

AGM Networking Luncheon
Friday, June 17, 2005
2010 and Beyond: Effective Replacement Reserve Planning

Facilitator: Karen Sexsmith

- Co-ops need to make the decision to hire proper staff to carry things out
- Planning is essential – planning session
- Budget is a 1 year plan
- Priority is planning
- Capital budgets necessary
- Need a work plan to create a proper replacement reserve budget

What information is in a replacement reserve plan?

- Flooring
- Building components – identifying age of, and how long it will last
- One idea – self survey for age of components

How long are replace reserve plans?

- 5 years (set by engineer)

- If a component doesn't need replacement, don't replace it
- Possible way to work is: list all components and estimate life and cost
- Preventative maintenance plan is essential
- CMHC has a Replacement Reserve worksheet to work with that is free
- Engineer/unit inspections/replacement reserve planning are all essential and function together for appropriate planning
- Self inspection – follow up with maintenance staff
- Concerns
 - non-reporting of problems
 - over reporting of concerns/problems
- Needs to be combined with annual inspections
- Important to be clear to members what the inspections are for. Important to keep confidentiality
- How do you present deficit replacement reserve plans? And ask for/get proper funding?
– sometimes depends on trust