



Strata Living

Headline: Is there a limit on strata fee increases?

Topics: Strata Fees

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Dear Tony: Is there a simple answer to the limit on increases for annual strata fees? Our strata is proposing a 30% increase in fees this year so we can pay for our new roof without special levies in 3 years. We found information on a web site that indicates there is a 10% limit but cannot find it anywhere in the legislation. No one can afford a 30% increase which raises our fees from \$400 a month to \$520 a month. It means out of a \$520, we are contributing \$200 a month to contingency, which far exceeds the 10% limit.

Lillian C. North Vancouver

Dear Lillian: No such limit exists in the legislation. Strata corporations need to raise the money necessary to meet their operating and contingency obligations and the owners vote on the proposed budget by majority vote. However, it is also crucial to understand that under section 104 of the *Strata Property Act*, an amendment to the proposed budget may be made by majority vote. If the owners don't want to support the proposed budget, any eligible voter may motion to amend the budget by decreasing or increasing specific items or the contingency contribution. The amendment is then ratified by majority vote. Once any amendments have been considered and are approved, the voters then vote on the proposed budget as amended, or as proposed. Think before you vote though. 3 years is 36 months or payments of \$200 a month per unit into the contingency for the roof. What's better? A 36 month payment plan at \$200 or a \$7,200 levy all at once? Special levies only result in delays and extra costs for everyone.