

**SKYLINE IMPROVEMENT AND SERVICE DISTRICT
MINUTES OF SPECIAL BOARD MEETING**

June 19, 2017

A public meeting of the Directors of the Skyline Improvement and Service District was held on June 19, 2017, at 4:00 pm at the office of Berkshire Hathaway in Jackson, Wyoming.

The following Directors, constituting a quorum, were present: Kurt Harland and Jim Lewis. Carly Schupman, the District's bookkeeper attended via phone. Homeowner Mary Lohuis was present.

Kurt served as Chairman, and Jim served as Treasurer/ Secretary.

Kurt called the meeting to order at 4:00 pm.

1) Intention to approve and publish the District's Fiscal Year 2017-18 budget and hearing notice date of July 13, 2017.

Jim summarized the board approval for the road maintenance assessments at the previous board meeting which was to change the assessments to a pro rata basis among all home/lot owners up to a 2017-18 budgeted road maintenance assessment of \$50,000. Jim said that when Carly prepared the draft numbers based on that approval, what jumped out was that the District wouldn't have enough reserves to pay for the first chip seal, not to mention the needed buildup for the future overlay project. Therefore it is necessary to increase the base road maintenance budget to \$63,000, which was the same amount as last year, and therefore it will change the road maintenance assessment to approximately \$700 per home/lot owner. For the next overlay project, which is targeted in approximately 15 years, an amount of \$41,000 was budgeted for 2017/18. Jim assumed an annual inflation rate of 1.25% to determining the estimated chip seal and over lay project costs. If this proves too conservative an inflation factor, we'll have to address it in the future. This will add \$455.56 to each home/lot owner's assessment. Adding the two together, the total road assessment will be approximately \$1155.56 per year, and this will be added to each home/lot owner's property taxes, one-half paid twice a year, in May and November.

For the 7 land only owners, they will be charged an \$300 annual readiness to serves fee, as they also benefit from the maintenance of the water infrastructure system. For the 83 homes and 1 documented ARU having a

separate water meter, they will be charged a total of \$400 for the next fiscal year, \$300 for the base water charge, and \$100 for the flat charge for water usage. This also will be placed on the property taxes. Finally, there is an amount of additional \$12,000 in water revenues, which Carly believes will be the approximate amount collected for the last water usage billing for the current fiscal year, for which invoices will be mailed out on-or-about July 20, 2017. An amount of \$25,000 has been put into the budget for the Water Infrastructure study. Kurt made a motion approve the board's intention to approve the District's 2017/18 budget at the board meeting and public hearing date of July 13, 2017. Latham seconded the motion. The motion carried unanimously 3-0.

2) Consideration of Adoption: Regulations of Water use of the Skyline Improvement and Service District.

Jim made some minor corrections to the draft presented at the prior board meeting and corrected the numbering. Of more substance, a new last paragraph, after agreed to which now reads:

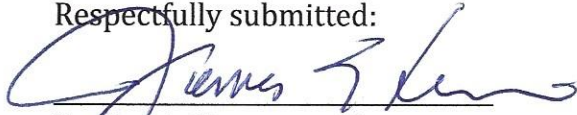
“After a one year grace period beginning July 1, 2017 and ending June 30, 2018, fines may be imposed by the District for any irrigation lines that do not have a meter, and/or a backflow prevention device. If you are uncertain, you are encouraged to contact the District at office@skylineranchisd.com and someone will help you determine your situation.”

During the public comment period Mary Lohuis had a problem with all homeowners paying the same \$100 flat water usage charge for FY 2017-18, given that she uses very little, and others use a great deal of water, and the latter puts more demands on the water system. She felt that this was unfair. Kurt said that as stated in the water usage policy this will be the case only for this next fiscal year, during which we'll have the results of our infrastructure study, and will be in a better position to consider appropriate water usage charges, and perhaps a tiered water charges based on tiered usage levels, with a certain amount of usage included within the base water charge.

Kurt made a motion to adopt the Regulations of Water Use of the Skyline Improvement and Service District, as amended at this meeting. Latham seconded. There being no further board or public comment, the motion carried unanimously, 3-0.

As there was no other business, Kurt adjourned the special board meeting at 4:33pm.

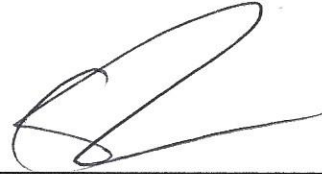
Respectfully submitted:



Jim Lewis Treasurer/Secretary



Kurt Harland-Chairman



Latham Jenkins- Vice Chair