Minutes of the Annual General Meeting of Metro Thorndon Apartments – 86157 held on 8th December 2021 at 5:30pm

Present	Lisa Taylor	(Unit 1)
	Jonathan & Rosanna Bayot	(Unit 2)
	Rosalind Meyer	(Unit 3)
	Subhashini Murthy	(Unit 4)
	Pradeep Kumar Vadivel	(Unit 4)
	Diane Limbrey	(Unit 5)
	Varvara Sidorenko	(Unit 7)
	Andrew Springett	(Unit 8)
	Ray Smith	(Unit 9)
	Josephine Martin	(Unit 10)
	Graeme Douglas Hearfield	(Unit 11)
	Gary Dyall	(Unit 12)
	Jack Morris	(Unit 14)
	Simon Holdgate	(Unit 15)
	David Biggs	(Unit 17)
	Mark Painter	(Unit 20)
	Gail Donaldson	(Unit 24)
Apologies	Kyla Thompson – Oxygen Strata Limited	
Proxies	Vitaus & Mary Pecekajus - Unit 21 for Ray Smith	
In Attendance	Norine Victor – Oxygen Strata Limited	

These minutes are produced and circulated without prejudice to the writer's rights. They are meant as a precis of the meeting and not a verbatim record.

1. Welcome from the Chairperson of the Body Corporate
   Notice of meeting having been given in the prescribed manner, and quorum being present, Simon declared the meeting properly convened and duly constituted. Simon was asked to chair the meeting and welcomed everyone and thanked them for their attendance.

2. Establish a Quorum
   The quorum required is 25% of the principal unit owners entitled to vote, representing 6 units. With a quorum being achieved, the meeting was duly constituted.

3. Report from the Building Manager/Chairperson

   Ray presented a report which he proceeded to read out to the members. Some points have been highlighted below.

Smoke Detectors: These need to be placed in the ceiling. Philip M'Conchie from Spencer Homes to clarity the fire security design with Wellington City Council.

Insurance Valuation: Peter Kavanagh, The Property Valuer has been appointed to update the insurance valuation of the property and to reset the Unit Entitlement which will be filed with the Wellington City Council. The report is being prepared by the Property Valuer.

Future Strengthening: Some issues have been put on hold until owners decide to action this in the future. The owners asked for a timeframe but currently there is no clarity on the timeline.

Insurance: Previously Ray was involved with communication regarding the insurance renewal, however, this year Ray stated he received a notification from the BC administration disclosing their commission for negotiating the insurance. Whilst the Committee is aware that such commission is payable to Oxygen in terms of current SLA, the Committee were concerned as this commission was not previously disclosed and they were not consulted prior to the renewal.

Jack asked if Oxygen has the power to decide without the instruction of the owners. Norine advised that Oxygen would have obtained approval from the committee/chairperson for same.

It was noted that the new Committee will investigate further.

A. Motion: That by ordinary resolution the building/chairperson report be accepted and entered into the records of the body corporate.

Andrew Springett / Jonathan Bayot **Carried**

4. Confirmation of Minutes of Previous Annual General Meeting (AGM) (attached)

B. Motion: That by ordinary resolution the minutes of the AGM held on 16th of November 2020 be approved and adopted as a true and accurate record of the meeting.

Ray Smith / Gail Donaldson **Carried**

5. Decisions Register

Tabled.

6. Matters Arising from Previous Meeting

Earthquake strengthening cost	BC Committee
Source additional cost for strengthening project	BC Committee

The EQ strengthening cost has been circulated to all members. There is no further information. The Committee shall continue to look at future strengthening and possible funding but have not committed to any further reports.

The valuation which is still in process will influence these decisions. The committee has decided they cannot make decisions without all the necessary information.

It was noted that the current EQ strength requirement is 34%. The committee will need to wait until the unit entitlements and fire security is completed, thereafter the COC can be obtained before the costing can be finalised.

