



# NOTICE TO OWNERS

## 2011 MAINTENANCE FEES

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Saturday December 18, 2010

The Board of Directors has determined the 2011 Operating Budget for MTCC #600. Maintenance Fees for the coming year will **increase by 6.7% over 2010**. The new rates are:

**The 2011 rates will increase by \$60 per month or 6.7% over 2010 to the following levels:**

Commercial Unit	\$1,075.00 per month
Residential Units	\$955.00 per month

### **Why The Increase?**

Three reasons.

1. The HST. Next year we will be forced to absorb a full year of HST. You remember in last year's letter we explained the HST accounted for \$17 per month per suite, and that was only for a half year since it was implemented July 1, 2010. In 2011, it will cost each of us \$34 per month.
2. We Used Our Surplus Last Year – That saved us from increasing funds, but as I explained last year, it was a one-time thing.
3. \$11 of our increase is attributable to the Reserve Study, which we are required to put toward the Reserve Fund.

### **History of Maintenance Fee Increases**

<b><u>Year</u></b>	<b><u>Increase over Previous Year</u></b>
2007 v 2006	\$55.00
2008 v 2007	\$35.00
2009 v 2008	\$10.00
2010 v 2009	zero
2011 v 2010	\$60.00

### **Other Things to Note**

We held the line on some important areas of spending.

The biggest one is Gas. We are down more than \$26,000 from our 2010 budget thanks to our buying contract we locked into last year. And even with the harsh winter projected for 2011 and the recent government announcements for rate hikes, we will keep 2/3rds of that savings into 2011.

Plumbing Repair - Came in \$11,000 under 2010 budget because monies set aside for lobby and breezeway were not used in their entirety. 2011 includes our standard provision for aging pipes.

### **Where Are We Up in Spending?**

Professional Fees – we are doing a study in 2011 regarding the security of our precast slabs on the front of the building. As you know, some of the banks have had slabs fall to the ground. It's something we have to be very serious about. So we will be. No cost cutting in an area. We will pay a company to inspect each of the precast slabs attached to the building. We will be up by \$6,200 in this category.

Fire Safety – This is another area we don't play around with. Keeping the building up to code is a primary responsibility and we will spend some more money in 2011 on that.

Electricity - will be up in 2011 because of the 8.5% increase as predicted by Ontario Hydro, plus HST as discussed above.

Gas – all projections are for the coming year to be a cold one, so we have built that into our projection. We intend to save money on the new temperature control system which allows us to monitor and adjust the temperature of water, but it is too early to quantify that yet.

A detailed description of our Operating Budget is being provided to you showing each item of the 2010 Forecast and 2011 Budget, along with notes explaining the calculation of each.

**Please provide post-dated cheques for the year dated the 1<sup>st</sup> of each month commencing January 1, 2011, payable to MTCC #600 and have them delivered to the Office – Suite 2C, no later than Sunday, December 26<sup>th</sup>, 2010.**

