Thompson Wentworth

Body Corporate 394768
37 Foremans Road, Islington Christchurch 8042
ANNUAL GENERAL MEETING MINUTES
Tuesday, 03 December 2024

Meeting Formalities

Start Time: 12:08 PM.

Attendees:

Unit #	Lot #	Attendance	Owner Name/ Representative
1	1	Yes	Anna Chappell (Murray Chappell attended via zoom from 12:20)
2	2	Yes	Aaron Novak
5	5	Zoom	Rhys Gould
7	7	Zoom	Mike Lenihan (Mark Readman - Apology)

From the BC Secretary (TW): Mark Wells (via zoom), Dave Marshall, Prince Naveen.

Quorum: A quorum was present at the meeting.

Opening Comments from the Chair/ Secretary
The Chair and Secretary welcomed attendees and provided a brief synopsis of the previous year's operations, noting matters arising listed below and that an opportunity to comment further would arise as the meeting worked through the structured agenda for this forum.

1 Minutes of Meetings

AGM Minutes Discussion Notes:
The AGM noted that the matters arising from previous minutes, namely:

4. Finish off the internal make good to Unit 1. The ceiling tiles invoiced 16/01/2024 as *Replace ceiling tiles - unit 1 - Dec 2023 $480.71 INV-05487* are not all the tiles that required replacement post the repair of the leaking roof. The Secretary will arrange for the remaining tiles to be replaced.

The following motions were put to the meeting for owner resolution:

Motion: *That the minutes of the previous year's Annual General Meeting for the Body Corporate be accepted as a true and accurate record.*

AND:

Motion: *That the minutes of each Annual General Meeting are to be a record of the business of each General Meeting and that if within thirty days of distribution of the minutes the Committee or Secretary does not receive any written request from a person who attended the meeting to amend any part of the minutes then the Chairperson of the meeting is authorised to sign the minutes as a true and accurate record of the Annual General Meeting*.

Moved: Mike Lenihan
Seconded: Anna Chappell
Carried

2 Body Corporate Governance

1. Body Corporate Chair and or Committee Reports:

Motion: *That where there has been a standing committee elected at a previous general meeting of the body corporate and the chair and or the committee has been tasked with actions and activities for the previous operational period, the body corporate notes and acknowledges the tabled written or oral report (as the case may be) from the body corporate chair outlining the chair or committees' activities during the immediately previous operational period of the body corporate and how any duties delegated by the body corporate at any previous general meetings have been performed or exercised.*

Moved: Aaron Novak
Seconded: Anna Chappell
Carried

2. Election of Chairperson*:*
The current Chairperson of the Body Corporate is Anna Chappell. The current Chair is available to stand again. There were no other nominations for the role of chair. The meeting elected Anna Chappell to the role of body corporate chairperson from the close of the current Annual General Meeting to the close of the next Annual General Meeting.

Moved: Aaron Novak
Seconded: Mike Lenihan
Carried

3. Election of Committee:
The Body Corporate's current committee members comprise all owners and the meeting elected to retain this committee structure from the close of the current Annual General Meeting to the close of the next Annual General Meeting.

Quorum confirmed at 3 individual owners.

Motion: *That the number of Owners so nominated and duly elected at this AGM and the quorum required for the committee to transact business be confirmed at this AGM.*

Moved: Aaron Novak
Seconded: Anna Chappell
Carried

The following motions when so resolved provide the necessary delegations of authority for the Chair and or Committee (where elected), to manage the operations of the body corporate on behalf of owners, for the immediately subsequent financial and operational period of the body corporate post this AGM. Accordingly these three motions were put to the meeting for resolution.

