

# **YORK CONDOMINIUM CORPORATION NO.323**

## **Minutes of the Special General Meeting Thursday April 16, 2009**

### **MINUTES**

A Special General Meeting of the Unit Owners of York Condominium Corporation No. 323 was held on Thursday, April 16, 2009, in the Party Room at 50 Quebec Avenue, Toronto, Ontario.

#### **1. OPENING OF MEETING AND WELCOME**

Mr. Bill Henderson (President of the Board of Directors) presided as Chair and called the meeting to order at 7:02 p.m. With the consent of the meeting, Darek Fiedukiewicz was appointed Recording Secretary.

The Chair welcomed the Owners and made the following introductions:

Bill Henderson	President
Jean Cormier	Vice-President
Robert Howell	Treasurer
Jock Galloway	Secretary
Gord Hamilton	Director (Owner Occupied Position)
Isan Murat	Property Manager, Brookfield Residential Services Ltd.
Bruno Wojnowski	Regional Manager, Brookfield Residential Services Ltd.
Darek Fiedukiewicz	Recording Secretary, DAROSS Computing Solutions

#### **2. CALL TO ORDER / PROOF OF NOTICE / APPOINTMENT OF SCRUTINEERS**

The Board requested that Gayle Stearns (unit #308) and Sydney Mandzuk (unit #1403) act as scrutineers for the evening, to report on the members present in person or by proxy and to compute votes on any poll taken or any adjournment, and to report the results thereof to the meeting.

The Chair confirmed that the notice of the meeting and all attachments had been delivered or mailed to each member of the Corporation and proof of service was duly filed by the Secretary of the Corporation. He instructed that the Proof of Service and the Notice of Meeting be annexed to the Minutes in accordance with the By-Laws of the Corporation. He also stated that the Affidavit of Proof of Service is available for inspection by any interested member.

Mr. Henderson reported that 66 units were represented by the Unit Owners in person and 69 units were represented by proxy for a total of 135 units, which exceeded the quorum requirement of 51 units (25%) and was sufficient for a formal vote on proposed by-laws.

The Chair directed that the scrutineers' report be adopted and included in the Minutes of the Meeting. He declared that, having Proof of Notice of the calling of the meeting and the Scrutineers' Report having been presented, the meeting was properly constituted for the transaction of business as set out in the notice of meeting.

Mr. Henderson suggested that it might be possible to hold the required votes via a show of hands but concerns were raised from the floor by Owners who insisted on a secret ballot. Mr. Henderson agreed to the request.

### **3. BUDGET INFORMATION DISCUSSION**

Mr. Henderson relinquished the chair to the Corporation's Treasurer, Bob Howell.

Mr. Howell stated that the budget proposes an increase as summarized in the meeting package. He explained that utility costs (hydro, gas, water) have risen by 4.2% whereas the remainder of the operating budget has remained relatively stable since 1995.

The Corporation also faces major increases in mechanical expenses such as the deferred installation of carbon monoxide detectors in the underground garage. This is a new requirement so the cost of installation does not qualify as a Reserve Fund item and must be paid for out of the operating budget.

The Board expects that the cost of the carbon monoxide detectors will be recouped through electrical savings as the fans in the underground garage will no-longer operate twenty-four hours per day. Instead, they will activate only when carbon monoxide levels reach certain thresholds.

Mr. Howell opened the floor to questions regarding the budget and stated that any questions that cannot be answered during the meeting would subsequently be investigated. The Owner will then receive a letter of response and the information will also be published for the remainder of the Residents.

Q. Mr. Fournier (unit #2102) observed that the value of contracts awarded by the Board was no-longer identified in the minutes of their meetings. He cited examples which included the electrical, landscape and snow removal, and general repair contracts. Mr. Fournier questioned why the Board has changed the way the minutes are captured and requested that contract values again be published to help Owners better understand the budget.

A. Mr. Howell concurred that it would be valuable to include the cost of each contract. Mr. Henderson added that the change was not a minuted decision of the Board and it will be reviewed.