**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 26<sup>th</sup> deadline.**



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

**M.T.C.C. 600**  
**STATEMENT OF OPERATING INCOME AND EXPENDITURE**  
**2011 OPERATING BUDGET**

	<u>Column 1</u>	<u>Column 2</u>	<u>Column 3</u>	<u>Column 4</u>
	<u>Oct. 2010</u>	<u>2010</u>	<u>2010</u>	<u>2011</u>
	<u>YTD</u>	<u>BUDGET</u>	<u>FORECAST</u>	<u>BUDGET</u>
<b>INCOME</b>				
Maintenance Fees	\$493,400.00	\$592,080.00	\$592,080.00	\$631,740.00
Key/Card Fees	560.00	150.00	560.00	150.00
Status Certificate Fees	300.00	200.00	300.00	200.00
Moving Fees	950.00	200.00	950.00	200.00
Lease income	400.00	400.00	400.00	400.00
Other Income	<u>650.00</u>	<u>0.00</u>	<u>750.00</u>	<u>1,000.00</u>
Total Income	\$496,260.00	\$593,030.00	\$595,040.00	\$633,690.00
<b>EXPENDITURES</b>				
<b>Administrative</b>				
Audit	\$3,990.00	\$4,200.00	\$4,100.00	\$4,200.00
Bank Charges	750.45	1,400.00	910.00	1,400.00
Legal	622.25	1,500.00	622.25	1,500.00
Office	4,392.47	4,900.00	4,800.00	5,000.00
Professional Fees	<u>985.95</u>	<u>4,500.00</u>	<u>1,000.00</u>	<u>7,200.00</u>
Total Administrative	\$10,741.12	\$16,500.00	\$11,432.25	\$19,300.00
<b>Personnel</b>				
Regular Wages	\$29,477.04	\$38,328.00	\$37,602.00	\$39,828.00
Weekend Relief	3,360.00	4,160.00	4,160.00	4,160.00
E.I. Employer	883.26	1,110.00	1,065.00	1,110.00
C.P.P. Employer	1,857.25	2,120.00	2,118.00	2,400.00
WSIB Employer	1,012.41	1,300.00	1,300.00	1,600.00
Third Party Relief Wages	1,500.00	2,250.00	2,000.00	3,500.00
Telephone / Internet	<u>1,632.24</u>	<u>2,500.00</u>	<u>2,200.00</u>	<u>2,500.00</u>
Total Personnel	\$39,722.20	\$51,768.00	\$50,445.00	\$55,098.00

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**2011 OPERATING BUDGET**

	<u>Column 1</u>	<u>Column 2</u>	<u>Column 3</u>	<u>Column 4</u>
	<u>Oct. 2010</u>	<u>2010</u>	<u>2010</u>	<u>2011</u>
	<u>YTD</u>	<u>BUDGET</u>	<u>FORECAST</u>	<u>BUDGET</u>
<b>Operating Services</b>				
Cleaning Services (Exterior)	\$2,169.08	\$3,600.00	\$2,170.00	\$4,000.00
Cleaning Services (Interior)	315.00	1,400.00	1,000.00	1,400.00
Compactor	1,520.43	2,080.00	1,520.00	2,080.00
Elevators	15,429.36	19,000.00	18,600.00	20,000.00
Fire Safety	1,707.43	5,500.00	7,722.00	10,000.00
Grounds	1,102.89	2,000.00	1,200.00	1,500.00
HVAC	30,738.95	29,000.00	33,939.00	33,700.00
Insurance	14,854.38	14,000.00	14,855.00	16,635.00
Laundry	0.00	0.00	0.00	0.00
Pest Control	432.30	1,000.00	600.00	750.00
Property Taxes	2,807.33	3,000.00	2,807.00	2,900.00
Security	<u>13,673.95</u>	<u>16,500.00</u>	<u>16,380.00</u>	<u>19,350.00</u>
Total Operating Services	\$84,751.10	\$97,080.00	\$100,793.00	\$112,315.00
<b>Operating Supplies</b>				
Cleaning Supplies	\$1,876.59	\$3,000.00	\$2,300.00	\$3,000.00
Grounds Supplies	985.77	1,200.00	985.00	1,500.00
Lighting Supplies	238.10	500.00	500.00	500.00
Recreational Supplies	<u>622.28</u>	<u>3,000.00</u>	<u>622.00</u>	<u>3,000.00</u>
Total Operating Supplies	\$3,722.74	\$7,700.00	\$4,407.00	\$8,000.00
<b>Operating Utilities</b>				
Cable TV	\$31,774.69	\$32,000.00	\$31,775.00	\$34,000.00
Diesel Fuel & Equipment	471.79	2,000.00	2,200.00	2,700.00
Electricity	47,770.90	53,660.00	55,000.00	62,000.00
Gas	39,275.98	74,000.00	47,678.00	55,000.00
Water & Sewer	<u>21,545.61</u>	<u>27,000.00</u>	<u>26,345.00</u>	<u>28,800.00</u>
Total Operating Utilities	\$140,838.97	\$188,660.00	\$162,998.00	\$182,500.00



