



November 16, 2011

Homeowner(s)
Toronto Standard Condominium Corporation No. 1723
Suite «ADDRESS»
5233 Dundas St. West, Etobicoke, Ontario
M9B 6M1

Dear Owner(s):

Re: Operating Budget: December 1 – November 30, 2012

The TSCC 1723 net operating budget prepared by your Board of Directors for the fiscal year December 1 to November 30, 2011 (Essex II tower costs, including proportionate share of the grounds and recreation centre costs shared with Essex I and the Shared Roadway/Walkway costs shared with Essex I, Nuvo 1 and Nuvo 2) was \$1,886,381 to be recovered by common element fees.

The Board has now approved a 2012 net operating budget in the amount of \$1,958,062 a **3.8%** increase over 2011 common element fees.

The increase reflects underlying forecast inflation pressures of 3.0%, where applicable, and other major factors outlined on the following pages. Please also see the attached pie chart views.

Accordingly, your new monthly common element assessment for 2012 will be \$ «AMOUNT»

Currently, most owners take advantage of the “Electronic Funds Transfer Program” and the new monthly amount will automatically take effect December 1, 2011. We encourage the few owners who are still on the manual system to sign up for automatic payments. **Please complete the enclosed form, attach a “Void” cheque and return both to the Management office by November 25, 2011. If you are currently on EFT there is no need to fill out a new form.**

If you still wish to use cheques, please provide the Management Office with twelve (12) post-dated cheques, dated the first (1st) day of each month from December 1, 2011 up to and including November 1, 2012. Please make your cheques payable to: “TSCC No. 1723” with your suite number indicated on the top right corner, and submit them to the Management Office **no later than November 25, 2011. Your prompt attention to this request will be greatly appreciated, and will ensure that the administration work for the new fiscal year can be completed on schedule.**

Respectfully,
Alan Webb,
on behalf of the TSCC 1723 Board of Directors

Budget Notes: 2012 TSCC 1723 Operating Budget (Page 1 of 2)

The 3.8% common element fee increase for 2012 is due to the following major factors.

Reserve Fund contribution will increase \$14,287 for the Essex II tower as mandated in the October 2009 Reserve Fund Study. This study was updated as per legislative requirements during 2009 to apply to the 2010, 2011 and 2012 Budgets.

Maintenance & Service Contracts are up \$28,034 reflecting a 3.0% inflation increase and more senior concierge staff costs.

Repairs and Maintenance costs will increase \$3,421 reflecting a 3.0% inflation increase offset by favourable contract negotiations with suppliers/contractors.

Utilities will be down \$14,800 based on consumption experience, contracted and forecast price increases, consumption based on the average over the last two years of heating and cooling and reflecting continued savings from prior year energy conservation projects. Water costs will be up \$14,000 reflecting continuation of a multi-year rate increase previously announced by the City and based on current consumption experience. We expect gas costs to be up \$5,000 in 2012. We are benefiting from a very attractive multi year contract, effective November 1, 2010, negotiated through our agent Provident Energy Management.

Shared Facilities: Our proportionate share of the Essex Shared Facilities and Shared Roadway/Walkway costs will be up \$8,157. See details on the next page.

Special Projects: Costs will be up \$10,000 in 2012, as we plan to spend \$20,000 to have all dryers and dryer vents cleaner out.

Operating Contingency Fund: We paid for our proportionate share of the garage lighting retrofit undertaken in mid 2011, and a regulatory mandated global machine guarding on elevators in the elevator room on the roof, leaving a balance of \$45,301.

Budget Notes: 2012 TSCC 1723 Operating Budget

Recreational and Shared Facilities: The Essex II budgeted share will be **\$417,219 up \$8,157 from 2011.**

- a. **Essex Shared Facilities** budgeted costs will be \$706,238 in 2012, up 1.0% over last year's budget. The Essex II share of 57.3% in 2012 will be \$404,675, up \$3,997.

Essex Shared Facilities Reserve Fund contribution will be up \$28,169 as per the updated 2011 Reserve Fund study update covering the entire recreation centre and Phase 1 and Phase 2 garages. **Repairs and Maintenance** will be up \$18,441, due to periodic need to clean out garage sump pits and experienced higher costs for regular fire equipment maintenance. **Maintenance & Service Contracts** will be up \$8,562 due to service contract changes. **Recreational / Joint Programs expenses** will be down \$2,219 reflecting normal equipment repairs and maintenance and lower cleaning supplies costs. **Administrative costs** will be down \$8,884 due to lower consulting fees after the 2011 garage audit. **Guest Suite/Party Room costs** remain unchanged.

Utilities will be down \$33,950 (Hydro electricity will be down \$28,600, largely due to the full year effect of the 2011 garage lighting retrofit. Gas will be down \$5,700, reflecting 2011 operating experience. Water will be up \$350 due to the city's multi year rate increase.)

Special Project: There is no special project in 2012.

