



**Annual General Meeting 2015
of Community Corporation 21109 Inc
Aldinga Arts EcoVillage**

Sunday 23rd August 2015. **Aldinga Bowling Club, Port Road, Aldinga**

1. Welcome, Present, Quorum and Apologies

10:20 Meeting opened

Present

Voting members (lot numbers):

004	033	067	081	102	148
009	034	068	084	103	305
015	039	071	085	108	307
018	040	072	090	122	310
023	042	073	091	129	315
026	045	075	094	131	318
027	048	076	095	133	
029	049	077	096	141	
030	056	079	097	142	
031	058	080	101	143	

Proxy votes registered (lot numbers):

001	046	070	115	132	319
002	052	093	116	138	320
003	057	099	117	149	321
013	059	104	118	303	322
022	062	105	119	304	323
024	063	106	121	309	324
035	066	109	123	313	
038	069	111	127	314	

Note: proxy votes from lot owners who had outstanding amounts owing as at Fri 29th August were not counted and are not listed above.

Present non-voting (lot numbers):

089	120	140
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Silent & Absent – (eligible lot numbers not represented by proxy or in person):

008	021	051	074	125	301
011	025	054	082	126	302
012	028	055	086	130	312

014	032	060	087	134	316
016	036	061	088	135	
017	037	064	098	137	
019	043	065	124	144	

Apologies

John Heij
Mike Wilson
Dick Inwood

Stefan Glockner & Heidi Karo
Maarten Ryder & Fiona Ryan
Bronwen Rosser

Quorum

Jane O'Connell advised that a quorum was present.

10:20 Welcome

Elizabeth Heij opened proceedings and presented Tony Gerlach as volunteer Chair for the meeting. There being no objections, Elizabeth handed over to Tony.

Tony welcomed members, and thanked them for a great turnout. In giving formal acknowledgement to the indigenous owners of AAEV land, he stressed how privileged we are to live in this beautiful place. The way we run the village is based on transparency and accountability. Information is made available via our website, and everyone has a chance to read it, ask questions, and make inputs to decision making through our committee system. Then, for the benefit of new members, he explained our colour-card and voting systems.

Management Committee report

A written report from the outgoing Presiding Officer, Judith Clare was made available with the Agenda papers at:

<http://forum.aev.org.au/download/file.php?id=2220>

Tony acknowledged Judith's report and her excellent chairmanship during the year.

He then supplemented this report with a list of positive achievements made or initiated during the year including – in no particular order:

- There have been a number of births in the village and, sadly, four have passed away, including two foundation members. While the latter may be sad, these changes emphasise the inclusion in our community of all age groups.
- The Arts Co-op has renovated and opened the ArtSpace
- A successful silk flags exhibition was held during the Fringe Festival
- An on-going "Yarning" group crafts blankets for village babies and worthy causes overseas
- A development Application for the Community House has, in the last week, been lodged with Council, including answers to a substantial list of Council questions and the results of an acoustic survey. This will now go out for public notification to surrounding properties. However, the Hub team are confident from their interactions with Council that Council are in favour of the development

- The Village Greens market garden enterprise has been established on the Farm
- There have been more plantings on the Farm and much work has been done by a Farm volunteer group. Tony invited anyone interested in joining this group to contact the Farm Committee
- A group of volunteers has been formed for harvesting and processing village fruit
- The reclaimed water system has been upgraded and is being extended to more orchards in the village
- The composting and soil recovery system now incorporates a worm farm, allowing it to deal with cardboard as well as green waste
- Plans for the Living-Not-Beige development at 1 Dianella Way have been submitted to Council and are now going out to public notification
- Around half a dozen new homes have been completed or are under construction
- Substantial road repairs have been carried out
- Traffic calming projects have been approved and initiated
- We can all be proud of the appearance of the Village thanks to the Maintenance team (applause)
- We have participated in the national "Sustainable House day" and will be doing so again next month
- A number of new sculptures and artworks have been placed around the Village for everyone's enjoyment
- The "playscape" boat on Yacca pond is almost completed and now close to its official opening.
- Further improvements have been made to the paths system including a new bridge over the riprap adjacent to Clematis pond
- An extension to the olive orchard has been planted between Lot 79 and 97 to help with the unsatisfied village demand for olive oil
- Formal EPA approval has been received for our Waste Water Treatment Plant (WWTP), including both the quality of waste water and biomass (sludge) recycling via the composting system. We can be proud that we have achieved significantly better performance than most WWTP Systems in the State
- Undergrounding of power lines along the Village frontage on Port Road has been associated with increased development activity on the commercial lots in this precinct
- The second (western) storage dam on the farm has been brought into use for reclaimed water storage
- Thanks to the work of our active "trash team" the number of bins in the recycling bay is being steadily reduced. All green waste and much of our cardboard and newspaper is now going into the compost / worm-farm system
- We have followed up with State agencies on the matter of the proposed rail corridor across our Farm. At government level, this project is currently on hold with no funding. It is likely, however, that we will initiate further discussion with the Department of Planning, Transport and Infrastructure (DPTI) on the matter during the coming year

