



A GUIDE TO SERVING  
**ON A STRATA COMMITTEE**

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# A GUIDE TO SERVING ON A STRATA COMMITTEE

## INTRODUCTION

The Strata Committee of every Owners Corporation plays an important role in the administration of their scheme. Committee members usually fulfil the duties of the committee on a voluntary basis, without expectation of fee or reward, and this requires a significant investment of their own time.

As such, understanding the strict legal impositions that are placed on a Strata Committee by the Strata Schemes Management Act 2015 and Regulations 2016 (the Act), the Owners Corporation itself, the Strata By-laws and other legislation is paramount. This is particularly so for owners that may not have served on a committee previously or who may not be familiar with the operation of an Owners Corporation.

The following guide has been written for all owners and Strata Committee members to assist in their understanding of what the roles, duties and responsibilities of the committee are and how they relate to the operation of the Owners Corporation.

## DEFINITION

The Strata Committee is an elected group of owners or owners' nominees responsible for assisting the Owners Corporation in the day to day management of the strata scheme subject to the provisions of the Strata Schemes Management Act 2015, Regulations 2016 and other legislation.

## LEGAL CLASSIFICATION

An Agent for the Owners Corporation.

As such it is therefore not part of the Owners Corporation, but a representative arm of the Owners Corporation, not unlike the board of directors of a company.

## THE NEED FOR A COMMITTEE

Section 29 (1) of the Act requires that a committee of between 1 to 9 members be appointed and section 30(2) specifies that for a large scheme (more than 100 lots) the committee must consist of at least 3 members.

However in the event that no owners or persons are nominated for the committee 1 of 4 possible scenarios will occur:

1. A Managing Agent is delegated the authority of the Strata Committee under Section 52(1)(a);
2. The Owners Corporation will administer itself, Section 29(4); (IE every decision regarding the Owners Corporation must be made at a general meeting);
3. The NSW Civil & Administrative Tribunal (N.C.A.T.) can order a meeting to appoint committee members (section 48). This provision would apply say where the original owner fails to convene the First Annual General Meeting after the expiration of the initial period or the Owners Corporation or Managing Agent fails to conduct an Annual General Meeting;
4. After application, N.C.A.T can make an order that a Managing Agent be appointed to administer the scheme, Section 237 (compulsory appointment).

## DUTY AND PROTECTION OF COMMITTEE MEMBERS

Sections 37 and 260 of the 2015 Management Act introduce new obligations as well as protections for committee members and officers of the committee.

These new sections state:

37 Duty of members of strata committee; It is the duty of each member of a strata committee of an owners corporation to carry out his or her functions for the benefit, so far as practicable, of the owners corporation and with due care and diligence. 260 Personal liability;

- (1) A matter or thing done or omitted to be done by any of the following persons, or a person acting under the direction of any of those persons, does not, if the matter or thing was done or omitted to be done in good faith for the purpose of executing functions as such a person under this or any other Act, subject any of the following persons or person so acting personally to any action, liability, claim or demand:
  - (a) an officer of an owners corporation;
  - (b) a member of a strata committee.
- (2) Any such liability of an officer of an owners corporation or a member of a strata committee attaches instead to the owners corporation.



## THE DECISION MAKING POWERS OF A STRATA COMMITTEE

Aside from the specific duties of the Secretary, Treasurer and Chairperson that are listed in the Act (see further details below) no one committee member has the authority to make a decision on behalf of the Owners Corporation. All decisions of a Strata Committee must be made at a properly convened committee meeting, even if the committee consists of only one person.

The paramount duty of all Owners Corporations is to control, administer and manage the common property for the benefit of all owners, tenants and occupants at the scheme. The role of the committee is to ensure that the obligations of the Owners Corporation are fulfilled.

Strata Legislation places various obligations on an Owners Corporation, however those that are generally considered the Key Management

Areas are:

### 1. Repairs, Replacement & Maintenance

Sections 106 to 125 of the Act specify that that an Owners Corporation not only has a mandatory duty to repair and maintain common property, but to properly repair and maintain common property.

