



DESTINATION MAUI INC.
Property Management

Wailea Fairway Villas Association

(A 118-Unit Hawaii Condominium Association)

Financial Statements and Supplementary Information

For the One Month and Seven Months Ended

July 31, 2024

(May be Subject to Audit Adjustments)

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I have prepared the accompanying Balance Sheet – Tax Basis as of July 31, 2024, and the Income Statement and Changes in Members' Equity – Tax Basis and Statement of Cash Flows – Tax Basis for the One Month and Seven Months then ended, along with the accompanying schedules described above, in my capacity as a stockholder and officer of Destination Maui, Inc. I have not prepared the statements in my capacity as a CPA in the practice of public accounting.

Management has elected to omit substantially all of the disclosures required by the generally accepted principles as issued by the U.S. Financial Accounting Standards Board. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Association's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Ronald A. Kawahara, CPA

Wailea Fairway Villas Owners Association
Balance Sheet - Tax Basis
July 31, 2024 and 2023

	2024	2023
Assets		
Cash		
Ckg - FCB *****1241	280,429.99	164,478.29
Ckg - FCB - Debit Card ****4202	1,910.13	2,859.60
MMkt - FCB Savings *****2119	132,985.98	132,320.27
Subtotal Cash	415,326.10	299,658.16
Cash Reserves		
MMkt - FCB - Reserve *****2640	257,194.14	177,953.06
CDARs - FCB - Reserves	0.00	968,655.34
MMkt - EJ Reserves *****97-1-4	148,570.90	116,618.49
CDs - EJ Reserves *****97-1-4	2,000,000.00	900,000.00
Subtotal Cash Reserves	2,405,765.04	2,163,226.89
Accounts Receivable		
A/R Owner Balances	923.00	14,302.68
A/R Act 196 & Collections	0.00	0.00
A/R - Missing Credit Card Receipts	888.80	0.00
Subtotal Accounts Receivable	1,811.80	14,302.68
Prepaid		
Prepaid Federal Taxes	2,800.00	4,982.00
Prepaid State Taxes	400.00	1,176.00
Ppd. Medical	0.00	1,168.71
Unexpired Ins.	168,399.34	68,124.52
Subtotal Prepaid	171,599.34	75,451.23
Property		
Equipment	74,400.00	74,400.00
A/D Equipment	(34,100.00)	(30,380.00)
Subtotal Property	40,300.00	44,020.00
Total Assets	3,034,802.28	2,596,658.96

Wailea Fairway Villas Owners Association
Balance Sheet - Tax Basis
July 31, 2024 and 2023

Liabilities & Equity

	2024	2023
Liability		
A/P Trade	94,562.34	38,531.84
A/P Insurance Claims	8,865.27	8,865.27
A/P Other	75.00	75.00
Prepaid Owner Balances	115,448.99	55,519.34
N/P Insurance Premiums	88,332.00	26,030.00
Accrued General Excise Tax	268.13	520.60
Accrued Federal Income Tax	0.00	0.00
Subtotal Liability	307,551.73	129,542.05
Member's Equity		
Restricted Equity	2,405,765.04	2,163,226.89
Unrestricted Equity	260,359.06	249,598.47
Total Revenue Over Expense	61,126.45	54,291.55
Subtotal Member's Equity	2,727,250.55	2,467,116.91
Total Liabilities & Equity	3,034,802.28	2,596,658.96

Wailea Fairway Villas Owners Association
Income Statement and Changes in Members Equity - Tax Basis
Actual vs. Budget
For the 1 Month and 7 Months Ended July 31, 2024

