

VARSITY VILLAS BODY CORPORATE 314970

MINUTES OF THE 2015 ANNUAL GENERAL MEETING

Held on Thursday, 17 December 2015, at 6pm
at AAF Boardroom, 271-277 Willis Street, Wellington

1. Welcome and introduction of Body Corporate Managers, Body Corporate Chairperson & Building Manager.

2. Registration of attendees and confirmation of quorum including proxies.

PRESENT: As per attendance list, **5** owners were present in person or by proxy representing **29.4%** of the present quorum.

Attendees

- | | |
|--------------|------------------------------------|
| - Unit 2 | Snowla Kwok-Barlow |
| - Unit 4, 10 | Welber Trust (Frank Hildebrandt) |
| - Unit 6 | Otley and Co Limited (Mark Gibbin) |

Proxies

- Unit 1 to the chairperson

Other

- | | |
|-------------------|-------------------------------|
| - Benjamin Duflou | CBCS – Body Corporate Manager |
| - Shayne Thurston | CBCS – Body Corporate Manager |

3. Apologies received from

No apologies received.

4. Confirmation of Minutes of previous Annual General Meeting (held 16th October 2014).

Correction to wording in paragraph 2, item 21. The word "out" in the first sentence be changed to on.

Motion 2: That the minutes of the AGM held on 16th of October 2014 are confirmed as a true and accurate record of the meeting.

Moved: Mark Gibbin / **Seconded:** Frank Hildebrandt

MOTION CARRIED

5. Matters arising from previous meeting.

Security Cameras – were installed in March 2015. Discussions around the slow internet connection feed, which is impacting on the ability to review the camera footage remotely.

Chorus have however submitted a plan for running fibre into and around the building. The fibre has been proposed to run in from the King Street side of the building, then up the stairwell. CBCS have approached Chorus as to whether there would be any increase in pricing around bring the connection in from the Adelaide Road street side. The Committee would then be able to access the connection without the need to relocate the security camera data collection equipment.

The total cost of install has been estimated at \$22k by Chorus, of which the Body Corporate would need to contribute \$952.56 towards the installation.

However, as a result of the camera's, regardless of the impact of accessing footage, there has been less damage and troublesome behaviour.

Motion: That the Body Corporate approve the installation of UFB cabling subject to final confirmation of costs.

Moved: Frank Hildebrandt / **Seconded:** Snowda Kwok-Barlow **MOTION CARRIED**

Painting – Completed March. Cost was \$15k for both stairwells and courtyard. The painting was covered by the long term maintenance provision.

Cleaning – The overall cleaning has improved with the change in provider, Total Home & Services Ltd. CBCS, at the request of the committee, are asked to draw up an annual contract for renewal.

Laundry – There have been fewer issues with the installation of the security cameras, which has resulted in lower maintenance costs. Revenue received is around \$800-900 a month. Body Corporate agree to continue operating laundry.

6. Body Corporate Committee report, provider by Chairperson (Tabled at the AGM).

Mark Gibbin as Chairperson provided a written/verbal report on behalf of the Body Corporate Committee. Copy of the report below:

This year there has only been limited financial approval requiring committee involvement, so the committee itself has not been very involved with the day to day running of things. Most items were considered routine, with minimal costs. That said there have been some relatively large financial outlays for repairs to the fire warning system and emergency maintenance expenses to the roof area resulting from water ingress after storms.

Another major expense has been the engineering report carried to help produce the long term maintenance plan. The report highlights some large maintenance expenses that as a BC we would probably not have considered. It is however reassuring to note that there are sufficient funds in the LTMF account to cover the planned year one expenses and that by retaining the existing levy contribution to the fund we will continue to maintain cover for future expenditure noted in the plan. A copy of the report is available if individual owners require a copy. Work will start in 2016 to address the issues identified as requiring action in year one of the 10 year plan.

The appearance of the complex is generally much better than previous years. The repainted interior has been a major improvement and since the new cleaning contract was started, the cleanliness of the common areas is not the continual issue it has been in the past. The security cameras have had a positive effect of tenant behavior, but are not foolproof and viewing the data is an issue yet to be fully resolved. This problem should be rectified once the UFB is installed, which will happen once the access point into the building has been finalized.

Overall I'm pleased with the way things are progressing regarding the running of the complex and the contracts that are in place. As always things could be improved, but the working relationship between the Committee and CBCS is a good one and this will make getting these improvements easier to achieve.

This will be my last term on the committee, so I wish the incumbents well in taking the complex forward.

Mark Gibbin BC chairman

Motion 3: That the Body Corporate Committee's report be accepted and entered into the records of the Body Corporate.

Moved: Snowda Kwok-Barlow / **Seconded:** Frank Hildebrandt

MOTION CARRIED

7. Election of Body Corporate Chairperson

Nominations for: Mark Gibbin (Unit 6) from Snowda Kwok-Barlow (Unit 2)

Motion 4: That Mark Gibbin is duly elected as interim Chairperson until the next held AGM of the Body Corporate or his unit is sold. The body corporate for a replacement from the existing owners.

Mark Gibbin was unanimously elected as Chairperson.

8. Election of Body Corporate Committee

Previous motion (2013) that BC committee consist of no fewer than 3 members, a maximum of 5.

Nominations for Snowda Kwok-Barlow (Unit 2), Frank Hildebrandt (Units 4, 5) and Mark Gibbin (Unit 6) were made at the AGM.

Motion 5: That Snowda Kwok-Barlow (Unit 2), Frank Hildebrandt (Units 4, 5) and Mark Gibbin (Unit 6) be duly elected as members of the Body Corporate Committee until the next held AGM of the Body Corporate.

