

April 2019

Dear Marriott's Waiohai Beach Club Owner,

The audited 2018 Financial Statements report summaries for Association of Apartment Owners of Waiohai Beach Club and Waiohai Beach Club Vacation Owners Association are enclosed. These reports are being provided to you as outlined in the Associations' governing documents and Hawaii State Statutes.

If you have any questions, please contact Tracey Kupihea, Director of Finance, via email at tracey.kupihea@vacationclub.com. You may also contact your Board of Directors by phone at the business office of the Associations at 808-742-4400 or via email at waiohaiownerboard@vacationclub.com.

Sincerely,

Timothy J. Miscovich
Secretary/Treasurer
Association of Apartment Owners
of Waiohai Beach Club

Katherine K. Head
Secretary/Treasurer
Waiohai Beach Club Vacation Owners Association

Association of Apartment Owners of Waiohai Beach Club
Summary Report on Audits of Financial Statements
For the Year Ended December 31, 2018 and Fiscal Year Ended December 31, 2017

Balance Sheet

	Operating	Reserve	2018 Total	2017 Total
Assets:				
Cash and Investments	\$ 1,956,560	\$ 3,190,055	\$ 5,146,615	\$ 5,694,041
Other Assets	1,305,036	258,958	1,563,994	676,306
Total Assets	<u>\$ 3,261,596</u>	<u>\$ 3,449,013</u>	<u>\$ 6,710,609</u>	<u>\$ 6,370,347</u>
Liabilities and Fund Balances:				
Accrued expenses	\$ 136,628	\$ 11,033	\$ 147,661	\$ 506,119
Other Liabilities	2,428,445	627,574	3,056,019	2,708,185
Fund Balances	696,523	2,810,406	3,506,929	3,156,043
Total Liabilities and Fund Balances	<u>\$ 3,261,596</u>	<u>\$ 3,449,013</u>	<u>\$ 6,710,609</u>	<u>\$ 6,370,347</u>

Operating Fund - Income Statement

	2018 Total	2017 Total
Total Revenues	\$ 5,306,777	\$ 5,637,169
Total Expenses	<u>(5,616,992)</u>	<u>(5,605,704)</u>
Excess (Deficit) of Revenues over Expenses	(310,215)	31,465
Fund Balance, Beginning of Year	<u>1,006,738</u>	<u>975,273</u>
Fund Balance, End of Year	<u>\$ 696,523</u>	<u>\$ 1,006,738</u>

Reserve for Replacement - Income Statement

	2018 Total	2017 Total
Total Revenues	\$ 1,943,498	\$ 1,455,745
Total Expenses	<u>(1,282,397)</u>	<u>(1,329,747)</u>
Excess (Deficit) of Revenues over Expenses	661,101	125,998
Fund Balance, Beginning of Year	<u>2,149,305</u>	<u>2,023,307</u>
Fund Balance, End of Year	<u>\$ 2,810,406</u>	<u>\$ 2,149,305</u>

For a complete copy of audited financial statements, please contact the Director of Finance, Tracey Kupihea at Tracey.Kupihea@vacationclub.com.
Association of Apartment Owners of Waiohai Beach Club's financial statements were audited by PricewaterhouseCoopers.

Waiohai Beach Club Vacation Owners Association
Summary Report on Audits of Financial Statements
For the Year Ended December 31, 2018 and Fiscal Year Ended December 31, 2017

Balance Sheet				
	Operating	Reserve	2018 Total	2017 Total
Assets:				
Cash and Investments	\$ 5,474,780	\$ 12,161,444	\$ 17,636,224	\$ 16,063,021
Other Assets	2,942,625	688,395	3,631,020	1,335,782
Total Assets	\$ 8,417,405	\$ 12,849,839	\$ 21,267,244	\$ 17,398,803
Liabilities and Fund Balances:				
Accrued expenses	\$ 206,972	\$ 19,678	\$ 226,650	\$ 184,517
Other Liabilities	6,399,394	1,631,636	8,031,030	7,394,646
Fund Balances	1,811,039	11,198,525	13,009,564	9,819,640
Total Liabilities and Fund Balances	\$ 8,417,405	\$ 12,849,839	\$ 21,267,244	\$ 17,398,803

