



MONTHLY BUDGET ANALYSIS FOR: The Collection

Approved budget to be effective on: January 1, 2024

Prepared By: Michele Alueta

Board Approved Date: October 11, 2023

		2023 Budget	Actual 7/22-6/23 average	CM Proposed 2024 Budget	BOD Proposed 2024 Budget	Approved 2024 Budget
CASH FLOW TO COVER LOAN PAYMENTS						
2800	TOTAL LOAN PAYMENTS	4,561	3,183	4,561	4,561	4,561
TOTAL LOAN PAYMENTS		4,561	3,183	4,561	4,561	4,561
REVENUE:						
4000	ASSESSMENT INCOME	52,951	52,545	55,787	56,355	56,522
4200	USER FEE INCOME	0	492	0	0	0
4400	RENTAL INCOME	4,300	5,080	4,600	4,600	4,600
4500	FOOD & BEVERAGE INCOME	0	0	0	0	0
4700	COLLECTIONS INCOME	0	1,324	0	0	0
4800	OTHER INCOME	0	946	0	0	0
4900	INVESTMENT INCOME	1	13	1	1	1
TOTAL REVENUES		57,252	60,400	60,388	60,956	61,123
EXPENSES:						
OPERATING EXPENSES:						
5000	ADMINISTRATIVE	5,647	6,044	5,113	5,681	5,681
5200	COMMUNICATIONS	500	810	1,000	1,000	1,000
5300	PAYROLL & BENEFITS	2,500	0	3,333	3,333	3,333
5400	INSURANCE	27,585	26,520	29,870	29,870	30,037
6000	UTILITIES	1,400	759	750	750	750
6100	LANDSCAPING	3,390	3,510	4,180	4,180	4,180
6200	IRRIGATION	0	0	0	0	0
6300	OPERATIONS	29	0	29	29	29
6400	CONTRACTED SERVICES	559	266	225	225	225
6500	REPAIR & MAINTENANCE	706	2,179	706	706	706
7000	PROFESSIONAL SERVICES	7,024	6,040	6,311	6,311	6,311
8100	SHARED EXPENSES	0	0	0	0	0
8900	ASSOCIATION OWNED UNIT EXPENSES	2,275	2,084	2,450	2,450	2,450
9000	TAXES	1,097	1,499	1,647	1,647	1,647
9100	OTHER EXPENSES	1,803	1,803	1,965	1,965	1,965
TOTAL OPERATING EXPENSES:		57252	51516	60388	60956	61123
NET INCOME/LOSS		0	8884	0	0	0
RESERVES:						
4905	RESERVES CONTRIBUTION	1,803	1,803	1,965	1,965	1,965
4910	RESERVES INTEREST INCOME	293	293	293	247	328
9800	RESERVE EXPENSES	2,036	0	0	394	1,528
RESERVE DEPT - NET INCOME/LOSS		60	2096	2258	1818	765

NOTE: The budgeted revenues and expenses are based on accrual-basis accounting.



The Collection - Common Honolulu, HI



Reserve Study Annual Update
January 1, 2024

Associa Hawaii Reserve Study Division

Pacific Guardian Center - Mauka Tower
737 Bishop Street #3100, Honolulu, HI 96813
reserves@associahawaii.com Phone: 808-836-0911

Disclosure Statement

A Reserve Study Annual Update was prepared using the cash flow method of analysis for The Collection - Common utilizing data provided by the Board of Directors combined with data from prior Reserve Studies performed for the Association. This Reserve Study has been prepared for the fiscal year ending December 31, 2024. Before estimating the Reserve fund beginning balance for fiscal year 2024, the remaining monthly Reserve contributions and planned capital expenditures for the current fiscal year were accounted for. Interest earned on Reserve contributions is included as part of the funding plan and must remain in the Reserve accounts. Therefore, it is estimated that the FY 2024 beginning Reserve fund balance will be approximately \$396,526.

