

BODY CORPORATE TRAINING FOR PROPERTY MANAGERS

6 March 2019

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Capitol
FOLLOW THE LEADER

Disclaimer



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Introduction



- Capitol was established by Josephine Falco in December 1995
- This year marks our 24TH anniversary
- We have grown from a small home-based business to now having offices in 3 locations:
Alderley, Redcliffe and Gold Coast



Introduction



- Josephine started by managing just 1 body corporate
- Capitol now manages 1,250 schemes and over 13,000 lot owners
- All directors, Josephine Falco, Ian D'Arcy and Ashley Wood, continue to work in the business



Introduction



How are we unique from other firms?

- We publish direct contact details for directors and managers on our website so owners get a personalised service
- Ongoing training for managers
- Monthly status reports to committees
- 6 monthly reviews to committees
- Dedicated in-house support teams
 - Accounts
 - Insurance
 - Systems



Introduction



Ongoing training for managers

- There is no requirement in Queensland for a body corporate manager to be licenced
- Capitol ensures all of our managers are accredited members with the industry body, Strata Community Australia
- We invest in the ongoing training of our managers by way of an internal professional development program and external conferences and workshops
- The SCA training is specific body corporate training



Introduction



Our team

- Each Community Relationship Manager (CRM) is supported by a Community Relationship Assistant (CRA)
- Capitol has specialist in-house teams
 - Insurance
 - Accounts
 - Systems, design and marketing
 - Systems support for owner login and invoice approval hub
 - Online training materials via our website



Introduction



Owner login

Secure online access to:

- Statements and levy information
- Community management statement (including by-laws & plans)
- Building reports (including insurance valuations, safety audit reports and sinking fund forecasts)
- Meeting minutes

Committee members have additional access to body corporate financial information.



Introduction



- We have been supporting Act for Kids as our chosen charity for a number of years
- Our current goal is \$35k in 2019



Introduction



Session topics

Question time at end of each session

- Committee / roles & responsibilities
- Maintenance
- Insurance
- Levies & budgets
- By-Laws



COMMITTEE

Joanne Bennett

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Committee

- **WHAT:** Committee's primary function is to make decisions
- **WHY:** To enable the efficient and effective management of the duties of the body corporate.

Committee's power to make decisions is limited by factors such as:

- Restriction on decisions
- Spending limits
- If repair cost is above committee spending limit the committee is not authorised to act, even in an emergency



Committee



The body corporate committee is responsible for day to day operations of the body corporate.

Duties include:

- Acting in best interest of all owners
- Overseeing operation of body corporate
- Instruct and work with body corporate manager (Capitol)
- Carry out body corporate's lawful instructions
- Committee members are bound by a statutory code



Committee

How and when is the committee formed?

- Maximum of 7 members
- Minimum of 3 members
- Chairperson, Secretary and Treasurer, and 'ordinary committee members'
- At the AGM
- Requirements vary depending on relevant regulation module
- All bodies corporate are required to elect a committee annually



Committee

Decision making process

(e.g. pet application/air-con/maintenance request)

- Must be done at a committee meeting or by vote outside of a committee meeting (VOCM)
- Governed by provisions set by relevant regulation module
- Decisions must be recorded in full and accurate minutes



Committee

- Duties are delegated to the body corporate manager through the administration agreement
- Committee cannot delegate its ability to make decisions through the agreement
- The committee remains responsible for making decisions and instructing the body corporate manager
- Appointment of a body corporate manager does not change the requirement for the body corporate to elect a committee



Capitol's role



- Provide a general understanding of legislative requirements under the Body Corporate and Community Management Act 1997 and the Regulation Module
- Work with our committees, resident managers, lot owners and contractors to build strong communities.
- People and personality management



Capitol's role



Assist our bodies corporate to be compliant under body corporate legislation as well as:

- Work Health and Safety Act 2011
- Asbestos Reporting and Management of Asbestos containing Materials
- Insurance Valuations
- Fire Safety Requirements
- Cladding



Capitol's role



What we do for our agreed fees

- Keep books and records including financial statements
- Organise / attend AGM
- Act and implement the decisions of the body corporate
- Ensure insurance is in place
- Maintain body corporate registers relating to roll
- Hold, use and supervise use of common seal



Capitol's role

What we do for our agreed fees

- Prepare budgets, calculate levies
- Prepare and distribute notices
- Inward / outward correspondence
- Maintain the data base of records and decisions
- Follow code of conduct





