

**Strata Living**

Headline: Insurance deductible special levy  
Topic: Insurance  
Publication date: April 23, 2015  
Publication: 24 Hours  
Written by: Tony Gioventu

**Dear Tony:** I am in a dispute with my strata council over a special levy that was not voted on by the owners. The strata council sent a notice of special levy, which we refused to pay, and now they have filed a lien against our strata lot. It is ludicrous that we have \$140,000 in our contingency fund and the deductible is \$50,000. Rather than use the contingency fund, they have imposed this totally unenforceable levy that is costing each owner about \$492. We did not attend the AGM in February and there was no indication of this levy in our notice package. Our lawyer has suggested we start a petition of the owners to demand a meeting to resolve this issue.

*Marta C. Burnaby*

**Dear Marta:** I hate to break the bad news to you, but your strata council acted within the requirements of the *Strata Property Act*, and were not required to convene a general meeting to approve an insurance deductible as a special levy. The *Act*, in this one circumstance, does not require the strata corporation approval. The basic reason, insurance deductibles are a common expense of the strata corporation which must be paid. So yes, once you failed to make the payment under the deadline the council approved in the resolution, the amount of the special levy became due and subject to a lien once proper notice was issued. In addition to the amount of the levy you will also be required to pay for reasonable legal costs, land title fees and other reasonable disbursements. If you had read your notice package for your AGM

closely, and the minutes of the AGM, you would have discovered that the owners at the AGM approved a 125,000 contingency expense for major elevator upgrades, so your strata does not have \$140,000 available. At the end of March, your fiscal year end, there was only \$15,000 remaining available funds in the CRF, so your strata council had no choice. The other factor that your council had to consider was the claim itself. It was a common pipe that burst causing damage to 8 units, and this is not a deductible an owner is responsible for; therefore, the strata is unable to recover the deductible amount from an owner or their insurer.

-----  
For more information on CHOA resources and benefits visit [www.choa.bc.ca](http://www.choa.bc.ca)  
or contact the office at 1-877-353-2462 or email [info@choa.bc.ca](mailto:info@choa.bc.ca).

**No part of this publication may be reproduced without the prior written permission of CHOA**

This publication contains general information only and is not intended as legal advice. Use of this publication is at your own risk. CHOA will not be liable to you or any other person for any loss or damage arising from, connected with or relating to the use of this publication or any information contained herein by you or any other person.