M.T.C.C. 600  
**STATEMENT OF OPERATING INCOME AND EXPENDITURE**  
**2011 OPERATING BUDGET**

	<u>Column 1</u> <u>Oct. 2010</u> <u>YTD</u>	<u>Column 2</u> <u>2010</u> <u>BUDGET</u>	<u>Column 3</u> <u>2010</u> <u>FORECAST</u>	<u>Column 4</u> <u>2011</u> <u>BUDGET</u>
<b>Repair &amp; Maintenance</b>				
Electrical Repair	\$1,147.86	\$1,200.00	\$1,150.00	\$2,000.00
Mechanical Repair	0.00	1,000.00	0.00	1,000.00
Plumbing Repair	5,684.70	27,000.00	15,685.00	10,000.00
Recreational Repair	398.35	1,000.00	800.00	1,000.00
General & Misc. (Exterior)	6,610.16	41,500.00	11,042.00	30,000.00
General & Misc. (Interior)	<u>23,267.77</u>	<u>25,000.00</u>	<u>32,224.00</u>	<u>20,000.00</u>
Total Repair & Maintenance	\$37,108.84	\$96,700.00	\$60,901.00	\$64,000.00
Total Expenditures	\$316,884.97	\$458,408.00	\$390,976.25	\$441,213.00
Operating Surplus (Deficit)	\$179,375.03	\$134,622.00	\$204,063.75	\$192,477.00
One Time Surplus		\$49,000.00		
Less, Contribution to Reserve	<u>-152,062.50</u>	<u>-182,475.00</u>	<u>-182,475.00</u>	<u>-189,774.00</u>
<b>Net Operating Income (Loss)</b>	<u><b>\$27,312.53</b></u>	<u><b>\$1,147.00</b></u>	<u><b>\$21,588.75</b></u>	<u><b>\$2,703.00</b></u>

**M.T.C.C. 600**  
**NOTES TO 2011 OPERATING BUDGET**

	<u>2010 FORECAST</u>	<u>2011 BUDGET</u>
<b>MAINTENANCE FEES</b>		
2010 Fees (54 units x \$895 + \$1,010 commercial).....	\$592,080.00	
2011 Budget - Increase of 6.7% based on January to December (54 units x \$955 + \$1,075 commercial).....		\$631,740.00
<b>KEY CARD FEES</b>		
2010 Forecast - October 30th Actual. No more anticipated ...	\$560.00	
2011 Budget based on 3 cards at \$50 each		\$150.00
<b>STATUS CERTIFICATE FEES</b>		
2010 Forecast - October 30th Actual. No more anticipated ...	\$300.00	
2011 Budget assumes 2 moves .....		\$200.00
<b>MOVING FEES</b>		
2010 Forecast - October 30th Actual. No more anticipated ...	\$950.00	
note - current year included triple charge for one suite with multiple moves		
2011 Budget assumes 2 moves in and out .....		\$200.00
<b>LEASE INCOME</b>		
2010 Forecast - October 30th Actual. No more anticipated ...	\$400.00	
2011 Budget.....		\$400.00
<b>OTHER INCOME</b>		
2010 Includes rental of space for scooters	\$750.00	
2011 Includes rental of space for scooters		\$1,000.00
<b>AUDIT</b>		
2010 Forecast - no more expected .....	\$4,100.00	
2011 Budget based on 2011 Forecast .....		\$4,200.00
<b>BANK CHARGES</b>		
2010 Forecast - Oct 30 Actual plus estimate for Nov & Dec ..	\$910.00	
2011 Budget .....		\$1,400.00
<b>LEGAL</b>		
2010 Forecast - no more expected .....	\$622.25	
2011 Budget to include general provision .....		\$1,500.00
<b>OFFICE</b>		
2010 Forecast - Oct 30 Actual plus estimate for Nov & Dec ..	\$4,800.00	
2011 Budget based on 2011 Forecast .....		\$5,000.00
<b>PROFESSIONAL FEES</b>		
2010 Forecast - no more expected .....	\$1,000.00	
2011 Budget \$5,000 to investigate ongoing smells coming from Rabba, also inspection of hanging concrete slabs on building for safety		\$7,200.00

