

# Condominium Home Owners Association

A non-profit association serving strata owners since 1976

Bulletin: 400-023

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## Checklist: Responsibilities of the Council/Corporation and Management Company

Whether a Corporation (Council) self manages or hires a strata management company to assist in the management of the Strata Corporation, the Council is accountable for carrying out all of the obligations and duties set out in the *Strata Property Act* and in the bylaws of the corporation. When a strata hires a strata management company to assist in the management, it will delegate to the property manager some or all of the duties. To prevent misunderstanding and disputes, it is important to clarify whether a duty will be carried out by the council or by the strata manager. If your strata council downloads more duties to the manager, than those agreed to in the contract, there may be additional costs or limitations to other services.

To construct a unique checklist of duties for your strata corporation modify the one below to meet your own needs.

In consideration of the level of services, authority, responsibility and extended period of many of the contracts, strata corporations and councils are encouraged to have a legal review of their management agreements before they complete their contract negotiations.

Below is a starting checklist of the various roles the corporation has to consider whether they want to manage themselves or contract out.

### 1) Strata fees, special assessments

	Council	Manager
• Who collects them?	_____	_____
• Who does the banking?	_____	_____
• Who issues the monthly financial reports?	_____	_____
• When is the report provided to council?	_____	_____
• Does council vote to accept the report once it has been reviewed?	_____	_____
• Is there a monthly bank reconciliation provided to the council?	_____	_____
• Who issues the demand notice if owners are in arrears?	_____	_____
• Who creates the monthly arrears report?	_____	_____
• When is it provided to council? How are decisions recorded?	_____	_____
• Who decides if a lien in is order?	_____	_____
• Who files the lien and at what expense?	_____	_____
• Are there additional costs for any of these services or roles?	_____	_____

### 2) Banking / financial

	Council	Manager
• Who controls/maintains the banks accounts?	_____	_____
• Is there a separate account for operating and contingency?	_____	_____
• Is there a separate account for special levies?	_____	_____
• Who issues / receives bank statements?	_____	_____
• How often are they issued?	_____	_____
• Who are the signing officers on the corporations' accounts?	_____	_____

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- Who holds the bank accounts? \_\_\_\_\_
- How is long term/contingency money handled? \_\_\_\_\_
- Where is interest deposited, and when is it reported for the contingency and operating accounts? \_\_\_\_\_
- Is there interest being accrued on your special levied accounts? \_\_\_\_\_
- Is the fund being invested until it is required? \_\_\_\_\_
- How are investments being managed? How are decisions made? \_\_\_\_\_

**3) Forms & records**

**Council**

**Manager**

- Who issues and signs forms? \_\_\_\_\_
- Form F, Form B, Form I, Form D, Form G Lien Form H Acknowledgement of Payment (removal)? \_\_\_\_\_
- Are decisions to file Forms G & H minuted? \_\_\_\_\_
- Does the contract specifically authorize the manager to sign the forms? \_\_\_\_\_
- Who is responsible to maintain records? \_\_\_\_\_
- Where are they maintained? \_\_\_\_\_
- Are there additional costs for the council to access/copy the records? \_\_\_\_\_
- Who issues information, or copies of records, when a request to access records is made in accordance with section 35/36? \_\_\_\_\_
- Is there a cost for storing/filing records? \_\_\_\_\_

**4) Meetings: Annual or Special General Meetings, council meetings**

**Council**

**Manager**

- Does the manager attend the meetings? \_\_\_\_\_
- Who takes minutes of the meetings and who decides? \_\_\_\_\_
- Is there an additional cost to attend meetings? \_\_\_\_\_
- How many meetings are included in the cost for the year? \_\_\_\_\_
- Who prepares the notice package? \_\_\_\_\_
- Who sets the agenda for the council meetings? \_\_\_\_\_
- Do the bylaws contain a predetermined agenda format? \_\_\_\_\_
- Is the proposed agenda by council ratified in the council minutes? \_\_\_\_\_
- Who is the registrant of meetings, is there an additional cost associated? \_\_\_\_\_
- Who will chair the meetings? \_\_\_\_\_

**5) Maintenance and repairs**

**Council**

**Manager**

- Who is responsible for monthly inspections? \_\_\_\_\_
- Who coordinates maintenance contracts, is this included in the contract? \_\_\_\_\_
- Is a written inspection report to be issued of the property and grounds? \_\_\_\_\_
- Who coordinates special contracts, what is the cost per hour of additional services? \_\_\_\_\_
- Is there a policy of the strata for contracts and repairs?  
example: each contract requires a minimum of 3 written estimates \_\_\_\_\_

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**6) Legal and disputes**

**Council**

- Does the strata have a lawyer that they retain?
- Are there any special instructions to the lawyer or property manager?
- Who is responsible for directing the lawyer?
- How is official notice received by your strata corporation?
- Do you have an official mailing address as required by Sec. 62 of the Act?

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**7) Understand the strata management contract**

- What does the table of fees specifically include?
- What are additional rates per hour?
- Who can contract additional work?
- How is it approved?
- What are the terms of termination, dispute resolution, payment schedules, liability? “These items are negotiable”
- Is there a list of disbursement costs: mileage, copying, faxing, correspondence, emails?
- Does the company act as an agent for any other strata/property with a shared interest with your strata corporation?
- If yes, how is the agency representation disclosed and has the strata council agreed to the terms and conditions of the dual/multiple agency representation?

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**8) Procurement**

- Does your strata corporation have any specific policies/bylaws on purchasing?
- Will council may determine the minimum number of bids and standards?
- Are there financial limits or costs that require the approval of council?
- Do you require a bidding process on contracts that exceed a certain limit?
- Do you require published specifications for the contracts and a minimum number of bids?
- Who receives the bids and evaluates their proposals?

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**9) Sections and Air Space Parcel Agreement**

If the strata corporation has created Sections through the bylaws, and/or is also bound by an air space parcel agreement, covenant, easement, or joint use contract with another strata corporation, the details and obligations of the contracts must be identified so they may be managed in accordance with maintenance, renewal, insurance and financial obligations.

In the routine business of a strata corporation, many of the above items are often overlooked or not negotiated. A meeting to establish the roles of council members, and to understand what services are being provided by your management company, may help to avoid future disputes. Even if a dispute were to arise, your council will be better equipped with an understanding of your strata corporation’s administration to easily identify any concerns and quickly correct them.

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