Body Corporate 394768
37 Foremans Road, Islington Christchurch 8042
ANNUAL GENERAL MEETING MINUTES
Tuesday, 14 November 2023

Meeting Formalities

Start Time: 12:08 PM.

Attendees:

Lot #	Unit #	Attendance	Owner Name/ Representative
1	1	Yes	Murray Chappell
5	5	Apology	Rhys Gould
7	7	Apology	Mark Readman, Mike Lenihan (postal vote)

From the BC Secretary (TW): Anthony Robertson, Mark Wells, Dave Marshal (4:45-5:00 PM).

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

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: Murray Chappell
Seconded: Mark Readman, Mike Lenihan (postal vote)
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: Murray Chappell

Seconded: Mark Readman, Mike Lenihan (postal vote)
Carried

2. Election of Chairperson*:*
The current Chairperson of the Body Corporate is Anna Chappell. The current Chair is availabile 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: Murray Chappell
Seconded: Mark Readman, Mike Lenihan (postal vote)
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 of the 7 units represented.

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: Murray Chappell
Seconded: Mark Readman, Mike Lenihan (postal vote)
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: Murray Chappell
Seconded: Mark Readman, Mike Lenihan (postal vote)
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. *Note:* *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: Murray Chappell
Seconded: Mark Readman, Mike Lenihan (postal vote)
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: Murray Chappell
Seconded: Mark Readman, Mike Lenihan (postal vote)
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: Murray Chappell
Seconded: Mark Readman, Mike Lenihan (postal vote)
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.

AGM Valuation Discussion Notes:

- The Owners requested the Secretary to instruct a revaluation September 2024, being Q4 of the body corporates 2023-24 financial period, so that the results of the revaluation can be discussed at the next (2024) AGM and reconciled into the 2024 insurance renewal; provision for the cost of this valuation to be included in the 2023-24 budget.

Motion: *That the Body Corporate will instruct an updated valuation of the body corporate assets for insurance purposes during the current financial period.*

Moved: Murray Chappell

Seconded: Mark Readman, Mike Lenihan (postal vote)
Carried.

6 Insurance Policy Renewal

The Secretary:

- Tabled and spoke to the policy cover and its renewal parameters distributed with the agenda.
- Provided commentary on the year-on-year premium cost comparison.
- A review of each owner/ investor's occupation profile (Occupiers v. Investor).
- Any risk mitigation infrastructure (fire protection & security alarm) equipment installed across the body corporate.
- Commented on the adequacy of the overall cover held/ proposed.
- A reminder for Unit 6 to provide updated tenant details so that they can be noted on the insurance schedule.
- As part of the renewal process, request broker to quote for increase Statutory Liability cover from $250,000 to $2,000,000.

Particulars	2020-21	2021-22	2022-23	2023-24
Insurer	NZI	NZI	NZI	NZI
Sum Insured	$5,805,000	$5,805,000	$7,450,000	$7,450,000
		0.00%	28.34%	0.00%
Cover & Premium				
MD	$18,000.00	$18,609.60	$18,507.25	$20,000.00
Landlord Contents	Inclu in MD	Inclu in MD	Inclu in MD	Inclu in MD
BI	Incl in MD Prem	Incl in MD Prem	Incl in MD Prem	Incl in MD Prem
PL	Incl in MD Prem	Incl in MD Prem	Incl in MD Prem	Incl in MD Prem
SL	Incl in MD Prem	Incl in MD Prem	Incl in MD Prem	Incl in MD Prem
OB	N/A	N/A	N/A	N/A
FENZ Levy	$4,781.00	$4,022.70	$4,781.13	$4,849.00
Broker Fee	$1,059.00	$1,280.73	$1,059.43	$1,059.43
GST	$3,576.00	$3,585.97	$3,652.19	$3,886.26
Total	**$27,416.00**	**$27,499.00**	**$28,000.00**	**$29,794.69**
		0.30%	1.82%	6.41%
Notes:				
1. Remarket history: With new valuation in 2022, broker (Respectrum) approached market for 2022-23 renewal. Quotes: AIG ($30,000), ANDO ($39,800), QBE ($28,000). Incumbent NZI matched QBE quote at $28,000 so renewal was placed with NZI.				
2. NZI has looked after the BC relatively well considering an increase in valuation putting up the sum insured 28% in 2022-23 year. Expect increases with coming renewal to be caused by market inflation driven by increased claims activity and higher material costs.				

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: Murray Chappell
Seconded: Mark Readman, Mike Lenihan (postal vote)
Carried.

7 People & Safety

AGM Discussion Notes:

BWOF:

- The meeting noted the Body Corporates current BWoF status - expires on 1st September 2024.
- Issued on the proviso that Unit 5 Client/tenant are working with council to resolve the non-compliance matter via the CCC consent procedure. This must be addressed before issuing of any future BWOF's.
- 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:

- The discussion noted the parameters for formal Fire Safety and Evacuation Plans at commercial sites like 37 Foremans Road i.e. "A building or its unit owners 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".
- Reviewed the status and requirements with respect to the body corporates Fire Evac Plan(s) and noted the current EVAC frameworks were appropriate including the 6-monthly trial evacuations carried out by FFP.

