



MONTHLY BUDGET ANALYSIS FOR: The Collection-Midrise/Lofts

Approved budget to be effective on: January 1, 2023

Prepared By: Michele Alueta & Budget Committee

Board Approved Date:

September 14, 2022

	2022 Budget	Actual Monthly Average	CM Proposed 2023 Budget	BOD Proposed 2023 Budget	Approved 2023 Budget
CASH FLOW TO COVER LOAN PAYMENTS					
2800 TOTAL LOAN PAYMENTS	0	0	0	0	0
TOTAL LOAN PAYMENTS	0	0	0	0	0
REVENUE:					
4000 ASSESSMENT INCOME	30,144	29,376	36,731	32,829	34,021
4200 USER FEE INCOME	100	163	100	100	100
4400 RENTAL INCOME	0	0	0	0	0
4500 FOOD & BEVERAGE INCOME	0	0	0	0	0
4700 COLLECTIONS INCOME	0	0	0	0	0
4800 OTHER INCOME	0	0	0	0	0
4900 INVESTMENT INCOME	1	1	1	1	1
TOTAL REVENUES	30,245	29,540	36,832	32,930	34,122
EXPENSES:					
OPERATING EXPENSES:					
5000 ADMINISTRATIVE	500	409	527	527	527
5200 COMMUNICATIONS	0	0	0	0	0
5300 PAYROLL & BENEFITS	0	0	0	0	0
5400 INSURANCE	416	0	416	208	208
6000 UTILITIES	20,686	21,754	23,806	23,412	23,412
6100 LANDSCAPING	0	0	0	0	0
6200 IRRIGATION	0	0	0	0	0
6300 OPERATIONS	15	0	15	15	15
6400 CONTRACTED SERVICES	6,237	4,978	5,734	5,707	5,707
6500 REPAIR & MAINTENANCE	428	564	354	414	414
7000 PROFESSIONAL SERVICES	100	125	147	147	147
8100 SHARED EXPENSES	0	0	0	0	0
8900 ASSOCIATION OWNED UNIT EXPENSES	0	0	0	0	0
9000 TAXES	0	0	0	0	0
9100 OTHER EXPENSES	1,671	0	5,833	2,500	3,692
TOTAL OPERATING EXPENSES:	30053	27829	36832	32930	34122
NET INCOME/LOSS	192	1711	0	0	0
RESERVES:					
4905 RESERVES CONTRIBUTION	1,671	0	5,833	2,500	3,692
4910 RESERVES INTEREST INCOME	1	23	186	140	147
9800 RESERVE EXPENSES	1,250	1,962	773	0	0
RESERVE DEPT - NET INCOME/LOSS	422	(1939)	5246	2640	3839

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



The Collection - Midrise-Lofts Honolulu, HI



Reserve Study Annual Update
January 1, 2023

Associa Hawaii Reserve Study Division

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Disclosure Statement

A Reserve Study Annual Update was prepared using the cash flow method of analysis for The Collection - Midrise-Lofts 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, 2023. Before estimating the Reserve fund beginning balance for fiscal year 2023, 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 2023 beginning Reserve fund balance will be approximately \$151,309.

