

Dear Owner

November 26<sup>th</sup>, 2025

For 2026, condominium fees will increase by 2.2%. This increase is not being used to cover higher day-to-day spending. In fact, we are seeing meaningful savings in several parts of the operating budget, including insurance and utilities. Instead, the additional funds will be directed to strengthening the reserve fund, with planned contributions increasing from \$150,000 in 2025 to \$555,000 in 2026. We also expect to finish 2025 with an operating surplus, and these excess funds can be directed to the reserve or, where possible, used to pay down loan debt early to reduce future interest costs and further improve the Corporation's financial position.

A stronger reserve provides several important advantages for all owners at River Park Glen:

- It ensures funding is available for major repairs and upgrades that prevent deterioration of critical infrastructure, improves livability, and protects unit values.
- It increases the Corporation's financial flexibility and allows it to complete work on schedule instead of delaying important repairs.
- It prevents the Corporation from needing to levy special assessments on owners to make up for unexpected funding shortfalls.
- It makes individual units easier to buy and sell at competitive prices, because mortgage lenders and insurers place high value on a well-funded reserve, and may not provide loans or insurance to properties that are underfunded.
- It strengthens the Corporation's financial position and borrowing capacity in future years if financing is needed for larger projects.

While any increase can be frustrating, this modest adjustment is a proactive measure that allows us to fully fund the Corporation's long-term capital plan and keep fees stable in the years ahead despite inflation. No further increases and no special assessments are expected until at least 2030. This approach strengthens our financial position, protects owners from unexpected costs, and supports the long-term sustainability of River Park Glen.

A copy of the Corporation's Five Year Plan has been attached to this letter for your reference.

## **KEY HIGHLIGHTS OF THE 2026 BUDGET**

### **Revenue**

Non-fee revenue, which includes parking income, commercial rental income, income from telecommunication infrastructure leases, key income, administrative income, recoveries, and interest income is budgeted to increase slightly in 2026. This reflects continued high occupancy of Corporation-owned parking stalls, stable long-term leases for the commercial units, steady revenue from telecommunications leases, and modest growth in administrative income. These non-fee sources help offset a portion of the operating budget and reduce the amount that must be funded through condominium fees.

### **Utilities**

Utilities are the Corporation's largest operating expense, representing 20.75% of the 2026 budget. The removal of the federal carbon tax created meaningful savings in 2025, particularly for natural gas. As a result, the utilities budget for 2026 has been reduced to reflect these lower heating costs. The budget also accounts for stable to slightly higher electricity rates and anticipated increases in water, sewer, and waste removal. Overall, the net impact is a decrease in the utilities budget for 2026.

### Wages and Benefits

Wages and Benefits are the second largest component of the 2026 budget, accounting for 18.58% of total operating costs. This funding provides the staffing required to operate a large and complex property with extensive common areas, fifteen acres of grounds, and a resident population similar in size to a small town. The item includes wages, statutory and health benefits, workers' compensation, and ongoing training for our hardworking team of administrative staff, maintenance technicians, cleaners, and groundskeepers, many of whom live on-site and have worked at the property for years.

### Loan Repayments

Loan payments are the third largest line item on the 2026 budget at 13.10% of the total. In early 2021, the Corporation passed a resolution permitting it to borrow up to \$3.0M to fund a number of valuable capital projects. The loan was split into two tranches. The Corporation began making payments on the first tranche of \$2.3M in January 2022 and it will be fully repaid by December 2027. The second tranche allowed borrowing up to \$700,000, but only \$460,000 was drawn. The Corporation began making payments on the second tranche in April 2024, and it will be fully repaid by April 2030.

