	1,010,228	1,248,000	1,088,000
Improvements -Non-Capital	38,715	156,510	62,500	112,500
Debt Service - Interest	427,177	308,007	316,800	277,000
Debt Service - Other	30,933	12,140	40,100	12,100
Capital Lease Interest	92,494	86,169	79,600	72,800
Transfers	39,134	161,820	241,500	51,600
	<u>16,595,974</u>	<u>16,455,837</u>	<u>17,149,800</u>	<u>16,319,800</u>
ESTIMATED OPERATING INCOME (LOSS)				
	2,393,767	2,853,577	1,887,700	2,171,500
Other Sources of Cash	1,626,572	1,785,218	1,579,100	1,558,600
Other Uses of Cash	(3,642,799)	(3,518,718)	(3,868,100)	(4,722,800)
Increase (Decrease) in Cash	<u>377,540</u>	<u>1,120,077</u>	<u>(401,300)</u>	<u>(992,700)</u>

City of Duluth Minnesota - 2015 Budget

Sewer Fund Estimated Unrestricted Cash Balance

OPERATING FUND	2014 Budget	2014 Projected	2015 Proposed
ESTIMATED OPERATING INCOME (LOSS)	1,887,700	2,474,100	2,171,500
<u>Other Sources of Cash</u>			
Depreciation and Amortization	1,401,800	1,330,500	1,409,300
Bond Amortization	40,100	12,200	12,100
Due from Other Funds	-	77,900	-
Special Assessment Principal	137,200	137,200	137,200
Total Other Sources of Cash	<u>1,579,100</u>	<u>1,557,800</u>	<u>1,558,600</u>
<u>Other Uses of Cash</u>			
Capital Grants	-	-	-
Due to Other Funds	-	52,900	-
Infrastructure System Replacement Fund	51,500	51,500	51,500
Capital Improvements from Current Revenues	-	75,000	2,290,000
Infrastructure Improvements	1,742,000	1,237,400	-
Capital Equipment Purchases	180,300	220,400	329,800
Bond Principal Payments	1,718,800	1,718,800	1,869,300
AMR Lease Principal Payment	175,500	175,500	182,200
Total Other Uses of Cash	<u>3,868,100</u>	<u>3,531,500</u>	<u>4,722,800</u>
INCREASE (DECREASE) IN CASH	(401,300)	500,400	(992,700)
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - BEGINNING	<u>2,405,216</u>	<u>2,319,393</u>	<u>2,819,793</u>
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - ENDING	<u><u>2,003,916</u></u>	<u><u>2,819,793</u></u>	<u><u>1,827,093</u></u>

City of Duluth Minnesota - 2015 Budget

Sewer Fund

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Revenue Detail	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
OPERATING REVENUES:				
4636 Sale of Materials	2,017	2,091	1,500	1,200
4805 Reimbursements	30,066	64,531	28,700	27,500
4833 Sewer Revenues	16,408,556	16,577,074	16,911,200	16,360,400
4809 Misc. Operating Revenue	631	2,743	1,000	1,500
4802 Interest Earned on Customer Accounts	65,726	53,409	56,000	56,000
4831 Fixed Rate Charges	1,920,833	1,921,782	1,921,400	1,922,300
4834 Fond du Lac Grinder Pump Surcharge	11,694	11,510	12,000	11,500
4839 Point of Sale Inspection Fee	77,629	95,741	70,000	75,000
4851 Interest Income - Other Sources	7,834	8,079	3,000	3,000
TOTAL OPERATING REVENUES	18,524,986	18,736,960	19,004,800	18,458,400
NON-OPERATING REVENUES:				
4220 Minnesota Grants - Capital	388,727	449,282	-	-
4230 Pera Aid	8,283	8,283	8,300	8,300
4601 Change in Fair Value Investments	-	(20,447)	-	-
4601 GASB #31 Adjustment	9,387	11,076	-	-
4806 Connection Fees	11,970	-	4,500	4,500
4850 Earnings on Investments	493	321	500	700
4853 Gain on Sale of Assets	1,001	-	-	-
4854 Utility Special Assessments	35,464	114,509	10,000	10,000
4730 Transfer from Enterprise Funds	9,430	9,430	9,400	9,400
TOTAL NON-OPERATING REVENUES	464,755	572,454	32,700	32,900
TOTAL REVENUE	18,989,741	19,309,414	19,037,500	18,491,300

City of Duluth Minnesota - 2015 Budget

Director's Office

530-500-1900

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

Expense Detail		2012 Actual	2013 Actual	2014 Budget	2015 Proposed
PERSONAL SERVICES					
5100	Permanent Employees - Regular	51,226	44,950	62,300	63,900
5101	Permanent Employees - Overtime	612	623	500	500
	TOTAL	51,838	45,573	62,800	64,400
EMPLOYEE BENEFITS					
5121	P.E.R.A.	3,531	6,970	4,400	4,700
5122	F.I.C.A. Social Security	3,069	2,766	3,900	4,000
5123	F.I.C.A. Medicare	727	663	900	900
5125	Dental Insurance	267	223	100	300
5126	Life Insurance	125	103	100	100
5127	Health Care Savings	2,072	1,461	600	600
5130	Cafeteria Plan Benefits	5,891	4,597	6,700	9,400
	TOTAL	15,682	16,783	16,700	20,000
OPERATING EXPENSES					
5200	Office Supplies	95	-	100	-
5241	Small Equipment	194	156	300	300
5321	Telephone	155	120	100	100
5331	Training Expense	525	-	500	500
5335	Mileage Reimbursement	47	71	100	100
5356	Copier, Printer Lease & Supplies	85	91	100	100
5438	Licenses	101	-	-	-
	TOTAL	1,202	438	1,200	1,100
1900	TOTAL - DIRECTOR'S OFFICE	68,722	62,794	80,700	85,500

City of Duluth Minnesota - 2015 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	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
OPERATING EXPENSES				
5420 Depreciation	1,278,670	1,292,942	1,401,800	1,409,300
5535 Improvements (Non-Capital)	38,715	156,510	62,500	112,500
5540 Equipment (Non-Capital)	-	3,541	15,000	25,000
5611 Bond Interest	427,177	308,007	316,800	277,000
5613 Interest - from Amortization	8,344	12,140	12,200	12,100
5614 Capital Lease Interest	92,494	86,169	79,600	72,800
5620 Fiscal Agents Fee	2,594	2,144	2,400	2,400
5622 Bond Amortization	22,589	-	27,900	-
TOTAL	1,870,583	1,861,453	1,918,200	1,911,100
NON-OPERATING EXPENSES				
5533 Capital Improvements - Revenue	443,190	418,298	-	2,290,000
5536 Utility Infrastructure Replace. Proj.	600,595	456,941	1,742,000	-
5580 Capital Equipment	78,619	264,503	180,300	329,800
TOTAL	1,122,404	1,139,742	1,922,300	2,619,800
1905 TOTAL - CAPITAL	2,992,987	3,001,195	3,840,500	4,530,900

