

## Frequently Asked Questions

Our Team at SSKB have compiled the following answers for the most frequently asked questions. Stewart Silver King & Burns is a community management company. We specialise in providing personalised services to bodies corporate, large high-rise buildings, medium density and townhouse properties, integrated resorts, residential communities, mixed use development and townships. We are experts in all types of legislation which impacts upon community living in all states of Australia.

Our team of qualified professionals not only have many years of collective experience in the provision of these services but are also acknowledged as the leading experts in Australia.

STEWART SILVER KING AND BURNS administer the day to day management of our client bodies corporate and for us that means hands on" management with a high level of automation. The directors and support team are multi-skilled, leaving no area of our business unsupported.

**Q –** What does SSKB do for the money we owners pay?

**A -** SSKB works for your Community by –

- Implementing your Committee's instructions
- Acting as the authorised Secretary and Treasurer
- Assisting in organising annual general meetings, and committee meetings
- Keep and maintain your community records
- Issuing contribution notices
- Maintaining the roll
- Paying all accounts relating to community matters as instructed by your Committee
- Organising renewal of your community's insurance
- Preparing annual financial reports and budgets
- Offering user-friendly methods for payment of contributions by unit owners
- Providing experienced and expert advice on all aspects of the operation of your building
- Responding promptly to telephone enquiries
- Responding promptly to all forms of correspondence
- Diligent follow-up of overdue contributions
- Ensuring good communications between the Developers, Committee, Building Managers and Owners.

We have listed the most frequently asked questions by unit owners, to which we have added explanations and references to the requirements under the Body Corporate and Community Management Act 1997 (Qld).



	<p>building.</p> <ul style="list-style-type: none"> <li>- <i>Your individual contribution to the Administrative Fund and Sinking fund is based on your lot's "contribution entitlement".</i></li> </ul> <p><b>Insurance Fund</b></p> <p>The insurance fund is a separate fund for paying the replacement and reinstatement insurance premium. Though, in most instances the Insurance Fund will be included in the Administrative Fund Budget, some Bodies Corporate are required to have it as a separate fund when the lots in the scheme have varying interest entitlements.</p> <ul style="list-style-type: none"> <li>- <i>If applicable to your Body Corporate, your individual contribution to the Insurance Fund is based on your lot's "interest entitlement".</i></li> </ul> <p>Bodies corporate are usually titled in two ways, as a Building Format Plan or as a Standard Format Plan.</p> <p>As a Building Format Plan the Body Corporate is responsible for the insurance of the building and the common property.</p> <p>As a Standard Format Plan, the Body Corporate is responsible for insuring common property only. In this instance individual residences are the responsibility of the Owners. In a Standard Format Plan, common property would include any gates, light poles and infrastructure which could be damaged or need replacing under an insurance claim.</p> <p>Public Liability and Office Bearer's Liability is always included in the Administrative Fund.</p>
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## CONTRIBUTION NOTICES

