

Meetings

First AGM

An owner's corporation starts when a strata plan is registered with the Land and Property Management Authority NSW. At this stage the owner's corporation often consist of just the original owner who is usually the builder and/or developer.

The original owner must hold the first Annual General Meeting (AGM) within 2 months of the end of the initial period. There can be a fine of up to \$1,100 if this is not done when it is due.

Notice of the first AGM must be given to each owner and each first mortgagee and covenant chargee shown on the strata roll. This must be received at least 14 days before the meeting.

The first AGM agenda includes motions to deal with the following:

- Insurance cover held by the strata scheme
- The election of executive committee members
- Confirming the existing By-laws
- Appointment of a strata managing agent – a scheme can choose to manage themselves, however they should consider whether they have the time and expertise to meet the legal requirements of the Act
- Accounting records review
- Determine restricted matters
- Strike levies
- Arrange preparation of a 10-year sinking fund plan
- Consider whether a caretaker is to be appointed

The **initial period** begins when the strata plan is registered and ends when one-third of the unit entitlements (u/e) have been sold. This period may last only a few weeks, or years. In some strata schemes the initial period never ends because not enough properties sell to make up the one third unit entitlements. During the initial period the original owner is responsible for all the duties of the owner's corporation, unless an executive committee has been appointed. The owner's corporation may hold general meetings and appoint an executive committee before the first AGM, which may be important if the initial period is going to continue for a long time. Owners will still have to pay strata levies during this time, and are still able to request meetings and be part of the decision making process.

Annual General (AGM) and Extra-ordinary General Meetings (EGM)

Once a year the owner's corporation must hold a meeting of all owners, the Annual General Meeting (AGM). Any additional general meetings of all the owners are known as extraordinary general meetings, or EGMs. While it is not compulsory to attend these meetings, it is in your best interest to be there so you are informed of the owner's corporation status financially etc. Notice of both the AGM and any EGM are given to each owner at least 7 days before the meeting is held. A quorum is required at a general meeting before any motion can be voted on. This means that either, one-quarter of the total number of people

entitled to vote, OR owners who hold one-quarter or more of the total unit entitlements, are present in person or by proxy. If there is no quorum after 30 minutes of the scheduled start time, the meeting must be postponed for at least 7 days. Whether or not there is a quorum at the adjourned meeting, those present at the reconvened meeting will determine the outcome of the motions.

Anyone who is entitled to vote at a general meeting can ask for a motion to be put on the agenda for a general meeting. **Entitled to vote** means you have paid all the strata levies that were due at the time the notice was sent – which is the date at the bottom of the agenda, after all the motions are listed. The specific wording of your motion must be given to the strata manager or secretary, before the notice is prepared and sent out, who must then put it on the agenda. If you cannot attend a meeting, but would still like to vote, you can organise someone else to vote on your behalf as your proxy. A regulated form must be filled out and given to the schemes secretary, or to our office if a member of the PSS team are attending, before the time of the meeting. If you own in a scheme of more than 101 lots then this must be to the secretary, or our office, at least 24 hours before the meeting.

A proxy form is always the last page of an agenda.

Executive Meetings

Refer to notes in this part of FAQ's