

Hawaiiana Management Company, Ltd

2010 Monthly Operating Budget For

**ROYAL KUNIA COMMUNITY ASSOCIATION**

Approved by Board of Directors on November 18, 2009

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DESCRIPTION REVENUE	JAN 2010	FEB 2010	MAR 2010	APR 2010	MAY 2010	JUNE 2010	JULY 2010	AUG 2010	SEPT 2010	OCT 2010	NOV 2010	DEC 2010	ANNUAL TOTAL
ASSOCIATION DUES	57,870	57,870	57,870	57,870	57,870	57,870	57,870	57,870	57,870	57,870	57,870	57,870	694,440
LEGAL FEE REIMB	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	72,000
INVESTMENT INTEREST	4,100	4,100	4,100	4,100	4,100	4,100	4,100	4,100	4,100	4,100	4,100	4,100	49,200
CHECKING INTEREST	2	2	2	2	2	2	2	2	2	2	2	2	24
OTHER RECEIPTS - KEYS	100	100	100	100	100	100	100	100	100	100	100	100	1,200
DESIGN REVIEW FEE	200	200	200	200	200	200	200	200	200	200	200	200	2,400
RULE VIOLATION FINES	150	150	150	150	150	150	150	150	150	150	150	150	1,800
LATE CHARGES	700	700	700	700	700	700	700	700	700	700	700	700	8,400
<b>TOTAL REVENUE</b>	<b>69,122</b>	<b>69,122</b>	<b>69,122</b>	<b>69,122</b>	<b>69,122</b>	<b>69,122</b>	<b>69,122</b>	<b>69,122</b>	<b>69,122</b>	<b>69,122</b>	<b>69,122</b>	<b>69,122</b>	<b>829,464</b>

UTILITIES	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
ELECTRICITY	583	583	583	583	583	583	583	583	583	583	583	583	6,996
WATER	5,665	5,665	5,665	5,665	5,665	5,665	5,665	5,665	5,665	5,665	5,665	5,665	67,980
TELEPHONE	379	379	379	379	379	379	379	379	379	379	379	379	4,548
<b>TOTAL UTILITIES</b>	<b>6,627</b>	<b>6,627</b>	<b>6,627</b>	<b>6,627</b>	<b>6,627</b>	<b>6,627</b>	<b>6,627</b>	<b>6,627</b>	<b>6,627</b>	<b>6,627</b>	<b>6,627</b>	<b>6,627</b>	<b>79,524</b>

CONTRACT SERVICES	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
CONTRACT SVCS - GENERAL	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
CONTRACT - CLNG SVCS - JA	650	650	650	650	650	650	650	650	650	650	650	650	7,800
<b>TOTAL CNTRCT SVCS</b>	<b>2,650</b>	<b>2,650</b>	<b>2,650</b>	<b>2,650</b>	<b>2,650</b>	<b>2,650</b>	<b>2,650</b>	<b>2,650</b>	<b>2,650</b>	<b>2,650</b>	<b>2,650</b>	<b>2,650</b>	<b>31,800</b>

MAINTENANCE	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
AIR CONDITIONIG - MAIN A/	10	10	10	10	10	10	10	10	10	10	10	10	120
GROUNDS - LANDSCAPING	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	240,000
GROUNDS - TREE TRIMMING	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
GROUNDS - REPAIRS	70	70	70	70	70	70	70	70	70	70	70	70	840
GROUNDS - IRRIGATION	430	430	430	430	430	430	430	430	430	430	430	430	5,160
ELECTRICAL/LIGHTING	75	75	75	75	75	75	75	75	75	75	75	75	900
PLUMBING - GENERAL	40	40	40	40	40	40	40	40	40	40	40	40	480
SECURITY EQPMT - LOCK &	300	300	300	300	300	300	300	300	300	300	300	300	3,600
SECURITY EQUIP - GATES	120	120	120	120	120	120	120	120	120	120	120	120	1,440
FIRE SYSTEMS	10	10	10	10	10	10	10	10	10	10	10	10	120
BUILDING - VANDALISM	250	250	250	250	250	250	250	250	250	250	250	250	3,000
<b>TOTAL MAINTENANCE</b>	<b>22,805</b>	<b>22,805</b>	<b>22,805</b>	<b>22,805</b>	<b>22,805</b>	<b>22,805</b>	<b>22,805</b>	<b>22,805</b>	<b>22,805</b>	<b>22,805</b>	<b>22,805</b>	<b>22,805</b>	<b>273,660</b>