**REGULAR WAGES**

2010 Forecast based on \$29,477 YTD plus 5 pay periods, plus retro, plus Christmas bonus	\$37,602.00
2011 Budget based on 3% increase effective Sept. 2011. plus provision for additional cleaning	\$39,828.00

**WEEKEND RELIEF**

2010 Forecast based on YTD plus 5 pay periods at \$160.....	\$4,160.00
2011 Budget based on \$160 per pay period x 26 pay periods.....	\$4,160.00

**E.I. EMPLOYER**

2010 Forecast based on annual maximum of .....	\$1,065.00
2011 Budget.....	\$1,110.00

**C.P.P. EMPLOYER**

2010 Forecast based on 2010 expense .....	\$2,118.00
2011 Budget assumes increase.....	\$2,400.00

**WSIB EMPLOYER**

2010 Forecast .....	\$1,300.00
2011 Budget - increase in rate class notice from WSIB.....	\$1,600.00

**THIRD PARTY RELIEF WAGES**

2010 YTD plus possible cleaning relief .....	\$2,000.00
2011 Budget based on \$750 per week for 3 weeks plus provision for special cleaning.....	\$3,500.00

**TELEPHONE / INTERNET**

2010 Forecast - Oct 30 Actual plus estimate for Nov & Dec ..	\$2,200.00
2011 Budget based on 2010 forecast plus provision for increase	\$2,500.00

**CLEANING CONTRACTS (EXTERIOR)**

2010 Forecast - Oct 30 Actual with no additional because we will only do 2 window cleanings this year	\$2,170.00
2011 Budget for usual 3 window cleanings @ \$1,200 plus vent cleaning .....	\$4,000.00

**CLEANING CONTRACTS (INTERIOR)**

2010 Forecast - Oct 30 Actual plus 1 more carpet cleaning ..	\$1,000.00
2011 Budget for 3 treatments of carpet cleaning at \$321 plus 3%, and spot cleaning for \$300.....	\$1,400.00

**COMPACTOR**

2010 Forecast - no more expected .....	\$1,520.00
2011 Budget for garbage bin maintenance, spring and fall chute cleaning, and provision for compactor repairs.....	\$2,080.00

**ELEVATORS**

2010 Forecast - Oct 30 Actual plus 2 monthly charges of \$1,382 per month .....	\$18,600.00
2011 Budget based on \$1,572 with 3.5% increase and provision for inspection and licenses...	\$20,000.00

**FIRE SAFETY**

2010 Forecast - Oct 30 Actual plus replacement of smoke detectors and quarterly ADT alarm .....	\$7,722.00	
2011 Budget for annual inspection \$3,500, plus \$2,000 provision for smoke detectors and venting for clothes dryers.....		\$10,000.00

**GROUPS CONTRACTS**

2010 Forecast - October 30th Actual, plus November clean up .....	\$1,200.00	
2011 Budget .....		\$1,500.00

**HVAC**

2010 Forecast - October 30th Actual includes plus Internet access for automated usage control system....	\$33,939.00	
2011 Budget assumes 3% increase in Honeywell agreement plus \$2,500 provision for unexpected equipment failures and \$100 per month IP address.....		\$33,700.00

**INSURANCE**

2010 Forecast - October 30th Actual. No more anticipated ...	\$14,855.00	
2011 Budget will reflect HST for full year since our billing date last year was prior to HST implementation.....		\$16,635.00

**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**

2010 Forecast - October 30th Actual plus 2 more months of \$50 per month and provision for special services .....	\$600.00	
2011 Budget based on prior year plus 3%, plus provision for possible supplier change...		\$750.00

