

**ASSOCIATION OF APARTMENT OWNERS OF
HAWAIKI TOWER**

**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
AND SUPPLEMENTARY INFORMATION**

(WITH INDEPENDENT AUDITOR'S REPORT)

DECEMBER 31, 2023

ASSOCIATION OF APARTMENT OWNERS OF HAWAIKI TOWER
December 31, 2023

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T Wong CPA, LLC

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the
Association of Apartment Owners of Hawaiki Tower

Opinion

We have audited the statement of cash receipts and disbursements of the Association of Apartment Owners of Hawaiki Tower (the Association), for the year ended December 31, 2023, and the related notes to the financial statement.

In our opinion, the accompanying financial statement presents fairly, in all material respects, the cash receipts and disbursements of the Association of Apartment Owners of Hawaiki Tower for the year ended December 31, 2023, in accordance with the cash basis of accounting described in Note 3.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the Association and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis of Accounting

We draw attention to Note 3 to the financial statement, which describes the basis of accounting. The financial statement is prepared on the cash basis of accounting, which is a basis of accounting other than the accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Future Major Repairs and Replacements

Our audit was conducted for the purpose of forming an opinion on the basic financial statement, taken as a whole. We have not applied procedures to determine whether the funds designated for future repairs and replacements as discussed in Note 5 are adequate to meet such future costs, because such determination is outside the scope of our audit. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the cash basis of accounting described in Note 3, and for determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statement that are free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern within one year after the date that the financial statement is available to be issued.

Auditor's Responsibility for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Disclaimer of Opinion on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Supplementary Information on Future Major Repairs and Replacements at the end of this document be presented to supplement the basic financial statement. Such information is the responsibility of management, and although not a part of the basic financial statement, is required by the Financial Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statement in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statement, and other knowledge we obtained during our audit of the basic financial statement. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Restricted Use

This report is intended solely for the information and use of the Board of Directors and members of the Association and should not be used by anyone other than these specified parties.

T Wong CPA LLC

T Wong CPA, LLC
Honolulu, Hawaii
August 27, 2024

ASSOCIATION OF APARTMENT OWNERS OF HAWAIKI TOWER
Statement of Cash Receipts and Disbursements
Year Ended December 31, 2023

	<u>Operating Fund</u>	<u>Reserve Fund</u>	<u>Total</u>
Cash receipts			
Maintenance assessments	\$ 4,589,558	328,440	4,917,998
Interest income	219	108,421	108,641
Insurance claims proceeds	98,700	-	98,700
Other income	55,207	-	55,207
Storage income	23,242	-	23,242
Late charges and fines	3,150	-	3,150
EV Electricity reimbursement	2,426	-	2,426
Legal fee reimbursement	1,178	-	1,178
Vending machine	1,042	-	1,042
Total cash receipts	<u>4,774,721</u>	<u>436,861</u>	<u>5,211,583</u>
Cash disbursements			
Utilities			
Electricity	662,353	-	662,353
Sewer	347,997	-	347,997
Cable television	273,080	-	273,080
Water	95,760	-	95,760
Gas	13,254	-	13,254
Telephone	11,779	-	11,779
Repairs and maintenance			
Elevator	110,284	-	110,284
Window cleaning	66,771	-	66,771
Refuse	56,754	-	56,754
Air conditioning	51,931	-	51,931
Building repairs and supplies	34,201	-	34,201
Grounds	30,713	-	30,713
Cleaning supplies	24,017	-	24,017
Water treatment fee	13,766	-	13,766
Pool	11,293	-	11,293
Condo suite	9,876	-	9,876
Fire systems	9,633	-	9,633
Miscellaneous repairs and purchases	9,546	-	9,546
Plumbing	8,892	-	8,892
Condenser water service	7,404	-	7,404
Hot water service	7,027	-	7,027
IT maintenance	6,236	-	6,236
Pest control	5,479	-	5,479
Lift station	4,953	-	4,953

ASSOCIATION OF APARTMENT OWNERS OF HAWAIKI TOWER
Statement of Cash Receipts and Disbursements – (continued)
Year Ended December 31, 2023

	<u>Operating Fund</u>	<u>Reserve Fund</u>	<u>Total</u>
Amenities and decorations	4,838	-	4,838
Security equipment	4,304	-	4,304
Paint supplies	2,760	-	2,760
Electrical/lighting	2,265	-	2,265
Major repair and replacements	134,338	900,246	1,034,584
Payroll and benefits			
Salaries and wages	1,605,763	-	1,605,763
Payroll insurance	234,521	-	234,521
Payroll taxes	146,103	-	146,103
Manager housing expense	30,972	-	30,972
Payroll preparation	4,699	-	4,699
Other expenses			
Insurance	464,400		464,400
Uninsured expenses	110,602	-	110,602
Property management fees	57,473	-	57,473
Administrative expenses	27,957	-	27,957
Professional fees	25,405	-	25,405
Contingency employment	25,000	-	25,000
Federal income tax	6,300	-	6,300
General excise tax	5,921	-	5,921
Real property tax	5,680	-	5,680
Condo registration fees	4,434	-	4,434
Miscellaneous expenses	2,308		2,308
State income tax	440	-	440
Total cash disbursements	<u>4,779,483</u>	<u>900,246</u>	<u>5,679,728</u>
Increase (decrease) in cash	(4,761)	(463,384)	(468,145)
Cash balance			
Beginning of the year	333,627	3,532,894	3,866,521
Increase (decrease) in security deposits	1,750	-	1,750
Interfund transfer	-	-	-
End of the year	<u>\$ 330,616</u>	<u>3,069,510</u>	<u>3,400,125</u>
Cash summary			
Checking	\$ 327,789	-	327,789
Petty cash	1,000	-	1,000
Savings and money market	1,826	3,069,510	3,071,336
Total cash	<u>\$ 330,616</u>	<u>3,069,510</u>	<u>3,400,125</u>

