

**Palms at Wailea Association**  
**Balance Sheet - Tax Basis**  
**October 31, 2017 and 2016**

**Assets**

	<b>2017</b>	<b>2016</b>
<b>CASH</b>		
Ckg - Mutual of Omaha	\$ 194,883.40	\$ 183,143.21
SAV - Territorial Savings	76,357.20	76,214.57
MMkt - HomeStreet Bank	<u>117,353.38</u>	<u>116,872.29</u>
<b>Subtotal - Cash</b>	<u>388,593.98</u>	<u>376,230.07</u>
<b>ACCOUNTS RECEIVABLE</b>		
A/R - Owner Delinquencies	64,506.07	57,646.38
Allowance for Bad Debts	<u>(43,000.00)</u>	<u>(43,000.00)</u>
<b>Subtotal - Accounts Receivable</b>	<u>21,506.07</u>	<u>14,646.38</u>
<b>OTHER CURRENT ASSETS</b>		
Prepaid Federal Income Taxes	2,847.00	2,847.00
Prepaid State Income Taxes	437.65	437.65
Prepaid Expenses	1,482.80	3,081.39
Prepaid WCA Dues	11,122.54	11,122.54
Prepaid Insurance	<u>65,030.63</u>	<u>64,274.92</u>
<b>Subtotal - Other Current Assets</b>	<u>80,920.62</u>	<u>81,763.50</u>
<b>TOTAL CURRENT ASSETS</b>	<u>491,020.67</u>	<u>472,639.95</u>
<b>REPLACEMENT RESERVES ACCOUNTS</b>		
Rsv MMkt - Smith Barney	0.00	5,937.67
Rsv ICS- Mutual of Omaha	<u>1,149,090.27</u>	<u>928,668.22</u>
<b>Subtotal - Replacement Reserves</b>	<u>1,149,090.27</u>	<u>934,605.89</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 1,640,110.94</u></u>	<u><u>\$ 1,407,245.84</u></u>

**Palms at Wailea Association**  
**Balance Sheet - Tax Basis**  
**October 31, 2017 and 2016**

**Liabilities and Fund Balances**

	<b>2017</b>	<b>2016</b>
<b>CURRENT LIABILITIES</b>		
A/P - Trade	\$ 29,832.91	\$ 57,794.98
A/P - Insurance Claims	1,329.85	1,329.85
Deferred Owner Charges	46,175.90	42,602.86
Owner Deposits	13,724.00	8,824.00
N/P - Insurance	30,946.00	31,710.00
Accrued General Excise Tx	0.00	32.98
Unearned Income	<u>298.39</u>	<u>0.00</u>
<b>Subtotal Current Liabilities</b>	<u>122,307.05</u>	<u>142,294.67</u>
<b>TOTAL LIABILITIES</b>	<u>122,307.05</u>	<u>142,294.67</u>
<b>MEMBERS' EQUITY</b>		
Unrestricted Members' Equity	368,713.62	330,345.28
Restricted Members' Equity	<u>1,149,090.27</u>	<u>934,605.89</u>
<b>Total Members' Equity</b>	<u>1,517,803.89</u>	<u>1,264,951.17</u>
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>	<u><u>\$ 1,640,110.94</u></u>	<u><u>\$ 1,407,245.84</u></u>

**Palms at Wailea Association**  
**Income Statement and Changes in Members' Equity - Tax Basis**  
**Actual vs. Budget**  
**For the 1 Month and 1 Month Ended October 31, 2017**

