

**ERMD INTERIM FINANCIAL REPORT  
MARCH 31, 2020**

**BALANCE SHEET**

Current assets are \$6.3M, consisting of \$5.96M cash and \$383K receivables and other. Bad debt consists of one account owing for 2019 annual maintenance fees plus delinquency charges.

Property, Plant and Equipment is \$8M, which primarily represents the water and sewer infrastructure.

Other Assets are \$4.3M, made up primarily of all the roads for which the District has responsibility.

Liabilities are \$4.9M. The District's total 2020 tax levy is \$298,477. Of that amount \$192K is yet to be collected.

Total Net Position is \$13.6M.

**FINANCIAL OVERVIEW:**

The District's YTD Total Cash Inflow is \$653K, and \$18K more than budgeted. There were 8 new house starts in the first quarter of 2020. After transferring \$259K to Reserves, Net Operating Cash Inflow is \$394M.

Total Operating Cash Outflow was \$253K, which is \$23K less than budgeted. The Cash Flow before Reserves was \$141K. Total cash flow including reserve activity is \$218K.

**ANALYSIS OF RESERVE ACTIVITY:**

Total Reserve Cash Inflow was \$259K, which is \$8K more than budgeted.

Total Reserve Cash Outflow was \$183K, almost \$12K less than budget. The largest variance of \$8K in WWTP Development is a timing issue. The construction of the new Waste Water Treatment facility has been delayed waiting on all necessary approvals from the State.

Total Reserve increased by \$76K, beginning the year at \$5.4M and ending the quarter at \$5.48M.

**CURRENT INFRASTRUCTURE STATUS**

3/31/2020	WATER/SEWER CUSTOMERS	<u>RANCH</u>	<u>HIGHLAND</u>	<u>MEADOWS</u>	<u>TOTAL</u>	-
	UNIMPROVED	12	93	67	172	
	RESIDENTIAL	219	345	28	592	
	PONDS	3	0	0	3	
	LANDSCAPING	3	2	1	6	
	TOTAL	237	440	96	773	

Miles of Road (estimate)	3.4	5.4	1.1	9.9
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**EDGEMONT RANCH METROPOLITAN DISTRICT**  
**Consolidated Balance Sheet**  
**MARCH 31, 2020**

**ASSETS**

Current Assets

Cash	\$480,478
Water System Reserve	122,293
Sewer System Reserve	4,883,345
Road Maintenance Reserve	317,661
Snow Removal Reserve	155,899
Property Taxes Receivable	192,060
Water/Sewer Base Fees Receivable	42,967
Infrastructure Maintenance Fees Receivable	143,259
Other Current Assets	6,562
Bad Debt Reserve	-1,452
<b>Total Current Assets</b>	<b>6,343,072</b>

Property, Plant and Equipment

Water Source and Distribution Infrastructure	5,548,376
Water Treatment Infrastructure	676,371
Water Plant Equipment	160,718
Sewer Transmission Infrastructure	3,391,340
Sewer Treatment Infrastructure	427,813
Sewer Treatment Plant Construction in Progress	153,721
Sewer Plant Equipment	158,285
Transportation Equipment	206,491
Office Building	71,280
Accumulated Depreciation	-2,782,382
<b>Total Property, Plant and Equipment</b>	<b>8,012,013</b>

Other Assets

Building Improvements	87,536
Security Infrastructure	212,610
Roads Infrastructure	5,518,045
Office Building & Equipment	333,377
Land	62,609
Accumulated Depreciation	-1,903,687
<b>Total Other Assets</b>	<b>4,310,490</b>

**TOTAL ASSETS** \$18,665,575

**LIABILITIES**

Current Liabilities

Accounts Payable	44,692
Accrued Compensated Absences	11,260
Unearned revenue	20,500
Current portion of long-term debt	279,378
<b>Total Current Liabilities</b>	<b>355,830</b>

Long-term Debt

Leases Payable, net of current portion	43,716
Notes Payable, net of current portion	4,504,797
<b>Total Long-term Debt</b>	<b>4,548,513</b>
<b>TOTAL LIABILITIES</b>	<b>4,904,343</b>

DEFERRED INFLOWS OF RESOURCES

Deferred Property Tax Revenue	192,060
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NET POSITION

Retained Earnings	6,757,170
Investment in General Fixed Assets	2,155,763
Restricted for Roads	231,120
Contributed Capital	4,090,641
LT Debt Paid YTD Reported in Cash Flow as Outflow	116,805
Net Cash Flow	217,673
<b>TOTAL NET POSITION</b>	<b>13,569,172</b>

