

Strata Living

Headline: Amending the annual budget

Topic: Budgets

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Dear Tony: At our strata AGM on Saturday, the owners wanted to amend the proposed budget to include \$5,000 more for landscaping this year. Our garden committee decided they will no longer provide volunteer service for the strata and we don't think it is fair to dump this obligation onto council without some resources. Our property manager told us we could not make any significant changes to the budget and owners had the opportunity to contact council in advance of the notice package to include this amount. Is there something in the legislation where a significant change has a definition? Logically we think that considering we can approve the annual budget by majority vote, we should also be able to amend things by majority vote.

Carla R. Pt Moody

Dear Carla: The budget that is sent out with the notice package is simply a proposed budget. Section 103(4) of the Strata Property Act specifically allows a strata corporation to amend their budget by a simple majority vote. There are conditions that limit that amendment by a significant change. The term significant change, applies to $\frac{3}{4}$ (three quarters) resolutions under where there is a higher voting thresh hold and changes may impact personal use or matters such as, special levies or bylaws. Essentially if the strata owners present at the meeting in person or by proxy wish to

amend the budget, either by increasing or decreasing line items, that is within their majority decision to do so, and the chairperson cannot rule the motions out of order. There is little doubt that many strata corporations are underfunded in their annual operating, and for many corporations, they only realize this once they have developed an annual maintenance plan and commissioned a depreciation report. The strata corporation must within 2 weeks after the meeting send out a new schedule of fees to the owners so they are aware of the change in strata fees resulting from the new budget.

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