

This paper should be read in tandem with the next one, which discusses some of the basic steps we need to take in order to better define the requirements of the RJC report.

All costs are allocated to suites on the basis of a two part formula:

1. a fraction for allocation of a share of the costs to your building; and
2. a fraction to allocate your share of those costs to you.

These fractions are found on the pages of the AGM minutes where your monthly payments are calculated.

The fraction for allocation of a share of the costs to your building is

Phase 1 .422032.  
Phase 2 .244538.  
Phase 3 .284645.  
Co-op .048794.

The fraction for allocating your share of the building costs to you is unique to your suite and it is based on your suite's square footage. It also can be found in the pages referred to above.

*An Example:*

Using my suite as an example (701 -1490), my unique fraction is .0154743 for a suite of 1560 square feet in Phase Three.

I can now calculate my share of any costs of any kind in the following way:

$$.284645 \times .0154743 = 4.441\% \text{ of the total costs for the entire HC.}$$

Thus, every one million dollars of expenditures will cost me \$4,441 or \$2.85c per square foot.

In other words, if council recommends that we contribute two million dollars a year to the CRF for costs of depreciation projects, my share would be  $1560 \times 2.85 \times 2 = \$8882$ .

For purposes of very rough calculation you can use the number of \$3 per square foot. However, because there are anomalies in total cost sharing due to such things as adjustments in the cost allocation to Phase One because of Creekside Park and the Co-op's share of costs for the recreation area, you should calculate your own unique cost.

A depreciation program cost could also be recovered through a Special Levy, which we will discuss in another paper.

When we eventually start to discuss actual depreciation costs, they are likely to be rather daunting. Keep in mind, however, as we will show in another paper, in the past 13 years we have averaged \$741,000 per year for CRF contributions and capital programs.