

November 17, 2024

Fall/Winter 2024 Edition

Halton Condominium Corporation No. 225

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Our Community Makeover is now Complete!

We are pleased to announce that with the completion of the **roadway resurfacing** and concrete curb and sidewalk repairs this past summer, **our community's makeover is now 100% complete!** When we started towards this destination in 2019, we had a clear vision of the future state of our community in mind.

Now that vision has been realized and owners can fully enjoy the fruits of their hard earned contributions to the reserve fund over the past six years. Our neighbourhood looks great! **All upgrades and replacements were paid from the Reserve Fund and no special assessments were necessary.**

Also, we want to acknowledge and apologize to several owners who experienced **significant inconvenience and disruption** to their ability to use their driveways and cars during construction. Wilson Blanchard was tasked with sending out general notices of work schedules and parking options, which they did; and Arrowhead Paving was tasked with knocking on doors and advising owners to move their cars on the day of work, which apparently was not always the case. We were not informed by Arrowhead in advance that certain driveways would be unusable for more than a day, which was a surprise to us. In any event, the work is past us and we thank all owners for their patience and understanding as the work was being done.

Welcome to Our New Owners!

A big welcome to all new owners who have decided to make this neighbourhood their home! We believe you have made a good choice. Approximately 11 units have changed hands in the last year or so and our demographics are changing as a result. Most units were occupied by singles or empty nesters. The new owners constitute mostly families with young children. Welcome! With our ample green spaces and shared playground next door, we're sure you and your kids will enjoy living here.

Budget Surplus for Fiscal 2023/24 Audit

We are pleased to announce that following its annual audit by *Colson Thompson Turnbull LLP*, the Corporation will report a **\$5,474 surplus for the year**.

This represents the **fifth consecutive annual surplus** to be reported since the Board took full control of the corporation's budget formulation and execution starting in 2019. Prior to that, it had largely been driven by the previous property managers under *Larlyn Management* and the results were chronic budget deficits over ten years, some large enough that they required special assessments to recover the damage to the cash account (\$25,000 SA in March 2018 [each unit \$389.25 to \$482.00] and \$15,000 SA in April 2020 [each unit \$233.55 to \$289.20]).

Throughout the year, the Board tracks ongoing monthly expenditures against the budgeted amounts for the fiscal period using its own financial tracking spreadsheet. Near the end of the fiscal year, if we are close to the breakeven point, the Board puts a freeze on discretionary expenditures.

Using this hands-on oversight and through careful planning and execution, we have not only managed to keep our budget from overspending year after year, but also **kept condo fee increases to below two percent annually**.

Roadwork completed Ahead of Original Plan

When the last three Reserve Funds Study Plans were completed, the RFS providers projected that we would have the money for doing **roadways not until the 2026/27 fiscal year**. Here is the high estimate from a **2019 Study**:

RFS 2019	YEAR	0	1	2	3	4	5	6	7
		2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
4.1 Local PAVING repair allowance		14,000			14,857				
4.1 Repair DRIVEWAYS each UNIT					116,733				
4.1 Repair ROADWAYS and PARKING LOTS phased									
4.1 Repair SIDEWALKS and CURBS		65,000							
							Total = 540,629		
							176,653	180,186	183,790

We then asked our engineers to **revise the estimates** down by 35% for the **2023 Study** after we had **real cost experience completing the driveways**, the **actual costs of which were about 40%** of what was originally planned, and so the scheduled work was **reduced by one year and ended in 2025/26**:

RFS 2023	YEAR	0	1	2	3	4	5	6	7
		2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
1.1 Local PAVING repair allowance		14,000							
1.1 Repair DRIVEWAYS each UNIT - COUNTRY DRIVE						75,000			
1.1 Repair ROADWAYS and PARKING LOTS phased - PHASE 1									
1.1 Repair ROADWAYS and PARKING LOTS phased - PHASE 2									
1.1 Repair SIDEWALKS and CURBS									
							TOTAL = 372,315		
							488,806	100,542	100,196
							176,653	180,186	183,790

The blue highlighted numbers with strikethrough are previous estimates; the green are actual costs. Here's how the **roadways planning** played out in simple terms over the many different (faulty) estimates:

Year	Estimated	Phases in Years	Difference from Actual	% Over - Estimated
RFS ¹ 2018	418,760	1	280,218	302 %
RFS ² 2019	540,629	3	402,087	390 %
RFS ² 2023	372,315	2	233,773	269 %
ACTUAL 2024	138,542	1	-	-

