



PINNACLE
CONSULTING GROUP, INC.

TO:	Brighton Crossing Metropolitan District No. 4 Board of Directors
SUBJECT:	2021 Proposed Budget Highlights
DATE:	October 9, 2020

The attached 2021 proposed budget for Brighton Crossing Metropolitan District No. 4 includes the following important features:

COVID-19 Impacts were experienced in District No. 4 revenues, with a decrease in residential lot development resulting in a reduction of Development Fee projections as highlighted in the revenues section below.

Expenditures generally tracked as adopted, with legal counsel costs being adjusted from \$15,000 adopted to \$25,000 projected due to necessary boundary adjustment work, and additional meetings related to COVID-19, 2020 Election and new Board Member Orientation.

Revenues:

	2019 AV (Collected in 2020)			Preliminary 2020 AV (Collected in 2021)			Revenue Increase
	Assessed Value	Mills Levied	Revenue	Assessed Value	Mills Levied	Revenue	
General Fund	\$ 32,792,960	11.133	\$ 365,084	\$ 34,379,410	11.133	\$ 382,746	\$ 17,662
Debt Service Fund	\$ 32,792,960	55.664	\$ 1,825,387	\$ 34,379,410	55.664	\$ 1,913,695	\$ 88,308
Total	\$ 32,792,960	55.664	\$ 2,190,471	\$ 34,379,410	55.664	\$ 2,296,441	\$ 105,970

2020 Assessed Value reflects an increase due to home construction throughout 2020 in District No. 4.

The impact of the COVID-19 pandemic has resulted in a decrease in absorption rates for residential lots to develop, therefore a decrease in Development Fee revenue of \$13,715 in District 4 for 2020 is projected.

The revised absorption schedule and 2021 Budget assumes 30 Development Fees in 2021 for District No. 4 will be received, and the adjusted absorption schedule has been updated in the enclosed overall Brighton Crossings Operations Board 5-year proforma. It is anticipated that all lots will be developed within 2021, therefore the Develop Fee revenue is anticipated to end after 2021.

Oil & Gas Royalties of \$96,070, in addition to higher conservation trust funds and miscellaneous income have been received by the District, resulting in an increase of projected overall revenues compared to the 2020 adopted budget of \$84,625.

General Fund Expenditures:

Budgeted expenditures anticipated for 2021 are approximately \$47,000 lower than 2020 budgeted expenditures. This reduction is due to operating transfers to the Brighton Crossings Operations Board being lower because of the development fees projections for 2021, and the absence of an election in 2021.

Debt Service Fund/Capital Projects Fund Expenditures:

Debt Service Fund activity will consist of an interest and principal payment on the 2017 Bonds.

Capital Projects Fund expenditures reflects no new capital activity in 2021, and the District anticipates having all remaining capital contracts and 2017 C Series Bonds closed out within 2020.