

Condo Smarts

Headline: What information is required in the minutes?

Topic: Minutes

Publication / Date: Times Colonist, December 21, 2016

Written by: Tony Gioventu

Dear Tony: Our strata council and property manager have had the habit of recording a simply ending to each council decision. MSC, motioned, seconded, carried. Several council members are unhappy with this as they want the owners to know they sometimes disagree and are wanting more detailed information in the minutes. We have the same problem with our general meeting minutes. What is the general rule of thumb or best practice for minutes? Is it better to have more detail or simply keep it generic? Our owners have disputed the results of decisions on a number of occasions, resulting in unnecessary conflict.

Margo R. Victoria

Dear Margo: It is important to understand the reason for decision making. When a vote is taken on any matter it results in authority being created for an action. While many decisions are often minor, many decisions have a significant impact on the owners in a strata corporation. Accuracy in voting results may be a critical part of a Court or Civil Resolution Tribunal challenge that could find the voting was flawed, not reported correctly, not calculated correctly, or that there is simply no evidence to support the outcome shown in the minutes. Consider a special levy where each unit is paying \$50,000 for major repairs. Would "motion, second, carried" be sufficient if the vote was challenged? It is always better to act on the side of prudence and accuracy for strata decision making. Exact numbers are certainly the best option as they ensure the vote was conducted correctly, the correct threshold was applied, and the outcome was calculated correctly. In a 2016 court decision, Mr. Justice Punnett recognized the potential flaws in voting outcomes, which should give us some pause for concern over our strata minutes and record keeping practices.

"Standard Bylaw 18(3) simply requires that the "results" of the votes be recorded in the council minutes. It does not require the details of the votes as does bylaw 27(4), which deals with voting at an AGM or SGM. However, transparency, accountability and disclosure which council meeting minutes provide favour a broader interpretation of the word "results" including an indication of the number of votes for against and any abstentions to properly inform strata owners. The word "results" while referring to an outcome broadly construed includes its context, which favours inclusion of the information referred to. I am satisfied that the Strata Corporation is not in compliance with Bylaw 18 in the manner in which it is recording its decisions. That said, given the evidence does not show that the decisions made were not by a majority, the failed voting and reporting does not affect their validity and it would be unreasonable to now invalidate them after the fact and after performance of the decisions taken."

The best solution, always record what actually happened and detail accuracy. At a council meeting for example, 5 in favour, 2 opposed, carried by majority vote, or in the case of a general meeting special levy, 66 in favour, 21 opposed, and 7 abstained. $66+21=87$. Three quarters of 87 is 65.25, the vote is carried.