



METROPOLITAN DISTRICT

5972 County Road 234 Durango, CO 81301

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**NOTICE OF REGULAR MEETING OF THE EDGEMONT RANCH METROPOLITAN DISTRICT  
BOARD OF DIRECTORS**

TO ALL QUALIFIED TAXPAYING ELECTORS OF EDGEMONT RANCH METROPOLITAN DISTRICT TO ALL OTHER PERSONS TO WHOM IT MAY BE OF CONCERN:

**NOTICE IS HEREBY GIVEN** the Regular Meeting of the Edgemont Ranch Metropolitan District Board of Directors will be held at **4:00 PM on Thursday, October 18, 2018 at ERMD Office, 5972 C.R. 234, Durango, CO.**

The purpose of the meeting is to transact the items specified below and transact such other business as may properly come before the Board in accordance with the Bylaws of the District.

**AGENDA ITEMS:**

1. Approve ERMD Regular Board Meeting Minutes from August 16, 2018 and ERMD Special Board Meeting Minutes from September 12, 2018
2. 3<sup>rd</sup> Quarter Metro Financial Report – Marilyn
3. Proposed 2019 Metro Budget – Marilyn & Mr. Butler
4. Highlands- Phase 5 Drainage
5. Waste Water Treatment Plant Update – Mr. Butler, and Mr. Martinez
6. Staff Report
  - A) Water supply
  - B) Road Paving in the Highlands
  - C) Street Lights
7. Board Concerns

Dated this 15<sup>th</sup> day of October 2018

EDGEMONT RANCH METROPOLITAN DISTRICT

Steve Martin, President

4 Edgemont Ranch Metropolitan District Locations & La Plata County Clerk's Office

**Edgemont Ranch Metropolitan District  
Meeting of the Board of Directors  
Minutes**

The regular meeting of the Board of Directors of the Edgemont Ranch Metropolitan District was called to order at the District office on Thursday, October 18, 2018 at 4:03 PM by Steve Martin.

Directors in attendance were: Steve Martin, Rich Butler, Andrew Rapiejko, Larry Mongelli and Al Winzerling. Also, in attendance were staff members, Mike Lancianese, Mark Fuson, Kurtis Martinez, Robert Ludwig, Marilyn Heide and Annette Hutchins. Edgemont residents in attendance were: Linda Herz, Bill Owen, Bill Fisher, Steve Doob, Tom Gorton, and Dolph Kuss, Eric Flora and Engineer, Steve Winters.

Mr. Butler moved to approve the Regular Metro Board Meeting minutes from August 16, 2018, and the Special Metro Board Meeting minutes from September 12, 2018, seconded by Mr. Winzerling, and was carried unanimously.

Mr. Martin discussed the agenda item – Highlands Phase 5B drainage - next. Mr. Ludwig described the road construction in this new phase and his concern about the storm water drainage being correctly installed & graded before winter. He outlined the earlier agreement with the developer regarding installation of the drainage features and the District's concerns that these features were not completed as agreed. Mr. Flora, the developer of this phase, understood the need to take care of this issue with retaining walls, a catch basin pond and other measures to maintain adequate drainage throughout the area. He plans to start at the bottom-up in the next few weeks before the winter weather. Mr. Flora has intentions of carefully following the road engineer's plans for correct road compaction to pass the storm water permitting. There was discussion about the impact of construction truck's heavy use on the subdivision's roads and cost to Metro for road repairs. Mr. Rapiejko queried on the road impact fee and damage done historically in other areas of Edgemont. Mr. Flora stated he is following developer, Mr. Gorton's, good example with the road installation and drainage process. Mr. Butler emphasized the importance of the drainage work to protect residents' property and the District's assets. Mr. Flora Mr. Martinez stated he would like to see the completed pond before winter. Mr. Butler would like staff to follow-up with Mr. Flora on this next phase.

Marilyn reviewed Metro's 3<sup>rd</sup> Quarter ERMD Interim Financial Report: the Consolidated Balance Sheet, September 30, 2018, the Consolidated Statement of Cash Flows, September 30, 2018 YTD, and the Analysis of Reserve Activity, September 30, 2018 YTD. (See attachments)

Marilyn and Mr. Butler then reviewed the Metro 2019 Proposed Budget, dated October 11, 2018. There would be an increase in the Metro's insurance with the Special District when coverage was updated including additional assets. Mr. Fuson reviewed the Metro's need to acquire Scada equipment; hardware and programming that would integrate the whole water and waste water systems. The cost would run approximately 45K.

