

CONVENT GARDENS

750-805 ST. ANDRE DRIVE

CARLETON CONDOMINIUM CORPORATION

NO. 264

Notice of Future Funding of The Reserve Fund

**APPENDIX B:
NOTICE OF FUTURE
FUNDING OF
RESERVE FUND**

NOTICE OF FUTURE FUNDING OF THE RESERVE FUND

(under subsection 94 (9) of the Condominium Act, 1998)

TO: All Owners of Carleton Condominium Corporation No. 264

The Board has received and reviewed a Class 3 - Update without Site Inspection Reserve Fund Study dated January 29, 2019, prepared by Keller Engineering, and has proposed a plan for the future funding of the reserve fund that the Board of Directors 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 is \$144.09. Based on the proposed funding plan, the average increase in contribution per unit per month will be \$2.88 in fiscal year 2019, \$2.94 in fiscal year 2020, and \$3.00 in fiscal year 2021. In addition, an average special assessment per unit of \$1,277.17 per unit per year will be required in fiscal year 2019, \$1,277.17 will be required in fiscal year 2020, and \$1,277.17 will be required in fiscal year 2021.

The proposed funding plan, recommended by Keller Engineering, was implemented on January 1, 2019.

Dated this 7th day of March, 2019.

CARLETON CONDOMINIUM CORPORATION NO. 264

Skather Ross

, Director

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, Director

SUMMARY OF RESERVE FUND STUDY

The following is a summary of the Class 3 - Update without Site Inspection dated January 29, 2019, prepared by Keller Engineering for Carleton Condominium Corporation No. 264 (known as the 'Reserve Fund Study').

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, the corporation has obtained the Reserve Fund Study.

The estimated expenditures 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 2019 is \$324,513, based on the estimated expenditures and the following:

Opening Balance of the Reserve Fund:	\$ 1,451,130
Minimum Reserve Fund Balance during the projected period:	\$ 64,105
Assumed Annual Inflation Rate for Reserve Fund Expenditures:	2.0%
Assumed Annual Interest Rate for interest earned on the Reserve Fund:	2.0%

The Reserve Fund Study can be examined by making a written request to the Board of Directors of Carleton Condominium Corporation No. 264.

CASH FLOW TABLE

Opening Balance of the Reserve Fund:	\$ 1,451,130
Current Annual Contributions:	\$ 318,150
Minimum Reserve Fund Balance (as indicated in this table):	\$ 64,105
Assumed Annual Inflation Rate for Reserve Fund Expenditures:	2.0%
Assumed Annual Interest Rate for interest on the Reserve Fund:	2.0%

Fiscal Year Ending	Opening Balance	Recommend ed Annual Total Contribution	Estimated Inflation Adjusted Expenditures	Estimated Interest Earned	Percentage Increase (Decrease) in Recommended Annual Total Contribution	Closing Balance
2018	\$1,451,130	\$318,150	\$1,026,210	\$11,680	5.0%	\$754,750
2019	\$754,750	\$559,513	\$681,360	\$7,063	75.9%	\$639,966
2020	\$639,966	\$566,003	\$674,803	\$4,963	1.2%	\$536,129
2021	\$536,129	\$572,623	\$715,466	\$2,139	1.2%	\$395,425
2022	\$395,425	\$344,376	\$514,805	\$1,056	-39.9%	\$226,053
2023	\$226,053	\$351,263	\$323,164	\$1,570	2.0%	\$255,722
2024	\$255,722	\$358,289	\$549,905	\$0	2.0%	\$64,105
2025	\$64,105	\$365,454	\$275,110	\$0	2.0%	\$154,449
2026	\$154,449	\$372,763	\$347,749	\$0	2.0%	\$179,464
2027	\$179,464	\$380,219	\$291,842	\$1,555	2.0%	\$269,396
2028	\$269,396	\$387,823	\$139,087	\$6,484	2.0%	\$524,616
2029	\$524,616	\$395,580	\$37,674	\$13,695	2.0%	\$896,216
2030	\$896,216	\$403,491	\$28,028	\$21,399	2.0%	\$1,293,078
2031	\$1,293,078	\$411,561	\$1,226,598	\$5,445	2.0%	\$483,486
2032	\$483,486	\$419,792	\$28,501	\$13,298	2.0%	\$888,075
2033	\$888,075	\$428,188	\$47,375	\$21,096	2.0%	\$1,289,985
2034	\$1,289,985	\$436,752	\$16,473	\$29,838	2.0%	\$1,740,101
2035	\$1,740,101	\$445,487	\$100,397	\$37,249	2.0%	\$2,122,439
2036	\$2,122,439	\$454,397	\$537,163	\$36,249	2.0%	\$2,075,922
2037	\$2,075,922	\$463,484	\$247,804	\$41,197	2.0%	\$2,332,800
2038	\$2,332,800	\$472,754	\$242,655	\$46,530	2.0%	\$2,609,429
2039	\$2,609,429	\$482,209	\$280,247	\$51,406	2.0%	\$2,862,797
2040	\$2,862,797	\$491,853	\$717,953	\$47,815	2.0%	\$2,684,513
2041	\$2,684,513	\$501,691	\$881,644	\$41,074	2.0%	\$2,345,634
2042	\$2,345,634	\$511,724	\$49,057	\$51,049	2.0%	\$2,859,350
2043	\$2,859,350	\$521,959	\$40,523	\$61,596	2.0%	\$3,402,381
2044	\$3,402,381	\$532,398	\$20,081	\$72,970	2.0%	\$3,987,668
2045	\$3,987,668	\$543,046	\$51,889	\$84,146	2.0%	\$4,562,971
2046	\$4,562,971	\$553,907	\$82,176	\$95,155	2.0%	\$5,129,857
2047	\$5,129,857	\$564,985	\$38,358	\$107,480	2.0%	\$5,763,963