MAINTENANCE

Maree Moses

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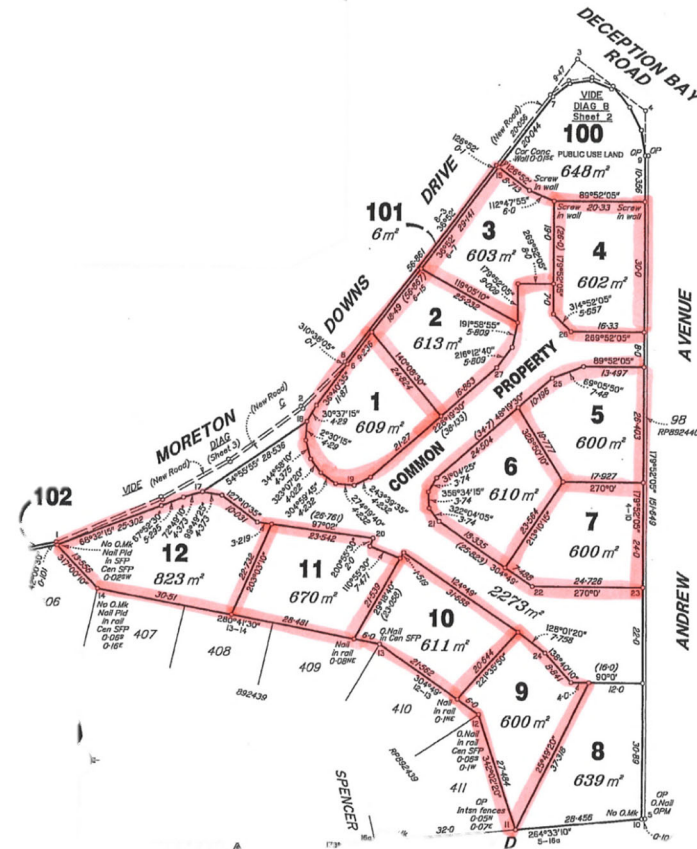
Maintenance – basic rule

- Body corporate must maintain the common property in good condition
- Owner of a lot must maintain his or her lot in good condition.
- Legislation is specific to Queensland
- Survey plan defines the boundaries of the common property and the lots which helps to determine who is responsible for the maintenance issue
- The two most common types of survey plans are
 - Building format plans (BFP)
 - Standard format plans (SFP)



Standard format plan (SFP)

- The owner owns the land within their boundary, like a normal house block
- The owner must maintain the structure within their lot (house, townhouse, villa etc.)
- Body corporate is only responsible for shared services (shared gutters, TV antennas, shared stormwater, sewerage etc.)



Building format plan (BFP)

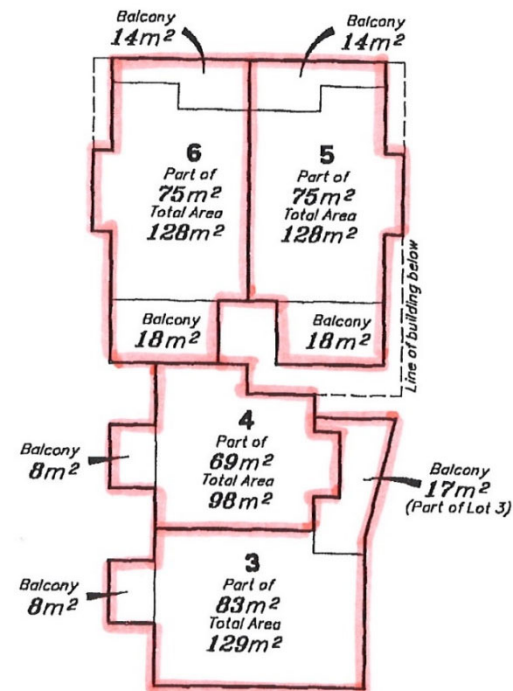
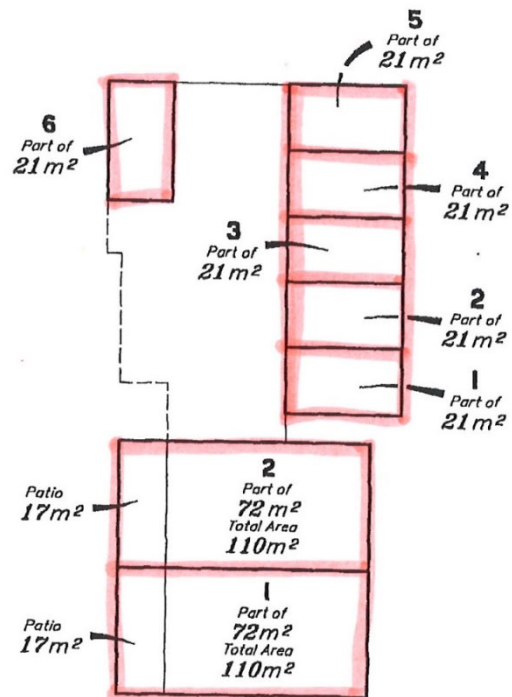
Building format plan

- Boundaries of a lot are defined by building elements (walls, balustrades, ceilings, external doors)
- This is the most common plan for units
- If the scheme contains stacked lots or lots over common areas it is probably a building format plan



BFP

See example below.



