

Summer Gardens

To: Unit Owners – Summer Gardens

Notice of Annual General Meeting

The Annual Meeting of Halifax County Condominium Corporation No. 130 will be held on

Tuesday, November 22, 2022 at 7:00 pm

in the lobby of Summer Gardens, 1470 Summer Street, Halifax.

In preparation for the meeting, we enclose

- Agenda for the Annual Meeting
- Registration and Proxy Form
- Minutes of the Annual General Meeting – Nov. 23, 2021
- Nominating Committee Report
- Audited Financial Statements
- Proposed *Common Element Rules* and memo

All members are urged to attend. However, if you cannot attend, please appoint a proxy to act and vote in your absence by completing the enclosed proxy form.

Note:

- Any owner whose condominium fees are in arrears does not have the right to vote.
- Only registered owners or their appointed proxies may vote at the meeting.

We look forward to seeing you on November 22.

Summer Gardens

Halifax County Condominium Corporation No. 130

Annual General Meeting for the year ended June 30, 2022

Tuesday, November 2 - 7:00 pm

Summer Gardens Lobby

Agenda

1. Call to Order - Confirm Quorum
2. Minutes of last AGM held November 23, 2021
3. President's Report
4. Presentation of Audited Financial Statements -Treasurer
5. Appointment of Auditor
6. Nominating Committee Report: Election of Directors and Officers
7. Other Business
 - a. Revised Common Element Rules
 - b. Other items¹
8. Adjournment

¹ Anyone wishing to add an agenda item must notify the Board at summergardens@bellaliant.net by 7:00 pm, Sunday, November 20, 2022.

Complete either Part I or Part II

Name(s): _____

Unit #: _____

Part I: Registration

I/we will attend the Annual General Meeting of H.C.C.C. #130 on November 22 at 7:00
pm. November __, 2022

Signature of Unit Owner(s)

Part II - Proxy

I/we will not attend and I/we appoint _____ as
my/our proxy to attend, act, and vote on my/our behalf at the Annual General Meeting
called for November 22, 2022, and at any adjournment of that meeting.

November __, 2022

Signature of Unit Owner(s)

You can register on-line or return this completed form to the Property Administrator

- *by email at kgerrior@realestate360.ca*
- *by fax at 902-466-9777; or*
- *by delivery to Charles Smith (Building Manager) or Commissionaires for delivery to Real Estate 360.*

Summer Gardens

Annual General Meeting Tuesday, November 23, 2021 – 7:00 pm Online Meeting via Zoom

1. Call Meeting to Order

Dan Campbell, President, called the Annual General Meeting for Halifax County Condominium Corporation #130 to order at 7:04 pm in the Blue Room of Summer Gardens.

The President welcomed everyone to the meeting, thanked them for coming and introduced the head table. Present were Lisa Power, General Manager, Real Estate 360 Property Advisory and Property Manager; Elizabeth Parr-Johnston, Vice President; Terry Mounce, Treasurer; Charlotte MacKeigan, Secretary; Wendell Sandford, Director; Michael Sherar, Director; and Penny Durnford, Director.

Voter Registration

Quorum was confirmed with 41.46% present in person, via zoom, or represented via proxy.

2. Approval of the Annual General Meeting minutes of March 23rd, 2021

The President asked if everyone had the opportunity to review the revised Annual General Meeting minutes of March 23rd, 2021 and invited a motion to accept the minutes if there were no errors or omissions.

Unit 901 moved acceptance the minutes. Unit 1302 seconded the motion. All were in favor to accept the minutes as presented. MOTION CARRIED.

3. President's Report – Dan Campbell

The President gave an overview of the past year:

- Covid-19 has continued to dominate since the last meeting and Dan advised that the Board continues to meet in a socially distanced manner.
- Some repairs and replacements which the Board has undertaken this year:
 - Repaired the concrete at the bottom of the ramp at the back driveway
 - Replaced the cables in Elevator One, as it was making noise;
 - Upgraded the building's security system;
 - Continued replacement of balcony door;
 - Serviced the emergency generator;
 - the grounds were landscaped beautifully this year due to suggestions from the Garden Committee. Dan thanked the Garden Committee for their hard work and valuable input over the past year.
- Upcoming projects:
 - Replacement of slider windows
 - Investigating the installation of charging stations for electrical vehicles in the parking garage
 - Engineer has assessed the gazebo for repairs

Dan thanked the retiring Board members, Charlotte MacKeigan and Michael Sherar, for their knowledge and efforts. He noted that Charlotte MacKeigan will be leaving the Board after four years of service. He also thanked the volunteers who contribute to life in Summer Gardens, in particular, Sarah Kinley, who has for many years worked with the Art Gallery of Nova Scotia to choose the art work in our public areas, and the anonymous volunteers who take care of the informal library. Dan also thanked Lisa Power, Property Manager, Charles Smith, Building Manager, and the commissionaires who assist at the building.

4. Financial Report

a. Presentation of 2020/2021 Audited Financial Statement

Terry Mounce, Treasurer, presented the Audited Financial Statement for the period ending June 30th, 2021, noting that the audit was completed by auditors, Levy Casey Carter MacLean, who were appointed as the Corporation's auditors at the last Annual General Meeting. Terry advised that the auditors had reported their opinion that the Corporation's financial records fairly represented.

