Reserve Fund Study

Whitehorse Condominium Corporation No.124

June 30, 2025

Prepared for:

Whitehorse Condominium Corporation No.124
Board of Directors
134 Seine Square
Whitehorse,Yukon
Y1A 5P7

Prepared by: Condo Max Reserve Planners
(867)332-7444

Whitehorse Condominium Corporation No.124 August 21, 2025
134 Seine Square,
Whitehorse, Yukon
Y1A 5P7

Reserve Fund Study for Whitehorse Condominium Corporation No.124

Dear Members of the Board:

Pursuant to your request for a reserve fund study of the within described condominium project, Condo Max Reserve Planners has prepared and submits to you this report.

The Reserve Fund Study describes the reserve fund concepts and major reserve fund items. It provides current and future replacement reserve estimates and recommends reserve fund actions. The Reserve Fund Study is a complex document and should be reviewed in detail and within the context of this report.

We recommend that a reserve fund plan and strategy be adopted and implemented, and that reserve fund contributions of $ 230/unit per month and subsequent years. As outlined in this report, the current reserve fund and proposed contributions will ensure reserve funds are adequate to cover potential expenditures required to repair or replace common elements or assets of the corporation when needed.

Condo Max Reserve Planners would be pleased to provide you with complete review and updating services for the reserve fund of the corporation, as required in the future. We appreciate the opportunity to perform this reserve fund study for you. If you have any questions, please do not hesitate to contact the undersigned.

Respectfully submitted,
Condo Max Reserve Planners

Norman Eady, Certified Reserve Planner

EXECUTIVE SUMMARY OF FACTS AND CONCLUSIONS

This executive summary has been prepared as a quick reference of pertinent facts and estimates of this Reserve Fund Study, and it is provided as convenience only. Readers are advised to refer to the full text of this Reserve Fund Study for detailed information.

Applicant	Board of Directors, Whitehorse Condo Corp #124 134 Seine Square Whitehorse,Yukon Y1A 5P7
Date of Study	June 30, 2025
Property	Whitehorse Condominium Corporation No.124 134 Seine Square Whitehorse, Yukon Y1A 5P7

Reserve Fund Components

Architectural Components …… 7 Reserve Components

Finishes Components and Decoration…..5 Reserve Components

Mechanical and Electrical Components…..10 Reserve Components

Site Improvements…..5 Reserve Components

Reserve Fund Consultants…..1 Reserve Component

Inflation Factor 3.70%

Interest Rate 2.64%

Significant Reserve Fund Estimates

Current Replacement Costs	$ 780,089
Future Replacement Costs	$ 1,463,120
Current Reserve Fund Requirements	$ 388,060
Future Reserve Fund Accumulation	$ 581,214
Future Reserve Fund Requirements	$ 881,906
Annual Reserve Fund Contributions	$ 48,308

Cash Flow Table

Condo Max Reserve Planners has prepared the following Cash Flow Table, which projects minimum annual funding requirements proposed to meet estimated Reserve Fund expenditures.

Whitehorse Condominium Corporation #124

Year ending 31-Dec	Opening Balance	Recommended Annual Contribution	Estimated Inflation Adjusted Expenditures	Estimated Interest Earned 2.64%	Percentage Increas in Recommended Annual Contributions	Closing Balance
2026	101,814	55,200	-	2,688	0.0%	159,702
2027	159,702	55,200	21,507	4,216	0.0%	197,611
2028	197,611	55,200	12,921	5,217	0.0%	245,107
2029	245,107	55,200	10,230	6,471	0.0%	296,547
2030	296,547	55,200	5,158	7,829	0.0%	354,418
2031	354,418	55,200	5,300	9,357	0.0%	413,675
2032	413,675	55,200	14,646	10,921	0.0%	465,150
2033	465,150	55,200	116,345	12,280	0.0%	416,285
2034	416,285	55,200	41,330	10,990	0.0%	441,145
2035	441,145	55,200	9,609	11,646	0.0%	498,382
2036	498,382	55,200	77,509	13,157	0.0%	489,230
2037	489,230	55,200	15,175	12,916	0.0%	542,171
2038	542,171	55,200	370,902	14,313	0.0%	240,782
2039	240,782	55,200	3,000	6,357	0.0%	299,339
2040	299,339	55,200	3,158	7,903	0.0%	359,284
2041	359,284	55,200	4,300	9,485	0.0%	419,669
2042	419,669	55,200	13,750	11,079	0.0%	472,198
2043	472,198	55,200	74,082	12,466	0.0%	465,782
2044	465,782	55,200	9,000	12,297	0.0%	524,278
2045	524,278	55,200	3,158	13,841	0.0%	590,162
2046	590,162	67,200	9,750	15,580	21.7%	663,192
2047	663,192	67,200	67,109	17,508	0.0%	680,792
2048	680,792	67,200	65,669	17,973	0.0%	700,295
2049	700,295	67,200	11,500	18,488	0.0%	774,483
2050	774,483	67,200	500,779	20,446	0.0%	361,350
		1,440,000	1,465,887	285,423		

Recommendations

Condo Max Reserve Planners recommendations, set out below and detailed in this report, will assist the corporation to achieve and maintain an adequate reserve fund. In our opinion, the current reserve fund balance, recommended annual contributions and earned investment income will adequately fund immediate and future reserve fund expenditures.

The condo buildings seem to be in very good shape. The landscaping is beautiful. The complex has been well maintained due to exemplary efforts by the Board and the property management company. The Board has done important work in getting expert advice on the north end parking lot.

CC124 needs to build up its reserves in earnest to prepare for the future expenditure obligations. There are large expenditures looming in the next 15 years, namely: re-shingling the roof; possible elevator work; fire alarm systems and possibly parking lot work. Failing to put aside sufficient funds could mean unpleasant special assessments in the future.

1. **Increase the monthly contribution to the reserve fund to $230/month per unit starting in 2026.** CC124's reserves are inadequate. The corporation needs to build up its reserve fund as a high priority. Over the past 5 years (assuming the 2025 budget contribution is followed) the average monthly contribution has been $61.56/month per unit.

2. **The detailed 25-year cash flow projections show what the condo corp. is facing in terms of cash inflows and expenditures.** The onus falls on the condo board to explain to unit owners that large future expenditures mean saving have to be accumulated now.

3. **The reserve fund should be fully invested in guaranteed securities, yielding at least 2.64% per annum.** In 2024 the CC124 financials show interest income of $188 on a balance of $78,671, a 0.2% return. In its response to a question CC124 stated that most "of the reserve fund is in GICs". This is good news, if true, it just did not show this from the financials provided.

4. **The condo corporation should make such expenditures, as necessary to maintain the property in optimum condition.**

5. **The reserve fund should be reviewed every year to ensure that the underlying assumptions are still valid and that the estimates remain current.**

Limiting Conditions

THIS REPORT IS SUBJECT TO THE FOLLOWING LIMITING CONDITIONS

The legal and survey descriptions of the property as stated herein are those which are recorded by the Registrar of the requisite Land Titles Office and are assumed to be correct.

The architectural, structural, mechanical, electrical and other plans and specifications of the building or buildings and improvements were provided for this study. Furthermore, all buildings and improvements are deemed to have been constructed and finished in accordance with such plans and specifications, unless otherwise noted.

Sketches, drawings, diagrams, photographs, if any, presented in this report are included for the sole purpose of illustration. No legal survey, soil tests, engineering investigations, detailed quantity survey compilations, nor exhaustive physical examinations have been made. Accordingly, no responsibility is assumed concerning these matters or other technical and engineering techniques, which would be required to discover any inherent or hidden condition of the property.
In order to arrive at supportable replacement cost estimates, it was found necessary to utilize both documented and other cost data. A concerted effort has been put forth to verify the accuracy of the information contained herein. Accordingly, the information is believed to be reliable and correct, and it has been gathered to standard professional procedures, but no guarantee as to the accuracy of the data is implied.

The distribution of cost and other estimates in this report apply only under the programme of utilization as identified in this report. The estimates herein must not be used in conjunction with any other appraisal or reserve fund study and may be invalid if so used.

The client to whom this report is addressed may use it in deliberations affecting the subject property only, and in so doing, the report must not be abstracted; it must be used in its entirety.

Possession of this report or any copy thereof does not carry with it the right of publication nor may it be used for any purpose by anyone but the applicant without the written consent of the author, and in any event, only with the proper qualifications.

The agreed compensation for services rendered in preparing this report does not include fees for consultations and/or arbitrations, if any. Should personal appearances be required in connection with this report, additional fees will have to be negotiated. Unless otherwise noted, all estimates are expressed in Canadian currency.

Contents

EXECUTIVE SUMMARY OF FACTS AND CONCLUSIONS 3
Significant Reserve Fund Estimates 4
Cash Flow Table 5
Recommendations 6
Limiting Conditions 7
1. Purpose of Reserve Fund Study 11
1.1 Reserve Funds – Legal Basis 11
2. Methodology 11
2.1 Reserve Fund Study 11
2.2 REIC Planning Standards 12
2.3 General Conditions and Assumptions 12
2.4 Reserve Fund Projection Factors 12
Inflation Rate 13
Interest Rates 14
3. Property Information 16
3.1 Property Description 16
3.2 Building Plans 16
3.3 Property Data, Site Plan and Basic Construction 16
Basic Construction Components 19
4. Reserve Component Analysis and Estimated Costs 20
4.1 Property Inspection 20
4.2 Reserve Fund Studies 20
4.3 Component Classification 20
4.4 Life Span Analysis 21
4.5 Current Cost Estimates 22
4.6 Reserve Component Descriptions and Analyses 23
Reserve Component: Structural and Architectural Component – 1. Foundation Repairs 24
Reserve Component: Structural and Architectural Component – 2. Garage Doors 25
Reserve Component: Structural and Architectural Component – 3. Balconies 27
Reserve Component: Structural and Architectural Component – 4. Exterior Walls 30
Reserve Component: Structural and Architectural Component – 5. Windows and Balcony Doors 33
Reserve Component: Structural and Architectural Component – 6. Entrance Doors 35
Reserve Component: Structural and Architectural Component - 7. Roofing System 37
Reserve Component: Building Finishes Component – 8. Corridor Renovation 38
Reserve Component: Building Finishes and Decoration – 9. Suite Doors 41
Reserve Component: Building Finishes and Decoration – 10. Lobby Renovation 42
Reserve Component: Building Finishes and Decoration – 11. Furniture 43
Reserve Component: Building Finishes and Decoration – 12. Elevator Interior Renovation 44
Reserve Component: Mechanical and Electrical Components – 13. Elevators 45