ASSOCIATION OF APARTMENT OWNERS OF HAWAIKI TOWER
Notes to Statement of Cash Receipts and Disbursements
Year Ended December 31, 2023

NOTE 1 – NATURE OF ORGANIZATION

The Association is organized and operated under the laws of the State of Hawaii for the purposes of operating, managing, maintaining, and preserving the common elements of the Association as designated in the project. The Association consists of 417 residential units, 8 commercial units, and 2 retail units located in Honolulu, Hawaii. Each owner is a Member of the Association. The Members elect the Association's Board of Directors. The Board volunteers its time to manage the affairs of the Association.

NOTE 2 – DATE OF MANAGEMENT'S REVIEW OF SUBSEQUENT EVENTS

In preparing the financial statement, the Association has evaluated subsequent events and transactions for potential recognition or disclosure through August 27, 2024, the date that the financial statement was available to be issued.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting – The financial statement of the Association has been prepared under a special purpose framework of cash basis of accounting which is a basis of accounting other than the accounting principles generally accepted in the United States of America; consequently, revenues are recognized when received rather than when earned, and expenses are recognized when paid rather than when the obligation is incurred. Under this basis, the only asset recognized is cash, and no liabilities are recognized. All transactions are recognized as either cash receipts or disbursements, and noncash transactions are not recognized.

Fund Accounting – The Association's governing documents provide certain guidelines for governing its financial activities. To ensure observance of limitations and restrictions on the use of financial resources, the Association maintains its accounts using fund accounting. Financial resources are classified for accounting and reporting purposes in the following funds established according to their nature and purpose:

Operating Fund – This fund is used to account for financial resources available for the general operations of the Association.

Reserve Fund (replacement fund) – This fund is used to accumulate financial resources designated for future major repairs and replacements.

Member Assessments – Association members are subject to regular assessments to provide funds for the Association's operating expenses, future capital acquisitions, and major repairs and replacements. The Association's policy is to assess late and interest charges and to retain legal counsel and place liens on properties of Members whose assessments are delinquent. Any excess assessments at year-end are retained by the Association for use in the succeeding year.

ASSOCIATION OF APARTMENT OWNERS OF HAWAIKI TOWER
Notes to Statement of Cash Receipts and Disbursements – (continued)
Year Ended December 31, 2023

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital Assets and Depreciation Policy – The Association has not capitalized real and personal common area property contributed by the developer. Replacements and improvements to real property are also not capitalized; rather, they are charged to the respective fund in the period the cost is incurred.

Cash and Cash Equivalents – Cash and cash equivalents include the Association’s cash, checking accounts, money market funds and investments in certificates of deposit. Financial instruments that potentially subject the Association to concentrations of credit risk consists principally of cash and cash equivalents. At times, such deposit accounts may be in excess of the insured deposit limits.

NOTE 4 – INCOME TAXES

A qualifying Association may annually elect to file as a tax-exempt homeowners' association under Internal Revenue Code Section 528. Associations who do not qualify or do not elect to file as a tax-exempt homeowners' association under Internal Revenue Code Section 528 must file under Internal Revenue Code Section 277. Under both sections, the Association is not taxed on income and expenses related to its exempt purpose, which is the acquisition, construction, management, maintenance, and care of the Association property. Net non-exempt income, which includes earned interest and revenues received from nonmembers, is taxed. The Association’s federal and state tax returns for the past three years remain subject to examination by the taxing authorities.

NOTE 5 – FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Association's governing documents require funds to be accumulated for future major repairs and replacements. Accumulated funds shown on the financial statement are held in separate accounts and are generally not available for operating purposes. During the year, the Association collected \$328,440 in replacement funds.

The Association conducted a study in 2023 to estimate the remaining useful lives and the replacement costs of the common property components. The Association is funding for such major repairs and replacements over the estimated useful lives of the components based on the study's estimates of current replacement costs, considering amounts previously accumulated in the replacement fund. The Association annually reviews its reserve funding program as part of the budgeting process. Actual expenditures, however, may vary from the estimated amounts and the variations may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet future needs. If additional funds are needed, however, the Association has the right, subject to member approval, to increase regular assessments, levy special assessments, borrow necessary funds, or it may delay major repairs and replacements until funds are available.

