KELLER ENGINEERING

RESERVE FUND STUDY UPDATE WITHOUT SITE VISIT
RIVERSIDE GATE SHARED FACILITIES
OTTAWA, ONTARIO

File # 1210196
February 10, 2022

Ottawa / Kingston / Calgary
www.kellerengineering.com

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STUDY SUMMARY

Based on our review of the previous Reserve Fund Study with Site Visit produced by Keller Engineering and dated November 13, 2018, a fiscal analysis and best current estimate, it is recommended that annual reserve fund contributions of Ottawa-Carleton Standard Condominium Corporation No. 667 & 769 Shared Facilities be increased to **$64,715** in fiscal year **2022, $70,863** in fiscal year **2023, and $77,595** in fiscal year **2024**. Increases in the annual contributions in fiscal year **2025** and all years thereafter are budgeted at 2**.5% per year**, which is our assumed yearly construction cost increase. This funding plan, in our opinion, will provide adequate funds to carry out necessary repair work and will provide a surplus which will be required in later years to pay for major capital expenditures anticipated beyond the time period examined in this Reserve Fund Study.

The following revisions have been made to the Reserve Fund Study Update with Site Visit, based on information provided by the Board Directors:

- Asphalt roadway repairs are performed as required from the operating budget.
- The allowance for the wrought iron fence replacement has been increased above inflation.
- Caulking replacement has been rescheduled to fiscal year 2022.
- Replacement of the direct expansion air-conditioner unit has been rescheduled to fiscal year 2022.
- The Dectron circulator pump has been repaired using funds from the operating budget.

Future Work

The following items are not expected to require repair or replacement within the 30-year scope of this study; however, it is likely that work will be required in the future. Budgeting for these items will commence as they approach the 30-year scope of the Reserve Fund Study:

- Wrought Iron Fence Replacement
- Replacement of Site Services
- Replacement of the Masonry Veneer

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1.0 INTRODUCTION

1.1 Scope

The Board of Directors of Ottawa-Carleton Standard Condominium Corporation No. 667 and 769 (OCSCC 667 & 769) commissioned Keller Engineering to prepare the following Reserve Fund Study Update. The work included the review of the current Comprehensive Reserve Fund Study and make adjustments based on input from the Board of Directors and/or the Property Management on the work carried out and the performance of the common elements over the past few years.

In accordance with 'The Condominium Act, 1998', the purpose of this study is 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 repairs and replacement of the common elements and assets of the Corporation. The Reserve Fund Study contains findings about the current conditions of the common elements, and it tabulates major capital expenditure predictions over the next 30 years.

This Reserve Fund Study satisfies the requirements of a Reserve Fund Study Update without Site Visit as outlined in Part IV of the Ontario Regulation 48/01, s. 28.

1.2 Description of Property

Ottawa-Carleton Standard Condominium Corporation No. 667 & 769 share a common swimming pool building, tennis courts, an entrance gatehouse and all the surrounding landscaping elements including perimeter fencing, asphalt paving, sidewalks, a stone retaining wall, and the landscaped grounds. These shared facilities are 18 years old and are located at 3580 and 3590 Rivergate Way, in Ottawa, Ontario.

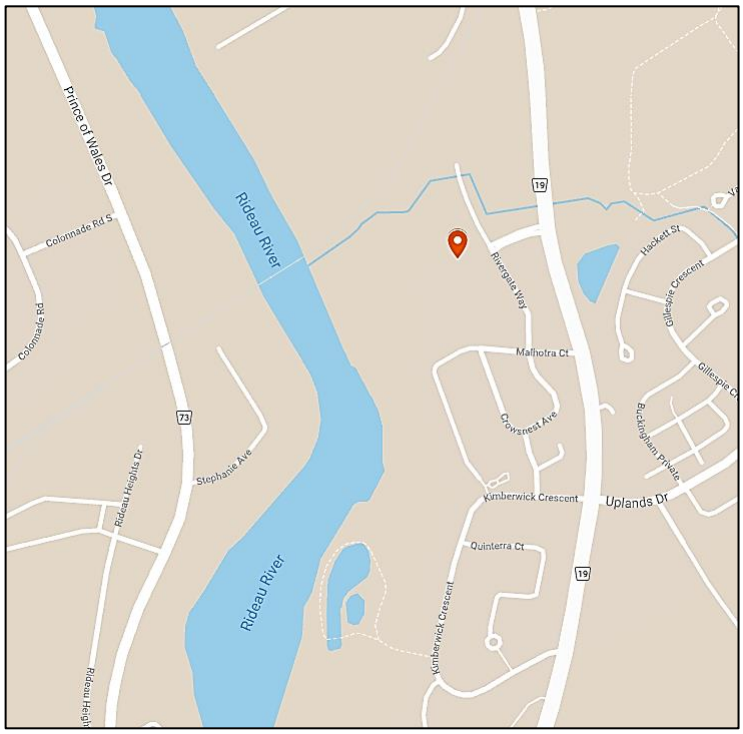

Figure 1: Location of OCSCC 667 & 769

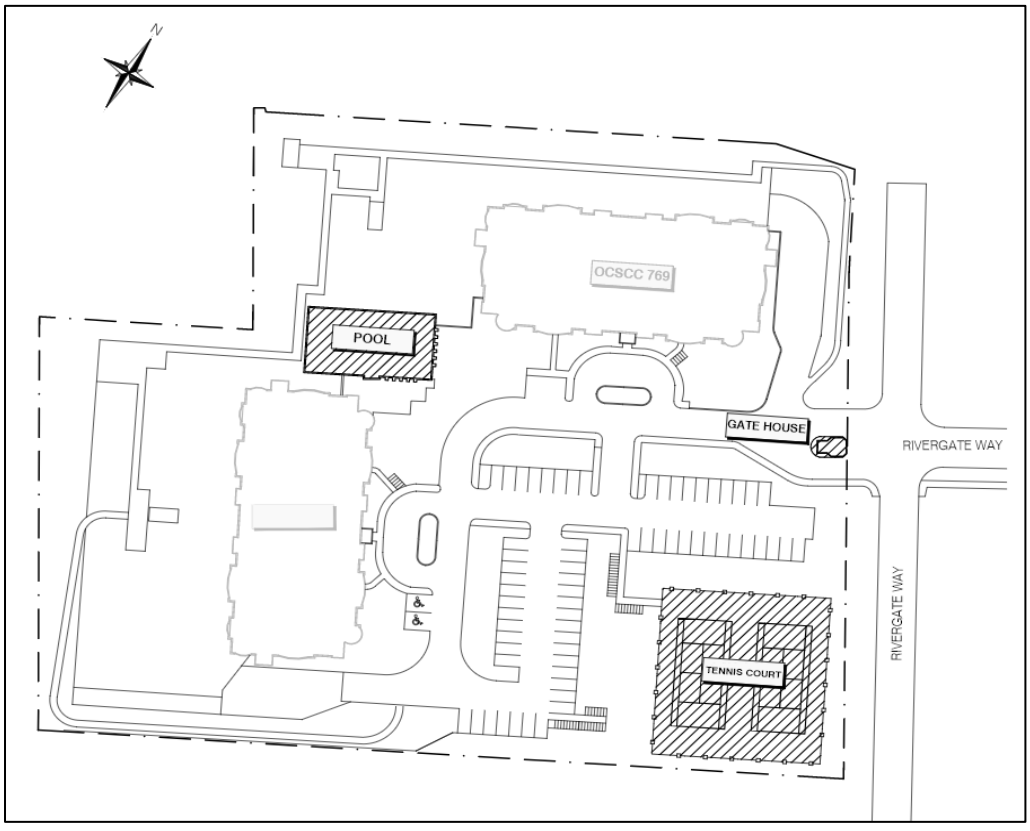

Figure 2: Key Plan

1.3 References

Reference Materials were provided by Ms. Kimberly Renwick, of Condominium Management Group, Property Manager for OCSCC 683.

