Strata Title Administration Ltd
Body Corporate Manager

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PO Box 3187, Auckland 1140

27 February 2020

Dear Owner

Re: Body Corporate 184031
Property at 373 Khyber Pass Road, Auckland 1023
Annual General Meeting held on Thursday, 20 February 2020

Please find enclosed the minutes and following attachments relating to your Body Corporate's annual general meeting:

- the Body Corporate's budget for the year 1 January 2020 to 31 December 2020.
- your levy notice, which is your proportion of the Body Corporate's budgeted expenses.

If you have received this letter by email your levy notice will follow in an additional email.

Should you require any further information please log into your Owner Portal online account via Strata's website www.bodycorporate.co.nz.

Please note: Should you require additional copies of your levy notice these can be downloaded 24/7 from your Owner Portal via Strata's website. Alternatively if you require Strata to email you a copy a manual processing charge will apply.

Yours sincerely,

Kyle O'Reilly
Body Corporate Manager

MINUTES OF ANNUAL GENERAL MEETING
Body Corporate No 184031
Property at 373 Khyber Pass Road, Auckland 1023

THE ANNUAL GENERAL MEETING (AGM) of this Body Corporate was held at the office of Strata Title Administration Ltd, 1st Floor, Dilworth Building, cnr Queen Street & Customs Street East, Auckland Central, on Thursday, 20 February 2020 commencing at 11:00am.

ATTENDANCE:

Lot #	Unit #	Attendance	Owners Legal Name Representative
3	C	Yes	Liu, Hsiu Hsiu Liu
4	D	Yes	Ms B Linn & Mr R Carter Joan Linn & Roger Carter
5	E	Apology	Mr D & Mrs N Cowley Postal Vote
8	H	Yes	Mr M Fitzpatrick & Ms P Claxton Pamela Claxton & Mike Fitzpatrick
11	K	Apology	Joung, Eun Jung Proxy: Joan Linn
12	L	Apology	Riechelmann, Alan Proxy: Joan Linn
14	N	Yes	Mr G & Mrs R Brandon Gary Brandon
15	O	Yes	Gu, Jian Jian Gu
16	P	Yes	Denman, Dianne Dianne Denman
19	S	Yes	Smith, Victoria Victoria Smith (Phone)
20	T	Yes	Y Yang & C Qian Yi Yang
21	U	Yes	Gu, Jian Jian Gu
24	X	Yes	Mr TG & Mrs AM Larkin Terry & Anne Larkin

OTHERS PRESENT: Mr Kyle O'Reilly and Ms Wendy Baker representing Strata Title Administration Ltd (Strata) as the Body Corporate Manager.

MINUTES OF THE MEETING:

1 APPOINTMENT OF CHAIRPERSON OF THE MEETING

Resolved: That the Body Corporate elects Mr Kyle O'Reilly representing Strata Title Administration Ltd (Strata) to chair the meeting.

2 APOLOGIES, PROXIES AND POSTAL VOTES

Resolved: That the apologies, proxies and postal votes be accepted, in accordance with the register of attendance, and the meeting declared quorate.

3 FINANCIAL STATEMENTS

Mr O'Reilly gave a detailed explanation of the financial statements, as distributed with the agenda documents.

Resolved: That the Body Corporate approves the financial report for the period 1 January 2019 to 31 December 2019.

4 REPORT FROM THE COMMITTEE

Mr Terry Larkin provided an overview to represented owners of the contents of his report, the salient points being:

- The Committee have inspected the body corporate several times and believe it to be neat and tidy.
- The incumbent gardener, Dave Mitchell, has resigned. The Committee will be obtaining quotations from contractors to take over the garden maintenance contract and will discuss the use of approved contractors for other maintenance matters.
- There have been no roof leaks over the past year, although there have been gutter leaks.

Mr Dave Mitchell, who was not present at the meeting, provided a final report (attached) following his resignation. Copies were provided to represented owners at the meeting and the contents were summarised by Mr Terry Larkin.
Mr Terry Larkin highlighted Mr Mitchell's recommendation with regard to the installation of individual water shut off valves within individual units. The Committee believe this to be a good idea and will investigate the required scope of works and obtain quotations.
There was some discussion amongst owners as to whether or not it would be possible to convince Mr Dave Mitchell to continue in his role. The Committee will discuss this with Mr Mitchell accordingly.

