

SKYLINE IMPROVEMENT AND SERVICE DISTRICT  
MINUTES OF THE BOARD MEETING  
April 20, 2023

A public meeting of the Directors of the Skyline Improvement and Service District was held on April 20, 2023, in person and via Zoom.

Kurt Harland and Bob Norton constituting a quorum were present.

Attending in person were Maria Johnson and Wendy Meyring.

Attending via Zoom were John Willott, Michael Minter and Worthy Johnson.

**Call to Order:**

Kurt Harland called the meeting to order at 4:02 p.m.

1. **Review and approve Board minutes of February 16, 2023:**

**Action:** Bob Norton made a motion to approve the minutes, noting the change needed during Public Comment. Kurt Harland seconded the motion. The minutes passed 2-0.

**Public Comment:**

Worthy Johnson – The reference, under Action, to the transfer of funds of \$38,708.53 on page two of the minutes should be from the operating reserve to the water reserve and not the road reserve.

2. **Changes to the Agenda:**

**Action:** Kurt Harland asked if there are any changes needed to the agenda.

3. **Adoption of the Agenda:**

**Action:** Kurt Harland made a motion to adopt the agenda with a single change to number 10, Approval of Ad for Water Meter Bids. Bob Norton seconded the motion. The motion passed 2-0.

**Board Comment:**

Bob Norton - The only thing I have is under the Water Meter Update, item number 10, I would like to add Approval of the Advertisement for Bids.

4. **Public Comment on items not appearing on the Agenda:**

**Action:** Bob Norton or Wendy Meyring will contact Evan's Construction to determine if they can pick up the sand and debris on the roads and the timing of the sweeping to notify owners.

Worthy Johnson - We have previously talked about sweeping the roads in the spring. Whatever that is defined in the contract, I would request that we try to find more funds to allow for the picking up and removal of the sand vs. just sweeping it to the sides of the road. There is a substantial amount of sand that may be worth collecting.

Secondly, I was told that when Jim Lewis and Kurt Harland talked to the Krisiks a couple of years ago regarding upgrading the pump house and rebuilding it, that they would also have landscaping added to the west of the pump house between the Krisiks house and the pump house so that it could be softened from their vantage point. I think it would be worthwhile for the board to hold up their end of that agreement and get some trees planted there. It would, I think, help the neighborhood and the board as well. Thank you.

**Board Comment:**

Kurt Harland - I agree with the sweeping, I think it's particularly bad at the entrance. We have previously hired Trees Inc., to power sweep the yards into the road and collect it all. It's quite expensive. So, I'm a little worried on how we can accomplish that in a cost-effective way.

Bob Norton - So when we hired Trees Inc. to do it, we asked them to pick it up. With Evans, they put it in their snow plowing bid, their intent is to sweep it just off to the sides of the road. I think we need to pick it up. The issue. We'll have to pay Evans more, due to the way their contract's written, unless we can negotiate them.

Kurt Harland - Or will they pick it up? That's the question. When we had Trees Inc. to the work, we bought two power sweepers that are in the lower pump house that Trees Inc. used to bring all the gravel onto the road and then pick it up. It worked really well, but it was expensive. I think we spent \$10,000 to \$12,000 on it.

Bob Norton - My suggestion is we talk to Evans and see if we can get them to sweep the road and pick it up.

Kurt Harland - They don't like doing that cause it picks up grass and all kinds of other crap.

Bob Norton - They can reuse it. I'll see what we can do.

Kurt Harland - Trees Inc. did call me and they were wondering if we wanted him to do it, so if you can talk to Evans and that doesn't work, I can reach out to Trees Inc.

Bob Norton - Well the other issue I have is, talking from the Treasurer standpoint, we didn't budget for sweeping the yards and I don't think we have that flexibility. We might have enough to have Evans pick it up rather than sweep it onto the yards, but I don't know because that shouldn't cost more than a few thousand more. But we don't have 12,000. So my suggestion is if we need to do that, we need to budget next year for that to happen.

Kurt Harland - Part of me too though, I mean it's part of the homeowner's responsibility as well.

Bob Norton - It is, in my opinion, it is. I don't think it's something we do. It's not like we'd be doing it in every yard. It's only where it's got stockpile then it gets bad, which I've got a couple of those on my yard.

**Public Comment:**

Maria Johnson - And those gullies.

**Board Comment:**

Kurt Harland - To clean out the gullies so that they drain.

Bob Norton - That's the reason I like to sweep it and pick it up off the road, so we don't keep filling the gullies.

**Public Comment:**

Mike Minter - would it be helpful to know when Evans will undertake the sweeping so residents can rake their own properties.

**Public Comment:**

Maria Johnson - 650 North West Ridge, they took all their snow and they put it over onto 600 N. West Ridge Road, so that their workman could park. The piles of snow on Frankel's property are 35 feet back. There's debris. It's bad. It's amazing how nature takes care of itself in the spring when everything melts, but it's bad. I think you guys ought to look at it.

Worthy Johnson - Didn't it break the fence?

**Board Comment:**

Kurt Harland - That is an issue if people are removing stuff from their property and putting it to someone else's. We will take a look at it.

**Public Comment:**

Worthy Johnson - When you go into the website and you hit Site Committee and you get into overview on the left side, it does not correctly say that this is Skyline Ranch ISD. I think you ought to straighten that out because, as you know, Skyline ISD is in a different county. And secondly, on the right-hand side, under board members you are also saying it's Skyline ISD as board members and you're not board members of Skyline ISD, you're board members of Skyline Ranch ISD. It just might be nice to clean that up.

If you're going to hold the meetings now in Mountain Property Management's conference room, it'd be good to take Kurt's office number off and address and put Wendy's on. Just some thoughts.

**Board Comment:**

Bob Norton - Let me tell you a little bit about that confusion. When the district was formed, it was formed as Skyline Ranch ISD. Somewhere in Natrona County, there's a Skyline Ranch ISD, so then when we first went to the state they said, "Oh, there's another one of those. We're just going to call you Skyline ISD." So, technically we are Skyline Ranch ISD in Teton County. When we make applications to the state for loans and grants, we have to say we're just Skyline ISD. We still put Teton County there, but that's where the confusion is. I think we can clarify that on the website. But it was just one of those things that the state didn't want to duplicate.

**Public Comment:**

John Willott - In talking about Evans, a couple of comments. One, last year for sure, when they came and swept the road, all they did sweep it onto private property, which made a hell of a mess if you happen to have land out front and stuff like that, killing flowers and beds. And the second thing, this time around, even though I had the front bed where my pole and street number is, I had posts in the snow stakes to alert the guy where it was. They decided to dump all the snow right there and pushed over a couple of rocks. When I get back there, I'm going to have to get them out there and get that straightened out. As you talk to them, they need to be responsible when they're cleaning up all that gravel.

The other thought is, we're probably buying the gravel that's on that road as part of the cost of maintaining the road. In my opinion they've kind of slipped over the last couple of years as to their care of how they plow and how they sweep.

**Board Comment:**

Bob Norton - The way the contract's written, they're not liable for anything in the easement is my understanding. If it's staked and marked, they do their best. But, they flat out will not take on any liability for any plantings, poles, address markers that are in the easement.

**Public Comment:**

John Willott - They mowed my poles down. I put them up the way they wanted them and the way they've always been, and they've just plowed it right into a snowbank.

I'll deal with that.

**Board Comment:**

Bob Norton - It's been a bigger snow year than before and if we want to go back to having Trees inc. sweep the roads and pick up the sand then we just need to budget for it next year and take it out of Evan's contract. I'll try and talk them into doing that this year, but chances are they're going to do that because they just have a street sweeper that blows it off the road.

Kurt Harland - Trees, Inc. has skid steer with a catch basin.

Bob Norton - I think we'll probably have to adjust it next year and even if we have to pay Evan's a little bit more this year, maybe we can get them to pick it up. The sand gets so contaminated they can't really reuse it. It's not supposed to have a lot of salt in it, but it does have some in it.

**Public Comment:**

John Willott - It does a nice job of killing grass. That's why I'm a little irritated when they come by and put a berm across my driveway and across the grass on either side of my driveway.