Tridel Rental Contract: In mid 2011, our three-year rental contract with Tridel was slated to end. Under the contract, Tridel pays us a rental fee for placing their Parc Nuvo marketing signs on our property. However, Tridel is expected to continue to pay the rental amount on a month to month basis for all of 2011. Our 2012 budget reflects the assumption that Tridel will opt not to continue these payments in 2012 and remove the signs at their expense under the terms of the contract. The Sundry Income account will therefore be down \$13,980 resulting in a 2.0% increase in net cost.

- b. **Essex Shared Roadway/Walkway** budgeted costs will be \$48,771, 49.62% increase. The Essex II share of 25.72% in 2012 will be \$12,544, up \$4,160.

The Essex Shared Roadway/Walkway encompasses the existing Viking Lane (from Dundas Street on the north to St. Albans on the east) and the Walkway (from Viking Lane on the north to St. Albans to the south.) Under the original development agreement between Tridel and the City of Toronto, the adjacent five condominium corporations have an ongoing legal responsibility to maintain the Roadway and Walkway as public thoroughfares managed and paid for under the terms of a Shared Roadway/Walkway agreement imbedded in the declarations of each of the adjacent partner corporations.

The sharp increase is due primarily to liability concerns (requiring increased liability insurance and assumption of sidewalk snow clearing costs currently included in the budgets of each of the corporations) that were identified in a legal clarification (conducted in 2011) of the roadway and walkway ownership and maintenance and repair responsibilities related to road surface, sidewalks and landscaping. The Essex II 25.72% share is our part of the four-way proportional split with Essex I, Nuvo 1 and Nuvo 2. Parc Nuvo, the fifth and final Tridel building will join the partnership when it is registered.

To enhance overall site security, we will also install 2 new surveillance cameras (\$4,500) along the Shared Walkway.

The City has imposed a development approval condition on the condominium development on Aukland forcing them to contribute to the costs of the shared roadway/walkway. This potential additional partner will only have the effect of slightly reducing our share of the cost some time in the future.

TORONTO STANDARD CONDOMINIUM CORPORATION NO. 1723

OPERATING BUDGET

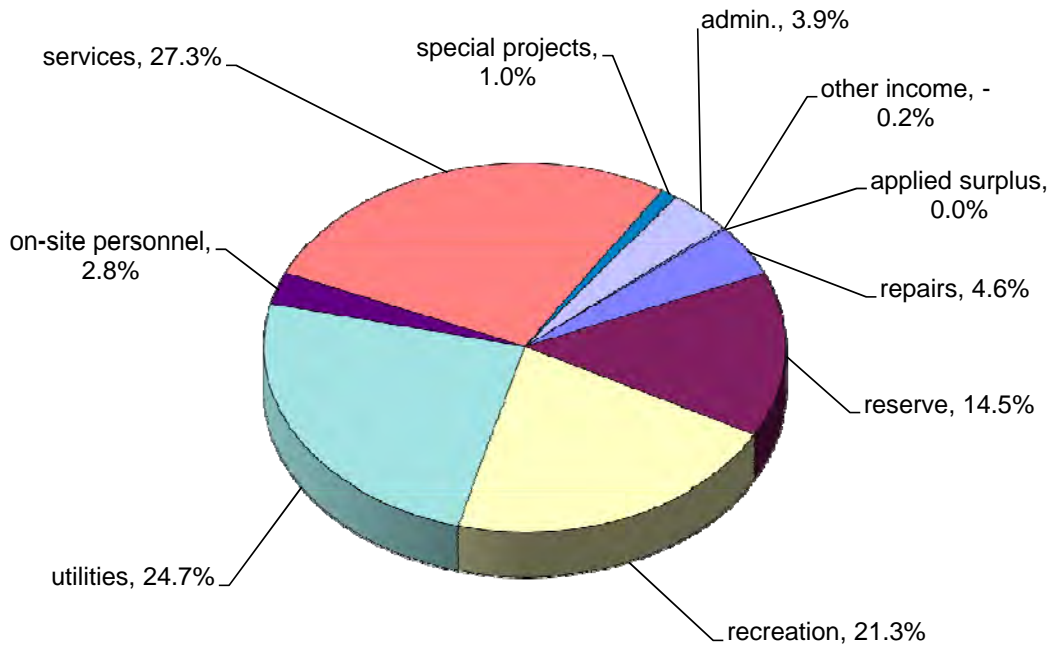
December 1, 2011 to November 30, 2012

	PROJECTED 2010/2011	CURRENT BUDGET 2010/2011	APPROVED BUDGET 2011/2012	BUDGET CHANGE 2011/2012
Maintenance & Service Contracts	514,767	508,704	535,382	26,677
Repairs & Maintenance	112,036	85,714	90,492	4,778
Recreational & Joint Programs	410,455	409,062	417,219	8,157
Utilities	466,000	498,000	483,200	(14,800)
Special Projects	11,869	10,000	20,000	10,000
On - Site Personnel	53,323	54,023	55,419	1,396
Administration	81,024	81,410	76,596	(4,814)
Total Operating Expense :	<u>1,649,475</u>	<u>1,646,913</u>	<u>1,678,308</u>	<u>31,394</u>
Less: Sundry Income	4,250	2,600	4,100	1,500
NET OPERATING EXPENSE:	<u>1,645,225</u>	<u>1,644,313</u>	<u>1,674,208</u>	<u>29,894</u>
Contribution to Reserve	269,568	269,568	283,855	14,287
Contribution to Contingency Fund	-	-	-	-
TOTAL FUNDS REQUIRED	<u>1,914,793</u>	<u>1,913,881</u>	<u>1,958,063</u>	<u>44,181</u>
Surplus/(Deficit)	(28,412)	-	-	-
Applied from Prior Years surplus	-	(27,500)	-	27,500
COMMON ELEMENT ASSESSMENT:	<u>1,886,381</u>	<u>1,886,381</u>	<u>1,958,063</u>	<u>71,682</u>