¹ Enerplan Consultants prepared RFS with large condo fee increases required

² Sense Engineering prepared RFS with fixed zero increases but spread in phases

Once we were able to get a firm quote in October 2023 that was a fraction of the estimates prepared over the years by the engineers, **we scheduled the work right away to occur in the Summer of 2024 and do it all in one year!**

This experience has also taught us to first measure the scope of work ourselves and then get a preliminary quote from a contractor, before accepting such numbers from an RFS plan, even if these are projected a few years in the future. **Why?** Because it affects the amount of condo fees that must be collected in anticipation of the expenditures: if the numbers are way off, **owners are unnecessarily made to pay up with real money today for future spending based on fantasy estimates**. Our neighbours at HCC 243 are stuck in this trap today, with their condo fees having more than doubled in the past six years in preparation of work planned under what appears to be similarly bad estimates. (We however kept our fees low! See **Condo Fee Comparison** and related articles next two pages.)

Condo Fee Comparison with Neighbouring HCC 243

How do our condo fees compare with our **neighbours at 2935 Headon Forest Dr. (HCC 243)?**

While we have been able to keep our condo fees to **two percent or less over six years**, our neighbours have not been as fortunate. **For the current fiscal 2024/25, they had an increase in their condo fees of a whopping 29.6% for the year!** And over the **last six years**, their condo fees have **MORE THAN DOUBLED** while ours have only increased **6.4%!**

In fact, **our neighbours are now paying about \$250 - 300 more per month than we are! \$3,000/year!**

Six Years Ago

Condo Fees in 2018/19			
Unit Type	HCC 225	HCC 243	+/-
A	378.10	301.76	-\$76.34
B	390.00	312.20	-\$77.80
C	440.27	351.47	-\$88.80
D	468.20	373.76	-\$94.44

Today

Condo Fees in 2024/25			
Unit Type	HCC 225	HCC 243	+/-
A	402.47	646.30	+\$243.83
B	415.13	668.60	+\$253.47
C	468.64	752.71	+\$284.07
D	498.37	800.44	+\$302.07

Your Board will continue to keep tight control of budget formulation with an eye on low condo fee increases.

To *insure* this happens, we've passed new **By-Law No. 6** to the governing documents that requires *any future boards* to...

No Major New Projects scheduled for Next Two Years

As mentioned, our community makeover is now complete. This means there are **no new major projects scheduled for the next two years**. One small fix needs to be done to Visitor Parking Lots F and G, but otherwise, **there will be no major construction disruptions in the next few years**.

Here's all the work done over the past 7 years totaling **1.5 million spent**.

Reserve Fund Replacements leading to Makeover

Year	Cost*	Project
2018	121,500	Entrance Doors with Keyless Entry
2018-2021	417,900	Roof Shingles
2021	25,625	Common Mailbox and Shelter
2022	41,616	Window Shutters New Colour (paint)
2022	83,232	Garage Doors
2022-2023	348,600	Gutters, Downspouts and Fascia
2023	15,600	Exterior Unit Lights
2023	41,668	Unit Walkup Handrails
2023	63,155	Unit Walkup Paving Stones and French Drains
2023	70,901	Unit Driveway Resurfacing and Centre Drains
2020-2023	45,094	Common Perimeter Fence
2020-2023	45,150	Common Street Lights
2024	138,542	Roadways and Parking Lots
2024	99,734	Sidewalks, Curbs and Catch Basins
	1,558,317	Total Expenditures (* Includes Taxes)

Condo Fee increases over the Years

The Board is pleased to announce that once again, the annual Condo Fee increase **for Fiscal 2024/25 has been kept low at 1.0%** (or approximately \$3.00 more per month from the previous year to each unit). When the current Board of Directors was first elected in early 2019 (in green highlight below), **a commitment was made to owners to keep fee increases to TWO PERCENT or less annually** and to **close the gap with our neighbours who were paying substantially less at the time (about 25% less or \$75 - 95 less each month)**. See left column for comparison.