5. **Correspondence received by the District office:**

John Willott - March 17, 2023  
Jamie Streater - March 20, 2023  
Rich Assenberg - March 24, 2023  
Jenny Karns - March 25, 2023  
Jennifer Russell - April 4, 2023  
josh Kilpatrick - April 5, 2023  
Josh Kilpatrick - April 13, 2023  
Jennifer Russell - April 14, 2023  
Josh Kilpatrick - April 14, 2023  
Warren Machol - April 15, 2023  
LGLP Renewals - April 17, 2023  
Warren Machol - April 18, 2023  
Worthy Johnson - April 20, 2023

6. **Review 9-month March actuals vs. full year FY 2022-2023 final budget:**

**Board Comment:**

Bob Norton - Similar to previous months, we are doing well in the interest income. On the expense side, we are pretty much on budget. There's one that's 101%. But so far, we're doing pretty good. We're through nine months. The one that is over is Professional Fees. We do have some billings this month from the attorney that we've got to pay. So, we may have to make another adjustment to that line item. Otherwise, everything else is in pretty good shape.

**Public Comment:**

John Willott - The interest, did that come just from the banks or is that because we've got the money stationed with the Wyoming?

**Board Response:**

Bob Norton - That interest is booked from the First Interstate Bank and also from the Wyoming Government Investment fund, the majority from Wyoming Government Investment fund. We get a quarter of a percent or something like that from First Wyoming.

7. **Review March 31, 2023 Treasury Report:**

**Board Comment:**

Bob Norton - Right now, we have a total of \$705,470 in the bank. Of that, \$201,957 is in First Interstate Bank and \$503,000 is in the Wyoming Government Investment Fund. The road reserve has \$430,810, the water reserve has \$120,258 and the operating reserve has \$154,400.

**Public Comment:**

John Willott – How much is the in operating account? How much cash in needed over the course of four to five months?

**Board Response:**

Bob Norton – The total in the operating reserve is \$154,400.00. The previous month, I think it was \$14,000 in expenses. There were snow plowing expenses, but it didn't include any of the summer repairs or maintenance. I'd have to go back and look specifically at the summer months. I know there's some thought that we only need to keep two months. I don't think maintaining two months of expenses in the operating account is enough because we receive all our money in December and January and May and June. The big problem is July to November when we basically have six months of expenses, and if you use \$20,000, that's \$120,000. We probably don't need to keep \$154,000 in the account all the time.

**Public Comment:**

John Willott - Say we had something go bump in the night and we needed \$30,000 and we needed to get it from Wyoming Government Investment Fund, what would be the cost of getting it from them and how long would it take from the time we knew we needed it until we had it?

**Board Response:**

Bob Norton - Time wise, couple of days. The cost is basically \$25 per transfer.

**Public Comment:**

John Willott - That's my point. We can get funds faster than we need to pay the bills. So it strikes me that if we had maybe \$40,000 or \$50,000 in the operating account and the rest in the Wyoming Government Investment Fund, in the water or road reserves. It just strikes me that we could make a lot more money by having it in the Wyoming Government Investment Fund, and we can get it quick if we need it. I always worry when you have a nebulous fund of money, they tend to turn into slush funds, as opposed to having it marked in the water and in the road where it's clear to everybody what it's there for.

**Board Response:**

Bob Norton – I understand your comment. We can see if we can make that work.

**Public Comment:**

Worthy Johnson – Check 5679 to Clearwater Operations for pumphouse, generator repairs, locate and leak work. Is the locate and leak work for this particular billing between the valve that you have in the middle of the road or the side of the road and the house. Is that not going to be charged to said homeowner?

**Board Response:**

Bob Norton – Yes

**Public Comment:**

Worthy Johnson - For check number 5681 is broken out every single bill to be 80% paid from the water reserve, 20% from the road reserve. I don't understand, when you have election work and you're charging 80% of D'Amour's bill to the water reserve and 20% to the road reserve. That, to me, doesn't register. I think this is overkill in the overview that everything gets hit 80% to water and 20% to road. I believe you have to really go through this a little bit more carefully and not just have a standard operating procedure of everything gets hit to water or four to one.

**Board Response:**

Bob Norton - I agree with you, Worthy. In my opinion, that's what's been done in the past but I think we need to change that. Something like elections would probably be 50/50. Other things that were strictly questions about how water operation or something that we had to get a legal opinion on,

maybe that goes all the water. And it could be the other way around. It could be legal opinion about road operations, and we would all go to roads. So, I think we need to look at that a little bit closer.

**Public Comment:**

John Willott - I'm still not certain why election related costs aren't coming out of the operating fund.

**Board Response:**

Bob Norton - It comes out of the operating fund. But the note indicates that part of it goes to a water expense account and part to a road expense account. If you look at our expense section on our budget, we've separated out road and water. It's not coming out of the reserves.

**Public Comment:**

John Willott - Is legal advice on election stuff sounds like an administrative thing, not a road or a water.

**Board Response:**

Bob Norton - In some respects it is. But it's from outside council, so it's not something that we can project. We need to budget for legal counsel and that's what it is. We just have to put another subline item in Administrative for Legal. It just needs to get it expensed to the right account.

**Public Comment:**

Worthy Johnson - Is it fair to say that the operating account for the ISD is composed basically of nearly 100% taken from a combination of road reserve and water reserves over time?

**Board Comment:**

Bob Norton - No. When the county treasurer collects our assessments, which are made up of partially roads and water, the bookkeeper allocates so much for water, so much was for roads. But all that revenue, when it's accounted for in the bookkeeping process, all that revenue just goes into the operating account until we make a motion to set some to reserves.

**Public Comment:**

John Willott - Is the operating fund totally in the banks and not at Wyoming right now?

**Board Comment:**

Bob Norton - No. We actually have some in a First Interstate Bank checking account. But, we also have an operating savings account in Wyoming Government Investment Fund. And that operating reserve right now has \$21,327, whereas in the First Interstate Bank holds \$127,000.

In a couple of months, we'll make another transfer from the operating reserve to the road reserve and the water reserve, based on the revenues that comes out through this year. In fact, we'll do that probably at the June meeting. We'll make that motion and make those transfers at that point in time. But it's typical we haven't received all the revenue yet collected by the county treasurer. So, once we receive all that, we can make those transfers.

**Public Comment:**

Mike Minter - How many local bank relationships do we have? The reason why I ask is when we start to raise money for the water capital project, it might be nice to go to some of these banks and it would be helpful if we have relationships with some of them.

**Board Response:**

Bob Norton - We only have a relationship at First Interstate Bank.

**Public Comment:**

Mike Minter - Do we have enough funds that it would make sense to establish relationships with one or more other banks?

**Board Response:**

Bob Norton - I think that is something that we could do. The Wyoming Government Investment

Fund is very secure, but it's not insured like the banks are. We should try and stagger some CDs and invest them in other banks. And if we can get something similar to the four and a half percent we're getting from Wyoming Government investment Fund, that would be a good thing to do, and it accomplishes what you're talking about in building some more community strength in the other banks.

**Public Comment:**

John Willott - since we're only insured in banks to a quarter of a million, I trust that we don't have any more than a quarter of a million sitting in any of these regional banks.

**Board Response:**

Bob Norton – Currently, we have \$154,000 at First Interstate Bank. When we were over \$250,000, they pledged other assets and it’s a formal process. They do pledge other assets to collateralize our funds.

**Public Comment:**

John Willott - If we have money in the banks, we can spread it around. But, we also need to make sure with the current state of the banking industry that we don't have anything hanging out.

8. **Approve payment of invoices:**

**Action:** Kurt Harland made a motion to pay the bills as noted. Bob Norton seconded the motion. The motion passed 2-0.

**Board Comment:**

Bob Norton reviewed the bills to be approved for payment in April.

