



Strata maintenance financing: A viable option for funding shortfalls

By *Eric Bloomquist*



Everyone who has been involved in a strata corporation, either as an investor or a strata owner, understands the potential financial impacts and/or difficulties related to constant maintenance requirements and extensive repairs. If the strata is not properly maintained and repairs are

not carried out promptly, the value of the entire property is potentially at risk. Plus, there could be liability issues and the units may no longer be attractive to prospective buyers and tenants. Often, the monthly strata fees paid by unit owners cover little more than the day-to-day running of the strata in an attempt to keep fees low. This means financing for planned or unplanned maintenance work may not be readily available when it's time to take on

an important repair or maintenance project.

This is where strata corporation maintenance financing may be a useful alternative to a special levy or the unthinkable option of not proceeding with the project at all. If the corporation obtains a loan to cover the necessary work, it can avoid a lot of the unpleasantness that accompanies a poorly maintained strata.

What are the Benefits of Strata Corporation Maintenance Financing?

- The strata corporation can receive the required funds when the maintenance or repair work is scheduled to start. This eliminates the long waiting periods that can occur while unit owners struggle to gather their share of a special levy.
- Strata corporation financing ensures that the project can be carried out in its entirety, without deferring some elements to a later time when construction costs may have risen. Instead of staging projects over multiple years, efficiencies can be gained by having a contractor set up once. Often, they will offer a price break to secure all of the work in the immediate term.

Continued on page 2

In this issue...

• Strata Maintenance Financing: A Viable Option for Funding Shortfalls Eric Bloomquist	1
• Condominium Conflict Resolutions: Recognizing The Role of Culture Richard A. Elia	3
• Strata Dispute Online Self-Help Tool in the Works.....	4
• Strata Alphabet Soup	6
• Ten Reason to Mediate Marc Bhalla	7
• Business Members	8
• You Asked	10
• Bylaws, Rules and You.....	12
• Introducing New Business Members.....	14
• Strata Insurance Deductibles Harvey Williams	15
• President's Report Sandy Wagner	16

Board of Directors 2013

EXECUTIVE

President - Sandy Wagner
Vice President - John Webb
Secretary - Vacant
Treasurer - Esther Harvey

DIRECTORS AT LARGE

Tony Davis, Deryk Norton,
Harvey Williams, Cleve Patterson,
Paulette Marsollier,
Wendy Wall

Strata maintenance financing: A viable option for funding shortfalls

Continued from page 1

• Proper maintenance of the building envelope and the common property is essential to preserve the value of the property as well as to attract suitable buyers and tenants, and to create a pleasant home for the current residents. While it may be true, the explanation that funds are not available for maintenance simply does not create an impression of a well-managed strata.

• From the perspective of the unit owners, strata corporation financing may eliminate the need for large, lump sum special levies for which many may have difficulty obtaining personal financing, if they can afford it at all. From a board's perspective it may eliminate the unpleasant task of enforcing collection of an onerous assessment, and maybe even foreclosures, as the financing option simply increases the current monthly budget, which may or may not require an increase to monthly strata fees. While there still may be a financial impact, it's likely much more

manageable given it is spread over a period of time.

• Individual unit owners do not need to qualify for financing, because the loan is provided directly to the strata corporation. Unit owners therefore benefit from the project without having to undergo the full credit process and it has no effect on their credit record.

• Since the cost of a strata loan can be added to the corporation's budget, current and future unit owners share the cost of the maintenance and repair work. This is a very reasonable approach when considering that both share the benefits of the improvements.

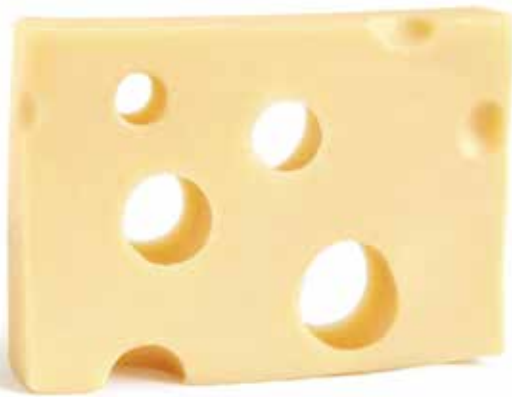
• A loan can also be an alternative to the need for a strata to drain down its contingency reserve fund for unexpected repairs, which it may need in an emergency or for future planned projects. Essential repairs such as the replacement of a leaky roof need to be carried out immediately and if a healthy reserve fund is in place, the corporation may want to leave it intact and avoid depleting it prematurely.

• Other improvements that strata

corporations may not easily afford without the financing option can potentially add significant value to the property if implemented. For example, energy-saving retrofits such as high-efficiency boilers and solar and geothermal upgrades can create significant utility savings for the unit owners while also being more environmentally friendly.

It is no longer necessary to allow strata corporations to deteriorate in physical terms and in value simply because the corporation cannot afford to maintain and upgrade their complex. Strata financing is an increasingly popular solution, with some lenders recognizing the need and providing the ability to assist with the pursuit of this option. Strata corporations faced with the need for a special levy owe it to both their current and future ownership group to consider the option of financing.

Eric Bloomquist is Business Development Manager at Bank West, serving Western Canada with innovative financial services. He may be reached at 778-215-0165 or 1-800-784-2504.



If this is your Reserve Fund,
CondoFlex can help.



We don't need to tell you how strata repairs and upgrades can wreak havoc with operating budgets and underfunded reserves.

CondoFlex allows you to fund repairs or improvements now while amortizing over the long term. And you'll meet the legal obligation to maintain your strata and preserve property value.

It's that simple. And as easy as calling 1-800-784-2504 or visiting condoflex.ca

Condominium conflict resolution: Recognizing the role of culture

By Richard A. Elia

There is a trend in strata corporations to adopt increasingly detailed rules to govern how residents live and interact. One could say that if everyone used “common sense”, there would be no need for any rules at all. The problem, in my view, is not an absence of “common sense”. Rather the problem is that what one person may view as “common sense” is not shared amongst all people (often not even amongst a few). In the condominium context, some people feel it makes “common sense” to grow tomato plants and hang laundry on balconies, while others maintain that it only makes “common sense” that an exterior uniform appearance is essential. Some people feel it makes “common sense” to prohibit pets from residing in the building, while others maintain that their pets should be allowed to “do their business” on the balcony to the detriment of anyone or any plants on the balcony below! For others still, rules are only considered at all, if they get caught breaking them.

We cannot escape conflict. However, while conflict exists all around us, we can learn to work with it to avoid the conflict escalating into a full dispute. It is my

position that, in strata corporations, the owners and residents are best served by dealing with conflict proactively, and not waiting for a legal dispute to develop.

The old adage “high fences make good neighbours” is broken down, or at least transformed, in the communal living environment that is a strata corporation. In all relationships, conflict exists. In strata corporations, people of diverse cultures, which could include, but is in no way limited by, different nationalities, sexual orientation, abilities, professions, and experiences, must figure out how to be “good” neighbours. To get through the conflict, an effective mechanism to resolve conflict should take into account the unique aspects of this environment; including the impact of culture brought to the table by the parties involved.

