

CONDO NEWS

YOUR STRATA CONNECTION TO EDUCATION
CCI Vancouver Chapter

Includes:

***Civil Resolution Tribunal Updates
Legal Corner
Business Partner and Professional Members
Directory and CCI Vancouver Services at a Glance***

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SPRING 2017

THIS ISSUE

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PRESIDENT'S MESSAGE

Jamie Bleay,
President, CCI Vancouver

Springtime usually means Vancouver's cherry blossom count, spring skiing on the local mountains and golf season! This spring we await all of these things as spring takes its time coming to the Lower Mainland. However you do not have to drive very far, whether on the north shore, Vancouver, Burnaby, Surrey, New Westminster, White Rock or out toward Pitt Meadows and Maple Ridge to see all of the construction cranes that are popping up. With the sale prices for new and used condominiums continuing to see double-digit annual increases our developers are taking advantage of increased density opportunities and a strong demand by first time purchasers and empty nesters alike to get in line to purchase a condominium. The construction "boom" includes the "redevelopment" of many 40+ year old condominium developments that have been wound up by court order and sold to developers. We expect that we will see more and more of this given that a significant portion of the condominium housing stock was constructed in the '70s.

Meanwhile CCI Vancouver continues to move forward with this year's fiscal initiatives. On March 28th we had a sold out Lunch & Learn on the topic of strata financing. Thanks very much to Paul and Kelly McFadyen and CBW Maxium for sponsoring and hosting this event. We are just a month away from hosting our Condo 101 education course. More information can be found on our website about this course.

We will also be hosting our next educational seminar on May 27th. This will be an interactive half-day insurance workshop and panel discussion on navigating through the process of detecting damage to a unit.

We are excited about our newly revamped and improved newsletter. Hard copies are now being printed and will be available to our members and attendees at our various educational events.

And let's hope that those April showers continue to bring May flowers!

Jamie Bleay – President CCI Vancouver ■

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Jamie Bleay, President

Lawyer, Access Law Group

Email: jamieb@accesslaw.ca

Paul Murcutt, Vice President,
National Council Representative

VP Unit Leader, Real Estate Division,

BFL Canada Insurance Services Inc.

Email: pmurcutt@bflcanada.ca

Sat Harwood, Vice President

Lawyer, Lesperance Mendes Lawyers

Email: sdh@lmlaw.ca

Steve Page, Treasurer

Project Manager,

Service Master Restore of Vancouver

Email: spage@servicemaster.bc.ca

Azadeh Nobakht, Secretary

Co-founder & CEO, Power Strata Systems Inc.

Email: azadeh@powerstrata.com

Alex Chang, Member at Large

Associate, Lesperance Mendes Lawyers

Email: ajc@lmlaw.ca

Darlene Kuik, Member at Large

Business Development West, Lumon Canada Inc.

Email: darlene.kuik@lumon.com

John Wallis, Member at Large

Director of Client Relations,

Phoenix Restorations Ltd.

Email: johnw@phoenixrestorations.com

Kelly McFadyen, Member at Large

Account Manager,

CWB Maxium Financial Services

Email: kelly.mcfadyen@cwbmexium.com

Phil Dougan, Member at Large

Lawyer, Access Law Group

Email: pdougan@accesslaw.ca

Sean Ingraham, Member at Large

Director, Business Development,

FirstService Residential BC Ltd.

Email: sean.ingraham@fsresidential.com

Lisa Frey, Member at Large

Associate, Gowling WLG (Canada) LLP

Email: lisa.frey@gowlingwlg.com

Tim Scoon, Member at Large

Manager, Business Development,

Suncorp Valuations Ltd.

Email: tim.scoon@suncorpvaluations.com

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CONTRIBUTING TO CCI VANCOUVER CHAPTER CONDO NEWS

Strata council members, do you have a unique tale to tell or advice to share with other Strata Councils? We are introducing a NEW Condo News section where you can share your challenges and successes to help and inspire other council members to problem solve and build strong communities.

And, if you offer professional services or products to strata corporations and have a relevant educational-only article, let us know!

CCI Vancouver is now accepting **educational-only articles** from **Strata Councils, Business Partner and Professional Members** that are useful for strata councils and strata corporations in B.C. Articles submitted by Business Partner and Professional Members should be relevant to your area of expertise in the strata industry. Only one article per industry/company will be accepted for each issue. As a valued member of CCI Vancouver we would like to provide you with this opportunity to contribute toward our award winning publication aimed at helping strata councils and strata corporations learn how to be better equipped to perform their duties!

Go to the CCI website to see [submission requirements](#). Issue deadlines:

Summer – June 1

Fall – September 1

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PO Box 17577 RPO The Ritz,
Vancouver, BC V6E 0B2

P: 1.866.491.6216, Ext.114

Email: contact@ccivancouver.ca

Website: ccivancouver.ca

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The Civil Resolution Tribunal is Expanding

The Civil Resolution Tribunal is expanding its sphere of jurisdiction. Starting June 1, 2017, the Civil Resolution will hear most small claims disputes under \$5,000. The types of disputes captured by this expanded scope include contracts, debts, personal injury, personal property, and various consumer issues.

Rawle v. The Owners, Strata Plan NWS 3423, 2017 CRTBC 15

This dispute concerned a claim for costs relating to the repair of a fireplace flue.

Mr. Rawle owned strata lot 72 in Strata Plan NWS 3423. During the course of his ownership, he discovered that a fireplace flue was disconnected within the exterior wall cavity. Mr. Rawle undertook repairs and alterations, including the installation of a new fireplace insert, without Strata permission. He subsequently brought a claim alleging that, as a result of the Strata's failure to repair and maintain this flue, smoke from the fireplace had vented into the wall space, causing severe damage to his strata lot.

The Tribunal ruled that the fireplace flue was part of the common because:

- 1) Section 68 of the Strata Property Act makes clear that, unless otherwise shown on a strata plan, the boundary between a strata lot and the common property is the midpoint of the exterior wall. There was no notation on the strata plan as to strata lot boundaries, so section 68 applied.
- 2) The outside half of the exterior wall was part of the common property even though it fronted onto a limited common property deck. By definition, limited common property must be shown on a strata plan. Since a strata plan only delineates horizontal planes, the outside of an exterior wall cannot be part of the limited common property.
- 3) The flue was captured by the definition of common property in the Strata Property Act which includes pipes, chutes, ducts, and other facilities for the passage or provision of heating and cooling systems or other similar devices if they are located within a wall that forms a boundary between a strata lot and the common property.

The Tribunal concluded that the Strata did have a duty to repair and maintain the fireplace flue. However, it found that the Strata was not liable for the resulting damage to Mr. Rawle's strata lot property. In reaching this conclusion, the Tribunal noted that the Strata is not an insurer and it will not be held to a standard of perfection when responding to a reported problem. It further noted that the Strata has no liability to reimburse an owner for expenses that the owner incurs in carrying out repairs to their strata lot, which are the owner's responsibility under the bylaws, unless the strata has been negligent in repairing and maintaining common property.

The Tribunal concluded that, in the absence of an emergency, when new or unusual problems are reported, it is reasonable for council to undertake discussions and research to assess responsibilities and liabilities. It further noted that such activities will take a reasonable period of time.

The Court concluded that the Strata had proceeded reasonably in investigating the problem. It further noted that the owner had conducted significant alterations to his unit without permission from the strata. Finally, it noted that the owner did not actually spend any money to fix the disconnected flue since his renovation contractor had not charged for this service. In the result, the owners claim was dismissed in its entirety. ■

Sat Harwood is a senior associate with Lesperance Mendes and has served as the Chair, Vice Chair and Treasurer of the Canadian Bar Association – Construction Law Subsection. He regularly assists individuals, companies and strata corporations on legal issues arising from the construction, ownership, rental, use or regulation of property. His Litigation experience includes representing strata corporations in multi-million dollar "leaky condo" claims and other governance matters. Sat is also experienced in mediation, arbitration and alternative dispute resolution.

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LEGAL CORNER

STRATA CASE LAW IN BC

By Jamie Bleay,
Access Law Group



Case Law

The Owners, Strata Plan KAS 3162 v. Neil and Chantal Staerkle 2017 BCS 392

By way of background Mr. & Mrs. Staerkle owned property in a strata development in Kelowna that was subject to a statutory building scheme at the time they purchased their strata lot in 2008. In 2011 the strata corporation passed various bylaws that included the same building scheme restrictions in connection with the construction of homes in the development. Mr. & Mrs. Staerkle allegedly carried out construction that was contrary to the 2011 bylaws and in June, 2012 the strata corporation started to issue fines. Subsequently the strata corporation commenced legal proceeding in Provincial Court on February 23, 2013. Two trial dates set for March and May, 2014 were adjourned as was another trial date set for January, 2015. By the fall of 2015 the strata corporation had imposed fines of more than \$25,000.00 which resulted in an application by the strata corporation to transfer the law suit to Supreme Court. This application was not opposed and was transferred to Supreme Court on December 9, 2015.