### Reserve Fund Contributions

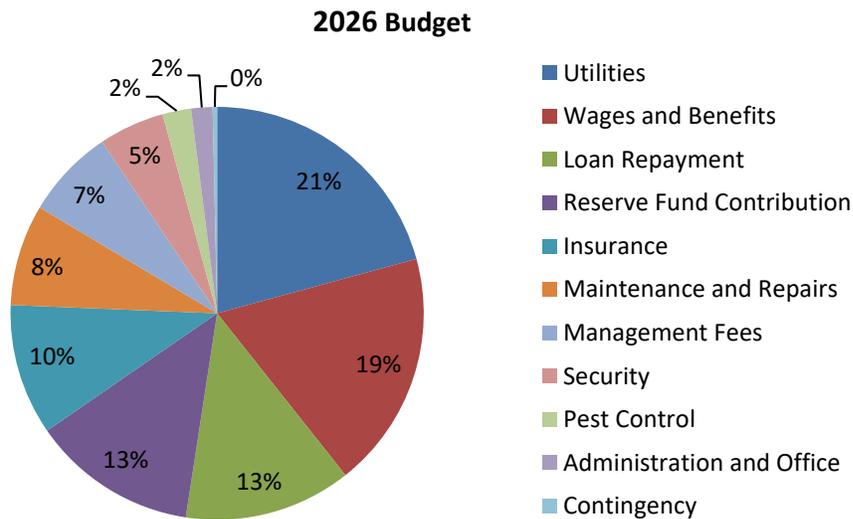
Budgeted contributions to the reserve fund will increase substantially in 2026, rising from \$150,000 in 2025 to \$555,000, which represents 12.95% of the total budget. This increase is necessary to ensure the Corporation builds sufficient reserves to complete the projects identified in the five year capital plan without requiring special assessments. A strong reserve provides more than funding for capital projects. It supports unit values by making the community a more attractive place for buyers, and signals prudent long-term management to lenders, insurers, and other stakeholders who view reserve strength as an important indicator of financial health.

### Insurance

Our insurance policy comes up for renewal on January 31<sup>st</sup>, 2026, and the renewal process is underway. The Corporation's broker expects the premium for 2026 to be similar to the 2025 premium. Premiums are influenced by overall market conditions for comparable policies and by the replacement cost of the buildings, which has increased by 4.4% based on the most recent appraisal. The 2026 insurance budget has been set to reflect the best available estimate of the upcoming premium. Insurance costs represent 10.27% of the 2026 budget.

### Remaining Expenses

Maintenance and Repairs, Management Fees, Security, Pest Control, Administration and Office, and Contingency make up the remaining 24.36% of the budget. A detailed budget breakdown is shown below for your reference.



**PLEASE SEE THE ATTACHED OWNERS' FEE LISTING FOR UNIT SPECIFIC FEES.**

If you pay your fees via automatic withdrawal, no further action is required. For those paying by cheque, please provide 12 post-dated cheques as outlined in Bylaw 87.1. Timely payments are crucial for meeting the corporation's financial obligations. Fees are due on the first of each month and must be paid electronically or via post-dated cheques.

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. Thank you for your continued support.

**Your Board of Directors**

Gene Dobie, President  
Lorie Ephgrave, Director

Bryce Chapman, Vice President  
Jamie Kobi, Director

Robert Steinbach, Secretary/Treasurer

**CONDOMINIUM CORPORATION NO. 112 2235  
OPERATING FUND BUDGET  
JANUARY 1 TO DECEMBER 31, 2026**

	<b>APPROVED 2026 BUDGET</b>	<b>APPROVED 2025 BUDGET</b>
<b>REVENUE:</b>		
<b>Common Element Fees</b>	<b>\$ 4,051,510</b>	<b>\$ 3,964,885</b>
Parking	95,000	95,000
Commercial Rental	51,900	51,500
Telus & Rogers Cell Tower Leases	49,640	50,000
Keys, Administrative, Interest, and Recoveries	38,000	33,500
<b>TOTAL REVENUE</b>	<b>\$ 4,286,050</b>	<b>\$ 4,194,885</b>
<b>EXPENDITURES:</b>		
Utilities	889,500	1,019,500
Wages and Benefits	796,250	786,000
Loan Repayment	561,400	561,500
Reserve Fund Contribution	555,000	150,000
Insurance	440,000	705,000
Maintenance and Repairs	339,500	319,950
Management Fees	301,450	295,665
Security	220,450	191,700
Pest Control	96,000	89,500
Administration and Office	71,500	65,500
Contingency	15,000	10,570
<b>TOTAL EXPENDITURES</b>	<b>\$ 4,286,050</b>	<b>\$ 4,194,885</b>