Revenue:	\$1,080,856
Expenses:	<u>\$756,447</u>
Excess of Revenue over Expenditures	\$324,409
Contribution to Reserve and Contingency Funds.	\$309,997.00

Highlights of the Reserve fund expenditures for the period July 1, 2020 to June 30th, 2021 included the following:

- Windows and Patio Doors
- Parkade Entrance Repairs
- Rear Driveway and Parking Area
- Storm Drain Maintenance

Total expenditures funded through the Reserve fund: \$364,476.00

Terry noted that though return on investments are down, overall the Corporation is in good financial shape.

Terry commented on a few of the expenditures that varied from budget this year:

- Landscaping was over budget due to extra funds spent on the grounds this year based on garden committee recommendations
- Heat, Lights & Power which is the Corporations second largest expense was down \$10,000 due to efficiencies
- Repairs and Maintenance was over due to parkade entrance repairs and rear parking lot associated repairs
- Repairs – HVAC was due to the heat pump in the Blue Room requiring replacement

There being no questions, a motion to accept the Audited Financial Statements for the period ending June 30, 2021 as presented was made by Terry and seconded by unit 1106. All were in favour. MOTION CARRIED.

b. Appointment of Auditors

The President advised that the meeting should appoint an auditor for 2020-2021. Moved by Terry Mounce, Treasurer, and seconded by Unit 303 to appoint, Levy Casey Carter MacLean, as auditors for the ensuing year. All were in favour. MOTION CARRIED.

5. Board Election

a. Nominating Committee Report

The Nominating Committee Report was presented by Gary Landry. It was reported that the nominating committee proposes the following owners to the Board of Directors:

Catherine Bent Unit 1302
Dan Campbell Unit 703
Penny Durnford Unit 1301
Liz Parr-Johnston Unit 202
Steve Lunn Unit 1605
Terry Mounce Unit 2103
Wendell Sanford Unit 2001

There being no further nominations from the floor, the Directors and officers were declared elected via acclamation.

The Board of Directors for 2021-2022 would therefore be:

Dan Campbell, President	Steve Lunn, Director
Liz Parr-Johnston, Vice President	Wendell Sanford, Director
Terry Mounce, Treasurer	Penny Durnford, Director
Catherine Bent, Secretary	

6. Other Business

a. Approval of Revised Common Element Rules circulated with Notice

Dan noted that the Condominium Act permits condominiums to make rules on different matters in different ways; rules respecting the use of units by the unit owners can be made in the Declaration and, in certain cases, in the By-Laws, with very strict requirements for approval – he noted that owners remember the process we went through to amend the declaration for the no-smoking amendment.

Dan explained that here is a much simpler process for rules governing the use of the common elements, and those Rules can be adopted by the Board, with notice to the owners. If no owner

objects, the rules go into effect, subject to ratification at the next meeting of owners and they can be approved by a majority of those owners at the meeting.

Dan advised that the Board has been for a long time considering amendments to the building's Rules and last year finally prepared a revision of the rules. They were reorganized to make them easier to read and make it easier to find things as the current rules are jumbled. Dan stated that they also removed some provisions that were not properly in Rules respecting the Common Elements but the units themselves, and that they put in some new terms to deal with some things that they thought were understood but were not written down.

Dan noted that the new Rules were distributed last winter before the AGM, and the Board intended to present them for adoption at that meeting. However the Board realized that they had not complied with the requirements for adoption and notice, and so said that they would be considered to have been distributed for comment and that they would be brought back later.

Dan advised that the Board received comments from one owner and responded to him. The Board formally adopted the revised regulations and notice was sent to all owners on October 29 – this time with the formal notice under the Act. He noted that they received an objection from an owner, so the rules have not gone into effect, and they therefore now have brought them to the meeting now for approval.

Dan said that one other member contacted us with a question but did not object to the Rules going into effect, but rather about the proposed rule about limiting building access fobs to residents. He recalled that the owner asked whether the Corporation should not permit fobs to be given to trusted friends or family members to inspect units when they are away – a reasonable idea, but upon investigation we learned that this is a more complicated problem and we therefore propose to withdraw Draft Rule 11 to permit the Board to prepare a policy on fobs.

Dan concluded that the Board therefore put the draft rules before the meeting of owners for approval. Under the Act, the Rules can be approved by a majority of the owners present or represented at the meeting.

Unit 203 noted that he was the one owner with an objection that Dan was speaking of. He commented that he never did receive the email notification with the new rules, just the website notification. Dan responded that everyone he spoke to received it, and Real Estate360's records indicate that it was indeed delivered to both of unit 203's email addresses.

Unit 203 commented that regardless of notification he feels that the vote to accept for reject these new changes should be deferred until the owners have more time to review and come to a decision. He passed out a red lined document which compares the old rules with the newly revised rules which the Board is proposing. He noted that owners should be aware that ever single rule has been added, deleted or altered in some way. He advised that he holds proxies for two units tonight, one of them being unit 2003, who could not be there tonight and asked him to read a letter which they wrote.

Unit 203 read aloud the letter from unit 2003 which asked the Board to defer the vote to accept or reject the new Common Element Rules until owners can have more time to review the revisions. He commented that the rules have served the community well for 24 years and should stand unless the

Board can produce a sufficient explanation as to why they should be changed for owners' consideration.

The President invited Liz Parr-Johnston, Vice President, to assume the chair.

There was some discussion back and forth regarding due process for Common Element Rule Changes and whether the current motion to defer was appropriate. Several unit owners commented that it is hard for them to vote without knowing what the exact changes were and requested that a comparison document be drafted and sent to owners similar to what unit 203 brought forward, and detailed explanations from the Board regarding each change. Several owners noted that communication throughout this process seems to be the issue.

