



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 Two Months Ended

February 29, 2024

(May be Subject to Audit Adjustments)

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I have prepared the accompanying Balance Sheet – Tax Basis as of February 29, 2024, and the Income Statement and Changes in Members' Equity – Tax Basis and Statement of Cash Flows – Tax Basis for the One Month and Two 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
February 29, 2024 and 2023

Assets

	2024	2023
CURRENT ASSETS		
Ckg - FCB *****1241	\$ 180,001.10	\$ 189,185.70
Ckg - FCB Debit Card ****4202	0.00	3,004.47
MMkt - FCB Savings *****2119	<u>132,791.01</u>	<u>132,126.28</u>
Subtotal - Cash	<u>312,792.11</u>	<u>324,316.45</u>
ACCOUNTS RECEIVABLES		
A/R - Owners Balances	23,963.46	10,345.49
A/R - Missing Credit Card Receipts	<u>1,131.21</u>	<u>0.00</u>
Subtotal - Accounts Receivable	<u>25,094.67</u>	<u>10,345.49</u>
OTHER CURRENT ASSETS		
Prepaid Federal Income Tax	0.00	4,982.00
Prepaid State Income Tax	387.00	1,176.00
Unexpired Insurance	<u>17,742.65</u>	<u>16,802.56</u>
Subtotal - Other Current Assets	<u>18,129.65</u>	<u>22,960.56</u>
TOTAL CURRENT ASSETS	<u>356,016.43</u>	<u>357,622.50</u>
CAPITAL RESERVE ACCOUNTS		
First Citizens Bank	584,752.67	1,434,324.68
Edward Jones	<u>1,723,043.79</u>	<u>603,280.48</u>
Subtotal - Capital Reserves	<u>2,307,796.46</u>	<u>2,037,605.16</u>
FIXED ASSETS		
Equipment - PV System	74,400.00	74,400.00
Less: Accumulated Depreciation	<u>(32,550.00)</u>	<u>(28,830.00)</u>
Subtotal - Fixed Assets	<u>41,850.00</u>	<u>45,570.00</u>
TOTAL OTHER ASSETS	<u>2,349,646.46</u>	<u>2,083,175.16</u>
TOTAL ASSETS	<u>\$ 2,705,662.89</u>	<u>\$ 2,440,797.66</u>

**Wailea Fairway Villas Association
Balance Sheet - Tax Basis
February 29, 2024 and 2023**

Liabilities and Fund Balances

	2024	2023
CURRENT LIABILITIES		
A/P - Trade	\$ 29,210.53	\$ 37,035.61
A/P Insur. Water Damage Claims	8,865.27	8,865.27
A/P - Other	75.00	0.00
Owner Prepayments	50,664.00	54,050.31
A/P - Insurance	0.00	2,100.00
Accrued General Excise Tx	595.57	601.31
Accrued Federal Income Tax	<u>364.00</u>	<u>0.00</u>
Subtotal - Current Liabilities	<u>89,774.37</u>	<u>102,652.50</u>
TOTAL CURRENT LIABILITIES	<u>89,774.37</u>	<u>102,652.50</u>
TOTAL LIABILITIES	<u>89,774.37</u>	<u>102,652.50</u>
 MEMBERS' EQUITY		
Unrestricted Members' Equity	308,092.06	300,540.00
Restricted Members' Equity	<u>2,307,796.46</u>	<u>2,037,605.16</u>
Subtotal Members' Equity	<u>2,615,888.52</u>	<u>2,338,145.16</u>
TOTAL MEMBERS' EQUITY	<u>2,615,888.52</u>	<u>2,338,145.16</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY	<u><u>\$ 2,705,662.89</u></u>	<u><u>\$ 2,440,797.66</u></u>

Wailea Fairway Villas Association
Income Statement and Changes in Members' Equity - Tax Basis
Actual vs. Budget
For the 1 Month and 2 Months Ended February 29, 2024