The following documents were available for review for the purpose of completing this study:

- Previous Reserve Fund Studies
  - Reserve Fund Study Update with Site Visit; dated November 13, 2018; Keller Engineering
- Auditor's Statements
  - Fiscal Year 2021; dated June 1, 2021
- Drawings
  - Architectural; A1-A18; For Construction; dated August 8, 2003
  - Structural; S1-16; As-built; dated November 6, 2007
- OCSCC No. 769 Declaration; dated February 15, 2007
  - By-Law No.1; dated October 31, 2007
  - By-Law No.2; dated October 31, 2007
  - By-Law No.3; dated October 31, 2007
  - By-Law No.4; dated May 27, 2010
  - By-Law No.5; dated October 5, 2011
  - By-Law No.6; dated July 20, 2012
- OCSCC No. 667 Declaration; dated October 7, 2003
  - By-Law No.1; dated October 15, 2003
  - By-Law No.2; dated October 15, 2003
  - By-Law No.3; dated January 27, 2006
  - By-Law No.4; dated January 26, 2006
  - By-Law No.5; dated February 17, 2008
- Shared Services Agreement; dated October 15, 2003

2.0 GENERAL INFORMATION

2.1 Determination of Repair/Replacement Costs

The costs and scheduling for the major repair/replacement work involving the common elements to the Corporation have been taken directly from the Comprehensive Reserve Fund Study, unless revisions have been requested or are required as part of this update due to poor performance, increased cost, or unanticipated work.

COST INCREASES

Keller Engineering has reviewed each of the capital expenditures for the repair and replacement of the common building components, and have made adjustments in one of the following manners:

i) The capital expenditures have been increased by inflation to approximate the cost of the work in current dollars. The inflation rates for the past three years have been taken directly from the data posted by Statistics Canada for construction projects in the Ottawa-Gatineau area.

ii) The capital expenditures have been increased to reflect a market increase factor. Based on our experience over the past few years, the cost of some construction specialties has increased dramatically above the average inflation rate due to unique increases in the cost of materials and labour.

FORECASTING COSTS

Capital expenditures for repair and replacement of building components have been forecasted in current dollars and the most probable fiscal years when these expenditures will be required have been set out in this report. Adjustments for construction cost increases as well as earned interest are automatically made to the spreadsheet and, since the annual fees are to be revised in the current year, the recommended contributions are also determined in current dollars. Beyond the current year, it is the Board's responsibility to ensure that the reserve fund contributions are in line with those outlined in the spreadsheet.

When an expense will be incurred depends on a number of factors, such as:

i) The urgency of repair or replacement: Some building components, such as water supply, sanitary sewers or electricity distribution mains, must operate flawlessly at all times. Interruptions in their working condition cannot be tolerated and repair costs for these items cannot be deferred.

ii) The perceived importance of a repair or replacement: For example, caulking, paving or painting need not be addressed when the first blemishes appear. The Board of Directors has considerable freedom to delay or advance the time when funds will be spent on these non-essential types of repairs to suit the demand from owners and the financial constraints of the Corporation's budget.

In most cases, expenses for each common element have been budgeted for the specific fiscal year in which the repair or replacement will likely be required. If possible, repair or replacement of the common elements will usually be performed throughout the corporation during one year rather than spreading the repairs out over a few years as this is generally the most cost effective solution. For cases where repair or replacement of a building component is not required throughout the corporation at the same time, it may be more cost effective to phase the work over two or more years. Phasing the work may also be necessary due to a lack of reserve funds. A prudent manager would be expected to determine whether phasing the work is cost effective and have the work performed accordingly. Some of the expenses outlined in this Reserve Fund Study will occur early in the predicted time period, other expenses will be incurred later however the accumulated reserve fund should be sufficient to pay for all of these expenses as they come due.

It is within the Board's mandate to advance or defer non-essential repair contracts based on sound technical advice at the time of the scheduled repair.

ENGINEERING FEES

To ensure that major repair and replacement work at the condominium corporation is properly specified and performed, it is strongly recommended, that an experienced engineer be hired to provide professional assistance. Engaging the services of a professional engineer would ensure that the work is properly specified, tendered, and executed. Engineering fees related to the common element repairs will be paid out of the reserve fund. Accordingly, a suitable allowance for engineering fees has been included in the spreadsheet where it is likely that the Board will require professional assistance in implementing the work. Depending on the extent and complexity of the work, engineering fees can range between 5% and 15% of the value of the construction project.

2.2 Financial Plan

SPREADSHEET

The main purpose of the spreadsheet is to determine the annual reserve fund contributions required to ensure that there will be sufficient funds to pay for all foreseeable expenditures over the 30-year plan. To determine the total expenditures to be incurred in each fiscal year, the projected expenditures are entered into the spreadsheet, summed and adjusted for yearly construction cost increases.

INFLATION RATES

Over the past few years, the rate at which construction costs increase has varied significantly between -0.7% and 7.0%. An annual inflation rate of **2.5%** has been used in this report. This rate is based on annually published data by Statistics Canada relating to the construction price index for apartment buildings in the local region.

While the increase in construction costs will fluctuate from year to year, an annual rate of **2.5%** will likely provide a reasonable representation of how prices will increase over the next few years.

INTEREST RATES

For this Reserve Fund Study, a **2.5%** interest rate was assumed in calculating the annual contributions from interest earned on the reserve fund balance.

While actual inflation and interest rates may differ from those assumed for this report, the above rates, in combination, should be representative over the next few years.

DETERMINING CONTRIBUTION AMOUNTS

Trial values for the annual reserve fund contributions are entered into the spreadsheet and through an iterative process the most appropriate annual contributions are determined and used to establish the 30-year funding plan. The iterations account for annual expenditures, annual contributions from owners' monthly fees as well as contributions from investment interest earned on the unused balance of the reserve fund. As noted previously, these figures are adjusted to account for yearly construction cost increases prior to determining the recommended funding plan and the annual contributions are shown in the actual dollar values for each respective year.

The most appropriate contribution ensures that sufficient funds are accumulated in the reserve fund to cover all anticipated expenditures as they come due while leaving a surplus at the end of the study period. The size of the surplus depends greatly on the individual condominium and on the expenses that are to be incurred beyond the study period. Condominiums which are expected to incur large expenditures shortly beyond the study period should have a large surplus.

At the end of the spreadsheet, the remaining reserve fund is shown in current dollars to provide a better perspective of the fund balance at the end of the study period.

Reserve funds for condominiums must be adequately funded following each reserve fund study. The most accepted interpretation of adequate funding is that annual contributions remain constant and increasing only by inflation and that no special assessments are necessary.