Mr. Martinez gave a brief update on the progress of the Waste Water Treatment Plant. The engineers are currently working on the process calculations. Element Engineering will be completing drafts of the process design report and the 60% plans. Mr. Martin asked about the engineer's stated possibility, from a progress update letter, of re-designing the layout of the basins to meet more cost effective redundancy requirements which would reduce the total size of the proposed basins significantly thus resulting in a reduced project cost. Mr. Martinez cautioned the board on that statement – for the engineers may not be able to keep to a lower cost as proposed. Mr. Gorton asked when construction may begin. Mr. Ludwig expected it to go to bid July 4<sup>th</sup> and construction to start next September 2019.

Mr. Ludwig gave a water supply update. The reservoirs are refilled again with the river water from the recent rainfall. Mr. Ludwig described the reservoir's need to have static electricity to help with the processing of the water from Florida River. When the river was so low it was not able to do this naturally so staff had to order and use a new chemical that would replicate this electrical charge. Mr. Fuson said this chemical had a shelf life of several years so if the river gets low again they will be able to use it. Mr. Martin asked about the need for residents to continue water restrictions. Mr. Ludwig said Metro got through three weeks with a dry river, but now the residents could use water again as normal. Mr. Martin asked Mr. Ludwig to compose a letter to assure the residents of the current water supply and that Metro is off water restrictions now. Mr. Ludwig felt the residents were responsible and cut back on water use when called upon to do so. Mr. Doob thanked the Metro Board for the foresight to build the reservoir. Mr. Ludwig related that he had attended a meeting, the Animas Group, which included the tribes and the city of Durango to discuss the water situation. Everyone is involved to various degrees and they discussed plans for fairer water distribution during low river flow caused by drought conditions. Mr. Martin thanked Mr. Ludwig for attending the meeting, being involved and reporting back to the board with pertinent information concerning this issue.

Lastly, Mr. Lancianese updated the board concerning the street lights. The district had hired CT Electric to give a cost estimate to repair work on the street lights in the Bluffs – broken wires to the transformer - for several of the lights – the cost estimate of repairs was 4K. Mr. Lancianese then researched solar light costs for equipment and labor and found it was significantly less - \$300 for the equipment and \$200 for labor. Mr. Martin asked Mr. Lancianese to have one installed at Golden Dipper and Iron King and then evaluate it to consider replacing the other lights as well.

Thereafter, and upon motion duly made, seconded and unanimously passed, the meeting was adjourned at 5:07 PM.

Respectfully submitted,

Annette Hutchins,

Administrative Assistant

**ERMD INTERIM FINANCIAL REPORT  
SEPTEMBER 30, 2018**

**BALANCE SHEET**

Current assets are \$6M, consisting of \$5.9M cash and \$100K receivables and other.

Property, Plant and Equipment is \$7.9 million, which primarily represents the water and sewer infrastructure.

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

Liabilities are \$6 million.

Total capital is \$12 million.

**FINANCIAL OVERVIEW:**

The District's YTD Total Cash Inflow was \$1.4M, which is \$45K more than budgeted. There were 21 Highlands and Meadows lots sold, 41 new house starts and 51 excavation permits as of September 30. After transferring \$541K to Reserves, Net Operating Cash Inflow is \$897K.

Total Operating Cash Outflow was \$771K, which is \$50K less than budgeted. The variance is caused mainly by timing issues. The Cash Flow before Reserves was \$126K, which is \$61K greater than budget. Total cash flow including reserve activity is \$280K, \$375K more than budgeted

**ANALYSIS OF RESERVE ACTIVITY:**

Total Reserve Cash Inflow was \$541K, which is \$34.5K more than budgeted.

Total Reserve Cash Outflow was \$387K. The \$280K variance is timing for the WWTP and road repair.

Total Reserve increased by \$154K, beginning the year at \$5.3M and ending the quarter at \$5.5M.

