



New South Wales

# Community Land Management Regulation 2000

under the

Community Land Management Act 1989

His Excellency the Governor, with the advice of the Executive Council, has made the following Regulation under the *Community Land Management Act 1989*.

JOHN WATKINS, M.P.,  
Minister for Fair Trading

## Explanatory note

This Regulation replaces the *Community Land Management Regulation 1995* which is repealed on 1 September 2000 under section 10 (2) of the *Subordinate Legislation Act 1989*. The new Regulation makes provision for the following matters:

- (a) the election of the executive committee of an association (Part 2),
- (b) the keeping of records, including accounting records and a levy register, by an association (Part 3),
- (c) matters in relation to the mediation of disputes (Part 4),
- (d) matters relating to insurance, the payment of fees and matters of a minor, consequential or ancillary nature (Parts 1 and 5).

The Regulation is made under the *Community Land Management Act 1989*, including section 122 (the general regulation-making power).

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Community Land Management Regulation 2000

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## Community Land Management Regulation 2000

### Part 1 Preliminary

#### 1 Name of Regulation

This Regulation is the *Community Land Management Regulation 2000*.

#### 2 Commencement

This Regulation commences on 1 September 2000.

**Note.** This Regulation replaces the *Community Land Management Regulation 1995* which is repealed on 1 September 2000 under section 10 (2) of the *Subordinate Legislation Act 1989*.

#### 3 Definition

(1) In this Regulation:

*the Act* means the *Community Land Management Act 1989*.

(2) The explanatory note, table of contents and notes in the text of this Regulation do not form part of this Regulation.

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Part 2                      Election of executive committee

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### **Part 2 Election of executive committee**

#### **4 Election of executive committee**

- (1) At a meeting of an association at which its executive committee is to be elected, the chairperson is:
  - (a) to announce the names of the candidates already nominated in writing for election to the executive committee, and
  - (b) to call for any oral nominations of candidates eligible for election to the executive committee.
- (2) A written or oral nomination made for the purposes of such an election is ineffective if it is made by a person other than the nominee unless it is supported by the consent of the nominee given:
  - (a) in writing, if the nominee is not present at the meeting, or
  - (b) orally, if the nominee is present at the meeting.
- (3) After the chairperson declares that nominations have closed, the association is to decide, in accordance with section 28 of the Act, the size of the executive committee.
- (4) If the number of candidates:
  - (a) is the same as, or fewer than, the number decided on as the size of the executive committee—those candidates are to be declared by the chairperson to be, and are to be taken to have been, elected as the executive committee, or
  - (b) is greater than the number so decided on—a ballot is to be held.

#### **5 Ballot for executive committee**

- (1) If a ballot for membership of the executive committee of an association is required, the chairperson is:
  - (a) to announce to the meeting the name of each candidate and the nominator of the candidate, and
  - (b) to provide each person present and entitled to vote at the meeting with a blank ballot-paper for each vote the person is entitled to cast.

- (2) For a vote to be valid, a ballot-paper must be completed by the voter writing on it:
  - (a) the names of each of the candidates for whom the voter desires to vote, the number of names written being no more than the number determined by the association as the size of the executive committee, and
  - (b) the capacity in which the voter is exercising a right to vote, whether:
    - (i) as proprietor, first mortgagee or covenant chargee of a lot (identifying the lot), or
    - (ii) as a company nominee, or
    - (iii) by proxy (identifying the name and capacity of the person who gave the proxy).
- (3) The chairperson is to successively declare elected each candidate who has a greater number of votes than another candidate who has not been elected until all the places for membership of the executive committee have been filled.
- (4) If a place remains to be filled but there are 2 or more eligible candidates with an equal number of votes, the candidate to fill the place is to be decided by a show of hands of those present and entitled to vote.

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Part 3 Records of an association

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### Part 3 Records of an association

#### 6 Periods for retention of documents: Sch 1, cl 9

For the purposes of clause 9 of Schedule 1 to the Act, the prescribed period for each class of record set out in the Table to this clause that must be retained by the association is the prescribed period set out opposite that class of record.

