



**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 Three Months Ended

March 31, 2024

(May be Subject to Audit Adjustments)

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I have prepared the accompanying Balance Sheet – Tax Basis as of March 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 Three 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**  
**March 31, 2024 and 2023**

**Assets**

	<b>2024</b>	<b>2023</b>
<b>CURRENT ASSETS</b>		
Ckg - FCB *****1241	\$ 202,376.72	\$ 193,552.18
Ckg - FCB Debit Card ****4202	1,827.73	916.39
MMkt - FCB Savings *****2119	<u>132,830.49</u>	<u>132,165.56</u>
<b>Subtotal - Cash</b>	<u>337,034.94</u>	<u>326,634.13</u>
<b>ACCOUNTS RECEIVABLES</b>		
A/R - Owners Balances	<u>27,256.90</u>	<u>10,732.93</u>
<b>Subtotal - Accounts Receivable</b>	<u>27,256.90</u>	<u>10,732.93</u>
<b>OTHER CURRENT ASSETS</b>		
Prepaid Federal Income Tax	0.00	4,982.00
Prepaid State Income Tax	387.00	1,176.00
Unexpired Insurance	<u>10,175.24</u>	<u>10,370.39</u>
<b>Subtotal - Other Current Assets</b>	<u>10,562.24</u>	<u>16,528.39</u>
<b>TOTAL CURRENT ASSETS</b>	<u>374,854.08</u>	<u>353,895.45</u>
<b>CAPITAL RESERVE ACCOUNTS</b>		
First Citizens Bank	609,381.11	1,456,663.75
Edward Jones	<u>1,723,245.99</u>	<u>603,704.93</u>
<b>Subtotal - Capital Reserves</b>	<u>2,332,627.10</u>	<u>2,060,368.68</u>
<b>FIXED ASSETS</b>		
Equipment - PV System	74,400.00	74,400.00
Less: Accumulated Depreciation	<u>(32,860.00)</u>	<u>(29,140.00)</u>
<b>Subtotal - Fixed Assets</b>	<u>41,540.00</u>	<u>45,260.00</u>
<b>TOTAL OTHER ASSETS</b>	<u>2,374,167.10</u>	<u>2,105,628.68</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 2,749,021.18</u></u>	<u><u>\$ 2,459,524.13</u></u>

**Wailea Fairway Villas Association  
Balance Sheet - Tax Basis  
March 31, 2024 and 2023**

**Liabilities and Fund Balances**

	<b>2024</b>	<b>2023</b>
<b>CURRENT LIABILITIES</b>		
A/P - Trade	\$ 25,806.96	\$ 21,770.47
A/P Insur. Water Damage Claims	8,865.27	8,865.27
A/P - Other	75.00	0.00
Owner Prepayments	54,359.60	56,446.83
A/P - Insurance	0.00	2,100.00
Accrued General Excise Tx	<u>624.68</u>	<u>659.21</u>
<b>Subtotal - Current Liabilities</b>	<u>89,731.51</u>	<u>89,841.78</u>
<b>TOTAL CURRENT LIABILITIES</b>	<u>89,731.51</u>	<u>89,841.78</u>
<b>TOTAL LIABILITIES</b>	<u>89,731.51</u>	<u>89,841.78</u>
 <b>MEMBERS' EQUITY</b>		
Unrestricted Members' Equity	326,662.57	309,313.67
Restricted Members' Equity	<u>2,332,627.10</u>	<u>2,060,368.68</u>
<b>Subtotal Members' Equity</b>	<u>2,659,289.67</u>	<u>2,369,682.35</u>
<b>TOTAL MEMBERS' EQUITY</b>	<u>2,659,289.67</u>	<u>2,369,682.35</u>
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>	<u><u>\$ 2,749,021.18</u></u>	<u><u>\$ 2,459,524.13</u></u>

**Wailea Fairway Villas Association**  
**Income Statement and Changes in Members' Equity - Tax Basis**  
**Actual vs. Budget**  
**For the 1 Month and 3 Months Ended March 31, 2024**