	CURRENT MONTH				YEAR TO DATE				BUDGET	
	Actual	%	Budget	Variance	Actual	%	Budget	Variance	Annual	Unexpended
<b>Revenues</b>										
<b>Membership Income</b>										
405 - Maintenance Fees	110,351.23	77.	110,351	0	110,351.23	77.1	110,351	0	1,324,215	1,213,864
406 - Statutory Reserve	24,641.91	17.	24,642	(0)	24,641.91	17.2	24,642	(0)	295,703	271,061
410 - Phone & Internet Collected	6,249.00	4.4	6,249	0	6,249.00	4.4	6,249	0	74,988	68,739
415 - Delinquent Fees	75.40	0.1	170	(95)	75.40	0.1	170	(95)	2,040	1,965
<b>Total Member Income</b>	<u>141,317.54</u>	<u>98.</u>	<u>141,412</u>	<u>(94)</u>	<u>141,317.54</u>	<u>98.8</u>	<u>141,412</u>	<u>(94)</u>	<u>1,696,946</u>	<u>1,555,628</u>
<b>Non-Membership Income</b>										
430 - Interest Income	55.66	0.0	65	(9)	55.66	0.0	65	(9)	780	724
431 - Reserves Interest Income	118.02	0.1	256	(138)	118.02	0.1	256	(138)	3,072	2,954
440 - Storage Closet Rental	0.00	0.0	680	(680)	0.00	0.0	680	(680)	8,160	8,160
445 - Rental Income	1,577.49	1.1	1,580	(3)	1,577.49	1.1	1,580	(3)	18,960	17,383
460 - Vending Machine Income	0.00	0.0	30	(30)	0.00	0.0	30	(30)	360	360
<b>Total Non-Member Income</b>	<u>1,751.17</u>	<u>1.2</u>	<u>2,611</u>	<u>(860)</u>	<u>1,751.17</u>	<u>1.2</u>	<u>2,611</u>	<u>(860)</u>	<u>31,332</u>	<u>29,581</u>
<b>Total Revenues</b>	<u>143,068.71</u>	<u>100</u>	<u>144,023</u>	<u>(954)</u>	<u>143,068.71</u>	<u>100.</u>	<u>144,023</u>	<u>(954)</u>	<u>1,728,278</u>	<u>1,585,209</u>
<b>Operating Expenses</b>										
<b>Administration Expenses</b>										
645 - Dues & Subscriptions	0.00	0.0	30	(30)	0.00	0.0	30	(30)	360	360
645.5 - WCA Dues	5,561.28	3.9	5,770	(209)	5,561.28	3.9	5,770	(209)	69,240	63,679
710 - Meetings	0.00	0.0	250	(250)	0.00	0.0	250	(250)	3,000	3,000
715 - Office/Administration ***	698.99	0.5	233	466	698.99	0.5	233	466	2,800	2,101
716 - Office Exp. - Site Office	0.00	0.0	100	(100)	0.00	0.0	100	(100)	1,200	1,200
917 - Maintenance Fees (NR2)	50.21	0.0	53	(3)	50.21	0.0	53	(3)	636	586