Unit 402, Pat Cassidy, who specializes in condominium law, note that the procedural rules are clear, and the current motion on the floor by unit 203 is inappropriate as the correct process is that the ownership vote to either accept or reject the new revised common element rules, not defer. He noted if rejected, the ownership can request that a committee be struck to revise the bylaws.

After some further discussion, Elizabeth Parr-Johnston, Vice President, noted that the Board spent a lot of time on these revisions and it was their hope that the ownership could vote on them tonight. That being said, they have heard from several owners tonight and understand that they required further details regarding the changes before they can vote on the matter. She noted that the Board will reconvene on the issue and come back by March with a comparison document and explanations for the changes, and if necessary, create a committee and have a Special meeting of the Owners.

The President resumed the chair.

b. Report on Status of Building Project, including Window Replacement

Dan advised that the windows are coming to the end of their life, and so the Board engaged an architect a few years ago regarding replacement of all of the windows. The Board considered the cost for replacement of all windows to be excessive, and asked for other solutions. The senior architect recommended replacement of just the slider windows as they would provide the best improvement to the building. He noted that when Covid hit contractors had little interest in the project, and only one supplier submitted a proposal for crank-style windows. Samples were installed in the common room and the owners were invited to send their opinions of the window design to the Board. Dan noted that they have received many comments that the cranks are large and intrusive, the windows don't open very far, and the frames are larger than many would like to see. For these reasons, Dan noted that the Board has asked the supplier to come back with more sample options, and the Board would advise owners when one is installed and invite comments again before a decision is made. Dan noted that The Berkley just had very attractive vinyl windows installed, and though Summer Gardens uses metal-framed windows, he would like to investigate to see if those may be an option.

There was some discussion regarding the slider windows, with several owners commenting that they like the current windows, and all agreeing that the sample window would not work. It was noted that some owners don't have the same draft issues as others depending on where they are located within the building.

Unit 1501 asked if there are remotes available for the garage door. Dan stated that there are, but you must get them from the commissionaires; he understands that there is a finite number of those FOBS.

A Unit Owner commented that she was told there were no more available but then more were later produced, so perhaps they can get more.

No other business was brought forward.

7. Adjournment

With no further questions the meeting was adjourned at 8:35 pm.

Respectfully Submitted,

Lacey MacDonald,
Recording Secretary

DOR

Report of the Nominating Committee

The Committee nominates the following as Directors of our Condominium Corporation:

Catherine Bent (1302)
Dan Campbell (703)
Penny Durnford (1301)
Steve Lunn (1605)
Terry Mounce (2103)
Elizabeth Parr-Johnston (202)
Wendell Sanford (2001)

The Committee nominates the following as Officers:

Dan Campbell – President
Elizabeth Parr-Johnston – Vice-President
Catherine Bent – Secretary
Terry Mounce – Treasurer

Nominating Committee

Gary Landry, Chair

Diane Palmeter

Elizabeth DeLorey

HALIFAX COUNTY CONDOMINIUM CORPORATION NO. 130

FINANCIAL STATEMENTS
JUNE 30, 2022

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HALIFAX COUNTY CONDOMINIUM CORPORATION NO. 130:

Opinion

We have audited the financial statements of Halifax County Condominium Corporation No. 130 (the "Corporation"), which comprise the statement of financial position as at June 30, 2022, and the statement of general fund revenue, expenditures and fund balance, reserve fund revenue, expenditures and fund balance and contingency fund revenue, expenditures and fund balance and cash flows for the year then ended, 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 Corporation as at June 30, 2022, and the results of its operations and its 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 Corporation in accordance with the ethical requirements that are relevant to our audits 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 audit opinion.

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 Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

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

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.

**Levy
Casey
Carter
MacLean**

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Accountants

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INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement 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 Corporation'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 Corporation'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 Corporation 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.

Halifax, Nova Scotia
October 12, 2022



Chartered Professional Accountants

HALIFAX COUNTY CONDOMINIUM CORPORATION NO. 130

STATEMENT OF FINANCIAL POSITION
JUNE 30, 2022

ASSETS

	General Fund	Reserve Fund	Contingency Fund	Total 2022	Total 2021
Current					
Cash	\$ 42,377	\$ 450,889	\$ 134,403	\$ 627,669	\$ 393,323
Receivables	12,393	-	-	12,393	17,970
Interfund balance	6,994	(12,593)	5,599	-	-
Short term investments (note 3)	-	543,473	-	543,473	594,623
Prepaid expenses	<u>512</u>	<u>-</u>	<u>-</u>	<u>512</u>	<u>2,308</u>
	62,276	981,769	140,002	1,184,047	1,008,224
Long term investments (note 3)	<u>-</u>	<u>365,853</u>	<u>-</u>	<u>365,853</u>	<u>399,025</u>
	<u>\$ 62,276</u>	<u>\$ 1,347,622</u>	<u>\$ 140,002</u>	<u>\$ 1,549,900</u>	<u>\$ 1,407,249</u>

LIABILITIES

Current					
Payables and accruals	\$ <u>41,522</u>	\$ <u>38,530</u>	\$ <u>5,635</u>	\$ <u>85,687</u>	\$ <u>104,060</u>