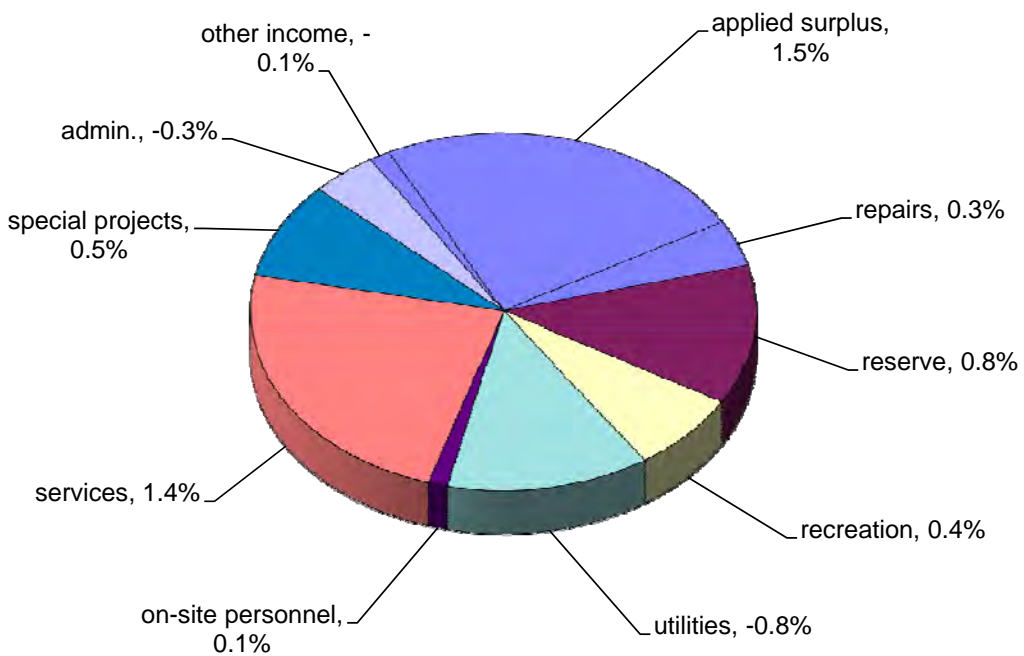
TORONTO STANDARD CONDOMINIUM CORPORATION NO. 1723
OPERATING BUDGET - December 1,2011 to November 30,2012

	PROJECTED 2010/2011	CURRENT BUDGET 2010/2011	APPROVED BUDGET 2011/2012	BUDGET CHANGE 2011/2012
<u>Service Contracts :</u>				
Air-conditioning & Heating	23,825	23,825	23,825	-
Odor Control	1,797	1,695	1,746	51
Elevator Maintenance	27,155	27,155	27,155	(0)
Fire Equipment Monitoring	1,017	1,050	1,050	-
Fire Equipment Testing	8,306	6,505	7,390	885
Indoor Plant Maintenance	1,356	1,377	1,376	(1)
Water Feature	2,644	2,725	2,724	(1)
Access Control	191,162	190,910	207,848	16,938
Pest Control	1,078	904	912	8
Generator Maintenance	3,915	3,713	3,713	-
Window Cleaning	15,954	16,000	16,433	433
Carpet Cleaning	9,395	10,762	9,156	(1,606)
Housekeeping	87,448	82,825	91,700	8,875
Energy Management	21,221	21,220	21,858	638
Management Fees	118,496	118,038	118,496	458
Total :	514,767	508,704	535,382	26,677
<u>Repairs & Maintenance :</u>				
Air conditioning & Heating	16,713	9,400	9,652	252
Plumbing/Backflow Prevention	15,000	10,000	15,000	5,000
Electrical	7,124	7,767	7,767	-
Surveillance Equipment/Access Control	5,500	2,100	3,500	1,400
Waste Disposal	4,356	3,897	4,397	500
Garbage Levy	15,000	20,020	13,577	(6,443)
Elevator Service	13,726	11,960	12,272	312
Fire Equipment Maintenance	2,000	4,650	3,050	(1,600)
Doors,Locks,Keys	2,200	2,000	2,000	-
Roof & Eavestroughing	700	700	700	-
Cleaning Supplies	1,700	1,000	1,000	-
Signs	-	200	200	-
General Repairs & Hardware	28,017	12,020	17,377	5,357
Total :	112,036	85,714	90,492	4,778
<u>Recreational & Shared Facilities</u>	410,455	409,062	417,219	8,157
<u>Utilities :</u>				
Gas	176,000	170,000	175,000	5,000
Hydro	152,500	189,000	155,200	(33,800)
Water	137,500	139,000	153,000	14,000
Total :	466,000	498,000	483,200	(14,800)
<u>On-site Personnel</u>	53,323	54,023	55,419	1,396
<u>Administration :</u>				
Telephone	1,500	1,500	1,546	46
Occupational Health & Safety	914	1,000	1,000	-
Office Expense	5,200	5,500	5,500	-
Meeting Costs	4,000	2,500	3,000	500
Insurance	34,560	34,560	35,200	640
Audit Fees	3,350	3,350	3,350	-
Consulting & Appraisal	1,500	3,000	2,000	(1,000)
Legal Fees	30,000	30,000	25,000	(5,000)
Total :	81,024	81,410	76,596	(4,814)

