
METROPOLITAN TORONTO CONDOMINIUM CORPORATION NO. 600

MINUTES OF THE ANNUAL GENERAL MEETING

TUESDAY, JUNE 21, 2005

PRESENT: Diane Turner - President
 Greg Geralde - Secretary
 Malcolm Broadbent - Director and Building Maintenance
 Claus Wall - Director and Owner/Resident Relations
 Sheryl Hoshizaki - Director

GUESTS: Dave Sanderson - Partner,
 McGovern, Hurley, Cunningham, LLP
 Nick Tassone - President, Building Sciences Inc.
 Kim Herbeck - Recording Secretary

1. CALL TO ORDER

There being a quorum, Diane Turner, the President, called the meeting to order at 7:31 p.m.

2. INTRODUCTIONS

Diane Turner welcomed and thanked the group for attending and invited everyone to stay after the meeting for a wine and cheese reception, especially since the Condo building is celebrating its 25th anniversary this year.

Referring to an anonymous letter that some suites received under their door the night before, she reminded the group that the Board has a written policy that states that it does not acknowledge or discuss anonymous letters, especially those that attack people.

Diane then introduced the head table as noted above. She mentioned that Claus Wall has resigned from the Board and that tonight would be his last meeting as a Board member.

Diane officially welcomed Doug and Susan Gibson, owners of Suite 4C who will be moving into the building in July, Alison Manser, owner of Suite 16B who is looking forward to moving into the building in the future, and Julie Biddle and Russ Herman, owners of Suite 9B.

3. QUORUM

It was reported that there were thirty-one (31) owners present in person (suites 2B, 3A, 3B, 3C, 3D, 4A, 4C, 4D, 5A, 5B, 5C, 5D, 6C, 6D, 7D, 8B, 8D, 9B, 9C, 10C, 11A, 11B, 11D, 12A, 12B, 12C, 14A, 14B, 14C, 14D, 16B), and one (1) represented by proxy (7C), for a total of thirty-two (32) units represented in person or by proxy, and thus the quorum requirement of 25% of owners had been established for the meeting.

APPROVED – May 30, 2006

4. APPROVAL OF MINUTES

Diane invited any comments or questions on the minutes from last year's Annual General Meeting of May 19th. A motion was made by Alberto Sarthou, Suite 11D, seconded by James Dubro, Suite 5C to adopt the minutes of the Annual General Meeting of May 19, 2004, as distributed. Motion carried.

5. PRESIDENT'S REPORT

Diane Turner began her remarks to the group by recapping the Board's regular and special activities and accomplishments of the past year:

- Last May was the Condo's yard sale, which was organized by James Dubro.
- A few days later there was a gas leak across the street with a short evacuation of our building.
- As part of the ongoing maintenance program, the weather stripping and rollers on windows in some suites were replaced, the garbage chute has been washed twice, garbage chute doors were repaired or replaced where required, the annual maintenance of our compactor was done, our vertical kitchen stacks have been cleaned twice and our hall carpets have been cleaned.
- The Board and Superintendent participated in training with regard to our new Fire Safety Plan. Additional emergency equipment was purchased including walkie-talkies and flashlights. Fire safety information packages were distributed to all residents and we had in-suite and new hallway fire alarms installed. Most fire safety or sprinkler system deficiencies that were noted during our annual fire inspection have been dealt with and new smoke detectors have been installed where required.
- Renovations of the recreation centre began with the removal of the old wallpaper and the painting of the walls, followed by the addition of mirrors and artwork. We also added two bookcases in order to establish a library for owners and residents to enjoy. We are pleased that owners have volunteered to sit on the Recreation Room committee and have started to meet.
- A survey was conducted in relation to the hot tub.
- Upgraded and additional security cameras were installed, and the words "Private Residences" were added to our front door.
- Our new main roof was installed, a stainless steel prep table was added between the barbecues, and we are working hard to obtain and install new planters. The new roof anchors were installed and inspected allowing us to have our windows washed again.
- Our snow plowing of the guest parking lot contract was renewed.
- As a result of our December information meeting, we have attempted to improve communication with owners and tenants through such means as posting and/or emailing pertinent newspaper articles.

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- We were better able to manage during the power outage in January because of a number of systems we had put into place.
 - At the request of owners, we added “no flyers” labels to mailboxes and issued an updated list of contractors.
 - Jim Duncan, who was our treasurer, resigned when he moved out of the building.

