

**THE ASSOCIATION OF APARTMENT OWNERS**  
**OF**  
**MAUI SUNSET**

COMPILED FINANCIAL STATEMENTS  
FOR THE YEAR THEN ENDED DECEMBER 31, 2020

**Accountant's Compilation Report**

To the Executive Committee and Management  
Of the AOA of Maui Sunset  
Kihei, Hawaii 96753

Management is responsible for the accompanying financial statements of the Association of Apartment Owners (AOAO) of Maui Sunset, which comprise the Balance Sheet as of December 31, 2020, and the related statements of Profit and Loss and Changes in Equity for the year then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about Maui Sunset's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Management has omitted supplementary information about future major repairs and replacements of common property that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

The supplementary information contained on the Profit & Loss Budget vs Actual and Schedule of Capital Improvement Reserves Balance is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Association of Apartment Owners of Maui Sunset. The supplementary information has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and, accordingly, do not express an opinion or provide any assurance on such supplementary information.

We are not independent with respect to the AOA of Maui Sunset.

*Carbonaro CPA's & Mgmt Group*

Wailuku, Hawaii  
January 5, 2021

**The AOA of Maui Sunset**  
**Balance Sheet**  
As of December 31, 2020

	Dec 31, 20
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
<b>Operating Cash</b>	
1001 · ASB Operating Checking	103,480.29
1005 · ASB Biz Savings-30018-90859	55,214.42
1020 · Petty Cash on Site	17.50
1025 · Petty Cash-ASB/GM	1,176.07
<b>Total Operating Cash</b>	159,888.28
<b>Reserve Cash</b>	
1030 · Smith Barney Investment	1,156,725.84
<b>Total Reserve Cash</b>	1,156,725.84
<b>Total Checking/Savings</b>	1,316,614.12
<b>Accounts Receivable</b>	
1201 · Accounts Receivable - Owners	1,224.95
1230 · Accounts Receivable - Other	63.80
<b>Total Accounts Receivable</b>	1,288.75
<b>Other Current Assets</b>	
1301 · Prepaid Insurance	84,863.33
1305 · Prepaid Expenses - Other	10,538.95
1405 · Deposits	3,881.78
<b>Total Other Current Assets</b>	99,284.06
<b>Total Current Assets</b>	1,417,186.93
<b>Fixed Assets</b>	
1701 · Association Apartment	175,588.12
1705 · Equipment, Furniture & Fixtures	65,953.89
1710 · B-408 Leasehold Improvements	10,223.76
1715 · Office Renovation	9,502.33
1800 · Accumulated Depreciation	-221,530.03
<b>Total Fixed Assets</b>	39,738.07
<b>TOTAL ASSETS</b>	<b>1,456,925.00</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
2001 · Accounts Payable	68,012.17
<b>Total Accounts Payable</b>	68,012.17
<b>Other Current Liabilities</b>	
2105 · Accrued Payroll Taxes	5,125.28
2110 · Accrued Expenses - Other	1,952.74
2115 · Accrued Water & Sewer	10,070.18
2405 · Deferred Owners Payments	47,415.11
<b>Total Other Current Liabilities</b>	64,563.31
<b>Total Current Liabilities</b>	132,575.48
<b>Total Liabilities</b>	132,575.48
<b>Equity</b>	
3200 · Operating Equity	-385,335.59
32000 · Retained Earnings	391,772.21
3500 · Contract Liab. Reserves Equity	1,156,725.99
Net Income	161,186.91
<b>Total Equity</b>	1,324,349.52
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>1,456,925.00</b>

