



River Park Glen
Convenience, Comfort & Community

Condominium Corporation No. 112 2235

103, 117 - 21 MacDonald Dr.
Fort McMurray, AB T9H 4H1
Ph: (780) 790-2077
Fax: (403) 346-9133

Dear Unit Owners:

November 13, 2023

Please be advised that the **Annual General Meeting** of the unit owners of Condominium Corporation No. 112 2235 will be held on:

Monday, November 27, 2023

7:00 PM.

(Kindly arrive 30 minutes early for registration)

River Park Glen Leisure Centre

An instrument of Proxy has been attached for your use if you are unable to attend the Annual General Meeting. A Member of the Board of Directors or a designated representative appointed by you will use the Proxy to vote on your behalf at the meeting, in accordance with your instructions. As per the new Condominium Property Act, no employee or owner of the management company can act as a proxy for a general meeting. Also, per the Condominium Act, all arrears must be cleared up a minimum of one day in advance of the Annual General Meeting in order to exercise your right to vote.

We sent out a "Save the Date" package a few weeks ago to advise you of this meeting. Attached you will find:

- Form of Proxy
- Agenda to the Annual General Meeting
- Minutes to the October 15, 2022 Annual General Meeting
- Audited Financial Statements as at December 31, 2022, including Capital Replacement Reserve Fund Reports
- Financial Report to September 30, 2023 (last current quarter), including Capital Replacement Reserve Fund Report
- 2023 Board Declarations
- Management Discussion and Analysis document

This notice and the attached proxy will complete your Annual General Meeting package. If you would like to complete your proxy online, kindly contact us at theboard@rpgcondo.ca and we will send you a DocuSign form for your completion. We must have an email address on file for you in order to choose this option.

We look forward to seeing you at the Annual General Meeting. If you have any questions, please contact On-Site Solutions' Office, (403) 346-9077, extension 3 or e-mail theboard@rpgcondo.ca.

Your Board of Directors

Condominium Corporation No. 112 2235

www.rpgcondo.ca

CONDOMINIUM CORPORATION NO. 112 2235

Annual General Meeting

**November 27, 2023
7:00 PM
River Park Glen Leisure Centre**

AGENDA

1. Call to order by the Chairman;
2. Call the roll/establishment of quorum;
3. Adoption of Agenda;
4. Proof of notice of meeting;
5. Reading and disposal of any unapproved minutes;
6. Reports of Officers (on chairs at meeting and posted online after meeting);
 - a. President
 - b. Treasurer
7. Reports of Committees;
 - a. None
8. Financial Reports and Appointment of Accountants or Auditors;
9. Capital Replacement Reserve Fund Report;
10. Unfinished Business – None carried forward;
11. Ratification of Past Acts of Board Members & Officers;
12. Set number of board members;
13. Election of members of the Board;
14. New Business; Board has not been advised of any additions to the agenda, in accordance with the Condominium Property Act
15. Adjournment

Condominium Corporation No. 112 2235
ANNUAL GENERAL MEETING MINUTES
October 15, 2022

1. **Call to Order** – Meeting call to order at 10:05 am

Gene Dobie, President and Owner, Chaired the meeting.
Tyler Chapman, Owner, was appointed recording Secretary of the meeting.

2. **Call the Roll/Establishment of Quorum**

Current Board Members in attendance Gene Dobie Robert Steinbach
Bryce Chapman Lorie Ephgrave

A Quorum for the Annual General Meeting of Owners has been met for Condominium Corporation 112 2235 with 471.43 Units, representing 4,934.13 Unit Factors, in attendance.

13 Persons in Attendance, Representing 158 units and 1,237.5 Unit Factors
Proxies representing 313.43 units and 3,696.63, were accepted
16 Units, representing 189 Unit Factors, were ineligible to vote due to arrears
293 Units with 293 Unit Factors for parking stalls owned by Condominium Corp. were ineligible
Quorum: 471.43/863 eligible units in attendance – 54.63%
4,934.13/9,518 eligible unit factors in attendance – 51.84%

3. **Adoption of the agenda**

Motion by Ephgrave seconded by Steinbach to adopt the agenda as presented.

471.43 In Favour, None Opposed
Motion CARRIED

4. **Proof of Notice of Meeting**

All notices listed below were sent via email, mail or hand delivered based on information provided by Owners:

- September 15, 2022: Save the Date Notice for October 15, 2022 AGM was sent by email, mail or hand delivered to Owners of record as at that date
- October 2, 2022: Final Notice and October 15, 2022 AGM Package mailed, emailed or hand delivered to Owners of record as at that date

5. Reading and Disposal of any unapproved minutes

Motion by Grynoch, seconded by J. Kobi to approve the minutes from the last AGM dated August 28, 2021 as presented.

**471.43 In Favour, None Opposed
Motion CARRIED**

6. Report of Officers

President's Report was circulated at the meeting. Copies will be posted on the www.rpgcondo.ca website.

Treasurer's Report was circulated at the meeting. Copies will be posted on the www.rpgcondo.ca website.

7. Reports of Committees

There are no active committees.

8. Financial Report and Appointment of Accountants or Auditors

Motion by Ephgrave, seconded by J. Kobi to approve the audited financial statements for December 31, 2021 as presented.

**470.93 In Favour, .5 Opposed
Motion CARRIED**

Motion by B. Chapman, seconded by Steinbach to appoint BDO to perform the audit until the next Annual General Meeting and that the remuneration be fixed by the Board of Directors.

**471.43 In Favour, None Opposed
Motion CARRIED**

9. Capital Reserve Fund Report

Motion by Ephgrave seconded by Grynoch to accept the Capital Reserve Fund Report for December 31, 2021, as presented.

**471.43 In Favour, None Opposed
Motion CARRIED**

10. Unfinished Business

None carried forward.

11. Ratification of Past Acts of Board Members and Officers

Motion by T. Chapman, seconded by Grynoch to ratify the past acts of the Board Members and Officers

**471.43 In Favour, None Opposed
Motion CARRIED**

12. Election of members of the Board – Set Number of Members:

Motion by T. Chapman seconded by Steinbach to fix the Board of Directors at five (5) members.

**471.43 In Favour, None Opposed
Motion CARRIED**

13. Election of members of the Board:

The following were nominated for election to the Board of Directors

Gene Dobie	Bryce Chapman	Jamie Kobi
Robert Steinbach	Lorie Ephgrave	

Board declarations were reported, in writing, in the Annual General Meeting documents circulated to Owners and available at the meeting

Motion by Turner, seconded by J. Kobi to approve the nominations.

Gene Dobie	Lorie Ephgrave	Bryce Chapman
Robert Steinbach	Jamie Kobi	

The following were duly elected as Directors of the Corporation until the next annual general election of Directors unless their office is vacated or a successor is appointed in accordance with the Bylaws of the Corporation and the Condominium Property Act:

Gene Dobie	Lorie Ephgrave	Bryce Chapman
Robert Steinbach	Jamie Kobi	

14. New Business:

No New Business was presented.

15. Adjournment of Meeting

Motion by T. Chapman, seconded by Grynoch to adjourn the meeting at 10:50 am.