<u>3.1 Delegation of Powers to the Chair/ Committee:</u>

Motion: *That by Special Resolution and pursuant to Section 108 (1) of the Unit Titles Act 2010 (the Act) the body corporate delegates (except for those powers to be retained by the Body Corporate under Section 108 (2) of the Act), all its powers and duties to the Body Corporate Committee, or where the Committee is not elected, to the Chairperson until the next annual general meeting of the Body Corporate and that this resolution is evidence of the Chair and or the Committee's authority to perform the powers and duties so delegated to it and serve as notice of delegation and that the Chair and or the Committee will report to the Body Corporate on an annual basis regarding its performance of these powers and duties.*

<u>3.2 Method of Contracting:</u>

Motion: *That the Body Corporate delegates the authority for entering into obligations with respect to the annual operational requirements of the Body Corporate comprising but not limited to, grounds and built environment maintenance, utility services, relevant authority compliance, insurance brokerage services and insurance policy renewals, Body Corporate Secretarial and Facilities/Maintenance Management services, to the Body Corporate Committee or where the Committee is not elected to the Chairperson and one other member of* *the Body Corporate until such a time as otherwise revoked at a General Meeting of the Body Corporate. This motion serves as evidence of the Body Corporate's authority to perform these delegated powers. The Committee shall report on this delegation no less frequently than each AGM of the Body Corporate.*

<u>3.3 Chairperson/ Committee Indemnity:</u>

Motion: *That the Body Corporate holds harmless and indemnifies its Chairperson and Committee of the Body Corporate and members of the same (jointly and severally) against all costs, expenses, claims and proceedings and any other liability of any sort incurred by them in the exercise or attempted exercise of their powers as a Chairperson or members of the Committee taken in accordance with the provision of the Body Corporate Rules and of the Unit Titles Act 2010 and Regulations 2011, however not against any act or omission done fraudulently or with wilful misconduct.*

Moved: Aaron Novak
Seconded: Anna Chappell
Carried

4. Chair or Committee (where elected) Interests Register:
A member of a body corporate committee must disclose any conflict of interest they may have in any matter (arrangement, contract, agreement, or transaction) being considered by the committee in its operation of the body corporate. An interest may be whether a member (or their spouse, civil union or de facto partner, child or parent, business partner, director or trustee) derives a financial benefit from the matter. *<u>Note:</u> A person is not conflicted merely because they are a member of the body corporate, receive an indemnity, insurance cover, remuneration or other benefit authorised by the body corporate.*

Motion: *That where there has been a standing committee elected at a previous general meeting of the body corporate, the body corporate notes and acknowledges the Interests Register tabled at the general meeting and any amendments made to the register during the previous operational year and or at this general meeting.*

Moved: Aaron Novak
Seconded: Anna Chappell
Carried

3 Financial Statements

The Secretary traversed and explained the Financial Statements for the previous financial year distributed with the agenda noting any key material variances to the previous AGM approved budget.

Motion: *That the financial statements for the immediately previous financial period be accepted.*

Moved: Mike Lenihan
Seconded: Aaron Novak
Carried

4 Appointment of an Auditor

Motion: *That, by way of special resolution, the body corporate decides that s132(2) of the Unit Titles Act 2010 does not apply for the current financial year, and therefore the body corporate financial statements shall not be presented for review or auditing for this period.*

Moved: Anna Chappell
Seconded: Aaron Novak
Carried

5 Insurance Valuation

The Secretary traversed the background around the most recent valuation date for the body corporate for insurance purposes and the current inflationary environment with respect to construction costs and noted that replacement valuations all things being equal are recommended to be undertaken every second year to ensure the Body Corporate's assets are insured according to current market replacement values.

Motion: *That the Body Corporate will not instruct an updated valuation of the body corporate assets for* *insurance purposes during the current financial period.*

Moved: Aaron Novak
Seconded: Anna Chappell
Carried

6 Insurance Policy Renewal

The Secretary:

