

Form 15

Condominium Act, 1998, O. Reg. 48/01

NOTICE OF FUTURE FUNDING OF THE RESERVE FUND

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

TO: The owners of a common interest in **Toronto Standard Condominium Corporation No. 1582** Refer to Appendix A attached. The board has received and reviewed a **Class 2 Reserve Fund Study Update** dated **November 12th, 2018** prepared by **Ontech Building Consultants Inc.**, 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 **\$147.86**. Based on the proposed funding plan, the average increase in contribution per unit per month will be **\$11.83 in 2019/20**, **\$12.77 in 2020/21** and **\$13.80 in 2021/22**.

The proposed funding plan will be implemented beginning on **February 1st, 2019** dated this **22nd** day of **November, 2018**.

Toronto Standard Condominium Corporation No. 1582

.....

(signature)

.....

(print name)

.....

(signature)

.....

(print name)

The above person(s) are/is member(s) of the Board of Directors representing for the above noted Corporation and have the authority to bind the corporation.

SUMMARY OF RESERVE FUND STUDY

The following is a summary of the **Class 2 Reserve Fund Study Update** dated **November 12th, 2018** prepared by **Ontech Building Consultants Inc.** for **Toronto Standard Condominium Corporation No. 1582**. 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 **2019/20** is **\$457,984** based on the estimated expenditures and the following:

Opening Balance of the Reserve Fund: **\$735,493**

Minimum Reserve Fund Balance during the projected period **\$278,666**

Assumed Annual Inflation Rate for Reserve Fund Expenditures: **2.0%**

Assumed Annual Interest Rate for interest earned on the Reserve Fund: **2.10%**

The Reserve Fund Study can be examined **upon providing Management with a written request and dropped off in the Management office.**

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. 1582** has reviewed the **Class 2 Reserve Fund Study Update** dated **November 12th, 2018**, prepared by **Ontech Building Consultants Inc.** 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 new fiscal year **2019/20** is **\$457,984** which is the same amount that has already been budgeted.

**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 :.....(*Specify differences*).

There are no differences.

Date: 11-12-18

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Opening balance of Reserve Fund: \$735,493

Minimum Reserve Fund Balance (as indicated in this table) \$278,666

Assumed annual inflation rate for reserve fund expenditures: 2.0%

Assumed annual interest rate for reserve fund income: 2.10%

	Year	Reserve Fund Opening Balance	Percentage Increase in Recommended Annual Contribution	Reserve Fund Recommended Annual Contribution	Reserve Fund Additional Annual Contribution	Estimated Inflation Adjusted Expenditures	Estimated Interest Income	Reserve Fund Closing Balance
1	2018/19	735,493	8.0%	\$424,059	\$150,000	\$725,000	15,445.35	\$798,640
2	2019/20	798,640	8.0%	\$457,984	\$100,000	\$900,348	16,771.45	\$473,047
3	2020/21	473,047	8.0%	\$494,622	\$0	\$115,025	9,933.99	\$862,578
4	2021/22	862,578	8.0%	\$534,192	\$0	\$462,797	18,114.14	\$952,087
5	2022/23	952,087	8.0%	\$576,928	\$0	\$574,707	19,993.83	\$974,301
6	2023/24	974,301	8.0%	\$623,082	\$0	\$1,258,604	20,460.32	\$359,239
7	2024/25	359,239	8.0%	\$672,928	\$0	\$761,045	7,544.03	\$278,666
8	2025/26	278,666	8.0%	\$726,763	\$0	\$88,656	5,851.99	\$922,625
9	2026/27	922,625	8.0%	\$784,904	\$0	\$12,472	19,375.13	\$1,714,432
10	2027/28	1,714,432	8.0%	\$847,696	\$0	\$46,652	36,003.08	\$2,551,479
11	2028/29	2,551,479	8.0%	\$915,512	\$0	\$1,805,317	53,581.06	\$1,715,255
12	2029/30	1,715,255	8.0%	\$988,753	\$0	\$910,965	36,020.35	\$1,829,063
13	2030/31	1,829,063	8.0%	\$1,067,853	\$0	\$172,474	38,410.32	\$2,762,852
14	2031/32	2,762,852	8.0%	\$1,153,281	\$0	\$1,228,462	58,019.89	\$2,745,691
15	2032/33	2,745,691	3.0%	\$1,187,879	\$0	\$1,043,580	57,659.51	\$2,947,649
16	2033/34	2,947,649	3.0%	\$1,223,516	\$0	\$3,285,736	61,900.63	\$947,329
17	2034/35	947,329	3.0%	\$1,260,221	\$0	\$1,408,356	19,893.92	\$819,088
18	2035/36	819,088	3.0%	\$1,298,028	\$0	\$422,487	17,200.86	\$1,711,830
19	2036/37	1,711,830	3.0%	\$1,336,969	\$0	\$2,673,454	35,948.43	\$411,294
20	2037/38	411,294	3.0%	\$1,377,078	\$0	\$743,629	8,637.16	\$1,053,379
21	2038/39	1,053,379	3.0%	\$1,418,390	\$0	\$2,101,399	22,120.96	\$392,492
22	2039/40	392,492	3.0%	\$1,460,942	\$0	\$1,030,810	8,242.33	\$830,866
23	2040/41	\$830,866	3.0%	\$1,504,770	\$0	\$729,032	17,448.19	\$1,624,052
24	2041/42	\$1,624,052	3.0%	\$1,549,913	\$0	\$533,155	34,105.09	\$2,674,915
25	2042/43	\$2,674,915	3.0%	\$1,596,411	\$0	\$668,582	56,173.21	\$3,658,916
26	2043/44	\$3,658,916	3.0%	\$1,644,303	\$0	\$2,577,477	76,837.23	\$2,802,579
27	2044/45	\$2,802,579	3.0%	\$1,693,632	\$0	\$814,971	58,854.16	\$3,740,094
28	2045/46	\$3,740,094	3.0%	\$1,744,441	\$0	\$36,940	78,541.98	\$5,526,137
29	2046/47	\$5,526,137	3.0%	\$1,796,774	\$0	\$1,275,648	116,048.89	\$6,163,312
30	2047/48	\$6,163,312	3.0%	\$1,850,677	\$0	\$442,061	129,429.56	\$7,701,359