As part of the changes to the Condominium Act, the Regulations of the Act are being revised. While the changes relating to reserve fund planning have yet to be implemented, we anticipate that the current recommendations will be implemented in the near future. The current recommendations include allowing condominiums to plan for an increase of the year-over-year total contributions above regular inflation for a period of 3 years upon completion of the reserve fund study.

Note, Keller Engineering projects expenses for a timeframe 10-years beyond 30-year plan. Financial plans will be presented that will meet the necessary funding requirements of both the 30-year plan and the period 10-years beyond. It is a common that a financial plan that only meets the 30-year period will not be sufficient to prevent a deficit occurring in the 10-years beyond the scope of the study. The Board of Directors may elect to proceed with a funding plan which exhibits a deficit beyond the 30-year plan with the knowledge that a significant increase to the contributions may be required upon time of the next Reserve Fund Study.

In accordance with the Condominium Act and the associated Regulations, Reserve Fund Study Updates must be conducted every 3 years. These updates will allow for adjustments to interest rates, construction cost increases, and/or the funding plan, due to any unforeseen costs incurred over the 3-year period. Prices for future reserve fund studies are for budgeting purposes only and do not constitute a fee proposal for future services.

3.0 ASSUMPTION AND LIMITATIONS

The accuracy of the discussions, conclusions and cost information contained in this study is limited to the extent of information available at this time. No on-site or visual assessment of the condition or technical audit of the common elements of the Corporation was carried out as part of this Reserve Fund Study, unless otherwise specified. Meetings by Keller Engineering with the Board of Directors held on site at the Corporation building(s) do not constitute a site or visual inspection of the common elements.

Life expectancy projections for the common elements assume that the corporation will provide satisfactory and timely periodic maintenance. The study does not make allowances for the effects of rare events such as flood, fire, lightning, explosions, earthquakes etc.

Future cost projections for the repair or replacement of common element items is based on a set inflation rate taken as an average of past years' construction price index, which is provided by Statistics Canada. As market value increases may vary annually, it is difficult to determine the percentage increase on an item by item basis. Therefore, the most accurate projection is provided by reviewing the previous year's average of the entire construction industry and extrapolated over the life span of the study.

It is assumed that the expected performance standards and appearance correspond to the current norm. Furthermore, housing industry averages and manufacturers' published data on component life expectancy apply to this condominium corporation.

4.0 APPENDICES

4.1 Spreadsheet for Major Repair and Replacement

As described in Section 2: General Information, the purpose of the spreadsheet is to determine the annual reserve fund contributions required to ensure that there will be sufficient funds to pay for all foreseeable expenditures over the next thirty years.

4.2 Notice of Future Funding (Formerly Form 15)

The Notice of Future Funding of the Reserve Fund is included in Appendix B. This notice contains a summary of the Reserve Fund Study as well as the proposed plan for future funding. Copies of this notice are to be sent to each of the unit owners to give notice and make them aware of the proposed plan.

Within 120 days of receiving the study, it is the responsibility of the Board of Directors in consort with the Corporation's property management and financial advisors, to review the Reserve Fund Study and propose a plan for future funding of the reserve fund which the Board determines will ensure that the fund will be adequate for the purpose for which it was established.

5.0 TECHNICAL AUDIT AND COSTING

The following sections include a brief technical discussion of the major building components common to the condominium corporation, approximate quantities involved, life expectancy, repair and replacement costs as well as the fiscal years in which work is anticipated.

All items have been ranked on a scale from poor to satisfactory. The rankings are as follows:

- Satisfactory – The condominium complex component exhibits little to no deterioration and is expected to last or exceed its estimated full life cycle assuming regular maintenance and no change to its general environment.
- Fair – The condominium complex component is serviceable although there is evidence of collective degradation or deficient operation. Repairs may be required within the next 5 years.
- Poor – The condominium complex component is either at the end of its life cycle or there is the potential for immanent failure. In the circumstance, the condominium complex component may be inoperative or exhibit total failure and immediate repairs or replacement may be required.

5.1 Architectural/Structural/Civil

5.1.1 Site Services

UNDERGROUND SERVICES

The underground services which include sanitary and storm water piping systems, irrigation controls, water supply lines and electrical services are situated beneath the condominium complex. These systems will typically last the life of condominium complex without requiring replacement; however, generally major repairs will be required after 40 to 50 years of service.

Underground Services Repair Allowance	
Quantity	Allowance
Cost	$121,700
Year	Beyond 2050

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.A In order to ensure funds are available to perform major repairs when required, an allowance of **$121,700** has been made **beyond the 30-year planning period of this study**

.B Although costs are not included in this study, as they do not constitute a major repair or replacement, we recommend that camera inspections and sewer cleaning be performed ever 5 and 10 years respectably, using funds from the operating budget

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5.1.2 Asphalt Pavement

ASPHALT ROADWAYS AND PARKING AREAS

Asphalt pavement roadways and parking areas are located throughout the condominium complex. Asphalt pavement has a typical service life of 15-20 years.

As per the information provided, repairs to the asphalt are performed as required using funds from the operating budget.

Asphalt Roadway & Parking Areas Replacement	
Quantity	4,400 m^2
Cost (Resurface)	$267,700
Year(s)	2028
Cost (Recon.)	$346,800
Year(s)	2050

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.A A resurfacing of the asphalt pavement is estimated to cost **$267,700** and this work has been budgeted in **2028** in conjunction with the concrete curb repairs
.B A full reconstruction of the asphalt pavement is estimated to cost **$364,800** and this work has been budgeted in **2050,** when the subsequent renewal is required and, in conjunction with the concrete curb replacement
.C Minor patch repairs will be necessary to the asphalt pavement in the parking areas in the next 1-3 years.
.D To maintain the condition of the asphalt pavement between resurfacing cycles, crack and rut repairs and asphalt patching should be performed on a regular basis using funds from the operating budget

ASPHALT WALKWAYS

Asphalt walkways are located throughout the complex. Asphalt pavement has a typical service life of 15-20 years.

Walkways Replacement	
Quantity	205 m
Cost	$13,400
Year(s)	2028, 2050

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.E Replacement of the asphalt walkways is estimated to cost **$13,400** and this work has been budgeted in **2028 and 2050**
.F To maintain the condition of the asphalt walkways between resurfacing cycles, crack and rut repairs and asphalt patching should be performed on a regular basis using funds from the operating budget

5.1.3 Pavers

PRECAST PAVER DRIVEWAYS

The interlocking paver driveways are located at the condominium complex entrance and exit by the gatehouse. Pavers have a typical service life of 25-30 years.

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.A Minor resetting of the pavers should be performed as required using funds from the operating budget.

TERRACE PAVERS

The interlocking pavers are located on the terraces on the landscaped podiums of both parking garages. Terrace pavers have a typical service life of 30-40 years.

Terrace Pavers	
Quantity	430 m^2
Cost	$12,200
Year(s)	2025, 2035, 2045

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.B In order to ensure funds are available for isolated paver resetting and replacement when required, an allowance of **$12,200** has been budgeted in **2025 and every 10 years** thereafter

.C Minor resetting and replacement of the pavers should be performed as required using funds from the operating budget

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5.1.4 Exterior Concrete

CONCRETE CURBS

Cast-in-place concrete curbs surround the asphalt roadways and parking areas throughout the condominium complex. Concrete curbs have a typical service life 30-40 years.