Particularly in the larger metropolitan areas, the cultural diversity among, and within, strata corporations is tremendous. One building may be very multinational. Another may be dominated by a single nationality. Another may be dominated by two very different nationalities. In older buildings, there is often a history of

shifting amongst dominant ethnic groups to reflect patterns of immigration. The result is often a global community on a micro level within our Canadian framework. Often individuals within a geographic “culture” share identities, meanings and trust. The flip side can also mean that those outside the culture are not understood, are stereotyped and not trusted. How often have we found ourselves falling back upon cultural generalizations and stereotypes to explain a conflict? How often have we found that as the conflict continues, trust diminishes, meanings become confused and identities clouded?

Learning how to best adapt to cultural influences is not an easy task. It requires that we achieve personal awareness of the experiences and impressions that impact our views and those that others hold of us. It also requires that we be always cognizant of decisions that we make. While it is far easier to react automatically with little concern of the cultural environment that we might find ourselves in; this may prove both improper and counterproductive in resolving the conflict at hand.

Continued on page 5

rjc Read Jones Christoffersen
Consulting Engineers

Protect Your Investment

We have been assisting Stratas for over 10 years in British Columbia and 20 years across Canada in developing their Depreciation Reports and in the maintenance of their buildings. Our network of offices provide clients with the depth and resources of a large national organization while allowing the service and accessibility of a local firm.

- > Depreciation Reports
- > Roofing Assessments
- > Building Envelope Condition Assessments
- > Balcony Assessments
- > Structural Assessments
- > Project Administration

Contact Us:
Victoria: 250-386-7794 ▪ victoria@rjc.ca
Nanaimo: 250-716-1550 ▪ nanaimo@rjc.ca

www.rjc.ca

Vancouver ▪ Victoria ▪ Nanaimo ▪ Calgary ▪ Edmonton ▪ Lethbridge ▪ Kitchener ▪ Toronto ▪ Kingston

Practical results.
65 years of excellence
1948-2013
Innovative thinking.

Continued on page 5

Strata Dispute Online Self-Help Tool in the Works

The Real Estate Foundation of BC (REFBC) provided a grant this year to the Real Estate Council of BC and the BC International Commercial Arbitration Centre for the research and development of a Strata Dispute Online Self-Help tool, which will assist strata owners, renters, council members, property managers and others understand their rights and responsibilities under *the Strata Property Act*, and navigate options for dispute resolution, via a public website.

The self-help tool has been in the planning stages for nearly a year and when complete will complement the Civil Resolution Tribunal's suite of services. The "front end" will be a self-help tool designed to provide information using a smart questionnaire, with no charge for this service. The next stage will be party-to-party negotiation with a nominal fee; and if the dispute is not resolved the Tribunal can be asked to facilitate negotiation towards resolution and, if necessary, to adjudicate the case. The fees associated with the Tribunal will be considerably less than the current costs for court actions. The target date to have the CRT up and running is Fall 2014.

Jack Wong, CEO of the REFBC is pictured here with members of the Strata Resource Toolkit Committee, which is overseeing the work.



BACK L-R:

• **Doug Page**

Manager, Housing Policy Branch, Office of Housing and Construction Standards, Province of BC

• **Trudy Lancelyn**

Deputy Executive Officer, Insurance Brokers Association of BC

• **Cheryl Vickers**

Acting Chair, Civil Resolution Tribunal

• **David Maxwell**

Policy Analyst, Housing Policy Branch, Office of Housing and Construction Standards, Province of BC

• **Heidi Marshall**

Communications Manager & Strata Advisor, Condominium Home Owners Association

• **Sandy Wagner**

President, Vancouver Island Strata Owners Association

• **Patrick Williams**

Partner, Clark Wilson LLP & President of BC International Commercial Arbitration Centre Board of Directors

• **Jamie Bleay**

Lawyer, ACCESS Law Group & President of Vancouver Metro Chapter of Canadian Condominium Institute

SITTING L-R:

• **J. Garth Cambrey**

Member of the Real Estate Council of BC, Chartered Arbitrator and former owner of Stratawest Management Ltd.

• **Jack Wong**

Executive Director, Real Estate Foundation of BC

ABSENT:

Tony Gioventu – Executive Director, Condominium Home Owners Association

Darin Thompson – Director, Dispute Resolution Office, Ministry of Justice, Province of BC

Small Business & Strata Bookkeeping Services & Administration

- Over 20 years experience • Computerized Accounting
- Spreadsheets & Word Processing • Produce Financial Statements
- Year End Budgeting • Assessment Formulation
- Contingency Forecast Report Assistance
- Consulting & Applicable Functions when required

Barbara Zimmer

Attention to Detail • Dedicated • Analytical

250-727-9743

E-mail bzes3056@telus.net



Reliance
Asset Consulting Inc.

Specializing in Strata Insurance
Appraisals & Depreciation Reports
Commercial / Industrial &
Multi-Family Residential

Phone: 1-866-941-2535

Fax: 1-866-941-2530

E-mail: info@relianceconsulting.ca

35 years of professional advice and trusted results

In general terms, the idea of what our “culture” is seems so simple, so predictable, so communal: we adopt the culture (and the stereotypes) of our parents or grandparents; whoever it was that originally came to Canada from “away”. Looking only slightly beyond the “general terms”, there is little that is simple, predictable or communal about culture, particularly regarding its perceived impact on an individual.

While the impact of cultural influences within strata corporations is both fascinating and readily evident, it is also fraught with the potential for conflict if ignored or if focused on too intensely. There is a need to be aware and cognizant of, as well as the need to adapt to (in some cases), the cultural impact of conflict on the individual and group levels, rather than making assumptions based upon stereotypes or generalizations.

The Strata Property Act, as well as numerous other provincial and federal Canadian Laws, adds further challenges by imposing standards of the “prudent person” and “reasonableness”. It is difficult to truly understand what a “prudent person” and “reasonableness” means when we have so little “common sense” in common. However, with this said, if a dispute proceeds to court, a court will find a standard which is acceptable within the Canadian context, while trying to acknowledge the experiences contributing to who we are.

Some things to consider:

- 1. Be Aware:** Hindsight is invaluable. Without generalizing, try to learn from experience what works to bridge cultural gaps and build trust.
- 2. Go Slowly:** Stereotyping is very quick and easy; however, at best, it serves as a marginal starting point for moving forward to understanding different viewpoints. Stereotyping can also reflect closed mindedness, and may widen the breadth of

misunderstanding. It is incumbent upon us to learn about our neighbours, to find out what is important to them, what are their concerns, why they act (and react) the way they do, instead of ostracizing them because they may hold different beliefs or values from us.

3. Show Respect: Trying to understand where others are starting from, including which generalizations or stereotypes others may hold of you. It may be counter-productive to embarrass or belittle an opposing party in front of his/her peers or cultural group. For example, if someone does not read or speak English, it does not mean that he/she is illiterate or lacks intelligence or is an unreasonable person. It means only that he/she does not yet communicate in English.