Common maintenance issues

- Community and emergency lighting
- Fire safety items (annual fire door inspections / equipment / pumps)
- Switchboard inspections
- Building appearance (e.g. building wash-down)
- Driveway / Carpark cleaning
- Termite inspection reports
- Lift maintenance
- Gutter cleaning
- Safety valves and backflow devices
- Garage doors and motors



Maintenance

Is the breakdown impacting more than one lot? Who has use of the service? These are our second and third questions after determining if its BFP or SFP.

- If more than one lot is affected, the breakdown is usually in a communal system (communal hot water system, communal electricity failure, communal sewerage blockage)
- Communal systems are normally a body corporate responsibility

Examples: Garage doors and remotes

- Generally the garage doors are the responsibility of the body corporate
- Unless intentional malicious damaged was caused by a lot owner and/or tenant – that will most likely incur costs
- Remotes – the owners and/or tenants are responsible for these

Maintenance

Examples

Hot water systems

- Servicing only one lot – always an owner's responsibility, including connecting pipework
- Servicing more than one lot (communal) – normally a body corporate responsibility

Air conditioning

- Split systems and ducted systems where each lot's system is separate – an owner's responsibility
- Large central systems (high-rises, hotels) – normally body corporate



Source location and responsibility

Courtyard

- Owner is usually responsible for maintenance (e.g. landscaping, hedges, water tanks, air-con condenser, pumps and any improvement they have added like a pergola, garden shed etc.)
- Body corporate is usually partly responsible for fencing where that fence is between the lot and the common property and the boundary fence with another lot or scheme. If its fence between two lots in the same scheme – those owners are jointly responsible – not BC.



Source location and responsibility

Doors and windows

- If both sides of the window / door are inside the lot (e.g. door dividing the bathroom and bedroom), it is an owner's responsibility
- If the window / door is in the boundary structure of a lot (e.g. an external window on a 5th floor unit), the window / door is normally a body corporate responsibility



Organising maintenance



- Where there is an onsite caretaker, they will usually manage the maintenance of the building according to their agreement with the body corporate.
- Where there is no caretaker, The committee will be responsible for the maintenance with Capitol assisting under instruction from the committee.



Capitol's role

Where instructed by the committee:

- Request quotes from contractors
- Issue work orders to contractors
- Distribute notices of planned works

Does not include

- Onsite inspections
- Management of works



AGJ Pest Management

Ph: 0421533002

Email: agjpest@gmail.com

Dear Resident

The Body Corporate has instructed us to carry out **TERMITE INSPECTIONS to all 5 units** at the above property. We would like to carry out these on **MONDAY 29TH MAT STARTING AT 2.30PM**

WE WILL NEED ACCESS TO FRONT AND REAR YARD AREAS, GARAGES AND INTERNAL AREAS OF UNITS.

BOOKINGS ARE ESSENTIAL - PLEASE CALL OR EMAIL OUR OFFICE

BOOKED UNITS WILL TAKE PRIORITY

Thanks

Grahame Arnold

PLEASE NOTE DUE TO INSURANCE CONDITIONS WE WILL NOT PICK UP KEYS FROM AGENTS OR INSPECT A UNIT WITHOUT AN AUTHORISED PERSON PRESENT.

Notice of issues

- Tenant advises the PM /issue comes from an inspection
- PM refers issues to the body corporate in writing
- Confirm responsibility for the repair
- Refer to the committee as required



INSURANCE

Suzy Pratt

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Insurance coverage

- What is covered
- What is not covered



What is covered

Baths	Hand basins	Shower screens
Toilets	Sinks	Stoves
Antennas	Built-in cupboards	Doors
Windows	Fixed tiling	Paintwork
Wallpapering	Public light fitting (in common areas)	Ducted air-con (servicing more than 1 lot)



What is covered

Individual circumstance

The policy may respond differently to individual items being claimed dependant on the cause of the damage.

For example, the policy will not respond to a leaking or faulty hot water system which is subsequently deemed a maintenance item however, if the hot water system has been damaged from impact or the like, the insurer will consider the HWS as a claimable item.



What is covered

Personal contents

Carpets	Pot plants	Mirrors
Other decorations	Washing machines	Dryers
BBQ equipment	Gardening equipment	Garden / indoor furniture



What is covered



Improvements

The policy can allow between \$250,000 - \$300,000 for improvements to an individual lot.

For example, if a lot has renovated the kitchen and replaced the bench tops with marble, this will be included within the policy under 'lot owners fixtures and improvements' section. It is always recommended to provide our office with these improvements in order to advise the insurer for their records.



