

Notice of Future Funding of the Reserve Fund

Attach:

1. Notice of Future Funding of the Reserve Fund
2. Summary of Reserve Fund Study
3. Cash Flow Table for the selected scenario
4. Summary of Proposed Plan for the Future Funding of the Reserve Fund
5. Contribution Table and Difference Between the Reserve Fund Study and the Proposed Plan for Future Funding of the Reserve Fund

Notice of Future Funding of the Reserve Fund
(under subsection 94 (9) of the *Condominium Act, 1998*)

TO: All Owners in Metropolitan Toronto Condominium Corporation No. 690

The Board has received and reviewed the Updated Reserve Fund Study not based on a Site Visit, dated January 13, 2014, prepared by Halsall Associates, and has proposed a plan for the future funding of the reserve fund that the Board has determined will ensure that, in accordance with the regulations made under the *Condominium Act, 1998*, the reserve fund will be adequate for the major repair and replacement of the common elements and assets of the Corporation.

This notice contains:

1. A summary of the reserve fund study.
2. A summary of the proposed funding plan.
3. A statement indicating the areas, if any, in which the proposed funding plan differs from the reserve fund study.

At the present time the average contribution per unit per month to the reserve fund (excluding any other contributions) is: \$482.64

Based on the proposed funding plan, the average increase in contribution per unit per month (excluding any other contributions) will be:

\$0.00	in	2014
\$100.79	in	2015
\$11.67	in	2016

(state the amount of the increase for each of the three fiscal years following the year in which the reserve fund study is completed. If the contribution is to be increased in the fiscal year in which the reserve fund is completed, also state the amount of that increase)

The proposed funding plan will be implemented beginning on May 30 2014
(set out the date of the day that is more than 30 days after the day on which this notice is sent to the Owners)

Dated this 22 day of January, 2014.

Metropolitan Toronto Condominium Corporation No. 690

Shawn D. Porter
(Signature)

Shawn D. Porter, Director
(Print name)

Alan Pearson
(Signature)

ALAN PEARSON, RESIDENT
(Print name)

(Affix corporate seal or add a statement that the persons signing have the authority to bind the Corporation.)

Summary of Reserve Fund Study

The following is a summary of the Updated Reserve Fund Study not based on a Site Visit, dated January 13, 2014, prepared by Halsall Associates for:

Metropolitan Toronto Condominium Corporation No. 690

Subsection 94 (1) of the *Condominium Act, 1998*, requires the Corporation to conduct periodic studies to determine whether the amount of money in the reserve fund and the amount of contributions collected by the Corporation are adequate to provide for the expected costs of major repair and replacement of the common elements and assets of the Corporation. As a result, this Corporation has obtained this Reserve Fund Study.

The estimated expenditure from the reserve fund for the next thirty (30) years are set out in the CASH FLOW TABLE. In this summary, the term "annual contribution" means the total amount to be contributed each year to the reserve fund, exclusive of interest earned on the reserve fund. The recommended annual contribution for the fiscal year ending on December 31, 2014 is below:

\$417,000 Contribution for year ending December 31, 2014

This annual contribution is based on the estimated expenditures and the following:

Opening Balance of the Reserve Fund:	\$262,722
Minimum Reserve Fund Balance During the Projected Period:	\$184,078
Assumed Annual Inflation Rate for Reserve Fund Expenditures:	2%
Assumed Annual Interest Rate for Interest Earned on the Reserve Fund:	1.5%

The Reserve Fund Study can be examined by submitting a written request to the Property Manager (as per Section 55 (3) of the Condominium Act 1998).

Cash Flow Table

Opening Balance of the Reserve Fund:	\$262,722
Minimum Reserve Fund Balance (as indicated in this table):	\$184,078
Assumed Annual Inflation Rate for Reserve Fund Expenditure:	2%
Assumed Annual Interest Rate for Interest Earned on the Reserve Fund:	1.5%