**The AOA of Maui Sunset**  
**Statement of Changes in Equity**  
For the Year ended December 31, 2020

		<u>Operations</u>	<u>Reserves</u>	<u>Total</u>
<b>Equity Balance, as of December 31, 2019</b>		\$ 139,773	\$ 1,023,390	\$ 1,163,163
Net Income (Loss)	<b>December 31, 2020</b>	27,851	133,336	161,187
<b>Equity Balance as of:</b>	<b>December 31, 2020</b>	<u>\$ 167,624</u>	<u>\$ 1,156,726</u>	<u>\$ 1,324,350</u>
Reserve Cash			<u>\$ 1,156,726</u>	
<b>Amount Due to Operations from Reserves</b>			<u><b>\$ 0</b></u>	

**The AOA of Maui Sunset**  
**Profit & Loss**  
For the Year ended December 31, 2020

	Dec 20	Jan - Dec 20
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
4001 · Maintenance Fees	131,542.06	1,671,073.12
4005 · Late Fees	0.00	300.00
4101 · Electricity Income	15,656.77	303,457.88
4105 · Electricity Owners	-20,642.38	-268,447.41
4305 · Concession Income	0.00	19,050.00
4310 · Activities Desk Commission	0.00	975.00
4320 · Kayak Storage	312.36	2,449.98
4330 · Storage Rental	1,469.53	18,023.95
4501 · Interest Income	0.94	12.81
4550 · Other Income	75.00	300.00
<b>Total Income</b>	<b>128,414.28</b>	<b>1,747,195.33</b>
<b>Gross Profit</b>	<b>128,414.28</b>	<b>1,747,195.33</b>
<b>Expense</b>		
5100 · Payroll and Benefits	37,588.62	503,963.97
<b>6100 · Repairs and Maintenance</b>		
6110 · Building	1,275.77	18,883.85
6120 · Elevators	1,459.52	17,228.40
6125 · Equipment/Tools	1,969.15	4,008.69
6130 · Grounds - Contract	14,490.12	173,881.44
6135 · Grounds - Supplies	2,662.06	9,945.10
6140 · Grounds - Dethatch	0.00	1,554.42
6145 · Hydrojet Contract	1,812.43	2,841.41
6150 · Maintenance-Supplies	656.74	9,442.42
6155 · Paint	85.83	5,116.27
6160 · Pest Control	865.27	10,383.24
6170 · Pool-Supplies	1,565.10	10,467.82
6190 · Vehicle Expenses	26.00	568.70
<b>Total 6100 · Repairs and Maintenance</b>	<b>26,867.99</b>	<b>264,321.76</b>
<b>7000 · Utilities</b>		
7001 · Cable	11,178.94	134,019.08
7005 · Electricity-AOAO	610.64	6,185.50
7010 · Propane	1,500.00	25,025.82
7015 · Refuse	3,709.60	31,417.62
7020 · Sewer	10,962.27	111,631.77
7025 · Telephone	684.73	8,337.74
7030 · Water	4,502.01	35,586.01
7031 · Water - Pool	385.95	2,450.25
7032 · Water - Reclaimed	435.80	636.78
<b>Total 7000 · Utilities</b>	<b>33,969.94</b>	<b>355,290.57</b>
<b>7100 · Administration</b>		
7108 · PV System Lease	3,881.78	46,581.36
7110 · Audit/Tax Prep	0.00	3,854.16
7115 · B-408 Utilities/Telephone	209.62	2,196.26
7125 · Bank Service Fees	246.41	2,853.47
7135 · Copier Maintenance	0.00	84.36
7140 · Director's Expenses	2,996.51	12,143.99
7145 · Accounting	4,369.76	55,489.21
7150 · Insurance	11,016.39	117,397.26
7155 · Legal Fees	0.00	2,392.87
7160 · Meeting Expenses	0.00	507.81
7165 · Mgt Fees--Annual Mtg	0.00	1,612.22
7170 · Administration Misc Expenses	141.23	2,874.76
7175 · Newsletter & Postage	425.70	1,919.55
7180 · Non-Budget Misc	53.71	644.52
7185 · Outside Services	0.00	10.00
7190 · Owners Exp-Reimbursable	0.00	0.00
7195 · Postage	372.39	1,816.59
7201 · Property Taxes	261.55	3,288.83
7210 · Supplies-Administration	466.81	3,104.28

