



Council Agenda Item 25-0511R

MEETING DATE: June 16, 2025

SUBJECT/TITLE: RESOLUTION CONFIRMING THE ASSESSMENT ROLL OF DELINQUENT UTILITY FEES DURING THE PERIOD OF JANUARY 1, 2024, TO DECEMBER 31, 2024.

SUBMITTED BY: Josh Goodwater, Administrative Finance Specialist, Finance Department

RECOMMENDATION: Approve.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION:

PREVIOUS COUNCIL ACTION:

BACKGROUND: The City of Duluth department of Utilities confirm assessments for delinquent sewer, water and storm water utility fees totaling \$31,266.66 payable during the period of January 1, 2024, to December 31, 2024, as provided for in Chapter 43 of the Duluth City Code. On or before June 1 of each year, an administrator of the Utilities department transmits to the city treasury office a list of properties upon which utility fees have occurred and are delinquent. The city treasury office then charges an assessment service fee to bill and collect the delinquent fees on behalf of the Utilities department for which the current rate for 2025 is \$51 per property.

BUDGET/FISCAL IMPACT: Utility rates are designed to recover costs to provide services including labor, capital investments, maintenance, and operational expenses. When past due accounts are not collected, the utility funds must absorb the unrecovered expenses, which strains the utility's financial resources and may shift the burden of these costs onto other ratepayers. To support effective collection, the City has a mechanism in place to assess past due utility balances to property taxes, thereby enhancing the ability to recover outstanding amounts.

When all properties have paid for their delinquent assessments, the general fund will receive a total of \$4,437 in service fees to cover the administrative costs of assessing the delinquent fees on behalf of the Utility department. Penalty and interest will accrue and be added as well if not paid by October 1st, 2025.

OPTIONS: N/A

NECESSARY ACTION: Approve the agenda item.

ATTACHMENTS: N/A

