**METROPOLITAN TORONTO CONDOMINUM CORPORATION NO. 1295**

**“The St. James”**

**MINUTES OF THE OWNERS’ INFORMATION MEETING**

**REGARDING THE 2016-2017 BUDGET**

George Brown College, St. James Campus, Room 344E, 200 King Street East, Toronto ON

Wednesday, March 9, 2016 at 7:00 p.m.

**Board of Directors**

Eric Blanchard President

Michael Elliott Director

Nikki Zamparo Director

**With Regrets**

Mary Jo Smith Treasurer

Pamela Jones Vice President/Secretary

**By Invitation**

Anna Oreshyna Property Manager, Brookfield Residential Services Ltd.

Rebecca Morison Recording Secretary, INaMINUTE Ltd.

1. **CALL TO ORDER**

With proper notice of the meeting having been served and a quorum of Directors present, E. Blanchard, Board President duly called the meeting to order at 7:02 p.m. and presided as Chair.

1. **2016-2017 Budget**

E. Blanchard reported that the budget increase was 10% for the fiscal year. The largest increase was for the Reserve Fund. A Level 1 Reserve Fund Study was ordered from a new engineering firm. It was largely similar to the old Reserve Fund Study; however, a significant difference was that the new changes to the *Condominium Act, 1998* (the “Act”) now required the Corporation to front-load the Reserve Fund. There would be a 5% increase year-over-year for eight (8) years.

**An Owner** inquired about future increases to the budget.

**E. Blanchard** reported that the increases were to the Reserve Fund budget; approximately one-third of the Corporation’s budget was for the Reserve Fund. The Board would try to keep operating costs low to accommodate the higher Reserve Fund contributions.

E. Blanchard reported about pending money-saving and efficiency-promoting initiatives in the building, including a toilet replacement project and lighting retrofit. He also reported that valve leak issues were common, and often occurred within the walls and remained undiscovered until significant damage occurred. Last year, approximately $60,000 of repairs was incurred between the valve repairs and related cosmetic repairs. Over the next two (2) years, the Corporation would undertake a valve replacement project in order to prevent further damage. A plumber will check all accessible valves, and will replace all those determined to work improperly.

E. Blanchard reported that the Corporation had an increase of 1.3% for utilities over the past year. The City of Toronto’s rates for utilities increased 12% for hydro and 9% for water. These increases contributed to the above-inflation increases in the Corporation’s operating budget.

E. Blanchard reported about an initiative to change the building’s mechanical systems so that not all machines ran constantly, which would save operating costs.

**An Owner** inquired about the possibility of revising lighting in the common areas to be more energy efficient, such as hallways and locker areas.

**E. Blanchard** reported that Brookfield’s expertise in energy efficiency was sought to make improvements in the building. Brookfield’s Energy Consultant recommended a lighting retrofit for the underground parking garage using high efficiency bulbs that had a cost repayment timeline of 1.8 years. However, there were issues regarding compliance with the Building Code as the new bulbs would not emit as much light. It was hoped that more lighting options would become available for the Corporation’s consideration.

**An Owner** expressed concern over the budget increases. The building was at $0.82 per square foot, and high costs may affect resale values in the building.

**E. Blanchard** reported that all buildings would need to comply with the new regulations, which may have a similar impact on their Reserve Funds and condo fees. The building’s cost per square foot would be assessed to comparable buildings after the regulations were implemented.

**An Owner** inquired about the timeline for the new regulations coming into force.

**A. Oreshyna** reported that the anticipated timeline was two (2) years.

**An Owner** expressed concern about increased costs, particularly for Security Guard and Property Management expenses. Management costs used to be $35,000 and were now $70,000 annually. She questioned the value received from Management, such as onsite availability.

**E. Blanchard** reported that regular Security Guards cost approximately $15.00 per hour, and the building has 24 hour security coverage. There was also a Site Director whose hourly rate was higher. Also, the Property Manager increased the number of onsite hours to 2.5 days per week.

**An Owner** advised that the Management and Security Guard services were valuable to the building, and the Owners should be cautious regarding cutting costs in these areas. Personnel must be present onsite to manage issues when they arise, such as damage incidents.

**An Owner** reported that Security and Management successfully assisted with an incident.

**An Owner** advised that Management’s onsite presence was not helpful to those Owners who worked offsite during the day. Most issues could be addressed via email and telephone, which would not require paying higher fees for the Property Manager to be onsite.

**A. Oreshyna** reported that she was available to Owners for after-hours appointments. She noted that the cost of Management services also went toward all of Brookfield’s accounting work, subject matter experts, and Regional Property Manager available for consultation.