**TOTAL LIABILITIES AND NET POSITION** \$18,665,575

**EDGEMONT RANCH METROPOLITAN DISTRICT**  
**Consolidated Statement of Cash Flows**  
**MARCH 31, 2020 YTD**

<b>CASH INFLOW</b>	<b>Water Fund</b>	<b>Sewer Fund</b>	<b>General Fund</b>	<b>Long Term Debt</b>	<b>Total</b>	<b>Budget</b>	<b>Variance</b>	<b>%</b>
Water / Sewer Base Fees	\$54,597	\$43,958			\$98,555	\$95,977	2,578	3%
Infrastructure Maintenance Fees	91,963	94,813			186,776	181,821	4,955	3%
Property Tax Income			\$87,988	\$23,568	111,556	107,708	3,848	4%
Snow Removal Fees			22,774		22,774	22,158	616	3%
Water / Sewer Reserves	38,318	170,664			208,982	203,475	5,507	3%
Inspection/Equipment/Impact Fees	3,768	200	4,200		8,168	4,980	3,188	64%
Lease Income			14,377		14,377	13,824	553	4%
EPOA Reimbursement			1,923		1,923	3,243	(1,320)	-41%
Other					0	75	(75)	-100%
Interest Income		1,672			1,672	1,675	(3)	0%
Bad Debt Reserve	-540	-840	-72		-1,452	0	(1,452)	
<b>TOTAL CASH INFLOW</b>	<b>188,106</b>	<b>310,467</b>	<b>131,190</b>	<b>23,568</b>	<b>653,331</b>	<b>634,936</b>	<b>18,395</b>	<b>3%</b>
Transfers to Reserves	-38,318	-172,336	-48,307	0	-258,961	-250,748		
<b>NET OPERATING CASH INFLOW</b>	<b>149,788</b>	<b>138,131</b>	<b>82,883</b>	<b>23,568</b>	<b>394,370</b>	<b>384,188</b>	<b>10,182</b>	<b>3%</b>
<b>OPERATING CASH OUTFLOW</b>								
Professional Fees	483	4,354	2,890	673	8,400	6,557	(1,843)	-28%
Office Expenses	1,574	1,584	921		4,079	3,912	(167)	-4%
Lease Expense	21,915	12,871	0		34,786	38,850	4,064	10%
Employee Expenses - Personnel	26,950	26,568	11,924		65,442	71,280	5,838	8%
Employee Exp - Taxes, Insurance, etc.	12,535	12,563	5,870		30,968	33,415	2,447	7%
Insurance	7,592	7,592	3,796		18,980	21,900	2,920	13%
Vehicle Expenses	661	1,052	357		2,070	4,050	1,980	49%
Operations Expenses	18,354	14,881	2,815		36,050	39,045	2,995	8%
Maintenance/Repair Equipment						2,365	2,365	100%
Maintenance/Repair Infrastructure	5,528		315		5,843	7,410	1,567	21%
Distribution / Collections	7,062	954			8,016	13,765	5,749	42%
Capital Expenditures						0	0	#DIV/0!
Debt Payments				15,348	15,348	15,348	0	0%
Other	19,314	1,931	1,930		23,175	18,690	(4,485)	-24%
<b>TOTAL OPERATING CASH OUTFLOW</b>	<b>121,968</b>	<b>84,350</b>	<b>30,818</b>	<b>16,021</b>	<b>253,157</b>	<b>276,587</b>	<b>23,430</b>	<b>8%</b>
<b>CASH FLOW BEFORE RESERVES</b>	<b>\$27,820</b>	<b>\$53,781</b>	<b>\$52,065</b>	<b>\$7,547</b>	<b>\$141,213</b>	<b>\$107,601</b>	<b>\$33,612</b>	<b>31%</b>
<b>NET RESERVE ACTIVITY</b>	<b>7,764</b>	<b>52,531</b>	<b>16,165</b>	<b>0</b>	<b>76,460</b>	<b>56,424</b>	<b>20,036</b>	
<b>TOTAL CASH FLOW</b>	<b>\$35,584</b>	<b>\$106,312</b>	<b>\$68,230</b>	<b>\$7,547</b>	<b>\$217,673</b>	<b>\$164,025</b>	<b>\$53,648</b>	<b>33%</b>

**EDGEMONT RANCH METROPOLITAN DISTRICT**  
**Analysis of Reserve Activity**  
**MARCH 31, 2020 YTD**

	<u>Water System Reserve</u>	<u>Waste Water System Reserve</u>	<u>Road Maintenance Reserve</u>	<u>Snow Removal Reserve</u>	<u>Total</u>	<u>Budget</u>	<u>Variance</u>
<b>CURRENT RESERVE CASH INFLOW</b>							
Spring Valley Reservoir Reserve Fees	38,318				\$38,318	\$37,290	1,028
WWTP Reserve		170,664			\$170,664	166,185	4,479
Interest on Loan Proceeds		1,672			\$1,672	1,675	(3)
Road Maintenance Tax Levy			\$21,333		\$21,333	20,940	393
Snow Removal Fee				\$22,774	\$22,774	22,158	616
Road Impact Fees			4,200		\$4,200	2,500	1,700
<b>TOTAL CASH INFLOW</b>	<b>38,318</b>	<b>172,336</b>	<b>25,533</b>	<b>22,774</b>	<b>258,961</b>	<b>250,748</b>	<b>8,213</b>
<b>CURRENT RESERVE CASH OUTFLOW</b>							
Spring Valley Reservoir Loan Payments	30,554				30,554	30,554	0
WWTP Loan Payments		77,771			77,771	77,770	(1)
WWTP Development		42,034			42,034	50,000	7,966
R&M Roads			15,054		15,054	15,500	446
Snow Removal Expense				13,517	13,517	15,500	1,983
Snow Equipment R&M				3,571	3,571	5,000	1,429
<b>TOTAL RESERVE CASH OUTFLOW</b>	<b>30,554</b>	<b>119,805</b>	<b>15,054</b>	<b>17,088</b>	<b>182,501</b>	<b>194,324</b>	<b>11,823</b>
<b>NET RESERVE CASH FLOW</b>	<b>\$7,764</b>	<b>\$52,531</b>	<b>\$10,479</b>	<b>\$5,686</b>	<b>\$76,460</b>	<b>\$56,424</b>	<b>-\$20,036</b>
<b>PREVIOUS BALANCE (12/31/19)</b>	<b>114,529</b>	<b>4,830,814</b>	<b>307,182</b>	<b>150,213</b>	<b>5,402,738</b>		
<b>TOTAL RESERVE BALANCE</b>	<b>\$122,293</b>	<b>\$4,883,345</b>	<b>\$317,661</b>	<b>\$155,899</b>	<b>\$5,479,198</b>		