	CURRENT MONTH				YEAR TO DATE				BUDGET	
	Actual	%	Budget	Variance	Actual	%	Budget	Variance	Annual	Unexpended
<b>Revenues</b>										
<b>Membership Income</b>										
405 - Maintenance Fees	100,319.54	79.4	100,320	(0)	300,958.62	77.0	300,960	(1)	1,203,840	902,881
406 - Capital Reserve	25,416.46	20.1	25,417	(1)	76,249.38	19.5	76,250	(1)	304,998	228,749
415 - Delinquent Owners Late Fee	101.12	0.1	150	(49)	921.16	0.2	450	471	1,800	879
416 - Delinquent Owners Interest	247.71	0.2	133	115	669.96	0.2	400	270	1,600	930
425 - House Rule Violations	0.00	0.0	167	(167)	0.00	0.0	500	(500)	2,000	2,000
<b>Total Membership Income</b>	<u>126,084.83</u>	<u>99.8</u>	<u>126,187</u>	<u>(102)</u>	<u>378,799.12</u>	<u>96.9</u>	<u>378,560</u>	<u>239</u>	<u>1,514,238</u>	<u>1,135,439</u>
<b>Non-Membership Income</b>										
430 - Interest Income	49.46	0.0	50	(1)	145.81	0.0	150	(4)	600	454
431 - Reserve Interest Income	248.49	0.2	7,917	(7,669)	11,384.03	2.9	23,750	(12,366)	95,000	83,616
441 - Kayak Rack Rental	0.00	0.0	167	(167)	720.00	0.2	500	220	2,000	1,280
499 - Other Income	0.00	0.0	8	(8)	0.00	0.0	25	(25)	100	100
<b>Total Non-Membership Income</b>	<u>297.95</u>	<u>0.2</u>	<u>8,142</u>	<u>(7,844)</u>	<u>12,249.84</u>	<u>3.1</u>	<u>24,425</u>	<u>(12,175)</u>	<u>97,700</u>	<u>85,450</u>
<b>Total Revenues</b>	<u>126,382.78</u>	<u>100.</u>	<u>134,329</u>	<u>(7,946)</u>	<u>391,048.96</u>	<u>100.</u>	<u>402,985</u>	<u>(11,936)</u>	<u>1,611,938</u>	<u>1,220,889</u>
<b>Operating Expenses</b>										
<b>Administration Expenses</b>										
625 - Bank Charges/Merchant Fee	0.00	0.0	10	(10)	0.00	0.0	30	(30)	120	120
645 - Dues & Subscriptions	0.00	0.0	42	(42)	0.00	0.0	125	(125)	500	500
710 - Meetings *	502.50	0.4	292	211	817.50	0.2	875	(58)	3,500	2,683
715 - Office & Administration *	498.83	0.4	358	141	1,852.42	0.5	1,075	777	4,300	2,448
715.1 - Office/Admin - Site Office *	202.74	0.2	150	53	677.05	0.2	450	227	1,800	1,123
715.2 - Office & Admin - Misc	0.00	0.0	167	(167)	287.06	0.1	500	(213)	2,000	1,713
715.3 - Office/Rec Area WiFi *	121.40	0.1	120	1	381.11	0.1	360	21	1,440	1,059
720 - Operating Supplies *	303.46	0.2	267	36	759.15	0.2	800	(41)	3,200	2,441
910 - Depreciation	310.00	0.2	310	0	930.00	0.2	930	0	3,720	2,790