FUND BALANCES

Unrestricted	20,754	-	-	20,754	61,782
Internally restricted (note 3)	<u>-</u>	<u>1,309,092</u>	<u>134,367</u>	<u>1,443,459</u>	<u>1,241,407</u>
	<u>20,754</u>	<u>1,309,092</u>	<u>134,367</u>	<u>1,464,213</u>	<u>1,303,189</u>
	<u>\$ 62,276</u>	<u>\$ 1,347,622</u>	<u>\$ 140,002</u>	<u>\$ 1,549,900</u>	<u>\$ 1,407,249</u>

On Behalf of the Board

Director

Date

Oct 25, 2022

Director

Date

Elizabeth Pan-Johna

Oct 25, 2022

HALIFAX COUNTY CONDOMINIUM CORPORATION NO. 130

STATEMENT OF GENERAL FUND REVENUE, EXPENDITURES AND FUND BALANCE
YEAR ENDED JUNE 30, 2022

	<u>Budget</u>	<u>2022</u>	<u>2021</u>
Revenue			
Condominium fees	\$ 1,099,666	\$ 1,099,664	\$ 1,071,588
Parking and sundry	<u>12,000</u>	<u>14,731</u>	<u>9,268</u>
	<u>1,111,666</u>	<u>1,114,395</u>	<u>1,080,856</u>
Expenditures			
Administration	22,350	19,315	15,091
Cleaning and supplies	19,300	17,806	16,487
Equipment maintenance	36,700	27,840	27,627
Garage repairs	8,000	8,323	6,737
Heat, light and power	133,000	132,719	122,949
Insurance	48,000	50,462	46,963
Landscaping and grounds	32,100	34,743	47,146
Management fees	41,397	41,397	40,387
Painting and decorating	7,500	4,970	10,789
Professional fees	3,950	4,858	2,439
Repairs and maintenance	63,000	61,874	61,054
Repairs - HVAC	13,000	7,906	8,500
Salaries, benefits and security	298,377	305,936	292,942
Snow removal	16,500	13,000	11,532
Water	<u>48,000</u>	<u>50,462</u>	<u>45,803</u>
	<u>791,174</u>	<u>781,611</u>	<u>756,446</u>
Excess of revenue over expenditures	320,492	332,784	324,410
General fund balance, beginning of year	-	61,782	47,369
Transfers to contingency fund	(10,000)	(63,816)	(9,997)
Transfers to reserve fund	<u>(310,000)</u>	<u>(309,996)</u>	<u>(300,000)</u>
General fund balance, end of year	<u>\$ 493</u>	<u>\$ 20,754</u>	<u>\$ 61,782</u>

HALIFAX COUNTY CONDOMINIUM CORPORATION NO. 130
STATEMENT OF RESERVE FUND REVENUE, EXPENDITURES AND FUND BALANCE
YEAR ENDED JUNE 30, 2022

	<u>2022</u>	<u>2021</u>
Investment income	\$ <u>20,486</u>	\$ <u>20,085</u>
Expenditures		
Bank charges	71	78
Contract repairs and equipment (note 3)	<u>148,710</u>	<u>364,476</u>
	<u>148,781</u>	<u>364,554</u>
Deficiency of revenue over expenditures before other items	(128,295)	(344,469)
Unrealized gain (loss) on investments	<u>(35,103)</u>	<u>64,976</u>
Deficiency of revenues over expenditures	(163,398)	(279,493)
Reserve fund, beginning of year	1,162,494	1,141,987
Transfers from general fund	<u>309,996</u>	<u>300,000</u>
Reserve fund, end of year	<u>\$ 1,309,092</u>	<u>\$ 1,162,494</u>

HALIFAX COUNTY CONDOMINIUM CORPORATION NO. 130

STATEMENT OF CONTINGENCY FUND REVENUE, EXPENDITURES AND FUND BALANCE
YEAR ENDED JUNE 30, 2022

	<u>2022</u>	<u>2021</u>
Interest revenue	\$ <u>673</u>	\$ <u>462</u>
Expenditures		
Adirondack chairs	-	1,801
Contract repairs	9,032	6,412
Bank charges	<u>3</u>	<u>6</u>
	<u>9,035</u>	<u>8,219</u>
Deficiency of revenue over expenditures	(8,362)	(7,757)
Contingency fund, beginning of year	78,913	76,673
Transfers from general fund	<u>63,816</u>	<u>9,997</u>
Contingency fund, end of year	\$ <u>134,367</u>	\$ <u>78,913</u>

HALIFAX COUNTY CONDOMINIUM CORPORATION NO. 130

STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2022

	<u>2022</u>	<u>2021</u>
Operating Activities		
Cash received for condominium fees	\$ 1,105,242	\$ 1,062,836
Cash received for parking	13,522	7,605
Cash received for sundry	455	1,122
Cash received for interest and investment income	21,913	21,090
Cash paid for operating expenses	(840,552)	(750,107)
Cash paid for reserve fund expenses	(110,251)	(400,012)
Cash paid for contingency fund expenses	<u>(5,201)</u>	<u>(7)</u>
Net cash inflow (outflow) from operating activities	<u>185,128</u>	<u>(57,473)</u>
Investing Activities		
Redemption (purchase) of investments	<u>49,218</u>	<u>(345,256)</u>
Net cash inflow (outflow) from investing activities	<u>49,218</u>	<u>(345,256)</u>
Increase (decrease) in cash during the year	234,346	(402,729)
Cash, beginning of year	<u>393,323</u>	<u>796,052</u>
Cash, end of year	<u>\$ 627,669</u>	<u>\$ 393,323</u>
Represented by:		
General fund cash	\$ 42,377	\$ 56,090
Reserve fund cash	450,889	250,108
Contingency fund cash	<u>134,403</u>	<u>87,125</u>
	<u>\$ 627,669</u>	<u>\$ 393,323</u>

HALIFAX COUNTY CONDOMINIUM CORPORATION NO. 130

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

1. Purpose of the organization

The Corporation was registered without share capital on July 8, 1987 under the Nova Scotia Condominiums Act to administer the common areas of the development registered as Halifax County Condominium Corporation No. 130. Under the Income Tax Act of Canada, the Corporation qualifies as a not-for-profit organization and is exempt from income tax.