Resolved: That the Committee's report is adopted.

5 ROOF REPLACEMENT PROJECT PROPOSALS

Mr Terry Larkin provided a summary of the Committee's proposal with regard to the proposed roof replacement project, the salient points being:

- The Body Corporate has steadily been building up the Contingency Fund for some years in order to cover the cost of the roof replacement.
- The Committee believe that they now have enough to cover the cost of the proposed roof replacement works without the requirement for additional costs being levied to owners.
- The Committee have obtained several quotations from contractors for the roof replacement works, and will now review these quotations and arrange meetings with the relevant contractors.
- Once a suitable contractor and quotation has been identified by the Committee, the relevant information would be provided to the owners.
- The Committee, with the approval of owners, would either call a postal vote EGM to pass the relevant resolutions to accept a quotation and instruct the chosen contractor, or provide the information to all owners prior to next year's AGM and pass said relevant resolutions.

Ms Joan Linn, owner of Unit 4, provided a summarisation of her roof replacement project proposal, the salient points being:

- Ms Linn has researched the maintenance history of the body corporate and had noted that there have been roof leaks occurring since at least 2010 and that the condition of the roof had been highlighted by a previous unit owner.
- Ms Linn stated that she believed that the budgeting and resulting levies were not adequate in recent years. The Committee disagreed with this point.
- Ms Linn stated that she felt that the roof replacement works were a priority and needed to be carried out as soon as possible, to avoid any damage to owners units.
- Ms Linn had approached Shamrock Roofing Ltd to provide a quotation for the roof replacement works as she had worked with them on a similar project at another body corporate, a project for which she had acted as project manager, and was very happy with their work.

A To consider resolving:
(i) That the committee are to review all roof replacement quotations, and to obtain further quotes where required.
(ii) That the Body Corporate will continue to grow the Contingency Fund in line with the current budget in order to cover the anticipated costs of the roof replacement works.
(iii) That the committee will ensure that the roof replacement works be scheduled for early 2021, following the next AGM. The quote(s) for which are to be accepted and resolved at said AGM.

There was considerable robust discussion around the merits of the two proposals. Owners agreed to amend the resolution to read:

A Resolved:
(i) That the committee are to review all roof replacement quotations, including the quote received from Shamrock Roofing Ltd, and to obtain further quotes where required.
(ii) That the Body Corporate will continue to grow the Contingency Fund in line with the current budget in order to cover the anticipated costs of the roof replacement works.
(iii) That the committee will ensure that the roof replacement works be scheduled for early 2021 at the latest, following resolutions at the next AGM, or earlier if possible via resolutions by postal vote EGM.

6 CHAIRPERSON OF THE BODY CORPORATE

Mr O'Reilly advised that nominations had been received for both Mr Terry Larkin and Ms Joan Linn to be appointed as the Chairperson of the Body Corporate.

Resolved: That the Body Corporate appoints Mr Terry Larkin as the Chairperson of the Body Corporate.

7 COMMITTEE

Mr O'Reilly advised that nominations have been received for Ms Joan Linn (Unit D, Lot 4), Ms Dianne Denman (Unit P, Lot 16), Mrs Victoria Finch (Unit S, Lot 19) and Mr Terry Larkin (Unit X, Lot 24) to be candidates for election as committee members.

Resolved: That the Body Corporate elects a committee of four members, which shall have a quorum of three members, comprising:
Ms Joan Linn (Unit D, Lot 4)
Ms Dianne Denman (Unit P, Lot 16)
Mrs Victoria Finch (Unit S, Lot 19)
Mr Terry Larkin (Unit X, Lot 24)

8 DELEGATION OF DUTIES

Resolved by special resolution: That pursuant to Section 108(1) of the Unit Titles Act (the Act) until the end of the next annual general meeting of the Body Corporate all of its powers and duties are delegated to the Committee, save those powers reserved to the Body Corporate under Section 108(2); and that this resolution is evidence of the Committee's authority to perform the powers and duties so delegated to it; and serves as notice of delegation; that the Chairperson's duties set out in Regulation 11 are delegated to the Committee; and that the Committee will report to the Body Corporate on an annual basis regarding its performance of these powers and duties.

