

Condominium Home Owners Association

A non-profit association serving strata owners since 1976

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Condo Smarts

Headline: Billiard playing council stepped beyond its mandate

Topic: Spending authority

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A Vancouver Island strata council recently discovered a great deal on a classic antique billiards table. Their club house was being rarely used, and with more than \$75,000 in the reserve fund and few repairs on the horizon they thought the use of the pool table would provide a great diversion during the dark winter months. So the council bought the table. The trouble is, they didn't have the authority to spend \$18,000.00 or to purchase the table. Now the council find themselves in a contentious and costly dispute with the owners, who were not consulted about the purchase. A group of owners have commenced an arbitration against the council members.

council services. Neither can they sell or purchase assets on behalf of the strata that exceed a \$1,000 value, which means the \$18,000 pool table.

Tips: Strata councils must act honestly and in good faith with a view to the best interests of the strata corporation. Many conflicts can be avoided by simply bringing contentious resolutions to the general meetings of the corporation.

Strata Law: Strata councils have the responsibility to maintain and repair the strata corporation and manage the operations. They implement the annual budget, collect fees, respond to emergencies, co-ordinate approved maintenance and repairs, and enforce the bylaws and rules. There are specific limitations to the authority of the council. Without a properly ratified $\frac{3}{4}$ vote of the owners and within the limitations of the bylaws, they cannot do the following: commence supreme court actions or arbitration, sell, lease, grant easements over or dispose of common property, pass bylaws, pay themselves a fee for

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