2. Significant accounting policies

(a) Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

(b) Cash and cash equivalents

Cash and cash equivalents consists of cash on hand and balances with banks.

(c) Common areas

The common areas managed by the Corporation are owned proportionately by the unit owners and consequently are not reflected as assets in these financial statements.

(d) Fund accounting

The Corporation follows the restricted fund method of accounting for contributions. The general fund reports the contributions from members and the expenses of the operations. The restricted funds are set up and used to report as per note 3. Any interfund balances are non-interest bearing with no set terms of repayment.

(e) Revenue recognition

Owners assessments are recognized as revenue in the statement of general fund revenue, expenditures and fund balance monthly based on the budget distributed to owners each year. Special assessments are recognized as revenue when they become payable by the owners to the Corporation. Interest and other revenue are recognized as revenue of the related fund when earned.

(f) Capital assets

Minor capital assets are expensed in the year they are purchased.

(g) Contributed services

Volunteer services contributed on behalf of the Corporation in carrying out its operating activities are not recognized in these financial statements due to the difficulty in determining their value.

HALIFAX COUNTY CONDOMINIUM CORPORATION NO. 130

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

2. Significant accounting policies (continued)

(h) Use of estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates, as additional information becomes available in the future.

(i) Financial instruments

The Corporation initially measures its financial assets and financial liabilities at fair value. The Corporation subsequently measures all of its financial assets and financial liabilities at amortized cost except for equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in fund revenue and expenditures in the period of change. Transaction costs are amortized on the straight line basis over the term of the instrument.

3. Internally restricted funds

Reserve Fund

The Corporation, as required by the Condominium Act, 1989, has established a reserve fund for financing future major repairs and replacements of the common elements and assets of the Corporation.

The directors have used a comprehensive reserve fund study by BRK Engineering Inc. dated February 2021 and such other information as was available to them in evaluating the adequacy of annual contributions to the reserve fund for major repairs and replacements. The study recommended a reserve fund balance of \$902,255 on June 30, 2022. The balance at June 30, 2022 in the reserve fund is \$1,309,092, which is \$406,837 more than the recommended balance.

Recommended annual contributions over the next five years per the study are as follows:

2023	\$	320,000
2024	\$	320,000
2025	\$	320,000
2026	\$	320,000
2027	\$	320,000

Any evaluation of the adequacy of the reserve fund is based upon assumptions as to the future interest and inflation rates and estimates of the life expectancy of the common elements and assets and their replacement costs. These factors are subject to change over time and the changes may be material; accordingly, the Condominium Act requires the reserve fund study be reviewed by a qualified engineer after five years and a comprehensive study is to be completed after the study has been in place for ten years.

HALIFAX COUNTY CONDOMINIUM CORPORATION NO. 130

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

3. Internally restricted funds (continued)

Reserve Fund

The funds in the Reserve Fund are held with CIBC as follows:

	<u>Maturity Date</u>	<u>Amount</u>
Interest bearing bank account		\$ 432,086
Accrued investment income		1,130
Investment cash account		18,802
High interest savings account		248,725
Principal protected note	Dec 19, 2025	92,280
Principal protected note	Dec 24, 2027	83,774
Principal protected note	Dec 29, 2027	97,100
Principal protected note	June 30, 2028	92,699
<u>Equity Investments</u>		
Bank of Nova Scotia		21,559
BCE Inc		77,632
Royal Bank of Canada		109,932
Toronto Dominion Bank		<u>84,494</u>
		1,360,213
Less: payables and accruals		(38,530)
Less: amounts owing to the general fund		<u>(12,593)</u>
		<u>\$ 1,309,092</u>

The contract repairs of the Reserve Fund are comprised of the following:

	<u>2022</u>	<u>2021</u>
Gazebo rebuild	\$ 34,903	\$ -
Camera and intercom system	33,469	-
Fence replacement	17,563	-
Hallway lighting	-	2,829
Leak repairs	13,101	2,212
Storm drain maintenance	-	15,728
Windows and patio doors	49,674	48,869
Roof anchor inspection	-	3,450
Heat pump replacement	-	2,530
Parkade entrance repairs	-	15,950
Rear driveway and retaining wall	-	270,641
Window planning project	<u>-</u>	<u>2,267</u>
	<u>\$ 148,710</u>	<u>\$ 364,476</u>

HALIFAX COUNTY CONDOMINIUM CORPORATION NO. 130

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

3. Internally restricted funds (continued)

Contingency fund

Each year the Board may approve transfers between the General Fund and Contingency Fund which may be done as part of the budgeting process or a stand alone motion. The funds held in the Contingency Fund are to be used and applied from time to time toward meeting the deficits of the other funds and such other common purposes as the Corporation may deem necessary, but not for amounts to be expended from the reserve fund.

The funds in the Contingency Fund are held in an interest bearing bank account with CIBC.

