



**Reserve Fund Planning
Comparing Depreciation Report Proposals
Proposal Comparison Worksheet**

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Constructive Condo Reporting Corp.



Reserve Study or Depreciation Report

PROPOSAL COMPARISON WORKSHEET

PART 1 – Expertise and Experience		
1. Pre-contract Interview	Proactive boards and strata councils will have providers present their proposals so that they can use the interview to meet their dedicated report writer and have them attest to their experience:	
	– Report writer available for an interview	2 points
	– If not available	0 point
2. Work Samples	Reviewing a report sample allows for the verification of the content and format of the report in terms of its accuracy, thoroughness and reserve fund planning knowledge:	
	– If a work sample is available	4 points
	– If a work sample is not available	0 point
3. Qualification	Set by Legislation in each province – BC's Condominium Home Owners Association (CHOA) recommends the following: Engineers, Architects, Certified Reserve Planners, Appraisers, Quantity Surveyors, Technologists and others with skills required under the Strata Property Regulation.	
	– If qualification is mentioned by legislation or owners' association	4 points
	– If not mentioned by legislation or owners' association	0 points
4. Construction Background	The extent of experience in residential and commercial construction and remediation prior to writing reports has a direct impact on the depth and breadth of the report:	
	– more than 20 years of designing, building or repairing experience	4 points
	– 6 to 19 years of designing, building or repairing experience	2 points
	– Less than 5 years of designing, building or repairing experience	1 point
	– No construction experience	0 point
5. Building Science Education	The extent of education in building science has an impact on the depth and breadth of the report:	
	– more than 10 years of building science experience	4 points
	– 6 to 10 years of building science experience	2 points
	– Less than 5 years of building science experience	1 point
	– No building science experience	0 point
6. References	Opinions on the social skills of the writer are useful – Maximum of eight (8) points:	
	– Recommended by a Property Manager	4 points
	If the Property Manager has no opinion	2 points
	If the Property Manager has a negative opinion	0 point
	– Recommended by an Owner in a letter or verbally	4 points
	If the provider is not mentioned by a former client	2 points
	– Recommended in Publications	4 points
	If the provider is not mentioned by an owner or in publications	2 points
7. Insurance Coverage	Errors & Omissions insurance is a guarantee of the service record of the writer:	
	– Highest coverage	4 points
	– Second highest coverage	3 points
	– Third highest coverage	2 points
	– If not mentioned	0 point



PART 2 – Fundamentals and Particulars

8. Benchmark Analysis	Required in all reports, the benchmark provides financial information that is used to transition from the current fiscal-year reserve fund position to the year-to-year financial analysis:	
	– If the Benchmark has realistic component numbers, includes quantities and unit costs	8 points
	– If no quantities and costs are included in the Benchmark or descriptions	4 points
	– If the financial analysis is limited to current costs	2 points
	– If there is no Benchmark or the Benchmark is incomplete or not linked to the scenarios	0 point
9. Rates Used in Scenarios	Using the appropriate construction inflation rate (CIR) and historical investment interest rates (IIR) ensures that the scenarios are reliable and usable:	
	– If construction inflation rate is used and accrued interest is based on historical record	4 points
	– If construction inflation is used and accrued interest is based on market rates	2 points
	– If consumer inflation is used and accrued interest matches it	0 point
	– If scenarios include numbers that are not inflated	0 point
10. Reserve Fund Requirements	Using the Benchmark's Reserve Fund Requirements line item in the scenarios allows for a comparison of the reserve fund's position fiscal-year to fiscal-year and for a mathematical measure of a reserve fund's standing as a percentage of the Benchmark's Reserve Fund Requirements:	
	– If requirements are included in the scenarios, interpreted as a percentage and the scenarios include a catch-up benchmark scenario reached in the next fiscal-year or soon after	4 points
	– If requirements are included in the scenarios, not interpreted as a percentage and the scenarios include a catch-up scenario reached at the end of thirty-years	2 points
	– If the Reserve Fund Requirements are not used in the scenarios	0 point
11. Access Through Lots	Inspecting components on balconies and decks is required and cannot be conducted from looking up from the ground:	
	– If access through a few lots is requested	4 points
	– If not requested	0 points
12. Draft Discussion Meeting	Meeting with the writer to discuss the draft ensures that the report will meet the strata council's needs:	
	– If the draft meeting is included in the fee	4 points
	– If a draft meeting requires an additional disbursement	0 point
13. Yearly Updates	Updating the reserve fund benchmark and recommended scenario to take in account changes is an important part of the annual board or strata council budgeting meeting:	
	– If annual updates are included in the fee	4 points
	– If updates are available for a fixed additional cost	3 points
	– If the updates are based on a time and expenses basis	2 points
	– If updates are not mentioned or available	0 point
14. Additional Meetings	Attendance of the writer may be necessary at a special or a general annual meeting:	
	– Least expensive additional cost	4 points
	– Second least expensive additional cost	3 points
	– Third least expensive additional cost	2 points
	– Not mentioned or described	0 point