9 OFFICE BEARER'S LIABILITY (OBL) INSURANCE

Resolved: That the Body Corporate accepts the quote from QBE for $661.25 for OBL cover of $1,000,000.00, to cover both indemnity and defence costs, for the period 1 March 2020 to 1 March 2021.

10 BODY CORPORATE REINSTATEMENT INSURANCE

Resolved: That the Body Corporate insures with NZI Insurance at the quoted premium of $17,461.77 for the period 1 March 2020 to 1 March 2021.

11 INSURANCE EXCESS

Resolved: That the owner, and not the Body Corporate, is to pay any excess in the event of a claim except where a claim relates to common property in which case the Body Corporate is to pay the excess, notwithstanding that if the damage being claimed for is attributable to the actions, or inaction, of an owner(s) or their resident(s) then the owner(s) of the unit is to pay the excess.

12 COMMON MAINTENANCE MATTERS

The following matters were raised and discussed by the represented owners:

- Rotten and damaged/missing boards to gates for apartments 1 &5.
- Ms Linn had obtained a quotation from Solutions in Engineering to inspect the body corporate and provide a health and safety report.
- The suspected use of drugs within one of the units.
- Owners would like a consensus on windows, and an approved specification and preferred contractor. The committee agreed to look into this matter and provide approval to owners as soon as possible.

Resolved: That the Body Corporate's Chairperson/Committee is to agree and approve the maintenance required over the forthcoming year.

13 HEALTH & SAFETY AT WORK ACT 2015

(i) The Health & Safety at Work Act 2015 (HSWA) came in to force in April 2016. The HSWA introduces the concept of a Person Conducting a Business or Undertaking (PCBU) as the principal duty holder. A legal opinion from Price Baker Berridge is that as the Body Corporate will carry out work from time to time which work is considered to be an "undertaking" it is therefore a PCBU. The Body Corporate has a health & safety report and hazard register for the complex which the Committee review and update to ensure any hazards noted are removed, minimised or highlighted and any new hazards are noted.

It was agreed by represented owners that Solutions in Engineering be instructed to provide an updated Health and Safety report.

We encourage all owners to ensure they have reviewed the Hazard Register and advise any other relevant parties, including tenants of an apartment/unit of these hazards where necessary.

Resolved: That the Body Corporate instructs the Committee to monitor, review and update the hazard register for the complex and to attend to any hazards as may be required to either remove, minimise or highlight them to ensure a safe environment for all residents, owners and visitors.

(ii) Induction of Contractors

PCBUs are also directed to induct contractors to their site when they attend to work in the common areas.
It was agreed by owners that all relevant insurances be obtained from any contractor carrying out works within individual units.
Resolved: That when engaging a contractor to work in the common areas, prior to the contractor commencing their work, the Committee/or any applicable party is to provide the contractor with a copy of the Body Corporate's HS Plan and confirm that the contractor also has an appropriate HS Plan and insurances in place for themselves as a contractor.

(iii) Asbestos Management Procedure

Resolved: That prior to any owner carrying out repairs, remedial works, renovations or similar building works in their unit and/or any common areas they must initially check for any asbestos being present in the materials that they will be working on; and that if asbestos is discovered the owner must report this immediately to the Committee and await their approval to proceed with the works, which approval would be conditional upon ensuring that an appropriate professional contractor is engaged to handle the removal/management of the asbestos in line with all legal requirements.

14 BUDGET AND LEVIES

Resolved:
(i) That the Body Corporate adopts a **working account budget** of **$60,635.40 plus GST** and a **contingency fund budget** of **$18,000.00 plus GST** for the period 1 January 2020 to 31 December 2020 and sets the levy due date as **15 March 2020.**

(ii) That Strata is authorised to pay standard/regular accounts on behalf of the Body Corporate as they fall due, which accounts relate to the day to day operation of the Body Corporate in accordance with the approved budget, but that any non-standard accounts are to be approved by the Chairperson/Committee/Building Manager.