	CURRENT MONTH				YEAR TO DATE				BUDGET	
	Actual	%	Budget	Variance	Actual	%	Budget	Variance	Annual	Unexpended
Income										
Membership Income										
405 Maintenance Fee Income	125,736.00	95.72	125,736	0	727,653.24	77.66	727,656	(3)	1,556,910	829,257
406 Replacement Reserves	0.00	0.00	0	0	152,498.76	16.28	152,500	(1)	152,500	1
410 Insurance Assessment	0.00	0.00	0	0	0.00	0.00	0	0	500,000	500,000
415 Delinquent Fee Income	0.00	0.00	150	(150)	1,274.19	0.14	1,050	224	1,800	526
416 Delinquent Fee Interest	0.00	0.00	133	(133)	745.43	0.08	931	(186)	1,600	855
425 House Rule Violations	0.00	0.00	167	(167)	0.00	0.00	1,169	(1,169)	2,000	2,000
Total Membership Income	125,736.00	95.72	126,186	(450)	882,171.62	94.16	883,306	(1,134)	2,214,810	1,332,638
NonMembership Income										
430 Interest Income	48.99	0.04	50	(1)	342.62	0.04	350	(7)	600	257
431 Reserve Interest Income	5,037.61	3.83	7,915	(2,877)	53,052.20	5.66	55,415	(2,363)	95,000	41,948
441 Rental Kayak Rack	540.00	0.41	167	373	1,365.00	0.15	1,169	196	2,000	635
499 Other Income	0.00	0.00	8	(8)	0.00	0.00	56	(56)	100	100
Total NonMembership Income	5,626.60	4.28	8,140	(2,513)	54,759.82	5.84	56,990	(2,230)	97,700	42,940
Total Income	131,362.60	100.00	134,326	(2,963)	936,931.44	100.00	940,296	(3,365)	2,312,510	1,375,579
Expense										
Administrative										
625 Bank Charges/Merc. Fees	0.00	0.00	10	(10)	10.00	0.00	70	(60)	120	110
645 Dues & Subscriptions	0.00	0.00	42	(42)	0.00	0.00	294	(294)	500	500
710 Meetings	180.00	0.14	292	(112)	1,816.75	0.19	2,044	(227)	3,500	1,683
715 Office & Administration *	874.90	0.67	358	517	3,952.97	0.42	2,506	1,447	4,300	347
715. Office & Admin - Site Office	180.08	0.14	150	30	1,663.40	0.18	1,050	613	1,800	137
715. Office & Admin - Miscellaneous	0.00	0.00	167	(167)	379.01	0.04	1,169	(790)	2,000	1,621
715. Office & Admin - Office/Rec	121.40	0.09	120	1	866.71	0.09	840	27	1,440	573
720 Operating Supplies	164.77	0.13	267	(102)	1,357.36	0.14	1,869	(512)	3,200	1,843
910 Depreciation	310.00	0.24	310	0	2,170.00	0.23	2,170	0	3,720	1,550
Total Administrative	1,831.15	1.39	1,716	115	12,216.20	1.30	12,012	204	20,580	8,364
Payroll										
610 Auto	75.92	0.06	100	(24)	548.73	0.06	700	(151)	1,200	651
648 Education/Seminars	0.00	0.00	50	(50)	0.00	0.00	350	(350)	600	600
653 Empl./Ben. Medical *	1,835.88	1.40	1,262	574	9,125.61	0.97	8,834	292	15,142	6,016
780 Salaries & Wages	12,931.28	9.84	13,839	(908)	69,945.47	7.47	96,873	(26,928)	166,068	96,123
801 P/R Insurance - TDI & WC *	2,800.92	2.13	827	1,974	4,238.74	0.45	5,789	(1,550)	9,924	5,685
802 Taxes Payroll	1,277.50	0.97	1,640	(363)	6,934.62	0.74	11,480	(4,545)	19,685	12,750
812 Uniforms	0.00	0.00	17	(17)	324.02	0.03	119	205	200	(124)
Total Payroll	18,921.50	14.40	17,735	1,187	91,117.19	9.73	124,145	(33,028)	212,819	121,702
Insurance										

Wailea Fairway Villas Owners Association
Income Statement and Changes in Members Equity - Tax Basis
Actual vs. Budget
For the 1 Month and 7 Months Ended July 31, 2024