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DESCRIPTION	JAN 2010	FEB 2010	MAR 2010	APR 2010	MAY 2010	JUNE 2010	JULY 2010	AUG 2010	SEPT 2010	OCT 2010	NOV 2010	DEC 2010	ANNUAL TOTAL
PROFESSIONAL SVCS	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	3,700	44,400
HMC ADMIN SUPPLIES & SVCS	58	58	58	58	58	58	58	58	58	58	58	58	700
PROFESSIONAL SVCS	500	500	500	500	500	500	500	500	500	500	500	500	6,000
AOAO ADMIN EXPS	28	28	28	28	28	28	28	28	28	28	28	28	336
OFFICE SUPPLIES - COPY	3,410	3,410	3,410	3,410	3,410	3,410	3,410	3,410	3,410	3,410	3,410	3,410	40,920
MANAGEMENT SRVCS	100	100	100	100	100	100	100	100	100	100	100	100	1,200
EDUCATION EXPENSE	216	216	216	216	216	216	216	216	216	216	216	216	2,592
AUDIT	627	627	627	627	627	627	627	627	627	627	627	627	7,524
LEGAL FEES GENERAL	1,571	1,571	1,571	1,571	1,571	1,571	1,571	1,571	1,571	1,571	1,571	1,571	18,852
LEGAL FEES - CHG BACK OWNER	100	100	100	100	100	100	100	100	100	100	100	100	1,200
CONSULTING FEES - DESIGN CO	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	48,000
SECURITY SERVICES	417	417	417	417	417	417	417	417	417	417	417	417	5,000
COMMUNITY EVENTS	336	336	336	336	336	336	336	336	336	336	336	336	4,032
PROF & ADM SVS - NEWSLETTER	15,063	15,063	15,063	15,063	15,063	15,063	15,063	15,063	15,063	15,063	15,063	15,063	180,756
TOTAL PROF. SERVICES													

PAYROLL & BENEFITS	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
P/R - MANAGER	4,516	4,516	4,516	4,516	4,516	4,516	4,516	4,516	4,516	4,516	4,516	4,516	54,192
P/R - OFFICE	820	820	820	820	820	820	820	820	820	820	820	820	9,840
WORKERS COMP	587	587	587	587	587	587	587	587	587	587	587	587	7,044
TDI	37	37	37	37	37	37	37	37	37	37	37	37	444
HEALTH CARE	336	336	336	336	336	336	336	336	336	336	336	336	4,032
PAYROLL TAXES	367	367	367	367	367	367	367	367	367	367	367	367	4,404
PAYROLL PREP	140	140	140	140	140	140	140	140	140	140	140	140	1,680
RENT EXPENSE	4,653	4,653	4,653	4,653	4,653	4,653	4,653	4,653	4,653	4,653	4,653	4,653	55,836
TOTAL P/R & BENEFITS	11,456	11,456	11,456	11,456	11,456	11,456	11,456	11,456	11,456	11,456	11,456	11,456	137,472

OTHER EXPENSES	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
COMMERCIAL PACKAGE POLICY	80	80	80	80	80	80	80	80	80	80	80	80	960
INSURANCE - LIABILITY	1,771	1,771	1,771	1,771	1,771	1,771	1,771	1,771	1,771	1,771	1,771	1,771	21,252
INSURANCE - D&O	381	381	381	381	381	381	381	381	381	381	381	381	4,572
INSURANCE - FIDELITY	39	39	39	39	39	39	39	39	39	39	39	39	468
INSURANCE-UMBRELLA	173	173	173	173	173	173	173	173	173	173	173	173	2,076
INSURANCE - VEHICLE	31	31	31	31	31	31	31	31	31	31	31	31	372
MEETING EXP ANNUAL	48	48	48	48	48	48	48	48	48	48	48	48	576
BAD DEBT EXPENSE	250	250	250	250	250	250	250	250	250	250	250	250	3,000
STATE GENERAL EXCISE TAX	340	340	340	340	340	340	340	340	340	340	340	340	4,080
TOTAL OTHER EXP.	3,113	3,113	3,113	3,113	3,113	3,113	3,113	3,113	3,113	3,113	3,113	3,113	37,356

TOTAL OF EXPENSE	61,714	61,714	61,714	61,714	61,714	61,714	61,714	61,714	61,714	61,714	61,714	61,714	740,568
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ROYAL KUNIA COMMUNITY ASSOCIATION YEAR 2010 RESERVE PROJECTS AS OF DECEMBER 7, 2009

COST NOW and NORM LIFE values are best estimates by Hawaiiana Management and vendors who were nice enough to inspect the property or give a best guess.

