

OTTAWA-CARLETON STANDARD
CONDOMINIUM CORPORATION # 769

March 11, 2021

10:00 a.m.

Minutes of Meeting (on Zoom)

PRESENT: André Vinette, President
 Rose-Marie Batley, Vice President and Secretary
 Scott McDermott, Treasurer
 Peter Mitchell, Director of Communications

ABSENT: Larry Boisvert, Director of Operations

OTHER: Kim Renwick (Property Manager, CMG)

In Attendance: 25 Owner Observers via Zoom

1. President André Vinette called the meeting of the Board of Directors to order at 10:02 a.m. with a quorum confirmed; four Board members, the Property Manager, and 25 Owner observers attended via Zoom. President Vinette welcomed the owners who signed into the Zoom meeting and explained there would be an open question period at the end of the agenda and each owner could ask one question without follow up. If time permitted, second questions from any owner could be asked. Kim asked owners to mute their microphones on Zoom during the meeting and unless they were asking a question in the question period as it causes feedback when many microphones are open, and discussion cannot be heard.
2. On a motion by Scott McDermott, seconded by Peter Mitchell, the Agenda was approved. **CARRIED**
3. On a motion by Peter Mitchell, seconded by Scott McDermott, the minutes of January 21, 2021 were approved. **CARRIED**
4. Decisions Taken Between Meetings: On a motion by André Vinette, seconded by Rose-Marie Batley, the following decisions taken between meetings were officially approved:
 - 4.1 Reopening of Amenities: The pool, library, gym, hobby room, and games room were opened and notices with most recent health and safety protocols were posted and sent to owners.
 - 4.2 A communiqué was sent to owners regarding the staff and performance incentives. More details on this topic appear later in these minutes.
 - 4.3 A notice regarding Special Assessment was sent to owners with a due date for deposit to be by March 1, 2021. **CARRIED**
5. Treasurer's Report:
 - 5.1 Scott McDermott summarized the financial position of the Corporation as at the end of February 2021 with three main updates:
 - 5.1.1 Financial Highlights to February 28, 2021: (YTD) **Total Revenue** is \$1.7K over budget, at \$288.3K, while YTD **Total Expense** is \$13.1K over budget, at \$304.0K, leaving a YTD **operating deficit** of \$15.6K versus a **budgeted deficit** of \$4.2K. Overall, we are currently

\$11.5K unfavourable to our budget. As of February 28, the major favourable contributors to the expense variances were Insurance (\$11.0K), Shared Facility Expenses (\$5.5K), Window Cleaning (\$2.5K) and Employee Wages (\$2.3K). Unfavourable variances arose from Utilities (\$8.5K), Fire Alarm/Hydrant Expenses (\$7.5K), Repairs and Maintenance (\$7.3K), Elevator expenses (\$5.4K), Security (\$3.8K), Fitness Equipment (\$2.2K), and Professional Expenses (\$1.1K).

These results are normal for early in the year and I am very comfortable with our current financial position. The primary driver of our current expense variance is our gas expense and is due to a budget issue. Our gas budget is currently divided into 12 equal months rather than being based on the seasonal nature of our actual gas usage. Work is underway with the CMG Accounting group to load a budget more reflective of when we actually incur gas costs. At February 28, 2021, our OCSCC 769 **Reserve Fund** stands at \$1.86M (\$1.6M being held in GICs). The **Shared Facilities Reserve Fund** is at \$162.6K with no expenditures incurred in 2021 so far.

5.1.2 2020 Year End Financials Audit: Work will begin in March for both the 769 and Shared Facility audits. A draft audit is expected in early May. Given this timeline, the Board would expect to hold the AGM in late June.

5.1.3 Operating Account Equity: Operating Account Equity: Our operating equity is lower than what we consider to be our normal level. There are reasons for this situation. In November 2019 when forecasting the 2019 year-end actuals to be used to create the 2020 Budget, the goal is to estimate the year-end position as close as possible. Typically, the estimate falls within \$10-\$20k of the actual year-end results. The forecast for the 2019 year-end was short by \$65k. This \$65K was not taken into account in our 2020 budget hence negatively impacted our Operating Account Equity. Sixty percent of this amount was attributable to unexpected expenses (a large sediment project that caused repair and maintenance expenses; purchase of components to repair the fire panel; significant elevator issues with cabs 1 and 2, primarily covered by the maintenance contract but parts were an additional charge; replacing the refractory panel; an accounting issue with canister purchases) all of which occurred within the 2 months between the forecast and the year end. The remaining 40% was primarily due to underestimates in the forecasts for hydro, gas, and security costs. Kim and Scott have worked with the CMG accounting department to improve the monthly accrual processes to improve the accuracy of our financial statements hence our forecasting capabilities. The Board is committed to working toward increasing the operating equity to its preferred level over time.