**471.43 In Favour, None Opposed
Motion CARRIED**

Condominium Corporation No. 112 2235**Balance Sheet As at 09/30/23****ASSET****Current Assets**

CIBC - General	64,666.12	
CIBC - Reserve	39,093.50	
CIBC - Security Deposits	5,222.36	
Dividend Equity Investment	44,102.00	
Fixed Income Investment	65,114.00	

Total Cash		<u>218,197.98</u>
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Accounts Receivable

Condo Fees Receivable	58,702.16	
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Total Receivable		<u>58,702.16</u>
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Pre Paid Expenses

Prepaid Other	3,187.80	
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Total Prepaid Expenses		<u>3,187.80</u>
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Capital Assets

Parking Lot	86,052.77	
Accum. Amort. Parking Lot	<u>-55,151.80</u>	
Net - Parking Lot		30,900.97
Office Furniture & Equipment	9,772.27	
Accum. Amort. -Furn. & Equip.	<u>-9,736.40</u>	
Net - Furniture & Equipment		35.87
Computer Equipment	7,713.22	
Accum. Amort. - Computer Equip	<u>-7,710.39</u>	
Net - Computer Equipment		2.83
Buildings	23,639.40	
Accum. Amort. -Building	<u>-23,636.67</u>	
Net - Building		2.73
Exercise Equipment	12,073.50	
Accum. Amort. - Exercise Equip	<u>-11,953.21</u>	
Net- Exercise Equipment		120.29
Fencing	36,227.63	
Accum Amort - Fencing	<u>-29,097.07</u>	
Net - Fencing		7,130.56
Equipment and Tools	24,136.20	
Accum Amort - Equipment and ...	<u>-22,270.24</u>	
Net: Equipment and Tools		1,865.96

Total Capital Assets		<u>40,059.21</u>
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TOTAL ASSET		<u><u>320,147.15</u></u>
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LIABILITY**Current Liabilities**

Accounts Payable	48,613.78	
Deposits on Rec Area Rentals	4,700.00	
Accrued Liabilities	649.29	
Other Payable	28,184.51	
GST Charged on Sales	153.57	
GST Paid on Purchases	<u>-107.30</u>	
Total GST		46.27

Total Current Liabilities		<u>82,193.85</u>
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Long Term Liabilities

CWB Maxium Loan	1,720,179.87	
CWB Draws	305,075.02	
Investment in Capital Assets	40,059.21	
Capital Replacement Reserve Fu...	148,309.50	
Capital Improvement Loan Fund	<u>-2,025,254.89</u>	

Condominium Corporation No. 112 2235
Balance Sheet As at 09/30/23

Total Long Term Liabilities	<u>188,368.71</u>
TOTAL LIABILITY	<u>270,562.56</u>
EQUITY	
Owners Equity	
Special Assessment for Shortfall	172,500.00
Retained Earnings - Previous Year	-172,348.93
Current Earnings	<u>49,433.52</u>
Total Owners Equity	<u>49,584.59</u>
TOTAL EQUITY	<u>49,584.59</u>
LIABILITIES AND EQUITY	<u><u>320,147.15</u></u>

Condominium Corporation No. 112 2235

Comparative Income Statement

	Actual 09/01/23 to 09/30/23	Budget 09/01/23 to 09/30/23	Difference	Actual 01/01/23 to 09/30/23	Budget 01/01/23 to 09/30/23	Difference
REVENUE						
Revenue						
Condo Fees	309,345.94	309,345.83	0.11	2,784,114.23	2,784,112.47	1.76
Special Assessment	0.00	0.00	0.00	160,000.00	0.00	160,000.00
Commercial Rents	3,071.43	5,166.66	-2,095.23	40,319.05	46,499.94	-6,180.89
Parking Income	7,692.14	6,250.00	1,442.14	64,766.91	56,250.00	8,516.91
Net Revenue	320,109.51	320,762.49	-652.98	3,049,200.19	2,886,862.41	162,337.78
General Revenue						
Administrative Income	702.50	83.33	619.17	8,352.50	749.97	7,602.53
Interest Income	1,514.17	83.33	1,430.84	10,533.58	749.97	9,783.61
Key Income	1,800.00	1,250.00	550.00	10,050.00	11,250.00	-1,200.00
Recoveries	236.25	83.33	152.92	4,732.07	749.97	3,982.10
Misc and Repair Income	0.00	0.00	0.00	276.34	0.00	276.34
Total General Revenue	4,252.92	1,499.99	2,752.93	33,944.49	13,499.91	20,444.58
Other Revenue						
Telus & Rogers Lease	0.00	0.00	0.00	40,765.94	40,765.00	0.94
Total Other Revenue	0.00	0.00	0.00	40,765.94	40,765.00	0.94
TOTAL REVENUE	324,362.43	322,262.48	2,099.95	3,123,910.62	2,941,127.32	182,783.30
EXPENSE						
Administration Expenses						
Advertising	0.00	125.00	-125.00	50.00	1,125.00	-1,075.00
Bank Charges & Interest	533.40	416.66	116.74	7,462.50	3,749.94	3,712.56
Professional Fees	0.00	1,363.64	-1,363.64	7,088.94	12,272.76	-5,183.82
Administration Fees	178.75	83.33	95.42	1,246.76	749.97	496.79
Property Management Fees	23,918.32	23,916.66	1.66	215,264.88	215,249.94	14.94
Property Taxes	0.00	0.00	0.00	5,460.23	6,000.00	-539.77
Office Supplies	1,558.42	1,250.00	308.42	13,450.05	11,250.00	2,200.05
Reserve Fund	0.00	0.00	0.00	100,000.00	0.00	100,000.00
Loan Payments	38,772.44	40,409.19	-1,636.75	343,340.19	353,159.99	-9,819.80
Insurance	81,846.44	73,886.51	7,959.93	747,770.86	678,340.46	69,430.40
Staff Training & Travel	0.00	0.00	0.00	371.25	0.00	371.25
Total Administration Expenses	146,807.77	141,450.99	5,356.78	1,441,505.66	1,281,898.06	159,607.60
Payroll Expenses						
Wages - Administration	11,699.85	11,875.00	-175.15	101,874.49	106,875.00	-5,000.51
Wages - Cleaning	17,402.72	17,500.00	-97.28	157,088.46	157,500.00	-411.54
Wages - Security	15,975.00	15,975.00	0.00	143,775.00	143,775.00	0.00
Wages - Pest Control	7,304.64	4,855.41	2,449.23	55,872.90	43,698.69	12,174.21
Wages - Maintenance & Grounds	23,280.59	22,250.00	1,030.59	207,396.14	200,250.00	7,146.14
EI Expense	1,196.84	1,250.00	-53.16	11,030.68	11,250.00	-219.32
CPP Expense	2,900.98	2,666.66	234.32	26,692.13	23,999.94	2,692.19
Benefits/Costs	2,073.14	1,416.66	656.48	19,491.45	12,749.94	6,741.51
WCB Expense	649.29	416.66	232.63	5,700.41	3,749.94	1,950.47
Employee Recognition & Award	0.00	181.82	-181.82	342.53	1,636.36	-1,293.83
Total Payroll Expense	82,483.05	78,387.21	4,095.84	729,264.19	705,484.87	23,779.32
Repairs & Maintenance Expenses						
Automotive & Gas	175.00	416.66	-241.66	4,167.56	3,749.94	417.62
Cleaning Supplies	1,113.76	1,250.00	-136.24	8,997.87	11,250.00	-2,252.13
Common Area Cleaning	0.00	0.00	0.00	8,598.85	0.00	8,598.85
Electrical Repairs	2,429.05	833.33	1,595.72	7,032.69	7,499.97	-467.28
Elevator	2,519.87	3,000.00	-480.13	29,063.23	27,000.00	2,063.23
Exterior Building Maintenance	0.00	208.33	-208.33	0.00	1,874.97	-1,874.97
Fire Alarm System	4,186.90	2,500.00	1,686.90	26,644.23	22,500.00	4,144.23
Floor Coverings	0.00	37.50	-37.50	3,525.31	337.50	3,187.81
Furniture & Fixtures	815.70	666.66	149.04	12,250.85	5,999.94	6,250.91