The issue before Master Wilson involved the interpretation and application of several sections of the Strata Property Act (the “Act”) in connection with the a law suit commenced by the strata corporation in B.C. Provincial (Small Claims) Court but subsequently transferred to B.C. Supreme Court when the monetary claims of the strata corporation exceeded the monetary jurisdiction of the Small Claims Court.

On the one hand section 171(4) of the Act stated that the strata corporation could commence legal proceedings in Small Claims Court without the need for authorization from the owners by a resolution approved by a $\frac{3}{4}$ vote if it had a bylaw that authorized the legal proceedings. The strata corporation argued that once this bylaw was in place there was nothing in the Act that required it to obtain authorization before transferring the proceeding to Supreme Court. The defendants argued that the purpose of requiring the authorization was to make sure the owners did not end up in litigation (in Supreme Court) that they had not authorized or did not support financially or otherwise. They also argued that the approach taken by the strata corporation would, if allowed, result in the strata corporation circumventing the requirements of section 171(2) of the Act which required authorization by the strata corporation by a resolution passed by a $\frac{3}{4}$ vote of the owners at a general meeting before legal proceedings could be commenced in Supreme Court.

The question for Master Wilson to decide was whether the strata corporation did in fact need to obtain authorization pursuant to section 171(2) of the Act before continuing the legal proceedings in Supreme Court. Master Wilson reviewed the decision of Mr. Justice E.R.A. Edwards in *Dockside Brewing Co. Ltd. et al. v. The Owners, Strata Plan LMS 3837 et al.*, 2005 BCSC 1209 in which Mr. Justice Edwards had considered the legislative purpose of section 171(2) of the Act.

After considering the decision in *Dockside Brewing* and confirming the Court’s clear authority to consider the legislative purpose of section 171(2) of the Act in determining whether a $\frac{3}{4}$ vote was required despite no specific statutory requirement that applied to the transfer of the strata corporation’s legal proceeding to Supreme Court Master Wilson stated at paragraph 37 of his decision that “The legislature has limited the ability of a strata council to bind a strata corporation by requiring that certain decisions require approval by resolution passed by the owners. The provisions of the SPA that require owner authorization restrict the ability of the strata council to bind the strata corporation and give the owners the opportunity to participate in those decisions deemed significant. Some matters require only a simple majority, while others require a unanimous vote. The requirement of a three-quarter vote in order to commence legal proceedings in the Supreme Court is one of about 40 circumstances in which a three-quarter vote is required, according to the British Columbia Strata Property Practice Manual (Vancouver: Continuing Legal Education Society of British Columbia, March 2016).”

Master Wilson concluded that he saw no difference between the decision in *Dockside Brewing* in which it was determined that the legislative purpose of section 171(2) of the Act was to protect owners from becoming embroiled in litigation that they do not

support (and being responsible for considerable legal expenses and cost consequences) and the need of the strata corporation to obtain authorization from the owners by a $\frac{3}{4}$ vote to continue with the legal proceeding commenced in Provincial Court and transferred to Supreme Court. Master Bishop ordered a summary trial application of the strata corporation adjourned until and unless the strata corporation obtained authorization to continue the legal proceedings by a $\frac{3}{4}$ vote. ■

Jamie Bleay has practiced extensively in the area of condominium/strata law for most of the past 27 years, working with/acting for several hundred strata corporations in that time including dealing with major construction projects, contract review and interpretation and contract disputes.

He is the current president and one of the founding directors of CCI Vancouver.

Access Law Group

Jamie Bleay

Tel: 604-689-8000

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Is Your Strata Ready for the Legalization of Marijuana?

The government of Canada recently introduced legislation to legalize and regulate the possession, production and use of marijuana in Canada. What does that mean for your strata corporation? It may be time to update your bylaws and rules.

New Challenges for Condos

The proposed Cannabis Act is expected to create a strict legal framework controlling the production, distribution, sale and possession of cannabis. If passed, this legislation would allow adults to legally possess and consume regulated quantities of marijuana. Of greater concern, it would also allow them to grow up to four plants per household (of a maximum height of one metre). With these proposed changes in legislation, it is reasonable to expect an increase in complaints and frictions between strata neighbours. The smell of cannabis smoke can be quite potent and can be more disruptive than that of cigarettes. Until now, in many circumstances, strata corporations could address the undesirable consequences of pot consumption by relying on the fact that such activity was illegal. This is clearly about to change.



In addition to the nuisance which may result from the neighbour's use of cannabis, some strata corporations are concerned with the facts that occupants will be authorized to grow marijuana in their strata units. Already, CBC reported that the Canadian Federation of Apartment Association (which represents landlords managing rentals across the country) has raised concerns with the production of marijuana in multiple-dwellings complex such as condominiums and cooperatives. Some of their concerns include:

- Damage to units and common property, including damage by moisture from marijuana plants, which can create mould and spores in walls, ceilings and floors and which can damage window seals;
- A disproportionate use of utilities such as electricity and water (if not sub-metered) which are required in great quantities to grow marijuana plants;
- Increased fire hazards due to people drying marijuana in a household stove and sometimes patchy electrical modifications;
- Odours from plants getting into other people's units.

Tools to Address this Change in Legislation

Most strata corporations already have some (albeit limited) tools to deal with some of the potential challenges expected to be caused by the legalization of marijuana. Indeed, most strata corporations already have general restrictions against the creation of nuisance (which includes odour and smoke) and against the use of a unit in any way which may increase the risk of fire or which may increase insurance premiums.

Naturally, the difficulty in using these general restrictions is that strata councils may find themselves stuck between the "user" and the "complaining unit". Councils may then have to determine and demonstrate whether the consumption of marijuana constitutes nuisance beyond what is to be reasonably expected in strata living and whether the activities indeed may result in an increased risk. There are countless shades of grey when balancing the rights and expectations of neighbours when dealing with something as subjective as nuisance and risk.

While we hate to be the ones killing the buzz, one of the solutions may be to further restrict (or ban altogether) the use and/or the growing of cannabis in your strata corporation. This can be done either with the passing of a specialized bylaw drafted to prohibit its use within strata units

and on common property, or a rule (which cannot restrict its use within strata units, but can restrict its use on common property and limited common property, such as lobbies, amenities areas, and any patios/ balconies which are limited common property or common property).

While a bylaw requires 75% or greater approval at an annual or special general meeting and registration in the Land Title Office before it is enforceable against an owner, a rule may be passed by the strata council and has effect immediately. New rules must be voted on at the next annual or special general meeting after they are passed, and if they are ratified by at least 50% + 1 of the owners at this meeting, continue to be enforceable.

The fact that Ottawa is legalizing marijuana does not, in our opinion, prevent a strata corporation from restricting it or banning it altogether.

"Legalization of marijuana: Stratas can pass a bylaw restricting or prohibiting it." What's the best rule for you?

There are countless options for a strata corporation considering what restrictions are appropriate for their community with respect to the use of marijuana. A rule may impose a complete ban on growing cannabis with a complete or partial ban on its consumption. Some stratas may wish to restrict its consumption to inside the units while others may prefer to restrict it to balconies. Others may prefer to ban it entirely or to limit its consumption to vaping.

Whether you have a bylaw or rule in place or not, some accommodation may be required when marijuana is required for medicinal purposes. This article does not specifically address such instances. These will usually have to be addressed on a case by case basis. Strata councils should consult with their legal counsel when dealing with such situations and when drafting prohibitory bylaws and rules to minimize the risk of the strata facing a human rights complaint.

When Should You Act?

Subject to parliamentary approval and Royal Assent, the Government of Canada intends to provide regulated and restricted access to cannabis as early as July 2018. One of the benefits of acting now is that corporations will not have to struggle with grandfathering provisions. As the saying goes, better to fix the roof on a sunny day.

Until the new law comes into force, cannabis will remain illegal everywhere in Canada, except for medicinal purposes.

For more information and updates, visit condoadviser.ca. ■

Lisa Frey is a real estate lawyer with Gowling WLG (Canada) LLP. Her practice focuses on condominium development, strata governance matters, such as drafting bylaws and resolutions, and a wide variety of commercial real estate transactions. She has been a CCI Vancouver Chapter member since 2014 and is passionate about strata education.

