

Kennecott Land/CCMC BOD meeting for Daybreak

- 1. Has Kennecott Land realized or looked into having Qwest will people directly for the internet fees? This would largely bring down the amount of owed revenue to the HOA and would prevent other Daybreak Homeowners from having to continue absorb the portion unpaid HOA fees that have to do with the Qwest internet services.**
- 2. Considering all the budgets cuts that will be made (some are below) there should be enough funding for CCMC not remove the snow removal services from the Daybreak Townhomes, will the BOD agreed to leave the snow removal services in place? And if cost is an issue will the BOD allow ANY local Daybreak business to bid for the job? (I am sure there are plenty of local businesses can beat the \$60,554 we are currently paying)**
- 3. Will you allow the residents to view the Eastlake Pool gas and electric bills from last year, the projected bills for 2009 are \$29,859 which seems too high? There needs to be validation for the costs and we need to make sure the Daybreak Homeowners are not being charged margins to pay a bill.**
- 4. How much money is in the reserve fund?**
- 5. What is being done with the lease on the security truck?**
- 6. Will you allow ANY local or Daybreak business to bid on the park garbage removal? (I am sure there are plenty of local businesses that can beat the \$18,700 we are currently paying)**
- 7. What is the status of the Dog Park that was promised to be finished in August?**
- 8. Will you allow ANY local or Daybreak Business to bid on the landscaping at the DCC? (there are many local businesses can beat the \$500 that we are currently paying)**
- 9. Will you allow ANY local Daybreak business to bid on the Irrigation repair? (I am sure there are plenty of local businesses that can beat the \$46,025 we are currently paying)**

10. Please indicate exactly what signs this is for? And will you allow for ANY local business (Daybreak Homeowners) to bid on the signage? (There are a few residents in this industry that I know who can beat the \$8,140 we are paying)

11. What exactly is the \$18,000 per year (\$1,500 per month) for the Management fee under the Programs for? And do the Daybreak Homeowners really need to be paying \$18,000 per year for management fees for Party Planning? We are already being grossly overcharged for a Party Planner as it is.

12. Why are we getting electricity bills for the programs? What are they for and will you allow the residents to view the electricity bills for the programs for 2008? We need to validate the \$3,441 that is in the 2009 budget for this.

~~~~~**Budget Adjustment Questions**~~~~~

**1. Will CCMC cut costs 10% across the board? This would be only affecting the CCMC profit margins or Salaries of the DCA and DCC and would not be implemented to any other areas of the budget.**

This cut would save the Daybreak Homeowners \$45,565 from the DCA and \$38,312 from the DCC Salaries. This adjustment would save the Daybreak Homeowners **\$83,877**

**2. Are ALL of these budget adjustments being made, if NOT explain why in detail...**

A. Newsletter - quarterly instead of monthly (already on the list of being reviewed I believe), a savings of **\$76,449**.

B. Tree replacement - Any trees west of Oakmond in Founders Village and in Eastlake Village should be paid for by Valley Crest considering the HOA office did identify all the dead trees in late spring/early summer before the warranty expired, however action was not taken because the ideal time of year to replace the trees (early spring) had passed. Kennecott Land should be able to require Valley Crest to replace these which would save about **\$29,000**.

C. Security - I believe most residents feel that the only security we need is the lake security, we can get rid of the patrol security which would be a savings of about **\$169,659**.

D. Programs - We should eliminate the entire programs staff, the Lifestyle Director (Party Planner) position, and the three assistants that CCMC is looking to hire, this would save **\$110,000**. My proposal is to have the programs committee be comprised of and ran by Daybreak residents and the new DCC assistant club director serve on the committee as a coordinator, not a leader.

E. Splash Pool Staff – These are positions that are not needed, we are already fully staffed at the DCC and can rotate some of those workers to watch the Splash Pool Friday-Sunday and have no staffing at the Splash Pool Mon-Thurs. This would save **\$13,912**.

These cuts listed above under question #2 would save the Daybreak Homeowners **\$410,020**

**3. Will Kennecott Land allow CCMC to rent space in the Daybreak Village center below market cost? Right now the proposal is \$5000 per month for a 3000 sq ft space which is market rate and what Kennecott Land is charging other merchants. I propose that either Kennecott Land charge CCMC half of market rate which would make the rent only \$2500 per month or have CCMC purchased a pre-foreclosed home for around \$300,000 and just use it as the HOA office, and yes it is legal to do that since all of Daybreak is PC zoned.**

This adjustment would save the Daybreak Homeowners **\$30,000**

ALL of these budgets cuts would save the Daybreak Homeowners an overall total of **\$523,897**