NOTE 6 – MAJOR REPAIR AND REPLACEMENT EXPENSES

Major repair and replacement expenses consisted of the following at December 31, 2023:

Pool-Retile	\$ 767,015
Enterphone System	126,349
Security Camera Upgrade	33,533
AC Roof Package Units	21,544
Pressure Regulator Valves	19,990
IT/Computer System	14,052
Various Repairs	11,009
Security System Addition	10,995
Doors, Glass Entrance	9,900
Lobby/Hallway	8,466
Plumbing Systems	5,930
Rolling Loading Dock Gate	5,801
	<u>\$ 1,034,584</u>

NOTE 7 – COMMITMENTS

The Association has various contract services including property management, refuse, cable, air conditioning, window cleaning, water treatment, and elevator.

In 2023, the Association entered into a contract with Global Specialty Contractors, Inc., for the pool renovation project with a contract amount of \$880,887, including change orders. As of December 31, 2023, approximately \$745,819 has been paid towards this contract.

NOTE 8 – RESTRICTED CASH

The December 31, 2023, year-end operating cash balances included the following amounts of cash that are restricted and a liability of the Association.

Security deposit - keys	<u>\$ 89,234</u>
	<u>\$ 89,234</u>

NOTE 9 – CONTINGENCIES

As a result of the spread of COVID-19, economic uncertainties have arisen which are likely to have an unknown impact on the financial results of the Association's operations during the subsequent year.

SUPPLEMENTARY INFORMATION

ASSOCIATION OF APARTMENT OWNERS OF HAWAIKI TOWER
Supplementary Information on Future Major Repairs and Replacements (Unaudited)
Year Ended December 31, 2023

The Association conducted a study in 2023 to estimate the remaining useful lives and the replacement costs of the components of common property. Replacement costs were based on the estimated costs to repair or replace the common property components at the date of the study. Estimated current replacement costs have not been revised since the study and to not take into account the effects of inflation between the date of the study and the date that the components will require repair or replacement.

The following has been extracted from the study and presents significant information about the components of common property.

Components	Replacement Year	Estimated Cost
Doors/Windows- Doors/Window System; Entry Doors/Revolving Door	2024	\$ 300,000
Exterior Finish- Tile; Wave Wall: Restoration Fund	2024	125,000
Fire Safety Equipment - Standpipe Test & Repair Fund	2024	10,000
General Manager Unit - Partial Renovation/Refurbishment	2024	10,000
Recreation Deck- Grills; Recessed	2024	9,000
Recreation Deck/Platform/Landscape Planters - Surface Material & Waterproofing	2024	100,000
Recreation/ Amenities - Conference Room; Floor Covering	2024	5,000
Security- Access Control System/Infrastructure (One-Time Expense)	2024	140,000
Trash - Chute/Bins; Repair Fund	2024	10,000
Corridors - Floor Covering; Carpet	2025	902,280
Fire Safety Equipment - Fire Alarm; Repair/Professional Service Fund	2025	20,600
Mechanical Equipment/Plumbing - Repair/Professional Service Fund	2025	20,600
Pool/Spa- Filtration System; Pool & Spa (25%)	2025	6,180
Pool/Spa- Heat Pump; Pool & Spa (25%)	2025	10,300
Doors/Windows- Repair/Professional Services Fund	2026	53,045
Equipment/General Repair Fund - Floor Scrubber, Vacuum, Etc.	2026	8,487
HVAC- AC/Water Source Heat Pump; Employee Lounge	2026	12,731
HVAC- Dual Source Heat Pump; Manager Unit	2026	25,462
High Risk Component Inspection	2026	45,300
Lighting - Modernization Fund	2026	10,609
Pool/Spa- Pumps; Large (50%)	2026	6,365
Recreation Deck- Outdoor Furniture Fund; Recreation/Pool Deck	2026	53,045
Roofing- System; Fluid Applied: Main Tower & Parking Structure (In House Project)	2026	48,059
Electrical - Maintenance/Repair/Professional Service Fund	2027	16,391
Elevators - Elevator Repair/Professional Service Fund	2027	16,391
Fire Safety Equipment - Fire Suppression; Repair/Replacement/Professional Service Fund	2027	16,391
HVAC- Condensed Water/Water Source Heat Pumps Repair/Professional Service Fund	2027	16,391
HVAC- Exhaust Fans; Parking Garage/Fire Pump Room/Electrical Rooms (18%)	2027	16,384
Mechanical Equipment - Domestic Water Booster Pump System	2027	174,836
Mechanical Equipment/Plumbing - Repair/Professional Service Fund	2027	21,855
Recreation/Amenities- Conference Room; AV/IT Equipment Fund	2027	5,464
Security - Gate; Motor Repair/Replacement Fund (25%)	2027	10,927
Fire Safety Equipment- Fire Suppression; Jockey Pump Controller/Pump	2028	18,008
HVAC- AC/Water Source Heat Pump; Level3 Lobby (#5 & #6)	2028	67,531
HVAC- AC/Water Source Heat Pumps/Duct Work; Elevator Machine Room (#11 & #12)	2028	112,551
HVAC - Cooling Tower/Condensed Water Pump Systems	2028	393,928
HVAC- Exhaust Fans; Rooftop: Large (33%)	2028	28,138
HVAC - Split AC System; Security Office	2028	11,255
Landscaping - Refurbishment/Professional Service Fund	2028	22,510
Lighting - Bollards/Building Entry Ground Lights	2028	91,166
Lighting - Light Pole Fixtures; Tennis Court	2028	13,506

See independent auditor's report.