Tony's Management Report was received with applause.

10:25 Confirmation of the minutes from previous meetings:

Minutes of two previous General Meetings were circulated within 7 days after the meeting dates and posted for inspection in the Management Committee section of the forum at:

<http://forum.aev.org.au/download/file.php?id=1711> (AGM 31st August 2014)

<http://forum.aev.org.au/download/file.php?id=2059> (GM 12th April 2015)

Resolved:

That the minutes of the Annual General Meeting held on 31st August 2014 be accepted as a true and correct record:

Moved: Elizabeth Heij, Secretary; **Seconded:** Coralie Dutka

There being no objections, the motion was carried.

Resolved:

That the minutes of the General Meeting held on 12th April 2015 be accepted as a true and correct record:

Moved: Elizabeth Heij, Secretary; **Seconded:** Dicks Molanus

There being no objections, the motion was carried.

Tony then handed over to Jodie Summer and Kevin Chan, Finance Group, to present the Finance reports and resolutions

Treasurer's Report and 2011/2012 Financial Report

The Fiscal Year 2014/2015 Financial Statement from the Body Corporate Manager, UnitCare Services, was circulated with the agenda papers at: <http://forum.aev.org.au/download/file.php?id=2218>

In lieu of a Treasurer's Report, a Finance Report for the 2014-15 AAEV management year prepared by John Heij was circulated with the agenda papers at: <http://forum.aev.org.au/download/file.php?id=2219>

Kevin Chan & Jodie Summer had also circulated with the agenda papers a short summary of areas in the 2014-15 budget where significant movement of funds was dealt with at the April 2015 General Meeting as follows.

- \$3,000 moved from the Sinking Fund (Future Infrastructure Replacement) to the Administration Fund (Contingency). [Res. 6]
- \$11,800 moved from the Sinking Fund (Future Infrastructure Replacement) to the Administration Fund (Works). [Res. 7]

- \$2,000 moved from the Farm Allocation in the Sinking Fund to the Special Project Farm Water Line Extension. [Res. 8]
- \$5,000 moved from the Farm Allocation in the Sinking Fund to the Special Project Farm Pasture Improvement. [Res. 9]
- \$2,300 allocated from the Sinking Fund (Future Infrastructure Replacement) to reposition the carport over lots 343 & 344. [Res. 13]

Finance Resolution 1:

That the FY 2014/15 Financial Statement from UnitCare Services and the 2014-15 Financial Report by John Heij be accepted.

Resolution required: Ordinary Resolution

Moved by: John Heij; **Seconded by:** Jodie Summer

The motion was carried unanimously with no abstentions.

2015/2016 Base Budget

The intention of the budget approval process is to establish the levies for 2015/16 by presenting an **ORDINARY RESOLUTION** (CTA s114(2)) for adoption of the base Budget & a **SPECIAL RESOLUTION** required for the Special Projects and long-term allocations.

The proposed budget for 2015-16 was circulated with the agenda papers at: <http://forum.aev.org.au/download/file.php?id=2217>

It was explained that there is a Base Budget (mixture of Admin Fund and Sinking Fund items) and a Sinking fund Budget (predominantly Special Projects and longer-term allocations). Expenditure is contingent on proposals receiving relevant approvals for the specific/actual activity on which the funds will be spent.