- Tabled and spoke on the policy cover and its renewal parameters distributed with the agenda and provided commentary on the year-on-year premium cost comparison, a review of each owner/ investor's occupation profile (Occupiers v. Investor) and any risk mitigation infrastructure (fire protection & security alarm) equipment required to be installed across the body corporate.
- Outlined, by way of background / history, that with respect to the cover year ending 15 Dec 2024, there was an overall premium increase of 35.71%. This was primarily driven by the insurance sectors exposure the floods in the North Island (overall sector payout was $466 million). Most of the insurers burnt through their re-insurance programme twice and had to reinstate the re-insurance which was driving the insurance cost. In that year, the average rate increase was between 25% - 40%. There has also been some background discussion around the influence on premium escalation of the Unit 3 and 6 woodworking tenants.
- The Secretary spoke to the fact that there had been some historical discussion that the overall risk profile of the site had been influenced solely by the introduction of woodworking tenants to the occupation mix at 37 Foremans Road. Notwithstanding this inference, the brokers have subsequently confirmed that the commercial use profile across all units at 37 Foremans Rd are of a similar risk profile i.e. metal fabrication & light engineering and associated hotworks environments as well as woodworking occupations and it is therefore not entirely correct to place the increase premium profile for 37 Foremans over recent years solely at the feet of just the wood working tenancies i.e. units 3 and 6.
- For the Dec 2023 renewal negotiations for the cover period ending 15 Dec 2024, the body corporate asked the BCs broker to seek terms from Dual, Vero and Ando to enable the BC to compare with terms from the incumbent insurer NZI ($38k incl GST). These alternative terms are outlined in the table below under the heading "Alternative Pricing for Cover Period YE 15 Dec 2024".

Particulars abd Cover Period YE	YE 15 Dec 2022	YE 15 Dec 2023	YE 15 Dec 2024	YE 15 Dec 2025	YE 15 Dec 2025	Alternative Pricing for Cover Period YE 15 Dec 2024		
Insurer	NZI	NZI	NZI	NZI	QBE	DUAL	Vero	ANDO
Sum Insured	5,805,000	7,450,000	7,450,000	8,385,000	8,385,000	$7,450,000	$7,450,000	$7,450,000
Sum Insured Precentage Escalation (Yr on Yr)		28.34%	0.00%	12.55%				
Policy Cover Premium Summaries								
Material Damage								
Insurer Policy Premium	$18,609.60	$7,338.75	$14,345.00	$18,300.00		$17,719	$27,843	$34,592
Insurer Earthquake Premium		$11,168.50	$10,041.50	$13,000.00		$10,715	$14,764	$10,041
Landlord Contents	Inclu in MD	Inclu in MD	Inclu in MD	Inclu in MD				
Plant & Machinery								
Business Interruption - Loss of Rents								
Insurer Policy Premium			$1,610.00	$1,610.00		$1,980	$2,415	$3,830
Insurer Earthquake Premium			$1,127.00	$1,127.00		$1,201	$1,690	$1,127
Liability Suite								
Public Liability			$245.00	$245.00		$245	$212	$255
Statutory Liability			$100.00	$100.00		$100	$79	$103
Office Bearers/ Associations Liability	N/A	N/A	N/A	N/A				
Statutory Charges & Broker Admin								
Fire & Emergency (FENZ) Levy	4,022.70	$4,781.13	$4,781.13	$4,781.13		$4,781	$4,781	$4,781
Broker Admin	$1,280.73	$1,059.43	$793.85	$460.00	$460.00	$685	$793	$793
GST	$3,586.95	$3,652.17	$4,956.52	$5,943.47		$5,614	$7,887	$8,328
Total	**$27,499.98**	**$27,999.98**	**$38,000.00**	**$45,566.60**		**$43,040**	**$60,464**	**$63,850**
Precentage Escalation (Yr on Yr)		1.82%	35.71%	19.91%				
				$45,566.00	**$66,164.00**			

In summary the body corporate requires its assets to be insured and consequently has renewed cover with NZI (the least cost insurer at $45k (incl GST) for the cover period ending 15 Dec 2025. It is noted that this reinsurance offer from NZI is extended on the basis that an upgraded fire detection system is installed in Unit 3 and 6 by 31 March 2025. David Marshall of the Secretary's project team will during January/ early Feb 2025 work on optimising (with a recommended technical IPQ vendor) the cost of getting this work undertaken and review this install scope and associated cost plan with the owners of Units 3 and 6 with a view to these works being undertaken during March 2025.