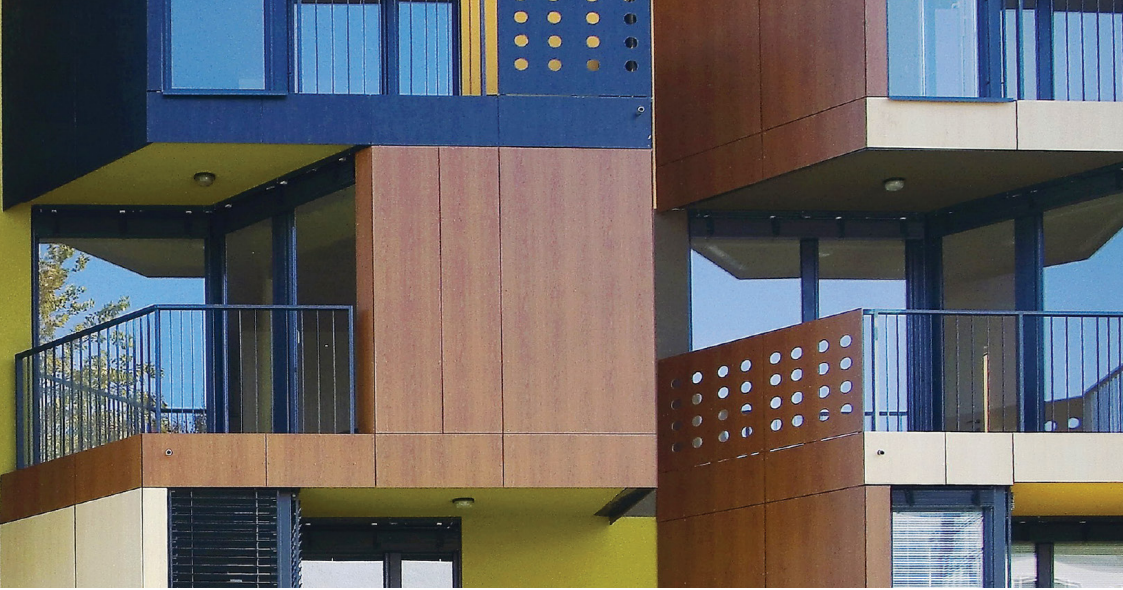
Most significantly, for the first time since the inception of strata legislation in 1961, the 2015 Act gives a statutory right to an owner to pursue action against an Owners Corporation for damage to their personal property caused by the Owners Corporation NOT properly repairing and maintaining the common property (Section 106(5)). An owner has always had a right at common law to pursue an action, however this is now specified in the Act.

With the introduction of this and other mechanisms to assist a Strata Committee in determining their maintenance responsibilities along with the following:

- The introduction of the Initial Maintenance Schedule for new schemes;
- The responsibility of the Owners Corporation to review the Capital Works schedule at every Annual General Meeting;
- The option to adopt a Common Property memorandum;
- Definition of Minor Works;
- Definition of Cosmetic Works.

It is clear that the legislator's intent is for Owners Corporations to take greater responsibility when it comes to repairs & maintenance and the Strata Committee plays a pivotal role in ensuring that these obligations are met.





## 2. Financing the Scheme & Accounting Records

Sections 73 to 105 of the Act outline the Owners Corporations' responsibility to provide adequate financing for the scheme, which is achieved primarily through raising levies imposed upon individual lot owners.

Like the additional obligations imposed on the Owners Corporation surrounding maintenance, the 2015 Act imposes a greater responsibility on Owners Corporations to adequately finance their scheme.

Whilst a Strata Committee DOES NOT have the authority to strike levies, they do have an obligation to prepare appropriate budgets using relevant financial data. As noted above the legislators have extended this obligation and now impose a requirement on every Owners Corporation to review their Capital Works Fund report at every Annual General Meeting and to take this report into consideration when preparing their budgets and considering levies.

This obligation is further extended by the requirement for an Owners Corporation to provide details surrounding the Capital Works Fund and proposed expenditure in Strata Information Certificates (Section 184 Certificates) to prospective purchasers into a scheme.

Along with the obligation to appropriately budget for the scheme, the committee must ensure that proper financial records and

accounting information is made available to owners. This is not only to allow owners to scrutinise expenses and ensure the accuracy of information, but to provide them with relevant financial information so they are able to make informed decisions when determining their budgets and levies for the coming year.

## 3. Insurances

Sections 160 to 175 outline the Owners Corporations' responsibilities to effect 4 mandatory insurance policies on behalf of the scheme, which are:

- A Damage Policy (Building Insurance);
- Workers Compensation (if the scheme has employees);
- Public Liability;
- Voluntary Workers.

Strangely the 2015 Act has removed the obligation for an Owners Corporation to obtain a valuation for insurances purposes in order to determine their building sum insured. The responsibility to nominate the sum insured lies with the Owners Corporation, more specifically the Strata Committee.

The Act does not prohibit the committee from seeking professional advice, say from a valuer or quantity surveyor to assist them in determining the relevant sum insured for their scheme, however this is no longer a requirement.



#### 4. Administration of the Strata By-laws

Every Strata Scheme in NSW whether residential, commercial, retail or industrial schemes has a set of standard By-laws that govern the rules and behaviour of all stakeholders in the scheme, including owners, occupiers, tenants, mortgagees and the Owners Corporation itself.