Concrete Curbs	
Quantity	815 m^2
Cost (Repair)	$25,300
Year(s)	2028
Cost (Replace)	$109,500
Year(s)	2050

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.A In order to ensure funds are available to perform repairs to the concrete curbs, an allowance of **$25,300** has been provided in fiscal year **2028**

.B Replacement of the concrete curbs is estimated to cost **$109,500** and this work has been budgeted in **2050**, in conjunction with the asphalt reconstruction.

.C Minor repairs of the concrete curbs should be performed as required using funds from the operating budget.

CONCRETE WALKWAYS

The cast-in-place concrete walkways are located adjacent to the asphalt roadways and parking areas throughout the complex. Concrete walkways have a typical service life of 30-40 years.

Concrete Walkways Repair Allowance	
Quantity	300 m^2
Cost	$12,200
Year(s)	2028, 2038, 2048

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.D In order to ensure funds are available to perform repairs to the concrete walkways when required, an allowance of **$12,200** has been budgeted in **2028 and every 10 years** thereafter

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5.1.5 Landscaping

LANDSCAPING
No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.A At the request of the Board, funds needed to complete regular maintenance of the landscaped grounds should be taken from the operating budget as required

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5.1.6 Tennis Courts

TENNIS COURTS
The tennis court coating and netting are located in the east corner of the property. The tennis coating and netting have a typical service life of 10-20 years depending on usage.

Tennis Court Refinishing	
Quantity	1,260 m^2
Cost	$18,300
Year(s)	2032, 2047

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.A Refinishing of the tennis court asphalt, coating and netting is estimated to cost **$18,300** and this work has been budgeted in **2032 and every 15 years** thereafter
.B To maintain the condition of the tennis courts isolated repair work should be performed as required using funds from the operating budget

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5.1.7 Retaining Walls

STONE RETAINING WALLS
The stone retaining wall is located in the south corner of the property. The wall system will typically last the life of the complex.

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.A Minor resetting of sections of the retaining wall should be performed, as required, using funds from the operating budget

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5.1.8 Fencing

CHAIN-LINK FENCING
The chain-link fencing surrounds the property and the tennis courts. Chain-link fencing has a typical service life of 30-40 years.

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.A Replacement of the chain-link property fencing is estimated to cost **$48,700** and this work has been budgeted in **2038**

.B Replacement of the chain-link tennis court fencing is estimated to cost **$30,400** and this work has been budgeted in fiscal year **2038**, in conjunction with the perimeter fencing replacement.

Chain-Link Property Fencing Replacement	
Quantity	475 m
Cost	$48,700
Year(s)	2038

Chain-Link Tennis Court Fencing Replacement	
Quantity	145 m
Cost	$30,400
Year(s)	2038

WROUGHT IRON FENCING

The wrought iron fencing is located along the east property line between the masonry columns. Wrought iron fencing has a typical service life of 40-50 years with proper maintenance.

The allowance for the wrought iron fencing replacement has been increased above inflation to reflect current market values.

No other changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.C Replacement of the wrought iron fencing is estimated to cost **$30,100** and this work has been budgeted **beyond the 30-year planning period** of this study.

.D Costs for the repainting of the wrought iron fencing have been included in Section 5.1.10.

.E Minor repairs to the wrought iron fence should be performed, as required, using funds from the operating budget.

Wrought Iron Fencing Replacement	
Quantity	50 m
Cost	$30,100
Year(s)	Beyond 2050

5.1.9 Masonry

MASONRY VENEER

A masonry brick veneer is installed on the pool structure. The masonry veneer will typically last the life of the complex; however, significant repairs usually required after 30 years of service.

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.A In order to ensure funds are available to perform isolated repairs when required, an allowance of **$12,200** has been made in **2031 and every 12 years** thereafter

.B Minor repairs of the masonry should be performed, as required, using funds from the operating budget

Masonry Veneer Repair Allowance	
Quantity	Allowance
Cost	$12,200
Year(s)	2031, 2043

MASONRY WALL & COLUMNS

A masonry brick wall is installed along the east property line. The masonry wall will typically last the life of the complex; however, significant repairs usually required after 30 years of service.

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.C In order to ensure funds are available to perform isolated repairs when required, an allowance of **$6,100** has been made in **2031 and every 12 years** thereafter

.D Minor repairs of the masonry should be performed, as required, using funds from the operating budget

Masonry Veneer Repair Allowance	
Quantity	Allowance
Cost	$6,100
Year(s)	2031, 2043

5.1.10 Exterior Coating

EXTERIOR PAINTING

Exterior painting has been performed on the wrought iron fencing, window frames and door frames. Exterior painting has a typical service life of 5-6 years.

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.A Exterior painting and staining is estimated to cost **$7,300** and this work has been budgeted in **2021** and **every 6 years** thereafter

.B Minor repainting and staining should be performed, as required, using funds from the operating budget

Exterior Painting	
Quantity	Allowance
Cost	$7,300
Year(s)	2021, 2027, 2033 2039, 2045

5.1.11 Caulking

The caulking is located at the window and door openings, the masonry control joints and roof and wall flashings on the pool building. The caulking has a typical service life of 10-12 years.

According to the information provided, the caulking was not replaced in 2019 and as such has been rescheduled to fiscal year 2022 and every 12 years thereafter.

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.A Replacement of the caulking is estimated to cost **$12,200** and this work has been budgeted in **2022** and **every 12 years** thereafter

.B Minor repairs of the caulking should be performed, as required, using funds from the operating budget

Caulking	
Quantity	Allowance
Cost	$12,200
Year(s)	2022, 2034, 2046

5.1.12 Windows & Balcony Doors

WINDOWS

The aluminium framed windows provide the primary fenestration for the pool building. The windows have a typical service life of 30-40 years

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.A Replacement of the windows is estimated to cost **$42,600** and this work has been budgeted in **2046**

.B Minor repairs including replacement of hardware, screens, weatherstripping and isolated thermopanes should be performed, as required, using funds from the operating budget

Window Replacement	
Quantity	32 m^2
Cost	$42,600
Year(s)	2046

5.1.13 Doors

COMMON AREA DOORS

The common area doors are located at the entrances of the pool change rooms, steam rooms, mechanical rooms, pool area and the pool area patio. The common area man doors have a varying service life depending on usage and exposure.

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.A In order to ensure funds are available to perform isolated repairs and replacements when required, an allowance of **$12,200** has been made in **2028** and **every 10 years** thereafter

.B Minor repairs of the unit suite doors should be performed, as required, using funds from the operating budget

Common Area Door Replacement	
Quantity	Allowance
Cost	$12,200
Year(s)	2028, 2038, 2048

5.1.14 Roofing Systems

INVERTED ROOFING SYSTEM

An inverted roofing membrane system protects the pool building roof and typically consists of a hot-applied rubberized asphalt membrane covered by rigid insulation, filter fabric and gravel ballast. An inverted roofing system has a typical service life of 20-25 years.

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.A Replacement of the inverted roofing membrane system is estimated to cost **$121,700** and this work has been budgeted in **2031 and every 20 years thereafter**

Inverted Roofing System Replacement	
Quantity	440 m^2
Cost	$121,700
Year(s)	2031

.B Minor repairs of the inverted roofing membrane system should be performed, as required, using funds from the operating budget

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5.1.15 Gate House

GATE HOUSE BUILDING

The exterior of the gate house is clad with an Exterior Insulation & Finishing System (EIFS) and stone masonry. The flat roof is protected by an inverted roofing system. Punched aluminum frame windows and steel doors face the adjacent roadways. The interior consists of ceramic tile flooring, painted walls and a painted ceiling. Furnishings include a desk, chairs, storage furniture, computer equipment and a washroom. Generally major renovations of the gate house occur after 30-40 years of service as the original finishes appear dated. Typically, the furniture requires replacement every 10-15 years.

