



TIMING OF AGMs

The timing of an Annual General Meeting (AGM) factors in both legislative and practical elements

Section 79 of the Act requires an owners corporation to estimate its revenue (levies etc.) and expenses at the Annual General Meeting for the financial year.

Section 83 of the Act also requires that owners receive their levy notices 30 days before the levy is due.

At the end of a financial year, some time will be required to review and possibly audit the financial statements externally. The review and editing can mostly take place before the end of the financial year, but auditing cannot take place until the year has ended. This might take 1-3 weeks, depending on complexity. During this time, the budget should also be drafted and reviewed by the treasurer or strata committee.

Once the financial elements are addressed, the notice of AGM must be sent, usually 21 days before the meeting. If all owners receive notice by email, this can be shortened. Public holidays can also prolong the notice period for posted documents (but they don't interfere with the 7 regular days required for an owner to have received the notice).

Levies are also determined for the financial year and therefore, cannot endlessly roll over. A determination must be made at the AGM each year, raising the importance of holding the meeting in a timely manner.

Once the levies are determined at the meeting, it takes about 40-45 days before they can be due (as owners must receive them 30 days before they are due, and again we have to factor in the postal notices).

The timing of the AGM should be based on the financial year end – not necessarily when it was previously held.

it's not practical to delay it as that in turn delays the decision on levies (and further, delays the collection of those levies).

Until the owners corporation has its AGM, there are no levies due and it will have to push back the due date of the first levy (which may cause cash flow issues). The sooner you hold your AGM, the better.

Further Information:

Please contact 8424 9700 or info@stratachoice.com.au for further assistance.

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