By-laws generally fall into 3 categories:

##### (i) Behavioural Type By-laws

Designed to regulate the behaviour of residents at the scheme in relation to issues such as:

- making noise that is likely to interfere with the quiet enjoyment of another resident at the scheme;
- parking on common property;
- keeping of animals;
- drying of laundry items on balconies;
- Disposing of rubbish.

##### (ii) Common Property Rights By-laws

Previously called exclusive use By-laws, these By-laws grant an owner or owners an exclusive right to use a particular part of the common property or a special privilege. Common examples are:

- granting exclusive use for an owner to park on a particular section of the common property;
- allowing an owner to install an air-conditioning condenser unit on the common property to service their lot;
- permission for an owner of a top floor lot to install a skylight;
- signage rights in commercial schemes;
- permission for a retail lot to have an exclusive right over common property to say place tables and chairs on common property during trading hours to accommodate the customers of the lot.

##### (iii) Empowering By-laws

Empowering By-laws are By-laws passed by the Owners Corporation that enable them greater powers that are not outlined in the Act. A common example would be a By-law enabling the Owners Corporation to undertake the installation of an additional service to the property, such as cable TV or undertaking the installation of a BBQ area or swimming pool.

These By-laws CANNOT confer powers on the Owners Corporation that are contradictory with the Act or other legislation.

The Strata Committee CANNOT pass by-laws, however their role in assisting the Owners Corporation administer the By-laws is generally twofold:

**(a) Granting approval under the By-laws**

For example granting approval for residents to keep a pet under certain terms and conditions or granting approval for a resident to park a vehicle temporarily on common property; and

**(b) The Enforcement of By-laws**

Section 146(3) of the Act stipulates that a notice to comply with a By-law cannot be issued to an occupier of a lot unless a resolution has first been passed by either the Owners Corporation or Strata Committee. In the event a complaint surrounding a By-law has been lodged, the committee must determine the merits of the complaint and whether to escalate the complaint by issuing a notice to comply.

In certain circumstances the committee may not want the Owners Corporation to become involved in a dispute or use the resources of the Owners Corporation to prosecute a By-law complaint, particularly if there is a history of feuding between the parties or they deem the complaint as being vexatious or with little merit.

**5. Record Keeping**

Various sections of the Act require all Owners Corporations' to keep and maintain proper records and information surrounding the administration of the scheme. These records include but are not limited to:

- The Strata Roll;
- The Minutes Book;
  - Including Notices & Minutes of all general meetings and committee meetings
  - Proxies delivered to the Owners Corporation
  - Voting Papers
- Financial & Accounting Records;
- Insurance Information;
- Copies of All Correspondence Sent & Received;
  - Including copies of all notices and orders
  - Building Defect Reports
  - Capital Works Fund reports
  - Building Manager or Strata Manager Agreements;
- By-laws, the Strata Plan, Management Statements (if any) and Certificate of Title for the Common Property.

These records must be kept for a minimum of 7 years and be made available for inspection by any owner, mortgagee or any person authorised by an owner. This would usually be a prospective purchaser into the scheme.

**RESTRICTIONS TO THE DECISION MAKING POWERS OF THE COMMITTEE**

The Act outlines 3 circumstances that restrict the decision making powers of a Strata Committee, which are:

**1. Restricted Matters**

A restricted matter is any issue that only the Owners Corporation may determine via a general meeting, I.E. any issue that requires a resolution, Special Resolution or Unanimous Resolution of the Owners Corporation.

There are numerous restricted matters listed throughout the Act, however common examples are:

- (i) Approving Levies or Special Levies;
- (ii) Changing, repealing or adding to the Strata By-laws;
- (iii) Changing the Owners Corporations Insurance Policies and Coverage;
- (iv) Approving an Addition to Common Property;
- (v) Appointing or dismissing a Strata Manager or Building Manager.

**2. Removal of Powers or Additional Obligations**

Apart from the restrictions to the committee imposed by the Act, the Owners Corporation may decide to further restrict the powers of the committee or place further obligations on the committee.

It is rare that an Owners Corporation would elect to do this, however a common example of a restriction on the committee are spending limits. For example, the committee may only spend up to \$5000.00 on any particular maintenance item that is not considered an emergency or urgent. Any amount above this amount must be referred to the Owners Corporation for determination at a general meeting.

An additional obligation could be requiring the committee to issue notices and minutes of their meetings to all owners, rather than just the selected committee members or placing a copy on the notice board. (See details below for issuing notices and minutes to Large Schemes and Non-Large schemes).



