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Selecting the right Strata Manager

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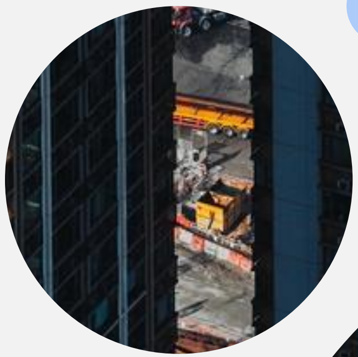
Agenda



- What you can delegate to a strata manager—and what you can't
- Key traits of reliable, high-performing strata managers
- How to evaluate service inclusions and red flags
- Questions every council should be asking
- A practical look at reviewing the Management Authority

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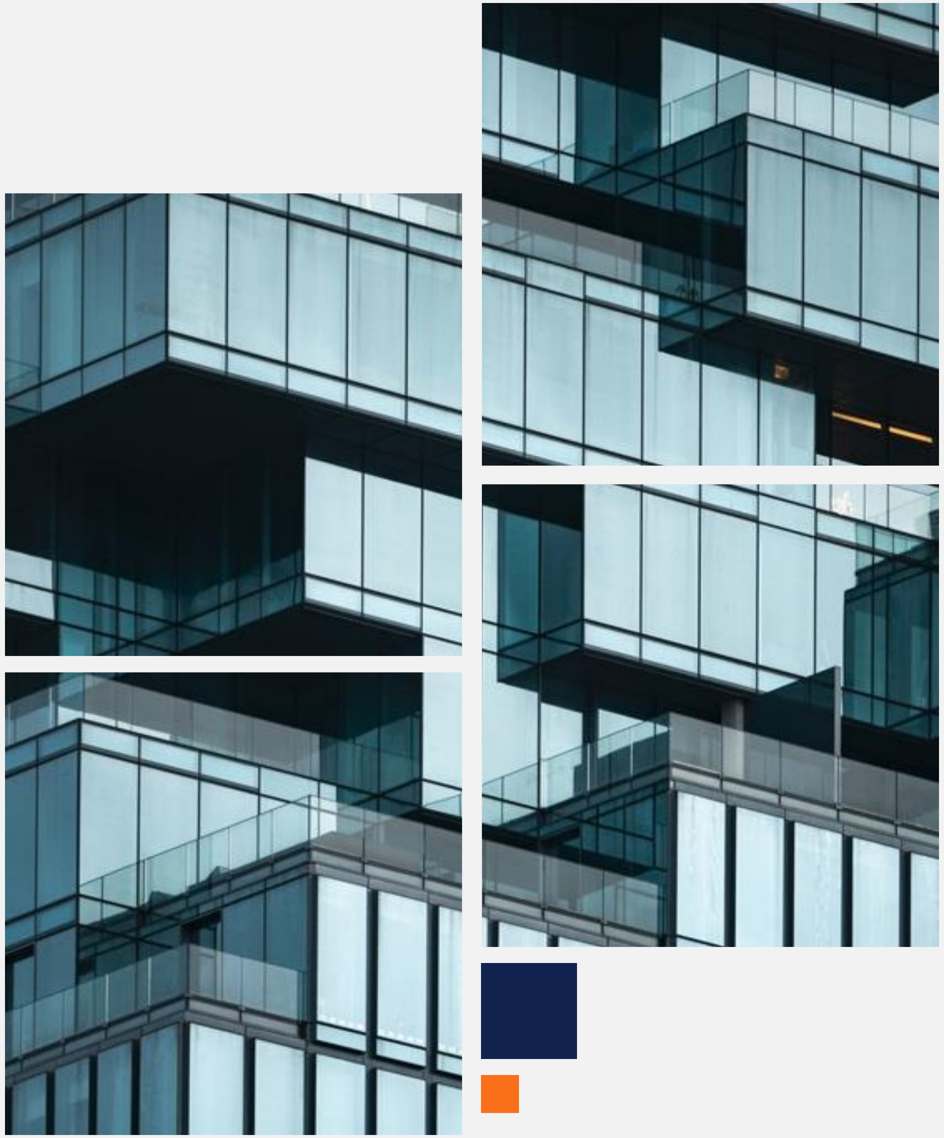
Delegation

Section 143

- A Strata Company can delegate scheme functions to a Strata Manager.
- A Strata Manager cannot be authorized to
  - Authorise a person to perform a scheme function other than agent, employee or contractor of the Strata Manager
  - Determine contributions
  - Enter an alternate Strata Manager contract
  - Terminate a contract for service under section 115
  - Commence proceedings
  - Authorise use of Common Seal
  - Authorise a person to sign on behalf of CoO or Strata Company
  - Perform Scheme Functions ruled out in the Regulations
- Management Authority must outline Scheme Functions the Strata Manager can perform.
  - Can contain conditions



