
METROPOLITAN TORONTO CONDOMINIUM CORPORATION NO. 600

MINUTES OF THE ANNUAL GENERAL MEETING

WEDNESDAY, JUNE 22, 2016

PRESENT: Greg Geralde - President
 Alan Gracan - Treasurer and Secretary
 Mark Lepine - Director - Building Maintenance
 Diane Turner - Director - Superintendent Liaison
 Vincent Tondreau - Director - Owner/Resident Relations

GUESTS: Jessica Glendinning - Partner - McGovern, Hurley, Cunningham, LLP
 Larry Konyu - Recording Secretary

1. **CALL TO ORDER**

There being a quorum, Greg Geralde, the Chair, called the meeting to order at 7:30 p.m.

2. **INTRODUCTIONS**

- a. Greg welcomed the group acknowledged our new owners
 - i. Doris Swan & Dave Reynolds 5 C who purchased a year ago and moved in following their substantial and tremendous renovation.
 - ii. Stuart & Camille Hobbs PH – C - October 2015.
- b. Thank You's – Greg thanked the following people on behalf of the Board
 - i. Gordon Wegg – started October 2015 and has quickly become invaluable. Among his many Extra Projects that he took on were:
 - 1. Installing door handles on all service doors – saving locksmith cost
 - 2. Painting elevator doors
 - 3. Organized contractors roles for the upstairs Elevator room including climate control which saved significant potential costs.
 - 4. Hanging selected pieces of the Hallway Art in the lobby.
 - ii. Gardening – Thank you to Jan Oddie & Dwight Smith 7D, Wes Gordon and Dave Jung PH-A, Gus Tsantsalis 8A who did a lot of heavy work involving cutting trees on 2nd Floor Terrace.
 - iii. Jeff Van Slyke and Andrew Leask 11B – Christmas decorations every year.

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- iv. Larry Konyu who agreed to take the AGM Minutes while Kim is in Jamaica.

3. QUORUM

It was reported that there were forty-seven (47) owners present in person, representing thirty-four (34) suites (Suites 2B, 3A, 3B, 4A, 4C, 5A, 5B, 5C, 5D, 6C, 6D, 7A, 7B, 7D, 8A, 8B, 8C, 9B, 9C, 10A, 10C, 11B, 11D, 12A, 12B, 12C, 14A, 14B, 14D, 15C, 15D, 16A, 16B, and 16C in person). Thus the quorum requirement of 25% of suites (14) had been established for the meeting.

Three (3) other residents attended the AGM, making a total of fifty (50) persons present.

4. APPROVAL OF MINUTES

Greg invited comments and questions related to the minutes of last year's Annual General Meeting of June 24, 2015. There were none.

Moved to accept the minutes of the Annual General Meeting of June 24, 2015. By Julie Biddle, Suite 9B. Seconded by Claus Wall, Suite 14A. Unanimous. Carried.

5. PRESIDENT'S REPORT

This has been a very productive year with a lot of projects.

1. Elevator project –
 - a. South elevator – started August 17/15 and finished January 27/16 – taking 5 months
 - b. North elevator – started January 27/ and finished April 15/16 – 2 ½ months.
 - c. New HVAC was required for the rooftop Elevator room. That room was a disaster – holes in the walls, broken heating unit and a door that would not close properly. All that is fixed as part of the Project.
 - d. We had 2 moves during the time we had 1 elevator and surprisingly, they went much more smoothly than expected.
 - e. Finally, after 15 years of hearing the elevator doors open and close each night, that noise is all but gone.
2. General Maintenance – We sourced new Contractors who have been responsible for addressing things like:
 - a. Laundry room venting to the outside and put in a booster fan half way through.

- b. Installation of exhaust fan venting from the sauna area to the outside SW corner of the 2nd floor Terrace.
 - c. Painting the inside of Suite doors thanks to a painter Gus in 8A recommended.
3. We have been through a lot of change in the last 20 months so I want to talk about payback on that.
Here is the spending on Capital Projects, expressed in Total and Cost / Suite.