Skyline Improvement & Service District					
Date	Vendor	Ref. No	Description	Due Date	Total
3/20/2023	Lower Valley Energy	Apr SLR 2023	Acct 294586001 & 003	4/18/2023	\$316.35
4/1/2023	Mountain Property Management		Monthly Management	4/1/2023	\$3000.00
4/14/2023	Local Government Liability Pool	14436	23/24 membership	4/14/2023	\$500.00
4/14/2023	Teton County Health Department	23-2393	water test 3/6	4/14/2023	\$20.60
4/14/2023	Clearwater Operations & Services	1561	generator service, snow removal at pump house	4/14/2023	\$3178.89
4/18/2023	Nelson Engineering	60155	engineering through 2/18 - meter project	4/18/2023	\$165.00
4/18/2023	Nelson Engineering	61235	engineering through 3/18 - meter project	4/18/2023	\$330.00
4/18/2023	Nelson Engineering	61227	general services - review questions for board meeting	4/18/20223	\$633.25
<b>Total for Skyline Improvement &amp; Service District</b>					<b>\$8144.09</b>

9. **Review 2023-2024 Preliminary Budget:**

**Board Comment:**

Bob Norton - The State of Wyoming requires that we provide a preliminary budget to them in May. The primary reason the State of Wyoming does that is they want to know if we plan to collect any property taxes. I tried to estimate the expenses through the fiscal year ending June. I've adjusted the advertising because we are going to have a public hearing for the water projects and we have the budget hearing.

I did increase some roadside maintenance under the Contract, Labor Roads. Sounds like from this discussion I need to add maybe street sweeping to remove the sand. I'm going to make a note to add some street sweeping.

I only put \$6,000 into legal this year. Road repair maintenance, at \$30,000. Repair maintenance, Water \$6,133. And I did something different for the road overlay and the road chip seal. I'm not sure

how that was calculated before, I took the cost of an overlay at today's dollars in 2023 and then divided that by the useful life of the overlay, and I used 30 years. I'm budgeting to go into the reserve, \$20,653 for the road overlay and \$22,762 for the road ship seal. The previous years we've put quite a bit more. The depreciation's down towards the bottom.

It really doesn't tell us much. It's maybe good if we want to see what our asset value is, but as far as a means of building reserves, it's a straight-line depreciation. You take our water system, say 60 years old, and it's \$112 a year. It's not even practical. I think that we should do it this way. The water reserve account, I have \$21,220 compared that to the previous year of \$12,000 in depreciation. I am proposing that we set aside specific dollar amounts for the road reserve and the water reserve and we track depreciation, but it really doesn't mean anything for our budgeting purposes. I did increase the water testing. I believe we have to do some synthetic organic chemical tests, which is about \$1700. So, I've increased that over the previous year.

**Public Comment:**

John Willott - As to your comments on the depreciation, I would suggest that you do whatever you have to for the depreciation, whatever the rules say. Why don't we note or add a memo column that says what our plan is for the yearly growth in the reserves account.

**Board Response:**

Bob Norton - That's something that hopefully our finance committee's going to get into. But I have done a reserve calculation that does what you you're talking about, that is based on replacement costs rather than depreciated assets. I think that's something maybe our committee could look at. And I made some assumptions so the committee will have to agree or disagree with my assumptions.

**Public Comment:**

John Willott - There's a water storage, supply and storage, \$38,000 over in the second from the right column. What's that about?

**Board Response:**

**Bob Norton** - I've got all the normal expenses up towards the top and the capital projects down below. So, we got Well #4 and the meter project. The water supply and storage project what we have projected to include in the grant loan application here in August. Next spring, we would get into design, and we'd spend roughly \$38,000. That was \$30,000 in design, and \$8,000 for preparing the grant and loan applications.

These are my estimates and by the time we adopt the final budget in July, they'll probably be different. As I said, we are required to provide the State with a preliminary budget, but they know that it's not the final budget.

**Public Comment:**

John Willott - Could you just send a copy to me?

Worthy Johnson - Could you send a copy to us as well, being Worthy and Mike Mentor?

**Board Comment:**

Bob Norton - So I'm going to tell you one of the other things and the assumptions I've made for you to contemplate. On the water system, I'm of the philosophy that the current users ought to be able to build their reserves up to about 25% of the costs of the new improvements, whether it be the distribution system or the water supply. And that 75% of that cost for budgeting purposes would be paid for by future users through a loan debt repayment. Now, all of us that are still living here, we're going to pay for that. But for somebody like me, if we get a 20-year loan, I may not be around to pay that. That's what, I'm going to let whoever's got my house at that point in time, pay some of that loan. On the road system, I think it's similar in that I believe that it's reasonable for the current users



to pay for the chip seal, which has about a seven-year life, but I think that it's reasonable for future users to pay for the road overlay that has a 30-year life.

Those are my philosophies. You guys can contemplate that and see what you think, but that's what I was using when I figured it out the reserve calculations.

**Public Comment:**

Worthy Johnson - the percentages that you've laid forth, without going into depth on those, would the board be in agreement and write into the contracts or whatever that, if Bob Norton in 2027 were to sell his house and leave, that the Norton's would have to pay for the percentage owned, a percentage payable of said, whether it's a bond, a loan, et cetera? The reason I bring this up is because people who have lived in Skyline for 20, 30 and 40 years, have not paid into any kind of a reserve to replace the water utility. And it is incumbent upon board governance to put together a program whereby those people need to pay for the free, no cost usage of the water system over the last number of years.

I think from a finance committee perspective, I think it's important that you incorporate that thought process. I recognize that the state and any bank in Teton County, would love to give Skyline Ranch a loan for these purposes because the ISD has taxing power, but it's unfair to have people who buy in here have to pay for a whole new system when the existing system hasn't been reserved for replacement. I really hope that you all in the finance committee will look at this carefully.

**Board Response:**

Bob Norton - The previous users have paid assessments for the water system as well as for the road. They have been paying assessments that have been going into the reserves. Now I know some of it got spent on well houses, roofs and stuff like that, but that's been going on. They've been paying for all that. So, I don't totally agree with you that they haven't paid for what's been going on. But I do think that you're right in determining the reserves we need to come up with what's reasonable per year and then make sure it gets placed into that reserve account. I don't think we can obligate any property owner to continue paying after they've sold their house. That's something I've never ever heard of.

**Public Comment:**

Worthy Johnson - The only thing that I can tell you, that the board, actually did an assessment for Well #3. You have already established an ability to assess people. You have a conservatively a \$5 million asset that has to be replaced. The way it's being done right now, according to the existing board and previous boards is that water is paying 80% of these bills as I've pointed out before. And secondly, there's no way in God's green earth that you're ever going to get the monies for \$5M dollars out of water reserves that are as low as they are today.

**Board Response:**

Bob Norton - You can see the revenue and the special assessments are in there, and as far as the user fees, it totals \$139,000. There's an estimate on interest income, the whole thing totals up to \$424,000, including the loans and grant funds that are going to come in. Now, we're going to be paying back some of those loans, but other than the two up there at the very top, the \$7,250 and \$11,750, those loan debt repayments, the rest of them don't start in this next fiscal year. The way their loan program works you have to start paying the loan back within a year after substantial completion of the project.

**Public Comment:**

Worthy Johnson - I'm just saying that we got a really deep hole here, and we need to address it more, not opaquely, but transparently so that we can get some monies to do this. And I agree with you, 25% of 5 million is going to be \$1.25M, so how do we get that into a reserve for the water?

**Board Response:**

Bob Norton - The other portion of this is grants. On this water supply project, water supply storage is 67% grant. That benefits both the current users and the future users. On the water distribution side, at least probably a 25% grant, which benefits both. So, there's a lot of factors in here. We're not going to be shelling out \$5M dollars.

10. **Water Meter Update:**

**Action:** Bob Norton made a motion to advertise for the water meter construction. Kurt Harland seconded the motion. The motion passed 2-0.

**Board Comment:**

Bob Norton - The project manual has been prepared and submitted to the State Land Investment Board. We have received their approval. So, we're ready to advertise. The intent would be to advertise for the next two weeks, have the bid opening the week before our next meeting, review the bids, and hopefully make an award.

**Public Comment:**

John Willott - Can we get a copy of it?

**Board Response:**

Bob Norton - I'm hesitating a little bit, because we have a very specific bidding procedure. Contractors have to register with the bidding officers, and we know who has those contracts. I always hesitate to just hand them out to everybody, because then some people start making copies and doing things, and we don't know what's going on. But I know you wouldn't do that, so I'd be happy to share it with you.

**Public Comment:**

Maria Johnson - How have the meter readings been going?