Printed On: 10/28/23

Condominium Corporation No. 112 2235

Comparative Income Statement

	Actual 09/01/23 to 09/30/23	Budget 09/01/23 to 09/30/23	Difference	Actual 01/01/23 to 09/30/23	Budget 01/01/23 to 09/30/23	Difference
Garage & Parking	452.04	166.66	285.38	4,911.14	1,499.94	3,411.20
Grounds Equipment	45.80	625.00	-579.20	8,061.69	5,625.00	2,436.69
Grounds Maintenance & Supplies	438.71	1,250.00	-811.29	12,497.51	11,250.00	1,247.51
Heating & Mechanical	4,895.18	7,083.33	-2,188.15	67,775.52	63,749.97	4,025.55
Maintenance Supplies	2,618.19	833.33	1,784.86	9,580.62	7,499.97	2,080.65
Keys & Locks	2,289.00	1,041.66	1,247.34	15,309.20	9,374.94	5,934.26
Painting Supplies	0.00	83.33	-83.33	2,417.72	749.97	1,667.75
Pest Control	645.75	583.33	62.42	4,814.67	5,249.97	-435.30
Plumbing Repairs & Maintenance	5,043.79	3,333.33	1,710.46	16,432.55	29,999.97	-13,567.42
Recreation Centre	191.04	83.33	107.71	2,231.26	749.97	1,481.29
Uniform Expense	0.00	250.00	-250.00	1,328.03	2,250.00	-921.97
Roofing Expense	0.00	41.66	-41.66	1,137.11	374.94	762.17
Security & Monitoring	173.21	125.00	48.21	4,261.60	1,125.00	3,136.60
Snow Removal & Sanding	0.00	2,083.33	-2,083.33	0.00	18,749.97	-18,749.97
Tools/Equipment	0.00	0.00	0.00	5,152.50	0.00	5,152.50
Total General Expenses	<u>28,032.99</u>	<u>26,495.77</u>	<u>1,537.22</u>	<u>256,191.71</u>	<u>238,461.93</u>	<u>17,729.78</u>
Utilities Expenses						
Telephone Expense	1,144.93	916.66	228.27	10,171.84	8,249.94	1,921.90
Utilities - Cable & Internet	303.71	416.66	-112.95	3,690.88	3,749.94	-59.06
Utilities - Power & Gas	26,066.04	25,000.00	1,066.04	374,291.83	345,000.00	29,291.83
Utilities - Water	0.00	0.00	0.00	186,468.42	180,000.00	6,468.42
Waste Removal	7,152.64	8,333.33	-1,180.69	72,892.57	74,999.97	-2,107.40
Total Utilities Expense	<u>34,667.32</u>	<u>34,666.65</u>	<u>0.67</u>	<u>647,515.54</u>	<u>611,999.85</u>	<u>35,515.69</u>
Capital Improvements						
Contingencies	0.00	1,250.00	-1,250.00	0.00	11,250.00	-11,250.00
Total Capital Improvements	<u>0.00</u>	<u>1,250.00</u>	<u>-1,250.00</u>	<u>0.00</u>	<u>11,250.00</u>	<u>-11,250.00</u>
TOTAL EXPENSE	<u>291,991.13</u>	<u>282,250.62</u>	<u>9,740.51</u>	<u>3,074,477.10</u>	<u>2,849,094.71</u>	<u>225,382.39</u>
NET INCOME	<u>32,371.30</u>	<u>40,011.86</u>	<u>-7,640.56</u>	<u>49,433.52</u>	<u>92,032.61</u>	<u>-42,599.09</u>

THE BOARD OF DIRECTORS DECLARATIONS 2023

President, Gene Dobie

Mr. Dobie has lived in Fort McMurray for over 40 years and, through his company, Rooftech Ltd., owns one two-bedroom residential unit in High Rise Two as well as a parkade stall. In 2023, he pays \$573.63 per month in condominium fees.

Mr. Dobie has a Business Management Certificate from SAIT and has studied Communications at Keyano College. For over 20 years he has been a committee member with Construction Labour Relations of Alberta. He is also the President of Barrington Condominium Association. He believes in fiscal responsibility, strategic planning and doing it right the first time.

Gene is also the President of GENRON, who have completed a number of roofing and other projects at River Park Glen which were awarded through competitive bidding.

Vice President, Bryce Chapman

Mr. Chapman is a professional real estate investor with over 40 years of experience in property management. Between his company Property Team Inc. and himself, he owns thirteen one-bedroom residential units and two two-bedroom residential units in High Rise One, each with a parkade stall; nine one-bedroom residential units and six two-bedroom residential units in High Rise Two, each with a parkade stall; one two-bedroom unit in the Low Rise with a parkade stall; six three-bedroom residential units, and two two-bedroom residential units in the Lower Mews, each with a parkade stall, four three-bedroom residential units in the Upper Mews, each with a parkade stall, thirty six additional parkade stalls, and the four laundry rooms in the property. He pays \$25,335.45 in condominium fees each month.

Mr. Chapman is also a minority shareholder of On-Site Solutions Inc., the condominium corporation's contracted management company. As the largest single owner within River Park Glen, Mr. Chapman is heavily invested in River Park Glen's well-being. He, along with the Property Team investment group, have significantly contributed to the operation and improvement of River Park Glen since they purchased the majority of units in 1997, and represent a positive core group dedicated to the success of River Park Glen.

Director, Robert Steinbach

Mr. Steinbach has over 30 years' experience in roles in architecture/project management, private wealth management and workflow & productivity consulting. He received a degree in Architecture from Carleton University in Ottawa, a master's degree in Business Administration (MBA) from York University, and also carries the coveted Chartered Financial Analyst (CFA) designation. He is the author of three books, was a member of the President's Advisory Council at Carleton University and continues to serve on the Board of

Directors of the Maurice Price Foundation (since 1993) and the Salt Spring Island Community Foundation. He is the past president of the trade association now known as the Portfolio Management Association of Canada (PMAC). Mr. Steinbach owns one three-bedroom residential unit in the Upper Mews, and one three-bedroom residential unit in the Lower Mews, each with a parking stall. He pays \$1,434.07 per month in condominium fees.

Director, Lorie Ephgrave

Ms. Ephgrave served as a member of the River Park Glen Board of Directors from 2009 through 2014 and rejoined in 2021. She and her husband lived in River Park Glen for many years and are the owners of a three-bedroom residential unit in the Upper Mews with a parking stall. They pay \$764.84 per month in condominium fees. Lorie is a Maintenance Administrator with Wood Buffalo Housing and Development Corporation. She has worked with Wood Buffalo Housing for 12 years. Since moving to Fort McMurray, she has made it a point to volunteer some of her time through the youth of her community and church, McMurray Gospel Assembly. She is an individual that wants transparency, to be humble & honest, and to help people understand that it is the best interest of everyone involved in River Park Glen when we work together towards the same thing - our investment succeeding.

Director, Jamie Kobi

Mr. Kobi is a Senior Sports Analyst at Western Canada Lottery where he has been working for almost 20 years, and where he and two other colleagues set the odds for most of the major sport events in US, Canada, and Europe. He graduated with a diploma of Business Management from the Southern Alberta Institute of Technology (SAIT) and is currently part of the board of Stettler Community Church and a member of both ELKS Club and Curling Club in Stettler, Alberta. His past experience also includes working at a financial institution where he gained significant knowledge in investing. Mr. Kobi owns two one-bedroom residential units in High Rise Two and one three-bedroom residential unit in the Low Rise. He pays \$1,529.68 per month in condominium fees.



River Park Glen
Convenience, Comfort & Community

2023 MANAGEMENT DISCUSSION AND ANALYSIS



Aerial of River Park Glen and Downtown

PLEASE NOTE: The purpose of this MD&A (Management Discussion and Analysis) is to provide all owners with a general update about the state of our condominium corporation prior to the AGM. Please read through this document, and if you have any questions or concerns you may contact us at theboard@rpgcondo.ca.

A MESSAGE FROM YOUR BOARD

Dear Owners,

The past year has included both positives and challenges. In January, we renewed our insurance policy with annual premiums totaling \$960,491, a \$60,000 reduction in cost over 2022, and down nearly a million dollars from the extreme high seen when the premium jumped from \$480,000 in 2019 to \$1.91 million in 2020. We remain optimistic that there may be a further reduction in premiums as we renew it again in January, as our last major claim (from the 2019 parkade fire) should no longer impact our claim record. Nevertheless, insurance costs are still extremely high relative to the past and continue to be one of the largest line items on our annual budget in 2024.

