

MINUTES OF ANNUAL GENERAL MEETING

BODY CORPORATE NO. 164980

PROPERTY AT: 148 Quay Street, Auckland City

AN ANNUAL GENERAL MEETING of this body corporate was held in the Grey Room, First Floor, Mercure Hotel (formerly the Novotel), 8 Custom Street, Auckland City, on 3rd May 2006 commencing at 7.00 pm.

PRESENT:

As per Attendance list completed by owners and appended to the minutes.

Mick Webb; Alan Penny; Mr. D Margaritis; Sarah McLauchlan; Mr. DM Jones; Daines D.A of Dadlea Investments Ltd.; Mr. AAC and Mrs. CI Jensen; Mr. D & Mrs. E Vietmeyer; AW & M Mummery; CA & AE Micallef; YL Lendrum; PY & M Cheung; Suzanne Keppel; U Hoppenjans; Mr. P Chaplin; Mr. C Godoy; Peter Stratford; Linda Scott of Tenham Investments; Roebuck N.M; Mr & Mrs Boswell; Mr. HM Knowles; Paula Beaton representing Body Corporate Administration Limited as secretary.

1. CHAIRMAN:

Mick Webb chaired the meeting and introduced the committee members.

Mick Webb presented his chairman's report.(To be appended)

2. APOLOGIES and PROXIES:

A proxy held by Paula Beaton from RJ Anderson	Unit 4C	
A proxy held by Alan Mummery from JGO & JM Stubbs Trust	Unit 7C	
A proxy held by Peter Stratford from David M Lawson Ltd	Unit 3B	
A proxy held by Yvonne Lendrum from Brian & Maureen Eardley-Wilmot	Unit 4B	
A proxy held by Chairperson from Mr DG & Mrs CM Dell	Unit 7D	
A proxy held by Peter Stratford from Nancy Tsai	Unit 5D & Unit5E	
A proxy held by Peter Stratford from Mr. RW & Mrs. JG Fleming	Unit 8D	
A proxy held by Peter Stratford from Mr. NR Robinson & Ms JA	Unit 6E	
A proxy held by Peter Stratford from Epsom Trust	Unit D & Unit 7G	
Moved: Mr & Mrs Boswell	Seconded: Mrs.CI Jensen	Carried

3 UPDATE ON Mr VELICH'S CASE

Clinton Baker addressed the Body Corporate meeting advising that Mr Velich is claiming

\$1.1million, which includes mortgage costs, loan fees and loss in capital gain.

The Body Corporate has filed a defence to the first claim and the matter will be set down for hearing in about March 2007.

4. ANNUAL ACCOUNTS:

The statement of receipts and payments for the body corporate for the period 1st February 2005 to 31st January 2006 was discussed, and adopted.

Moved: Mr. Webb Seconded: Mr. Penny Carried

5. AUDIT:

It was resolved that because all transactions are made through the trust account of the secretary, which is subject to a random audit, that no independent auditor be appointed to audit the books of account held and administered by the secretary. It was further resolved that any interest earned on the trust account balance go towards defraying the cost of the audit.

Moved: Mr. Webb Seconded: Mr. Jones Carried

6. VALUATION & INSURANCE:

An updated valuer's reinstatement insurance certificate and several insurance quotes for the body corporate, which had been obtained by the secretary, were tabled at the meeting.

It was resolved that the body corporate be insured with AON Risk Services via Allianz Insurance Company for the forthcoming year and that the policy have a \$250 Owner Occupied Units Excess (exclude Unit 11D with a \$4,000 excess); \$500 Commercial Units Excess; \$1,000 Burglary; \$500 Water Damage; \$20,000 Subsidence/Landslip; \$200,000 Common Area Chattels and Landlords Permanent Fixtures; \$1,000,000 General Liability; \$500,000 Statutory Liability

Moved: Mrs. Lendrum Seconded: Mr & Mrs Boswell Carried

7. COMMON MAINTENANCE MATTERS:

The following items were discussed and resolved at the meeting:

Electricity Costs

Mr. Stratford, in referring to the increase electricity costs, wished the committee to review the option of keeping three of the four lifts in service on a roster basis.

Legal Costs

Mr. Jensen requested that all costs associated with Mr Velich's proceeding continue to be kept separate.

Painting

There was extensive discussion on exterior painting of the building. Several quotes and maintenance options had been received. However, in view of the on-going litigation, the committee had not deemed it appropriate to proceed.

It was resolved that notwithstanding the court case, the Committee investigate costs and quality issues pertaining to the repainting and to call an extraordinary general meeting with a view to deciding how to proceed.

Moved: Mr & Mrs Boswell Seconded: Mr Webb Carried.