**CURRENT INFRASTRUCTURE STATUS**

9/30/2018	WATER/SEWER CUSTOMERS	<u>RANCH</u>	<u>HIGHLAND</u>	<u>MEADOWS</u>	<u>TOTAL</u>	-
	UNIMPROVED	13	75	69	157	
	RESIDENTIAL	218	325	15	558	
	PONDS	3	0	0	3	
	LANDSCAPING	3	2	1	6	
	TOTAL	237	402	85	724	

Miles of Road (estimate)	3.4	5.0	1.1	9.5
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**EDGEMONT RANCH METROPOLITAN DISTRICT**  
**Consolidated Balance Sheet**  
**SEPTEMBER 30, 2018**

**ASSETS**

Current Assets

Cash	\$360,984
Water System Reserve	114,353
Waste Water System Reserve	4,951,071
Road Maintenance Reserve	301,327
Snow Removal Reserve	133,659
Taxes Receivable	2,160
Utilities Receivable	35,015
Infrastructure Maintenance Fees Receivable	68,461
Bad Debt Reserve	-1,387
Other Current Assets	1,373

Total Current Assets	<u>5,967,016</u>
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Property, Plant and Equipment

Water Source and Distribution Infrastructure	5,420,139
Water Treatment Infrastructure	676,371
Sewer Transmission Infrastructure	3,272,293
Sewer Treatment Infrastructure	496,544
Water/Sewer Plant Equipment	263,369
Transportation Equipment	206,491
Office Building	71,280
Accumulated Depreciation	-2,532,084

Total Property, Plant and Equipment	<u>7,874,403</u>
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Other Assets

Building Improvements	87,536
Security Infrastructure	205,900
Roads Infrastructure	5,425,173
Office Building & Equipment	333,377
Land	62,609
Accumulated Depreciation	-1,768,765

Total Other Assets	<u>4,345,830</u>
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TOTAL ASSETS	<u><u>\$18,187,249</u></u>
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**LIABILITIES**

Accounts Payable	39,148
Restricted Property Tax	2,160
Deferred Income	20,000
Leases Payable	372,285
Notes Payable	5,465,117

TOTAL LIABILITIES	<u>5,898,710</u>
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**CAPITAL**

Retained Earnings	\$5,543,527
Restricted for Roads	218,750
Contributed Capital	4,090,641
Investment in General Fixed Assets	2,155,763
Net Cash Flow	279,858

TOTAL CAPITAL	<u>12,288,539</u>
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TOTAL LIABILITIES AND CAPITAL	<u><u>\$18,187,249</u></u>
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**EDGEMONT RANCH METROPOLITAN DISTRICT**  
**Consolidated Statement of Cash Flows**  
**SEPTEMBER 30, 2018 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	\$181,937	\$119,384			\$301,321	\$285,000	\$16,321	6%
Infrastructure Maintenance Fees	166,871	171,166			338,037	345,000	(6,963)	-2%
Property Tax Income			\$193,756	\$66,869	260,625	249,386	11,239	5%
Snow Removal Fees			41,070		41,070	42,048	(978)	-2%
Highlands Lot Sale Fees	24,675	24,675			49,350	28,200	21,150	75%
Water / Sewer Reserves	69,530	308,099			377,629	383,000	(5,371)	-1%
Inspection/Equipment/Impact Fees	19,813	1,025	21,775		42,613	14,940	27,673	185%
Lease Income			13,824		13,824	13,824	0	0%
EPOA Reimbursement			9,408		9,408	8,650	758	9%
Other			20		20	22,725	(22,705)	-100%
Interest Income		5,020			5,020	0	5,020	#DIV/0!
Bad Debt Reserve	-475	-840	-72		-1,387	0	(1,387)	
<b>TOTAL CASH INFLOW</b>	<b>462,351</b>	<b>628,529</b>	<b>279,781</b>	<b>66,869</b>	<b>1,437,530</b>	<b>1,392,773</b>	<b>44,757</b>	<b>3%</b>
Transfers to Reserves	-94,205	-337,794	-108,757	0	-540,756	-506,248		
<b>NET OPERATING CASH INFLOW</b>	<b>368,146</b>	<b>290,735</b>	<b>171,024</b>	<b>66,869</b>	<b>896,774</b>	<b>886,525</b>	<b>10,249</b>	<b>1%</b>
<b>OPERATING CASH OUTFLOW</b>								
Professional Fees	3,454	11,740	9,599	1,857	26,650	32,515	5,865	18%
Office Expenses	3,128	2,837	3,134		9,099	9,350	251	3%
Lease Expense	65,832	38,663	0		104,495	110,000	5,505	5%
Employee Expenses - Personnel	67,784	78,869	78,943		225,596	224,400	(1,196)	-1%
Employee Exp - Taxes, Insurance, etc.	25,442	28,923	26,628		80,993	86,975	5,982	7%
Insurance	4,227	4,227	4,227		12,681	12,681	0	0%
Vehicle Expenses	3,691	2,320	2,318		8,329	13,500	5,171	38%
Operations Expenses	41,479	32,654	10,913		85,046	116,260	31,214	27%
Maintenance/Repair Equipment	2,439	2,753	0		5,192	3,340	(1,852)	-55%
Maintenance/Repair Infrastructure	9,242	266	1,654		11,162	10,597	(565)	-5%
Distribution / Collections	25,074	7,438			32,512	36,565	4,053	11%
Capital Expenditures	12,237	58,419	2,785		73,441	81,280	7,839	10%
Debt Payments		6,885		46,045	52,930	52,932	2	0%
Other	41,815	411	534		42,760	30,760	(12,000)	-39%
<b>TOTAL OPERATING CASH OUTFLOW</b>	<b>305,844</b>	<b>276,405</b>	<b>140,735</b>	<b>47,902</b>	<b>770,886</b>	<b>821,155</b>	<b>50,269</b>	<b>6%</b>
<b>CASH FLOW BEFORE RESERVES</b>	<b>\$62,302</b>	<b>\$14,330</b>	<b>\$30,289</b>	<b>\$18,967</b>	<b>\$125,888</b>	<b>\$65,370</b>	<b>\$60,518</b>	<b>93%</b>
<b>NET RESERVE ACTIVITY</b>	<b>2,543</b>	<b>52,874</b>	<b>98,553</b>	<b>0</b>	<b>153,970</b>	<b>-160,997</b>	<b>314,967</b>	
<b>TOTAL CASH FLOW</b>	<b>\$64,845</b>	<b>\$67,204</b>	<b>\$128,842</b>	<b>\$18,967</b>	<b>\$279,858</b>	<b>-\$95,627</b>	<b>\$375,485</b>	<b>-393%</b>