Interruption: An owner enquired if a prospective buyer can sit in on the meeting as he has put an offer in on a unit. The Committee and Owners agreed. There were no objections.

In terms of the building COC, an owner enquired as to why this was not done to which Ray advised that the building never had a consent before. This was due to the fire security design. Ray further advised that the committee have employed Phil Mc Spencer homes to advise and provide a recommendation to have same done.

Andrew asked about the timeframe and Ray said it depends on the Building Consent being received. Originally Ian Dawson advised Ray the consent must be signed before they can assess the building strengthening.

Andrew questioned why the fire issue and strengthening can't be dealt with. Jack explained that the fire compliance must first be completed and entitlements must be decided, in order to get pricing and move forward. Jack confirmed they can hold a special meeting to avoid waiting another year to make a decision in this regard.

Gail suggested that the Body Corporate should start maintaining an EQ fund to avoid special levies when the project needs to commence.

Andrew requested an update following the future committee meetings so that the progress can be monitored.

7. Election of Chairperson

Oxygen's role is to provide support to the chairperson and the committee of the body corporate to help achieve the requirements under the Act.

A body corporate must elect a chairperson (whom must be the owner of a principal unit) by ordinary resolution at every AGM of the body corporate. This is not to be confused with the committee chairperson (whom the committee elects).

A candidate for election must be nominated by another owner in the body corporate.

The names for election are:		**Nominated by:**	
Simon Holdgate	Unit 15	Ray Smith	Unit 9

C. Motion: That by ordinary resolution Simon Holdgate be duly elected as chairperson until the next held AGM of the body corporate.

Andrew Springett / David Biggs **Carried**

8. Constitution and Election of Committee

A body corporate of 9 or fewer units may appoint a committee; where there are 10 or more units a committee must be appointed unless the body corporate decides not to by special resolution.

Note: A body corporate must resolve how many committee members it will have and the number of members constituting a quorum.

A committee member must be the owner of a principal unit, must be nominated by an owner of a principal unit, and may nominate him/herself.

There were no nominations received before the distribution of this agenda.

D. Motion: That by ordinary resolution *Simon Holdgate* be elected as a committee member until the next held AGM of the body corporate.

Andrew Springett / Josephine Martin **Carried**

E. Motion: That by ordinary resolution *Ray Smith* be elected as a committee member until the next held AGM of the body corporate.

Simon Holdgate / David Biggs **Carried**

F. Motion: That by ordinary resolution *Josephine Martin* be elected as a committee member until the next held AGM of the body corporate.

Pradeep Vadivel / Jack Morris **Carried**

G. Motion: That by ordinary resolution *Jack Morris* be elected as a committee member until the next held AGM of the body corporate.

Ray Smith / Gail Donaldson **Carried**

H. Motion: That by ordinary resolution *Dave Biggs* be elected as a committee member until the next held AGM of the body corporate.

Jack Morris / Pradeep Vadivel **Carried**

I. Motion: That by ordinary resolution *Gail Donaldson* be elected as a committee member until the next held AGM of the body corporate.

Andrew Springett / Pradeep Vadivel **Carried**

J. Motion: That by ordinary resolution *Bobbie Meyer* be elected as a committee member until the next held AGM of the body corporate.

Jack Morris / Jonathan Bayot **Carried**

K. Motion: That by ordinary resolution the body corporate shall have no less than 5 committee members and that 4 are required for a quorum at meetings of the body corporate committee.

Diane Limbrey / Jack Morris **Carried unanimously**

9. Delegation to the Committee

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 special resolution. {sec 108, 109, reg 17, 22}

It appears that this regulation was not intended to encompass instructions to contractors for running repairs and maintenance but given that the legislation is not clear we have to assume that any kind of work order is an obligation.
It is not practical to call for an ordinary resolution for every non-urgent job (an exemption is given for urgent work).

An 'obligation' can be delegated to a body corporate committee. This in turn gives the chairperson or committee chairperson power to enter into an obligation if witnessed by a committee member, or if there is no committee member, by a member of the body corporate.