	CURRENT MONTH				YEAR TO DATE				BUDGET	
	Actual	%	Budget	Variance	Actual	%	Budget	Variance	Annual	Unexpended
677 Ins. Bond	45.33	0.03	50	(5)	317.31	0.03	350	(33)	600	283
678 Ins. Bus. Interruption	137.42	0.10	150	(13)	957.94	0.10	1,050	(92)	1,800	842
679 Ins. Dir/Off Liab	1,531.58	1.17	1,763	(231)	10,721.06	1.14	12,341	(1,620)	21,150	10,429
680 Ins. Fire/Damage	15,703.58	11.95	65,273	(49,569)	67,023.06	7.15	104,123	(37,100)	430,489	363,466
683 Ins. Liability	654.83	0.50	935	(280)	3,324.81	0.35	3,185	140	7,858	4,533
684 Ins. Umbrella	316.33	0.24	325	(8)	1,962.82	0.21	2,173	(210)	3,796	1,833
Total Insurance	18,389.07	14.00	68,496	(50,107)	84,307.00	9.00	123,222	(38,915)	465,693	381,386
Professional Services										
705 Management Fee *	4,293.00	3.27	3,579	714	30,051.00	3.21	25,053	4,998	42,948	12,897
731 Prof. Svc. Audit	0.00	0.00	401	(401)	(90.32)	(0.01)	2,807	(2,897)	4,816	4,906
732 Prof. Svc. Legal	0.00	0.00	417	(417)	11,280.94	1.20	2,919	8,362	5,000	(6,281)
733 Prof. Svc. Reserve *	994.76	0.76	117	878	994.76	0.11	819	176	1,400	405
734 Prof Svc. Yr. End Acct	0.00	0.00	82	(82)	0.00	0.00	574	(574)	988	988
Total Professional Services	5,287.76	4.03	4,596	692	42,236.38	4.51	32,172	10,064	55,152	12,916
Repairs and Maintenance										
746 R/M Bldgs.	60.63	0.05	833	(772)	2,596.62	0.28	5,831	(3,234)	10,000	7,403
747 R/M Bldg RM Apt.	0.00	0.00	0	0	314.10	0.03	0	314	0	(314)
750 R/M Equipment *	964.90	0.73	250	715	1,412.32	0.15	1,750	(338)	3,000	1,588
752 R/M Fire Equip *	264.00	0.20	200	64	2,169.76	0.23	1,400	770	2,400	230
754 R/M Grounds *	194.97	0.15	83	112	959.65	0.10	581	379	1,000	40
755 R/M Grounds Contractor	23,924.75	18.21	25,742	(1,817)	167,473.25	17.87	180,194	(12,721)	308,905	141,432
756 R/M Grounds Irrigation *	532.05	0.41	417	115	1,155.40	0.12	2,919	(1,764)	5,000	3,845
760 R/M Pest Control	0.00	0.00	583	(583)	3,708.90	0.40	4,081	(372)	6,991	3,282
762 R/M Pool	553.90	0.42	2,833	(2,279)	12,483.75	1.33	19,831	(7,347)	34,000	21,516
764 R/M Refuse Collect	1,548.92	1.18	1,739	(190)	11,032.96	1.18	12,173	(1,140)	20,868	9,835
764. R/M Recycling	774.57	0.59	832	(57)	5,219.38	0.56	5,824	(605)	9,986	4,767
767 R/M Security Contract *	1,465.97	1.12	1,458	8	10,261.79	1.10	10,206	56	17,500	7,238
Total Repairs and Maintenance	30,284.66	23.05	34,970	(4,685)	218,787.88	23.35	244,790	(26,002)	419,650	200,862
Taxes										
796 Taxes Gen Excise *	253.20	0.19	27	226	2,570.01	0.27	2,091	479	2,224	(346)
940 Taxes Federal Income	0.00	0.00	1,000	(1,000)	0.00	0.00	7,000	(7,000)	12,000	12,000
945 Taxes State Income	0.00	0.00	146	(146)	4,250.00	0.45	1,022	3,228	1,750	(2,500)
Total Taxes	253.20	0.19	1,173	(920)	6,820.01	0.73	10,113	(3,293)	15,974	9,154
Utilities										
826 Utilities Cable TV *	6,130.93	4.67	6,036	95	42,909.75	4.58	42,252	658	72,432	29,522
826. Utilities HUI Participation	113.44	0.09	114	(1)	794.08	0.08	798	(4)	1,368	574
828 Utilities Electric	1,804.08	1.37	2,154	(350)	15,044.21	1.61	15,078	(34)	25,852	10,808
830 Utilities Gas	0.00	0.00	67	(67)	593.08	0.06	469	124	800	207