Diane also wanted to acknowledge and thank a number of people who quietly go about making important contributions that benefit all owners and residents. On behalf of the Board, the owners and all residents, Diane expressed appreciation and thanks to the following:

- Our Gardening Committee – Jan Oddie and Dwight Smith who do such a great job with plant materials and fending off those who sit on or steal our plants. Jan and Dwight appreciate the support they received from Gary Aikenhead, Alex Lefter and Malcolm Broadbent.
- Thank you to Jeffery Van Slyke and Andrew Leask who keep our lobby beautifully decorated for the Christmas / Hanukkah season. They also monitored our guest parking lot during this past winter.
- When Jim Duncan left the building earlier this year and we were without a treasurer, Greg Geralde and Malcolm Broadbent added the treasurer’s duties to their already time-consuming responsibilities. We owe them a big debt of thanks for taking on this extra work.
- We should all acknowledge what a great job Alex and Natalia Lefter do in keeping our building running smoothly and looking good.

Diane advised that Malcolm Broadbent would speak next on the maintenance report, which includes the important topic of the garage repairs, a topic that has been allocated 30 minutes for questions and discussion.

6. BUILDING MAINTENANCE REPORT

Malcolm started his report on maintenance by highlighting some major accomplishments that have made the building safer and/or enhanced its physical appearance.

Fire Safety – Our building was brought up to Ontario Fire Code Safety Audibility Standards with the installation of in suite horns and fire alarm bells in the hallways.

Building Security – Three new cameras were added and another one was relocated so as to get a broader sweep for both inside and outside the building. Each resident can add to the security of the building by not allowing access to the building to people who are unknown to them. If there is an owner requesting access that one does not know, call the Superintendent to have the individual verified as an owner. Also, bicycle thefts and car break-ins can be minimized if all residents wait for the garage door to fully close when they leave or enter, to ensure that unauthorized persons do not gain access to the garage.

Main Roof / Mechanical Roof / Roof Anchor System – The replacement of the main roof took longer than predicted due to weather conditions and material delays, however the finished product adds greatly to the overall appearance and value of the building.

Malcolm then introduced Nick Tassone, President of Building Sciences Inc., a consulting engineering firm. The Board has engaged Building Sciences Inc. to advise on the status of the underground and above-ground parking and what repairs are needed to minimize and prevent further deterioration in addition to that which has occurred over the past twenty-five years. Nick will be open to comments and questions after his presentation. In addition, Nick will also comment on the condensation that is found on the windows during the winter months, and what each resident can do to minimize this situation.

Nick Tassone explained that his company, Building Sciences Inc. had been engaged by the Board to conduct a review of the underground garage, as well as the above-ground guest parking area and its entrances. Their findings confirm that the underground and above-ground covering were indeed in need of repair. The Condition Survey showed repairs were needed to the reinforced concrete, the water proofing system (primarily located inside the garage between the upper and lower floors), and the intermediate slab on the top surface (the black asphalt surface). Water leakage and areas of concrete delamination were found. A chain drag test was performed. This is where a chain is dragged across the top surface of the P1 level. A hollow sound indicates the covering membrane is debonded (has pulled away from the concrete structural slab) and/or that there are issues of distress in the underlying concrete. He indicated this membrane has undergone repairs. It is their opinion the underground membrane has reached the end of its normal life expectancy which is 15 – 17 years (our building is 25 years old) and is not preventing water intrusion from infiltrating and contaminating the concrete.

The major concern is the continuing salt-laden water intrusion from vehicles during the winter months, with this water dripping through the membrane into the concrete and causing progressive deterioration and corrosion to the structural slab underneath it. THE EXTENT OF THE DAMAGE WOULD ONLY BE KNOWN ONCE THE MEMBRANE IS REMOVED.