4. Don't be Bullied: By this I mean:

- a) Be open-minded;
- b) Listen to different perspectives and assess the validity of the same based on one's own judgement;
- c) Appreciate that those “in power” may be pursuing a personal agenda;
- d) Make your own well thought out assessment of any given situation;
- e) Say “no” if necessary; and
- f) Appreciate that understanding a person's position does not mean giving into it.

By Richard A. Elia B. Comm. LL.B., LL.M. (ADR), A.C.C.I.

All of the information contained in this article is of a general nature for informational purposes only, and is not intended to represent the definitive opinion of the firm of Elia Associates on any particular matter. Although every effort is made to ensure that the information contained in this newsletter is accurate and up-to-date, the reader should not act upon it without obtaining appropriate professional advice and assistance.

www.elia.org © Elia Associates Professional Corporation, All Rights Reserved. Reprinted with permission.

Our people make the difference!

Commercial & Residential Strata Management

Sectioned & Mixed Use Specialists

Locally Owned & Operated

Serving:
Greater Victoria
South Van. Island
& the Gulf Islands



Richmond Property Group Ltd.

115 – 1537 Hillside Ave. Victoria BC V8T 2C1
Phone 250.388.9920 Fax 250.388.9945
www.richmondproperty.ca

SEAFIRST

INSURANCE BROKERS

Shawn Fehr, BA, CAIB, CIP,
provides expert advice whether
you're insuring a duplex or a 500-
unit strata complex. Call him
today for a competitive quote!
250-652-1141 or email
sfehr@seafirstinsurance.com

*SeaFirst Insurance Brokers have been
providing our clients with the finest
in general insurance services on the
Island for over 40 years.*

STRATA ALPHABET SOUP

BCREA – British Columbia Real Estate Association
CMHC – Canada Mortgage and Housing Corporation
CRF – Contingency Reserve Fund
CRT – Civil Resolution Tribunal
FAQ – Frequently Asked Question
FICOM – Financial Institutions Commission

HPO – Homeowner Protection Office
HRT – Human Rights Tribunal
LCP – Limited Common Property
LTSA – Land Title Survey Authority
OF – Operating Fund
OIPC – Office of the Information and Privacy Commissioner

PIPA – Personal Information Protection Act
RECBC – Real Estate Council of British Columbia
REDMA – Real Estate Development Marketing Act
RESA – Real Estate Services Act
SPA – Strata Property Act
VISOA – Vancouver Island Strata Owners Association



Pacific Rim Appraisals Ltd.

“FREE mini workshop” on depreciation reports!
Review an actual report and costs associated with your strata for a similar report.
Workshops available June and August 2013 in both Nanaimo and Victoria.
Limited seating.

#2-57 Skinner Street
Nanaimo, B.C. V9R 5G9
Phone: (250) 754-3710
Fax: (250) 754-3701

550-2950 Douglas Street
Victoria, B.C. V8T 4N5
Phone: (250) 477-7090

Toll Free Phone: 1-866-612-2600

Toll Free Fax: 1-866-612-2800

E-mail: info@pacifirmappraisals.com Website: www.pacifirmappraisals.com

For 38 years Pacific Rim Appraisals Ltd. has been servicing all of British Columbia with offices in Victoria and Nanaimo.

www.downsconstruction.com

Downs construction Ltd.

Fire & Water Damage Repairs
Renovations & Additions
Mold Remediation
Asbestos Abatement
24 Hour Emergency Service

250-384-1390

Your Community Contractor Since 1974

EMPRESS PAINTING *empress*

IT'S TIME FOR A CHANGE

Painting Services:

Interior • Exterior • Commercial • Residential
New Construction

Plus:

Wallcoverings • Caulking • Finish Carpentry & Repairs
Drywall Repair & Texturing

Strata Specialists

Serving Greater Victoria Since 1989 • Call for a Free Estimate • Member Discounts

250.383.5224 • 863 Viewfield Road • Victoria • www.empresspainting.com



Ten reasons to mediate

By Marc Bhalla

There are many good reasons to consider mediation as a means to address conflict:

1. Mediation can save you money. The costs involved in proceeding to trial are significant. When parties participate in good faith, mediation provides an opportunity to resolve a conflict in a less expensive way.

2. Mediation can save you time. The court process can literally take years. Mediation is a private process controlled by the parties that provides the opportunity to resolve disputes faster.

3. Mediation can preserve the community relationship. As mediation embraces a conciliatory approach, it provides the opportunity for parties engaged in conflict to work together rather than focus on convincing a third party they are right. This can result in a better ongoing relationship than going to court, which is particularly appealing if parties must continue to be in close community with one another – as is often the case in the context of condominium disputes.

4. Mediation “Stays in Vegas”. The entire mediation process takes place on a confidential and without prejudice basis. Unless you agree otherwise, nothing said,

presented or offered in the course of a mediation session leaves the mediation.

5. Mediation provides perspective. At mediation, parties involved in a dispute have the opportunity to share their perspective of the situation. This can provide greater insight into why the conflict has arisen, what is important to each participant and how the dispute may be feasibly addressed.

6. Mediation explores options. Various settlement options can be explored in the course of mediation, including creative options which may not have been considered previously or which arise out of a greater understanding of the perspective of others – thinking outside the box.

7. Mediation can narrow issues. By participating in mediation, you and those you are in conflict with may be able to clarify the nature of the dispute and narrow down issues. This can serve to simplify matters moving forward and contribute to the reduction of time and cost of resolution, even if the dispute proceeds to court.

8. Mediation lets you be heard. At mediation, you have the opportunity to say what you need to say. Mediation provides you with a chance to “get it off your chest”.

9. Mediation is safe. You have nothing to lose by participating in mediation and everything to potentially gain. Even if the mediation session does not procure settlement, there are plenty of advantages that can come from the opportunity – from an interaction plan to make future exchanges with the other parties more comfortable to a greater understanding of how the dispute may progress moving forward.

10. Judges like it. If your dispute is ultimately destined to be heard in court, even if you are not legally required to attempt mediation, recent case law has suggested that courts consider whether you first attempted to resolve the conflict in a conciliatory manner in the course of awarding costs.

By Marc Bhalla - May 2013 Hons. B.A., Q. Med. - Mediator and Senior Clerk

All of the information contained in this article is of a general nature for informational purposes only, and is not intended to represent the definitive opinion of the firm of Elia Associates on any particular matter. Although every effort is made to ensure that the information contained in this newsletter is accurate and up-to-date, the reader should not act upon it without obtaining appropriate professional advice and assistance.

www.elia.org

© Elia Associates Professional Corporation, All Rights Reserved. Reprinted with permission.