City of Duluth Minnesota - 2015 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	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
PERSONAL SERVICES				
5100 Permanent Employees - Regular	26,404	26,800	39,600	30,300
5101 Permanent Employees - Overtime	373	995	-	-
TOTAL	26,777	27,795	39,600	30,300
EMPLOYEE BENEFITS				
5121 P.E.R.A.	1,845	1,856	2,700	2,200
5122 F.I.C.A. Social Security	1,582	1,692	2,500	1,900
5123 F.I.C.A. Medicare	370	396	600	400
5125 Dental Insurance	216	208	100	200
5126 Life Insurance	1,203	1,161	200	100
5127 Health Care Savings	235	262	400	300
5130 Cafeteria Plan Benefits	3,734	5,197	8,700	6,600
5134 Other Post Retirement Benefits	186,865	(19,547)	-	-
5135 Retiree Health Insurance	213,439	165,505	182,900	198,700
5151 Worker's Compensation	8,900	27,700	31,000	20,000
TOTAL	418,389	184,430	229,100	230,400
OPERATING EXPENSES				
5200 Office Supplies	-	120	500	500
5201 Computer Supplies/Software	28,685	29,956	30,600	-
5205 Safety & Training	445	542	800	700
5211 Cleaning & Janitorial Supplies	999	909	2,700	2,500
5241 Small Equipment	3,183	2,065	700	700
5301 Auditing Services	1,258	1,063	1,600	1,400
5305 Medical Services/Testing Fees	1,415	2,534	2,000	3,100
5310 Contract Services	772	59,221	1,500	1,500
5320 Data Services	11,433	13,782	10,300	15,500
5321 Telephone	15,711	7,649	14,000	7,400
5331 Training / Travel	12,436	354	1,600	2,800
5335 Mileage Reimbursement - Local	-	-	100	100
5356 Copier, Printer Lease & Supplies	3,832	4,091	4,700	3,700
5360 Insurance	36,500	75,700	88,000	23,100
5381 Electricity	15,659	15,963	14,600	13,000
5382 Water, Gas & Sewer	9,183	12,997	16,800	14,500
5384 Refuse Disposal	1,231	1,130	2,200	2,000
5401 Building Repair & Maintenance	6,566	3,186	7,800	7,000
5404 Equipment/Machinery Repair & Mtc	-	13	-	7,500
5414 Software Lic & Mtc Agreements	-	-	-	30,300
5433 Dues & Subscriptions	-	1,790	-	-
5441 Other Services & Charges	14,086	13,467	10,500	12,500
5450 Laundry	2,638	2,405	2,200	2,200
5493 Cost Allocation	306,900	306,900	306,900	308,000
5700 Transfer to General Fund	9,387	11,076	21,600	21,600
5700 Transfer to Special Revenue Funds	-	-	8,900	-
5700 Transfer to Internal Service Funds	-	147,700	161,000	-
TOTAL	482,319	714,613	711,600	481,600
1915 TOTAL - UTILITY GENERAL	927,485	926,838	980,300	742,300

City of Duluth Minnesota - 2015 Budget

Engineering

530-500-1930

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

Expense Detail	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
PERSONAL SERVICES				
5100 Permanent Employees - Regular	319,229	314,695	344,700	363,600
5101 Permanent Employees - Overtime	15,446	23,367	15,000	20,000
5103 Temporary Wages	1,668	2,905	4,500	5,200
5118 Meal Allowance	-	204	-	-
TOTAL	336,343	341,171	364,200	388,800
EMPLOYEE BENEFITS				
5121 P.E.R.A.	23,356	23,972	24,600	26,700
5122 F.I.C.A. Social Security	20,338	20,506	22,600	24,100
5123 F.I.C.A. Medicare	4,757	4,796	5,300	5,600
5125 Dental Insurance	1,995	1,930	900	1,900
5126 Life Insurance	935	905	1,000	1,000
5127 Health Care Savings	4,304	5,597	4,700	5,800
5130 Cafeteria Plan Benefits	56,923	67,041	81,400	78,400
TOTAL	112,608	124,747	140,500	143,500
OPERATING EXPENSES				
5200 Office Supplies	126	584	300	300
5201 Computer Supplies	8,327	7,481	14,000	-
5203 Paper, Stationary & Forms	516	417	300	300
5205 Safety & Training Materials	181	25	500	500
5212 Motor Fuels	2,565	4,094	2,800	2,800
5219 Other Miscellaneous Supplies	52	280	-	-
5240 Small Tools	357	743	600	800
5241 Small Equipment	2,353	730	4,200	2,900
5242 Survey Equipment and Supplies	5,132	3,050	5,100	5,600
5320 Data Services	-	-	800	1,000
5321 Telephone	1,548	1,531	1,000	1,000
5322 Postage	13	-	100	100
5331 Training Expenses	2,448	1,868	7,200	7,200
5335 Mileage Reimbursement - Local	114	215	200	2,000
5355 Printing and Copying	428	1,437	700	500
5356 Copier, Printer Lease & Supplies	2,934	4,313	4,000	4,600
5404 Equipment Maintenance/Repair	652	393	600	600
5409 Fleet Services Charges	3,359	3,837	3,000	3,000
5414 Software Lic & Mtc Agreements	-	-	-	7,900
5433 Dues & Subscriptions	562	300	800	800
5435 Books & Pamphlets	-	86	200	200
5438 Licenses	-	-	300	-
5441 Other Services and Charges	3,047	2,827	12,800	13,200
5486 One Call System	2,953	2,968	2,900	2,900
TOTAL	37,667	37,179	62,400	58,200
1930 TOTAL - ENGINEERING	486,618	503,097	567,100	590,500

City of Duluth Minnesota - 2015 Budget

Customer Services

530-500-1940

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

Expense Detail	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
PERSONAL SERVICES				
5100 Permanent Employees - Regular	236,596	236,094	240,900	248,000
5101 Permanent Employees - Overtime	3,374	4,893	2,500	2,500
5118 Meal Allowance	34	55	-	-
TOTAL	240,004	241,042	243,400	250,500
EMPLOYEE BENEFITS				
5121 P.E.R.A.	16,371	16,737	16,900	17,900
5122 F.I.C.A. Social Security	14,679	14,674	15,100	15,500
5123 F.I.C.A. Medicare	3,433	3,432	3,500	3,600
5125 Dental Insurance	1,828	1,791	700	1,700
5126 Life Insurance	857	841	800	900
5127 Health Care Savings	8,036	3,454	2,200	3,700
5130 Cafeteria Plan Benefits	45,258	53,226	63,300	54,700
TOTAL	90,462	94,155	102,500	98,000
OPERATING EXPENSES				
5200 Office Supplies	1,408	795	1,200	1,200
5201 Computer Supplies	79	-	300	300
5203 Paper/Stationery	1,238	-	2,100	2,100
5212 Motor Fuel	677	1,412	700	1,400
5241 Small Equipment	1,074	238	1,000	700
5310 Contract Services	33,227	33,752	32,900	32,900
5321 Telephone	186	198	400	400
5322 Postage	38,577	37,373	43,300	45,700
5331 Training Expense	407	885	1,100	1,600
5339 Armored Pickup	1,157	979	1,100	1,100
5355 Printing & Copying	681	-	200	200
5356 Copier, Printer Lease & Supplies	469	110	400	400
5401 Building Repair & Maintenance	63	238	-	-
5404 Equipment Repair & Maintenance	1,983	2,057	2,800	700
5409 Fleet Services	866	2,082	600	1,200
5414 Software Lic & Mtc Agreements	-	-	-	1,900
5427 Credit Card Commission	14,951	19,308	12,300	20,800
5432 Uncollectible Accounts	(71,174)	(16,337)	25,000	25,000
5441 Other Services & Charges	647	12,662	800	800
TOTAL	26,516	95,752	126,200	138,400
1940 TOTAL-CUSTOMER SERVICES	356,982	430,949	472,100	486,900