The other major component is the roof slab itself (the asphalt), the concrete pad in the rear, and the interlocking pavers. These make up most of the outside area of the underground garage and form the garage's roof covering. There are clear signs of deterioration such as debonding, and cracking and spalling. The life expectancy here is 18 - 20 years. If this is not attended to, it increases the likelihood of costly future concrete repairs. This entire area would be stripped to its concrete deck and repairs/replacement made. The concrete pad would be strengthened to hold garbage and other large vehicles. ONCE AGAIN THE EXTENT OF THE DAMAGE WOULD ONLY BE KNOWN ONCE THE ASPHALT/INTERLOCKING PAVERS ARE REMOVED. Another important area to be upgraded is the entrance ramp itself. The Condition Survey shows the deterioration of the trench drain at the bottom of the ramp, which could indicate there is deterioration to the water proofing membrane underneath the ramp itself. This could be allowing

water intrusion into the concrete slab below. Total replacement of the trench drain is required – and in addition, more drains are to be installed to assist in the water runoff. That concludes the basic scope of the work.

Nick advised the group that this job was tendered to four contractors in two ways: one was to do everything at once and one was to carry out the work over two phases. The prices range from \$360K to \$438K, figures that include 5% contingency and GST. The cost would be less to do the work over one phase. The numbers quoted are the one phase quotes.

Malcolm stated that the interlocking brick in the breezeway would be removed and will be replaced with asphalt pavement, which is less costly than replacing the interlocking brick and would provide for better drainage. In addition, more drains would be put in to allow for better runoff.

Diane asked for questions from the group.

Question: Lionel Collier, Suite 8B asked if this project could be delayed for five years, and what would the repercussions be.

Response: The primary concern is structural stability. The waterproofing replacement is necessary, as the life expectancy of the existing waterproofing has been exceeded. The consequence of delaying would be to have even more concrete repairs. The deterioration is progressive. Nick does not know to what extent. He spoke of a 30-year-old building on Gloucester Street, a structure where the two intermediate suspended slabs needed repair at a cost of \$3 million. This created a special assessment of \$11K per suite for the owners of that building. His highest priority repair for our garage would be the trench drain area in the ramp. The rest of the project is needed to protect the structure from progressive deterioration. Nick confirmed that it is possible to delay this project, but the consequence would be higher costs and more concrete repairs. He would not recommend delaying.

Question: James Dubro, Suite 5C asked if Nick's company has a contract with the Condo Corporation as an advisor. Also, what step are we at, i.e. have any contracts been signed or given out? Were tenders given to three or more companies? Would Nick / Nick's company supervise the entire project?

Response: Nick's company had prepared the specifications for the documents and then conducted the tendering to companies to carry out these repair specifications. No contracts have been signed or given out. Tenders were sent out to four separate companies. Nick's company would supervise the project in the same manner as was done on the recently completed main roof replacement.

Question: John Laverty, Suite 5B asked if part of the repair work could wait. He suggested doing the work on the outside garage roof first and then, rather than doing the

whole thing at once, perhaps breaking it into stages over four to five years in order to make it more economically feasible for the owners.

Response: Nick responded that if the work were to be completed in phases, the first priorities would be to repair the interior garage and roof slab. He reiterated that it would be more prudent to do it all at once, especially given the cost factor.

Question: Sheryl Hoshizaki, Suite 14B asked Nick if he was a structural engineer. She also wanted to confirm the prices that were quoted, as they sounded higher than she remembered.

Response: Nick answered that he is a structural engineer and his firm was engaged by the Board to make recommendations. The quotes came in at \$360K - \$430K. Malcolm stated that the Board would go with the \$360K quote, which includes the 5% contingency and the GST. These figures also do not include Nick's engineering fee. The total amount would be \$386K. This includes a contingency of \$18K. However, it was emphasized that they do not know what they will find when the mastic and asphalt covers are removed. There is the chance that the building issues are more major than thought.

Sheryl added that the Board had already voted to do the work in one phase and that she had voted to carry out this project over two phases. The Board felt that it should be done in one phase in order to minimize both cost and disruption (parking and drilling) to the owners. The responsibility for the decision is the Board's, and the Board had indeed voted on what they felt is the best way to approach this project but would be open to reviewing that decision if owners overwhelmingly felt the project should be done in two phases. However it was clear from the meeting this was not so.

It was confirmed that there is enough money in the reserve fund for the first phase to be completed, but a special assessment of \$2,400 per suite would be needed to complete the project. Because of the issues and costs involved with this project the Board invited Nick to this meeting to provide information to owners and for owners to ask any questions.

Question: Warren Holder, Suite 12B stated that he would like to know more about the cost, specifically, how this project will be paid for, in either scenario.