TOP COAT PAINTING
(250) 385-0478
Interiors • Exteriors
TopCoatPainting.ca

Experience Vancouver Island's Best Painting Company!
Specializing in Strata's, Condo's & Town Homes

"I have nothing but the highest praise for the Top Coat team."
~Edith (strata owner)

"The painters were a joy to have around and their work was meticulous."
~Barbara (strata President)

"Top Coat Painting is clearly a responsible organization. They deliver exactly what they agreed to deliver - a refreshing change to many past experiences!"
~Strata Plan No. 92

Voted Best by the BBB



BBB
2011
Torch Award Winner
for
General Contracting,
Home Renovation & Remodeling
Top Coat Painting
Sponsored by
Victoria Window Cleaning

In recognition of the exemplary commitment to honest and ethical business practices and customer service.

Making you look good!

Call today to receive your VISOA member discount!

BUSINESS MEMBERS

BUILDING SUPPLIES

INDUSTRIAL PLASTICS AND PAINT

Building/Maintenance Products
250-727-3545 ext 105
brucedixon@goindustrial.ca
www.goindustrial.ca

DEPRECIATION REPORTS

BELL APPRAISALS

Replacement Cost New Insurance Reports & Depreciation Reports
bell.appraisals.consulting@gmail.com
250-514-3486 www.bell-appraisals.ca

A.J. Finlayson Depreciation Reports Ltd.

Depreciation Reports & Architectural Services
Phone 250-656-2224 • Fax 250-656-2279
marilyn-ajf@shaw.ca

BC DEPRECIATION REPORT ADVISORS INC.

Depreciation Report Providers
604-719-1271
info@depreciationreports.ca
www.depreciationreports.ca

CLEAR PATH ENGINEERING INC.

Depreciation Reports & Reserve Fund Studies
1-877-989-891 • Fax 1-866-362-0592
info@clearpathengineering.ca
www.clearpathengineering.ca

KDS VALUATIONS LTD.

Reserve Fund Studies/Real Estate Appraisals
250-881-5281
kdsvaluations@shaw.ca
www.kdsvaluations.com

McELHANNEY CONSULTING SERVICES

Depreciation Reports for Bare Land Stratas
250-716-3336 • Fax 250-716-3339
dtunnickliffe@mcelhanney.com
www.mcelhanney.com

PACIFIC RIM APPRAISALS LTD

Depreciation Reports & Insurance Appraisals
250-477-7090 • 250-754-3710
info@pacificrimappraisals.com
www.pacificrimappraisals.com

READ JONES CHRISTOFFERSEN LTD

Consulting Engineers - Reserve Fund Studies
250-386-7794 • Fax 250-381-7900
tbergen@rjc.ca • www.rjc.ca

UNITY SERVICES CORPORATION

Consulting Services for Depreciation Reports and Maintenance Planning
250-893-3445 • usc@shaw.ca
www.unityservices.ca

FINANCIAL

SCOTIABANK

Providing small business banking that's simple and straightforward
Tel: 250 953 5440 Ext 3002
roger.zwicky@scotiabank.com
www.scotiabank.ca

BANK WEST

CondoFlex - secure funds when you need them
778-215-0165 • 1-800-784-2504
CondoFlex@bankwest.ca
www.bankwest.ca

COAST CAPITAL SAVINGS CREDIT UNION

Strata Account Pricing Program
250-483-8710 • Fax 250-483-8716
bobbie.moretti@coastcapitalsavings.com
www.coastcapitalsavings.com

ISLAND SAVINGS CREDIT UNION

Special accounts for strata corporations and owners
Phone: 250-414-4193 • Fax 250-360-1461
skasnik@iscu.com
www.iscu.com

WILLIAM J. RHIND & ASSOCIATES

Banking Services for Small Businesses
604-732-3002
bart@WJRhind.com
www.WJRhind.com

INSURANCE & RELATED SERVICES

BFL CANADA INSURANCE SERVICES INC.

International Insurance Brokers and Consultants
1-866-669-9602
www.BFLCanada.ca

COAST APPRAISALS

Replacement Cost Insurance Appraisals
250-388-9151 • Fax 250-388-4948
appraisals@coastappraisals.com
www.coastappraisals.com

IDB SOLUTIONS

Insurance Appraisals, Depreciation Reports
250-858-6056
rick@idbsolutions.ca
www.idbsolutions.ca

RELIANCE ASSET CONSULTING

Insurance Appraisals & Reserve Studies
1-866-941-2535
info@relianceconsulting.ca
www.relianceconsulting.ca

SEAFIRST INSURANCE BROKERS

Shawn Fehr & Doug Guedes
250-652-1141 or 778-678-5821
sfehr@seafirstinsurance.com
www.seafirstinsurance.com

Wm S. JACKSON AND ASSOCIATES LTD

Insurance Appraisals, Depreciation Reports
250-338-7323 • 1-877-888-4316
dan-wsj@shaw.ca
www.comoxvalleyappraisers.com

MAINTENANCE & PROJECT CONTRACTORS

DAVEY TREE SERVICES

Complete Grounds Maintenance
Serving Campbell River to the Malahat
250-755-1288/1-800-667-8733
lisa.ray@davey.com www.davey.com

DOUBLE A PAINTING LTD.

Commercial & Residential Painting
250-380-8420 * Fax: 250-479-4613
michael@doubleapainting.com
www.doubleapainting.com

DOWNS CONSTRUCTION LTD.

Fire & Flood Restoration, Renovations
250-384-1390 • Fax: 250 384-1400
info@downsconstruction.com
www.downsconstruction.com

EMPRESS PAINTING

Commercial & Residential
250-383-5224 • Fax 250-383-0222
estimator2@empresspainting.ca
www.empresspainting.ca

FOSTER'S EXPERT CARPET CARE

Carpet & Area Rug Cleaning, Upholstery Care, Tile & Stone Care, Odor Control, and Stain Removal
250-665-7953 • bob@expertcarpetcare.ca
www.expertcarpetcare.ca

BUSINESS MEMBERS

HANDYMAN CONNECTION

Single Solutions to all Repair and Maintenance Problems
Phone: 250-384-4969 • Fax: 250-384-4963
acampbell@handymanconnection.com
victoria.handymanconnection.com

HOULE ELECTRIC LTD.

Full Service Electrical Contracting
Victoria 250-544-0099
Nanaimo 250-758-3011
www.houle.ca

ISLAND BASEMENT SYSTEMS INC.

Air Leakage, Moisture Control Services & Consulting
250-385-2768 / 1-877-379-2768
chris@ibsg.ca www.ibsg.ca

JOB CONFIDENCE INC.

Online Marketplace To Find Contractors
250-590-8182
graham@easyjobquote.com
www.Easyjobquote.com

MOLONEY PAINTING LTD.

Specializes in commercial and residential house painting
250-360-6400
pmoloney@telus.net
www.moloneypainting.com

NEVAEH LANDSCAPING LTD.

Landscape Design, Installation, & Maintenance
250-896-4252
allan@nevaehlandscaping.com
www.nevaehlandscaping.com

THE VINYL WINDOW COMPANY

Window and Door Replacement
250-652-0790 • Fax: 250-652-4939
thevwcc@shaw.ca
www.thevinylwindowcompany.com

TOP COAT PAINTING

Commercial & Residential Painting
250-385-0478
info@islandnet.com
www.topcoatpainting.ca

TSS CLEANING SERVICES

Dryer Duct Cleaning Services
for Vancouver Island Stratas
1-866-447-0099
info@cleandryerducts.com
www.cleandryerducts.com

WEST COAST EVERGREEN GARDENING INC.