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.A In order to ensure funds are available to refinish the gate house when required, an allowance of **$24,300** has been made in **2029 and every 10 years** thereafter
.B Minor repairs to the furniture or finishes should be performed, as required, using funds from the operating budget

■

Gate House Refinishing Allowance	
Quantity	Allowance
Cost	$24,300
Year(s)	2029, 2039, 2049

5.1.16 Swimming Pool

SWIMMING POOL

The swimming pool is located between OCSCC 667 and OCSCC 769 and is a shared facility.

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.A In order to ensure funds are available to refinishing of the areas of the pool area, **$6,100** has been budgeted in **2023 and every 10 years** thereafter
.B According to the information provided, the replacement of the pool liner is estimated to cost **$85,200** and this work has been budgeted in **2032 and every 15 years** thereafter
.C Replacement of the swimming pool area furniture should be performed, as required, using funds from the operating budget
.D Minor repairs to the furniture or finishes should be performed, as required, using funds from the operating budget

■

Pool Area Refinishing Allowance	
Quantity	Allowance
Cost	$6,100
Year(s)	2023, 2033, 2043

■

Swimming Pool Liner	
Quantity	1
Cost	$85,200
Year(s)	2032, 2047

5.2 Electrical

5.2.1 Electrical Distribution

DISTRIBUTION BREAKER PANELS

The 120/240V and 600V distribution breaker panels installed in electrical rooms, mechanical rooms, and gate house divide electrical power feed into subsidiary circuits. Moulded case circuit breakers contained within provide circuit overload protection. Breaker panels have a typical service life of 40-45 years.

Distribution Breaker Panels	
Quantity	4
Cost	$42,600
Year(s)	2043

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.A Replacement of the breaker panels and moulded case breakers is estimated to cost **$42,600** and this work has been budgeted in **2043**

FUSED DISCONNECT SWITCHES

The 600V fused disconnect switches of amperages ranging from 30A to 200A installed in electrical rooms and mechanical rooms provide electrical power feed and overload protection to individual pieces of equipment. Fused disconnect switches have a typical service life of 40-45 years.

Fused Disconnect Switches	
Quantity	7
Cost	$14,600
Year(s)	2043

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.B Replacement of the fused disconnect switches is estimated to cost **$14,600** and this work has been budgeted in **2043**

DRY CORE TRANSFORMERS

The 30kVA dry core transformer located in the pool mechanical room reduces the voltage of the electrical feed. Dry core transformers have a typical service life of 35-40 years.

Dry Core Transformers	
Quantity	1
Cost	$14,600
Year(s)	2038

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.C Replacement or overhaul of the dry core transformer is estimated to cost **$14,600** and this work has been budgeted in **2038**

MECHANICAL LOAD STARTERS

The 600V motor starters ranging provide a safe method for starting an electric motor with a large load, under-voltage and overload protection, and an automatic cut-off in the event of a power failure. Motor starters have a typical service life of 20-25 years which can vary depending on usage.

Motor Starters	
Quantity	Allowance (3)
Cost	$6,100
Year(s)	2023, 2033, 2043

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.D Due to the varying service life of the motor starters, replacement need only be completed as required. For budgeting purposes, an allowance of **$6,100** has been made in **2023 and every 10 years thereafter** to ensure funds are available when the work is required

---

5.2.2 Lighting

EXTERIOR LIGHT FIXTURES

The exterior light fixtures are located throughout the condominium complex and consist of light poles with HID light fixtures. Exterior light fixtures have a varying service life depending on usage and environmental conditions.

Exterior Light Fixtures	
Quantity	Allowance
Cost	$6,100
Year(s)	2028, 2038, 2048

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.A Due to the varying service life of the exterior light fixtures, isolated replacements need only be completed as required. An allowance of **$6,100** has been made in **2028 and every 10 years thereafter** to ensure funds are available when the work is required

.B Minor repairs of the exterior light fixtures should be performed, as required, using funds from the operating budget

---

5.2.3 Electrical Heating Systems

BASEBOARD ELECTRIC HEATERS

The baseboard electric heaters located in the gate house provide primary heating to this area. Baseboard electric heaters have a typical service life of 40-45 years.

Baseboard Electric Heaters	
Quantity	Allowance
Cost	$2,400
Year(s)	2043

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.A Replacement of the baseboard electric heaters is estimated to cost **$2,400** and this work has been budgeted in **2043**

FORCED FLOW ELECTRIC HEATERS

The forced flow electric heaters located in gate house provide supplemental heating to this area. Forced flow electric heaters have a typical service life of 25-30 years.

Forced Flow Electric Heaters	
Quantity	2
Cost	$1,200
Year(s)	2028

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.B Replacement of the forced flow electric heaters is estimated to cost **$1,200** and this work has been budgeted in **2028**

5.2.4 Security Systems

BARRIER GATE ARM OPERATOR

The LiftMaster barrier gate arm operators in the main entrance provide limited access to the condominium complex. Barrier gate arm operators have a typical service life of 20-25 years, which can vary greatly depending on use and environmental conditions.

Barrier Gate Arm Operator	
Quantity	3
Cost	$12,200
Year(s)	2033

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.A Replacement of the barrier gate arm operators is estimated to cost **$12,200** and this work has been budgeted in **2033**

.B Replacement of the barrier gate boom should be performed, as required, using funds from the operating budget

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5.3 Mechanical

5.3.1 Heating & A/C Systems

DIRECT EXPANSION AIR-CONDITIONER UNITS

The Sanyo 1.4-Ton direct expansion ductless split air conditioner unit charged with R-22A refrigerant provides cooling for the gate house. The unit condenser is located on the back wall. Dx. air conditioner units have a typical service life of 15-20 years.

Direct Expansion Air-conditioner Units	
Quantity	1
Cost	$6,100
Year(s)	2022, 2037

According to the information provided, the replacement of the direct expansion air-conditioner units was not completed in fiscal year 2019 as such it has been rescheduled to fiscal year 2022 and every 15 years thereafter

No other changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.A Replacement of the air conditioner unit is estimated to cost **$6,100** and this work has been budgeted in **2022 and every 15 years thereafter**

5.3.2 Plumbing Systems

DOMESTIC HOT WATER TANK HEATERS

The Rheem 270 litres 4500kW electric glass lined hot water tank heater located in the pool mechanical room provides domestic hot water to the pool room showers. Glass lined domestic hot water tank heaters have a typical service life of 10-15 years.

Domestic Hot Water Tank Heaters	
Quantity	1
Cost	$1,200
Year(s)	2029, 2039, 2049

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.A Replacement of the domestic hot water tank heaters is estimated to cost **$1,200** and this work has been budgeted in **2029 and every 10 years thereafter**

5.3.3 Pool Mechanical Systems

POOL MECHANICAL SYSTEMS

The pool mechanical systems consisting of salt water chlorination system, a pump, sand filter, and strainer are installed in the pool mechanical room and serve the shared pool in the ground floor. Pool mechanical systems have a typical service life of 10-15 years.