Expenses Related to 2012 TSCC 1723 Budget - by cost category



Expenses Related to 2012 TSCC 1723 Budget increase (3.80%) - by cost category



ESSEX SHARED FACILITIES

OPERATING BUDGET

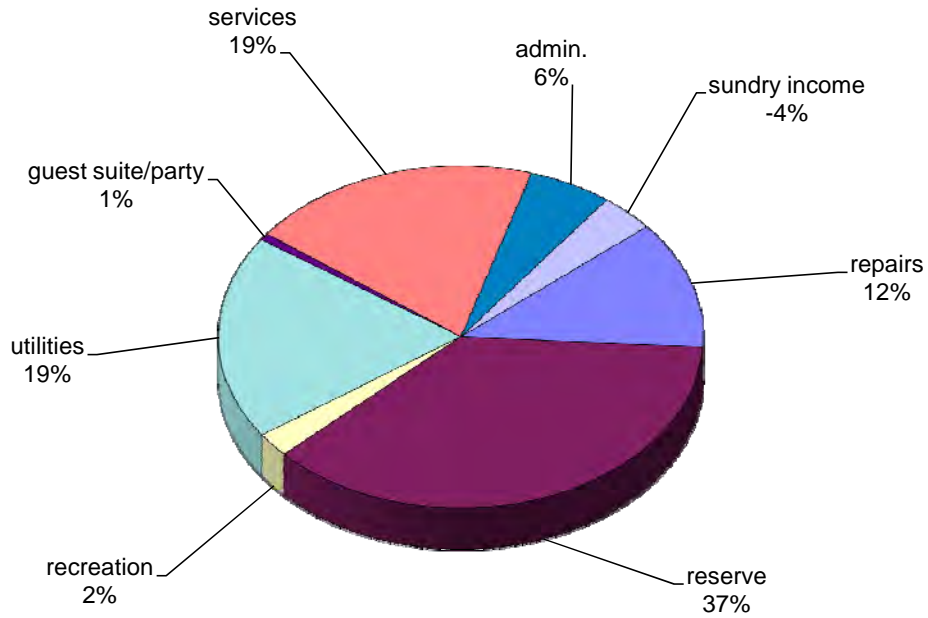
January 1, 2012 to December 31, 2012

	PROJECTED 2011	CURRENT BUDGET 2011	APPROVED BUDGET 2012	BUDGET CHANGE 2012	
Maintenance & Service Contracts	143,937	156,643	148,081	(8,562)	
Repairs & Maintenance	75,302	73,500	91,941	18,441	
Recreational / Joint Programs	16,134	19,719	17,500	(2,219)	
Utilities	152,600	181,050	147,100	(33,950)	
Guest/Party Room Expenses	5,000	5,000	5,000	-	
Administration	49,788	51,209	42,325	(8,884)	
Total Operating Expense :	<u>442,760</u>	<u>487,121</u>	<u>451,947</u>	<u>(35,174)</u>	
Less: Sundry Income	57,990	41,630	27,650	(13,980)	
NET OPERATING EXPENSE:	<u>384,770</u>	<u>445,491</u>	<u>424,297</u>	<u>(21,194)</u>	
Contribution to Reserve	253,773	253,773	281,942	28,169	
TOTAL FUNDS REQUIRED	<u>638,543</u>	<u>699,264</u>	<u>706,239</u>	<u>6,975</u>	
Operating Surplus/Deficit	60,721	-	-	-	
Contributed from Prior Year's Surplus	-	-	-	-	
T.S.C.C. NO. 1577	298,586	298,586	301,564	2,979	42.70%
Essex II	400,678	400,678	404,675	3,996	57.30%
COMMON ELEMENT ASSESSMENT:	<u>699,264</u>	<u>699,264</u>	<u>706,239</u>	<u>6,975</u>	100.00%

