

**MINUTES OF A COMMITTEE MEETING OF CATHEDRAL PLACE COMMUNITY
BODY CORPORATE MCP 106902 HELD AT THE MEETING ROOM, CATHEDRAL
PLACE ON MONDAY 28 MAY 2007 AT 6.00 PM**

Representation: Mr Peter Zunker Cathedral Place 'A' – Notre Dame
Mr Pat Brown Cathedral Place 'B/C' – Oxford & Cambridge
Mr Tony Rich Cathedral Place 'D/E' – Canterbury & Westminster
Mr Ken Morrisby Cathedral Place 'G/H' – Kensington & Sandringham
Mr John Gilliland Cathedral Village
Mr Conrad Beal Body Corporate Manager, Representing Archers
Body Corporate Management Pty Ltd

Proxy: Proxy from Barry Budd, Cathedral Place 'F' – Duhig to Tony Rich

Apologies: Barry Budd - Cathedral Place 'F' – Duhig – he is sick.

**Present as an
Observer:** John Cipollone - Ordinary Committee Member, Cathedral Village
Knotts - Ordinary Committee Member, Cathedral Village
Ross Covey - Owner Unit 12, Cathedral Village
David Bott - Owner Unit 27, Cathedral Village

Quorum: It was noted that a quorum was declared constituted there was more than half (50%) of all members of the committee being present.

Chairman: The members elected Conrad Beal to chair the meeting, and he agreed to chair the meeting.

**Attendance as
Observers** Before the meeting commenced there was discussion about whether the attendees from Cathedral Village could remain. There were discussions between two members and Knotts.

The Chairman advised the attendees, after consulting with all members, that they could remain as long as they realised they were attending only as observers and could be requested to leave should they disrupt the proceedings.

Proxy: Tony Rich has a continuing proxy from Barry Budd, Cathedral Place 'F' – Duhig to himself.

The Chairman ruled that Barry Budd can continue to hold the proxy

**Confirmation of
Minutes of previous
meetings:** The minutes of the Committee Meeting held 21 May 2007 was discussed. The draft minutes were sent to Peter Zunker and John Gilliland for initial input. Most of the input from Peter Zunker was put into the minutes and that was sent to all members, together with a correction. No input was received from John Gilliland. Those minutes were then discussed.

John Gilliland requested that the minutes as presented without any input be accepted. All members were requested to comment.

RESOLVED that the Minutes of the meeting held on 21 May 2007 without any input or amendments be accepted as a true and correct record of
Carried 4 For, 2 Against.

Business Arising: a. **2nd April 2007**
(1) Budget Construction - Lot Entitlements and By Law 27

Peter Zunker went through the proposed changes caused by the required change to the correct lot entitlements for all subsidiaries, and using the By-laws to strictly determine whether expenditure items are required to be Restricted or Unrestricted in the Budget.

He has gone through each expenditure item in the budget and allocated to Restricted or Unrestricted, and an amended budget (to that resolved at the AGM of 8 January 2007) was presented.

John Gilliland and Conrad Beal advised that Restricted items were allocated as per SSKB allocations. It was agreed that those allocations may not be correct, and should now be corrected.

It was agreed that the "pool area" detailed in the plan annexed to the By-laws does not correctly show all areas included in the Restricted area, and that it may be found that the By-law has to be amended to correctly show the allocations as agreed by members. Each item was then discussed.

1. Contingencies

Proposed to change from \$10,000.00 in Unrestricted to \$5,00.00 in both Restricted and Unrestricted

Following discussion RESOLVED to remove Contingencies from budget
Carried 6 For, 0 Against

2. Electricity

Proposed to change from \$110,000.00 in Unrestricted to \$100,00.00 in Unrestricted and \$10,000.00 in Restricted (allocated to pool area)

John Gilliland considered that electricity belongs to each subsidiary. It was then discussed how metering and charging could be done accurately, including number of car parks in each subsidiary.

Pat Brown raised concern that his electricity charges are too high for the number of units in his scheme.