Pool Mechanical Systems	
Quantity	Allowance
Cost	$12,200
Year(s)	2024, 2029, 2034 2039, 2044, 2049

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.A Due to the varying service life of the pool mechanical systems, isolated replacement need only be completed as required. For budgeting purposes, an allowance of **$12,200** has been made in **2024 and every 5 years thereafter** to ensure funds are available when the work is required

NATATORIUM DEHUMIDIFICATION UNIT

The Dectron natatorium dehumidification unit located in the pool mechanical room provides humidity and temperature control to the pool area. Natatorium dehumidification units have a typical service life of 20-25 years.

Natatorium Dehumidification Unit	
Quantity	1
Cost	$73,000
Year(s)	2023, 2043

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.B Replacement of the natatorium dehumidification unit is estimated to cost **$73,000** and this work has been budgeted in **2023 and every 20 years thereafter**

POOL HEATING LOOP PUMP

The Armstrong 43USGPM, 2HP pool heating loop pump, located in the penthouse mechanical room of OCSCC 667 distributes the water to the pool heating loop. Pool heating loop pumps have a typical service life of 25-30 years.

Pool Heating Loop Pumps	
Quantity	1
Cost	$7,300
Year(s)	2031

No other changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.C Replacement of the garage and pool heating loop pump is estimated to cost **$7,300** and this work has been budgeted in **2031**

POOL LOOP PUMPS

The Armstrong 210USGPM, 7.5HP pool loop pump, located in the pool mechanical room circulates the pool water through the filters. Pool loop pumps have a typical service life of 20-25 years.

Pool Loop Pumps	
Quantity	1
Cost	$25,600
Year(s)	2023, 2043

No other changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.D Replacement of the pool loop pump is estimated to cost **$25,600** and this work has been budgeted in **2023 and every 20 years thereafter**

DECTRON CIRCULATOR PUMP

The Armstrong 1/4HP Dectron circulator pump in the pool mechanical room provides pool water circulation between the Dectron and the main pool water loop. Dectron circulator pumps have a typical service life of 10-15 years.

Dectron Circulator Pump	
Quantity	1
Cost	$3,000
Year(s)	2029, 2039, 2049

As per the information provided, the Dectron circulator pump was repaired using funds form the operating budget in the current fiscal year.

No other changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.E Replacement of the Dectron circulator pumps is estimated to cost **$3,000** and this work has been budgeted in **2029 and every 10 years thereafter**

HEAT EXCHANGER

The Armstrong plate and frame heat exchanger for the pool heating is located in the pool mechanical room and provides heat transfer between the Dectron loop and pool water loop. Plate and frame heat exchangers have a typical service life of 20-25 years, this can vary greatly depending on the water condition.

Heat Exchanger	
Quantity	1
Cost	$24,300
Year(s)	2023, 2043

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.F Replacement of the heat exchanger is estimated to cost **$24,300** and this work has been budgeted in **2023 and every 20 years thereafter**

.G Although costs are not included in this study, as they do not constitute a major repair or replacement, we recommend that flushing and cleaning of the heat exchangers be performed ever 5 years, using funds from the operating budget

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5.3.4 Sump Pumps

SUMP PUMPS

The sanitary sump pump for the gate house located inside the sanitary tank in pump room of OCSCC 769 pumps waste to the city sewer. Sump pumps have a typical service life of 10-15 years which can vary greatly depending on usage.

Sanitary Sump Pumps	
Quantity	1
Cost	$1,800
Year(s)	2022, 2032, 2042

No changes have been made to the allowances (except for an inflationary increase) or to the scheduling for the work in this section from the most recent Study.

We recommend the following work be anticipated and funded:

.A Replacement of the sanitary sump pump is estimated to cost **$1,800** and this work has been budgeted in **2022 and every 10 years thereafter**

APPENDIX A: SPREADSHEET FOR MAJOR REPAIR AND REPLACEMENT COSTS

Riverside Gate Shared Facilities: Spreadsheet For Major Repair & Replacement Costs, Fiscal Years 2021 to 2050

AGE OF COMPLEX		18 Years	19 Years	20 Years	21 Years	22 Years	23 Years	24 Years	25 Years	26 Years	27 Years	28 Years	29 Years	30 Years	31 Years	32 Years
REPAIR/REPLACEMENT ITEMS [2]		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
5.1	**CIVIL, ARCHITECTURAL**															
5.1.1	**Site Services**															
5.1.2	**Asphalt Pavement**								$281,100							
5.1.3	**Pavers**					$12,200										$12,200
5.1.4	**Exterior Concrete**								$37,500							
5.1.5	**Lanscaping**															
5.1.6	**Tennis Courts**												$18,300			
5.1.7	**Retaining Walls**															
5.1.8	**Fencing**															
5.1.9	**Masonry**											$18,300				
5.1.10	**Exterior Coatings**	$7,300						$7,300						$7,300		
5.1.11	**Caulking**		$12,200												$12,200	
5.1.12	**Windows & Balcony Doors**															
5.1.13	**Doors**								$12,200							
5.1.14	**Roofing Systems**											$121,700				
5.1.15	**Gate House**									$24,300						
5.1.16	**Swimming Pool**			$6,100									$85,200	$6,100		
5.2	**ELECTRICAL SYSTEMS**															
5.2.1	**Electrical Distribution**			$6,100										$6,100		
5.2.2	**Lighting**								$6,100							
5.2.3	**Electrical Heating System**								$1,200							
5.2.4	**Security System**													$12,200		
5.3	**MECHANICAL SYSTEMS**															
5.3.1	**Heating & A/C System**		$6,100													
5.3.2	**Plumbing System**									$1,200						
5.3.3	**Pool Mechanical Systems**			$122,900	$12,200					$15,200		$7,300			$12,200	
5.3.4	**Sump Pumps**		$1,800										$1,800			
	GENERAL															
	Reserve Fund Study Update	$2,600			$3,600			$2,600			$3,600			$2,600		
YEARLY EXPENDITURE TOTALS		$9,900	$20,100	$135,100	$15,800	$12,200	$0	$9,900	$338,100	$40,700	$3,600	$147,300	$105,300	$34,300	$24,400	$12,200
EXPENDITURES INCL. INFLATION [3]		$9,900	$20,603	$141,939	$17,015	$13,467	$0	$11,481	$401,895	$49,589	$4,496	$188,556	$138,163	$46,130	$33,636	$17,238
CONTRIBUTIONS FROM FEES		$59,100	$64,715	$70,863	$77,595	$79,535	$81,523	$83,561	$85,650	$87,792	$89,986	$92,236	$94,542	$96,905	$99,328	$101,811
ADDITIONAL CONTRIBUTIONS																
INTEREST CONTRIBUTIONS [1]		$4,297	$5,437	$3,720	$5,243	$7,001	$9,190	$11,196	$3,544	$4,561	$6,784	$4,518	$3,511	$4,839	$6,572	$8,820
REMAINING RESERVE FUND		$205,740	$255,290	$187,933	$253,756	$326,826	$417,539	$500,815	$188,114	$230,877	$323,152	$231,349	$191,240	$246,855	$319,119	$412,512

ESTIMATED RESERVE FUND = $152,243 December 31, 2020

CURRENT ANNUAL CONTRIBUTIONS = $59,100 January 1, 2021

FUTURE ANNUAL CONTRIBUTIONS = $64,715 January 1, 2022

ANN. INCREASE IN CONTRIBUTIONS = 7.0 % ABOVE INFLATION PER YEAR FOR 3 YEARS, STARTING IN THE FISCAL YEAR 2022

NOTES:

1) Interest contributions for each year are calculated at the midpoint of the fiscal year and assume that all expenditures have occurred and 50% of contributions have been collected. A fixed interest rate of 2.5% is used in the calculation

2) Estimates for expenditures include HST and, where appropriate, engineering fees.