Finance Resolution 2:

That the 2015/16 Base Budget be adopted

Discussed with and endorsed by: Management Committee

Resolution required: Ordinary Resolution

Moved by: Kevin Chan; **Seconded by:** Jodie Summer

The motion was carried unanimously with no abstentions

2015-16 Sinking Fund budget

Finance Resolution 3:

That the 2014/15 Sinking Fund budget be adopted

Background: Jodie explained that the Sinking Fund budget consists of non-recurrent and Special Project expenditure and Allocations. Ongoing work in SDG regarding Whole of Village Planning is aimed at improving our ability to best prioritise and manage new development and projects. Funds have been allocated within this budget to prepare an asset plan that will assist further with this process.

Funding higher cost items: Kevin explained that, in order to be able to fund some of the higher cost items in our budget, such as the Community House, it makes sense to "borrow from ourselves" as an "internal loan". "Internal Loan" means that we use sinking funds we have already collected in our balance sheet, but have generally allocated for other longer-term purposes. When we create an "internal loan" we are committing ourselves to a repayment schedule that will see the "loan" repaid into the Sinking Fund within a certain period of time. This is essentially committing, in principle, portions of future levies towards these repayments. Such internal loans are regularly used by local government to avoid external borrowing from third parties. In our case, using our Sinking Fund in this way will also have the ancillary benefit of reducing our fidelity insurance premiums.

The village holds sufficient funds in its Sinking Fund to fund capital works (over \$400k), but much of this money has been (appropriately) earmarked for long term replacement of high value capital infrastructure. To fund large capital development/improvement works, we have 4 main choices:

1. Not to do the works (not generally desirable).
2. Save money until we have enough funds allocated to fund the works (not a 'fair' user pays approach, as it may take a long time).
3. Fund via a Special Levy (not a 'fair' user pays approach as it penalises current lot owners in favour of future lot owners)
4. "Internal Loan" as explained above.

5. Borrow from an external source (incurs interest costs; there is also the inability for some lot owners to borrow as a member of a community corporation).

After weighing up arguments for each method of funding, the Finance group, and subsequently the MC, have determined that an "internal loan" is the most "fair" and lowest impact method for funding items such as the community House as it spreads the cost over a longer term period (and is thus closer to a 'user pays' system). We have hence applied this logic to funding of the Community House and the Seaberry Road Improvement project.

This kind of long term commitment to "repayments" will also create more impetus for us to work towards long-term budgeting and planning, especially in conjunction with work now being initiated by the Strategic Development & Governance Group to value our assets and set up appropriate replacement schedules.

Loans may be 'refinanced' as required depending on prudent long term budgetary planning.

The two proposed "Internal Loans" are:

Community House: \$120,000, to be repaid at a rate of \$8,000 over 15 years. [NB: This loan figure is still conservative and there is an expectation that potentially approximately another \$50,000 may be needed once final cost estimates have been established.

Seaberry Road Improvement (bitumising): \$69,709, to be repaid at a rate of \$6,970.90 over 10 years.

These "internal loans" have been included in the AAEV Proposed Budget Sinking Fund Allocations, with the first repayment in 2015-16. They are also presented in the Long Term budget with the full repayment schedule.

Question: What if we have a contingency and need a large amount of finance urgently? Will the levies have to rise?

Answer: Depending on the amount of money needed, levies will not necessarily rise. There is also the possibility of bridging finance from UnitCare Services and / or the raising of a special levy.

Question: If we took a loan from UnitCare, how long could it be for?

Answer: *[Question taken on notice]*

Question: Do we get interest on the money in our Sinking Fund?

Answer: Yes. It generates some income through the UnitCare trust fund.

Documents: AAEV Proposed Budget 2015-16.pdf circulated at:
<http://forum.aev.org.au/download/file.php?id=2217>

Discussed with and endorsed by: Management Committee

Resolution required: Special Resolution

To be clear, this resolution (and its status as a Special Resolution) is only related to the financial aspects of any project. All other approvals that must be made to comply with the CTA, the By-Laws and the Scheme Description must be made by separate resolutions.