ASSOCIATION OF APARTMENT OWNERS OF HAWAIKI TOWER
Supplementary Information on Future Major Repairs and Replacements (Unaudited) – (continued)
Year Ended December 31, 2023

Components	Replacement Year	Estimated Cost
Pool/Spa - Chemical Automation Systems	2028	22,510
Pool/Spa- Filtration System; Pool & Spa (25%)	2028	6,753
Pool/Spa- Heat Pump; Pool & Spa (25%)	2028	11,255
Professional Services	2028	11,255
Security - Radios & Repeaters	2028	16,883
Air Terminals: Fixture & Control; Repair/Replace Fund	2029	5,796
Electrical - Emergency Generator Repair Fund	2029	28,982
Equipment/General Repair Fund- Floor Scrubber, Vacuum, Etc.	2029	9,274
Exterior Finish- Painting System & Spall Repairs; Residential Tower/Parking Structure	2029	478,201
Fire Safety Equipment - Fire Alarm; Repair/Professional Service Fund	2029	23,185
Fire Safety Equipment - Standpipe Test & Repair Fund	2029	11,593
HVAC- Exhaust Fans; Rooftop (21 %)	2029	26,085
HVAC- Rooftop Duct Repair Fund	2029	5,796
Lighting - Building Accent Up Lights	2029	186,643
Lighting - Landscape Fixtures Repair/Replacement Fund	2029	34,778
Lighting - Recessed Fixtures; Drive Ramp/Entry	2029	12,868
Mechanical Equipment - Expansion Tank	2029	9,274
Mechanical Equipment/Plumbing - Repair/Professional Service Fund	2029	23,185
Office - AV /IT Equipment	2029	17,389
Pool/Spa - Shower	2029	9,274
Railing - Repair/Professional Services Fund	2029	11,593
Recreation Deck - Outdoor Furniture; Winter Garden	2029	17,389
Recreation/ Amenities - Conference Room; Furniture/ Artwork	2029	23,185
Elevators- Modernization; Traction System (50%)	2030	1,791,078
Exterior Finish- Painting System & Spall Repairs; Residential Tower/Parking Structure	2030	492,547
Office - Furniture/ Artwork Fund	2030	23,881
Pool/Spa - Lights; Pool & Spa	2030	11,463
Security -Access Control/Surveillance Systems Upgrade/Repair Fund	2030	11,941
Concrete/Spall Repairs - Repair Fund	2031	61,494
Elevators - Modernization; Traction System (50%)	2031	1,844,811
Fence- Repair Fund	2031	12,299
Fire Safety Equipment- Fire Alarm; System Modernization (50%)	2031	1,229,874
HVAC- Condensed Water/Water Source Heat Pumps Repair/Professional Service Fund	2031	18,448
High Risk Component Inspection	2031	52,516
Mechanical Equipment/Plumbing - Repair/Professional Service Fund	2031	24,597
Pool/Spa- Filtration System; Pool & Spa (25%)	2031	7,379
Pool/Spa- Heat Pump; Pool & Spa (25%)	2031	12,299
Security- Gate; Motor Repair/Replacement Fund (25%)	2031	12,299
Doors/Windows- Doors; Metal (2.5%)	2032	100,075
Doors/Windows - Repair/Professional Services Fund	2032	63,339
Electrical - Maintenance/Repair/Professional Service Fund	2032	19,002
Electrical- Transformers; AOA: Repair/Replacement Fund (33%)	2032	126,677
Elevators - Elevator Repair/Professional Service Fund	2032	19,002
Equipment/General Repair Fund - Floor Scrubber, Vacuum, Etc.	2032	10,134
Fire Safety Equipment- Fire Alarm; System Modernization (50%)	2032	1,266,770
HVAC - Cooling Tower; Overhaul/Repair Funds	2032	76,006
HVAC- Exhaust Fans; Parking Garage/Fire Pump Room/Electrical Rooms (18%)	2032	18,994
Lobby - Refurbishment/ Artwork/Furniture	2032	190,016
Mechanical Equipment- Hot Water System; Gas Heater (50%)	2032	101,342
Plumbing - Waste Stack Cleaning	2032	76,006
Recreation Deck - Astro Turf; Putting Green & Playground Area	2032	55,991
Elevators -ADA Lift	2033	391,432
Elevators- Cab Refurbishment/Operating Panel	2033	391,432

See independent auditor's report.