See Accountant's Compilation Report

**The AOA of Maui Sunset**  
**Profit & Loss**  
For the Year ended December 31, 2020

	<u>Dec 20</u>	<u>Jan - Dec 20</u>
7215 · Taxes - GET	85.05	2,068.07
7217 · Taxes - Income	2,300.00	9,213.00
7220 · Uniforms	171.87	1,029.57
7230 · Website Maintenance	0.00	197.87
7501 · Reserves Transfer	24,993.41	299,920.92
7800 · Depreciation Expense	-959.14	5,912.66
<b>Total 7100 · Administration</b>	<b>51,033.05</b>	<b>577,113.59</b>
7705 · Special Project	0.00	18,654.40
<b>Total Expense</b>	<b>149,459.60</b>	<b>1,719,344.29</b>
<b>Net Ordinary Income</b>	<b>-21,045.32</b>	<b>27,851.04</b>
<b>Other Income/Expense</b>		
<b>Other Income</b>		
8001 · Reserves-MF Allocation	24,993.41	299,920.92
8005 · Reserves-Interest Income	27.07	1,472.90
<b>Total Other Income</b>	<b>25,020.48</b>	<b>301,393.82</b>
<b>Other Expense</b>		
8506 · Contingency Reserves	0.00	45,884.41
8509 · Fire Extinguishers	0.00	13,542.62
8511 · Dry Stand Pipe	0.00	20,192.42
8517 · Parking Lot A	0.00	10,986.60
8518 · Parking Lot B	0.00	11,611.60
8529 · Pool Heater	0.00	-208.34
8531 · Sewer Plumbing	0.00	19,086.38
8533 · Sewer Stack & Lateral Repair	5,020.00	15,620.09
8534 · Spalling	0.00	18,701.62
8537 · Tree Trimming & Cutting	0.00	12,640.55
<b>Total Other Expense</b>	<b>5,020.00</b>	<b>168,057.95</b>
<b>Net Other Income</b>	<b>20,000.48</b>	<b>133,335.87</b>
<b>Net Income</b>	<b><u>-1,044.84</u></b>	<b><u>161,186.91</u></b>