Rodrigue Escayola is a litigator in the Ottawa office of Gowling WLG (Canada) LLP specializing in condominium law along with other types of civil litigation. He frequently represents condominium corporations, directors, owners and property managers. He has represented clients from Ontario and Québec before the provincial Superior Court of Justice and the Court of Appeal, the Federal Courts, the Health Professions Appeal and Review Board, and numerous other administrative tribunals. Rod is fluently bilingual and practises law in both English and French.

WLG (Canada) LLP

Lisa Frey, 604-683-6498

Rodrigue Escayola, 613-783-8684

www.gowlingwlg.com

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LEGAL CORNER

CONDO CASES ACROSS CANADA

Summaries provided by
James Davidson,
LLB, ACCI, FCCI,
Davidson Houle Allen LLP
Condominium Law



Alberta

Bank of Montreal v. Bala (Alberta Court of Queen's Bench) January 19, 2017 *Court determines collection rights of condominium corporation*

The bank had a first mortgage on a residential unit, and took steps to enforce the mortgage. The condominium corporation registered a caveat against the unit. The lower court determined the collection rights of the condominium corporation, including amounts covered by the caveat, in priority to the mortgage.

The bank and the condominium corporation both appealed. On appeal, the decision of the lower court was largely upheld. The Appeal Court held as follows:

- (a) Based upon the by-laws of the condominium corporation, the insurance and repair costs in relation to two water losses – including the \$20,000 insurance deductible – were “contributions”, and were properly included in the caveat, taking priority over the mortgage. [Bank’s appeal dismissed]
- (b) Interest on the insurance and repair costs was also included in the caveat, taking priority over the mortgage. [Bank’s appeal dismissed]
- (c) The condominium corporation’s reasonable expenses incurred with respect to the preparation, registration, enforcement and discharge of the caveat do not constitute a statutory charge and accordingly cannot be included in the caveat. However, those charges can be collected in personam against the owner of the unit. [Bank’s appeal allowed]
- (d) The solicitor-client costs awarded to the condominium corporation (in the Court proceeding) are not included in the caveat, but are payable by the bank as an in personam debt. [condominium corporation’s appeal dismissed]

Ontario

Ottawa–Carleton Standard Condominium Corporation No. 961 v. Menzies (Ontario Superior Court) December 8, 2016 *Court upholds rule prohibiting short-term rentals*

The condominium corporation’s declaration said that the units could be used only as “single family dwellings”. The corporation also passed a rule prohibiting tenancies of less than four months.

The owner had rented his unit for short terms (in some cases as short as one night), through airbnb and similar websites.

The Court held that the Declaration prohibited hotel-type uses, that the rule was valid, and that the owner had contravened both.

Brown v. Carleton Condominium Corporation No. 271 **Roseman v. Carleton Condominium Corporation No. 271 (Ontario Superior Court** **- Divisional Court) November 29, 2016**

Condominium corporation liable for inaccurate status certificates

On appeal, it was held that the condominium corporation had issued incomplete or inaccurate status certificates to two purchasers. The Court said that the certificates had failed to disclose potential special assessments, based on information known to the corporation at the time.

The Court held that each purchaser was entitled to \$20,000 in resulting damages.

The Court also held that the condominium corporation would not necessarily be liable for damages when failing to meet the three-year deadline for obtaining a new reserve fund study. ■

James Davidson one of the founding partners of Davidson Houle Allen LLP.

Practicing condominium law for over 30 years, he represents condominium corporations, their directors, owners, and insurers throughout Eastern Ontario.

Davidson Houle Allen LLP

James Davidson

Tel: 613-231-8243

www.davidsoncondolaw.ca

james@davidsoncondolaw.ca



On Reserve Fund Planning and Reporting

1 What is the difference between an Operating Expense and a Reserve Fund Expenditure?

An operating expense is reported on the operating income statement. It is a cost requiring revenue before the end of the fiscal-year. The monthly cost for electricity is considered to be an operating expense. Major repair and replacement reserve fund expenditures occur every two fiscal-years or more, and over the life of the development. Reserve fund expenditures reduce common asset liabilities, and are reported on the reserve fund statement. While windows major repair/replacement expenditures do not occur every fiscal-year, each fiscal-year's contributions to the reserve fund are based on a fiscal-year measure of the windows' annual depreciation.

2 What does the Strata Council Do with a Depreciation Report?

Based on fiscal-year critical dates, a strata council meets with a certified reserve fund planner to review its operating and reserve fund budget items etc. — often reducing the Repair and Maintenance line item amount and increasing the reserve fund contributions amount, without raising strata fees. This is done before the strata council's annual budget meeting, and before the AGM. Active reserve fund planning results in DRs that reflect a strata council's optimal risk management

of operating expenses and reserve fund expenditures. While increasing reserve fund contributions does not require a separate resolution — assuming that a component is in a DR's inventory and is planned for — a series of 50 percent vote resolutions are required to manage each fiscal-year's draws out of the reserve fund.

3 Why are Reserve Fund Planning and Depreciation Reports Necessary?

Each fiscal-year, during the annual budget meeting, a strata council's reserve fund planning sets the course for reserve fund regular, and planned special contributions, if any, as well as proposed expenditures for the next fiscal year. The fiscal-year historical record provides stakeholders with a development specific performance record of actual renewal costs and project dates. The prescriptive replacement costs that come with quotes, opinions of probable costs, and maintenance plans cannot do this. Only REIC CRP standard DRs summarize all other reports into a reserve fund's current requirements and optimized regular contributions to draw on Owners, so they pay their fair-share of their use of the common assets, one fiscal-year at a time. Reserve fund planning equips decision-makers for a review of allocations and draws, and DRs establish the position profile of a reserve fund — useful when stakeholders want to compare two lots in two developments. ■

Reserve Fund Planning

By Jean-François Proulx,
M.Sc., CRP, RI
Constructive Condo
Reporting Corp.



J.-F. Proulx is the President of Constructive Condo Reporting Corp. He has worked as a trade, contractor and consultant to construction, engineering and appraisal firms — fostering depreciation report divisions along the way, as well as providing warranty review reports, specification writing, Form B information certificate reviews, and other consulting services.

He believes that best-practice reserve fund planning can elevate all stakeholders' standards, improve strata living, and lead to better personal and condo/strata financial decision-making.

Constructive Condo Reporting Corp.

Jean-François Proulx

Tel: 778-232-6707

www.constructivecrc.com

jfproulx@constructivecrc.com

From The Strata Experts articles are written by CCI Vancouver Business Partner and Professional Members who are service providers to the strata industry. For a list of member service providers go to the **Service and Business Members** directory on our website.

FROM THE STRATA EXPERTS

Which Type of Year-end Engagement is Right for Your Strata?

Financial & Accounting

By Venus Duplin,
CPA, CGA
RHN Chartered
Professional Accountants



Unless you have a background in accounting, all the different jargon in relation to strata financials can be confusing. Notice to Reader (NTR), Compilation, Review, Audit, Real Estate Trust Audit, Forensic Audit. What do these words mean? Which one does the council or owners choose? How do you know which one will give you the assurance you need?

The following is a brief description of the types of engagements.

Compilation (or NTR)

The objective of a compilation engagement, also known as a Notice to Reader (NTR) engagement, is to compile unaudited information into financial statements based on information supplied by the Strata Council (property manager if the strata is professionally managed). The accountant will perform procedures only to determine that the financial statements do not appear to be false or misleading. The accountant will include note disclosures as necessary to highlight and clarify anything in the financial statements that the accountant considers to be false or misleading. Even with the minimal disclosures the accountant may insert, the financial statements prepared will likely not be in accordance with Canadian accounting standards for not-for-profit organizations – particularly with respect to note disclosures.

The Notice to Reader will caution readers that the statements may not be appropriate for their purposes. Notice to Reader statements may be appropriate for the use of management or for the preparation of the Corporate Income Tax return.

Review

The objective of a review engagement is to enable independent Chartered Professional Accountants to render negative assurance that the financial statements are plausibly in accordance with Canadian accounting standards for not-for-profit organizations. Review engagements are conducted in accordance with Canadian generally accepted standards for review engagements and consist primarily of enquiry, analytical procedures and discussion related to information supplied by the Strata Council (property manager if the Strata is professionally managed). Analytical procedures typically include variance analyses where the figures are compared to prior years' actual results and current year budgets. The purpose of conducting the analytical procedures is to identify if the figures appear to be reasonable. Management is queried on the procedures that are used to record activity and balances and on any matters requiring disclosure in the financial statements. Minutes of Council and general meetings are also reviewed to help clarify any major issues that may affect the Strata. Third party confirmations may be sent to financial institutions, insurance brokerages and lawyers to confirm the balances of accounts, insurance coverage and any legal issues.

