

## The Roles and Responsibilities of Strata Council

There are 2 basic principles to understand how the Act creates obligation and delegates authority to the strata council.

### ***SPA Responsibilities of strata corporation***

**3** *Except as otherwise provided in this Act, the strata corporation is responsible for managing and maintaining the common property and common assets of the strata corporation for the benefit of the owners.*

### ***SPA Strata corporation functions through council***

**4** *The powers and duties of the strata corporation must be exercised and performed by a council, unless this Act, the regulations or the bylaws provide otherwise.*

To understand the roles of the strata council, we first must understand the obligations of the strata corporation. The strata council represent the corporation and are the delegated authority of the corporation for the implementation of maintenance and repairs of common assets and facilities, emergencies, enforcement of bylaws, financial operations, record keeping, court actions and arbitration, forms for real estate transactions, service contracts, insurance and emergencies, convening of council meetings and general meetings, and overall general operations of the corporation as set out by the *Strata Property Act*.

Once elected, the first task the council is often faced with is who on council will play what role? Who will be president, vice president, secretary or treasurer? Will candidate "A" be the secretary or does their gardening experience better suit them to the role of landscaping? Is it really necessary to supervise the service contractors or does the strata

manager have this task well in hand? What role does the council play if the property is fully managed and supported by service contracts? Should they be involved in the daily functions of business? If there is no management, what type of service contracts will the strata require to undertake its obligations? *The Strata Property Act* (SPA) sets out limitations, terms for delegation, and reasonable ethical expectations of council members as well.

### ***SPA Council member's standard of care***

**31** *In exercising the powers and performing the duties of the strata corporation, each council member must*

- (a) act honestly and in good faith with a view to the best interests of the strata corporation, and*
- (b) exercise the care, diligence and skill of a reasonably prudent person in comparable circumstances.*

### ***SPA Disclosure of conflict of interest***

**32** *A council member who has a direct or indirect interest in a contract or transaction with the strata corporation must*

- (a) disclose fully and promptly to the council the nature and extent of the interest,*
- (b) abstain from voting on the contract or transaction, and*
- (c) leave the council meeting*
  - (i) while the contract or transaction is discussed, unless asked by council to be present to provide information, and*
  - (ii) while the council votes on the contract or transaction.*

***SPA Schedule of Standard Bylaw***

***Delegation of council's powers and duties***

**20** (1) *Subject to subsections (2) to (4), the council may delegate some or all of its powers and duties to one or more council members or persons who are not members of the council, and may revoke the delegation.*

(2) *The council may delegate its spending powers or duties, but only by a resolution that*

*(a) delegates the authority to make an expenditure of a specific amount for a specific purpose, or*

*(b) delegates the general authority to make expenditures in accordance with subsection (3).*

(3) *A delegation of a general authority to make expenditures must*

*(a) set a maximum amount that may be spent, and*

*(b) indicate the purposes for which, or the conditions under which, the money may be spent.*

(4) *The council may not delegate its powers to determine, based on the facts of a particular case,*

*(a) whether a person has contravened a bylaw or rule,*

*(b) whether a person should be fined, and the amount of the fine, or*

*(c) whether a person should be denied access to a recreational facility.*

***SPA/Standard Bylaw Limitation on liability of council member***

**22** (1) *A council member who acts honestly and in good faith is not personally liable because of anything done or omitted in the exercise or intended exercise of any power or the performance or intended performance of any duty of the council.*

(2) *Subsection (1) does not affect a council member's liability, as an owner, for a judgment against the strata corporation.*

Before any decisions are made, it is effective for both the council and manager to understand who is performing each defined role. Sometimes the council will act in a direct, hands on manner however at other times they will only provide information, report on issues and vote on motions. Ultimately these roles are established by the council. In their undertaking they will decide by majority vote where the duties and obligations will rest. The council, on behalf of the corporation, may delegate authority and responsibility to individuals or the manager, but the accountability of performance and liability remains with the council and the corporation. Here is a sample of some strata council roles. They often interact and require the cooperation of council members and the manager to perform the duties. The list is not exhaustive but is set out to assist the council and manager in delegating and understanding responsibility.

**The strata council basic obligations and duties are:**

- calling and [conducting general meetings](#)
- preparing [the budget and financial statements](#)
- collecting [strata fees](#) and other money owed to the strata corporation
- obtaining adequate [strata corporation insurance](#)
- paying strata corporation bills
- [enforcing the bylaws and rules](#) and [convening council meetings](#) to conduct hearings requested under section 34 of the Act
- Considering exempting the application of [rental restriction bylaws for individual owners based on hardship](#)
- making themselves accessible by providing a telephone number or some other method of contact
- entering into strata corporation contracts and supervising the performance of duties under those contracts
- hiring and supervising employees of the strata corporation
- keeping a list of the names of owners and tenants, and similar documents

- keeping all [strata corporation records](#) required by Section 35 of the Act including, [depreciation reports](#), environmental and engineer reports, or materials related to depreciation reports

With the exception of the obligation of the president/vice president to chair meetings or give notice of petitioned general meetings, no council member has any special authority to act on behalf

of the corporation unless the council members by majority vote have delegated this authority. The council may not delegate authority for the enforcement of bylaws and rules or to determine whether the conditions of a hardship applications are valid. The following are examples of the possible designation and delegation of duties to divide the work schedules for council members to report and raise agenda items at subsequent council meetings.

### **President/Vice President**

- Convening council meetings & general meetings
- Chairing meetings
- Emergencies/restoration
- Representing the Corporation in legal actions or arbitration
- Insurance: review, appraisals, claims
- Setting draft agendas for council meetings
- Coordinate hardship applications
- Supervise management contract

### **Secretary**

- Minutes of all meetings
- Form B record information
- Alteration agreements
- Owners/Residents list
- Rental list
- General Correspondence
- Notice Packages
- Suite Records
- Form K / Form C
- Section 35 Information requests

### **Treasurer**

- Financial Reports
- Form B/F financial information
- Audit reports
- Section 35 financial info request
- Special levies
- investments
- expenses
- refunds/surplus
- final reports
- Receivables: fines, liens, orders for sale
- Budget Monitoring and Reports
- Year end financial statements
- User fee collections and records
- Contingency reserve
- collections
- expenses
- loans
- year end reports

### **Bylaws and Rules Council Member**

- Annual reviews
- Filing & amendments
- Review of Enforcement Options
- Review of Bylaw violation notices
- Correspondence
- Distribution of new rules/bylaws
- Parking plan, assignments, user agreements
- Locker plan, assignments, user agreements

### **Buildings Council Member**

- Service contracts & agreements
- HVAC
- Elevator
- Roofing System
- Building envelope system
- Inspections, reports and records
- Fire & Safety Systems
- Security Systems
- Long term planning and replacements
- Waste Removal

### **Landscaping Council Member**

- Pools & Ponds
- Gardener service agreement
- Water management & irrigation
- Pest management
- Seasonal plantings
- Pruning & perennial planting
- Decks/patios
- Composting

Every council should take some time out of their first meeting each year to establish their duties and responsibilities and understand how they will work effectively with each other and their property manager.

A healthy working relationship, with clear understanding of roles will reduce conflicts, misunderstandings, and create a beneficial environment for owners and residents.