Body Corporate 394768
37 Foremans Road, Islington Christchurch 8042
ANNUAL GENERAL MEETING MINUTES
Thursday, 24 November 2022

Meeting Formalities

Attendees:
- Murray Chappell (Unit 1) (via zoom)
- Adam Collins (Unit 5)
- Mike Lenihan (Unit 7) (via zoom)
- From the Secretary (Thompson Wentworth): Abi Robertson (Body Corporate Account Manager), Dave Marshall (Project Manager), Prince Naveen (Body Corporate Accountant), Judy Westland (Body Corporate Secretary).

Proxies:
- Jan Collins holds proxy for Unit 5.

Postal Votes:
- NIL

Apologies:
- Aaron Novak (Unit 2)
- James and Vicki McArthur (Unit 3)
- Cameron Ross (Unit 4)
- Dean and Vanessa Baird (Unit 6)

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: Mike Lenihan
Carried

2 Body Corporate Governance

1. Election of Chairperson*:*

The current Chairperson of the Body Corporate is Anna Chappell.

Discussion points traversed at the meeting:

a. Confirmation from the current Chair of their capacity and interest in standing.
b. Nominations for the role of Chair received prior to the AGM.
c. Other nominations interested in standing for the role of Chair (called from the floor of the meeting).

The Chair provided confirmation of their capacity and availability 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: Jan Collins
Seconded: Mike Lenihan
Carried.

2. Election of Committee:

The Body Corporate's current committee members comprise a representative from each unit.

Discussion points traversed at the meeting:

a. Confirmation from the current Committee Members of their capacity and interest in standing again;
b. Nominations to the Committee received prior to the AGM.
c. Other nominations interested in standing for Committee (called from the floor of the meeting).

There were no other nominations for the role of committee members of the body corporate. The meeting elected representative of each Unit to the committee from the close of the current Annual General Meeting to the close of the next Annual General Meeting.

Quorum confirmed at 3 Units out of 7.

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: Mike Lenihan
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.

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 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>2.3 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: Mike Lenihan
Carried

3 Financial Statements

The Secretary traversed and explained the Financial Statements for the previous financial year (distributed with the agenda and associated attachments and or url links), noting the key material variances to the previous AGM approved budget.

The Secretary further noted that the proposed budget for the coming financial period will be discussed under the "Approval of Budget" agenda item later in this agenda, and therefore allowing inclusion of any items discussed at the meeting which require funding to be included in the new operating year budget and levy schedule.

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

Moved: Adam Collins
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: Jan Collins
Seconded: Mike Lenihan
Carried

5 Insurance Valuation

The Secretary traversed the background around the most recent valuation (July 2022) for the body corporates assets for insurance purposes as conveyed in the AGM agenda 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.

The discussion noted there has been significant inflationary pressures in the market during 2021 and 2022 calendar years from a Covid-19 interrupted supply chain and a commensurate increase in cost of labour and materials. This has and still is driving substantial increases in asset reinstatement values, which in turn of course influences the required sum insured for the property assets being covered.

The 2022 Insurance renewed from 1 April 2022 and was short date to expire 1 December 2022 so as to better align with the AGM date moving forward. This effectively apportioned a premium for this short year (9 months) of c. $19,100 (or $2,122 per month).

The followimg table provides an outlined of the sum insured and premium profile for the last several years and the renewed premium for the new cover period from 1 Dec 2022 - 1 Dec 2023.

Particulars	2020-21	2021-22	2022-23
Insurer	NZI	NZI	NZI
Sum Insured	$5,805,000	$5,805,000	$7,450,000
		0.00%	28.34%
Cover & Premium			
MD	$27,500.00	$25,466.00	$28,000.00
Landlord Contents			
BI	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
SL	Incl in MD Prem	Incl in MD Prem	Incl in MD Prem
OB	N/A	N/A	N/A
Total	**$27,500.00**	**$25,466.00**	**$28,000.00**
		-7.40%	9.95%
2022-23 renewal notes from broker			
QBE quoted $28,000 and NZI have matched this (NZI originally quoted $29,000). AIG Quoted $30,000. ANDO $39,800			

Noting the above commentary, the following motion was put to the meeting.

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: Mike Lenihan
Seconded: Jan Collins
Carried

6 Insurance Policy Renewal

The Secretary tabled and spoke to the policy cover and its renewal parameters contained within the financial statements distributed with the agenda and provided commentary on the year-on-year premium cost comparison, the adequacy of the cover held and particularly requirements around business interruption. A review was undertaken of each owner/ investor's occupation profile i.e. as to whether an owner was an "Occupiers v. Investor (had their property tenanted) and compared this to the cover response provisions for Alternative Accommodation (AA) for an "Owner Occupier" and Loss of Rent (LOR) for an "Investor" with a tenanted unit.

