



NOTICE TO OWNERS

2010 MAINTENANCE FEES

Sunday, December 20, 2009

We are going to do something pretty much unprecedented in terms of maintenance fees for the coming year.

We are going to hold fees unchanged for 2010. There will be is no increase in 2010.

The 2010 rates will be unchanged from 2009 at:

Commercial Unit	\$1,010.00 per month
Residential Units	\$895.00 per month

Why Would We Do This?

We have an accumulated Surplus in our Operating Fund. This is the result of a combination of a number of things, including good cost management by the Board. But the fact is, this is money that belongs to the owners and as such, we are going to use it to offset the cost increases we will see in 2010.

HST

We now know with certainty the government will implement the HST on July 1, 2010. This item alone will account for \$17 per month of an increase. We could quite justifiably raise maintenance fees by \$17 per month on January 1, 2010. But we feel the time is right to use our Operating Surplus in a manner that works for our owners.

What Should You Expect in 2011?

For starters, don't expect to have maintenance fees held again.

Keep in mind the HST impact of \$17 per month per suite in 2010 is for a half year (it only becomes law effective July 1, 2010). In 2011, we will see the full impact of HST so that portion alone will cost us \$34 more than what we paid in 2009.

But how much of that \$34 per month per suite will translate into fees is the question. Don't forget, again through the considerable efforts of the Board, combined with some fortunate timing, we were able to lock into our new gas contract at 25.9 cents per cubic meter which is less than we were paying for the previous 3 years by a very sizable 25%. So with the combined effect of what we hope to be a more mild winter, and the lower cost per cubic foot of gas that has been negotiated in our new Gas Buying Contract, we are projecting gas in 2010 will be less than what it cost us in 2009.

Is the Operating Surplus we are using the same as our Reserve?

No, it's not. Our Reserve Fund balance at the end of October 2009 was an impressive \$620,000. Even after we pay for the 2nd floor Recreation Roof renovation, we expect the Reserve Fund at the end of 2009 to be in excess of \$550,000. And I am comforted by the fact we have just received a new Reserve Fund Study from our Engineering Firm. Based on that very current study, our Reserve Fund is right where it should be. The point is, we are not measuring our Reserve Fund balance to some outdated Study. In fact, it would be hard to get any fresher information.

Other Things to Note

The holding of maintenance fees is made even more impressive when you consider 2009 spending and 2010 forecast includes the following larger than expected expenses:

Fire Safety – We had to incur \$15,000 of unplanned expenses for replacement of replacement of all our heat tracing system in P1 and P2.

Diesel Equipment – We had to incur \$5,600 to rebuild our emergency generator.

A detailed description of our Operating Budget is being provided to you showing each item of the 2009 Forecast and 2010 Budget, along with notes explaining the calculation of each.

As stated above, we are planning to use our current Operating Surplus of \$49,000 to

- Offset the increase we would otherwise see from HST in 2010,
- Comply with a newly introduced Municipal By-Law requirement preventing potentially contaminated water from our building from entering the city's water supply, and
- Finance other planned 2010 improvements included in the attached budget related to gating, lighting and other such improvements.

Please provide post-dated cheques for the year dated the 1st of each month commencing January 1, 2010, payable to MTCC #600 and have them delivered to the Office – Suite 2C, no later than Saturday, December 13th, 2008.

For those of you who are on the Pre-Authorized Payment Program, you don't have to do anything.

If you want to be on the Pre-Authorized Payment Program, please place a void cheque in an envelope to the attention of Greg Geralde, and put it in the office mail box before the Saturday, December 26th deadline.