What is NOT covered

Common contents

Curtains	Blinds	Carpets
Light fittings	Personal equipment	Valuables
Furniture	Household appliances within a lot	



What is NOT covered

Building and maintenance

The insurer will not cover repairs required due to:

Faulty workmanship	Building movement	Rust
Oxidation	Corrosion	Wear and tear



Insurance decisions



- Policy inclusions and exclusions may differ from individual insurers product disclosure statements.
- The decision is determined by the insurer and not Capitol Body Corporate Administration



Insurance

Who pays and when?

The Body Corporate and Community Management Act 1997 dictates who pays an insurance excess depending on what event has occurred.

Decision

Varying circumstances apply to the payment of excess and will be a case by case basis, subject to who was at fault, what incident occurred and to where.



Insurance

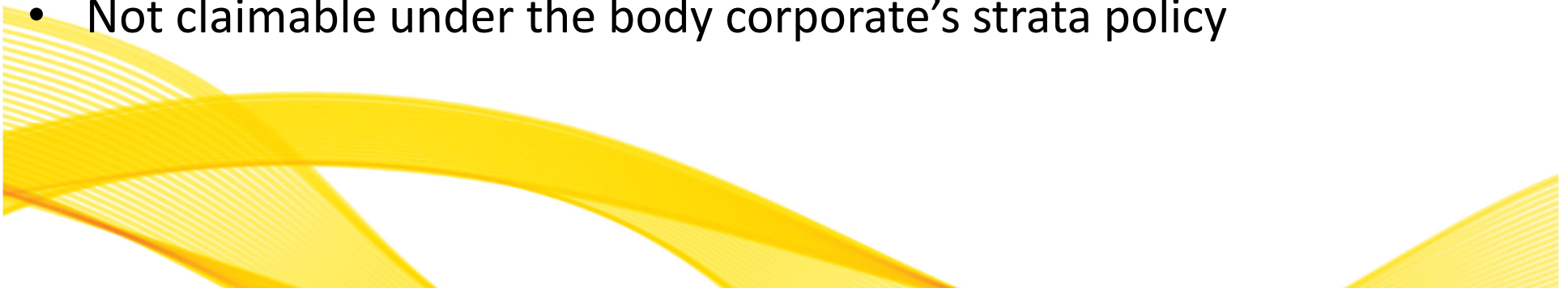
Property Manager's role during a claim

Cause versus resultant damage

The most common claims are water damage

Cause

- Reason the water ingress occurred
- Must be rectified before the insurer will authorise the resultant damage
- Gaining access through walls or ceilings is still part of the cause rectification
- Not claimable under the body corporate's strata policy



Insurance

Resultant

- Damage caused by water escaping from the burst pipe, or through the cracked tile in the roof
- This can be claimed under the body corporate's policy



Insurance

Common misconceptions

- Costs incurred gaining access to the problem are covered by the policy
- Contents items can be claimed under the policy because the cause originated from a building problem
- The cause is a building problem so the body corporate will pay the costs



Insurance

Property Manager's role

- Complete claim form
- Arrange rectification of the cause
- Obtain quotes for resultant damage
- Lodge through Capitol
- Arrange access for loss adjusters and contractors
- Assist with supplying any information requested by insurers.



Insurance

Loss of rent

- Provide rental ledgers
- Loss of rent will be paid for the period when the contractor starts repairs to the date repairs are complete

If loss of rent is due to the necessity of drying out carpets, this cost will not be covered by the building insurer. It must be claimed under the owners contents/landlords policy.



Insurance

Timeframes and expectations

Manage owner expectations

- Claims are not settled within a week
- Simple claims take a minimum of 2 weeks
- Complex claims take much longer



Insurance

Strata versus landlord insurance

- Body corporate insurance policy covers the interests of the body corporate
- Does not cover the interests of individual owners




Insurance

Strata versus landlord insurance

Landlord insurance policy covers:

- Property damage to items
- Public liability
- Loss of rent

Optional cover

- Tenant rent default
 - Malicious damage by tenants
- 

LEVIES & BUDGETS

Ashley Wood

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Budgets: administrative fund

Statutory requirements: administrative fund

- Contain estimates for the financial year of necessary and reasonable expenditure to cover:
- The cost of maintain common property and body corporate assets
- The cost of insurance
- Other expenditure incurred annually or more frequently (called recurrent expenditure)
- To fix the amount to be raised by contributions to cover the estimated expenditure
- Admin budgets are like a household budget