#### Table

Class of record	Prescribed period
Record of the proceedings of a meeting (clause 9 (a))	7 years from the date of the meeting
Accounting record (clause 9 (b))	7 years from the date of the latest entry in the record
Summary and other particulars required to be recorded in relation to a notice or order served on it (clause 9 (c))	7 years from the date of the notice or order
Financial statement (clause 9 (d))	7 years from the date up to which the relevant financial statement is made
Correspondence received or sent (clause 9 (e))	6 years from the date of the correspondence
Copy of notice of meeting (clause 9 (f))	6 years from the date of the meeting to which the notice relates
Proxy (clause 9 (g))	1 year from the expiration of the proxy
Voting paper for resolutions (clause 9 (h))	6 years from the date of the meeting at which the voting took place
Voting paper for election of executive committee and officers (clause 9 (i))	6 years from the date of the meeting at which the voting took place
Record served on it by its managing agent (clause 9 (j))	6 years from the date of the record
Notice specifying an address for service (clause 9 (k))	6 years from the date of the notice

**7 Accounting records: Sch 1, cl 10**

- (1) For the purposes of clause 10 of Schedule 1 to the Act the prescribed accounting records to be kept by an association are as follows:
  - (a) a receipt book,
  - (b) a passbook, a deposit book, or statement of deposits and withdrawals that are in chronological order, for the account of the association,
  - (c) a cash record,
  - (d) a levy register.
- (2) Separate accounting records must be kept for the administrative fund, the sinking fund and any other fund in which money is held by the association.
- (3) An association is guilty of an offence if it does not keep such records in accordance with the requirements of this Part.  
Maximum penalty (subclause (3)): 5 penalty units.

**8 Maintenance of records**

The accounting records of an association may be recorded or stored by mechanical, electronic or other means.

**9 Receipt book**

- (1) A receipt must be issued for each amount of money received by the treasurer for the credit of a fund.
- (2) The following particulars must be included on each receipt:
  - (a) the date of the receipt,
  - (b) the amount of money received,
  - (c) the form in which the money was received,
  - (d) the name and address of the person on whose behalf the amount was received,
  - (e) particulars of the transaction or transactions in respect of which the payment was received.
- (3) If the payment is a contribution levied under clause 13 of Schedule 1 to the Act, the following additional particulars must be entered:

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Clause 9 Community Land Management Regulation 2000

Part 3 Records of an association

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- (a) a statement that the payment was made in respect of the contribution,
  - (b) a statement identifying the land or premises in respect of which the liability to make the contribution was imposed,
  - (c) if the contribution is a regular periodic contribution—details of the period in respect of which it is made,
  - (d) details of any discount given for early payment.
- (4) If a payment is received in respect of more than one transaction, the manner in which the payment is apportioned between the transactions must be entered on the receipt.
- (5) The association must:
- (a) in the case of a receipt issued from a receipt book—keep the duplicate receipt in the receipt book created by a carbon impression, or
  - (b) in the case of any other type of receipt—cause a record to be kept of all the details of the receipt.

### 10 Cash record

- (1) As soon as practicable after a transaction is effected, the following must be entered:
- (a) in the receipts section of the cash record—particulars of all money received,
  - (b) in the payments section of the cash record—particulars of all money disbursed.
- (2) At the end of each month, the cash record must be balanced and the balance carried forward to the commencement of the next month and to a ledger account provided for that purpose.
- (3) At the end of each month:
- (a) the entries in the cash record must be compared with the bank records, and
  - (b) amounts credited to the bank account and appearing in the bank records for which no receipt had been written and amounts debited to the bank account and appearing in the bank records for which no cheque had been drawn must be entered in the cash record.

- (4) Any necessary reconciliation (showing the balance in the bank account as indicated in the bank records, and adding any money received but not banked and deducting any cheques drawn but not presented for payment) must be entered in the cash record at the end of the entries for the month.

## **11 Levy register**

- (1) The levy register for a fund must include a separate section:
  - (a) for each development lot and former development lot (if any) in the community scheme, in the case of a register kept by a community association, or
  - (b) for each development lot and former development lot (if any) in the precinct scheme, in the case of a register kept by a precinct association, or
  - (c) for each neighbourhood lot in the neighbourhood scheme, in the case of a register kept by a neighbourhood association.
- (2) Each of the sections referred to in subclause (1) must specify, by appropriate entries, the following matters in relation to each contribution levied by the association and must indicate whether those entries are debits or credits and the balances for those entries:
  - (a) the date on which the contribution is due and payable,
  - (b) the type of contribution and the period in respect of which it is to be made,
  - (c) the amount of the contribution levied shown as a debit,
  - (d) the amount of each payment shown as a credit,
  - (e) the date on which each payment is made,
  - (f) whether a payment was made in cash or by cheque or in some other specified manner,
  - (g) whether an amount paid comprised full payment or part payment,
  - (h) the balance of the account.

