



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 Ten Months Ended

October 31, 2023

Table of Contents

	Page
Financial Statements	
Balance Sheet – Tax Basis	1-2
Income Statement and Changes in Members' Equity – Tax Basis	3-4
Statement of Cash Flows – Tax Basis	5

I have prepared the accompanying Balance Sheet – Tax Basis as of October 31, 2023, and the Income Statement and Changes in Members' Equity – Tax Basis and Statement of Cash Flows – Tax Basis for the One Month and Ten 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

Wailea Fairway Villas Association
Balance Sheet - Tax Basis
October 31, 2023 and 2022

Assets

	2023	2022
CURRENT ASSETS		
Ckg - FCB *****1241	\$ 142,325.02	\$ 35,924.66
Ckg - FCB Debit Card ****4202	3,057.88	1,691.00
MMkt - FCB Savings *****2119	<u>132,537.13</u>	<u>231,818.83</u>
Subtotal - Cash	<u>277,920.03</u>	<u>269,434.49</u>
ACCOUNTS RECEIVABLES		
A/R - Owners Balances	<u>17,839.71</u>	<u>5,759.85</u>
Subtotal - Accounts Receivable	<u>17,839.71</u>	<u>5,759.85</u>
OTHER CURRENT ASSETS		
Prepaid Federal Income Tax	4,982.00	6,076.00
Prepaid State Income Tax	1,176.00	1,341.00
Unexpired Insurance	<u>44,978.78</u>	<u>37,756.67</u>
Subtotal - Other Current Assets	<u>51,136.78</u>	<u>45,173.67</u>
TOTAL CURRENT ASSETS	<u>346,896.52</u>	<u>320,368.01</u>
CAPITAL RESERVE ACCOUNTS		
First Citizens Bank	980,772.77	1,380,071.95
Edward Jones	<u>1,222,351.15</u>	<u>601,421.19</u>
Subtotal - Capital Reserves	<u>2,203,123.92</u>	<u>1,981,493.14</u>
FIXED ASSETS		
Equipment - PV System	74,400.00	74,400.00
Less: Accumulated Depreciation	<u>(31,310.00)</u>	<u>(27,590.00)</u>
Subtotal - Fixed Assets	<u>43,090.00</u>	<u>46,810.00</u>
TOTAL OTHER ASSETS	<u>2,246,213.92</u>	<u>2,028,303.14</u>
TOTAL ASSETS	<u><u>\$ 2,593,110.44</u></u>	<u><u>\$ 2,348,671.15</u></u>

**Wailea Fairway Villas Association
Balance Sheet - Tax Basis
October 31, 2023 and 2022**

Liabilities and Fund Balances

	2023	2022
CURRENT LIABILITIES		
A/P - Trade	\$ 26,463.01	\$ 28,044.06
A/P Insur. Water Damage Claims	8,865.27	8,865.27
A/P - Other	75.00	209.29
Owner Prepayments	43,318.81	53,775.40
A/P - Insurance	16,458.00	11,510.00
Accrued General Excise Tx	116.96	87.97
	<hr/>	<hr/>
Subtotal - Current Liabilities	95,297.05	102,491.99
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TOTAL CURRENT LIABILITIES	95,297.05	102,491.99
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TOTAL LIABILITIES	95,297.05	102,491.99
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MEMBERS' EQUITY		
Unrestricted Members' Equity	294,689.47	264,686.02
Restricted Members' Equity	2,203,123.92	1,981,493.14
	<hr/>	<hr/>
Subtotal Members' Equity	2,497,813.39	2,246,179.16
	<hr/>	<hr/>
TOTAL MEMBERS' EQUITY	2,497,813.39	2,246,179.16
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TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ 2,593,110.44	\$ 2,348,671.15
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Wailea Fairway Villas Association
Income Statement and Changes in Members' Equity - Tax Basis
Actual vs. Budget
For the 1 Month and 10 Months Ended October 31, 2023