Q. Mr. Leies (unit #1702) requested that the February Board meeting minutes noted in the previous question also be amended to reflect the contract amounts.

A. It was noted that the Board has an official record of the amounts but the minutes will be updated.

Q. Mr. Leies (unit #1702) noted that there was actually a 5% increase between the upcoming year's budget when measured against the current year's actuals whereas the summary showed only a 3.2% increase. This is because latter compares the upcoming year's budget against the current year's budgeted amounts. He felt that 5% was a very large increase and suggested that it should actually be closer to zero percent given the low inflation period of the economy.

A. Mr. Howell stated that he would review the figures but noted that past years did not reflect cost of living increases (especially in Reserve Fund amounts) so the budget was quite tight. The Board feels that it is important that cost of living amounts be factored in so that the budget keeps pace at a minimum. More details will be published in the next newsletter.

Q. Ms Price (unit #2501) noted that the Reserve Fund increase does not reflect the increase in the budget (i.e. the cost of living increase).

A. Mr. Howell clarified that the total budget should reflect cost of living increases. The Reserve Fund contribution was dramatically increased in the prior year to account for the balcony project so the Board did not feel that another increase was required in the current year.

There being no further questions, Mr. Howell returned that Chair to Mr. Henderson.

### **4. APPROVAL OF BY-LAWS NO.8, 9, AND 10**

Mr. Henderson stated that Owners raised several questioned and made a number of suggestions during the last Annual General Meeting which stimulated some good discussion around the proposed by-laws.

The Board took all the feedback into consideration and amendments were reflected in the updated proposals as included in the meeting package. A few further amendments have also been identified since distribution.

**a) To consider By-Law No. 8 and to confirm same or otherwise**

Mr. Henderson reminded that proposed By-Law No. 8 is a Standard Unit By-Law which is intended to clearly define the items that the condominium is required to insure including those items within the units.

He noted the following additional amendments to the proposal:

Amends to Class A (High-Rise) Items

- 1) References to stucco ceilings should read "... excluding bathrooms and kitchens ..."
- 2) Bathroom section should be amended to read "... built in washbasins, cupboards, and one frameless wall mounted mirror"
- 3) The section regarding in-suite telecommunications equipment should include three cable television outlets and not two.

Amendments to Class B (Townhouse) Items:

1. The description of Class B should read "Detached and Semi-Detached Units"
2. References to stucco ceilings should read "... excluding bathrooms and kitchens ..."

Q. Ms Komorowski (unit #2607) questioned why the by-law needs to describe the original building contents given that current standards differ greatly from the time when the building was built about thirty-years earlier.

A. It was noted that the Standard Unit By-Law will always use the original as a base definition.

A motion was raised to approve proposed By-Law No. 8 as amended.

MOTIONED BY: Mr. Estes (unit #703)  
SECONDED BY: Ms Weaver (unit #402)

**b) To consider By-Law No. 9 and to confirm same or otherwise**

Mr. Henderson explained that By-Law No. 9 is the Extended Damage Recovery By-Law for attributing responsibility for the Corporation's insurance deductible.

The Corporation is currently responsible for any damage to a unit originating from another unit. Legal and insurance advisors have recommended that the Corporation take advantage of provisions in the Condominium Act to make it possible for the Owner of the originating unit to be held responsible for the resulting insurance deductible (only). Repairs to the damage will continue to be covered by the Corporation's insurance policy.

The Board will need to decide whether to attempt recovery of the deductible as this attributes the source of the problem regardless of fault. The Board feels this is a much fairer approach for all Owners especially if damage originates from the same unit more than once.

Q. Ms Muravsky (unit #502) questioned whether the \$2,500 and \$1,000 deductibles listed would be added together for a \$3,500 total amount?

A. It was clarified that \$2,500 was for water damages whereas \$1,000 was for other damages.

Q. Ms Vadakkan (unit #1706) expressed concern that Owners could be held liable for a deductible should water damage result due to a hose problem behind their washer/dryer units.

