

Sherman Hill Historic Street Lighting Self Supported Municipal Improvement District (SSMID)

❖ *Establishment*

On June 2, 1997 (Ordinance No. 13488) City Council established the Sherman Hill Historic Street Lighting Self-Supported Municipal Improvement District. The ordinance establishes the life of the district from July 1, 1998 through June 30, 2018 which can be extended by the City Council for an additional five years unless a petition of owners of not less than 40 percent of the valuation of the area is submitted opposing such extension. The maximum rates are:

| | |
|---------------------|--------|
| FY99 – FY03 | \$1.50 |
| FY04 – FY08 | \$2.00 |
| FY09 – FY13 | \$2.50 |
| FY14 – FY18 | \$3.00 |
| FY19 and thereafter | \$3.50 |

The fiscal year 2009 rate is \$1.50 for districts #1 and #2.

The attached information shows the expected tax income from the entire Sherman Hill SMIDD is about \$35,000 annually. Combined with the replacement credit and PILOT, expected annual income is approximately \$42,000. The last two years of electric usage indicates expenses for electricity should be roughly \$8,000 annually. The annual inspection and cleaning contract is approximately \$6,700. Lamp repairs, light bulb replacements, and locate expenses vary annually.

❖ *Notes to revenue and expenses*

Sale of Property

In February 2002, Council approved the sale of land at 673 20th Street, and 677 20th Street, to the Sherman Hill Association, Inc., with the provision for the proceeds to be applied to the maintenance of the historic street lighting in the two SSMID districts. Each district received \$9,725 in June of 2003—total of \$19,450.

PILOT

In March of 1997, the City entered into an agreement with Iowa Methodist Medical Center, Sherman Hills Association, and Hoyt Sherman Place Foundation, for a payment in lieu of taxes (PILOT) on their tax exempt properties. The amount of the payment is equal to the taxes that would have been generated by the levy of the Sherman Hill SSMID Operation Tax on the assessed value of the property.

Iowa Methodist Medical Center and Sherman Hill Association, Inc. sold their tax-exempt properties and are no longer responsible for payment. Hoyt Sherman Place Foundation property is located at 1501 Woodland. Revenue is deposited in Sherman Hill Street Lighting District #1.

Replacement Credit

Language in the 1998 agreement approved by Council provides for a replacement credit to be paid by the City to the SSMID. The agreement states that if the illumination of the historic lighting is at a level to allow the City to remove all or a portion of existing street lights, the annual savings to the City (net the costs of removal) shall be paid to the SSMID to reduce the amount of the operation tax that must be levied against the properties within the district to support the operation and maintenance of the improvements. The annual contribution is \$6,525.96. Revenue is deposited in Sherman Hill Street Lighting District #2.

Sherman Hill Street Lighting District # 1

Calendar Year

| Revenue | 2003 | 2004 | 2005 | 2006 | 2007 |
|--------------|---------------|--------------|--------------|--------------|--------------|
| January | 68 | 132 | 67 | 207 | - |
| February | - | - | - | - | 0 |
| March | 42 | - | 23 | 43 | 88 |
| April | 1,191 | 1,557 | 1,028 | 1,535 | 1,962 |
| May | 654 | 360 | 436 | 434 | 775 |
| June | 9,726 | 38 | - | 172 | 107 |
| July | 41 | 96 | 44 | 126 | 139 |
| August | - | - | - | - | - |
| September | - | 16 | 87 | 108 | 45 |
| October | 1,528 | 1,268 | 1,601 | 1,435 | 2,129 |
| November | 573 | 344 | 632 | 1,250 | 744 |
| December | 51 | 17 | 34 | 41 | 35 |
| TOTAL | 13,873 | 3,829 | 3,952 | 5,352 | 6,024 |

| Expenditures | 2003 | 2004 | 2005 | 2006 | 2007 |
|--------------|--------------|--------------|--------------|--------------|--------------|
| January | 214 | - | 791 | - | 250 |
| February | 322 | - | 132 | 377 | 413 |
| March | 196 | 702 | 138 | 282 | 334 |
| April | - | - | 117 | 118 | 123 |
| May | 156 | 239 | 109 | - | 265 |
| June | 158 | 99 | 404 | 312 | 220 |
| July | 79 | 85 | 389 | - | - |
| August | 252 | 87 | - | 179 | 309 |
| September | 83 | 437 | 663 | 92 | 96 |
| October | 89 | 289 | 97 | - | 112 |
| November | - | 91 | 200 | 100 | 142 |
| December | - | 315 | - | 368 | - |
| TOTAL | 1,547 | 2,344 | 3,040 | 1,828 | 2,264 |

| End of Year Balance | 16,731 | 18,216 | 19,128 | 22,652 | 26,411 |
|---------------------|--------|--------|--------|--------|--------|
|---------------------|--------|--------|--------|--------|--------|

Note: Dates reflect City warrant date to vendors and receipt date from County. PILOT is allocated to the appropriate April or October due.

