

What does Archers do for your committee?



The appointment of a body corporate management firm [a **BCM**] is essential to assist the committee in fulfilling their obligations to run the scheme effectively. The instrument to appoint a BCM is an ordinary resolution passed at a general meeting, followed by ratification of terms through an Administration Agreement [**AA**].

Most BCMs are members of the Strata Community Association (QLD) Ltd, the Industry peak body who represents Queensland's BCMs with education and advocacy. Archers are a member and follow the standard AA (refer attached).

The AA sets out what services are included in the per lot management fee, disbursements and additional services that may be required pending on the circumstances.

What is included?

Meetings

Every scheme must have an Annual General Meeting and between the committee and the BCM you decide how many committee meetings you will require. The most common number of meetings is four, with one being a budget committee meeting.

This involves the preparation and issuing of the agendas, holding the meetings, and issuing the minutes. Some action items ratified at the meeting will also be included, however, depending on outcomes sought, other action items may attract an additional charge.

Financial management

Arguably the most important aspect to achieving short and long run maintenance obligations of common property to retain the value of your asset. Raising and collecting levies, the payment of vendors and ensuring the administration and sinking funds are secure with tight controls is essential.

Guidance on legislative requirements and administrative work

Receive and administer routine correspondence, maintain the scheme's records, and guide the committee on legislative requirements.

What is not included?

Anything that is not considered routine, so ad hoc requirements such as:

- a vote outside a committee meeting,
- arranging for work orders,
- collection of levies in arrears or preparation for an audit of the accounts,
- arranging for a special levy,
- additional or reconvened meetings.

As well as any other services that may be required such as assisting with cash flow management, investment strategies or facilitating dispute resolution process.

Some of these additional costs are at an hourly rate and others have a fixed charge.

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What is considered routine and non-routine?	
Routine (included)	Non-Routine (additional)
Any correspondence or phone calls setting up agreed meetings as per the admin agreement terms	Special meetings (informal meetings, meetings additional to agreed contract)
Any correspondence or phone calls of a simple nature, such as: <ul style="list-style-type: none"> - Can I have a copy of the by-laws? - Can I have a copy of the Certificate of Currency (Insurance)? - Can I get a copy of my levy notice? 	Action items from committee and general meetings, such as: <ul style="list-style-type: none"> - Organising signing of contracts - Letting owners know about outcome of their motions - Facilitating dispute resolution processes
Updating the roll details (owners info)	Actions required after flying minutes such as approval letters
Correspondence or phone calls on budgets with committee	Issuing breach, contravention notices and adjudication applications
Information Certificates and Disclosure Statements	Dealing with maintenance contractors

Quick reference | Core clauses in the AA

Clause	Reference	Clause	Reference	Clause	Reference
4	Duties of BCM	5	Authorised power of BCM	6	Payment for the BCM
7	Process for body corporate instructions	9	Release and indemnity given to the BCM	10	Body corporate warranty
12	Terminating the AA	13	Body corporate records	16	Privacy

Quick reference | The schedule of the AA

Reference Schedule	Quick reference	Description
Item B	Agreed services	Details of agreed services, the fee (excluding GST) and when the fee will be paid from funds held
Item C	Additional professional services	Provides list of commonly required services and their fixed costs
Item D		Examples of uncommon services that attract an hourly rate
Item E	Disbursements	Lists of costs incurred in the provision of services that can be claimed back through a disbursement, such as photocopying, postage, archive records retrieval, etc
Item F	Fixed % increase	This is generally 3% or CPI, whichever is higher
Item G	Disclosure of Associates	Pursuant to the applicable legislation and clause 9 of the AA, a BCM must disclose any relationship with related parties that the committee may elect to use their services as well
Item H	Disclosure of commissions	Pursuant to the applicable legislation and clause 9 of the AA, a BCM must disclose if it receives any commissions or fees from insurers or brokers should the committee elect to use the insurer or broker
Item I	Relevant module	There are four modules that provide the rules around how schemes are managed. The Standard Module for residential, the Accommodation Module for holiday letting and serviced apartments, the Commercial Module for commercial schemes and the Small Schemes Module for schemes with less than 6 lots
Item J	Special conditions	As agreed between the committee and the BCM