	CURRENT MONTH				YEAR TO DATE				BUDGET	
	Actual	%	Budget	Variance	Actual	%	Budget	Variance	Annual	Unexpended
Revenues										
Membership Income										
405 - Maintenance Fees	100,319.54	79.4	100,320	(0)	200,639.08	75.8	200,640	(1)	1,203,840	1,003,201
406 - Capital Reserve	25,416.46	20.1	25,417	(1)	50,832.92	19.2	50,833	(0)	304,998	254,165
415 - Delinquent Owners Late Fee	369.48	0.3	150	219	820.04	0.3	300	520	1,800	980
416 - Delinquent Owners Interest	217.25	0.2	133	84	422.25	0.2	267	155	1,600	1,178
425 - House Rule Violations	0.00	0.0	167	(167)	0.00	0.0	333	(333)	2,000	2,000
Total Membership Income	<u>126,322.73</u>	<u>99.9</u>	<u>126,187</u>	<u>136</u>	<u>252,714.29</u>	<u>95.5</u>	<u>252,373</u>	<u>341</u>	<u>1,514,238</u>	<u>1,261,524</u>
Non-Membership Income										
430 - Interest Income	45.74	0.0	50	(4)	96.35	0.0	100	(4)	600	504
431 - Reserve Interest Income	37.20	0.0	7,917	(7,880)	11,135.54	4.2	15,833	(4,697)	95,000	83,864
441 - Kayak Rack Rental	0.00	0.0	167	(167)	720.00	0.3	333	387	2,000	1,280
499 - Other Income	0.00	0.0	8	(8)	0.00	0.0	17	(17)	100	100
Total Non-Membership Income	<u>82.94</u>	<u>0.1</u>	<u>8,142</u>	<u>(8,059)</u>	<u>11,951.89</u>	<u>4.5</u>	<u>16,283</u>	<u>(4,331)</u>	<u>97,700</u>	<u>85,748</u>
Total Revenues	<u>126,405.67</u>	<u>100.</u>	<u>134,329</u>	<u>(7,923)</u>	<u>264,666.18</u>	<u>100.</u>	<u>268,656</u>	<u>(3,990)</u>	<u>1,611,938</u>	<u>1,347,272</u>
Operating Expenses										
Administration Expenses										
625 - Bank Charges/Merchant Fee	0.00	0.0	10	(10)	0.00	0.0	20	(20)	120	120
645 - Dues & Subscriptions	0.00	0.0	42	(42)	0.00	0.0	83	(83)	500	500
710 - Meetings *	315.00	0.2	292	23	315.00	0.1	583	(268)	3,500	3,185
715 - Office & Administration *	899.43	0.7	358	541	1,353.59	0.5	717	637	4,300	2,946
715.1 - Office/Admin - Site Office *	216.55	0.2	150	67	474.31	0.2	300	174	1,800	1,326
715.2 - Office & Admin - Misc *	287.06	0.2	167	120	287.06	0.1	333	(46)	2,000	1,713
715.3 - Office/Rec Area WiFi *	143.55	0.1	120	24	259.71	0.1	240	20	1,440	1,180
720 - Operating Supplies	132.36	0.1	267	(135)	455.69	0.2	533	(77)	3,200	2,744
910 - Depreciation	310.00	0.2	310	0	620.00	0.2	620	0	3,720	3,100