Landscaping and Grounds Care
Serving Southern Vancouver Island
250-743-4769
rick.m.macdougall@gmail.com

PROPERTY MANAGEMENT

GATEWAY PROPERTY MANAGEMENT CORP.

Property Management
250-412-0713 • Fax 250-412-0729
rboyko@gatewaypm.com
www.gatewaypm.com

OAKWOOD PROPERTY MANAGEMENT LTD.

Manager for Stratas, Co-ops & Rentals
250-704-4391 • Fax 250-704-4440
carol@oakwoodproperties.ca
www.oakwoodproperties.ca

RICHMOND PROPERTY GROUP LTD.

Strata Management
250-380-9920 • 250-388-9945
jmckay@richmondproperty.ca
www.richmondproperty.ca

STRATA COUNCIL RESOURCES

AEDIA STRATA WEBSITE DESIGN

Websites Developed and Customized to Meet Strata Needs
250-514-2208
sales@eStrata.ca
www.eStrata.ca

For more information regarding Business Memberships please contact Cleve Patterson at 250-920-0688 or businessmembers@visoa.bc.ca

(Please note that VISOA does not guarantee or warrant the goods, services, or products of our business members).

CASCADIA ENERGY LTD.

Natural Gas Supply & Management
250-704-4443 • Fax 250-704-4440
tom@cascadiaenergy.ca
www.cascadiaenergy.ca

DEMOCRATIC RULES OF ORDER

Straight-Forward Rules of Order for Meetings
1-888-637-8228
books@coolheadspublishing.com
www.DemocraticRules.com

MNP LLP

Chartered Accountants and Business Advisers
Serving Vancouver Island
250-748-3761 • Fax 250-476-1712
rick.martinson@mnp.ca * www.mnp.ca

MORRISON HERSHFIELD LTD

Consulting Engineers - 250-361-1215
victoria@morrisonhershfield.com
nanaimo@morrisonhershfield.com
www.morrisonhershfield.com

TIDMAN CONSTRUCTION LTD.

Home Builder, Depreciation Reports
250-652-1101 • Fax 250-652-6411
info@tidmangroup.com
www.tidmangroup.com

Unity Services Corporation



You have your Depreciation Report in hand...

NOW WHAT??

- Annual Maintenance Planning
- Long Term Maintenance Planning & Budgeting
- Planning & Consulting Services for System Replacement, Renewal & Upgrade Projects
- Owners' Agent/Project Management Services

Call John at 250-893-3445

Web: www.unityservices.ca

Email: usc@shaw.ca

'Making Strata Maintenance Manageable'

You Asked: How does a strata council deal with “difficult owners”?

How much should a council supervise contractors?

Have a question about managing your strata corporation? Ask us, we've had a lot of experience helping strata corporations solve problems - perhaps we can help you. VISOA's Helpline Team will answer questions that they think will be of general interest to readers. We do not provide legal advice, and our answers should not be construed as such.



This month's first question is answered by Harvey Williams.

QUESTION

I am council president in a 20-unit strata. One of our owners constantly telephones and emails me with questions and criticisms of council's every action. Our secretary has tried to respond to him but he seems never to be satisfied with our responses. His constant questioning and abrasive behaviour make it difficult to get owners to serve on council or as council president.

Another owner habitually disregards our bylaws and rules. How can we deal with such owners?

ANSWER

You are dealing with what are often described as difficult people, which is frustrating and discouraging. Difficult people fall into three general categories, fault-finders, ego-centrists and dominators.

The fault-finder the most common and frustrating of difficult persons tends to be self-righteous and driven by a strong need to set the world right by finding fault with everything and everyone they come in contact with.

Although I confess that I haven't kept a tally, my impression from my years of experience on the VISOA Helpline is that fault-finders tend to be late middle-aged men with a sense of mission and too much time on their hands.

The ego-centrist is a “rules-don't-apply-to-me” person who cannot accept

the constraints associated with strata living. Usually male and middle-age or younger, the ego-centrist ignores rules and bylaws, frequently parking his car in the guest parking space, his bike in the parkade in front of his car, bringing friends' dogs into the building, or disturbing other residents by playing loud music late into the night.

The dominator as the name implies has a strong need to dominate those around them. In a position of power such as council president they can be very destructive, discouraging owners from serving on council. Dominators are often supported by one or two council members who incline toward the submissive, discouraging other council members from standing up to them. Dominators are often middle-aged women with professional experience.

Dealing With Difficult People

Dealing with a “fault-finder”: Until it has been established that the person you are dealing with is a fault-finder, respond courteously and honestly to their questions and comments. Once you suspect the person is a fault-finder make sure that your strata is faultlessly in compliance with the *Strata Property Act* and your bylaws and rules so that there can be no substance to his complaints and criticisms.

Begin by politely requesting that all questions and comments be in writing and addressed to the strata council, and reply in writing. Keep files of all communications between the strata council and the person. If questions and/or comments become repetitive, reply by calling attention to previous responses to the same question.

Finally, when it is apparent that further written communication will be fruitless, and after making sure of the validity of council's position on the issues in question, call the owner's attention to section 34.1 of the *Strata Property Act* and invite the owner to request a hearing before the council. At the hearing, council members might wish to ask the owner some pointed questions.

Reply to any emails after the hearing with an email stating, “Council has considered the matter and disagrees with your position but your email will be kept on file.” Reply to all future emails or letters from the fault-finder with similar wording.

Dealing with an “ego-centrist”: The most effective way to deal with an ego-centrist is to strictly enforce the bylaws and rules in the manner provided in s129 and 130 of the SPA. Otherwise other residents may adopt similar attitudes until all residents hold bylaws and rules in contempt.

Dealing with a “dominator”: The only way to deal with a dominator is to stand up to them. No one can be dominated against his or her will. The last thing council members should do is to resign when confronted by a dominator.

The worst-case scenario is when the council president is a dominator. Council presidents who are dominators often pooh-pooh proposals by council members or insist on reviewing the draft council minutes and censoring them before they are sent out to owners. It's one thing to seek agreement on the meaning and accuracy of council minutes before they are sent out, but no one has a right to censor minutes by removing factual material they don't like or adding words that mislead owners about actions of their strata council. And the secretary has an obligation to see that it doesn't happen.

QUESTION

How much should a strata council supervise contractors? Our self-managed Nanaimo strata is having our townhouse fences rebuilt/replaced. But the council is having some disagreements – some of the strata council members want to supervise everything; others say the workers should be left alone to do their job. I fall somewhere in the middle, so I'm trying to be the peacemaker. Help!

ANSWER

Now that many strata corporations

Continued on page 11

have their depreciation reports done we hope they are also getting around to the repair jobs outlined in the depreciation report – so perhaps there will be a mini-boom in the construction/repair industry while stratas catch up on overdue repairs. In my opinion, a strata council should be giving even more oversight than they would if it was their single-family home, as the other owners are all relying on the council to have the work done properly.