The Act requires that the Owners Corporation consider the removal or restriction of powers at each Annual General Meeting. This allows the Owners Corporation to regularly consider the authority of the committee and whether any further restrictions or limitations should be imposed.

### **3. Veto of Proposed Decision**

The owners within a scheme have one final control over the decision making powers of the committee. Where a motion has been proposed for a committee meeting, 1/3 of owners (calculated by Units of Entitlement) may object to the motion being determined by the committee, if written notice is served on the secretary prior to the meeting taking place.

## **THE ROLES OF THE SECRETARY, TREASURER AND CHAIRPERSON**

The positions of the Secretary, Treasurer and Chairperson or the 'Office Bearers' must be determined by the committee at their first meeting following their election at the Annual General Meeting (Section 41(1)). The Act also allows one person to fulfil two or more Office Bearer Roles (Section 41(3)).

As outlined above, no one committee member can make a decision on behalf of the committee, however the Office Bearers may perform specific tasks that fall within the confine on their roles without conducting a committee meeting, for example:

### **(i) A Mandatory Duty**

Such as renewing the Owners Corporation's insurances or arranging repairs and maintenance;

### **(ii) An Implied Authority**

This is a duty that is listed as a function of the Secretary, Treasurer or Chairperson, E.G. maintaining the Strata Roll;

### **(iii) An Incidental Step**

For example obtaining council approval before removing a tree.

## **The Secretary**

The Secretary of the Owners Corporation is essentially the chief administrative officer for the corporation. Unlike the secretary of a company, the secretary has no power to bind the Owners Corporation contractually, this right can only be conferred by the Owners Corporation or committee via a resolution of a properly convened meeting.

The functions of the Secretary are listed in Section 43 of the Act, and are:

## **43 Functions of secretary of owners corporation**

The functions of a secretary of an owners corporation include the following:

- (a) to prepare and distribute minutes of meetings of the owners corporation and submit a motion for confirmation of the minutes of any meeting of the owners corporation at the next such meeting;
- (b) to give on behalf of the owners corporation and the strata committee of the owners corporation notices required to be given under this Act;
- (c) to maintain the strata roll;
- (d) to enable the inspection of documents on behalf of the owners corporation in accordance with this Act;





- (e) to answer communications addressed to the owners corporation;
- (f) to convene meetings of the strata committee and (apart from its first annual general meeting) of the owners corporation;
- (g) to attend to matters of an administrative or secretarial nature in connection with the exercise of functions by the owners corporation or the strata committee of the owners corporation;
- (h) any other functions conferred on the secretary under any other Act or law.

### **The Treasurer**

If the Secretary is the chief administrative officer, then the treasurer is the chief financial officer of the Owners Corporation. The Treasurers duties are listed in Section 44(1) of the Act.

### **44 Functions of treasurer of owners corporation**

- (1) General functions The functions of a treasurer of an owners corporation include the following:
  - (a) to notify owners of any contributions levied in accordance with this Act;
  - (b) to receive, acknowledge, bank and account for any money paid to the owners corporation;
  - (c) to prepare any strata information certificate;
  - (d) to keep the accounting records and prepare the financial statements..

### **The Chairperson**

The main function of the chairperson is to preside at meetings of the committee and Owners Corporation to ensure that meetings are conducted in accordance with the Act and Regulations. The duties of the Chairperson are listed under section 42 of the Act as follows:

### **42 Functions of chairperson of owners corporation**

The functions of the chairperson of an owners corporation include the following:

- (a) to preside at meetings of the owners corporation and the strata committee of the owners corporation;
- (b) to make determinations as to quorums and procedural matters at meetings of the owners corporation and the strata committee of the owners corporation.

### **Can Committee Members be Paid?**

While generally owners who nominate for a position on the committee do so without expectation of fee or reward, Section 46 of the Act does allow an Owners Corporation to authorise a payment to a committee member in recognition of the services they have performed during the preceding year.

### **46 Payment of officers of owners corporation**

An owners corporation may pay to a person who is an officer of the owners corporation or another member of the strata committee of the owners corporation an amount determined by the owners corporation at an annual general meeting in recognition of services performed by the person for the owners corporation in the period since the last annual general meeting.

# PROCEDURES FOR CONDUCTING A STRATA COMMITTEE MEETING



## INTRODUCTION

The 2015 Act introduces a number of new provisions for convening and conducting a Strata Committee meeting including:

- Varying obligations for committees of Large and Non-Large Strata Schemes;
- Time limitations for convening meetings (once requested);
- New voting methods for committee members;
- Tenant Representative Participation (if elected);
- Time imposition for distributing minutes.