	Total Cost	Per Suite
Recreation Centre	203,177	3,695
Hallway	295,000	5,364
Elevator – Total	361,244	6,568
Total	853,421	15,625

- Costs are all on Page 7 of your Financial Package.
 - \$425,000 - was top Suite sale price last year
 - \$629,000 - 9D sold this year top price now
 - That growth in sale price represents 13 times our per suite investment
 - 1,300% payback.
4. Cable TV – result was overwhelming to do a Bulk Buy and to go with Rogers. As such the Committee will now arrange the best deal based on the Survey Monkey results.
 5. Emergency Generator – we engaged a specialist to guide us through this process because the cost is \$50K.
 6. Reserve Fund – in the audit report you will hear that we were late getting our Reserve Fund Study done.
 - a. Of the dozen projects slated for the next 3 years, the most significant by far are the windows where we will spend \$650K. To guard against having an unreliable number in the RFS for this project, we engaged the assistance of our Building Engineer who dealt directly with the supplier to obtain a reliable and informed estimate.
 7. Professional Team
 - a. Nick Tassonne – Building Engineer
 - b. Al Megahy – Contractor
 - c. Gabor Frideczky – Electrician

Question: John Lavery 5B – Asked how tax assessments per suite compared to one another
Response: Greg agreed to do a survey and report if there were significant variations

Question: Hallway costs - how much over budget were we to fix things not done by original contractor

Response: Greg replied all in - \$25,000 more than estimated

Question: Ayman 7B – Asked if the New Rogers contract will result in losing existing channels

Response: Greg replied that no one will lose channels compared to our current package

Question: John Lavery 5B - Observed that if we discontinue the Rogers bulk buy we will not be eligible for group rates which represent a considerable savings

Response: Greg confirmed that is correct.

Question: John Lavery 5B – Observed Lobby Camera channel varies.

Response: Greg replied it is usually accessed on Channel 998 but depends on individual box

Question: Is it expected the water penetration will be fixed by replacing the windows?

Response: Greg replied the water might be coming from precast and not from windows, in which case the answer is No. More investigation is required.

Question: John Lavery 5B – asked if the frames will also be replaced in the window replacement project and will it be done in summer

Response: Greg replied the project is a very lengthy one and must be coordinated with the weather since caulking will not adhere in the colder weather.

Greg introduced Mark Lepine so that he may give his building maintenance report.

6. BUILDING MAINTENANCE REPORT

RFS:

- Commissioned Building Sciences in late 2015 to complete a Class 2 Reserve Fund Study Update, inclusive of a site review - report generated and provided to MTCC 600 in May 2016. Requirement of Condominium Act to perform regularly, every three years
- RFS provides a useful budget-planning tool with respects to common elements of the Corporation. This study provides an analysis and a detailed listing of the common element building components, which will require major repairs and/or replacement. The RFS provides a realistic assessment of the monies required on a year-by-year basis over a 30-year planning period to meet future major repair and/or replacement costs of the common elements and assets of the Condominium Corporation.
- Highlights of major building Reserve Funded expenditures of focus for the next cycle (3 years):
 - Window system repairs / replacement (including lobby / vestibule glazing and doors)
 - Pre-cast concrete slab caulking
 - Parking garage repairs and interlocking brick repairs
 - Emergency generator – repairs and upgrades to meet TSSA
 - Building system pumps (fire pump, condenser pump, booster and circulation pumps,

- sump pumps and re-circulation pumps) – repairs as identified
- DHW recirculation system (pumps, piping, valves) – repairs and replacement as identified
- Fire sprinkler lines, heads and stand pipes – repairs as identified
- MUA, pressurization and garage fan units, housings, fresh air shaft louvers – repairs as identified
- HVAC common areas – repairs as identified
- Garbage chute / compactor – repairs / replacement as needed
- Fire alarm systems
- Common area camera and security systems

DHW:

- Holding tank:
 - Fall 2015 - bi-annual inspection of liner, valves and replacement of sacrificial anodes – routine maintenance
- Ongoing issue with both DHW boilers resulting in loss of hot water: “flame ignite error” resulting in system lock-out and boiler shut down
 - On occasion this will re-set itself automatically and as such it would appear the delivery of hot water is temporarily reduced
 - On many other occasions intervention requiring manual reset of the system by Building Manager (Gordon) and other Board members (Mark, Greg, Alan)
 - Many interim ‘fixes’ have been undertaken and all were required but none resolving the primary issue:
 - Cleaned flame sensors
 - Replaced flame sensors
 - Replaced faulty IEW PFA interpreter (controls boiler modulation)
 - Replaced building main gas line supply regulating valve
- Currently: Gordon and Board provide temporary support / relief to resolve the DHW boiler issue
- Corporation has undertaken an independent review of the DHW mechanical system; recommendations put forward to the Board for review
- Plan: review consultant report and feasibility for their recommendations, in tandem with Honeywell and ARIS recommendations