City of Duluth Minnesota - 2015 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	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
PERSONAL SERVICES				
5100 Permanent Employees - Regular	1,049,134	903,435	978,500	960,200
5101 Permanent Employees - Overtime	100,756	111,959	130,000	120,000
5103 Temporary Wages	503	-	-	-
5118 Meal Allowance	2,461	2,531	2,000	2,500
TOTAL	1,152,854	1,017,925	1,110,500	1,082,700
EMPLOYEE BENEFITS				
5121 P.E.R.A.	80,187	73,030	69,900	70,900
5122 F.I.C.A. Social Security	70,082	61,840	68,700	67,000
5123 F.I.C.A. Medicare	16,474	14,463	16,100	15,700
5125 Dental Insurance	7,645	7,092	3,000	6,400
5126 Life Insurance	3,561	3,288	3,400	3,200
5127 Health Care Savings	18,897	22,564	22,500	12,200
5130 Cafeteria Plan Benefits	244,863	258,465	310,200	290,200
5141 Unemployment Compensation	-	483	-	-
TOTAL	441,709	441,225	493,800	465,600
OPERATING EXPENSES				
5200 Office Supplies	6,800	6,111	2,000	2,500
5201 Computer Supplies	2,316	1,397	6,900	5,000
5205 Safety & Training Materials	3,695	5,590	4,000	5,400
5210 Plant Operations Supplies	4,404	18,604	22,900	25,600
5212 Motor Fuel	66,821	65,193	60,000	60,000
5215 Shop Materials	1,432	-	1,000	1,000
5218 Uniforms	4,109	2,186	5,700	7,100
5219 Other Miscellaneous Supplies	1,501	1,520	-	2,000
5220 Repair and Maintenance Supplies	22,756	31,406	12,800	16,200
5222 Paving Materials	6,534	20,604	17,000	17,500
5224 Gravel and other Mtc Materials	49,884	50,577	45,000	45,500
5227 Utility Maintenance Supply	126,939	74,911	67,000	76,500
5240 Small Tools	3,551	7,768	5,500	7,000
5241 Small Equipment	26,943	7,559	22,600	18,900
5310 Contract Services	36,356	56,149	19,000	19,000
5320 Data Services	8,217	8,460	6,800	-
5321 Telephone	1,435	1,380	2,100	1,100
5331 Training Expense	14,703	20,847	15,700	15,800
5333 Freight/Delivery Charges	176	-	500	500
5335 Mileage Reimbursement	19,361	15,215	8,000	8,000
5355 Printing and Copying	8,147	1,181	2,000	1,500
5356 Copier, Printer Lease & Supplies	464	94	2,000	500
5381 Electricity	73,974	79,986	75,000	78,000
5382 Water, Gas & Sewer	10,246	11,336	14,000	15,000
5384 Refuse Disposal	23,199	13,254	14,400	13,200
5404 Equipment Maintenance/Repair	11,747	2,821	11,500	4,700
5409 Fleet Service Charges	109,079	127,948	100,000	100,000
5410 Fond Du Lac Grinder Pump	2,669	2,728	3,000	3,000
5414 Software Lic & Mtc Agreements	-	-	-	2,400
5415 Vehicle/Equipment Rental	731	1,198	3,000	3,000
5433 Dues and Subscriptions	122	445	500	500
5438 Licenses	477	297	500	500
5441 Other Services & Charges	28,210	16,959	8,500	10,500
5450 Laundry	11,237	12,332	6,700	8,900
5700 Transfer to General Fund	29,747	3,044	50,000	30,000
TOTAL	717,982	669,100	615,600	606,300
1945 TOTAL - UTILITY OPERATIONS	2,312,545	2,128,250	2,219,900	2,154,600

City of Duluth Minnesota - 2015 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		2012 Actual	2013 Actual	2014 Budget	2015 Proposed
5484	Western Lake Superior Sanitary District Srv Charge	8,504,062	8,610,904	8,656,300	8,341,700
5485	Western Lake Superior Sanitary District Testing	<u>221,620</u>	<u>218,818</u>	<u>218,800</u>	<u>218,000</u>
0575	TOTAL- SEWER TREATMENT	8,725,682	8,829,722	8,875,100	8,559,700

City of Duluth Minnesota - 2015 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		2012 Actual	2013 Actual	2014 Budget	2015 Proposed
PERSONAL SERVICES					
5100	Permanent Employees - Regular	430,121	492,643	508,600	453,200
5101	Permanent Employees - Overtime	25,692	26,051	35,000	30,000
5103	Temporary Wages	476	-	-	-
5111	Long-Term Disability Wages	6	(13,451)	-	-
5118	Meal Allowance	280	185	300	300
	TOTAL	456,575	505,428	543,900	483,500
EMPLOYEE BENEFITS					
5121	P.E.R.A.	30,651	35,848	35,600	32,600
5122	F.I.C.A. Social Security	28,917	30,780	33,700	30,000
5123	F.I.C.A. Medicare	6,765	7,199	7,900	7,000
5125	Dental Insurance	2,785	2,899	1,400	2,700
5126	Life Insurance	1,486	1,410	1,500	1,400
5127	Health Care Savings	3,701	4,395	4,700	4,100
5130	Cafeteria Plan Benefits	76,813	76,377	92,800	73,600
	TOTAL	151,118	158,908	177,600	151,400
OPERATING EXPENSES					
5200	Office Supplies	-	94	500	500
5201	Computer Supplies	-	32	500	500
5205	Safety & Training	-	-	400	200
5212	Motor Fuels	6,184	4,147	6,000	5,000
5218	Uniforms	213	281	1,500	1,100
5220	Repair & Maintenance Supplies	-	-	500	500
5227	Utility System Maintenance Supplies	-	-	1,600	1,000
5240	Small Tools	-	-	300	400
5241	Small Equipment	2,523	17,019	22,400	22,000
5320	Data Services	-	-	1,700	-
5321	Telephone	2,283	1,986	2,500	2,200
5322	Postage	717	-	500	500
5331	Training Expense	3,452	783	4,700	4,700
5335	Mileage Reimbursement	-	6,325	10,000	13,000
5355	Printing & Copying	951	-	1,000	1,000
5356	Copier, Printer Lease & Supplies	-	-	500	500
5404	Equipment Maintenance Repair	-	-	2,300	2,300
5409	Fleet Services	8,010	5,500	6,000	6,000
5441	Other Services and Charges	-	-	1,500	1,500
5450	Laundry	2,024	2,003	2,500	3,400
5482	Private Property Sewer Grants	1,213,307	1,010,228	1,248,000	1,088,000
	TOTAL	1,239,664	1,048,398	1,314,900	1,154,300
1970	TOTAL INFLOW & INFILTRATION	1,847,357	1,712,734	2,036,400	1,789,200

City of Duluth Minnesota - 2015 Budget

Clean Water Surcharge Fund

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In order to protect the 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	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
REVENUE				
Operating Revenue	1,833,354	1,806,789	1,839,000	1,843,000
Non-Operating Revenue	2,407,451	1,641,354	400	300
	<u>4,240,805</u>	<u>3,448,143</u>	<u>1,839,400</u>	<u>1,843,300</u>
EXPENSES				
Supplies	-	-	-	-
Other Services & Charges	10,793	5,542	10,400	10,400
Depreciation/ Amortization	156,849	372,249	564,400	598,800
Grants & Awards	1,286,687	1,368,431	800,000	500,000
Improvements - Non-Capital	875	2,516	-	-
Debt Service - Interest	171,809	190,247	198,400	175,700
Debt Service - Other	1,816	-	2,100	-
Transfers	17,880	9,607	-	-
	<u>1,646,709</u>	<u>1,948,592</u>	<u>1,575,300</u>	<u>1,284,900</u>
ESTIMATED OPERATING INCOME (LOSS)	2,594,096	1,499,551	264,100	558,400
Other Sources of Cash	158,665	372,249	566,500	598,800
Other Uses of Cash	(3,709,674)	(2,840,919)	(1,154,200)	(1,122,200)
Increase (Decrease) in Cash	<u>(956,913)</u>	<u>(969,119)</u>	<u>(323,600)</u>	<u>35,000</u>