4. Financial instruments

The Corporation is exposed to various financial risks as it relates to financial instruments:

(a) Credit risk

Credit risk is the risk that another party will fail to honour a financial obligation and will, as a result, cause a financial loss for the Corporation. The Corporation is exposed to credit risk relating to its accounts receivable balance. This risk is mitigated by the collection process afforded to the Corporation under the Nova Scotia Condominium Act.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of market valuations. There is market risk associated with the Corporation's equity investments.

(c) Liquidity risk

Liquidity risk is the risk that the Corporation will be unable to fulfill its obligations on a timely basis. The Corporation mitigates this risk by preparing budgets and cash forecasts in order to ensure that it has sufficient cash to fulfill its obligations.

5. Budget information

The budget figures presented are for comparison purposes and are unaudited.

Summer Gardens

Background of Common Element Rules proposal:

The Board proposed the *Common Element Rules* as a revision of the existing *Rules and Regulations Governing the Use of the Common Elements* to improve the organization, add some useful provisions that had not been included in the original document, and remove some others that were obsolete.

In addition, we proposed to remove some provisions that dealt with activity in the units themselves because, in our view, those provisions are not appropriate in rules that are supposed to deal only with the common elements. Some owners objected to the removal of those provisions based on their view that those provisions are enforceable because of the way that the *Rules and Regulations* were initially adopted, so, in deference to that view, these provisions were reinserted in the draft *Common Element Rules*.

At the Town Hall meeting we had a good discussion of the rules generally, with most of the attention on matters that had not been proposed to change – the rules relating to pets, to construction work. There was not a clear consensus on either of these. In our view, these are not matters that are appropriately dealt with in common element rules; they affect activities in the units and should be set out in either the Declaration or the By-laws¹.

We propose therefore that the revised *Common Element Rules* as presented at the Town Hall meeting be approved on the basis that the changes that they make are widely supported (like the rules about the parking garage and the Blue Room) and that they make no change to the subjects that were controversial.

We should then proceed to review the By-laws (and, if necessary, the Declaration) to transfer the appropriate rules about the use of the units there. These would include the rules with respect to pets in the units and with respect to noise. We will be proposing amendments to the By-laws to permit virtual meetings in any case and this may be dealt with in the same process.

We can consider whether any changes to the Declaration are required. We might, for instance, wish to revise the status of the parking spaces in connection with any proposed installation of charging infrastructure for electric vehicles.

¹ The Declaration can include rules relating to the use of the units, while the By-laws can include provisions “governing the use of the units or any of them for the purpose of preventing unreasonable interference with the use and enjoyment of the common elements and other units.” To the extent that these provisions deal with or prevent “unreasonable interference”, they can be in the By-laws.

Summer Gardens

Halifax County Condominium Corporation No. 130

Common Element Rules

Rules Governing the Use of the Common Elements

Revised November 22, 2022

**These Rules are made under
Section 24 of the *Condominium Act***

- 24(1) The by-laws may provide for the making of rules by the owners respecting the use of the common elements for the purpose of preventing unreasonable interference with the use and enjoyment of the units and common elements.
- (1A) The board of directors may propose new rules or amend or repeal existing rules respecting the use of the common elements to promote safety and security of the members and property or to prevent unreasonable interference with the use and enjoyment of the units and common elements.
- (1B) A rule proposed to be made, amended or repealed by the board of directors is not effective until such time as the board provides the members of the corporation with notice of the proposed rule in the prescribed form, which notice must include a form to allow the unit member to object to the rule.
- (1C) Where the board does not receive a notice of objection within ten days of delivery of the notice of rule, the rule is in force until it is ratified by a majority of the members present at the next general meeting of the members with the requisite quorum.
- (1D) Where a board receives a notice of objection from an owner, the proposed rule has no force and effect unless the rule is ratified by a majority of the members present at the next general meeting of the members with the requisite quorum.
- (1E) A rule that is not ratified at a meeting pursuant to subsection (1C) is of no further force or effect.
- (2) The rules shall be reasonable and consistent with this Act, the declaration and the by-laws.
- (3) The rules shall be complied with and enforced in the same manner as the by-laws.

**and under Article XII of the By-Laws of
Summer Gardens, HCCC No 130**

- XII 1. The rules and regulations with respect to the common elements of the Corporation shall be initially those rules and regulations set forth in Schedule "A" of this By-Law Number 1, and thereafter any amendments, additions, deletions or changes therein from time to time shall be authorized by resolution passes by a majority vote at an annual of general meeting of the Corporation.

Common Element Rules

Rules & Regulations Governing the Use of the Common Elements

Interpretation

1. These Rules and Regulations apply to all the common elements of the property, indoors and outdoors, including the common areas (common elements to which all residents have access) and the exclusive use common elements (portions of the common elements which are for the exclusive use of the residents of one unit - the balconies, storage lockers, and parking spaces).
2. Definitions:
 - a) "Building Manager" means the person employed by Summer Gardens to manage the operations of the building under the direction of the Condominium Manager; and
 - b) "Condominium Manager" means the person or corporation contracted by Summer Gardens to manage the business of the condominium;
 - c) "guest" means a person visiting or staying temporarily with a resident, and includes persons making deliveries to or performing work for a resident or owner;
 - d) "owner" means the person who owns a unit in Summer Gardens;
 - e) "the property" means the land and buildings which comprise the condominium property of Summer Gardens, and includes the chattels and equipment of Summer Gardens;
 - f) "recreation area" means the area that includes the swimming pool and pool deck, the hot tub, the saunas, the exercise room, and the shower rooms.
 - g) "resident" means a person whose principal residence is in a unit in Summer Gardens, and includes an owner who lives in the unit, a person sharing a unit with the owner, or a tenant of an owner or a person sharing a unit with a tenant;
 - h) "Summer Gardens" means Halifax County Condominium Corporation No. 130.
3. The headings in these Rules and regulations are for convenience only. They are not part of, and do not affect the interpretation of, the Rules and Regulations.