PROPOSED ANNUAL BUDGET

<u>ADMINISTRATIVE FUND</u>	ACTUAL 01/05/14-30/04/15	BUDGET 01/05/14-30/04/15	BUDGET 01/05/15-30/04/16
<u>INCOME</u>			
Levies - Administrative Fund	170,704.69	191,520.00	191,520.00
Interest On Overdue Levies	133.92	0.00	(17,411.00)
GST On Income	0.00	(17,411.00)	0.00
<u>TOTAL ADMIN. FUND INCOME</u>	170,838.61	174,109.00	174,109.00
<u>EXPENDITURE - ADMIN. FUND</u>			
Audit Fees	2,762.00	1,570.00	1,265.00
Bank Charges (Gst Incl)	19.09	0.00	0.00
Bas Preparation Fee	800.00	800.00	800.00
Community Power	4,112.49	4,000.00	4,650.00
Committee Expense	200.00	150.00	200.00
Fees & Permits	34.35	50.00	50.00
Income Tax Returns	180.00	180.00	180.00
Insurance	30,425.10	32,500.00	29,396.00
Insurance-Stamp Duty	2,974.49	3,000.00	2,876.00
Insurance Valuation	1,124.55	1,125.00	0.00
R & M - Building General	2,290.20	2,500.00	2,500.00
R & M - Plumbing	0.00	500.00	500.00
R & M - Grounds Contractor	3,236.48	500.00	3,500.00
R & M - Electrical	1,055.74	500.00	750.00
Management Fees	11,885.06	11,760.00	12,360.00
Management Fees Additional Svc	3,950.31	3,000.00	3,000.00
Pest Control	7,892.64	8,652.00	8,000.00
Disbursements	2,146.15	3,000.00	2,500.00
Stratamax License Fee	834.18	1,244.00	1,130.00
Fixed Disbursements	4,244.66	4,200.00	4,414.00
Resident Manager Contract	89,644.91	87,500.00	93,230.00
Sinking Fund Analysis	1,250.00	1,250.00	0.00
Swimming Pool Maintenance	427.50	1,000.00	750.00
Swimming Pool Chemicals	250.00	150.00	300.00
Water Rates	0.00	3,500.00	0.00
Workplace Health & Safety	781.82	782.00	782.00
<u>TOTAL ADMIN. EXPENDITURE</u>	172,521.72	173,413.00	173,133.00
<u>SURPLUS / DEFICIT</u>	\$ (1,683.11)	\$ 696.00	\$ 976.00
Opening Admin. Balance	2,375.36	2,375.36	692.25
<u>ADMINISTRATIVE FUND BALANCE</u>	\$ 692.25	\$ 3,071.36	\$ 1,668.25
NUMBER OF UNITS OF ENTITLEMENT:		84	84
AMOUNT PER UNIT OF ENTITLEMENT:		\$ 2,280.0000	\$ 2,280.0000

Budgets: sinking fund

Statutory requirements: sinking fund

- Provide for necessary and reasonable expenditure from the sinking fund for the financial year
- Reserve a proportional amount to meet anticipated expenditure over a least the next nine years after the financial year in question, after taking into consideration:
 - Anticipated expenditure of a capitol or non-recurrent nature
 - Periodic replacement of items of a major capital nature
 - Other expenditure that should reasonably be met from capital
- Fix the amount to be raised from contributions to cover the estimated capital amount



PROPOSED ANNUAL BUDGET

<u>SINKING FUND</u>	ACTUAL 01/05/14-30/04/15	BUDGET 01/05/14-30/04/15	BUDGET 01/05/15-30/04/15
<u>INCOME</u>			
Levies - Sinking Fund	18,033.87	20,160.00	35,280.00
Interest Received	1,625.97	2,000.00	2,000.00
Insurance Claim Proceeds	1,404.55	0.00	0.00
GST On Income	0.00	(1,833.00)	(3,207.27)
<u>TOTAL SINKING FUND INCOME</u>	21,064.39	20,327.00	34,072.73
<u>EXPENDITURE - SINKING FUND</u>			
Income Tax	510.67	600.00	550.00
Insurance Claim Costs	1,023.73	0.00	0.00
Legal Expenses	980.00	0.00	0.00
Maintenance	6,196.53	0.00	0.00
Maintenance - Gardens&grounds	3,391.20	0.00	0.00
Signage	30.00	0.00	0.00
Swimming Pool	518.18	0.00	0.00
<u>TOTAL SINK. FUND EXPENDITURE</u>	\$ 12,650.31	\$ 600.00	\$ 550.00
 <u>SURPLUS / DEFICIT</u>	 \$ 8,414.08	 \$ 19,727.00	 \$ 33,522.73
 Opening Sinking Fund Balance	 65,044.28	 65,044.28	 73,458.36
<u>SINKING FUND BALANCE</u>	\$ 73,458.36	\$ 84,771.28	\$ 106,981.09
 NUMBER OF UNITS OF ENTITLEMENT:	 84	 84	
AMOUNT PER UNIT OF ENTITLEMENT:	\$ 240.0000	\$ 420.0000	