Sherman Hill Street Lighting District # 2

Calendar Year

| Revenue | 2003 | 2004 | 2005 | 2006 | 2007 |
|--------------|---------------|---------------|---------------|---------------|---------------|
| January | 333 | 516 | 916 | 718 | 554 |
| February | 176 | 620 | 884 | 731 | 1,218 |
| March | 489 | 741 | 892 | 660 | 798 |
| April | 5,339 | 6,356 | 7,567 | 7,069 | 7,770 |
| May | 2,582 | 4,033 | 3,960 | 4,450 | 5,206 |
| June | 10,066 | 918 | 843 | 1,438 | 1,066 |
| July | 1,692 | 652 | 1,416 | 1,501 | 3,373 |
| August | 544 | 544 | 544 | 544 | 544 |
| September | 583 | 628 | 802 | 948 | 864 |
| October | 5,882 | 6,388 | 8,185 | 7,721 | 7,292 |
| November | 4,690 | 4,766 | 3,103 | 5,963 | 6,196 |
| December | 814 | 1,678 | 1,387 | 844 | 1,999 |
| TOTAL | 33,191 | 27,841 | 30,499 | 32,588 | 36,881 |

| Expenditures | 2003 | 2004 | 2005 | 2006 | 2007 |
|--------------|---------------|---------------|---------------|---------------|---------------|
| January | 1,004 | - | 1,011 | - | 926 |
| February | 2,571 | 13,788 | 1,706 | 1,745 | 1,777 |
| March | 3,188 | 5,144 | 624 | 1,088 | 2,084 |
| April | - | - | 1,323 | 3,530 | 636 |
| May | 810 | 1,030 | 466 | 100 | 677 |
| June | 713 | 2,645 | 1,790 | 1,550 | 1,058 |
| July | 593 | 2,870 | 352 | - | - |
| August | 351 | 401 | - | 2,125 | 2,640 |
| September | 353 | 1,677 | 2,362 | 1,154 | 379 |
| October | 8,773 | 1,772 | 397 | 400 | 748 |
| November | - | 644 | 6,825 | 6,707 | 579 |
| December | - | 7,559 | 704 | 1,589 | 6,510 |
| TOTAL | 18,354 | 37,529 | 17,560 | 19,988 | 18,011 |

| | | | | | |
|----------------------------|---------------|---------------|---------------|---------------|---------------|
| End of Year Balance | 27,088 | 17,400 | 30,339 | 42,938 | 61,807 |
|----------------------------|---------------|---------------|---------------|---------------|---------------|

Note: Dates reflect City warrant date and receipt date from County. Replacement credit is reflected as a per month revenue.

Revenue History

| Calendar Year | | | | | | |
|--|---------------|--------------|--------------|--------------|--------------|---------------|
| District #1 | 2003 | 2004 | 2005 | 2006 | 2007 | Total |
| Property Tax | 3,175 | 2,856 | 2,979 | 4,652 | 5,674 | 32,400 |
| Pilot-Hoyt Sherman Place | 700 | 700 | 700 | 700 | 350 | 6,300 |
| Pilot-IA Methodist Medical Center | - | - | - | - | - | 604 |
| Pilot-Sherman Hill Association | 273 | 273 | 273 | - | - | 2,001 |
| Pilot-Neighborhood develop. Corp. | - | - | - | - | - | - |
| Sale of Property (673 & 677 20th Street) | 9,725 | - | - | - | - | 9,725 |
| Total | 13,873 | 3,829 | 3,952 | 5,352 | 6,024 | 51,030 |

| District #2 | 2003 | 2004 | 2005 | 2006 | 2007 | Total |
|--|---------------|---------------|---------------|---------------|---------------|----------------|
| Property Tax | 20,747 | 21,315 | 23,973 | 26,062 | 30,355 | 201,602 |
| Sale of Property (673 & 677 20th Street) | 9,725 | - | - | - | - | 9,725 |
| Replacement Credit | 2,719 | 6,526 | 6,526 | 6,526 | 6,526 | 28,823 |
| Total | 33,191 | 27,841 | 30,499 | 32,588 | 36,881 | 240,150 |