General Provisions

4. Residents must not:
 - a) Bring or keep flammable or offensive materials in the property;
 - b) Use any fuel-burning heating device of any kind in the property; or
 - c) Do or permit anything to be done in the property which will cause a risk of fire or increases the rate of fire insurance on the property, or conflict with the regulations of the Halifax Regional Municipality Fire Department or Provincial Fire Marshall or with any insurance policy on the property.
5. Residents must not violate any statute, regulation, or municipal by-law.
6. Residents must not:
 - a. paint or decorate the halls, doors, or other parts of the common elements;
 - b. install antennas for radios, TV, or other communications systems or devices that are visible from the exterior of the building;
 - c. store goods in the common elements, including hallways, stairwells, parking areas, or anywhere except in their unit or assigned storage locker. If improperly stored goods are not removed after one day's notice, the Building Manager may dispose of them at the cost of the resident.
7. Residents must exercise care about making noise at all times. Residents must not permit unusual noise or disturbance on the premises that will interfere with the enjoyment of other residents of the property, and in particular will refrain from the loud playing of musical instruments, radios, television sets, computers, or other sound equipment. Excessive noise, loud talking, slamming of doors, racing of engines, or the use of horns is prohibited everywhere on the premises.
8. Summer Gardens is a non-smoking condominium. Smoking of any products (including cannabis) in any way (including "vaping") is prohibited throughout the property.
9. Owners and residents must not give orders or directions to any employee of Summer Gardens. All requests for service must be directed to the Condominium Manager or to the Board of Directors through the Building Manager's office.

Security Systems

10. The door locks of the units and the electronic security systems controlling access to the building are part of the common elements, and the keys and fobs are subject to these rules.
 - a. Owners may have the unit door lock re-keyed at their own expense, but only by the locksmith designated by Summer Gardens and consistent with Summer Gardens' master key system
 - b. Owners must not install any additional locks on unit doors.
11. Owners and Residents must not duplicate the fobs and must provide fobs only to residents of the building or to a limited number of non-residents who are trusted by the owner to enter their unit when the owner is not present.
12. Residents must keep unit entrance doors closed and must keep them locked at all times when there is no-one present in the unit.
13. Residents must not allow non-residents admittance to the building or their unit unless they know the person requesting admittance.

Vehicles and Parking

14. Parking spaces are assigned to each unit by the Board and may be reassigned from time to time.
 - a) Residents must park only in their assigned spaces. Vehicles parked in unauthorized areas may be towed at the expense and risk of the resident.
 - b) Assigned parking spaces may be sublet to another resident, but not to a person who is not a resident of the building.
 - c) Residents are responsible for compliance with these parking rules by their guests, and for informing their guests of these rules.
 - d) Residents must not bring vehicles powered by propane or natural gas into the parking garage. Residents with such vehicles may ask to be assigned an exterior parking space instead of an interior space.
 - e) Parking spaces are for one vehicle only and must not be used for storage. A small basket-cart may be left in a parking space.

- f) No automobiles may be parked so as to block other vehicles.
- g) The parking areas in front of the building are reserved for guests while visiting with residents, and residents must not park in those spaces. Any guest parking in those areas must be reported by the host resident to the Commissionaires.
- h) The driveway in front of the building is for discharging and picking up passengers. No vehicle may be left unattended in this area.
- i) Residents must not make or permit repairs to vehicles anywhere on the property except those emergency repairs necessary to enable the removal of such vehicle from the premises.
- j) Vehicles must be driven slowly in the driveways, on the entry ramp, and inside the parking garage. Headlights must always be on in the parking garage.
- k) Vehicles entering the parking garage must yield to outgoing vehicles.
- l) For the security of all residents, please pause your vehicle after passing through the garage door until the door closes.
- m) Residents must use their access fob each time they enter the parking garage, even if following another car, to permit the Commissionaires to know who has entered the garage.
- n) Residents must not wash cars anywhere other than in the designated car wash bay.

Storage Lockers

15. Storage lockers are assigned to each unit by the Board and may be reassigned from time to time.
- a) Residents use the storage lockers at their own risk. The corporation is not responsible for any loss or damage to items stored in the lockers from any cause. Residents are advised to ensure that their property insurance covers property in their locker.
 - b) Residents must comply with all requirements of the Fire Code or the Fire Marshall with respect to how high items can be stored with respect to sprinklers.

- c) Residents must not store flammable materials or materials which create a risk of explosion, leakage, odor, or food or other materials that might attract vermin or insects. Residents must cooperate with the Building Manager in cleaning or removing materials from their lockers if vermin or insects are found in the locker area. If goods are not removed within one day of notice in writing, the Building Manager may dispose of them.