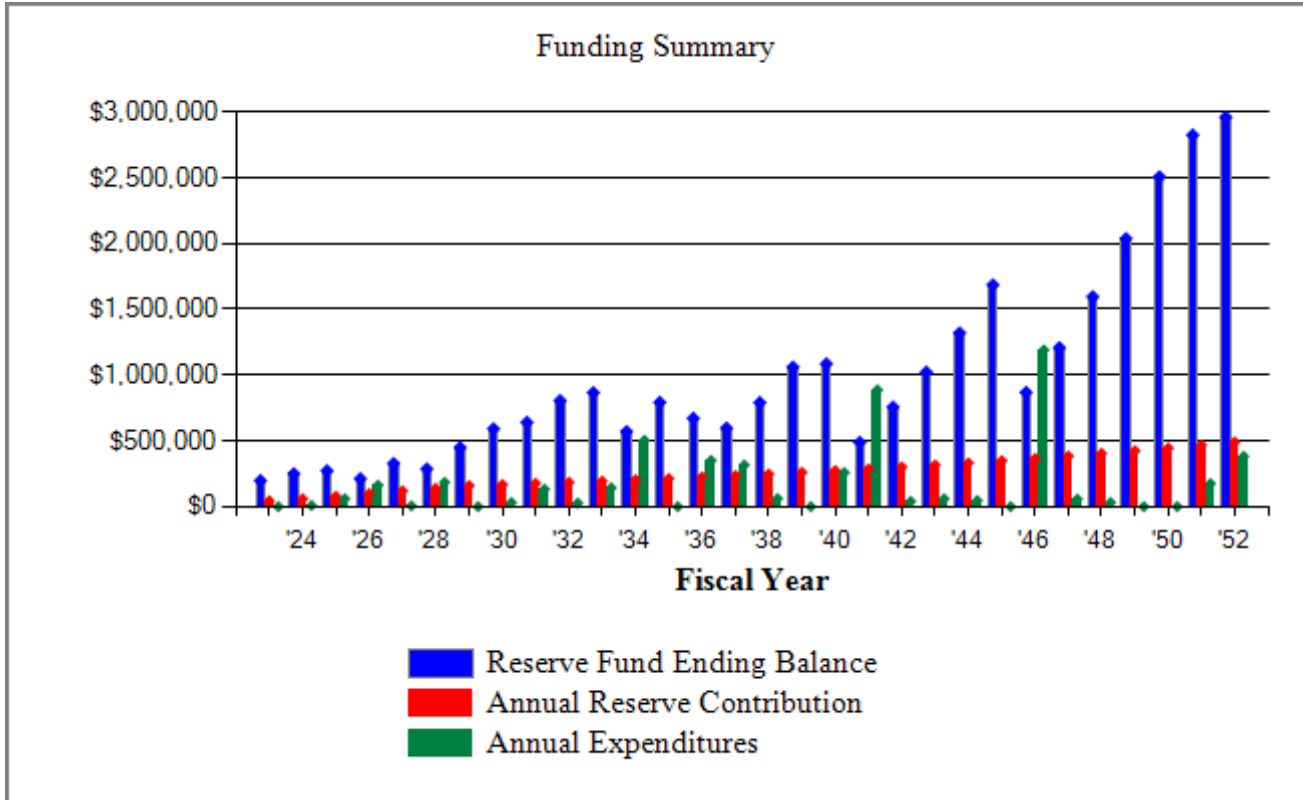
According to the cash flow funding plan the Association will collect \$44,304 in FY 2023. The cash flow funding plan may require future increased annual contributions as reflected in this Reserve Study. The Association's Funding Plan will meet projected future capital expenditure requirements and provides 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 2023 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 2023 Reserve Study reflects that AOA The Collection - Midrise-Lofts 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 - Midrise-Lofts
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 2023

Reserve Fund Balance:	\$151,309
Annual Contribution:	\$44,304
Reserve Fund Expenditures:	\$0
Total Reserve Replacement Cost:	\$2,397,986
Funding Type:	Cash Flow

Reserve Funding Plan – Next 4 Years

Year	Annual Contribution
2023	\$44,304
2024	\$60,000
2025	\$80,000
2026	\$100,000

Year Built	January 1, 2016
Number of Units	54
Inflation	3.0%
Interest	1.0%
Monthly Contribution	\$3,692
Average contribution per unit per month:	\$68

The Collection - Midrise-Lofts
 Honolulu, HI
 Current Assessment Funding Model Summary

Report Date	July 9, 2022
Account Number	757
Budget Year Beginning	January 1, 2023
Budget Year Ending	December 31, 2023
Total Units	54

<i>Report Parameters</i>	
Inflation	3.00%
Interest Rate on Reserve Deposit	1.00%
2023 Beginning Balance	\$151,309

<i>Current Assessment Funding Model Summary of Calculations</i>	
Required Monthly Contribution	\$3,692.00
<i>\$68.37 per unit monthly</i>	
Average Net Monthly Interest Earned	<u>\$146.73</u>
Total Monthly Allocation to Reserves	\$3,838.73
<i>\$71.09 per unit monthly</i>	