Motion: *That the insurance policy covers agreed at the AGM (including acceptance of noted exclusions and excesses deductible) be accepted as adequate and afford appropriate risk cover to the Body Corporate for the ensuing years cover period and the cost of the total premiums be added to the budget for the new financial period.*

Moved: Aaron Novak
Seconded: Anna Chappell
Carried

7 People & Safety

The body corporate at the AGM:

BWOF:

- The meeting noted the Body Corporates current BWoF status - expires on 1st September 2025.
- To access the latest **Compliance Schedule** for the Body Corporate, use the hyperlink <https://gis.ccc.govt.nz/portal/apps/webappviewer/index.html?id=448bf1b91f684b3fa7636afc8773891a> and search by address or click on a dot on the map to locate the PDF to view and download.
- The meeting resolved that the Secretary would continue to coordinate the renewal process of the annual Periodic IQP Inspections.

Health & Safety Plan:

- The Secretary tabled the H&S Plan developed by Plan Heaven and spoke to the body corporates obligations under the Health and Safety at Work Act 2015 ("HSWA") as detailed in the distributed agenda. The key principle being the Act introduces the term "Person Conducting a Business or Undertaking " or "PCBU". A Body Corporate is deemed a PCBU. A PCBU (and its relevant officers i.e. elected BC Chair and Committee members) have the main and specific duty of diligence under the Act to ensure the PCBU is complying with the Act.
- Noted that there were no health & safety incidents during the previous operational year, nor were there any changes required to the identified hazards in the plan.
- The meeting resolved the Secretary would continue to review, coordinate and develop the Plan Heaven Health & Safety Plan for the property as the circumstances required in response to the site's relevant operational influences i.e. annual scheduled maintenance and any common area capital programme.

Fire & Evacuation Planning:

Fire Safety and Evacuation Schemes.

- The discussion noted the parameters for formal Fire Safety and Evacuation Schemes at commercial sites like 37 Foremans Road i.e. "A building or its unit owners sharing the same roof line within the Body Corporate might need an evacuation scheme if *(i) an occupying business employs 10 or more people;* (ii) The building can hold more than 100 people; (iii) If the building provides accommodation for six or more people (this excludes individual homes); (iv) If the site stores hazardous substances; or (v) If the site provides specialist care".
- As all the Units share the same roof line, and due to clause (i) an occupying business employs 10 or more people; and due to unit 7 (iv) If the site stores hazardous substances: the building requires a current Fire Evac Scheme under Fire & Emergency NZs (FENZ) Fire safety, evacuation procedures & evacuation schemes "public" or "workplaces" compliance requirements.
- The Secretary's Facilities Team will work with the owners and request a Fire & Evacuation Scheme proposal for the Body Corporate, potentially utilising the IQP (currently FFP) to carry out the 6-monthly drills while on site carrying out periodic checks, enabling the Chair and Committee consideration and roll out the scheme initiatives required.

Evacuation procedure.

- Buildings that the public can enter, or that are workplaces, must have an ***evacuation procedure*** in place to ensure the safe, prompt and efficient evacuation of everybody in the building, in case of a fire or other emergency. As part of an evacuation procedure, signs must be in place, indicating to people what they should do in an emergency. ***It is up to the owners of every unit to ensure that an evacuation procedure is in place***.

People & Safety Management Fee Structure:

- Owners discussed and resolved to Appoint the Body Corporate Secretary to coordinate & supervise the procurement of the body corporates people and safety management tasks at an agreed rate of **$190 + GST** ($218.50) per hour "set up task" or job ticket.

Note: *If a task results in an extra/ overtime commitment to supervise and superintend the professional inputs to the BCs* people a*nd safety management tasks then the BC Chair or delegated committee member shall be provided with quote for the provision of this service.*

Motion: *That the Body Corporate shall implement the resolved approach for development of a new and or review of its existing People and Safety (Health & Safety and Fire Evacuation) Plans for the property, as so agreed and resolved in this AGM.*

Moved: Aaron Novak
Seconded: Anna Chappell
Carried

8 Maintenance Management

The Secretary tabled and spoke to the body corporate's maintenance management checklist and resolved requirements as detailed in the distributed agenda.