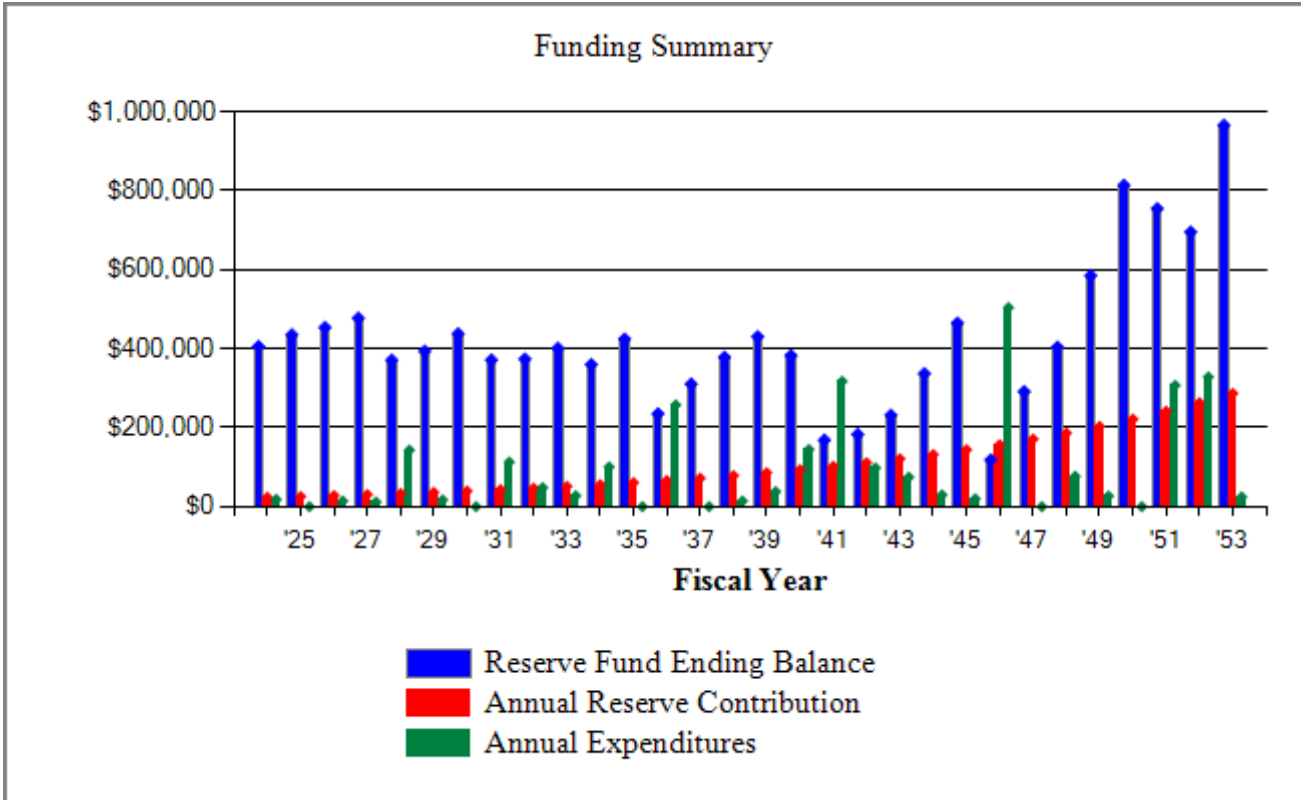
According to the cash flow funding plan the Association will collect \$23,580 in FY 2024. The cash flow funding plan may require future increased annual contributions as reflected in this Reserve Study. The Association's Funding Plan will meet projected future capital expenditure requirements and provides for Reserve fund balances that comply with HRS 514B-148. The Reserve Study was approved by the Board of Directors as part of the FY 2024 Budget.

The Reserve Study is a requirement of HRS 514B-148. It is important to recognize that a Reserve Study is a financial forecast of planned contributions and expenditures required to maintain the capital components of the project. Hawaii Law requires the Association to use reasonable efforts to project inflation, interest income, component inventory, component life & remaining life, and replacement costs of the project's components for a 30-year period.

By its nature, a Reserve Study is a budgeting tool, or an estimate, used for annual budgeting purposes. It is not an audit, quality inspection, or a guarantee of forecasted results. The Reserve Study is an independent report performed as an aid for planning and budgeting purposes and is not an accounting tool. Since it deals with events yet to take place, there is no assurance that the results enumerated within it will, in fact, occur as described. It has been assumed, unless otherwise noted in this report, that all assets have been designed and constructed properly and that each estimated useful life of a component will be in accordance with the industry standard or manufacturer's specifications. The predictability and replacement cost of some components may be difficult to estimate due to wide variances in the predicted useful life.