Response: The total cost of this project is \$386K. There is \$258K in the reserve earmarked specifically for garage repairs. The costing structure is about \$130K more than the Condo has. The Board reviewed the reserve fund to identify what could be delayed to minimize the financial impact to owners, however it was clear additional funding would be required. There are two ways to fund this repair project: 1) Delay the project and raise the monthly maintenance fees to approximately \$1,100 a month for the next year. After repairs are completed,

drop the fees back to their regular amount. 2) Have a one time special assessment of \$2,400 per suite and keep the maintenance fees where they are.

Question: Alberto Sarthou, Suite 11D stated that for many years he felt that the reserve fund was insufficient. He stated that the reserve fund should have enough money so that special assessments are not required to fund these types of projects. He also stated that he feels that the maintenance fees in the past have been too low. He suggested that the maintenance fees need to be increased to be able to properly finance the reserve fund. He advised each owner to budget \$100 to \$200 a month to be prepared for future special assessments.

Response: Reserve Fund Studies were completed in both 1998 and 2003 and the Board has been following them. One is to be completed every five years and the Condo's next Reserve Fund Study update will be done next year while the next full one will be completed in 2008. Reserve Fund Studies are only estimates and cannot foresee all potential issues that could increase costs. These issues include escalating costs of materials, increased petroleum costs, and labour costs in Toronto. In order to complete a Reserve Fund Study, a consultant is engaged to do a visual walkthrough review of the building. A Condition Study, which is more detailed, was completed for the garage. The replacement cost allowance for the garage was not adequate. It was reiterated that a Reserve Fund Study is not a precise document, and that it is only an estimate.

Statement: Claus Wall, Suite 14A stated that his calculations indicate that the real cost of doing the repair would be approximately \$7K per suite. Once all of the reserve fund money is used for these repairs, that account will be at zero. He stated that repair costs increase more than the professionals predict and our reserve fund is insufficient. One aspect is the high labour costs in Toronto. However, he agrees that the garage needs to be fixed. Claus' personal recommendation is to implement a special assessment rather than bringing the reserve fund even lower.

Question: Larry Konyu, Suite 12A asked if the recommended contract was the lowest bid. Also, he wanted to know if the decision makers are satisfied with the quality of the workmanship to be performed by the company that came in with the lowest bid.

Response: The company that completed the recent roof work offered the lowest bid. Malcolm assured the group that the Board checked into the company's past work, spoke to their references and previous clients, inquired with their engineer on record and consulted with property management to find out if they are satisfied with this company's work, and if they would recommend this company. Malcolm confirmed that this is what is done for all of the companies that the Board engages.

Question: Larry Konyu, Suite 12A asked if Rabba should bear more responsibility for payment of this repair due to their excessive use of heavy trucks.

Response: Under the Condo's declaration, Rabba is an owner just like every other owner. They represent 2% of the building and therefore would contribute 2% to the cost of the special assessment. Their garbage trucks (versus their delivery trucks) have now been moved from the slab, and Rabba has moved their bin to the asphalt (and now have only one bin instead of two). Malcolm also mentioned that their delivery personnel are much more cooperative now.

Question: Jan Oddie requested a comparison of cost differentials and financial implications for the two options of doing part of the repairs this year and completing the project in the future.

Response: Option 1 – Repairs to the intermediate suspended slab and ramp slab (interior garage)

Low Bid: \$220K (inclusive of 5% contingency and GST)

Option 2 – Repairs to the Roof slab (exterior work)
Cost: \$147K (inclusive of 5% contingency and GST)

For both options, it would be necessary to add 6% plus GST for the consulting fee.

The cost differential would be approximately \$7K more if the project were completed in more than one phase.

However, the corporation still needs to raise the additional \$130K that is not in the budget, if both phases were implemented at once. Next year, contributions to the Reserve Fund from Operating increase to \$129K (from \$108K), which is a 20% increase from last year. There will be a minimum of a \$50 increase to the monthly maintenance fees. On top of that, the \$147K for phase 2, if it were implemented separately, would require us to raise the difference in funding from whatever shortfall was in the Reserve Fund, will still need to be raised. Basically, if this phase is delayed for a year, take the full \$147K divided by the 54 suites, divided by 12 months and that will equal a couple of hundred dollars a month on each unit's monthly maintenance fee.