L. Motion: That by special resolution the body corporate delegates its duties, powers, and responsibilities to the body corporate committee in order that the body corporate may fulfill its obligations under the Unit Titles Act 2010 and its Regulations until revoked at a subsequent general meeting of the body corporate. The body corporate committee shall report on delegation at each AGM of the body corporate.

David Biggs / Gail Donaldson **Carried**

10. Financial Statements for the year ending 31st of August 2021

M. Motion: That by ordinary resolution the financial statements for the year ending 31 August 2021 show a deficit in the operating account of $46,528.92 and neither a surplus nor deficit in the Long Term Maintenance Fund. With net accumulated funds of $113,243.46 be accepted as a true and accurate record of the financial performance and position of the body corporate.

Graeme Hearfield / Bobbie Meyer **Carried**

11. Long-Term Maintenance Plan (LTMP) {sec 116}

In accordance with the Unit Titles Act 2010, each body corporate must have and maintain a LTMP. The plan must cover 10 years from the date of the plan or its last review. The body corporate must review the plan at least once every 3 years, but it can be reviewed more frequently. The current plan is dated **2019**. It was last reviewed in **2020** and must be next reviewed by **2023.**

N. Motion: That by ordinary resolution the body corporate resolve to review the existing LTMP before the next AGM.

Jack Morris / Andrew Springett **Carried**

12. Health and Safety

That the Body Corporate is reminded of their decision on **25th November 2019** to have a Health and Safety report and Hazard Register on file for the body corporate which requires reviewing and updating **annually** to ensure any previous hazards noted that have subsequently been removed or minimized are amended and that any new hazards that may have occurred during the year are noted.

It was reported that there has been no health and safety concerns for this year.

It was confirmed that **Asbestos is on-site, on the decking.** Norine advised that the Body Corporate must arrange for an Abestos report and a management plan. All tradies on site must be made aware asbestos and hazards.

Norine suggested that the committee appoint a professional company to conduct the Health and Safety, and Asbestos assessment. She confirmed that the committee may complete a Health and Safety Register using a template which will be provided by Oxygen. (A professional report is however suggested).

13. Funds

The body corporate must have a long-term maintenance fund (LTMF) unless it decides not to by special resolution.

The body corporate **does not have** an LTMF.

O. Motion: That by ordinary resolution the body corporate re-establishes the Long Term Maintenance Fund.

Josephine Martin / Ray Smith **Carried unanimously**

Josephine advised that various capital items are coming up with very little funds available. Based on calculations, it was suggested to raise a 27% LTMF levy. It was noted that the monthly admin is not sufficient and past increases have been relatively low.

The committee considered the above and were in favor of initiating the fund. Simon and Ray suggested the increase only be 20% and that this can go up again later.

Jack explained the LTMP is planning for the future and the levy will be raised per Unit entitlement. Although that may change he recommends agreeing to start at 27%. The owners agreed to the levy, however, the details regarding how much per unit will be determined once the revised Unit Entitlements have been received This will only be adopted at an EGM.

Pradeep Vadivel left at 7.11
David Biggs left same time.

The body corporate may have one or more contingency funds to cover unbudgeted expenditure. If there is no contingency fund the Regulations allow for unbudgeted items to be paid from the operating account provided there are sufficient funds in the account and the amount is less than 10% of the total annual levies.
The body corporate **does have** a contingency fund.

The body corporate may have a capital improvement fund to upgrade and/or add value to the development if that spending is not in the LTMP.
The body corporate **does not have** a capital improvement fund.

14. Audit of Financial Statements

Within two months of each financial year end the body corporate MUST submit its financial statements either:
to an independent auditor for audit; or
to an accountant for review; or

engage an accountant to conduct specific verification procedures (if this option is chosen, a special resolution is required to be passed to elect what specific verification procedures are required); or
by special resolution (75% of votes in favor), that none of the above will be done for a particular year.

