



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 Eight Months Ended

August 31, 2024

(May be Subject to Audit Adjustments)

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I have prepared the accompanying Balance Sheet – Tax Basis as of August 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 Eight 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
August 31, 2024 and 2023

	2024	2023
Assets		
Cash		
Ckg - FCB *****1241	242,772.49	156,230.92
Ckg - FCB - Debit Card ****4202	2,700.27	2,893.95
MMkt - FCB Savings *****2119	8,097.71	132,459.63
Subtotal Cash	253,570.47	291,584.50
Cash Reserves		
MMkt - FCB - Reserve *****2640	237,416.76	183,457.10
CDARs - FCB - Reserves	0.00	968,655.34
MMkt - EJ Reserves *****97-1-4	169,946.38	522,048.47
CDs - EJ Reserves *****97-1-4	2,000,000.00	500,000.00
Subtotal Cash Reserves	2,407,363.14	2,174,160.91
Accounts Receivable		
A/R Owner Balances	655.48	15,562.66
A/R Act 196 & Collections	0.00	0.00
A/R - Missing Credit Card Receipts	194.90	0.00
Subtotal Accounts Receivable	850.38	15,562.66
Prepaid		
Prepaid Federal Taxes	4,200.00	4,982.00
Prepaid State Taxes	600.00	1,176.00
Ppd. Medical	0.00	1,168.71
Unexpired Ins.	360,965.73	60,409.28
Subtotal Prepaid	365,765.73	67,735.99
Property		
Equipment	74,400.00	74,400.00
A/D Equipment	(34,410.00)	(30,690.00)
Subtotal Property	39,990.00	43,710.00
Total Assets	3,067,539.72	2,592,754.06

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

Liabilities & Equity

	2024	2023
Liability		
A/P Trade	89,059.74	28,419.37
A/P Insurance Claims	8,865.27	8,865.27
A/P Other	75.00	75.00
Prepaid Owner Balances	83,128.79	52,290.84
N/P Insurance Premiums	58,888.00	26,030.00
Accrued General Excise Tax	1,245.02	802.19
Accrued Federal Income Tax	0.00	0.00
Subtotal Liability	241,261.82	116,482.67
Other Liabilities		
Prepaid Special Assessment	67,116.74	0.00
Subtotal Other Liabilities	67,116.74	0.00
Member's Equity		
Restricted Equity	2,407,363.14	2,174,760.91
Unrestricted Equity	260,359.06	249,598.47
Total Revenue Over Expense	91,438.96	51,912.01
Subtotal Member's Equity	2,759,161.16	2,476,271.39
Total Liabilities & Equity	3,067,539.72	2,592,754.06

Wailea Fairway Villas Owners Association
Income Statement and Changes in Members Equity - Tax Basis
Actual vs. Budget
For the 1 Month and 8 Months Ended August 31, 2024

	CURRENT MONTH				YEAR TO DATE				BUDGET	
	Actual	%	Budget	Variance	Actual	%	Budget	Variance	Annual	Unexpended
Income										
Membership Income										
405 Maintenance Fee Income	165,850.00	88.89	165,850	0	893,503.24	79.53	893,506	(3)	1,556,910	663,407
406 Replacement Reserves	0.00	0.00	0	0	152,498.76	13.57	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	118.00	0.06	150	(32)	1,392.19	0.12	1,200	192	1,800	408
416 Delinquent Fee Interest	6.48	0.00	133	(127)	751.91	0.07	1,064	(312)	1,600	848
425 House Rule Violations	(1,100.00)	(0.59)	167	(1,267)	(1,100.00)	(0.10)	1,336	(2,436)	2,000	3,100
Total Membership Income	164,874.48	88.37	166,300	(1,426)	1,047,046.10	93.19	1,049,606	(2,560)	2,214,810	1,167,764
NonMembership Income										
430 Interest Income	27.96	0.01	50	(22)	370.58	0.03	400	(29)	600	229
431 Reserve Interest Income	21,490.75	11.52	7,917	13,574	74,542.95	6.63	63,332	11,211	95,000	20,457
441 Rental Kayak Rack	0.00	0.00	167	(167)	1,365.00	0.12	1,336	29	2,000	635
499 Other Income	190.00	0.10	8	182	190.00	0.02	64	126	100	(90)
Total NonMembership Income	21,708.71	11.63	8,142	13,567	76,468.53	6.81	65,132	11,337	97,700	21,231
Total Income	186,583.19	100.00	174,442	12,141	1,123,514.63	100.00	1,114,738	8,777	2,312,510	1,188,995
Expense										
Administrative										
625 Bank Charges/Merc. Fees	0.00	0.00	10	(10)	10.00	0.00	80	(70)	120	110
645 Dues & Subscriptions	0.00	0.00	42	(42)	0.00	0.00	336	(336)	500	500
710 Meetings	157.50	0.08	292	(135)	1,974.25	0.18	2,336	(362)	3,500	1,526
715 Office & Administration *	360.73	0.19	358	3	4,313.70	0.38	2,864	1,450	4,300	(14)
715. Office & Admin - Site Office	47.98	0.03	150	(102)	1,711.38	0.15	1,200	511	1,800	89
715. Office & Admin - Miscellaneous	187.43	0.10	167	20	566.44	0.05	1,336	(770)	2,000	1,434
715. Office & Admin - Office/Rec	242.80	0.13	120	123	1,109.51	0.10	960	150	1,440	330
720 Operating Supplies *	332.57	0.18	267	66	1,689.93	0.15	2,136	(446)	3,200	1,510
910 Depreciation	310.00	0.17	310	0	2,480.00	0.22	2,480	0	3,720	1,240
Total Administrative	1,639.01	0.88	1,716	(77)	13,855.21	1.23	13,728	127	20,580	6,725
Payroll										
610 Auto	50.00	0.03	100	(50)	598.73	0.05	800	(201)	1,200	601
648 Education/Seminars	0.00	0.00	50	(50)	0.00	0.00	400	(400)	600	600
653 Empl./Ben. Medical *	1,835.88	0.98	1,262	574	10,961.49	0.98	10,096	865	15,142	4,181
780 Salaries & Wages	12,679.48	6.80	13,839	(1,160)	82,624.95	7.35	110,712	(28,087)	166,068	83,443
801 P/R Insurance - TDI & WC	482.92	0.26	827	(344)	4,721.66	0.42	6,616	(1,894)	9,924	5,202
802 Taxes Payroll	1,255.14	0.67	1,640	(385)	8,189.76	0.73	13,120	(4,930)	19,685	11,495
812 Uniforms	0.00	0.00	17	(17)	324.02	0.03	136	188	200	(124)
Total Payroll	16,303.42	8.74	17,735	(1,432)	107,420.61	9.56	141,880	(34,459)	212,819	105,398
Insurance										