City of Duluth Minnesota - 2015 Budget

Clean Water Fund Estimated Unrestricted Cash Balance

<u>OPERATING FUND</u>	<u>2014 Budget</u>	<u>2014 Projected</u>	<u>2015 Proposed</u>
ESTIMATED OPERATING INCOME (LOSS)	264,100	391,700	558,400
<u>Other Sources of Cash</u>			
Depreciation and Amortization	564,400	567,700	598,800
Bond Amortization	2,100	-	-
Total Other Sources of Cash	<u>566,500</u>	<u>567,700</u>	<u>598,800</u>
<u>Other Uses of Cash</u>			
Capital Grants	-	106,600	-
Budget Carry-Over for Encumbrances	-	-	-
Capital Improvements from Current Revenues	-	-	-
Infrastructure Replacement	-	-	-
Bond Principal Payments	1,154,200	1,109,000	1,122,200
Total Other Uses of Cash	<u>1,154,200</u>	<u>1,215,600</u>	<u>1,122,200</u>
INCREASE (DECREASE) IN CASH	(323,600)	(256,200)	35,000
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - BEGINNING	<u>984,533</u>	<u>369,715</u>	<u>113,515</u>
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - ENDING	<u><u>660,933</u></u>	<u><u>113,515</u></u>	<u><u>148,515</u></u>

City of Duluth Minnesota - 2015 Budget

Clean Water Surcharge Fund

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Revenue Detail	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
OPERATING REVENUES				
4836 I & I Surcharge	14,290	(14,781)	14,000	15,000
4837 Clean Water Surcharge	1,819,064	1,821,570	1,825,000	1,828,000
TOTAL	<u>1,833,354</u>	<u>1,806,789</u>	<u>1,839,000</u>	<u>1,843,000</u>
NON-OPERATING REVENUES				
4209 Federal Grants - Capital	1,050,680	-	-	-
4220 Minnesota Grants - Capital	1,337,951	1,634,690	-	-
4601 Change in Fair Value Investments	-	(3,193)	-	-
4601 GASB #31 Adjustment	17,880	9,607	-	-
4850 Earnings on Investments	940	250	400	300
TOTAL	<u>2,407,451</u>	<u>1,641,354</u>	<u>400</u>	<u>300</u>
TOTAL REVENUE	4,240,805	3,448,143	1,839,400	1,843,300

City of Duluth Minnesota - 2015 Budget

Clean Water Surcharge Fund

532

Expense Detail	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
OPERATING EXPENSES				
5301 Auditing Services	4,499	3,509	3,000	3,000
5420 Depreciation	156,849	372,249	564,400	598,800
5427 Credit Card Commissions	2,514	2,033	2,400	2,400
5432 Uncollectible Accounts	3,780	-	5,000	5,000
5434 Grants & Awards	1,286,687	1,368,431	800,000	500,000
5535 Non-Capital Improvements	875	2,516	-	-
5611 Bond Interest	171,809	190,247	198,400	175,700
5622 Bond Amortization	1,816	-	2,100	-
5700 Transfers to General Fund	17,880	9,607	-	-
TOTAL	<u>1,646,709</u>	<u>1,948,592</u>	<u>1,575,300</u>	<u>1,284,900</u>
NON-OPERATING EXPENSES				
5532 Capital Improvements-Bond	5,066,655	2,267,656	-	-
5533 Capital Improvements-Revenue	102,040	36,083	-	-
5536 Utility Infrastructure Replacement	2,188	4,109	-	-
TOTAL	<u>5,170,883</u>	<u>2,307,848</u>	<u>-</u>	<u>-</u>
TOTAL EXPENSES	6,817,592	4,256,440	1,575,300	1,284,900

City of Duluth Minnesota - 2015 Budget

Stormwater Fund

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The Stormwater Fund accounts for the provision of stormwater sewer service to the citizens of Duluth 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	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
REVENUE				
Stormwater Sewer Service	4,777,794	4,704,073	4,690,000	4,700,000
Miscellaneous Revenue	21,015	49,810	18,800	18,500
Non-Operating	89,339	38,752	5,500	5,900
	<u>4,888,148</u>	<u>4,792,635</u>	<u>4,714,300</u>	<u>4,724,400</u>
EXPENSES				
Personal Services	1,991,160	1,991,979	2,177,400	2,349,000
Supplies	325,930	283,969	255,600	280,200
Other Services and Charges	513,417	503,923	651,000	700,300
Utilities	17,936	20,693	23,100	26,200
Depreciation and Amortization	477,970	486,707	536,100	528,000
Improvements - Non-Capital	35,938	140,033	297,500	257,500
Debt Service - Interest	65,849	59,788	56,100	49,700
Bond Amortization	2,441	(745)	2,500	(700)
Transfers Out	519,522	568,252	646,400	556,600
	<u>3,950,163</u>	<u>4,054,599</u>	<u>4,645,700</u>	<u>4,746,800</u>
ESTIMATED OPERATING INCOME (LOSS)	937,985	738,036	68,600	(22,400)
Other Sources of Cash	1,007,354	481,313	539,200	527,900
Other Uses of Cash	(1,215,150)	(1,074,025)	(1,612,900)	(1,458,500)
Increase (Decrease) in Cash	<u><u>730,189</u></u>	<u><u>145,324</u></u>	<u><u>(1,005,100)</u></u>	<u><u>(953,000)</u></u>

City of Duluth Minnesota - 2015 Budget

Stormwater Fund Estimated Unrestricted Cash Balance

OPERATING FUND	2014 Budget	2014 Projected	2015 Proposed
ESTIMATED OPERATING INCOME (LOSS)	68,600	308,300	(22,400)
<u>Other Sources of Cash</u>			
Depreciation and Amortization	536,100	465,800	528,000
Bond Amortization	2,500	(700)	(700)
Due from Other Funds	-	171,200	-
Special Assessment Principal	600	600	600
Total Other Sources of Cash	<u>539,200</u>	<u>636,900</u>	<u>527,900</u>
<u>Other Uses of Cash</u>			
Due to Other Funds	-	31,000	-
Capital Improvements from Current Revenues	1,108,000	1,088,000	940,000
Capital Equipment Purchases	294,500	202,000	299,700
Bond Principal Payments	210,400	210,400	218,800
Total Other Uses of Cash	<u>1,612,900</u>	<u>1,531,400</u>	<u>1,458,500</u>
INCREASE (DECREASE) IN CASH	(1,005,100)	(586,200)	(953,000)
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - BEGINNING	<u>2,548,026</u>	<u>2,524,850</u>	<u>1,938,650</u>
ESTIMATED UNRESTRICTED CASH AND DEBT SERVICE CASH - ENDING	<u><u>1,542,926</u></u>	<u><u>1,938,650</u></u>	<u><u>985,650</u></u>

City of Duluth Minnesota - 2015 Budget

Stormwater Fund

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Revenue Detail	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
OPERATING REVENUES:				
4636 Sale of Materials	4,545	9,237	3,000	3,000
4835 Stormwater Revenues	4,777,794	4,704,073	4,690,000	4,700,000
4802 Interest Earned on Customer Accounts	12,666	12,447	14,000	13,500
4805 Reimbursements	3,161	24,664	1,000	1,200
4809 Miscellaneous Operating Revenues	-	-	300	300
4851 Interest - Other Sources	643	3,462	500	500
TOTAL OPERATING REVENUES	4,798,809	4,753,883	4,708,800	4,718,500
NON-OPERATING REVENUES:				
4210 Federal Grants - Capital	1,566	-	-	-
4210 Federal Grants - Operating	2,705	10,000	-	-
4601 Change in Fair Value Investments	-	(21,777)	-	-
4601 GASB #31 Adjustment	20,730	23,031	-	-
4850 Earnings on Investments	1,090	627	600	1,000
4853 Gain/Loss - Sales of Fixed Assets	50,000	-	-	-
4854 Utility Assessments	8,328	21,951	-	-
4730 Transfers from Enterprise Funds	4,920	4,920	4,900	4,900
TOTAL NON-OPERATING REVENUES	89,339	38,752	5,500	5,900
TOTAL REVENUE	4,888,148	4,792,635	4,714,300	4,724,400

