

NOTICE OF FUTURE FUNDING OF THE RESERVE FUND

In accordance with the Condominium Act 1998, all Corporations are required to complete a comprehensive reserve fund study and then have that study updated every 3 years. Once the study is approved by the Board of Directors, there is a further requirement to provide a summary in the form of a Notice of Future Funding of the Reserve Fund to all owners.

A Reserve Fund Study Update has just been completed and approved by your Board of Directors. A copy of the Notice of Future Funding of the Reserve Fund is enclosed with this package and includes:

Notice of Future Funding of the Reserve Fund – Provides a summary of the overall plan and includes the average increases over the next 3 years.

Summary of Reserve Fund Study – This includes a summary of the balances plus the assumed inflation and interest rate assumptions and also includes reference to the *Reserve Fund Cash Flow Table*.

Summary of Proposed Plan for Future Funding of the Reserve Fund – This includes the amount set aside as the contribution for the current fiscal year, shows any differences between the reserve study and any differences proposed by the Board, plus includes reference to the *Reserve Fund Contribution Table*

The purpose of a reserve fund study is to provide your Corporation with a long-term budgeting tool to ensure funds are available when it comes time to make major repairs or replacements of the common elements and assets of the Corporation. The study includes an inventory of the common elements and assets, a determination of their remaining lifespan, a current and future cost analysis and a minimum 30-year funding plan.

It is very important to understand how your annual budget works. The budget is made up of two main portions; the “Operating Account”, which is used for items such as repairs, insurance, maintenance contracts and administration, and the “Reserve Fund”, which is used to save for future major repair and replacements as outlined above. The reserve fund contribution is included in the annual budget and makes up only one of the multiple expense items.

We trust this summary of the enclosed Notice of Future Funding of the Reserve Fund is beneficial. In the event of any further questions, please do not hesitate to call Management.

**NOTICE OF FUTURE FUNDING OF THE RESERVE FUND
(UNDER SUBSECTION 94 (9) OF THE CONDOMINIUM ACT, 1998)**

Condominium Act, 1998

TO: All owners in Toronto Standard Condominium Corporation No. 1918

The Board has received and reviewed a Comprehensive Reserve Fund Study (Class 1) dated May 6, 2019 prepared by Brown & Beattie Ltd. 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 is \$188.95. Based on the proposed funding plan, the average increase in contribution per unit per month will be:

\$ 29.67 for the 2020/21 fiscal year;
\$ 34.33 for the 2021/22 fiscal year; and
\$ 39.71 for the 2022/23 fiscal year.

The proposed funding plan will be implemented beginning on.....21/06/2019..... (set out the date of a day that is more than 30 days after the day on which this notice is sent to the owners).

Dated this 17 day of May, 2019.

Toronto Standard Condominium Corporation No. 1918


.....
(signature)

HOSSEIN BANJANI
.....
(print name)


.....
(signature)

Tyler Murray
.....
(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 Comprehensive Reserve Fund Study (Class 1) dated May 6, 2019 prepared by Brown & Beattie Ltd. for Toronto Standard Condominium Corporation No. 1918 (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 SUMMARY / CONTRIBUTION SCHEDULE / FUNDING PLAN. 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 2020/21 is \$409,252, based on the estimated expenditures and the following:

Opening Balance of the Reserve Fund:	\$2,215,414
Minimum Reserve Fund Balance during the Project Period:	\$100,000
Assumed Annual Inflation Rate for Reserve Fund Expenditures:	2.00%
Assumed Annual Interest Rate for interest earned on the Reserve Fund:	Short Term 2.50% Long Term 4.00%

The Proposed Plan for Future Funding of the Reserve Fund can be examined upon written request to the Condominium Corporation or their authorized agent.