Sinking fund forecast: example

CASH FLOW FORECAST SUMMARY

Year	Date	Opening Balance	Averaged Sinking Fund Levies (Excl GST)	Estimated Sinking Fund Expenditure (Excl GST)	Interest Earned	Tax on interest	Closing Balance
	- 2015						6,240
1	2015 - 2016	6,240	8,628	(650)	256	(77)	14,397
2	2016 - 2017	14,397	8,907	(676)	463	(136)	22,952
3	2017 - 2018	22,952	9,126	(703)	679	(204)	31,850
4	2018 - 2019	31,850	9,353	(3,543)	869	(261)	38,268
5	2019 - 2020	38,268	9,613	(760)	1,067	(320)	47,868
6	2020 - 2021	47,868	9,883	(791)	1,310	(393)	57,877
7	2021 - 2022	57,877	10,138	(3,353)	1,532	(460)	65,734
8	2022 - 2023	65,734	10,425	(855)	1,763	(529)	76,538
9	2023 - 2024	76,538	10,723	(6,364)	1,968	(590)	82,275
10	2024 - 2025	82,275	11,057	(925)	2,184	(655)	93,936
11	2025 - 2026	93,936	11,404	(72,754)	1,582	(475)	33,693
12	2026 - 2027	33,693	12,343	(1,001)	984	(295)	45,725
13	2027 - 2028	45,725	13,299	(1,041)	1,296	(389)	58,890
14	2028 - 2029	58,890	13,641	(9,408)	1,525	(458)	64,190
15	2029 - 2030	64,190	14,063	(4,589)	1,723	(517)	74,870

Sinking fund forecast: example

LEVY CALCULATION

		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Roof	Refurbish metal roofing (screws / flashings)	244	255	267	280	295	311	329	350	373	400	430	466	509	561	626
Roof	Replace metal roofing															
Roof	Maintain waterproof membrane	116	121	126	132	139	146	153	162	172	182	194	207	222	238	258
Roof	Replace / refurbish gutters	301	314	328	343	359	377	396	416	439	464	490	520	553	589	629
Roof	Replace / refurbish downpipes	163	170	177	185	194	203	214	226	237	250	265	281	298	318	339
External	Repaint all external surfaces	3,282	3,438	3,618	3,829	4,080	4,384	4,764	5,257	5,941	7,009	8,229	9,003	9,222	9,471	9,760
External	Maintain windows															
External	Maintain balustrades															
External	Maintain entry doors and hardware	40	42	44	46	48	51	53	56	60	63	67	72	77	83	89
External	Maintain car park gate	421	441	464	491	523	562	611	674	762	899	1,183	1,441	1,689	2,011	2,388
External	Maintain car park gate motor	254	287	284	305	335	382	480	329	344	362	385	415	456	520	653
Internal	Repaint all internal surfaces	379	397	418	442	471	506	550	607	686	809	1,055	1,377	1,702	2,041	2,404
Internal	Maintain doors and hardware	261	272	285	298	313	329	346	366	387	411	437	467	500	538	581
Internal	Maintain tiling (allowance)	168	176	184	194	205	218	234	252	274	301	337	386	463	623	289
Services	Maintain emergency lighting	152	159	168	179	193	210	234	272	351	213	223	234	247	263	283
Services	Maintain lighting	75	79	82	86	91	96	102	108	115	123	133	144	157	173	193
Services	Maintain intercom	196	205	214	225	237	250	264	281	299	321	345	374	409	450	502
Siteworks	Maintain timber fencing (50%)	251	263	275	288	303	320	339	360	384	411	443	480	524	577	644
Siteworks	Refurbish landscaping	514	547	599	707	585	614	655	718	850	712	747	797	874	1,034	886
Siteworks	Maintain driveway (allowance)	60	63	66	69	72	76	80	84	89	95	101	108	115	124	134
Siteworks	Maintain recreation deck	193	201	210	220	231	243	256	270	286	303	323	346	369	397	429
Sundry	Allow for expenditure on sundry items	650	676	703	731	760	791	822	855	890	925	962	1,001	1,041	1,082	1,126
Calculated Levies		7,720	8,085	8,512	9,052	9,434	10,068	10,681	11,642	12,937	14,253	17,360	12,517	13,307	14,375	14,804
Averaged Levies		8,737	9,086	9,450	9,828	10,221	10,630	11,055	11,497	11,967	12,435	12,933	13,450	13,988	14,548	15,130
LESS:	Nett Interest Earned on Deposits after Tax	(109)	(179)	(324)	(475)	(608)	(747)	(917)	(1,072)	(1,234)	(1,378)	(1,529)	(1,107)	(688)	(907)	(1,067)
Total Sinking Fund Levies (to Cash Flow)		8,628	8,907	9,126	9,353	9,613	9,883	10,138	10,425	10,723	11,057	11,404	12,343	13,299	13,641	14,063