The above members in the motion were elected to the Body Corporate Committee.

Action: The Body Corporate committee to discuss with Alan Ward (Unit 5) and Ashok Bhasin (Units A, B & C) about being co-opted onto committee.

9. Method of Contracting.

Discussions around the point that a Body Corporate may not enter into an obligation (a contract or other enforceable obligation whether written or oral) without the Body Corporate's approval by ordinary resolution as per Sec 108 & 109 of the Unit Titles Act 2010 and Sec 17 & 22 of the Unit Titles Regulations 2011. It is not practical to call for an ordinary resolution for every non-urgent job (the exemption is given for urgent work).

Through the 2015 financial year and since, all invoices have been paid in a timely fashion.

The operating costs exceeded budget due to a number of catch up maintenance issues that needed addressing, namely:

- Building Warrant of Fitness issues – Fire doors, emergency lighting & fire systems;
- Outstanding roofing issues; and
- Replacement of large window on King Street side of building.

Since March 2015, there has been very limited maintenance required.

Body corporate levies are current, with the exception of body corporate levies relating to the period prior to March 2014. CBCS explained it had been an extremely difficult process to resolved, due to the lack of records received from the previous body corporate managers. The largest issue relates to the commercial units, which CBCS are still working through with Ashok Bhasin.

10. Financial Statements.

No issues with expenditure, other than repairs and maintenance (as discussed in item 9) due to catching up on maintenance that had not been carried out.

Motion 6: That the financial statements are accepted as a true and accurate record of the financial position of the Body Corporate for the financial year ending 31 March 2014.

Moved: Mark Gibbin/ **Seconded:** Frank Hildebrandt

MOTION CARRIED

Motion 7: That the financial statements are accepted as a true and accurate record of the financial position of the Body Corporate for the financial year ending 31 March 2015.

Moved: Snowda Kwok-Barlow / **Seconded:** Mark Gibbin

MOTION CARRIED

Motion: That False fire alarm callouts from malicious activation, where the tenant responsible cannot be identified, it is to be divided up amongst the residential units on a unit entitlement basis and invoiced to the unit owners/property managers.

Moved: Mark Gibbin/ **Seconded:** Frank Hildebrandt

MOTION CARRIED

Action: CBCS to complete as soon as possible for current false alarm callouts so this can be actioned by PM'S before signing bonds off.

11. Presentation of 2015/2016 Operational Budget and LTMF.

Discussions around the budget for the year 1 April 2015 to 31 March 2016. Key impacts insurance and long term costs of upgrading the building.

Lower proposed levy – savings would \$70 a month on average for residential units and a combined \$190 a month for the commercial units.

Mark Gibbin raised the idea paying the chairperson an honorarium for the work undertaken. CBCS confirmed that some other Body Corporate's they look after also pay honorarium's to their chairpersons. Figures of \$1,000 to \$2,000 were discussed. Figures of \$1,000 to \$2,000 were discussed. The committee agreed to an honorarium of \$100 per month, which could be met from the proposed operational budget for 2016.

Motion 7: That the Operating Budget for the year ended 31 March 2016 is approved.

Moved: Mark Gibbin/ **Seconded:** Snowda Kwok-Barlow

MOTION CARRIED

12. Discussion on long-term maintenance planning and funding

Discussion on the Long Term Maintenance Plan prepared by Prendos. Continuing long term maintenance funding at current levels allows work to be done as per Prendos report.

With regards to resurfacing the court yard (\$51.6k), Mark Gibbin has suggested a bitumen style product which can be coloured for the courtyard flooring. General view is that the courtyard presents the largest risk to long term maintenance. Agreement that multiple quotes and options would need to be obtained. Mark suggested that owners consider having all apartments empty for a week in 2017 to allow for that work to be done. Other owners/committee to come up with alternate ways, to undertake this work for discussion with body corporate.

Motion: Subject to final costings approved by the BC committee, the spending of \$51,600 to undertake the resurfacing work on the courtyard be approved by the body corporate.

Moved: Mark Gibbin/ **Seconded:** S Kwok-Barlow/F Hildebrandt

MOTION CARRIED

13. Audit of accounts.

Discussions around the various options the Body Corporate could adopt with regards to verification of the information contained within the financial statements and the approximate costs associated with each option. Also discussed that Body Corporate Committee could be provided with read only access into Xero to view details transactions if necessary

Motion 9: That the Body Corporate agrees not to audit or review the financial statements at the end of the current financial year.

Moved: Snowda Kwok-Barlow / **Seconded:** Frank Hildebrandt

MOTION CARRIED

14. Common Area Maintenance Matters.

- Security Camera update (Covered under item 5)
- Tenant related issues – Fewer issues encountered over the last 9 months since the camera's were installed. Issues with regards to false alarms have reduced as the result of having an alarm box cover installed.
- Mark Gibbin recommended that gate on alleyway to be fixed so that it can be locked. CBCS to obtain quote for remedial works.
- Frank Hildebrandt has a roofer who will do a free inspection of the roof. Frank will forward contact details through to CBCS to liaise with.
- Quote for light sensor to management lighting to be obtained and forwarded to Mark Gibbin for review. Estimate indicated costs at around \$350+gst.

15. General Business:

- Ultra-Fast Broadband (Covered under item 5)
- Billboards income – Averaging between \$500-750 a month.
- Savings account – CBCS to look at savings account to identify if higher earning interest accounts were possible.

16. Meeting closed at 7.27 pm.