Reserve Component: Mechanical and Electrical Components – 14. Mechanical System Contingency 48
Reserve Component: Mechanical and Electrical Components – 49
15. Electrical System and Lights 49
Reserve Component: Mechanical and Electrical Components – 51
16. Life Safety Systems 51
Reserve Component: Mechanical and Electrical Components – 17. Access Control System 53
Reserve Component: Mechanical and Electrical Components – 18. Water and Sewer Systems 55
Reserve Component: Mechanical and Electrical Components – 19. Propane Delivery System 56
Reserve Component: Mechanical and Electrical Components – 20. Drainage System 58
Reserve Component: Site Improvements – 21. Front Gate and Control System 60
Reserve Component: Site Improvements – 22. Irrigation System 62
Reserve Component: Site Improvements – 23. Sidewalks and concrete finishes 64
Reserve Component: Site Improvements – 24. Parking Lot 67
Reserve Component: Site Improvements –25. Wooden Fence 70
Reserve Component: Site Improvements – 26. Landscaping 73
Reserve Component: Site Improvements – 27. Reserve Fund Study 77
5 Reserve Fund Component Estimates 78
5.1 Condo Max Reserve Planners Benchmark Analysis 78
5.2 Schedule A – Schedule Reserve Fund Component Estimates 79
5.3 Summary of Reserve Fund Estimates 81
6 Analysis of Reserve Fund Operations 83
6.1 Corporation's Financial Statements 83
6.2 Schedule B - Statement of Reserve Fund Operations 84
6.3 Benchmark Deficiency Analysis 85
Adequacy of Reserve Fund 86
7. Reserve Fund Management – 25 Year Projections 87
7.1 Schedule C – 25 Year Projected Cash Flow and Deficiency Analysis 87
7.2 Future Reserve Fund Management 89

RESERVE FUND STUDY

1. Purpose of Reserve Fund Study

This Reserve Fund Study is a financial document. The purpose of a Reserve Fund Study is to provide cost estimates for various reserve components that are subject to major repairs and/or replacement over the lifetime of the property, and to estimate the funding required for such major repairs and replacement.

This reserve fund study applies as of **June 30, 2025.**

1.1 Reserve Funds – Legal Basis

The requirement for condominium corporations in Yukon to obtain 'reserve studies' is required under the Yukon Condominium Act (2015) that came into force and effect in October 2022. The Yukon Condominium Act, 2015 states:

157 (2) A condominium corporation must, at the times and in the manner required by the regulations, obtain from a qualified person

a) a depreciation report estimating the repair and replacement costs for, and the expected life of, the common property and major common assets of the corporation; and,
b) a recommendation as to the amount needed in the reserve fund to reasonably ensure the corporation has sufficient money to pay for the major repairs and replacement of the common property and common assets where the repair or replacement is of a nature that does not normally occur annually.

158 Subject to the regulations, a condominium corporation is responsible to determine the amount of the annual contribution to its reserve fund having due regard to its most recent reserve fund study.

2. Methodology

2.1 Reserve Fund Study

A Reserve Fund Study is a financial document, which provides the basis for funding major repairs and replacement of the common elements and assets of the corporation.

This Reserve Fund Study comprises the following elements:

(1) it identifies the reserve components and assesses their quality, normal life span, and present condition;

(2) it estimates the remaining serviceable years for each of the reserve components and proposes a time schedule for repairs and/or replacement;

(3) it provides current replacement cost estimates including the cost of removing worn-out items and special safety provisions;

(4) it projects the future value of current replacement costs at an appropriate and compounded inflation rate;

(5) it projects the future value of current reserve funds compounded at a long term interest rate;

(6) it calculates current reserve fund contributions required and to be invested in interest bearing securities in order to fund future reserve fund expenditures.

The Reserve Fund Study is a practical guide to assist the Board of Directors to plan budgets and maintenance programs.

2.2 REIC Planning Standards

The Real Estate Institute of Canada has established Reserve Fund Planning standards and training that are now recognized and across Canada. These standards, presented throughout this Report, consist of investigations, analyses and calculations that provide realistic and supportable reserve fund estimates.

2.3 General Conditions and Assumptions

Reserve fund estimates are subjective, and they are based on an understanding of the life cycle of building components and our experience gained from observing buildings over a 25-year period. It must be appreciated that reserve fund budgeting and projections are not exact sciences. They are, at best, prudent provisions for all possible contingencies, if, as and when they arise. Reserve fund requirements are subject to change and must be reviewed and modified over time, not less than every three years.

2.4 Reserve Fund Projection Factors

The Real Estate Institute of Canada standards, presented throughout this Report, consist of investigations, analyses and calculations that provide realistic and supportable reserve fund estimates which include:

- the estimated cost of major repair or replacement of the common elements and assets of the corporation at the estimated time of the repair or replacement based on an assumed annual inflation rate,

- the annual inflation rate described below,

- the estimated interest that will be earned on the reserve fund based on an assumed annual interest rate, and

- the annual interest rate described below.

What is required is an objective basis for any estimates of inflation factors and interest rates. Inflation factors and interest rates must be derived from an economic analysis of the marketplace.

The estimated inflation factor and the selected interest rate are powerful factors in projecting reserve fund contributions and requirements. They can vary dramatically over time and must be periodically reviewed to ensure their relevance and accuracy.

Although a reserve fund plan is projected over a period of at least 25 consecutive years, a long-term horizon in every respect, reserve fund projection factors can only be based on short-term economic conditions because of their volatility over time.

The reserve fund projection factors must be periodically reviewed and adjusted in accordance with changing economic conditions as part of the reserve fund updating process.

Inflation Rate

Inflation measurement in reserve fund projections must be based on construction indices rather than the widely quoted Consumer Price Index (CPI), which measures the cost of a basket of consumer goods, not construction costs. There are no good data sources available for measuring construction cost inflation just for Yukon. Instead, Statistics Canada data is used.

CANSIM is Statistics Canada's key socioeconomic database. CANSIM provides fast and easy access to a large range of the latest statistics available in Canada. The CANSIM Historical Index, used to calculate annual inflation rates, is based on the computed value as of the end each quarter for an average Vancouver metro area construction rate of inflation.

Type of building	Residential buildings [621]				
Division[4]	Division composite				
Geography[3]	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024
	Index, 2017=100				
Vancouver, British Columbia (map)	155.0	157.3	161.0	162.1	164.4

How to cite: Statistics Canada. Table 18-10-0276-01 Building construction price indexes, by type of building and division, inactive

Type of building	Residential buildings [621]				
Division[3]	Division composite				
Geography[4]	Q2 2023	Q1 2024	Q2 2024	Q1 2024 to Q2 2024	Q2 2023 to Q2 2024
	Index, 2017=100			Percentage change	
Vancouver, British Columbia (map)	155.0	162.1	164.4	1.4	6.1

Quarterly Construction Cost Comparison

Category	Q4 2024 Change	Q3 2024 Change	Year-over-Year
Residential Construction	+0.8%	+0.9%	+3.7%
Non-Residential Construction	+0.8%	+0.6%	+3.8%

Source: *Statistics Canada*

We have adopted the median rate of **3.7%** for annual inflation in calculating the future replacement costs hereinafter. The inflation rate used will significantly impact the reserve fund requirements, thus your overall cash flow plan. Changes in inflationary trends should be reviewed regularly to maintain more precise projections. Due to the variable nature of economic conditions over time, the projection factors in this report should be reviewed and updated regularly to ensure contributions to the reserve fund are in line with changing inflationary trends.

Interest Rates

Investment income can be a significant and increasing source of revenue for reserve funds, and therefore, it is imperative that reserve funds are continuously and prudently invested.

Reserve fund investments must be directly or indirectly guaranteed by governments. Bank deposits and various investment instruments are insured by the Canada Deposit Insurance Corporation up to a maximum of $100,000, covering principal and interest.

The ability of condominium corporations to earn the highest rate of interest available in the marketplace, given the restricted conditions of investments, depends on the expertise of financial management and the amount of available funds for investment.

Therefore, the reserve fund planner must consider management policies, the historical investment performance and the size of the reserve fund available for investment.

In selecting an appropriate interest rate for reserve fund investments for a particular condominium corporation, the balance of the reserve fund is the most critical consideration as it dictates investment options and their corresponding interest rates.

Investment opportunities are widely advertised, ranging from bank deposits, term deposits and guaranteed investment certificates (GICs) to money market instruments and government bonds.

The following are investment returns achievable for condo corporations from demand accounts or GICs across Canada. However, many smaller financial institutions will not service the small Yukon market. The rates noted below show the GIC rates offered by the big six banks in May, 2025.

	1 Year	2 Years	3 Years	4 Years	5 Years
FISCAL AGENTS SAVINGS & INVESTMENTS	**4.00**	**4.01**	**3.76**	**3.86**	**3.89**
Average of Canada's top 6 banks	2.64	2.74	2.65	2.68	2.88
Bank of Montreal	2.75	2.75	2.80	2.80	3.00
CIBC	2.25	2.20	2.25	2.30	2.35
National Bank of Canada	2.80	2.85	2.80	2.80	3.30
Royal Bank	2.55	2.65	2.65	2.70	2.75
Scotiabank	2.70	2.75	2.75	2.75	2.85
TD Canada Trust	2.80	3.24	2.65	2.70	3.00

Source: http://fiscalagents.com/ May-25

Prudent reserve fund investment requires that investments are reasonably matched with anticipated reserve fund expenditures, ensuring reserve fund liquidity. Therefore, funds should be invested in a laddered portfolio, which ensures that reserve funds are available when needed.

The benchmark calculations and the reserve fund projections are based on the assumption that reserve fund contributions are constantly and continuously invested.

Considering the investment opportunities available in the subject instance and respecting the historical rate of return for the corporation, and the planned capital investments in the early years of the study period, we have selected a **2.64%** interest rate in calculating the future investment performance of the Corporation's reserve fund.

3. Property Information

3.1 Property Description

Whitehorse Condominium Corporation No.124
134 Seine Place PO Box 31205, Whitehorse,Yukon Y1A 5P7

'Lansing Point' is a 17 year old complex built in 2008. Whitehorse Condo Corp. No.124 consists of 20 residential units in two buildings.

The overall construction, materials and workmanship are of good quality. The property is in very good condition.

The condo corporation has hired a contractor to manage the property management of the buildings and the common elements. The Board has been active in dealing with maintenance issues and looking after unit owner concerns.

3.2 Building Plans

The following plans were examined in the performance of the reserve fund study:

Project Name : Takhini Condos (later Lansing Point)

Architectural and site plans: Zeko Design Build

Structural Engineer: Stoeven Lere Engineering Ltd.

Mechanical Engineer: For Hire Plumbing

Electrical Engineer: FSC/Hyland Electric

Developer: Alex Shaman

Builder: Kareway Homes Ltd.

There are good quality architectural plans for the complex. Some quantities were estimated or measured on site, others estimated from the site plan. The building and site improvements were inspected on several occasions. Various construction details, facilities, equipment installations and improvements have been noted for consideration in the cost estimates herein.