Gregory B. Geralde, CGA
Treasurer for
The Board of Directors, MTCC #600

M.T.C.C. 600
STATEMENT OF OPERATING INCOME AND EXPENDITURE
2010 OPERATING BUDGET

	<u>Column 1</u>	<u>Column 2</u>	<u>Column 3</u>	<u>Column 4</u>
	<u>Oct. 2009</u>	<u>2009</u>	<u>2009</u>	<u>2010</u>
	<u>YTD</u>	<u>BUDGET</u>	<u>FORECAST</u>	<u>BUDGET</u>
INCOME				
Maintenance Fees	\$493,400.00	\$592,080.00	\$592,080.00	\$592,080.00
Key/Card Fees	470.00	400.00	470.00	150.00
Status Certificate Fees	500.00	200.00	600.00	200.00
Moving Fees	450.00	200.00	600.00	200.00
Lease income	400.00	400.00	400.00	400.00
Other Income	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Income	\$495,220.00	\$593,280.00	\$594,150.00	\$593,030.00
EXPENDITURES				
Administrative				
Audit	\$3,990.00	\$4,200.00	\$4,100.00	\$4,200.00
Bank Charges	743.07	1,700.00	910.00	1,400.00
Legal	425.25	2,000.00	500.00	1,500.00
Office	3,633.66	5,000.00	4,700.00	4,900.00
Professional Fees	<u>793.28</u>	<u>5,000.00</u>	<u>6,300.00</u>	<u>4,500.00</u>
Total Administrative	\$9,585.26	\$17,900.00	\$16,510.00	\$16,500.00
Personnel				
Regular Wages	\$28,703.43	\$40,100.00	\$36,828.00	\$38,328.00
Weekend Relief	3,520.00	4,160.00	4,160.00	4,160.00
E.I. Employer	816.73	1,110.00	1,065.00	1,110.00
C.P.P. Employer	1,966.25	2,120.00	1,930.00	2,120.00
WSIB Employer	1,012.91	1,000.00	1,300.00	1,300.00
Third Party Relief Wages	1,800.00	2,250.00	2,000.00	2,250.00
Telephone/Pager	<u>1,911.67</u>	<u>2,500.00</u>	<u>2,400.00</u>	<u>2,500.00</u>
Total Personnel	\$39,730.99	\$53,240.00	\$49,683.00	\$51,768.00

M.T.C.C. 600
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	<u>Oct. 2009</u>	<u>2009</u>	<u>2009</u>	<u>2010</u>
	<u>YTD</u>	<u>BUDGET</u>	<u>FORECAST</u>	<u>BUDGET</u>
Operating Services				
Cleaning Services (Exterior)	\$2,221.28	\$3,600.00	\$3,400.00	\$3,600.00
Cleaning Services (Interior)	660.00	1,300.00	1,000.00	1,400.00
Compactor	1,541.90	2,400.00	2,000.00	2,080.00
Elevators	14,643.30	17,300.00	17,600.00	19,000.00
Fire Safety	4,227.00	5,000.00	20,000.00	5,500.00
Grounds	535.31	2,000.00	2,000.00	2,000.00
HVAC	26,233.20	27,220.00	26,233.00	29,000.00
Insurance	13,118.88	12,800.00	13,118.00	14,000.00
Laundry	0.00	0.00	0.00	0.00
Pest Control	531.35	1,300.00	750.00	1,000.00
Property Taxes	2,743.85	3,000.00	2,750.00	3,000.00
Security	<u>12,877.49</u>	<u>17,200.00</u>	<u>15,500.00</u>	<u>16,500.00</u>
Total Operating Services	\$79,333.56	\$93,120.00	\$104,351.00	\$97,080.00
Operating Supplies				
Cleaning Supplies	\$1,242.03	\$3,000.00	\$3,000.00	\$3,000.00
Grounds Supplies	1,078.48	1,200.00	1,200.00	1,200.00
Lighting Supplies	164.48	500.00	500.00	500.00
Recreational Supplies	<u>2,936.75</u>	<u>3,000.00</u>	<u>2,940.00</u>	<u>3,000.00</u>
Total Operating Supplies	\$5,421.74	\$7,700.00	\$7,640.00	\$7,700.00
Operating Utilities				
Cable TV	\$30,876.00	\$30,900.00	\$30,876.00	\$32,000.00
Diesel Fuel & Equipment	1,013.40	2,000.00	7,600.00	2,000.00
Electricity	41,120.73	53,720.00	49,200.00	53,660.00
Gas	59,674.93	85,600.00	76,100.00	74,000.00
Water & Sewer	<u>19,374.58</u>	<u>26,700.00</u>	<u>24,750.00</u>	<u>27,000.00</u>
Total Operating Utilities	\$152,059.64	\$198,920.00	\$188,526.00	\$188,660.00

