

**SKYLINE IMPROVEMENT AND SERVICE DISTRICT  
MINUTES OF BOARD MEETING  
DECEMBER 14, 2017**

A public meeting of the Directors of the Skyline Improvement and Service District was held on December 14, 2017, at the office of Berkshire Hathaway in Jackson. The following Directors, constituting a quorum, were present: Kurt Harland, Jim Lewis and Latham Jenkins as well as ISD bookkeeper Carly Schupman. Homeowner's present: Carol McCann, Ila Rogers, Will Garson, Lisa Ridgeway and Francis Warziniak.

Kurt, serving as Chairman, called the meeting to order at 4:00 pm.

**1. Approval of 11-9-17 regular board-meeting minutes**

**Action:** Kurt made a motion to approve the minutes as submitted. Latham seconded. The motion passed unanimously.

**2. Changes to the Agenda**

Jim asked that an item be added to Other Business per the request of Lee Cutler regarding considering other venues for certain board meetings to allow for larger attendance.

Jim asked that a new item #8A be added regarding approving a draft letter to two homeowners regarding a 2<sup>nd</sup> curb stop on their property that the ISD was not aware of.

Jim asked that item #10 regarding objectives be moved up to item #8B on the agenda and renumber the remaining items on the agenda.

**3. Review correspondence/docs presented by Carly and December self-audit plan.**

Carly presented the self-audit prepared by Barb Fields, our independent party. Carly said everything turned out fine. Jim said he'd read it and mail it to the State Dept. of Audit.

**4. Consider changes to bill-paying protocols to allow greater board/Carly flexibility.**

Carly presented the bill paying procedures to be followed in months where we don't have board meetings. Specifically, once the email from Carly is received by the directors, and following two directors approval, Carly will prepare the checks for signing. She will come up to Jackson, and two directors will sign the checks. Each month, the signing directors will alternate. With any invoice submitted by a director for reimbursement, that invoice will be deferred until the next subsequent public meeting.

Kurt made a motion to approve the procedures as outlined. Latham seconded and the motion carried unanimously.

**5. Motion to approve ISD deposits going first into checking, and then savings.**

Kurt made a motion to approve checks received by the ISD to be deposited into the checking account and then at the end of the month, after bills are paid, the excess transferred to the ISD's savings accounts. Previously the reverse was being done but this was causing operational issues with First Interstate. Latham seconded and the motion passed unanimously.

**6. Review FY budget vs. 5-month November 30th actual**

Carly noted we continue to be over budget in postage, office supplies and advertising, but we don't appear to be trending in exceeding our overall total expense budget for the year.

**7. Review Treasury Report, pay bills, outstanding A/R from homeowners**

The treasury report as of November 30th, showed total funds in financial institutions, including our operating account, our road and water reserve accounts and our C/D's amounted to \$394,851.35.

Carly said we're still awaiting the W-9 from Hansen Earth Works before releasing the approved check for \$4,194.95.

The A/R's were discussed. Improvement was noted. The directors agreed to follow up personally with a couple of the larger one.

**Action:** Kurt made a motion to approve the invoices submitted on Carly's list dated November 30<sup>th</sup> totaling \$10,900.15. Latham seconded the motion. The motion was approved unanimously.

**8. Motion to approve new contract with Clearwater Operations with effect 1/1/18**

Jim said that after much searching the last contract we had with Clearwater was dated 2008 and since the company has recently changed hands, he asked for a current draft contract. The draft contract calls for a monthly fixed billing of \$400/month effective January 1, 2018. Previously it was \$350/month. For other work requests on projects, etc., outside the scope of the contract, the per hour billing rate is unchanged at \$50/hour.

**Action:** Kurt made a motion to approve the new contract with Clearwater. Latham seconded the motion, which passed unanimously.

**8A. Review FY 2017-18 objectives and establish target dates.**

Jim handed out the revised draft objectives for the fiscal year showing in blue, the things have been completed, and in red, the things that are identified as deliverables for the next twelve months. This will be a living document, as things will likely be added as matters come up, but this gives us a roadmap to follow.