It was agreed that there needs to be a clearer picture of the meters and what (building, plant (incl lifts and exhaust fans) each meter is metering.

John Gilliland advised that Cathedral Village are prepared to provide separate metering for the lift and cooling towers serving the village at their cost, and then pay for billed electricity from those meters.

RESOLVED that :-

1. Electricity costs should be paid by each subsidiary where they can be correctly allocated according to metering; and that
2. A formula be agreed to for lifts and other shared facilities; and that
3. A separate meter be considered for the pool area to calculate how much the area uses; and that
4. Magoffin (electrician) be engaged to :-
 - a. Label any circuit breakers not presently labelled; and
 - b. Confirm what each meter is connected to for major items such as lifts and ventilators; and that
5. Electricity costs be charged direct to the subsidiaries according to metering from 1 September 2007 as electricity is budgeted to CBC and not to the subsidiaries until that date

Carried 6 For, 0 Against

3. ERC Litigation

John Gilliland advised that ERC have to 31 December 2007 to take the matter to the Supreme Court, and recommended it be removed.

Following discussion RESOLVED to remove ERC Litigation from budget
Carried 6 For, 0 Against

4. Fees & Permits

It was agreed that the two major items are lift registrations and backflow prevention devices.

Following discussion RESOLVED to remove lift registrations, backflow prevention devices and any other costs in this area that can be allocated to a subsidiary from budget

Carried 6 For, 0 Against

5. Insurance

Proposed to change from \$20,000.00 in Unrestricted to \$10,00.00 in both Restricted and Unrestricted

It was discussed how insurance could be broken down per subsidiary.

RESOLVED to engage a Quantity Surveyor to provide a break up, and Body Corporate Manager to arrange.

Carried 6 For, 0 Against

6. Legal Fees

It was discussed on the prospect of legal fees being an item of expenditure.

RESOLVED to remove legal Fees from budget

Carried 6 For, 0 Against

7. Land Tax

Proposed to change from \$10,000.00 in Unrestricted to \$5,000.00 in both Restricted and Unrestricted (allocated to pool area)

John Gilliland presented the accounts for Land Tax, and advised of the requirements of the Mixed Use Developments Act (MUD).

He advised that land tax should be allocated in accordance with the number of car bays a subsidiary has for 2 car park layers

No decision was made on this item at this time.

8. Manager/Caretaker

Proposed to change from \$316,997.50 in Unrestricted to \$166,997.50 in Unrestricted and \$150,000.00 in Restricted (allocated to pool area as it is considered to be a "left over" amount)

Caretaking Agreement has a split up of the remuneration payable to the residential subsidiaries only. Cathedral Village was removed from the agreement and has a separate agreement.

On this basis John Gilliland proposed that all costs must be allocated to Restricted

Peter Zunker was requested to provide details as to why the "left over" amount should be included under Unrestricted, and he will do this. No decision was made on this item at this time.

9. Repairs & Maintenance

Proposed to change R & M Building, Electrical, Gardens & Grounds, and Plant from Restricted to divided between Restricted and Unrestricted, R & M Gym, Air Con, and Plumbing from Restricted to Unrestricted.

All items under Repairs & Maintenance were discussed.

John Gilliland proposed that all costs must be allocated to Restricted.

Peter Zunker advised that he had used the By-law to interpret these allocations

It was agreed that the items should be correctly determined on the ground and recorded on the plan. Peter Zunker to do a plan.

RESOLVED to :-

1. Place all R & M Air Cond, Building, Electrical, Gardens & Grounds, Gym, Plant and Plumbing in Restricted; and to
2. Place R & M Security in Unrestricted
3. Have all invoices coded by Michael Johnston to the appropriate entity for payment

Carried 6 For, 0 Against

10. Rubbish Removal

It was discussed what constitutes rubbish removal

RESOLVED that Rubbish Removal be charged direct to the subsidiaries
Carried 6 For, 0 Against

11. Telephone

It was discussed what constitutes telephone.