Operating Fund - Income Statement			
	2018 Total	2017 Total	
Total Revenues	\$ 14,735,967	\$ 14,779,535	
Total Expenses	(14,841,074)	(14,445,548)	
Excess (Deficit) of Revenues over Expenses	(105,107)	333,987	
Fund Balance, Beginning of Year	1,916,146	1,582,159	
Fund Balance, End of Year	\$ 1,811,039	\$ 1,916,146	

Reserve for Replacement - Income Statement			
	2018 Total	2017 Total	
Total Revenues	\$ 3,602,165	\$ 2,872,280	
Total Expenses	(307,134)	(434,865)	
Excess (Deficit) of Revenues over Expenses	3,295,031	2,437,415	
Fund Balance, Beginning of Year	7,903,494	5,466,079	
Fund Balance, End of Year	\$ 11,198,525	\$ 7,903,494	

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**Association of Apartment Owners of Waiohai Beach Club
Board of Directors**

Name/Address	Phone/Fax/Email	Office Held	Term
Michelle M. Taylor Marriott's Waiohai Beach Club Executive Offices 2249 Poipu Road Koloa, Hawaii 96756	Resort Main Phone: 808-742-4400 Resort Main Fax: 808-742-4410 waiohaiownerboard@vacationclub.com	President	2016-2019
Katherine K. Head Marriott's Waiohai Beach Club Executive Offices 2249 Poipu Road Koloa, Hawaii 96756	Resort Main Phone: 808-742-4400 Resort Main Fax: 808-742-4410 waiohaiownerboard@vacationclub.com	Vice President	2016-2019
Timothy J. Miscovich Marriott's Waiohai Beach Club Executive Offices 2249 Poipu Road Koloa, Hawaii 96756	Resort Main Phone: 808-742-4400 Resort Main Fax: 808-742-4410 waiohaiownerboard@vacationclub.com	Secretary/Treasurer	2017-2020
David John Chamberlain Marriott's Waiohai Beach Club Executive Offices 2249 Poipu Road Koloa, Hawaii 96756	Resort Main Phone: 808-742-4400 Resort Main Fax: 808-742-4410 waiohaiownerboard@vacationclub.com	Director	2018-2021
Steven Glen Wischmann Marriott's Waiohai Beach Club Executive Offices 2249 Poipu Road Koloa, Hawaii 96756	Resort Main Phone: 808-742-4400 Resort Main Fax: 808-742-4410 waiohaiownerboard@vacationclub.com	Director	2018-2021

**Waiohai Beach Club Vacation Owners Association
Board of Directors**

Name/Address	Phone/Fax/Email	Office Held	Term
William "Bill" Cook Marriott's Waiohai Beach Club Executive Offices 2249 Poipu Road Koloa, Hawaii 96756	Resort Main Phone: 808-742-4400 Resort Main Fax: 808-742-4410 waiohaiownerboard@vacationclub.com	President	2018-2021
James W. Harris Marriott's Waiohai Beach Club Executive Offices 2249 Poipu Road Koloa, Hawaii 96756	Resort Main Phone: 808-742-4400 Resort Main Fax: 808-742-4410 waiohaiownerboard@vacationclub.com	Vice President	2016-2019
Katherine K. Head Marriott's Waiohai Beach Club Executive Offices 2249 Poipu Road Koloa, Hawaii 96756	Resort Main Phone: 808-742-4400 Resort Main Fax: 808-742-4410 waiohaiownerboard@vacationclub.com	Secretary/Treasurer	2016-2019
Michelle M. Taylor Marriott's Waiohai Beach Club Executive Offices 2249 Poipu Road Koloa, Hawaii 96756	Resort Main Phone: 808-742-4400 Resort Main Fax: 808-742-4410 waiohaiownerboard@vacationclub.com	Director	2017-2020
Thomas J. Myers Marriott's Waiohai Beach Club Executive Offices 2249 Poipu Road Koloa, Hawaii 96756	Resort Main Phone: 808-742-4400 Resort Main Fax: 808-742-4410 waiohaiownerboard@vacationclub.com	Director	2018-2021