15 DEBT RECOVERY REGIME

Resolved: That if a duly authorised levy or any sum payable by an owner to the Body Corporate is not paid by due date that the owner is liable to the Body Corporate for interest on the outstanding balance at 10% per annum; all debt collecting costs; including Tenancy Tribunal/court costs incurred by the Body Corporate in accordance with the following procedure:

- If payment of the levy notice is not made by the due date a reminder letter is sent to the defaulting owner requesting payment of the levy and stating that if the levy is not paid within seven (7) days a Late Payment Charge of $126.50 including GST (if any) will be incurred; [letter #1]
- If payment of the levy notice is not received within seven (7) calendar days of the due date, a letter is sent to the defaulting owner requesting payment of the levy and the $126.50 including GST (if any) Late Payment Charge, and advising that if these amounts are not paid within seven (7) calendar days an additional Late Payment Charge of $253.00 including GST (if any) will be incurred; [letter #2]

- If payment of the levy notice and Late Payment Charges are not received within seven (7) calendar days of Letter #2 being sent, a third letter is sent to the defaulting owner requesting payment of the levy plus all accumulated Late Payment Charges and advising that if these amounts are not paid within seven (7) calendar days an additional Late Payment Charge of $253.00 including GST (if any) will be applied; [letter #3]
- If payment of the levy notice and accumulated Late Payment Charges are not received within seven (7) calendar days of Letter #3 being sent, a "Notice of Impending Legal Action" letter is sent to the defaulting owner requesting payment of the levy plus all accumulated Late Payment Charges and advising that the debt will be turned over to a solicitor if the total outstanding amount is not paid within seven (7) calendar days; [letter #4] and
- Pursuant to Section 171(3) of the 2010 Act, the Body Corporate hereby appoints Price Baker Berridge (PBB) to act as its agent on its behalf in relation to any dispute.

16 AUDIT OF THE BODY CORPORATE'S FINANCIAL STATEMENTS

Explanation of section 132(8) of the Act.

Resolved by special resolution: That all transactions of the Body Corporate are to be made through the Strata Trust Account, which is subject to a two monthly transactional audit by Battley & Johnson, Chartered Accountants, and that any interest earned on Body Corporate funds be retained by Strata to offset the Trust Account operating and audit costs, on the proviso that any monies other than those in the working/operational account, may at the direction of the Committee be held in a separate deposit (saver/fixed term deposit) account with interest accruing for the benefit of the Body Corporate, less handling and administration fees; and that in terms of Section 132(8) of the Unit Titles Act 2010, the Body Corporate does not appoint an auditor for the financial statements for the most recently completed financial year.

17 COMMUNICATION

Resolved: That if Strata has an email address on file for an owner, all correspondence will be sent by email only and not by post, notwithstanding that if Strata is notified in writing by an owner that correspondence is to be sent to them by post that this request will be actioned and no information will be sent to that owner by email.

18 MINUTES TO BE A RECORD OF THE BUSINESS OF THE ANNUAL GENERAL MEETING

Resolved: That if within thirty days of distribution of the minutes Strata does not receive any written request from a person who attended the meeting to amend any part of the minutes, that the minutes are adopted as a true and accurate record of the Annual General Meeting.

19 AGM CLOSURE

With nothing further to discuss, Mr O'Reilly thanked owners for their time and attendance and closed the meeting at 12.59pm.

NOTES:

(a) Payment of levies: A levy notice will be distributed with the minutes of this AGM. Levies can be paid electronically by:

- **Internet Banking** - Banking details will be shown on the levy notice.
- **Eftpos** - Eftpos facilities are available at Strata's office.
- **Credit Card** - Credit card payments can be made by phone or at the offices of Strata. Please note that any payment by credit card attracts a 4% merchant fee. **Visa/Mastercard only.**

(b) Strata Owner Portal Access:

Owners have 24 hour access to their body corporate information via Strata's website. To access this service visit www.bodycorporate.co.nz and click on the Owner Portal button to login. If owners require their personal login details would they please email bc@stratatitle.co.nz and we will issue/reissue the necessary access login and password.