M.T.C.C. 600
STATEMENT OF OPERATING INCOME AND EXPENDITURE
2010 OPERATING BUDGET

	<u>Column 1</u> <u>Oct. 2009</u> <u>YTD</u>	<u>Column 2</u> <u>2009</u> <u>BUDGET</u>	<u>Column 3</u> <u>2009</u> <u>FORECAST</u>	<u>Column 4</u> <u>2010</u> <u>BUDGET</u>
Repair & Maintenance				
Electrical Repair	\$2,282.23	\$1,200.00	\$2,300.00	\$1,200.00
Mechanical Repair	42.67	1,000.00	43.00	1,000.00
Plumbing Repair	5,841.79	10,000.00	6,700.00	27,000.00
Recreational Repair	0.00	1,000.00	250.00	1,000.00
General & Misc. (Exterior)	1,725.37	11,500.00	3,000.00	41,500.00
General & Misc. (Interior)	<u>16,438.08</u>	<u>20,000.00</u>	<u>20,800.00</u>	<u>25,000.00</u>
Total Repair & Maintenance	\$26,330.14	\$44,700.00	\$33,093.00	\$96,700.00
Total Expenditures	\$312,461.33	\$415,580.00	\$399,803.00	\$458,408.00
Operating Surplus (Deficit)	\$182,758.67	\$177,700.00	\$194,347.00	\$134,622.00
One Time Surplus			\$31,818.00	\$49,000.00
Less, Contribution to Reserve	<u>(147,633.30)</u>	<u>(177,160.00)</u>	<u>(177,160.00)</u>	<u>(182,475.00)</u>
Net Operating Income (Loss)	<u>\$35,125.37</u>	<u>\$540.00</u>	<u>\$49,005.00</u>	<u>\$1,147.00</u>

M.T.C.C. 600
NOTES TO 2010 OPERATING BUDGET

	<u>2009</u> <u>FORECAST</u>	<u>2010</u> <u>BUDGET</u>
MAINTENANCE FEES		
2009 Fees (54 units x \$895 + \$1,010 commercial).....	\$592,080.00	
2010 Budget - Increase of 4.1% based on January to December (54 units x \$895 + \$1,010 commercial).....		\$592,080.00
KEY CARD FEES		
2009 Forecast - October 30th Actual. No more anticipated ..	\$470.00	
2010 Budget based on £ 3cards at \$50 each		\$150.00
STATUS CERTIFICATE FEES		
2009 Forecast - October 30th Actual plus 1 additional	\$600.00	
2010 Budget assumes 2 moves		\$200.00
MOVING FEES		
2009 Forecast - October 30th Actual plus 3 additional moves	\$600.00	
2010 Budget assumes 2 moves in and out		\$200.00
LEASE INCOME		
2009 Forecast - October 30th Actual. No more anticipated ..	\$400.00	
2010 Budget.....		\$400.00
OTHER INCOME		
Gas Recovery from Rabba shown as credit to Gas Expense	\$0.00	
Gas Recovery from Rabba shown as credit to Gas Expense		\$0.00
AUDIT		
2009 Forecast	\$4,100.00	
2010 Budget based on 2010 Forecast		\$4,200.00
BANK CHARGES		
2009 Forecast - Oct 30 Actual plus estimate for Nov & Dec ..	\$910.00	
2010 Budget		\$1,400.00
LEGAL		
2009 Forecast - Oct 30 Actual plus estimate for Nov & Dec ..	\$500.00	
2010 Budget to include general provision		\$1,500.00
OFFICE		
2009 Forecast - Oct 30 Actual plus estimate for Nov & Dec ..	\$4,700.00	
2010 Budget based on 2010 Forecast		\$4,900.00
PROFESSIONAL FEES		
2009 Forecast - Oct 30 Actual plus \$2500 for Reserve Fund Study and \$3,000 for Backwater Preventer Engineering Report	\$6,300.00	
2010 Budget for \$200 Roof Anchor inspection, \$800 Thermo inspection, and \$3,500 for inspection precast hanging concrete wall panels		\$4,500.00