The FY 2024 Reserve Study reflects that AOA The Collection - Common has complied with the Reserve requirements of HRS 514B-148, provided that the Association implements the funding plan as outlined in this Reserve Study. The Board of Directors provided the component data and funding plan for this study based on its experience with the project. This Reserve Study is valid only for the fiscal year it was prepared for and should be updated annually to comply with HRS 514B – 148.

The Collection - Common
Reserve Study Overview



This graph provides a summary of the Association's funding plan. It reflects the planned annual Reserve expenditures, annual Reserve contributions and anticipated Reserve fund ending balances. The green bar generally should not be taller than the blue bar, except for years that have planned large expenditures. The blue bar should never be \$0 or negative and the red bar should be consistent, or increase, throughout the funding plan and ideally does not decrease.

Reserve Study Financial Summary FY 2024

Reserve Fund Balance:	\$396,526
Annual Contribution:	\$23,580
Reserve Fund Expenditures:	\$18,323
Total Reserve Replacement Cost:	\$1,112,915
Funding Type:	Cash Flow

Reserve Funding Plan – Next 4 Years

Year	Annual Contribution
2024	\$23,580
2025	\$25,702
2026	\$28,015
2027	\$30,537

Year Built	January 1, 2016
Number of Units	456
Inflation	3.0%
Interest	1.0%
Monthly Contribution	\$1,965
Average contribution per unit per month:	\$4

The Collection - Common
 Honolulu, HI
 Current Assessment Funding Model Summary

Report Date	October 7, 2023
Account Number	757
Budget Year Beginning	January 1, 2024
Budget Year Ending	December 31, 2024
Total Units	456

Report Parameters	
Inflation	3.00%
Interest Rate on Reserve Deposit	1.00%
2024 Beginning Balance	\$396,526

Current Assessment Funding Model Summary of Calculations	
Required Monthly Contribution	\$1,965.00
\$4.31 per unit monthly	
Average Net Monthly Interest Earned	<u>\$327.29</u>
Total Monthly Allocation to Reserves	\$2,292.29
\$5.03 per unit monthly	

The Collection - Common
Current Assessment Funding Model Projection

Beginning Balance: \$396,526

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves
2024	1,112,915	23,580	3,928	18,323	405,710
2025	1,143,609	25,702	4,215		435,628
2026	1,175,197	28,015	4,387	14,106	453,924
2027	1,207,704	30,537	4,609	11,623	477,447
2028	1,241,158	33,285	3,539	143,177	371,095
2029	1,275,586	36,281	3,754	16,986	394,144
2030	1,311,018	39,546	4,174		437,864
2031	1,347,483	43,105	3,499	112,847	371,622
2032	1,385,013	46,985	3,505	48,102	374,010
2033	1,423,638	51,213	3,758	27,578	401,403
2034	1,463,392	55,822	3,326	100,515	360,037
2035	1,504,307	60,846	3,948		424,831
2036	1,546,419	66,323	2,039	257,693	235,500
2037	1,589,763	72,292	2,759		310,550
2038	1,634,375	78,798	3,407	13,999	378,757
2039	1,680,293	85,890	3,890	37,961	430,576
2040	1,727,556	93,620	3,380	144,765	382,811
2041	1,776,205	102,046	1,212	317,329	168,740
2042	1,826,279	111,230	1,315	97,966	183,319
2043	1,877,823	121,240	1,753	74,365	231,947
2044	1,930,878	132,152	2,749	29,757	337,092
2045	1,985,491	144,046	3,970	19,787	465,321
2046	2,041,708	157,010	462	504,265	118,528
2047	2,099,576	171,141	2,121		291,789
2048	2,159,145	186,543	3,169	77,190	404,312
2049	2,220,465	203,332	4,895	26,994	585,546
2050	2,283,588	221,632	7,087		814,265
2051	2,348,569	241,579	6,407	307,148	755,104
2052	2,415,462	263,321	5,715	328,613	695,527
2053	2,484,324	287,020	8,298	24,744	966,102

