

**RESOLUTION #2022-1 OF THE BOARD OF DIRECTORS  
OF THE  
SKYLINE IMPROVEMENT AND SERVICE DISTRICT  
TO AUTHORIZE INTERFUND LOAN**

The undersigned members of the Board of Directors (the "Board") of the Skyline Ranch Improvement and Service District (the "District") hereby adopt the following resolution to authorize an interfund loan in the amount of Fifty-Eight Thousand, Seven Hundred Fifty Dollars (\$58,750.00).

**WHEREAS**, by Resolution 2021-05 dated December 16, 2021, the District approved a groundwater exploration grant from the Wyoming Water Development Commission (the "WWDC") (the "Grant");

**WHEREAS**, the Grant set forth the terms and conditions by which the District shall enter into a contract with a drilling company to conduct water exploration drilling to locate a new well to increase supply capability, provide added water system redundancy, and come into compliance with current Wyoming Department of Environmental Quality regulations (the "Contract");

**WHEREAS**, the Grant requires the WWDC to pay for seventy-five percent (75%) of authorized Contract work up to a maximum of One Hundred Seventy-Six Thousand, Two Hundred Fifty Dollars (\$176,250.00), and the District to pay for twenty-five percent (25%) of such costs;

**WHEREAS**, the cost of the Contract work is expected to total Two Hundred Thirty-Five Thousand Dollars (\$235,000.00);

**WHEREAS**, the Grant states that, should the cost of the Contract work exceed the authorized Grant amount of Two Hundred Thirty-Five Thousand Dollars (\$235,000.00), the District shall solely bare such additional costs;

**WHEREAS**, Wyo. Stat. § 16-12-414 authorizes a governing body of a special district to authorize, by resolution, an interfund loan from one fund to another at interest rates and terms for repayment as it may prescribe; and

**WHEREAS**, the Board desires to loan funding from its road overlay account to its water reserve account to pay the cost of the Contract work for which it is responsible under the Grant.

**NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:**

1. The District is hereby authorized to loan Fifty-Eight Thousand, Seven Hundred Fifty Dollars (\$58,750.00) from its road overlay account to its water reserve account (the "Loan").
2. The District shall repay the Loan in five (5) equal annual installments of Eleven Thousand, Seven Hundred Fifty dollars (\$11,750.00), beginning in the 2022-2023 Fiscal Year and ending in the 2026-2027 Fiscal Year.

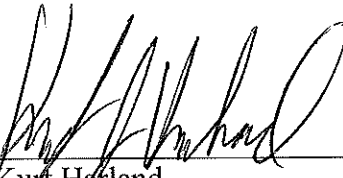
3. The Loan payments shall be generated by annual assessments in the amount of One Hundred Thirty dollars and Fifty-Six cents (\$130.56) per Lot for the duration of the Loan.

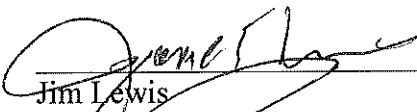
4. This annual assessment amount may be increased or decreased by the District should the total cost for Contract work exceed or fall short of two-hundred thirty-five thousand dollars (\$235,000.00).

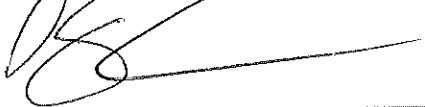
5. Loan Interest shall accrue annually in arrears on the average outstanding loan balance for the preceding year at a rate to be determined by the Board annually not to exceed two percent (2%) per annum.

6. A separate account with First Interstate Bank is authorized to segregate and hold the Loan and to make monthly disbursement to the contractors for Contract work.

Dated this 20<sup>th</sup> day of June, 2022.

  
Kurt Hafland

  
Jim Lewis

  
Latham Jenkins