	CURRENT MONTH				YEAR TO DATE				BUDGET	
	Actual	%	Budget	Variance	Actual	%	Budget	Variance	Annual	Unexpended
Revenues										
Membership Income										
405 - Maintenance Fees	89,277.46	77.4	89,277	0	892,774.60	75.6	892,775	(0)	1,071,330	178,555
406 - Capital Reserve	23,100.54	20.0	23,101	(0)	231,005.40	19.6	231,005	0	277,206	46,201
415 - Delinquent Owners Late Fee	117.50	0.1	150	(33)	1,628.14	0.1	1,500	128	1,800	172
416 - Delinquent Owners Interest	161.27	0.1	17	144	1,305.70	0.1	170	1,136	204	(1,102)
418 - Insurance Evidence Fine	0.00	0.0	0	0	300.00	0.0	0	300	0	(300)
420 - Tenant Information Form	0.00	0.0	0	0	150.00	0.0	0	150	0	(150)
425 - House Rule Violations	<u>200.00</u>	<u>0.2</u>	<u>167</u>	<u>33</u>	<u>12,900.00</u>	<u>1.1</u>	<u>1,667</u>	<u>11,233</u>	<u>2,000</u>	<u>(10,900)</u>
Total Membership Income	112,856.77	97.9	112,712	145	1,140,063.84	96.5	1,127,117	12,947	1,352,540	212,476
Non-Membership Income										
430 - Interest Income	39.50	0.0	208	(169)	460.39	0.0	2,083	(1,623)	2,500	2,040
431 - Reserve Interest Income	2,340.80	2.0	1,208	1,133	26,742.94	2.3	12,083	14,660	14,500	(12,243)
441 - Kayak Rack Rental	45.00	0.0	167	(122)	2,130.00	0.2	1,667	463	2,000	(130)
499 - Other Income	20.00	0.0	8	12	110.00	0.0	83	27	100	(10)
499.1 - Spectrum	<u>0.00</u>	<u>0.0</u>	<u>1,000</u>	<u>(1,000)</u>	<u>12,100.00</u>	<u>1.0</u>	<u>10,000</u>	<u>2,100</u>	<u>12,000</u>	<u>(100)</u>
Total Non-Membership Income	2,445.30	2.1	2,591	(146)	41,543.33	3.5	25,916	15,627	31,100	(10,443)
Total Revenues	115,302.07	100.	115,303	(1)	1,181,607.17	100.	1,153,033	28,574	1,383,640	202,033
Operating Expenses										
Administration Expenses										
625 - Bank Charges/Merchant Fee	0.00	0.0	10	(10)	0.00	0.0	100	(100)	120	120
645 - Dues & Subscriptions	0.00	0.0	167	(167)	1,703.00	0.1	1,667	36	2,000	297
710 - Meetings	0.00	0.0	292	(292)	2,479.00	0.2	2,917	(438)	3,500	1,021
715 - Office & Administration *	515.45	0.4	500	15	4,491.34	0.4	5,000	(509)	6,000	1,509
715.1 - Office/Admin - Site Office *	172.47	0.1	150	22	1,035.57	0.1	1,500	(464)	1,800	764
715.2 - Office & Admin - Misc	0.00	0.0	50	(50)	0.00	0.0	500	(500)	600	600
715.3 - Office/Rec Area WiFi	116.02	0.1	120	(4)	1,038.97	0.1	1,200	(161)	1,440	401
720 - Operating Supplies	208.56	0.2	250	(41)	2,134.22	0.2	2,500	(366)	3,000	866
910 - Depreciation	<u>310.00</u>	<u>0.3</u>	<u>310</u>	<u>0</u>	<u>3,100.00</u>	<u>0.3</u>	<u>3,100</u>	<u>0</u>	<u>3,720</u>	<u>620</u>
Total Administration Exp	1,322.50	1.1	1,849	(527)	15,982.10	1.4	18,484	(2,502)	22,180	6,198
Employee Costs										
610 - Auto	84.50	0.1	100	(16)	984.61	0.1	1,000	(15)	1,200	215
648 - Education & Seminars	0.00	0.0	50	(50)	0.00	0.0	500	(500)	600	600
653 - Emp/Ben.-Medical	1,202.68	1.0	1,285	(82)	12,450.70	1.1	12,846	(395)	15,415	2,964
780 - Salaries & Wages	13,274.49	11.5	13,180	94	131,505.51	11.1	131,800	(294)	158,160	26,654
801 - P/R Ins. - TDI & WC *	437.58	0.4	401	37	7,056.28	0.6	4,007	3,049	4,808	(2,248)
802 - Taxes - Payroll	1,205.27	1.0	1,328	(123)	14,295.00	1.2	13,282	1,013	15,938	1,643
812 - Uniforms	<u>0.00</u>	<u>0.0</u>	<u>17</u>	<u>(17)</u>	<u>134.46</u>	<u>0.0</u>	<u>167</u>	<u>(33)</u>	<u>200</u>	<u>66</u>
Total Employee Costs	16,204.52	14.1	16,361	(156)	166,426.56	14.1	163,602	2,825	196,321	29,894
Insurance Expense										
677 - Ins. - Bond	45.33	0.0	50	(5)	448.66	0.0	500	(51)	600	151
678 - Ins. Business Interruption	136.42	0.1	167	(31)	818.52	0.1	1,667	(848)	2,000	1,181
679 - Ins. - Dir./Officers	1,531.58	1.3	1,249	283	18,715.48	1.6	12,485	6,230	14,982	(3,733)
680 - Ins. - Package	4,978.08	4.3	5,542	(564)	49,120.16	4.2	55,417	(6,297)	66,500	17,380
683 - Ins. - CGL	340.08	0.3	342	(2)	3,396.48	0.3	3,417	(21)	4,100	704
684 - Ins. - Umbrella	<u>246.17</u>	<u>0.2</u>	<u>225</u>	<u>21</u>	<u>2,277.02</u>	<u>0.2</u>	<u>2,250</u>	<u>27</u>	<u>2,700</u>	<u>423</u>
Total Insurance Expenses	7,277.66	6.3	7,575	(297)	74,776.32	6.3	75,736	(960)	90,882	16,106