After the review the accountants will provide negative assurance on the financial statements stating that 'nothing has come to their attention causes them to believe that the financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations. Review engagements may be appropriate when the intended users (owners, management, banks) of the financial statements want some enhanced confidence that the financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Audit

The objective of an audit engagement is to enable independent Chartered Professional Accountants to render an opinion on the fairness of the Strata's financial statements, accounting policies and other explanatory information. Audit engagements are conducted in accordance with Canadian generally accepted auditing standards. Those standards require that the auditors comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including

the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Strata's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Strata's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Strata Council (property manager if the Strata is professionally managed), as well as evaluating the overall presentation of the financial statements.

Typical findings in a Strata audit include: unit allocation errors, categorization errors, double payments to suppliers, incorrect payments, and expenditures that have been made outside the resolutions given by the Council and owners through the budget process and/or $\frac{3}{4}$ vote resolutions.

After the audit, the auditors will provide positive assurance on the financial statements stating that in their opinion, 'the financial statements present fairly, in all material respects, the financial position of the Strata, and its financial performance and its cash flows in accordance with Canadian accounting standards for not-for-profit organizations.'

Audit engagements may be appropriate when the intended users (owners, management, banks) of the financial statements want to gain some confidence that the financial statements are free of material errors and have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

An audit also includes a letter to Council and management to outline significant errors found or non-compliance with accounting standards for not-for-profit organizations or the Strata Property Act and Regulations. The letter will also recommend improvements to internal control systems when the existing systems do not adequately reduce the risk of a material error or fraud from occurring.

Trust Examination

Real estate trust examinations are required for management companies that hold trust funds for clients. An independent accountant analyzes the internal controls of the management company, reviews trust reconciliations and ensures the management company handles the trust funds properly and in accordance with the rules set by the Real Estate Council. The accountant follows procedures set out by the Real Estate Council and no professional judgment is used. A sample of the brokerage's portfolio is tested and your particular Strata might not be analyzed. The sample chosen by the auditor is considered to reflect the entire portfolio of the management company.

Comparison Chart

| Engagement → | Compilation | Review | Audit |
|-------------------------------------|-------------|---------------|----------|
| Assurance | None | Negative | Positive |
| Conforms to ASNPO | No | Yes | Yes |
| Variance analysis | No | Yes | Yes |
| Management queried | No | Yes | Yes |
| Council queried | No | No | Yes |
| Minutes reviewed | No | Yes | Yes |
| 3 rd party confirmations | No | Possible | Possible |
| Testing of accounting records | No | No | Yes |
| Letter to Council / Management | No | Possible | Yes |
| Cost | Lowest | Medium / High | Highest |

Forensic Audit

A forensic audit is an examination and evaluation of a Strata's financial and other records to gather information that can be used as evidence in court. A forensic audit can be undertaken to assist with the prosecution of fraud, embezzlement or other financial claims. Typically, a general purpose audit or suspicious activity identified by Council or Owners will identify specific things to be examined. For example a forensic audit might be done to investigate an incident of fraud or presumptive fraud, with a view to gathering evidence that could be presented in a court of law.

Forensic audits the expert testimony in a court of law are usually very time consuming and costly. Unless there are reasonable grounds to expect that a fraud has occurred and legal action will be taken, a forensic audit is not usually recommended due to the high costs associated with such an audit. ■

Venus Duplin is a key trainer and mentor to RHN team members and is the Director in charge of overseeing the Firm's numerous processes and their compliance with standards and updates.

As a Shareholder, Venus provides services to our not-for-profit, corporate, strata corporations, and First Nations clients in areas of accounting, auditing, taxation, and trust examinations. RHN clients and staff rely on her in-depth technical knowledge and extensive professional experience to provide the best solution to complicated accounting and tax issues.

RHN Chartered Professional Accountants

Venus Duplin, CPA, CGA

Tel: 604-273-9338

www.rhncpa.com

vduplin@rhncpa.com

FROM THE STRATA EXPERTS

Property Appraisals For Stratas – Why An Appraisal?

We are frequently asked the question **"Why do we need an appraisal?"** There are several reasons why a strata corporation needs a proper reconstruction appraisal each and every year.

The primary reason is in the requirements of the Strata Property Act, which states in Part 9 - Insurance, section 149 (4) (a), that "the property insurance must be on the basis of full replacement value."

In our opinion, the only way to determine the full replacement value is a professional appraisal. Real estate market values and tax assessments are not based on the reconstruction value and as an insurance broker, we are in no position to advise anyone on the value of their property, the very best that we can provide is an estimate or generalization of the value.

If your strata was built more recently and it has never been appraised, we recommend that you obtain an appraisal as soon as possible. When a strata is new and the insurance is being placed for the first time, the amount of property coverage is usually based on the original "wholesale" cost of construction, which is not the same as the reconstruction value for insurance purposes. We have seen numerous instances where stratas are unknowingly exposing themselves to having inadequate insurance in the case of a claim, be it a small or large loss, because they have been significantly under-insured, in some cases by millions of dollars.

Maintaining a current appraisal also improves the protection provided by your strata insurance policy. The property coverage may be converted to a Stated Amount Co-Insurance basis rather than 90% Co-Insurance and a current appraisal (less than 14 months old at the time of loss) also allows the strata be placed under replacement cost protection. We believe this coverage is very important because it provides your strata with the peace of mind knowing that you are adequately insured.

A word of caution for when you are shopping around for an appraisal - ensure the appraiser specializes in strata appraisals. Over the years, we have seen too many appraisals that do not include everything that must be insured. If you are seeking quotations for an appraisal, we would be pleased to provide you with the names of four local appraisal firms that do specialize in strata appraisals. ■

Insurance

By Grace Wang,
HUB International Coastal
Insurance Brokers



Grace Wang is an Account Executive with HUB International Insurance Brokers' Strata Division, located in Burnaby, BC. Grace joined HUB International in 2014, and has been in the insurance industry since 2012.

As an Account Executive, Grace is responsible for developing and placing insurance coverage for both new and existing strata clients.

HUB International Coastal Insurance Brokers

"Our Knowledge, Your Advantage"

400 - 4350 Still Creek Drive
Burnaby, BC V5C 0G5
Tel: 604.269.1000

www.hubinternational.com
Grace.Wang@hubinternational.com

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FROM THE STRATA EXPERTS

Financial Literacy – The Statement of Operations (Income Statement)

Financial & Accounting

By Leo Van Wensem,
CPA, CGA,
RHN Chartered
Professional Accountants



The statement of operations or income statement is one of the reports commonly presented to Strata Council, Owners and professional managers for periodic review. This statement is fairly intuitive but is often not fully understood because the purpose of the statement is not known and the accounting methods used to prepare it are sometimes inconsistently applied. Hopefully, after reading this article, you will be able to read a statement of operations and understand what's happening with your Strata.

In its simplest form, the statement of operations shows how the Strata has performed over a period of time. It is the report showing what money was supposed to come in, how money was spent, and what money was left over for a specific period of time.

The period of time is shown at the top of the statement and is typically 'for the xx months ended [month end date]' in the case of monthly financial statements, or 'for the year ended [fiscal year end date]' in the case of annual financial statements.

Figure 1 is a typical statement of operations showing the three components:

- Revenues – strata fees and ancillary income such as interest and fines
- Expenditures – what the money was spent on
- Excess (or deficiency) of revenue over expenditures - calculated revenues less expenditures

Notice that the statement in figure 1 has 3 columns of figures:

- Budget
- Actual for the period of time being reported
- Actual for the previous period of time being reported

The budget and previous period columns are there to help you determine if the actual revenues and expenses are in accordance with the budget (comparison to budget) and are reasonable (comparison to previous actual).

The statement in figure 1 also shows a fourth component – the Operating Fund Balance. Notice the statement name includes 'and changes in Fund Balance'. After the Excess of revenue over expenditures there are a few lines showing the operating fund opening and closing fund balances along with any transfers to other Funds. This information is important because the Strata Property Act (SPA) requires that an opening deficit (negative balance at the beginning of the year) must be eliminated in the next fiscal year. And, if there is an opening surplus (positive balance at the beginning of the year), the surplus can be used for operating expenditures in the

current year – thus, the current year budget could actually show expenditures in excess of revenues.

So, fairly simple: money in, money spent, some left over or a shortage, and a positive or negative fund balance. All good – but is it? To know for sure you have to understand the purpose of the statement and a little bit about the accounting methods used to prepare the statement.