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 Carleton Condominium Corporation No. 264 has reviewed the Class 3 - Update without Site Inspection dated January 29, 2019 prepared by Keller Engineering 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 annual contribution recommended under the proposed funding plan for fiscal year 2019 is \$324,513, which represents an increase of 2.0% over the amount already budgeted. In addition, an additional contribution (e.g. special assessment, loan, operating budget surplus) of \$235,000 has been included for fiscal year 2019.

The Proposed Plan for Future Funding of the Reserve Fund can be examined by making a written request to the Board of Directors of Carleton Condominium Corporation No. 264.

CONTRIBUTION TABLE

Fiscal Year Ending	A Annual Contribution*	% Increase Over Previous Year	B Other Contribution (e.g. special assessment, loan)	A + B Total Contribution Each Year to Reserve Fund
2018	\$318,150	5.0%	\$0	\$318,150
2019	\$324,513	2.0%	\$235,000	\$559,513
2020	\$331,003	2.0%	\$235,000	\$566,003
2021	\$337,623	2.0%	\$235,000	\$572,623
2022	\$344,376	2.0%	\$0	\$344,376
2023	\$351,263	2.0%	\$0	\$351,263
2024	\$358,289	2.0%	\$0	\$358,289
2025	\$365,454	2.0%	\$0	\$365,454
2026	\$372,763	2.0%	\$0	\$372,763
2027	\$380,219	2.0%	\$0	\$380,219
2028	\$387,823	2.0%	\$0	\$387,823
2029	\$395,580	2.0%	\$0	\$395,580
2030	\$403,491	2.0%	\$0	\$403,491
2031	\$411,561	2.0%	\$0	\$411,561
2032	\$419,792	2.0%	\$0	\$419,792
2033	\$428,188	2.0%	\$0	\$428,188
2034	\$436,752	2.0%	\$0	\$436,752
2035	\$445,487	2.0%	\$0	\$445,487
2036	\$454,397	2.0%	\$0	\$454,397
2037	\$463,484	2.0%	\$0	\$463,484
2038	\$472,754	2.0%	\$0	\$472,754
2039	\$482,209	2.0%	\$0	\$482,209
2040	\$491,853	2.0%	\$0	\$491,853
2041	\$501,691	2.0%	\$0	\$501,691
2042	\$511,724	2.0%	\$0	\$511,724
2043	\$521,959	2.0%	\$0	\$521,959
2044	\$532,398	2.0%	\$0	\$532,398
2045	\$543,046	2.0%	\$0	\$543,046
2046	\$553,907	2.0%	\$0	\$553,907
2047	\$564,985	2.0%	\$0	\$564,985

* 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 differs from the Reserve Fund in the following respects:

NIL