



# PINNACLE

CONSULTING GROUP, INC.

<b>TO:</b>	Brighton Crossing Metropolitan District Nos. 5-8 Board of Directors
<b>SUBJECT:</b>	2021 Proposed Budget Highlights
<b>DATE:</b>	October 9, 2020

The attached 2021 proposed budget for Brighton Crossing Metropolitan District No. 5-8 includes the following important features:

COVID-19 Impacts were experienced in District Nos. 5-8 revenues, with a decrease in residential lot development resulting in a reduction of Development Fee projections, these adjustments are highlighted further in the revenues section below.

Expenditures generally tracked as adopted, with legal counsel costs being adjusted from \$50,000 adopted to \$65,000 projected due to necessary boundary adjustment work, and service plan amendment coordination efforts. It is anticipated that both the debt service and capital project funds will see an increase of expenditure activity in late 2020 regarding bond issuance and capital project acceptances.

**Revenues:**

		2019 AV (Collected in 2020)			Preliminary 2020 AV (Collected in 2021)			
		Assessed Value	Mills Levied	Revenue	Assessed Value	Mills Levied	Revenue	Revenue Increase
BCMD #5	General Fund	\$ 3,320	10.070	\$ 33	\$ 16,090	10.070	\$ 162	\$ 129
	Debt Service Fund	\$ 3,320	50.350	\$ 167	\$ 16,090	50.350	\$ 810	\$ 643
BCMD #6	General Fund	\$ 24,840	10.070	\$ 250	\$ 55,730	10.070	\$ 561	\$ 311
	Debt Service Fund	\$ 24,840	50.350	\$ 1,251	\$ 55,730	50.350	\$ 2,806	\$ 1,555
BCMD #7	General Fund	\$ 7,754,750	10.070	\$ 78,090	\$ 8,431,400	10.070	\$ 84,904	\$ 6,814
	Debt Service Fund	\$ 7,754,750	50.350	\$ 390,452	\$ 8,431,400	50.350	\$ 424,521	\$ 34,069
BCMD #8	General Fund	\$ 7,300	60.420	\$ 441	\$ 140,210	60.420	\$ 8,471	\$ 8,030
	Debt Service Fund	\$ 7,300	0.000	\$ -	\$ 140,210	0.000	\$ -	\$ -
<b>Total</b>		<b>\$ 7,790,210</b>	<b>60.420</b>	<b>\$ 470,684</b>	<b>\$ 8,643,430</b>	<b>60.420</b>	<b>\$ 522,236</b>	<b>\$ 51,552</b>

2020 Assessed Value reflects an increase in value due to home construction throughout 2020 in District 7. A significant revenue source for District No. 7 is Development Fees. 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 \$168,314 in District 7 for 2020 is projected.

The revised absorption schedule and 2021 Budget assumes 107 Development Fees in 2021 will be received, and the adjusted absorption schedule has been updated in the overall Brighton Crossings Operations Board 5-year proforma.

**General Fund Expenditures:**

Budgeted General Fund expenditures for 2021 are approximately \$55,198 less than 2020 budgeted expenditures in District No. 6, and in District No. 7 the decrease in expenditures is approximately \$161,858. These decreases are due to a lower anticipated transfer to the Brighton Crossings Operations Board caused by the decrease in development fee revenues as noted above.

**Debt Service Fund/Capital Projects Fund Expenditures:**

Debt Service Fund activity is anticipated in 2021 and will be updated as more information becomes available. Currently, the debt service budget assumes a successful bond issuance estimated at \$39,440,000 in December 2020.

Capital costs are anticipated to come in late 2020. The capital project fund will be updated as more information becomes available through the cost acceptances that are slated to be reviewed and considered for approval at the December 1, 2020 meeting for the Venture Center, Planning Area 7 Infrastructure and Landscaping, Planning Area 8 Infrastructure and Landscaping.

Capital Projects Fund expenditures are anticipated in 2021 and will be updated as more information becomes available.