The Collection - Midrise-Lofts
Current Assessment Funding Model Projection

Beginning Balance: \$151,309

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves
2023	2,397,986	44,304	1,761		197,374
2024	2,458,401	60,000	2,216	9,270	250,319
2025	2,520,444	80,000	2,347	60,000	272,666
2026	2,584,160	100,000	1,650	162,489	211,828
2027	2,649,595	120,000	2,714	6,528	328,014
2028	2,716,798	140,000	2,200	184,761	285,453
2029	2,785,817	160,000	3,737		449,190
2030	2,856,702	168,000	5,116	30,747	591,560
2031	2,929,507	176,400	5,571	132,377	641,154
2032	3,004,284	185,220	7,172	27,400	806,146
2033	3,081,089	194,481	7,727	142,119	866,235
2034	3,159,978	204,205	4,748	504,058	571,130
2035	3,241,010	214,415	6,903		792,448
2036	3,324,244	225,136	5,654	351,398	671,840
2037	3,409,741	236,393	4,857	316,253	596,837
2038	3,497,566	248,213	6,731	61,072	790,708
2039	3,587,784	260,623	9,359		1,060,690
2040	3,680,461	273,654	9,547	258,391	1,085,500
2041	3,775,666	287,337	3,549	887,592	488,795
2042	3,873,471	301,704	6,155	39,279	757,375
2043	3,973,949	316,789	8,727	60,000	1,022,891
2044	4,077,173	332,629	11,616	46,507	1,320,628
2045	4,183,223	349,260	15,165		1,685,053
2046	4,292,176	366,723	6,965	1,190,092	868,648
2047	4,404,115	385,059	10,251	56,512	1,207,446
2048	4,519,124	404,312	14,016	30,883	1,594,892
2049	4,637,289	424,528	18,329		2,037,748
2050	4,758,699	445,754	22,893		2,506,395
2051	4,883,446	468,042	25,964	175,026	2,825,374
2052	5,011,623	491,444	27,204	383,197	2,960,826

The Collection - Midrise-Lofts
Annual Expenditure Detail

Description	Expenditures
<i>No Replacement in 2023</i>	
Replacement Year 2024	
Soft Goods - Replace	9,270
Total for 2024	<u>\$9,270</u>
Replacement Year 2025	
Carpet Hallways	60,000
Total for 2025	<u>\$60,000</u>
Replacement Year 2026	
Midrise Vehicle Entry - Gate Operators	9,507
Painting Exterior	144,240
Parking Structure (P1-P2) - Seal & Stripe	8,742
Total for 2026	<u>\$162,489</u>
Replacement Year 2027	
Multi-Purpose Room - Carpet	6,528
Total for 2027	<u>\$6,528</u>
Replacement Year 2028	
Entry System	9,089
Fire Extinguishers (24)	4,173
Gym - AC System Replace	13,911
Gym - Equipment	17,389
Gym - Rubber Flooring	6,956
Mailroom - AC System Replace	6,956
Multi Purpose Rm/Lobby Elec Door (1st Fl)	12,538
Multi-Purpose Room - AC System Replace	13,911
Painting Interior	70,264
Security Camera System	29,574
Total for 2028	<u>\$184,761</u>
<i>No Replacement in 2029</i>	
Replacement Year 2030	
Multi-Purpose Room - Furniture	30,747
Total for 2030	<u>\$30,747</u>

The Collection - Midrise-Lofts
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2031	
Awning (Metal)	15,835
Elevator Cabs - Remodel (2)	63,339
Fan Coil	27,869
Multi-Purpose Room - Appliances	5,067
Window Tint	20,268
Total for 2031	\$132,377
Replacement Year 2032	
Soft Goods - Replace	11,743
Stairwells (2) - Paint	15,657
Total for 2032	\$27,400
Replacement Year 2033	
Package AC Unit - Replace	134,392
Restroom - Remodel	7,728
Total for 2033	\$142,119
Replacement Year 2034	
Carpet Hallways	60,000
Fire Alarm System	62,291
Window Seal - Replace	381,768
Total for 2034	\$504,058
<i>No Replacement in 2035</i>	
Replacement Year 2036	
Capacitor Bank 3 kVar - Replace	1,593
Fire Control Panel	5,874
Midrise Vehicle Entry - Gate Operators	12,776
Midrise Vehicle Entry - Rolling Gate Refurb	14,685
Multi-Purpose Room - Cabinets	22,762
Painting Exterior	193,846
Parking Structure (P1-P2) - Repairs	29,371
Parking Structure (P1-P2) - Seal & Stripe	11,748