# River Park Glen

Convenience, Comfort & Community

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## FIVE YEAR PLAN (2025 – 2029)

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**PLEASE NOTE:** This plan is based on current assumptions, estimates, and projections. It is subject to change due to unforeseen factors, including shifts in market conditions, interest rates, operating costs, government policies, or other economic variables. Should you have any questions you may contact River Park Glen's management company On-Site Solutions Inc. at [info@on-site-solutions.ca](mailto:info@on-site-solutions.ca).

## OVERVIEW

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Over the past five years, River Park Glen has undergone significant improvements to enhance property value, safety, and quality of life for residents. Strategic investments in roofing, exterior repairs, HVAC and plumbing systems, elevator modernizations, security upgrades, and beautification projects, have strengthened River Park Glen's standing as a well-maintained and desirable community.

Looking ahead, this five year plan focuses on responsible financial management, strategic capital investments, and minimal increases to condominium fees while avoiding special assessments. By leveraging future budget savings and smart financing strategies, we will complete many high-value projects that enhance safety and livability for years to come.

## OUR VISION FOR RIVER PARK GLEN

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We are committed to ensuring River Park Glen is a well-maintained and financially stable community. Through proactive planning and careful financial stewardship, we aim to:

- enhance property values,
- modernize infrastructure,
- improve resident quality of life, and
- ensure the property's long-term sustainability and financial health.

## OPERATION BUDGET FORECAST

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### INFLATION

Canada's average inflation rate over the past two decades has been 2.4%. Our forecast assumes inflation to average 3% over the forecast period. We have forecast increases in non-fee revenue and most expenses accordingly.

### EXPECTED SAVINGS

Compared to recent years, we expect the operating budget to see significant savings due to lower insurance premiums and a reduction in utility costs tied to the removal of the Federal Carbon Tax. The majority of these savings will be allocated to the reserve fund, allowing for a substantial increase in annual contributions.

Additionally, by the end of 2027, the first of our two current capital project loans will be fully repaid. The removal of the associated payments will reduce the operating budget by over \$450,000 and unlock significant borrowing capacity for additional capital projects in 2028. The second loan will be fully repaid in April 2030. That will further reduce the required operating budget by an additional \$95,000.

### CONDOMINIUM FEES

A modest 2.5% increase to fees is scheduled for 2026 to allow increased contributions to the reserve fund. No additional increases are planned through the remainder of the forecast period.

### SPECIAL ASSESSMENTS

No special assessments are expected during the forecast period.

## RESERVE FUND FORECAST

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### SOURCES OF FUNDING

Historically, River Park Glen’s capital projects are funded through a combination of:

- **Fee Contributions** – A portion of condominium fees are allocated to our reserve fund each year, providing immediate funding for near-term projects as well as savings for projects in the future.
- **Strategic Borrowing** – Many condominiums impose large special assessments to generate up front funding for capital projects. We prefer to ease the financial strain on owners by using financing to spread capital project costs over time.
- **Government Grants** – Whenever possible, we use government grant programs to subsidize project costs. Examples include retrofit rebates through Energy Efficiency Alberta and grant funding through the Regional Municipality of Wood Buffalo’s Downtown Revitalization Incentives Program.

During the forecast period we expect funding to come approximately 60% from annual condominium fee contributions and 40% from financing activities. We will seek any applicable government grants to complement these primary funding sources.