Utility costs were the largest line item on our 2023 budget, representing 23% of our total operating expenses. This includes electricity, natural gas for heating, water, sewer, and waste removal. In the fall of 2022, the corporation entered fixed rate contracts for gas and electricity to protect against historic price increases in the spot market. This has resulted in material savings relative to if we had remained on a variable rate plan. Unfortunately, the rate paid on usage represents only 42% of the bill (approx. \$215,000/year), whereas distribution costs are another 42% (approx. \$215,000/year), and carbon taxes the remaining 16%, (approx. \$80,000/year). Under the federal government's current scheme, carbon taxes will continue to increase in April each year through to 2030.

In April, we submitted three new grant applications under the municipality's Downtown Revitalization Incentives Program. These were approved in September and are expected to provide \$45,880 towards improvements to the Tower Two, Low Rise, and Mews facades, additional to the \$169,296 received under the program in 2021 and 2022. New projects include concrete work, installation of new awnings, lighting, and signage, and planter boxes at building entrances, replacement of handrails on the Low Rise exterior, window replacements on the Upper Mews, and cleaning and painting of the Tower Two main level exterior. Work is underway on these projects and is expected to be completed by year end.

In August, two underground water lines failed and required emergency repair. The first was in the Low Rise courtyard and was reasonably simple to locate and repair. Though unrelated, the other occurred a week later in front of Tower Two and was much more complex due to the location and proximity to gas lines and other infrastructure. The total cost of repair including remediation of the areas was \$124,228.13. This expense was charged to our ongoing capital project loans, the second and final tranche of which we expect to conclude by year end, with payments beginning in January.

This year TELUS and the condominium corporation signed a Next Generation Fiber Agreement to upgrade River Park Glen from copper wires to fiber-optic. The cost will be paid by TELUS. Thus far, engineers have surveyed the property twice. TELUS expects to start the project in 2024 or 2025 pending their budget.

The site staff have been working hard to provide exemplary customer service to our residents and this is reflected in our online reputation, with River Park Glen being the highest rated multifamily property in Fort McMurray, based on a Google rating of 4.6/5 stars, from well over 400 unique reviews. Promoting River Park Glen's safety, standards of maintenance, and overall livability continues to be a focus for management.

The 2024 budget will be set by the Board of Directors prior to the end of the year. It is always the goal of the Board to keep condominium fees as low as possible while ensuring the property is appropriately maintained and serviced, and that we account for the unique long term needs of a property with River Park Glen's age and characteristics, as well as the impacts of inflation. In early 2024, we will update our Reserve Fund Study, a process that involves a physical inspection of the common property completed by a qualified third-party. This report will be used to develop our reserve fund plan and guide our budgeting and capital investment priorities for the next 5 years at River Park Glen.

We thank you for your continued support.

Sincerely,
Your Board of Directors

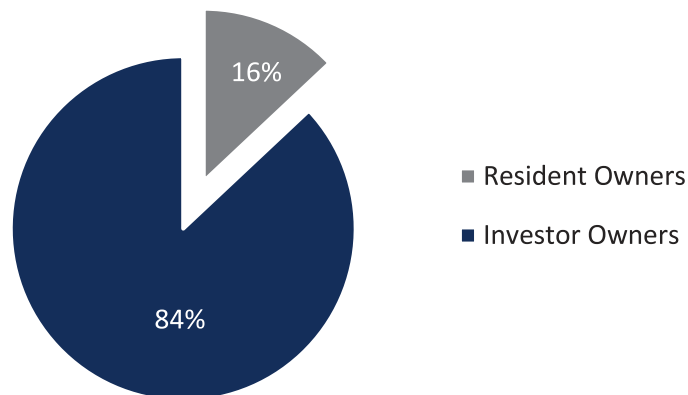
OVERVIEW OF RIVER PARK GLEN

River Park Glen (legally known as Condominium Corporation No. 112 2235) is a self-governing community with bylaws to guide its operations and affairs. When owning a condominium unit, you own your individual unit and share in the ownership and expenses of maintaining the common elements – things such as hallways, elevators, roofs, and the grounds.

A condominium project is run collectively by the unit owners, all of whom are members of the Condominium Corporation. The Condominium Corporation manages the property, security, finances, official records, reserve fund study agreements, and all related matters. Owners elect a Board of Directors at an Annual General Meeting (AGM) to supervise operations and set policy. The Board may hire a property management company to oversee day-to-day operations of the condominium corporation.

At River Park Glen, the Condominium Corporation has five volunteer Directors who oversee all aspects of the project, while On-Site Solutions Inc. is the contracted management company and oversees the project's daily operations through policies and procedures established by the Board and the Bylaws of the Corporation. On-Site Solutions reports directly to the Board of Directors.

A unique aspect of River Park Glen is that most River Park Glen owners are investors. In fact, about 84% of the project is owned by investors, and 16% by owner-occupiers (owners who live in their River Park Glen condominium unit).



The Directors and Managers have a duty to do what is best for the Condominium Corporation, and therefore all owners. This requires a Board of Directors and Management Team who understand the ambitions of investors as well as the needs of resident owners.

When tough decisions need to be made, they usually involve balancing the cost with the impact and the intended benefit for the owners. Most often, what is good for one owner is usually good for another. Whether it is an improvement to the buildings, grounds, or day-to-day operations – all owners benefit from the change either in quality of life for resident owners or happier tenants for investment owners. Any increases in capital value benefit both as well. We are, truly, all in this together.

THE BOARD OF DIRECTORS & Nominees

President, Gene Dobie

Mr. Dobie has lived in Fort McMurray for over 40 years and, through his company, Rooftech Ltd., owns one two-bedroom residential unit in High Rise Two as well as a parkade stall. He pays \$573.63 per month in condominium fees.

Mr. Dobie has a Business Management Certificate from SAIT and has studied Communications at Keyano College. For over 20 years he has been a committee member with Construction Labour Relations of Alberta. He is also the President of Barrington Condominium Association. He believes in fiscal responsibility, strategic planning and doing it right the first time.

Gene is also the President of GENRON, who have completed a number of roofing and other projects at River Park Glen which were awarded through competitive bidding.

Vice President, Bryce Chapman

Mr. Chapman is a professional real estate investor with over 40 years of experience in property management. Between his company Property Team Inc. and himself, he owns thirteen one-bedroom residential units and two two-bedroom residential units in High Rise One, each with a parkade stall; nine one-bedroom residential units and six two-bedroom residential units in High Rise Two, each with a parkade stall; one two-bedroom unit in the Low Rise with a parkade stall; six three-bedroom residential units, and two two-bedroom residential units in the Lower Mews, each with a parkade stall, four three-bedroom residential units in the Upper Mews, each with a parkade stall, thirty six additional parkade stalls, and the four laundry rooms in the property. He pays \$25,335.45 in condominium fees each month.

Mr. Chapman is also a minority shareholder of On-Site Solutions Inc., the condominium corporation's contracted management company. As the largest single owner within River Park Glen, Mr. Chapman is heavily invested in River Park Glen's well-being. He, along with the Property Team investment group, have significantly contributed to the operation and improvement of River Park Glen since they purchased the majority of units in 1997, and represent a positive core group dedicated to the success of River Park Glen.

Director, Robert Steinbach

Mr. Steinbach has over 30 years' experience in roles in architecture/project management, private wealth management and workflow & productivity consulting. He received a degree in Architecture from Carleton University in Ottawa, a master's degree in Business Administration (MBA) from York University, and also carries the coveted Chartered Financial Analyst (CFA) designation.

He is the author of three books, was a member of the President's Advisory Council at Carleton University and continues to serve on the Board of Directors of the Maurice Price Foundation (since 1993) and the Salt Spring Island Community Foundation. He is the past president of the trade association now known as the Portfolio Management Association of Canada (PMAC).

Mr. Steinbach owns one three-bedroom residential unit in the Upper Mews, and one three-bedroom residential unit in the Lower Mews, each with a parking stall. He pays \$1,434.07 per month in condominium fees.

Director, Lorie Ephgrave

Ms. Ephgrave served as a member of the River Park Glen Board of Directors from 2009 through 2014 and rejoined in 2021. She and her husband lived in River Park Glen for many years and are the owners of a three-bedroom residential unit in the Upper Mews with a parking stall. They pay \$764.84 per month in condominium fees.

