

# Unit Titles (Management) Act 2011 – Form 1

## NOTICE OF REDUCED QUORUM DECISIONS

### Part A Details of reduced quorum decisions<sup>†</sup>

**A1 The Owners - Units Plan No 3259**

**A2 Annual General Meeting**

Date (or dates) of the Annual General Meeting at which the reduced quorum decision (or decisions) was made - 18 October 2017

*Tick applicable box, or both boxes if applicable:*

**Regularly convened**

The general meeting was regularly convened (not following any adjournment under UTMA s 3.9(3) or (6)(a), part 3.1, schedule 3).

**Convened after adjournment**

The general meeting was convened following an adjournment or adjournments (under UTMA s 3.9(3) or (6)(a), part 3.1, schedule 3).

**A3 Reduced quorum decisions**

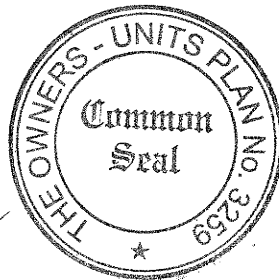
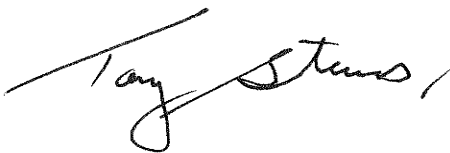
*[If there is insufficient space here, tick o and attach details to the notice]*

Date of decision	Full text of reduced quorum decision
18 October 2017	Annual General Minutes attached.

**A4 Owners Corporation declaration**

The information in this notice has been recorded on the following date from details shown in the records of the Owners Corporation.

19/10/2017



<sup>†</sup> In this notice, **UTMA** means the Unit Titles (Management) Act 2011.

# NOTICE OF REDUCED QUORUM DECISIONS

## Part B General Information

### B1 What is a reduced quorum decision?

- A reduced quorum decision is a decision of a general meeting of the Owners Corporation made while a quorum (a reduced quorum) smaller than a standard quorum was present.
- A standard quorum is those people entitled to vote (on the motion) in relation to not less than  $\frac{1}{2}$  the total number of units (see UTMA s 3.9 (1) (a), part 3.1, schedule 3).

There are 2 types of reduced quorum decision, requiring different reduced quorums.

*Reduced quorum decisions made at regularly-convened general meetings*

- If, within  $\frac{1}{2}$  an hour after a motion arises for consideration at a general meeting that has been regularly convened, a standard quorum for the motion (see above) is not present a reduced quorum decision may be made if a reduced quorum (see next point) is then present for consideration of the motion (UTMA s 3.9 (2), part 3.1, schedule 3).
- At a regularly-convened general meeting, a reduced quorum means 2 or more people present at the meeting and entitled to vote on the motion (UTMA s 3.9 (2), part 3.1, schedule 3).
- A reduced quorum is also sufficient to make decisions on any later motions arising at the meeting. Any such later decisions made while only a reduced quorum was present are also reduced quorum decisions (UTMA s 3.9 (2), part 3.1, schedule 3).

*Reduced quorum decisions—adjournment following quorum trouble*

- If, within  $\frac{1}{2}$  an hour after a motion arises for consideration at a general meeting that has been regularly convened, neither a standard quorum for the motion (see above) nor a reduced quorum (see above) is present, the meeting is adjourned to the following week at the same place and time (UTMA s 3.9 (3), part 3.1, schedule 3). The meeting may also decide to adjourn even if a reduced quorum is present (UTMA s 3.9 (5), part 3.1, schedule 3).
- If, within  $\frac{1}{2}$  an hour after a motion arises for consideration at a general meeting convened following such an adjournment, a standard quorum for the motion is not present, a reduced quorum decision may be made if there is a reduced quorum made up by anyone then present and entitled to vote (even if that is only a single voter) (UTMA s 3.9 (6) (a), part 3.1, schedule 3).

Such a reduced quorum (of anyone present and entitled to vote) is also sufficient to make decisions on any later motions arising at the meeting. Any such later decisions made while only a reduced quorum was present are also reduced quorum decisions (UTA s 3.9 (6) (a), part 3.1, schedule 3).

### B2 When does a reduced quorum decision take effect?

- A reduced-quorum decision takes effect 28 days after the date of the decision (the decision's date of effect) (UTMA s 3.11 (1), part 3.1, schedule 3).
- However, this does not apply if the decision is disallowed, confirmed by a standard quorum general meeting or revoked (see below) (UTMA s 3.11 (3) – (5), part 3.1, schedule 3)

### B3 How may reduced quorum decisions be disallowed?

Reduced quorum decisions may be disallowed by petition (UTMA, s 3.11 (3), part 3.1, schedule 3). The petition must—

- state the resolution or resolutions to which it applies; and
- be signed by a majority of persons entitled to vote at a general meeting of the Owners Corporation (a person may sign whether or not he or she attended the meeting); and
- be given to the Owners Corporation before the decision's date of effect (see B2 above).