ASSOCIATION OF APARTMENT OWNERS OF HAWAIKI TOWER
Supplementary Information on Future Major Repairs and Replacements (Unaudited) – (continued)
Year Ended December 31, 2023

Components	Replacement Year	Estimated Cost
Fence- Gates; Repair/Replace Fund	2033	19,572
Fire Safety Equipment- Fire Alarm; Repair/Professional Service Fund	2033	26,095
Fire Safety Equipment- Fire Suppression; Pump & Controller	2033	358,813
HVAC- Exhaust/Inline Fans; Mid-Sized: Fan Rooms/Mech Room/Restrooms/Landscape	2033	58,715
Lighting- Corridor Wall Sconces & Ceiling Fixtures	2033	287,050
Lighting- Parking Garage; Repair/Replacement Fund	2033	135,696
Mechanical Equipment/Plumbing - Repair/Professional Service Fund	2033	26,095
Plumbing - Drain/Waste/Vent/Supply/Insulation/Gas/Condensed Water/Fire Suppression/ Professional Services	2033	104,382
Recreation Deck- Floor Covering & Waterproofing; Tile: Winter Garden	2033	13,048
Roofing- System; Fluid Applied: Main Tower & Parking Structure (In-House Project/ Corridors - Artwork/Decor Fund	2033	241,383
Corridors - Floor Covering; Tile	2034	59,106
Corridors - Wall Covering; Wallpaper: Floor 45	2034	84,667
Fire Safety Equipment - Standpipe Test & Repair Fund	2034	68,876
HVAC- Air Separator	2034	29,566
HVAC- Exhaust Fans; Rooftop (21 %)	2034	13,439
Lighting - EXIT Signage	2034	26,878
Lobby - Planter Waterproofing/Plant Replacement	2034	30,240
Office - Renovation/Refurbishment Fund; Operation Manager Office	2034	40,317
Pool/Spa- Filtration System; Pool & Spa (25%)	2034	134,392
Pool/Spa- Heat Pump; Pool & Spa (25%)	2034	6,720
Recreation Deck- Grills; Recessed	2034	8,063
Recreation Deck/Platform/Landscape Planters - Surface Material & Waterproofing	2034	13,439
Recreation/ Amenities - Conference Room; Floor Covering	2034	12,095
Security -Access Control/Surveillance Systems Upgrade/Repair Fund	2034	5,600,772
Equipment/General Repair Fund- Floor Scrubber, Vacuum, Etc.	2034	6,720
HVAC- Condensed Water/Water Source Heat Pumps Repair/Professional Service Fund	2035	13,439
Lighting- Stairwells; Repair/Replacement Fund	2035	11,074
Mechanical Equipment/Plumbing- Repair/Professional Service Fund	2035	20,764
Office- AV/IT Equipment	2035	27,685
Recreation Deck- Outdoor Furniture Fund; Recreation/Pool Deck	2035	20,764
Recreation Deck/Platform/Landscape Planters- Surface Material & Waterproofing	2035	69,212
Restrooms- Lobby	2035	5,768,795
Restrooms - Recreation Deck	2035	55,369
Security- Gate; Motor Repair/Replacement Fund (25%)	2035	55,369
Fence- Repair Fund	2036	13,842
General Manager Unit- Partial Renovation/Refurbishment	2036	14,258
High Risk Component Inspection	2036	14,258
Lighting- Modernization Fund	2036	60,880
Plumbing- Waste Stack Cleaning	2036	14,258
Pool/Spa- Pumps; Large (50%)	2036	85,546
Recreation Deck/Platform/Landscape Planters- Surface Material & Waterproofing	2036	8,555
Electrical - Maintenance/Repair/Professional Service Fund	2036	5,941,858
Elevators - Elevator Repair/Professional Service Fund	2037	22,028
Fire Safety Equipment- Fire Alarm; Repair/Professional Service Fund	2037	22,028
Fire Safety Equipment- Fire Suppression; Repair/Replacement/Professional Service Fund	2037	29,371
HVAC- Exhaust Fans; Parking Garage/Fire Pump Room/Electrical Rooms (18%)	2037	22,028
Mechanical Equipment/Plumbing- Repair/Professional Service Fund	2037	22,019
Pool/Spa- Filtration System; Pool & Spa (25%)	2037	29,371
Pool/Spa- Heat Pump; Pool & Spa (25%)	2037	8,811
Pool/Spa- Lights; Pool & Spa	2037	14,685
Recreation Deck- Tennis Court; Coating System	2037	14,098
	2037	39,577

See independent auditor's report.

ASSOCIATION OF APARTMENT OWNERS OF HAWAII TOWER
Supplementary Information on Future Major Repairs and Replacements (Unaudited) – (continued)
Year Ended December 31, 2023