Expenditure History

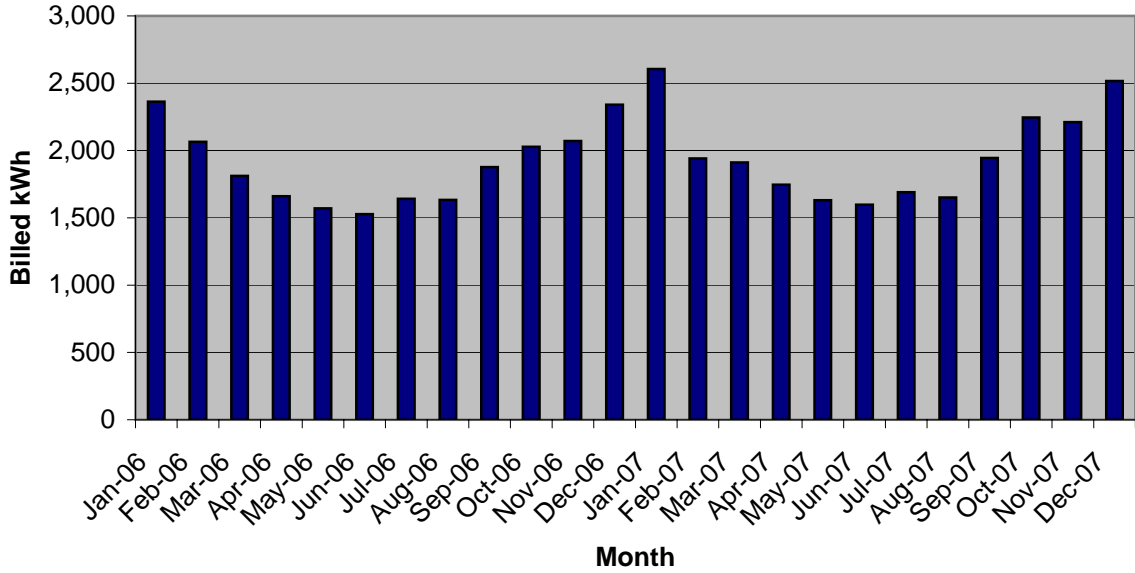
| Calendar Year | | | | | | |
|---------------------|--------------|--------------|--------------|--------------|--------------|---------------|
| District #1 | 2003 | 2004 | 2005 | 2006 | 2007 | Total |
| MidAmerican Energy | 1,447 | 1,594 | 1,084 | 1,628 | 1,321 | 15,458 |
| Burns Electric | - | - | - | - | - | 1,872 |
| Sherman Hill Assoc. | - | - | - | - | 120 | 875 |
| The Waldinger Co. | 100 | 750 | 1,956 | 200 | 823 | 4,685 |
| Legal Expenses | - | - | - | - | - | 1,731 |
| Total | 1,547 | 2,344 | 3,040 | 1,828 | 2,264 | 24,621 |

| District #2 | 2003 | 2004 | 2005 | 2006 | 2007 | Total |
|---------------------|---------------|---------------|---------------|---------------|---------------|----------------|
| MidAmerican Energy | 6,146 | 7,783 | 4,864 | 7,256 | 5,677 | 65,859 |
| Burns Electric | - | - | - | - | - | 356 |
| Sherman Hill Assoc. | - | - | - | - | 548 | 3,262 |
| Brown Bros. | - | - | - | - | - | 6,511 |
| The Waldinger Co. | 12,208 | 28,996 | 12,696 | 12,733 | 11,786 | 99,873 |
| Legal Expenses | - | 750 | - | - | - | 2,481 |
| Total | 18,354 | 37,529 | 17,560 | 19,988 | 18,011 | 178,342 |

Sherman Hill SSMID Valuation, Rate, and Levy Information

| Fiscal Year | DISTRICT 1 | | | DISTRICT 2 | | |
|-------------|------------|---------|----------------|------------|---------|----------------|
| | Valuation | Rate | Computed Taxes | Valuation | Rate | Computed Taxes |
| 1998-99 | 1,832,999 | 1.50000 | \$ 2,749 | 11,137,666 | 1.50000 | \$ 16,706 |
| 1999-00 | 1,846,064 | 1.50000 | \$ 2,689 | 11,316,566 | 1.50000 | \$ 16,470 |
| 2000-01 | 1,995,736 | 1.50020 | \$ 2,994 | 12,219,248 | 1.50001 | \$ 18,329 |
| 2001-02 | 2,031,238 | 1.50007 | \$ 3,047 | 12,489,640 | 1.49980 | \$ 18,732 |
| 2002-03 | 2,067,388 | 1.49996 | \$ 3,101 | 13,070,928 | 1.49997 | \$ 19,606 |
| 2003-04 | 2,242,318 | 1.49979 | \$ 3,363 | 14,216,266 | 1.49997 | \$ 21,323 |
| 2004-05 | 2,812,998 | 0.80377 | \$ 2,261 | 16,448,376 | 1.50003 | \$ 24,673 |
| 2005-06 | 2,698,188 | 1.49508 | \$ 4,034 | 16,065,646 | 1.50003 | \$ 24,099 |
| 2006-07 | 3,703,248 | 1.50003 | \$ 5,555 | 19,827,036 | 1.50002 | \$ 29,741 |
| 2007-08 | 3,630,958 | 1.50000 | \$ 5,446 | 20,579,994 | 1.50000 | \$ 30,870 |

Sherman Hills Street Lighting District #1
Billed kWh Usage by Month



Sherman Hills Street Lighting District #2
Billed kWh Usage by Month