### B4 How may reduced quorum decisions be confirmed?

- A reduced-quorum decision may be confirmed by a general meeting of the Owners Corporation held before the decision's date of effect (see B2 above).
- For the confirmation to be valid, a standard quorum must be present when the confirmation motion is considered at the later general meeting (see B1 above).
- If a decision is confirmed, it takes effect from the date of the later general meeting whether or not a petition is given to the Owners (UTMA s 3.11 (4), part 3.1, schedule 3).

### B5 How may reduced quorum decisions be revoked?

- A reduced-quorum decision may be revoked by a general meeting of the Owners Corporation held at any time, whether or not the decision has earlier been confirmed.
- A revocation is valid whether a standard quorum or a reduced quorum is present when the revocation motion is considered (see B1 above; UTMA s 3.11 (5), part 3.1, schedule 3).

To the Owners of Units Plan 3259 Capital Hill Apartments  
17-23 State Circle FORREST ACT  
**MINUTES OF THE ANNUAL GENERAL MEETING**

**Held:** 18 October 2017  
**Time:** 6.00 pm  
**Place:** Eastlake Football Club, 3 Oxley Street Griffith ACT

**Present:** T & T Gassner Lot 12  
M & K Piotrowski Lot 23  
R & J Heaney Lot 28  
P & J Perkins Lot 30  
B & Y Crowe Lot 40  
D Timbs Lot 44  
P & G Ford Lot 46  
H Saducas Lot 49  
G Bowcock Lot 50  
T & J Frommer Lot 54  
D Campbell Lot 58

Tony Stevens representing City Strata Management

**Proxies:** L Wright Lot 3 in favour of D Campbell  
M Cahill & R Bolton Lot 20 in favour of Chairperson  
S Chambers Lot 36 in favour of D Campbell  
G Hamilton Lot 38 in favour of Chairperson  
P & J Hodge Lot 39 in favour of D Campbell  
W & B Young Lot 51 in favour of D Campbell  
M Warren – Smith Lot 52 in favour of H Saducas  
G McDermott Lot 56 in favour of D Campbell

**Absentee**

**Votes:** M & P Nicholl Lot 13 Agreed to motions 1,3,4,7,8,9,10,11 only  
D Drinkwater Lot 22 Agreed to all motions

**As a quorum was not present the meeting proceeded with a Reduced Quorum.**

*Owners are advised that under Schedule 3 (3.11 (1) & (3)) of the Unit Titles (Management) Act 2011, Reduced Quorum Decisions take effect 28 days after the date of this meeting. A reduced quorum decision is only disallowed if within 28 days after the decision was made, the Owners Corporation is given a petition requiring that the decision be disallowed signed by a majority of people entitled to vote.*

The meeting opened at 6.30 pm.

1. D Campbell chaired the meeting.

2. **Acceptance of Proxies/Absentee Votes was noted.**

3. **Minutes of Previous Annual General Meeting**

*Motion 1: That the minutes of the previous Annual General Meeting are confirmed.*

**CARRIED**

4. **Matters arising from those minutes.**

The Executive Committee were still working to resolve the signs for the letter boxes. The Executive Committee advised that copies of all Executive Committee meetings are placed on the Capital Hill Website for the information of owners. Any owner who preferred to receive a copy by email or post could do so by requesting a copy in writing from the Strata Manager.

5. **Chairpersons Report**

Attached is a copy of the report presented by D Campbell.

6. **Treasurers Report**

Attached is a copy of the report presented by P Ford.

7. **Financial report**

*Motion 2: That the financial statements be accepted as presented for the period 01 September 2016 to 31 August 2017.*

**CARRIED**

8. **Strata Management Contract**

*Motion 3: Ordinary Resolution: That the Owners Corporation for Units Plan 3259 agrees to reappoint City Strata Management as the Owners Corporation Manager for one year, in accordance with the terms set out in the contract recommended by the Executive Committee.*

**CARRIED**

9. **Insurance**

Owners were informed that the existing insurance cover is held through CHU as follows:

<b>Policy No</b>	<b>46244</b>
<b>Renewal Date</b>	<b>05 September 2018</b>
BUILDING	\$42,000,000.00
PUBLIC LIABILITY	\$20,000,000.00
OFFICE BEARERS	\$500,000.00
COMMON AREA CONTENTS	\$499,918.00
FIDELITY GUARANTEE	\$100,000.00
LOSS OF RENT	\$6,300,000.00
VOLUNTARY WORKERS	200K/2,000
WORKERS COMPENSATION	Selected
GOV. AUDIT COSTS	\$25,000.00
LOT OWNERS FIXTURES	\$250,000.00
WH&S BREACHES	\$100,000.00

LEGAL DEFENCE EXP.	\$50,000.00
PAINT BENEFIT	INCLUDED
FLOOD	Included

Excess \$300 each claim plus as per policy wording

Last valuation date 19 June 2017

The Managing Agent advises that the Owners Corporation insurance only covers the building and public liability claims that occur on the common property. The Owners Corporation insurance does not cover contents items such as carpet, curtains and light fittings. All Owners may wish to consider having their own contents insurance as well as public liability insurance within their own unit entitlement.