**EDGEMONT RANCH METROPOLITAN DISTRICT**  
**Analysis of Reserve Activity**  
**SEPTEMBER 30, 2018 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>							
Highlands Lot Sale Fee	\$24,675	\$24,675			\$49,350	\$28,200	21,150
Spring Valley Reservoir Reserve Fees	69,530				\$69,530	\$70,500	(970)
WWTP Reserve		308,099			\$308,099	312,500	(4,401)
Interest on Loan Proceeds		5,020			\$5,020	0	5,020
Road Maintenance Tax Levy			\$45,912		\$45,912	45,500	412
Snow Removal Fee				\$41,070	\$41,070	42,048	(978)
Road Impact Fees			21,775		\$21,775	7,500	14,275
<b>TOTAL CASH INFLOW</b>	<b>94,205</b>	<b>337,794</b>	<b>67,687</b>	<b>41,070</b>	<b>540,756</b>	<b>506,248</b>	<b>34,508</b>
<b>CURRENT RESERVE CASH OUTFLOW</b>							
Spring Valley Reservoir Loan Payments	91,662				91,662	91,663	1
WWTP Loan Payments		233,312			233,312	233,312	0
WWTP Development		51,608			51,608	300,000	248,392
R&M Roads			2,610		2,610	34,070	31,460
Snow Removal Expense				1,130	1,130	4,100	2,970
Snow Equipment R&M				6,464	6,464	4,100	(2,364)
<b>TOTAL RESERVE CASH OUTFLOW</b>	<b>91,662</b>	<b>284,920</b>	<b>2,610</b>	<b>7,594</b>	<b>386,786</b>	<b>667,245</b>	<b>280,459</b>
<b>NET RESERVE CASH FLOW</b>	<b>\$2,543</b>	<b>\$52,874</b>	<b>\$65,077</b>	<b>\$33,476</b>	<b>\$153,970</b>	<b>-\$160,997</b>	<b>-\$314,967</b>
<b>PREVIOUS BALANCE (12/31/17)</b>	<b>111,810</b>	<b>4,898,197</b>	<b>236,250</b>	<b>100,183</b>	<b>5,346,440</b>		
<b>TOTAL RESERVE BALANCE</b>	<b>\$114,353</b>	<b>\$4,951,071</b>	<b>\$301,327</b>	<b>\$133,659</b>	<b>\$5,500,410</b>		