### FEE CONTRIBUTIONS

Condominium fee contributions to the reserve fund will increase over the forecast period, largely driven by anticipated savings from insurance and utility costs.

### FINANCING ACTIVITIES

Our forecast requires that the borrowing capacity unlocked at year end 2027 be partially used to obtain two new loans to supplement the funds built up through fee contributions.

- The first, for approximately \$1,000,000 with draws from the lender occurring throughout 2028 and a six-year repayment term commencing in 2029, and
- the second, also for approximately \$1,000,000, with draws from the lender occurring throughout 2029 and a six-year repayment term commencing in 2030.

Though future interest rates are uncertain, they’re projected to be less than our current loan rates. For the purposes of the forecast, we have assumed a 6% interest rate for new loans. These lower rates combined with a smaller loan amount would result in lower monthly loan payments than the corporation is currently paying, reducing our financial risk.

### FORECAST SUMMARY

	2025	2026	2027	2028	2029
Starting Balance	\$ 120,472	\$ 338,801	\$ 646,573	\$ 240,619	\$ 765,226
Fee Contributions	\$ 370,000	\$ 555,000	\$ 465,000	\$ 840,000	\$ 545,000
Special Assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Financing Proceeds	\$ -	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000
Expenditures	\$ 151,671	\$ 247,228	\$ 870,954	\$ 1,315,393	\$ 1,217,933
Ending Balance	\$ 338,801	\$ 646,573	\$ 240,619	\$ 765,226	\$ 1,092,293

## CAPITAL PROJECT FORECAST

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The capital project forecast outlines a phased approach to enhancing the property's infrastructure. The plan focuses on critical upgrades to plumbing, heating, electrical systems, and structural elements, with an emphasis on improving efficiency, safety, and long-term sustainability.

Projects include major renovations such as roof replacements, parkade waterproofing, and high-rise window replacements, as well as improvements to common areas, landscaping, and security. These initiatives aim to enhance the safety and comfort of residents and preserve the property's future value.

### 2025 & 2026

- **Low Rise Heating & Plumbing Upgrades** – Re-piping the water supply system, installing new check valves and backflow preventers, and adding a new heating boiler to improve system efficiency and reliability.
- **Tower Two Plumbing Upgrades** – Replacement of one domestic hot water boiler.
- **Balcony Waterproofing** – Replacement of the waterproof coating on five Low Rise balconies per year as part of a phased plan to complete all by 2031, and waterproofing of Upper Mews balconies to prevent water ingress to parkade.
- **Electrical System Upgrade** – Full replacement of the Low Rise main electrical panel to enhance safety and capacity.
- **Upper Parkade Repairs** – Targeted patch repairs to the waterproof membrane to extend its lifespan.
- **Exterior Trim & Structural Repairs** – Replacement of deteriorated trim boards on the Parkade and Upper Mews to improve property aesthetics.
- **Concrete & Walkway Restoration** – Select repairs and replacements of curbs, sidewalks, and exterior stairwells across the site to increase safety and functionality.
- **Interior Common Area Improvements** – Replacement of select interior common area fire doors for better functionality and aesthetics.
- **Security Enhancements** – Minor expansion of the security camera system for improved coverage.

### 2027

- **Access Control System Modernization** – Installation of a new, state-of-the-art access control system for enhanced security and resident convenience.
- **Roofing Replacement** – Replacement of the South section of Tower One's roofing to prevent leaks and extend the building's longevity.
- **Tower Two Plumbing Upgrades** – Re-piping of the building's plumbing stack, installation of new pumps, and replacement of second domestic hot water boiler.
- **Low Rise Heating Upgrade** – Installation of a second new heating boiler to further improve the system's efficiency and reliability.
- **Continued Balcony Waterproofing** – Replacement of the waterproof coating on an additional five Low Rise balconies.
- **Upper Parkade Waterproofing** – Replacement of one of the three sections as part of a three-year phased plan to fully restore the structure.
- **Concrete & Walkway Restoration** – Continued repairs to select curbs, sidewalks, and exterior stairwells.
- **Landscaping & Beautification** – Regrading of lawns, planting new trees, and adding shrubbery to enhance property curb appeal.

