



# DAYBREAK COMMUNITY ASSOCIATION 2010 BUDGET



Capital Consultants Management Corporation

## DAYBREAK COMMUNITY ASSOCIATION

- First home was built and closed in 2004.
- Currently there are 2,100 homes closed in Daybreak.
- At build out there will be 20,000 multi-purpose homes and various retail and commercial entities.
- Transition to Resident Control Board will not be for many years. This will be when the Association reaches 75% of buildout.

## WHAT DOES YOUR ASSOCIATION DUES COVER?

- **Salary & Benefits** – Community Management Salary.
- **General Administrative** – Audit, Legal Fees, Management Fees, Office Supplies and Equipment, Meeting Supplies, and Community Management.
- **Contract Services** – Landscape Maintenance and Extras, Tele-Communications (Qwest), Park Garbage Dumpster, Office Rent, Lake Security, Snow Removal and Pest Control.


## WHAT DOES YOUR ASSOCIATION DUES COVER?

- **Repairs and Maintenance** – Community Gardens, Lighting, Irrigation, Backflow, Signage, Landscape and other repairs.
- **Parts and Supplies** – HOA Truck Fuel, Truck Repairs, Park Trash Bags and Misc. Tools.
- **Utilities** – Electricity, Gas, Water and Sewer.
- **Insurance** – Directors and Officers, General Liability, Umbrella, Workers Compensation, and Earthquake Policies.


## WHAT DOES YOUR ASSOCIATION DUES COVER?

- **Taxes** – Property Taxes for Open Spaces, Parks and Pocket Parks.
- **Oquirrh Lake Boat Facility** – Boat Staff, Boat Storage, Summer Porta-Potty, New Boat Purchase and Boat Supplies/Repairs.

**Note:** The HOA does not contribute funds toward the Maintenance and Operations of the lake. The lake is owned by Kennecott Land.

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## WHAT DOES YOUR ASSOCIATION DUES COVER?

- **Splash Pool** – Staff, Training, License & Fees, Telephone, Start-Up and Winterization, Pool Equipment Repairs, Chemicals, First Aid Supplies and Utilities.
  - **Eastlake Pool** – Lifeguards, Training, License & Fees, Telephone, Start-Up and Winterization, Pool Equipment Repairs, Chemicals, First Aid Supplies and Utilities.
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## WHAT DOES YOUR ASSOCIATION DUES COVER?

- **Community Center** – Staff, Training, License & Fees, Telephone, Office Supplies, Meeting Supplies, Office & Fitness Equipment & Repairs, Community Center Lease, Janitorial, Landscape Maintenance & Snow Removal, Utilities, Cable/Internet, First Aid Supplies, etc.

## 2010 INCOME SUMMARY

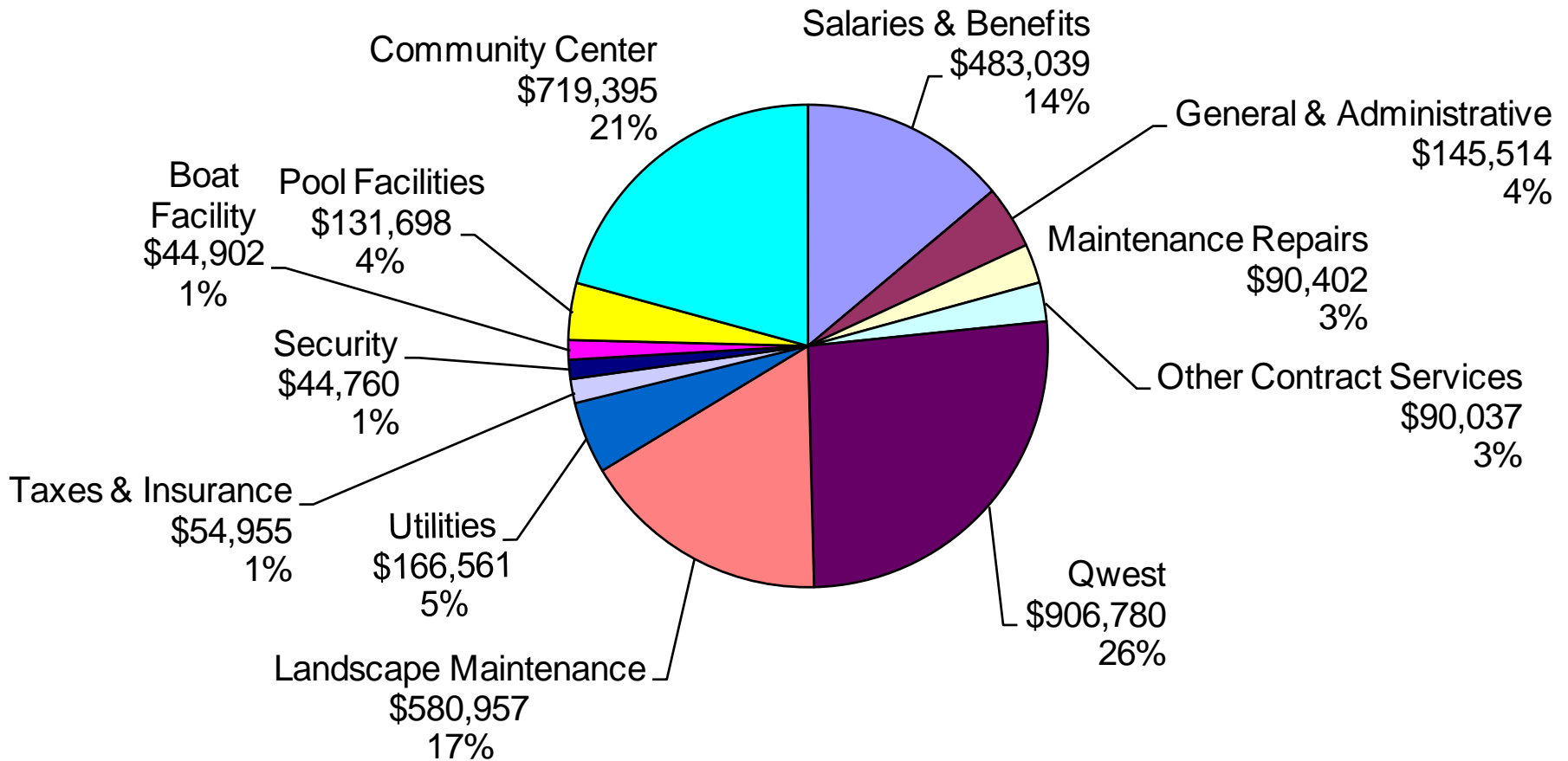
	<u>2009 Bud</u>	<u>2009 YTD</u>	<u>2010 Bud</u>	<u>Variance</u>
Association Dues	\$1,241,121	\$1,296,645	\$1,729,560	↑
Benefited Assessments	\$ 32,292	\$ 16,573	\$ 31,560	↓
Trans From Council	\$ 300,273	\$ 300,627	\$ 181,653	↓
RV Storage Rent	\$ 90,300	\$ 63,863	\$ 90,300	→
Less Bad Debt	\$ (47,163)	\$ (109,508)	\$ (75,000)	↑
Developer Subsidy	\$ 0	\$ 145,000	\$ 0	→
Working Capital	\$ 42,140	\$ 37,601	\$ 47,328	↑
Advertise Income	\$ 5,200	\$ 1,776	\$ 0	↓
Tele-Community (Qwest)	\$ 749,595	\$ 730,723	\$ 906,780	↑
Fines/Violations	\$ 0	\$ 51,492	\$ 6,000	↓
Misc/Garden	\$ 8,261	\$ 7,894	\$ 8,282	↑
Pool Income	\$ 7,836	\$ 6,636	\$ 6,136	↓
Reserve Contribution	\$ 0	\$ 0	\$ 0	→
<b>Total Income</b>	<b>\$2,429,855</b>	<b>\$2,549,323</b>	<b>\$2,932,600</b>	<b>↑</b>