Common Areas - Corridors, Lobbies, Elevators

- 16. The sidewalks, halls, entry, passageways, and stairways of the building must not be obstructed or used for any purpose other than ingress and egress.
- 17. Residents must not leave any items (such as doormats or footwear) in the corridors.
- 18. Residents must not paint or decorate corridors, doors, or other common areas.
- 19. All deliveries of furniture, appliances, building materials, or other large items must be brought into the building through the service entrance.
 - a) Residents must coordinate with the Building Manager at least 48 hours before moving furniture, appliances, or household effects in or out of the building.
 - b) Deliveries or moves are allowed if elevator capacity is available and only between 9:00 a.m. and 5:00 p.m. Monday to Friday, holidays excluded.
 - c) Furniture should be moved only by professional movers.
- 20. Bicycles of residents may be stored in the racks in the parking garage or in storage lockers, but must not be brought in the lobbies, elevators, or corridors.
- 21. The shopping carts and luggage trollies are only for the use residents, who must return them to the designated space in the parking level immediately after use.
- 22. Common areas must not be used by tradesmen to store, prepare, or cut any materials or object of any kind. All work must be completed within the owner's unit or parking space, with subsequent cleanup.
- 23. No sign, advertisement or notice may be affixed on any part of the property except on the bulletin board provided in the mail area.
- 24. No owner or resident may alter or remove any furniture, furnishings, or equipment from the common elements.

25. Owners are responsible for the cost of repairing any damage to any of the common elements caused by the resident or their guests.

Pool and Exercise Room

26. The recreation areas are common element amenities and are for the use only by residents or their guests while the residents are present. The recreational area includes the swimming pool and pool deck, the hot tub, the fitness room, the saunas, and the showers and lockers.

- a) No more than four guests per condominium unit at any time are permitted.
- b) If residents have a person check on their unit while it is unoccupied, this person is not considered a guest and does not have access to common element amenities.
- c) Common element amenities are not intended for regular use by non-residents, but rather for occasional use during a visit with residents.
- d) Owners who rent their unit are considered to have transferred the right to use the common element amenities to the resident but may still access their exclusive-use common elements (parking space and storage locker) if these elements are not included in the rental agreement.

27. Residents and their guests use the recreation areas at their own risk. Summer Gardens is not responsible for any personal injury or loss or damage to property of any person using the swimming pool, hot tub, sauna, fitness room or ancillary facilities.

- a) The recreation areas are not supervised. Summer Gardens strongly recommends that no one use these facilities unless another person is present.
- b) Children under 14 years of age using the recreational area must be accompanied by an adult.

28. Residents and guests must use the recreation areas in accordance with a sign-up reservation system as determined by the Board from time to time.

29. Residents and guests must shower before entering the swimming pool or hot tub.

30. Running and horseplay in the pool and recreational area are prohibited.

31. Food and beverages are prohibited in the pool area.

32. Pets are not permitted within the pool area under any circumstances.
33. Swimming fins, masks, snorkels, or inflated toys may only be used in such a way as to not detract from the enjoyment of the pool by others.

Blue Room

34. Residents may reserve the Blue Room for private functions when it is not required for Summer Gardens functions. Bookings are made with the Building Manager or in his or her absence, with the Commissionaires.
35. Residents who reserve the Blue Room are responsible to clean the room thoroughly following their function.
36. The Blue Room is not to be used for business activities of any kind.

Balconies

37. Owners and residents must not make alterations or additions to balcony areas or the outside the walls of the building without approval of the Board. They must perform permitted work strictly in accordance with any terms of approval and must promptly rectify any deficiencies.
38. Residents who choose to paint the ceiling of their balcony must use the colour and type of paint specified by the Building Manager.
39. Residents must not drop items from the balconies or place objects on a balcony so as to create a risk that the object may fall from the balcony.
40. Residents must not hang or leave on the balcony any items that detract from the outward appearance of the building. This includes, but is not be limited to, laundry, bathing suits, towels, beach mats, and mops. Residents must not dust, shake, or hang any items from the balconies or clean items by beating or sweeping.
41. Residents must not use balconies as storage areas.
42. Residents must not have barbecues or other cooking devices on the balconies.

Waste Disposal

43. Residents must separate their waste in accordance with HRM standards and place the segregated waste in the designated containers in the recycling area.

Mail and Mail Room

44. Registered mail addressed to residents will not be accepted by the Corporation or its employees unless the addressee gives prior permission in writing. However, parcels or other such deliveries will be accepted.
45. Residents are not permitted in the inner mailroom while the carrier is sorting mail.

Pets

46. The right to maintain a pet in Summer Gardens can be revoked at any time by the Board of Directors, in their discretion, if the pet is or appears vicious, is annoying other residents, or is otherwise a nuisance, or if the resident fails to comply with these Rules and Regulations pertaining to pets.
47. Pets must be under the control of their owner or other responsible person at all times.
48. No pets may be kept on the common elements, including exclusive-use common elements (balconies). Pets are prohibited in hallways, except for ingress and egress.
49. Animals other than service dogs must enter or leave the building through the back entrance or through the parking garage, and not through the main entrance.
50. Pets must be walked off the condominium property must not be curbed on the external common elements. Pet owners must always clean up after their pets.
51. Residents are responsible for any damage to persons or property caused by their pet. Residents must always clean up after their pets.
52. Any pets brought into the building by visitors or guests must abide by all the rules pertaining to pets and residents are responsible for their guests and their pets.
53. No pets or animals shall be kept or maintained in or about the Condominium property, except dogs, cats and small birds in suitable cage.
54. Only one dog or cat may be kept in a unit.

Additional Rules

55. At no time shall more than two people per bedroom be allowed to reside in a unit. A request may be made to the Board of Directors, at any time, as to the number and names of all residents of any unit.

56. Waterbeds are strictly prohibited.
57. No owner or resident of any unit shall install wiring for electrical, telephone or TV without the prior written consent of the Board of Directors.
58. All floors, except kitchen, bathrooms and entry halls shall be carpeted.