*Motion 4: That the level of insurance be adjusted upon renewal in consultation with the Executive Committee.*

**CARRIED**

#### **10. Expenditure**

*Motion 5: That the proposed Administrative Fund Expenditure Budget of \$283,210 plus GST for the period 01 September 2017 to 31 August 2018 be accepted.*

**CARRIED**

*Motion 6: That the proposed Sinking Fund Expenditure Budget of \$74,396 plus GST for the period 01 September 2017 to 31 August 2018 be accepted.*

**CARRIED**

*Motion 7: That the Owners Corporation agree to transfer \$65,000 excluding GST from the Administrative Fund Account to the Sinking Fund Account.*

**CARRIED**

*Motion 8: That the Owners Corporations authorise the Executive Committee to invest an appropriate portion of Sinking Fund money into a term deposit account at the best daily interest rate available at the time of the investment.*

**CARRIED**

#### **11. Levies**

*Motion 9: That the Owners Corporation determine an Administrative Fund Levy of \$150,000 plus GST for the 2017/2018 financial year, to be contributed in accordance with unit entitlements. Payment to be made over 2 periods paid in advance on 01 December 2017, 01 June 2018.*

**CARRIED**

*Motion 10: That the Owners Corporation determine a Sinking Fund Levy of \$100,000 Plus GST for the 2017/2018 financial year, to be contributed in accordance with unit entitlements. Payment to be made over 2 periods paid in advance on 01 December 2017, 01 June 2018.*

**CARRIED**

All Levy Payments must be made within 28 days of the due date. If payment is not made within 28 days of the due date, interest charges will accrue from the due date of the applicable period.

## 12. Executive Committee

Under the Unit Titles (Management) Act 2011, it is legislated that the Executive Committee has a Chair, Secretary and Treasurer for the 12-month period, with the position of Chair having casting voting rights. These positions are elected at the first formal meeting of the Executive Committee following the Annual General Meeting.

*Motion 11: That the Owners Corporation of Units Plan 3259 agrees to appoint 3-7 Owners to form the Executive Committee until the next Annual General Meeting, with election of those members to take place at this meeting.*

**CARRIED**

Nomination of executive committee members were then called for:

H Saducas  
D Campbell

T Gassner  
P Ford

The above Owners were then elected, with no objections received, to be the Executive Committee members for Capital Hill Apartments, until the next AGM with three vacancies.

### General Business

The incoming Executive Committee were asked to consider the following suggestions:

Replanting the entrance garden boxes and arrange for interested owners to maintain and water.

Advised the Window Cleaner that the western facing windows need more attention, when next cleaned.

That the OH & S concerns and Exhaust Fumes from the Owners Corporation tractor in the garage be addressed.

Arrange for the planter box irrigation system be checked at unit 202.

Investigate ways to clean the garage area.

**There being no further business the meeting concluded at 7.10 pm**

## AGM 2017 - Chairman's Report

As in all the previous AGMs for Capital Hill Apartments, we don't have the numbers and will have to proceed under the reduced quorum process. That means that although we can approve various motions, these can't have legal effect for another month and that's an embuggerance. I don't know how to regard this lack of participation in over half of our owners. It could be that they're very relaxed about their investments or it could be a back-handed compliment: they're so happy with the way things are run that they see no need to become involved themselves. Whatever the case, your Executive Committee are very appreciative of your presence here tonight and I welcome you and thank you.

There's always something going on. In recent years, the great activity was the extensive remedial work following Becton's bankruptcy. That was about two million dollars' worth. The major challenges these past twelve months have included bedding down the relationship with our new Managing Agent, City Strata, and the installation of photovoltaic panels. I'm happy to report that these two latter matters have gone very well and we'll be all the better for them in the years ahead. (I should qualify that remark about the panels; as you know, the scissor lift broke some 89 tiles in the courtyard between Buildings 21 and 23. As at 4.00 p.m. today, the matter was still with Solar Hub's insurers. I'm not holding my breath.)

If I thought the next year would be quiet, I was sorely mistaken. Already, we have identified two significant projects that we must undertake: installing canopies over the remaining three basement exhaust trunks and upgrading the lawns' irrigation systems. I guess most of you wouldn't know what an exhaust trunk was, but that's neither here nor there. (Any way, we installed them a fortnight ago.) But you would all have seen the patchy appearance of the lawns and the nature strips and have been concerned about those.