Lorie is a Maintenance Administrator with the Wood Buffalo Housing and Development Corporation. She has worked with Wood Buffalo Housing for 12 years. Since moving to Fort McMurray, she has made it a point to volunteer some of her time through the youth of her community and church, McMurray Gospel Assembly. She is an individual that wants transparency, to be humble & honest, and to help people understand that it is the best interest of everyone involved in River Park Glen when we work together towards the same thing - our investment succeeding.

Director, Jamie Kobi

Mr. Kobi is a Senior Sports Analyst at Western Canada Lottery where he has been working for almost 20 years, and where he and two other colleagues set the odds for most of the major sport events in US, Canada, and Europe.

He graduated with a diploma of Business Management from the Southern Alberta Institute of Technology (SAIT) and is currently part of the board of Stettler Community Church and a member of both ELKS Club and Curling Club in Stettler, Alberta. His past experience also includes working at a financial institution where he gained significant knowledge in investing.

Mr. Kobi owns two one-bedroom residential units in High Rise Two and one three-bedroom residential unit in the Low Rise. He pays \$1,529.68 per month in condominium fees.



Lower Mews and High Rise One

COMMUNICATION

The Condominium Corporation maintains a website for owners that can be found at: rpgcondo.ca It contains legal documents, insurance documents, most forms that you may need as an owner, budget information, financial reports, the bylaws, a summary of the bylaws, all approved board meeting minutes for this year and previous years, and contact information for your Board of Directors. Basically, most everything you could need as an owner is on the website, neatly organized and available for download.

Our goal is to be as transparent and accessible for information as possible. Owners may contact or visit the site administration office with any questions or concerns, to make payments, deal with keys and parking passes, or speak to a member of the management company's staff about site issues.

Location: #103 11721 MacDonald Drive (Leisure Centre Building)

Hours of Operation: 9:00am to 5:00pm, Monday to Friday (excluding statutory holidays)

Telephone: (780) 790-2077

Email: info@riverparkglen.ca

Owners may also send communications for review by the Board of Directors to: theboard@rpgcondo.ca, which will be presented for consideration at the next Board Meeting.



Borealis Park from High Rise One

MANAGEMENT

On-Site Solutions is the River Park Glen condominium corporation's contracted Property Management company and has managed at River Park Glen for over 20 years. Throughout this service, their team has cultivated a deep knowledge of the site and its many complexities and has been a key contributor to the ongoing work of maintaining and improving River Park Glen. Each member of On-Site's senior management team is a unit owner at River Park Glen and personally invested in the success of our community.

On-Site Solutions provides the following services:

- Collection of all condominium fees, levies, and contributions, and any other charges due to the Corporation from Unit Owners
- Enforcement of the corporation's bylaws including the issuing notices of bylaw infraction and imposing and enforcing related sanctions
- Management of the regular maintenance and cleaning of all common property and grounds
- Management of all contractors hired by the corporation for both the regular maintenance and capital improvement of all common property and grounds
- Management of pest control services for the site, including and provision of the requisite licensed staff, registrations, and insurance coverage
- Management of the River Park Glen site administration office
- Provision and management of sufficient managerial, office, maintenance, cleaning, and groundskeeping staff required for the regular operation of the site
- Negotiation and administration on behalf of the corporation of all contracts for water, electricity, gas, telecommunications, and other such services required for the regular operation of the site
- Negotiation and administration of the corporation's requisite insurance coverage and overseeing and administering any associated claims
- Preparation of annual budgets for the corporation's Board of Directors to review and approve
- Development and maintenance of the corporation's website and owner portal at "rpgcondo.ca"
- General administration of the corporation's affairs and ongoing maintenance of requisite records
- Periodic reporting and communication with the corporation's Board of Directors and regular attendance of board meetings and other meetings of the corporation
- Communicating with stakeholders and promoting River Park Glen to the public
- Other activities, as instructed by the corporation's Board of Directors from time to time

Licensed & regulated by



On-Site Solutions is a member of the Fort McMurray Real Estate Board and is licensed by the Real Estate Council of Alberta to provide property management, condominium management, and real estate sales services.

In addition to holding the management contract for the Condominium Corporation, On-Site Solutions also provides property management services for the majority of the rental units within River Park Glen, as well as property sales and renovation services for River Park Glen owners. Please visit on-site-solutions.ca to learn more.

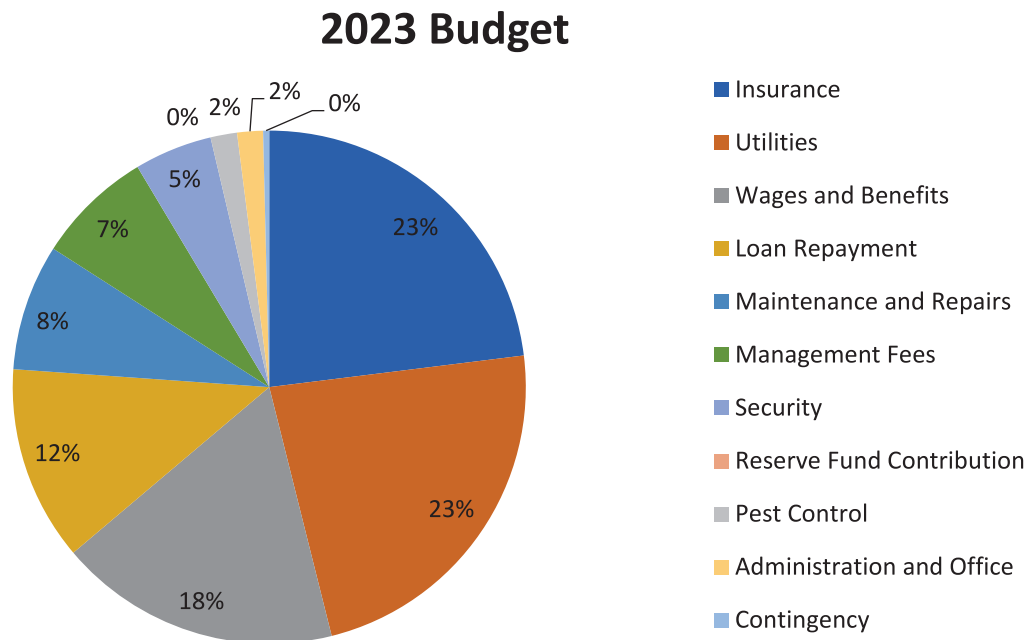
CONDOMINIUM FEES

Condominium fees are fees paid to maintain the property's common elements. Common elements are those things that are shared and service more than one unit, such as condominium insurance premiums, legal and accounting fees, maintenance, cleaning, hallways, elevators, plumbing, roofs, groundskeeping, pest control, security, property management, utilities, and waste removal.

For units in the Low Rise or High Rise, your condominium fees include heat and water as both are supplied by the common boilers and hot water tanks. For owners in the Upper and Lower Mews your water and heat only supply your individual units and therefore are not common elements and not included in condominium fees. This does not mean that the Mews owners pay more than their share – their buildings require higher capital costs, with each owner's fees averaging out over time to represent their portion of all expenditures, whether operating or capital. Unit factors were set by a professional third-party to reflect these differences.

Context is very important when evaluating condominium fees. River Park Glen sits on an expansive 15-acre site. It has far more lawns, parking lots, hallways, stairwells, et cetera than most condominium projects. This requires more utilities to light and heat the property and more labour, supplies, and equipment to maintain it. It would be misleading to compare River Park Glen's expansive grounds, kilometers of hallways, and over forty years of age with a new single-building downtown high-rise or a predominately town house project. The buildings are very different. Their condominium fees, and available benefits and amenities, will reflect this.

Each fall the Board of Directors and management team set a budget that is developed to try and forecast the needs of the condominium corporation for the forthcoming year. In 2023, the budget totaled \$3,907,915 and broke down as follows:



RESERVE FUND

Condominium Corporations are required to put money aside in a Reserve Fund that will be used to pay for major repairs and replacement of common property. The Reserve Fund does not cover routine day-to-day maintenance.

