

Phillips Lofts

Condominium Corporation No. 022-2718
10169 104 Street NW, Edmonton, Alberta

Reserve Fund Plan 2011/12

The following is the Reserve Fund Plan of Phillips Lofts Condominiums, as adopted by the following motion, made by the Board of Directors on June 27, 2011.

Motion

The Board approves the 2011/12 Reserve Fund Plan.

Objective

A Reserve Fund Plan must be approved by the Board of Directors upon receiving and reviewing the Reserve Fund Study Report. It is also updated on an annual basis. The plan must establish the Reserve Fund and set out the method and amount of contribution to be made by the unit holders.

This plan has been prepared after review of the:

- Reserve Fund Study Report dated July 2009 (revised April 2010)
- Budget for the 12 months ending July 31, 2012

The plan details the future funding requirements of the Corporation based on the needs presented in the Reserve Fund Study Report.

Assessment

Based on the Reserve Fund value as of July 31, 2010 and on annual contributions as indicated in the Reserve Fund Study Report, the Reserve Fund will meet the accrued liabilities for the repair and replacement of common property elements.

Projected Expenditures - Next 5 Years

Reserve Fund

Description	2012	2013	2014	2015	2016
Domestic Hot Water Tanks	51,198				
Back Stairs - Paint	1,670				2,234
Sump Pump	2,124				
Balcony Railings - Paint	1,255				
Parkade Railings - Paint	512				
Balcony Painting	14,563				
Carpet		15,307			
Elevators - Cable Operated			338,028		
Brick - Paint				97,404	
Rooftop Patio - Steel - Paint				7,026	
Contingency				34,737	
Sealant					9,780
Total	71,322	15,307	338,028	139,167	12,014

Capital Improvements Fund

Description	2012	2013	2014	2015	2016
Automated External Defibrillator	1,500				
Suite Upgrades - Mechanical	21,000				
Intercom/Access for Rear Entry	3,000				
Storage Cages	20,000				
Parkade Ramp Controller/Pump	4,000				
Common Area Door Kickplates	750				
Waterhog Doormats	4,000				
Heated Treads for Back Stairs	1,000				
Snow Thrower	1,000				
Total	56,250	-	-	-	-

Funding

The Reserve Fund should be fully funded to meet the future needs of the Corporation as they come due. Contributions should be such that the Reserve Fund is always fully funded.

Reserve Fund

Fiscal Year Ending	Opening Balance	Expenses	Investment Income	Contributions	Ending Balance
2010	263,291	10,381	5,218	63,328	321,456
2011	321,456	48,544	6,794	85,000	364,706
2012	364,706	71,322	7,482	90,100	390,966
2013	390,966	15,307	8,651	98,506	482,816
2014	482,816	338,028	7,320	104,416	256,525
2015	256,525	139,167	4,846	110,681	232,884
2016	232,884	12,014	5,711	117,322	343,903

Capital Improvements Fund

Fiscal Year Ending	Opening Balance	Expenses	Investment Income	Contributions	Ending Balance
2010	66,915	8,756	93	15,103	73,355
2011	73,355	21,187	1,355	10,000	63,523
2012	63,523	56,250	738	3,000	11,011
2013	11,011	-	270	5,000	16,282
2014	16,282	-	376	5,000	21,657
2015	21,657	-	483	5,000	27,140
2016	27,140	-	593	5,000	32,733

Assumptions

- Interest at 2% per year (see investment plan).
- Expenses and normal contributions per the Reserve Fund Study Report dated July 2009 (revised April 2010) under Reasonable and Sufficient Course (LC4-A) with an additional \$3,000 contribution made in fiscal year 2013.