**Edgemont Ranch Metropolitan District  
2019 Proposed Budget  
October 11, 2018**

	<b>Actual 2017</b>	<b>Budget 2018</b>	<b>2018 YTD 9/30/18</b>	<b>2018 Projected</b>	<b>2019 GENERAL</b>	<b>2019 WATER</b>	<b>2019 SEWER</b>	<b>2019 DEBT</b>	<b>2019 BUDGET</b>
Utility Services Base	\$299,845	\$309,369	\$238,249	\$320,449		\$166,392	\$169,725		\$336,117
Water Usage	\$71,111	\$61,500	\$63,072	\$72,070		72,000			\$72,000
Infrastructure Maintenance	355,385	421,824	408,261	418,336		208,512	213,600		422,112
Inspection Fee Hookup	2,625	1,500	4,771	4,550		1,000	500		1,500
Meter Equipment	14,735	8,420	17,342	18,605		8,420			8,420
Taxes	264,823	257,056	260,625	264,250	207,609			72,042	279,651
Snow Removal Reserve	43,221	51,264	41,070	51,264	51,264				51,264
Water System Reserve	73,271	86,760	69,530	85,530		86,880			86,880
Sewer System Reserve	179,535	384,480	237,875	379,100			384,480		384,480
Highlands Lot Sale Fees	129,250	35,250	49,350	51,700		35,250	35,250		70,500
Road Construction Surcharge	17,500	10,000	20,500	21,500	10,000				10,000
Interest Income	3,350	-	5,020	6,690	-	-	6,700	-	6,700
AT&T Lease Income	13,824	13,824	13,824	13,824	13,824				13,824
Other Income	1,170	30,300	20	20,020	100	100	100		300
Rent Reimbursement	3,970	2,970	1,980	2,970	2,970	500	500		3,970
Salary Reimb-EPOA	9,441	10,000	7,428	10,000	10,000				10,000
Transfers									
Loan Proceeds	4,500,000	-	-						-
<b>TOTAL CURRENT YEAR REVENUES</b>	<b>\$5,983,056</b>	<b>\$1,684,517</b>	<b>\$1,438,917</b>	<b>\$1,740,858</b>	<b>\$295,767</b>	<b>\$579,054</b>	<b>\$810,855</b>	<b>\$72,042</b>	<b>\$1,757,718</b>

**EXPENDITURES**

<b>Administrative</b>	<b>\$ 214,693</b>	<b>\$ 204,193</b>	<b>\$ 159,673</b>	<b>\$ 203,848</b>	<b>\$ 33,124</b>	<b>\$ 117,430</b>	<b>\$ 78,380</b>	<b>\$ 2,071</b>	<b>\$ 231,005</b>
Audit	8,250	8,250	8,249	8,249	2,750	2,750	2,750	-	8,250
Bank Charges / Billing Costs	1,970	2,070	1,574	2,070	755	755	755		2,265
Dues & Subscriptions	1,298	1,460	1,650	1,650	595	435	435		1,465
Education	646	3,500	1,879	2,109	500	750	750		2,000
Election Expense	-	330	43	43	-	-	-	-	-
Insurance - Liability & Auto	11,526	12,680	12,681	13,980	8,300	8,300	8,300		24,900
La Plata Treasurers Expense	7,126	7,344	7,238	7,344	5,959			2,061	8,020
Lease Expense-RDL	132,057	132,334	104,495	137,193		89,775	52,725		142,500
Legal	7,221	5,000	1,080	1,680	2,000				2,000
Office Supplies/Equipment	5,778	4,600	4,400	5,700	1,900	1,500	1,500		4,900
Miscellaneous	11,219	3,010	1,374	3,000	1,000	1,000	1,000	10	3,010
Office Food	664	720	288	720	240	240	240		720
Computer Support/Equipment	9,056	8,640	6,538	9,350	3,040	3,040	3,040		9,120
Propane	267	900	205	500	500	-	-		500
Telephone/Communications	14,867	5,700	3,942	5,700	2,200	2,200	2,200		6,600
Trash Removal	345	555	264	360	185	185	185		555
Travel / Meal Expense	2,275	3,600	3,773	4,200	200	1,000	1,000		2,200
Consulting/Engineering	128	3,500	-	-	3,000	5,500	3,500		12,000