33 Years	34 Years	35 Years	36 Years	37 Years	38 Years	39 Years	40 Years	41 Years	42 Years	43 Years	44 Years	45 Years	46 Years	47 Years		AGE OF COMPLEX	
2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	TOTALS	REPAIR/REPLACEMENT ITEMS	
																5.1	CIVIL, ARCHITECTURAL
															$0	5.1.1	Site Services
														$360,200	$641,300	5.1.2	Asphalt Pavement
									$12,200						$36,600	5.1.3	Pavers
		$12,200										$12,200		$109,500	$171,400	5.1.4	Exterior Concrete
															$0	5.1.5	Lanscaping
											$18,300				$36,600	5.1.6	Tennis Courts
												$30,400			$30,400	5.1.7	Retaining Walls
		$79,100													$79,100	5.1.8	Fencing
							$18,300								$36,600	5.1.9	Masonry
			$7,300						$7,300						$36,500	5.1.10	Exterior Coatings
										$12,200					$36,600	5.1.11	Caulking
										$42,600					$42,600	5.1.12	Windows & Balcony Doors
		$12,200										$12,200			$36,600	5.1.13	Doors
															$121,700	5.1.14	Roofing Systems
			$24,300										$24,300		$72,900	5.1.15	Gate House
							$6,100				$85,200				$188,700	5.1.16	Swimming Pool
																5.2	ELECTRICAL SYSTEMS
		$14,600					$63,300								$90,100	5.2.1	Electrical Distribution
		$6,100										$6,100			$18,300	5.2.2	Lighting
							$2,400								$3,600	5.2.3	Electrical Heating System
															$12,200	5.2.4	Security System
																5.3	MECHANICAL SYSTEMS
	$6,100														$12,200	5.3.1	Heating & A/C System
			$1,200										$1,200		$3,600	5.3.2	Plumbing System
			$15,200				$122,900	$12,200					$15,200		$335,300	5.3.3	Pool Mechanical Systems
						$1,800									$5,400	5.3.4	Sump Pumps
																	GENERAL
$3,600			$2,600			$3,600			$2,600			$3,600			$31,000		Reserve Fund Study Update
$3,600	$6,100	$124,200	$50,600	$0	$0	$5,400	$213,000	$12,200	$22,100	$54,800	$103,500	$64,500	$40,700	$469,700	$2,079,300	YEARLY EXPENDITURE TOTALS	
$5,214	$9,055	$188,985	$78,919	$0	$0	$9,070	$366,695	$21,528	$39,973	$101,596	$196,680	$125,633	$81,257	$961,198	$3,279,910	EXPENDITURES INCL. INFLATION	
$104,357	$106,965	$109,640	$112,381	$115,190	$118,070	$121,022	$124,047	$127,148	$130,327	$133,585	$136,925	$140,348	$143,857	$147,453	$3,136,456	CONTRIBUTIONS FROM FEES	
															$0	ADDITIONAL CONTRIBUTIONS	
$11,487	$14,189	$12,527	$13,642	$16,828	$20,164	$23,430	$17,912	$20,962	$23,705	$25,057	$24,147	$25,076	$27,224	$7,516	$373,100	INTEREST CONTRIBUTIONS	
$523,141	$635,240	$568,422	$615,526	$747,544	$885,778	$1,021,161	$796,425	$923,007	$1,037,066	$1,094,112	$1,058,504	$1,098,295	$1,188,118	$381,890	$381,890	REMAINING RESERVE FUND	
											REMAINING RESERVE FUND IN 2021 DOLLARS				$186,615		

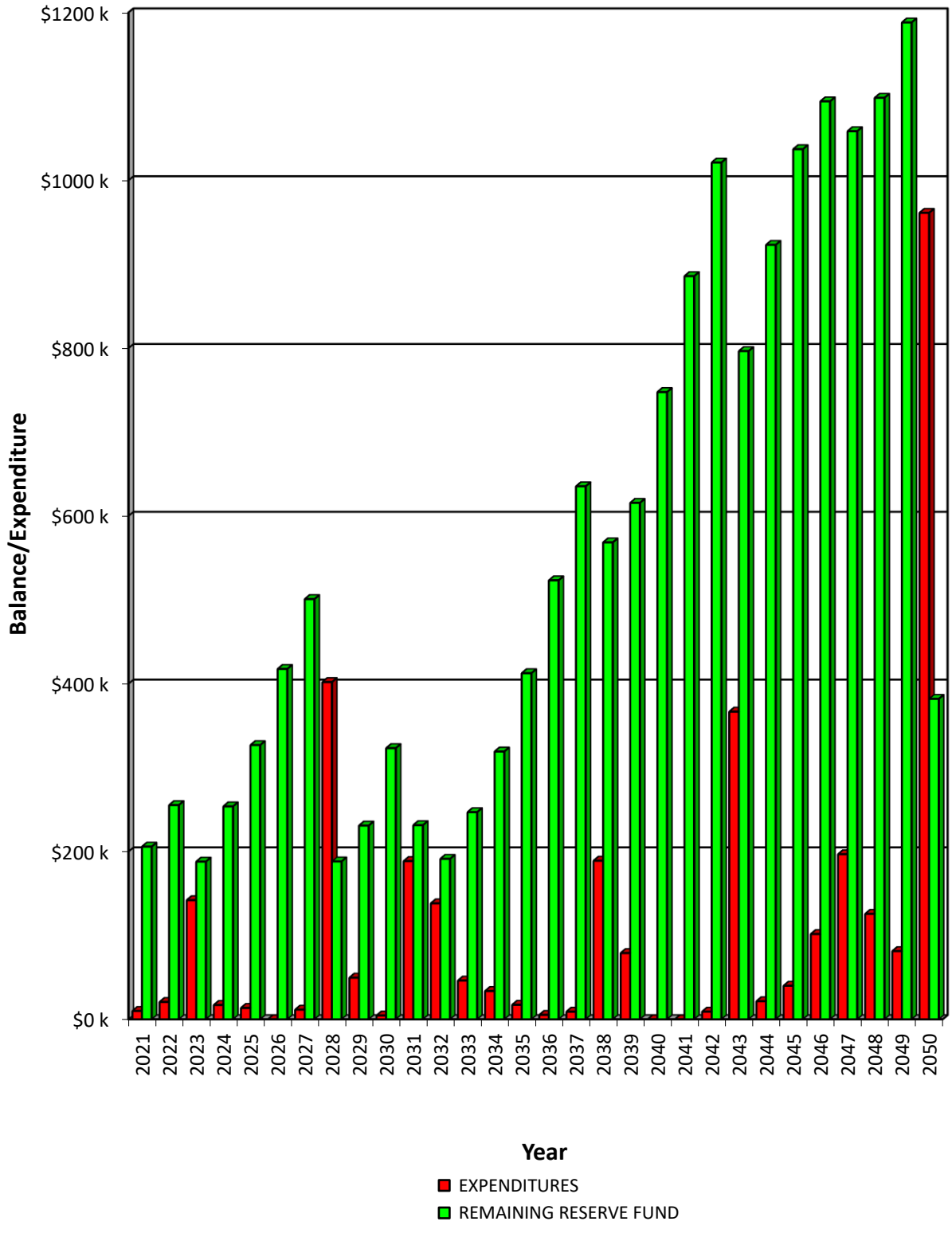
3) Inflation assumed to be at an average rate of 2.5% over the time frame examined above.