Total Administration Exp	<u>2,303.95</u>	<u>1.8</u>	<u>1,716</u>	<u>588</u>	<u>3,765.36</u>	<u>1.4</u>	<u>3,429</u>	<u>336</u>	<u>20,580</u>	<u>16,815</u>
Employee Costs										
610 - Auto	71.48	0.1	100	(29)	128.09	0.0	200	(72)	1,200	1,072
648 - Education & Seminars	0.00	0.0	50	(50)	0.00	0.0	100	(100)	600	600
653 - Emp/Ben.-Medical *	1,284.50	1.0	1,262	23	2,569.00	1.0	2,524	45	15,142	12,573
780 - Salaries & Wages	5,617.40	4.4	13,839	(8,222)	11,035.40	4.2	27,678	(16,643)	166,068	155,033
801 - P/R Ins. - TDI & WC	289.75	0.2	827	(537)	727.33	0.3	1,654	(927)	9,924	9,197
802 - Taxes - Payroll	664.49	0.5	1,640	(976)	1,328.74	0.5	3,281	(1,952)	19,685	18,356
812 - Uniforms *	104.64	0.1	17	88	104.64	0.0	33	72	200	95
Total Employee Costs	<u>8,032.26</u>	<u>6.4</u>	<u>17,735</u>	<u>(9,703)</u>	<u>15,893.20</u>	<u>6.0</u>	<u>35,470</u>	<u>(19,577)</u>	<u>212,819</u>	<u>196,926</u>
Insurance Expense										
677 - Ins. - Bond	45.33	0.0	50	(5)	90.66	0.0	100	(9)	600	509
678 - Ins. Business Interruption	136.42	0.1	150	(14)	272.84	0.1	300	(27)	1,800	1,527
679 - Ins. - Dir./Officers	1,531.58	1.2	1,763	(231)	3,063.16	1.2	3,525	(462)	21,150	18,087
680 - Ins. - Package	4,978.08	3.9	6,475	(1,497)	9,956.16	3.8	12,950	(2,994)	77,700	67,744
683 - Ins. - CGL	340.08	0.3	375	(35)	680.16	0.3	750	(70)	4,500	3,820
684 - Ins. - Umbrella	246.17	0.2	308	(62)	492.34	0.2	617	(125)	3,700	3,208
Total Insurance Expenses	<u>7,277.66</u>	<u>5.8</u>	<u>9,121</u>	<u>(1,843)</u>	<u>14,555.32</u>	<u>5.5</u>	<u>18,242</u>	<u>(3,687)</u>	<u>109,450</u>	<u>94,895</u>
Professional Services										
705 - Management Fee *	4,293.00	3.4	3,579	714	8,586.00	3.2	7,158	1,428	42,948	34,362
731 - Prof.Svc.- Audit	0.00	0.0	0	0	0.00	0.0	0	0	4,816	4,816
732 - Prof.Svc.- Legal *	1,624.96	1.3	417	1,208	3,473.90	1.3	833	2,641	5,000	1,526
733 - Prof.Svc.- Reserve Study	0.00	0.0	117	(117)	0.00	0.0	233	(233)	1,400	1,400
734 - Prof.Svc.- Y/E Acctng.	0.00	0.0	0	0	0.00	0.0	0	0	988	988
Total Professional Exp	<u>5,917.96</u>	<u>4.7</u>	<u>4,113</u>	<u>1,805</u>	<u>12,059.90</u>	<u>4.6</u>	<u>8,224</u>	<u>3,836</u>	<u>55,152</u>	<u>43,092</u>