Components	Replacement Year	Estimated Cost
Recreation Deck/Platform/Landscape Planters- Surface Material & Waterproofing	2037	6,120,114
Window Cleaning Rigging Repair/Replacement Fund	2037	44,056
Doors/Windows- Repair/Professional Services Fund	2038	75,629
Electrical- Transformers; AOA: Repair/Replacement Fund (33%)	2038	151,259
Equipment/General Repair Fund- Floor Scrubber, Vacuum, Etc.	2038	12,101
HVAC- Exhaust Fans; Rooftop: Large (33%)	2038	37,815
HVAC - Exhaust Fans; Rooftop: Small	2038	22,689
Lobby- Floor Covering; Carpet	2038	69,428
Professional Services	2038	15,126
Recreation Deck- Tennis Court; Posts	2038	7,563
Recreation Deck/Platform/Landscape Planters- Surface Material & Waterproofing	2038	6,303,718
Security- Access Control/Surveillance Systems Upgrade/Repair Fund	2038	15,126
Doors/Windows - Doors; Glass: Elevator Lobbies	2039	56,087
Doors/Windows- Doors; Metal (2.5%)	2039	123,079
Exterior Finish- Painting System & Spall Repairs; Residential Tower/Parking Structure	2039	642,662
Fence- Pool Perimeter	2039	65,435
Fire Safety Equipment - Standpipe Test & Repair Fund	2039	15,580
HVAC- Condensed Water/Water Source Heat Pumps Repair/Professional Service Fund	2039	23,370
HVAC- Exhaust Fans; Rooftop (21 %)	2039	35,057
HVAC- Exhaust/Inline Fans; Motor/Repair Fund (21 %)	2039	28,032
HVAC- Rooftop Duct Repair Fund	2039	7,790
Lighting- Landscape Fixtures Repair/Replacement Fund	2039	46,739
Mechanical Equipment/Plumbing - Repair/Professional Service Fund	2039	31,159
Railing- Repair/Professional Services Fund	2039	15,580
Recreation Deck/Platform/Landscape Planters- Surface Material & Waterproofing	2039	6,492,829
Recreation/Amenities- Conference Room; AV/IT Equipment Fund	2039	7,790
Security - Gate; Motor Repair/Replacement Fund (25%)	2039	15,580
Corridors- Floor Covering; Carpet	2040	1,405,723
Exterior Finish- Painting System & Spall Repairs; Residential Tower/Parking Structure	2040	661,941
Exterior Finish- Tile; Wave Wall: Restoration Fund	2040	200,588
Fire Safety Equipment- Smoke Dampers Repair/Replacement Fund	2040	16,047
Fire Safety Equipment- Stair Pressurization Fans (33%)	2040	64,188
HVAC- Exhaust Shrouds; Non-Mechanical	2040	30,489
HVAC- Exhaust/Inline Fans; Large: Mechanical Room/HECO Vault (50%)	2040	48,141
Office- Furniture/Artwork Fund	2040	32,094
Plumbing - Waste Stack Cleaning	2040	96,282
Pool/Spa- Filtration System; Pool & Spa (25%)	2040	9,628
Pool/Spa- Heat Pump; Pool & Spa (25%)	2040	16,047
Recreation Deck- Playground Equipment	2040	56,165
Roofing - Gutter/Flashing Repair/Replacement Fund	2040	64,188
Roofing- System; Fluid Applied: Main Tower & Parking Structure (In-House Project/	2040	72,693
Trash - Chute/Bins; Repair Fund	2040	16,047
Concrete/Spall Repairs - Repair Fund	2041	82,642
Doors/Windows- Store Front Doors; Floor 3, 4, & 5	2041	59,503
Equipment/General Repair Fund - Floor Scrubber, Vacuum, Etc.	2041	13,223
Expansion Joints- Seismic Joint Repair/Replacement Fund	2041	132,228
Fence- Repair Fund	2041	16,528
Fire Safety Equipment- Fire Alarm; Repair/Professional Service Fund	2041	33,057
HVAC- Exhaust/Inline Fans; Mid-Sized: Fan Rooms/Mech Room/Restrooms/Landscape	2041	74,378
High Risk Component Inspection	2041	70,577
Mechanical Equipment - Lift Station System (Future Modification)	2041	165,285
Mechanical Equipment/Plumbing - Repair/Professional Service Fund	2041	33,057
Office -AV /IT Equipment	2041	24,793

See independent auditor's report.

ASSOCIATION OF APARTMENT OWNERS OF HAWAII TOWER
Supplementary Information on Future Major Repairs and Replacements (Unaudited) – (continued)
Year Ended December 31, 2023

