

Minutes of the Annual General Meeting of Owners Corporation Plan No.2470, 162 Power Street, Hawthorn, held on Wednesday 8 December 2010 at Unit 5, 162 Power Street, Hawthorn commencing at 7:30pm.

No. Description

- 1 Russell Dawe was elected Chair for the meeting:

Attendance:

*Nan Durance – proxy to Zofia Sagala
Zofia Sagala
Sue Bowman – proxy to Ken Loh
Amanda Dymond
Margaret Wallis
Simon McDonald - absent*

*Sisters of Mercy Melbourne Congregation -Maureen
McManus Unit 7 – proxy to Rosemary Duck
Joyce Grimshaw - proxy to Russell Dawe
Sisters of Mercy Melbourne Congregation -Rosemary
Duck Unit 9 – proxy to Rosemary Duck
Elizabeth Dawe – proxy for committee membership to
Russell Dawe
Anthony Lewis
Carl & Angela Chen – proxy to Russell Dawe*

In attendance: Frances Sagala

2 **Minutes of Previous Meeting**

Minutes of the 2010 AGM held on 10 February 2010 have been circulated.

Subject to a correction that the storm damage referred to in item 4 was to unit 1 not 2 as indicated, the minutes were taken as read and were confirmed.

- 3 Business arising from Minutes of previous Meeting

4 **Consideration of Reports**

- Committee's report

The meeting noted the committee report

- Grievance Committee report on complaints and disputes

NIL

- 4Site report re Financial Statements

The meeting noted the financial statements for 2010 prepared by 4Site.

It was noted that the statement included costs to the end of November and that there had been significant additional costs since that date including:

Storm water inspection points on down-pipes – block 1	\$500.00
Installation of additional storm water pump on the north side of block 2	\$1200.00
Pinchen Property Services November	\$288.20
Window cleaners contracted	\$2,270.00

It was noted that the maintenance costs had risen far beyond that budgeted for 2010 due to some major works which had been required – particularly including damp in the wall of 8 Power Avenue's garage on the northern boundary, removal of the tea tree screen fence and repairs to fences and box gutters.

5 **Consideration of financial matters**

- Details of insurance and insurance valuation and review

Insurance cover renewal occurs early in 2011. Anthony Lewis will seek alternate quotations for the required cover for 2011.

- Investment and banking

It was noted that, to obtain improved interest levels on Owners Corporation funds three separate bank accounts were currently maintained – a term deposit, an 'on-line' account and a cheque account. In order to maximise the interest return and facilities available to the corporation (cheques, interest, BPay, bank deposits) and to minimise the level of personal involvement in arranging the funds to achieve the facilities it was agreed that the Owners Corporation bank accounts should be transferred to a Cash Management Account with the Macquarie Bank. Consequently the 4Site annual costs would be reduced by the amount which had been included for managing the investments (\$480 per year).

- Proposed Budget

A proposed 2010 budget was distributed with the meeting papers and made available on the Owners Corporation's website http://www.powerst.innobiz.com.au/meeting_index.htm

It was noted that 4Site had strongly recommended that the maintenance figure included in that distributed budget was inadequate and should be increased given the experience of 2010 and that the buildings continued to age. 4Site had also strongly recommended that a sinking fund should be built up

given that it was clear that some major repair costs could be expected in the not-too-distant future. It was noted that a number of maintenance jobs have been identified as required following property inspection by Stewart McKellar, including:

- block 1 roof found to be sound but in need of maintenance to halt progression of rusting and maintain soundness
- water service to units 9, 10, 11 & 12 found to be badly rusted and in danger of bursting
- stairs to unit 4 require sealing on both sides to prevent water seepage into outside wall and unit 2. It was noted that it was not clear whether this work should be a cost to the Owners Corporation or to Unit 4.

The report on maintenance items identified by Stewart McKellar is attached.

Initial estimates were that these three jobs themselves were likely to cost around \$10,000.

Additionally further fencing work was required at the north-west corner of the property. Following an inspection report from his agent, Carl Chen had also requested that the state of external window frames be surveyed to establish whether major maintenance work was required around the buildings. It was noted that, as the window cleaning was scheduled immediately following the AGM Bax Window Cleaning had been requested to provide a report on the state of the window frames.

Given the noted maintenance items and their anticipated costs, it was agreed that the Repairs and Maintenance item in the budget should be raised substantially. A motion that it be raised to \$20,000 was not passed. It was resolved that the figure should be raised to \$16,000 in 2011.

It was agreed that a forward projection of cash-flow and fund accumulation to handle anticipated major expenses should be undertaken

