

Levied Contributions

What are levied contributions?

Often referred to as 'Levies'.

Each year, owners at your complex vote on a budget and your contributions at your Annual General Meeting. Contributions are usually raised in line with the anticipated spend (budget) for the year and each owner pays a portion of this amount based on their Unit Entitlement (UE).

Why are my levies 'high'?

Congratulations!! Although it may seem like an oxymoron to celebrate high levies, this is a great indicator that your complex is being maintained and looked after. Lower levies may indicate low maintenance, and this is likely to cost you significantly more in the longer term.

It's also worth noting that every scheme is different and as such, comparisons to another scheme's contributions may not take into account their different requirements for maintenance, insurance premiums, infrastructure repair/replacement and many other factors.

Why do we have different rates to pay from each other?

In a lot of schemes, each Lot has a different UE based on the units' value and many other factors, that are taken into consideration by the Certified Licenced Surveyor who determines the UE's. Contributions are then divided up between all Lot owners by this amount and invoiced accordingly.

Why do I have multiple different levies to pay?

Most schemes raise funds for two different purposes. The main account is the Administration Fund which acts similarly to a day to day account. A Reserve Fund (also sometimes known as a Sinking Fund) is more of a long-term savings account which is saving for larger capital expenditure.

You may also have utility levies for electricity, water, or you may be raising a Special Levy for a one-off specific reason as discussed at a General Meeting.

What if I don't receive the Levy notice?

As your levies are determined at your General Meeting, the minutes of this meeting are your official advisement of the amounts payable and when they fall due. Meeting minutes are available on your online portal.

You should also receive a levy notice approximately a month prior to the due date which will include your current balance and payment details. Be sure to only pay using your unique account details so that we can credit your payment to you.

What if I don't pay?

The legislation instructs that non-payment of your contributions incur interest that is prescribed under legislation. This money is payable to your Strata Company account (your Strata Manager does not get to keep this). You may also incur additional charges for reminder notices and legal action.

If you cannot pay your levies on time, it is best to get into contact with your Strata Manager as soon as possible to see if you can arrange a payment plan to prevent receiving additional charges.

If you have any further questions about Levies, please do not hesitate to contact your Degrees Strata Manager. We're happy to help.