Information which can be accessed via the owner portal is:

- Personal address details (which can be changed on owner's instructions);
- Personal levy account history; and
- **Copies of many body corporate documents including: recent AGM notices, agendas, minutes, insurance certificate and your Body Corporate's rules.**

FOR FURTHER INFORMATION ON THE:
UNIT TITLES ACT 2010: please go to the link

<http://www.legislation.govt.nz/act/public/2010/0022/latest/DLM1160440.html>

UNIT TITLES REGULATIONS 2011: please go to the link

<http://www.legislation.govt.nz/regulation/public/2011/0122/latest/DLM3695701.html>

DAVE MITCHELL
OFF-SITE PROPERTY MAINTENANCE MANAGER

1 February 2019

Body Corporate 184031
C/- Strata Title Administration Ltd
P O Box 3187
Shortland Street
Auckland 1140

ATTN OWNERS & KYLE O'REILLY

Dear Sirs/Madam

RE 373 KHYBER PASS ROAD: FINAL REPORT PREPARED FOR OWNERS COMMITTEE AND BODY CORPORATE

This confidential report has been prepared for the Owners of the units 373 Khyber Pass Road. The report is written to assist the Owners with the scheduling of maintenance for the property.

A property which is reasonably maintained with neat and tidy gardens is often more attractive to real estate agents and prospective tenants. A well maintained site is more likely to attract preferred long term tenants.

ROOF & GUTTERING: Needs replacing as per information received from several roofing companies and is a Health & Safety hazard. Those cleaning the gutters need to be made aware of the condition of the roof.

PLUMBING: Shut-off valves should be installed to all units as recommended by several plumbers to avoid shutting down the entire complex.

ELECTRICAL & WIRING: As per the Electrician & Inspector, some of the units still have old Bakelite fuse boards & porcelain fuses which are now not up to code. The inspector recommended replacement. Access to power boxes is required only for professionals as per recent legislation. (After hours contact will be required.) All wiring in the complex needs to be regularly checked.

Some of the other wiring is getting old & needs replacement, e.g. wiring for security lighting. We have had problems in the past with occupiers replacing their own security lightbulbs. The security lighting requires monitoring, lightbulb replacement & timing changes for daylight saving.

BACK DECK: needs review.

BUILDING MAINTENANCE: Building paint needs monitoring as it must be near end of life. Chemwash is required on a regular basis due to proximity to diesel fumes.

ROUGH SAWN TIMBER: Most rough sawn timber including the entire front fence requires replacement. Some of the gates do not close properly.

GARDENS: Regular plant replacement & pruning should be occurring. The large pohutukawa and puriri trees are native; council permission is required for any pruning. Regular spraying with organic spray to keep weeds down. Due to the volume of foliage the concrete paths need to be de-mossed before the winter.

HEALTH & SAFETY: Work on Body Corporate areas require ratification of tradesmen' qualifications and Health & Safety processes, documentation as per current legislation. I.e. Licenced Building Practitioners Certificate, Site Specific and Job Specific Protocols.

Regular use of the carpark and bushes as a toilet (Maungawhau Road end). Protective clothing will be required for the person who will get rid of bottles, rubbish, human excrement and drug paraphernalia.

AFTER HOURS: An after hours contact will be required for emergencies & someone needs to be responsible for answering the calls. E.g. several drainage problems, electrical problems, burst water mains & vandalism to name a few of the issues.

RODENTS: As all of Mt Eden is volcanic & porous the property should be regularly baited so that rodents can take the bait back to their nest. Occupiers should be reminded regularly to take rubbish to bins and not leave on their decks. Private gardens should be kept clean & tidy to avoid creating rodent habitats.

DECKS & STAIRS: need to be repainted regularly. Tenants dragging furniture across decks, stairs, and general wear & tear chips paint and allows moisture to get under the paint. Regular touch ups & minor maintenance is a relatively inexpensive item to prolong the life of the decks and stairs.

LETTERBOXES: Require replacement.

