



The basics of owner meetings in sectional title

Training by Leigh Maingard – 24 April 2023

Types of meetings

- First general meeting
- Annual general meeting (AGM)
- Special general meeting (SGM)
- Trustee meetings

Agendas

First General Meeting

- Called by the developer within 60 days after 1st transfer
- Agenda different to AGM & SGM
 - Policies of insurance
 - Anticipated income and expenses
 - Revenue and expenditure from date of first transfer
 - Financial statements to date of first meeting
 - Ratify the terms of any contract
 - Appoint an auditor
 - Determine number of trustees & elect
 - Restrictions & directions on trustees

Annual General Meeting (AGM)

- Minimum of 14 days` notice (not business days)
- Order of business prescribed management rule 17 (6)
- Agenda determined by trustees – additional agenda items
- Members request to add items to agenda
- No obligation to hold meeting – requirements
 - All members approve & consent to all agenda items

Special General Meeting (SGM)

- Special or unanimous resolutions
- 30 days` notice
- Agenda specific to resolution(s) being tabled
 - Notice to include details of motion
 - Nature of meeting
 - Wording of resolution(s)

Trustee Meeting

- Determined by the trustees
- 7 days` notice
- Agenda should cover:
 - Matters outstanding from previous meeting
 - Finances of scheme
 - Maintenance issues

Quorums

AGM

- 33,33% in participation quota (PQ) value
- Scheme with less than 4 units or members – 75% in value
- 30 minutes no quorum – meeting adjourned
- 7 days later, same venue and time
- Adjourned meeting – 30 minutes those present = quorum

SGM

- Special Resolution
 - 33,33% PQ value
- Unanimous Resolution
 - 80% PQ value
- No quorum – adjourn meeting to one week later

Trustee meeting

- 50% of the trustees but not less than 2
- If below quorum number, trustees may proceed to appoint alternate trustees; or
- To call a general meeting
- If no quorum
 - Trustees present may discuss matters on agenda
 - Take preliminary resolutions but not take any action
 - Table resolutions at next trustee meeting
 - All trustees must approve resolutions taken
 - Implement resolutions taken

Proxies

AGM & SGM

- Prescribed format
- Person must accept appointment
- Delivered to body corporate 48 hours before start of meeting; or
- Handed to chairman before or at start of meeting
- Need not be a member
- Cannot be managing agent or employee of managing agent
- Ownership by 2 people – must jointly appoint proxy

AGM & SGM

- 2 proxies per person appointed
- 1 member = 20 units?
- Handing out of proxies during the meeting?

Trustee meeting

- A trustee cannot be replaced with a proxy
- Alternate trustees can be elected
 - At the AGM when trustees are elected
 - Attend only when trustee not able to

Voting

AGM

- Motion at AGM does not need seconding
- Majority vote - 50% plus 1 calculated of quorum
- Voting must be announced and recorded in minutes
- Cannot vote if adjudication or court order against member for
 - Failure to pay levies
 - Failure to comply with conduct rules of scheme

SGM

- Special resolution
 - 75% of quorum PQ value & unit numbers
- Unanimous resolution
 - 100% of quorum PQ value & unit numbers
- Members with orders against them may vote
- Body corporate owned sections not considered for any vote

Trustee meeting

- Each trustee has one vote
- Irrespective of the number of sections owned
- Irrespective of the PQ value of their ownership
- Vote of the chairman not worth more than the other trustees
- Chairman has casting vote if stalemate reached (even number of trustees)

Request for meetings

Who may call an AGM

- The trustees
- Members entitled to 25 per cent of the total quotas of all sections; or
- The holder of mortgage bonds over not less than 25 per cent in number of all the primary sections
- Trustees fail to call after 14 days` of notice members concerned can call meeting
- Minimum of 14 days` notice (not business days)
- Order of business prescribed management rule 17 (6)

Who may call an SGM

- Trustees of the scheme whenever they feel the need
- Members having in total 25% of the PQ value in the scheme
- Holders of mortgage bonds not less than 25% in number over **primary sections**
- Written & signed notice to body corporate / trustees
- If after 14 days` no notice sent – members / bondholders may proceed to call meeting
- When calling meeting include matters for discussion in agenda of meeting

Trustee meeting

- Any trustee may call for a trustee meeting
- Comply with notice period unless urgent – 7 days
- Present agenda for meeting

THANK YOU