Understanding financials

- Balance sheet
 - Balance of administrative and sinking fund
 - Assets – cash at bank and term deposits
 - Liabilities – outstanding creditors
- Income and expenditure
- Budgeted amount to actual amounts



BALANCE SHEET

AS AT 14 OCTOBER 2015

<u>OWNERS FUNDS</u>	ACTUAL 14/10/15	ACTUAL 30/04/15
Administrative Fund	(10,796.68)	692.25
Sinking Fund	81,878.22	73,458.36
<u>TOTAL</u>	\$ 71,081.54	\$ 74,150.61
 <u>THESE FUNDS ARE REPRESENTED BY</u>		
<u>CURRENT ASSETS</u>		
Cash At Bank	92,878.71	120,390.05
Prepaid Tax	529.00	397.00
Other Arrears	44.00	14.38
<u>TOTAL ASSETS</u>	93,451.71	120,801.43
<u>LIABILITIES</u>		
GST Clearing A/C	(1,068.44)	(2,075.58)
Creditors	490.00	2,487.79
Accruals	0.00	1,727.00
Levies In Advance	22,948.61	44,511.61
<u>TOTAL LIABILITIES</u>	22,370.17	46,650.82
<u>NET ASSETS</u>	\$ 71,081.54	\$ 74,150.61

STATEMENT OF INCOME AND EXPENDITURE

FOR THE PERIOD 1 MAY 2015 TO 14 OCTOBER 2015

<u>ADMINISTRATIVE FUND</u>	<u>ACTUAL</u> 01/05/15-14/10/15	<u>BUDGET</u> 01/05/15-30/04/16	<u>ACTUAL</u> 01/05/14-30/04/15
<u>INCOME</u>			
Levies - Administrative Fund	87,054.55	191,520.00	170,704.69
Interest On Overdue Levies	63.00	(17,411.00)	133.92
<u>TOTAL ADMIN. FUND INCOME</u>	87,117.55	174,109.00	170,838.61
<u>EXPENDITURE - ADMIN. FUND</u>			
Audit Fees	0.00	1,265.00	2,762.00
Bank Charges (Gst Incl)	16.55	0.00	19.09
Bas Preparation Fee	400.00	800.00	800.00
Community Power	1,781.05	4,650.00	4,112.49
Committee Expense	400.00	200.00	200.00
Debt Collection Fees	40.00	0.00	0.00
Fees & Permits	0.00	50.00	34.35
Income Tax Returns	0.00	180.00	180.00
Insurance	29,395.86	29,396.00	30,425.10
Insurance-Stamp Duty	2,876.04	2,876.00	2,974.49
Insurance Valuation	0.00	0.00	1,124.55
R & M - Building General	1,619.78	2,500.00	2,290.20
R & M - Plumbing	0.00	500.00	0.00
R & M - Grounds Contractor	911.10	3,500.00	3,236.48
R & M - Electrical	155.00	750.00	1,055.74
Management Fees	6,237.50	12,360.00	11,885.06
Management Fees Additional Svc	251.62	3,000.00	3,950.31
Maintenance Co-Ordination	2,829.50	0.00	0.00
Pest Control	7,334.09	8,000.00	7,892.64
Disbursements	783.22	2,500.00	2,146.15
Stratamax License Fee	491.09	1,130.00	834.18
Fixed Disbursements	2,227.68	4,414.00	4,244.66
Resident Manager Contract	39,215.53	93,230.00	89,644.91
Sinking Fund Analysis	0.00	0.00	1,250.00
Swimming Pool Maintenance	71.82	750.00	427.50
Swimming Pool Chemicals	0.00	300.00	250.00
Water Rates	335.41	0.00	0.00
Workplace Health & Safety	1,233.64	782.00	781.82
<u>TOTAL ADMIN. EXPENDITURE</u>	98,606.48	173,133.00	172,521.72
<u>SURPLUS / DEFICIT</u>	\$ (11,488.93)	\$ 976.00	\$ (1,683.11)
Opening Admin. Balance	692.25	692.25	2,375.36
<u>ADMINISTRATIVE FUND BALANCE</u>	\$ (10,796.68)	\$ 1,668.25	\$ 692.25