City of Duluth Minnesota - 2015 Budget

Director's Office

535-500-1900

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

Expense Detail		2012 Actual	2013 Actual	2014 Budget	2015 Proposed
PERSONAL SERVICES					
5100	Permanent Employees - Regular	51,225	44,950	62,300	63,900
5101	Permanent Employees - Overtime	612	623	500	500
	TOTAL	<u>51,837</u>	<u>45,573</u>	<u>62,800</u>	<u>64,400</u>
EMPLOYEE BENEFITS					
5121	P.E.R.A.	3,531	4,164	4,400	4,700
5122	F.I.C.A. Social Security	3,069	2,766	3,900	4,000
5123	F.I.C.A. Medicare	727	663	900	900
5125	Dental Insurance	267	223	100	300
5126	Life Insurance	125	103	100	100
5127	Health Care Savings	2,072	1,461	600	600
5130	Cafeteria Plan Benefits	5,890	4,596	6,700	9,400
	TOTAL	<u>15,681</u>	<u>13,976</u>	<u>16,700</u>	<u>20,000</u>
OPERATING EXPENSES					
5200	Office Supplies	84	-	100	-
5241	Small Equipment	194	156	300	300
5321	Telephone	225	120	100	100
5331	Training Expense	-	-	500	300
5335	Mileage Reimbursement-Local	-	71	100	100
5356	Copier, Printer Lease & Spplies	-	5	-	100
5441	Other Services & Charges	1,401	-	-	-
	TOTAL	<u>1,904</u>	<u>352</u>	<u>1,100</u>	<u>900</u>
1900	TOTAL - DIRECTOR'S OFFICE	69,422	59,901	80,600	85,300

City of Duluth Minnesota - 2015 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	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
OPERATING EXPENSES				
5420 Depreciation	477,970	486,707	536,100	528,000
5535 Improvements (Non-Capital)	35,938	140,033	297,500	257,500
5540 Equipment (Non-Capital)	-	1,188	-	-
5611 Bond Interest	65,849	59,788	56,100	49,700
5613 Interest from Amortization	(748)	(745)	(700)	(700)
5620 Fiscal Agent Fees	438	438	400	400
5622 Bond Amortization	3,189	-	3,200	-
TOTAL	582,636	687,409	892,600	834,900
NON-OPERATING EXPENSES				
5533 Capital Improvements - Revenue	612,870	436,413	1,108,000	940,000
5580 Capital Equipment	253,821	209,211	294,500	299,700
TOTAL	866,691	645,624	1,402,500	1,239,700
1905 TOTAL - CAPITAL	1,449,327	1,333,033	2,295,100	2,074,600

City of Duluth Minnesota - 2015 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	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
PERSONAL SERVICES				
5100 Permanent Employees - Regular	21,451	26,799	39,600	30,300
5101 Permanent Employees - Overtime	373	995	-	-
TOTAL	21,824	27,794	39,600	30,300
EMPLOYEE BENEFITS				
5121 P.E.R.A.	1,454	1,857	2,700	2,200
5122 F.I.C.A. Social Security	1,275	1,692	2,500	1,900
5123 F.I.C.A. Medicare	298	396	600	400
5125 Dental Insurance	179	208	100	200
5126 Life Insurance	85	98	200	100
5127 Health Care Savings	189	263	400	300
5130 Cafeteria Plan Benefits	3,159	5,197	8,700	6,600
5134 Other Post Retirement Benefits	137,298	(26,399)	-	-
5135 Retiree Health Insurance	11,623	9,528	10,300	10,900
5151 Worker's Compensation	2,100	600	7,500	7,300
TOTAL	157,660	(6,560)	33,000	29,900
OPERATING EXPENSES				
5200 Office Supplies	-	120	500	500
5201 Computer Supplies/Software	15,581	16,474	16,900	-
5205 Safety & Training Materials	318	529	700	700
5211 Cleaning and Janitorial Supplies	908	910	2,700	2,500
5241 Small Equipment	2,056	2,065	700	700
5301 Auditing Services	418	356	1,000	600
5305 Medical Services/Testing Fees	440	1,739	400	2,900
5310 Contract Services	24,284	500	-	-
5320 Data Services	8,321	8,468	9,300	5,800
5321 Telephone	4,339	4,167	4,500	4,500
5331 Training Expenses	4,495	2,214	1,500	2,800
5335 Mileage Reimbursement - Local	-	-	100	100
5356 Copier, Printer Lease & Supplies	2,688	4,049	4,700	3,700
5360 Insurance	3,100	-	-	8,800
5381 Electricity	11,679	11,879	10,400	13,000
5382 Water & Gas	5,696	7,658	11,900	13,200
5384 Refuse Disposal	8,542	8,021	5,600	6,500
5401 Building Repair & Maintenance	5,426	2,432	6,200	6,900
5414 Software Lic & Mtc Agreements	-	-	-	16,700
5433 Dues & Subscriptions	-	5,844	-	-
5439 Special Projects	4,500	-	-	-
5441 Other Services and Charges	23,527	34,736	6,700	8,700
5450 Laundry	2,638	2,405	2,200	2,200
5493 Cost Allocation Charges	150,700	150,700	150,700	151,800
5700 Transfer to General Fund	20,730	23,031	21,600	21,600
5700 Transfer to Special Revenue Funds	-	-	5,800	-
5700 Transfer to Internal Service Funds	-	131,800	121,000	100,000
TOTAL	300,386	420,097	385,100	374,200
1915 TOTAL - UTILITY EXPENSE	479,870	441,331	457,700	434,400

City of Duluth Minnesota - 2015 Budget

Engineering

535-500-1930

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

Expense Detail	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
PERSONAL SERVICES				
5100 Permanent Employees - Regular	328,308	390,749	438,000	459,100
5101 Permanent Employees - Overtime	12,530	33,273	25,000	25,000
5103 Temporary Wages	1,957	3,017	4,500	5,200
5118 Meal Allowance	-	204	-	-
TOTAL	342,795	427,243	467,500	489,300
EMPLOYEE BENEFITS				
5121 P.E.R.A.	23,950	29,273	31,500	34,100
5122 F.I.C.A. Social Security	20,481	25,232	29,000	30,300
5123 F.I.C.A. Medicare	4,790	5,901	6,800	7,100
5125 Dental Insurance	2,075	2,276	1,100	2,400
5126 Life Insurance	971	1,067	1,200	1,200
5127 Health Care Savings	4,418	6,240	5,800	12,500
5130 Cafeteria Plan Benefits	63,921	89,556	113,000	113,800
5141 Unemployment Compensation	546	-	-	-
TOTAL	121,152	159,545	188,400	201,400
OPERATING EXPENSES				
5200 Office Supplies	126	584	300	300
5201 Computer Supplies	8,464	7,837	15,800	1,000
5203 Paper, Stationery and Forms	517	408	300	300
5205 Safety & Training Materials	111	576	400	500
5212 Motor Fuel	1,999	3,147	2,000	2,000
5219 Other Miscellaneous Supplies	52	280	-	-
5240 Small Tools	357	743	600	800
5241 Small Equipment	2,353	1,258	4,200	2,700
5242 Survey Equipment and Supplies	3,965	3,268	5,100	5,600
5303 Engineering Services	5,940	19,807	135,000	135,000
5310 Contract Services	-	42	5,000	5,000
5320 Data Services	-	58	1,200	1,400
5321 Telephone	1,496	2,195	1,600	1,600
5322 Postage	13	-	100	100
5331 Training Expenses	4,490	4,235	13,500	9,100
5335 Mileage Reimbursement	114	1,669	200	6,000
5355 Printing and Copying	-	1,143	5,800	5,600
5356 Copier, Printer Lease & Spplies	3,408	4,313	3,900	4,400
5404 Equipment Maintenance Repair	416	110	600	600
5409 Fleet Services	2,638	3,158	2,600	2,600
5414 Software Lic & Mtc Agreements	-	-	-	8,700
5418 Vehicle/Equipment Lease	238	-	-	-
5433 Dues and Subscriptions	369	300	900	900
5435 Books and Pamphlets	-	86	200	200
5438 Licenses	136	-	100	-
5441 Other Services and Charges	1,309	788	68,600	68,700
5486 One Call system	2,953	2,968	3,000	3,000
TOTAL	41,464	58,973	271,000	266,100
1930 TOTAL - ENGINEERING	505,411	645,761	926,900	956,800