PURPOSE

Typically, at the annual general meeting, an operating budget is presented for approval. The budget puts forward estimates of what Strata Council anticipates will need to be spent in the various categories along with any proposed contributions to the Contingency Reserve Fund (CRF). To support the spending, the budget lists the various sources of revenue as well. Usually, after some deliberations and all the questions are answered, the budget is passed. Immediately after the budget is passed responsibility is divided:

- ▶ The **owners** become responsible to pay strata fees in accordance with the budget; and
- ▶ The **Strata Council** becomes responsible to collect fees and spend the money in accordance with the budget.

Note that Strata Council is responsible to manage the Strata Corporation's activities. Strata Council may engage a Professional Property Manager to perform the

... *continued on page 16*

administrative tasks necessary to accomplish all the planned activities in the budget. This may reduce considerably the time and effort Council members have to invest in managing the strata corporation but it does not relieve Strata Council of its responsibilities.

The statement of operations is the report back from Strata Council to let you know that the Strata Corporation is charging the appropriate fees and levies and that the money has been spent in accordance with the budget.

Figure 1

THE OWNERS, STRATA PLAN NO. [REDACTED]

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE
For the year ended September 30, 2014

| | Operating Fund Budget 2014 (Unaudited) | Operating Fund Actual 2014 | Operating Fund Actual 2013 |
|--|--|-------------------------------------|-------------------------------------|
| | \$ | \$ | \$ |
| REVENUES | | | |
| Strata fees | 904,670 | 904,672 | 884,998 |
| Fines/levies | 500 | 5,600 | 12,000 |
| Interest | 400 | 301 | 510 |
| Miscellaneous | 5,000 | 5,919 | 6,006 |
| | 910,570 | 916,492 | 903,514 |
| EXPENDITURES | | | |
| General | | | |
| Appraisal | 1,150 | 682 | - |
| Audit | 4,600 | 3,636 | 3,796 |
| Concierge | 180,000 | 170,776 | 175,390 |
| Insurance | 60,000 | 62,943 | 55,679 |
| Janitorial | 37,000 | 35,964 | 39,957 |
| Legal | 5,000 | 2,650 | 9,638 |
| Management fees | 26,300 | 25,410 | 26,646 |
| Miscellaneous | 11,000 | 10,527 | 10,585 |
| | 325,050 | 312,588 | 321,691 |
| Buildings and Grounds | | | |
| Electricity | 55,000 | 53,471 | 53,176 |
| Elevator | 23,000 | 23,381 | 22,781 |
| Fire protection | 8,000 | 17,311 | 12,085 |
| Gas | 63,000 | 62,079 | 58,858 |
| Landscaping | 25,000 | 21,152 | 16,236 |
| Mechanical maintenance | 35,000 | 43,343 | 28,491 |
| Repairs and maintenance | 70,000 | 82,118 | 88,858 |
| Security | 4,000 | 311 | 3,910 |
| Waste removal | 16,000 | 12,644 | 16,024 |
| Water and sewer | 32,000 | 31,208 | 34,081 |
| Water treatment | 8,500 | 9,710 | 8,414 |
| Window cleaning | 13,000 | 8,243 | 8,138 |
| | 352,500 | 364,971 | 351,052 |
| | 677,550 | 677,559 | 672,743 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES, Before | 233,020 | 238,933 | 230,771 |
| Budgeted interfund transfers | (200,000) | (200,000) | (230,000) |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 33,020 | 38,933 | 771 |
| Fund balance, beginning of the year | | (16,526) | (16,006) |
| Interfund transfers | | - | (1,291) |
| Fund balance, end of the year | | 22,407 | (16,526) |

ACCOUNTING METHODS

Revenues:

In figure 1, the revenues section shows actual strata fees revenue exactly equal to budget. It is important to understand that this is not the actual amount of strata fees that were paid in, rather it is the amount of strata fees that became due during the period of time reported. So, you can see that strata fees were charged in accordance with budget but you can't see what was collected. To see

if there are strata fees in arrears or strata fees paid early, you have to look at the statement of financial position which lists the magnitude of the strata fees still receivable and fees paid in advance. Similarly, with the ancillary revenues, the amounts are what became due during the period of the statement of operations.

Expenditures:

In figure 1, the expenditures section shows what money was spent on by category. It is important to know that the amounts listed are supposed to be the expenses incurred during the period of the statement of operations. This part of the statement is much harder to get right because bills don't always come in when the service is rendered or the goods are purchased.

Examples:

- A BC Hydro bill is for 2 months from April 20 to June 19. The May financial statements may show zero spent on electricity because there was no bill in May, and the June financial statement may show the June 19 billing which is actually 2 months' worth of electricity. The May and June statements do not accurately reflect the amounts spent on electricity in each month. The appropriate way to show what was spent on electricity is to record estimates of the electricity used from May 1 to 31 in the May statement and from June 1 to June 30 in the June statement.
- A tradesperson comes in to repair something. The tradesperson does the work on the 20th of June and then, at some point after month-end, the tradesperson gathers all the bills on the dashboard of the truck and mails them out. The Strata gets the bill on July 15 and pays the bill on August 5. The June financial statement may show zero paid for this service because the June

statement is prepared on July 10 and the bill wasn't received until July 15. The July financial statement might show the tradesperson's bill because it was received in July. Or, the August financial statement might show the bill because it was paid in August. The expenditure should be recorded in June when the work was done.

When expenditure estimates are made such as for electricity in the example above, this gives rise to an 'accrued liability'. And, when goods or services invoices are recorded in the month incurred and the invoices are paid in a subsequent period, the unpaid invoices at the end of the period are 'accounts payable'. To see the magnitude of the accrued liabilities and accounts payable you have to look at the statement of financial position which usually has a line for 'accounts payable and accrued liabilities'.

It takes extra time and skill to accrue liabilities and record accounts payable. The simplest and most expedient method of accounting for the expenditures is to simply record the bills incurred in the month they are paid. Often there is a routine set up where all bills on hand are paid once a month within the first few weeks of the month and those bills that are paid are recorded in the accounts on the day paid. Strata Council rationalizes this method by saying that it is easier for readers to understand. Sadly, this method actually reduces the informational value of the statement of operations and makes it harder for readers to see if the spending was in accordance with the budget.

THINGS TO WATCH FOR

When you read through the expenditures, remember that Strata Council is responsible to spend in accordance with the budget. When the actual expenditure is higher than the annual budget it means that the expenditures were higher than anticipated. The over-expenditure is actually an unapproved expenditure and owners should obtain satisfactory explanations for all expenditures that are significantly over the annual budget. When an expenditure is lower than the budget it means that the expenditures were lower than anticipated. It can also mean that a planned project or repair is not being carried out by Strata Council. Again, owners should obtain satisfactory explanations for all expenditures that are significantly under budget. As a general guideline, I suggest obtaining explanations for expenditures that vary 10% or more from the annual budgeted amount.

Strata Council presents a budget for approval at the start of the fiscal year. After the budget is passed, Strata Council must spend money only in accordance with the budget. I have noticed too often that Strata Council and/or the Property Manager is judged on their ability to get all

the operations done under budget and have an excess of revenue over expenditures at the end of the year. Financial statement readers should be aware that the Statement of Operations can be manipulated to show 'favourable' results. Typical examples:

- Categorizing a repair bill to another similar account because the repairs budget is already fully utilized
- Charging an operating expenditure to the Contingency Reserve Fund as an expenditure to prevent loss in order to show less expenditure in the Operating Fund
- Purposely holding back one or more bills and recording them in a subsequent year in order to avoid recording them in the current year

Although not required under the SPA, an audit by an independent auditor will normally provide some assurance that the Statement of Operations has all revenues and expenditures recorded in the correct year and in the correct categories. It is imperative to have reasonably accurate financial statements when making such decisions as:

- Whether strata fees were charged in accordance with the budget
- Whether Strata Council has spent money in accordance with the budget
- What is the true Operating Fund balance at the end of the year
- Whether the next year's budget is reasonable ■

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Financial Literacy – The Statement of Financial Position (Balance Sheet)

By Leo Van Wensem,
CPA, CGA,
RHN Chartered
Professional Accountants



The statement of financial position (SFP) or balance sheet is one of the reports commonly presented to Council, Owners and managers for periodic review. This is often a confusing beast for those unfamiliar with it. Hopefully, after reading this article, the statement will be demystified and you will be able to read a statement of financial position with understanding.

In its simplest form, a SFP shows what assets (things of value) the Strata controls and who owns them. When someone else owns the assets those are called liabilities and when the Strata owns the assets that ownership is reflected in the fund balances (sometimes called 'Owners equity').

Unlike the statement of operations which shows how the Strata performed over a period of time, the SFP is like a snapshot and reports the financial health of the Strata at a point in time – the date stated at the top of the statement.