The Collection - Common
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2024	
Generator - Load Test/Repairs	4,725
Security camera System - Crash Kit	3,175
Service Lane Asphalt - Seal/Repair	10,423
Total for 2024	<u>\$18,323</u>
No Replacement in 2025	
Replacement Year 2026	
Office - Remodel	14,106
Total for 2026	<u>\$14,106</u>
Replacement Year 2027	
Office Equipment - Replace/Upgrade	11,623
Total for 2027	<u>\$11,623</u>
Replacement Year 2028	
Electric Vehicle Charging Stations (2)	23,636
Exterior Trellis (Metal) - Refinish	35,914
Fob Entry Security System	27,316
RM Unit - Renovate	11,971
Security Camera System	44,339
Total for 2028	<u>\$143,177</u>
Replacement Year 2029	
Generator - Load Test/Repairs	5,478
Service Lane Asphalt - Seal/Repair	11,508
Total for 2029	<u>\$16,986</u>
No Replacement in 2030	
Replacement Year 2031	
Emergency Lights	32,284
Employee Break Room - Refurbish	7,849
Fuel Pump	14,586

The Collection - Common
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2031 <i>continued...</i>	
Office Furniture	22,808
Pressure Fans - Exhaust & Intake	35,320
Total for 2031	<u>\$112,847</u>
Replacement Year 2032	
Pump Station - Domestic Booster	48,102
Total for 2032	<u>\$48,102</u>
Replacement Year 2033	
Electrical Evaluation	13,700
Office Equipment - Replace/Upgrade	13,878
Total for 2033	<u>\$27,578</u>
Replacement Year 2034	
Generator - Load Test/Repairs	6,350
Motor 200 HP ODP	75,047
Motor 3 HP ODP	2,145
Security camera System - Crash Kit	4,267
Service Lane Asphalt - Seal/Repair	12,706
Total for 2034	<u>\$100,515</u>
No Replacement in 2035	
Replacement Year 2036	
Bollard Fixtures (25)	28,435
Landscaping Maintenance	119,764
Office - Remodel	18,957
VHDs Motor 25 HP - Replace (3)	56,415
VHDs Motor 7.5 HP - Replace (3)	34,122
Total for 2036	<u>\$257,693</u>
No Replacement in 2037	
Replacement Year 2038	
Exhaust Fan 50 to 500 CFM	1,931

The Collection - Common
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2038 <i>continued...</i>	
Exhaust Fans 501 to 1,000 CFM (5)	12,067
Total for 2038	<u>\$13,999</u>
Replacement Year 2039	
Generator - Load Test/Repairs	7,361
Office Equipment - Replace/Upgrade	16,571
Service Lane Asphalt - Seal/Repair	14,028
Total for 2039	<u>\$37,961</u>
Replacement Year 2040	
Electric Vehicle Charging Stations (2)	33,699
Fob Entry Security System	30,780
RM Unit - Renovate	17,068
Security Camera System	63,217
Total for 2040	<u>\$144,765</u>
Replacement Year 2041	
Fire Pump 200 HP - Replace	219,756
Fire Pump Controller - Replace	61,532
Fuel Storage Tank 276-500 gals	9,670
Roll Up Door	26,371
Total for 2041	<u>\$317,329</u>
Replacement Year 2042	
Irrigation System - Replace	97,966
Total for 2042	<u>\$97,966</u>
Replacement Year 2043	
Electrical Evaluation	18,412
Exterior Trellis (Metal) - Refinish	55,953
Total for 2043	<u>\$74,365</u>
Replacement Year 2044	
Generator - Load Test/Repairs	8,534

The Collection - Common
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2044 <i>continued...</i>	
Security camera System - Crash Kit	5,734
Service Lane Asphalt - Seal/Repair	15,489
Total for 2044	<u>\$29,757</u>
Replacement Year 2045	
Office Equipment - Replace/Upgrade	19,787
Total for 2045	<u>\$19,787</u>
Replacement Year 2046	
Emergency Lights	50,298
Employee Break Room - Refurbish	12,228
Fuel Pump	22,725
Office - Remodel	25,477
Office Furniture	26,479
Pole Lights	48,914
Pressure Fans - Exhaust & Intake	55,028
Service Lane Asphalt - Replace	140,834
Transfer Switch 800 Amps	122,284
Total for 2046	<u>\$504,265</u>
No Replacement in 2047	
Replacement Year 2048	
Pump Station - Domestic Booster	77,190
Total for 2048	<u>\$77,190</u>
Replacement Year 2049	
Generator - Load Test/Repairs	9,893
Service Lane Asphalt - Seal/Repair	17,101
Total for 2049	<u>\$26,994</u>
No Replacement in 2050	
Replacement Year 2051	
Generator - Replace	283,521