3.3 Property Data, Site Plan and Basic Construction

Project Data

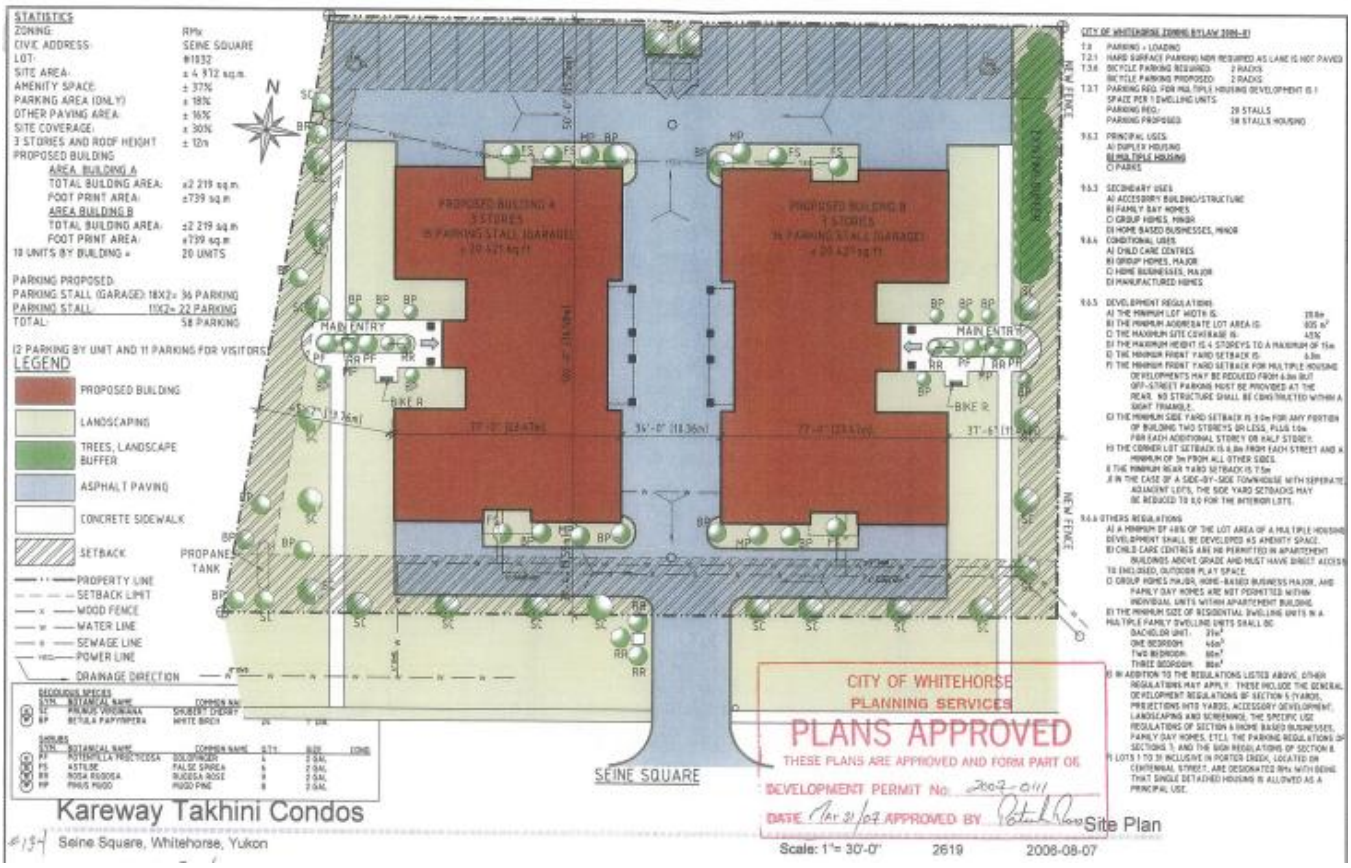
The following data and information have been compiled from the available plans, and

the inspection of the buildings and improvements. The data have been calculated using dimensions taken from the plans and on site measurements.

Property Statistics

Site Area total	**4,972 m²**
Number of Buildings	**2**
Building Coverage	**~ 1,850 m²**
Total Paved Area	**1,692 m²**
Total Concrete Area	**128 m²**
Landscaped area	**1,302 m²**
Occupancy	**20 units**

Site Plan for Whitehorse Condominium Corporation No.124



Basic Construction Components

The complex was constructed in 2007-08, in accordance with applicable building codes, fire codes, city by-laws, and construction practices in existence at that time. The quality of construction, materials and workmanship is considered to be very good.

The complex consists of two three storey buildings.

Excavation and Foundations

The buildings have monolithic slab on grade concrete foundations.

Exterior Walls and Insulation

The wood and concrete frame building has vinyl siding over insulation, and vapor barrier.

Roof and Drainage Construction

The building has a hip and valley roof with shallow pitch (approx. 3/12). The roofs have asphalt shingles. Drainage is achieved with eavestroughs and downspouts.

There are two catch basins in the parking lot. However, CC124 experienced overflows at its northernmost catch basin in 2011. As a result, a sump pump and a pipe around the perimeter of the complex was installed.

Interior Construction

Concrete slabs separate all the floors. The stairwells between floors are finished. The units have wood stud and drywall walls. The floors on the residential floors have carpet flooring and vinyl stair treads, while the main floor has sheet vinyl flooring. The units vary in size from 1,387 sq.ft. to 1,459 sq.ft. All units have two bedrooms.

Parking

There are 20 main floor parking garages sufficient for 36 stalls. As well, there are 22 parking stalls at the north end of the complex.

Plumbing infrastructure

The building’s water supply connection is located at the property line.

Water and sewer pipes connect the units with the main lines through the main floors and then going up to the units.

Unit owners are responsible for the plumbing fixtures within their units.

Electrical

The electrical infrastructure includes breakers, meters, and electrical distribution panels. Each unit owner owns the electrical wires within their unit, while the condo corp. owns the

wires into the units. The condo corporation is responsible for common area lights, switches, heaters and controls.

Ventilation

There are fans and vents for the common areas.

Life safety system

The buildings a complete life safety systems including fire alarms, control panels, and emergency lighting.

Elevators

The buildings have hydraulic/cable elevators. The condo has a secure contractor for elevator servicing.

Telecom

The electrical utility owns the underground tie lines into the buildings. The telecommunication distribution system is owned by a telecom provider.

Parking facilities

There are parking garages on the main floors of the buildings. As well there are outside parking spaces at the northern end of the parking lot.

4. Reserve Component Analysis and Estimated Costs

4.1 Property Inspection

The property was inspected for the purposes of preparing this report in May, 2025.

4.2 Reserve Fund Studies

A reserve study was completed in 2020 for CC124 by Condo Max Reserve Planners.

4.3 Component Classification

Reserve Fund Components are conveniently classified in terms of building groups, common element facilities and site improvements. The component inventory consists of the reserve components, described and analyzed hereinafter, and shown in Schedules “A”, “B” and “C”.

There are 28 reserve components, comprising 7 building and architectural components, 5 building finishes components, 10 mechanical and electrical

components, 5 site improvement components, and 1 reserve consultant component.

4.4 Life Span Analysis

Each reserve component has been analyzed in terms of life cycle condition and expected remaining useful life. The life span analysis considers the following factors:

- Type of Component
- Utilization
- Material
- Workmanship
- Quality
- Exposure to Weather Conditions
- Functional Obsolescence
- Environmental Factors
- Regular Maintenance
- Preventive Maintenance
- Observed Condition

The critical aspect in a Life Span Analysis is the observed condition of each reserve component, which includes is based on:

- Actual age of the component
- Maintenance of the component
- Observed deficiencies of the component
- Repair and replacement experience
- Probability of hidden conditions

The Life Span Analysis culminates in component life span estimates, as follows:

1. Normal Life Span

Each reserve component is analyzed in terms of component type, quality of construction, statistical records and normal life experience.

2. Observed Condition Analysis

This is the critical analysis of a reserve component and consists of determining the effective age of the reserve component within its normal life cycle based on the observed condition of the reserve component. The validity of this analysis depends on the experience of the reserve fund planner or analyst, as this is a subjective estimate rather than an objective assessment.

3. Remaining Life Span

Given a normal life span estimate and a sound estimate of the effective age, the remaining life span of a reserve component is determined by subtracting the observed condition estimate from the normal life span estimate. This does not mean that reserve expenditures should only be made at the end of the remaining life. Reserve expenditures should and must be made during the

remaining life span to maintain building components and facilities in good condition.

A life span analysis is a subjective, or empirical, assessment of the life cycle status of a reserve component, and as such, it is only as good as the considered opinion of the reserve fund planner. Furthermore, the life span of a reserve component is subject to change due to numerous factors.

4.5 Current Cost Estimates

Reserve Fund component assessments and current cost estimates are based on our investigation, observation, analyses and our extensive experience in performing reserve fund studies.

Cost data have been calculated using construction cost services, including RSMeans data for Commercial Renovation Costs for costing, modified as to time, location and quality of construction. We also verified some estimates by seeking quotations from contractors, fabricators and suppliers. Moreover, we have used our own computer programs and extensive cost compilations and databases.

All costs are strictly estimates and are subject to confirmation at the time competitive bids are obtained from contractors specializing in the repair or replacement work required.

The following factors have been considered in calculating the Repair and Replacement Costs Estimates:

Quality of construction

Replacement cost estimates are based on the assumption of using quality materials, as specified or built, or in the case of older developments, as required under current building code regulations, at contractors' prices, using union labour and current construction techniques, and including contractors' overhead and profit.

The costs of repairs and/or replacements of many reserve components are invariably higher than original building costs when contractors have considerable latitude in planning their work and can utilize economies of scale to keep costs within construction budgets. In contrast, repair work must frequently be performed in an expedient manner with proper safety precautions and within certain constraints.

Cost estimates take into account such additional costs as special construction, safety installations, limited access, noise abatements, and the convenience of the occupants.

Demolition and Disposal Costs

The estimates herein include provisions for demolition and disposal costs including dumping fees. These costs have been rising in recent years. Particularly, dumping of certain materials has become problematic and very costly. It appears that certain codes and environmental regulations will become more stringent in future years, all of which will further increase disposal costs.

Goods and Services Sales Tax

Goods and Services Tax ("GST") applies to all repairs and replacements including disposal costs. Therefore, these costs are included in the reserve fund estimates hereinafter.

Contingency Reserves

It is frequently impossible to forecast the incidence of repairs or replacements of various reserve components, particularly, major components, such as road pavement, sewer and water systems. Therefore, reserve estimates are of a contingency nature, and as such, they are subject to changing conditions and repair experience over time.