REGULAR WAGES

2009 Forecast based on \$28,703 YTD plus 5 pay periods, plus Christmas bonus	\$36,828.00	
2010 Budget based on 3% increase effective Sept. 2010. plus provision for additional cleaning		\$38,328.00

WEEKEND RELIEF

2009 Forecast based on YTD plus 5 pay periods at \$160.....	\$4,160.00	
2010 Budget based on \$160 per pay period x 26 pay periods.....		\$4,160.00

E.I. EMPLOYER

2009 Forecast based on annual maximum of	\$1,065.00	
2010 Budget.....		\$1,110.00

C.P.P. EMPLOYER

2009 Forecast based on 2009 expense	\$1,930.00	
2010 Budget assumes 7% increase.....		\$2,120.00

WSIB EMPLOYER

2009 Forecast	\$1,300.00	
2010 Budget.....		\$1,300.00

THIRD PARTY RELIEF WAGES

2009 YTD plus possible cleaning relief	\$2,000.00	
2010 Budget based on \$750 per week for 3 weeks.....		\$2,250.00

TELEPHONE

2009 Forecast - Oct 30 Actual plus estimate for Nov & Dec ..	\$2,400.00	
2010 Budget based on 2009 forecast plus provision for increase		\$2,500.00

CLEANING CONTRACTS (EXTERIOR)

2009 Forecast - Oct 30 Actual plus one additional window washing scheduled for Dec 2/09 ...	\$3,400.00	
2010 Budget for 3 window cleanings @ \$1,200.....		\$3,600.00

CLEANING CONTRACTS (INTERIOR)

2009 Forecast - Oct 30 Actual plus 1 more carpet cleaning .	\$1,000.00	
2010 Budget for 3 treatments of carpet cleaning at \$321 plus 3%, and spot cleaning for \$300.....		\$1,400.00

COMPACTOR

2009 Forecast - Oct 30 Actual plus estimate for Nov & Dec ..	\$2,000.00	
2010 Budget for garbage bin maintenance, spring and fall chute cleaning, and provision for compactor repairs.....		\$2,080.00

ELEVATORS

2009 Forecast - Oct 30 Actual plus 2 monthly charges of \$1,382 per month	\$17,600.00	
2010 Budget based on \$1,390 with 3.5% increase and PST effective July 1 and 650.00 for inspection and licenses...		\$19,000.00

FIRE SAFETY

2009 Forecast - Oct 30 Actual plus \$15,000 to replace heat tracing and various fire sprinkler associated pipes associated, and fire extinguisher refills....	\$20,000.00	
2010 Budget for annual inspection \$3,500, plus \$675 for deficiencies and \$825 annually for ADT fire monitoring.....		\$5,500.00

GROUNDS CONTRACTS

2009 Forecast - October 30th Actual, plus provision for Recreation Center planters.....	\$2,000.00	
2010 Budget		\$2,000.00

HVAC

2009 Forecast - October 30th Actual includes 4th quarter payment. No more anticipated.	\$26,233.00	
2010 Budget assumes 3% increase in Honeywell agreement which renews April 1/10, plus 8% PST on last 2 quarterly payments		\$29,000.00

INSURANCE

2009 Forecast - October 30th Actual. No more anticipated ..	\$13,118.00	
2010 Budget assumes we will avoid harmonization based on payment before July 1st and 5% provision for claim history		\$14,000.00

LAUNDRY

Coinamatic contract cut in previous year as cost savings.....	\$0.00	
Coinamatic contract cut in previous year as cost savings.....		\$0.00

PEST CONTROL

2009 Forecast - October 30th Actual plus 2 more months of \$47 per month and provision for special services	\$750.00	
2010 Budget based on prior year plus 3%, plus provision for possible supplier change...		\$1,000.00