Agreed budget for 2011

CATEGORY	BUDGET 2010	ACTUAL 2010	BUDGET 2011	% change
INCOME				
Maintenance fees			\$ 31,420.00	
Levies			\$ 17,500.00	
Interest earned			\$ 1,377.00	
			\$ 50,297.00	
EXPENSES				
Accountancy fees and costs	\$ 2,680.00	\$ 2,640.50	\$ 2,640.00	
Bank fees	\$ 85.00	\$ 69.05	\$ 85.00	
Insurance Premiums	\$ 6,012.00	\$ 6,011.28	\$ 6,200.00	
Electricity	\$ 200.00	\$ 188.40	\$ 370.00	
Gardening	\$ 3,500.00	\$ 4,111.20	\$ 4,250.00	
Repairs & Maintenance	\$ 3,000.00	\$ 16,838.79	\$ 16,000.00	
Window cleaning	\$ 1,400.00		\$ 1,400.00	
Disbursements	\$ 400.00		\$ -	
Gutter cleaning	\$ 475.00		\$ 475.00	
	\$ 17,752.00	\$ 29,859.22	\$ 31,420.00	77%
Levieable				
Programmed Maintenance	\$ 16,500.00	\$ 16,316.52	\$ 17,000.00	
Stair cleaning	\$ 500.00	\$ 500.00	\$ 500.00	
Total Levieable	\$ 17,000.00	\$ 16,816.52	\$ 17,500.00	
Total expenditure	\$ 34,752.00	\$ 46,675.74	\$ 48,920.00	41%
Projected net position			\$ 1,377.00	

- Proposed fees

The proposed 2010 fee statement is available on the Owners Corporation's website

http://www.powerst.innobiz.com.au/meeting_index.htm

	Unit No.	Liability	Basic	Levy1	Levy2	Total 2011	Jan	July
			\$ 31,420.00	\$ 17,000.00	\$ 500.			
Mrs N Durance	1	36	\$ 3,556.98	\$ 1,924.53		\$ 5,481.51	\$ 2,740.75	\$ 2,740.75
Ms S Bowman	2	24	\$ 2,371.32	\$ 1,283.02		\$ 3,654.34	\$ 1,827.17	\$ 1,827.17
Mr & Mrs N. Sagala	3	32	\$ 3,161.76	\$ 1,710.69		\$ 4,872.45	\$ 2,436.23	\$ 2,436.23
Ms A Dymond	4	30	\$ 2,964.15	\$ 1,603.77		\$ 4,567.92	\$ 2,283.96	\$ 2,283.96
Mrs M. Wallis	5	32	\$ 3,161.76	\$ 1,710.69	62.5	\$ 4,934.95	\$ 2,467.48	\$ 2,467.48
Mr S McDonald	6	22	\$ 2,173.71	\$ 1,176.10	62.5	\$ 3,412.31	\$ 1,706.16	\$ 1,706.16
Sr M McManus	7	22	\$ 2,173.71	\$ 1,176.10	62.5	\$ 3,412.31	\$ 1,706.16	\$ 1,706.16
Mrs J Grimshaw	8	22	\$ 2,173.71	\$ 1,176.10	62.5	\$ 3,412.31	\$ 1,706.16	\$ 1,706.16
Sr R Duck	9	22	\$ 2,173.71	\$ 1,176.10	62.5	\$ 3,412.31	\$ 1,706.16	\$ 1,706.16
Mrs E Dawe	10	22	\$ 2,173.71	\$ 1,176.10	62.5	\$ 3,412.31	\$ 1,706.16	\$ 1,706.16
Mr A Lewis	11	32	\$ 3,161.76	\$ 1,710.69	62.5	\$ 4,934.95	\$ 2,467.48	\$ 2,467.48
Mr & Mrs C Chen	12	22	\$ 2,173.71	\$ 1,176.10	62.5	\$ 3,412.31	\$ 1,706.16	\$ 1,706.16
						\$	\$	
	318		\$ 31,420.00	\$ 17,000.00	500	48,920.00	24,460.00	\$ 24,460.00

It was agreed that a paper explaining the basis for the increase in the fees for 2011 should be prepared and sent to owners with the first fee invoice.

Fees are payable on a half yearly basis, payable within 28 days of the date of issue of fee invoices. Outstanding balances will be subject to interest at the then applicable government penalty interest rate (currently 10.5%pa). Where payments, or any part thereof, is outstanding as at the due date the Owners Corporation accountants will issue an invoice/notice for the Outstanding amount – this invoice/notice will itself attract an additional charge of \$25.00 (charged by the accountants for each invoice/notice issued) plus the interest outstanding as at that date. Interest will continue to accumulate on the outstanding amount – and on any outstanding interest payments – at the designated rate to the date of payment of the amount in full.

6 Election of Committee

It was resolved that the following persons be elected to the Committee for 2010:

Russell Dawe , Margaret Wallis, Anthony Lewis, Rosemary Duck and Zofia Sagala

7 Appointment of Officers

It was noted that the Committee would elect its Chairperson and Secretary

8 Other Business

Development 158-160 Power St.

The approval of the planning permit for the development on 14 apartments on 158 – 160 Power Street by the Boroondara Council was noted and that an appeal could be made to VCAT against this unsatisfactory development. It was resolved that the Owners Corporation should join, as a party, an appeal against the development on the basis that it will be self-represented and no external experts be used in the appeal; Frances Sagala to be the spokesperson for the appeal and to handle all arrangements. Costs of the lodgement (\$307.10) to be reimbursed to the Sagalas (or other appropriate person). It was noted that this appeal would be from the Owners Corporation and not part of a joint appeal with other affected persons from Power Avenue.

Television antenna

It was noted that TV reception in block 1 was very poor and that a new antenna was required. It was agreed that the current antennas should be replaced, but it was further agreed to delay such replacement until the cut-over to digital only TV signals.

Russell T. Dawe

Secretary, Owners Corporation Plan 2470

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