Accessory Unit Upgrade

There was a handout on the accessory unit upgrade. (Copy appended)

Due to the implications of these units not meeting fire safety standards (in terms of insurance coverage and integrity of the stairwells as fire exists), it was resolved to empower the owners committee to take whatever steps were necessary to complete these upgrades, which are to be paid for by individual unit owners.

Moved: Mrs. Lendrum Seconded: Mrs. Scott Carried.

Slate Granite Surface in Foyer

Mr. Stratford commented on the deteriorating condition of the granite floors and requested that the committee obtain advice on an appropriate cleaning and polishing technique to be used, as there was conflicting opinion from previous experts asked.

Water Ingress

Darrell Jones raised the issue of leaks into his and other level three apartments coming from what appeared to be Mr Velich's roof (this occurs during heavy downpours and has been ongoing since 1999). The committee advised that the body corporate were not responsible for the exterior to Mr Velich's property but they would help to facilitate action on fixing the problem.

8. BUDGET 2006/2007:

Items	Proposed Budget 2006 / 2007 12 Months	Comments
<u>Administrative</u>	\$	
Administration Fees	9,585.00	@135.00 per unit*71
Sundries	1,500.00	\$1500.00 for disbursements, petty cash and etc
GST	3,000.00	base as last year budget
Titles/Legal/Consultancy	20,000.00	As per discussion by OCM
Insurance		
Insurance Reinstatement	33048.92	As per actual quote by Allianz Insurance
Insurance Officer Bearers	8,100.00	Est. 20% Inc. – Subject to change as per actual Invoice
Insurance Valuation	1,035.00	As per actual invoice from Seager & Partners
Maintenance		
Alarm	5,500.00	As per actual cost for period 1.2.05 to 31.1.06 by Alarm NZ
Caretaking	34,000.00	As per discussion by OCM
Cleaning & cleaning materials	1,000.00	to cover cleaning material and common area cleaning separate
Window Cleaning	13,872.00	@ \$3,465.00/Qtr *4 by OFF the Ledge window
Rubbish Collection	100	
Pest Control	1,814.12	@ \$453.53 quarterly *4 by Rentokil Initial Ltd.
Fire Services/WOF	10,832.00	@ \$486.00 per month*12 plus \$5,000 to cover other costs
Lift	20,772.00	Renewed as per contract
Repair and Maintenance	20,000.00	As per discussion by OCM
Utilities		
Common Power	27,000.00	Avg. @ \$2,250.00 per month*12
Gas	10,000.00	Avg. @ 750/month *12 Months
SKY TV	25,656.00	\$2,138.00/month *12 Months
Telecom	2,034.00	Avg. @ \$169.5/month *12 Months
Water	38,325.00	@ \$105 daily rate*365
Sinking Fund	47,325.96	As per discussion by OCM
Contingency Fund	2,500.00	same as last year budget
Total	\$337,000	Levy to be struck for BC 164980 normal account

Unit BA (Carpark)	6,740.00	The unit entitlement of unit BA is 2% of total levy \$337,000.00 for period 2006/2007
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The BA car park has a unit entitlement of 2%. The amount to levy for this car park is \$6,740.00

It was resolved that the secretary be called upon to assess the amount of the fund to be set up for valuation fees, replacement insurance, administration fees, maintenance and contingency fund, GST expenses, and any other outgoings which must be set up in terms of section 15 of the Act. The secretary was authorized to pay such accounts for the body corporate as they fall due.

Moved: Mr & Mrs Boswell Seconded: Mr. David Lawson Carrie

9. LEVIES

- a. **The levies are due in two instalments – 20th June 2006 and 20th December 2006.**
- b. The secretary outlined the credit control procedure which involves one phone call, one credit control letter identified as DC2 and after that point rigorous enforcement procedures will be implemented in order that the interests of the other owners in the Body Corporate are not jeopardized by non payment of levies.
- c. The secretary advised that a levy statement will be distributed to owners with a copy of the minutes and that payment of the levy for the forthcoming year should be paid by the date stipulated on the levy statement so that the insurance premium can be paid.

It was resolved that if any levies authorised by this, or any other general meeting of the body corporate are not paid by a proprietor on due date, then the secretary is authorized and instructed on behalf of the body corporate to exercise those powers conferred on the body corporate by s.32 of the Unit Titles Act including the recovery of any costs expended as a result of that proprietor's default pursuant to s.34 of the Unit Titles Act. Interest recoverable pursuant to s.34A of the Unit Titles Act on such unpaid levies is set at 10% per annum

Moved: Mr & Mrs Boswell

Seconded: Mr Webb

Carried.

10. GENERAL BUSINESS:

1, it was proposed that existing committee members be reappointed.

Those members being

- Mick Webb- Chairman

-Allan Penny

-Sarah McLauchlan

-Dimitri Margaritis

Moved: Mrs.Mummery

Seconded: Mrs. Lendrum

Carried.

There being no further general business, the meeting closed at 9.30 pm.