A self-managed strata must be vigilant to ensure that the owners' money is well-spent and yes, that does mean some supervision of contractors is necessary.

There is fine line, though, between occasionally "checking in" with the professionals and "micro-managing" the process. If a council member is a retired tradesperson he may have the skills for the job, but for most volunteer council members the best that can be done is observation. Still, much can be learned from observation.

The council needs to be sure that the work they have contracted for

is actually getting done, and done correctly. There are many very reputable contractors out there, but unfortunately there are some who may fall short – if you've ever watched the TV Show "Holmes on Homes" you will know that just because a contractor is licensed doesn't mean they will "do it right". The contractor shouldn't be subjected to an all-day inquisition, but there should be one or two council members designated as the contacts and those one or two council members should check in periodically during the workday asking questions, taking notes, and possibly even making photographic records. The council will then have a better understanding of what caused the problem in the first place, and this may help them and future councils with preventative maintenance.

The value in having a contact person to liaise with the construction lead is a two-way street – the contractor needs to know who to speak to when questions arise during the project. Over time a relationship of mutual

trust can develop and you may choose this contractor for a future project. The supervision need not be so close once you are confident with their abilities.

On the other hand, if your strata is doing a very large project it is worth the expense, in my experience, to hire an engineer to supervise the work. It relieves the individual council members of the responsibility for overseeing work they do not understand.

**Seminar sound system
provided by PROSHOP
SOUND & LIGHTING**



**Jack Paulo 250-361-1711
3 - 464 Bay St. Victoria BC**

Bell Appraisals

250-514-3486

**Depreciation Reports
Strata Replacement Cost New Insurance Appraisals**

Fully Legislative Compliant & Insured

Prepared by Qualified Designated Reserve Planner (DRP) & Appraiser (DAR)

Local Company, Free On-Site Quotes, Superior Service & Fee Structure

www.bell-appraisals.ca

bell.appraisals.consulting@gmail.com

Bylaws, rules and you

Under the British Columbia *Strata Property Act*, all strata corporations (condominiums) must have bylaws. While the Act provides a “Schedule of Standard Bylaws”, they are minimal and somewhat generic, so most strata corporations add to, and refine them to meet the needs of the majority of the owners.

Prospective buyers must examine a strata’s bylaws and rules very carefully – not just glance through them! Owners are expected to abide by them: an attitude of “Well, that one won’t apply to me!” is unacceptable, and “I didn’t know!” is not an excuse.

All those bylaws and rules might appear to be a Royal Pain! Too restrictive; unreasonable; a bit strange.... If you find them so, perhaps this particular strata is not for you.

However, let us look at the positive side of bylaws and rules:

1. Condominiums are the only form of communal housing which have legislation which actually permits (even requires) the residents to govern themselves. Co-op housing does not have that right, and in rental properties one is at the mercy of the landlord and the behaviour of one’s neighbours with very little recourse.

Strata owners however make their own laws (in conformity with the Act) and can enforce them. This is the closest most of us ever get to a democratic control over our living conditions!

2. Bylaws and rules “level the playing field”. Every owner should know them, abide by them and expect all other owners to do so – whether voluntarily or by legal action if necessary. Note that when owners do conform to the bylaws and rules, they save forcing their council, who are owners and neighbours, from the embarrassment and distasteful duty of having to enforce them.

3. Owners can change the bylaws and rules. Nothing is “written in stone”, so if an owner can convince a sufficient number of other owners to add, amend or delete a bylaw by passing a resolution

with a $\frac{3}{4}$ majority vote, it is “so written”. (Rules require only a 51% majority.) Of course, if the other owners do not agree, that too is democracy.

What to Look For

Many of the bylaws such as Duties of Council, Finances, Agendas at Meetings, etc. are taken from the Standard Bylaws, and for the most part it is ill-advised to tinker with them too much. But there are some sections of any particular Strata Corporation’s bylaws that deserve special attention from the prospective buyer.

1. Duties and Responsibilities of Owners:

These may appear as an expansion of Section 4 of the Standard Bylaws (“Use of Property”) as well as elsewhere (check any “Miscellaneous” section at the end, if there is one). These bylaws are very important because they can govern everything from noise, to what window covering is acceptable, to use of barbeques, to maintenance of unit sanitary conditions, to maintenance of individual gardens, to whether flags are permitted, to....

2. Parking: This can be a very contentious issue. Do you “own” a parking space? Or is it “limited common property”? Or is it assigned for an owner’s “exclusive use” under control of the strata corporation? Can it be rented to someone else? Can it be used for storage of a boat or trailer? If owned, can it be sold? How are extra parking spaces governed?

3. Pets: This bylaw can be a chronic source of contention, too. Yes or No? If yes, what are the restrictions on the type and number of dogs, cats, birds, fish, etc.? What are the restrictions regarding control of animals on the common property? (E.g. where can the dog be taken for walks? Must pets be carried through hallways?) If No, can guests’ pets be brought on the property while they are visiting? For what length of time?

4. Age Restriction: Human Rights legislation prohibits an owner/landlord of a rental property from discriminating

on the basis of age (including children), except if the property is specifically designated for persons who are 55 years old or more. However, challenges in the BC Supreme Court have consistently resulted in upholding the right of a strata corporation to establish, by bylaw, any age restriction the Owners of the Strata Plan choose. So buyers who intend to have children at a later date, or who may want to provide for a child upon receiving custody, should be aware that they would be required to move out if there is an age restriction prohibiting, say, persons under the age of 19 from permanent residency.

5. Rental Restrictions: The Act permits a strata corporation to limit (or not) the number of units which may be rented at any one time. This can be a mixed blessing. For those who are buying a unit for investment purposes, or those who like to travel for extensive periods, being able to rent out the unit is great. However, they may find that the more permanent resident owners have changed some bylaws in their absence which they find objectionable. Moreover, those more permanent residents can find it frustrating and difficult to administer the condominium because it can be hard to get a General Meeting together to regulate the affairs of the strata. On the other hand, a condominium which severely restricts the number of rental units is one where owners want a more direct, instantaneous control over their affairs and interaction with their neighbours and don’t want to deal with the frustrations which can arise from having to deal at arms length with the owner or with an annoying tenant. Buyers should be careful, therefore, to determine what kind of society they wish to belong to. Talking to current owners is a good idea.

6. Alteration of a Strata Lot: Any alteration in a unit that could affect the Common Property (plumbing, electrics, bearing walls, fire alarms, etc., -- see the definition of “common property” at the

beginning of the Act) must be approved by the strata council. Repainting or installing a new dining room chandelier would not be an issue. However, in an apartment building, there may be a restriction on the type of floor covering an owner can install. Noise can travel easily to the ceiling of the unit below, so an owner could discover that his intention to install a new wood, laminate or tile floor is either restricted or prohibited. Even the type of carpet underlay might be specified to minimize noise transference.

A Note on Rules

The strata council can pass Rules at any time when the need arises. They become effective immediately they are published in the Minutes of the Council Meeting. To remain in force, however, they must be ratified by a 51% majority vote at the next General Meeting.