**An Owner** inquired about the duration of the Management contract.

**E. Blanchard** reported that the contract was for two (2) years and could be cancelled upon three (3) months’ notice.

**An Owner** inquired about budget line item 5499 for Housekeeping and Maintenance.

**E. Blanchard** reported that these expenses were for leak repairs.

**The Owner** inquired about budget line item 5657 for Landscaping and in particular whether the back garden would be replanted.

**E. Blanchard** reported that the back garden would not be funded this year due to the 10% budget increase which required prioritizing of expenditures.

**The Owner** inquired about line item 7060 for General Office Expenses, which was $8,686 last year. This seemed high, particularly as the budget was reduced to $3,600 for 2017.

**E. Blanchard** reported that this was for repairs to the front desk, as well as setting up the Management office.

**The Owner** inquired about in-suite heat pump repairs and duct maintenance. This service was not performed in 2013 or 2014, and yet payments were rendered. There were also issues with this service in 2015, and the vendor did not return to correct the deficiencies.

**E. Blanchard** reported that the old maintenance contract was terminated and the vendor was not paid in full. The replacement vendor was much better, and had already conducted a survey which provided recommendations for future improvements.

**An Owner** thanked the Board for organizing repairs to the windows which resulted in reduced glass frosting, which had been an issue for the past three (3) years.

**E. Blanchard** reported that A. Oreshyna and Stan Morris, Regional Property Manager, took care of this issue.

**An Owner** thanked E. Blanchard for his efforts on the Board. He noted that he was pleased with the pending renovations to the Party Room. He also noted that the back garden was a uniquely positive feature of the building, and he would like to see this put back into use. He would be willing to help out in the event that any budget was found for the garden.

**M. Elliott** reported that the back garden would be maintained in the same manner as last year, including fertilizing. However, due to budget constraints, the Board decided not to undertake the higher expense of purchasing and planting flowers, which would also involve a labour charge.

**An Owner** inquired about the Reserve Fund Study and valve inspection project.

**E. Blanchard** reported that the first phase involved an assessment of the accessible valves, followed by a strategy for assessing the inaccessible valves. The vendor would replace damaged valves as they were discovered.

**A. Oreshyna** reported that the Reserve Fund Study would be updated to reflect plumbing and valve improvements that were made as a result of this project.

**An Owner** inquired about the generators.

**E. Blanchard** reported that the fuel tank for the generators needed to be replaced as it was old and no longer conformed with the Building Code. This was a Reserve Fund expense; however, it had not been part of the Reserve Fund Study.

**An Owner** inquired whether there was approximately $300 in the budget for all-weather furniture (table and chairs) to be placed in the back patio. The existing furniture could not be used as squirrels had destroyed the cushions.

**E. Blanchard** reported that the Board would consider this. In response to a related query, he reported that the Security Guards would open and close the umbrella to prevent damage as had occurred in previous years.

**An Owner** inquired about flooding, including who was responsible for damages.

**E. Blanchard** reported that the Corporation was working on a Standard Unit By-Law which would define responsibilities more clearly. In general, all items within the unit walls were the Owners’ responsibility, and all items behind the walls were the Corporation’s responsibility.

**An Owner** noted that the lobby chairs needed to be refreshed.

**E. Blanchard** reported that this item was already on the Board’s list for consideration.

**An Owner** inquired about the toilet replacement initiative.

**E. Blanchard** reported that Management would organize a bulk discount rate for Owners to purchase high efficiency toilets for their units. The initiative would occur this year.

**N. Zamparo** noted that the project would upgrade the units, and would also permit the plumber to assess the plumbing around the in-suite toilets for inefficiencies or potential damage.

**An Owner** noted leak risks associated with unattended units while Owners were away.

**E. Blanchard** reported that Owners could arrange with security staff to have their units checked. Home insurance could be voided if units were not checked periodically when left vacant.

**Discussion ensued** on shutting off in-suite water when left vacant for an extended period.

**A. Oreshyna** recommended that any Owners with black rubber piping in their suites change them for braided stainless steel. This would be an inexpensive preventative repair, around $20.

**Discussion ensued** on creating a written document for Owners’ reference regarding these issues.

**E. Blanchard** reported about the possibility of a website for the building.

**An Owner** inquired whether the Party Room would be left open once renovated.

**E. Blanchard** confirmed that the Party Room would be left open for residents’ use.
**An Owner** inquired about routine cleaning of the Party Room.

**A. Oreshyna** reported that this should be part of the regular cleaning services, and any issues observed should be reported to Management. There would also be pre- and post-rental cleanliness inspections.

**E. Blanchard** reported that this would be added to security’s daily rounds.

**An Owner** inquired about the elevators.

**E. Blanchard** reported that Brookfield’s Regional Manager spoke with the elevator company, and improvements were achieved.

**3.0 CLOSE OF MEETING**

*It was the consensus of those present* to close the meeting at 8:11 p.m., as there was no further business to discuss.