

Topic 2 - Committee meetings

There is no minimum or maximum number of committee meetings to be held. The committee may meet as frequently as it needs.

Calling a meeting

The secretary usually calls a committee meeting, however if the secretary is absent the chairperson can call the meeting. If the secretary or the chairperson receives a written request by enough committee members to form a quorum, the meeting must be held within 21 days. If the meeting is not held or both the secretary and the chairperson are absent then any other member of the committee authorised by enough committee members to form a quorum can call the meeting (SM s44).

Note: The secretary does not have the power or authority unilaterally to declare when meetings of the committee are to be held (Order 0179-2000).

Notice

7 days written notice must be given to each committee member. However, the committee may reduce the period of notice to at least 2 days if all voting members have agreed, either at the last meeting or in writing.

At the same time notice is sent to committee members, advice of the meeting must be:

- placed on the notice board (if the body corporate maintains one); and
- given to each lot owner, including a copy of the agenda for the meeting, unless the owner has instructed the secretary that he or she does not want to receive a meeting notice (SM s45).

Place of meetings

The committee may decide where to have meetings however, a meeting must not be held more than 15km from the scheme land if half the number of committee members needed for a quorum object in writing to the secretary (SM. s46).

Agenda

The notice of the meeting must include an agenda stating the substance of the issues to be considered. The committee may also consider other issues not included on the agenda at the time of the meeting. The agenda must also include a motion to confirm the minutes of the last meeting as well as a motion to confirm any resolutions passed outside of a committee meeting (SM s47).

Chairing a meeting

The chairperson must chair all committee meetings. If the chairperson is absent, another member may be chosen by the voting members present to chair the meeting (SM. s48).

Quorum

A quorum is the minimum number of members that must be present in order to conduct a meeting. For a committee meeting, a quorum is at least half the voting members of the committee.

Example:

1. If there are 6 voting members of the committee, a quorum is 3.
2. If there are 7 voting members of the committee, a quorum is 4.

A voting member is counted as 1. If the voting member also holds a [proxy](#) for another member, the voting member is counted as 2.

To avoid doubt, non-voting members are not counted for deciding if there is a quorum (SM. s49).

Attendance

Lot owners who are not committee members have the right to attend a committee meeting. The lot owner must give the secretary at least 24 hours written notice of their intention to attend and there are limitations on the items for which they can be present. For example, the committee may decide a lot member cannot be present when there is discussion on, and a decision about, a breach of by-laws, or when there is a dispute between the body corporate and the owner. When a lot owner is present, it must be remembered the person is there only as an observer, and can be asked to leave by a majority decision of the committee members (SM. s51).

Non-voting members (body corporate managers and caretaking service contractors) have a right to attend committee meetings. For example, the caretaking service contractor would be expected to and should have a thorough knowledge of the maintenance requirements and relevant issues of the scheme. For this reason, it is advantageous to the body corporate for the caretaking service contractor to be involved in discussions concerning the scheme at committee meetings. However, there are particular occasions when the committee should have the power to decide whether the non-voting member is present at the committee discussions or the vote. They are automatically excluded while the committee decides whether or not to exercise the power. Notwithstanding these provisions, a non-voting member should, as a matter of course, advise the committee where there is an issue in which the person has an interest, and leave the meeting before any discussion takes place and a vote is taken (SM. s50).

Voting

Each voting member is entitled to 1 vote on any matter to be decided. A voting member who is an executive member has only 1 vote regardless of whether the person holds more than 1 of the executive positions.

A motion is passed at a meeting of the committee if a majority of voting members present, either personally or by proxy and entitled to vote, are in favour of the motion (SM. s52).

A non-voting member is not entitled to vote at a committee meeting (SM s12).

Voting outside a meeting

The committee may resolve matters without formally holding a meeting. Often referred to as a "flying minute", decisions may be made in this manner if all

committee members are given written notice of the motion and a majority of the voting members gives written agreement to the motion.