CONDO FEE INCREASES SINCE 2017

2025	2024	2023	2022	2021	2020	2019	2018	2017
+1.0%	+0.7%	+1.2%	+0.9%	+0.5%	+2.0%	+11.1%	+5.7%	+5.3%
		Larlyn*	+2.0%*	+2.0%*	+15.7%			

* 2020 — 2022 were planned increases under Larlyn (2017 – 2019 are actual), before the current Board terminated the contract with Larlyn and took full control of budgeting

The end result since 2019/20 when your board took full control over the budgeting process is that **owners have been saving approximately \$60 – 80 each month**, depending on which unit you have, as compared to the plan that was in place with the previous property manager Larlyn and their reserve fund provider. **That's almost \$1,000 each year that goes to your family instead of condo fees if we had stayed with Larlyn.**

Fee Comparison continued...

... hold a town hall meeting in advance **if a proposed condo fee increase is 4.0% or more**. This way, future boards will be accountable to the owners and will need to both explain and substantiate why a larger increase is necessary before implementing any such increase.

Insurance Costs have Tripled over the Years

In 2011, our annual insurance premium was **\$8,948**. In 2016, it rose to **\$14,612**. Today for the 2025 fiscal year, it has ballooned to **\$32,160!** That's a **>250% percent increase (or more than tripling of insurance premiums!)** in just **13 years** and it far exceeds the pace of annual inflation as published by the government. Nevertheless, we are able to keep Condo Fee increases low as explained in the right column.

Paid Reserved Parking is Available

Owners or residents who **need extra parking** for their vehicles can **rent a reserved parking spot in Lots F or G for \$65.00 per month**. Available spaces are limited and will be assigned on a first come, first serve basis. Six units have already taken advantage of this offering. We are offering only one reserved spot per unit at this time.

If you would like to rent a reserved spot, please send your request with unit number to 2915headonforest@gmail.com.

How are we able to keep Condo Fee Increases so Low?

In 2019, the board members made a foundationally important decision to terminate our contracts with *Larlyn Management* (the property manager) and *Enerplan Consultants* (the Reserve Fund Study provider). Their approach to our budgeting was frankly malpractice, with fantasy estimates for the Reserve Fund and little interest to address sound planning for the benefit of owners.

Next, we took over budget formulation ourselves and hired a Reserve Fund Study provider who was open and responsive to our argument that we didn't really need to increase our contributions to the Reserve Fund and could keep it **frozen at \$180,050 each year**, all the while retaining 'adequacy' of the fund as required under the *Condominium Act*.

By keeping the annual contribution frozen, there is a twofold benefit effect.

First, we know that our effective increase in Condo Fees (CEF – Common Element Fee) **for the Reserve portion** is 0% going forward. If that was all that needed to be raised, then there would be no fee increases whatsoever. **Only the Operating Fund then requires increases due to inflation.**

Second, because the Reserve portion is 0%, we get a 'multiplier' effect on the money that then needs to be raised **on the Operations portion**.

The following examples illustrate this effect (numbers are rounded for simplicity):

Example 1 – How it was done in the Past

Total Previous Budget = \$300,000


\$200,000 Reserve Contribution is set at **2.5% increase** = \$5,000

Planned Reserve Contribution = \$205,000

\$100,000 Operating Fund requires a **4.0% increase** = \$4,000

New Operating Funding Required = \$104,000

Total New Budget = \$309,000

Total CEF Increase = 3.0% 

Example 2 – How we're doing it Now

Total Previous Budget = \$300,000


\$200,000 Reserve Contribution frozen at **0.0% increase** = \$NIL

Planned Reserve Contribution = \$200,000

\$100,000 Operating Fund requires a **4.0% increase** = \$4,000

New Operating Funding Required = \$104,000

Total New Budget = \$304,000

Total CEF Increase = 1.3% 

As you can see, the same required Operations increase can produce starkly different CEF percentage results. It's not magic. It's just arithmetic. By having negotiated with our Reserve Fund Study provider for keeping the contributions to Reserve frozen, we have ensured **owners will continue to have lower Condo Fee increases** going forward than they would otherwise be subject to. (Oh, and it's clever planning too!)

How to add Salt to Driveway Drains

As part of the driveway repaving that was done to the units, many owners also received a new subsurface drain system. This is to mitigate the usual freezing of water runoff on the surface of the driveway during the winter months, something that has been a hazard for owners and required judicious salt application during bad weather episodes.

If you have had this system installed, you will notice there is a Wye-joint beneath the downspout exit, with a **clean out hole**. We recommend **periodically adding driveway salt into the clean out hole** to prevent the subsurface pipes from freezing up overnight as temperatures plummet following a mild melting day.