Question: James Dubro, Suite 5C asked if the owners could make the decision and vote on this, instead of the decision being solely the Board's.

Response: Legally, the Board is responsible for making the best possible decision for all owners, but is interested in feedback from everyone.

Question: Daniel Marz, Suite 4A stated that Rabba has up to three trucks at a time in the back, which he feels are extremely heavy. He asked if there was any possibility that the contract with Rabba could be renegotiated.

Response: Rabba is an owner just like every other owner. The distribution trucks that they have are an issue, but the more important issue is the garbage trucks. This issue needs to be resolved.

Question: Daniel Marz, Suite 4A asked if the repairs could be carried out in more than just two phases (or for more than two years) as it is a large financial burden for some owners.

Response: It was stated that the special assessment of \$2,400 could be spread out in terms of payments (for example \$1,200 paid twice or \$200 each month for 12 months). The Board plans to do everything it can to make this payment easier for the owners.

Question: Jim Forster, Suite 6D asked how long the building occupants would be without parking while these repairs are being completed.

Response: The best guess is that the repairs would take seven weeks for the underground portion and another nine weeks for the above-ground section (sixteen weeks if done all at once, in one phase). It was also mentioned that sixteen weeks was the estimated time frame for the roof repair project, which in reality took from July to December. When contractors provide a quote, the shortest possible time is always quoted.

Question: Jim Forster, Suite 6D asked if the Board had looked into parking space for owners during the repairs, and mentioned that the Maple Leaf Gardens parking lot might be an option.

Response: Residents would be required to pay for their own offsite parking, but the Board will be looking into a special arrangement with the Ramada Hotel up the street, or Ryerson, or Dominion. The Board will make every effort to get the best possible parking situation for residents.

Statement: Greg Geralde clarified that the amount in the Reserve Fund Study earmarked for the garage repair is \$258K. The difference between the \$258K and what will actually be spent (whether one phase or more) is what has to be funded in some way (either with an increase in maintenance fees or by a special assessment). Malcolm confirmed that the \$258K is earmarked for garage repairs. Over the next few years is when probably all of the major replacement items are going to need to be repaired. This is why there is a 20% increase annually until 2008, at

which time it falls to 3%. All of these details are outlined in the Reserve Fund Study, of which each owner has received a copy.

Statement: This is a difficult decision to be made by the Board, which is why the Board invited Nick to the meeting, so all owners could hear the results and recommendations from an engineer and have the opportunity to ask questions.

Question: Eileen Page, Suite 5A asked if the \$258K in the reserve fund is earmarked solely for the garage repairs and if this money is used, would the reserve fund then be at zero.

Response: There would still be money left over in the reserve fund, and the amount would be increasing each month as a portion of the money that each owner pays for maintenance fees is put towards the reserve fund.

Statement: James Dubro 5C stated that he had left the Board thirteen months ago, and that this garage issue was a minor issue back then. The costing was estimated to be approximately \$70K - \$80K (to \$100K at the most) at that time.

Response: Several engineering studies had been done and the costing was estimated at approximately \$175K. This figure was just for the condition survey items, and the Condo would have to also spend \$120K for the waterproofing (within the next five years) and \$100K for the mastic replacement. The company which quoted this would do the immediate repairs for the \$175K and then the Condo would have to find another \$220K to do the rest of the work.
The Board then called for another study to be done by Building Sciences Inc. This study quoted double the price of the original study. The differences were as follows: 1) the mastic, 2) the other studies had cut the roof repairs off at the garage slab, when it actually extends to the back of the building.
The difference between the two studies was \$171K (\$175K + \$171K = \$346K + 6% consulting fee). The other study didn't have a contingency fee built in.

Diane guided Nick onto the next maintenance topic, which was condensation.

On the issue of water condensation, Nick stated that he had investigated various suites and noted minor damages to finishes, windows and corners. He said the issue is control of humidity. Humidity must be controlled at 35% or less. The walls built to the current Ontario Building Code ensure that a person is guaranteed condensation if a person maintains humidity above that figure. For example, at 50% one would have water streaming down the windows. If one is to purchase a dehumidifier, be sure to purchase a type that can work below this 35% threshold. A lot of units on the market will not. Also, when owners do interior decorating (painting, etc.), for the first one or two years / seasons, there will be a great deal of vapour / moisture in the air and in the walls. Time is needed for these to dry out. Nick had a couple of other tips for owners. He stated that owners should not put furniture up against the walls as this causes pockets of still air,

to keep their blinds drawn, especially at night, to keep corners free and clear, and to use their exhaust fans when cooking and showering to remove humidity.