A. Mr. Henderson explained that the Board will have some discretion but agreed that owners could be held responsible for the deductible should the flood originate from their unit. He reminded that it remains each Owner's responsibility to have items such as their laundry hose inspected and well maintained with or without the by-law.

Q. Ms Komorowski (unit #2607) requested clarification should the source of damage be found to be part of the common elements.

A. Mr. Henderson explained that the Corporation would pay for the deductible in such an occurrence.

Q. Mr. Fournier (unit #2102) questioned whether the Board would need to prove negligence should it be suspected that damage originated from a suite. He added that it may not always be easy to determine the source. Mr. Fournier also questioned whether a mediator would be engaged should there be any ambiguity?

A. Mr. Henderson confirmed that the Board would seek to determine the source. If the question is not resolved, the Board would then have to determine whether to pursue the matter further through the courts, etc.

Q. Ms Ritchie (unit #1601) enquired whether both deductibles could be charged should both a fire and water damage occur.

A. Mr. Henderson explained that the insurance company would only be in a position to charge one deductible per claim.

Q. An Owner suggested that deductibles could greatly increase should there be a number of claims so she questioned whether the by-law could be revisited should this occur.

A. Mr. Henderson stated that the by-law can be rescinded but he reminded that its primary purpose is to assign the deductible.

Q. Ms Ritchie (unit #1601) asked whether the adoption of the proposed by-law would decrease the Corporation's insurance premiums since Owner's will need to absorb additional premiums for their own coverage.

A. Ms Vadakkan (unit #1706) noted that the liability to the insurer does not change by assigning the responsibility of the deductible from the Corporation to the Owner of the originating unit. Mr. Henderson concurred and emphasized that neither the amount of the claim paid by the insurance company nor the amount of the deductible will change. The by-law simply affords the Board the possibility to recover the deductible amount from the Owner of the originating unit if the circumstances warrant it.

Q. An Owner questioned how negligence will be determined.

A. Mr. Henderson explained that the Board would always have attempted to recover the deductible in the past and it had the legal right to do so even without the proposed by-law in place. The Board must protect the rest of the Owners against inheriting such cost so these matters would be taken to court if required. Mr. Henderson reiterated that the Board will still need to perform due diligence to discover the source of damage.

A motion was raised to approve proposed By-Law No. 9 as amended.

MOTIONED BY: Mr. Estes (unit #703)  
SECONDED BY: Mr. Howell (unit #902)

**c) To consider By-Law No. 10 and to confirm same or otherwise**

Mr. Henderson advised that proposed By-Law No. 10 better details mediation and arbitration procedures.

The Condominium Act remains silent around the specific procedures for mediation and arbitration that should be followed so the Board is proposing the by-law on legal advice. It encourages direct communications in a dispute versus proceeding to the courts. This will save both time and money for all parties involved.

A motion was raised to approve proposed By-Law No. 10 as amended.

MOTIONED BY: Ms Cormier  
SECONDED BY: Mr. Estes (unit #703)

## 5. VOTING RESULTS

Q. An Owner questioned whether the outcome could be communicated to the members following the meeting rather than waiting for the count to be finalized.

A. Mr. Henderson explained that it was necessary to receive the result while the meeting was still open.

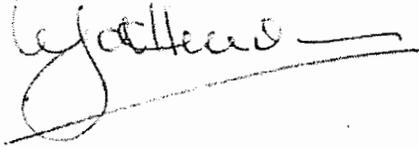
The Chair declared the following results:

By-Law #8	132 in favour, 7 against, 3 spoiled ballots - <b>motion passed</b>
By-Law #9	128 in favour, 11 against, 4 spoiled ballots - <b>motion passed</b>
By-Law #10	129 in favour, 6 against, 8 spoiled ballots - <b>motion passed</b>

## 6. TERMINATION OF MEETING

It was resolved to adjourn the meeting at 8:31 PM. All were in favour and the **motion was CARRIED**.

MOTIONED BY: Mr. Estes (unit #703)



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**President**



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**Secretary**