Wailea Fairway Villas Association
Income Statement and Changes in Members' Equity - Tax Basis
Actual vs. Budget
For the 1 Month and 2 Months Ended February 29, 2024

	CURRENT MONTH				YEAR TO DATE				BUDGET	
	Actual	%	Budget	Variance	Actual	%	Budget	Variance	Annual	Unexpended
Repairs & Maint Expenses										
746 - R/M - Buildings	100.58	0.1	833	(732)	768.32	0.3	1,667	(899)	10,000	9,232
750 - R/M - Equipment	39.68	0.0	250	(210)	217.88	0.1	500	(282)	3,000	2,782
752 - R/M - Fire Equip.	0.00	0.0	200	(200)	0.00	0.0	400	(400)	2,400	2,400
753 - R/M - Landscape Upgrades	266.96	0.2	0	267	266.96	0.1	0	267	0	(267)
754 - R/M - Grounds	0.00	0.0	83	(83)	0.00	0.0	167	(167)	1,000	1,000
755 - R/M - Grounds Contractor	23,924.75	18.9	25,742	(1,817)	47,849.50	18.1	51,484	(3,635)	308,905	261,056
756 - R/M - Irrigation	0.00	0.0	417	(417)	185.12	0.1	833	(648)	5,000	4,815
760 - R/M - Pest Control	0.00	0.0	583	(583)	0.00	0.0	1,165	(1,165)	6,991	6,991
762 - R/M - Pool, Spa, BBQ *	3,883.48	3.1	2,833	1,050	7,192.40	2.7	5,667	1,525	34,000	26,808
764 - R/M - Refuse Collection	1,598.63	1.3	1,739	(140)	3,188.94	1.2	3,478	(289)	20,868	17,679
764.1 - R/M - Recycling	724.86	0.6	832	(107)	1,445.95	0.5	1,664	(218)	9,986	8,540
767 - R/M - Security Contract *	1,465.97	1.2	1,458	8	2,931.94	1.1	2,917	15	17,500	14,568
Total Repairs & Maint Exp	<u>32,004.91</u>	<u>25.3</u>	<u>34,970</u>	<u>(2,965)</u>	<u>64,047.01</u>	<u>24.2</u>	<u>69,942</u>	<u>(5,895)</u>	<u>419,650</u>	<u>355,603</u>
Tax Expenses										
796 - Taxes - Gen. Excise	30.14	0.0	344	(314)	593.75	0.2	687	(93)	4,124	3,530
940 - Federal Income Taxes	0.00	0.0	1,000	(1,000)	0.00	0.0	2,000	(2,000)	12,000	12,000
945 - State Income Taxes	0.00	0.0	146	(146)	0.00	0.0	292	(292)	1,750	1,750
Total Tax Expenses	<u>30.14</u>	<u>0.0</u>	<u>1,490</u>	<u>(1,460)</u>	<u>593.75</u>	<u>0.2</u>	<u>2,979</u>	<u>(2,385)</u>	<u>17,874</u>	<u>17,280</u>
Utility Expense										
826 - Util. - Cable TV *	6,130.94	4.9	6,036	95	12,255.10	4.6	12,072	183	72,432	60,177
826.1 - Util. - HUI Participation Fe	113.44	0.1	114	(1)	226.88	0.1	228	(1)	1,368	1,141
828 - Util. - Electric *	2,389.32	1.9	2,154	235	5,395.07	2.0	4,309	1,086	25,852	20,457
830 - Util. - Gas *	155.99	0.1	67	89	155.99	0.1	133	23	800	644
832 - Util. - Sewer	5,936.20	4.7	7,859	(1,923)	9,046.38	3.4	15,718	(6,672)	94,306	85,260
834 - Util. - Telephone	152.43	0.1	158	(6)	305.00	0.1	316	(11)	1,896	1,591
838 - Util. - Water	10,452.41	8.3	14,780	(4,328)	16,665.74	6.3	29,561	(12,895)	177,364	160,698
Total Utility Expenses	<u>25,330.73</u>	<u>20.0</u>	<u>31,168</u>	<u>(5,837)</u>	<u>44,050.16</u>	<u>16.6</u>	<u>62,337</u>	<u>(18,287)</u>	<u>374,018</u>	<u>329,968</u>
Reserves & Other Exp										
915 - Capital Reserves	25,416.46	20.1	25,417	(1)	50,832.92	19.2	50,833	(0)	305,000	254,167
916 - Reserves Interest	37.20	0.0	7,917	(7,880)	11,135.54	4.2	15,833	(4,697)	95,000	83,864
Total Reserve & Other Exp	<u>25,453.66</u>	<u>20.1</u>	<u>33,334</u>	<u>(7,880)</u>	<u>61,968.46</u>	<u>23.4</u>	<u>66,666</u>	<u>(4,698)</u>	<u>400,000</u>	<u>338,032</u>
Total Operating Expenses and Reserve Allocation										
	<u>106,351.27</u>	<u>84.1</u>	<u>133,647</u>	<u>(27,296)</u>	<u>216,933.16</u>	<u>82.0</u>	<u>267,289</u>	<u>(50,356)</u>	<u>1,609,543</u>	<u>1,392,610</u>
Total Revenue Over Exp	<u>20,054.40</u>	<u>15.9</u>	<u>682</u>	<u>19,372</u>	<u>47,733.02</u>	<u>18.0</u>	<u>1,367</u>	<u>46,366</u>	<u>2,395</u>	<u>(45,338)</u>
Beginning Members' Equity					<u>260,359.04</u>					
Ending Members' Equity					<u>308,092.06</u>					

Wailea Fairway Villas Association
Statement of Cash Flows - Tax Basis
For the 1 Month and 2 Months Ended February 29, 2024

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income (Loss)	\$ 20,054.40	\$ 47,733.02
Adjustments to reconcile Net Income (Loss) to net Cash provided by (used in) operating activities:		
Depreciation	310.00	620.00
Decrease (Increase) in Operating Assets:		
Accounts Receivable	(131.60)	(3,309.24)
Prepays	4,090.41	11,805.65
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	(4,799.22)	(15,301.41)
Accrued Liabilities	<u>(16,559.86)</u>	<u>(13,484.77)</u>
Total Adjustments	<u>(17,090.27)</u>	<u>(19,669.77)</u>
Net Cash Provided By (Used in) Operating Activities	<u>2,964.13</u>	<u>28,063.25</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

2,964.13 28,063.25

CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD

309,827.98 284,728.86

CASH AND CASH EQUIVALENTS AT END OF PERIOD

\$ 312,792.11 \$ 312,792.11