4.6 Reserve Component Descriptions and Analyses

The following lists each reserve fund component and provides the following information:

- Description
- Reserve Fund expenditure history
- Potential Deterioration
- Life Span Analysis
- Current Repair or Replacement Costs
- Deficiency Analysis

Reserve Component: Structural and Architectural Component – 1. Foundation Repairs		
Physical Description	This component includes any repairs to the building foundations, including and sub-surface elements or structural repairs to the foundations.	
Financial Analysis	This component has had no expenditures 2021-2025 from the reserve account. In 2011 CC124 sued the builder (and related parties) for damages caused by frost heaves. An engineering firm had investigated and found poor and substandard soils around one side of building B. The suit was settled to the favour of CC124 and remediation work took place to fix the problem. There was no net cost to CC124 for this work.	
Potential Deterioration	Potential deterioration includes water penetration and cracking concrete. Salt corrosion and water penetration of reinforcing rebar and freeze thaw cycles could spall concrete in ceilings and wall. Also frost heaves due to poor subsoils, sloppy construction and/or poor drainage.	
Condition Analysis	Satisfactory condition. No further foundation issues since the last report.	
Life Cycle Analysis	Date of Acquisition:	2008
	Normal Life Span	40 years
	Effective Age	25 years
	Remaining Life Span	15 years
Unit Quantity And Cost Estimates	Unit Quantity	n/a
	Unit Cost Estimate	n/a
	Current Repair or Replacement Cost Estimate	Repair Allowance $5,000
	Estimated Year of Major Repair or Replacement	2040
Deficiency Analysis	None noted.	

Reserve Component:	Structural and Architectural Component – 2. Garage Doors	
Physical Description	The garage doors face the parking lot, including the door opening mechanisms.	
Financial Analysis	This component has had no expenditures 2021-2025 from the reserve account.	
Potential Deterioration	Exposure the weather through all seasons may wear the paint. The mechanisms may be worn out through constant use.	
Condition Analysis	Good condition.	
Life Cycle Analysis	Date of Acquisition:	2008
	Normal Life Span	30 years
	Effective Age	17 years
	Remaining Life Span	13 years
Unit Quantity And Cost Estimates	Unit Quantity	n/a
	Unit Cost Estimate	n/a
	Current Repair or Replacement Cost Estimate	Repair allowance $5,000
	Estimated Year of Major Repair or Replacement	2038
Deficiency Analysis	None noted.	

Garage door – view from the inside.

Two metal garage doors.

Reserve Component:	Structural and Architectural Component – 3. Balconies	
Physical Description	The balconies are the exclusive use parts on the outsides of the units. The base is concrete, with a metal wrap around the bases. The railings are made of aluminum and glass. The flooring is Duradek.	
Financial Analysis	This component has had no expenditures 2021-2025 from the reserve account. Repairs to two wraps around the support beams were planned for 2025.	
Potential Deterioration	The balconies floors and the railings are exposed to the weather and sunlight. The railing glass may be susceptible to breakage for various reasons. Ground movement could affect the support beams and damage the facades. The wraps could be affected by weather, snow and sunlight.	
Condition Analysis	The balconies and guardrails appear to be in very good condition. Two wraps at the base of support beams in the north-east corner need to be repaired and this will be done in 2025.	
Life Cycle Analysis	Date of Acquisition:	2008
	Normal Life Span	25 years
	Effective Age	17 years
	Remaining Life Span	8 years
Unit Quantity And Cost Estimates	Unit Quantity	20
	Unit Cost Estimate	$2,800 (floor surface)
	Current Repair or Replacement Cost Estimate	$56,000
	Estimated Year of Major Repair or Replacement	2033
Deficiency Analysis	None noted.	

Looking up at the balconies.

A support column wrap. The base wraps of balconies structural supports will be repaired in 2025.

Reserve Component:	Structural and Architectural Component – 4. Exterior Walls	
Physical Description	The exterior walls and surfaces would also include soffits and fascia, trim and vents. The exterior walls are clad with vinyl siding. The soffits are metal and most of the trim is wood.	
Financial Analysis	This component has had no expenditures 2021-2025 from the reserve account. In 2022 ~$38K was expended for staining. Repairs to a bulkhead were made in 2024 at a cost of $1,694.	
Potential Deterioration	Potential deterioration could occur from weather and exposure to the elements. Damage could occur by accidents or vandalism. The wood trim tends to wear quicker from sunlight on the south facing exposures. Stain fades over time.	
Condition Analysis	The vinyl siding looks to be in excellent condition. The soffits and fascia likewise are in fine shape.	
Life Cycle Analysis	Date of Acquisition:	2008
	Normal Life Span	50 years
	Effective Age	17 years
	Remaining Life Span	33 years
Unit Quantity And Cost Estimates	Unit Quantity	n/a
	Unit Cost Estimate	n/a
	Current Repair or Replacement Cost Estimate	Allowance $7,000
	Estimated Year of Major Repair or Replacement	2058
Deficiency Analysis	No deficiencies noted.	

Second floor windows and siding.

Vinyl siding and faux rock veneer near the ground level.

A downspout on the corner over some rock facade.

Reserve Component: Structural and Architectural Component – 5. Windows and Balcony Doors		
Physical Description	The windows in the building. Balcony doors are included in this component.	
Financial Analysis	This component has had no expenditures 2021-2025 from the reserve account.	
Potential Deterioration	The windows are primarily susceptible to seal failure due to age. Deterioration, of frames and sliders can be caused by elements and sunlight causing oxidation. Patio doors may be prone to failure through age and use.	
Condition Analysis	The windows in the complex are in good condition.	
Life Cycle Analysis	Date of Acquisition:	2008
	Normal Life Span	35 years
	Effective Age	17 years
	Remaining Life Span	18 years
Unit Quantity And Cost Estimates	Unit Quantity	n/a
	Unit Cost Estimate	n/a
	Current Repair or Replacement Cost Estimate	$ 15,000 allowance
	Estimated Year of Major Repair or Replacement	2043
Deficiency Analysis	None noted.	

Reserve Component: Structural and Architectural Component – 6. Entrance Doors		
Physical Description	The entrance doors include both glass doors at the main entrances and metal doors in other locations.	
Financial Analysis	This component has had no expenditures 2021-2025 from the reserve account.	
Potential Deterioration	Exterior doors are subject to wear and tear from use and damage could occur from excessive force. The hinges and latch mechanisms are all items that are prone to breakage. Other potential deterioration could occur from weather and elements such as water causing oxidation.	
Condition Analysis	All exterior doors seemed to be in working order free from binding or excessive damage. Good condition.	
Life Cycle Analysis	Date of Acquisition:	2008
	Normal Life Span	40 years
	Effective Age	17 years
	Remaining Life Span	23 years
Unit Quantity And Cost Estimates	Unit Quantity	2 doors
	Unit Cost Estimate	$6,000
	Current Repair or Replacement Cost Estimate	$12,000
	Estimated Year of Major Repair or Replacement	2048
Deficiency Analysis	The entrance doors look good. No deficiencies noted.	

Front entrance doors.

Reserve Component: Structural and Architectural Component - 7. Roofing System		
Physical Description	The hip and valley roof are covered with asphalt shingles. Drainage from the roofs is achieved through eavestroughs and downspouts.	
Financial Analysis	This component has had no expenditures 2021-2025 from the reserve account. The condo corporation replaced some gutters in 2022 at a cost of $14K. In 2024, $1,228 was spent on shingle repairs.	
Potential Deterioration	The roof is exposed to sun and weather: ice and snow in the winter; rain and heat in the summer. The freeze – thaw cycle causes wear on the shingles.	
Condition Analysis	The roof appears to be good condition and with proper care the shingles should last another 13 years.	
Life Cycle Analysis	Date of Acquisition: Normal Life Span Effective Age Remaining Life Span	2008 30 years 17 years 13 years
Unit Quantity And Cost Estimates	Unit Quantity Unit Cost Estimate Current Repair or Replacement Cost Estimate Estimated Year of Major Repair or Replacement	20,760 square feet $6.95 /square ft. $ 144,281 2038
Deficiency Analysis	The roof shingles appear to be in good shape.	

Reserve Component: Building Finishes Component – 8. Corridor Renovation		
Physical Description	This component includes the corridors leading to the units and on the main floor to the garages. It would also include the stairwells between floors. The floor would include carpet on the residential floors, vinyl stair treads and vinyl sheet flooring on the main floor. As well costs for repainting the walls would be included in this component.	
Financial Analysis	This component has had no expenditures 2021-2024 from the reserve account. It is expected that CC124 will spend $10,000 in 2025 to paint the common property space on the second floor of both buildings.	
Potential Deterioration	The carpets are worn out over time. Damage may occur when moving residents in and out of units. Paint becomes discoloured over time.	
Condition Analysis	The corridors appear to be in very good condition.	
Life Cycle Analysis	Date of Acquisition: Normal Life Span Effective Age Remaining Life Span	2008 25 years 16 years 9 years
Unit Quantity And Cost Estimates	Unit Quantity Unit Cost Estimate Current Repair or Replacement Cost Estimate Estimated Year of Major Repair or Replacement	6 floors $4,667/floor $ 28,000 2036
Deficiency Analysis	No deficiencies noted.	

Carpets in the hallway. Very good condition.

The corridors on the main floors have sheet vinyl. Excellent condition.

Reserve Component: Building Finishes and Decoration – 9. Suite Doors		
Physical Description	This component consists of the doors to the suites within the building.	
Financial Analysis	This component has had no expenditures 2021-2025 from the reserve account.	
Potential Deterioration	Damage due to wear and usage.	
Condition Analysis	The doors are in excellent shape.	
Life Cycle Analysis	Date of Acquisition: Normal Life Span Effective Age Remaining Life Span	2008 40 years 12 years 28 years
Unit Quantity And Cost Estimates	Unit Quantity Unit Cost Estimate Current Repair or Replacement Cost Estimate Estimated Year of Major Repair or Replacement	n/a n/a $1,000 allowance 2048
Deficiency Analysis	No deficiencies noted.	

Reserve Component: Building Finishes and Decoration – 10. Lobby Renovation		
Physical Description	This component consists of the lobby renovations of the floors and walls. The small lobbies are located on the top two floors. Also included would be the costs of renovation of the front entrances.	
Financial Analysis	This component has had no expenditures 2021-2025 from the reserve account.	
Potential Deterioration	Damage due to wear and tear. Paint fades over time. Carpet wears out through usage.	
Condition Analysis	The lobbies look fine. The tile on the lower floor eliminates the need to renovate the flooring at the front entrances.	
Life Cycle Analysis	Date of Acquisition: Normal Life Span Effective Age Remaining Life Span	2008 20 years 10 years 10 years
Unit Quantity And Cost Estimates	Unit Quantity Unit Cost Estimate Current Repair or Replacement Cost Estimate Estimated Year of Major Repair or Replacement	n/a n/a $ 2,400 2035
Deficiency Analysis	No deficiencies noted.	

Reserve Component: Building Finishes and Decoration – 11. Furniture		
Physical Description	This component consists of furniture owned by CC124. Also included are some minor equipment owned by the condo corporation: a snow blower and an air compressor.	
Financial Analysis	This component has had no expenditures 2021-2025 from the reserve account.	
Potential Deterioration	Damage due to wear and usage.	
Condition Analysis	The furniture looks fine.	
Life Cycle Analysis	Date of Acquisition: Normal Life Span Effective Age Remaining Life Span	2008 18 years 8 years 10 years
Unit Quantity And Cost Estimates	Unit Quantity Unit Cost Estimate Current Repair or Replacement Cost Estimate Estimated Year of Major Repair or Replacement	n/a n/a $500 allowance 2035
Deficiency Analysis	No deficiencies noted.	

