

# Condominium Home Owners Association

A non-profit association serving strata owners since 1976

Bulletin: 300-144

## Condo Smarts

Headline: What if we don't *want* cable?

Topic: Operating expenses and including cable in the annual budget

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**Dear Condo Smarts:** Our strata council has decided that it wants to sign an exclusive agreement with a cable company for all of our units.

We're told this would mean that our strata fees would go up by \$30 a unit, and we would have cable whether we wanted it or not. Does this mean even if we have satellite-TV service we still have to pay for the cable? Do we have any options?

*Doug T., Vancouver*

Because the contract affects individual strata lots, runs for a long period of time, imposes financial costs and contains exclusivity arrangements, the corporation may not have the authority to proceed without each owner's consent.

Before any strata enters into such an agreement, they should obtain a written legal opinion to protect the interests of the owners and the corporation.

**Dear Doug:** The Act defines common expenses as expenses relating to the common property or common assets of the corporation. Common expenses are paid by the owners through an approved annual budget, which is calculated by unit entitlement. So if the owners agree to such a service, if they approve the budget for the service, the fee is calculated in the same way as other fees.

As it stands, your strata council has made a decision they did not have the authority to make. They do not have the authority to impose an agreement on the strata lots for cable service or to impose a levy or increase in your fees.

You, the owners, would have to make this decision at a general meeting. You may consider petitioning for a special general meeting to address this matter and get legal advice on the enforceability of the agreement.

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