**Board Response:**

Bob Norton - We don't usually reach out to people until the end of this month. I'm sure there'll be some people. We still had four or five from October that never turned them in, so we'll have to go beat on doors.

11. **Skyline Committee Appointments:**

**Action:** The Board discussed the list of owners that indicated their interest in serving on a committee. Kurt Harland appointed the following owners to the Finance Committee:

John Goldstein, Jamie Streator and Michael Minter. John Willott and Jeff Anderson were appointed to the Infrastructure Committee.

**Board Comment:**

Bob Norton - My thought is that the Infrastructure Committee might fold over to some of the Project Management, once the project gets started.

**Public Comment:**

Worthy Johnson - I was just trying to figure out who some people in the Skyline are best qualified to do some of these things. I mean, project management is not something that you can just jump into, and looking for grants is not something you can just jump into. You need to have people who have experience in this.

12. **Approve Atain D&O Policy Renewal:**

**Action:** The board determined a second policy is not needed.

**Board Comment:**

Bob Norton - We received a quote, it wasn't the policy, but it seemed to me that it's identical to the Wyoming Government Liability Pool, which is basically providing insurance for the directors and operations. The Wyoming Government Liability Pool is set up for Wyoming government entities, and there's a limit on what these government entities can be sued for, and they cover that amount. My suggestion, is that we don't need that additional

13. **Review and vote on plan submission for 3375 W. Killdeer:**

**Action:** Bob Norton made a motion to approve the building permit submission for 3375 W. Killdeer. Kurt Harland seconded the motion. The motion passed 2-0.

Board Comment:


Bob Norton - My only comment is that we had a problem with some homeowners or some remodels where they're parking in the road, and our rules and everything specifically say, "They can't park in the road." I know there's going to be some exceptions to that, but I think we ought to point that out when we send them the permit.

14. **Next Board Meeting - Thursday, May 18, 2023**

15. **Adjournment:**


Action: The meeting was adjourned at 5:38 p.m.

Approved

  
Kurt Harland (May 24, 2023 09:18 MDT)

Kurt Harland  
Chairman

Approved

  
Robert Norton (May 24, 2023 10:40 MDT)

Bob Norton  
Treasurer

## Correspondence Received:

**From:** jwillott@aol.com <jwillott@aol.com>  
**Sent:** Friday, March 17, 2023 2:34 PM  
**To:** Wendy Meyring <wendy@mpmjh.com>  
**Subject:** Re: Skyline - Committees

Wendy, Attached is my email list for Skyline that I built from the County records. JOHN

On Friday, March 17, 2023, 02:23:22 PM MDT, Wendy Meyring <[mail@managebuilding.com](mailto:mail@managebuilding.com)> wrote:

Dear Skyline Ranch homeowners,

At the February 22, 2023, Town Hall meeting it was suggested that three committees be formed to assist the ISD board in the large water system project. This suggestion was well received by the attendees and the board.

With further thought, we have expanded the idea to include the assistance of the road as well. We are asking for a few more homeowners who would be interested in being on one of these committees to notify the board of their interest and include your bio.

The overview, purpose, and details of these committees are below. We look forward to hearing from all interested homeowners.

Skyline Ranch ISD Board

### **Skyline Committees**

1. Need to define the objective/purpose of the committee
2. Should limit each committee to three to five (3-5) members
3. One member should be a member of the SISD Board
4. Meetings should be announced (posted on web site) 5-7 days before the meeting.
5. Meetings should have an agenda and minutes
6. Meetings should be open to the public

### **Committee Member Qualifications**

- Be congenial and cooperative
- Be cognizant of the opinions and financial situation of all owners in the district
- Have experience in the committee's objective/purpose
- Become knowledgeable of Improvement and Service District legislation, rules and regulations, and operations.

**Finance Committee** - Purpose advise the SISD Board on:

- Possible sources of funding – State grants or loans, Federal grants or loans, other financing sources
- Budgeting
- Investment of reserves
- Loans
- Grants
- Chair - Latham Jenkins, plus two or more appointees.

**Infrastructure Committee** - Purpose to review engineer's and operator's recommendations and advise the SISD Board on:

- Quarterly report to the board on projects timing and budgets – plan vs actuals
- Review water projects and priorities, develop timelines and budgets
- Review water system operation and maintenance
- Review road improvements priorities, develop timelines and budgets
- Road operation and maintenance
- Chair – Bob Norton, plus two or more appointees.

**Project Management and Grant & Loan Compliance Committee** - Purpose to review project compliance and progress and advise the SISD Board:

- Identify all grand & loan requirements - Quarterly report to the board as to compliance
- Design Contracts
- Construction Contracts
- Review proposals and bids
- Compliance with Skyline ISD objectives
- Chair – Kurt Harland, plus two or more appointees.

---

**From:** Jamie Streator <jstreator58@gmail.com>

**Sent:** Monday, March 20, 2023 1:51 PM

**To:** Wendy Meyring <wendy@mpmjh.com>

**Subject:** Re: Skyline - Committees

Wendy,

I would be happy to be considered for a committee. We recently moved in 3130 W Teal. I am a retired investment banker so the finance committee probably makes the most sense. Please let me know how to follow up.

Thanks

E James Streator, III |Managing Director |Investment Banking | **TD Cowen**

Cowen and Company, LLC

Email: [Jamie.streator@cowen.com](mailto:Jamie.streator@cowen.com)

Mobile: 203-856-7780

---

**From:** rich kt814.com <rich@kt814.com>  
**Sent:** Friday, March 24, 2023 11:31 AM  
**To:** Skyline Ranch ISD - Office <office@skylineranchisd.com>; info@skylineranchisd.com  
**Cc:** nathan kt814.com <nathan@kt814.com>  
**Subject:** RE: 3375 west killdeer - site committee authorized building permit info

Wendy,

Just checking in on the Fairbanks residence.

Rich Assenberg

architect | AIA

[www.kt814.com](http://www.kt814.com) | po box 8242 jackson wy 83002 | 650 w elk ave #11 | 307.690.4059

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**From:** Jenny Karns <jennykarnski@gmail.com>  
**Sent:** Saturday, March 25, 2023 6:28 PM  
**To:** Wendy Meyring <wendy@mpmjh.com>  
**Subject:** Re: 3375 west killdeer - site committee authorized building permit info

We sent recommendations to the site committee (Latham, Kurt and Bob) last week.

Jenny Karns BS, PFT, CMT  
"Make it a healthy beautiful day!"

---

**From:** Jennifer Russell <jennifer.russell@wyo.gov>  
**Sent:** Tuesday, April 4, 2023 9:07 AM  
**To:** Josh Kilpatrick <jkilpatrick@nelsonengineering.net>  
**Cc:** Suzanne Lagerman <slagerman@nelsonengineering.net>; Robert Norton <norton@nelsonengineering.net>; office@skylineranchisd.com  
**Subject:** Re: Skyline Ranch ISD Residential Meter

This time with the attachment.  
jennifer

On Tue, Apr 4, 2023 at 9:04 AM Jennifer Russell <[jennifer.russell@wyo.gov](mailto:jennifer.russell@wyo.gov)> wrote:  
Josh:

My apologies for the delay: I had to check with someone on an issue and this was delayed a day. Yes, Suzanne has been in contact with SRF staff regarding requirements for plans and specs. I have reviewed these documents and have comments in the attached. Note, in the interest of reducing file sizes, I deleted pages where I did not make any comments. Some of my comments require action, some are a request for information for myself, and some are for information to you/the District. I tried to make it clear which comments fit which category. Examples:

A Pre-bid Conference for the Project will be held on Thursday, May 4<sup>th</sup>, 2023 at 10:00 AM at Nelson Engineering, 430 S. Cache, Jackson, WY 83001.