6. Director of Operations/Property Manager's Report

6.1 Action List:

Item 1136: Boiler Quotes – The Board has reviewed the Keller quote and recommendations. Larry, Steve, and Kim are meeting with a Keller engineer next week to determine answers to some outstanding questions. Once corrections to equipment specified in the report are made and confirmation of the payback period is determined, the Board will address purchasing new boilers. Replacement boiler charges would be to the Reserve Fund. The meeting with Keller staff is open to all Board members.

Item 1198: Shaw/Freedom Mobile Contract and Roof Request – The Board met with the consulting firm for FM and received some clarifications. However, there are outstanding questions, and responses have been requested but not yet received. Should the replacement antennae not be approved, the corporation would lose the revenue (~\$25,000) from FM. The

Board commits to fully researching all aspects of the project before making a decision. The Board has an opportunity to draft a tighter contract with FM should the project be approved, including installation of a smart meter to allow FM to manage their hydro account and improving language in the contract.

Item 1208: Flood Repairs – Two units have minor repairs to complete. One final unit remains outstanding. Kim has requested an interim payment to date from the Lar Mex insurance company. No response has been received as yet. It is important to close this file as the window for seeking restitution from other agents closes early December 2021. The corporation is only entitled to depreciated value, not full replacement value, which leaves additional costs for repairs to the standard unit definition the responsibility of the corporation. This is standard in insurance contracts unless otherwise specified, particularly with contractors. The Board will consult with legal counsel regarding any action that might be taken. Consideration will be given to requesting the difference in costs from Lar Mex, our OCSCC769 insurance, and Victaulic.

Item 1278: Reserve Fund Study – this study is due in 2021. The Board reviewed three quotes for a financial update without a site visit. On a motion by Rose-Marie Batley, seconded by Scott McDermott, the Board approved the Keller quote at \$4000 as they have a better understanding of the building having done the last RFS. The other two quotes were \$4100 and \$4650. **CARRIED** The Board agreed to consider using a different company for the next Comprehensive Reserve Fund Study.

Item 1282: Victaulic follow-up – the Board will consider any follow-up when all costs are tabulated. If necessary, a legal opinion will be obtained.

Item 1309: Staff Performance Reviews – these are close to completion. Performance Appraisals are done by the Property Manager as she is the staff supervisor. Draft reviews are shared with the Board. Any owner input received by the Property Manager throughout the year is considered when writing the appraisals.

Item 1325: Fire Deficiencies – The October Fire Alarm inspection by Siemens documented deficiencies requiring ~\$12,000 in charges. The Board requested additional details from Siemen prior to approval. The deficiencies are required; two additional quotes have been requested. Once received, the quotes will be distributed to the Board for consideration.

Item 1330: Water Alarm – Unrequested yet detailed information on a building water alarm was received. However, there was no costing for purchase or installation. More information is required. It is important to note that the alarm will not prevent floods but may allow for early detection and activation of water shut offs. Every unit has a battery-operated water alarm in the pump room and the batteries are checked each year by Steve.

Item 1263 – Polish Elevators: Kim has requested an updated quote to buff the damage to the stainless in the elevator cabs.

7. Shared Facility Report: There will be a meeting in April. There have been no significant expenses over the winter months.
8. Director of Communications Report:
 - 8.1 Library: The Library is open to residents. All persons entering the library, no matter the length of the stay, must register in the sign-in book placed there to enable accurate contact tracing if required.
 - 8.2 Social Committee: The Committee requested new members and welcome Sheila Levy to the committee. Several events have been planned throughout Covid to keep residents entertained and connecting. Future events (by Zoom) include a March 17th St-Patrick's Celebration, March 22nd Speaker's Corner with Sheila and Lawrence Levy, April 4th Bingo, April 5th Coffee Klatch,

April 26th Speaker's Corner with Grant Thompson. Thanks to Fred Stadler for setting the social events up on Zoom.

- 8.3 Newsletter: Peter is planning a newsletter after the April Board meeting. Please send items for inclusion in the newsletter.
- 8.4 Hall Artwork: There are 5 additional prints to replace. Two pieces will require frames and will cost \$450 each. Many compliments have been received on the replacements and we all thank Peter for taking on this project over many months.