Reserve Component: Building Finishes and Decoration – 12. Elevator Interior Renovation		
Physical Description	This reserve covers the renovation of the elevator cab. The elevator services all floors of the building. This cost does not include safety features, or mechanical or electrical components within the elevator enclosures.	
Financial Analysis	This component has had no expenditures 2021-2025 from the reserve account.	
Potential Deterioration	The elevator cabs are most prone to impact damage caused by moving items in and out. Most cab interiors are constructed of materials to allow for a resistance to deterioration of this type.	
Condition Analysis	The elevator cab is in good condition. The cab has impact resistant, commercial grade, melamine panels for its interior finishes.	
Life Cycle Analysis	Date of Acquisition:	2008
	Normal Life Span	40 years
	Effective Age	12 years
	Remaining Life Span	28 years
Unit Quantity And Cost Estimates	Unit Quantity	n/a
	Unit Cost Estimate	n/a
	Current Repair or Replacement Cost Estimate	$3,000 allowance
	Estimated Year of Major Repair or Replacement	2053
Deficiency Analysis	None noted.	

Reserve Component: Mechanical and Electrical Components – 13. Elevators		
Physical Description	This component makes up the mechanical and electrical sections of the elevator. This would include the hoist machinery, sheaves, hydraulic seals, and associated equipment. This also includes the rails, counterweights, hoist rope, wiring etc. in the elevator shaft.	
Financial Analysis	This component has had no expenditures from the reserve account 2021-2025.	
Potential Deterioration	These components are susceptible to mechanical and electrical failures that will increase in frequency, as the equipment gets older and wears out. However, good maintenance routines and preventive maintenance is a key to maintaining a long service for this equipment. The elevator is one of the keys to a quality building as frequent breakdowns and entrapments are very frustrating for owners.	
Condition Analysis	No maintenance issues have been noted.	
Life Cycle Analysis	Date of Acquisition: Normal Life Span Effective Age Remaining Life Span	2008 30 years 17 years 13 years
Unit Quantity And Cost Estimates	Unit Quantity Unit Cost Estimate Current Repair or Replacement Cost Estimate Estimated Year of Major Repair or Replacement	2 elevators $40,500 $81,000 2038
Deficiency Analysis	No deficiencies noted. The elevators are critical asset for CC124. It behooves the condo corporation to ensure the elevator servicing company stays on top of the servicing.	

Elevator door.

Electrical components of the elevator.

Reserve Component: Mechanical and Electrical Components – 14. Mechanical System Contingency		
Physical Description	This component is a contingency allowance for mechanical system repairs or replacements.	
Financial Analysis	There have been no expenditures on this item from 2021-2025 from the reserve account.	
Potential Deterioration	Complex mechanical systems that wear out, fail or require replacement.	
Condition Analysis	This component is a contingency.	
Life Cycle Analysis	Date of Acquisition: Normal Life Span Effective Age Remaining Life Span	2008 12 years 5 years 7 years
Unit Quantity And Cost Estimates	Unit Quantity Unit Cost Estimate Current Repair or Replacement Cost Estimate Estimated Year of Major Repair or Replacement	n/a n/a Allowance $2,000 2032
Deficiency Analysis	No deficiencies noted.	

Reserve Component: Mechanical and Electrical Components – 15. Electrical System and Lights		
Physical Description	This component includes the electrical power main feed, distribution system and distribution panels. Also included are the light fixtures in the common areas and on the outside of the building.	
Financial Analysis	This component has had no expenditures 2021-2025 from the reserve account.	
Potential Deterioration	Potential deterioration is caused by overloading, improper phase balance, single phasing or power failure causes heat from built up resistance to possibly damage insulation or melt conductors. Improper or loose connections could also shorten life or melt conductors. Some light fixtures are exposed to the weather.	
Condition Analysis	The electrical system and lights appeared to be in good condition.	
Life Cycle Analysis	Date of Acquisition: Normal Life Span Effective Age Remaining Life Span	2008 50 years 17 years 33 years
Unit Quantity And Cost Estimates	Unit Quantity Unit Cost Estimate Current Repair or Replacement Cost Estimate Estimated Year of Major Repair or Replacement	n/a n/a Allowance $5,000 2058
Deficiency Analysis	No deficiencies noted.	

Meter room.

Outdoor light

Reserve Component: Mechanical and Electrical Components – 16. Life Safety Systems		
Physical Description	This component includes the fire panel; the devices such as pull stations, smoke and heat detectors, and fire alarms.	
Financial Analysis	This component has had no expenditures 2021-2025 from the reserve account. In 2024, $2,272 was expended on fire alarm replacements.	
Potential Deterioration	Deterioration can be caused by the failure of electrical and mechanical components. There are many legislated requirements to insure equipment is operational but to longevity of equipment life relies on a quality preventive maintenance routine is being followed. As the system gets older and codes change, systems become outdated. Mechanical and electrical failures of switches and devices such as heat and smoke detectors. Dust and construction damage are also circumstances that cause premature deterioration and failure.	
Condition Analysis	The life safety systems are modern and there have been no problems with the systems. Good condition. The condo corp has been testing its life safety systems routinely.	
Life Cycle Analysis	Date of Acquisition: Normal Life Span Effective Age Remaining Life Span	2008 20 years 12 years 8 years
Unit Quantity And Cost Estimates	Unit Quantity Unit Cost Estimate Current Repair or Replacement Cost Estimate Estimated Year of Major Repair or Replacement	n/a n/a $31,000 2038
Deficiency Analysis	No deficiencies noted.	

Fire panel at the front door.

Reserve Component: Mechanical and Electrical Components – 17. Access Control System		
Physical Description	This component would capture the access intercom and control system.	
Financial Analysis	This component has had no expenditures 2021-2025 from the reserve account.	
Potential Deterioration	Some areas of deterioration could be electrical and mechanical failures or malfunctions of switches, buttons or electronics. This typically occurs from age, vandalism or misuse.	
Condition Analysis	No issues noted.	
Life Cycle Analysis	Date of Acquisition:	2008
	Normal Life Span	30 years
	Effective Age	17 years
	Remaining Life Span	13 years
Unit Quantity And Cost Estimates	Unit Quantity	System
	Unit Cost Estimate	$8,000
	Current Repair or Replacement Cost Estimate	$8,000
	Estimated Year of Major Repair or Replacement	2038
Deficiency Analysis	No deficiencies were noted with the access intercom or door control system.	

Intercom panel.

Reserve Component: Mechanical and Electrical Components – 18. Water and Sewer Systems		
Physical Description	This component includes the all water and sewer pipes in and to the building, except those within the condo units.	
Financial Analysis	This component has had no expenditures 2021-2025 from the reserve account.	
Potential Deterioration	Deterioration can be caused as the system gets older and pipes wear out.	
Condition Analysis	The water system is new and in excellent condition.	
Life Cycle Analysis	Date of Acquisition: Normal Life Span Effective Age Remaining Life Span	2008 60 years 17 years 43 years
Unit Quantity And Cost Estimates	Unit Quantity Unit Cost Estimate Current Repair or Replacement Cost Estimate Estimated Year of Major Repair or Replacement	n/a n/a Allowance $5,000 2068
Deficiency Analysis	No deficiencies noted.	

Reserve Component: Mechanical and Electrical Components – 19. Propane Delivery System		
Physical Description	This component includes the pipes that allow the transportation of propane from the tanks to the units.	
Financial Analysis	This component has had no expenditures 2021-2025 from the reserve account.	
Potential Deterioration	Deterioration can be caused as the system gets older and pipes wear out.	
Condition Analysis	The system was inspected in 2024 and is working fine.	
Life Cycle Analysis	Date of Acquisition: Normal Life Span Effective Age Remaining Life Span	2008 27 years 17 years 8 years
Unit Quantity And Cost Estimates	Unit Quantity Unit Cost Estimate Current Repair or Replacement Cost Estimate Estimated Year of Major Repair or Replacement	n/a n/a Allowance $1,500 2033
Deficiency Analysis	No deficiencies noted.	

The yellow pipes connect the propane tanks to the units in the building.

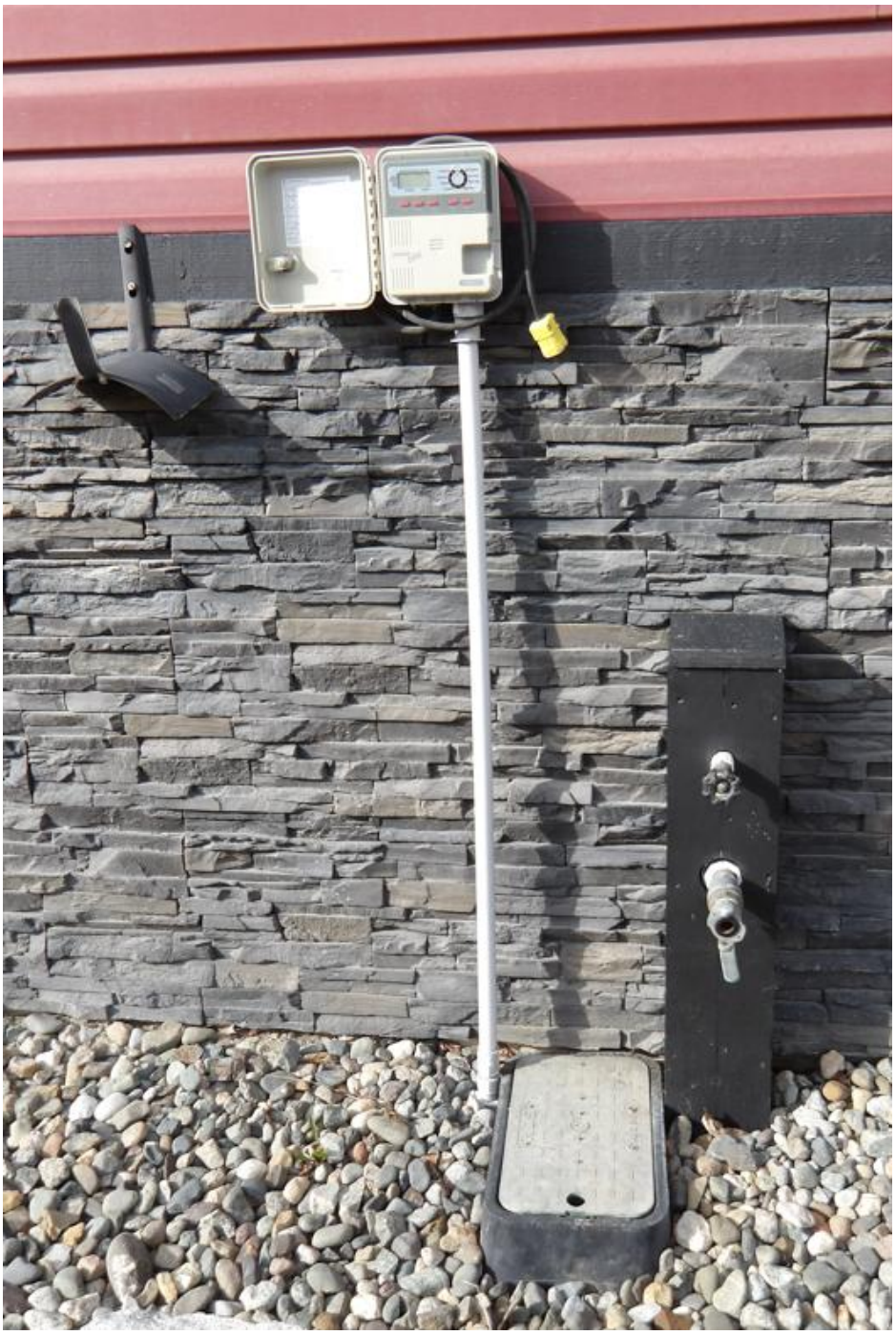
Reserve Component: Mechanical and Electrical Components – 20. Drainage System		
Physical Description	This component includes the drainage pipes, the catch basins and the sum pump.	
Financial Analysis	This component has had no expenditures 2021-2025 from the reserve account.	
Potential Deterioration	Deterioration can be caused due to poor soils, weather, especially precipitation, frost-freeze cycles. In Spring the melt water may overfill the catchment basins. Subsidence around the catchment basin.	
Condition Analysis	The originally designed system could not cope with large water volumes and flooded out. Eight years ago CC124 added an ancillary system – a sump pump and above ground pipes to remedy the system capacity problems. CC124 installed an underground pipe to the catch basin and drains the basin with a sump pump during the Spring melt. A geotechnical engineer has told CC124 that the erosion of the parking lot has been stabilized as a result.	
Life Cycle Analysis	Date of Acquisition: Normal Life Span Effective Age Remaining Life Span	2008 15 years 8 years 7 years
Unit Quantity And Cost Estimates	Unit Quantity Unit Cost Estimate Current Repair or Replacement Cost Estimate Estimated Year of Major Repair or Replacement	n/a n/a $7,000 allowance 2032
Deficiency Analysis	The original poor design of the drainage system caused the condo corporation to adapt a contingency measure – the sump pump and pipes. The system has been stabilized.	