- Assets – things of value the Strata controls
- Liabilities – amounts owed to others
- Fund Balances – amounts owned by the strata

Notice also that the total of the assets is equal to (balances with) the total of the liabilities and fund balances combined – thus the original name of this statement, the Balance Sheet.

Although not relevant to the date of the SFP, there is typically a comparative column of figures that represent the balances for a previous date. On annual statements the comparative date is exactly one year prior to the fiscal year end being reported (the date at the top of the SFP).

One more thing you need to know is that the various assets and liabilities are grouped together. CURRENT assets and liabilities are those that are expected to be realized or paid within one year. All non-current ones are grouped under various other headings such as: Other assets or liabilities, Long-term, Capital assets, and Investments.

Your SFP should be in the basic format discussed above and displayed in Figure 1. The SFP should be supported by various notes that explain or disclose details that are not readily apparent on the SFP. Sadly, most Strata financial statements I see have no accompanying notes and so you are left with just the SFP to work with. To make up for the lack of notes, I see many SFP that are chocked

Figure 1 is a typical SFP for a Strata. Notice the three components:

Figure 1

| THE OWNERS, STRATA PLAN NO. [REDACTED] | | |
|--|-----------|----------|
| STATEMENT OF FINANCIAL POSITION | | |
| September 30, 2014 | | |
| | 2014 | 2013 |
| | \$ | \$ |
| ASSETS | | |
| CURRENT | | |
| Cash | 1,074,941 | 577,592 |
| Accounts receivable - owners | 8,475 | 10,225 |
| Prepaid expenses | 17,873 | 16,967 |
| | 1,101,289 | 604,784 |
| TANGIBLE CAPITAL (Note 4) | 23,444 | 3,583 |
| | 1,124,733 | 608,367 |
| LIABILITIES | | |
| CURRENT | | |
| Accounts payable and accruals | 165,163 | 39,285 |
| Strata fees received in advance | 2,676 | 5,208 |
| Payroll liabilities | 3,140 | 2,454 |
| Vacation payable | 3,715 | 2,971 |
| Deposits | 343 | 343 |
| | 175,037 | 50,261 |
| FUND BALANCES | | |
| UNRESTRICTED | 22,407 | (16,526) |
| RESTRICTED | 903,845 | 571,049 |
| INVESTED IN TANGIBLE CAPITAL ASSETS | 23,444 | 3,583 |
| | 949,696 | 558,106 |
| | 1,124,733 | 608,367 |

Figure 2

| Component | Definition |
|--|--|
| Current Assets | Types of assets that will be realized within one year |
| Cash | Bank balances and petty cash – each bank account may be listed instead of aggregated under ‘cash’ |
| Investments | Usually, Guaranteed Investment Certificates (GICs) or Term Deposits (TDs) – money not needed right away (normally from the Contingency Reserve Fund) and invested to gain a higher interest rate |
| Accounts receivable | Amounts owing to the Strata – usually strata, special levy and bylaw fees |
| Prepaid expenses | Expenses paid on or before the SFP date that are for a future period |
| Tangible Capital Assets | Any physical assets owned by the Strata (eg. Maintenance equipment, caretaker suite, exercise equipment) usually stated at cost less accumulated amortization |
| Current liabilities | Amounts owing to others that will be paid or realized within one year |
| Accounts payable and accrued liabilities | Amounts owing for goods and services that were acquired before the SFP date |
| Strata fees in advance | Any strata fees received before the SFP date that are for a future period |
| Payroll liabilities | Withholdings and payroll taxes owing to the government |
| Vacation payable | Accumulated vacation pay for employees of the Strata |
| Deposits | Usually damage deposits or key deposits received and held by the Strata |
| Unrestricted Fund Balance | The surplus or deficit in the Operating Fund |
| Restricted Fund Balance | The surplus or deficit in the Contingency Reserve Fund and any Special Levy Funds |
| Invested in Tangible Capital Assets | The book value of the tangible capital assets less an debt remaining on those assets |
| Inter-fund loan | A loan from one fund to another. Typically a temporary loan from the Contingency Reserve Fund to the Operating Fund to pay large bills such as the insurance premium. |

full of details that make this statement into the mysterious beast that you see at each meeting. Figure 2 is a list of typical line items you might see on the SFP along with their definitions. Often the components listed in the definition are shown on the SFP instead of the items listed in Figure 1.

The SFP can alert you to problems that require action.

1. Banks should not be overdrawn or in a negative balance.
2. A significant balance in accounts receivable means that several owners are not paying their strata fees on time.
3. A large balance in accounts payable could mean the Strata is not paying its debts on time.
4. Payroll liabilities are usually paid on or before the 15th of the month for the previous month, so it is normal to have about the same amount payable each

month. When the usual amount doubles or triples it can mean that remittances are not being made and that can lead to penalties and interest being levied by the Canada Revenue Agency.

5. Fund balances should not be negative – a negative balance means that one or more funds are in a deficit position (over-spent) and some action may have to be taken to cover the deficit. ■

Leo Van Wensem brings a valuable wealth of knowledge and attentiveness to every engagement. With many years of tax, accounting and business advisory experience, Leo offers more to each client through his knowledge and understanding beyond account reconciliations and balances.

Leo enjoys helping strata owners maintain reliable financial reports and has established himself as a leader in compliance in Strata standards.

RHN Chartered Professional Accountants

Leo VanWensem, CPA, CGA
Tel: 604-273-9338

www.rhncpa.com
lvnwensem@rhncpa.com

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Cameron Carter
788 Beatty, Suite 308
Vancouver, BC V6B 2M1
Tel: 604-221-8258
Email: cameron@normac.ca
Website: www.normac.ca

Suncorp Valuations

Timothy Scoon
890 West Pender Street, Suite 310
Vancouver, BC V6C 1J9
Tel: 604-689-2099
Email: tim.scoon@suncorpvaluations.com
Website: www.suncorpvaluations.com

Appraisals & Valuations, Depreciation Reports

Pacific Rim Appraisals Ltd.

Victor Sweett
5811 Cooney Road, Suite 305
Richmond, BC V9R 5G9
Tel: 604-248-2450
Fax: 866-612-2800
Email: depreciationreports@pacificrimappraisals.com
Website: www.pacificrimappraisals.com

Associations & Organizations

British Columbia Association of the Appraisal Institute of Canada

Christina Dhesi
10451 Shellbridge Way, Suite 210
Richmond, BC V6X 2W8
Tel: 604-284-5515
Fax: 604-284-5514
Email: christina@appraisal.bc.ca
Website: www.aicanada.ca

Homeowner Protection Office

Wendy Acheson
4555 Kingsway, Suite 203
Burnaby, BC V5H 4T8
Tel: 604-646-7050
Fax: 604-646-7051
Email: hpo@hpo.bc.ca
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Abbotsford, BC V2T 0A7
Tel: 604-744-5440
Email: darlene.kuik@lumon.com
Website: www.lumon.ca

Computer Software & Telecommunications

Power Strata Systems Inc.

Azadeh Nobakht
1515 Pemberton Avenue, Suite 106
North Vancouver, BC V7P 2S3
Tel: 604-971-5435
Fax: 604-971-5436
Email: azadeh@powerstrata.com
Website: www.powerstrata.com

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Constructive Condo Reporting Corp.

Jean-Francois Proulx
232 Tenth Street, Suite 14
New Westminster, BC V3M 3X9
Tel: 778-232-6707
Email: jfproulx@constructivecrc.com
Website: www.constructivecrc.com

Engineering & Engineering Consultants

Aqua-Coast Engineering Ltd.

Aaron A. MacLellan
5155 Ladner Trunk Road, Unit 201
Delta, BC V4K 1W4
Tel: 604-946-9910
Fax: 604-946-9914
Email: adminservices@aqua-coast.ca
Website: www.aqua-coast.ca

BC Building Science Ltd.

Jordana Collison
611 Bent Court
New Westminster, BC V3M 1V3
Tel: 604-520-6456
Fax: 604-520-6496
Email: info@bcbuildingscience.com
Website: www.bcbuildingscience.com

CCI Group Inc.

Doru Cornescu
1003 Brunette Avenue
Coquitlam, BC V3K 6Z5
Tel: 604-553-4774
Fax: 604-553-4773
Email: doruc@ccigroupinc.ca
Website: www.ccigroupinc.ca

Duxbury & Associates - Building Inspection and Consulting Ltd.

Glenn Duxbury
125 DeBeck Street
New Westminster, BC V3L 3H7
Tel: 604-524-2502
Email: glenn@glennduxbury-inspections.com
Website: www.glennduxbury-inspections.com

Sense Engineering Ltd.