Moved by: Kevin Chan; **Seconded by:** Jodie Summer

The motion was carried unanimously with no abstentions

Finance Resolution 4:

That the Sinking fund long term budget be authorised to guide future allocation of Sinking fund levies, in particular the commitment to two internal loans (recommended standard resolution for AGMs)

Background: A 5-Year Budget for the Sinking Fund is now a mandatory requirement of the Community Titles Act (CTA). As such, we have included a basic 5-year plan including the 15-year and 10-year commitment to repay the internal loans. While this offers some initial guidance, work will continue on further developing the long-term budget when work with a professional asset manager or actuary has been completed.

Documents: AAEV Proposed Budget 2015-16.pdf – AAEV long term budget circulated at: <http://forum.aev.org.au/download/file.php?id=2217>

Resolution required: Special Resolution

Moved by: Kevin Chan; **Seconded by:** Jodie Summer

The motion was carried, there being no votes against and 3 abstentions

2015-16 Levies

Background: 9 year history of levies:

- **2014** 3.0% increase
- **2013** 4.0% increase
- **2012** 3.5% increase
- **2011** unchanged
- **2010** unchanged
- **2009** 5% increase
- **2008** unchanged
- **2007** unchanged
- **2006** 10.86% increase

Finance Resolution 5a:

That the total levies (per lot entitlement) increase by 5% for 2015/16 (CTA s114(2))

Admin Fund levies collected from the community as a whole = \$158,464.09

Sinking Fund levies collected from the community as a whole = \$114,258.17

Jodie commented these figures represent a CPI rise of 1.3% on the Admin fund segment, and a larger rise on the sinking fund segment in view of developments planned.

2015-2016 Budget Levy scenarios		Admin	Sinking	2015-2016 Total Levy	2014-2015 Total Levy	Increase
\$ Per Active Lot Entitlement (GST excl)		\$ 8.3512	\$ 6.0215	\$ 14.37	13.66	
	LE					
ANNUAL						
Townhouse (inc GST)	73	\$ 671	\$ 484	1,154.13	\$ 1,096.74	\$ 57
Seaberry - 77 (inc GST)	77	\$ 707	\$ 510	1,217.37	\$ 1,156.83	\$ 61
Seaberry - 80 (inc GST)	80	\$ 735	\$ 530	1,264.80	\$ 1,201.90	\$ 63
Seaberry - 82 (inc GST)	82	\$ 753	\$ 543	1,296.42	\$ 1,231.95	\$ 64
Commercial and Townhouse Blocks (inc GST)	83	\$ 762	\$ 550	1,312.23	\$ 1,246.98	\$ 65
~450m2 Blocks (inc GST)	112	\$ 1,029	\$ 742	1,770.72	\$ 1,682.67	\$ 88
~600m2 Blocks (inc GST)	123	\$ 1,130	\$ 815	1,944.63	\$ 1,847.93	\$ 97
Lot 143 Development Lot (inc GST)	173	\$ 1,589	\$ 1,146	2,735.13	\$ 2,599.12	\$ 136

Documents: AAEV Proposed Budget 2015-16.pdf circulated at:
<http://forum.aev.org.au/download/file.php?id=2217>

Discussed with and endorsed by: Management Committee

Resolution required: Ordinary resolution

Question: Couldn't we reduce levies by more volunteering?

Answer: Suggestions of this type have been made in the past but no agreed system has been found so far. It is worth noting however, that this is already happening to a large extent as lot owners themselves are doing significant maintenance through the neighbourhood groups. In addition, the investments we have made in solar PV and water reclamation are already making significant savings, and recycling of green waste, cardboard, newspaper and the WWTP sludge through a worm farm and compost system will save the considerable cost of mulch and fertiliser.

Question: Could lot owners who are struggling financially work off some of their levies?

Question: Could AAEV offer pensioner and sole-parent concessions on levies?

Answer: Attempting to "forgive" levies in favour of work, or offer concessions to some, brings up a lot of difficult equity and management issues. However, a suggestion could be taken to MC for initial discussion. The MC does not intend to create hardship – only to achieve the things we are all asking for. We can all help with seeking ways to save funds. Also, if the problem is primarily one of personal organisation, lot owners can choose to make auto-payments once per month or even once per week by arrangement with UnitCare.