Components	Replacement Year	Estimated Cost
Security - Access Control System	2041	165,285
Signage - Main Property Signage/Monument	2041	33,057
Electrical - Maintenance/Repair/Professional Service Fund	2042	25,536
Elevators - Elevator Repair/Professional Service Fund	2042	25,536
HVAC- Cooling Tower (50%)	2042	1,021,460
HVAC- Exhaust Fans; Parking Garage/Fire Pump Room/Electrical Rooms (18%)	2042	25,526
Mechanical Equipment- Hot Water System; Gas Heater (50%)	2042	136,195
Recreation Deck - Outdoor Fitness Equipment	2042	34,049
Security -Access Control/Surveillance Systems Upgrade/Repair Fund	2042	17,024
HVAC- Condensed Water/Water Source Heat Pumps Repair/Professional Service Fund	2043	26,303
HVAC- Cooling Tower (50%)	2043	1,052,104
Landscaping - Refurbishment/Professional Service Fund	2043	35,070
Mechanical Equipment/Plumbing - Repair/Professional Service Fund	2043	35,070
Pool/Spa- Filtration System; Pool & Spa (25%)	2043	10,521
Pool/Spa- Heat Pump; Pool & Spa (25%)	2043	17,535
Professional Services	2043	17,535
Security- Gate; Motor Repair/Replacement Fund (25%)	2043	17,535
Security - Surveillance System	2043	105,210
Doors/Windows - Repair/Professional Services Fund	2044	90,306
Doors/Windows- Window Gasket/Sealant Fund (50%)	2044	2,257,639
Electrical - Emergency Generator Repair Fund	2044	45,153
Electrical- Transformers; AOAO: Repair/Replacement Fund (33%)	2044	180,611
Equipment/General Repair Fund - Floor Scrubber, Vacuum, Etc.	2044	14,449
Fire Safety Equipment- Standpipe Test & Repair Fund	2044	18,061
HVAC- Cooling Tower; Overhaul/Repair Funds	2044	108,367
HVAC- Exhaust Fans; Rooftop (21 %)	2044	40,640
HVAC- Exhaust/Inline Fans; Motor/Repair Fund (21%)	2044	32,497
Plumbing - Waste Stack Cleaning	2044	108,367
Pool/Spa - Lights; Pool & Spa	2044	17,339
Recreation Deck- Grills; Recessed	2044	16,255
Recreation Deck - Outdoor Furniture Fund; Recreation/Pool Deck	2044	90,306
Recreation/ Amenities - Conference Room; Floor Covering	2044	9,031
Doors/Windows- Window Gasket/Sealant Fund (50%)	2045	2,325,368
Fire Safety Equipment - Fire Alarm; Repair/Professional Service Fund	2045	37,206
Mechanical Equipment/Plumbing - Repair/Professional Service Fund	2045	37,206
Office - Renovation/Refurbishment Fund; Manager/ Admin Office	2045	55,809
Doors/Windows- Doors; Metal (2.5%)	2046	151,372
Fence - Repair Fund	2046	19,161
HVAC- Heat Exchangers; Replacement	2046	383,221
High Risk Component Inspection	2046	81,818
Lighting - Modernization Fund	2046	19,161
Pool/Spa- Filtration System; Pool & Spa (25%)	2046	11,497
Pool/Spa- Heat Pump; Pool & Spa (25%)	2046	19,161
Pool/Spa- Pumps; Large (50%)	2046	11,497
Restrooms - Employee	2046	287,416
Security -Access Control/Surveillance Systems Upgrade/Repair Fund	2046	19,161
Electrical - Maintenance/Repair/Professional Service Fund	2047	29,604
Elevators - Elevator Repair/Professional Service Fund	2047	29,604
Equipment/General Repair Fund- Floor Scrubber, Vacuum, Etc.	2047	15,789
Fire Safety Equipment- Fire Suppression; Repair/Replacement/Professional Service Fund	2047	29,604
Fire Safety Equipment- Stair Pressurization Fans (33%)	2047	78,943
HVAC- Condensed Water/Water Source Heat Pumps Repair/Professional Service	2047	29,604
HVAC- Exhaust Fans; Parking Garage/Fire Pump Room/Electrical Rooms (18%)	2047	29,592

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ASSOCIATION OF APARTMENT OWNERS OF HAWAII TOWER
Supplementary Information on Future Major Repairs and Replacements (Unaudited) – (continued)
Year Ended December 31, 2023

