



# PINNACLE

CONSULTING GROUP, INC.

<b>TO:</b>	Brighton Crossings Operations Board (BCOB) Board of Directors
<b>SUBJECT:</b>	2021 Proposed Budget Highlights
<b>DATE:</b>	October 9, 2020

Attached is the 2021 proposed budget for Brighton Crossings Operations Board (BCOB). Important features are as follows:

**Revenues:**

MONTHLY FEES	Prior to	Effective
	7/1/2020	7/1/2020
Operations	\$ 27	\$ 52
Trash	\$ -	\$ 12
HOA	\$ 18	\$ 18
Courtyard	\$ 25	\$ 25
Alley	\$ 15	\$ 15
Duplex	\$ 18	\$ 18

- 58% of the overall anticipated 2021 revenue received by BCOB will be collected through fees assessed to all lots within the BCOB in accordance with the adopted Fee Schedules.
- 19% of the overall anticipated 2021 revenue received by BCOB will be collected through property tax revenue pledged by Brighton Crossing Metropolitan District No. 4.
- 11% of the overall anticipated 2021 revenue received by BCOB will be collected through property taxes revenue pledged by Brighton Crossings Metropolitan Districts Nos. 5-8.

The impact of the COVID-19 pandemic has resulted in a decrease in absorption rates for residential lots to develop, therefore a decrease of \$161,386 from District No. 6 transfer to Brighton Crossings Operations Board for 2020 is projected. The revised absorption schedule has been utilized to build the 2021 Budget, and the adjusted absorption schedule has been updated in the overall Brighton Crossings Operations Board 5-year proforma.

**General Fund Expenditures:**

Budgeted expenditures anticipated for 2021 are approximately \$366,876 higher than 2020 budgeted expenditures. The primary reasons for this increase are anticipated increases in maintenance and management services and can be reflected in the following lines items:

- Landscape maintenance increased by \$104,000 –
  - Planning Area 7 & Planning Area 8 landscaping and hardscape coming online 12/1/2020.
- DRC Reviews increased by \$18,960 based off actual volume experience. An \$85 Review Fee is assessed on initial application, or design changes great than 25% of the front or rear yard. Total average cost per application is \$150-\$165. The average cost includes .75-1 hours of community

- management time to work with residents to submit a completed application to the landscape architect, and \$65 per application review fee charged to BCOB by Colorado Vista Landscape.
- Utilities increased by \$28,000. This increase is due to having additional irrigation costs for landscaping that came online in 2020. The 2021 O&M Budget considers installing rain sensors and monitoring of water usage.
  - Insurance increased by \$25,000 based off actual costs to insure the Venture Center.

The District Management team has worked to provide an Operational Structure Overview, that will be reviewed in detail with the Board at the October 14<sup>th</sup> Budget work session. Potential structure changes may result in 1Q projection being adjusted for the budgeted expenditure line items OM Venture Center, OM Fitness Center, and Master Association/Homeowner Expenses depending on Board direction to restructure recreational and community management services.