

What to know about: Voting Rights & Voting Thresholds

Voting Rights in a Strata Corporation

Each strata lot has one vote at an annual or special general meeting unless different voting rights are set out in a Schedule of Voting Rights.

Residential and Nonresidential Strata Corporations

If a strata plan has at least one non-residential strata lot voting rights may be determined in two ways:

1. All residential strata lots must have one vote and the number of votes for each nonresidential strata lot is calculated by dividing the unit entitlement of the nonresidential by the average unit entitlement of residential strata lots. The average unit entitlement of residential strata lots is calculated by dividing the total unit entitlement of all residential strata lots by the total number of residential strata lots. This may result in fractional votes, such as 5.3 votes. Given this potential voting discrepancy, voting cards and ballots for nonresidential strata lots need to be counted and identified separately.
2. The Superintendent of Real Estate also has the authority in a residential and nonresidential strata corporation to approve a different Schedule of Voting Rights if satisfied that the schedule establishes a fair distribution of votes among owners.

Exclusive Nonresidential Strata Corporations

If a strata corporation is comprised entirely of nonresidential strata lots, the number of votes for each strata lot must be calculated by dividing the unit entitlement of a strata lot by the total unit entitlement of all strata lots.

Voting Rights When There Is A Tie Vote

As set out in the *Schedule of Standard* bylaws or the amended bylaws of your strata corporation, if there is a tie vote at annual or special general meeting, the president, or if the president is absent or unable or unwilling to vote, the vice-president may, if the bylaws so provide, break the tie by casting a second deciding vote.

Voting Thresholds

Strata corporations make decisions by voting at either an annual or special general meeting or at strata council meeting. The *Strata Property Act* (SPA) provides four types of voting thresholds to be used by strata corporations:

A “**majority vote at general meeting**” means a vote cast in favour of a resolution by more than ½ of the votes cast by eligible voters who are present in person or by proxy at the time the vote is taken and who have not abstained from voting.

Matters are decided by majority vote unless a different voting threshold is required or permitted by the Act or the regulations.

A “**majority vote at a council meeting**”, subject to the bylaws, require all decisions at council meetings to be made by a majority vote of council members present in person at the meeting.

Common examples of a majority vote at a general meeting:

- approving the annual budget,
- electing or removing a council member,
- ratifying Rules previously passed by the strata council,
- spending money from the contingency reserve fund to obtain a depreciation report or to repair, maintain or replace an item recommended in the most current depreciation report,
- approving or amending the agenda of a meeting,
- allocating a budget surplus to the contingency reserve fund,
- carrying a budget surplus forward as part of the operating fund,
- using a budget surplus to reduce total contributions to next year’s operating fund,
- directing or restricting the council in its exercise of powers and performance of duties,
- approving minutes of previous meetings,
- appointing scrutineers for counting ballots, or
- electing a person to chair a general meeting.

A “**3/4 vote**” means a vote in favour of a resolution by at least $\frac{3}{4}$ of the votes cast by eligible voters who are present in person or by proxy at the time the vote is taken and who have not abstained from voting.

Common examples of a $\frac{3}{4}$ vote resolution:

- amending the bylaws of the strata corporation, and if non residential votes are required to vote on a bylaw amendment, they must vote separately by $\frac{3}{4}$ vote
- approving a significant change in use or appearance of common property,
- raising money by a special levy, other than an insurance deductible
- spending money from the contingency reserve fund, not recommended by the depreciation report
- proceeding with court actions,
- allocating a budget surplus,
- rescheduling an AGM to approve a budget not passed at an AGM longer than 30 days ago,
- change of the fiscal year
- designating of limited common property, or
- terminating a strata management contract
- approving easements or leases

Example of Calculating a $\frac{3}{4}$ vote

There are 115 votes present in person or by proxy at the meeting and 59 of those vote in favour, 26 are opposed and 30 either abstained or did not vote. Therefore, there were 85 (59 + 26) total votes cast with respect to the resolution. Remember, abstentions are not to be included in determining the results of the vote.

If the resolution being voted upon is a $\frac{3}{4}$ vote, such as a resolution to amend a bylaw, the vote would have been defeated. $\frac{3}{4}$ of the total number of votes cast ($85 \times \frac{3}{4} = 63.75$ votes minimum).

An **80% vote** means a vote in favour of a resolution by at least 80% of the votes of all the eligible voters. This means 80% of the total number of votes on the schedule of voting rights must vote in favour of the resolution. This type of vote is used to cancel a strata plan and to appoint a liquidator to wind-up the strata corporation.

Before you calculate this vote, confirm whether there is a schedule of voting entitlement for your strata corporation and confirm the total number of votes.

Example of Calculating an 80%

In a residential strata corporation with 125 strata lots (and 125 votes), at least 80% of the 125 votes must vote in favour of the resolution to cancel a strata plan:

$$125 \times 80\% = 100 \text{ votes}$$

If there are commercial strata lots in the strata corporation, the number of votes per strata lot is created by the **Schedule of Voting Rights** filed at the Land Title and Survey Authority’s Office or as part of the originally filed strata plan. The number of votes for commercial strata lots is relative to their size and as a result may be a fraction of a vote (i.e. 13.7 votes).

For example, if the Schedule of Voting Rights provides 160.64 total votes for the strata corporation, at least 80% of the 160.64 votes must vote in favour of the resolution to cancel the strata plan:

$$160.64 \times 80\% = 128.51 \text{ votes}$$

Note: A strata corporation must also count the exact number of votes including fractions exercised by a commercial strata lot when calculating a majority vote, $\frac{3}{4}$ vote, and an 80% vote.

A **unanimous vote** means a vote in favour of a resolution by all the votes of all the eligible voters. This means all of the voters on the schedule of voting entitlement must vote in favour of the resolution. Unanimous votes typically involve a dramatic change for the strata corporation, such as

- amending the Schedule of Unit Entitlement,
- amending the strata plan to
 - convert property held by the strata into a strata lot,
 - to add a strata lot to common property,
 - to designate or remove designation of limited common property, or
 - to add to, consolidate or divide a strata lot.