# **SUPPLEMENTARY INFORMATION**

**The AOA of Maui Sunset**  
**Profit & Loss Budget vs. Actual**  
For the Year ended December 31, 2020

	TOTAL					
	Dec 20	Budget	\$ Over Budget	Jan - Dec 20	Budget	\$ Over Budget
<b>Ordinary Income/Expense</b>						
<b>Income</b>						
4001 · Maintenance Fees	131,542.06	131,578.39	-36.33	1,671,073.12	1,671,075.00	-1.88
4005 · Late Fees	0.00	8.33	-8.33	300.00	100.00	200.00
4101 · Electricity Income	15,656.77	38,166.67	-22,509.90	303,457.88	458,000.00	-154,542.12
4105 · Electricity Owners	-20,642.38	-37,083.33	16,440.95	-268,447.41	-445,000.00	176,552.59
4305 · Concession Income	0.00	0.00	0.00	19,050.00	31,750.00	-12,700.00
4310 · Activities Desk Commission	0.00	0.00	0.00	975.00	2,500.00	-1,525.00
4320 · Kayak Storage	312.36	291.67	20.69	2,449.98	3,500.00	-1,050.02
4330 · Storage Rental	1,469.53	1,541.67	-72.14	18,023.95	18,500.00	-476.05
4501 · Interest Income	0.94	1.67	-0.73	12.81	20.00	-7.19
4550 · Other Income	75.00	125.00	-50.00	300.00	1,500.00	-1,200.00
<b>Total Income</b>	<b>128,414.28</b>	<b>134,630.07</b>	<b>-6,215.79</b>	<b>1,747,195.33</b>	<b>1,741,945.00</b>	<b>5,250.33</b>
<b>Gross Profit</b>	<b>128,414.28</b>	<b>134,630.07</b>	<b>-6,215.79</b>	<b>1,747,195.33</b>	<b>1,741,945.00</b>	<b>5,250.33</b>
<b>Expense</b>						
5100 · Payroll and Benefits	37,588.62	37,431.34	157.28	503,963.97	522,899.42	-18,935.45
<b>6100 · Repairs and Maintenance</b>						
6110 · Building	1,275.77	1,119.05	156.72	18,883.85	17,000.00	1,883.85
6115 · Elevator Maintenance	0.00	83.33	-83.33	0.00	1,000.00	-1,000.00
6120 · Elevators	1,459.52	1,449.00	10.52	17,228.40	17,388.00	-159.60
6125 · Equipment/Tools	1,969.15	315.48	1,653.67	4,008.69	4,500.00	-491.31
6130 · Grounds - Contract	14,490.12	14,491.67	-1.55	173,881.44	173,900.00	-18.56
6135 · Grounds - Supplies	2,662.06	833.33	1,828.73	9,945.10	10,000.00	-54.90
6140 · Grounds - Dethatch	0.00	333.33	-333.33	1,554.42	4,000.00	-2,445.58
6145 · Hydrojet Contract	1,812.43	172.62	1,639.81	2,841.41	3,500.00	-658.59
6150 · Maintenance-Supplies	656.74	1,000.00	-343.26	9,442.42	12,000.00	-2,557.58
6155 · Paint	85.83	125.00	-39.17	5,116.27	1,500.00	3,616.27
6160 · Pest Control	865.27	833.33	31.94	10,383.24	10,000.00	383.24
6170 · Pool-Supplies	1,565.10	595.24	969.86	10,467.82	10,000.00	467.82
6172 · Security Cameras	0.00	0.00	0.00	0.00	12,500.00	-12,500.00
6175 · Security Camera Maint.	0.00	0.00	0.00	0.00	1,277.08	-1,277.08
6177 · Security Licensing Fees	0.00	0.00	0.00	0.00	645.83	-645.83
6190 · Vehicle Expenses	26.00	58.33	-32.33	568.70	700.00	-131.30
<b>Total 6100 · Repairs and Maintenance</b>	<b>26,867.99</b>	<b>21,409.71</b>	<b>5,458.28</b>	<b>264,321.76</b>	<b>279,910.91</b>	<b>-15,589.15</b>
<b>7000 · Utilities</b>						
7001 · Cable	11,178.94	10,867.25	311.69	134,019.08	130,407.00	3,612.08
7005 · Electricity-AOAO	610.64	500.00	110.64	6,185.50	6,000.00	185.50
7010 · Propane	1,500.00	2,083.34	-583.34	25,025.82	25,000.00	25.82
7015 · Refuse	3,709.60	3,309.52	400.08	31,417.62	44,000.00	-12,582.38
7020 · Sewer	10,962.27	8,202.39	2,759.88	111,631.77	103,000.00	8,631.77
7025 · Telephone	684.73	650.00	34.73	8,337.74	7,800.00	537.74
7030 · Water	4,502.01	2,571.42	1,930.59	35,586.01	33,000.00	2,586.01
7031 · Water - Pool	385.95	0.00	385.95	2,450.25	0.00	2,450.25
7032 · Water - Reclaimed	435.80	0.00	435.80	636.78	0.00	636.78
<b>Total 7000 · Utilities</b>	<b>33,969.94</b>	<b>28,183.92</b>	<b>5,786.02</b>	<b>355,290.57</b>	<b>349,207.00</b>	<b>6,083.57</b>
<b>7100 · Administration</b>						
7108 · PV System Lease	3,881.78	3,881.75	0.03	46,581.36	46,581.00	0.36
7110 · Audit/Tax Prep	0.00	333.33	-333.33	3,854.16	4,000.00	-145.84
7115 · B-408 Utilities/Telephone	209.62	250.00	-40.38	2,196.26	3,000.00	-803.74
7120 · Bad Debt	0.00	241.08	-241.08	0.00	2,000.00	-2,000.00
7125 · Bank Service Fees	246.41	250.00	-3.59	2,853.47	3,000.00	-146.53