The Collection - Midrise-Lofts
Annual Expenditure Detail

Description	Expenditures
<i>Replacement Year 2036 continued...</i>	
Signage	26,434
Wall Covering	32,308
Total for 2036	<u>\$351,398</u>
 Replacement Year 2037	
Emergency Lighting (24)	7,986
Exit Signs (24)	7,986
Exterior Flood Fixtures 100W (35)	11,118
Multi-Purpose Room - Carpet	8,773
Roofing Single Ply Membrane	280,389
Total for 2037	<u>\$316,253</u>
 Replacement Year 2038	
Exhaust Fans 50-500 - Replace (10)	18,696
Exhaust Fans 501-1000 - Replace (8)	17,449
Trash Chute/Doors - Contingency	24,927
Total for 2038	<u>\$61,072</u>
 <i>No Replacement in 2039</i>	
 Replacement Year 2040	
Entry System	12,958
Fire Extinguishers (24)	5,950
Gym - AC System Replace	19,834
Gym - Equipment	24,793
Gym - Rubber Flooring	9,917
Mailroom - AC System Replace	9,917
Multi Purpose Rm/Lobby Elec Door (1st Fl)	17,876
Multi-Purpose Room - AC System Replace	19,834
Painting Interior	89,111
Security Camera System	33,325
Soft Goods - Replace	14,876
Total for 2040	<u>\$258,391</u>

The Collection - Midrise-Lofts
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2041	
Electrical Panels - Repair Contingency	17,024
Elevators - Modernize (2)	856,948
Multi-Purpose Room - Pool Table	13,619
Total for 2041	<u>\$887,592</u>
Replacement Year 2042	
Mailboxes	39,279
Total for 2042	<u>\$39,279</u>
Replacement Year 2043	
Carpet Hallways	60,000
Total for 2043	<u>\$60,000</u>
Replacement Year 2044	
Multi-Purpose Room - Furniture	46,507
Total for 2044	<u>\$46,507</u>
<i>No Replacement in 2045</i>	
Replacement Year 2046	
Awning (Metal)	24,670
Ceiling Tiles	22,815
Elevator Cabs - Remodel (2)	98,679
Fan Coil	43,419
Fire Sprinkler System	66,609
Glass Doors & Windows	493,397
Interior Lighting	94,732
Midrise Vehicle Entry - Gate Operators	17,170
Multi-Purpose Room - Appliances	7,894
Painting Exterior	260,513
Parking Structure (P1-P2) - Seal & Stripe	15,789
Utility Doors	12,828
Window Tint	31,577
Total for 2046	<u>\$1,190,092</u>

The Collection - Midrise-Lofts
Annual Expenditure Detail

Description	Expenditures
Replacement Year 2047	
Mezzanine - Tiled Floor	20,328
Multi-Purpose Room - Carpet	11,790
Stairwells (2) - Paint	24,394
Total for 2047	<u>\$56,512</u>
Replacement Year 2048	
Restroom - Remodel	12,039
Soft Goods - Replace	18,844
Total for 2048	<u>\$30,883</u>
<i>No Replacement in 2049</i>	
<i>No Replacement in 2050</i>	
Replacement Year 2051	
Tile Flooring	106,389
Transfer Switch 800 Amp	68,638
Total for 2051	<u>\$175,026</u>
Replacement Year 2052	
Carpet Hallways	60,000
Entry System	18,475
Fire Extinguishers (24)	8,484
Gym - AC System Replace	28,279
Gym - Equipment	35,348
Gym - Rubber Flooring	14,139
Mailroom - AC System Replace	14,139
Multi Purpose Rm/Lobby Elec Door (1st Fl)	25,486
Multi-Purpose Room - AC System Replace	28,279
Painting Interior	113,015
Security Camera System	37,552
Total for 2052	<u>\$383,197</u>