It may be advisable to employ an expert to evaluate those projects with high cost.

First Plan Year - Calendar	2010	Reference Year	2009	THE MODEL'S FINDINGS FOR % FUNDING			2009 Deficit	ML FEE	NET RES.	MAINT.
	2029		2009	Recommended Reserve Funding	100%	(1,921,043)	-285%	(1,944,986)	-1,284,630	
Final Plan Year	2029			Target Reserve Funding Level	60%	(1,152,626)	-293%	(1,998,444)	-1,338,088	
2009 Maintenance Fees	694,440	2010 Maint Fees	694,440	Minimum Reserve Funding Level	50%	(960,522)	-295%	(2,011,809)	-1,351,453	
2009 Other Income	134,559	2010 Othr Inc	135,024	EOY 2010 Funding % @ Approved L	1580.83%			34,084	694,440	
2009 Operating Expenses	-750,539	2010 Exp	-740,568	Condition Codes		Source Codes				
2009 Reserve Contribution	78,461	2010 Contributio	88,896	Source Codes		Source Codes				
Projected Reserves At Start of 2010	2,078,632	Target Funding L	60%	EXCELNT	E	Contractor Proposal	1	Cost at Similar Project	5	
Projected Reserve % at Start of 2010	1319.0%	Tgt Ann Contrib	21,506	GOOD	G	Contractor Estimate	2	Statistical Guideline	6	
Minimum Inflation	2.9%	Req Contrib-Tgt	(1,131,120)	FAIR	F	Engineer/Arch Estimate	3			
Projected Savings Interest	2.0%	App. % Change		POOR	P	Cost When Last Done	4			

CAPITAL INVENTORY											
ITEM	ADJUSTMENT	NORM LIFE	DONE LAST	LAST COST	CO ND	NEXT DUE DATE	COST NOW	COST SRC	FUNDING REQDNT	EOY RES	DEFICIT
Tennis Court Surface		7	2003			2010	12,828		10,995	10,995	
Basketball/Volleyball Court Surface		7	2003			2010	11,560		9,909	9,909	
Tree Trimming	1	1	2008			2010	10,490		10,284	10,284	
Comfort Station - Painting		8	2002			2010	6,524		5,709	5,709	
Computer - Office	1	8	2001			2010	5,942		5,199	5,199	
Parking Lot Sealcoat - Park	1	6	2003			2010	5,924		4,937	4,937	
Tot Lot		10	2005			2015	16,358		6,543	6,543	
Windscreens - Tennis Courts		10	2006			2016	7,049		2,115	2,115	
Backboard - Tennis Court		10	2006			2016	6,030		1,809	1,809	
Tennis Court - Awning		10	2006			2016	478		143	143	
Fitness Equipment		15	2003			2018	17,809		7,124	7,124	
Chain Link Fence (6') Park		20	2003			2023	103,410		31,023	31,023	
Chain Link fence (10') - Park		20	2003			2023	63,808		19,142	19,142	
PVC Fencing (6') - Park		20	2003			2023	38,239		11,472	11,472	
Fitness Equipment - Rubber Surface		20	2003			2023	28,680		8,604	8,604	
Concrete Picnic Tables - Park		25	2003			2028	37,165		8,920	8,920	
Comfort Station - Roof		30	2002			2032	12,274		2,864	2,864	
Lighting - Rec Center Parking Lot		30	2003			2033					
Concrete Wall - Kunia Road		50	2002			2052	77,125		10,798	1,931,841	-1,921,043

