

**Legislative Update:
Changes to Contingency Reserve Fund (CRF) Contributions**

Effective November 1, 2023, strata corporations and sections will be required to contribute a minimum of 10% of the annual operating fund to the contingency reserve fund (CRF) when approving the budget at the AGM. The amount that owner developers must contribute to the contingency reserve fund for new strata developments has also increased.

ORDER IN COUNCIL No. 3 (January 24, 2023)
SCHEDULE 2

1 The Strata Property Regulation, B.C. Reg. 43/2000, is amended by adding the following section to Part 3:

Contributions on establishment of contingency reserve fund

3.01 (1) For the purposes of section 12 (2) and (3) (a) and section 13 (2) (b) of the Act, the prescribed percentage is 10%. (2) For the purposes of section 12 (3) (b) of the Act, the prescribed percentage is 50%.

2 Section 3.4 is repealed and the following substituted:

Contingency reserve fund contribution in first annual budget

3.4 For the purposes of section 93 of the Act, the amount of the annual contribution to the contingency reserve fund for the fiscal year following the first annual general meeting must be at least 10% of the total amount budgeted for the contribution to the operating fund for the 12-month period covered by that budget.

3 Section 6.1 is repealed and the following substituted:

Contributions to contingency reserve fund

6.1 (1) For the purposes of section 93 of the Act, the amount of the annual contribution to the contingency reserve fund for a fiscal year, other than the fiscal year following the first annual general meeting, must be determined after consideration of the most recent depreciation report, if any, obtained under section 94 of the Act. (2) The amount of the annual contribution must be at least 10% of the total amount budgeted for the contribution to the operating fund for the current fiscal year.

4 Section 6.13 is repealed