<p><b>What is this contribution notice for?</b></p>	<p>A Contribution Notice bill will be received if you are a lot owner in a body corporate. Contributions are the body corporate levies paid by the owners to give the body corporate the funds to operate.</p> <p>The size and the frequency of the contributions required to properly run the body corporate are decided by your Committee in order to maintain your community. All Owners vote on this motion yearly at the annual general meeting.</p>																		
<p><b>How do I read my contribution notice?</b></p>	<table border="0"> <thead> <tr> <th style="text-align: left;"><u>Heading</u></th> <th style="text-align: left;"><u>Explanation</u></th> </tr> </thead> <tbody> <tr> <td><b>Account</b></td> <td>Administrative Fund for day to day running of your building Sinking Fund for non-recurring items or capital expense (eg repainting of the building).</td> </tr> <tr> <td><b>Period</b></td> <td>The dates from and to, that the contribution is for</td> </tr> <tr> <td><b>Total for the Year</b></td> <td>Gross contribution total for the current year which will assist you with your tax returns if applicable.</td> </tr> <tr> <td><b>Due Date</b></td> <td>Date contribution payment is due</td> </tr> <tr> <td><b>Amount</b></td> <td>Total for the period plus any other outstanding charges for your lot.</td> </tr> <tr> <td><b>Discount</b></td> <td>Discount amount applying if applicable to your Body Corporate.</td> </tr> <tr> <td><b>Paid By</b></td> <td>The date you need to pay by to receive any applicable discount.</td> </tr> <tr> <td><b>Net Amount</b></td> <td>The gross amount due less discount if applicable.</td> </tr> </tbody> </table>	<u>Heading</u>	<u>Explanation</u>	<b>Account</b>	Administrative Fund for day to day running of your building Sinking Fund for non-recurring items or capital expense (eg repainting of the building).	<b>Period</b>	The dates from and to, that the contribution is for	<b>Total for the Year</b>	Gross contribution total for the current year which will assist you with your tax returns if applicable.	<b>Due Date</b>	Date contribution payment is due	<b>Amount</b>	Total for the period plus any other outstanding charges for your lot.	<b>Discount</b>	Discount amount applying if applicable to your Body Corporate.	<b>Paid By</b>	The date you need to pay by to receive any applicable discount.	<b>Net Amount</b>	The gross amount due less discount if applicable.
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<p><b>How are our contributions calculated?</b></p>	<p>Community contributions are set and based on the financial situation and commitments of the community and may vary from one body corporate to another. Budgets are adopted at a general meeting of the body corporate at which time the contributions and dates for payment are also determined. All Owners are sent a voting paper to vote on these motions prior to the meeting. The basis of each owner's contribution is made on contribution and, if applicable, interest entitlements which is each Owners percentage of the whole.</p>																		
<p><b>What do our Body Corporate fees cover (where do our payments go)</b></p>	<p>Your contribution is pooled with other owners' payments to maintain your community and common areas to meet regular expenses such as:</p> <ul style="list-style-type: none"> <li>• Electricity</li> <li>• Onsite Manager (if applicable)</li> <li>• Insurance, including public liability</li> <li>• Gardens and pool (if appropriate)</li> <li>• General maintenance and repairs</li> </ul>																		

	<ul style="list-style-type: none"> <li>• Fire equipment</li> <li>• Security</li> <li>• Lift (if applicable)</li> <li>• Administration (SSKB typically 5% or less)</li> <li>• Sinking Fund for items of a capital nature</li> </ul>
<b>Where does my money go?</b>	Your money is deposited into your Community's own bank account controlled by your Committee and spent in accordance with the budget approved by your Committee and adopted by all owners at their annual general meeting each year.
<b>Why are our contributions increased in period 3 and 4?</b>	The 1 <sup>st</sup> and 2 <sup>nd</sup> periods are adopted at the previous year's AGM and levied on the previous year's budget. The 3 <sup>rd</sup> and 4 <sup>th</sup> periods are levied on the current financial year's budget, normally not a great increase, i.e. CPI. The motion to adopt the new financial year's budget would have been voted on by Owners at the AGM.
<b>Why does SSKB collect our money?</b>	Your Committee has appointed us to help manage your community's administration, including collection of the contributions.
<b>Why have I been charged legal fees/interest etc?</b>	As your contribution notice was not paid by the due date stated in the notice, we would have been requested by your Committee to instigate legal action to recover outstanding contributions, interest, solicitors fees etc.
<b>Why have by Body Corporate fees increased?</b>	Every year prior to the annual general meeting, your Body Corporate Committee decides how much is required to maintain and run your community for the next financial year.
<b>Why have SSKB increased the body corporate fees?</b>	It is not SSKB who make the decision to increase Body Corporate fees. SSKB is not a voting member of your Community. This decision is made by you, the owners. The Motion to increase your contribution is determined by the budget put forward by your Committee and included in your AGM Notice. The motion to adopt the budget and contributions is voted upon at your Annual General Meeting and recorded in the minutes of the meeting. These minutes are then circulated to owners by SSKB.
<b>Can you email all contribution notices to me in the future?</b>	Yes we can. Please provide us with your current email address and written notice to forward via email.
<b>Can you send me more than one copy of my contribution notice, as I want to pass on to (whomever) to pay in my absence?</b>	Yes we can arrange this but please put your request in writing to our Accounts Department at SSKB advising of the alternate additional address. There is an extra charge for this. You will need to notify us if and when this arrangement changes. As long as you have access to the internet anywhere in the world, you can also log in securely via the Stratamax website <a href="http://www.stratamax.com.au">www.stratamax.com.au</a> using your unique lot owner's login and password to check your balance and pay your contributions.
<b>Re-issued notice</b>	To re-issue a contribution notice the cost is \$5.50 incl GST. To re-issue a statement the cost is \$11.00 incl GST.
<b>CABLE TV</b>	
<b>How do we get it approved?</b>	Please send your request in writing to your Committee for approval.
<b>How do we have it connected?</b>	If approved by your Committee, this will be arranged by your Building Manager (if applicable).
<b>I want to watch the test match this weekend?</b>	Unfortunately, if your building is not connected to cable it may take some time. In the case of buildings that have not had cable installed, it requires access to common property and therefore Body Corporate approval is required.
<b>Who pays for the cabling to the building?</b>	This depends on the supplier of the Cable TV, they may charge the Body Corporate or they may charge the Owner, depending on the circumstances.
<b>You are SSKB – you are the body corporate aren't you?</b>	You – the Owners – are the members of the body corporate. Together, you make up the body corporate. SSKB is your Community Manager. Our roll is to work with your Committee to ensure that your community runs smoothly in accordance with the Act and regulation that applies to your scheme.
<b>IMPROVEMENTS TO A LOT</b>	
<b>I want to install an air conditioner or a pergola</b>	Applications are required in writing addressed to the Committee of your body corporate/community c/- SSKB. You must submit with your applications all plans and specifications. The application will be tabled at the next committee meeting. There are usually four committee meetings each year. You should also read your by-laws for any particular requirements to your building.
<b>I am making renovations Do I need approval?</b>	This application may need approval via a general meeting by a special resolution. Please submit your plans to the committee for approval.