Subsidence and asphalt damage around a catch basin.

Reserve Component: Site Improvements – 21. Front Gate and Control System		
Physical Description	This component includes the front gate (for vehicles) and the control mechanisms.	
Financial Analysis	This component has had no expenditures 2021-2025 from the reserve account. Repairs to the gate mechanisms were made in 2024 at a cost of $1,375.	
Potential Deterioration	Deterioration can be caused by weather and usage. Mechanical components age and may fail as they get worn out. Electronics may fail for a variety of reasons including power surges, exposure to extreme temperatures or abuse.	
Condition Analysis	Generally, the equipment condition appears to be good.	
Life Cycle Analysis	Date of Acquisition: Normal Life Span Effective Age Remaining Life Span	2008 20 years 12 years 8 years
Unit Quantity And Cost Estimates	Unit Quantity Unit Cost Estimate Current Repair or Replacement Cost Estimate Estimated Year of Major Repair or Replacement	n/a n/a $3,500 Allowance 2033
Deficiency Analysis	No deficiencies noted.	

The automated front gate.

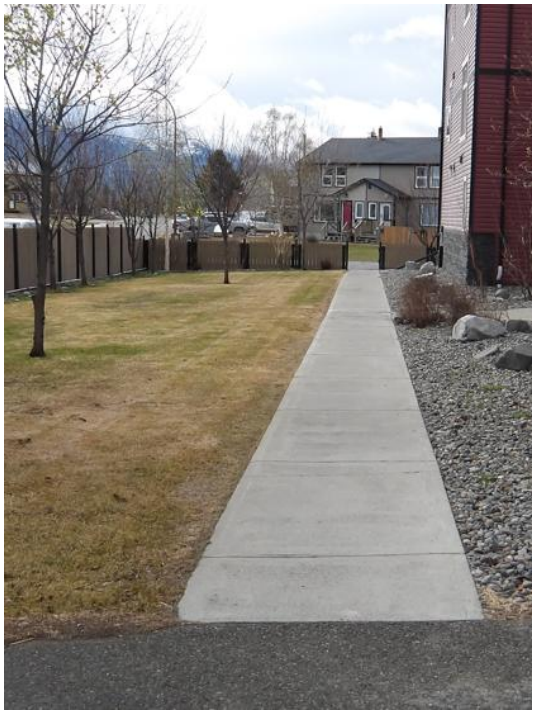
Reserve Component: Site Improvements – 22. Irrigation System		
Physical Description	This component includes the automated lawn irrigation system, the pipes and sprinklers.	
Financial Analysis	This component has had no expenditures 2021-2025 from the reserve account.	
Potential Deterioration	Deterioration can be caused by weather, freezing in particular. Exposure to freeze-thaw cycles can lead to equipment component destruction of it is not drained of water before a freeze. Damage of sprinkler heads from snow moving equipment.	
Condition Analysis	No deficiencies noted.	
Life Cycle Analysis	Date of Acquisition: Normal Life Span Effective Age Remaining Life Span	2008 22 years 17 years 5 years
Unit Quantity And Cost Estimates	Unit Quantity Unit Cost Estimate Current Repair or Replacement Cost Estimate Estimated Year of Major Repair or Replacement	n/a n/a $2,500 2030
Deficiency Analysis	No deficiencies noted.	



The control panel for the irrigation system.

Reserve Component:	Site Improvements – 23. Sidewalks and concrete finishes	
Physical Description	This component includes the sidewalks that extend the length of each building. It also would include the concrete pads and the pony wall at the east boundary of the complex.	
Financial Analysis	This component has had no expenditures 2021-2025 from the reserve account. Some concrete sidewalk was replaced by the west entrance door in 2024 for a cost of $5K.	
Potential Deterioration	Poor substrate soils or poor compaction. Deterioration can be caused by weather and exposure to freeze-thaw cycles that can lead to crack forming and surface erosion. If cracks are left they grow with time.	
Condition Analysis	Generally, the condition appears to be good.	
Life Cycle Analysis	Date of Acquisition: Normal Life Span Effective Age Remaining Life Span	2008 50 years 24 years 26 years
Unit Quantity And Cost Estimates	Unit Quantity Unit Cost Estimate Current Repair or Replacement Cost Estimate Estimated Year of Major Repair or Replacement	n/a n/a $20,000 2051
Deficiency Analysis	Deficiencies noted. Cracks have appeared in a few places.	

Large cracks/erosion in these sidewalk sections.



The sidewalk on the eastern side of the property looks great.

Reserve Component: Site Improvements – 24. Parking Lot		
Physical Description	This component consists of the asphalt parking lot that covers the interior, the front and rear of the complex.	
Financial Analysis	This component has had no in expenditures from 2021-2025 from the reserve fund. In 2022 CC124 spent $7K on a geotechnical study on the north parking lot. The report put the cost of removing the underlying unstable soils and hauling in suitable fill at $225K.	
Potential Deterioration	At the time of installation there was inadequate compaction and poor substrate which has led to subsidence and premature aging of the asphalt surface. The asphalt surfaces are exposed to the weather 365 days per year. The freeze-thaw cycle would cause wear through time. During thaw periods water flows over parts of the parking lot and there could be some pooling/erosion near catchment basins. UV radiation from sunlight breaks down the integrity of the asphalt over time.	
Condition Analysis	The north parking lot is in fair condition. Parts of the north parking lot are subsiding and sinking or cracking. Most of the other parts of the parking lot are in good condition.	
Life Cycle Analysis	Date of Acquisition: Normal Life Span Effective Age Remaining Life Span	2008 35 years 22 years 13 years
Unit Quantity And Cost Estimates	Unit Quantity Unit Cost Estimate Current Repair or Replacement Cost Estimate Estimated Year of Major Repair or Replacement	24,029 s.f. $8.35/s.f. $200,646 2038
Deficiency Analysis	Some deficiencies noted. The condo corporation is planning to repair some pot holes in two years. More could be done on repairing cracks.	

Some cracks here.

No cracks noted on the front parking lot. Looks good

North parking lot. Numerous cracks. These can be inexpensively filled.

Long curved crack.

Reserve Component: Site Improvements –25. Wooden Fence		
Physical Description	This component includes all wooden fences in the complex.	
Financial Analysis	This component has had no in expenditures from 2021-2025 from the reserve fund. In 2022, $1,900 was expended to strengthen the west fence.	
Potential Deterioration	Fences are exposed to the weather all year. As well the UV radiation from sunlight leads to weathering and deterioration of this component. Ground heaving causing fence posts to be crooked.	
Condition Analysis	Good condition. The condo board has been diligent in fixing stretches of fence as repairs are needed.	
Life Cycle Analysis	Date of Acquisition: Normal Life Span Effective Age Remaining Life Span	2008 35 years 17 years 18 years
Unit Quantity And Cost Estimates	Unit Quantity Unit Cost Estimate Current Repair or Replacement Cost Estimate Estimated Year of Major Repair or Replacement	932 l.f. $35.65/ l.f. $33,220 2043
Deficiency Analysis	The fences are in good condition.	

Section of fence on the west side of the property. The crooked section is scheduled for repair in 2025.

The front fences look good.

Reserve Component: Site Improvements – 26. Landscaping		
Physical Description	This component describes all landscaped areas including the trees, shrubs and lawn. Also, the ornamental rocks are part of the landscape.	
Financial Analysis	This component has had no expenditures from 2021-2025.	
Potential Deterioration	Inclement weather, freeze thaw cycles, and lack of care are factors that drive deterioration of some parts of this component. Trees and shrubs may die or grow too much over time. Weeds can penetrate the landscape fabric and make the ornamental rock/gravel look unsightly.	
Condition Analysis	The landscaping in the complex looks great. The grass, shrubs and trees are beautiful. Well maintained.	
Life Cycle Analysis	Date of Acquisition: Normal Life Span Effective Age Remaining Life Span	2008 25 years 17 years 8 years
Unit Quantity And Cost Estimates	Unit Quantity Unit Cost Estimate Current Repair or Replacement Cost Estimate Estimated Year of Major Repair or Replacement	n/a n/a Allowance $2,500 n/a
Deficiency Analysis	None noted.	

Some trees by building B.

Lawn and trees on the eastern side of the property.

Some weeds have penetrated the weed barrier and poke through the rocks.