What a buyer should be aware of is that a Rule can be made for matters concerning only the Common Property. If there are rules which appear to govern some aspect of the individual units (e.g. 'when an owner can vacuum the floors') they are invalid, and the buyer should question the governance of that condominium.

Summary

Only the prospective buyers can determine if they are prepared to accept the concept of bylaws. If they can, for any particular strata property they should establish in their own minds:

1. Are the bylaws, in the main, fair and non-discriminatory to all owners, regardless of differences of opinion?
2. What bylaws are really objectionable?
3. Can they, nevertheless, live with them (knowing that changing them could take time)?
4. Are they generally being accepted by the current residents? (Ask around.)
5. Are they being enforced, in accordance with the Act, by the strata council when necessary, and how (quiet diplomacy, or fines, or litigation)?

Don't you wish you had this advice before you bought your first strata property? This article is from beforeyoubuyacondo.com, a website authored by VISOA Volunteer Brian Smith of Nanaimo.

YOUR AD IN THE BULLETIN FOR JUST PENNIES A DAY!

VISOA members in good standing may place ads in the VISOA Bulletins. Rates are based on 4 Bulletins a year, and are as follows:

- Business Card Size: 3.25" wide x 2.5" high \$75/yr (\$22.50/single issue)
- 1/4 Page Size: 3.5" wide x 4" high \$150/yr (\$45/single issue)

Please note: Quarter Page Ads are restricted to Business Members only.

Ads must be paid in advance, and are subject to VISOA Board approval. Ads must also be "camera ready", in PDF or other format. Additional fees for scanning or layout may otherwise apply.

Need a little help managing your money?

From chequing accounts to investment options, our business experts are here to lend a hand.

Ask about our preferred rates for VISOA corporate members.

250.483.8710 | www.coastcapitalsavings.com
bobbie.moretti@coastcapitalsavings.com



coastcapital SAVINGS

How can we help you?®

**MOSS CAN DAMAGE YOUR ROOF
 EXTEND YOUR ROOF'S LIFE**

Spray & Forget
 MOSS REMOVAL

NO RINSING REQUIRED
 ECO-FRIENDLY
 BIODEGRADABLE
 EASY TO APPLY

Removes
 Moss, Mold,
 Mildew, Algae
 & Lichen

Visit
sprayandforget.ca
 for more information

INDUSTRIAL PLASTICS & PAINTS

776 Cloverdale Ave at Oak St.
 250-727-3545

APPLICATORS AVAILABLE

Working in partnership with
 Landlords, Condo Boards and Property Managers

Specializing in
 banking services
 and condominium
 reserve fund investments.

Protect your Investment
 * Cash management solutions
 * Risk-free, high interest investments

Convenient Service
 * One-stop rate shopping from leading
 financial institutions

WILLIAM J. Rhind
 & ASSOCIATES LTD.
 INDEPENDENT DEPOSIT SERVICES

2628 Granville Street, Vancouver BC, V6H 4B4
 Phone (604) 732-3002 | Fax (604) 736-9546
Bart@wjrhind.com
www.wjrhind.com

INTRODUCING NEW BUSINESS MEMBERS

VISOA is pleased to welcome these new Business Members.
See our website for more details on all our Business Members.

BFL Canada Insurance Services Ltd is an international insurance broker offering a complete range of commercial insurance products and services.

KDS Valuations is a professional appraisal firm providing Reserve Fund Studies and Real Estate Appraisals to clients throughout Vancouver Island and the Gulf Islands.

Foster's Expert Carpet Care is a Sydney-based company serving the residential and commercial needs of the Saanich Peninsula and beyond for carpet cleaning, upholstery care, area rug cleaning, tile and stone care, odor control, and stain removal.

Handyman Connection provides strata councils and owners with a dependable "single solution" whenever they need something installed, repaired, remodeled, maintained, or improved.

Moloney Painting is a full service painting company that has specialized in commercial painting and residential house painting in Victoria for more than 22 years.

Island Savings Credit Union is a full service financial institution offering a comprehensive lineup of products and services, including interest-bearing no-fee chequing accounts and competitive investment savings opportunities which are specifically tailored to meet the needs of strata corporations.

Scotiabank is one of Canada's leading financial institutions, providing small business banking that's simple and straightforward.

Richmond Property Group Ltd. is a locally owned and operated property management company and real estate brokerage firm located in Victoria BC, serving Greater Victoria, Sidney, Sooke, Southern Vancouver Island & Salt Spring Island.

A Big Thank You to all VISOA's volunteers:

North Island

Marlyne Smith
Dave Gerrand
Pat Dupuis
Elizabeth Chase
Loretta Nichols
Pat Chern
Don Luke
Gloria Martins
Peter Hann
Marijke Oudshoorn
Jill Davies

Deborah Fraess
Mike Dennison
Nancy Stewart

Victoria Area

Diana Marsh
Marion Davis
Betty Taylor
Barbara Zimmer
Maida Nelson
Martine McComb
Claudio Procopio
Claire Tugwell
Malcolm Watkins
Lynn Klein
Karen Krossoy
Elsie Lockert
Jen Nemeth
Daryl Jackson
Diane Runnals
Gwyneth Thompson
Pat Davis
Margaret Lounds

Central Island

Lorraine McDonald
Peter Blumel
Karen Best
Ann Scott
Brian Smith
Peter Kanigan
Alice Blasutig
John Carver
Sheri Hall



STRAIGHTFORWARD
natural gas solutions

Looking for options to high natural gas costs?
We can help.

Cascadia Energy offers large commercial, industrial and multi-family gas customers the ability to purchase natural gas from an independent supplier at a competitive price, without changes to your buildings existing gas infrastructure.

Call us for a free analysis and find out how you can take charge over your natural gas supply costs.

Suite 311-1095 McKenzie Ave Victoria, BC V8P 2L5
tom@cascadiaenergy.ca Tel: 250-704-4443

WWW.CASCADIAENERGY.CA/ISLAND

Cascadia Energy Ltd.
local | reliable | effective

Strata insurance deductibles

By Harvey Williams

A cab pulls up in front of the Toney Towers high-rise strata in Saanich and a couple dressed in Mexican holiday costume emerges and pays the driver who unloads their bags and carries it to the elevator. They are returning from a 2-week winter holiday package at a seaside resort in Cancun – a dream come true; daily tours to cultural and historical sites, afternoons relaxing under beach umbrellas and evenings sipping margaritas on the veranda of the resort before a dinner of spicy Mexican food. This was the retirement lifestyle they had dreamed of but could afford only by delaying their retirement for two years.

But the after-glow of this rosy return was about to be snuffed out. The first hint of a problem was the presence of a panel van in front of their condo building when their cab drove up. A sign painted on the side of the van proclaimed with artsy lettering on the side: Acme Renovation and Restoration - Water Damage Our Specialty. When they entered their suite, they were dismayed to discover a cracked cold water pipe under the sink had sprayed water all the while they were away. They were worried about damage, but had done their homework and knew that the strata corporation liability insurance would cover the damage to the suites below them although there would be a deductible.

