MINUTES OF THE ANNUAL GENERAL MEETING (AGM)

FOR THE OWNERS UNITS PLAN 3259

Wednesday, 14 October 2015

MacDonald Room, Eastlake Football Club, Kingston ACT

The meeting commenced at 6 pm

Attendees:

Sue Chambers	Apartment 105/17
Peter and Jennifer Hodge	Apartment 108/19
Horace and Sue Saducas	Apartment 118/23
Peter and Truus Ford	Apartment 115/21
Tom and Janet Frommer	Apartment 201/17
Alan Pearson	Apartment 110/19
David Campbell	Apartment 205/19
Terry and Karen Gassner	Apartment 12/19
Michael Allam	Apartment 11/19
Bernie and Yvonne Crowe	Apartment 109/19
John Whiting	Blandfordia Real Estate

It was noted that a quorum was not present however the meeting would continue as per section 3.9 under the Unit Titles (Management) Act of 2011(The Act) i.e. to follow a reduced quorum procedure.

Chairman
Under section 3.13 of the Act it was **proposed** that David Campbell, as the chairman of the Executive Committee, be the chairman of the AGM. **Carried** unanimously.

1. Proxies

It was **resolved** to accept the following proxies;

Jan Murray	For	David Campbell
Lisa Wright	For	David Campbell
Sue and Doug Brooks	For	Horace Saducas
Anna Burger	For	David Campbell
Paul Lehman	For	Chairperson
Ricky Bolton	For	Chairperson
Gaye McDermott	For	David Campbell

Carried

2. Minutes of the previous Annual General Meeting

Motion: that the minutes of the previous Annual General Meeting be accepted. Proposed, Horace Saducas; Seconded, Terry Gassner**. Carried**

3. Chairman's Report.

As has been the practice from the very beginning of our occupancy of Capital Hill Apartments, the Executive Committee of the Owners Corporation has met every month over the past year. Comprehensive Minutes of these meetings are placed on our web site, usually within 24 hours. News items of important incidents or developments are regularly and frequently also posted on the web site. I know that most owners don't read them. I doubt if more than one managing estate agent does either. A lot goes on with our property and all parties ought to keep themselves informed of our collective investment.

This time last year, we said that 2015 would be particularly busy and so it has proved to be. The principal concern has been the settlement of the insurance claim arising from building defects and the development of the contract for the repairs. As you will have noticed, the contractor, Remedial Building Services, is on site and work has commenced. This is the culmination of two years and seven months of intense effort. We will be under scaffolding until this time next year. Every effort will be made to keep noise and disruption to a minimum but, inevitably, there will be some inconvenience. Please bear with us.

Another very time-consuming activity has been a successful pursuit through the ACT Civil and Administrative Tribunal (ACAT). You might remember that at last year's AGM, I mentioned some bad behaviour in one particular apartment and related obscene graffiti in the basement. It's taken the entire year but we finally received financial and behavioural satisfaction. While the whole matter has been thoroughly unpleasant, it has also been a valuable experience for the Committee, not that we look forward to having to return to ACAT in the future.

Even without those major distractions, it would have been a busy twelve months. We administer 20-odd contracts for the maintenance of the Apartments and about a third of these each year need to be reviewed and either re-let or awarded elsewhere. I'm happy to report that we ended the financial year in very good shape and our prospects for next year are also good. The Treasurer will speak to this separately.

I stress my earlier plea for owners to look at our web site. There's a wealth of information and advice posted there which, unfortunately, is all too often not read or otherwise ignored. During the year, some residents have experienced problems with plumbing, lighting, gas, locks or other matters which could have been avoided had attention been paid to advice offered in the web site or in notices placed in the lifts and doors and letter boxes. More often or not, this neglect also means additional and unnecessary work for management, quite apart from expense and inconvenience to individual residents.

A second, special, plea is to owners with tenants. I think you're often let down by your estate agents. Many of them (the agents, I mean) don't know our Rules and don't bother to keep themselves informed about Capital Hill Apartments affairs. Accordingly, they can't or don't keep the tenants informed on your behalf and so we have problems with removals in and out and with all manner of breaches of our Rules: smoking, pets, parking, security, bicycles, garbage,

etc. Neither do the agents always keep us informed of changes in tenancy, despite a legal requirement to do so. You need to keep on their backs.

Owners will recall the disturbing incident in July in which thieves got into the basement by the simple expedient of 'tailgating'. Cages were broken into, items stolen and cars damaged. All this was captured on our high-resolution CCTV but, exasperatingly, for a complexity of legal reasons, Police were unable to proceed with prosecutions. We should all be alert to the danger of tailgating.

Once again, I thank the members of your Committee for their unstinting efforts during the year, and also for those of our Managing Agent. I suspect most of you have little idea of how much work is entailed in maintaining our buildings and grounds and in complying with a multitude of legislation, but I do and I'm very grateful.