PROPERTY TAXES

2009 Forecast - October 30th Actual. No more anticipated ..	\$2,750.00	
2010 Budget based on 2010 Forecast plus 10%.....		\$3,000.00

SECURITY

2009 Forecast - October 30th Actual plus 2 months at \$1,190 plus 2 months of Bell Enterphone monitoring	\$15,500.00	
2010 Budget at \$1,178 plus 3% x 6 plus 8% HST for last 6 months plus enterphone at \$119 x 12 plus provision for access cards / fob \$250 plus 2 security calls at \$500 each		\$16,500.00

CLEANING SUPPLIES

2009 Forecast - Oct 30 Actual plus estimate for Nov & Dec ..	\$3,000.00	
2010 Budget to remain at 2009 level		\$3,000.00

GROUNDS SUPPLIES

2009 Forecast - October 30th Actual. No more anticipated ...	\$1,200.00	
2010 Budget to remain at 2009 level.....		\$1,200.00

LIGHTING SUPPLIES

2009 Forecast - Oct 30 Actual plus estimate for Nov & Dec ..	\$500.00	
2010 Budget to be maintained at 2009 level		\$500.00

RECREATIONAL SUPPLIES

2009 Forecast - October 30th Actual. No more anticipated ...	\$2,940.00	
2010 Budget includes possible new equipment		\$3,000.00

CABLE TV

2009 Forecast - October 30th Actual. No more anticipated ...	\$30,876.00	
2010 Budget based on 7 months at \$42.91		
and 5 months at \$44.21 plus 2 month adj. plus tax		\$32,000.00

DIESEL FUEL & EQUIPMENT

2009 Forecast - October 30th Actual plus rebuild of generator	\$7,600.00	
2010 Budget will include possible tank refilling		\$2,000.00

ELECTRICITY

2009 Forecast - October 30th Actual plus October, November and December.....	\$49,200.00	
2010 Budget based on 2010 usage plus a 5% increase		\$53,660.00

GAS

2009 Forecast - Oct 30 Actual plus estimate for Nov & Dec ..	\$76,100.00	
2010 Budget based on 2010 less 20% savings resulting from new gas contract which commenced Sept 1/09, plus HST provision		\$74,000.00

WATER & SEWER

2009 Forecast - Oct 30 Actual plus estimate for Nov & Dec ..	\$24,750.00	
2010 Budget based on 2009, plus 9% increase, does not include any provision for Green Bin.....		\$27,000.00

ELECTRICAL REPAIR

2009 Forecast - October 30th Actual. No more anticipated ..	\$2,300.00	
2010 Projected repairs		\$1,200.00

MECHANICAL REPAIR

2009 Forecast - October 30th Actual. No more anticipated ...	\$43.00	
2010 Budget estimate.....		\$1,000.00

PLUMBING REPAIR

2009 Forecast - October 30th Actual plus estimate for plus various pipe replacements	\$6,700.00	
2010 Budget includes Backwater Preventor, pipe replacements for lobby and breezeway plus normal plumbing		\$27,000.00

RECREATIONAL REPAIR

2009 Forecast - October 30th Actual plus estimate for one semi annual inspection.....	\$250.00	
2010 Budget estimate.....		\$1,000.00

GENERAL & MISCELLANEOUS REPAIR (EXTERIOR)

2009 Forecast - October 30th Actual plus snow removal ...	\$3,000.00	
2010 Budget includes repair to back emergency exit, plus repair to exterior flashing, plus repair to interlock, repair to concrete panel, repair to garage overhand, various gating initiatives, plus snow removal outer lobby carpeting, garage lighting and 4 plastic carts		\$41,500.00

GENERAL & MISCELLANEOUS REPAIR (INTERIOR)

2009 Forecast - October 30th Actual plus estimate for sliding window restrictors	\$20,800.00	
2010 Budget will reflect ongoing window replacement carpeting, ceiling repairs and lobby door repairs.....		\$25,000.00