Components	Replacement Year	Estimated Cost
Mechanical Equipment- Domestic Water Booster Pump System	2047	315,774
Mechanical Equipment/Plumbing - Repair/Professional Service Fund	2047	39,472
Office- AV/IT Equipment	2047	29,604
Pool/Spa- Tile Replacement; Pool & Spa (50%)	2047	888,114
Recreation Deck- AstroTurf; Putting Green & Playground Area	2047	87,233
Roofing- System; Fluid Applied: Main Tower & Parking Structure (In-House Project	2047	89,403
Security - Gate; Motor Repair/Replacement Fund (25%)	2047	19,736
Fire Safety Equipment- Fire Suppression; Jockey Pump Controller/Pump	2048	32,525
General Manager Unit- Partial Renovation/Refurbishment	2048	20,328
HVAC- Exhaust Fans; Rooftop: Large (33%)	2048	50,820
HVAC -Split AC System; Security Office	2048	20,328
Mechanical Equipment - Back Flow Device Replacement	2048	24,394
Plumbing - Waste Stack Cleaning	2048	121,968
Pool/Spa - Chemical Automation Systems	2048	40,656
Pool/Spa- Tile Replacement; Pool & Spa (50%)	2048	914,757
Professional Services	2048	20,328
Railing - Platform Deck/Pool Deck	2048	533,608
Recreation Deck - Trellis System	2048	40,656
Air Terminals: Fixture & Control; Repair/Replace Fund	2049	10,469
Exterior Finish- Painting System & Spall Repairs; Residential Tower/Parking Structure	2049	863,683
Fence- Metal Fence; Porte Cochere	2049	37,688
Fire Safety Equipment- Fire Alarm; Repair/Professional Service Fund	2049	41,876
Fire Safety Equipment- Standpipe Test & Repair Fund	2049	20,938
HVAC- Exhaust Fans; Rooftop (21 %)	2049	47,113
HVAC- Exhaust/Inline Fans; Mid-Sized: Fan Rooms/Mech Room/Restrooms/Landscape	2049	94,220
HVAC- Exhaust/Inline Fans; Motor/Repair Fund (21 %)	2049	37,673
HVAC- Rooftop Duct Repair Fund	2049	10,469
Lighting - Building Accent Up Lights	2049	337,098
Lighting - Landscape Fixtures Repair/Replacement Fund	2049	62,813
Mechanical Equipment/Plumbing - Repair/Professional Service Fund	2049	41,876
Pool/Spa- Filtration System; Pool & Spa (25%)	2049	12,563
Pool/Spa - Filtration System; Skimmer	2049	16,750
Pool/Spa- Heat Pump; Pool & Spa (25%)	2049	20,938
Railing- Lanais; Replacement: Manager Unit	2049	10,260
Railing - Repair/Professional Services Fund	2049	20,938
Recreation Deck - Outdoor Furniture; Winter Garden	2049	31,407
Security - Gate; Rolling: Loading Dock	2049	83,751
Security - Gate; Swinging: Parking Garage Entry/Exit	2049	167,502
Doors/Windows- Repair/Professional Services Fund	2050	107,830
Electrical- Transformers; AOA: Repair/Replacement Fund (33%)	2050	215,659
Equipment/General Repair Fund- Floor Scrubber, Vacuum, Etc.	2050	17,253
Exterior Finish- Painting System & Spall Repairs; Residential Tower/Parking Structure	2050	889,594
HVAC- Exhaust/Inline Fans; Large: Mechanical Room/HECO Vault (50%)	2050	64,698
Office - Furniture/ Artwork Fund	2050	43,132
Security- Access Control/Surveillance Systems Upgrade/Repair Fund	2050	21,566
Concrete/Spall Repairs- Repair Fund	2051	111,064
Elevators- Cab Refurbishment/Operating Panel	2051	666,387
Expansion Joints- Seismic Joint Repair/Replacement Fund	2051	177,703
Fence- Repair Fund	2051	22,213
HVAC - AC/Water Source Heat Pump; Employee Lounge	2051	26,655
HVAC- AC/Water Source Heat Pumps/Duct Work; Elevator Machine Room (#11 & #12)	2051	222,129
HVAC- Condensed Water/Water Source Heat Pumps Repair/Professional Service Fund	2051	33,319
HVAC- Dual Source Heat Pump; Manager Unit	2051	53,311

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ASSOCIATION OF APARTMENT OWNERS OF HAWAIKI TOWER
Supplementary Information on Future Major Repairs and Replacements (Unaudited) – (continued)
Year Ended December 31, 2023

Components	Replacement Year	Estimated Cost
High Risk Component Inspection	2051	94,849
Lighting - Light Pole Fixtures; Tennis Court	2051	26,655
Lighting - Light Poles; Tennis Court	2051	159,933
Mechanical Equipment/Plumbing - Repair/Professional Service Fund	2051	44,426
Pool/Spa - Lights; Pool & Spa	2051	21,324
Recreation/Amenities- Conference Room; AV/IT Equipment Fund	2051	11,106
Security- Gate; Motor Repair/Replacement Fund (25%)	2051	22,213
Electrical - Maintenance/Repair/Professional Service Fund	2052	34,319
Elevators - Elevator Repair/Professional Service Fund	2052	34,319
HVAC- Exhaust Fans; Parking Garage/Fire Pump Room/Electrical Rooms (18%)	2052	34,305
HVAC- Rooftop AC #9 & #10; Corridors (50%)	2052	1,715,946
Lobby - Refurbishment/ Artwork/Furniture	2052	343,189
Mechanical Equipment- Hot Water System; Gas Heater (50%)	2052	183,034
Office - Renovation/Refurbishment Fund; Security Office	2052	57,198
Plumbing - Waste Stack Cleaning	2052	137,276
Pool/Spa- Filtration System; Pool & Spa (25%)	2052	13,728
Pool/Spa- Heat Pump; Pool & Spa (25%)	2052	22,879
Recreation Deck - Tennis Court; Coating System	2052	61,660
Window Cleaning Rigging Repair/Replacement Fund	2052	68,638
Doors/Windows- Doors; Metal (2.5%)	2053	186,169
Equipment/General Repair Fund - Floor Scrubber, Vacuum, Etc.	2053	18,853
Fire Safety Equipment - Fire Alarm; Repair/Professional Service Fund	2053	47,131
HVAC - Cooling Tower/Condensed Water Pump Systems	2053	824,798
HVAC- Rooftop AC #9 & #10; Corridors (50%)	2053	1,767,424
Lighting - Corridor Wall Sconces & Ceiling Fixtures	2053	518,444
Mechanical Equipment/Plumbing - Repair/Professional Service Fund	2053	47,131
Office- AV/IT Equipment	2053	35,348
Professional Services	2053	23,566
Recreation Deck- Outdoor Furniture Fund; Recreation/Pool Deck	2053	117,828
Security - Radios & Repeaters	2053	35,348
Total		\$ 80,535,765

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