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Scheme Functions

Commonly delegated to a Strata Manager

- Assist in Insurance Function (S97)
  - Placement
  - Claims
  - Communication
- Financial Management
  - Assist with Establish Fund – Set Income & Expenditure. (S100)
  - Keep accounting record & prepare statement (S101)
  - Assist with Budget (S102)
  - Collection
- Keep Records (S104)
  - Correspondence
  - Scheme Documents
  - Minutes
  - Notices Leases
  - Contracts
- Provision of information (S107 – S110)
  - Assist with provision of information
- Assist with Bylaws
  - Compliance by SC
  - Enforcement of others
- Keep & Maintain Roll (S105)

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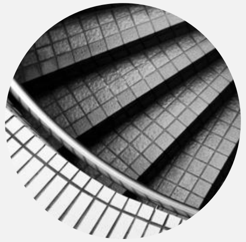

Other Functions

Outside of Scheme functions other functions commonly delegated

- Assist with General Meetings
- Assist with CoO Meetings
- Statutory support & Guidance
- Assist with Upkeep & Maintenance of Common Property
  - Tender / quote process
  - Work Orders
  - Engagement of Specialty Services

IMPORTANT NOTES:

- Agreed functions can be inclusive or additional in cost
- Strata Managers have limitations
  - Not necessarily subject experts
  - Should not be utilized or expected to perform outside their knowledge, experience or expertise.
  - Are administrators for the Strata Company
- Strata Managers do not replace
  - Lawyers
  - Project Managers
  - Subject matter experts
  - Contractors & Service providers

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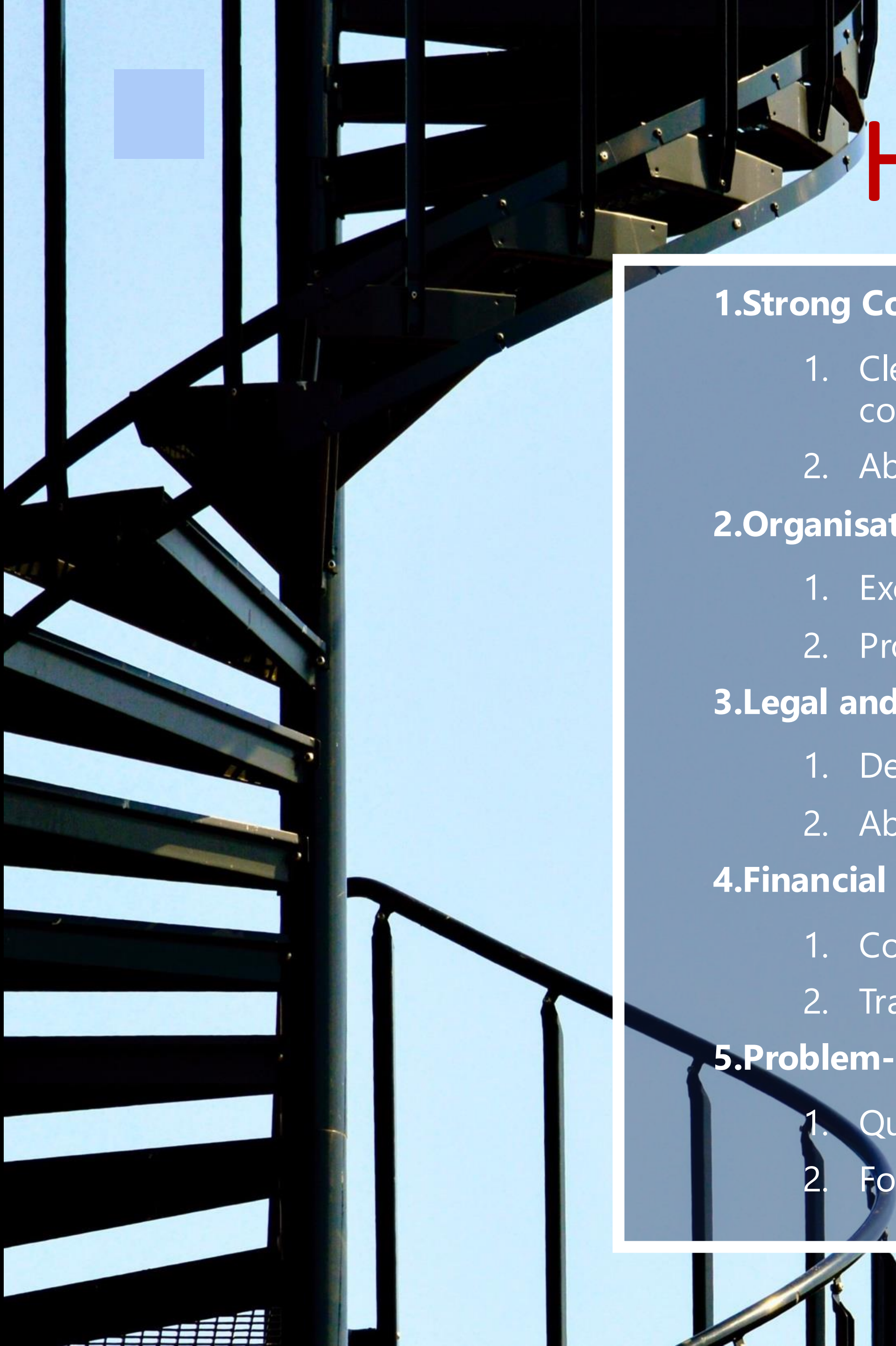

High Performing Strata Manager

1.Strong Communication Skills

1. Clear, timely, and professional communication with owners, tenants, contractors, and committees.
2. Ability to handle conflict diplomatically and foster positive relationships.