Ted Denniston
3035 Crescentview Drive
North Vancouver, BC V7R 2V2
Tel: 778-869-3035
Email: ted@senseengineering.com
Website: www.senseengineering.com

Engineering & Engineering Consultants, Depreciation Reports

Morrison Hershfield

Jacquelyn White
4321 Still Creek, Suite 310
Burnaby, BC V5C 6S7
Tel: 604-454-0402
Fax: 604-454-0403
Email: jwhite@morrisonhershfield.com
Website: www.morrisonhershfield.com

RDH Building Engineering Ltd.

Paul Kernan
224 West 8th Avenue
Vancouver, BC V5Y 1N5
Tel: 604-873-1181
Fax: 604-873-0933
Email: pkernan@rdh.com
Website: www.rdh.com

WSP Group

Kevin Grasty
930 West 1st Street, Suite 112
North Vancouver, BC V7P 3N4
Tel: 604-973-0038
Fax: 604-924-5573
Email: kevin.grasty@wspgroup.com
Website: www.wspgroup.ca

Business Partner and Professional Members Directory

Engineering Consulting

RDH Building Science Inc.

Laureen Stokes
224 West 8th Avenue
Vancouver, BC V5Y 1N5
Tel: 604-873-1181
Fax: 604-873-0933
Email: lstokes@rdh.com
Website: www.rdh.com

Financial & Accounting

CWB Maxium Financial Services

Paul & Kelly McFadyen
5725 Owl Court
North Vancouver, BC V7R 4V1
Tel: 1-888-1077
Fax: 1-888-735-2851
Email: paul.mcfadyen@cwbsmaxium.com
kelly.mcfadyen@cwbsmaxium.com
Website: www.cwbsmaxium.com

Dong Russell & Company Inc.

Stanley Dong
2443 Alder Street
Vancouver, BC V6H 4A4
Tel: 604-730-7472
Fax: 604-730-7459
Email: sdong@dr CPA.com
Website: www.dr CPA.com

RHN Chartered Professional Accountants

(Richmond)
Venus Duplin
13900 Maycrest Way, Suite 105
Richmond, BC V6V 3E2
Tel: 604-273-9338
Fax: 604-273-9390
Email: vduplin@rhncpa.com
Website: www.rhncpa.com

VersaBank

Karl Neufeld
40733 Perth Drive, PO Box 2000
Garibaldi Highlands, BC V0N 1T0
Tel: 604-984-7564
Fax: 604-898-3442
Email: karln@versabank.com
Website: www.versabank.com

Insurance

BFL Canada Insurance Services Inc.

Paul Murcutt
1177 West Hastings, Suite 200
Vancouver, BC V6E 2K3
Tel: 604-678-5454
Fax: 604-683-9316
Email: pmurcutt@bflcanada.ca
Website: www.bflcanada.ca

HUB International Insurance Brokers

Sarah Thompson
400-4350 Still Creek Drive
Burnaby, BC V5C0G5
Tel: 604-937-1732
Fax: 604-937-1734
Email: coastal@hubinternational.com
Website: www.hubinternational.com

Legal & Dispute Resolution

Access Law Group

Jamie Bleay
1185 West Georgia Street, Suite 1700
Vancouver, BC V6E 4E6
Tel: 604-689-8000
Fax: 604-689-8835
Email: jbleay@accesslaw.ca
Website: www.accesslaw.ca
Professional & Business Partner Member

Access Law Group

Phil Dougan
1185 West Georgia Street, Suite 1700
Vancouver, BC V6E 4E6
Tel: 604-689-8000
Email: pdougan@accesslaw.ca
Website: www.accesslaw.ca

Cleveland Doan LLP

Shawn M. Smith
1321 Johnston Road
White Rock, BC V4B 3Z3
Tel: 604-536-5002
Fax: 604-536-7002
Email: shawn@clevelanddoan.com
Website: www.clevelanddoan.com

Gowling WLG (Canada) LLP

Lisa Frey
550 Burrard Street, Suite 2300
Vancouver, BC V6C 2B5
Tel: 604-683-6498
Fax: 604-683-3558
Email: lisa.frey@gowlingwlg.com
Website: www.gowlingwlg.com

High Clouds Incorporated

Deborah Howes
3438 - 78 Avenue
Edmonton, AB T6B 2X9
Tel: 780-466-8250
Fax: 780-466-8015
Email: dhowes@highclouds.ca
Website: www.highclouds.ca

Jamie A. Bleay Law Corporation

Silvano Todesco
1185 West Georgia Street, Suite 1700
Vancouver, BC V6E 4E6
Tel: 604-235-4667
Fax: 604-689-5535
Email: stodesco@accesslaw.ca
Website: www.accesslaw.ca

Lesperance Mendes

Paul Mendes
900 Howe Street, Suite 550
Vancouver, BC V6Z 2M4
Tel: 604-685-3567
Fax: 604-685-7505
Email: pgm@lmlaw.ca
Website: www.lmlaw.ca

Wilson McCormack Law Group

(Nanaimo Office)
Cora D. Wilson
630 Terminal Avenue North
Nanaimo, BC V9S 4K2
Tel: 250-741-1400
Fax: 250-741-1441
Email: cora@wmlg.ca
Website: www.wmlg.ca

Lighting

Lumenix Inc.

Kevin Tran
2211 Cambie Street, Suite 701
Vancouver, BC V5Z 2T5
Email: kevin.tran@lumenix.com
Website: www.lumenix.com

Restoration & Mould

Phoenix Restorations Ltd.

John Wallis
1800 Brigantine Drive, Suite 100
Coquitlam, BC V3K 7B5
Tel: 604-945-5371
Fax: 604-945-5372
Email: johnw@phoenixrestorations.com
Website: www.phoenixrestorations.com

Business Partner and Professional Members Directory

... continued from page 21

Service Master Restore of Vancouver

Lorraine Thompson
7978 North Fraser Way
Burnaby, BC V5J 0C7
Tel: 604-435-1220
Fax: 604-435-4131
Email: ltompson@servicemaster.bc.ca
Website: www.svmvancouver.ca

Superior Flood and Fire Restoration Inc.

Mayank Anand
1066 West Hastings Street, 20th Floor
Vancouver, BC V6E 3X2
Tel: 604-773-5511
Fax: 604-773-5563
Email: mayank@superiorrestoration.ca
Website: www.superiorrestoration.ca

Strata Management & Real Estate

All Property Consulting Inc.

Kevin O'Donnell
PO Box 45694, Sunnyside Mall
Surrey, BC V4A 9N3
Tel: 778-323-7335
Email: kevin@allpropconsulting.com
Website: www.allpropconsulting.com

Ascent Real Estate Management Corporation

Michael Roach
2176 Willingdown Avenue
Burnaby, BC V5C 5Z9
Tel: 604-431-1800
Fax: 604-431-1818
Email: mroach@ascentpm.com
Website: www.ascentpm.com

Assertive Northwest Management Group Inc.

Jim Allison
3847 B Hastings
Burnaby, BC V5C 2H7
Tel: 604-253-5224
Email: jim@assertivenorthwest.com
Website: www.assertivenorthwest.com
Professional & Business Partner Member

Associa British Columbia

Berit Hansen
13468 - 77th Avenue
Surrey, BC V3W 6Y3
Tel: 604-595-2789
Fax: 604-592-3685
Email: Berit.Hansen@associa.ca
Website: www.associaonline.com

Blueprint Strata Management Inc.

David Doornbos
1548 Johnston Road, Suite 206
White Rock, BC V4B 3Z8
Tel: 604-200-1030
Fax: 604-200-1031
Email: info@blueprintstrata.com
Website: www.blueprintstrata.com

Citybase Management Ltd.

Victor Chan
1200 W73rd Avenue, Suite 400
Vancouver, BC V6P 6G5
Tel: 604-708-8998
Fax: 604-708-9982
Email: victorchan@citybase.ca
Website: www.citybase.ca

Dynamic Property Management

Mike Young
37885 Second Avenue
Squamish, BC V8B 0R2
Tel: 604-815-4654
Fax: 604-815-4653
Email: myoung@dynamicpm.ca
Website: www.dynamicpm.ca

FirstService Residential

Max Gajdel
200 Granville Street, Suite 700
Vancouver, BC V6C 1S4
Tel: 604-683-8900
Fax: 604-689-4829
Email: maximilian.gajdel@fsresidential.com
Website: www.fsresidential.com

Gateway Property Management Corporation

R. Scott Ullrich
11950 - 80th Avenue, Suite 400
Delta, BC V4C 1YC
Tel: 604-635-5000
Fax: 604-635-5003
Email: scott.ullrich@gmail.com
Website: www.gatewaypm.com

HomeLife Glenayre Realty Chilliwack Ltd.