**PROPERTY TAXES**

2010 Forecast - October 30th Actual. No more anticipated ...	\$2,807.00	
2011 Budget based on 2011 Forecast plus 3%.....		\$2,900.00

**SECURITY**

2010 Forecast - October 30th Actual plus 2 months at \$1,190 plus 2 months of Bell Enterphone monitoring .....	\$16,380.00	
2011 Budget at \$1,262 plus 1.5% x 6 plus enterphone at \$65 per month plus \$250 for FOB's and \$3,000 for cameras		\$19,350.00

**CLEANING SUPPLIES**

2010 Forecast - Oct 30 Actual plus estimate for Nov & Dec ..	\$2,300.00	
2011 Budget includes provision for extra salting for bad winter.....		\$3,000.00

**GROUPS SUPPLIES**

2010 Forecast - no more expected .....	\$985.00	
2011 Budget includes plant vandalism protectors.....		\$1,500.00



**LIGHTING SUPPLIES**

2010 Forecast - Oct 30 Actual plus estimate for Nov & Dec ..	\$500.00	
2011 Budget to be maintained at 2010 level		\$500.00

**RECREATIONAL SUPPLIES**

2010 Forecast - no more expected .....	\$622.00	
2011 Budget includes possible new equipment		\$3,000.00

**CABLE TV**

2010 Forecast - October 30th Actual. No more anticipated ...	\$31,775.00	
2011 Budget based on 2 quarters at \$8,100 however our contact expires Aug 31/10 so anticipating increase.....		\$34,000.00

**DIESEL FUEL & EQUIPMENT**

2010 Forecast - October 30th Actual plus		
November servicing .....	\$2,200.00	
2011 Budget includes possible replacement of battery recharger .....		\$2,700.00

**ELECTRICITY**

2010 Forecast - October 30th Actual plus		
provision for November and December.....	\$55,000.00	
2011 Budget based on 8.5% increase and HST for full year .....		\$62,000.00

**GAS**

2010 Forecast - Oct 30 Actual plus estimate for Nov & Dec ..	\$47,678.00	
2011 Budget based on 2010 plus HST, plus provision for heavy winter, less anticipated savings.....		\$55,000.00

**WATER & SEWER**

2010 Forecast - Oct 30 Actual plus estimate for Nov & Dec ..	\$26,345.00	
2011 Budget based on 2011, plus 9% increase.....		\$28,800.00

**ELECTRICAL REPAIR**

2010 Forecast - October 30th Actual. No more anticipated ...	\$1,150.00	
2011 includes tower light repair		\$2,000.00

**MECHANICAL REPAIR**

2010 Forecast - October 30th Actual. No more anticipated ...	\$0.00	
2011 Budget estimate.....		\$1,000.00

**PLUMBING REPAIR**

2010 Forecast - October 30th Actual plus estimate for backwater preventer .....	\$15,685.00	
2011 Budget set at normal estimate.....		\$10,000.00

**RECREATIONAL REPAIR**

2010 Forecast - October 30th Actual plus estimate for one semi annual inspection.....	\$800.00	
2011 Budget estimate.....		\$1,000.00

**GENERAL & MISCELLANEOUS REPAIR (EXTERIOR)**

2010 Forecast - October 30th Actual plus first instalment on snow removal, plus new snow blower, plus main entry door repair.....	\$11,042.00	
2011 Budget includes \$7,000 for rear gating, \$10,000 external painting, \$2,000 painting aluminum high roof mechanicals and sun trellis, \$2,000 exit stairwell to roof, \$1,000 last instalment on snow removal, \$2,000 power wash garage, and \$6,000 for emergency breakdowns....		\$30,000.00

**GENERAL & MISCELLANEOUS REPAIR (INTERIOR)**

2010 Forecast - October 30th Actual plus repairs for damage to PH and 15th floor from water leak, plus matting and replacement for Superintendent washing machine .....	\$32,224.00	
2011 Budget for emergency repairs, hallway touch-up, and window replacement.....		\$20,000.00