City of Duluth Minnesota - 2015 Budget

Customer Services

535-500-1940

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

Expense Detail	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
PERSONAL SERVICES				
5100 Permanent Employees - Regular	100,759	106,261	108,100	111,200
5101 Permanent Employees - Overtime	1,801	2,614	1,500	1,500
5118 Meal Allowance	18	29	-	-
TOTAL	102,578	108,904	109,600	112,700
EMPLOYEE BENEFITS				
5121 P.E.R.A.	6,994	7,544	7,600	8,000
5122 F.I.C.A. Social Security	6,275	6,639	6,800	7,000
5123 F.I.C.A. Medicare	1,467	1,552	1,600	1,600
5125 Dental Insurance	768	801	300	800
5126 Life Insurance	360	376	400	400
5127 Health Care Savings	3,830	1,606	1,000	1,700
5130 Cafeteria Plan Benefits	19,270	23,459	28,000	23,600
TOTAL	38,964	41,977	45,700	43,100
OPERATING EXPENSES				
5200 Office Supplies	660	366	600	600
5201 Computer Supplies	-	-	200	200
5203 Paper/Stationery	484	-	1,100	1,100
5241 Small Equipment	563	124	600	300
5310 Contract Services	18,818	17,714	17,200	17,200
5321 Telephone	100	102	200	200
5322 Postage	19,184	19,526	22,700	23,900
5331 Training Expense	212	462	600	800
5339 Armored Pickup	649	511	600	600
5355 Printing & Copying	380	-	100	100
5356 Copier, Printer Lease & Spllies	183	49	200	200
5401 Building Repair & Maintenance	85	170	-	-
5404 Equipment Repair & Maintenance	98	99	300	300
5427 Credit Card Commission	4,037	5,022	2,700	5,600
5432 Uncollectible Accounts	(16,441)	2,578	5,000	5,000
5441 Other Services & Charges	113	1,455	500	500
TOTAL	29,125	48,178	52,600	56,600
1940 TOTAL - CUSTOMER SERVICES	170,667	199,059	207,900	212,400

City of Duluth Minnesota - 2015 Budget

Utility Operations

535-500-1945

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

Expense Detail	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
PERSONAL SERVICES				
5100 Permanent Employees - Regular	766,626	779,817	787,900	891,700
5101 Permanent Employees - Overtime	78,483	68,291	80,000	80,000
5118 Meal Allowance	1,292	1,553	1,000	1,500
TOTAL	846,401	849,661	868,900	973,200
EMPLOYEE BENEFITS				
5121 P.E.R.A.	58,503	60,386	55,400	64,900
5122 F.I.C.A. Social Security	50,938	51,874	53,800	60,200
5123 F.I.C.A. Medicare	11,996	12,131	12,600	14,100
5125 Dental Insurance	5,331	5,658	2,400	5,900
5126 Life Insurance	2,517	2,666	2,700	2,900
5127 Health Care Savings	15,133	13,043	20,300	17,400
5130 Cafeteria Plan Benefits	147,850	178,108	198,000	219,300
TOTAL	292,268	323,866	345,200	384,700
OPERATING EXPENSES				
5200 Office Supplies	2,524	630	1,500	2,500
5201 Computer Supplies/Software	1,587	993	5,600	4,500
5202 Audiovisual & Photography	142	-	-	-
5205 Safety & Training Materials	1,568	1,481	2,300	3,100
5210 Plant Operating Supplies	2,709	12,149	9,500	9,700
5212 Motor Fuels	64,668	59,325	60,000	60,000
5218 Uniforms	1,421	1,187	4,100	5,600
5219 Other Miscellaneous Supplies	-	554	-	2,000
5220 Repair and Maintenance Supplies	15,006	25,432	5,800	8,000
5222 Blacktop	6,013	21,313	12,000	25,000
5224 Gravel and Other Maintenance Materials	54,170	57,345	27,700	38,500
5227 Utility Maintenance Supplies	122,348	51,521	53,000	80,500
5240 Small Tools	422	4,232	3,600	3,800
5241 Small Equipment	14,560	8,962	17,400	16,900
5310 Contract Services	7,714	16,399	9,300	9,300
5320 Data Services	367	187	-	-
5321 Telephone	2,390	1,124	2,000	1,300
5322 Postage	-	134	200	200
5331 Training Expense	8,272	2,608	8,100	8,000
5333 Freight and Delivery Charges	-	-	300	300
5335 Mileage Reimbursement	14,404	9,550	10,000	2,000
5355 Printing & Copying	5,304	4,102	-	100
5356 Copier, Printer Lease & Supplies	120	-	500	300
5382 Water /Sewer/Gas	561	1,156	800	-
5384 Refuse Disposal	14,020	12,730	10,900	11,800
5404 Equipment/Maintenance Repair	4,800	2,007	6,000	5,000
5409 Fleet Services	125,130	107,313	100,000	100,000
5414 Software Lic & Mtc Agreements	-	-	-	1,700
5415 Vehicle/Equip Rent	25,088	17,396	7,000	18,000
5433 Dues and Subscriptions	550	-	400	400
5438 Licenses	-	-	500	500
5441 Other Services & Charges	60	4,725	3,400	3,500
5450 Laundry	8,778	9,635	6,000	7,600
5700 Transfer to General Fund	498,792	413,421	498,000	435,000
TOTAL	1,003,488	847,611	865,900	865,100
1945 TOTAL - UTILITY OPERATIONS	2,142,157	2,021,138	2,080,000	2,223,000

City of Duluth Minnesota - 2015 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.

Estimated Revenues/Expenses	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
REVENUE				
Operating Revenue	2,272,395	2,214,922	2,200,000	2,200,000
Non-Operating	-	(16,570)	-	-
	<u>2,272,395</u>	<u>2,198,352</u>	<u>2,200,000</u>	<u>2,200,000</u>
EXPENSE				
Personal Services	389,757	378,549	441,800	455,600
Supplies	175,779	134,552	309,800	315,300
Other Services and Charges	125,926	134,559	182,200	369,500
Utilities	669,240	687,984	721,000	716,000
Depreciation	224,421	211,452	223,800	221,000
Transfers	41,000	41,000	42,200	41,000
	<u>1,626,123</u>	<u>1,588,096</u>	<u>1,920,800</u>	<u>2,118,400</u>
ESTIMATED OPERATING INCOME / (LOSS)	646,272	610,256	279,200	81,600
Other Sources of Cash	224,421	235,094	223,800	221,000
Other Uses of Cash	(142,036)	(167,394)	(529,500)	(500,000)
Increase (Decrease) in Cash	<u>728,657</u>	<u>677,956</u>	<u>(26,500)</u>	<u>(197,400)</u>

BUDGETED FTE'S	2012	2013	2014	2015
32 Traffic Operations Leadworker	1.0	1.0	1.0	1.0
30 Electrician	1.0	1.0	-	-
30 Signal Technician	2.0	2.0	3.0	3.0
22 Maintenance Worker	1.0	1.0	1.0	1.0
126 Information Technician	-	-	0.1	0.1
Division Total	5.0	5.0	5.1	5.1

