

**Strata Basics 101: Strata Property Act & Regulations**  
**Managing a Small Strata**

Many strata corporations under 25 units are often self managed. Often the business is very casual with little regard for the formalities of the *Strata Property Act*, or the necessary business decisions to ensure they have the authority to spend money, collect special levies or enter into major contracts or service agreements.

The *Schedule of Standard Bylaws* of the Act automatically apply to all strata corporations, and while some strata corporations adopt additional bylaws that limit the use of property such as rentals, pets, age restrictions and parking, they rarely repeal the *Schedule of Standard Bylaws*.

The basic documents your strata corporation is required to maintain are a copy of:

- the registered strata plan
- any registered bylaws
- any rules of the strata
- the *Strata Property Act*
- your financial records
- your strata insurance policy
- any council meeting minutes
- any annual general meeting minutes
- any special general meeting minutes

The registered strata plan will show:

- the common property, that the strata corporation must maintain and repair
- the strata lot, that the strata lot owner must maintain and repair
- the boundaries of strata lots
- the limited common property that is for exclusive use of an owner(s) with some limited maintenance & repairs as defined in the bylaws
- voting rights showing the number of votes for each strata lot

The Annual General Meeting is the most critical meeting of the strata corporation each year. The approval of the budget will determine the amount to base your strata fees, create funds for the strata to operate and pay common expenses and elect a council who act for the Strata Corporation throughout the year.

Annual General Meeting Agenda  
*(SPA Standard Bylaw 28)*

- a) certify proxies & issue voting cards
- b) determine if there is a quorum
- c) elect a person to chair the meeting if necessary
- d) present proof of notice of the meeting or waiver of notice
- e) approve the agenda
- f) approve the minutes of the last annual or special general meeting
- g) deal with unfinished business
- h) council/committee reports
- i) ratify new rules made by the strata corporation under section 125
- j) report on insurance section 154
- k) approve the budget section 103
- l) deal with new business section 45
- m) elect a council
- n) terminate the meeting.

Strata fee allocations are based on the annual total approved budget and strata fee revenues required and calculated on unit entitlement.

Calculating Monthly Fees

*Unit entitlement example (5 units)*

Strata Lot number	Schedule of Unit Entitlement
1	1195
2	1142
3	1050
4	990
5	1087
Total	5464

For example: in the above 5 unit strata, if the total amount of the annual operating budget is \$10,000 and that amount is required in strata fees, then the annual/monthly fees are calculated as follows.

Strata lot 1  
 $1195/5464 \times \$10,000 = 2,187.05$   
 $\$2,187.05 / 12 = 182.25$  per month.

Sample Summary Proposed Budget

Revenue

Strata Fees	\$ _____
Parking	\$ _____
Laundry	\$ _____
Surplus Previous Year	\$ _____
Forms & Records	\$ _____
Other	\$ _____
<b>Total Revenue*</b>	<b>\$ _____</b>

Operating Expenses

Admin/ Bank	\$ _____
Deficit recovery*	\$ _____
Waste/recycling	\$ _____
Consulting & professional	\$ _____
Insurance	\$ _____
Service contracts	\$ _____
Repairs & Maintenance	\$ _____
Utilities	\$ _____
<b>Subtotal Operating</b>	<b>\$ _____</b>
Contingency Reserve	\$ _____
<b>Total Expenses*</b>	<b>\$ _____</b>

\* Note: The *Strata Property Act* and *Regulations* do not permit deficit budgets. In the event that a deficit exists at the end of the year, the deficit must be repaid within the next fiscal year. It may be repaid either by a 3/4 vote resolution for a special levy, or as an expense item in the annual budget.

Minutes & Records

The motions and decisions of the strata corporation at general meetings and council meetings must be recorded in the minutes of the meetings. It is important to date each set of minutes, and clearly identify the dates of minutes be approved at subsequent meetings.

Bylaw Enforcement

Bylaw enforcement is the obligation of the strata council. Before a strata corporation imposes a fine or penalty they must comply with section 135 of the Act. Owners and tenants are entitled to respond to the claims and may request a hearing of council, all of which will require a council meeting and a decision of council.

Additional guides are posted on the CHOA web site at [www.choa.bc.ca](http://www.choa.bc.ca)

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