In an emergency, the notice of the motion may be given to as many members as is practicable to contact. The notice does not need to be in writing and could be given orally or by some other form of communication. Similarly, the committee member's agreement could be given orally or by some other form of communication.

At the same time a notice of the motion is sent to committee members, or as soon as reasonably practicable, advice of the motion must also be given to each lot owner unless the owner has instructed the secretary he or she does not want to receive a meeting notice.

The secretary or another member authorised by a majority of voting members may give the notice.

Any motion voted on under these provisions must be confirmed at the next committee meeting (SM. s54).

Conflict of interest

If a committee member has a direct or indirect interest in any issue that the committee is considering, and that interest is likely to conflict with the performance of the member's duties, the member must disclose that interest to the committee and cannot vote on the issue. This also applies to voting members who hold a proxy for another voting member (SM s53).

For example:

- Sally and John are both committee members. Sally holds a proxy for John. Sally is a partner in a pool cleaning company that is tendering for pool cleaning services for the scheme. Sally therefore has a conflict of interest and cannot vote in her own right and cannot vote using John's proxy.
- As before, Sally holds a proxy for John. John is a co-director in a landscaping company currently engaged by the body corporate. The committee are voting to terminate the service. Sally is aware of John's interest. While Sally can vote on her behalf, she cannot vote by using John's proxy.

Proxies

A voting member of the committee may appoint another voting member as their proxy. A voting member of the committee can not hold more than 1 proxy.

The secretary or the treasurer may only appoint a proxy with the committee's approval.

A proxy given for a committee meeting has effect for only 1 meeting and lapses after the meeting.

A proxy may only be exercised if a properly completed proxy form is given to the secretary before the start of the meeting at which the proxy is to be used. The body corporate or the committee can decide whether proxies must be delivered at an earlier time

Finally, the body corporate may decide that it will prohibit the use of proxies altogether or just for particular things. In order to do so the body corporate must pass a special resolution to that effect (SM. s100 - s102).

Carrying out resolutions

Even though a committee might have passed a resolution, it may only carry out that resolution if no notice of opposition is received (SM s56).

However, there are exceptions (SM s57)

- In an emergency (for example to repair a burst water pipe on the common property), the committee may carry out the resolution so long as the cost of the repairs is within the relevant limit for committee spending or an adjudicator has authorised the committee to do so.
- The body corporate has, by ordinary resolution, authorised the committee to act.
- The provisions of Section 56 do not apply to a resolution that authorises a committee member to carry out a stated function of the body corporate (e.g. mowing the common property lawns) provided the cost of carrying out the function (e.g. purchase of mower fuel) is not greater than either \$200 or \$5 multiplied by the number of lots in the scheme; or involves a decision of a routine, administrative nature.

A **notice of opposition** is a document signed by or for the owners of at least half the lots in the scheme which opposes the resolution of the committee. The notice of opposition must be given to the secretary within 7 days after receiving a copy of the minutes of the meeting at which the resolution was passed. If the resolution was passed outside a committee meeting, a copy of the resolution must be provided.

Meeting minutes

The committee must take full and accurate minutes. Full and accurate minutes include the following:

- Date, time and place of the meeting
- Names of those in attendance (including their capacity)
- Proxies tabled
- The wording of each question decided
- Votes for and against
- Details of correspondence, reports, notices or other documents tabled
- Time the meeting closed
- Secretary's name and contact address

Additionally, the committee must also keep full and accurate records. Full and accurate records include:

- The date the notice of the motion was given
- The names of the committee members who were given notice
- The words of the motion voted on
- The names of the committee members who voted
- The number of votes for and against the motion

The secretary must provide a copy of the meeting minutes to each committee member and lot owner as well as any resolution voted on outside a meeting unless

the owner has instructed the secretary that he or she does not want to receive a copy of the minutes.

The copy of meeting minutes or any resolution voted on outside of a meeting must be provided within 21 days of the event and may be delivered in one of the following ways:

- By handing it directly to the person
- By mail
- By facsimile
- By sending it electronically (SM s55)