

NSW STRATA MEETINGS - HOW THEY ALL WORK

There are different kinds of strata meetings in NSW.

Annual General Meetings

The owners corporation in every strata scheme must hold at least one meeting every year. This is called an annual general meeting (**AGM**).

Owners will discuss finances at AGMs. They will vote on setting levies and any money needed for upcoming repairs or maintenance.

Other issues such as changes to by-laws, disputes between residents, insurance policies that the scheme holds and how to fix any safety issues are also often discussed.

The scheme's strata committee is also elected at an AGM. The strata managing agent or building manager can also be appointed at these meetings.

General Meetings

General meetings are held as and when needed. Sometimes, they are called extraordinary general meetings (**EGM**) or special meetings. The secretary or strata committee can call a general meeting at any time.

They usually discuss specific agenda items that needs agreement from owners and cannot wait until the next AGM.

An owner can requisition a general meeting. However, the request must be in writing and the owner must hold the backing of owners who hold at least a quarter of the scheme's total unit entitlement.

Strata Committee Meetings

Strata committee meetings are for strata committee members to discuss and vote on day-to-day matters.

Owners can attend strata committee meetings however, they cannot speak, unless they get permission from the strata committee.

Placing motions on the agenda for a general meeting (AGM or EGM)

To write a motion, you must include:

- a 1-2 sentence summary of what the motion is (i.e. what owners are agreeing to do);
- your name;
- a supporting explanation of up to 300 words.

Any financial owner of a lot is entitled to vote at a general meeting and can request a motion to be placed on the agenda of a general meeting.

Note however, if you are a Building Manager but you don't own a unit in the complex, you will need to ask a friendly (financial) owner to lodge your motion – in their capacity as an owner.

A motion can be rejected by the strata committee if it conflicts with an existing law.

Timing for the submission of motions be lodged with the strata managing agent or secretary

First and foremost, ask the strata managing agent or the secretary to advise you of the closing date for motions to be placed on the agenda, as written notice must be given to the secretary, before the closing date.

The secretary must then place the motion on the agenda for the general meeting.

Quorum for meetings

The chairperson on the strata committee is responsible for running meetings.

The chairperson must firstly check that the 'quorum' has been met. A quorum is the minimum number of owners that must be at meeting for it to go ahead.

At a general meeting, it is either:

- 25% or more of people that have the right to vote, or
- enough eligible owners to represent 25% or more of the scheme's total unit entitlements.

How voting works

You are not eligible to vote if you have not paid your levies. In some cases your vote can be overruled by someone using a 'priority vote' – such as your mortgagee.

Voting power

In strata schemes, owners' voting power is either based on one vote per owner (for an ordinary resolution) or is based on 'unit entitlement' (for a special resolution).

Every property in a scheme has a 'unit entitlement' value. This value represents the share of the strata scheme that you get when you buy the property.

For example, a small apartment might have a unit entitlement of 50. A larger apartment might have a unit entitlement of 75.

A person with higher unit entitlements has greater voting power, but pays higher levies.

You can find your unit entitlement by looking at your lot on the strata plan.

Proxy Voting

A proxy voter is somebody who can attend and vote at a meeting on your behalf.

To appoint a proxy voter, you must complete a proxy appointment form and give it to the secretary.

For large schemes (with more than 100 properties), you must give the form to the secretary at least 24 hours before a meeting. In other schemes, you can hand it over before the meeting starts.

Also, in a large scheme, the person you nominate can't already hold a proxy vote for more than 5% of the total number of properties.

If you are in a scheme with 20 properties or less, the person you nominate can't already hold a proxy vote for someone else.

If you own more than one property in the scheme, you can nominate a proxy for each property. Or, you can nominate just one proxy for all of your properties.

Types of votes

There are different types of motions that can be voted on at a meeting.

Some common examples include approving the amount of levies you will be charged, approving plans for repairs, or approving a change to a by-law.

Different proposals will require a different number of owners to vote in favour, based on their unit entitlement –

- a general resolution (also called a simple majority vote) doesn't use unit entitlement. Each owner has one vote per property they own. Over 50% of people must vote for the motion for it to pass.
- a special resolution is a vote by unit entitlement. For a proposal to be approved, no more than 25% of the vote can be against the proposal.
- a unanimous resolution means that there must be no votes against the proposal for it to be approved.
- a sustainability infrastructure resolution is a vote by unit entitlement. For the proposal to be approved, those against must make up less than 50% of the votes.

Note however, that any voter can call for a 'poll' before or just after a vote takes place. Calling for a poll changes a vote by general resolution so that it uses unit entitlement, instead of one vote per lot.

Can you change a motion at the general meeting?

You can move a motion to amend a motion that you have already submitted at the meeting, but you can't change the motion topic.

Eligible voters will then vote on the amended motion at the meeting. Any pre-meeting votes on the original motion will no longer apply.

You can't put forward a new motion in a meeting. It must be left for the next meeting to give people time to properly consider it.

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