**Edgemont Ranch Metropolitan District**  
**2019 Proposed Budget**  
**October 11, 2018**

<b>Personnel Services</b>	<b>401,187</b>	<b>432,565</b>	<b>300,939</b>	<b>428,067</b>	<b>157,765</b>	<b>135,080</b>	<b>156,665</b>	<b>-</b>	<b>449,510</b>
Payroll Expense	295,957	318,000	221,697	318,001	115,750	99,215	115,750		330,715
Payroll Tax Expense	24,677	26,445	18,269	26,446	9,600	8,200	9,600		27,400
On-call Compensation	5,200	5,200	3,900	5,200	1,800	1,700	1,700		5,200
Temp Help/Contract Labor	-	4,000	-	-	2,000	1,000	1,000		4,000
Insurance - Health/Life	55,780	57,400	41,917	57,400	21,100	18,100	21,100		60,300
Retirement Plan	11,666	13,000	8,292	12,500	4,550	3,900	4,550		13,000
Workmans Compensation	5,795	6,300	5,160	6,300	2,200	2,200	2,200		6,600
Payroll Service	2,112	2,220	1,704	2,220	765	765	765	-	2,295
<b>Vehicles &amp; Equipment</b>	<b>16,005</b>	<b>23,650</b>	<b>11,501</b>	<b>23,650</b>	<b>7,100</b>	<b>8,200</b>	<b>8,200</b>	<b>-</b>	<b>23,500</b>
Gas, Oil, Mileage	4,209	7,500	5,511	7,500	2,500	2,500	2,500		7,500
Vehicles and Equipment	8,687	10,500	2,817	10,500	3,500	3,500	3,500		10,500
Tools	535	1,500	946	1,500	500	500	500		1,500
Shop Supplies	1,472	1,950	636	1,950	600	600	600		1,800
Safety / Clothing	1,102	2,200	1,591	2,200		1,100	1,100		2,200
<b>Public Safety</b>	<b>12,460</b>	<b>17,920</b>	<b>9,597</b>	<b>15,520</b>	<b>21,745</b>	<b>-</b>	<b>500</b>	<b>-</b>	<b>22,245</b>
R & M Signs & Lights	1,326	2,500	305	2,500	6,500				6,500
Gate/Street Light Electric	8,351	10,800	6,076	9,000	10,800				10,800
R&M Buildings & Structures	1,169	2,120	1,349	2,120	2,445				2,445
WEED CONTROL	1,614	2,500	1,867	1,900	2,000		500		2,500
<b>Roads</b>	<b>17,025</b>	<b>50,970</b>	<b>10,204</b>	<b>50,970</b>	<b>51,470</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>51,470</b>
R & M Roads	2,971	34,570	2,610	34,570	35,070				35,070
Snow Removal	4,689	8,200	1,130	8,200	8,200				8,200
R&M Snow Equipment	9,365	8,200	6,464	8,200	8,200				8,200
<b>Debt payments</b>	<b>400,429</b>	<b>508,465</b>	<b>377,904</b>	<b>508,465</b>		<b>122,216</b>	<b>311,083</b>	<b>61,394</b>	<b>494,693</b>
Principal payment	232,930	322,240	237,098	322,240	-	101,256	167,978	50,865	320,099
Interest Payment	119,991	186,225	140,806	186,225	-	20,960	143,105	10,529	174,594
Loan Costs	47,508								
<b>Water Treatment</b>	<b>104,815</b>	<b>83,562</b>	<b>85,525</b>	<b>117,807</b>		<b>115,655</b>			<b>115,655</b>
Annual Permit/Fees	1,130	1,130	815	1,130		1,130			1,130
Lab Supplies - WTP	1,014	500	-	500		2,200			2,200
Electric WTP	21,719	23,000	16,141	23,340		25,200			25,200
Electric Booster Station	11,696	13,000	8,518	12,420		13,200			13,200
O & M Source & Supply	6,876	6,200	8,402	8,402		7,700			7,700
Chemicals / Treatment	14,411	16,900	9,111	12,675		16,300			16,300
O & M Equipment / Machinery	242	3,000	2,439	2,600		11,000			11,000
Testing	2,477	6,900	1,822	6,900		7,000			7,000
R & M Buildings & Structures	9,371	432	840	840		1,925			1,925
Water Projects	35,879	12,500	37,437	49,000		30,000			30,000

