



Impeachment of Board Members

By Denise Lash on June 15, 2011

One of the most memorable Seinfeld episodes is the one which takes place at Del Boca Vista, a condo complex in Florida, where Jerry's father and mother, Morty and Helen have retired. Morty, who serves as president of the board, soon finds himself impeached due to allegations that he has been embezzling funds from the condo association. Residents at Del Boca Vista, started rumours about Morty when they became aware that he had a new Cadillac, a gift from Jerry. Morty ended up resigning when the vote took place and the tie-breaking voter turned against Morty when he remembered that Jerry had previously stolen a loaf of marble rye bread.



This episode not only introduces humour into some real life issues that condominium corporations often face but also highlights one of the challenges that directors often must deal with; owners' mistrust of board members.

Although there may be times when it is discovered that a board member has a conflict of interest or may not be acting in the best interests of the owners, in many instances, false rumours are spread about activities of the board simply because the board has failed to communicate with the owners and owners lack information about board activities.

The outcome is usually the creation of dissident groups who gather to overthrow the board and take steps to do so by requisitioning an owners' meeting.

In order to be a condominium director, you must meet the minimum qualifications in the Condominium Act and any additional qualifications set out in the by-laws of the condominium corporation. The Condominium Act's minimum requirements are:

- at least 18 years of age
- must not be incapable of managing property pursuant to the Substitute Decisions Act
- must not be an un-discharged bankrupt

Some condominium corporations have taken active steps to amend their by-laws to incorporate more qualifications and disqualifications for board members, such as a requirement to be a resident or an owner.



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Given the responsibility that board members have in the handling of millions of dollars of owners' funds, some level or degree of skill should be required of board members so that proper corporate governance is in place. Hopefully the changes that have been introduced in the proposed amendments to the Condominium Act will assist in putting controls in place for board members. One of the suggested amendments proposed by the Joint Legislative Committee of ACMO/CCI is to mandate introductory directors' courses. This in and of itself will not solve the ongoing conflict issues that many condominium corporations face; however, this is one small move towards getting volunteer board members to have basic knowledge required to run a condominium corporation. It will then be up to the board members to start improving its level of communication to residents and owners so that the community is well-informed community.

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