Having a strong reserve fund is important. However, it is also a balancing act. On the one hand, it provides the Condominium Corporation with a cushion of funds, but on the other hand retaining too much capital with limited investment options isn't financially prudent either. We need to make sure that we have enough capital on hand to take care of unexpected capital expenses, but also manage our budget wisely.

Historically, we have been able to secure funding for large projects such as roof replacement and elevator modernization via financing. We then repay them over 5-10 years, thereby spreading the costs over time to reduce the immediate financial impact on owners. This proactive financial management contrasts with how many condominium corporations operate across Canada where it is not uncommon for owners to receive special assessment for tens of thousands of dollars when major capital projects are required.

In early 2021, the condominium corporation passed an ordinary resolution permitting the corporation to borrow up to \$3.0M to fund numerous capital projects. This allowed us to complete necessary reserve fund projects and make River Park Glen a more desirable place to own and live without having to increase condominium fees or levy additional special assessments. More recently it allowed us to take advantage of temporarily available building improvement grants offered by the Regional Municipality of Wood Buffalo under their Downtown Revitalization Incentives Program, which have provided us \$169,296 in government funding for projects to date, and a further \$45,880 expected in early 2024. The loan was split into two tranches. The corporation began making payments on the first tranche of \$2.3M in January 2022, and will have paid the loan off in full by December 2027. At year end, it is expected \$450,000 will have been drawn from the second tranche, at which time payments will begin, with the loan being paid off in full by December 2029. These payments are included as part of the annual operating budget.

At the end of 2022, River Park Glen's reserve account was valued at \$173,952. As of the end of Q3 2023, the balance was \$148,310. Annual contributions are needed to maintain and strengthen the fund, and the Board decides the amount to be contributed each year as part of the overall budgeting process.



Interior Courtyard and Low Rise

ANNUAL GENERAL MEETING

On Monday, November 27th, 2023, at 7:00 pm, Condominium Corporation 112 2235 (River Park Glen) will be holding its Annual General Meeting (AGM) at the River Park Glen Leisure Centre.

Please feel free to contact us at theBoard@rpgcondo.ca if you have any questions or concerns.

We look forward to seeing you there.



River Park Glen from Borealis Park

CONDOMINIUM CORPORATION 1122235

Financial Statements

Year Ended December 31, 2022



Tel: 403 342 2500
Fax: 403 343 3070
www.bdo.ca

BDO Canada LLP
Suite 100 179D Leva Avenue
Red Deer County AB T4E 1B9
Canada

Independent Auditor's Report

To the Board of Condominium Corporation 1122235

Opinion

We have audited the financial statements of Condominium Corporation 1122235 (the Entity), which comprise the statement of financial position as at December 31, 2022 and the statement of operating fund operations and change in operating fund balance, statement of capital replacement reserve fund operations and change in capital reserve fund balance, statement of capital improvement loan fund operations and change in capital improvement loan fund balance, statement of cash flow, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2022, and results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matters

We were engaged to conduct an audit, in accordance with Canadian generally accepted auditing standards, on the financial statements prepared by the Corporation's management in accordance with Canadian accounting standards for not-for-profit organizations. We were not engaged to, nor do we, provide any assurance as to whether the Corporation is in compliance with all aspects of the Condominium Property Act, RSA 2000.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

(continues)

Independent Auditor's Report (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Red Deer, Alberta
May 22, 2023

Chartered Professional Accountants

CONDOMINIUM CORPORATION 1122235

Statement of Financial Position

December 31, 2022

	Operating Fund	Reserve Fund	Capital Improvement Loan Fund	Total December 31 2022	Total December 31 2021
ASSETS					
CURRENT					
Cash	\$ 5,880	\$ 17,642	\$ -	\$ 23,522	\$ 106,112
Temporary investments (Note 2)	-	156,310	-	156,310	175,737
Restricted cash	8,362	-	-	8,362	8,250
Accounts receivable	64,089	-	-	64,089	483,978
	<u>78,331</u>	<u>173,952</u>	<u>-</u>	<u>252,283</u>	<u>774,077</u>
PROPERTY AND EQUIPMENT (Note 3)	40,059	-	-	40,059	44,046
	<u>\$ 118,391</u>	<u>\$ 173,952</u>	<u>\$ -</u>	<u>\$ 292,345</u>	<u>\$ 818,123</u>
LIABILITIES					
CURRENT LIABILITIES					
Accounts payable and accrued liabilities	\$ 242,581	\$ -	\$ -	\$ 242,581	\$ 229,657
Security deposits	8,100	-	-	8,100	8,100
Current portion of long term debt (Note 4)	-	-	307,698	307,698	323,128
	<u>250,681</u>	<u>-</u>	<u>307,698</u>	<u>558,379</u>	<u>560,885</u>
LONG TERM DEBT (Note 4)	-	-	1,794,254	1,794,254	1,976,872
TOTAL LIABILITIES	<u>250,681</u>	<u>-</u>	<u>2,101,952</u>	<u>2,352,633</u>	<u>2,537,757</u>
NET ASSETS					
Investment in property and equipment	40,059	-	-	40,059	44,046
Operating Fund	(172,349)	-	-	(172,349)	(22,451)
Capital Replacement Reserve Fund (Note 5 and 7)	-	173,952	-	173,952	299,513
Capital Improvement Loan Fund (Note 4)	-	-	(2,101,952)	(2,101,952)	(2,040,742)
	<u>(132,290)</u>	<u>173,952</u>	<u>(2,101,952)</u>	<u>(2,060,289)</u>	<u>(1,719,634)</u>
	<u>\$ 118,391</u>	<u>\$ 173,952</u>	<u>\$ -</u>	<u>\$ 292,344</u>	<u>\$ 818,123</u>

Approved by the Board of Directors

_____ Director

_____ Director

CONDOMINIUM CORPORATION 1122235

**Statement of Operating Fund Operations
and Change in Operating Fund Balance**

Year Ended December 31, 2022

	2022	2021
REVENUE		
Condominium fees and levies	\$ 3,390,383	\$ 3,629,075
Parking	77,248	71,540
Commercial rent	62,114	56,062
Interest income	11,716	10,497
Other income	64,120	82,304
	<u>3,605,581</u>	<u>3,849,477</u>
EXPENSES		
Amortization	3,986	4,435
Automotive and gas	6,897	4,737
Bad Debts	-	1,005
Building repairs and maintenance	64,087	57,084
Electric, plumbing and mechanical maintenance	133,017	166,655
Elevator maintenance	30,588	37,625
Equipment repairs and maintenance	12,461	12,737
Fire alarm system	32,653	39,358
Garage and parkade maintenance	2,811	2,713
Grounds maintenance	55,935	23,807
Insurance and licenses	1,055,906	1,464,088
Interest and bank charges	6,032	15,369
Interest on long term debt	142,584	53,049
Management fees	273,712	260,404
Office	15,655	16,827
Pest control	8,448	5,883
Professional fees	31,678	51,515
Property taxes	5,854	5,939
Security and monitoring	194,310	199,843
Supplies and small tools	34,938	7,220
Telephone	17,966	16,666
Utilities	933,674	829,907
Wages and employee benefits	696,271	654,366
	<u>3,759,466</u>	<u>3,931,231</u>
	(153,885)	(81,754)
Net investment in property and equipment	<u>3,986</u>	<u>4,435</u>
DEFICIENCY OF REVENUE OVER EXPENSES	(149,898)	(77,319)
Operating fund excess (deficiency) at beginning of year	<u>(22,451)</u>	<u>54,868</u>
OPERATING FUND DEFICIENCY		
AT END OF YEAR	\$ (172,349)	\$ (22,451)