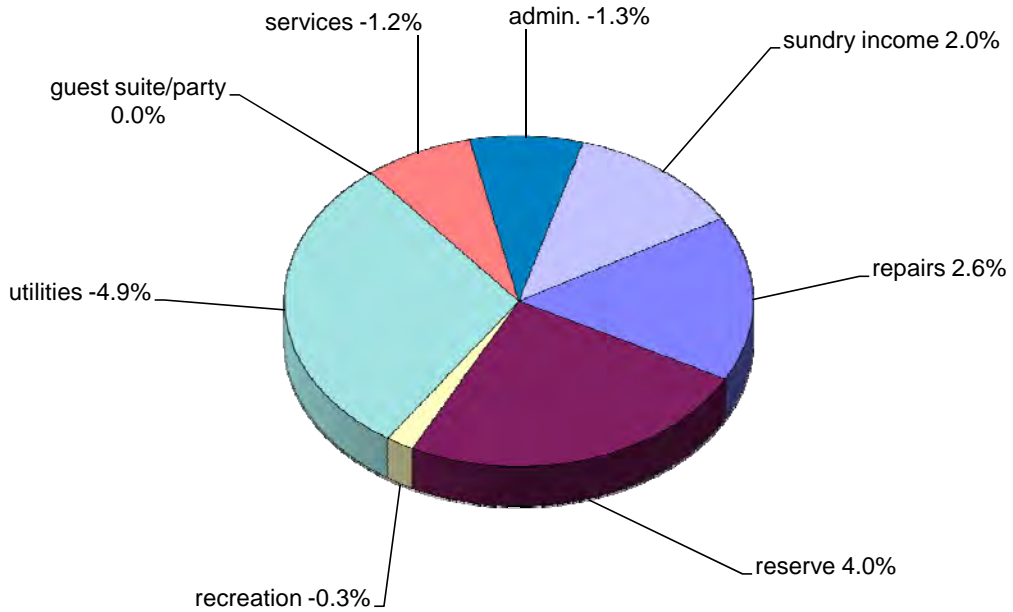
ESSEX SHARED FACILITIES
OPERATING BUDGET - January 1,2012 to December 31, 2012

	PROJECTED 2011	CURRENT BUDGET 2011	APPROVED BUDGET 2012	BUDGET CHANGE 2012
<u>Service Contracts :</u>				
Fire Equipment Monitoring	3,021	3,065	3,120	55
Grounds Maintenance	44,702	46,049	47,850	1,801
Access Control	-	1,500	1,500	-
Indoor Plant Maintenance	1,017	1,050	1,050	-
Pest Control	353	365	365	-
Mechanical Maintenance	9,221	9,221	9,220	(1)
Garage Door Maintenance	9,658	10,805	10,805	-
Housekeeping	45,556	53,776	43,980	(9,796)
Pool & Whirlpool Maintenance/Fitness	14,786	15,229	14,525	(704)
Management Fees	15,624	15,583	15,666	83
Total :	143,937	156,643	148,081	(8,562)
<u>Repairs & Maintenance :</u>				
HVAC Repairs	1,000	1,500	1,500	-
Plumbing	6,000	8,000	8,000	-
Electrical	5,500	8,000	8,000	-
Pipe Tracing	500	500	500	-
Garage Cost	7,114	5,000	11,441	6,441
Power Sweep/Wash	6,441	13,000	13,000	-
General Landscaping	15,000	14,000	16,000	2,000
Fire Equipment Maintenance	7,500	2,000	8,000	6,000
Cleaning Supplies	6,000	6,500	6,500	-
Surveillance expense	247	-	1,000	1,000
General Repairs & Hardware	20,000	15,000	18,000	3,000
Total :	75,302	73,500	91,941	18,441
<u>Recreation / Joint Programs :</u>				
	16,134	19,719	17,500	(2,219)
<u>Utilities :</u>				
Gas	27,100	33,300	27,600	(5,700)
Hydro	119,000	141,100	112,500	(28,600)
Water	6,500	6,650	7,000	350
Total :	152,600	181,050	147,100	(33,950)
<u>Guest/Party Room Expenses:</u>				
	5,000	5,000	5,000	-
<u>Administration :</u>				
Telephone	4,500	7,000	6,000	(1,000)
Occupational Health & Safety Exp.	1,000	2,000	2,000	-
Office Expense	7,728	10,209	8,450	(1,759)
Newsletter/Website	500	1,000	1,000	-
Meeting Costs	1,500	1,500	1,500	-
Insurance	14,560	14,500	15,375	875
Audit Fees	3,000	3,000	3,000	-
Consulting & Appraisal	7,500	10,000	3,000	(7,000)
Legal Fees	9,500	2,000	2,000	-
Total :	49,788	51,209	42,325	(8,884)

Distribution of 2012 Essex Shared Facilities Budget - by cost category



Contribution to 2012 Essex Shared Facilities Budget increase - by cost category



Notes on 2011 Shared Facilities Reserve Fund Study.

Ontario's Condominium legislation specifies that Reserve Fund Studies must be conducted every three years by qualified companies who have no affiliation with the board or with the corporation. These studies must outline the forecast requirements for major repairs and replacements of the common elements and assets of the corporation and include the funding plans to ensure funds are in place to meet these planned needs for every year of the 30 year planning timeframe.