- **Parking Lot Repaving** – Repaving of select parking lots as part of a four-year plan to resurface all lots.
- **Painting Projects** – Interior and exterior painting to refresh and maintain building aesthetics.

## 2028

- **Leisure Center Roofing Replacement** – Final phase of roof replacement to complete upgrades to all sections.
- **High Rise Window & Balcony Door Replacements** – Replacement of windows and balcony doors in approximately one-third of High-Rise units as part of a three-year phased project to improve functionality, aesthetics, and reduce building heating costs.
- **Tower One Plumbing Stack & Pump Replacement** – Re-piping of the building’s plumbing stack and installation of new pumps to improve water flow and prevent system failures.
- **Upper Parkade Waterproofing** – Replacement of the second section of the parkade’s waterproofing membrane.
- **Low Rise Balcony Waterproofing** – Continued replacement of the waterproof coating on an additional five balconies.
- **Parking Lot Resurfacing** – Further repaving of additional parking lots as part of the site-wide improvement plan.
- **Painting Projects** – Interior and exterior painting to refresh and maintain building aesthetics.

## 2029

- **High-Rise Window & Balcony Door Replacements** – Replacement of windows and balcony doors in another one-third of High-Rise units.
- **Low Rise Balcony Waterproofing** – Continued replacement of the waterproof coating on an additional five balconies.
- **Low Rise Plumbing Stack Replacement** – Re-piping of the building’s plumbing stack to improve system functions.
- **Upper Parkade Waterproofing Completion** – Replacement of the final section of the waterproofing membrane to fully restore the structure.
- **Concrete Structural Repairs** – Targeted repairs to Upper Parkade walls to ensure long-term stability.
- **Upper Mews Skylight Restoration** – Repair and replacement of aging hallway skylights to improve natural lighting and prevent leaks.
- **Parking Lot Resurfacing** – Additional repaving projects to improve surface conditions and extend the lifespan of parking areas.
- **Reserve Fund Study Completion** – Conducting the next Reserve Fund Study to assess future financial and maintenance needs.

## 2030

While outside the five year forecast period, the following projects are expected in 2030:

- **Final Phase of High-Rise Window & Balcony Door Replacements** – Completion of the three-year project to replace all windows and balcony doors in the High Rises.
- **Low Rise Balcony Waterproofing** – Replacement of the waterproof coating on an additional five balconies, bringing the long-term project closer to completion.
- **Low Rise Plumbing Stack Replacement** – Final phase of re-piping work to modernize the plumbing system.
- **Upper Parkade Structural Repairs** – Additional repairs to the Upper Parkade structure.
- **Upper Mews Skylight Restoration** – Completion of the hallway skylight replacement project.
- **Parking Lot Resurfacing** – Final phase of parking lot repaving efforts across the property.