The Collection - Common
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2051 <i>continued...</i>	
Office Equipment - Replace/Upgrade	23,627
Total for 2051	<u>\$307,148</u>
Replacement Year 2052	
Electric Vehicle Charging Stations (2)	48,046
Fob Entry Security System	34,684
Motor 200 HP ODP	127,763
Motor 3 HP ODP	3,652
RM Unit - Renovate	24,336
Security Camera System	90,133
Total for 2052	<u>\$328,613</u>
Replacement Year 2053	
Electrical Evaluation	24,744
Total for 2053	<u>\$24,744</u>

The Collection - Common
Component Summary

Description	Date In Service	Replacement Year	Useful Life	Adjustment	Remaining Life	Current Cost	Future Cost
Bollard Fixtures (25)	1/1/2016	2036	20		12	\$19,944	\$28,435
Electric Vehicle Charging Stations (2)	1/1/2016	2028	12		4	\$21,000	\$23,636
Electrical Evaluation	1/1/2023	2033	10		9	\$10,500	\$13,700
Emergency Lights	1/1/2016	2031	15		7	\$26,250	\$32,284
Employee Break Room - Refurbish	1/1/2016	2031	15		7	\$6,382	\$7,849
Exhaust Fan 50 to 500 CFM	1/1/2016	2038	22		14	\$1,277	\$1,931
Exhaust Fans 501 to 1,000 CFM (5)	1/1/2016	2038	22		14	\$7,978	\$12,067
Exterior Trellis (Metal) - Refinish	1/1/2016	2028	15	-3	4	\$31,910	\$35,914
Fire Pump 200 HP - Replace	1/1/2016	2041	25		17	\$132,956	\$219,756
Fire Pump Controller - Replace	1/1/2016	2041	25		17	\$37,228	\$61,532
Fob Entry Security System	1/1/2016	2028	12		4	\$26,250	\$27,316
Fuel Pump	1/1/2016	2031	15		7	\$11,860	\$14,586
Fuel Storage Tank 276-500 gals	1/1/2016	2041	25		17	\$5,851	\$9,670
Generator - Load Test/Repairs	1/1/2016	2024	5	3	0	\$4,725	\$4,725
Generator - Replace	1/1/2016	2051	35		27	\$127,638	\$283,521
Irrigation System - Replace	1/1/2016	2042	26		18	\$81,901	\$97,966
Landscaping Maintenance	1/1/2016	2036	20		12	\$84,000	\$119,764
Motor 200 HP ODP	1/1/2016	2034	18		10	\$55,842	\$75,047
Motor 3 HP ODP	1/1/2016	2034	18		10	\$1,596	\$2,145
Office - Remodel	1/1/2016	2026	10		2	\$13,296	\$14,106
Office Equipment - Replace/Upgrade	1/1/2021	2027	6		3	\$10,637	\$11,623
Office Furniture	1/1/2016	2031	15		7	\$21,273	\$22,808
Pole Lights	1/1/2016	2046	30		22	\$25,528	\$48,914
Pressure Fans - Exhaust & Intake	1/1/2016	2031	15		7	\$28,719	\$35,320
Pump Station - Domestic Booster	1/1/2016	2032	16		8	\$37,972	\$48,102
RM Unit - Renovate	1/1/2016	2028	12		4	\$10,637	\$11,971
Roll Up Door	1/1/2016	2041	25		17	\$15,955	\$26,371
Security Camera System	1/1/2016	2028	12		4	\$39,395	\$44,339
Security camera System - Crash Kit	1/1/2016	2024	10	-2	0	\$3,175	\$3,175
Service Lane Asphalt - Replace	1/1/2016	2046	30		22	\$73,500	\$140,834
Service Lane Asphalt - Seal/Repair	1/1/2016	2024	5	3	0	\$10,423	\$10,423
Transfer Switch 800 Amps	1/1/2016	2046	30		22	\$63,819	\$122,284
VHDs Motor 25 HP - Replace (3)	1/1/2016	2036	20		12	\$39,568	\$56,415
VHDs Motor 7.5 HP - Replace (3)	1/1/2016	2036	20		12	\$23,933	\$34,122