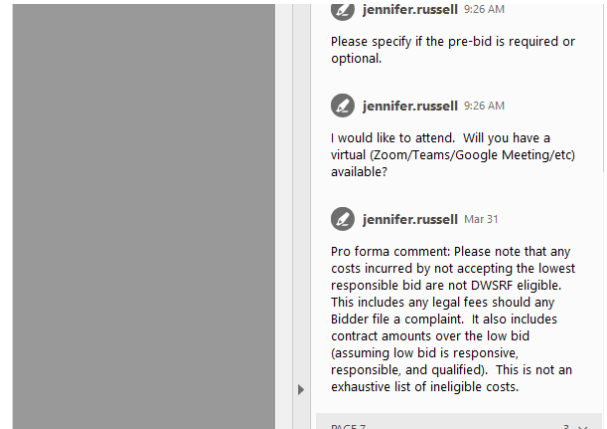
For all further requirements regarding bid submittal, qualifications, procedures, and contract award, refer to the Instructions to Bidders that are included in the Bidding Documents. A bid security in the amount of 5% of the bid shall accompany each bid. Bid Bond shall be required for bids greater than \$150,000. All bids are to be prepared in accordance with the Bidding Documents. Contract Securities (Payment and Performance Bonds) shall be required each in an amount of at least 100% of the Contract Price.

Responsible Wyoming bidders will be given a 5% preference.

Pursuant to W.S. 16-6-106, "preference is hereby given to materials, supplies, agricultural products, equipment, machinery and provisions produced, manufactured, or grown in Wyoming, or supplied by a resident of the state, quality being equal to articles offered by the competitors outside of the state".

Project is funded by the SRF program and "Use of American Iron and Steel" requirements as contained in Section 436 of H.R. 3547, The Consolidated Appropriations Act, 2014 and as updated and revised in America's Water Infrastructure Act of 2018 (AIS) apply.

The SRISD reserves the right to reject any and all bids, and to waive all informalities. Further, the SRISD may accept any bid which in its opinion best serves its interests.



The first comment (specify if pre-bid is required or optional) requires action on your part (usually, but not always, a change or addition). The second comment is asking for information for me. The third comment is for your/the District's information (and, in this case, a "Pro Forma" comment that I make on all plans & specs) and no reply is required (but you, of course, can comment if you like).

At this point, you do not need to resubmit the entire bid set, unless you choose to do so. Please send me any individual sections (eg the Advertisement, the Instructions to Bidders, etc.) that you change. Any questions I asked (eg about a virtual option for the pre-bid) can be addressed in an email. Also, it appears some sections were inserted twice (eg the Davis-Bacon wages) - in the email you can tell me if you removed the redundant sections.

After you have addressed these comments, I should be able to give DWSRF concurrence to advertise and bid the project. Please remember that DWSRF also needs to give concurrence to any Addenda and that you will need to check to see if any new Davis-Bacon wage determinations have been issued 10 days before the bid date. One final question: Meters are exempted from American Iron & Steel requirements. Do you foresee any other iron or steel products being used? (If so, what?)

It is my understanding that a DEQ Permit to Construct is not needed for this project but you should address any questions about this to DEQ.

Thank you for allowing sufficient time to fully review the documents.

Feel free to call or email with questions, comments, or concerns.

Jennifer

---

**From:** Jennifer Russell <jennifer.russell@wyo.gov>

**Sent:** Tuesday, April 4, 2023 10:11 AM

**To:** office@skylineranchisd.com

**Cc:** Josh Kilpatrick <jkilpatrick@nelsonengineering.net>; Suzanne Lagerman <slagerman@nelsonengineering.net>

**Subject:** District Question

Skyline:

As you may know, I reviewed the construction contract plans and specs for the meter replacement project. There are slightly different requirements regarding advertising the project depending on the project owner's legal status.

Is Skyline ISD a "Water District" according to Wyoming Statute 41-10-101? If you are, then the project must be advertised three times (see WS 41-10-101(a)(xiv)) instead of the usual two times.

If you are unsure of whether or not you meet the statutory definition, I recommend consulting your legal advisor.

Thank you!

Jennifer

--

**Jennifer Russell, P.E.**  
Project Manager - Construction  
DWSRF Technical Advisor  
Wyoming Water Development Office  
6920 Yellowtail Road  
Cheyenne, WY 82002  
Phone (307) 777-7626  
[jennifer.russell@wyo.gov](mailto:jennifer.russell@wyo.gov)

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**From:** Josh Kilpatrick <jkilpatrick@nelsonengineering.net>  
**Sent:** Wednesday, April 5, 2023 8:29 PM  
**To:** Jennifer Russell <jennifer.russell@wyo.gov>; office@skylineranchisd.com  
**Cc:** Suzanne Lagerman <slagerman@nelsonengineering.net>; Robert Norton <norton@nelsonengineering.net>  
**Subject:** RE: District Question

Thank Jennifer. Skyline Ranch ISD is not a Water District, so two weeks is fine. I am planning to get through your comments early next week and get back with you.

**Josh Kilpatrick, PE**  
Project Engineer  
PH: (307)690-2086

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430 South Cache St.  
Jackson, WY 83001  
(307) 733-2087

[nelsonengineering.net](http://nelsonengineering.net)

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**From:** Josh Kilpatrick <jkilpatrick@nelsonengineering.net>  
**Sent:** Thursday, April 13, 2023 5:58 PM  
**To:** Jennifer Russell <jennifer.russell@wyo.gov>; office@skylineranchisd.com  
**Cc:** Suzanne Lagerman <slagerman@nelsonengineering.net>; Robert Norton <norton@nelsonengineering.net>  
**Subject:** RE: District Question

Hi Jennifer,  
Please find attached document with replies (see replies in the pdf) to your review along with the Final PM for bid.

Please let me should you have additional requests.

Thanks!

**Josh Kilpatrick, PE**



Project Engineer  
PH: (307)690-2086

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Jackson, WY 83001  
(307) 733-2087

[nelsonengineering.net](http://nelsonengineering.net)

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**From:** Jennifer Russell <jennifer.russell@wyo.gov>  
**Sent:** Friday, April 14, 2023 2:24 PM  
**To:** Josh Kilpatrick <jkilpatrick@nelsonengineering.net>  
**Cc:** office@skylineranchisd.com; Suzanne Lagerman <slagerman@nelsonengineering.net>; Robert Norton <norton@nelsonengineering.net>  
**Subject:** Re: District Question

Josh [et.al.](#):

I have reviewed the revised bid set and the comments you had. I also used the compare documents feature of Adobe to verify changes. Everything is acceptable and you have DWSRF concurrence to bid the project. One note: on page 15435-3 (page 238 of the pdf) it says "All wetted products and materials shall be lead free including". I'm pretty sure that's supposed to be "lead free".  
Thank you for setting up Teams for me and others.  
I look forward to the project progressing.  
Jennifer

---

**From:** Josh Kilpatrick <jkilpatrick@nelsonengineering.net>  
**Sent:** Friday, April 14, 2023 2:36 PM  
**To:** Jennifer Russell <jennifer.russell@wyo.gov>  
**Cc:** office@skylineranchisd.com; Suzanne Lagerman <slagerman@nelsonengineering.net>; Robert Norton <norton@nelsonengineering.net>  
**Subject:** RE: District Question

Thanks Jennifer. I edited the "fee" to "free". Please see email you were cc'd on to Bob regarding grounding. Let me know if you concur.

Thanks Again!

**Josh Kilpatrick, PE**  
Project Engineer  
PH: (307)690-2086

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430 South Cache St.  
Jackson, WY 83001  
(307) 733-2087

nelsonengineering.net

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**From:** Warren Machol <wlm.assoc@gmail.com>

**Sent:** Saturday, April 15, 2023 9:33 AM

**To:** Bob Norton <bobnorton51@gmail.com>

**Cc:** Kurt Harland <thekurtharland@gmail.com>; Latham Jenkins <latham@livewaterproperties.com>; Wendy Meyring <wendy@mpmjh.com>

**Subject:** Analysis of 2021 - 22 Water Reserves Accounting

Attachments are noted in pages 24 and 25 of the minutes

Bob,

At the last meeting (March), you suggested and acted on the accounting for water and road reserves for the previous (June 30, 2022) fiscal year. As I discussed then, the accounting analysis and proposed transfers did not move the appropriate funds to reserve accounts.

At that time, I promised to send you a detailed analysis of the water accounts. The ISD is a modified cash-based, nontaxpayer. Therefore, the correct way to determine the remaining annual balance for reserves is actual receipts ( plus delayed tax receipts plus interest) less actual cash cost. ( the operating account should be \$0)

In the case of water, there are two sources of funds and two separate sets of allocated costs. I have included an appropriate accounting for excess free cash flow using the approved budget for fiscal 2022 and the actual year-end recognition (attached). For the Water-side of the accounting, the extra sum after expenses is \$59,983.36 or \$21,274 more than was proposed.