Based on information provided by the corporation and inspections conducted by these companies, they specify the expected expenditure requirements for each year of the thirty year planning horizon. They consider assessments of the current state of equipment and facilities conditions, and are expected to employ best engineering replacement standards and specifications in compliance with the Ontario Building Code.

To reflect the effect of inflation in future years, the companies apply an *assumed* inflation rate. Additionally, they determine an *assumed* investment interest rate expected to be earned on Reserve Fund balances invested in specified low risk investment instruments, with the earnings retained in the fund. The legislation leaves it to the discretion of these companies to determine the *assumed* rates they use.

In our past experience, these companies have used an average of the inflation and interest rates experienced in the past thirty years to be the basis of the *assumed* inflation and interest rates. Our new Reserve Fund Study company has a different methodology. They maintain that an average of the national inflation and interest rates for the past three years are a more useful predictor of the next three year planning period and are what they use as *assumed* inflation and interest rates. Since Reserve Fund Studies are updated at least every three years, the company holds that these *assumed* rates are more realistic. Your auditor does not take exception to this *assumed* rate methodology for Reserve Fund purposes.

When establishing the funding plan, companies are guided by the principle that all owners (current and future) should bear an equal burden of the cost of major repairs and replacements, regardless of when they may be owners over the thirty year horizon. To that end, the contribution plan set out in the Reserve Study must achieve fully funded status for all of thirty years, and do so ideally in the upcoming first year of the plan and absolutely by the end of the third year.

This latest Reserve Fund Study update for Essex Shared Facilities was conducted in the fall of 2011, a year earlier than mandated. The reason for this earlier study timing was to ensure that the financial impact of the upcoming 2012/2013 major work being planned for "localized repairs" in the underground garage roof, suspended slab membranes and expansion joints was properly reflected in Reserve Fund contributions. These repairs have been recommended by a professional engineering survey of areas impacted by water penetration over the past years. While there are no current safety concerns, it is prudent to carry out these localized repairs before any of the underground structure is in any way compromised.

This study update also reflects more current experience in expected repair profiles and in particular predicts that major garage repairs will be required in two further occasions versus a single occurrence assumed in the previous study conducted in 2009.

For this study, the assumed Canadian inflation rate used was 1.7%, which is an average of the annual national inflation rates over the past three (3) years (2008, 2009, 2010) as recorded by Statistics Canada. The assumed interest rate of 2.7% is an average of the interest rates calculated by the Bank of Canada over the same period.

In the preparation of the Recommended Cash Flow Table, the Corporation's budgeted contribution of \$253,773 in 2011 was incorporated. The annual contribution amount was then inflated by a rate that would maintain a positive balance in the Reserve Fund. An annual increase of 11.1% is required in 2012, 2013 and 2014 and 2.7% in the years beyond. As successive updates are carried out, the Cash Flow Table will be self-correcting, with each update projecting the cash flow for the thirty (30) year period following the year in which the update is carried out.

Form 15
Condominium Act, 1998
NOTICE OF FUTURE FUNDING OF THE RESERVE FUND
(under subsection 94 (9) of the *Condominium Act, 1998*)

TO: All owners in The Essex Shared Facilities (Toronto Standard Condominium Corporation No.'s 1577 and 1723)

The committee has received and reviewed a Class 2 reserve fund study dated November 2, 2011, prepared by Construction Control Inc., and has proposed a plan for the future funding of the reserve fund that the committee 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 shared common elements and assets of the corporations.

This notice contains:

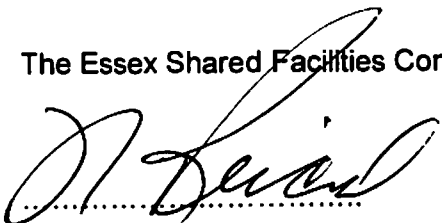
1. A summary of the reserve fund study.
2. A summary of the proposed funding plan.
3. A statement indicating the areas, if any, in which the proposed funding plan differs from the reserve fund study.

At the present time the average contribution per unit per month to The Essex Shared Facilities reserve fund is \$ 38.59. Based on the proposed funding plan, the average increase in contribution per unit per month will be \$4.28 in 2012, \$4.76 in 2013 and \$5.29 in 2014.

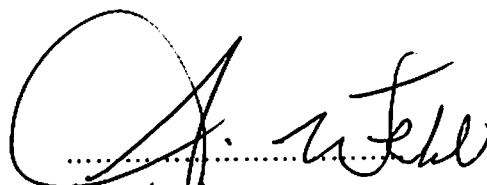
The proposed funding plan will be implemented beginning on January 1, 2012.

Dated this 10th day of November, 2011.