This meeting must decide which option the members want for the accounts in this current financial year as the action for either a), b), or c) must be taken before the next AGM. Refer to the Explanation of Financial Statement Options attached hereto for details on each method.

P. Motion: That by ordinary resolution the body corporate submit their financial statements to an independent auditor for auditing at the end of the current financial year being 31st August 2022

Moved / Seconded **Not Carried**

Q. Motion: That by ordinary resolution the body corporate submit their financial statements to an accountant for review at the end of the current financial year being 31st August 2022

Moved / Seconded **Not Carried**

R. Motion: That by special resolution the body corporate engages an accountant to undertake specific verification procedures as determined by the body corporate committee for the year ending 31st August 2022

Moved / Seconded **Not Carried**

S. **Motion: That by special resolution the body corporate agrees that no independent review of the financial statements ending 31st August 2022 is required.** Diane asked how many signatories are required for each transaction. Norine advised that currently, there are 2 approvers.

Graeme Hearfield / Simon Holdgate **Carried**

15. Insurance

The Unit Titles Act (UTA) stipulates that a Body Corporate shall keep all buildings and other improvements insured to full replacement value. Where this is not available, Indemnity cover is permitted. Not all of Oxygen Strata Limited's clients are governed by the UTA. However, Oxygen Strata Limited recommends that, whether our client is a Body Corporate or not, this standard is right for all ownership types. Oxygen Strata Limited further recommends that an Insurance Valuation be undertaken yearly; ultimately, this is a decision for the chairperson and members.

Insurance Brokers

Insurance brokers understand insurance contracts and try to match your Body Corporate with appropriate wording; additionally, they use their capabilities for driving competition amongst insurance companies and usually have some sway with the Insurers towards claims due to significant tracts of premium over many customers. Because of their experience in their field of expertise, they can give sound advice around all sorts of issues involved in insuring properly and to the requirements of the Unit Titles Act.

Valuation

The amount of insurance cover taken by the body corporate is of significant importance to all members. Collectively the members should agree on whether or not to incur the cost of a valuation for insurance purposes. The last valuation was completed on **19th July 2018**. The body corporate buildings were valued at:

MAIN BUILDING REINSTATEMENT	$14,176,000 excl. GST
PROVISION FOR INFLATION	$ 1,244,000 excl. GST
DEMOLITION ESTIMATE	$ 949,000 excl. GST

Each valuer can have quite differing opinions in determining a replacement sum insured. There are certain bodies corporate that change valuers periodically or engage the services of a quantity surveyor from time to time as a way of testing previous valuation methods applied.

T. **Motion: That by ordinary resolution the body corporate agree to obtain an updated valuation for the body corporate buildings for insurance purposes before the next insurance renewal (4 September 2022)**

Ray Smith / Andrew Springett **Carried**

16. Insurance Cover

Insurance Renewal

The Body Corporate is reminded of its prior decision to maintain (if available) full replacement insurance for no less than the latest independent assessment from a registered valuer or quantity surveyor and increased as determined by the committee and/or chairperson.

Landlords Extension Cover

The body corporate is reminded of its prior decision **to hold** landlord's extension cover as part of the main body corporate insurance policy and that owners are reminded to hold their own landlord's extension cover for their tenanted property/properties. It was further noted that there is no cover for units that are AirBnBs

Office Bearers Insurance

The body corporate is reminded of its prior decision **to hold** directors and office bearers liability insurance.

17. Body Corporate Levies

Operating Budget

U. Motion: That by ordinary resolution the operating budget for the financial year 01 September 2021 – 31 August 2022 be approved at a levy income of $138,818.31 and expenditure of $164,333.20. That in accordance with section 121 of the Unit Titles Act 2010 the budget shall be raised by utility interest due for payment by installments by the due date being (1 Sep, 1 Oct, 1 Nov, 1 Dec, 1 Jan, 1 Feb, 1 Mar, 1 Apr, 1 May, 1 Jun, 1 Jul, 1 Aug) That the levy takes effect on 1 January 2022 and be apportioned over the remaining months of the financial year.