	TOTAL					
	Dec 20	Budget	\$ Over Budget	Jan - Dec 20	Budget	\$ Over Budget
7135 · Copier Maintenance	0.00	50.00	-50.00	84.36	600.00	-515.64
7140 · Director's Expenses	2,996.51	666.67	2,329.84	12,143.99	13,000.00	-856.01
7145 · Accounting	4,369.76	4,416.67	-46.91	55,489.21	53,000.00	2,489.21
7150 · Insurance	11,016.39	9,013.25	2,003.14	117,397.26	108,159.00	9,238.26
7155 · Legal Fees	0.00	0.00	0.00	2,392.87	12,500.00	-10,107.13
7160 · Meeting Expenses	0.00	166.67	-166.67	507.81	2,000.00	-1,492.19
7165 · Mgt Fees--Annual Mtg	0.00	416.67	-416.67	1,612.22	5,000.00	-3,387.78
7170 · Administration Misc Expenses	141.23	125.00	16.23	2,874.76	1,500.00	1,374.76
7175 · Newsletter & Postage	425.70	166.67	259.03	1,919.55	2,000.00	-80.45
7180 · Non-Budget Misc	53.71	125.00	-71.29	644.52	1,500.00	-855.48
7185 · Outside Services	0.00	0.00	0.00	10.00	0.00	10.00
7190 · Owners Exp-Reimbursable	0.00	0.00	0.00	0.00	0.00	0.00
7195 · Postage	372.39	133.34	239.05	1,816.59	1,600.00	216.59
7201 · Property Taxes	261.55	291.67	-30.12	3,288.83	3,500.00	-211.17
7210 · Supplies-Administration	466.81	166.67	300.14	3,104.28	2,000.00	1,104.28
7215 · Taxes - GET	85.05	366.67	-281.62	2,068.07	4,400.00	-2,331.93
7217 · Taxes - Income	2,300.00	1,050.00	1,250.00	9,213.00	12,600.00	-3,387.00
7220 · Uniforms	171.87	58.33	113.54	1,029.57	700.00	329.57
7230 · Website Maintenance	0.00	20.83	-20.83	197.87	250.00	-52.13
7501 · Reserves Transfer	24,993.41	24,993.42	-0.01	299,920.92	299,921.00	-0.08
7800 · Depreciation Expense	-959.14	833.33	-1,792.47	5,912.66	10,000.00	-4,087.34
<b>Total 7100 · Administration</b>	<b>51,033.05</b>	<b>48,017.02</b>	<b>3,016.03</b>	<b>577,113.59</b>	<b>592,811.00</b>	<b>-15,697.41</b>
7705 · Special Project	0.00	0.00	0.00	18,654.40	0.00	18,654.40
<b>Total Expense</b>	<b>149,459.60</b>	<b>135,041.99</b>	<b>14,417.61</b>	<b>1,719,344.29</b>	<b>1,744,828.33</b>	<b>-25,484.04</b>
<b>Net Ordinary Income</b>	<b>-21,045.32</b>	<b>-411.92</b>	<b>-20,633.40</b>	<b>27,851.04</b>	<b>-2,883.33</b>	<b>30,734.37</b>
<b>Other Income/Expense</b>						
<b>Other Income</b>						
8001 · Reserves-MF Allocation	24,993.41			299,920.92		
8005 · Reserves-Interest Income	27.07			1,472.90		
<b>Total Other Income</b>	<b>25,020.48</b>			<b>301,393.82</b>		
<b>Other Expense</b>						
8506 · Contingency Reserves	0.00			45,884.41		
8509 · Fire Extinguishers	0.00			13,542.62		
8511 · Dry Stand Pipe	0.00			20,192.42		
8517 · Parking Lot A	0.00			10,986.60		
8518 · Parking Lot B	0.00			11,611.60		
8529 · Pool Heater	0.00			-208.34		
8531 · Sewer Plumbing	0.00			19,086.38		
8533 · Sewer Stack & Lateral Repair	5,020.00			15,620.09		
8534 · Spalling	0.00			18,701.62		
8537 · Tree Trimming & Cutting	0.00			12,640.55		
<b>Total Other Expense</b>	<b>5,020.00</b>			<b>168,057.95</b>		
<b>Net Other Income</b>	<b>20,000.48</b>			<b>133,335.87</b>		
<b>Net Income</b>	<b>-1,044.84</b>	<b>-411.92</b>	<b>-632.92</b>	<b>161,186.91</b>	<b>-2,883.33</b>	<b>164,070.24</b>

