

SP52948 Examples of Mismanaged, Excessive, or Unauthorized Expenses FY 2012/2013	Date Expense Incurred	Payment Date	Amount (GST exclusive)	Subtotal (GST exclusive)	Comment
Napier & Blakeley Building and Asbestos Report (commissioned without decision at any EXC meeting) - even confirmed in EC member's email to Strata Manager Mr. Peter Bone on 11 April 2013	30/7/2012	12/9/2012	\$11,040.00	\$11,040.00	No alternative quote obtained; decision to engage this company not made at any legally convened EC meeting; the Executive Committee (EC) and the Strata Manager hid this report from owners at the AGM 2012 and also failed to disclose it to the CTTT at Hearing on 17 October 2012; the invoice was due in FY 2011/2012
Water and gas reimbursements for selective townhouse owners				\$13,656.27	Applied through hidden scheme for more than 13 years until the AGM 2012, when it was "approved" through what is alleged to be fraudulent process and without the quorum; over the last 13 years, based on incomplete access to accounting data, \$74,886.21 was given from the Admin Fund to a group of townhouse owners who, on average, consumed water and gas well above of what the rest of around 200 owners used; Just in FY 2012/2013, 18 townhouse owners claimed \$13,656.27 for their personal water and gas usage brining their costs to \$758.68 per each of 18 townhouse owners, whiles the other 200 owners in the complex spent \$494.48 for water and gas usage for the whole common property; the Special By-Law 13 was registered at the LPI on 6 May 2013 - seven months after the AGM 2012, it means that, in accordance with the Strata Schemes Management Act 1996, Section 48, water and gas reimbursements were ILLEGAL for almost 14 years
Courier Service	19/4/2013	24/5/2013	\$851.56	\$851.56	The Strata Manager Mr. Peter Bone incurred this expense without consultation with the EC and failed to answer why it happened
Raine & Horne Strata Sydney Bundled Disbursements			\$541.82	\$2,316.24	Flat-fee (not based on real expenses) charged monthly in non-compliance with Strata Management Agreement 2671 Section 4.1 (b), 4.2, 4.5 and Schedule of Fees; Should be 218 x \$1.60 x 12 = \$4,185.60
By-Law Express		9/4/2013	\$400.00	\$400.00	Instead of registering By-Law himself (simple process), the Strata Manager Mr. Peter Bone incurred this expense
Universal Property Services Callout Fee for Easter Saturday		29/4/2013	\$250.00	\$250.00	Security workers in our complex are not seemingly paid holiday ratings so why is the Caretaker issuing these charges; not defined in the contract as well

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Four paper EC meetings in non-compliance with SSMA 1996 (agendas, minutes, photocopying, postage for 218 owners)			\$959.20	\$3,836.80	Approximate cost per EC meeting (four pages, 0.60 per letter, 0.80 per photocopied page)
CHU Insurance Overpayment due to Gallagher Australia and Raine & Horne Strata Sydney failing to obtain alternative quotes			\$19,254.15	\$19,254.15	Reasonable increase in FY 2012/2013 should have been between 12-20% (even the minutes of the EC meeting held on 13 June 2012 - Item 10 confirm it); instead, we paid 74.38% increase compared to FY 2011/2012 to the Insurance Broker Gallagher Australia (inclusive GST)
ThyssenKrupp Lift Maintenance increases in June 2012 and 2013 in non-compliance with the contract (increases should be linked to the CPI)			\$190.58	\$762.32	FY 2012 CPI 1.7% but ThyssenKrupp increased by 5%; the change applies per quarter (the losses are more drastic if FY 2011 is included - compound increase 10.25% over two years)
Solicitor Adrian Mueller (engaged without a decision made at any legally convened general or EC meeting in CTTT case SCS 12/32675 and 12/50460)			\$25,782.65	\$25,782.65	Strata Manager Mr. Peter Bone, single EC member, and the Solicitor himself prevented Dusan's Motion to introduce better mediation process within the complex from the agenda of the AGM 2012; (without legal costs) Details of the insurance claims (who and when raised them, and their validity in legal terms, will be presented by Lot 158 at the AGM 2013); NSW Legal Services Commissioner confirmed that the Solicitor acted against the Legal Profession Act 2004 but blames the EC and the Strata Manager for allowing it to happen
ThyssenKrupp Callout Fee for Lift 2 door	15/7/2013	29/7/2013	\$340.00	\$340.00	Should be part of contractual maintenance
Strata Manager attending CTTT Hearing on 10 May 2013 as passive audience	10/5/2013	29/5/2013	\$450.00	\$450.00	Did not contribute to the CTTT Hearing; did not provide any evidence; the EC members did not have courage and decency to attend
Caretaker's Contract					To be discussed and evidence provided by Lot 158 at the AGM 2013 (savings of 10-20% easily possible and other service providers can achieve it) Caretaker's contract document 1st of August 2010! Price increase on 1 October 2011 supposed to be 2% but was actually: Caretaker: 2.16% Gardening: 0% Pool/Spa: 0% Security: 3.07%

