

The body corporate and meetings

CONSUMER COLUMN



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With more and more people opting to buy a unit and townhouse rather than a house, understanding the community titles sector is becoming increasingly important.

The body corporate for a community titles scheme is composed of all the owners in the scheme. Every new owner automatically becomes a member of the body corporate.

The *Body Corporate and Community Management Act 1997* is the Queensland legislation regulating bodies corporate, while the *Body Corporate and Community Management (Standard Module) Regulation 1997* regulates body corporate general meetings.

“The legislation sets out the rights and responsibilities of certain persons associated with bodies corporate, particularly lot owners and tenants,” REIQ managing director Dan Molloy said.

Following the first annual general meeting, there are two types of general meetings which can be held by a body corporate.

1 Annual general meetings

The body corporate **must** hold an annual general meeting within three months after the end of each financial year for the scheme (the financial year for a body corporate is not necessarily the year used for taxation purposes eg 1 July to 30 June).

At the annual general meeting, owners consider the financial position and direction of the body corporate, and elect the committee for the next year. The **agenda** for an annual general meeting must provide for:

- the presentation of the statement of accounts for the previous financial year;
- adopting the administrative and sinking funds budgets for the next financial year;
- determining the contributions to be paid by lot owners for the financial year;
- determining whether the statement of accounts for the next financial year are to be audited; and
- reviewing each insurance policy held by the body corporate.
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The agenda *must* also include motions proposed by the committee or submitted by lot owners. An owner submitting a motion for consideration at an annual general meeting must ensure that the secretary receives the motion before the end of the financial year immediately preceding that meeting.

2 *Extraordinary general meeting*

An extraordinary general meeting (EGM) can be held at any time throughout the year. Items considered at EGM's could include repairs, disputes or changes to by-laws. An EGM must be called if a notice requesting the meeting:

- is signed by or for the owners of at least 25 per cent of all the lots included in the scheme;
- includes the motions which the owners propose to be considered at the meeting; and
- is given to the secretary, or in the secretary's absence, the chairperson.

An EGM must be called within 14 days after the notice requesting the meeting is given to the secretary. The body corporate must hold the EGM within six weeks of receiving the notice requesting the meeting.

Submitting motions

All lot owners have the right to submit motions. If a motion is submitted, it must be included on the agenda of the next general meeting on which it is practicable to include the motion.

The legislation should be consulted as the primary reference for body corporate meetings. More information is available from The Office of the Commissioner for Body Corporate and Community Management's website www.bccm.qld.gov.au.



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