City of Duluth Minnesota - 2015 Budget

Street Lighting Fund Estimated Unrestricted Cash Balance

OPERATING FUND	2014 Budget	2014 Projected	2015 Proposed
ESTIMATED OPERATING INCOME (LOSS)	279,200	261,700	81,600
<u>Other Sources of Cash</u>			
Depreciation and Amortization	223,800	205,500	221,000
Total Other Sources of Cash	<u>223,800</u>	<u>205,500</u>	<u>221,000</u>
<u>Other Uses of Cash</u>			
Due to Other Funds	-	600	-
Capital Improvements from Current Revenues	400,000	-	-
Capital Equipment Purchases	129,500	714,700	500,000
Total Other Uses of Cash	<u>529,500</u>	<u>715,300</u>	<u>500,000</u>
INCREASE (DECREASE) IN CASH	(26,500)	(248,100)	(197,400)
EST. UNRESTRICTED CASH AND DEBT SERVICE CASH- BEGINNING	<u>1,571,051</u>	<u>1,921,207</u>	<u>1,673,107</u>
EST. UNRESTRICTED CASH AND DEBT SERVICE CASH- ENDING	<u><u>1,544,551</u></u>	<u><u>1,673,107</u></u>	<u><u>1,475,707</u></u>

City of Duluth Minnesota - 2015 Budget

Street Lighting Fund

550

Revenue Detail	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
OPERATING REVENUES:				
4838 Street Lighting Fee	2,140,481	2,136,660	2,136,000	2,145,000
4636 Sale of Scrap	615	887	1,000	1,000
4654 Other Reimbursements	28,011	51,461	15,000	17,000
4680 Damages or Losses Recovered	93,451	16,012	40,000	30,000
4802 Interest Earned	9,837	9,902	8,000	7,000
TOTAL OPERATING REVENUE	2,272,395	2,214,922	2,200,000	2,200,000
NON-OPERATING REVENUES:				
4601 Change in Fair Value Investments	-	(16,570)	-	-
TOTAL NON-OPERATING REVENUES	-	(16,570)	-	-
TOTAL REVENUE	2,272,395	2,198,352	2,200,000	2,200,000

City of Duluth Minnesota - 2015 Budget

Street Lighting Fund

550

Operating Expense Detail	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
PERSONAL SERVICES				
5100 Permanent Employees - Regular	249,211	222,501	273,000	294,500
5101 Permanent Employees - Overtime	30,358	32,464	40,000	38,000
5103 Temporary Employees - Regular	-	11,479	-	5,900
5111 Long-Term Disability Wages	-	12,411	-	-
5118 Meal Allowance	-	30	-	-
TOTAL	279,569	278,885	313,000	338,400
EMPLOYEE BENEFITS				
5121 P.E.R.A.	19,851	17,593	19,400	21,400
5122 F.I.C.A. Social Security	16,912	16,230	19,400	21,000
5123 F.I.C.A. Medicare	3,955	3,796	4,500	4,900
5125 Dental Insurance	1,830	1,497	800	1,800
5126 Life Insurance	860	788	900	900
5127 Health Care Savings Plan	8,372	1,978	8,600	2,800
5130 Cafeteria Plan Benefits	58,408	57,782	75,200	64,400
TOTAL	110,188	99,664	128,800	117,200
OPERATING EXPENSES				
5200 Office Supplies	2,129	876	1,000	1,000
5201 Computer Supplies	135	65	500	-
5205 Safety & Training	1,935	4,584	1,500	1,500
5211 Cleaning/Janitorial Supplies	949	2,142	1,000	1,500
5212 Motor Fuels	7,883	7,927	12,000	11,000
5218 Uniforms	1,066	922	2,300	2,300
5219 Other Miscellaneous Supplies	7,092	8,477	3,000	4,000
5226 Sign & Signal Supplies	90,686	56,574	65,400	65,400
5230 Street Lighting Supplies	41,942	34,169	213,100	213,100
5240 Small Tools	10,550	5,431	4,000	5,000
5241 Small Equipment	11,412	13,385	6,000	10,500
5310 Contract Services	-	13,271	25,000	180,000
5319 Other Professional Services	-	-	15,000	50,000
5321 Telephone	2,156	2,322	2,000	2,300
5331 Travel/Training	3,489	3,024	1,500	3,000
5335 Mileage Reimbursement - Local	3,377	3,339	3,500	3,500

City of Duluth Minnesota - 2015 Budget

Street Lighting Fund

550

Operating Expense Detail	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
OPERATING EXPENSES CONTINUED				
5381 Electricity	669,240	687,984	721,000	716,000
5389 Street Lighting	17,716	7,040	18,000	18,000
5401 Bldg/Structure Repair & Maintenance	924	-	1,000	1,000
5404 Equipment Repair & Maintenance	-	1,193	500	500
5409 Fleet Service Charges	28,904	35,777	45,000	45,000
5414 Software Lic & Mtc Agreements	-	-	-	500
5415 Equipment Rental	185	-	500	500
5420 Depreciation	224,421	211,452	223,800	221,000
5432 Uncollectible Accounts	6,229	5,196	6,000	1,000
5433 Dues & Subscriptions	80	150	100	100
5435 Books	-	-	100	100
5438 Licenses	75	238	200	200
5441 Other Services & Charges	2,345	2,318	2,900	2,900
5450 Laundry	1,446	1,691	1,900	1,900
5493 Cost Allocation	59,000	59,000	59,000	59,000
5700 Interfund Transfers Out	41,000	41,000	42,200	41,000
TOTAL	1,236,366	1,209,547	1,479,000	1,662,800
TOTAL OPERATING EXPENSES	1,626,123	1,588,096	1,920,800	2,118,400
NON-OPERATING EXPENSES				
5533 Capital Improvements - Revenue Financing	-	36,189	400,000	-
5580 Capital Equipment	119,913	126,502	129,500	500,000
TOTAL NON-OPERATING EXPENSES	119,913	162,691	529,500	500,000
TOTAL STREET LIGHT UTILITY	1,746,036	1,750,787	2,450,300	2,618,400

City of Duluth Minnesota - 2015 Budget

Internal Service Funds

Funds

Self Insurance - Workers Comp
 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.

	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
FUND BALANCE - JANUARY 1	8,670,137	8,507,569	9,688,888	8,688,508
REVENUES				
Participation from Other Funds	11,494,449	12,851,095	22,008,420	23,222,481
Charges for Services	4,452,600	4,459,224	4,118,100	4,162,400
Miscellaneous	2,855,380	2,471,344	1,798,400	1,846,433
TOTAL REVENUES	<u>18,802,429</u>	<u>19,781,663</u>	<u>27,924,920</u>	<u>29,231,314</u>
EXPENSES				
Personal Services	1,898,721	1,777,768	2,026,400	2,011,900
Other Expenditures	4,952,985	4,982,056	4,669,600	4,941,345
Claims	12,113,291	11,840,521	22,229,300	21,632,056
TOTAL EXPENSES	<u>18,964,997</u>	<u>18,600,344</u>	<u>28,925,300</u>	<u>28,585,301</u>
FUND BALANCE - DECEMBER 31	8,507,569	9,688,888	8,688,508	9,334,521

City of Duluth Minnesota - 2015 Budget

Self Insurance - Worker's 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.

	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
FUND BALANCE - JANUARY 1	1,347,819	1,732,424	1,851,435	1,507,235
REVENUES				
Transfer from City Funds:				
General	700,000	479,676	500,000	500,000
Public Utility	243,300	170,800	130,500	114,200
Other Reimbursements	155,992	178,037	50,000	45,700
TOTAL REVENUES	<u>1,099,292</u>	<u>828,512</u>	<u>680,500</u>	<u>659,900</u>
EXPENSES				
Personal Services	325,059	231,212	368,700	319,600
Claims:				
Worker's Compensation	97,370	172,157	345,600	183,200
Other Services and Charges	292,258	306,133	310,400	325,600
TOTAL EXPENSES	<u>714,686</u>	<u>709,502</u>	<u>1,024,700</u>	<u>828,400</u>
FUND BALANCE - DECEMBER 31	1,732,424	1,851,435	1,507,235	1,338,735

City of Duluth Minnesota - 2015 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.

