

PROVINCE OF BRITISH COLUMBIA

ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL

Order in Council No, **623**, Approved and Ordered DEC 13 2011
(Right Hon. Steven Point)
Lieutenant Governor

Executive Council Chambers, Victoria

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and consent of the Executive Council, orders that

- (a) sections 7 (c), 12 (b), 15 and 33 (a) and (d) of the Strata Property Amendment Act, 2009, S.B.C. 2009, c. 17, are brought into force,
- (b) the Strata Property Regulation, B.C. Reg. 43/2000, is amended as set out in the attached Schedule 1,
- (c) effective March 1, 2012, the Strata Property Regulation, B.C. Reg. 43/2000, is amended as set out in the attached Schedule 2,
- (d) effective January 1, 2014, section 12 (a) of the Strata Property Amendment Act, 2009, S.B.C. 2009, c. 17, is brought into force, and
- (e) effective January 1, 2014, the Strata Property Regulation, B.C. Reg. 43/2000, is amended as set out in the attached Schedule 3.

(Hon. R. Coleman)
Minister of Energy and Mines and
Minister Responsible for Housing

(Hon. I. Chong)
Presiding Member

(This part is for administrative purposes only and is not part of the Order)

Authority under which Order is made:

Act and section: Strata Property Amendment Act, 2009, S.B.C. 2009, c. 17, s. 37; Strata Property' Act, S.B.C. 1998, c. 43, s. 292

Other: OIC 130/2000

November 21, 2011

R/117/2011/27

SCHEDULE 1

1 Section 3.4 of the Strata Property Regulation, B.C. Reg. 4312000, is repealed and the following substituted: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 determined as follows:
- (a) if the amount of money in the contingency reserve fund at the time of the first annual general meeting is less than 25% of the estimated operating expenses for the 12 month period set out in the interim budget, the annual contribution to the contingency reserve fund under the first annual budget 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;
 - (b) if the amount of money in the contingency reserve fund at the time of the first annual general meeting is at least 25% of the estimated operating expenses for the 12 month period set out in the interim budget, additional contributions to the contingency reserve fund may be made as part of the annual budget approval process after consideration of the depreciation report, if any, obtained under section 94 of the Act,

2 Sections 6.1 and 6.2 are repealed and the following substituted:

Contributions to contingency reserve fund

- 6.1 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 as follows:
- (a) if the amount of money in the contingency reserve fund at the end of any fiscal year after the first annual general meeting is less than 25% of the total amount budgeted for the contribution to the operating fund for the fiscal year that has just ended, the annual contribution to the contingency reserve fund for the current fiscal year must be at least the lesser of
 - (i) 10% of the total amount budgeted for the contribution to the operating fund for the current fiscal year, and
 - (ii) the amount required to bring the contingency reserve fund to at least 25% of the total amount budgeted for the contribution to the operating fund for the current fiscal year;
 - (b) if the amount of money in the contingency reserve fund at the end of any fiscal year after the first annual general meeting is equal to or greater than 25% of the total amount budgeted for the contribution to the operating fund for the fiscal year that has just ended, additional contributions to the contingency reserve fund may be made as part of the annual budget approval process after consideration of the depreciation report, if any, obtained under section 94 of the Act.

Depreciation report

- 6.2 (1) For the purposes of section 94 of the Act, a depreciation report must include all of the following:
- (a) a physical component inventory and evaluation that complies with subsection (2);
 - (b) a summary of repairs and maintenance work for common expenses respecting the items listed in subsection (2) (b) that usually occur less often than once a year or that do not usually occur;
 - (c) a financial forecasting section that complies with subsection (3);
 - (d) the name of the person from whom the depreciation report was obtained and a description of
 - (i) that person's qualifications,
 - (ii) the error and omission insurance, if any, carried by that person, and
 - (iii) the relationship between that person and the strata corporation;
 - (e) the date of the report;
 - (f) any other information or analysis that the strata corporation or the person providing the depreciation report considers appropriate.
- (2) For the purposes of subsection (1) (a) and (b) of this section, the physical component inventory and evaluation must
- (a) be based on an on-site visual inspection of the site and, *where* practicable, of the items listed in paragraph (b) conducted by the person preparing the depreciation report,
 - (b) include a description and estimated service life over 30 years of those items that comprise the common property, the common assets and those parts of a strata lot or limited common property, or both, that the strata corporation is responsible to maintain or repair under the Act, the strata corporation's bylaws or an agreement with an owner, including, but not limited to, the following items:
 - (i) the building's structure;
 - (ii) the building's exterior, including roofs, roof decks, doors, windows and skylights;
 - (iii) the building's systems, including the electrical, heating, plumbing, fire protection and security systems;
 - (iv) common amenities and facilities;
 - (v) parking facilities and roadways;
 - (vi) utilities, including water and sewage
 - (vii) landscaping, including paths, sidewalks, fencing and irrigation;
 - (viii) interior finishes, including floor covering and furnishings;
 - (ix) green building components;
 - (x) balconies and patios, and
 - (c) identify common property and limited common property that the strata lot owner, and not the strata corporation, is responsible to maintain and repair.