## **9. Public comment regarding change in road assessments**

Jim said that after hearing from Carol McCain and Ila Rogers separately on this issue, and later by a meeting with Ila and Chris Thulin, there seemed to be two issues of concern raised by these homeowners:

- First: did the board follow proper protocol with regard to the communication, decision, and implementation of the change in the road assessments, and;
- Second- was the methodology used by the board in making the change, fair, particularly to homeowners in the First Filing.

Jim said that he conferred with ISD counsel, on the first issue, and the counsel's view was that the dates of the board meetings are known in advance, that the directors can change, or deviate, from the agenda during the course of a meeting, and essentially, it is up to the homeowners to attend the meetings. Additionally, the board does have the authority to determine the methodology of the assessments.

Ila stated that for years, the differing amounts for road assessments between homeowners in the east (first filing) and the west (rest of Skyline) was determined by the formers less road mileage compared to the west's, and it has been in place for a long period of time, going back to when the roads were initially paved. Ila recalled that a traffic count was conducted prior to the paving and it was determined that 75% of the vehicles coming into Skyline, turned right after the mailboxes and headed west. Kurt said that according to Bob Norton, the assessment split at the time was based on distance, i.e. there was approximately twice the road mileage in the west, compared to the east.

Jim added that our counsel also stated that he knows of no other ISD or HOA that determines road assessments based on distance. Kurt's view was that Skyline is one District with a road and water system that should be shared equally, regardless of distance.

Ila felt that there should have been more input sought before a decision was made as many of the homeowners found out about it when they went to pay their taxes and noted the increased assessments from the prior year.

Lisa Ridgeway likes the idea of one "Skyline" without differentiation between East and West.

The homeowners attending were concerned about the increased assessments on those on fixed income.

Latham said the board's communication on this issue could have been better but that there was a great deal of care taken by the Board before making the decision.

The board agreed that it would be willing to listen to recommendations on the assessment methodology at a subsequent board meeting.

**Follow-up:** Ila Rogers and Susan Dong agreed to review the road assessment methodology, consider others, and make a recommendation to the Board at its April meeting.

**10. Motion to approve proposed Board meeting dates for 2016**

The Board discussed reducing the number of board meetings from 12 (monthly) to eight for 2016, eliminating the meetings in January, March, August, and December.

Latham made a motion to approve not having board meetings for the months of January, March, August and December for 2016. Kurt seconded and the motion carried unanimously.

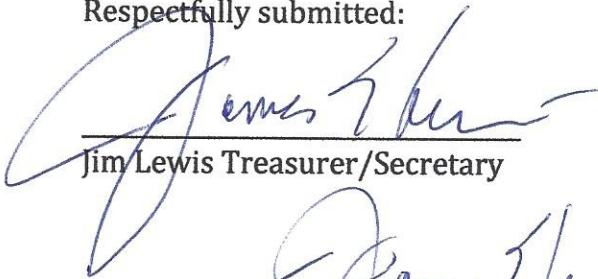
**11. Other Business**

Based on Lee Cutler's suggestion, Jim said he'd look for an alternate venue for the June and July Board meetings when we discuss the budget, so that more homeowners could be accommodated.

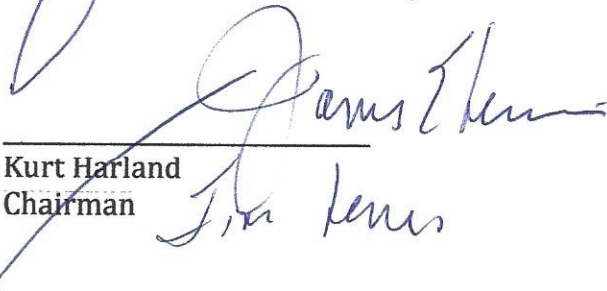
**Adjournment**

There being no other business, Kurt adjourned the board meeting at 5:30 pm.

Respectfully submitted:



Jim Lewis Treasurer/Secretary



Kurt Harland  
Chairman



Latham Jenkins  
Vice Chairman