AGM discussion notes:

Ready response Break-fix Callouts/ Faults:

- The body corporate is mainly self-managing; however, the Chair will direct the Secretary to manage an "as and when required" ready response "Break-fix" and Schedule Maintenance coordination and support service.
- AGM resolved to carry forward provisioning for any ready response maintenance management coordination into the body corporates upcoming financial year budget for adoption under the approval of budget and levy determination agenda items in this AGM.

Scheduled Maintenance Regime:

The body corporate undertook a review of its scheduled maintenance requirements at the AGM and these, where required, are to carried forward and resolved into the approval of budget levy determination agenda items later in the AGM.

The annual regime for the upcoming financial year will comprise of:

- Maint Grounds - Yard/Lawns & Gardening

Long Term Maintenance Regime:

- The property has a 3rd party consultant (Plan Heaven) developed Long-Term Maintenance Plan with a 10-year time horizon.
- The body corporate is not defined as a large BC (10 or more units) under the Unit Titles (Strengthening Body Corporate Governance and Other Matters) Amendment Act 2022, which satisfies the requirement to only have a 10-year plan.
- The body corporate resolved to carry forward provisioning for any LTMP development/ or update and associated coordination expenditure into the body corporates upcoming financial year budget for adoption under the approval of budget and levy determination agenda items in this AGM.

Other Maintenance items discussed:

Chainlink fence:

- Murray led the discussion regarding the damage to the eastern side chainlink fence. It is very clear that the damage has come from the neighbouring side as the fence is pushed in to the BC's side. Murray will provide photos and the Secretary will seek costs and request further instructions from the Chair. **Note post AGM:** Photos are available via the Owners Portal within **05 Maintenance** sub folder **03 Quotes**.

Motion:

THAT; With respect to the body corporates ***variable break-fix, periodic scheduled and long-term maintenance*** *requirements and in compliance with the relevant sections of the Unit Titles Act, the body corporate resolves;*

1. *To implement the approach and specification for its maintenance requirements agreed at this AGM.*
2. *Maintain a Long-Term Maintenance Plan as so discussed and agreed at this AGM.*
3. *To either (i) Maintain a long-term maintenance fund or ~~(ii) Via a Special Resolution at this meeting, resolve not to establish a long-term maintenance fund~~.*
4. *To provision for the expenditure plans supporting the maintenance resolutions from the body corporates Operational and or Long-Term Maintenance fund budgets.*
5. *That if the body corporate secretary/ manager is to undertake the coordination of these variable break-fix, scheduled & long-term maintenance job tickets, then the Maintenance Management Fee Structure outlined in agenda item 12 below shall apply and be provisioned for under the Approval of Budget & Levy Determination items of this agenda.*

Moved: Aaron Novak
Seconded: Anna Chappell
Carried

9 General Business

1. Body Corporate Rules: The refreshed set of rules as tabled at the 12 August 2021 AGM and followed with the "ordinary resolution' supporting the lodgement under a refreshed Form 15 with LINZ was rejected when lodged. The process change by LINZ now requires the Chair to "wet ink" sign the Form 15 as part of the new manual lodgement process. The Secretary and the chair have now facilitated this signature and associated witnessing when together at this AGM.

2. Other Matters: No further General Business matters raised by the Secretary and/ or tabled by owners for discussion at the AGM that are not already covered in agenda items.

10 Approval of Budget

The Secretary presented and explained the budget included in the financial statements tabled at the AGM and in the Financial Statements distributed in the agenda pack and supporting URL links and or supplementary attachments.

The following amendments were noted from the review discussions with respect to the body corporates operational requirements for the forthcoming financial year.