The Essex Shared Facilities Committee


.....
(signature)

F. E. REICH
.....
(print name)


.....
(signature)

ALAN WEBB
.....
(print name)

SUMMARY OF RESERVE FUND STUDY

The following is a summary of the Class 2 reserve fund study dated November 2, 2011, prepared by Construction Control Inc. for The Essex Shared Facilities (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 corporations are adequate to provide for the expected costs of major repair and replacement of the shared common elements and assets of the corporations. As a result, the committee 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 the 2012 fiscal year is \$281,942.00, based on the estimated expenditures and the following:

Opening Balance of the Reserve Fund (at January 1, 2011):	\$882,859.00
Minimum Reserve Fund Balance during the projected period:	\$101,940.00
Assumed Annual Inflation Rate for Reserve Fund Expenditures:	1.70%
Assumed Annual Interest Rate for interest earned on the Reserve Fund:	2.70%

The Reserve Fund Study can be examined in the Management Office by calling 416-239-9786 or sending an email request to essex@delcondo.com.

**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 Essex Shared Facilities Committee has reviewed the Class 2 reserve fund study dated November 2, 2011, prepared by Construction Control Inc. for the shared facilities (known as the "Reserve Fund Study") and has proposed a plan for the future funding of the reserve fund that the committee 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 shared common elements and assets of the corporations.

The committee 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 \$253,773.00, which is the same amount that has already been budgeted

The Proposed Plan for Future Funding of the Reserve Fund can be examined in the Management Office by calling 416-239-9786 or by emailing a request to essex@delcondo.com.

CASH FLOW TABLE

Opening Balance of the Reserve Fund (at January 1, 2011): **\$882,859**
Minimum Reserve Fund Balance (as indicated in this table): **\$101,940**
Assumed Annual Inflation Rate for Reserve Fund Expenditures: **1.70%**
Assumed Interest Rate for interest earned on the Reserve Fund: **2.70%**

Fiscal Year	Year	Opening Balance	*Recommended Annual Contribution	Other Contribution	Estimated Inflation Adjusted Expenditures	Estimated Interest Earned	Closing Balance	Percentage Increase in Recommended Annual Contribution	Average Monthly Increase per Unit (\$)
2010/2011	2011	882,859	253,773		70,420	26,312	1,092,525		
2011/2012	2012	1,092,525	281,942		463,903	27,042	937,605	11.10%	4.28
2012/2013	2013	937,605	313,237		131,771	27,765	1,146,837	11.10%	4.76
2013/2014	2014	1,146,837	348,007		18,768	35,409	1,511,485	11.10%	5.29
2014/2015	2015	1,511,485	357,403		47,211	44,998	1,866,675	2.70%	1.43
2015/2016	2016	1,866,675	367,053		21,613	55,064	2,267,178	2.70%	1.47
2016/2017	2017	2,267,178	376,963		45,178	65,693	2,664,656	2.70%	1.51
2017/2018	2018	2,664,656	387,141		356,993	72,326	2,765,130	2.70%	1.55
2018/2019	2019	2,765,130	397,594		174,225	77,674	3,066,172	2.70%	1.59
2019/2020	2020	3,066,172	408,329		1,268,714	71,171	2,276,958	2.70%	1.63
2020/2021	2021	2,276,958	419,354		1,219,898	50,671	1,527,085	2.70%	1.68
2021/2022	2022	1,527,085	430,676		107,412	45,595	1,895,945	2.70%	1.72
2022/2023	2023	1,895,945	442,305		662,967	48,212	1,723,495	2.70%	1.77
2023/2024	2024	1,723,495	454,247		53,849	51,940	2,175,832	2.70%	1.82
2024/2025	2025	2,175,832	466,512		1,841,646	40,183	840,880	2.70%	1.87
2025/2026	2026	840,880	479,107		21,332	28,884	1,327,539	2.70%	1.92
2026/2027	2027	1,327,539	492,043		1,736,683	19,041	101,940	2.70%	1.97
2027/2028	2028	101,940	505,329		197,480	6,908	416,697	2.70%	2.02
2028/2029	2029	416,697	518,972		131,555	16,481	820,595	2.70%	2.07
2029/2030	2030	820,595	532,985		33,215	28,903	1,349,288	2.70%	2.13
2030/2031	2031	1,349,288	547,375		153,382	41,749	1,785,010	2.70%	2.19
2031/2032	2032	1,785,010	562,154		53,788	55,058	2,348,434	2.70%	2.25
2032/2033	2033	2,348,434	577,333		821,732	60,108	2,164,143	2.70%	2.31
2033/2034	2034	2,164,143	592,920		206,279	63,652	2,614,436	2.70%	2.37
2034/2035	2035	2,614,436	608,929		1,805,663	54,434	1,472,136	2.70%	2.43
2035/2036	2036	1,472,136	625,370		1,822,125	23,591	298,973	2.70%	2.50
2036/2037	2037	298,973	642,255		141,383	14,834	814,679	2.70%	2.57
2037/2038	2038	814,679	659,596		379,755	25,774	1,120,295	2.70%	2.64
2038/2039	2039	1,120,295	677,405		228,235	36,312	1,605,778	2.70%	2.71
2039/2040	2040	1,605,778	695,695		20,303	52,474	2,333,644	2.70%	2.78
2040/2041	2041	2,333,644	714,479		29,294	72,258	3,091,088	2.70%	2.86

* NOTE: The term "annual contribution" means the amount to be contributed each year to the reserve fund from the monthly common expenses. The annual contribution for the current fiscal year is based on the amount budgeted by the Corporation.