## CERTIFICATE OF CURRENCY

**How do I obtain a Certificate of Currency?**

These are only valid on the day of issue. A request in writing accompanied by payment of the nominated fee should be made. (Present cost \$33.00 incl of GST).

## INSURANCE

**I am paying an insurance levy why do I need to pay the excess for an insurance claim?**

The excess on each community insurance policy differs depending on the number of claims each community has made. The regulations referring to insurance excess provides that, if there is an excess, then the Lot owner is to meet that amount, unless certain circumstances dictate that it is a Body Corporate responsibility.

**I own a unit in two different buildings. The balcony door is covered by body corporate in one and in the other, it's my responsibility. Why does there seem to be two different rules?**

In each instance you would need to refer to the title or plan of your lot. The plan will indicate whether the boundary of your lot extends to the balcony doors or to the outer perimeter of your balcony, in which case the doors are inside your title and therefore your responsibility. Where the title is to the balcony doors, these doors then form the boundary of your lot and become part of the common property and the Body Corporate must maintain doors, windows and associated fittings situated in a boundary wall (common property).

**I paid my insurance to the developer on settlement, so why am I continuing to pay for insurance in the Insurance Levy/Admin Fund?**

The developer pays the insurance for the first year, however under the terms of the unit purchase contract, the developer collects an adjusted amount at settlement from each purchaser.  
Insurance is charged progressively either via an insurance fund contribution or included in the administrative fund contribution throughout the year to enable funds to be available to pay the following year's insurance which is payable in advance.

**Why do we pay a separate insurance levy?**

With some buildings the interest entitlements differ from the contribution entitlements. The amount of each lot owner's contributions are set according to the lot entitlements that attach to the lot. The community management statement sets out each lot's entitlements. The interest schedule lot entitlement has been calculated to reflect that owner's relative market value of the lot compared to other lots in the scheme. The interest lot entitlement is used to share the reinstatement and replacement insurance premium and the rates and the land tax for the scheme.

**Why won't the Body Corporate insurance fix my (SFP) roof that is getting old, my carpet that was flooded, my stereo that was ruined by the water from the unit above?**

Body corporate insurance covers **events** which relate to accidental damage, vandalism, fire, and theft etc. Insurance claims do not cover maintenance, however resultant damage can be claimed. The Body Corporate's policy does not cover personal contents, such as carpets and curtains, stereos etc.

Under a *standard format plan*, the owner is responsible for insurance cover on the building; the body corporate provide insurance coverage for common property and public liability only.

If your insurance has been placed through Insurance Aid General Broker, you will be able to refer to the Financial Services Guide and the Product Disclosure Statement in relation to your building's policy which will be found on the IAGB website at [www.insuranceaide.com.au](http://www.insuranceaide.com.au).

Please check with your Community Manager at SSKB if your Body Corporate has insured through another insurer/broker, regarding details on obtaining a copy of the policy document.

