

**Notice of future funding of the reserve fund (under subsection 94 (9)
of the *Condominium Act, 1998*)**

Condominium Act, 1998

TO: All owners in (*identify condominium plan*)

OR

[For all condominium corporations except common elements condominium corporations:

TO: The owners of Unit(s), Level(s),
..... (*identify condominium plan*)]

[In the case of a common elements condominium corporation:

TO: The owners of a common interest in (*name of
condominium corporation*) attached to
(*describe parcel(s) of land affected*)]

The board has received and reviewed a (*specify
class of reserve fund study*) dated, prepared by
(*state name of person conducting the reserve fund study*), and has proposed a plan for the
future funding of the reserve fund that the board has determined will ensure that, in
accordance with the regulations made under the *Condominium Act, 1998*, the reserve
fund will be adequate for the major repair and replacement of the common elements and
assets of the corporation.

This notice contains:

1. A summary of the reserve fund study.
2. A summary of the proposed funding plan.
3. A statement indicating the areas, if any, in which the proposed funding plan differs
from the reserve fund study.

At the present time the average contribution per unit (*or in the case of a common
elements condominium corporation: per common interest*) per month to the reserve fund
is \$ Based on the proposed funding plan, the average increase
in contribution per unit (*or in the case of a common elements condominium corporation:
per common interest*) per month will be \$ (*state the amount
of the increase for each of the three fiscal years following the year in which the reserve
fund study is completed. If the contribution is to be increased in the fiscal year in which
the reserve fund study is completed, also state the amount of that increase.*)

OR

At the present time the contribution in respect of your unit(s) (*or in the case of a
common elements condominium corporation: in respect of your common interest(s)*) per

month to the reserve fund is \$..... . Based on the proposed funding plan, the increase in contribution in respect of your unit(s) *(or in the case of a common elements condominium corporation: in respect of your common interest(s))* will be \$..... *(state the amount of the increase for each of the three fiscal years following the year in which the reserve fund study is completed. If the contribution is to be increased in the fiscal year in which the reserve fund study is completed, also state the amount of that increase.)*

The proposed funding plan will be implemented beginning on _____ *(set out the date of a day that is more than 30 days after the day on which this notice is sent to the owners).*

Dated this day of,

.....Condominium Corporation No.

.....
(signature)

.....
(print name)

.....
(signature)

.....
(print name)

(Affix corporate seal or add a statement that the persons signing have the authority to bind the corporation.)

SUMMARY OF RESERVE FUND STUDY

The following is a summary of the *(specify class of reserve fund study)* dated, prepared by*(name of person conducting the reserve fund study)* for *(name of condominium corporation)* (known as the “Reserve Fund Study”).

Subsection 94 (1) of the *Condominium Act, 1998*, requires the corporation to conduct periodic studies to determine whether the amount of money in the reserve fund and the amount of contributions collected by the corporation are adequate to provide for the expected costs of major repair and replacement of the common elements and assets of the corporation. As a result, the corporation has obtained the Reserve Fund Study.

The estimated expenditures from the reserve fund for the next thirty (30) years are set out in the CASH FLOW TABLE. In this summary, the term “annual contribution” means the total amount to be contributed each year to the reserve fund, exclusive of interest earned on the reserve fund. The recommended annual contribution for *(set out the fiscal year following the year in which the study is completed, unless the contribution is to be increased in the current fiscal year, then set out the current fiscal year)* is \$....., based on the estimated expenditures and the following:

Opening Balance of the Reserve Fund: \$.....
 Minimum Reserve Fund Balance during the projected period \$.....
 Assumed Annual Inflation Rate for Reserve Fund Expenditures:%
 Assumed Annual Interest Rate for interest earned on the Reserve Fund:%

The Reserve Fund Study can be examined *(set out details e.g. whether a written request and reasonable notice are required as set out in subsection 55 (3) of the Condominium Act, 1998, where and when it can be examined).*

CASH FLOW TABLE

Opening Balance of the Reserve Fund: \$.....
 Minimum Reserve Fund Balance (as indicated in this table) \$.....
 Assumed Annual Inflation Rate for Reserve Fund Expenditures:%
 Assumed Annual Interest Rate for interest earned on the Reserve Fund:%

Year	Opening Balance	Recommended Annual Contribution	Estimated Inflation Adjusted Expenditures	Estimated Interest Earned	Percentage Increase in Recommended Annual Contribution	Closing Balance
Show each of 30 consecutive years, beginning with the current fiscal year						

SUMMARY OF PROPOSED PLAN FOR FUTURE FUNDING OF THE RESERVE FUND

The following is a summary of the board’s proposed plan for the future funding of the reserve fund.

The board of *(name of condominium corporation)* has reviewed the *(specify class of reserve fund study)* dated, prepared by *(name of person conducting the reserve fund study)* for the corporation (known as the “Reserve Fund Study”) and has proposed a plan for the future funding of the reserve fund that the board has determined will ensure that, in accordance with the regulations made under the *Condominium Act*,

1998, the reserve fund will be adequate for the major repair and replacement of the common elements and assets of the corporation.

The board has adopted the funding recommendations of the Reserve Fund Study and will implement them as set out in the Contribution Table.

The total annual contribution recommended under the proposed funding plan for the current fiscal year is \$....., which

(strike out whichever is not applicable: is the same amount that has already been budgeted OR represents an increase of% over the amount already budgeted).

OR

The board has not adopted the funding recommendations of the Reserve Fund Study and has proposed a plan for the future funding of the reserve fund as set out in the Contribution Table based on the following:

Opening Balance of the Reserve Fund:	\$.....
Minimum Reserve Fund Balance during the projected period	\$.....
Assumed Annual Inflation Rate for Reserve Fund Expenditures:%
Assumed Annual Interest Rate for interest earned on the Reserve Fund:%

The total annual contribution recommended under the proposed funding plan for the current fiscal year is \$, which

(strike out whichever is not applicable: is the same amount that has already been budgeted OR represents an increase of% over the amount already budgeted).

The Proposed Plan for Future Funding of the Reserve Fund can be examined *(set out details: e.g. whether a written request and reasonable notice are required as set out in subsection 55 (3) of the Condominium Act, 1998, where and when it can be examined).*

CONTRIBUTION TABLE

Year	A Annual Contribution *	% Increase Over Previous Year	B Other Contribution (e.g. special assessment, loan)	A + B Total Contribution Each Year to Reserve Fund
Show each of 30 consecutive fiscal years, beginning with the current fiscal year			(provide amount, description and when in the fiscal year each item is to be contributed)	

*The term “annual contribution” means the amount to be contributed each year to the reserve fund from the monthly common expenses.

**DIFFERENCES BETWEEN
THE RESERVE FUND STUDY AND
THE PROPOSED PLAN FOR FUTURE
FUNDING OF THE RESERVE FUND**

The Plan for Future Funding of the Reserve Fund proposed by the board differs from the Reserve Fund Study in the following respects:

..... (specify differences).