Schedule 2 of the Strata Schemes Management Act 2015 sets out many of the procedures for conducting a Strata Committee Meeting, and a detailed reading of the Act and Regulations outlines all requirements associated with convening and conducting Strata Committee meetings.

## CONVENING A MEETING

A meeting of the Strata Committee may be convened in a number of ways:

- By 1/3 of members requesting a meeting in writing\*\*;
- The Secretary may convene a strata committee meeting at any time (Section 39(1));
- A resolution of a previous committee meeting;
- A resolution passed at a General Meeting of the Owners Corporation;
- An order of a Tribunal Member at N.C.A.T.

\*\*Where a committee meeting has been requested by 1/3 of committee members the secretary must convene the meeting:

- For a Large Scheme (containing more than 100 lots) within 28 Days;
- For Non-Large scheme (containing 100 Lots or less) within 14 Days.

The 2015 Act still does not provide any remedy to non-committee owners to request that the committee convene a meeting, nor do they have the authority to request that a matter be put before the committee, however owners do have the authority to request a general meeting of the Owners Corporation via a request signed by owners representing 25% of the total unit of entitlement for the scheme.

## ISSUING NOTICES OF STRATA COMMITTEE MEETINGS

Clause 7 of Schedule 2 of the Act specifies that notices of Strata Committee meetings must include a detailed agenda. In order to comply with this provision, it is recommended that motions be drafted and agendas prepared with as much detail as possible to avoid confusion or ambiguity as well as the threat of being challenged at a later date.

## NOTICE PERIODS

For Large Schemes (containing more than 100 Lots) the notice of a Strata Committee meeting must be issued a minimum 72 hours prior to the meeting to:

- All Committee Members;
- All Owners;
- The Tenant Representative (if any);
- And be placed on the common property Notice Board (if any).

For Non-Large Schemes (containing 100 Lots or less) the notice of a Strata Committee meeting must be issued a minimum 72 hours prior to the meeting to:

- All Committee Members;
- The Tenant Representative (if any);
- And be placed on the common property Notice Board (if any);
- If the scheme is not required to maintain a common property Notice Board pursuant to the Strata By-laws, then the notices must also be issued to all owners.

## MEETING PROCEDURES

In order for a Strata Committee to proceed the Chairperson must be satisfied of the following requirements:

- (i) The correct specified notice period of the meeting has been provided to committee members and owners;
- (ii) The Chairperson (or nominated replacement) must be present;
- (iii) A quorum for the meeting has been formed (i.e. sufficient committee members present – see below);
- (iv) The motions on the agenda are within the powers of the committee to determine.





## QUORUM PROVISIONS

Clause 12 of Schedule 2 of the Act specifies the quorum provisions for Strata Committee meetings, which are:

- For a committee consisting of 1 person, the quorum will be 1;
- In any other case, the quorum is half of the persons entitled to vote\*, calculated based on the number of members determined by the Owners Corporation for the committee at the last Annual General Meeting.

\*Clause 9(4) of Schedule 2 of the 2015 Act introduces the concept of 'unfinancial' committee members not being entitled to vote

at a Strata Committee Meeting. I.E. owners (or owners that have nominated a committee member) must have all contributions (strata levies) paid in order to be entitled to vote or their nominated representative entitled to vote at the meeting.

Let's assume that the number of members of a committee was determined at 9 by the Owners Corporation at the last general meeting, the usual quorum would be 5. In the event 1 committee member was unable to vote due to being unfinancial, then the quorum would be calculated based on 8 members entitled to vote, meaning the quorum is now 4.



## VOTING

### (i) Strata Committee Resolutions

Clause 9(1) of Schedule 2 specifies that there is only one type of resolution for a Strata Committee meeting that is simply a majority vote. For example, if there were 6 members of the Strata Committee and 3 votes were cast in favour of a motion and 3 votes were cast against, the motion WOULD NOT pass.

If there is a deadlock a vote CANNOT be undertaken by Units of Entitlement as there is no provision for this in the Act and the Chairperson DOES NOT have a casting vote.

### (ii) Methods of Voting

The 2015 Act allows a Strata Committee to determine voting in numerous ways, including:

- In Person;
- Via Telephone or Video Conference (if approved by the committee);
- Email or other electronic means (if approved by the committee, other than an election for office bearers);
- A substitute representative (if approved by the committee).

## OWNER ATTENDANCE AT MEETINGS

All owners that are not members of the Strata Committee are entitled to attend Strata Committee meetings, however non-committee owners may not address the meeting unless a resolution is passed by the committee giving permission for them to do so.

## TENANT REPRESENTATIVES & TENANT ATTENDANCE

There is no provision in the Act for a tenant to attend a Strata Committee meeting, unless the tenant has been duly elected as the tenant representative for the committee or nominated as a substitute committee member that has been approved by the committee.