4) The inflation increase of 21.7% for the past 3 years is derived from the data posted by Statistics Canada.

5) The market increase are based on Keller Engineering's experience over the past 3 years on similar projects.

KELLER ENGINEERING

Riverside Gate Shared Facilities - Reserve Fund Annual Expenditures/Closing Balance



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 Riverside Gate Shared Facilities

The Board has received and reviewed a Class 3 - Update without Site Inspection Reserve Fund Study dated February 03, 2022, 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 $35.18. Based on the proposed funding plan, the average increase in contribution per unit per month will be $3.34 in fiscal year 2022, $3.66 in fiscal year 2023, and $4.01 in fiscal year 2024.

The proposed funding plan will be implemented on or before January 1, 2022.

Dated this _____ day of _____, 2022.

RIVERSIDE GATE SHARED FACILITIES

_____
, Director

_____
, Director

SUMMARY OF RESERVE FUND STUDY

The following is a summary of the Class 3 - Update without Site Inspection dated February 03, 2022, prepared by Keller Engineering for Riverside Gate Shared Facilities (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 2022 is $64,715, based on the estimated expenditures and the following:

Opening Balance of the Reserve Fund:	$ 152,243
Minimum Reserve Fund Balance during the projected period:	$ 187,933
Assumed Annual Inflation Rate for Reserve Fund Expenditures:	2.5%
Assumed Annual Interest Rate for interest earned on the Reserve Fund:	2.5%

The Reserve Fund Study can be examined by making a written request to the Board of Directors of Riverside Gate Shared Facilities.

CASH FLOW TABLE

Opening Balance of the Reserve Fund:	$ 152,243
Current Annual Contributions:	$ 59,100
Minimum Reserve Fund Balance (as indicated in this table):	$ 187,933
Assumed Annual Inflation Rate for Reserve Fund Expenditures:	2.5%
Assumed Annual Interest Rate for interest on the Reserve Fund:	2.5%

Fiscal Year Ending	Opening Balance	Recommended Annual Total Contribution	Estimated Inflation Adjusted Expenditures	Estimated Interest Earned	Percentage Increase (Decrease) in Recommended Annual Total Contribution	Closing Balance
2021	$152,243	$59,100	$9,900	$4,297	17.0%	$205,740
2022	$205,740	$64,715	$20,603	$5,437	9.5%	$255,290
2023	$255,290	$70,863	$141,939	$3,720	9.5%	$187,933
2024	$187,933	$77,595	$17,015	$5,243	9.5%	$253,756
2025	$253,756	$79,535	$13,467	$7,001	2.5%	$326,826
2026	$326,826	$81,523	$0	$9,190	2.5%	$417,539
2027	$417,539	$83,561	$11,481	$11,196	2.5%	$500,815
2028	$500,815	$85,650	$401,895	$3,544	2.5%	$188,114
2029	$188,114	$87,792	$49,589	$4,561	2.5%	$230,877
2030	$230,877	$89,986	$4,496	$6,784	2.5%	$323,152
2031	$323,152	$92,236	$188,556	$4,518	2.5%	$231,349
2032	$231,349	$94,542	$138,163	$3,511	2.5%	$191,240
2033	$191,240	$96,905	$46,130	$4,839	2.5%	$246,855
2034	$246,855	$99,328	$33,636	$6,572	2.5%	$319,119
2035	$319,119	$101,811	$17,238	$8,820	2.5%	$412,512
2036	$412,512	$104,357	$5,214	$11,487	2.5%	$523,141
2037	$523,141	$106,965	$9,055	$14,189	2.5%	$635,240
2038	$635,240	$109,640	$188,985	$12,527	2.5%	$568,422
2039	$568,422	$112,381	$78,919	$13,642	2.5%	$615,526
2040	$615,526	$115,190	$0	$16,828	2.5%	$747,544
2041	$747,544	$118,070	$0	$20,164	2.5%	$885,778
2042	$885,778	$121,022	$9,070	$23,430	2.5%	$1,021,161
2043	$1,021,161	$124,047	$366,695	$17,912	2.5%	$796,425
2044	$796,425	$127,148	$21,528	$20,962	2.5%	$923,007
2045	$923,007	$130,327	$39,973	$23,705	2.5%	$1,037,066
2046	$1,037,066	$133,585	$101,596	$25,057	2.5%	$1,094,112
2047	$1,094,112	$136,925	$196,680	$24,147	2.5%	$1,058,504
2048	$1,058,504	$140,348	$125,633	$25,076	2.5%	$1,098,295
2049	$1,098,295	$143,857	$81,257	$27,224	2.5%	$1,188,118
2050	$1,188,118	$147,453	$961,198	$7,516	2.5%	$381,890

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 Riverside Gate Shared Facilities has reviewed the Class 3 - Update without Site Inspection dated February 03, 2022 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 assests 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 2022 is $64,715, which represents an increase of 9.5% over the amount already budgeted.

The Proposed Plan for Future Funding of the Reserve Fund can be examined by making a written request to the Board of Directors of Riverside Gate Shared Facilities.

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
2021	$59,100	17.0%	$0	$59,100
2022	$64,715	9.5%	$0	$64,715
2023	$70,863	9.5%	$0	$70,863
2024	$77,595	9.5%	$0	$77,595
2025	$79,535	2.5%	$0	$79,535
2026	$81,523	2.5%	$0	$81,523
2027	$83,561	2.5%	$0	$83,561
2028	$85,650	2.5%	$0	$85,650
2029	$87,792	2.5%	$0	$87,792
2030	$89,986	2.5%	$0	$89,986
2031	$92,236	2.5%	$0	$92,236
2032	$94,542	2.5%	$0	$94,542
2033	$96,905	2.5%	$0	$96,905
2034	$99,328	2.5%	$0	$99,328
2035	$101,811	2.5%	$0	$101,811
2036	$104,357	2.5%	$0	$104,357
2037	$106,965	2.5%	$0	$106,965
2038	$109,640	2.5%	$0	$109,640
2039	$112,381	2.5%	$0	$112,381
2040	$115,190	2.5%	$0	$115,190
2041	$118,070	2.5%	$0	$118,070
2042	$121,022	2.5%	$0	$121,022
2043	$124,047	2.5%	$0	$124,047
2044	$127,148	2.5%	$0	$127,148
2045	$130,327	2.5%	$0	$130,327
2046	$133,585	2.5%	$0	$133,585
2047	$136,925	2.5%	$0	$136,925
2048	$140,348	2.5%	$0	$140,348
2049	$143,857	2.5%	$0	$143,857
2050	$147,453	2.5%	$0	$147,453

* 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 differs from the Reserve Fund in the following respects:

NIL