This system was tried and tested with good results in the previous two winters, with salt applications not required. Nevertheless, be on the lookout for pipes freezing over. If you find ice formation in the Wye-joint, you can first pour boiling water into the opening before then adding the salt to do its work to melt the ice.

Slip and Fall Safety this Winter Season

As winter comes, we remind owners to be extra careful of icy conditions when using the sidewalks and roadways this winter. Although the Corporation has a contract for timely snow removal and salt applications, and the contractor is diligent in providing this service, the contractor cannot guarantee that he will be able to keep the site 100% clear 100% of the time, particularly when weather conditions become severe and unrelenting snow and freezing rain occurs. For this reason, caution signs were installed in 2019 throughout the grounds to make owners and pedestrians aware that extra care must be taken during winter conditions.

If you witness a slip and fall, please take pictures and make notes.

If you witness a slip and fall, as first order of business please help the fallen person: tend to them and determine if there are injuries and whether medical aid is required. Call for an ambulance where necessary. Then, whether you were there when it happened or arrived afterwards, please also take several pictures of the scene to show the conditions and time of day, and make notes as to what you saw and details of any conversations you heard. Please contact the property manager as soon as possible to inform of the incident and provide your pictures and notes.

Why are we asking owners to become witnesses of record?

In February 2019, there was a slip and fall incident on our property by a non-resident delivering weekly flyers. An owner had witnessed the ambulance arrive and was on the scene to help the EMS technicians load the injured into the vehicle. This owner then notified the property manager of the incident the same day, had taken a photo of the location of the fall, and provided important details from their first hand observations and conversations. The injured person then filed a claim against the Corporation using a lawyer specializing in personal injury law. From all the information available, the Corporation was able to piece together a fact sheet that was submitted to our insurance company.

The insurer used the information collected and the facts to establish the claimant's own principal carelessness and negligence to safely deal with the site conditions as the main contributing factors to the fall, and not any negligence on the part of the Corporation. Personal injury lawyers offer to take on cases 'without fee' only when they can assess that their own investment of time into the legal work will result in a successful claim with an insurer and a tidy cut of a large payout can be expected. They will however quickly abandon the case as soon as it becomes clear that the chances of successful outcome have become compromised on the facts. And that's exactly what happened in this case, as the lawyer eventually dropped it.

Continued next page...

AGM December 3, 2024

A reminder to all owners that our Annual General Meeting will be held virtually through CondoNexus on **Tuesday December 3, 2024 with registration at 6:45 pm.** Important orders of business are **voting for one director's position** up for election and on **adoption of Bylaw No. 7** dealing with reserved parking.

Test your GFCI Outlets

Owners who have **corner units** and who have the **heated wire system installed on their roofs** should conduct a seasonal test of the GFCI plug (*Ground Fault Circuit Interrupter*) into which the wiring is plugged.

In the past, owners of these units have called in a service request as they believed the wire unit was not working. The problem is not normally the unit, but the GFCI outlet being tripped, thus shutting off the power supply. The GFCI may trip in very damp weather, for which it is designed, to avoid potential electric shocks.

How do I test the GFCI?

1. When it is not damp, turn on the light switch inside.
2. Press the 'test' button on the outlet plug, and then the 'reset' button.
3. Plug in a lamp or hairdryer and turn it on to see if the device works.
4. If it doesn't work, repeat above steps before then contacting the property manager if not resolved.

Slip and Fall continued...

Unlike in prior years when such incidents were left solely to the property manager, with generally poor results, the Board is proactive in overseeing slip and fall claims so that all facts are properly collected. While we can be sympathetic to anyone getting hurt, we want to make sure no one unduly uses an unfortunate accident as an opportunity to exploit the insurance system for personal gain, as appears to have been the case with the aforementioned claim.

How Owners have saved \$8,000 each since 2019/20

For those owners that were with our community **since July 1, 2019, you have saved about \$8,000 in condo fees and special assessments over the past five and half years.** That's money you've kept in your pocket instead of spending needlessly on fees. This figure is based on the plan that was in place before the Board terminated its contracts with *Larlyn Property Management* and *Enerplan Building Consultants*, whereafter the Board then took full control over its own in-house financial plan and changed it.