Wailea Fairway Villas Association
Income Statement and Changes in Members' Equity - Tax Basis
Actual vs. Budget
For the 1 Month and 10 Months Ended October 31, 2023

	CURRENT MONTH				YEAR TO DATE				BUDGET	
	Actual	%	Budget	Variance	Actual	%	Budget	Variance	Annual	Unexpended
Professional Services										
705 - Management Fee	3,458.00	3.0	3,458	0	34,580.00	2.9	34,580	0	41,496	6,916
731 - Prof.Svc.- Audit	0.00	0.0	386	(386)	4.41	0.0	3,859	(3,855)	4,631	4,627
732 - Prof.Svc.- Legal	0.00	0.0	417	(417)	4,135.38	0.3	4,167	(32)	5,000	865
733 - Prof.Svc.- Reserve	0.00	0.0	417	(417)	0.00	0.0	4,167	(4,167)	5,000	5,000
734 - Prof.Svc.- Y/E Acctng.	0.00	0.0	82	(82)	0.00	0.0	823	(823)	988	988
Total Professional Exp	<u>3,458.00</u>	<u>3.0</u>	<u>4,760</u>	<u>(1,302)</u>	<u>38,719.79</u>	<u>3.3</u>	<u>47,596</u>	<u>(8,876)</u>	<u>57,115</u>	<u>18,395</u>
Repairs & Maint Expenses										
746 - R/M - Buildings	904.68	0.8	1,250	(345)	5,789.23	0.5	12,500	(6,711)	15,000	9,211
750 - R/M - Equipment	225.09	0.2	250	(25)	1,887.42	0.2	2,500	(613)	3,000	1,113
752 - R/M - Fire Equip.	0.00	0.0	200	(200)	1,805.66	0.2	2,000	(194)	2,400	594
753 - R/M - Landscape Upgrades	117.19	0.1	125	(8)	1,102.86	0.1	1,250	(147)	1,500	397
754 - R/M - Grounds	0.00	0.0	83	(83)	526.51	0.0	833	(306)	1,000	473
755 - R/M - Grounds Contractor	23,800.00	20.6	23,893	(93)	238,000.00	20.1	238,930	(930)	286,716	48,716
756 - R/M - Irrigation	634.21	0.6	667	(33)	3,606.79	0.3	6,667	(3,060)	8,000	4,393
760 - R/M - Pest Control	0.00	0.0	583	(583)	6,391.64	0.5	5,826	566	6,991	599
762 - R/M - Pool, Spa, BBQ *	3,319.06	2.9	2,467	852	27,432.17	2.3	24,667	2,765	29,600	2,168
764 - R/M - Refuse Collection	1,590.31	1.4	1,656	(66)	15,606.28	1.3	16,562	(956)	19,874	4,268
764.1 - R/M - Recycling	721.09	0.6	857	(136)	7,507.54	0.6	8,569	(1,061)	10,283	2,775
767 - R/M - Security Contract	1,354.17	1.2	1,354	0	13,200.28	1.1	13,542	(342)	16,250	3,050
Total Repairs & Maint Exp	<u>32,665.80</u>	<u>28.3</u>	<u>33,385</u>	<u>(719)</u>	<u>322,856.38</u>	<u>27.3</u>	<u>333,846</u>	<u>(10,990)</u>	<u>400,614</u>	<u>77,758</u>
Tax Expenses										
796 - Taxes - Gen. Excise *	116.96	0.1	110	7	2,313.13	0.2	1,103	1,210	1,324	(989)
940 - Federal Income Taxes	0.00	0.0	1,000	(1,000)	0.00	0.0	10,000	(10,000)	12,000	12,000
945 - State Income Taxes	0.00	0.0	146	(146)	0.00	0.0	1,458	(1,458)	1,750	1,750
Total Tax Expenses	<u>116.96</u>	<u>0.1</u>	<u>1,256</u>	<u>(1,139)</u>	<u>2,313.13</u>	<u>0.2</u>	<u>12,561</u>	<u>(10,248)</u>	<u>15,074</u>	<u>12,761</u>
Utility Expense										
826 - Util. - Cable TV	6,035.82	5.2	6,311	(275)	54,556.03	4.6	63,110	(8,554)	75,732	21,176
