

## Condominium Home Owners' Association

*Serving BC's Strata Property Owners since 1976*

Bulletin: 300-171

### Condo Smarts

Headline: Pres hired her brother

Topic: Conflict of interest

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**Dear Condo Smarts:** Our strata are a very large multi-strata complex with extensive gardens and pools. Our council recently discovered that an employee/contractor of the corporation, who was recommended and interviewed by the president, is in fact her brother. He was allegedly qualified for landscaping, pruning and pond maintenance, pest control and the use of pesticides for our broad array of fruit trees. This position pays a substantial salary, and we are very unsatisfied with his performance. When he was hired, there was never any disclosure about their relationship. Are there any conflicts here that could help us out to cancel his employment? Wasn't our president in a conflict of interest?

- Dave W., Okanagan Valley

A word of caution: B.C. Employments Standards may influence the outcome of your decision as this person may be either an employee or a contractor, so consult with a labour relations lawyer if the matter isn't easily resolved and in the future record in the minutes when a council member leaves the meeting to avoid such potential conflicts.

**Dear Dave:** Section 30 of the Strata Property Act is going to be your best tool in addressing this conflict. It states that a council member who has a direct or indirect interest in a contract or transaction with the strata must disclose the interest fully and promptly to the council, abstain from voting on the contract or transaction, and leave the council meeting while the contract or transaction is discussed and while the council votes.

Your president should have removed herself from this action. The hiring of family members to work for the strata is an item best left for the rest of council to decide. Your council - without the president present - may want to convene a meeting to review the situation and if necessary terminate or alter the agreement.

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