<b>Total Administration Exp</b>	<u>6,310.48</u>	<u>4.4</u>	<u>6,436</u>	<u>(126)</u>	<u>6,310.48</u>	<u>4.4</u>	<u>6,436</u>	<u>(126)</u>	<u>77,236</u>	<u>70,926</u>
<b>Employee Costs</b>										
610 - Auto Allowance	0.00	0.0	125	(125)	0.00	0.0	125	(125)	1,500	1,500
651 - Emp/Ben.- Bonuses	0.00	0.0	250	(250)	0.00	0.0	250	(250)	3,000	3,000
653 - Emp/Ben.-Medical	1,487.62	1.0	1,991	(503)	1,487.62	1.0	1,991	(503)	23,892	22,404
780 - Salaries & Wages	13,643.20	9.5	14,245	(602)	13,643.20	9.5	14,245	(602)	170,940	157,297
801 - P/R Ins - TDI & W/C	397.83	0.3	583	(185)	397.83	0.3	583	(185)	7,000	6,602
802 - Taxes - Payroll	1,043.70	0.7	1,129	(85)	1,043.70	0.7	1,129	(85)	13,550	12,506
<b>Total Employee Costs</b>	<u>16,572.35</u>	<u>11.</u>	<u>18,323</u>	<u>(1,751)</u>	<u>16,572.35</u>	<u>11.6</u>	<u>18,323</u>	<u>(1,751)</u>	<u>219,882</u>	<u>203,310</u>
<b>Insurance Expense</b>										
675 - Insurance Claims	0.00	0.0	835	(835)	0.00	0.0	835	(835)	10,020	10,020
677 - Ins. - Bond	38.25	0.0	40	(2)	38.25	0.0	40	(2)	480	442
679 - Ins. - Dir./Officers	168.99	0.1	179	(10)	168.99	0.1	179	(10)	2,148	1,979
680 - Ins. - Property	6,717.43	4.7	6,785	(68)	6,717.43	4.7	6,785	(68)	81,420	74,703
683 - Ins. - Liability	481.73	0.3	460	22	481.73	0.3	460	22	5,520	5,038
684 - Ins. - Umbrella	253.91	0.2	255	(1)	253.91	0.2	255	(1)	3,060	2,806
<b>Total Insurance Expenses</b>	<u>7,660.31</u>	<u>5.4</u>	<u>8,554</u>	<u>(894)</u>	<u>7,660.31</u>	<u>5.4</u>	<u>8,554</u>	<u>(894)</u>	<u>102,648</u>	<u>94,988</u>
<b>Professional Services</b>										
705 - Management Fee	4,395.00	3.1	4,492	(97)	4,395.00	3.1	4,492	(97)	53,900	49,505
725 - Outside Svc - Security	6,872.39	4.8	7,000	(128)	6,872.39	4.8	7,000	(128)	84,000	77,128
731 - Prof.Svc.- Audit	0.00	0.0	420	(420)	0.00	0.0	420	(420)	5,040	5,040
732 - Prof.Svc.- Legal ***	2,729.39	1.9	1,250	1,479	2,729.39	1.9	1,250	1,479	15,000	12,271
734 - Prof.Svc.- Y/E Acctng.	0.00	0.0	80	(80)	0.00	0.0	80	(80)	960	960
<b>Total Professional Exp</b>	<u>13,996.78</u>	<u>9.8</u>	<u>13,242</u>	<u>755</u>	<u>13,996.78</u>	<u>9.8</u>	<u>13,242</u>	<u>755</u>	<u>158,900</u>	<u>144,903</u>