A duly appointed Tenant Representative is not entitled to vote on any motion put before a committee meeting, nor is their attendance to be included in the calculation of the quorum for the Meeting.

The committee may ask the Tenant Representative to leave the meeting when discussing matters surrounding financial or auditors' reports, debt recovery, levying of contributions or a Strata Renewal proposal

## DISCLOSURE OF PECUNIARY INTERESTS

Clause 18 of Schedule 2 sets out a new requirement for committee members to disclose any direct or indirect pecuniary interests on a matter that is to be determined by the committee.

Examples of a pecuniary interest include being employed by, or being the partner of, or have some other financial or specified interest in a company that is tendering for work with the Owners Corporation. These circumstances may create a conflict of interest. The conflict of interest may include the receipt of a commission for the recommendation of services.

A committee member must make the disclosure as soon as they become aware of a potential conflict of interest and that member may be asked to leave a committee meeting when other members of the committee are deliberating on the matter.

Any disclosure made must be kept in a book maintained by the committee which is to be made available for inspection by other owners in the scheme.

For a committee consisting of 1 member, it is recommended that any such pecuniary interest be disclosed to the Owners Corporation at a General Meeting and any determination on the matter made by the Owners Corporation.

## DISTRIBUTION OF COMMITTEE MEETING MINUTES

The 2015 Act also sets out new obligations for the secretary to distribute minutes of a Strata Committee meeting, which are as follows:

Within 7 days of a Strata Committee meeting the secretary must:

- Give each member of the Strata Committee a copy of the minutes;
- For non-large schemes give each owner a copy of the Strata Committee minutes;
- For Large schemes, give any owner a copy of the minutes if requested to do so.

**Note:** There is NO longer a requirement to place a copy of the Strata Committee minutes on the common property notice board, regardless of whether the scheme is large or otherwise.

## HOW DOES A STRATA MANAGING AGENT FIT IN?

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Due to the detailed and exacting legislative requirements imposed by Strata Legislation, managing agents are often engaged by Owners Corporations to administer the day to day functions of the scheme on behalf of the Owners Corporation.

In order to perform these duties an Owners Corporation may delegate to the manager some or all of their functions pursuant to Section 52(1) of the Act, including the roles of Secretary, Treasurer, Chairperson and the Strata Committee. Like the Strata Committee, a managing agent cannot be delegated the authority to perform restricted matters (i.e. those matters that can be determined by the Owners Corporation, such as passing By-laws). Regardless of what delegation may be provided to a managing agent, it does not affect the authority of the Owners Corporation or the Strata Committee to exercise their powers under the Act. The typical tasks performed by your Netstrata manager include:

## THE SECRETARY

The duties of the secretary are listed under section 43 of the Act (listed above). Practically these duties include:

### Attending to Correspondence & General Inquiries

Addressing all written, email and telephone communication from:

- Owners;
- Residents and Tenants;
- Property managers and Building managers;
- Solicitors and conveyancers;
- Strata inspectors and prospective purchasers;
- Trades, utility and service providers;
- Council and other statutory authorities;
- Answer all 'over the counter' inquiries;
- Issue welcome letters and information packs to new owners within the scheme;
- Issue By-laws to all tenants when notification is received pursuant to Section 258 of the Act;
- Maintain tenancy register;
- Inform the strata committee, owners and residents of pertinent issues affecting the scheme.

### Dispute Resolution & Mediation

- Receive complaints surrounding compliance with the strata By-laws (including, but not limited to noise, washing on balconies, parking on common property or the removal of unauthorised works);

- Provide advice to residents and owners as to their rights and responsibilities surrounding the administration of the strata By-laws;
- Mediate general disputes between owners, residents and suppliers;
- Issue warning letters to residents who are breaching the strata By-laws;
- Issue Notices to comply with By-laws pursuant to Section 146 of the Act;
- Attend mediation where necessary;
- Issue Notice of applications and orders to owners;
- Prepare evidence and applications for the NSW Civil & Administrative Tribunal (N.C.A.T.);
- Where necessary attend N.C.A.T. Hearings regarding By-law disputes.