**Edgemont Ranch Metropolitan District**  
**2019 Proposed Budget**  
**October 11, 2018**

<b>Water Distribution</b>	<b>28,867</b>	<b>28,970</b>	<b>25,074</b>	<b>29,875</b>		<b>30,495</b>			<b>30,495</b>
Meter Equipment/Distribution	17,534	17,820	15,390	17,820		21,000			21,000
O & M Services/Distribution	7,986	8,250	9,155	9,155		4,795			4,795
O&M Equipment / Machinery	2,499	-	-	-		-			-
Lab Supplies - Distribution	167	1,800	-	1,800		2,100			2,100
Building R&M - Distribution						1,500			1,500
Safety / Clothing Distribution	681	1,100	529	1,100		1,100			1,100
<b>Sewer Treatment &amp; Collection</b>	<b>129,578</b>	<b>75,185</b>	<b>40,820</b>	<b>69,573</b>			<b>63,706</b>		<b>63,706</b>
Annual Permit/Subscriptions	1,305	1,755	1,593	1,593			2,043		2,043
Lab Supplies	275	2,980	238	2,980			2,808		2,808
WWTP Electric	30,307	35,000	15,098	28,000			30,000		30,000
Chemical /Treatment	4,127	12,500	5,231	12,500			11,500		11,500
O & M Equipment/Machinery	8,525	1,450	2,753	3,000			1,640		1,640
Testing / Sampling Schedule	7,573	10,000	7,175	10,000			9,890		9,890
R & M Buildings & Structures	129	500	266	500			825		825
WWTP Development	77,337	11,000	8,466	11,000			5,000		5,000
<b>Sewer Collection</b>	<b>4,760</b>	<b>12,790</b>	<b>7,437</b>	<b>12,430</b>			<b>12,790</b>		<b>12,790</b>
O&M Lift Station	4,036	4,500	6,440	7,040			4,500		4,500
O & M Services/Collection	189	1,100	323	1,100			1,100		1,100
O&M Equipment / Machinery	-	3,900	74	1,000			3,900		3,900
R&M Buildings & Structures - Collections	-	2,190	-	2,190			2,190		2,190
Safety / Clothing - Collections	535	1,100	600	1,100			1,100		1,100
<b>TOTAL EXPENSES</b>	<b>1,329,819</b>	<b>1,438,270</b>	<b>1,028,674</b>	<b>1,460,205</b>	<b>271,204</b>	<b>529,076</b>	<b>631,324</b>	<b>63,465</b>	<b>1,495,069</b>
	<b>0</b>								
<b>OPERATING NET INCOME (LOSS)</b>	<b>4,653,237</b>	<b>246,247</b>	<b>410,243</b>	<b>280,653</b>	<b>24,563</b>	<b>49,978</b>	<b>179,531</b>	<b>8,576</b>	<b>262,648</b>
<b>Capital Outlay</b>	<b>80,670</b>	<b>528,480</b>	<b>125,049</b>	<b>250,676</b>	<b>1,000</b>	<b>40,000</b>	<b>2,001,000</b>	<b>-</b>	<b>2,042,000</b>
Farmhouse water meters Replacement		7,000	6,687	6,687		7,000			7,000
Tank telemetry - Brown's Hill		10,000	2,765	10,000		-			-
Sewer Camera	22,112	56,000	55,634	55,634					-
VFD - Booster	12,169	-	-	-					-
WWTP Design		400,000	51,608	170,000			2,000,000		2,000,000
WW Truck/Plow	46,389	47,200	-	-					-
Asyst Accounting Software		8,280	8,355	8,355					-
Plant Clearwell Overflow						5,000			5,000
Filter Control Replace PLC						15,000			15,000
Server Base Network Equip Radios					1,000	1,000	1000		3,000
Meter Reading Equipment Upgrade						12,000			12,000
<b>Emergency Reserve/Contingency?</b>		17,665	3,949	3,949	8,136	20,000	5,000		33,136
<b>NET INCOME (LOSS)</b>	<b>4,572,567</b>	<b>(299,898)</b>	<b>281,245</b>	<b>26,028</b>	<b>15,427</b>	<b>(10,022)</b>	<b>(1,826,469)</b>	<b>8,576</b>	<b>(1,812,488)</b>

**Projected Fund Balance, January 1, 2019**      401,961      57,152      4,748,351      64,332      5,271,796

**Projected Fund Balance, December 31, 2019**      \$417,388      \$47,130      \$2,921,882      \$72,908      \$3,459,309