<b>Total Administration Exp</b>	<u>1,938.93</u>	<u>1.5</u>	<u>1,716</u>	<u>223</u>	<u>5,704.29</u>	<u>1.5</u>	<u>5,145</u>	<u>559</u>	<u>20,580</u>	<u>14,876</u>
<b>Employee Costs</b>										
610 - Auto	12.50	0.0	100	(88)	140.59	0.0	300	(159)	1,200	1,059
648 - Education & Seminars	0.00	0.0	50	(50)	0.00	0.0	150	(150)	600	600
653 - Emp/Ben.-Medical *	1,284.50	1.0	1,262	23	3,853.50	1.0	3,785	69	15,142	11,289
780 - Salaries & Wages	7,177.50	5.7	13,839	(6,662)	18,212.90	4.7	41,517	(23,304)	166,068	147,855
801 - P/R Ins. - TDI & WC	453.98	0.4	827	(373)	1,181.31	0.3	2,481	(1,300)	9,924	8,743
802 - Taxes - Payroll	850.38	0.7	1,640	(790)	2,179.12	0.6	4,921	(2,742)	19,685	17,506
812 - Uniforms *	24.45	0.0	17	7	129.09	0.0	50	79	200	71
<b>Total Employee Costs</b>	<u>9,803.31</u>	<u>7.8</u>	<u>17,735</u>	<u>(7,932)</u>	<u>25,696.51</u>	<u>6.6</u>	<u>53,204</u>	<u>(27,507)</u>	<u>212,819</u>	<u>187,122</u>
<b>Insurance Expense</b>										
677 - Ins. - Bond	45.33	0.0	50	(5)	135.99	0.0	150	(14)	600	464
678 - Ins. Business Interruption	136.42	0.1	150	(14)	409.26	0.1	450	(41)	1,800	1,391
679 - Ins. - Dir./Officers	1,531.58	1.2	1,763	(231)	4,594.74	1.2	5,288	(693)	21,150	16,555
680 - Ins. - Package	4,978.08	3.9	6,475	(1,497)	14,934.24	3.8	19,425	(4,491)	77,700	62,766
683 - Ins. - CGL	340.08	0.3	375	(35)	1,020.24	0.3	1,125	(105)	4,500	3,480
684 - Ins. - Umbrella	246.17	0.2	308	(62)	738.51	0.2	925	(186)	3,700	2,961
<b>Total Insurance Expenses</b>	<u>7,277.66</u>	<u>5.8</u>	<u>9,121</u>	<u>(1,843)</u>	<u>21,832.98</u>	<u>5.6</u>	<u>27,363</u>	<u>(5,530)</u>	<u>109,450</u>	<u>87,617</u>
<b>Professional Services</b>										
705 - Management Fee *	4,293.00	3.4	3,579	714	12,879.00	3.3	10,737	2,142	42,948	30,069
731 - Prof.Svc.- Audit *	(90.32)	(0.1)	0	(90)	(90.32)	0.0	0	(90)	4,816	4,906
732 - Prof.Svc.- Legal *	488.48	0.4	417	71	3,962.38	1.0	1,250	2,712	5,000	1,038
733 - Prof.Svc.- Reserve Study	0.00	0.0	117	(117)	0.00	0.0	350	(350)	1,400	1,400
734 - Prof.Svc.- Y/E Acctng.	0.00	0.0	0	0	0.00	0.0	0	0	988	988
<b>Total Professional Exp</b>	<u>4,691.16</u>	<u>3.7</u>	<u>4,113</u>	<u>578</u>	<u>16,751.06</u>	<u>4.3</u>	<u>12,337</u>	<u>4,414</u>	<u>55,152</u>	<u>38,401</u>