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Clause 12            Community Land Management Regulation 2000

Part 4                Mediation

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### **Part 4 Mediation**

#### **12 Directions of Commissioner**

The Commissioner may give directions for regulating and prescribing the practice and procedure to be followed in connection with a mediation session, including the preparation and service of documents.

#### **13 Attendance and representation**

- (1) A mediation session must be attended by each party or by a legal representative, or other representative, having authority to settle the matter.
- (2) Other persons may attend a mediation session with the leave of the mediator.

#### **14 Termination**

- (1) A mediator may terminate a mediation.
- (2) A party may terminate a mediation at any time by giving notice of the termination to the Commissioner, the mediator and each other party.

## Part 5 General

### 15 Property insurance: sec 39

For the purposes of section 39 of the Act, the amount for which insurance is to be effected against damage to association property or a building on association property is the sum of the following amounts:

- (a) the estimated cost (as at the date of the contract of insurance) of rebuilding the building, or replacing it with a similar building, so that every part of the rebuilt building or replacement building is in a condition no worse than that in which it was when new,
- (b) the estimated cost (as at the date of the contract of insurance) of removing debris in the event of the building being destroyed by an occurrence specified in the policy,
- (c) the estimated fee (as at the date of the contract of insurance) payable to architects and other professional persons employed in the course of the rebuilding or replacing referred to in paragraph (a),
- (d) the estimated amount by which expenditure referred to in paragraphs (a), (b) and (c) may increase during the period of 18 months following the date of the contract of insurance.

### 16 Other insurance: sec 40

For the purposes of section 40 (3) (b) of the Act:

- (a) the prescribed amount of cover for insurance referred to in section 40 (2) (b) of the Act is \$10,000,000, and
- (b) the prescribed amount of cover for other insurance referred to in, or prescribed under, section 40 (2) of the Act is the amount determined by resolution of the association.

### 17 Valuations to be obtained for insurance purposes

A person is qualified to carry out a valuation for the purposes of section 39A of the Act if the person:

- (a) is a registered valuer, or
- (b) has successfully completed a course conducted by a tertiary institution that qualifies the person to be a quantity surveyor.

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Clause 18 Community Land Management Regulation 2000

Part 5 General

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### 18 Conduct of proceedings before Board

- (1) An application to the Board may be heard in the following manner if all of the parties indicate that they do not intend to call witnesses and the Board and all of the parties agree that the application should be heard in that manner:
  - (a) each party may, in turn, present its case orally and unsworn and may be questioned by any other party,
  - (b) each party may produce and tender evidence in support of its case, unless the Board directs that any such evidence may not be tendered,
  - (c) each party may comment on any other party's case after all of the parties have presented their cases,
  - (d) each party may make a final submission.
- (2) The order in which each party presents its case is to be as determined by the Board.

### 19 Inspection of records of managing agent: Sch 4, cl 1

For the purposes of clause 1 (1) (j) of Schedule 4 to the Act, the prescribed records to be kept in relation to a scheme in respect of which the association's duties have been delegated is the trust account ledger for the association referred to in clause 27 (3) of the *Property, Stock and Business Agents (General) Regulation 1993*.

### 20 Fees

- (1) The following fees are payable to an association in respect of the services specified:

<b>Service</b>	<b>Fee</b>
Inspection of association records under section 26:	
(a) for up to 1 hour	\$21
(b) for each additional half hour or part of a half hour	\$10
Issue by an association of a certificate under section 26	\$70, and \$35 for a further certificate for a lot comprising a garage that services the lot the subject of the first certificate

- (2) The following fees are payable to the Registrar in respect of the services specified:

Lodging an application for an order for settlement of a dispute or complaint by an Adjudicator or the Board under Part 4 of the Act:

- |   |       |
|---|-------|
| (a) if the application includes an application for an interim order under section 72 of the Act | \$104 |
| (b) if it does not  | \$52  |

Lodging a notice of appeal against an order made by an Adjudicator under section 88 of the Act	\$52
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Lodging an application for a copy of an order made by an Adjudicator or the Board, per page	\$2 (minimum fee \$10)
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Issuing a summons to appear before the Board under section 94 of the Act	\$29
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## 21 Remission of fees

The Registrar may waive payment of any fee under the Act, or may remit any such fee paid to the Registrar, if the Registrar considers it is appropriate to do so in the circumstances.

## 22 Savings

Any act, matter or thing which, immediately before the repeal of the *Community Land Management Regulation 1995* by the operation of section 10 (2) of the *Subordinate Legislation Act 1989*, had effect under that Regulation continues to have effect under this Regulation.