Motion: that the Chairman's report be accepted. Proposed, Truus Ford; Seconded, Horace Saducas. **Carried**

4. Treasurer's Report

- Our financial position is sound and we finished the year with a surplus of $32,991 in the Administrative Fund budget.
- As set out in the financial statements, we finished the year with a cash balance of $502,058.15 of which $70,874.78 is in the Administrative Fund and $431,183.37 in the Sinking Fund.
- The acceptance in total of our claim against Becton's insurer, CGU, considerably improved our financial position and enabled a lower level of expenditure than that for which we budgeted.
- Administrative expenses were reasonably consistent with last year's budget with the exception of consultancy and legal expenses; consultancy expenses fell from $20,380 in 2013/14 to $1,008 in 2014/15; legal expenses rose from $9,940 in 2013/14 to $22,080 in 2014/15, $8,000 of which was a carryover from legal work done in 2013/14 and billed after the financial year.
- Increases in utility charges and in some contractual services have been kept within reasonable bounds.
- The small increase in this year's Administrative Fund budget from last year's expenditure of $229,454 to projected expenditure for this year of $239,145 is due to adjustments in expected costs in line items. Projected expenditure in the Administrative Fund budget is $23,300 less than the projected expenditure last year.
- This reduction has enabled a decrease in levies for 2015/16.

Peter Ford, Treasurer

Motion: that the Treasurer's Report be accepted. Proposed, Horace Saducas; Seconded Terry Gassner. **Carried**

5. Managing Agent's WHS Report

Significant Workplace, Health and Safety issues that arose during the year included falling soffit panels in Building 21 and overheating halogen downlights in several apartments. Routine WHS activity has ranged from testing fire alarms to initiating pest controls and from certifying roof

anchors to conducting a security audit. The Executive Committee take their WHS responsibilities most conscientiously and WHS is the first item on the agenda of their monthly meetings.

6. Insurance

The Managing Agent reported that the Owners Corporation holds the following insurance policy which was renewed from 5th September 2015 based on a 5% increase from last year's valuation assessment:

Company :	CHU
Building:	$38,986,584
Legal Liability:	$20,000,000
Workers Compensation:	As per Act
Office Bearer Legal Liability:	$500,000
Premium:	$28,373.66
GST:	$2,843.38
Stamp Duty:	$620.85
CHU Admin Fee:	$60.00
Excess:	$250.00
Expiry Date:	5th September 2016

7. Amendment to Sinking Fund

Supervision of Remedial contract:

- Purpose of contract – remediation of Becton's defective building work;
- Work to be undertaken – putting the building in the state that it should have been in originally;
- Mixture of tasks – sufficient number of a capital nature for the expenditure to be allocated to the Sinking Fund.

Motion: that the sinking fund plan be amended to authorize expenditure of up to $40,000 to Point Project Management for the purpose of contract supervision of the work to be carried out by Remedial Building Services under contract with the Owners Corporation. Proposed, Horace Saducas; Seconded, Terry Gassner. **Carried.**

8. Financial Statements.

The Treasurer took the meeting through the Balance Sheet and the table of Actual Income and Expenditure for 2015-15 and the proposed Budget for 2015-16.

Motion: that the promulgated Financial Statements be accepted. Proposed, Terry Gassner; Seconded, Sue Chambers. **Carried.**

9. Expenditure Budget for 2011/2012

It was **resolved** that the previously disseminated budget for 2015/2016 of be accepted. Proposed Peter Ford, Seconded Horace Saducas. **Carried.**

10.Levies

It was **resolved** that the previously disseminated Administrative Fund levies of $239,145 and Sinking fund levies of $81,902 for 2015/2016 be accepted. Proposed Sue Chambers, Seconded Peter Ford. **Carried**

11. Election of Executive Committee

The Chairman explained the historic composition of the Committee and the desired skills and experience of members.in administration, management, finance and engineering. He noted the recent accession of a member with horticultural qualifications. He particularly expressed a wish for an additional member, particularly a representative from Building 17. Nominations for the Executive Committee were then called for and it was **resolved** the existing committee would return. David Campbell was nominated as Chairman and accepted. The Executive Committee for 2015/2016 will be David Campbell (Chairman & Secretary); Peter Ford (Treasurer); Terry Gassner, Horace Saducas and Ryan Veurink. (Members). **Carried**

12. General Business

ACAT. The Treasurer took the meeting through the recent ACAT procedure and explained that a simple resolution would obviate any future necessity for an EGM to proceed with a routine ACAT case subject to certain conditions.

Motion: that the Owners Corporation approve the taking of action in the ACT Civil and Administrative Tribunal to enforce the Rules where the action can be taken without professional legal representation and the Executive Committee is satisfied that:

(a) it should be undertaken; and
(b) there is a good prospect that the Rules can be enforced at no cost to the Owners Corporation.

Proposed, Terry Gassner; Seconded, Sue Chambers. **Carried.**

Vote of Thanks. On behalf of the Owners Corporation, Terry Gassner thanked David Campbell for the energy, time and perseverance he exhibited over the year to ensure the rectification works are contracted, implemented and overseen. David gratefully acknowledged the thanks but commented his efforts had not been without the support of the rest of the Committee.

The Chairman then thanked those present for their attendance and, there being no further business, closed the meeting 6.45pm