CASH FLOW TABLE

Opening Balance of the Reserve Fund:	\$2,215,414
Minimum Reserve Fund Balance during the Project Period:	\$100,000
Assumed Annual Inflation Rate for Reserve Fund Expenditures:	2.00%
Assumed Annual Interest Rate for interest earned on the Reserve Fund:	Short Term 2.50% Long Term 4.00%

Year	Opening Balance	Recommended Annual Contribution	Estimated Inflation Adjusted Expenditures	Estimated Interest Earned	Percentage Increase in Recommended Annual Contribution	Closing Balance
Please refer to Brown & Beattie's attached Cash Flow Summary/Contribution Schedule/Funding Plan						

**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 Toronto Standard Condominium Corporation No. 1918 has reviewed the Comprehensive Reserve Fund Study (Class 1) dated May 6, 2019 prepared by Brown & Beattie Ltd. 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 Cash Flow Summary / Contribution Schedule / Funding Plan.

The total annual contribution recommended under the proposed funding plan for the current fiscal year is \$353,711, which is the same amount that has already been budgeted.

The Proposed Plan for Future Funding of the Reserve Fund can be examined upon written request to the Condominium Corporation or their authorized agent.

CONTRIBUTION TABLE

Year	A Annual Contribution*	% Increase Over Previous Year	B Other Contribution (e.g. special assessment, loan)	A + B Total Contribution Each Year to Reserve Fund
Please refer to Brown & Beattie's attached Cash Flow Summary/Contribution Schedule/Funding Plan				

*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 Study in the following respects:

No differences.

30 Canterbury Place, Toronto
Reserve Fund Study
Cash Flow Summary / Contribution Schedule / Funding Plan

of Units: 156
 Special Assessment: \$0
 Fiscal Year End: 31-Jan
 Min. Balance: \$100,000
 Opening Balance: \$2,215,414
 Present Contribution: \$353,711

Jan-19

Short Term (3 yr.) Interest: 2.50%
 Long Term Interest: 4.00%

(projected to Jan.31/19)
 (avg/unit/month): \$188.95

Run: 3

Assumed Inflation: 2.00%
 Initial Contribution Increase: 15.70%
 Subsequent Contribution Increase: 15.70%