826.1 - Util. - HUI Participation Fe	119.70	0.1	0	120	1,082.11	0.1	0	1,082	0	(1,082)
828 - Util. - Electric	1,800.00	1.6	2,211	(411)	20,260.46	1.7	22,111	(1,851)	26,533	6,273
830 - Util. - Gas	0.00	0.0	50	(50)	452.37	0.0	500	(48)	600	148
832 - Util. - Sewer *	6,221.40	5.4	5,482	739	55,286.26	4.7	54,823	463	65,787	10,501
834 - Util. - Telephone *	(96.29)	(0.1)	250	(346)	2,939.69	0.2	2,500	440	3,000	60
838 - Util. - Water *	13,288.37	11.5	12,147	1,141	123,116.61	10.4	121,469	1,648	145,763	22,646
Total Utility Expenses	<u>27,369.00</u>	<u>23.7</u>	<u>26,451</u>	<u>918</u>	<u>257,693.53</u>	<u>21.8</u>	<u>264,513</u>	<u>(6,819)</u>	<u>317,415</u>	<u>59,721</u>
Reserves & Other Exp										
915 - Capital Reserves	23,100.54	20.0	23,101	(0)	231,005.40	19.6	231,005	0	277,206	46,201
916 - Reserves Interest	2,340.80	2.0	1,208	1,133	26,742.94	2.3	12,083	14,660	14,500	(12,243)
Total Reserve & Other Exp	<u>25,441.34</u>	<u>22.1</u>	<u>24,309</u>	<u>1,132</u>	<u>257,748.34</u>	<u>21.8</u>	<u>243,088</u>	<u>14,660</u>	<u>291,706</u>	<u>33,958</u>
Total Operating Expenses and Reserve Allocation										
Total Operating Expenses and Reserve Allocation	<u>113,855.78</u>	<u>98.7</u>	<u>115,946</u>	<u>(2,090)</u>	<u>1,136,516.15</u>	<u>96.2</u>	<u>1,159,426</u>	<u>(22,910)</u>	<u>1,391,307</u>	<u>254,791</u>
Total Revenue Over Exp	<u>1,446.29</u>	<u>1.3</u>	<u>(643)</u>	<u>2,089</u>	<u>45,091.02</u>	<u>3.8</u>	<u>(6,393)</u>	<u>51,484</u>	<u>(7,667)</u>	<u>(52,758)</u>
Beginning Members' Equity					<u>249,598.45</u>					
Ending Members' Equity					<u>294,689.47</u>					

Wailea Fairway Villas Association
Statement of Cash Flows - Tax Basis
For the 1 Month and 10 Months Ended October 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income (Loss)	\$ 1,446.29	\$ 45,091.02
Adjustments to reconcile Net Income (Loss) to net Cash provided by (used in) operating activities:		
Depreciation	310.00	3,100.00
Decrease (Increase) in Operating Assets:		
Accounts Receivable	(1,156.90)	(10,263.09)
Prepays	7,715.24	(20,664.95)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	(22,588.83)	(19,614.48)
Accrued Liabilities	(9,765.13)	(3,959.44)
Total Adjustments	<u>(25,485.62)</u>	<u>(51,401.96)</u>
Net Cash Provided By (Used in) Operating Activities	<u>(24,039.33)</u>	<u>(6,310.94)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Net Cash Provided By (Used In) Financing Activities	<u>0.00</u>	<u>0.00</u>
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NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

(24,039.33) (6,310.94)

CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD

301,959.36 284,230.97

CASH AND CASH EQUIVALENTS AT END OF PERIOD

\$ 277,920.03 \$ 277,920.03