### Record Keeping

- Ensure the schemes records are maintained in accordance with the Act and kept securely for a minimum 7 years, including:
  - All written and electronic correspondence sent and received by the Owners Corporation;
  - Keep and maintain the minute book of the Owners Corporation, including notices and minutes of all Strata Committee Meetings, Tenant Meetings and Owners Corporation meetings;
  - All proxy forms, voting papers used in general meetings and nominations to the strata committee;
  - All accounting records and financial statements prepared on behalf of the Owners Corporation;
  - Copies of all contracts entered into by the Owners Corporation;
- Maintain the Owners Corporation's strata roll in accordance with Section 177 of the Act;
- Facilitate Section 183 inspections of the Owners Corporation's records;
- Maintain restricted key or swipe tag registers;
- Maintain a schedule of the registered By-laws;
- Maintain a copy of the registered Strata Plan and any relevant management statement for the scheme;
- Maintain and affix the common seal when required;
- Maintain and keep up-to-date a tenancy register for the scheme;
- Provide owners with an Annual Strata Manager's report in accordance with Section 55 of the Act



### **Meeting procedures**

- Issue notices of Owners Corporation meetings to all owners & tenants;
- Issue notices of Strata Committee meetings to owners (as required by the Act) and Tenant Representatives;
- Issue notices and facilitate Tenant Meetings for the purpose of electing a Tenant Representative where required by the Act;
- Facilitate the Pre-AGM Strata Committee nomination process;
- Facilitate any electronic voting procedure approved by the Owners Corporation for general meetings or Strata Committee meeting;
- Facilitate any pre-meeting voting procedure approved by the Owners Corporation for general meetings or Strata Committee meetings;
- Ensure proxies received comply with the limitation rules of Clause 25 of Schedule 1 of the Act;
- Ensure all meeting notices and agenda items for Owners Corporation and Strata Committee meetings comply with the Act;
- Write minutes for and distribute them in accordance with the Act;
- Action the resolutions of Strata Committee and Owners Corporation's meetings;
- Post copies of minutes on our Website for easy access by owners.

### **Building and Trade Compliance**

- Arrange the Annual Fire Safety Inspection of all lots (smoke detectors and fire doors);
- Arrange for periodical maintenance and testing of fire apparatus (e.g. sprinkler systems and hydrants);
- Authorise the Annual Fire Safety Statement;
- Provide certificates of fire compliance to the local council and Fire & Rescue NSW;
- Arrange annual inspection of air-conditioning towers and cooling systems to ensure compliance;
- Provide certificates of compliance to Work Cover for all major apparatus within the scheme (e.g. lifts);
- Ensure maintenance logs are maintained;
- Provide a safe work certificate and induction for all trades sent to site;
- Facilitate the installation of Window Locks in accordance with Child Window Lock Safety Devices Act;
- Ensure all trades sent to the site are Work Place Health & Safety and Work Cover compliant;
- Ensure all trades sent to site are appropriately licensed to perform assigned works;
- Ensure all trades sent to site carry appropriate workers compensation and liability insurance



## **Maintenance**

- Arrange and supervise day to day maintenance such as cleaning, gardening and lawn mowing at the scheme;
- Arrange periodical maintenance such as carpet cleaning, window cleaning, gutter cleaning and pest control;
- Arrange servicing of plant and equipment (pit & pump, elevators, air-conditioning, garage doors etc);
- Arrange, supervise and follow-up routine maintenance and repairs such as general handyman repairs, plumbing & electrical works or rubbish removal;
- Arrange quotations for specified or detailed maintenance works where necessary;
- Arrange and supervise all insurance claim work;
- Where necessary engage and liaise with engineers for detailed or specialised works;
- Attend to emergencies after hours;
- Provide access to residents for 24 hour emergency trades;
- Obtain quotations and undertake contract negotiations for service contracts (e.g. lifts, fire services, pumps etc);
- Source quotations from utility suppliers;
- Implement energy efficient practices for your scheme;
- Project manage Capital Works fund works such as painting, carpet replacement or major refurbishments;
- Undertake regular inspections of the common property to assess state of repair;
- Collaborate with engineers and project managers associated with major maintenance works;

## **Insurance Compliance**

- Arrange annual valuation for Building Insurance;
- Prepare claims history for potential insurance providers;
- Complete insurance renewal applications;
- Source a minimum of 3 quotations from specialist strata insurers;
- Effect insurances and ensure all statutory insurances are in place;
- Administer all insurance claims and arrange insurance claim assessors where necessary;
- Notify insurers of issues of significance to the scheme such as fire certification and WH&S compliance;

- Notify insurers of change of use of a lot or business within the scheme;
- Ensure financial services guide and policy disclosure statements are maintained on scheme's records;
- Complete wage and salary declarations for Workers Compensation insurance if required;
- Upload Certificate of Insurance on Website;
- Provide Certificate of Insurance to owners and mortgagees when requested;
- Provide owners with details of any 3rd party commissions received in accordance with Section 60 of the Act.