2009 End Yr Totals 461,693 157,589 2,078,632 (1,921,043)

# ROYAL KUNIA COMMUNITY ASSOCIATION

## Board Approved 2010 Cash Flow Plan

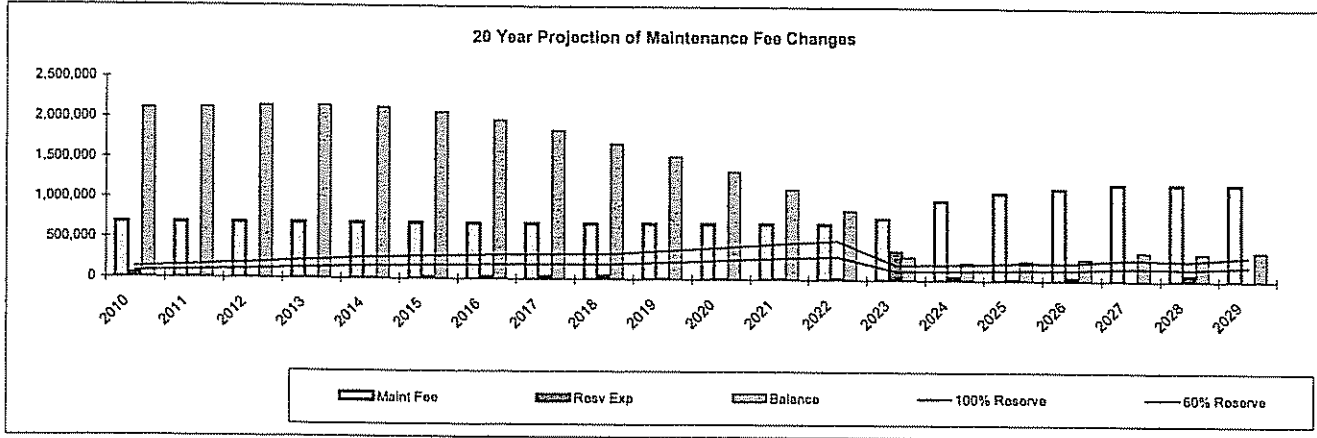
Prepared By: Lillian McCarthy and Hawaiiana Management Company, Ltd

Maintenance Fee Plan to Accomplish All Known Improvements and Repairs For Next 20 Years

At the Beginning of Calendar Year 2010, ROYAL KUNIA COMMUNITY ASSOCIATION Will Be 1319 Percent Funded.

Assumed Rate of Inflation: 2.9%

Assumed Savings Interest Rate: 2%



**Contingency Reserve Fun**

\$0

CY Year	Starting Balance	-Reserve Expense	-Loan Payments	-Operating Expenses	+Maint. Fees	+Other Income	+Interest Income	=Ending Balance	% Maint. Fee Change	Net Reserve Contrib.	Percent Funded
2010	2,078,632	54,812	0	740,568	694,440	135,024	Included	2,112,716	0.00%	34,084	1581%
2011	2,112,716	11,107	0	762,044	694,440	85,800	42,325	2,162,130	0.0%	7,089	1315%
2012	2,162,130	11,429	0	784,144	694,440	85,800	43,089	2,189,886	0.0%	(15,333)	1113%
2013	2,189,886	11,760	0	806,884	694,440	85,800	43,414	2,194,896	0.0%	(38,404)	951%
2014	2,194,896	12,101	0	830,284	694,440	85,800	43,276	2,176,028	0.0%	(62,145)	815%
2015	2,176,028	31,871	0	854,362	694,440	85,800	42,461	2,112,496	0.0%	(105,993)	741%
2016	2,112,496	36,611	0	879,138	694,440	85,800	40,895	2,017,881	0.0%	(135,509)	671%
2017	2,017,881	43,839	0	904,633	694,440	85,800	38,675	1,888,324	0.0%	(168,232)	608%
2018	1,888,324	52,724	0	930,868	694,440	85,800	35,733	1,720,706	0.0%	(203,352)	549%
2019	1,720,706	13,960	0	957,863	694,440	85,800	32,498	1,561,621	0.0%	(191,583)	439%
2020	1,561,621	14,365	0	985,641	694,440	85,800	29,035	1,370,890	0.0%	(219,766)	342%
2021	1,370,890	14,782	0	1,014,224	694,440	85,800	24,930	1,147,054	0.0%	(248,766)	256%
2022	1,147,054	23,802	0	1,043,637	694,440	85,800	20,069	879,924	0.0%	(287,199)	180%
2023	879,924	365,022	0	1,073,902	763,884	85,800	11,706	302,390	10.0%	(589,240)	157%
2024	302,390	53,551	0	1,105,046	993,049	85,800	5,250	227,892	30.0%	(79,747)	114%
2025	227,892	25,845	0	1,137,092	1,092,354	85,800	4,710	247,820	10.0%	15,217	113%
2026	247,820	42,308	0	1,170,068	1,146,972	85,800	5,160	273,376	5.0%	20,396	122%
2027	273,376	0	0	1,204,000	1,204,320	85,800	6,329	365,826	5.0%	86,121	134%
2028	365,826	74,175	0	1,238,916	1,204,320	85,800	7,087	349,943	0.0%	(22,970)	139%
2029	349,943	0	0	1,274,844	1,204,320	85,800	7,152	372,371	0.0%	15,276	123%