	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
FUND BALANCE - JANUARY 1	1,816,621	1,864,524	1,560,898	1,280,418
REVENUES				
Transfer from City Funds:				
General	400,000		150,000	400,000
Public Utility	294,300	268,800	225,100	188,200
Duluth Steam	2,912	3,072	3,100	500
Spirit Mountain	-	640	21,820	300
Duluth Airport	-	150	100	100
DEDA	21,754	20,925	20,500	23,000
Other Reimbursements	32,154	20,273	-	-
TOTAL REVENUES	<u>751,120</u>	<u>313,860</u>	<u>420,620</u>	<u>612,100</u>
EXPENSES				
Claims: Liability	423,237	214,419	385,900	387,200
Property/Boiler Insurance	112,588	112,056	108,000	107,300
Other Services and Charges	167,392	291,010	207,200	171,500
TOTAL EXPENSES	<u>703,217</u>	<u>617,485</u>	<u>701,100</u>	<u>666,000</u>
FUND BALANCE - DECEMBER 31	1,864,523.76	1,560,898	1,280,418	1,226,518

City of Duluth Minnesota - 2015 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.

	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
FUND BALANCE - JANUARY 1	4,876,328	4,041,835	5,110,186	5,126,986
REVENUES				
City Employer/Employee Premiums	9,120,839	11,170,123	20,661,200	21,177,013
Sub-Group Employer/Employee Premium	1,472,544	1,607,488	1,722,900	1,732,537
Miscellaneous	1,125,553	596,393	-	-
TOTAL REVENUES	11,718,936	13,374,004	22,384,100	22,909,550
EXPENSES				
Personal Services	255,000	255,000	255,000	255,000
Claims	10,953,267	10,809,882	20,836,900	20,282,012
Other Services and Charges	1,345,162	1,240,771	1,275,400	1,569,602
TOTAL EXPENSES	12,553,429	12,305,653	22,367,300	22,106,614
FUND BALANCE - DECEMBER 31	4,041,835	5,110,186	5,126,986	5,929,922

City of Duluth Minnesota - 2015 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.

	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
FUND BALANCE - JANUARY 1	403,689	492,040	598,973	206,473
REVENUES				
City Employer/Employee Premiums	711,344	736,909	296,100	819,168
Sub-Group Employer/Employee Premiums	69,138	69,154	25,500	68,196
TOTAL REVENUES	780,482	806,063	321,600	887,364
EXPENSES				
Claims	639,417	644,063	660,900	779,644
Other Services and Charges	52,714	55,067	53,200	56,243
TOTAL EXPENSES	692,131	699,130	714,100	835,887
FUND BALANCE - DECEMBER 31	492,040	598,973	206,473	257,950

City of Duluth Minnesota - 2015 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.

	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
FUND BALANCE - JANUARY 1	225,680	376,746	567,396	567,396
REVENUES				
Fleet Services				
General Fund	3,330,053	3,307,422	3,070,200	3,072,900
Parks Fund	9,015	11,012	9,500	8,500
Golf Fund	72,434	66,966	65,000	66,000
Parking Fund	3,161	21,234	22,000	22,000
Water and Gas	603,317	612,097	544,900	587,200
Sewer	197,562	214,213	179,100	179,400
Stormwater	194,436	172,944	164,600	164,600
Street Light Utility	36,787	43,704	57,000	56,000
Other	5,835	9,632	5,800	5,800
TOTAL REVENUES	4,452,600	4,459,224	4,118,100	4,162,400
EXPENSES				
Personal Services	956,576	921,554	1,001,100	1,034,100
Benefits	362,086	370,002	401,600	403,200
Other Expenses	2,982,872	2,977,018	2,715,400	2,711,100
TOTAL EXPENSES	4,301,534	4,268,574	4,118,100	4,148,400
FUND BALANCE - DECEMBER 31	376,746	567,396	567,396	581,396
BUDGETED FTE'S				
1115 Manager, Maintenance Operations	0.2	0.25	0.25	0.25
1050 Mgr, Maintenance & Supply	1	1	1	1
133 Budget Analyst	0.2	0.25	0.1	0.1
32 Fleet Services Leadworker	2	2	2	2
28 Fleet Assistant	0	0	1	1
28 Mechanic	6	6	6	6
28 Welder	2	2	2	2
27 Storekeeper	1	1	1	1
27 Industrial Equipment Technician	1	1	1	1
25 Equipment Maintenance Spec	2	2	2	2
24 Assistant Storekeeper	2	2	1	1
22 Maintenance Worker	1	1	1	1
Division Total	18.4	18.5	18.35	18.35

City of Duluth Minnesota - 2015 Budget

Fleet Services

660-015

EXPENSE DETAIL	2012 Actual	2013 Actual	2014 Budget	2015 Proposed
PERSONAL SERVICES				
5100 Permanent Employees - Regular	940,412	908,872	981,100	1,014,100
5101 Permanent Employees - Overtime	16,164	12,682	20,000	20,000
5103 Temporary Employees - Regular	-	-	-	-
TOTAL	956,576	921,554	1,001,100	1,034,100
5121 P.E.R.A.	62,555	63,189	69,400	74,300
5122 F.I.C.A. Social Security	57,561	56,051	62,100	64,100
5123 F.I.C.A. Medicare	13,462	13,109	14,500	15,000
5125 Dental Insurance	6,678	6,622	2,800	6,600
5126 Life Insurance	4,295	4,877	3,300	3,300
5127 Health Care Savings Plan	30,840	15,127	9,200	9,400
5130 Cafeteria Plan Benefits	186,695	211,027	240,300	230,500
TOTAL	362,086	370,002	401,600	403,200
OTHER EXPENDITURES				
5200 Office Supplies	2,693	2,159	4,000	1,500
5201 Computer Supplies/Software	-	805	4,000	1,500
5205 Safety & Training Materials	2,369	1,796	4,000	4,000
5210 Plant/Operating Supplies	22,752	19,395	16,000	16,000
5212 Motor Fuel	1,407,999	1,512,294	1,320,700	1,320,700
5215 Shop Materials	13,982	16,256	13,000	5,000
5219 Other Miscellaneous Supplies	5,654	4,131	10,000	10,000
5221 Equipment Repair Supplies	1,152,125	984,742	922,900	900,100
5240 Small Tools	6,167	6,868	10,000	10,000
5241 Small Equipment	1,410	3,039	2,000	2,000
5405 Medical Services/Testing Fees	-	-	500	500
5319 Other Professional Services	4,020	-	1,500	1,500
5320 Data Services	4,491	4,441	5,000	5,000
5321 Telephone	709	742	500	500
5331 Travel/Training	2,104	4,029	8,000	8,000
5335 Mileage Reimbursement	-	-	2,000	-
5356 Copier, Printer Lease & Supplies	-	5,122	-	5,000
5381 Electricity	14,491	15,132	15,800	15,800
5382 Water, Gas and Sewer	11,170	14,962	15,000	25,000
5384 Refuse Disposal	594	595	2,000	2,000
5401 Building Structure Repair	1,002	3,244	6,000	6,000
5404 Equipment Repair & Maintenance	115,203	145,854	125,500	129,500
5414 Software Licenses & Maintenance	-	-	-	1,900
5418 Vehicle/Equipment Lease	3,947	-	4,000	-
5419 Other Rental	-	-	1,500	1,500
5420 Depreciation	65,099	63,759	55,000	42,800
5438 Licenses	8,000	1,394	9,000	4,000
5441 Other Services and Charges	11,817	41,280	27,000	25,100
5450 Laundry	16,874	16,779	18,000	18,000
5493 Cost Allocation Charges	108,200	108,200	108,200	108,200
5580 Capital Equipment	-	-	-	40,000
5700 Transfer to Special Revenue Funds	-	-	4,300	-
TOTAL	2,982,872	2,977,018	2,715,400	2,711,100
TOTAL EXPENSES	4,301,534	4,268,574	4,118,100	4,148,400