- (3) For the purposes of subsection (1) (c), the financial forecasting section must include
 - (a) the anticipated maintenance, repair and replacement costs for common expenses that usually occur less often than once a year or that do not usually occur, projected over 30 years, beginning with the current or previous fiscal year of the strata corporation, of the items listed in subsection (2) (b),
 - (b) a description of the factors and assumptions, including interest rates and rates of inflation, used to calculate the costs referred to in paragraph (a),
 - (c) a description of how the contingency reserve fund is currently being funded,
 - (d) the current balance of the contingency reserve fund minus any expenditures that have been approved but not yet taken from the fund, and
 - (e) at least 3 cash-flow funding models for the contingency reserve fund relating to the maintenance, repair and replacement over 30 years, beginning with the current or previous fiscal year of the strata corporation, of the items listed in subsection (2) (b).
- (4) For the purposes of subsection (3) (e), the cash-flow funding models may include any one or more of the following:
 - (a) balances of, contributions to and withdrawals from the contingency reserve fund;
 - (b) special levies;
 - (c) borrowings.
- (5) If a strata corporation contributes to the contingency reserve fund based on a depreciation report, the contributions in respect of an item become part of the contingency reserve fund and may be spent for any purpose permitted under section 96 of the Act.
- (6) For the purposes of section 94 (1) of the Act, "qualified person" means any person who has the knowledge and expertise to understand the individual components, scope and complexity of the strata corporation's common property, common assets and those parts of a strata lot or limited common property, or both, that the strata corporation is responsible to maintain or repair under the Act, the strata corporation's bylaws or an agreement with an owner and to prepare a depreciation report that complies with subsections (1) to (4).
- (7) The following periods are prescribed
 - (a) for the purposes of section 94 (2) (b) of the Act, 3 years;
 - (b) for the purposes of section 94 (2) (c) of the Act, 18 months;
 - (c) for the purposes of section 94 (3) (a) of the Act, the one year period immediately preceding the date on or before which the depreciation report is required to be obtained.
- (8) A strata corporation is prescribed for the purposes of section 94 (3) (b) of the Act if and for so long as there are fewer than 5 strata lots in the strata plan.

EFFECTIVE: 01 MARCH 2012

SCHEDULE 2

1 Form B of the Strata Property Regulation, B.C. Reg. 43/2000, is amended by adding the following after paragraph (1):

Required Attachments

In addition to attachments mentioned above, section 59(4) of the Strata Property Act requires that copies of the following must be attached to this Information Certificate:

- The rules of the strata corporation;
- The current budget of the strata corporation;
- The owner developer's Rental Disclosure Statement under section 139, if any;
and
- The most recent depreciation report, if any, obtained by the strata corporation under section 94.

SCHEDULE 3

X *Form B of the Strata Property Regulation, B.C. Reg. 43/2000, is amended by repealing everything after paragraph (1) and substituting the following:*

(m) Are there any parking stall(s) allocated to the strata lot?

- no yes

(i) *If no, complete the following by checking the correct box*

- No parking stall is available
- No parking stall is allocated to the strata lot but parking stall(s) within common property might be available

(ii) *If yes, complete the following by checking the correct box(es) and indicating the parking stall(s) to which the checked box(es) apply.*

- Parking stall(s) number(s) is/are part of the strata lot
- Parking stall(s) number(s) is/are separate strata lot(s) or parts of a strata lot [strata lot number(s), if known, for each parking stall that is a separate strata lot or part of a separate strata lot]
- Parking stall(s) number(s) is/are limited common property
- Parking stall(s) number(s) is/are common property

(iii) *For each parking stall allocated to the strata lot that is common property, check the correct box and complete the required information.*

- Parking stall(s) number(s) is/are allocated with strata council approval*
- Parking stall(s) number(s) is/are allocated with strata council approval and rented at \$ per month*
- Parking stall(s) number(s) : ... may have been allocated by owner developer assignment

Details:

[Provide background on the allocation of parking stalls referred to in whichever of the 3 preceding boxes have been selected and attach any applicable documents in the possession of the strata corporation.]

*Note: The allocation of a parking stall that is common property may be limited as short term exclusive use subject to section 76 of the *Strata Property Act*, or otherwise, and may therefore be subject to change in the future.

(n) Are there any storage locker(s) allocated to the strata lot?

- no yes

(i) If no, complete the following by checking the correct box

- No storage locker is available
 No storage locker is allocated to the strata lot but storage locker(s) within common property might be available

(ii) If yes, complete the following by checking the correct box(es) and indicating the storage locker(s) to which the checked box(es) apply.

- Storage locker(s) number(s) is/are part of the strata lot
 Storage locker(s) number(s) is/are separate strata lot(s) or part(s) of a separate strata lot [strata lot number(s), if known, for each locker that is a separate strata lot or part of a separate strata lot]
 Storage locker(s) number(s) is/are limited common property
 Storage locker(s) number(s) is/are common property

(iii) For each storage locker allocated to the strata lot that is common property, check the correct box and complete the required information.

- Storage locker(s) number(s) is/are allocated with strata council approval*
 Storage locker(s) number(s) is/are allocated with strata council approval and rented at \$ per month*
 Storage locker(s) number(s) may have been allocated by owner developer assignment

Details:

.....[Provide background on the allocation of storage lockers referred to in whichever of the 3 preceding boxes have been selected and attach any applicable documents in the possession of the strata corporation.]

*Note: The allocation of a storage locker that is common property may be limited as short term exclusive use subject to section 76 of the *Strata Property Act*, or otherwise, and may therefore be subject to change in the future.

Required Attachments

In addition to attachments mentioned above, section 59(4) of the Strata Property Act requires that copies of the following must be attached to **this** Information Certificate:

- The rules of the strata corporation;
- The current budget of the strata corporation;
- The owner developer's Rental Disclosure Statement under section 139, if any;
and
- © The most recent depreciation report, if any, obtained by the strata corporation under section 94.

Date :[month, day, year].

Signature of Council Member

Signature of Second Council Member (not required if council consists of only one member)

OR

Signature of Strata Manager, if authorized by strata corporation .