Body Corporate 394768
37 Foremans Road, Islington Christchurch 8042
ANNUAL GENERAL MEETING MINUTES
Wednesday, 08 December 2021

Meeting Formalities

Attendees:

- Murray and Anna Chappell (Unit 1)
- Aaron Novak (Unit 2)
- Clyde Collins (Unit 5) - incomming purchaser
- Helen Timms (Unit 6)
- From the Body Corporate Secretary: Abi Robertson (BC Administrator), Dave Marshall (TW Projects Lead), Anthony Robertson (Owner/ Director Thompson Wentworth).

Apologies: Unit 3 (James & Vicki) and Unit 4 (Cam & Melissa)
Proxies, postal votes: NIL

A quorum was present at the meeting.

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

Moved: Helen Timms
Seconded: Murray Chappell
Carried.

2 **Body Corporate Governance**
1. Election of Chairperson*:*
Helen Tims the current Chair will be standing down from the position of Chair in the New Year when Wayne and Helen sell Unit 6. Helen is willing to stay in the position of Chair until Unit 6 is sold at which point the baton will be passed on to another owner.

Anna Chappell a co-director with Murray in Unit 1 put herself forward to take over from Helen in the role of the Chair when Helen stands down.

Motion: *That the Owner so nominated and duly elected at this AGM (Helen Timms) be confirmed as Body Corporate Chairperson until the sale of Unit 6 and Anna Chappell will take over as chair unto the close of the next Annual General Meeting*

Moved: Anna Chappell
Seconded: Helen Timms
Carried.

2. Election of Committee: The Body Corporate's current committee members comprise a representative from each unit. There meeting agreed this structure will be retained.

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: Helen Timms
Seconded: Aaron Novak
Carried.

2.1 Delegation of Powers to the Chair/ Committee:

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.*

2.2 Method of Contracting:

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 brokeridge 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.*

2.3 Chairperson/ Committee Indemnity:

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 ommission done fruadulently or with wilful misconduct.*

Moved: Helen Timms
Seconded: Murray Chappell
Carried.

3 Financial Statements

The Financial Statements for the previous financial year are attached and also available via the following link https://twlchc.sharepoint.com/:f:/s/ExternalShare/EvHtYGnsiZdIhhWeOY7tb7kBeV2xLe2lpMLbuMBxCM0b2w?e=F1sq6w

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

Moved: Helen Timms
Seconded: Murray Chappell
Carried.

4 Appointment of an Auditor

Pursuant to the Unit Titles act, there is a requirement for Bodies Corporate to present their accounts for official review or audit at the Body Corporate's expense. The Body Corporate can opt out of this requirement by passing the following special resolution.

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: Helen Timms
Seconded: Murray Chappell
Carried.

5 Insurance Valuation

Motion: *That the Body Corporate will instruct an updated valuation of the body corporate assets for insurance purposesto be undertaken during January/ February 2022 and therefore supporting a new material damage reinstatement sum Insured value for the Body Corporate's Assets so this can support an RFP to be taken back to the wider insurance market for contestable pricing (now that the EQ and deferred maintenance programme is complete).*

Moved: Helen Timms
Seconded: Murray Chappell
Carried.

6 Insurance Policy Renewal

Motion: *That the insurance policy covers agreed at the AGM (including acceptance of noted exclusions and excesses deductable) be accepted as adequate and afford appropirate 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: Helen Timms
Seconded: Murray Chappell
Carried.

7 Health & Safety Plan

The Health and Safety at Work Act 2015 ("HSWA") introduces the term "Person Conducting a Business or Undertaking " or "PCBU". A PCBU (and its relevant officers ie elected BC Chairs and Committee members) has the main and specific duty of due diligence under the Act to ensure the PCBU is complying with the Act. Note: A Body Corporate is deemed a PCBU.

The Body Corporate at its 2020 AGM resolved to procure an appropriately qualified vendor to develop two essentials plans for the body corporate now the EQ and Deferred Maintenance Programmes are complete;

- a Health & Safety Plan; and
- a Long Term Maintenance Plan

Both are scheduled for delivery by the end of Dec 2021/ January 2022. Received: 8/12/2021

8 Facilities Management

Facilities Management at a body corporate involves:

- the coordination of the annual Building Warrant of Fitness (BWOF) where relevant.
- undertaking the maintenance of the body corporate's **"common area"** or **"commonly managed"** assets.

Compliance Discussion:

- The current BWoF (Building Warrant of Fitness) expired on 1/9/2021. Standing in the way of this renewal are the following items influenced by fitout changes made by the propsoed incoming purchaser of Unit 5 (Clyde Collins - not settled as at date of AGM but forecast to do so in Dec 2021.
- The council has notified the Secretary post the audit of the site at the completion of the repair programme that the new occupier of Unit 5 has implemented several unconsented works items within Unit 5 (partitioning of the warehouse space); and secondly, the use of Unit 5 as a residential unit without the necessary fire upgrade works or change of use approvals in place contravenes its current zoning designation.
- The Council has put the Body Corporate on notice with respect to Unit 5 that if there is another audit implemented by the council across the Body Corporate (driven by non-compliant works and or non-compliant use of space in any unit), then the Body Corporate can be expected to receive a fine for such