Year	Opening Balance	Recommended Annual Contributions	Other Contributions	Estimated Inflation Adjusted Expenditure	Estimated Interest Earned	Percentage Increase In Recommended Annual Contribution	Increase In Recommended Annual Contribution	Closing Balance
2013	\$262,722	\$417,000	\$955,000	\$447,397	\$10,875			\$1,198,200
2014	\$1,198,200	\$417,000	\$1,100,000	\$2,173,176	\$13,052	0	\$0	\$555,076
2015	\$555,076	\$504,080	\$0	\$880,580	\$5,502	20.9	\$87,080	\$184,078
2016	\$184,078	\$514,162	\$0	\$222,473	\$4,949	2	\$10,082	\$480,716
2017	\$480,716	\$524,445	\$0	\$109,990	\$10,319	2	\$10,283	\$905,490
2018	\$905,490	\$534,934	\$0	\$429,426	\$14,374	2	\$10,489	\$1,025,371
2019	\$1,025,371	\$545,632	\$0	\$357,099	\$16,795	2	\$10,699	\$1,230,699
2020	\$1,230,699	\$556,545	\$0	\$248,483	\$20,771	2	\$10,913	\$1,559,532
2021	\$1,559,532	\$567,676	\$0	\$750,297	\$22,023	2	\$11,131	\$1,398,934
2022	\$1,398,934	\$579,029	\$0	\$841,573	\$19,015	2	\$11,354	\$1,155,405
2023	\$1,155,405	\$590,610	\$0	\$759,744	\$16,063	2	\$11,581	\$1,002,334
2024	\$1,002,334	\$602,422	\$0	\$721,612	\$14,141	2	\$11,812	\$897,285
2025	\$897,285	\$614,471	\$0	\$151,514	\$16,931	2	\$12,048	\$1,377,173
2026	\$1,377,173	\$626,760	\$0	\$935,046	\$18,345	2	\$12,289	\$1,087,232
2027	\$1,087,232	\$639,295	\$0	\$395,336	\$18,138	2	\$12,535	\$1,349,330
2028	\$1,349,330	\$652,081	\$0	\$741,529	\$19,569	2	\$12,786	\$1,279,451
2029	\$1,279,451	\$665,123	\$0	\$546,216	\$20,084	2	\$13,042	\$1,418,441
2030	\$1,418,441	\$678,425	\$0	\$846,149	\$20,019	2	\$13,302	\$1,270,736
2031	\$1,270,736	\$691,994	\$0	\$794,976	\$18,289	2	\$13,569	\$1,186,043
2032	\$1,186,043	\$705,834	\$0	\$1,370,934	\$12,802	2	\$13,840	\$533,745
2033	\$533,745	\$719,950	\$0	\$824,925	\$7,219	2	\$14,117	\$435,989
2034	\$435,989	\$734,349	\$0	\$399,169	\$9,054	2	\$14,399	\$780,223
2035	\$780,223	\$749,036	\$0	\$835,925	\$11,052	2	\$14,687	\$704,386
2036	\$704,386	\$764,017	\$0	\$533,609	\$12,294	2	\$14,981	\$947,087
2037	\$947,087	\$779,297	\$0	\$156,824	\$18,875	2	\$15,280	\$1,588,436
2038	\$1,588,436	\$794,883	\$0	\$2,150,872	\$13,657	2	\$15,586	\$246,103
2039	\$246,103	\$688,322	\$0	\$235,641	\$7,087	-13.4	-\$106,561	\$705,871
2040	\$705,871	\$702,088	\$0	\$241,038	\$14,046	2	\$13,766	\$1,180,967
2041	\$1,180,967	\$716,130	\$0	\$563,813	\$18,857	2	\$14,042	\$1,352,141
2042	\$1,352,141	\$730,453	\$0	\$1,828,266	\$12,049	2	\$14,323	\$266,377

Summary of Proposed Plan for Future Funding of the Reserve Fund

The following is a summary of the Board's proposed plan for the future funding of the Reserve Fund.

The Board of Metropolitan Toronto Condominium Corporation No. 690 has reviewed the Updated Reserve Fund Study not based on a Site Visit, dated January 13, 2014, prepared by Halsall Associates for the Corporation (known as the "Reserve Fund Study") and has proposed a plan for the future funding of the Reserve Fund that the Board has determined will ensure that, in accordance with the regulations made under the Condominium Act, 1998, the Reserve Fund will be adequate for the major repair and replacement of the common elements and assets of the Corporation.

The Board has adopted the funding recommendations of the Reserve Fund Study and will implement them as set out in the Contribution Table.

The total annual contribution recommended under the proposed funding plan for the current fiscal year is \$417,000 which represents no increase over the amount already budgeted.

The Proposed Plan for Future Funding of the Reserve Fund can be examined by submitting a written request to the Property Manager (as set out in subsection 55 (3) of the Condominium Act, 1998).

Contribution Table

Year	A Annual Contribution*	% Increase Over Previous Year	B Other Contributions (e.g. Special Assessment, Loan)	A + B Total Contribution Each Year to Reserve Fund
2013	\$417,000		\$955,000	\$1,372,000
2014	\$417,000	0	\$1,100,000	\$1,517,000
2015	\$504,080	20.9		\$504,080
2016	\$514,162	2		\$514,162
2017	\$524,445	2		\$524,445
2018	\$534,934	2		\$534,934
2019	\$545,632	2		\$545,632
2020	\$556,545	2		\$556,545
2021	\$567,676	2		\$567,676
2022	\$579,029	2		\$579,029
2023	\$590,610	2		\$590,610
2024	\$602,422	2		\$602,422
2025	\$614,471	2		\$614,471
2026	\$626,760	2		\$626,760
2027	\$639,295	2		\$639,295
2028	\$652,081	2		\$652,081
2029	\$665,123	2		\$665,123
2030	\$678,425	2		\$678,425
2031	\$691,994	2		\$691,994
2032	\$705,834	2		\$705,834
2033	\$719,950	2		\$719,950
2034	\$734,349	2		\$734,349
2035	\$749,036	2		\$749,036
2036	\$764,017	2		\$764,017
2037	\$779,297	2		\$779,297
2038	\$794,883	2		\$794,883
2039	\$688,322	-13.4		\$688,322
2040	\$702,088	2		\$702,088
2041	\$716,130	2		\$716,130
2042	\$730,453	2		\$730,453

* The term "annual contribution" means the amount to be contributed each year to the reserve fund from the monthly common expenses.

Differences Between the Reserve Fund Study and the Proposed Plan for Future Funding of the Reserve Fund

The plan for future funding of the Reserve Fund proposed by the Board matches the Reserve Fund Study.