STATEMENT OF INCOME AND EXPENDITURE

FOR THE PERIOD 1 MAY 2015 TO 14 OCTOBER 2015

<u>SINKING FUND</u>	ACTUAL 01/05/15-14/10/15	BUDGET 01/05/15-30/04/16	ACTUAL 01/05/14-30/04/15
<u>INCOME</u>			
Levies - Sinking Fund	9,163.64	35,280.00	18,033.87
Interest Received	0.00	2,000.00	1,625.97
Insurance Claim Proceeds	887.02	0.00	1,404.55
GST On Income	0.00	(3,207.27)	0.00
<u>TOTAL SINKING FUND INCOME</u>	10,050.66	34,072.73	21,064.39
<u>EXPENDITURE - SINKING FUND</u>			
Income Tax	0.00	550.00	510.67
Insurance Claim Costs	1,486.02	0.00	1,023.73
Legal Expenses	0.00	0.00	980.00
Maintenance	144.78	0.00	6,196.53
Maintenance - Gardens&grounds	0.00	0.00	3,391.20
Signage	0.00	0.00	30.00
Swimming Pool	0.00	0.00	518.18
<u>TOTAL SINK. FUND EXPENDITURE</u>	\$ 1,630.80	\$ 550.00	\$ 12,650.31
<u>SURPLUS / DEFICIT</u>	\$ 8,419.86	\$ 33,522.73	\$ 8,414.08
Opening Sinking Fund Balance	73,458.36	73,458.36	65,044.28
<u>SINKING FUND BALANCE</u>	\$ 81,878.22	\$ 106,981.09	\$ 73,458.36

How to pay levies

- Example levy notice payment slip
- Payment options



Payment slip: example



Pay over the Internet from your **Credit Card or
*pre-registered bank a/c at www.deft.com.au.
** A surcharge may apply to credit card transactions



By phone from your **Credit Card or *pre-
registered bank account.
Call 1300 301 090 Int +612 8232 7395

*Payments by phone or internet from your cheque or savings account require
registration. Please complete a Customer Initiated Direct Debit registration
form available at www.deft.com.au or call 1800 672 162



In person, pay by cash, cheque or EFTPOS at
any Post Office in Australia.



Bill Code: **Biller code**
Ref: **Your reference number**

Contact your participating financial institution to make this payment
from your cheque or savings account.



Pay by mailing this payment slip with your cheque to:
DEFT Payment Systems
GPO Box 141
Brisbane Qld 4001



*496 273116228 10000000045

Capitol Body Corporate Admin.

DEFT Reference Number: **Your DEFT reference number**

Account **Your body corporate details
will be listed here.**

Lot No. **Your lot number**
Owner **Your name**

All cheques must be made payable to:
Body Corporate For **building name**
ABN **Body corporate ABN**

TOTAL AMOUNT DUE
DUE DATE

\$XX.XX

Handling by-law breaches

- The body corporate is **responsible for enforcing its by-laws**.
- The committee, as the elected administrators of the complex, is usually responsible for ensuring all owners and occupiers comply with the by-laws.
- Owners and occupiers can use a simple form to alert committees to a breach of the by-laws. This form is called **“Notice to body corporate of contravention of a body corporate by-law (Form BCCM1)”** available free of charge through the Commissioners Office phone 1800 060 119. The committee then serve the offender with either a **“Continuing Contravention Notice (Form BCCM 10)”** or a **“Future Contravention Notice (Form BCCM 11)”** to commence enforcement action.
- These forms are also available from the Commissioners Office phone 1800 060 119.
- The body corporate through the committee may give a **continuing contravention notice** to an owner or occupier where it reasonably believes that the person is contravening a by-law, and, where, given the circumstances, it is likely that the contravention **will continue**, eg an owner parked on common property without approval.
- The purpose of this notice is to *require the person to remedy the contravention*.



Handling by-law breaches

- The body corporate may serve a **future contravention notice** on an owner or occupier if it reasonably believes that the person has contravened a by-law and the circumstances of the contravention make it likely that ***the contravention will be repeated*** eg an owner has a noisy party which contravenes the noise by-law
- The body corporate may give the owner notice that if this contravention is repeated, proceedings can be commenced in the Magistrates Court ***without any further notice***. The purpose of the future contravention notice is to require the person not to repeat the contravention.

Consequences

- If an owner or occupier fails to comply with a contravention notice, the committee, or the body corporate in a general meeting, can decide to commence enforcement proceedings in the Magistrates Court (which can impose a fine up to \$1,750) or to the Commissioner's Office.
- If an owner or occupier reasonably believes that another owner or occupier has contravened the by-laws and it is likely that the contravention will continue or be repeated, that person must make a complaint to the body corporate on BCCM Form 1 asking the body corporate to issue a contravention notice.
- If the body corporate does not respond to the request within 14 days, the complainant may make a dispute application with the Commissioner's Office.
- The body corporate or an individual complainant may take action in a dispute resolution application through the Commissioner's Office without this preliminary action if there are "special circumstances", including when contraventions are likely to cause injury to persons or serious damage to property or a risk to the health and safety of persons or are causing a serious nuisance to persons.



QUESTIONS