non-compliance.
- The new occupier/ soon to be owner of Unit 5 Clyde Collins updated the meeting that he had been in contact with the Council and believed he had Councils support to complete the necessary change of use consent application and was only awaiting a fire engineering to support the works already undertaken in subdividing the warehouse space and the compliant fire protection and services necessary to use the converted office space as a short stay (i.e. during the working week) residential facility while away from their main residence in Akaroa.
- The Secretary's Project Services lead (David Marshall) advised he was sceptical that the stated requirements by Clyde to get compliance approval from the Council were as straight forward (and inexpensive) as Clyde was representing.
- Notwithstanding David agreed to await the formal response from Phil Carr of the Council and the supporting Fire Engineering advice and this would clarify the matter.
- Unit 1 co-owner Murray Chappell noted that given the current BWOF expiry date is some 3 months past and without BWOF renewal restored in the near term the lack of BWOF risked insurance non-compliance as well as council fines imposed on the Body Corporate.
- Accordingly, the meeting resolved that unless Unit 5 was able to demonstrate an agreed and approved Council roadmap back to compliance for say no latter than end of February 2022, the Unit 5 occupiers/ owners would have to vacate their residential use of the Unit and undertake whatever remediation was required in Unit 5 to return compliance, especially given the Body Corporate was seeking an updated valuation by then end of February and issuing an RFP to market for more competitive insurance cover (post repair and LTMP - roof upgrade works) and no BWOF would stifle this initiative.

Action Point:
- Unit 5 Occupier (Clyde) to work with the Council and the BC Secretary to obtain a formal position paper from Council and supporting fire engineering advice before the Christmas close down.
- The Secretary will then publish a recommended next steps summary for all owners review and feedback.

Re-establishment of the Long-Term Maintenance Fund:
- The meeting reviewed the body corporates project and operational cashflow as tabled at the meeting.
- This illustrated surplus funds after all EQ Repair and Deferred Maintenance liabilities were settled of c. $95,000.
- The Meeting resolved (via agenda item 11 Approval of Budget) to transfer $65,000 from the current operational account to the LTM Capital Works Fund and provision in the 2021-22 LTMP plan the following expenditure provisions:
  - Payment of the August 2020 AGM resolved LTMP by Plan Heaven - $1,764
  - Line Marking - $1500
  - Security System (Main Entrance & Yard Cameras) - $5,000
  - <u>Site Secure Fencing and Automatic Gate - $40,000</u>
  - **Total - $48,264**

Action Points:
- Unit 1 (Murray) and Unit 2 (Aaron) to:
  - Review and develop the required spec and design and optimal location of the proposed front fencing line
  - Aaron to assist in the pricing of the foundation/ footings inlay required to accommodate the gate rail
  - Murray to price the fencing and gate
  - Murray to recommend the integrated camera and security control system
- The Secretary to obtain lime marking quotations and arrange post any new fence install

9 General Business
- All items dealt with under agenda item 8 above.

10 Secretarial & Asset Management Support Services
Motion: *That the Body Corporate Chair or Committee under its delegation of powers and method of contracting as resolved in Body Corporate Governance Agenda item 2, be tasked with procuring from Thompson Wentworth, the body corporate's required secretarial and asset management support; AND, Thompson Wentworth be delegated all applicable duties of the Chair or Committee under the Unit Titles legislation (as per*

the high level summary above), excepting any duties which the Body Corporate Chair or Committee wish to specifically undertake.

Moved: Helen Timms
Seconded: Aaron Novak
Carried.

11 Approval of Budget

The budget included in the financial statements attached and in the link in agenda item 3 above has been proposed based on various factors relevant to the Body Corporates opertional requirements for the forthcoming financial year.

All line items and the total levy amount are to be discussed and confirmed at the AGM.

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

Moved: Helen Timms
Seconded: Aaron Novak
Carried.

Notes: See supporting note of budget breakdown under agenda item 8 Facilities Management above.

12 Levy Determination

Motion: *That the Body Corporate agrees to raise the annual levies and any special levies agreed at the meeting as per the agreed 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 minuted due date as required), after which the Body Corporate may apply, at its discretion, interest at a rate of 10% p.a., and/or initiate debt collection activity relating to any unpaid levies.*

Moved: Helen Timms
Seconded: Aaron Novak
Carried.

Levies are currently raised on the following basis: Annual

13 Action Points for the Coming Financial Year

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

1. Instruct a valuation to be undertaken during January/ February 2022 and therefore supporting a new material damage reinstatement sum Insured value for the Body Corporate's Assets so this can support an RFP to be taken back to the wider insurance market for contestable pricing (now that the EQ and deferred maintenance programme is complete).

2. Close out requirements to return BWOF Compliance to the Body Corporate by Xmas.

3. Unit 1 (Murray) and Unit 2 (Aaron) to:
- Review and develop the required spec and design and optimal location of the proposed front fencing line
- Aaron to assist in the pricing of the foundation/ footings inlay required to accommodate the gate rail
- Murray to price the fencing and gate
- Murray to recommend the integrated camera and security control system

4. The Secretary to obtain line marking quotations and arrange post the new fence install.