The dripper lines under the lawns are now nine years old and many of their components are failing. The drippers provide a less than ideal coverage of the lawns; they are frequently damaged by removal vans parking on top of them and crushing them; and they leak and waste water. We will replace the drippers with "pop ups" and will install tasteful bollards to keep the trucks

away. If we can get approval from TAMS, we will also irrigate the nature strip which, despite all our current efforts, still looks pretty poor.

The landscaping of Capital Hill Apartments has always been a most attractive feature of our homes, I know you will agree, but the original design has proved to have many shortcomings. The selected irrigation system is one, but many of the chosen trees and shrubs were simply inappropriate for one reason or another. We will attend to these as funds and other priorities allow.

We'd like to extend the coverage of the CCTV in the basement. It's nearly 100% but we'd like the lot and we're investigating the feasibility and cost of upgrading. Additional cameras and/or wider angled and/or fish eye lenses are possibilities. We received a quote yesterday but haven't had time to absorb it. It wasn't cheap.

These major projects aside, the routine repairs and maintenance must continue. You will recall that we have about two dozen contracts ranging from pest control to garbage removal and from security systems to lift servicing. Monitoring and supervising these, 365 days a year, is the business of the Executive Committee, assisted by the Managing Agent. All residents can assist in their own modest ways: disposing of garbage in accordance with all the guidance constantly offered; cleaning up your own mess in corridors, stairs and lifts; driving carefully; and reporting defects or safety hazards to mention only a few.

Peter Ford, our Treasurer, will be reporting separately. All I need say is that the owners' financial interests are at the forefront of the Executive Committee's minds at all times and we are in excellent financial shape.

I record my thanks to the members of the Executive Committee besides Peter, namely Horace Saducas and Terry Gassner. Their efforts on your behalf have been painstaking and relentless and, if I may say so, you owe them a great deal. And I also thank our Managing Agent in the shape of Tony Stevens here tonight and his team, who include (in no particular order) Julie in finance, Kelly in accounts, Aislinn in insurance, Dorothy in reception and Mika and Dave in maintenance. And there are our favourite contractors who we always rely on, Robert in plumbing, Luke in gardening, another Robert in cleaning, and Wayne in electrical to mention just a few.

On the agenda tonight is the election of members of your Executive Committee. I've advertised for volunteers but haven't exactly been



swamped with offers. I'm delighted to tell you that Horace, Peter and Terry have all agreed to serve another year if elected by you. To be honest, I'd really love to be replaced as Chairman and Secretary. Surely, I've done more than my fair share since September, 2008? And I do have another life to lead if I could. However, realistically, I doubt anybody else would be fool enough to offer and, if that's the case, I will reluctantly continue in both roles. But, really, I'd rather not.

Thank you.

**TREASURER'S REPORT  
UP3259 CAPITAL HILL APARTMENTS  
AGM 18 October, 2017**

**At 1 September, 2016, the start of our financial year, the Administrative Fund stood at \$218,391.02 and the Sinking Fund at \$35,666.73. At 31 August, 2017, the corresponding figures are \$198,025.98 and \$155,199.81**

**Through 2016/17, expenditure from the Administrative Fund was less than anticipated and appropriate adjustments have been made to this year's Administrative budget.**

**These reductions in estimated expenditure from the Administrative Fund in 2017/18 have resulted in a corresponding reduction in levies.**

**Expenditure from the Sinking Fund through 2016/17 has been within the annual estimates and in accordance with the Sinking Fund Plan. Deficiencies in the previous Sinking Fund Plan were the subject of a report at last year's AGM and a revised Plan was approved.**

**In making these reductions, we have been assisted by our Managing Agent, City Strata, who we engaged in 2015/16. The level of expertise they provide is significantly greater than that which we have had in past years and is making substantial improvements to our financial management. On the basis of their advice and having regard to the healthy state of our finances, the Executive Committee recommends:**

**\* That the Owners Corporation transfer \$65,000 from the Administrative Fund to the Sinking Fund to cover the cost of the solar system without the need to raise this levy as**

**resolved at the general meeting of 10 May, 2017. The \$65,000 expense of transferring these funds is shown as a sundry expense for the draft budget to reflect the true levies collected and the proposed balance to remain in the Administrative account.**

- \* Reduce the value of the administration levy to \$150,000.**
- \* These measures are estimated to leave the Administration with a balance of \$74,541 as at 31 August 2018 which is a considerable balance to meet any unexpected expenses.**
- \* The Sinking Fund is estimated to hold a balance of \$265,803 as at 31 August 2018.**

**It means that this year the owners will in effect have a reduction of over \$100,000 in levies and the following years levies will only increase in accordance with the requirements of the Administrative Fund.**