Reserve Component: Site Improvements – 27. Reserve Fund Study		
Physical Description	This component includes the costs of all reserve studies.	
Financial Analysis	This component has had no expenditures 2021-2025 from the reserve account.	
Potential Deterioration	n/a	
Condition Analysis	Kudos to CC124 for getting a reserve study done.	
Life Cycle Analysis	Date of Acquisition: Normal Life Span Effective Age Remaining Life Span	n/a 5 years n/a 5 years
Unit Quantity And Cost Estimates	Unit Quantity Unit Cost Estimate Current Repair or Replacement Cost Estimate Estimated Year of Major Repair or Replacement	Study $3,045 $3,045 2030
Deficiency Analysis	None noted.	

5 Reserve Fund Component Estimates

5.1 Condo Max Reserve Planners Benchmark Analysis

The Condo Max Reserve Planners Benchmark analysis shows the physical aspects of the various reserve components, including the life cycle analysis and the cost estimates on a single spreadsheet for convenient examination and easy reference. The cost estimates are pursuant to prudent reserve fund practices, which provide for inflationary cost increases over time and interest income from reserve fund investments.

The reserve fund estimates have been prepared without regard to the current financial position of the corporation or the current reserve fund contributions by unit owners, and as such, they represent the optimum reserve fund operation, which assumes that the corporation has continuously assessed adequate reserve funding from the beginning.

This Benchmark Analysis is the foundation of the Condo Max Reserve Planners Reserve Fund Planning System, as it provides the basis for comparison to the actual reserve fund operation. The Condo Max Reserve Planners Benchmark Analysis provides the standard for reserve fund planning and property maintenance, and as such, it is a valuable management and maintenance resource document.

The foregoing program represents the practical application of reserve fund budget planning and management. When applied, as outlined, the reserve fund will cover anticipated reserve fund expenditures and any contingencies.

5.2 Schedule A – Schedule Reserve Fund Component Estimates

The following Schedule of Reserve Fund Component Estimates shows detailed computations for the various reserve items using the projection factors explained later in this Report:

Long-term inflation rate: 3.70 %

Long-term interest rate: 2.64 %

BENCHMARK ANALYSIS - CC#124

Amount that should be in the reserve today.

Inflation Factor	3.70%
Interest Rate	2.64%

	Reserve Components	Year of Acquisition	EXPECTED LIFESPAN Years	OBSERVED CONDITION Years	REMAINING LIFE SPAN Years	Unit Quantity	Unit Measure	Unit Cost	CURRENT REPLACEMENT COST	FUTURE REPLACEMENT COSTS	CURRENT RESERVE FUND REQUIREMENT	FUTURE RESERVE FUND ACCUMULATION	FUTURE RESERVE FUND REQUIREMENTS	ANNUAL RESERVE FUN ASSESSMENT	ESERVE FUN ASSESSMEN ALLOCATION
	Structural & Architectural Components														
1	**Foundation repairs**	2008	40	17	23	1	allowance	$ 5,000	5,000	11,531	2,125	3,869	7,662	278	0.65%
2	**Garage Entrance Doors**	2008	30	17	13	1	allowance	$ 5,000	5,000	8,019	2,833	3,976	4,043	282	0.66%
3	**Balconies**														
	a. General Repairs	2008	25	19	6	1	allowance	$ 8,000	8,000	9,949	6,080	7,109	2,840	455	1.07%
4	**Exterior Walls**														
	a. Repair allowance	2008	50	17	33	1	allowance	$ 3,000	3,000	9,950	1,020	2,410	7,540	175	0.41%
	b. Flashings, trim, grills	2008	30	17	13	1	allowance	$ 4,000	4,000	6,415	2,267	3,181	3,234	226	0.53%
	c.Staining costs	2022	14	3	11	1	cost	$ 35,800	35,800	53,389	7,671	10,218	43,171	3,621	8.51%
5	**Windows & Balcony Doors**														
	a. Replacement/repair	2008	35	17	18	1	allowance	$ 15,000	15,000	28,848	7,286	11,646	17,202	832	1.96%
6	**Entrance Doors**														
	a. Glass Entrance Doors	2008	30	17	13	2	each	$ 6,000	12,000	19,244	6,800	9,542	9,703	677	1.59%
	b. Metal Service Doors	2008	40	12	28	10	each	$ 600	6,000	16,594	1,800	3,734	12,861	368	0.86%
7	**Roofing System**														
	a.Gutter and eavestrough repairs	2022	15	3	12	1	allowance	$ 14,200	14,200	21,960	2,840	3,883	18,077	1,378	3.24%
	b.Membrane Replacement	2008	30	17	13	20,760	sq.ft.	$ 6.95	144,281	231,383	81,759	114,723	116,660	8,144	19.14%
	Building Finishes & Decoration														
8	**Corridor Renovation**	2008/2024	17	16	1	6	floors	$ 4,667	28,000	29,036	26,353	27,049	1,987	1,987	4.67%
9	**Suite Doors**	2008	40	12	28	1	allowance	$ 1,000	1,000	2,766	300	622	2,143	61	0.14%
10	**Lobby Renovation**	2008	20	10	10	1	allowance	$ 2,400	2,400	3,451	1,200	1,557	1,894	176	0.41%
11	**Furniture**	2008	18	8	10	1	allowance	$ 500	500	719	222	288	431	40	0.09%
12	**Elevator Interior Renovation**	2008	40	12	28	1	allowance	$ 3,000	3,000	8,297	900	1,867	6,430	184	0.43%
	Mechanical & Electrical Components														
13	**Elevator**														
	a. Modernization	2008	30	17	13	2	each	$ 40,500	81,000	129,900	45,900	64,406	65,494	4,572	10.74%
14	**Mechanical Systems Contingency**	2008	12	5	7	1	allowance	$ 2,000	2,000	2,579	833	1,000	1,579	215	0.51%
15	**HVAC in common areas**	2008	25	17	8	1	allowance	$ 3,000	3,000	4,012	2,040	2,513	1,499	177	0.42%
16	**Electrical System and Lights**														
	a. Distribution System	2008	35	17	18	1	allowance	$ 5,000	5,000	9,616	2,429	3,882	5,734	277	0.65%
	b. Lighting Retrofit	2008	25	17	8	1	allowance	$ 8,000	8,000	10,698	5,440	6,701	3,998	472	1.11%
17	**Life Safety Systems**														
	a. Repair Allowance	2008	20	17	3	1	allowance	$ 2,000	2,000	2,230	1,700	1,838	392	129	0.30%
	b. Replacement	2008	20	12	8	1	system	$ 31,000	31,000	41,456	18,600	22,911	18,545	2,191	5.15%
18	**Access Control System**	2008	25	22	3	1	system	$ 8,000	8,000	8,921	7,040	7,612	1,309	429	1.01%
19	**Water and Sewer Systems**														
	a. Water lines and pipes	2008	60	17	43	1	allowance	$ 5,000	5,000	23,848	1,417	4,344	19,504	319	0.75%
20	**Propane Distribution System**	2008	25	17	8	1	system	$ 1,500	1,500	2,006	1,020	1,256	750	89	0.21%
21	**Drainage systems**	2012	15	8	7	1	allowance	$ 7,000	7,000	9,027	3,733	4,480	4,547	619	1.45%
22	**Front gate and control system**	2008	20	12	8	1	allowance	$ 3,500	3,500	4,681	2,100	2,587	2,094	247	0.58%
	Site Improvements														
23	**Irrigation system**	2008	22	17	5	1	allowance	$ 2,500	2,500	2,998	1,932	2,201	797	154	0.36%
24	**Sidewalks and concrete finishes**														
	a. Replacements	2008	50	24	26	1	allowance	$ 20,000	20,000	51,437	9,600	18,902	32,535	1,019	2.39%
25	**Parking Lot**														
	a. Pavement Replacement	2008	35	22	13	24,029	sq.ft.	$ 8.35	200,646	321,776	126,120	176,971	144,806	10,109	23.76%
26	**Wooden Fence replacement**	2008	35	17	18	932	l.f.	$ 35.65	33,217	63,882	16,134	25,790	38,093	1,843	4.33%
27	**Landscaping**	2008	25	17	8	1	allowance	$ 2,500	2,500	3,343	1,700	2,094	1,249	148	0.35%
28	**Reserve Fund Study**	2020	5	4	1	1	per study	$ 3,045	3,045	3,158	2,436	2,500	657	657	1.54%
	TOTAL RESERVES								706,089	1,157,121	401,630	557,662	599,459	42,553	

5.3 Summary of Reserve Fund Estimates

The Reserve Fund position and estimated requirements of Whitehorse Condominium Corporation No.124 are as follows:

Current Replacement Reserves or Costs

which are provisions for all major repairs and replacements at current prices **$ 780,089**

Future Replacement Reserves or Costs

which are provisions for all major repair and replacement costs in the future at the end of the expected life span **$ 1,463,120**

Current Reserve Fund Requirements

which are reserve fund estimates based on the notion of effective age and should have been contributed by unit owners **$ 388,060**

Future Reserve Fund Accumulations

which are the current reserve fund requirements together with interest compounded over the remaining life span **$ 581,214**

Future Reserve Fund Requirements

which are to be funded by unit owners' payments to the reserve fund plus any interest earned **$ 881,906**

Annual Reserve Fund Assessments

which are the annual reserve fund payments		
to be made by unit owners	**$**	**48,308**

In accordance with these estimates, the corporation should have $ **101,814** in its reserve fund at the end of its current fiscal year, and the assessed annual payments or contributions to the reserve fund by unit owners should be **$36,000 in 2025** based on the stated assumptions.

6 Analysis of Reserve Fund Operations

6.1 Corporation's Financial Statements

Reviewing and analyzing the reserve fund operation of Whitehorse Condominium Corporation No.124, we have examined the available financial statements for the past five years and the proposed budget for CC124 operations, which will end December 31, 2025.

The condo corporation's financial statements were unaudited.

6.2 Schedule B - Statement of Reserve Fund Operations

Schedule "B" - STATEMENT OF RESERVE FUND OPERATIONS					
Whitehorse Condominium Corporation No.124					
	Year	Year	Year	Year	Year
Year ending 31-Dec	**2021**	**2022**	**2023**	**2024**	**2025**
					Budget
OPENING BALANCE	**40,580**	**40,925**	**61,986**	**78,671**	**78,859**
Reserve Fund Contributions	**-**	**21,000**	**16,685**	**-**	**36,000**
Interest Income	**345**	**61**	**-**	**188**	**-**
	345	**21,061**	**16,685**	**188**	**36,000**
RESERVE FUND EXPENDITURES	0	0	0	0	13,045
CLOSING BALANCE	**40,925**	**61,986**	**78,671**	**78,859**	**101,814**
Return on Investments	**0.9%**	**0.1%**	**0.0%**	**0.2%**	**0.0%**

6.3 Benchmark Deficiency Analysis

The Benchmark Deficiency Analysis shows the difference between the actual reserve fund balance and the current reserve fund requirement, as calculated in the Benchmark Analysis.

The current reserve fund requirement is an estimate of a fully funded reserve fund, based on the Benchmark calculation.

The Benchmark Deficiency Analysis has been developed by Condo Max Reserve Planners as a guide for property managers and the board of directors to ensure that the reserve fund is neither under-funded nor over-funded.