## FINANCIAL FORECAST

<b>REVENUE:</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Common Element Fees	\$ 3,964,885	\$ 4,064,885	\$ 4,064,885	\$ 4,064,885	\$ 4,064,885
Parking and Recreation Income	\$ 95,000	\$ 97,850	\$ 100,786	\$ 103,809	\$ 106,923
Commercial Rental Income	\$ 25,500	\$ 51,600	\$ 52,608	\$ 53,646	\$ 54,716
Telecommunication Leases	\$ 47,710	\$ 49,294	\$ 49,294	\$ 51,322	\$ 52,771
Keys, Recoveries and Other Income	\$ 12,500	\$ 12,875	\$ 13,261	\$ 13,659	\$ 14,069
Administrative and Interest Income	\$ 21,000	\$ 21,630	\$ 22,279	\$ 22,947	\$ 23,636
<b>TOTAL REVENUE:</b>	<b>\$ 4,166,595</b>	<b>\$ 4,298,134</b>	<b>\$ 4,303,113</b>	<b>\$ 4,310,269</b>	<b>\$ 4,316,999</b>
<b>EXPENSES:</b>					
Utilities	\$ 1,019,500	\$ 900,085	\$ 927,088	\$ 954,900	\$ 983,547
Wages and Benefits	\$ 786,000	\$ 809,580	\$ 833,867	\$ 858,883	\$ 884,650
Insurance	\$ 460,000	\$ 473,800	\$ 488,014	\$ 502,654	\$ 517,734
Loan Repayment	\$ 561,500	\$ 561,500	\$ 561,500	\$ 96,096	\$ 296,096
Maintenance and Repairs	\$ 319,950	\$ 329,549	\$ 339,435	\$ 349,618	\$ 360,107
Management Fees	\$ 295,665	\$ 304,535	\$ 313,671	\$ 323,081	\$ 332,774
Security	\$ 191,700	\$ 197,451	\$ 203,375	\$ 209,476	\$ 215,760
Reserve Fund Contribution	\$ 370,000	\$ 555,000	\$ 465,000	\$ 840,000	\$ 545,000
Pest Control	\$ 89,500	\$ 92,185	\$ 94,951	\$ 97,799	\$ 100,733
Administration and Office	\$ 65,500	\$ 67,465	\$ 69,489	\$ 71,574	\$ 73,721
<b>TOTAL EXPENSES:</b>	<b>\$ 4,159,315</b>	<b>\$ 4,291,149</b>	<b>\$ 4,296,389</b>	<b>\$ 4,304,082</b>	<b>\$ 4,310,121</b>
Contingency	\$ 7,280	\$ 6,985	\$ 6,724	\$ 6,187	\$ 6,878
<b>RESERVE BALANCE START:</b>	<b>\$ 120,472</b>	<b>\$ 338,801</b>	<b>\$ 646,573</b>	<b>\$ 240,619</b>	<b>\$ 765,226</b>
<b>CONTRIBUTIONS:</b>					
Condominium Fees	\$ 370,000	\$ 555,000	\$ 465,000	\$ 840,000	\$ 545,000
Special Assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Financing Proceeds	\$ -	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000
<b>TOTAL CONTRIBUTIONS:</b>	<b>\$ 370,000</b>	<b>\$ 555,000</b>	<b>\$ 465,000</b>	<b>\$ 1,840,000</b>	<b>\$ 1,545,000</b>
<b>EXPENDITURES:</b>					
Amenity	\$ 1,821	\$ 10,000	\$ 6,623	\$ 129,607	\$ 1,000
High Rise 2	\$ 1,200	\$ 41,311	\$ 148,424	\$ 408,750	\$ 458,581
High Rise 1	\$ 4,000	\$ 6,300	\$ 319,454	\$ 463,682	\$ 425,839
Low Rise	\$ 60,000	\$ 97,150	\$ 89,603	\$ 15,350	\$ 36,066
Site Improvements	\$ 48,450	\$ 25,700	\$ 186,850	\$ 115,150	\$ 148,642
Upper/Lower Mews	\$ 36,200	\$ 66,767	\$ 120,000	\$ 182,854	\$ 147,805
<b>TOTAL EXPENDITURES:</b>	<b>\$ 151,671</b>	<b>\$ 247,228</b>	<b>\$ 870,954</b>	<b>\$ 1,315,393</b>	<b>\$ 1,217,933</b>
<b>RESERVE BALANCE END:</b>	<b>\$ 338,801</b>	<b>\$ 646,573</b>	<b>\$ 240,619</b>	<b>\$ 765,226</b>	<b>\$ 1,092,293</b>