CONDOMINIUM CORPORATION 1122235

**Statement of Capital Replacement Reserve Fund Operations
and Change in Capital Reserve Fund Balance**

Year Ended December 31, 2022

	2022	2021
REVENUE		
Capital replacement reserve fund levy	\$ 21,924	\$ 169,982
Interest income	222	-
Unrealized gain/(loss) on investments	(18,761)	11,596
	<u>3,385</u>	<u>181,578</u>
EXPENSES		
Building exterior replacement	50,933	21,424
Concrete and asphalt repair	-	1,070
Electrical and lighting replacement	843	19,934
Elevator modernization	14,375	-
Fire alarm system	4,946	-
Floor covering replacement	-	2,682
Garage and parking improvements	-	10,617
Generators	-	11,396
Heating and mechanical replacement	8,545	13,835
Landscaping	14,029	16,090
Office Expense	-	4,163
Painting and decor common areas	1,494	-
Plumbing	12,148	40,009
Roofing (ITC rebate)	-	(20,447)
Security improvements	18,125	-
Signage	3,508	8,574
	<u>128,946</u>	<u>129,347</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(125,561)	52,231
Capital replacement reserve fund balance at beginning of year	<u>299,513</u>	<u>247,282</u>
CAPITAL REPLACEMENT RESERVE FUND BALANCE		
AT END OF YEAR	\$ 173,952	\$ 299,513

CONDOMINIUM CORPORATION 1122235

Statement of Capital Improvement Loan Fund Operations
and Change in Capital Improvement Loan Fund Balance

Year Ended December 31, 2022

	2022	2021
REVENUE		
Capital improvement loan fund levy	\$ 321,768	\$ 83,056
EXPENSES		
Concrete and asphalt replacement	-	669,786
Doors and windows	-	48,583
Electrical upgrades	1,713	64,031
Elevator modernization	248,598	52,548
Façade and landscaping improvements	-	37,004
Fire alarm system	-	22,809
Garage and parking	-	56,584
Heating and mechanical	27,185	393,944
Interest and bank charges	-	8,920
Interest on long term debt	-	1,417
Leisure centre interior upgrades	-	31,754
Lighting improvements	-	35,591
Parkade	12,900	-
Professional fees	-	35,369
Recreation	-	2,888
Repairs and maintenance	-	5,639
Roofing	85,934	199,844
Security improvements	6,648	5,565
Signage	-	20,129
Water main break	-	88,420
	<u>382,978</u>	<u>1,780,825</u>
DEFICIENCY OF REVENUE OVER EXPENSES	(61,210)	(1,697,769)
Capital improvement loan fund balance at beginning of year	<u>(2,040,742)</u>	<u>(342,973)</u>
CAPITAL IMPROVEMENT LOAN FUND		
DEFICIENCY AT END OF YEAR	\$ (2,101,952)	\$ (2,040,742)

CONDOMINIUM CORPORATION 1122235

Statement of Cash Flow

Year Ended December 31, 2022

	Operating Fund	Reserve Fund	Capital Improvement Loan Fund	2022 Total	2021 Total
OPERATING ACTIVITIES					
Direct operating activities					
Cash receipts	\$ 3,638,005	\$ 147,479	\$ 581,027	\$ 4,366,510	\$ 3,758,976
Cash paid to suppliers, employees and interfund transfers	(3,726,907)	(147,074)	(382,978)	(4,256,958)	(5,764,633)
Interest received	11,716	222	-	11,938	10,497
Interest paid	(6,032)	-	-	(6,032)	(16,786)
	<u>(83,217)</u>	<u>628</u>	<u>198,049</u>	<u>115,458</u>	<u>(2,011,946)</u>
INVESTING ACTIVITY					
Proceeds on investments	-	-	-	-	51,511
Purchase of investments	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>51,511</u>
FINANCING ACTIVITY					
Proceeds on long term debt	-	-	125,079	125,079	2,300,000
Repayment of long term debt	-	-	(323,128)	(323,128)	(342,973)
	<u>-</u>	<u>-</u>	<u>(198,049)</u>	<u>(198,049)</u>	<u>1,957,027</u>
INCREASE (DECREASE) IN CASH FLOW	<u>(83,217)</u>	<u>627</u>	<u>-</u>	<u>(82,591)</u>	<u>(3,409)</u>
Cash - beginning of year	89,097	17,015	-	106,112	109,521
CASH - END OF YEAR	<u>\$ 5,880</u>	<u>\$ 17,642</u>	<u>\$ -</u>	<u>\$ 23,522</u>	<u>\$ 106,112</u>

CONDOMINIUM CORPORATION 1122235

Notes to Financial Statements

Year Ended December 31, 2022

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies as summarized as follows:

Nature of operations

Condominium Corporation 1122235 "Corporation" was incorporated under the Condominium Property Act and is responsible for the control, management and administration of the real, personal and common property as defined by the Corporation's Bylaws of the project known as River Park Glen, located in Fort McMurray, Alberta. These statements represent the operations of the condominium association which includes 498 residential and 5 commercial units in the total project plus 376 covered parking units and 293 surface parking units.

The financial statements include only the assets, liabilities, revenues and expenses relating to the operations of the Corporation. The statements do not include the cost of land or buildings or outstanding principal balances on mortgages which are the responsibility of the owners.

Basis of accounting

The financial statements were prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations (ASNPO).

Fund accounting

The Corporation follows the restricted fund method of accounting for contributions.

The Operating Fund accounts for the condominium's operating and administrative activities.

The Capital Replacement Reserve Fund reports the fee assessments from unit owners that are to be set aside and used for future costs of major repairs and replacements.

The Capital Improvement Loan Fund accounts for the capital improvement project started in 2021 to help with insurability, curb appeal and comfort, and the loan advances used to finance these improvements.

Revenue recognition

The Corporation recognizes condominium fee assessments related to general operations as revenue of the Operating Fund as billed to the owners. Billings for the condominium fees consist of estimates of monthly charges based on approved budgets. All expenses are recognized as incurred.

(continues)

CONDOMINIUM CORPORATION 1122235

Notes to Financial Statements

Year Ended December 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Condominium fees related to the Capital Replacement Reserve Fund are recognized as revenue of the Reserve Fund.

Investment income earned on reserve fund investments is recognized as revenue of the Capital Replacement Reserve Fund.

Investment income earned on special project investments is recognized as revenue of the Capital Improvement Loan Fund.

Temporary investments

Temporary investments consist of investments for which there are quoted prices in an active market and are recorded at fair market value.

Property and equipment

Property and equipment are recorded at cost less accumulated amortization. The following rates of amortization, using the declining balance method, are used to allocate the cost of these assets, less any residual or salvage value, over their expected useful life:

Computer equipment	30%
General equipment	20%
Parking lot	8%
Building additions	10%
Fencing	10%

Taxation

The Corporation meets certain exemptions to Section 149(1)(l) of the Canadian Income Tax Act, as allowed for not-for-profit organizations and accordingly, no provision for income taxes is required or reflected in the accompanying financial statements. A corporate tax return is still required for the not-for-profit organization and is being filed annually.

Financial instruments

The Corporation's financial instruments consist of cash, temporary investments, accounts receivable, accounts payable and accrued liabilities and long-term debt. Unless otherwise indicated, it is management's opinion that the condominium is not exposed to significant interest or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying value.

CONDOMINIUM CORPORATION 1122235

Notes to Financial Statements

Year Ended December 31, 2022

2. TEMPORARY INVESTMENTS

The Corporation holds temporary investments comprised of equity investments and fixed income investments.

3. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Computer equipment	\$ 7,713	\$ 7,710	\$ 3	\$ 4
General equipment	45,982	43,960	2,022	2,528
Parking lot	86,053	55,152	30,901	33,588
Building additions	23,639	23,637	3	3
Fencing	36,228	29,097	7,131	7,923
	<u>\$199,615</u>	<u>\$159,556</u>	<u>\$ 40,059</u>	<u>\$ 44,046</u>

4. LONG TERM DEBT

	2022	2021
CWB Maxium Financial loan payable as described in below note	\$ 2,101,952	\$ 2,300,000
Amounts payable within one year	(307,698)	(323,128)
	<u>\$ 1,794,254</u>	<u>\$ 1,976,872</u>
Principal repayment terms are approximately:		
2023	307,698	
2024	357,535	
2025	381,860	
2026	407,839	
2027	647,020	
	<u>\$ 2,101,952</u>	

The loan is secured by a general security agreement over the assets of the Condominium Corporation including all unpaid owner contributions, whether levied or not.