## PAYMENT METHODS

**We would like to pay over the phone with our credit card?**

Credit card facilities are available through the Stratamax website for Contribution notices with a Stratapay reference. Owners with a Stratapay Contribution Notice should connect to [www.stratamax.com.au](http://www.stratamax.com.au) and log in using their unique lot owners login and password. Stratapay accept Visa, Bankcard and Mastercard.

For those owners whose Contribution Notice is with the DEFT payment system you will need to dial the 1300 number listed at the bottom of your contribution notice and follow the prompts. The number asked for is your DEFT reference number which is a 20 digit number listed at the bottom of your Notice.

Depending on the decision of your Body Corporate, you may or may not be required to pay the merchant fees.

<b>Can I pay by American Express?</b>	Visa, Bankcard and Mastercard only are available to owners. You may or may not be required to pay the merchant fees, depending on the decision of your Body Corporate.
<b>What does “pre-registered bank account” mean?</b>	You must give authority to your Bank for any items to be debited to your account automatically. Please refer to your bank.
<b>Can I pay by direct debit?</b>	To obtain a Direct Debit Registration Form for DEFT payments call 1300.30 1090 or log on to <a href="http://WWW.deft.com.au">WWW.deft.com.au</a> . Fill out a Customer Initiated Direct Debit Request Form registering your nominated security code and return it postage free as per directions on the form. For Stratapay registration go to the Stratamax website and download a form. Fill out the Direct Debit Request and forward by mail to Stratamax as they require an original form to initiate the direct debit.
<b>Who do I make the cheque payable to?</b>	Please make your cheque payable to your Body Corporate/Community. Please print the Community Name in full, E.g. Cloud Nine CTS 999999.
<b>How to pay my community contribution notice</b>	When contributions are due you can use:- Stratamax website – pay securely using credit card or direct debit <a href="http://www.stratamax.com.au">www.stratamax.com.au</a> Stratapay options – BP Pay (through your Bank, Post Billpay (Cash/Cheque), Bill Express, cheque or post to Stratapay
<b>I am going on holidays – can I pay in advance and can you tell me how much I need to pay?</b>	If either on holiday or residing overseas the best option for making a payment is by credit card. <b>DEFT.</b> To pay by credit card you can either log onto the DEFT website or by ringing the international phone number (refer to the bottom of your contribution notice) and follow the prompts. <b>STRATAPAY.</b> You could also arrange for someone such as the resident building manager, a licensed real estate agent, your accountant or family member to make the payments on your behalf here in Australia or make arrangements with your bank to make the payment on your behalf. Direct Debit is also available through Stratapay for advance payments.
<b>I did not receive my notice to pay my contributions?</b>	All purchasers upon acquisition of their lot are made aware by their solicitor, through disclosure material supplied, of the contribution amounts and dates upon which they are due and payable. The legislation sets out that it is the lot owner's responsibility to ensure that the address held by SSKB is correct, any change of address must be sent to SSKB in writing.
<b>I only own a piece of land why do I have to pay body corporate fees?</b>	A body corporate is formed. Thus it is incurring costs from the date of registration. There is an administration fund budget and a sinking fund budget where funds need to be collected from date of registration. Your body corporate has a responsibility to maintain its common land and to contribute funds to the overall community for facilities, roadways, parks and gardens.
<b>If I pay contributions etc who do I have to pay again for such things as a certificate of currency?</b>	The contribution that you pay covers all the expenses relating to your community. Any other expenses relevant to your individual lot are therefore your responsibility. A certificate of currency is only valid on the day it is requested, and is a cost for the person requesting, it not a shared expense.
<b>How do I obtain a Disclosure Statement?</b>	A request to be in writing with the required payment attached to the request which should be sent to SSKB. Alternatively you can log in using the Stratamax website and arrange for a disclosure statement. Payment is via credit card and your disclosure statement is provided immediately upon acceptance of payment to your screen. You must have an email address registered with the Body Corporate which is recorded in the system to receive the disclosure statement.
<b>WPH &amp; S REPORTS</b>	
<b>We've just had a Workplace Health and Safety Report. Are we legally obligated to have the items mentioned in it rectified?</b>	Yes, this has to be attended to so that your Community complies with Workplace Health and Safety Regulations and carries out its responsibility of maintaining common property.