Here is the math. In their plan, *Larlyn* would have hit owners with another high condo fee increase of **15.0% for 2019/20**, with standard minimum **2.0% increases for each year thereafter.** Instead, the Board instituted a 2.0% increase to start, and then an average of 0.8% increases thereafter. **Under Larlyn, your condo fees today would be at least \$505.08 for a Type B Unit. Instead, they are only \$415.13.** (Therefore, all owners—even newer ones—are **saving at least \$84.15 per month** or **\$1,010 per year** in comparison to had the Board not taken full control over the budgeting process.)

Additionally, *Enerplan* had mandated a **\$4,400 per unit Special Assessment (SA)** to fund the complete rebuild of rear porch decks and stairs that were not built to code. Instead, the Board found an engineer who certified an alternative repair approach, **saving owners half of that original SA.** The consolidated savings can be illustrated as follows:

Year	Amount	Itemization
2020	2,200	Special Assessment - Decks Part II SA Announced but CANCELLED
2020	800	Special Assessment - Decks Part III Unfunded but eventually NOT REQUIRED
2019 - 2024	4,818	Lower Condo Fees over 5.5 years (66 months x \$73/mth avg savings)
	7,818	Total Savings per Unit over 5.5 years

Compare that to **our neighbours at 2935** who were hit with a **\$2,000 Special Assessment in 2022/23** and two successive **21.5% and 29.6% fee hikes** past two years, and we are in a much better position. Your Board's commitment remains to keep condo fee **increases to 2% or less** year over year. We've demonstrated that this is possible even during the high inflation period of post-COVID financial distortion and we will work towards a possible **condo fee decrease** in the near future now that the major project work has been done.

The Bottom Line - Our Financial Condition Today

With all the numbers contained in this newsletter, they need to be summed up: **our financial condition is excellent today** and hasn't been this good going back at least the past 15 years, when we were stuck in a cycle of chronic budget deficits, chronic large condo increases, and occasional special assessments.

Today:

- Our **condo fees are much lower** than our neighbours (**\$300/month less**)
- Each owner, including newer owners, continue to save approximately **\$85/mth or \$1,010 each year** (since the turnaround year 2019)
- Our budget is well planned and needs only **small annual fee increases**
- Our **cash accounts are well funded**, with **no special assessments** required on the horizon
- We have **completed all of the major Reserve Projects** that have led to a dramatic makeover of our community
- If we continue this way, it is entirely possible that a **condo fee decrease** can be planned for **2026/27**

Important Reminder – Prior Approval Required when making Modifications to your Unit

We wish to remind all owners that any time you are contemplating making modifications to your unit, you must first contact the property manager to obtain approval for any changes per *Condominium Rules* Sections 3(h) and 7(i).

What kind of changes?

Interior (e.g. removing the fireplace or installing a gas fireplace, adding kitchen vents, adding a window, etc.) and **Exterior** (e.g. any attachments to the outer building surfaces such as surveillance cameras, planter hangers, awnings, change of door, etc.) or any permanent or semi-permanent installation (i.e. stationary) such as utility sheds, pergolas, patio stones, etc.

When in doubt, err on the side of caution and contact the property manager.

We wish to assure all owners that it is not the intention of your Board to withhold reasonable requests to equip or customize your exclusive use areas to suit your needs. We are owners too. The purpose of the rules is to ensure that any owner modifications are not detrimental to the community's goal to maintain a neat and cohesive appearance; or that these modifications don't interfere in any way with your immediate neighbours' use and enjoyment of their yards.

Wishing Everyone a Wonderful Autumn and Winter Season!



The Board members would like to extend their best wishes to you and your families for the autumn season, and looking a few weeks into the future, for the kickoff to the winter festive season too! We look forward to seeing you at our **AGM on December 3, 2024**.

Your Board of Directors

- Bilha Kangethe (Director)
- Ryan King (Director)
- Tracy Elliott (Secretary)
- William Bering (Vice President)
- Art Wales (President)

Your Website

Need more information sometimes? Don't forget about the Condo's **website** at www.2915headonforest.com where you will find commonly requested references. **NOTE:** website has been last updated November 7, 2023 and therefore not all pages are current.

Your Property Manager

For all service requests, comments or complaints, please contact the property manager **Christel Chaeban** of Wilson Blanchard Inc. at: christel.chaeban@wilsonblanchard.com or by phone (905) 540-8800 ext. 232.

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