

	2009		2009		2010		2010		
	CURRENT	%	Projected	%	ADOPTED	%	ADOPTED	%	
	ANNUAL	of	ANNUAL	of	MONTHLY	of	ANNUAL	of	
	BUDGET	Total	(Based on 12	Total	BUDGET	Total	BUDGET	Total	
			mo. actual)						
I. REVENUES:									
Membership Income									
A. Maintenance Fees	\$ 637,020	80.39%	\$ 637,020	80.07%	\$ 44,449	80.40%	\$ 533,388	80.40%	
B. Statutory Replacement Reserve Fund *	51,108	6.45%	51,108	6.42%	10,226	18.50%	122,712	18.50%	
C. Special Assessments - Painting	99,996	12.62%	99,996	12.57%	-	0.00%	-	0.00%	
D. Delinquent Charges	600	0.08%	1,688	0.21%	125	0.23%	1,500	0.23%	
E. Work Order Income	3,600	0.45%	4,871	0.61%	300	0.54%	3,600	0.54%	
Subtotal Membership Income	<u>792,324</u>	<u>99.98%</u>	<u>794,683</u>	<u>99.88%</u>	<u>55,100</u>	<u>99.66%</u>	<u>661,200</u>		<u>-16.55%</u>
Non-Membership Income									
F. Interest Income	-	0.00%	252	0.03%	25	0.05%	300	0.05%	
G. Statutory Reserves Interest Income	-	0.00%	479	0.06%	151	0.27%	1,807	0.27%	
H. Other Income	120	0.02%	197	0.02%	10	0.02%	120	0.02%	
Subtotal Non-Membership Income	<u>120</u>	<u>0.02%</u>	<u>928</u>	<u>0.12%</u>	<u>186</u>	<u>0.34%</u>	<u>2,227</u>		<u>0.34%</u>
Total Revenues	<u>\$ 792,444</u>	<u>100.00%</u>	<u>\$ 795,610</u>	<u>100.00%</u>	<u>\$ 55,286</u>	<u>100.00%</u>	<u>\$ 663,427</u>		<u>-16.28%</u>
II. OPERATING EXPENSES:									
A. Administrative Expenses	\$ 11,256	1.42%	\$ 11,537	1.45%	\$ 962	1.74%	\$ 11,544	1.74%	
B. Employee Cost	204,060	25.75%	204,099	25.65%	20,966	37.92%	251,592	37.92%	
C. Insurance	161,220	20.34%	95,581	12.01%	8,238	14.90%	98,856	14.90%	
D. Professional Services	29,076	3.67%	28,959	3.64%	2,855	5.16%	34,260	5.16%	
E. Repairs & Maintenance	52,092	6.57%	63,890	8.03%	5,565	10.07%	66,780	10.07%	
F. Taxes Expenses	2,556	0.32%	2,427	0.31%	247	0.45%	2,964	0.45%	
G. Utilities	160,080	20.20%	127,803	16.06%	11,081	20.04%	132,972	20.04%	
H. Reserves and Other Expenses	216,384	27.31%	151,588	19.05%	12,044	21.78%	144,523	21.78%	
Total Operating Expenses	<u>\$ 836,724</u>	<u>105.59%</u>	<u>\$ 685,884</u>	<u>86.21%</u>	<u>\$ 61,958</u>	<u>112.07%</u>	<u>\$ 743,491</u>		<u>-11.14%</u>
Excess (Deficit) of Revenues Over Expenses	<u>\$ (44,280)</u>		<u>\$ 109,726</u>		<u>\$ (6,672)</u>		<u>\$ (80,064)</u>		
III. OTHER SOURCES & USES OF CASH									
A. Rollover IRS R.R.70-604 (est before taxes)	\$ 44,280	5.59%	\$ -	0.00%	\$ 6,672	12.07%	\$ 80,064	12.07%	
ADJUSTED EXCESS (DEFICIT)	<u>\$ -</u>				<u>\$ -</u>		<u>\$ -</u>		

Prepared By Destination Maui, Inc., Managing Agent, Nancy Omeron - Treasurer and Board of Directors Finance Committee.

Adopted By the Board Of Directors On November 7, 2009.

This budget has been prepared on the accrual basis of accounting.

*See the attached Statutory Replacement Reserve Fund Schedule.

I. REVENUES:

Membership Income:

A. Maintenance Fees. The Association owned 1-Bedroom (#U-3) unit's common interest percentage (CIP) of .012%, has been re-allocated to the remaining 76 units. As a result, a new adjusted CIP has been calculated, as follows:

No Of Units	OLD CIP %	TOTAL OLD CIP %	NEW ADJUSTED CIP %	TOTAL ADJUSTED CIP %
26	1.6000%	0.0042	0.0162	0.4211
36	1.2000%	0.0043	0.0121	0.4372
<u>14</u>	1.0000%	<u>0.0014</u>	0.0101	<u>0.1417</u>
<u>76</u>		<u>0.9880%</u>		<u>100.0000%</u>

Based on the above calculations, the new Maintenance Fees (M/F) have been calculated as follows:

No Of Units	ADJ CIP %	OLD M/F	INCREASE DECREASE	NEW M/F	% Incr/-Decr
26	1.6194%	859.67	-139.85	719.82	
36	1.2146%	644.76	-104.89	539.87	
<u>14</u>	1.0121%	537.28	-87.41	449.87	
<u>76</u>					

A. Maintenance Fees

\$ 53,085 \$ (8,636) \$ 44,449 -16.27%

The Statutory Replacement Reserves Funding (SRRF) has been calculated as follows:

No Of Units	ADJ CIP %	OLD SRRF	INCREASE DECREASE	NEW SRRF	% Incr/-Decr
26	1.6194%	68.97	96.63	165.60	
36	1.2146%	51.73	72.47	124.20	
<u>14</u>	1.0121%	43.11	60.39	103.50	
<u>76</u>					

B. Statutory Replacement Reserve Fund *

\$ 4,259 \$ 5,967 \$ 10,226 140.10%

The new coupon will combine the above maintenance fees and statutory replacement reserve funding amounts, as follows:

No Of Units	ADJ. CIP %	OLD COUPON	INCREASE	NEW COUPON	% Incr/-Decr
26	1.6194%	928.64	-43.22	885.42	
36	1.2146%	696.49	-32.42	664.07	
<u>14</u>	1.0121%	580.39	-27.02	553.37	
<u>76</u>		\$ <u>57,344</u>	\$ <u>(2,669)</u>	\$ <u>54,675</u>	-4.65%

Special Assessment ended December 31, 2009

No Of Units	ADJ CIP %	OLD SRRF	NEW SRRF
26	1.6194%	1,619.43	0.00
36	1.2146%	1,214.57	0.00
<u>14</u>	1.0121%	1,012.15	0.00

C. Special Assessments - Painting

\$ 100,001 \$ -