Dryer Duct Cleaning:

- To be completed by Merritt within the next two weeks
- Will involve pressure blasting / vacuuming the entire dryer duct run from the dryer, past the secondary filter, to the booster fan (in bathroom drop ceiling) and out to the exterior grill

Exterior Caulking:

- Sought quotes from contractors for temporary repairs as well as complete building exterior envelope caulking (windows, window frames to precast concrete slabs, precast slabs to precast slabs)

- Plan: forego the majority of this caulking work as it will be incorporated into the window replacement system that will occur
- Decision for timing of precast to precast caulking: pre-during-post window replacement (will seek advice of engineer for best timing)

Fencing:

- Repairs completed in fall 2015 to two sections of fencing surrounding rear parking lot (spot welds and replacement of one minor section due to vehicle damage)

Front Curb Update:

- This has proven a much more challenging issue than imagined.
- No further progress from earlier this spring despite several attempts.
- Plan is to approach Ryerson school of Architecture again and seek an intern to complete the required updated architectural drawings for our site plan (required by City of Toronto for permit application for curb work request)

Garbage:

- Fall 2015: installed mechanical timer to compactor; functional now only between garbage chute hours of operation (7:30 – 21:00)
- Recycling returned to each floor garbage room once elevator modernization was completed spring 2016
- Recycling volume has gone up noticeably in the last year
 - Reviewed collection and storage of recycled garbage between City pick-up (once weekly only available)
 - Acquired additional large recycle bins for storage
 - Reminders to owners to review recycling dos and don'ts
- Green waste recycling to commence once special hallway garbage room bins arrive, due early July 2016 (smaller green bin)
 - Once green waste program is ready for implementation, updates by email and posters for each garbage room will be circulated

Underground Parking Power Washing:

- Annual power washing and cleaning of the P1 & P2 parking levels, as well as the ramp was completed on June 21, 2016
- Additional power spraying around bicycle cages and racks was included this year

Water Penetration P1, P2, Hydro Vault:

- Completion of hydro vault drain maintenance to happen over the summer months once coordination with Toronto Hydro and our plumber can be arranged
- Cosmetic repair to paint peeling on P1 / P2 underground from water damage planned for later in summer / fall

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- Question: Claus Wall 14A – Had an incident where a car parked on our ramp. Would not move. Need a sign.
Response: A sign will not be sufficient to remedy the situation. We have security cameras and will monitor.
- Question: Hallway temperature is inconsistent.
Response: Mark advised he is looking into make up air which his constantly fluctuating – hallways is pressurized – do not seal doors
- Question: Gus Tsantsalis 8A – Recycling posters taken down from garbage room – need reminder
Response: New posters being acquired and will be posted
- Question: Gus Tsantsalis 8A– drain near garage needs extension
Response: Will be investigated
- Question: Gordon – new BULK garbage company to pick up in front of building – Fridays
Response: we will be charged if items are put out at other times

Greg introduced Alan and his Treasurer's report.

7. TREASURER'S REPORT

Alan took the group through the highlights of the financial statements.

Alan highlighted the following points from the financial statements for the year ended December 31, 2015:

The combined operating and reserve cash balance was \$1.120 million at December 31, 2015, vs \$1.045 million a year earlier.

There are three funds, or groups of accounts:

1. Operating Fund, for day-to-day operations of the corporation;
2. Reserve Fund, for the repairs or replacement of corporation assets; and,
3. Capital Fund, for the acquisition of new assets.

Capital Fund

There were no additions to the Capital Fund in 2015; existing assets were amortized in the amount of \$10,823.

Operating Fund

- The maintenance fees for the 54 residential and 1 commercial unit were \$658,000 (unchanged from 2014). Of this amount, \$436,000 was used for operations, and \$222,000 was contributed to the Reserve Fund.
- Total operating expenses were \$406,000 for the year (2014 - \$405,000) and were \$32,000 under budget.
- The surplus in the Operating Fund at December 31, 2015 was \$71,269, made up of a surplus from 2014 and prior years of \$38.8 thousand plus the current year surplus of \$32.4 thousand.