OTHER RECOMMENDATIONS: Double glazing windows. Installation of clear lite roofing over the garden areas to provide a dry area for occupiers. A new fence would upgrade the presentation of the whole complex and could provide better security for the ground floor occupiers.

END NOTE: As a previous owner, I've enjoyed working at the units over the past few decades. I've struck up good relationships with various owners over the years. The role is no longer financially viable.

The magnificent avocado, grapefruit, & feijoa trees are a real bonus in the city. The fruit trees have provided fruit for the occupiers since the buildings were first built.

The buildings have good bones and are in an excellent location. As with any asset, regular planned preventive maintenance is required.

I wish you all the best for 2020. Thank you for your business.

Yours sincerely

Dave Mitchell

Strata Title Administration Ltd
Body Corporate Manager
1st Floor Dilworth Building
Cnr Queen St & Customs St, Auckland

Approved Budget
to apply from 01/01/2020

Phillip Lockyer Director
B Property
Doug Wilson Senior Body Corporate Manager
B Com
Paul Roux Senior Property Manager
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Body corporate 184031 — 373 Khyber Pass Road, Auckland 1023

Working Account

		Approved budget	Actual 01/01/2019-31/12/2019	Previous budget
Revenue				
144101	Energy Company Dividend / Rebate	0.00	750.00	0.00
142700	Income Tax Refund - IRD	0.00	224.62	0.00
143000	Levies Due--Admin	60,635.40	56,003.05	56,003.04
	Total revenue	60,635.40	56,977.67	56,003.04
Less expenses				
154000	Admin--Management Fees--Standard	6,000.00	7,440.00	7,440.00
152802	Admin--Prof. Fee - IRD Returns (GST & Income Tax)	1,000.00	1,000.00	765.00
156500	Admin--Prof. Fees--Prep of LTMP	0.00	1,006.96	0.00
159101	Insurance--Office Bearers Liability	661.25	425.00	425.00
159100	Insurance--Premiums	15,184.15	12,593.04	12,593.04
159200	Insurance--Valuation	540.00	540.00	520.00
161400	Maint Bldg--Building Wash	2,750.00	2,695.00	1,000.00
167200	Maint Bldg--General Maintenance & Disbursements	11,000.00	10,363.06	10,000.00
178600	Maint Grounds--Gardens & Plants	11,000.00	10,374.00	11,000.00
190200	Utility--Electricity (Common Area)	800.00	791.68	630.00
190800	Utility--Rubbish & Waste Removal	4,500.00	4,426.68	4,430.00
191200	Utility--Water & Waste Water	7,200.00	6,114.85	7,200.00
	Total expenses	60,635.40	57,770.27	56,003.04
Surplus/Deficit		0.00	(792.60)	0.00
	Opening balance	1,431.02	2,223.62	2,223.62
Closing balance		$1,431.02	$1,431.02	$2,223.62

Total units of entitlement	10000		10000
Levy contribution per unit entitlement	$6.97		$6.44
Budgeted standard levy revenue	60,635.40		56,003.04
Add GST	9,095.31		8,400.46
Amount to raise in levies including GST	$69,730.71		$64,403.50

Contingency Fund

		Approved budget	Actual 01/01/2019-31/12/2019	Previous budget
Revenue				
243000	1 Levies Due--Contingency Fund	18,000.00	18,000.00	18,000.00
242600	1 Net Intt. on Investments--Cont.	0.00	2,044.80	0.00
	Total revenue	18,000.00	20,044.80	18,000.00
Less expenses				
251401	1 Contingency--Bank/Admin. Fee	0.00	102.24	0.00
259600	1 Levy Credits - Contingency	0.00	0.01	0.00
	Total expenses	0.00	102.25	0.00
Surplus/Deficit		18,000.00	19,942.55	18,000.00
	Opening balance	124,147.41	104,204.86	104,204.86
Closing balance		$142,147.41	$124,147.41	$122,204.86

Total units of entitlement	10000		10000
Levy contribution per unit entitlement	$2.07		$2.07
Budgeted standard levy revenue	18,000.00		18,000.00
Add GST	2,700.00		2,700.00
Amount to raise in levies including GST	$20,700.00		$20,700.00