

The Board of Directors Roles & Responsibilities

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From the Condominium Act, 1998.

Standard of care

37 (1) Every director and every officer of a corporation in exercising the powers and discharging the duties of office shall,

- (a) act honestly and in good faith; and
- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. 1998, c. 19, s. 37 (1).

The General Role of The Board of Directors: The Directors are Condo Owners who volunteer their time (typically without remuneration), to oversee any business affairs of the Condominium Corporation. Directors are typically voted on to the Condo Board during an Annual General Meeting. This is an important role, and should not be taken lightly. The Directors represent the Owners. The Owners are counting on their Board of Directors to protect their investment now and for the future, establish a safe and inviting community, as well as maintain the physical property and keep it clean.

Responsibilities of the Board of Directors:

- Meet regularly (typically once a month, but can be more or less)
- Hiring a Management Company and working closely with the Condominium Manager
- Ensure the Corporation remains in compliance with the Condominium Act, 1998
- Review and track the Corporation's financial position, and make fiscally responsible decisions
- Make sure all maintenance and repairs are completed
- Awarding contracts through an established tendering process
- Creating policies to ensure consistent decisions
- Utilize the expertise of specialists such engineers, lawyers, etc., as required
- Review the Corporation's by-laws and rules, make sure they work for the community, and propose changes when needed
- Provide regular and transparent communication with Owners

The role of a Board Director can also include tasks like volunteering at a community BBQ, shelling out candy on Halloween, hosting a community holiday party, planting flowers in a community garden, and so much more. It should be noted, however, that the Board of Directors cannot conduct any Corporation business outside of duly constituted Board Meetings.

Director vs. Officer Roles on the Board of Directors:

All Board Members are Directors, and they were elected by the Owners. Some Directors will hold Officer titles, and these individuals are appointed these titles by their fellow Board Members. At minimum a Condominium Corporation must have two Officer Positions: President and Secretary. Boards often elect to have at least one other Officer position, and this is commonly the Treasurer.

The Officer roles are typically explained in greater detail in the By-Laws of the Corporation, but for a general idea of the most common Officer Roles:

The President: provides general supervision of the business and affairs of a Condominium Corporation. This is a leadership role, that requires an individual that will present issues and projects to the rest of the Board, take point on communication to Management and Owners/Residents, take a lead role in developing policies for Board approval, adhere to the Condo Act/Declaration and Rules, and will inspire the Board to move ahead with projects or to resolve difficult issues.

The Secretary: generally, takes a role of assisting Management with maintaining Corporation's records. Often the secretary will take lead on reviewing the minutes taken at the meeting (although it is not recommended that they record the minutes themselves). The secretary may be called on to prepare notices, or newsletters from the Board to the Owners. In actual practice, many of these tasks are often performed most frequently by the Condominium Manager.



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The Treasurer: takes responsibility for the finances of the Condominium, including reviewing the financial statements for accuracy, ensuring the budget is completed and distributed in a timely fashion, and to ensure the reserve fund is sufficient and in line with the reserve fund study. The treasurer may also be tasked with presenting the Board with a plan for investing funds.

If you are thinking of running for your Board of Directors please keep in mind the following:

- Always join for the right reason. You should not be joining the Board to address a personal concern, agenda or vendetta.
- It is a rewarding volunteer role, but it can be a thankless role at times, and the Directors are typically unpaid.
- You will have to approve budgets, and this may mean approving Common Element fee increases. Directors need to have big shoulders when it comes to this important task. Owners do not like increases, but they also do not like to see their Corporation running in a deficit.
- You need to be able to make the time commitment. There will often be monthly meetings (sometimes more), but between meetings there is quite often email chains as well. You will be asked to review lengthy documents such as the reserve fund study, proposals & quotes, Management reports, monthly financials, the audit report, and more.
- You might be asked to volunteer during community events or for special owner's meetings
- Owners/Residents may stop you in the building to ask questions, share concerns, or give suggestions. This will happen even if you're very busy, or with guests.
- You may have to make decisions, rules or policies that are not always popular with the owners and residents, but are necessary for the greater good of the community.



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