

PILOT Information

Traditionally Payments-In-Lieu-of Taxes (PILOT) is a payment made for the sale of utilities that could often be served by private entities (ie. electric and natural gas sales). For Princeton Public Utilities, this would include electric-only activities.

Values		Notes		Source	
PPU Electric Property Valuation		\$2,185,200		Daryl Moeller, Mille Lacs County Assessor	
PILOT Amount		\$26,348	The amount of city property taxes that would be generated	Daryl Moeller, Mille Lacs County Assessor	
Deductions (2018 - 2020 average)					
Muni Utilities (Reduced electric and water rates)		\$15,909	Reduced City rate for water and electric	PPU Year-End Billing Totals	
Street Lighting		\$36,868	Street Lights and Signal Expense plus unbilled kWh less Street Light Fees. Note: it is estimated that if Xcel served Princeton, the cost to the City for Street Lighting would be between \$33,000 and \$145,00 beyond Street Light Fee revenues.	PPU Budget Category Report (64-0580-5851)	
Unbilled utilities (not including street lighting)		\$2,278	Unbilled water for sewer jetting, street sweeping, and fire usage.	PPU Year-End Billing Totals	
Fire Protection		\$11,900	Repair and Maintenance of City Fire Hydrants (2018-2020 average)	PPU Budget Category Report (61-0580-56872)	
Utility Billing Costs - City Payments		\$78,933	33% of Water's overhead costs (administration, benefits, equipment, IT, supplies, training) and 50% of Water's Customer Accts (direct labor and mailings) less City payments	PPU Budget Category Report (Gen & Admin / 3) and PPU Budget Category Report (Customer Accounts / 2)	
In-Kind Contributions		\$0	Assistance utility provides city and city provides utility. Assumed to be comparable.		
Cost Remainder		-\$119,539	Difference between the PILOT Amount and the Total Deductions		