Wailea Fairway Villas Owners Association
Income Statement and Changes in Members Equity - Tax Basis
Actual vs. Budget
For the 1 Month and 7 Months Ended July 31, 2024

	CURRENT MONTH				YEAR TO DATE				BUDGET	
	Actual	%	Budget	Variance	Actual	%	Budget	Variance	Annual	Unexpended
832 Utilities Sewer	6,178.84	4.70	7,859	(1,680)	39,338.02	4.20	55,013	(15,675)	94,306	54,968
834 Utilities Telephone	123.62	0.09	158	(34)	981.04	0.10	1,106	(125)	1,896	915
838 Utilities Water *	36,469.69	27.76	14,780	21,690	115,109.19	12.29	103,460	11,649	177,364	62,255
Total Utilities	<u>50,820.60</u>	<u>38.69</u>	<u>31,168</u>	<u>19,653</u>	<u>214,769.37</u>	<u>22.92</u>	<u>218,176</u>	<u>(3,407)</u>	<u>374,018</u>	<u>159,249</u>
Reserve and Other										
915 Reserves	0.00	0.00	0	0	152,498.76	16.28	152,500	(1)	152,500	1
916 Reserve Interest	5,037.61	3.83	7,917	(2,879)	53,052.20	5.66	55,417	(2,365)	95,000	41,948
960 SA Insurance 2024-2025	0.00	0.00	0	0	0.00	0.00	0	0	500,000	500,000
Total Reserve and Other	<u>5,037.61</u>	<u>3.83</u>	<u>7,917</u>	<u>(2,879)</u>	<u>205,550.96</u>	<u>21.94</u>	<u>207,917</u>	<u>(2,366)</u>	<u>747,500</u>	<u>541,949</u>
Total Expense	<u>130,825.55</u>	<u>99.59</u>	<u>167,771</u>	<u>(36,945)</u>	<u>875,804.99</u>	<u>93.48</u>	<u>972,547</u>	<u>(96,742)</u>	<u>2,311,386</u>	<u>1,435,581</u>
Excess Revenue / Expense	<u>537.05</u>	<u>0.41</u>	<u>(33,445)</u>	<u>33,982</u>	<u>61,126.45</u>	<u>6.52</u>	<u>(32,251)</u>	<u>93,377</u>	<u>1,124</u>	<u>(60,002)</u>

Wailea Fairway Villas Owners Association
Statement of Cash Flows - Tax Basis
For the 1 Month and 7 Months Ended July 31, 2024

	Current	Year to Date
Cash Flows from Operating Activities		
Total Revenue Over Expense	\$ 537.05	\$ 61,347.74
Add (Deduct) to Reconcile Net Income to Net Cash		
Changes in Current Assets		
A/R Owner Balances	(923.00)	20,477.71
A/R Act 196 & Collections		72.72
A/R - Missing Credit Card Receipts	(885.52)	(576.80)
Prepaid Federal Taxes		(2,800.00)
Prepaid State Taxes		(13.00)
Unexpired Ins.	18,871.99	(138,851.02)
A/D Equipment	310.00	2,170.00
Subtotal Changes in Current Assets	17,373.47	(119,520.39)
Changes in Current Liabilities		
A/P Trade	57,749.60	49,829.11
Prepaid Owner Balances	56,589.48	60,461.63
N/P Insurance Premiums	(44,166.00)	78,789.11
Accrued General Excise Tax	(1,425.84)	(309.96)
Subtotal Changes in Current Liabilities	68,747.24	188,769.89
Cash, Beginning of Month	328,668.34	284,728.86
Cash & Cash Equivalents at end of Period	\$ 415,326.10	\$ 415,326.10