The Secretary to distribute an excel copy of the occupier use profile with these minutes, for owners to review their estimated total net rental income for their respective units and feed back to the Secretary, so this can be trued up against the body corporates 'Business Interruption' cover to ensure the BC has sufficient cover for annual rental income.

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: Mike Lenihan
Seconded: Jan Collins

Carried

7 Statutory, Compliance and Facilities Maintenance Services

The discussion reviewed statutory and local body/ council compliance requirements and annual and long term maintenance planning and provisioning requirements of the body corporate for the coming year and more specifically what tasks are to be undertaken by the body corporate Chair and or Committee and what tasks are to be delegated to the Body Corporate Secretary/ Manager (as per resolution 2 and 13 of the agenda/ minutes) and the required budget provisioning impacts of this discussion and the ensuing resourcing (who and at what cost) profiles resolved as per agenda items 8 - 11 and 13 below.

Resourcing requirements, discussion and decisions made at the AGM comprised:

Compliance Plan:
- Note current status and intention re H&S Plan as per agenda item 8
- Note whether a Fire Evac Plan required for the BC under the Fire & Emergency NZ Act and Regulations and current status and intention of BC re as per agenda item 8 & 9

Long Term Maintenance Plan:

Currently, the body corporate has a LTMF balance of $10,424 The recent completion of EQ repairs has restored/ optimised the residual economic life of most common and or commonly managed areas of the body corporate to sound condition.

The 2023 proposed budget (see agenda item 11 below) proposes to transfer surplus funds from the opex account to the LTM Fund to create an opening LTM Fund balance of c. $45,000 and recommend a steady $6,000 to 7,000 pa in annual LTMF levies moving forward to appropriately build a sinking fund for the body coporate's future period long term committements (e.g. repainting of the BC units in the early to mid 2030s)

Annual Maintenance Plan:
- Procure Implement a periodic (and state period e.g. annual or 2 yearly) roof clean
- Implement a periodic (and state period e.g. annual or 2 yearly) gutter clean
- Implement a periodic (and state period e.g. annual or 2 yearly) façade wash
- Implement current grounds maintenance scope / or vary/ refine scope as per discussion in AGM

8 Health & Safety Plan

The Secretary tabled and spoke to the body corporate's 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 ie 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.

The AGM discussion;
- Noted there were no recommended changes to responsibilities and or additional hazards to be incorporated into the H&S Plan.

Motion: *That the Body Corporate shall implement the resolved approach for development of a new and or review of its existing Health & Safety Plan for the body corporate, as so agreed and resolved from the discussion in this AGM.*

Moved: Murray Chappell
Seconded: Mike Lenihan
Carried

9 Facilities Management

The Secretary traversed the information exchange defining Facilities & Maintenance Management at a typical body corporate as detailed in the distributed agenda pack and its links and attachments including the Statutory compliance requirements and the Annual and Long-Term Maintenance regime applicable to the body corporate for the ensuing operational period.

The meeting confirmed the compliance, annual and long-term maintenance requirements of the body corporate as identified in agenda item 7 above and this agenda item 9.

Motions supporting Facilities/ Maintenance Management at the body corporate:

Motion:

THAT; The Body Corporate resolves:

<u>Annual Maintenance Regime:</u>

1. *That the body corporate under section 138 of the Unit Titles Act and referencing the maintenance roles and responsibilities matrix traversed in item 7 of this agenda, shall implement the approach and specification for its required annual scheduled and break-fix maintenance requirements, as so agreed and resolved at this AGM.*
2. *The body corporate chair or committee under responsibilities delegated via agenda item 2 of this meeting shall refine any required scopes of works and budgets to support the work specifications determined in agenda item 7 and enter any appropriate service level arrangements required to govern the resolved required scopes of work.*
3. *The operational budget parameters supporting these service level arrangements will be discussed and resolved under Agenda Item 11 (Approval of Budget).*

<u>Long-Term Maintenance Regime:</u>

4. *In line with Section 116 of the Unit Titles Act, the body corporate will maintain a Long-Term Maintenance Plan (or via a Special Resolution at this meeting, resolve not to) for the body corporate's future expenditure demand for the repair or replacement of common area (or owner resolved other commonly managed asset elements) as so discussed and resolved by owners at this AGM and in line with any developed, adopted and or periodically reviewed LTMP for the body corporate.*
5. *In line with Section 117 of the Unit Titles Act to maintain a long-term maintenance fund (or via a Special Resolution at this meeting, resolve not to) to provision any spending relating to the long-term maintenance plan.*
6. *That the LTMF budget provisioning supporting the motions adopted in 5 above will be resolved in this meeting under Agenda Item 11 (Approval of Budget).*