AGM Budget Discussion Notes:

- Add $3,000 provision to ADMIN GL ***Maint Bldg--Fire-Compliance*** for the FENZ approved Fire Evac scheme and the 2nd trial evacuation. Any shortfall in funding for the scheme will be covered by equity in the ADMIN account.

Motion: *That the budget for the new financial period, including amendments made at this meeting be accepted.*

Moved: Aaron Novak
Seconded: Anna Chappell
Carried

11 Levy Determination

Levies are currently raised on a Single Annual payment basis and the meeting resolved to retain this payment cadence.

In the interests of keeping the body corporates new financial period cash (levy) inflow occurring as efficiently as possible, the levies resolved in the approval of budget agenda item above and the supporting determination/ raising profile as resolved in the following motion, will result in the first (and or only instalment as the case may be) being raised and distributed following this AGM. Owners note this may precede the release of the formal minutes for this AGM.

Motion: *That the Body Corporate agrees to raise the annual levies and any special levies agreed at the meeting as per each owners respective units entitlements for said levies, payable by owners in accordance with the levy payment distribution and frequency agreed at the meeting, and that levies are to be paid by owners within 30*

days of raising (or any other agreed and resolved due date as required), after which the Body Corporate may apply, at its discretion, interest, collection activity and charges as prescribed in the Accounts Receivable Policy contained in the following link
https://twlchc.sharepoint.com/:f:/s/ExternalShare/ElS8KFQ7J8lHqJgLLkf_6VgB_aG-B6cdPP5kL1TcPL0zaA?e=9sOips

Moved: Aaron Novak
Seconded: Anna Chappell
Carried

12 Secretarial & Asset Management Support Services

A summary of what the Body Corporate Secretary/ Manager undertakes for owners was distributed with the agenda pack inclusive of a link to the Body Corporate's current required Menu of Services (and their cost of supply).

Motions:
THAT;
The Body Corporate Chair or Committee (where elected) under its delegation of powers and method of contracting as resolved in the governance section of this AGM be tasked with procuring from the Secretary, the body corporate's required secretarial, facilities and maintenance management and any other variable support required by the body corporate for the upcoming operational year.

The Body Corporate further notes and resolves to accept the fixed Secretarial Fee budget (as defined in item 1 in the table above) and provisioned for in the upcoming years Administration Budget and further resolves to accept the required Variable "As & When Required" Services (as defined in item 2 in the table above) as so discussed and resolved in this AGM.

AND;
Noting a body corporate is afforded various "powers and duties" under Section 84 of the Unit Titles Act - <https://legislation.govt.nz/act/public/2010/0022/latest/DLM1160661.html>, that the body corporate's current Secretary be delegated all applicable duties of the Chair or Committee under the Unit Titles legislation that the Chair and Committee are authorised to delegate.

Moved: Aaron Novak
Seconded: Anna Chappell
Carried

14 Action Points for the Coming Financial Year

The Action Points that will be implemented in the coming Financial Year are as follows:

The Secretary to;
1. Arrange for the remaining tiles to be replaced in Unit 1 that were not included in the work carried out as invoiced 16/01/2024 as *Replace ceiling tiles - unit 1 - Dec 2023 $480.71 INV-05487*.
2. Work with the insurance broker to close out the items required as a result of the Insurance Audit to enable satisfactory renewal terms for the extended renewal date of 31 March 2025.
3. Work with the owners of Units 3 and 6 to upgrade the fire detection systems in these units to a "Type 3" fire detection system), this upgrade being a condition of placed cover for the 2025 cover period (ending 15 Dec 2025).
4. Work with the owners to procure the FENZ approved Fire Evacuation scheme.
5. Manually lodge the BC Rules with LINZ under the refreshed Form 15 "wet ink" signed by the Chair.
6. Investigate and seek costs regarding the damage to the eastern side chainlink fence, request further instructions from the Chair.

The Chair extended their thanks to all stakeholders - the Secretarial Team for their ongoing professional support and the committee and owners for their engagement and participation and closed the meeting at 01:02 PM.