Further, there should be two water reverse accounts given the two sources of revenue and expenses allocated. For the last fiscal year, they would be \$29,852 into infrastructure reserves and \$30,131 as a reserve for future variable expenditures.

A similar analysis for the road reserves should account for the Chip seal and Overlay reserve separately. Having separate accounts will permit the annual testing of sufficiency for each activity and the need to modify annual assessments to meet timing goals. I will happily help you create a similar analysis for road reserves.

Finally, it appears that the transfer to road and water reserves have been deficient for many years. The fact that the operating account has swelled to +\$200,000 is indicative that the correct allocations to water and road reserves need to be addressed. The operating account should hold at most +2 months of expected managerial & operation costs. If or when the ISD has a road or water expense ( planned or emergency), the appropriate reserve funds can be moved to pay the bills.

I hope this accounting analysis will help create a correct set of policies and procedures for the ISD.

I look forward to speaking about ISD accounting.

All the best

Warren

**WLM Associates**  
500 NW Ridge Rd  
Jackson WY 83001

307 734 1920 (o)  
917 455 7470 (c)

---

**From:** LGLP Renewals <lglp@lglp.net>  
**Sent:** Monday, April 17, 2023 3:18 PM  
**To:** LGLP Renewals <lglp@lglp.net>  
**Subject:** Reminder-LGLP FY 24 Renewal Application-Due May 19, 2023

Dear Member,

Just a friendly reminder, it is time to complete your annual renewal applications for continued membership. If you have already submitted your application then please disregard this email. **Please note our new mailing address, 6844 Yellowtail Road, Cheyenne, WY 82009**

The Google electronic form has been updated this year to simplify the process a little more for our members. The application forms are created in Google forms, so there is one caveat. **To scan and upload your payroll tax documents, you will need to do so from a Google account.** Creating a Google account is a relatively simple process if you don't have an existing account. The attached Renewal Application Instruction Guide provides a link to create a Google account on page 1 within instruction item 1.

However, if you don't have or want to create a Google account, you may still utilize and submit the electronic renewal application form (See following links for non-google account users) by emailing your payroll tax documents to [lglp@lglp.net](mailto:lglp@lglp.net).

**The forms are password protected.** Enter **LGLP2024 into the password** field (case sensitive). **Please select the appropriate hyperlink below for Google Users or Non-Google Users:**

Google Account Users - <https://forms.gle/GagSUZ3ps9eGBErV6>

Non-Google Account Users - <https://forms.gle/YPt25zaqDsPPESGaA>

These links are also available on our web site, [lglpwyoming.org](http://lglpwyoming.org)

Another option to submit your renewal application is to contact our office for a hard copy, however the electronic renewal application process is the preferred method.

You will also find an attached renewal application memo for your review. If you have questions, concerns or suggestions, we would like to hear from you so please email, [lglp@lglp.net](mailto:lglp@lglp.net), us in a separate email. The Board Members and staff of LGLP appreciate all you do for the constituents you serve, and we feel a great deal of gratitude to serve you!

Regards,

*LGLP Staff*

Local Government Liability Pool  
6844 Yellowtail  
Cheyenne, WY 82009  
Phone 307.638.1911

---

**From:** Warren Machol <wlm.assoc@gmail.com>

**Sent:** Tuesday, April 18, 2023 11:17 PM

**To:** Bob Norton <bobnorton51@gmail.com>

**Cc:** Kurt J. Harland <thekurtharland@gmail.com>; Latham Jenkins <latham@livewaterproperties.com>; Wendy Meyring <wendy@mpmjh.com>; John Willott <jwillott@aol.com>; Worthy Johnson <wjohnson@lawrencecapitalmgt.com>; Maria Johnson <mariajohnson53@gmail.com>; Corbin McNeill <camcneilljr@gmail.com>; Mike Minter <trewil@hotmail.com>

**Subject:** Re: Analysis of 2021 - 22 Water Reserves Accounting

Bob

Thank you for the note. I am writing this on my phone off the cuff sitting in a hanoi hotel room.

It is long facts short on style and fineness.

The information I sent you for water has two revenue streams . Developed from actual revenues and costs provided by Wendy.

Do you question the accuracy of either as accurate or appropriate accounting of excess sources of cash the should be reserved for the allocated and colled purpose(s)?

The numbers provided are both accurate and should be placed in reserves for the stated responsibilities. Comilinging the two fund sources is cost shifting on a grand scale.

One revenue stream is fixed allocation based on the cost to operate and build the water system .

Reserves are for things like the new pump house that benift all members currently and future owners based on the infastructure expected life.

A unbuilt lot or underdeveloped property will be equally benifted for valuation based on a new 50 -70 year new infastructure.

Current water usage does not impact the math or analysis unless there is a water shortage (currently not true, after new well will never be a water shortage)

This analysis is especially stark at the current low water reserve status. Which have been diminished (+300k to 50k) and not replaced by assesment over last 5 years.

The low reserves are due to previous insignificant per lot assessments to maintain and build the 25 % reserves you think would be prudential.

Increasing reserves for the rebuild of a new water system is a green fields project.

Therefore if 25% is 2,000,000 (25% of 8 million) is the prudent amount the required contribution for each lot is 2 million / 90 = \$ 22,500/ lot. Let me know if you have any other questions on what are fixed costs.

Variable water cost

The portion for water delivered needs a cost analysis . What's it costs to produce the average number of gallons annually? What's is the cost to produce an additional marginal 1000 gallons.

The Cost for water is factually derived. Not opinion not political.

The profit earned above the cost to deliver water to consumers is what will be measured as fair and reasonable.

Given the analysis I provided for last fiscal years showed a +32k excess above costs @ 1.70/ 1000 is a fact. Further that reserved to benefit future water production costs have not been accounted or reserved for does not meet fiduciary responsibility.

Secondary the boards last year action to increase the price of water to \$ 2.6/ 1000 ( a 59% increase) is unexcused taking to attempt to subsidize low and non water users share of fixed costs ( including operation, maintenance , and reserves)

The boards bold statment, we as a board, can allocate cost with out constraint to shift fixed, by lot costs to current water users.<sup>1</sup> is troubling.

Your argument on the town or Teton village are misleading. Both entities have substantial employee and debt service cost . Skyline ISD have neither. Bob cost accounting is not opinion based. It's mechanical with principals. ( I LOOK FORWARD TO DISCUSSING IN DETAIL)

Belive other wise is like a engineer ignoring the static and dynamic load analysis of a building . Because they BELIVE it looks better to shift the static loads and ignore the dynamic loads FOR ASTHSTETICS. It would be professionally imprudent. Accounting principals are much the same. To deviate is imprudent.

Finally - roads I look forward to seeing the numbers for each component. ( I have never seen any analysis)

For chip seal what is the expected cost to do the job next year? Further what is the cost to clean up the over lay stones from properties over the following two years? How much do we have in chip seal reserves currently? ( what's the delta)

For over lay what year are you assuming it will next be completed, 2030 when pipes are to be replaced? ( will there be additional costs attributable to water lines and taps?

What is your projected cost? What is currently in reserves? Have you done a sensitivity analysis of inflation vs expected investment returns? ( WHATS THE DELTA?)

BTW one other question on roads.

Are there road reserve for both east Skyline and a reserve account for west Skyline? If not why not?

Each are separate accounted for and taxed at different rates. Please explain why this is not the best cost accounting methodology especially with all the taps that will be required for water line repair.

I know this does not address all your points . I also hope my minimum approach will stimulate apporiate discussion on ISD policy and procedures.

All the best  
Warren

Ps I have copied several to this reply as given my location I will not be attending Thursday.

On Wed, Apr 19, 2023, 2:39 AM Bob Norton <[bobnorton51@gmail.com](mailto:bobnorton51@gmail.com)> wrote:

Warren,

Sorry about the delay in responding.

