NEAHKAHNIE WATER DISTRICT

RESOLUTION 2026 -10

A RESOLUTION ESTABLISHING A WATERSHED PROTECT DEBT SERVICE FUND

WHEREAS, the Board of Commissioners wants to separate the expenditures to repay the two Watershed Protection loans from the expenditures for capital improvements to make it easier to calculate loan principal prepayment amounts and to make it easier to determine how much money is available for capital improvement projects, and

WHEREAS, the Budget Committee has approved the 2026-27 budget with a Watershed Protection Debt Service Fund for that purpose.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS THAT: a Watershed Protection Debt Service Fund be created on July l, 2026; and

BE IT FURTHER RESOLVED, that $189,300, which is the estimated value on June 30, 2026 of the required loan reserves held at Zions Bank, be transferred from the Capital Improvement Reserve Fund to the Watershed Protection Debt Service Fund; and

BE IT FURTHER RESOLVED, that $248,660, which is the estimated value on June 30, 2026 of the System Enhancement Fees collected over the amount of the annual loan payments due to Zions Bank since the 2022-23 fiscal year, be transferred from the Capital Improvement Fund to the Watershed Protection Debt Service Fund; and

BE IT FURTHER RESOLVED, that the monthly Watershed Protection Debt Fee paid by District customers be credited to the Watershed Protection Debt Service Fund from July l, 2026 until the debts are paid off; and

BE IT FURTHER RESOLVED, that all payments associated with the Watershed Protection loans be paid from the Watershed Protection Debt Service Fund; and

BE IT FURTHER RESOLVED, that when the two loans have been paid off, any remaining money in the Water Protection Debt Service Fund be transferred to the Capital Improvement Fund and the Watershed Protection Debt Service Fund be abolished.

Adopted by the Board of Commissioners at the regularly scheduled meeting this 16th day of June, 2026.

VOTE: YES: 4 NO: 0 ABSENT/ABSTAIN: 1

David Boone, President

ATTEST:

Barbara Rippey, Secretary