

FINANCE COMMITTEE

14-051-O

ORDINANCE NO. _____

AN ORDINANCE AMENDING SECTION 48-28 OF THE DULUTH CITY CODE, 1959, AS AMENDED, REGARDING EXCESS PILOT FUNDS.

CITY PROPOSAL:

The city of Duluth does ordain:

Section 1. That Section 48-28 of the Duluth City Code, 1959, as amended, is hereby amended to read as follows:

Sec.48-28. Disposition of money collected under chapter.

(a) Except as provided for in subsections (b) ~~and~~ (c) ~~and~~ (d) below, all money collected or recovered under the provisions of this Chapter shall be paid into the water and gas fund for the benefit and use of the department or by resolution of the city council for the benefit and use of the city;

(b) For the purposes of this Section, the following terms shall have the meanings hereinafter ascribed to them:

(1) PILOT shall mean those funds authorized to be transferred out of the gas division account in any year pursuant to the authority of Minnesota Session Laws, 1951, Chapter 507, Section 1, as amended by Minnesota Session Laws, 1993, Chapter 148, Section 1;

(2) Base PILOT shall mean ~~the PILOT from the calendar year preceding the year in which the current PILOT is to be determined. For the year 2008 only, the base PILOT shall be deemed to have been \$4,000,000,~~ \$3,600,000 beginning in 2014 and increased annually thereafter by the preceding year change in consumer price index for all consumers (CPI-U), for U.S. city average issued by the bureau of labor statistics of the U.S. department of labor or its successor index;

(3) Current PILOT shall mean the PILOT for the year then current;

(4) Incremental PILOT shall mean the difference between the base PILOT and the current PILOT in any year;

(c) The base PILOT shall be deposited in the general fund.

~~(d) Nothing to the contrary in the foregoing, t~~The incremental PILOT shall be deposited in the street system utility fund and used as follows:

~~(1) The amount of the incremental PILOT, up to an amount equal to the base PILOT times the increase from the preceding year in the consumer price index for all urban consumers (CPI-U), for U.S. city average (1982-84 = 100) issued by the bureau of labor statistics of the U.S. department of labor or its successor index, shall be deposited in the general fund of the city,~~

~~(2) The remaining amount of the incremental PILOT in excess of the amount determined in sub-subsection (1) above, if any, shall be deposited in the other post employment benefits-retiree healthcare fund.~~

Section 2. That this ordinance shall take effect 30 days after its passage and publication.

Approved:



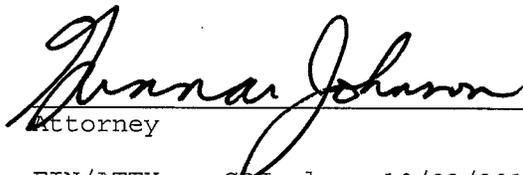
Department Director

Approved for presentation to council:



Chief Administrative Officer

Approved as to form:



Attorney

Approved:



Auditor

FIN/ATTY GEJ:sl 10/03/2014

STATEMENT OF PURPOSE: The purpose of this ordinance is to reallocate PILOT funds between the general fund and the street system utility fund.