I agree that there are two sources of revenue for the Water Account however, my understanding is that both the Water Account and the Road Account are enterprise accounts and I believe that it is reasonable and prudent to have only one Water reserve account and one Road reserve account. I agree that depreciation is not the best way to determine the amount transferred to the reserve account. In the next fiscal year budget I am proposing a line item expense to the Water Reserve and one for the Road Reserve. Those line item expenses in my opinion should be based on annual estimated replacement cost which should be greater than the straight line depreciation of assets.

I understand that you think that the water rate at \$2.60/1000 gallons is too high, but I think that it is fair. Based on the FY 22-23 budget, 5% of the lowest water user's (20,160 gal) water bill is based on water use, for the maximum water user (1,246,053 gal) it is 76%, for the average water user (215,652 gal) it is 36%, and for the median user (140,770 gal) the portion of their water bill attributed to water use is 26%. While this is a big range I think it is fair. I want to add that in the Town of Jackson a water user using the same median amount of 140,770 gallons would pay approximately 79.6% of the water bill based on water use. Rafter J charges \$2.60/1000 gal and a based fee of \$36/year. Teton Village charges \$1.75/1000 gal. plus a base fee based on fixture units and a 3.5 mill levy.

The line item expense for road overlay and chip seal are separated, however I don't believe that it is necessary to separate the road reserve accounts as any improvement to the road would be taken from the road reserve. In the current budget I am proposing a reduction in the line item reserve expense for road overlay and chip seal because I think that the previous budget had those expenses too high. My calculation is based on 2023 estimated cost of the improvement divided by the anticipated useful life of the asset, 30 yr for paving, 7 years for chip seal. Logically the paving expense could be reduced because given the 30 year useful life it is reasonable that future users should pay some of the expense of the improvement.

Given that water distribution system improvements have a 60-70 year useful life I have assumed that the current users should develop reserves for 25% of the cost and that future users should pay 75% of the cost via debt payment of a loan. Obviously any available grant contribution could benefit the current user as well as the future user.

I have not tried to go back beyond last fiscal year to determine reserve contribution and I don't think it would be productive. I believe Skyline's current reserves are not too far from the required amount.

I disagree that the operating reserve should only be 2 months of expenses. The problem is that Skyline only receives revenue in Dec, Jan, May, and June from the Teton County Treasurer. We have to anticipate expenses including construction and maintenance expenses from July to November and Feb. to May as well as revenues from the Teton County Treasurer.

This doesn't answer all your questions and comments but it does provide my thinking about the Skyline Budget.  
Bob

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**From:** Worthy Johnson <[wjohnson@lawrencecapitalmgt.com](mailto:wjohnson@lawrencecapitalmgt.com)>

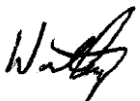
**Sent:** Thursday, April 20, 2023 1:58 PM

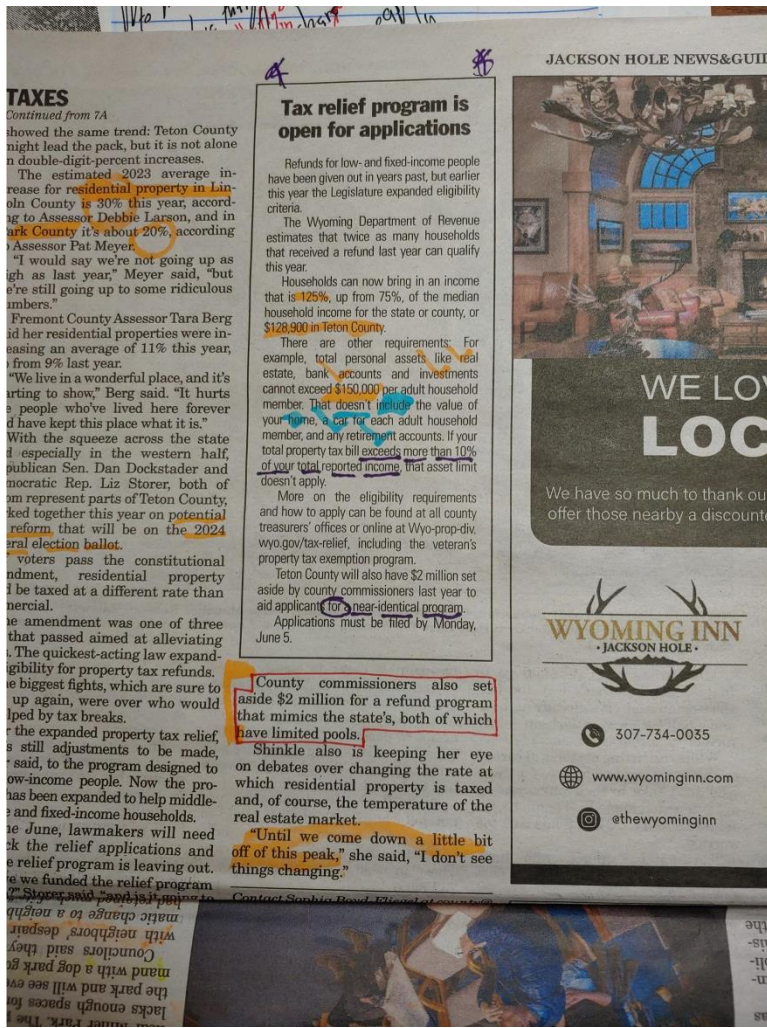
**To:** Wendy Meyring <[wendy@mpmjh.com](mailto:wendy@mpmjh.com)>; [office@skylineranchisd.com](mailto:office@skylineranchisd.com)

**Cc:** [mariajjohnson53@gmail.com](mailto:mariajjohnson53@gmail.com)

**Subject:** FW: Property tax Relief

Wendy...Please attach to the April Minutes for "informational purposes." Thank You,





**From:** Worthy Johnson <wjohnson@lawrencecapitalmgt.com>  
**Sent:** Thursday, April 20, 2023 3:35 PM  
**To:** office@skylineranchisd.com; Wendy Meyring <wendy@mpmjh.com>  
**Cc:** mariajjohnson53@gmail.com  
**Subject:** Spring Clean Up on the Roads/Tree planting by the Pump House  
**Importance:** High

Dear Team SRISD Board,

It has been brought to my attention that:

- #1 Given the harsh winter, it is requested that the road sweeping include the ‘full monte’ vs just a Spring sweeping, and
- #2 the Krisiks were promised numerous tree landscaping to hide the rejuvenated pump house by both Jim Lewis and Kurt Harland.

Nada so far. It would be beneficial to “stand up to” your word on this matter.