Reserve Fund

- The Reserve Fund at the beginning of the year was \$1.117 million. During the year, \$222 thousand was contributed through regular monthly assessments, and \$198.5 thousand through a special assessment, and \$6.4 thousand was earned in interest. The interest rate declined from 1.0% to 0.25 % during the year.
- During the year, expenditures from the Reserve Fund totaled \$565 thousand, including \$294 thousand for the hallway project, \$265 thousand for the elevator project and \$5 thousand for fire safety. (The total cost of the elevator project over 2014 and 2015 was \$361 thousand.)
- The balance of the Fund at the end of the year was \$979,673.

Current Year Budget

The budget for 2016 (the current year) had an increase of 2.5% over 2015. Over the two years of 2015 and 2016, the average increase per year was 1.25%. The biggest expenses in the budget are utilities and service contracts -- those are the items related to the maintenance of the building and provision of lighting, heating and air conditioning, and hot water for the building.

Reserve Fund

The tri-annual Reserve Fund Study was conducted and the same funding formula is continued as in the prior study. In each of the years 2016 through 2022, there is an annual increase in contributions of 4.%; thereafter, the annual increase is 1.0%. The funding assumes an annual inflation rate of 2.0%

Question: Does Elevator come out of capital or reserve fund? Is it amortized?
Answer: It is out of reserve and not amortized.

Question: Where does our money in Reserve reside – what type of investments
Answer: Very safe investments – by law it is regulated

8. AUDITOR'S REPORT

Greg introduced the auditor, Jessica Glendinning, from the firm, McGovern, Hurley, Cunningham, LLP.

Jessica paraphrased the auditor's report, advising the group on the process that the auditors take each year to audit the building's financials. Jessica confirmed that the audit evidence they obtained was sufficient to support, and appropriate to provide a basis for, their audit opinion. Jessica advised the group that McGovern, Hurley, Cunningham is happy to report that the financial statements were presented fairly in all material respects. Noted lateness of reserve fund study. Alan added that Jessica worked well within a short time-frame.

Question: Alberto Sarthou 11D – Asked why commitments on page 4 are zero in later years.

Response: Alan explained this indicates contracts that are ending. Will likely be renewed in the subsequent year.

Alan asked if there were any additional questions from the group. There were none.

Moved to approve the financial statements as presented. By John Lavery 5B. Seconded by Doug Gibson 4C. Unanimous. Carried.

APPOINTMENT OF THE AUDITOR

Moved to re-appoint the firm of McGovern, Hurley, Cunningham as auditors until the next Annual General Meeting. By Alberto Sarthou 11D. Seconded by Stuart Hobbs Suite 16C. Unanimous. Carried.

10. ELECTION OF DIRECTORS

Diane stated that there were two vacancies for general director positions – one for two years and the other for 3 years and one Owner-Occupied Position for one year. Diane stated that she is leaving her owner occupied position 1 year early which means her position is being filled for a one year term. Mark Lepine has offered to take this position. There were no other nominations for this position. Mark wins by acclamation. She advised that the others two position whose terms were now expired – have two nominations Vincent Tondreau and Marc Robitaille – were currently running for these two positions. Diane advised that no other nominations had come forward, and asked for other nominations from the floor. There were no nominations.

Diane confirmed that Marc Lepine – replace Diane position for 1 year and Vincent Tondreau & Mark Robitaille were appointed as Directors by acclamation.

11. OTHER BUSINESS

The Chair, Greg Geralde, called for other business.

Question: Dan Marz 4A – Asked about fencing at the front of building.

Response: Greg replied it is on the list of considerations. But if we do move forward we will use the same contractor as the Guest Parking.

Question: John Laverty 4B - What happened to chairs on roof?

Responses: Mark LePine – Most are broken. Will need to be replaced

Question: When windows replaced could they be extended floor to ceiling

Response: Greg agreed that would be very desirable but may be prohibitive based on cost and engineering considerations.

12. ADJOURNMENT

There being no further business, a motion to adjourn was made by James Dubro, Suite 14B. Seconded by Rishi Agarwal, Suite 3A. Unanimous. Carried.

Greg invited everyone to stay for refreshments.

The meeting was adjourned at 9:01p.m.