2.Organisational Mastery

1. Excellent time management and multitasking abilities.
2. Proactive in scheduling maintenance, meetings, and compliance checks.

3.Legal and Regulatory Knowledge

1. Deep understanding of strata laws, building codes, and local regulations.
2. Ability to interpret and apply legislation accurately.

4.Financial Acumen

1. Competence in budgeting, financial reporting, and levy management.
2. Transparent and strategic handling of funds and expenses.

5.Problem-Solving Ability

1. Quick thinking and resourcefulness in resolving disputes, emergencies, and operational issues.
2. Focused on long-term solutions rather than short-term fixes.

Evaluate

- Base Management Fee
  - Cheapest isn't always the best
  - What functions are included
- Schedule B additional charges
  - What's not included
  - Process for charging
- Insurance Commissions
  - Included / not included
  - Does base vary when no commission
- General
  - Annual Increase
  - Contract Assignment

ICULARS			
l Services	Schedule A Standard Services in conjunction w Additional, Ad-hoc/ Special Services and Statu		
rd Services Fee	$ per month, inclusive of GST. Equivalent to $ per annum. *See*		
f Contract	**Start Date**		**End Date**
ntract will end at the End Date mentioned above. The Strata Manag ny with the option to enter a new contract prior to the expiration of t			
yment Frequency	Monthly in advance		
justment Date	Adjusted on 1st July annually		
justment Rate	3 % Increment on Fee Adjustment Date, unle		

Consider a tender process RFI and RFT

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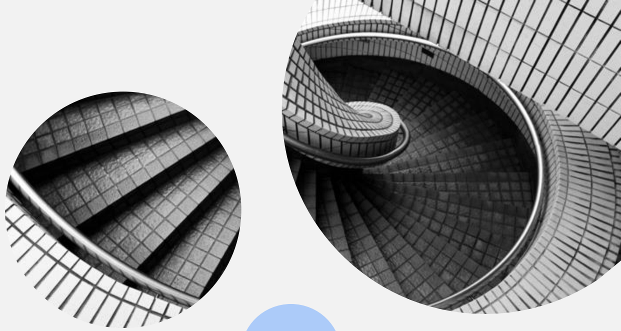

The Right Questions

- How many lots does our Strata Manager look after?
- What KPI's are in place for Strata Managers?
- What should we expect in terms of response times and updates?
- How many years of experience does our Strata Manager have?
- Tell us about our Strata Managers strengths and weaknesses
- What level of support will our strata manager have?
- What level of transparency is provided to the Council of Owners and how much of this is available in real time?
- Is your organization a member of SCAWA?
- What does staff turnover look like for your organization and how is this handled?
- What is your complaints handling process?
- Can you provide phone references for your organization and the Strata Manager?

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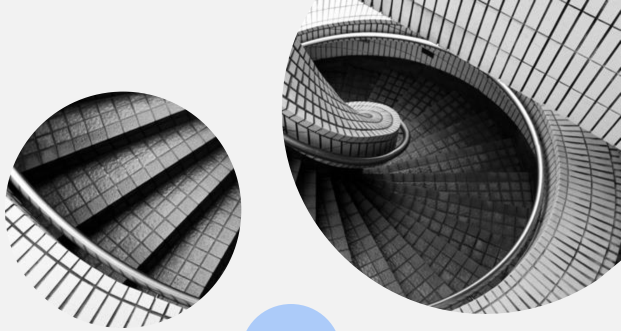

The Right Questions

- Does your organization have any statutory auditing requirements?
- What software's does your organization use and what is the benefits we will receive from these?
- What is your expectations from our council of owner's?
- What does compliance management look like for your organization?
- Tell us about how you will assist us with both asset and contract management?

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The Management Authority

- Term is important – change is inevitable.
- Disclosures.
- Strata Company Representative.
- Fee reviews and Increases.
- Schedule B's.
- Education Qualifications.
- PI Insurance.
- Liability & Indemnity.
- Contract Assignment.
- Dispute Resolution.

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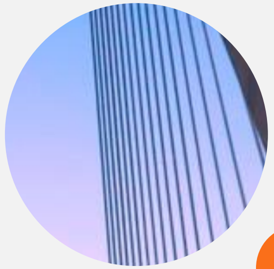
Remember

The relationship between a Strata Company’s Council of Owners and the Strata Manager should be based on a partnership with a common goal of achieving the best outcomes for all owners in relation to maintain and protecting the value of what is common property



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