The Collection - Midrise-Lofts
Component Summary

Description	Date In Service	Replacement Year	Useful Life	Adjustment	Remaining Life	Current Cost	Future Cost
Awning (Metal)	1/1/2016	2031	15		8	\$12,500	\$15,835
Capacitor Bank 3 kVar - Replace	1/1/2016	2036	20		13	\$1,085	\$1,593
Carpet Hallways	1/1/2016	2025	9		2	\$60,000	\$60,000
Ceiling Tiles	1/1/2016	2046	30		23	\$11,560	\$22,815
Electrical Panels - Repair Contingency	1/1/2016	2041	25		18	\$10,000	\$17,024
Elevator Cabs - Remodel (2)	1/1/2016	2031	15		8	\$50,000	\$63,339
Elevators - Modernize (2)	1/1/2016	2041	25		18	\$600,000	\$856,948
Emergency Lighting (24)	1/1/2016	2037	20	1	14	\$5,280	\$7,986
Entry System	1/1/2016	2028	12		5	\$7,840	\$9,089
Exhaust Fans 50-500 - Replace (10)	1/1/2016	2038	22		15	\$12,000	\$18,696
Exhaust Fans 501-1000 - Replace (8)	1/1/2016	2038	22		15	\$11,200	\$17,449
Exit Signs (24)	1/1/2016	2037	20	1	14	\$5,280	\$7,986
Exterior Flood Fixtures 100W (35)	1/1/2016	2037	20	1	14	\$7,350	\$11,118
Fan Coil	1/1/2016	2031	15		8	\$22,000	\$27,869
Fire Alarm System	1/1/2016	2034	20	-2	11	\$45,000	\$62,291
Fire Control Panel	1/1/2016	2036	20		13	\$4,000	\$5,874
Fire Extinguishers (24)	1/1/2016	2028	12		5	\$3,600	\$4,173
Fire Sprinkler System	1/1/2016	2046	30		23	\$33,750	\$66,609
Glass Doors & Windows	1/1/2016	2046	30		23	\$250,000	\$493,397
Gym - AC System Replace	1/1/2016	2028	12		5	\$12,000	\$13,911
Gym - Equipment	1/1/2016	2028	12		5	\$15,000	\$17,389
Gym - Rubber Flooring	1/1/2016	2028	12		5	\$6,000	\$6,956
Interior Lighting	1/1/2016	2046	30		23	\$48,000	\$94,732
Mailboxes	1/1/2016	2042	26		19	\$22,400	\$39,279
Mailroom - AC System Replace	1/1/2016	2028	12		5	\$6,000	\$6,956
Mezzanine - Tiled Floor	1/1/2022	2047	25		24	\$10,000	\$20,328
Midrise Vehicle Entry - Gate Operators	1/1/2016	2026	10		3	\$8,700	\$9,507
Midrise Vehicle Entry - Rolling Gate Refurb	1/1/2016	2036	20		13	\$10,000	\$14,685
Multi Purpose Rm/Lobby Elec Door (1st Fl)	1/1/2016	2028	12		5	\$10,815	\$12,538
Multi-Purpose Room - AC System Replace	1/1/2016	2028	12		5	\$12,000	\$13,911
Multi-Purpose Room - Appliances	1/1/2016	2031	15		8	\$4,000	\$5,067
Multi-Purpose Room - Cabinets	1/1/2016	2036	20		13	\$20,000	\$22,762
Multi-Purpose Room - Carpet	1/1/2016	2027	10	1	4	\$5,800	\$6,528

The Collection - Midrise-Lofts
Component Summary

Description	Date In Service	Replacement Year	Useful Life	Adjustment	Remaining Life	Current Cost	Future Cost
Multi-Purpose Room - Furniture	1/1/2016	2030	14		7	\$25,000	\$30,747
Multi-Purpose Room - Pool Table	1/1/2016	2041	25		18	\$8,000	\$13,619
Package AC Unit - Replace	1/1/2016	2033	20	-3	10	\$100,000	\$134,392
Painting Exterior	1/1/2016	2026	10		3	\$132,000	\$144,240
Painting Interior	1/1/2016	2028	12		5	\$63,640	\$70,264
Parking Structure (P1-P2) - Repairs	1/1/2016	2036	20		13	\$20,000	\$29,371
Parking Structure (P1-P2) - Seal & Stripe	1/1/2016	2026	10		3	\$8,000	\$8,742
Restroom - Remodel	1/1/2016	2033	15	2	10	\$5,750	\$7,728
Roofing Single Ply Membrane	1/1/2016	2037	20	1	14	\$212,500	\$280,389
Security Camera System	1/1/2016	2028	12		5	\$28,139	\$29,574
Signage	1/1/2016	2036	20		13	\$18,000	\$26,434
Soft Goods - Replace	1/1/2016	2024	8		1	\$9,000	\$9,270
Stairwells (2) - Paint	1/1/2017	2032	15		9	\$12,000	\$15,657
Tile Flooring	1/1/2016	2051	35		28	\$46,500	\$106,389
Transfer Switch 800 Amp	1/1/2016	2051	35		28	\$30,000	\$68,638
Trash Chute/Doors - Contingency	1/1/2016	2038	22		15	\$16,000	\$24,927
Utility Doors	1/1/2016	2046	30		23	\$6,500	\$12,828
Wall Covering	1/1/2016	2036	20		13	\$22,000	\$32,308
Window Seal - Replace	1/1/2016	2034	20	-2	11	\$275,797	\$381,768
Window Tint	1/1/2016	2031	15		8	\$16,000	\$20,268