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CONTRIBUTION TABLE

	Year	A Reserve Fund Annual Contribution	% Percentage Increase Over the Previous Year	B Other Contribution (e.g. special assessment, loan, surplus)	A + B Total Contribution Each Year to Reserve Fund
1	2018/19	\$424,059	8.0%	\$150,000	\$574,059
2	2019/20	\$457,984	8.0%	\$100,000	\$557,984
3	2020/21	\$494,622	8.0%	\$0	\$494,622
4	2021/22	\$534,192	8.0%	\$0	\$534,192
5	2022/23	\$576,928	8.0%	\$0	\$576,928
6	2023/24	\$623,082	8.0%	\$0	\$623,082
7	2024/25	\$672,928	8.0%	\$0	\$672,928
8	2025/26	\$726,763	8.0%	\$0	\$726,763
9	2026/27	\$784,904	8.0%	\$0	\$784,904
10	2027/28	\$847,696	8.0%	\$0	\$847,696
11	2028/29	\$915,512	8.0%	\$0	\$915,512
12	2029/30	\$988,753	8.0%	\$0	\$988,753
13	2030/31	\$1,067,853	8.0%	\$0	\$1,067,853
14	2031/32	\$1,153,281	8.0%	\$0	\$1,153,281
15	2032/33	\$1,187,879	3.0%	\$0	\$1,187,879
16	2033/34	\$1,223,516	3.0%	\$0	\$1,223,516
17	2034/35	\$1,260,221	3.0%	\$0	\$1,260,221
18	2035/36	\$1,298,028	3.0%	\$0	\$1,298,028
19	2036/37	\$1,336,969	3.0%	\$0	\$1,336,969
20	2037/38	\$1,377,078	3.0%	\$0	\$1,377,078
21	2038/39	\$1,418,390	3.0%	\$0	\$1,418,390
22	2039/40	\$1,460,942	3.0%	\$0	\$1,460,942
23	2040/41	\$1,504,770	3.0%	\$0	\$1,504,770
24	2041/42	\$1,549,913	3.0%	\$0	\$1,549,913
25	2042/43	\$1,596,411	3.0%	\$0	\$1,596,411
26	2043/44	\$1,644,303	3.0%	\$0	\$1,644,303
27	2044/45	\$1,693,632	3.0%	\$0	\$1,693,632
28	2045/46	\$1,744,441	3.0%	\$0	\$1,744,441
29	2046/47	\$1,796,774	3.0%	\$0	\$1,796,774
30	2047/48	\$1,850,677	3.0%	\$0	\$1,850,677