(continues)

CONDOMINIUM CORPORATION 1122235

Notes to Financial Statements

Year Ended December 31, 2022

4. LONG TERM DEBT *(continued)*

In October 2022, an amending agreement was signed to increase the loan to the authorized borrowing limit of \$3,000,000 as approved by the Owners in February 2021.

All funds were used for capital improvement expenditures. The loan is secured by a general security agreement. The term loan is payable in monthly blended instalments of \$38,772 including interest at 6.60%, maturing on December 15, 2027. At year end the loan balance was \$2,101,952 and payments of \$323,128 were made. (See Statement of Financial Position). The funds are used for projects normally paid from the Reserve fund.

5. CAPITAL REPLACEMENT RESERVE FUND

The Capital Replacement Reserve Fund is an internally restricted amount established by the Corporation to be used for the repair or replacement of any common area property when the repair or replacement does not occur annually. Annual repairs and replacements are charges to general operations during the year of expenditure. This reserve is not available for any expenditure without approval of the Board of Directors.

6. RELATED PARTY TRANSACTIONS

The Corporation entered into a year-to-year contract effective July 1, 2011, with On-Site Solutions Inc. to manage the Corporation. A minority shareholder of On-Site Solutions Inc. is a board member of the Corporation. Annual management fees paid to On-Site Solutions Inc. were \$273,712 (2021 - \$260,404). A new agreement for a period of three years from July 1, 2022, until June 30, 2025 was signed at the beginning of 2022. Annual management fees due in each year are \$287,020.

During the year the Corporation purchased roofing and concrete services from Genron Enterprises 2007 Ltd. amounting to \$84,535 (2021 - \$432,074). A director of the Corporation has significant influence in this company via a holding company. These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

7. ADEQUACY OF CAPITAL REPLACEMENT RESERVE FUND

The Corporation had a Reserve Fund Study completed effective March 27, 2019. The Corporation is responsible to fund for the general maintenance and repair of the buildings and parkade. In the opinion of the professional engineer who completed the study, the Capital Replacement Reserve Fund should have a balance of \$738,699 by December 31, 2022 (2021 - \$479,452). At the year end the Capital Replacement Reserve Fund had a balance of \$173,952 (2021 - \$299,513). As described in Note 4, the Corporation used financing during the current year to complete several projects that were originally planned for future years and funding of \$576,281 is available for reserve fund projects.

The Corporation is monitoring the Capital Replacement Reserve Fund and the timing of the various repairs and maintenance items identified in the study to ensure adequate funding is in place.

CONDOMINIUM CORPORATION 1122235

Notes to Financial Statements

Year Ended December 31, 2022

8. FINANCIAL INSTRUMENT RISKS

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Corporation manages exposure through its normal operating and financing activities. The Corporation is exposed to interest rate risk primarily through its long-term debt.

9. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

10. SUBSEQUENT EVENTS

On January 27, 2023 there was a special assessment made in the amount of \$332,500, \$172,500 of the \$332,500 is to account for the anticipated 2022 operational shortfall. Amounts are due as follows:

- March 1, 2023 - \$150,000
- May 1, 2023 - \$91,250
- August 1, 2023 - \$91,250

The per unit basis ranges from \$445 to \$891.

CONDOMINIUM CORPORATION NO. 112 2235

INSTRUMENT OF PROXY

THIS PROXY IS SOLICITED BY THE BOARD OF DIRECTORS AND WILL BE USED AT THE ANNUAL GENERAL MEETING OF OWNERS

The undersigned, being a unit owner of CONDOMINIUM CORPORATION NO. 112 2235 (the "Corporation"), hereby nominates, constitutes and appoints Gene Dobie, the Chairman and a director of the Corporation, or failing him, Lorie Ephgrave, director of the Corporation, OR in the place and stead of the foregoing, _____, the true and lawful attorney and proxy of the undersigned, with full power of substitution, to attend, act and vote in respect of the unit(s) held by the undersigned at the annual general meeting of the owners of the Corporation to be held on Monday, November 27, 2023 at 7:00 pm at the Leisure Centre at 11721 MacDonald Drive, Fort McMurray, AB (the "Meeting") and any adjournment thereof.

The undersigned hereby instructs said proxy to vote the units represented by this instrument of proxy in the following manner (PLEASE Check column FOR or AGAINST/WITHHOLD) **Where no choice is specified, this proxy will be voted in favour of the matters listed on the proxy :**

Table with 4 columns: Agenda Item, For, Against or Withhold, Motion. Rows include: 5. Approve minutes from October 15, 2022 Annual General Meeting; 8. Approve Financial Statements for fiscal year ended December 31, 2022; 8. Appoint BDO auditor for upcoming year; 9. Approve Capital Replacement Reserve Fund Report for 2022; 11. To Ratify Past Acts of Board Members & Officers; 12. Set Number of Board Members at Five (5); 13. Elect any 5 from list below standing for election or nominated at the meeting: Elect Gene Dobie, Current President; Elect Bryce Chapman, Current Vice President; Elect Robert Steinbach, Current Director; Elect Lorie Ephgrave, Current Director; Elect Jamie Kobi, Current Director; Elect _____ as Board Member.

To be valid, this proxy must be received by management in person, or via mail, at 103, 11721 MacDonald Drive, Fort McMurray, AB T9H 4H1, by fax (403) 346-9133 or by email to theBoard@rpgcondo.ca not later than forty-eight (48) hours, excluding Saturday, Sunday and holidays, prior to the Meeting or any adjournment thereof. Late proxies may be accepted or rejected by the Chairman of the meeting in his/her discretion, and the Chairman is under no obligation to accept or reject any particular late proxy. The Chairman of the meeting shall rule on the validity of any proxy.

This proxy revokes and supersedes all proxies of earlier date.

THIS PROXY MUST BE DATED

DATED this _____ day of _____, 2023.

Signature of Owner(s) _____

Name of Owner(s) (Please Print) _____

(see reverse side)

NOTES

1. The units represented by this instrument of proxy will be voted. Where a choice is specified, the proxy will be voted as directed. **Where no choice is specified, this proxy will be voted in favour of the matters listed on the proxy.** The proxy confers discretionary authority for the above-named person to vote in his discretion with respect to amendments or variations to the matters identified in the Notice of Meeting accompanying the instrument of proxy or such other matters which may properly come before the Meeting.
2. Each unit owner has the right to appoint a person to represent him at the Meeting other than the person specified above. Such right may be exercised by striking out the names of management’s nominees and inserting in the blank space provided the name of the person to be appointed, who need not be a unit owner of the Corporation.
3. Each unit owner must sign this instrument of proxy the same as the name which is printed, or appears, on the instrument of proxy. Please date the instrument of proxy. If the unit owner is a corporation, the instrument of proxy must be executed by an officer or attorney duly authorized.
4. If the instrument of proxy is not dated in the space provided, it is deemed to bear the date of its mailing to the unit owners of the Corporation.
5. If the unit owner appoints any of the persons designated above, including persons other than management designees, as his proxy to attend and act at the said Meeting:
 - (a) the units represented by the proxy will be voted in accordance with the instructions of the unit owner on any ballot that may be called for;
 - (b) where the unit owner specifies a choice in the proxy with respect to any matter to be acted upon, the units represented by the proxy shall be voted accordingly; and
 - (c) **IF NO CHOICE IS SPECIFIED WITH RESPECT TO THE MATTERS IDENTIFIED IN THE ITEMS ABOVE, THE PROXY WILL BE VOTED IN FAVOUR OF SUCH MATTERS.**

FOR OFFICE USE ONLY					
Date Received	Date Posted	Eligible to Vote	Ineligible to Vote	Unit Factors	Total Number of Units