Respectfully submitted

**Skyline Improvement and Service District**  
**Profit Loss Budget vs. Actual**  
July 2021 through June 2022

	Roads			Water			TOTAL			*note 2
	Jul '21 - Jun '22	Budget	% of Budget	Jul '21 - Jun '22	Budget	% of Budget	Jul '21 - Jun '22	Budget	% of Budget	
Ordinary Income/Expense										
Income										
5132 - ARC Application Fee	0.00	0.00	0.0%	0.00			550.00	0.00	100.0%	
5110 - Road Maintenance Assessment	36,149.56	37,500.00	96.4%	0.00			36,149.56	37,500.00	96.4%	
5120 - Road Overlay Assessment	39,402.37	41,000.00	96.1%	0.00			39,402.37	41,000.00	96.1%	
5112 - Road Chipseal Assessment	22,082.79	23,000.00	96.01%	0.00			22,082.79	23,000.00	96.01%	
5111 - Road Overhead Assessment	6,644.90	6,660.00	99.77%	0.00			6,644.90	6,660.00	99.77%	
- Water Owner Reimbursables & Connection Fees	0.00			13,260.75	0.00	100.0%	13,260.75	0.00	100.0%	
5135 - Water Maintenance Assessment	0.00			23,358.29	24,656.00	94.74%	23,358.29	24,656.00	94.74%	
5125 - Water System Usage Fees	0.00			44,471.21	43,500.00	102.23%	44,471.21	43,500.00	102.23%	
5137 - Water Overhead Assessment	0.00			29,734.71	31,710.00	93.77%	29,734.71	31,710.00	93.77%	
5097 - Transfers from Reserves	13,000.00	13,000.00	100.0%	18,000.00	18,000.00	100.0%	31,000.00	31,000.00	100.0%	*note 1
5100 - Interest Income	57.28	419.00	13.67%	290.13	171.00	169.67%	347.41	590.00	58.88%	
<b>Total Income</b>	<b>117,336.90</b>	<b>121,579.00</b>	<b>96.51%</b>	<b>129,115.09</b>	<b>118,037.00</b>	<b>109.39%</b>	<b>247,001.99</b>	<b>239,616.00</b>	<b>103.08%</b>	
Gross Profit										
Expense										
6149 - Advertising Expense	264.91	400.00	66.23%	357.90	400.00	89.48%	622.81	800.00	77.85%	
6040 - Bonding Fees		85.00	0.0%	0.00	85.00	0.0%	0.00	170.00	0.0%	
6041 - Clerical Contract Services	4,520.18	4,300.00	105.12%	18,080.72	17,200.00	105.12%	22,600.90	21,500.00	105.12%	
6120 - Contract Labor Expense	6,160.00	19,500.00	31.59%	0.00	0.00	0.0%	6,160.00	19,500.00	31.59%	
6121 - Water Contingency Expense	0.00			195.00	10,300.00	1.89%	195.00	10,300.00	1.89%	
6122 - Depreciation	44,299.00	44,299.00	100.0%	11,656.00	11,656.00	100.0%	55,955.00	55,955.00	100.0%	
6127 - Insurance - Board of Directors	690.50	725.00	95.24%	690.50	725.00	95.24%	1,381.00	1,450.00	95.24%	
6128 - Insurance - Property Liability	0.00	0.00	0.0%	1,500.00	1,500.00	100.0%	1,500.00	1,500.00	100.0%	
6148 - Office Expense	229.57	250.00	91.83%	293.38	350.00	83.82%	522.95	600.00	87.16%	
6044 - Professional Fees	960.00	250.00	384.0%	4,006.55	2,750.00	145.69%	4,966.55	3,000.00	165.55%	
6133 - Repair and Maintenance Expense	0.00	0.00	0.0%	10,457.71	38,850.00	26.92%	10,457.71	38,850.00	26.92%	
6207 - Snow Removal Expense	30,910.00	31,000.00	99.71%	0.00			30,910.00	31,000.00	99.71%	
6220 - Utilities Expense	306.73	350.00	87.64%	3,882.50	4,650.00	83.5%	4,189.23	5,000.00	83.79%	
6119 - Water Operations Expense	0.00			5,781.25	5,400.00	107.06%	5,781.25	5,400.00	107.06%	
6221 - Water Testing Expense	0.00			2,093.00	500.00	418.6%	2,093.00	500.00	418.6%	
6219 - Water Leak Detection Expense	0.00			1,967.50	2,500.00	78.7%	1,967.50	2,500.00	78.7%	
6043 - Website Administration Expense	241.69	300.00	80.56%	241.69	300.00	80.56%	483.38	600.00	80.56%	
6223.3 - Capital Improvements										
6224.1 - Metering Project	0.00			8,516.57	6,100.00	139.62%	8,516.57	6,100.00	139.62%	
6126.4 - Well #4 Costs	0.00			5,367.25	8,000.00	67.09%	5,367.25	8,000.00	67.09%	
6126.5 - Water Rate Study	0.00			8,974.64	6,600.00	135.98%	8,974.64	6,600.00	135.98%	
6126.1 - Road Overlay	12,736.00	12,736.00	100.0%	0.00			12,736.00	12,736.00	100.0%	
6126.2 - Road Chipseal	6,965.00	6,965.00	100.0%	0.00			6,965.00	6,965.00	100.0%	
<b>Total 6223.3 - Capital Improvements</b>	<b>19,701.00</b>	<b>19,701.00</b>	<b>100.0%</b>	<b>22,858.46</b>	<b>20,700.00</b>	<b>110.43%</b>	<b>42,559.46</b>	<b>40,401.00</b>	<b>105.34%</b>	
<b>Total Expense</b>	<b>108,283.58</b>	<b>121,160.00</b>	<b>89.37%</b>	<b>84,062.16</b>	<b>117,866.00</b>	<b>71.32%</b>	<b>192,345.74</b>	<b>239,026.00</b>	<b>80.47%</b>	
<b>Net Ordinary Income</b>	<b>9,053.32</b>	<b>419.00</b>	<b>2,160.7%</b>	<b>45,052.93</b>	<b>171.00</b>	<b>26,346.74%</b>	<b>54,656.25</b>	<b>590.00</b>	<b>9,263.77%</b>	
<b>Net Income</b>	<b>9,053.32</b>	<b>419.00</b>	<b>2,160.7%</b>	<b>45,052.93</b>	<b>171.00</b>	<b>26,346.74%</b>	<b>54,656.25</b>	<b>590.00</b>	<b>9,263.77%</b>	

\*Note 1 - transfer of water reserve funds includes Oct '21 transfer not previously reported

\*Note 2 - Apr-May reported budget column was incorrect, numbers now reflect correct amended budget totals



# Water Revenue vs Costs FY 2022 actual revenue and costs

## Fixed Revenue collected and delayed\*\*

Water Maintenance assessment	23,358.29
Water Over head assessment	29,734.71
<b>** Delayed Assessments</b>	<b>3,273.00</b>
<b>Fixed Revenue Subtotal</b>	<b>56,366.00</b>

### Fixed Water Expenses

Advertising	357.9
Clerical	18080.72
Water contingency	195.00
Board insurance	690.00
Property Insurance	1,500.00
Office Expense	293.00
Professional Fees	4,006.00
Water Operations	5,781.25
Water Testing	2,093.00
Water leak detection	1,967.50
Web site	241.69
<b>Fixed Cash Expense Subtotal</b>	<b>35,206.06</b>

<b>Fixed Net Revenue Subtotal</b>	<b>21,159.94</b>
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### Infrastructure Water Expenses

Meter Project	8,516.57
Well #4	5,367.25
Water Rate Study	8,974.64
<b>Infrastructure Expense Subtotal</b>	<b>22,858.46</b>

<b>Fixed Net Subtotal after infrastructure projects</b>	<b>(1,698.52)</b>
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### Other Income

Connection Fees	13,260.75
Interest income	290.13
<b>Transfer from Water Reserve (Why?)</b>	<b>18,000.00</b>

<b>Excess Cash flow via fixed and other income</b>	<b>29,852.36</b>
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<b>Total excess cash flow in 21-22 fiscal year from all water accounts NET!</b>	<b>59,983.36</b>
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Bob Norton proposed transfer to water reserves

"3/17/23 Transfer to Water Reserve (Proposed)"	<b>38,708.53</b>
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**Unexplained Difference 21,274.83**

## Variable Revenue

Water Usage Fee's revenue at \$1.70/1000	44,471.21
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<b>Variable Revenue Subtotal</b>	<b>44,471.21</b>
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### Variable Water Expenses

Repair and Maintenance	10457.71
Utilities Expense	3882.5

<b>Variable Cash Expense Subtotal</b>	<b>14,340.21</b>
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<b>Variable Net Revenue Subtotal</b>	<b>30,131.00</b>
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<b>Excess Cash flow via water fees (1) (2) (3) (4)</b>	<b>30,131.00</b>
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- (1) The **Excess Variable Revenue** collected by the Skyline Board is attributable to the price of water above the actual cost to provide service.
- (2) The ISD board agenda, over the last five years, has been to increase the charge for water to shift costs for 30-year infrastructure to current water users.
- (3) The Historic, cost to produce water has been stable. However, the rate charged for water used has increased from 1.2 to 2.7/ 1000 gallons.(225%)
- (4) The overcharging for water consumed subsidize low and non-water users fixed charges. All Board members are in the bottom 10% of water users. Making cost shifting economically beneficial to them personally.










# Skyline Minutes 4-20-2023 - Revised

Final Audit Report

2023-05-24

Created:	2023-05-24
By:	Mountain Property Management (info@mpmjh.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAA-7MWYk21UwZZfdLBu5BOOKijN2CWSt2c

## "Skyline Minutes 4-20-2023 - Revised" History

-  Document created by Mountain Property Management (info@mpmjh.com)  
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-  Signer bobnorton51@gmail.com entered name at signing as Robert Norton  
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Signature Date: 2023-05-24 - 4:40:29 PM GMT - Time Source: server- IP address: 184.167.32.75
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