He stated that he would forward some additional literature to Malcolm.

Statement: Jan Oddie, Suite 7D offered a tip to all owners. She stated that she had completed some repairs in her suite due to condensation damages and at the time she was told that if you cover your windows at all, the window coverings should be four inches away from the window surface. This space allows the air to circulate. She stated that she has not had a condensation problem since hanging her blinds four inches away from the window surface.

Statement: Luis Mendieta, Suite 4D stated that believes there are also issues of leakage of the windows themselves.

Response: Nick had inspected Luis' suite and recommended that Luis' contractor to insulate the window frame with foam since the frame was fully exposed at the bottom.

Statement: Information provided by Malcolm Broadbent - The windows are not scheduled to be replaced soon but the weather stripping and the rollers will be replaced as part of our ongoing maintenance program. He further explained that there are two drains on a window frame's slider, so that when rain hits the window (when the first window is open, but the inside window is closed), the water will come in and settle rather than and drain. He advised owners to ensure their windows are closed tight when rain is imminent.

7. TREASURER'S REPORT

As the Treasurer had resigned mid term, all financial issues were covered in the External Auditor's Report.

8. AUDITOR'S REPORT

Mr. Dave Sanderson of the firm McGovern, Hurley, Cunningham, presented the Auditor's Report and Financial Statements.

He stated that he would comment on some of the items with respect to repair and maintenance. He explained that the Financial Statements at the end of December 2004 are a snapshot at that moment in time. He said in a Condominium Corporation, there are two sets of assets: a general fund balance (a cumulative amount of money that has not been spent as a result of regular operating expenses) and a reserve fund balance (an amount of money that has not spent out of the reserve). At the end of December, the reserve fund balance was \$173K. This figure does not take into account any special assessments. It is strictly a picture of the finances at that time. He stated that the Board sets out a best guess budget, and they set aside a certain amount of money to reserve, which is to be used in conjunction with the reserve fund study. A study is just a guess

of what the future costs will be in the building. This past year \$178K was spent from the Reserve for building maintenance. The condo ended up with a \$173K balance. Dave indicated that 256 Jarvis is pretty well budgeted to the repairs that are outlined with the study. He has many condominium clients that are essentially broke and as a result, anything they do is through special assessments. The past boards here at 256 Jarvis have moved any operating surpluses in past years into the reserve to allocate extra funds for future expenditures. In Dave's personal experience, when things are delayed, the costs get higher.

Question: Alberto Sarthou, Suite 11D made a statement that Malcolm Broadbent had said there was \$258K in the reserve fund, but on the statements it only shows \$173K.

Response: The \$258K refers to the amount in the Reserve Fund Study earmarked strictly for garage repairs. This is the amount that is under-funded by \$130K which is why we have to do our Special Assessment.

The \$173K is a bit different. It is the balance of the Reserve Fund as at December 31, 2004 and will be utilized to cover all reserve items (not just the garage). The Reserve Fund will continue to grow throughout 2005 by \$108,000, which is the portion of the monthly maintenance fees budgeted as contributions toward the Reserve Fund.

Because the garage repair will exceed the amount budgeted, our contractors have agreed to be paid over the two-year period of 2005 and 2006 which will enable us to raise the \$130,000 shortfall.

Diane thanked Dave for his work.

A motion was made by Jim Forster, Suite 6D and seconded by James Dubro, Suite 5C to approve the financial statements as presented. Motion carried.

9. APPOINTMENT OF THE AUDITOR

A motion was made by John Laverty, Suite 5B, seconded by Jim Turner, Suite 2B, to re-appoint the firm of McGovern, Hurley, Cunningham as Auditors until the next Annual General Meeting. The Auditor's remuneration will be fixed by the Board of Directors. Motion carried.