## 2010 EXPENSE SUMMARY

<u>Expenditures</u>	<u>2009 Bud</u>	<u>2009 YTD</u>	<u>2010 Bud</u>	<u>Variance</u>
Salaries & Benefits	\$ 411,895	\$ 402,920	\$ 483,039	↑
General & Admin	\$ 197,192	\$ 194,124	\$ 145,514	↓
Contract Services	\$1,347,593	\$1,176,532	\$1,590,975	↑
Benefitted Assess	\$ 32,292	\$ 16,573	\$ 31,560	↓
Repairs/Maintenance	\$ 93,142	\$ 86,496	\$ 81,108	↓
Parts & Supplies	\$ 12,324	\$ 8,323	\$ 9,295	↓
Utilities	\$ 90,017	\$ 158,925	\$ 166,561	↑
Taxes	\$ 4,321	\$ 2,871	\$ 1,440	↓
Insurance	\$ 63,938	\$ 69,010	\$ 53,515	↓
Boat Facility	\$ 55,990	\$ 45,916	\$ 44,902	↓
Pool Expenses	\$ 169,834	\$ 144,538	\$ 131,698	↓
Other Expenses	\$ 0	\$ 12,586	\$ 0	→
Community Center	\$ 778,205	\$ 743,424	\$ 719,395	↓
<b>Total Op. Expense</b>	<b>\$3,256,743</b>	<b>\$3,077,957</b>	<b>\$3,459,001</b>	<b>↑</b>
<b>Net Op. Income (Loss)</b>	<b>\$ (725,482)</b>	<b>\$ (425,617)</b>	<b>\$ (409,067)</b>	<b>↓</b>

# 2010 EXPENSE SUMMARY



## 2010 Monthly Assessment

### Fee Increase:

- 9.67% Increase = \$9.00 per month

### Monthly Fee for 2010:

- \$58.00 per month
- \$35.00 per month Qwest
- Total Monthly \$93.00

### Quarterly Billing for 2010:

- \$279.00 (Master Association dues only)

# AREAS FOR CONSIDERATION

## Income

Design Review/Architectural Fee	\$ 41,600
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Defer Reserves for One Year	<u>\$ 59,640</u>
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<b>Total</b>	<b>\$101,240</b>
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# AREAS FOR CONSIDERATION

## Expenses

Park/Open Space Tree Replace	\$ 45,000*
Park Improvements	\$ 56,000
(Big Slide, Defer Park Signage, Defer all Park Improvements)	
Landscape Extras	\$ 29,596
Extended Pool hours beyond Labor Day	<u>\$ 23,747</u>
<b>Total</b>	<b>\$154,343</b>

# AREAS FOR CONSIDERATION

The **ultimate goal** for the Association and the budget is to approve a Zero Based Budget for all of the Associations after the developer contributes the subsidy. In 2010 Kennecott Land will subsidize across all Associations within Daybreak \$450,000.

To achieve this goal, the Monthly Dues increase needs to be set at **\$9.00 per month**. This would include the income and expenses discussed which also allows for the replacement of the dead trees. It is the goal of our team to ensure all expenses be controlled to maximize this budget to it's fullest. The 2010 budget will also receive **\$409,067** from the developer (Kennecott Land) to reduce the deficit to \$0.00.

# DAYBREAK COMMUNITY ASSOCIATION

## 2010 BUDGET



Capital Consultants Management Corporation