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WHOME Wireless ISP running for almost 10 years without benefits to owners, and without a contract for the last five years (loss of income due to electricity usage, lack of rental for usage of common property, lack of 5% earnings from each new customer)					To be discussed and evidence provided by Lot 158 at the AGM 2013 (electriciy usage alone, with modest calculations, caused loss of more than \$20,000.00 over the 9 1/2-year period); losses over 9 years well above \$210,000.00
Carpet cleaning (lifts)	12/9/2012	12/9/2012	\$80.00	\$80.00	Should be (and it was) part of Caretaker's duties
Carpet cleaning (lifts and foyers)	3/12/2012	13/12/2012	\$316.36	\$316.36	Should be (and it was) part of Caretaker's duties
Carpet cleaning (foyers)	12/6/2013	19/6/2013	\$618.18	\$618.18	Should be (and it was) part of Caretaker's duties
Strata Manager's Contract (alleged "loyalty rebate")			\$3,598.96	\$3,598.96	To be discussed and evidence provided by Lot 158 at the AGM 2013 (from 1 September 2011 it should have dropped to \$29,900.00 + GST) instead of previous \$33,498.96 + GST, as per Mr. Greg Freeman's email to Debbie Downes, Paul Banoob and Simon Wicks on 24 October 2011)
Universal Property Services "drinks for garbage guys"	12/1/2013		\$87.98	\$87.98	
Electricity Supply Contract				\$12,158.00	Single EC member on his own "negotiated" new contract through broker (tendering of electricity contract) as announced at the EC meeting held on 20 July 2011: The chairman introduced an energy supply broker to the strata manager. The broker arranged for a reverse auction of the electricity supply to be conducted on 25th of July 2011. This reverse auction resulted in improved savings to the owners corporation over the increases quoted by suppliers to the auction. The increase in costs are estimated to be approximately 7%, which is significantly less than ordinary household account increases. In reality, single EC member raised the electricity costs well above the "projected levels": electricity consumption in the complex decreased but the total expenses increased by 18.04% in FY 2011/2012 and 18.76% in FY 2012/2013 - Lot 158 used figure of 10% increase per year and still calculated that over the last two financial years, the owners corporation lost \$17.260.00 for overpaid electricity usage

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Repairs for the ageing and very old desktop PC in Caretaker's office	27/2/2013	27/2/2013	\$347.00	\$347.00	Ex-EC member Mr. Costa Akanis running business in the complex (already known for excessive charging number of owners and allegedly engaged in illegal electrical works in Lot 163 in 2013 - without trading license); note also that a large repair was charged on 23 May 2012 in amount of \$912.80 and hidden under Universal Strata Services bulk expenses
Repairs for the ageing and very old desktop PC in Caretaker's office	24/6/2013	25/6/2013	\$576.00	\$576.00	Ex-EC member running business in the complex (already known for excessive charging number of owners and allegedly engaged in illegal electrical works in Lot 163 in 2013); note also that a large repair was charged on 23 May 2012 in amount of \$912.80 and hidden under Universal Strata Services bulk expenses
HR & FL West repair cement render garden beds and rusted areas in pool area (HR & FL West)	1/5/2013	7/5/2013	\$835.00	\$835.00	For the painting and "repairs" of the garden beds in FY 2012, owners corporation already wasted above \$16,500.00 dollars (GST inclusive), which had to be redone a year later at new expenses Sinking Fund: \$15,355.00 Admin Fund: \$1,258.00
Universal Property Services 10L paint for external garden walls	20/6/2013		\$222.60	\$222.60	Additional costs for garden beds, normally not disclosed as part of total costs for poor maintenance
Universal Property Services 4L drum garden wall paint	12/1/2013		\$93.66	\$93.66	Additional costs for garden beds, normally not disclosed as part of total costs for poor maintenance
Universal Property Services external paint	12/1/2013		\$93.66	\$93.66	Additional costs for garden beds, normally not disclosed as part of total costs for poor maintenance
Universal Property Services	17/12/2012		\$250.00	\$250.00	Christmas voucher as "approved" by EC on 5 December 2012 but not recorded in minutes (organized by Strata Manager Mr. Paul Banoob)
HR & FL West repair garden beds and fit colorbond panels to hide large cracks without repairing them	13/8/2013		\$756.00	\$756.00	Poor methods for repairs (hide by covering)
HR & FL West supply and fit colourbond panels to garden walls in main common areas over cracks/ control joint	7/12/2012		\$580.00	\$580.00	The invoice includes some work in Lot 41 as well; additional costs for garden beds, normally not disclosed as part of total costs for poor maintenance
HR & FL West repair garden beds	11/9/2012		\$620.00	\$620.00	The invoice includes some work in Lot 167 and Block C fire door; additional costs for garden beds, normally not disclosed as part of total costs for poor maintenance

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HR & FL West repair boundary fence allegedly damaged by M2 sound barrier wall workers	21/8/2013		\$525.00	\$525.00	M2 not charged for it!?
HR & FL West repair render in pool area and repaint	16/7/2013		\$620.00	\$620.00	The invoice includes work in Lots 160, 188, and Block C damaged ceiling near smoke detectors; work in pool area used to be done by Caretaker's staff
<b>FY 2012/2013 Mismanaged, Excessive, and Questionable Expenses</b>			<b>Total</b>	<b>\$101,318.39</b>	<b>GST Exclusive</b>