Fiscal Year Ending Jan. 31	Expected Costs	Interest	Contribution Schedule	Balance	Comments
2020	-\$155,224	\$55,385	\$353,711 (avg/unit/month)	\$2,469,287	(% Increase)
2021	-\$32,640	\$61,732	\$409,252 (\$218.62)	\$2,907,631	15.70% Contribution Increase
2022	-\$491,069	\$72,691	\$473,514 (\$252.95)	\$2,962,766	15.70% "
2023	-\$688,512	\$74,069	\$547,866 (\$292.66)	\$2,896,190	15.70% "
2024	-\$873,523	\$115,848	\$558,823 (\$298.52)	\$2,697,338	2.00% Increase to Match Inflation
2025	-\$554,249	\$107,894	\$570,000 (\$304.49)	\$2,820,983	2.00% "
2026	-\$42,483	\$112,839	\$581,400 (\$310.58)	\$3,472,738	2.00% "
2027	-\$777,660	\$138,910	\$593,028 (\$316.79)	\$3,427,016	2.00% "
2028	-\$25,777	\$137,081	\$604,888 (\$323.12)	\$4,143,208	2.00% "
2029	-\$16,492	\$165,728	\$616,986 (\$329.59)	\$4,909,430	2.00% "
2030	-\$185,287	\$196,377	\$629,326 (\$336.18)	\$5,549,846	2.00% "
2031	-\$1,202,343	\$221,994	\$641,912 (\$342.90)	\$5,211,410	2.00% "
2032	-\$1,576,709	\$208,456	\$654,751 (\$349.76)	\$4,497,908	2.00% "
2033	-\$675,263	\$179,916	\$667,846 (\$356.76)	\$4,670,407	2.00% "
2034	-\$1,335,313	\$186,816	\$681,203 (\$363.89)	\$4,203,114	2.00% "
2035	-\$1,398,088	\$168,125	\$694,827 (\$371.17)	\$3,667,977	2.00% "
2036	-\$43,929	\$146,719	\$708,723 (\$378.59)	\$4,479,490	2.00% "
2037	-\$1,515,061	\$179,180	\$722,898 (\$386.16)	\$3,866,506	2.00% "
2038	-\$1,826,333	\$154,660	\$737,356 (\$393.89)	\$2,932,189	2.00% "
2039	-\$447,241	\$117,288	\$752,103 (\$401.76)	\$3,354,338	2.00% "
2040	-\$745,946	\$134,174	\$767,145 (\$409.80)	\$3,509,711	2.00% "
2041	-\$51,230	\$140,388	\$782,488 (\$418.00)	\$4,381,357	2.00% "
2042	-\$1,850,538	\$175,254	\$798,137 (\$426.36)	\$3,504,212	2.00% "
2043	-\$97,768	\$140,168	\$814,100 (\$434.88)	\$4,360,712	2.00% "
2044	-\$86,412	\$174,428	\$830,382 (\$443.58)	\$5,279,111	2.00% "
2045	-\$263,317	\$211,164	\$846,990 (\$452.45)	\$6,073,948	2.00% "
2046	-\$336,357	\$242,958	\$863,930 (\$461.50)	\$6,844,479	2.00% "
2047	-\$1,047,687	\$273,779	\$881,208 (\$470.73)	\$6,951,779	2.00% "
2048	-\$908,815	\$278,071	\$898,832 (\$480.15)	\$7,219,868	2.00% "
2049	-\$21,310	\$288,795	\$916,809 (\$489.75)	\$8,404,162	2.00% "
2050	-\$287,507	\$336,166	\$935,145 (\$499.54)	\$9,387,967	2.00% "
2051	-\$2,581,082	\$375,519	\$953,848 (\$509.53)	\$8,136,252	2.00% "
2052	-\$2,397,136	\$325,450	\$972,925 (\$519.72)	\$7,037,491	2.00% "
2053	-\$920,364	\$281,500	\$992,384 (\$530.12)	\$7,391,010	2.00% "
2054	-\$23,528	\$295,640	\$1,012,231 (\$540.72)	\$8,675,354	2.00% "
2055	-\$423,977	\$347,014	\$1,032,476 (\$551.54)	\$9,630,867	2.00% "
2056	-\$78,993	\$385,235	\$1,053,125 (\$562.57)	\$10,990,234	2.00% "
2057	-\$3,113,745	\$439,609	\$1,074,188 (\$573.82)	\$9,390,286	2.00% "
2058	-\$3,866,828	\$375,611	\$1,095,672 (\$585.29)	\$6,994,741	2.00% "
2059	-\$5,008,786	\$279,790	\$1,117,585 (\$597.00)	\$3,383,329	2.00% "
2060	-\$3,206,074	\$135,333	\$1,139,937 (\$608.94)	\$1,452,525	2.00% "
2061	-\$2,448,142	\$58,101	\$1,162,735 (\$621.12)	\$225,220	2.00% 1st Critical Year
2062	-\$571,380	\$9,009	\$1,185,990 (\$633.54)	\$848,839	2.00% (End of Study)
2063	-\$1,234,861	\$33,954	\$1,209,710 (\$646.21)	\$857,642	2.00%
2064	-\$243,785	\$34,306	\$1,233,904 (\$659.14)	\$1,882,066	2.00%
2065	-\$387,131	\$75,283	\$1,258,582 (\$672.32)	\$2,828,800	2.00%
2066	-\$89,518	\$113,152	\$1,283,754 (\$685.77)	\$4,136,188	2.00%
2067	-\$3,644,726	\$165,448	\$1,309,429 (\$699.48)	\$1,966,339	2.00%
2068	-\$2,014,614	\$78,654	\$1,335,618 (\$713.47)	\$1,365,996	2.00%
2069	-\$915,668	\$54,640	\$1,362,330 (\$727.74)	\$1,867,298	2.00%

Inflation: 2.00%
 Initial Cont. Inc.: 15.7%
 Subsequent Cont. Inc.: 15.7%

TSSC No. 1918
Reserve Fund Study Summary

\$2,215,414 Opening Bal.
 \$100,000 Min. Bal.
 4.00% Interest