**THE AOA OF MAUI SUNSET**  
**SCHEDULE OF CAPITAL IMPROVEMENT RESERVE BALANCES**  
**For the Year ended December 31, 2020**

Description	Beginning Balance	Increase	Decrease	Net Change	Current Balance
B-408 Renovations	\$ 1,158			-	\$ 1,158
Contingency	50,696		(45,884)	(45,884)	4,812
Doors	90			-	90
Dry Standpipe valve	23,000		(20,192)	(20,192)	2,808
Electrical Panel & Subpanel Asmt	4,000			-	4,000
Elevator Mach Cabinet Upgrade	17,996			-	17,996
Exercise Bathroom Renovation	5,000			-	5,000
Exercise Room Renovation	2,500			-	2,500
Extinguishers	15,777		(13,543)	(13,543)	2,234
Fire Hoses	25,000			-	25,000
Fire Panel	5,000			-	5,000
Gas Line Repairs	1,500			-	1,500
Furniture - Pool chaise lounges	1,365			-	1,365
Furniture - Pool tables/chairs	5,468			-	5,468
Hot Tub Retile	2,000			-	2,000
Irrigation Pump	3,000			-	3,000
Maui Sunset Signs	6,000			-	6,000
Office Renovation	6,000			-	6,000
Palm Tree Replacement	1,000			-	1,000
Parking	109,898			-	109,898
Parking Lot Striping	25,000		(22,598)	(22,598)	2,402
Parking Lights	2,000			-	2,000
Pickup Truck	4,000			-	4,000
Pool Fence Gates and Locks	3,000			-	3,000
Pool Heater	892	208		208	1,100
Pool Retile	30,000			-	30,000
Pool Waterline/Copping tile	3,000			-	3,000
Pull Station and bells	3,415			-	3,415
Roofing	127,250			-	127,250
Sauna Renovation	3,000			-	3,000
Sewer Plumbing	25,110		(19,086)	(19,086)	6,024
Sewer Stack and lateral repairs	20,085		(15,620)	(15,620)	4,465
Slurry Seal	44,605			-	44,605
Spa Heater	5,300			-	5,300
Spall Repairs - Railing, walkways	72,411		(18,702)	(18,702)	53,709
Stripping and curb Painting	9,704			-	9,704
Tile Flooring - elevator lobby areas	2,196			-	2,196
Trash Compactor system and bin	4,977			-	4,977
Tree Trimming and Cutting	17,208		(12,640)	(12,640)	4,568
Waterproof building ends	12,000			-	12,000
Interest Income	357	1,473		1,473	1,830
Additions to Reserve	321,432	299,921		299,921	621,353
<b>TOTAL CAPITAL IMPROVEMENT RES.</b>	<b>\$ 1,023,390</b>	<b>\$ 301,602</b>	<b>\$ (168,266)</b>	<b>\$ 133,336</b>	<b>\$ 1,156,726</b>