10. ELECTION

The Condo Act stipulates that there must be one election for the Owner-Occupied Director position and a separate election for general Director positions. Only owners that occupy their units can vote for the available Director, Owner-Occupied position, which is the position Diane Turner currently holds. After this election is held, all owners can vote on the other two openings for Directors. Since Diane is running for re-election, Diane turned the meeting over to Greg Geralde to chair the Owner-Occupied Director election.

Greg asked for nominations from the floor for the Owner-Occupied Director position.

NOMINEE	NOMINATED BY
Diane Tuner Suite 2B	Jim Forster, Suite 6D Warren Holder, Suite 12B

As there was only one nominee for this position, the ballot process is unnecessary. Diane was elected as the Owner-Occupied Board Member by acclamation.

There are two general Director positions available. One was held by Jim Duncan, which has a three-year term. The other position was held by Claus Wall, which has a two-year term. Warren Holder and Sheryl Hoshizaki had previously agreed to stand for nomination. Diane asked if both candidates would still like to stand for election. Warren confirmed that we would still run. Sheryl stated that she was withdrawing her name. Other nominees were called for.

NOMINEE	NOMINATED BY
James Dubro Suite 5C	Jan Oddie, Suite 7D Dwight Smith, Suite 7D
Alberto Sarthou Suite 11D	Jorge Gallego, Suite 11A Renata Gocht, Suite 12B

Diane then asked the group for two volunteers to act as scrutineers. Dayne Ogilvie and Jim Forster volunteered. The two scrutineers collected the ballots and left the room.

While the scrutineers were tallying the votes, general discussion ensued.

Question Does anyone know what will be going up on the south-east corner of Gerrard and Jarvis, where the old gas station was?

Response: Malcolm Broadbent mentioned that there were going to be executive suites built, and that the City Councilor, Kyle Rae, had confirmed that.

The scrutineers re-entered the room and gave the results to Diane Turner. The newly elected Board members are James Dubro and Warren Holder. Diane welcomed both individuals to the Board and thanked Alberto Sarthou for running for election.

11. OTHER BUSINESS

The President, Diane Turner, asked the group if there were any other questions before the meeting ended.

Question: Luis Mendieta, Suite 4D asked for a worst case scenario, and wanted to find out what the maximum costs were going to be, as it was stated earlier that the next four years are the critical years for maintenance expenditures.

Response: Malcolm addressed Luis' concern. The reserve portion of the maintenance fees will go up 20% each year through 2008. The operating budget is only going up about 2 – 3% a year. In next year's budget, each owner will clearly see the operating budget and the reserve fund. The reserve fund will increase about \$32 per suite. The operating budget is increasing about 3%, and owners should expect anywhere from a \$45–50 increase in their maintenance fees. Malcolm added that this might be the scenario for the next few years.

Question: Daniel Marz, Suite 4A asked about the hot tub room and if anyone has talked about what to do with this room.

Response: Sheryl Hoshizaki chose to answer this question, as the Chair of the Recreation Room Committee. She stated that the owners as a whole do not want special assessments or increases in maintenance fees in order to better this space significantly. The Committee looked at past surveys and the space itself, which included a hobby room. It would cost \$10K to bring the hot tub up to Code. Malcolm confirmed that there is a designated amount for general maintenance for the recreation space. The Committee decided it needs to look at the floor plans and figure out how to best utilize this space. In the long term, the Board might have thoughts about interior design. Right now, no one wants to spend extra money, but perhaps some things can be done to just make the space more useable.

Question: Daniel Marz, Suite 4A asked that if the owners chose to not use the recreation room space, could the whole space not be revamped, segregated and rented it out to a clean, commercial tenant to bring in income?

Response: The declaration would need to be changed.

Diane invited all owners to attend the Board meetings, so they may be updated, express their opinions and share ideas. Diane asked the group to consider becoming a Board member in the future.

Diane stated that July 1st (Canada Day) is coming up and everyone likes to celebrate. She mentioned that July 1st is also a special day for Alex and Natalia Lefter, as it is their 16th wedding anniversary and as they celebrate their anniversary this year, they will be celebrating as Canadian citizens. Diane wished the Lefters heart-felt congratulations on behalf of all owners and residents.

12. ADJOURNMENT

There being no further business, a motion was made by James Dubro, Suite 5C, that the meeting adjourn. Motion carried.

Diane Turner thanked everyone for coming and invited everyone to stay for the refreshments.

The meeting was adjourned at 9:31 p.m.