



ALTAIR

Strata Plan 64622

EXECUTIVE COMMITTEE MEETING

Wednesday 15 December 2010, Elan meeting room 19h00

Attendance: Ralf Harding (Chair), John Anderson, Richard Beck (Treasurer), Michael Meredith, Cecile Modolo, Deborah Moore (most of the time), Louise Mylott (most of the time), Gavin Napier, Tim Trollip (Secretary) and David Stanger (Building Manager)

Guests: George Sirett.

Minutes of Last Meeting

The Minutes of the last meeting were accepted.

Correspondence

An email was received from Jimmy Thomson regarding the by-laws. (Dealt with under "By-laws.")

Finance update

The Treasurer's Report had been made available to the EC and is available upon request to any owner.

Budget 'on track'. Likely (unconfirmed) year-end of approx \$200k incl gst in Sinking Fund and Admin fund at a minor deficit \$50k? vs budgeted deficit of about \$100k (ongoing operational target is break-even for the Admin Fund).

Update on repairs

TGJ – finished. Site shed gone.

Ceilings – last 4 to be finished this week. Total cost of repairing the defective 37 ceilings was \$30k (compared to previous consultant's estimate of around \$1.2m for re-working all ceilings).

Aurecon. Inspection complete and 'signed off'. Letter to be circulated

- (i) to owners with minutes (attached);
- (ii) Real Estate agents with a covering note in January 2011.

The committee thanked the Chairman and the Secretary for the extraordinary effort, time and dedication to managing the defects rectification process in which they achieved such a successful outcome.

Defects liability period is running and residents are asked to report any leaks or other problems to the Building Manager.

Preliminary 2011 budget

The Chairman tabled a summary of Altair's levy history:

Year	% increase year on year
2001	
2002	0
2003	8.5
2004	0
2005	7.1
2006	31.2
2007	0
2008	4.9
2009	4.1
2010	0

10 year 'Altair' inflation 2001-2010 = 66.5% and 5 year inflation 2006 - 2010 = 43.2%
 These numbers, particularly the last 5 years, are way out of kilter with the CPI but are somewhat distorted by the significant rise in levies in 2006 when the EC recognised that there was not adequate funding in the Sinking Fund - a hangover from our original developer-set levies.

We also had Special Levies in 2004 equal to about 15% of annual levies to deal with legal matters and in 2009 equal to about 40% of annual levies to help fund some defect issues. The defect work is now complete and fully funded and we are not anticipating any Special Levies in the foreseeable future.

A preliminary budget was discussed which provided for:

- a) No increase in annual corporate levies;
- b) No special levies;
- c) A small increase in cleaners costs (after 15% decrease in 2010); and no increase in building manager costs. Allowance for cleaning/maintaining East/West windows/louvres x 1 without abseiling - \$15k;
- d) A small increase in most concierge wages 1 April 2011(?) – no increase for 2 years - since March 2009. Any increase is subject to check on prevailing rates in similar buildings; very rough and preliminary investigations indicate that we pay our concierges above the 'going' rate.
- e) \$10k allowance for sundry legal fees;
- f) Where possible known increases (e.g. utilities) factored in;
- g) All known and anticipatable maintenance costed;
- h) 'Unknown' maintenance allowance \$10k per month vs actual approx \$6k in 2010 (this includes \$4k per month as a split cost with the 'Sinking fund');
- i) Insurance at \$79k as per last meeting;
- j) 12 months 'gas' with all pools operating. The savings from having the pools heating turned off across winter in 2010 were \$20k.
- k) Total operating actuals in 2010 down about 10% vs 2009;
- l) Allows for \$250k contribution to Sinking Fund;
- m) No requirement for underwriting the budget as in 2010. (Thanks Adam).

The budget is tight but realistic. Agreed that we must continue to tightly manage costs. There may be some possible leeway in h) above but it is also the 'safety net'.

It was agreed that EC members should review these projected preliminary costs with a view to finalizing the budget at the January EC meeting for recommendation to owners at the AGM.

10-year plan

There was broad discussion regarding the 10 year plan - the critical items include:

- a) Painting and carpeting the foyers;
- b) Washing and/or painting the building including infrastructure to be able to do same cost effectively;
- c) Lift maintenance.

The absolutely critical items are:

Paint Building

Consultants have been commissioned (\$1200), who visited the building last week, to advise us whether washing will help delay the need to paint, when the building needs painting, guesstimate cost and 'how' to do it – we currently have NO practical way to access the exterior to paint the building. May need permanent roof mounted mechanism to address painting without accessing penthouses (preliminary 'ballpark' guestimate \$200k). Consultants report due for review at January EC meeting. David Stanger has been asked to pursue the roof mounted option so that we have the best possible information to review at the January EC meeting.

Lifts

Commissioned consultants (\$4000) to advise in Jan 2011 on status of lifts, contract obligations etc and what, if any, work we are likely to be liable for. Review limited to functional issues NOT aesthetics.

This is potentially a major issue.

Very rough, guesstimated and very preliminary projections suggest that if we can commit \$250k per year to the Sinking Fund an ongoing programme is affordable but need to await consultant feedback on lifts and painting building in particular before finalizing plan.

Building Issues

David Stanger gave his Building Manager's report (attached).

Weekly meetings of the Building Manager, David Stanger, and the 3 office bearers, Ralf, Chair, Tim, Secretary and Richard, Treasurer continue to monitor progress and to deal with other routine building matters.

Matters arising from BM report:

Locks

Have enough blank keys for one, maybe two, years. Although we reserved all other available blanks (187) the batch proved to be faulty. Agreed that after existing blanks 'run out' each owner/resident would be responsible for choosing and installing their own lock systems and keys. We will continue to provide a duplicate key storage service with the concierges.

Cigarette Butts

Falling cigarette butts continue to be a problem at Altair. EC strongly agreed that throwing butts from balconies was completely unacceptable behaviour. Residents are reminded that the Level 4 podium common area is a non smoking zone.

Worm Farm

Lots of flies and some effort to maintain. The only current users are not interested in maintaining. Agreed to discontinue the worm farm.

Front door signage

Agreed to add awards wording to front door signage. (Cost \$210)

By-laws (and acoustic floor testing)

No feedback received from any owner(s) by the Dec 6 deadline - after 3 weekends in owner's hands. Jimmy Thomson emailed his observations on three points on 14 December 2010. The committee considered Mr Thomson's observations and agreed that most issues were already addressed and delegated the Chair and Secretary to make further investigations into some minor points.

The committee agreed to recommend the by-laws as already circulated to all owners for owner approval at the AGM. Agreed that "learnings" from floor testing (awaiting report due before the January EC meeting) should be factored into the guideline appendices to the by-laws.

Informal discussions with other buildings

The Chairman reported on his informal discussions with:

a) the Chair of Encore including relating to Fitzroy Gardens and noting that the Council have withdrawn their plan for further review after the high level of community concern and are due to submit a new plan (after Clover Moore is re-elected to State parliament in March???)

b) the (new) Chair of the Gazebo who is in the process of constructing their 2011 budget.

It was agreed, in principle, that dialogue and sharing information with other similar buildings EC's should be encouraged.

The meeting finished at 19h50.

The next meeting will be held at 19h00 on Wednesday 19 January 2011.