The reserve fund of Whitehorse Condominium Corporation No.124 is showing a shortfall at the end of the 2026 fiscal year, as shown below:

Opening Balance January 1,2026	**$ 101,814**
Recommended Reserve Fund Contribution for the Year	**$ 55,200**
Tax-Free Interest Income To be Earned on the Reserve Fund	**$ 2,688**
Extraordinary additions	**$ 0**
Less: Estimated Reserve Fund Expenditures for Fiscal Year 2026	**$ 0**
Projected Reserve Fund Balance As of December 31, 2026	**$ 159,702**
Estimated Reserve Fund Deficiency as of December 31, 2026	**$ (228,358)**

Any deficiency should be eliminated over time, as shown in Schedule “C” -25 Year Reserve Fund Cash Flow Projections and Deficiency Analysis hereinafter.

Adequacy of Reserve Fund

Adequacy of Reserve Fund may be defined as the reserve fund balance together with regular contributions and investment income, which constitutes sufficient cash resources available for all possible and potential reserve fund expenditures, required repairing or replacing common elements or assets of the corporation when needed.

The most direct and stringent measure of the adequacy of reserve fund is the reserve fund deficiency analysis, whereby the actual closing reserve fund balance is compared with the currently required reserve fund balance, as estimated by a competent reserve fund planner.

Any significant difference between the actual reserve fund balance and the required reserve fund balance will show the amount of a reserve fund surplus or reserve fund deficiency (shortfall).

A reserve fund surplus, particularly when such surplus is increased by excessive reserve fund contributions, means that unit owners have contributed too much to the reserve fund, a situation which should be corrected to eliminate such reserve fund surplus.

A reserve fund deficit or shortfall indicates that unit owners have not contributed enough to the reserve fund, causing the discrepancy between a fully funded reserve fund and the actual reserve fund balance.

The adequacy of a reserve fund does not require the test of an estimated fully funded reserve fund. The test as to the adequacy of a reserve fund should be sufficient cash resources to fund all potential repairs and replacements, including unforeseen events and contingencies.

Therefore, a reserve fund deficiency or shortfall does not automatically mean that the reserve fund is not adequate. It is the judgement of the reserve fund planner to conclude whether the reserve fund is adequate or not.

In our opinion, the current reserve fund and proposed contributions for Whitehorse Condominium Corporation No.124 require adherence to the recommendations listed in this report to remain adequate for future reserve fund expenditures.

7. Reserve Fund Management – 25 Year Projections

7.1 Schedule C – 25 Year Projected Cash Flow and Deficiency Analysis

The Reserve Fund - Projected Cash Flow and Deficiency Analysis presents a 25 year reserve fund projection showing cash positions, cash flows and cash expenditures in a form and detail, which conforms to financial statement presentation of reserve fund operations.

Opening Cash Balance

This is the reserve fund position at the beginning of each and every fiscal year showing the cash resources available, which consist of (1) bank deposits, (2) qualified investments, and (3) accrued interest earned.

Cash Flows

These are the regular reserve fund contributions, special assessments, and interest income.

Opening Cash Funds

These represent the total cash resources available in any fiscal year and include the current year's cash flow.

Cash Expenditures

These are annual expenditures listed in the categories established by the Reserve Fund Study. Records or ledger accounts of these expenditure categories should be kept showing reserve fund allocations and charges in a chronological order for control and reference.

Closing Cash Fund

This is the reserve fund position at the end of each and every fiscal year, which is carried forward to the next year.

Deficiency Analysis

The Reserve Deficiency has been projected by formula taking into account the inflation factor, interest rates and reserve fund expenditures. Therefore, any reserve fund expenditures will not affect the reserve fund deficiency because such expenditures will also affect the reserve requirements.

25 YEAR RESERVE FUND CASH FLOW PROJECTIONS AND DEFICIENCY ANALYSIS

	WCC#124 - 20 Units		Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year
	Year ending 31-December		**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**	**2045**	**2046**	**2047**	**2048**	**2049**	**2050**
			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
	OPENING BALANCE		**101,814**	**159,702**	**197,611**	**245,107**	**296,547**	**354,418**	**413,675**	**465,150**	**416,285**	**441,145**	**498,382**	**489,230**	**542,171**	**240,782**	**299,339**	**359,284**	**419,669**	**472,198**	**465,782**	**524,278**	**590,162**	**663,192**	**680,792**	**700,295**	**774,483**
	Reserve Fund Contributions		55,200	55,200	55,200	55,200	55,200	55,200	55,200	55,200	55,200	55,200	55,200	55,200	55,200	55,200	55,200	55,200	55,200	55,200	55,200	55,200	67,200	67,200	67,200	67,200	67,200
	Condo fee $/month (reserve portion only)		**$ 230.00**	**$230.00**	**$230.00**	**$230.00**	**$230.00**	**$230.00**	**$230.00**	**$ 230.00**	**$230.00**	**$ 230.00**	**$ 230.00**	**$230.00**	**$ 230.00**	**$ 230.00**	**$ 230.00**	**$ 230.00**	**$ 230.00**	**$ 230.00**	**$ 230.00**	**$ 230.00**	**$ 280.00**	**$ 280.00**	**$ 280.00**	**$ 280.00**	**$ 280.00**
	Reserve Fund Interest Income	**2.64%**	2,688	4,216	5,217	6,471	7,829	9,357	10,921	12,280	10,990	11,646	13,157	12,916	14,313	6,357	7,903	9,485	11,079	12,466	12,297	13,841	15,580	17,508	17,973	18,488	20,446
	Total Cash Resources		**159,702**	**219,118**	**258,028**	**306,778**	**359,576**	**418,975**	**479,796**	**532,630**	**482,475**	**507,991**	**566,739**	**557,346**	**611,684**	**302,339**	**362,441**	**423,969**	**485,948**	**539,864**	**533,278**	**593,319**	**672,942**	**747,900**	**765,964**	**785,983**	**862,129**
	RESERVE FUND EXPENDITURES																										
1	**Foundation repairs**											2,500											8,000				
2	**Garage Entrance Doors**														8,019												
3	**Balconies**																										
	a.General Repairs railings				2,500								3,400													2,500	
	b.Deck surface replacement									74,889																	
	c.Deck support base wraps													3,100													
4	**Exterior Walls**																										
	a. Repair allowance						1,500												1,750								
	b. Flashings, trim, grills										1,000																
	c.Staining costs												67,109											67,109			
5	**Windows & Balcony Doors**																										
	a. Allowance - windows								1,750									2,000							34,594		
	b. Allowance - doors													1,250						8,500							
6	**Entrance Doors**																										
	a. Glass Entrance Doors																								27,675		
	b. Metal Service Doors																										
7	**Roofing System**																										
	a.Gutter and eavestrough repairs													10,825													
	b.Membrane Replacement														231,383												
8	**Corridor Renovation**										38,830										9,000						
9	**Suite Doors**																										
10	**Lobby Renovation**											3,451						1,000									
11	**Furniture**											500															
12	**Elevator Interior Renovation**																										
13	**Elevator**																										
	a. Modernization														129,900												
14	**Mechanical Systems Contingency**																	1,300									
15	**Electrical System and Lights**																										
	a. Distribution System																										
	b. Lighting Retrofit				1,500											2,500											
16	**Life Safety Systems**																										
	a. Repair Allowance					2,230																					
	b. Replacement									41,456																	
17	**Access Control System**				8,921																						
18	**Water and Sewer Systems**																										
	a. Water lines and pipes							3,000											6,000								
19	**Propane Distribution System**																										
20	**Drainage systems**								12,896																		
21	**Front gate and control system**						500								1,600								1,750				
22	**Irrigation system**										1,500									1,700							
23	**Sidewalks and concrete finishes**																										
	a. Replacements					8,000							7,000						6,000							9,000	
24	**Parking Lot**																										
	a. Pavement Replacement																										497,621
	b.Repairs			21,507																							
25	**Wooden Fence replacement**																			63,882							
26	**Landscaping**							2,300								500									3,400		
27	**Reserve Fund Study**						3,158					3,158					3,158					3,158					3,158
	TOTAL EXPENDITURES		**0**	**21,507**	**12,921**	**10,230**	**5,158**	**5,300**	**14,646**	**116,345**	**41,330**	**9,609**	**77,509**	**15,175**	**370,902**	**3,000**	**3,158**	**4,300**	**13,750**	**74,082**	**9,000**	**3,158**	**9,750**	**67,109**	**65,669**	**11,500**	**500,779**
	DEFICIENCY ANALYSIS																										
	Closing Balance	388,060	**159,702**	**197,611**	**245,107**	**296,547**	**354,418**	**413,675**	**465,150**	**416,285**	**441,145**	**498,382**	**489,230**	**542,171**	**240,782**	**299,339**	**359,284**	**419,669**	**472,198**	**465,782**	**524,278**	**590,162**	**663,192**	**680,792**	**700,295**	**774,483**	**361,350**
	From the benchmark																										
	Reserve Requirements		**388,060**	**414,861**	**450,248**	**488,326**	**531,476**	**574,484**	**608,146**	**540,109**	**547,087**	**585,786**	**556,585**	**589,718**	**267,124**	**312,432**	**357,582**	**401,590**	**436,148**	**410,374**	**449,682**	**494,832**	**533,390**	**514,590**	**497,228**	**534,036**	**81,565**
	Reserve Fund Surplus (Deficiency)		**-228,358**	**-217,250**	**-205,141**	**-191,779**	**-177,058**	**-160,809**	**-142,996**	**-123,824**	**-105,942**	**-87,404**	**-67,355**	**-47,547**	**-26,342**	**-13,093**	**1,702**	**18,079**	**36,050**	**55,408**	**74,597**	**95,329**	**129,802**	**166,202**	**203,067**	**240,447**	**279,785**

7.2 Future Reserve Fund Management

Condominium Act, 2015

Plan for Future Funding

The Yukon Condominium Act 2015 mandates that the condo corporations plan for future funding of reserve funds. Per the Act condo boards are not bound by the recommendations of the reserve fund planner, provided that the reserve fund is adequate for financing all future major repairs and replacements, to wit:

> *94(8) Within 120 days of receiving a reserve fund study, the board shall review it and propose a plan for the future funding of the reserve fund that the board determines will ensure that, within a prescribed period of time and in accordance with the prescribed requirements, the fund will be adequate for the purpose for which it was established.*

This means that the Board of Directors can vary the recommended funding. In the subject instance, instead of increasing reserve fund contributions, the condo corporation members may levy a special assessment or several assessments to eliminate the shortfall.

Projected Reserve Fund Expenditures

The proposed reserve fund expenditures in the 25 Year Cash Flow Projection are mere guides in terms of timing, based on the remaining life span analysis.

Reserve fund expenditures should readily be varied to conform to actual management and maintenance plans, and therefore, they should not be dogmatically interpreted.

In essence, reserve fund expenditures are the responsibility of management, and any targeted expenditures are guidelines only.