Wailea Fairway Villas Owners Association
Income Statement and Changes in Members Equity - Tax Basis
Actual vs. Budget
For the 1 Month and 8 Months Ended August 31, 2024

	CURRENT MONTH				YEAR TO DATE				BUDGET	
	Actual	%	Budget	Variance	Actual	%	Budget	Variance	Annual	Unexpended
677 Ins. Bond	45.33	0.02	50	(5)	362.64	0.03	400	(37)	600	237
678 Ins. Bus. Interruption	137.42	0.07	150	(13)	1,095.36	0.10	1,200	(105)	1,800	705
679 Ins. Dir/Off Liab	1,531.58	0.82	1,763	(231)	12,252.64	1.09	14,104	(1,851)	21,150	8,897
680 Ins. Fire/Damage	40,937.38	21.94	65,273	(24,336)	107,960.44	9.61	169,396	(61,436)	430,489	322,529
683 Ins. Liability	654.83	0.35	935	(280)	3,979.64	0.35	4,120	(140)	7,858	3,878
684 Ins. Umbrella	316.33	0.17	325	(8)	2,279.15	0.20	2,497	(218)	3,796	1,517
Total Insurance	43,622.87	23.38	68,496	(24,873)	127,929.87	11.39	191,717	(63,787)	465,693	337,763
Professional Services										
705 Management Fee *	4,293.00	2.30	3,579	714	34,344.00	3.06	28,632	5,712	42,948	8,604
731 Prof. Svc. Audit	0.00	0.00	401	(401)	(90.32)	(0.01)	3,208	(3,298)	4,816	4,906
732 Prof. Svc. Legal *	(83.77)	(0.04)	417	(501)	11,197.17	1.00	3,336	7,861	5,000	(6,197)
733 Prof. Svc. Reserve	0.00	0.00	117	(117)	994.76	0.09	936	59	1,400	405
734 Prof Svc. Yr. End Acct	0.00	0.00	82	(82)	0.00	0.00	656	(656)	988	988
Total Professional Services	4,209.23	2.26	4,596	(387)	46,445.61	4.13	36,768	9,678	55,152	8,706
Repairs and Maintenance										
746 R/M Bldgs. *	1,022.05	0.55	833	189	3,618.67	0.32	6,664	(3,045)	10,000	6,381
747 R/M Bldg RM Apt.	0.00	0.00	0	0	314.10	0.03	0	314	0	(314)
750 R/M Equipment	34.53	0.02	250	(215)	1,446.85	0.13	2,000	(553)	3,000	1,553
752 R/M Fire Equip	0.00	0.00	200	(200)	2,169.76	0.19	1,600	570	2,400	230
754 R/M Grounds	0.00	0.00	83	(83)	959.65	0.09	664	296	1,000	40
755 R/M Grounds Contractor	23,924.75	12.82	25,742	(1,817)	191,398.00	17.04	205,936	(14,538)	308,905	117,507
756 R/M Grounds Irrigation	209.87	0.11	417	(207)	1,365.27	0.12	3,336	(1,971)	5,000	3,635
760 R/M Pest Control	0.00	0.00	583	(583)	3,708.90	0.33	4,664	(955)	6,991	3,282
762 R/M Pool	1,143.54	0.61	2,833	(1,689)	13,627.29	1.21	22,664	(9,037)	34,000	20,373
764 R/M Refuse Collect	1,548.92	0.83	1,739	(190)	12,581.88	1.12	13,912	(1,330)	20,868	8,286
764. R/M Recycling	774.57	0.42	832	(57)	5,993.95	0.53	6,656	(662)	9,986	3,992
767 R/M Security Contract *	1,465.97	0.79	1,458	8	11,727.76	1.04	11,664	64	17,500	5,772
Total Repairs and Maintenance	30,124.20	16.15	34,970	(4,846)	248,912.08	22.15	279,760	(30,848)	419,650	170,738
Taxes										
796 Taxes Gen Excise *	976.89	0.52	27	950	3,546.90	0.32	2,118	1,429	2,224	(1,323)
940 Taxes Federal Income	0.00	0.00	1,000	(1,000)	0.00	0.00	8,000	(8,000)	12,000	12,000
945 Taxes State Income	0.00	0.00	146	(146)	4,250.00	0.38	1,168	3,082	1,750	(2,500)
Total Taxes	976.89	0.52	1,173	(196)	7,796.90	0.69	11,286	(3,489)	15,974	8,177
Utilities										
826 Utilities Cable TV *	6,130.93	3.29	6,036	95	49,040.68	4.36	48,288	753	72,432	23,391
826. Utilities HUI Participation	113.44	0.06	114	(1)	907.52	0.08	912	(4)	1,368	460
828 Utilities Electric	1,789.80	0.96	2,154	(364)	16,834.01	1.50	17,232	(398)	25,852	9,018
830 Utilities Gas	0.00	0.00	67	(67)	593.08	0.05	536	57	800	207