The projections included in this table are estimates only, based on the information available at the time of preparation of this report. The Reserve Fund Study must be updated regularly as the actual figures will vary from the amounts detailed in this table due to changes in interest rates, inflation rates and completion of repair/replacement work.

CONTRIBUTION TABLE

		A		B	A + B
Fiscal Year	Year	Annual Contribution	% Increase Over Previous Year	Other Contribution	Total Contribution Each Year to Reserve Fund
2010/2011	2011	253,773		0	253,773
2011/2012	2012	281,942	11.10%	0	281,942
2012/2013	2013	313,237	11.10%	0	313,237
2013/2014	2014	348,007	11.10%	0	348,007
2014/2015	2015	357,403	2.70%	0	357,403
2015/2016	2016	367,053	2.70%	0	367,053
2016/2017	2017	376,963	2.70%	0	376,963
2017/2018	2018	387,141	2.70%	0	387,141
2018/2019	2019	397,594	2.70%	0	397,594
2019/2020	2020	408,329	2.70%	0	408,329
2020/2021	2021	419,354	2.70%	0	419,354
2021/2022	2022	430,676	2.70%	0	430,676
2022/2023	2023	442,305	2.70%	0	442,305
2023/2024	2024	454,247	2.70%	0	454,247
2024/2025	2025	466,512	2.70%	0	466,512
2025/2026	2026	479,107	2.70%	0	479,107
2026/2027	2027	492,043	2.70%	0	492,043
2027/2028	2028	505,329	2.70%	0	505,329
2028/2029	2029	518,972	2.70%	0	518,972
2029/2030	2030	532,985	2.70%	0	532,985
2030/2031	2031	547,375	2.70%	0	547,375
2031/2032	2032	562,154	2.70%	0	562,154
2032/2033	2033	577,333	2.70%	0	577,333
2033/2034	2034	592,920	2.70%	0	592,920
2034/2035	2035	608,929	2.70%	0	608,929
2035/2036	2036	625,370	2.70%	0	625,370
2036/2037	2037	642,255	2.70%	0	642,255
2037/2038	2038	659,596	2.70%	0	659,596
2038/2039	2039	677,405	2.70%	0	677,405
2039/2040	2040	695,695	2.70%	0	695,695
2040/2041	2041	714,479	2.70%	0	714,479

**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 committee differs from the Reserve Fund Study in the following respects:

No differences

ESSEX SHARED ROADWAY / WALKWAY

OPERATING BUDGET

January 1, 2012 to December 31, 2012

	PROJECTED 2011	CURRENT BUDGET 2011	APPROVED BUDGET 2012	BUDGET CHANGE 2012	
Maintenance & Service Contracts	9,183	10,946	18,593	7,647	
Repairs & Maintenance	1,880	3,395	5,300	1,905	
Utilities	2,500	2,500	2,500	-	
Administration	10,295	8,434	10,210	1,776	
Total Operating Expense :	23,858	25,275	36,603	11,328	
Less: Sundry Income	95	55	100	45	
NET OPERATING EXPENSE:	23,763	25,220	36,503	11,283	
Contribution to Reserve	7,377	7,377	7,768	391	
TOTAL FUNDS REQUIRED	31,140	32,597	44,271	11,674	
T.S.C.C. NO. 1577	6,249	6,249	9,349	3,101	19.17%
T.S.C.C. NO. 1723	8,384	8,384	12,544	4,160	25.72%
T.S.C.C. NO. 1862	9,049	9,049	13,539	4,490	27.76%
T.S.C.C. NO. 1959	8,915	8,915	13,339	4,424	27.35%
COMMON ELEMENT ASSESSMENT:	32,597	32,597	48,771	16,174	100.00%

**ESSEX SHARED ROADWAY / WALKWAY
OPERATING BUDGET - January 1,2012 to December 31, 2012**

	PROJECTED 2011	CURRENT BUDGET 2011	APPROVED BUDGET 2012	BUDGET CHANGE 2012
<u>Service Contracts :</u>				
Grounds Maintenance	4,455	6,075	13,865	7,790
Management Fees	4,728	4,870	4,728	(142)
Total :	9,183	10,945	18,593	7,648
<u>Repairs & Maintenance :</u>				
Catch Basins	-	1,095	1,000	(95)
Electrical	750	1,500	1,500	-
Power Sweep/Wash	-	600	600	-
Signs	130	200	200	-
Total :	880	3,395	3,300	(95)
<u>Utilities :</u>				
Hydro	2,500	2,500	2,500	-
Water	-	-	-	-
Total :	2,500	2,500	2,500	-
<u>Administration :</u>				
Meeting Costs	500	800	800	-
Insurance	2,235	2,574	4,350	1,776
Audit Fees	2,060	2,060	2,060	-
Consulting & Appraisal	-	1,000	1,000	-
Legal Fees	5,500	2,000	2,000	-
Total :	10,295	8,434	10,210	1,776