Toowoomba STRATA

fact sheet

committees

Committee's role

The committee is in charge of:

- the administrative and day-to-day running of the body corporate
- making decisions on behalf of the body corporate
- putting the lawful decisions of the body corporate into place
- arranging maintenance to common property
- enforcing by-laws
- dealing with correspondence
- etc

The committee can make decisions by calling a committee meeting or by voting outside a committee meeting.

The committee is like a “board or directors” for a company. The key difference is the committee for a body corporate are all volunteers.

Committee members

A committee must have at least 3 members.

The maximum number of committee members for schemes with 7 or more lots is 7. If there are less than 7 lots, the maximum is the same as the number of lots.

The committee will usually include a chairperson, secretary and treasurer (known as the executive positions). A person may hold all or any 2 executive positions.

Chairperson

The chairperson must chair all general meetings and committee meetings they attend. If the chairperson is not at a meeting, the voters who are there can choose another person to chair that meeting. Often the chairperson will ask for assistance from the body corporate manager to chair meetings.

The chairperson does **not** have more authority than anyone else on the committee.

Secretary

The secretary’s duties include:

- sending out notices for meetings
- asking for and receiving nominations and inviting owners to submit motions for the meeting
- dealing with correspondence
- etc

Almost always all these tasks are delegated to the body corporate manager

Treasurer

The treasurer’s duties include:

- collecting and banking levies
- paying accounts
- reconciling the bank account
- preparing financial statements

Almost always all these tasks are delegated to the body corporate manager

Body corporate manager

If the body corporate has engaged a body corporate manager, it may authorise the manager to carry out some or all of the powers of the committee.

Non-voting members of the committee

If the body corporate engages a body corporate manager or a caretaking service contractor, they are automatically non-voting members of the committee.

A non-voting member does not have a right to vote on committee decisions.

Restrictions on committee decisions

The committee cannot make decisions about:

- setting or changing a body corporate levy
- changing the rights, privileges or obligations of lot owners
- decisions that must be made by ordinary resolution, special resolution, resolution without dissent, or majority resolution
- starting a legal proceeding, unless it is to recover a liquidated debt against the owner of a lot

Committee spending limit

Committee spending is restricted and money must be available in the budget before they can spend it.

If there is not enough money in the funds, the committee would have to call a general meeting to amend the budget or to raise a special levy.

Conduct expectations for committee members

Committee members are unpaid volunteers, but they are required to act in the best interests of all lot owners — not in their own personal interest or the interest of any individual owner.

Key expectations include:

- Acting honestly and in good faith
- Disclosing any conflict of interest and abstaining from related votes
- Maintaining confidentiality of sensitive information
- Not using their position for personal gain
- Treating owners, occupants, contractors, and the body corporate manager with respect

Committee members can be removed by the body corporate at a general meeting if they are not acting in the scheme's best interests.

Communication

All correspondence should be directed to your body corporate manager — Toowoomba STRATA. Toowoomba STRATA will then triage and progress your enquiry in accordance with the committee's agreed governance processes.

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Common FAQ's

Why do we need a committee if we have a body corporate manager?

The manager remains a merely a delegate of the committee and not something above the committee.

We pay a manager so they should do everything!

While the manager can ensure the body corporate continues to function administratively. Good functioning bodies benefit from hard working committee members.

Do I just come to the odd committee meeting?

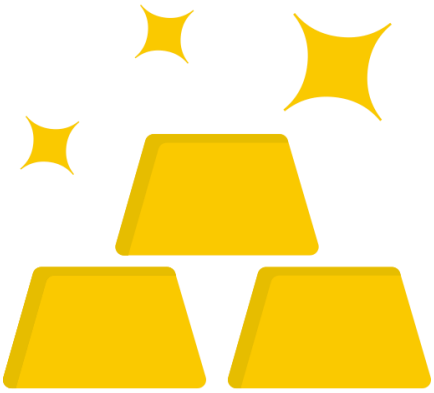
That might be enough in some circumstances, however, actively contributing to achieving better outcomes for the body corporate is really the effort required.

How often does the committee need to meet?

Some committees choose to never to meet and deal with all business via voting outside of committee meeting or flying minute. Other committees choose to physically meet on a regular basis eg quarterly.

What level of detail is appropriate?

Sensible management and not micro-management. For example, a "board of directors" does not look at every transaction in detail it takes a bigger picture view.



Gold Standard Committee Members

What is the gold standard for committee members

- Meeting or emailing fellow committee members to discuss issues on a regular basis … not being a committee member in name only!
- Working very closely and supporting the body corporate manager to get the best outcome for all owners … that is the goal for both the committee and the body corporate manager
- Checking the work of maintenance contractors and not just leaving it to others. Then reporting back to the body corporate manager any issues that need to be addressed eg a monthly report card to the manager
- Actively participating in getting quotes for jobs. Not simply relying on the body corporate manager sending out a quote requests but actively seeking out contractors and meeting with them as part of scoping out the job to get the best possible result.
- Creating open channels of communication with all owners eg creating chat groups where issues can be discussed.
- Never assuming that a task is below them … just "rolling up your sleeves and digging in" eg sourcing quotes, chatting to problem tenants, chatting to contractors … nothing should be too much trouble for a good committee member.
- Super responsive … answering emails promptly not letting them sit unanswered for weeks.
- Remember don't be a micro-manager!