Gail Donaldson / Josephine Martin — Carried

V. That by ordinary resolution the body corporate approves the transfer funds to the value of $5,000.00 to the Contingency Fund.

Simon Holdgate / Gail Donaldson — Carried

Long Term Maintenance Budget

W. Motion: That by ordinary resolution an income of $13,450.00 and an expenditure of $0 in the LTMF be approved. That in accordance with section 121 of the Unit Titles Act 2010 the long-term maintenance budget shall be raised by utility interest due for payment in installments by the due date being (1 Sep, 1 Oct, 1 Nov, 1 Dec, 1 Jan, 1 Feb, 1 Mar, 1 Apr, 1 May, 1 Jun, 1 Jul, 1 Aug). That the levy takes effect on 1 January 2022 and is apportioned over the remaining months of the financial year.

Graeme Hearfield / Jonathan Bayot — Carried unanimously

18. Levies

X. That by ordinary resolution the annual levies approved at meetings of the body corporate will continue following the close of the financial year at the same monthly rate until changed by the body corporate at any future meeting of the body corporate. The body corporate is reminded that all levies are due to be paid in advance on the 1st day of the month when due. (1 Sep, 1 Oct, 1 Nov, 1 Dec, 1 Jan, 1 Feb, 1 Mar, 1 Apr, 1 May, 1 Jun, 1 Jul, 1 Aug)

Andrew Springett / Simon Holdgate Carried

19. Debt Collection

Y. Motion: That by ordinary resolution Oxygen be authorized by the body corporate to recover any unpaid levies owed to the body corporate, whether through court proceedings or otherwise, that may be outstanding for 30 days after the due date and to charge interest at the rate of 10% per annum as provided under the Unit Titles Act 2010 on any monies due from the due date until the payment date. Oxygen's costs and all costs and expenses involved in the issue of demands or legal proceedings on a full cost recovery basis shall be recoverable against the proprietor in full, according to the Unit Titles Act 2010. Oxygen is directed to pursue any current debtors who are beyond 30 days of the due date using Oxygen's debt collection procedures and this includes the issuing of proceedings if required.

Andrew Springett / Simon Holdgate Carried

20. General

Self Isolation: The meeting asked if the body corporate has a plan if someone is isolating. Norine advised that Owners who are self-isolating are required to adhere to the government protocols and more assistance is provided by the Health Line. Owners are not required to disclose if they are self-isolating. The body corporate should encourage compliance by ensuring the necessary signage or QR codes are erected with sanitizing stations placed at various points in the building. The committee will discuss and implement accordingly.

Fire Drill (Red Tag): Diane advised that during the recent fire drill, she did not have the red tag. Jo explained that in the past apartment owners would put the red tag on the hook outside the apartment when they evacuate. To her knowledge, these tags are not checked by the fire company, therefore many occupants have not used these tags.

LTMF: Gail asked if the body corporate has the authority to use the LTMF for earthquake strengthening. It was noted that the LTMF is only to be used against planned major building maintenance projects. A separate fund can be created for the EQ fund.

Front Door: Bonnie mentioned that the front door was recently fixed, however, she was able to pull it open without a key. Ray will make contact with the service provider to have same rectified.

There being no further business the meeting was adjourned at 7.48 pm.

ACTION FOR THE AGM OF METRO THORNDON APARTMENTS HELD ON THE 8 DECEMBER 2021

ACTION	TO ACTIONED BY
Insurance Renewal & Commission – Details to be provided to Committee	Oxygen
EQ Strengthing Project	Committee
Update LTMP	Committee
Arrange for an Abestos Report	Committee/Oxygen?
Provide a copy of the Hazard template to committee	Oxygen
Provide Committee with Landlord's Extension cover details	Oxygen
Investigate front door	Ray
Arrange new Valuation	Oxygen