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 "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: Murray Chappell
Seconded: Mark Readman, Mike Lenihan (postal vote)
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 quick check of its scheduled maintenance requirements at the AGM and these, if any, would be 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:

- Grounds Regime (Lawn Mowing, Site Litter/ Sweeping and Gardening Service). The Secretary volunteered its Facilities Manager (Ben) to review the current scope to determine if the incumbant (Murray Chappell)

continues or a new provider carries out all or the duties are shared.
- The addition of a security gate annual service to be added to the annual scheduled maintenance regime. Increase Maintenance Building-General Repairs provision to $1000.
- Now that the roof repairs have been completed, finish off the internal make good to Unit 1 and 4 (ceiling tile replacement, affix battens etc) JLC to finalise scope. $1,500 provision required under Maintenance Building-Ceiling.
- It was resolved that no additional scheduled maintenance requirements were required this 2023/24 financial year.

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.
- With the pending mobile network upgrade, the current security gsm unit will need to be upgraded to 4G. To be completed by Certified & General Welding. $1,000 provision required in the Maintenance Building-Security System.
- Carry out Line Marking across Hardstand Area as quoted. $750 provision in LTMF.
- 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.

Maintenance Management Fee Structure:
- Owners discussed and resolved to Appoint the Body Corporate Secretary's Facilities/ Maintenance team to coordinate & supervise the procurement of ready response/ break-fix trade-based job tickets or arrange the years resolved scheduled maintenance jobs (e.g. roof or gutter clean, façade wash or ground maintenance etc) at an agreed rate of **$190 + GST** ($218.50) per "set up task" or job ticket.

Note: *If a job ticket results in an extra/ over time commitment to supervise/ superintend any extended trade inputs then the BC Chair or delegated committee member shall be provided with an estimate or quote for the provision of these services for approval prior to any commitment of expenditure (except in the case of people safety) to close out the job ticket*.

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 Óperational 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: Murray Chappell
Seconded: Mark Readman, Mike Lenihan (postal vote)
Carried.

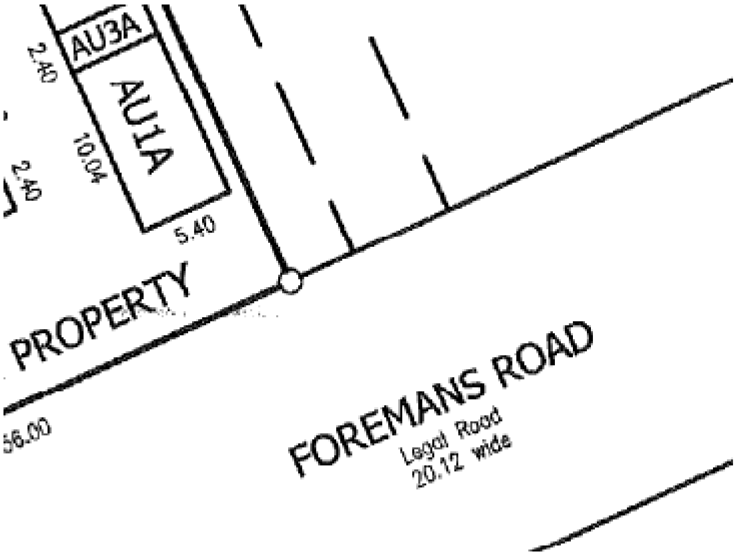
9 General Business

1. Unit 4 Insurance Repair Works Scope: Review Insurance Works for Unit 4 against what was actually completed. The Secretary's Project Services Manager, Dave Marshall, visited site 14 November 2023 and reported that the interior paint was completed as per the insurance scope of works and that the current surface condition is a result of tenant fear wear and tear. Timber ceiling battens need affixing to close out this work instruction; JLC will be instructed to complete this and provision is under LTMF Maintenance Building-Ceiling.

2. Unit 5 Non-Compliant Building Works Close Out: Review works still to be action by owners in this context. Discussed in Agenda item 7 under Bwof.

3. Revisit Line Marking across Hardstand Area. Discussed and resolved to carry out in Agenda item 8 under LTMP.

4. Carport over AU1A: Unit 1 would like to install a carport, keeping within the boundary of their auxiliary unit entitlement AU1A. Prior to commencement of any site work, a plan proposal will be presented by Murray to the other owners for approval.



5. 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:

- $1,000 provision required in the LTMP Maintenance Building-Security System, to upgarde the gsm unit to 4G
- Increase OPEX Maintenance Building-General Repairs provision to $1,000 for gate annual maintenance.
- Add OPEX Security-Phoneline provision of $100 for sim card top ups.
- Reduce Bwof R&M provision from $2,500 to $500.
- Update budget to show $5,000 transfer from OPEX to LTMF in lieu of annual LTMF Levy.
- $1,500 provision required under LTMF Maintenance Building-Ceiling - funded out of equity from Insurance payout.

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

Moved: Murray Chappell
Seconded: Mark Readman, Mike Lenihan (postal vote)
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 proceed 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/EIS8KFQ7J8lHqJgLLkf_6VgB_aG-B6cdPP5kL1TcPL0zaA?e=wa01zB>

Moved: Murray Chappell
Seconded: Mark Readman, Mike Lenihan (postal vote)
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: Murray Chappell
Seconded: Mark Readman, Mike Lenihan (postal vote)
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;
- Arrange a revaluation September 2024 with provision in the 2023/24 budget.
- As part of the renewal process, request broker to quote for increase Statutory Liability cover from $250,000 to $2,000,000.
- Review the current grounds maintenance scope to determine if the incumbent (Murray Chappell) continues or a new provider carries out all or the duties are shared.

- Carry out Line Marking across Hardstand Area as quoted.
- Finish off the internal make good to Unit 1 (post roof repairs/ ceiling tile replacement etc) JLC to finalise scope.
- Unit 4 timber ceiling battens need affixing to close out the insurance work instruction; instruct JLC to complete this.

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 12:58 PM.