**Wailea Fairway Villas Association**  
**Income Statement and Changes in Members' Equity - Tax Basis**  
**Actual vs. Budget**  
**For the 1 Month and 3 Months Ended March 31, 2024**

	CURRENT MONTH				YEAR TO DATE				BUDGET	
	Actual	%	Budget	Variance	Actual	%	Budget	Variance	Annual	Unexpended
<b>Repairs &amp; Maint Expenses</b>										
746 - R/M - Buildings	273.20	0.2	833	(560)	1,041.52	0.3	2,500	(1,458)	10,000	8,958
750 - R/M - Equipment	200.02	0.2	250	(50)	417.90	0.1	750	(332)	3,000	2,582
752 - R/M - Fire Equip.	0.00	0.0	200	(200)	0.00	0.0	600	(600)	2,400	2,400
753 - R/M - Landscape Upgrades	0.00	0.0	0	0	266.96	0.1	0	267	0	(267)
754 - R/M - Grounds	0.00	0.0	83	(83)	0.00	0.0	250	(250)	1,000	1,000
755 - R/M - Grounds Contractor	23,924.75	18.9	25,742	(1,817)	71,774.25	18.4	77,226	(5,452)	308,905	237,131
756 - R/M - Irrigation	162.57	0.1	417	(254)	347.69	0.1	1,250	(902)	5,000	4,652
760 - R/M - Pest Control *	1,606.28	1.3	583	1,023	1,606.28	0.4	1,748	(142)	6,991	5,385
762 - R/M - Pool, Spa, BBQ	2,808.85	2.2	2,833	(24)	10,001.25	2.6	8,500	1,501	34,000	23,999
764 - R/M - Refuse Collection	1,598.63	1.3	1,739	(140)	4,787.57	1.2	5,217	(429)	20,868	16,080
764.1 - R/M - Recycling	724.86	0.6	832	(107)	2,170.81	0.6	2,497	(326)	9,986	7,815
767 - R/M - Security Contract *	1,465.97	1.2	1,458	8	4,397.91	1.1	4,375	23	17,500	13,102
<b>Total Repairs &amp; Maint Exp</b>	<u>32,765.13</u>	<u>25.9</u>	<u>34,970</u>	<u>(2,205)</u>	<u>96,812.14</u>	<u>24.8</u>	<u>104,913</u>	<u>(8,101)</u>	<u>419,650</u>	<u>322,838</u>
<b>Tax Expenses</b>										
796 - Taxes - Gen. Excise	29.11	0.0	344	(315)	622.86	0.2	1,031	(408)	4,124	3,501
940 - Federal Income Taxes	0.00	0.0	1,000	(1,000)	0.00	0.0	3,000	(3,000)	12,000	12,000
945 - State Income Taxes	0.00	0.0	146	(146)	0.00	0.0	437	(437)	1,750	1,750
<b>Total Tax Expenses</b>	<u>29.11</u>	<u>0.0</u>	<u>1,490</u>	<u>(1,461)</u>	<u>622.86</u>	<u>0.2</u>	<u>4,468</u>	<u>(3,845)</u>	<u>17,874</u>	<u>17,251</u>
<b>Utility Expense</b>										
826 - Util. - Cable TV *	6,130.93	4.9	6,036	95	18,386.03	4.7	18,108	278	72,432	54,046
826.1 - Util. - HUI Participation Fe	113.44	0.1	114	(1)	340.32	0.1	342	(2)	1,368	1,028
828 - Util. - Electric *	2,367.84	1.9	2,154	214	7,762.91	2.0	6,463	1,300	25,852	18,089
830 - Util. - Gas *	258.42	0.2	67	191	414.41	0.1	200	214	800	386
832 - Util. - Sewer	5,931.60	4.7	7,859	(1,927)	14,977.98	3.8	23,576	(8,598)	94,306	79,328
834 - Util. - Telephone *	182.58	0.1	158	25	487.58	0.1	474	14	1,896	1,408
838 - Util. - Water	10,657.21	8.4	14,780	(4,123)	27,322.95	7.0	44,341	(17,018)	177,364	150,041
<b>Total Utility Expenses</b>	<u>25,642.02</u>	<u>20.3</u>	<u>31,168</u>	<u>(5,526)</u>	<u>69,692.18</u>	<u>17.8</u>	<u>93,504</u>	<u>(23,812)</u>	<u>374,018</u>	<u>304,326</u>
<b>Reserves &amp; Other Exp</b>										
915 - Capital Reserves	25,416.46	20.1	25,417	(1)	76,249.38	19.5	76,250	(1)	305,000	228,751
916 - Reserves Interest	248.49	0.2	7,917	(7,669)	11,384.03	2.9	23,750	(12,366)	95,000	83,616
<b>Total Reserve &amp; Other Exp</b>	<u>25,664.95</u>	<u>20.3</u>	<u>33,334</u>	<u>(7,669)</u>	<u>87,633.41</u>	<u>22.4</u>	<u>100,000</u>	<u>(12,367)</u>	<u>400,000</u>	<u>312,367</u>
<b>Total Operating Expenses and Reserve Allocation</b>										
	<u>107,812.27</u>	<u>85.3</u>	<u>133,647</u>	<u>(25,835)</u>	<u>324,745.43</u>	<u>83.0</u>	<u>400,934</u>	<u>(76,189)</u>	<u>1,609,543</u>	<u>1,284,798</u>
<b>Total Revenue Over Exp</b>	<u>18,570.51</u>	<u>14.7</u>	<u>682</u>	<u>17,889</u>	<u>66,303.53</u>	<u>17.0</u>	<u>2,051</u>	<u>64,253</u>	<u>2,395</u>	<u>(63,909)</u>
<b>Beginning Members' Equity</b>					<u>260,359.04</u>					
<b>Ending Members' Equity</b>					<u>326,662.57</u>					

**Wailea Fairway Villas Association**  
**Statement of Cash Flows - Tax Basis**  
**For the 1 Month and 3 Months Ended March 31, 2024**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Net Income (Loss)	\$ 18,570.51	\$ 66,303.53
Adjustments to reconcile Net Income (Loss) to net Cash provided by (used in) operating activities:		
Depreciation	310.00	930.00
Decrease (Increase) in Operating Assets:		
Accounts Receivable	(2,162.23)	(5,471.47)
Prepays	7,567.41	19,373.06
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	(3,403.57)	(18,704.98)
Accrued Liabilities	3,360.71	(10,124.06)
Total Adjustments	<u>5,672.32</u>	<u>(13,997.45)</u>
<b>Net Cash Provided By (Used in) Operating Activities</b>	<u>24,242.83</u>	<u>52,306.08</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**

24,242.83                      52,306.08

**CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD**

312,792.11                      284,728.86

**CASH AND CASH EQUIVALENTS AT END OF PERIOD**

\$ 337,034.94                      \$ 337,034.94