RESOLVED that lift telephones be charged direct to the subsidiaries and that fire line telephones remains in Unrestricted
Carried 6 For, 0 Against

12. Body Corporate Manager's fees

Archer's fees would be allocated to BUP's on the basis of lot count as tendered

Carried 6 For, 0 Against

(2) Accounts to show actual restricted and unrestricted expenditure

Conrad Beal reported that separate Restricted and Unrestricted recording of expenditure in both the Administrative and Sinking Funds, together with an Electricity Budget in the Administrative Fund can be implemented, and that this should occur from the beginning of the new financial year, 1 September 2007. He also advised that financial reports could no longer include the previous year.

RESOLVED that separate Restricted and Unrestricted recording of expenditure in both the Administrative and Sinking Funds, together with an Electricity Budget in the Administrative Fund be implemented from the beginning of the new financial year, 1 September 2007

Carried 6 For, 0 Against

(3) Water Meters – Brisbane City Council Contact

Water Meters

Peter Zunker advised that;

- a. Water to units is currently charged on estimated usage; and that
- b. Meters are not read by Council; and that
- c. The charges the same as a suburban house, and that
- d. Council will read, by agreement, the meters and charge accordingly.

RESOLVED that Michael Johnston contact Council and make the required arrangements.

Carried 6 For, 0 Against

Water Management Plan

It was raised that the scheme still needs to provide a Water Management Plan.

RESOLVED that Michael Johnston obtain a quote for a contractor to provide a Water Management Plan.

Carried 6 For, 0 Against

(4) Confirmation that engagement for legal representation of the CPCBC can only be approved at a committee meeting

Peter Zunker tabled advice obtained from Mark Mellick of McMahon Clarke Legal by Body Corporate manager as previously resolved as to whether a member of the Committee can obtain legal advice without authority of the Committee

The advice is that :

1. " A committee member may not retain a legal firm to provide advice to a committee member and/or the body corporate without a duly passed resolution of the committee authorising the expenditure and the retention of the legal firm to provide the advice.
2. A committee member, acting on their own behalf, may of course obtain their own legal advice for any reason whatsoever. However, in these circumstances, it would be the committee member who retains the legal firm and the committee member would, in their individual capacity, be responsible for payment of the legal firm's fees".

RESOLVED that the Committee accepts and implements this advice
Carried 5 For, 1 Against

John Gilliland advised he will bring any requirement to a Committee meeting, and reserves the right to recover any amount for obtaining legal advice in the course of fulfilling his duties. Peter Zunker advised that he will not vote for approval of an invoice tabled for payment that has not been approved by the committee.

b. 8th January 2007

(1) Electricity dividend distribution and payment from subsidiaries to the village on the 19/12/05 in year when no distribution was declared.

Peter Zunker raised an electricity dividend distribution and payment from subsidiaries to the village on the 19/12/05.

John Gilliland advised he had replied with the information to the Body Corporate Manager, and who was instructed to forward the information on to Peter Zunker.

Electricity distribution be based on the proportion each BUP contributes to the net profit from energy trading as reported on each Watts Energy monthly profit report.

(2) Electrician's report concerning the Village cooling tower

This item covered with discussion and resolutions about electricity charging.

6. Finance Report

a. Financial Statement

Financial Reports have not been provided to members prior to the meeting Reports to be sent to all members by Body Corporate Manager

b. Invoice payment approvals – including invoice from Nicol Robinson Halletts

The invoices received from Nicol Robinson Halletts and distributed to members were discussed.

Tony Rich advised that he has had discussions with Peter Townley and requested him to provide further details clarifying the items listed in the invoices before the CBC will consider authorising payment.

RESOLVED that the Committee awaits advice from Tony Rich before considering authorising payment

Carried 6 For, 0 Against

c. Accounts – treatment of income tax on electricity profits

There was a discussion on payment of income tax on electricity profits

John Gilliland advised the contract is between the supplier (Watts) and the owner, and that supply of electricity is a lot owner's responsibility.