Moved: Murray Chappell
Seconded: Jan Collins
Carried

10 General Business

AGM General Business Discussion Notes:

Roof Leaks:

- The representatives of unit 1 backgrounded an ongoing leak issue in Unit 1 believing the job previously performed to fix the roof has not been done "properly",
- TWL Project Manager (Dave Marshall) presented to the attendees drawing detailing the works that have been completed (see attachments 2.1- 2.3).
- Dave of TW pointed out that the roof maintenance spec was just that a deferred maintenance spec not a new roof spec.
- Having said that it was reasonable to expect that the impacted or repaired areas that were attended to as part of the repair specification outlined in Attachements 2.1 to 2.3 be undertaken properly and to this end it has been suggested that current leak problem could be a pressure flashing or pan flashing or parapet fault. ,
- A new leak has been identified in Unit 4, in which photos of thsi have been emailed by the Owner of Unit 4 to the Secretary (TWL).

- The meeting discussion resolved tha the Secretary arrange the roofing contractor to complete a re-inspection of emerged leak area and provide a report back to the BC Committee.

11 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 for agenda items agenda items 7, 8, 9, 11 and 13 with respect to the body corporates operational requirements for the forthcoming financial year.

AGM Budget Discussion Notes:

- There was a suggestion to increase contributions towards the LTMF in order to build up sufficient amount of funds to complete works as scheduled in LTMP, however no particular number has been introduced.
- Unit Owners would like to check if there is a current provision in the budget for the annual gutter clean. They do not see need for gutter clean to be completed in this financial year but would like to conisder adding this to the budget for next year.
- It has been brought up to attendees attention that Unit 1 Owner is completing gate maintenance and covers the costs associated with security system e.i. power bills and fibre bills and would like those cost to be covered by BC funds as the gate and security system works for benefit all of the Unit Owners. Owner of Unit 1 has priced this as a yearly cost of $500. It has been agreed that those costs willl be reimbursed from the BC Account once the invoice reflecting those costs, will be provided. Therefore provision for "security system" in the LTMF will be kept as those funds will apply to cover the costs Owner of Unit 1 is facing in regard to gate maintenance.
- Owner of Unit 1 has volunteered to complete gardening/lawn/yard/ maintenance around the BC as needed, and for the BC to terminate the current contractors service . It has been agreed to first check scope of works current contractor is responsible for before moving it forward.

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

Moved: Murray Chappell
Seconded: Adam Collins
Carried.

12 Levy Determination

Levies are currently raised on a single annual payment basis and the meeting resolved to keep in place the current frequency/ cadence regarding levy payments i.e. one single annual payment.

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=caFzox

Moved: Murray Chappell
Seconded: Adam Collins
Carried

13 Secretarial & Asset Management Support Services

Murray recorded his and the BCs thanks for the Secretary's supoprt over the last year and particuarly that of Dave's with respect to assistance with various roofing, gate install, grounds maintenance and town planning decision making support.

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 facilities 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: Mike Lenihan
Seconded: Murray Chappell
Carried.

15 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. To check scope of works for Gardening/Lawn/Yard Maintenance current contractor is responsible for before moving forward, and assigning those jobs to the Owner of Unit 1, that has volunteered to do those for the benefit of the Body Corporate.
2. To arrange contractor to complete inspection of the roof and provide detailed report. Received report to be distributed to the committee.
3. To lialise with the Owner of Unit 1 in regard to the cost he is incurring becuse of gate and security maintenance within the complex. If valid invoices will be presented Unit 1 is to be reimbursed for the incurred costs from the BC LTMF budgeted for "Building Maintenance - Secutity System".
4. To distribute an excel copy of the occupier use profile with these minutes, for owners to review their estimated total net rental income for their respective units and feed back to the Secretary, so this can be trued up against the body corporates 'Business Interruption' cover to ensure the BC has sufficient cover for annual rental income.

Best channels for contact with Thompson Wentworth:

- Any financial queries to Prince Naveen - Body Corporate Accountant: prince.naveen@twl.net.nz
- General or insurance queries to Abi Robertson - Body Corporate Account Manager: abi.robertson@twl.net.nz

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 1:10pm.