9. New Business:

- 9.1 Pigeons: both RG1 and RG2 have pigeon problems. Steve checks the roof regularly for nests and there are none. Kim is in communication with a pest control company to determine what can be done if anything. This item will be added to the Action List.
- 9.2 Transparency: Minutes are available on the RG2 website. Owners are entitled to receive most corporate records held by the Board. There is a form on the CAO website to request a corporate record and if there is a cost to retrieving this information, the owner is advised prior to confirming the request and proceeding to obtain the information.
- 9.3 Draft AGM minutes were distributed to owners; these will be approved at the 2021 AGM.
- 9.4 Car Wash Bay: the car wash bay will be closed in order to replace the membrane to protect the floor beneath the membrane. This will require a closure of 6-8 days as there are several steps in the process and curing is required between some steps. Kim is getting a quote from Garrett Restoration.
- 9.5 Windows in the 02 Drop: The balcony glass and round room windows from the 18th floor down were splattered with dirty water over the weekend. This will be addressed during the spring cleaning at the end of April. Window washers do not clean during the winter months. Glazing on the balconies is an owner responsibility; however, Kim will determine if the 02-drop balcony glazing can be cleaned as this debris was an extraordinary event not caused by normal circumstances.

10. Date for Next Board Meeting: April 26, 2021 at 1:00 p.m. on Zoom

Adjournment: On a motion by Rose-Marie Batley the meeting was adjourned at 11:37 a.m.

Rose-Marie Batley, VP, Secretary

Topics Mentioned at Open Session are NOT Part of the Official Minutes (10:55 – 11:35)

During the state of emergency there will be no open meetings. The March 11 meeting was held on Zoom and 25 units were represented excluding the Board members and the Property Manager. The Property Manager hosted the Zoom meeting and managed the speakers during the question period.

A de Shulthess (1806): what caused the power failure on Tuesday morning? [We do not know but it was not only at 3580.]

J Stewart (1305): Does not feel she should have to request corporate records using a CAO form. Expressed concern about staff 'bonuses' and where these amounts would be found in the financial statements. [The Board does not give bonuses; they may, at their discretion, give allowances for performance recognition or incentives tied to expectations and their job descriptions. The total amount

distributed is included in the financial statements each month and in the year end audited statements. Personal contributions from owners to any staff are gifts, not performance recognition or incentives.]
M Jewett (1405): Concerned that the Board is working with Lar Mex's insurance company and believes we should go to the supplier and demand full replacement cost. [By law, Lar Mex insurance only pays depreciated value and the decision to go through their insurance company rests with Lar Mex. Legal advice is that the Board must work with their insurance company. Following the repairs to damage caused by the flooding, the Board will review all possible cost recovery options and any costs related to same wherein we might recoup additional funds.]

L Bowering (806): Would the Board pursue any opportunity to have Covid vaccines administered in the building if possible? [Kim contacted Riley Brockington ~1.5 months ago to request this service. He is trying to determine if this would be an option. The City has not designated this area as a high concern area.]

D Dawson (for the RG2 Social Committee): thanked Ray Bowering for returning the empty bottles for the committee. [And the Board heartily agrees!]

C Wolff (1407): Concerned about the delay to complete the renovations in units damaged by the flood. [Kim is aware there are still repairs to be completed in two units as well as one entire unit outstanding. The Covid lockdowns delayed much of the work as contractors could not come into the building. The custom baseboards and flooring were delayed in delivery also caused by the lockdowns. If owners are not satisfied with the work, they should email Kim for follow up.]

H Azam (1008): suggested using owner input to staff performance reviews. [The job description is on the RG2 website. Staff are assessed according to the job expectations and requirements. Any owner can provide input to the Property Manager throughout the year. This input is considered at review time and is acted on immediately on receipt where required. The staff are supervised by the Property Manager and she is responsible for the reviews. Draft appraisals are reviewed by Board members.]

J Stewart (1305): how many pictures were replaced and what was the total cost? [15 prints were replaced at a cost of \$100 each; two new prints are required along with frames at \$450 each.]

C Wolff (1407): why are we talking about timing on gas budget entries and why did we change it? [A change was made by the CMG Accounting group that divided our yearly gas budget into 12 equal months. Scott is working with CMG to input monthly gas budgets based on our actual seasonal rate of usage for 2021.]

C Wolff (1407): is 2021 not a year for a comprehensive reserve fund study? [Kim will confirm the dates.]

C Wolff (1407): what is the expected hydro fallout for the FM request to replace roof equipment? [The Board is requesting a smart meter installation on the roof solely measuring the FM equipment hydro usage and billing FM directly.]

K Stanley (502): the time has come for some major redecoration in the lobby areas and the window sheers should be cleaned or replaced. Minor touch-ups are no longer sufficient as the building is looking dated and worn. [The Reserve Fund indicates when we should do redecoration and the Board will consider this on receipt of the update.]