**Palms at Wailea Association**  
**Income Statement and Changes in Members' Equity - Tax Basis**  
**Actual vs. Budget**  
**For the 1 Month and 1 Month Ended October 31, 2017**

	CURRENT MONTH				YEAR TO DATE				BUDGET	
	Actual	%	Budget	Variance	Actual	%	Budget	Variance	Annual	Unexpended
<b>Repairs &amp; Maint Expenses</b>										
746 - R/M - Buildings	113.15	0.1	700	(587)	113.15	0.1	700	(587)	8,400	8,287
747 - R/M - Air Cond.	0.00	0.0	500	(500)	0.00	0.0	500	(500)	6,000	6,000
750 - R/M - Equip. & Supplies	239.38	0.2	250	(11)	239.38	0.2	250	(11)	3,000	2,761
752 - R/M - Fire Equipment	0.00	0.0	200	(200)	0.00	0.0	200	(200)	2,400	2,400
754 - R/M - Grounds	119.53	0.1	1,250	(1,130)	119.53	0.1	1,250	(1,130)	15,000	14,880
755 - R/M - Grounds Contractor	25,172.00	17.	25,417	(245)	25,172.00	17.6	25,417	(245)	305,000	279,828
760 - R/M - Pest Control ***	692.72	0.5	517	176	692.72	0.5	517	176	6,200	5,507
762 - R/M - Pool/Water Ftre Rpr.	98.93	0.1	850	(751)	98.93	0.1	850	(751)	10,200	10,101
763 - R/M - Pool/Water Ftre Supp	1,035.88	0.7	670	366	1,035.88	0.7	670	366	8,040	7,004
764 - R/M - Refuse Collection	<u>3,466.56</u>	<u>2.4</u>	<u>3,750</u>	<u>(283)</u>	<u>3,466.56</u>	<u>2.4</u>	<u>3,750</u>	<u>(283)</u>	<u>45,000</u>	<u>41,533</u>
<b>Total Repairs &amp; Maint Exp</b>	<b>30,938.15</b>	<b>21.</b>	<b>34,104</b>	<b>(3,166)</b>	<b>30,938.15</b>	<b>21.6</b>	<b>34,104</b>	<b>(3,166)</b>	<b>409,240</b>	<b>378,302</b>
<b>Tax Expenses</b>										
796 - Taxes - Gen. Excise	0.00	0.0	114	(114)	0.00	0.0	114	(114)	1,368	1,368
945 - State Income Taxes	<u>0.00</u>	<u>0.0</u>	<u>75</u>	<u>(75)</u>	<u>0.00</u>	<u>0.0</u>	<u>75</u>	<u>(75)</u>	<u>900</u>	<u>900</u>
<b>Total Tax Expenses</b>	<b>0.00</b>	<b>0.0</b>	<b>189</b>	<b>(189)</b>	<b>0.00</b>	<b>0.0</b>	<b>189</b>	<b>(189)</b>	<b>2,268</b>	<b>2,268</b>
<b>Utility Expense</b>										
826 - Utilities - Cable TV	11,065.02	7.7	11,905	(840)	11,065.02	7.7	11,905	(840)	142,856	131,791
828 - Utilities - Electric	3,186.24	2.2	3,083	103	3,186.24	2.2	3,083	103	37,000	33,814
832 - Utilities - Sewer	7,219.40	5.0	7,890	(671)	7,219.40	5.0	7,890	(671)	94,680	87,461
834 - Utilities - Telephone	211.46	0.1	215	(4)	211.46	0.1	215	(4)	2,580	2,369
838 - Utilities - Water	<u>16,233.80</u>	<u>11.</u>	<u>15,667</u>	<u>567</u>	<u>16,233.80</u>	<u>11.3</u>	<u>15,667</u>	<u>567</u>	<u>188,000</u>	<u>171,766</u>
<b>Total Utility Expenses</b>	<b>37,915.92</b>	<b>26.</b>	<b>38,760</b>	<b>(844)</b>	<b>37,915.92</b>	<b>26.5</b>	<b>38,760</b>	<b>(844)</b>	<b>465,116</b>	<b>427,200</b>
<b>Reserves &amp; Other Exp</b>										
915 - Statutory Reserves	24,641.91	17.	24,642	(0)	24,641.91	17.2	24,642	(0)	295,704	271,062
916 - Reserves Interest	118.02	0.1	256	(138)	118.02	0.1	256	(138)	3,072	2,954
960 - Operating Contingency	<u>0.00</u>	<u>0.0</u>	<u>1,667</u>	<u>(1,667)</u>	<u>0.00</u>	<u>0.0</u>	<u>1,667</u>	<u>(1,667)</u>	<u>20,000</u>	<u>20,000</u>
<b>Total Reserve &amp; Other Exp</b>	<b>24,759.93</b>	<b>17.</b>	<b>26,565</b>	<b>(1,805)</b>	<b>24,759.93</b>	<b>17.3</b>	<b>26,565</b>	<b>(1,805)</b>	<b>318,776</b>	<b>294,016</b>
<b>Total Operating Expenses and Reserve Allocation</b>	<b><u>138,153.92</u></b>	<b><u>96.</u></b>	<b><u>146,173</u></b>	<b><u>(8,019)</u></b>	<b><u>138,153.92</u></b>	<b><u>96.6</u></b>	<b><u>146,173</u></b>	<b><u>(8,019)</u></b>	<b><u>1,754,066</u></b>	<b><u>1,615,912</u></b>
<b>Total Revenue Over Exp</b>	<b><u>\$ 4,914.79</u></b>	<b><u>3.4</u></b>	<b><u>\$ (2,150)</u></b>	<b><u>\$ 7,065</u></b>	<b><u>4,914.79</u></b>	<b><u>3.4</u></b>	<b><u>\$ (2,150)</u></b>	<b><u>\$ 7,065</u></b>	<b><u>\$ (25,788)</u></b>	<b><u>\$ (30,703)</u></b>
<b>Beginning Members' Equity</b>					<u>363,798.83</u>					
<b>Ending Members' Equity</b>					<u><u>\$ 368,713.62</u></u>					