## **Building Defects**

- From the First Annual General Meeting:
  - ensure the original owner has furnished all documents in accordance with Section 16,
  - ensure the original owner has supplied the Owners Corporation with an Initial Maintenance Schedule;
- During the statutory warranty period, ensure a motion to determine how to address Building Defects is listed on the agenda for each Annual General Meeting;
- Action any decision of the Owners Corporation surrounding the pursuit of defects;
- Facilitate correspondence between the builder and Owners Corporation associated with Building Defects;
- Ensure the Owners Corporation approves a Building Inspector for the Interim Inspection report to proceed in accordance with Part 11;
- Facilitate access for any building inspector appointed pursuant to Part 11;
- Provide copies of the interim building inspection report to owners, the builder and Secretary for Innovation and Finance at the NSW Fair Trading;
- Facilitate access for the builder to rectify defects identified in the interim inspection report;
- Facilitate access for any building inspector appointed to complete the final building inspection report in accordance with Part 11;
- Initiate claims on the building bond paid by the original owner pursuant to part 11;
- Oversee additional building defect claims.



## THE TREASURER

The duties of the Treasurer are listed under Section 44 of the Act (listed above). Practically these duties include:

### Invoice and Payment Approvals

- Process and approve all invoices issued to the Owners Corporation;
- Authorise invoices for payment against approved quotations or work order requisitions;
- Remit payment via cheque or E.F.T of approved invoices to suppliers ;
- Issue remittance advices to suppliers upon payment;
- Record and receipt transactions within the Owners Corporation's trust account;
- Monitor cash flow to ensure accounts can be paid or future expenses can be maintained;
- Monitor financial performance against budget provisions;
- Retain a copy of all invoices on the Owners Corporation's records;
- Issue copies of invoices to owners when requested;
- Facilitate on-line Invoice Approvals for selected committee members (when requested).

## Accounting and Reporting

- Maintain and operate the Owners Corporation's trust account;
- Establish and maintain investment accounts on behalf of the Owners Corporation;
- Maintain all accounting records as provided in the Act;
- Prepare daily financial reports for your scheme that are posted to your client portal;
- Prepare monthly trust account reconciliation;
- Prepare yearly financial reports for distribution to all owners at the AGM in accordance with section 92 of the Act;
- Prepare the annual budget for presentation at the AGM, taking into consideration the expenditure during the previous years, associated Capital Works Fund report and Initial Maintenance schedule;
- Arrange and implement recommendations of the Owners Corporation's Capital Works fund forecast;
- Prepare books of account for the Annual Tax Return of the Owners Corporation;
- Prepare books of account for quarterly Business Activity Statements;
- Prepare books of account for the Annual Audit;
- Prepare certificates requested pursuant to Section 184 of the Act.

## Levy and Debt Collection

- Issue the annual schedule of levies to all owners following determination of levies at the AGM;
- Prepare levy notices for distribution each quarter;
- Prepare special levy payment notices when required;
- Collect and receipt levies;
- Pursue owners for levy arrears, including:
- Initiating phone call, email & SMS reminders to owners in arrears;
- Distributing arrears correspondence as required by section;
- Issuing Arrears payment notices;
- Monitor payments of owners pursuant to a debt recovery payment plan;
- Where necessary initiate formal debt recovery proceedings against owners who are substantially in arrears;
- Prepare evidence for use in local court or district court proceedings.

## THE CHAIRPERSON

The duties of the Chairperson are outlined in Section 42 of the Act. The Chairperson must ensure Owners Corporation and Strata Committee meetings are conducted in accordance with the rules and procedures defined in the Act and that all resolutions passed by either the committee or Owners Corporation is valid.

These include duties include but are not limited to:

- Ensure the proper procedure to convene and conduct the meeting has been followed;
- Ensure proper notice has been provided to all owners;
- Ensure all motions on the agenda are valid and may be passed, and if not how to properly invalidate a motion;
- Obtain an updated copy of the strata roll to record attendance at meetings;
- Prepare an updated levy arrears register;
- Record those owners present at the meeting as well as proxies, company nominee's and apologies;
- Ensure all proxies have been submitted on the prescribed form;
- Ensure the voting rights of co-owners, priority votes, covenant chargee's and mortgagees are properly followed;
- Ensure a quorum for the meeting is present before opening the meeting;
- In the event a quorum is not present, following the proper procedures to either adjourn the meeting or have a quorum declared after the prescribed time;
- Executing the rules and regulations surrounding the election of the executive committee;
- Following the proper procedures for replacing executive committee members that may resign or be removed from the committee during the year;
- Ensuring the proper voting procedures at a meeting are followed including how to conduct a Poll Vote, an unanimous resolution, special resolution and ordinary resolution;
- Ensuring that proper procedures are followed when amending a motion.



**NETSTRATA**

EST 1996

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