Al Browne
45269 Keith Wilson Road
Chilliwack, BC V2R 5S1
Tel: 604-858-7368
Fax: 604-858-7380
Email: slewthwaite@hgpmc.com
Website: www.hgpmc.com

Obsidian Property Management

Sean Michaels
7495 - 132nd Street, Suite 2005
Surrey, BC V3W 1J8
Tel: 604-757-3151
Fax: 604-503-3457
Email: askme@opml.ca
Website: www.opml.ca

Rancho Management Services (BC) Ltd

Chris Sargent
1190 Hornby Street, 6th Floor
Vancouver, BC V6Z 2K5
Tel: 604-684-4508
Fax: 604-684-1956
Email: csargent@ranchogroup.com
Website: www.ranchogroup.com

Stratawest Management Ltd.

Cory Pettersen
224 West Esplanade, Suite 202
North Vancouver, BC V7M 1A4
Tel: 604-904-9595
Fax: 604-904-2323
Email: cpettersen@stratawest.com
Website: www.stratawest.com

Teamwork Property Management Ltd

Tom Quinton
34143 Marshall Road, Suite 105
Abbotsford, BC V2S 1L8
Tel: 604-854-1734
Fax: 604-854-1754
Email: admin@teamworkpm.com
Website: www.teamworkpm.com

The Wynford Group

Brad Fenton
815 - 1200 W. 73rd Avenue
Vancouver, BC V6P 6G5
Tel: 604-261-0285
Fax: 604-261-9279
Email: bfenton@wynford.com
Website: www.wynford.com

Waste Management

Waste Management

Tej Kullar
2330 United Boulevard
Coquitlam, BC V3K 6S1
Tel: 604-520-7915
Fax: 604-520-7878
Email: tkullar@wm.com
Website: www.wmcanada.com



Condo 101

Your Strata Connection to Education

Condo 101 Course for Council Members

Through our **NEW Condo 101** course, CCI Vancouver is committed to providing a friendly, supportive educational environment to help Strata Council members become better equipped to perform their duties.

Taught by Strata Lawyers, this course provides information on the duties, obligations and procedures that all strata council members, or those who would like to join the council, should know. Topics include legal elements of Stratas, discerning various responsibilities of Stratas, administration, finance, insurance, and procedures of Strata Corporation meetings.

This is a complimentary course available to the council members of Strata Corporations with active CCI Vancouver memberships. Owners who would like to join their council in the future are also welcome to register for this course. The registration fee for non-members is \$150. Participants will receive a Condo 101 package including course materials, handouts and a certificate of completion.

This course will be offered twice in 2017 with three lawyers present at each session:

Saturday, June 10th

8:30 am - 12:00 pm

(Coffee and muffins included)

Kwantlen Polytechnic University, Surrey Campus

Fir Building, Room 128, Lecture Theatre

12666-72nd Avenue, Surrey BC

Presenters:

Sat Harwood, Lesperance Mendes, Jamie Bleay, Access Law Group, Phil Dougan, Access Law Group

Tuesday, October 17th

5:30 pm - 9:00 pm

(Coffee and sandwiches included)

UBC Robson Square

C680 (HSBC Hall)

800 Robson Square, Vancouver BC

Presenters:

Sat Harwood, Lesperance Mendes, Alex Chang, Lesperance Mendes, Lisa Frey, Gowling WLG

- ▶ To register for the session of your choice fill out the [form on the CCI website](#) and send it to us at contact@ccivancouver.ca
- ▶ If you are not a member, to be eligible for **FREE** registration for Condo 101 have your strata council fill out the "Condominium Corporation Membership" category at the top of the first page of the [Membership Application Form](#) and return it to us at contact@ccivancouver.ca
- ▶ For the benefit of your strata community, please encourage your fellow strata council members and owners to [Subscribe to CCI Vancouver E-News](#) at our website to be notified of all Strata educational opportunities offered by CCI Vancouver.

Sponsorship Opportunities are available to Business Partner Members* for these Condo 101 Sessions

- ▶ To become a Condo 101 sponsor, fill out the [form on the CCI website](#) and send it to us at contact@ccivancouver.ca
- ▶ If you are not yet a member of CCI Vancouver, fill out the "Business Partner Membership" category on the bottom of the second page of the [Membership Application Form](#) and return it to us at contact@ccivancouver.ca

*Strata Management Company Business Partner Members are not eligible.

How Becoming a Member of CCI Vancouver Can Benefit You

Find the category of Membership that is applicable to you:

■ Condominium Corporation Membership Category:

Under this membership category, all owners and strata council members of the strata corporation member will benefit from special members' rate for **Strata Educational Seminars** and **Lunch & Learns**, and strata council members can register for **FREE** for strata courses such as **Condo 101** and **CondoSTRENGTH** program which are specifically designed for council members. In addition, the strata corporation member can be nominated for the **CCI Vancouver Strata of the Year Award** by owners, council members, service providers or strata managers.

■ Business Partner Membership Category:

Companies that provide services to strata corporations can become a Business Partner member. Under this membership category, companies can **sponsor** strata educational seminars, Lunch & Learns and the Condo 101 course. They can **advertise** in the CCI Vancouver quarterly publication, **Condo News**, and can **submit educational-only articles**, useful for strata council members, to be published in **Condo News**. All employees of the company, can attend the **strata educational seminars and Lunch & Learns** at the members' rate.

■ Professional Membership Category:

A Professional Member is an individual who participates professionally in a field or endeavour related to Strata Corporations. Professional members can **submit educational-only articles**, useful for strata council members to be published in **Condo News**. They can also attend the **strata educational seminars and Lunch & Learns** at the members' rate.

■ Individual Membership Category:

This classification of membership is devoted to those individuals who live in a strata corporation and wish to become personally involved in CCI. It is not a replacement for strata corporation or professional membership. Individual members can attend the **strata educational seminars and Lunch & Learns** at the members' rate.

■ STRATA EDUCATION SEMINARS (Members Discount)

■ CONDO 101 COURSE (FREE for Members)

■ CondoSTRENGTH PROGRAM (Members Only)

■ STRATA OF THE YEAR AWARD (Members Only)

■ SEMINAR SPONSORSHIP OPPORTUNITIES

■ CONDO 101 COURSE SPONSORSHIP

■ CONDO NEWS ADVERTISING OPPORTUNITIES

■ SUBMIT EDUCATIONAL ARTICLES

All Members and Non-Members who subscribe to CCI Vancouver e-News will be notified about upcoming Strata Education Seminars, Condo 101 courses, the CondoSTRENGTH program and will receive the electronic version of this quarterly Condo News publication. Print versions of Condo News are available at seminars, courses and program sessions or by request at contact@ccivancouver.ca.

TO **BECOME A MEMBER** OR **LEARN MORE ABOUT CCI VANCOUVER** VISIT OUR WEBSITE: ccivancouver.ca

CCI Vancouver Chapter Upcoming Events:

- ▶ May 27th ½ Day Seminar, Insurance
- ▶ June 10th Condo 101 Course, Kwantlen Polytechnical, Surrey
- ▶ June (Date TBA) Lunch & Learn, Restoration
- ▶ October 17th Condo 101 Course, UBC Robson Square



▶ To receive issues of Condo News by email and be notified of upcoming CCI-Vancouver Strata Educational Seminars and Courses:

Subscribe to
CCI Vancouver E-Newsletter



CCI Vancouver Chapter

JOIN



Membership Benefit from educational and networking opportunities as well as the experiences of hundreds of other strata council members and industry professionals.

LEARN



Condo 101 Course

Through our **NEW Condo 101** course, taught by Strata Lawyers, CCI Vancouver is committed to providing a friendly, supportive, educational environment to help Strata Council members or those considering joining their council to become better equipped to perform their duties. **Condo 101** will be offered on two dates:

June 10th OR October 17th

SUPPORT



CondoSTRENGTH Program *You Are Not Alone.*

Other strata council members out there can relate to your challenges.

▶ This **NEW** program offers strata council members the opportunity to draw on one another's wealth of knowledge, experience and support helping each other to build better strata communities. By sharing ideas and finding solutions council members will achieve both success and recognition.

RECOGNITION



Strata of the Year Award *Your Strata Could Be The Next Winner!*

- ▶ An opportunity for well managed stratas to be recognized and rewarded for their achievements.
- ▶ Nominations accepted from July 1st, 2016 until the June 30, 2017 deadline.
- ▶ Finalists selected in July 2017 and the winner will be awarded at the CCI Vancouver Chapter's AGM in the fall of 2017

Any CCI Vancouver Strata Corporation Members can be nominated