PART 3 – Fee, Additional Costs and Deliverables

15. Fee	The overall cost for the services provided determines the fee:	
	– Lowest fee	4 points
	– Second lowest fee	3 points
	– Third lowest fee	2 points
16. Renewal Fee	Fixing the cost of the next report at the time of the contract allows for better budgeting:	
	– If it is mentioned and the renewal fee is less than 70% of the first report	4 points
	– If it is mentioned and the renewal fee is more than 70% of the first report	3 points
	– If it is not mentioned or not available	2 points
17. Disbursements	This criteria refers to extras for travel, getting plans etc. Knowing helps to determine the final cost:	
	– Lowest disbursements	4 points
	– Second lowest disbursements	3 points
	– Third lowest disbursements	2 points
18. Report Hard-copies	Knowing if, how many and at what cost hard-copies are provided helps to determining costs:	
	– If two (2) free copies are provided	4 points
	– If one (1) free copy is provided	3 points
	– If the cost is under \$100 or 40 cents a page	2 points
	– If the cost is over \$100 or 40 cents a page	1 point
19. Additional Report Copies	Knowing the additional cost for hard-copies helps to determine future costs for distributing the report to third parties:	
	– If additional copies are free	4 points
	– If under \$100	3 points
	– If over \$100	2 points
	– If additional copies will not be provided	0 point
20. Report Electronic Copy	It is standard practice to produce a PDF copy on a CD-ROM:	
	– If the electronic copy is included in the fee and comes on a CD-ROM	4 points
	– If the electronic copy is included in the fee but only as an email	3 points
	– Less than \$20 for an electronic copy	2 points
	– More than \$20 for an electronic copy	1 point
	– If no electronic copy is provided	0 point
21. Electronic Access	Some providers offer internet access to their funding scenario with the option of limited updating of numbers:	
	– If a portal is available and included in the fee	2 points
	– If the portal is available at a fee	1 point
	– If no portal is available	0 point
22. Combining Services	Some providers also offer a discount for taking on insurance appraisals, warranty reviews etc. in addition to the reserve fund planning report service:	
	– If additional services are available and include a discount	4 points
	– If additional services are available with no discount	2 points
	– If no additional services are available	0 point



PROPOSAL COMPARISON WORKSHEET		Constructive Condo Reporting Corp.	Score Below	Provider	Score Below	Provider	Score Below
PART 1 – EXPERTISE AND EXPERIENCE:							
1. Pre-contract Interview:	Offered		27				
2. Sample of Work:	Offered and Online		2				
3. Report Writer(s) and Designation(s)	J.-F. Proulx, M.Sc., CRP		4				
4. Construction Background Experience:	Trade, Contractor, Writer		4				
5. Building Science Education:	BCIT, BCBECC etc.		2				
6. References – 8 points Max:	Owners and Letters	Yes	4				
	Property Manager	Yes	4				
	Publications						
7. Insurance Coverage (E & O):	REIC		3				
PART 2 – FUNDAMENTALS OF RESERVE FUND PLANNING:							
8. Benchmark Analysis:			30				
9. Rates used in Scenarios:			8				
10. Reserve Fund Requirements:			4				
11. Access Through Lots Requested:			4				
12. Draft Discussion Meeting:			4				
13. Additional Meetings:			3				
14. Yearly Updates:			3				
PART 3 – FEE, ADDITIONAL COSTS AND DELIVERABLES:							
15. Fee:			25				
16. Next Depreciation Report Renewal Fee:			2				
17. Disbursements:			4				
18. Hard-copies of the Report:			4				
19. Additional Report Copies:			3				
20. Report Electronic Copy:			4				
21. Electronic Access:			0				
22. Combined Services:			4				
FINAL EVALUATIONS			82				

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