But when they called their management company the bad news came – the water had damaged the suites below them to the tune of \$175,000 and even though they had not been negligent they were responsible according to recent court interpretations and they were liable for strata insurance deductible of \$100,000. In addition they had to pay the cost of repair of their own suite in excess of their homeowner's insurance. Altogether, the cost to our retired couple totaled \$115,000. There would be no more Cancun vacations until all was paid off. So much for their intended retirement lifestyle.

While the scenario above is fictitious, more and more strata councils are trying to control the cost of liability insurance by increasing deductibles. For many retirees, paying a deductible of even \$50,000 would be a financial calamity requiring them to sell their strata unit. For many, a liability deductible of \$100,000 or even \$50,000 is tantamount to no liability insurance at all.

Strata Property Act Insurance Requirements

The *Strata Property Act* requires that strata corporations have minimum liability insurance coverage of \$2,000,000 and makes owners, tenants and occupants named insureds, meaning that they are covered by the strata corporation's liability insurance.

Section 150 of the *Strata Property Act* requires strata corporations to purchase liability insurance; section 153 makes owners, tenants, and those who normally occupy the strata lot named insureds and Regulation 6.2 sets the minimum liability for the strata corporation at \$2,000,000. Taken together these provisions mean that individual owners and tenants as well as the strata corporation are protected from liability for damages for which they are responsible up to \$2,000,000 less the deductible. Under section 158 of the SPA, the strata corporation can sue an owner for the deductible.

In common parlance, being responsible for an occurrence implies a negligent or careless act, but court decisions over the past decade have defined responsible to mean "under one's control" whether or not there is negligence. For example if a water pipe springs a leak and water drips down and damages the suite below, the owner of the suite with leaky pipe is responsible and may have to pay the deductible.

Water Damage

Water damage far outstrips all other causes of strata damage claims. By the time water leaking from a pipe

in a fifth floor suite reaches a parkade below the first floor, it could easily have done more than \$100,000 worth of damage to ceilings, floors and even walls.

Liability Insurance Protects Owners From Other Owners

Clearly the strata corporation has no moral responsibility to protect individual owners from liability for losses that they cause others. But if an owner does not have liability insurance and is responsible for extensive damage to the common property or to the property of other owners, those damaged may have no way to be compensated for the damage caused by the uninsured owner.

But naming owners, tenants and occupants as insureds for liability on the strata corporation's liability insurance protects all owners, the common property and the strata corporation from loss for which an owner is responsible but which that owner could not afford to pay.

Owners of rental units should be aware that it is the owner who is responsible for claims not the renter.

Strata Council Liability

Now, back to the strata's liability insurance deductible. In order to keep their insurance premiums as low as possible, some stratas have agreed to larger insurance deductibles - to the tune of \$50,000 or \$100,000. If your strata's deductible is this high, could you afford to pay it, if you were "responsible" for water damage to neighbouring units? With a deductible this high, does it seem as if there is no protection at all? Some authorities suggest that strata councils could be sued by owners who had to pay excessively high liability insurance deduction and if they were sued, Officers and Directors insurance might not cover them.

Excessively high deductibles are not a good way to control insurance costs.

President's Report



Sandy Wagner

We've had a busy spring at VISOA and are looking forward to an even more active fall. The theme seems to be education.

- Anyone who stops learning is old, whether at twenty or eighty.
~Henry Ford
- It is not hard to learn more. What is hard is to unlearn when you discover yourself wrong.
~Martin H. Fischer
- Each day learn something new, and just as important, relearn something old.
~Robert Brault

In May, we repeated our popular workshops on Contingency Reserve Fund Planning, and Best Practices for Strata Secretaries – and I'm pleased to report both these workshops sold out again.

This fall, we are planning one more repeat for Strata Secretaries if demand exists in the North Island; and two new Workshops: Maintenance Planning, facilitated by John Grubb of Unity Services; and Small Stratas, led by Cleve Patterson and me.

We are currently gauging interest in these two workshops and expect to have registration open in mid-September. Watch our website for details!

Our June seminar in Victoria was quite different from our usual "lecture" style of seminar – the guest speakers were five of our volunteer members, giving their tips on how they manage their stratas and promote a feeling of community. Several of our business members also gave some suggestions to help manage your stratas. Although much of what we learned was "common sense", the comments we received indicated that many of those in attendance were grateful to hear why others

enjoy strata living, and I think everyone in the audience learned at least one new thing.

Our Fall seminars will be held September 22 in Nanaimo, and November 17 in Victoria. After two solid years of seminars on Depreciation Reports we are returning to a more varied program.

September's guest speaker is Gerry Fanaken, founder and retired CEO of Vancouver Condominium Services. Gerry's talks to our members have always been popular as he brings over 30 years experience as a Strata Property Manager and court-appointed Strata Administrator.

Gerry plans to talk about bylaws: how to create, amend and pass them; how to enforce them; and share details of recent court decisions regarding strata bylaws. He is always happy to share stories from his many years of experiences and take questions from the audience. He has also written a new book for strata owners "Understanding the Condominium Concept" which is available for sale through our website or at our seminars.

November's guest speaker will be Cheryl Vickers, the Chair of the Civil Resolution Tribunal. She has been hard at work preparing the foundation for the CRT to open next fall. She will share some details about the CRT and how it will work, how much it will cost, and how long it will take from first log-on to case resolution. You will also hear about the "front end" self-help system that will be part of the CRT website, along with some behind the scenes information such as how the rules are being drafted and how the steps in the process flow together. Our second speaker that afternoon will be Darin Thompson from the Ministry of Justice. Darin will explain how the *CRT Act* came about and answer all your questions on the process.

Your board is currently seeking at least one more member: the board Secretary position is vacant. We also wish to have another director to join our Seminars and Membership teams. If you would like to volunteer for the board of your association, please contact me.

Lastly, you may have noticed a new address on the masthead of this Bulletin. Yes, our office is now open four half-days a week. Members can now renew their memberships or purchase publications in person. Our office is located in the

Volunteer Victoria suite at 306-620 View Street in downtown Victoria. Our new office administrator, Evelyn, has been on the job since July and has enjoyed meeting some of our members while organizing the new office space. We are currently planning a winter open house for members to drop in and meet us all and help celebrate our 40th year; check the website for further updates.

As always, if you have any comments or questions, or suggestions for seminars or Bulletin articles please contact me at president@visoa.bc.ca

Sandy Wagner
VISOA Board President

BULLETIN SUBSCRIPTIONS

VISOA provides four information-packed bulletins each year.

- Corporate membership fees include emailed bulletins to up to 4 council members.
- Individual membership fees include emailed bulletins.
- Postal mailed bulletins are available to members for \$15 annually per address. Non-members may subscribe to these bulletins at the following rates: By email: \$15.00 per year and by postal mail \$25.00 per year



~ DISCLAIMER ~

The material in this publication is intended for informational purposes only and cannot replace consultation with qualified professionals. Legal advice or other expert assistance should be sought as appropriate.