Wailea Fairway Villas Owners Association
Income Statement and Changes in Members Equity - Tax Basis
Actual vs. Budget
For the 1 Month and 8 Months Ended August 31, 2024

	CURRENT MONTH				YEAR TO DATE				BUDGET	
	Actual	%	Budget	Variance	Actual	%	Budget	Variance	Annual	Unexpended
832 Utilities Sewer	6,218.80	3.33	7,859	(1,640)	45,556.82	4.05	62,872	(17,315)	94,306	48,749
834 Utilities Telephone	155.16	0.08	158	(3)	1,136.20	0.10	1,264	(128)	1,896	760
838 Utilities Water *	23,496.18	12.59	14,780	8,716	138,605.37	12.34	118,240	20,365	177,364	38,759
Total Utilities	<u>37,904.31</u>	<u>20.31</u>	<u>31,168</u>	<u>6,736</u>	<u>252,673.68</u>	<u>22.49</u>	<u>249,344</u>	<u>3,330</u>	<u>374,018</u>	<u>121,344</u>
Reserve and Other										
915 Reserves	0.00	0.00	0	0	152,498.76	13.57	152,500	(1)	152,500	1
916 Reserve Interest	21,490.75	11.52	7,917	13,574	74,542.95	6.63	63,334	11,209	95,000	20,457
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>21,490.75</u>	<u>11.52</u>	<u>7,917</u>	<u>13,574</u>	<u>227,041.71</u>	<u>20.21</u>	<u>215,834</u>	<u>11,208</u>	<u>747,500</u>	<u>520,458</u>
Total Expense	<u>156,270.68</u>	<u>83.75</u>	<u>167,771</u>	<u>(11,500)</u>	<u>1,032,075.67</u>	<u>91.86</u>	<u>1,140,317</u>	<u>(108,242)</u>	<u>2,311,386</u>	<u>1,279,310</u>
Excess Revenue / Expense	<u>30,312.51</u>	<u>16.25</u>	<u>6,671</u>	<u>23,641</u>	<u>91,438.96</u>	<u>8.14</u>	<u>(25,579)</u>	<u>117,018</u>	<u>1,124</u>	<u>(90,315)</u>

Wailea Fairway Villas Owners Association
Statement of Cash Flows - Tax Basis
For the 1 Month and 8 Months Ended August 31, 2024

	Current	Year to Date
Cash Flows from Operating Activities		
Total Revenue Over Expense	\$ 30,312.51	\$ 91,438.96
Add (Deduct) to Reconcile Net Income to Net Cash		
Changes in Current Assets		
A/R Owner Balances	267.52	20,745.23
A/R Act 196 & Collections		72.72
A/R - Missing Credit Card Receipts	693.90	117.10
Prepaid Federal Taxes	(1,400.00)	(4,200.00)
Prepaid State Taxes	(200.00)	(213.00)
Unexpired Ins.	(192,566.39)	(331,417.41)
A/D Equipment	310.00	2,480.00
Subtotal Changes in Current Assets	(192,894.97)	(312,415.36)
Changes in Current Liabilities		
A/P Trade	(5,502.60)	44,547.80
Prepaid Owner Balances	(32,320.20)	28,141.43
N/P Insurance Premiums	(29,444.00)	49,345.11
Accrued General Excise Tax	976.89	666.93
Prepaid Insurance Assessment	67,116.74	67,116.74
Subtotal Changes in Current Liabilities	826.83	189,818.01
Cash, Beginning of Month	415,326.10	284,728.86
Cash & Cash Equivalents at end of Period	\$ 253,570.47	\$ 253,570.47