Question: Has the budget taken into consideration the levies from 11 new lots coming on line soon?

Answer: No. But this will be factored in once it happens.

Moved by: Kevin Chan; **Seconded:** Jodie Summer

The motion was carried, the majority being for the resolution with 14 votes against and no abstentions

Finance Resolution 5b: [Withdrawn]

That the total levies (per lot entitlement) increase by **3%** for 2015/16 (CTA s114(2)) *

Finance Resolution 6:

That the Management Committee be authorised to manage and re-allocate as necessary any line item expenditures within the approved budget excluding special projects (Authorised standard resolution for AGMs)

Documents: N/A

Discussed with and endorsed by: Management Committee

Resolution required: Ordinary resolution

Moved by: Kevin Chan; **Seconded by:** Jodie Summer

The motion was carried, the majority being for the resolution, there being one vote against and no abstentions

Finance Resolution 7:

That UnitCare Services be engaged as the management services provider for the 12 month period ending 31 August 2016.

Documents: N/A

Discussed with and endorsed by: Management Committee

Resolution required: Ordinary resolution

Moved by: Kevin Chan; **Seconded by:** Jodie Summer

The motion was carried unanimously with no abstentions.

End of Resolutions

11: 55 Community House Update

Mary Davies, Hub Project Co-coordinator, gave a brief history of community facility planning since 2002. She acknowledged those who had worked on these activities over the years, and gave special thanks to the members of the 2014-15 group. The last year has seen a lot of hard work but the results have been fulfilling. Initial submission to Council produced a large number of questions which have now been answered, including an acoustic analysis and many details of design. Mary then gave special thanks (with applause) to Hugh Griffith for his many inputs.

At this point the engineering work on the plan is done, and work on the final building drawings is in progress. Mary, Ilona Dickson and Tony Gerlach took the plans to Council for a pre-submission meeting and were able to leave them with Council for the next stage in the process. Public notification to surrounding neighbours is now in progress as required by Council.

Mary announced that an open information session for Community members would be held on Sunday Oct 25th by which time Council approval is expected. After that, the community will need to formally approve the building plans in a General Meeting, which could possibly be postal. Once these two approvals – Council and Community – are in hand, the build can start.

Mary explained that many community inputs would be needed to complete the Community House. She encouraged people to think about any relevant skills they might formally volunteer, as a request for such inputs would be made in the near future. She also encouraged people to think about possible fund-raising activities to assist the build.

Mary's presentation was accompanied by a screen display of the site plan and proposed landscaping around the Community House by Stefan Glockner. There was also a display of hard copies of plans, elevations, etc.

Mary and the Community House planning group were acknowledged with applause.

In returning to the Chair, Tony Gerlach endorsed Mary's request for all members to think about skills they might be able to contribute to the building, finishing, and fit-out of the Community House.

12:15 Election of Office Bearers and Co-ordinators

The Presiding Officer position received no written nominations, and therefore required nominations from the floor. All other positions received at least one written nomination. No voting was required. The outcomes were:

- Presiding Officer – Bea Molanus & Gabriel Fantner
- Secretary - Elizabeth Heij
- Treasurer – John Heij assisted by Kevin Chan & Jodie Summer
- Building Development coordinator – Dix Molanus
- Natural Environment coordinator – Jenni McGlennon
- Community Development coordinator – Penny Westhorp
- Communications coordinator – Emily & Ashton McAllan
- Works Maintenance coordinator – Tony Gerlach
- Arts Co-op coordinator – Annette Inwood
- Farm coordinator – Rae d'Esprit
- Strategic Development & Governance coordinator – Ray Mines & Wayne Allen
- Community Hub Project coordinator – Mary Davies & Ilona Dickson

Gabriel and Bea then introduced themselves briefly in terms of their new role as Presiding Officer.

Coralie Dutka then made a public plea for everyone to be “kind” to MC members, particularly those in the Presiding Officer position. She acknowledged that, in the past, MC members have sometimes been targeted unpleasantly by others and experienced “burnout” as a result. She reminded everyone that those serving on the MC are volunteers, giving their time for the Community. She asked those present not to “bail up” MC members at social occasions but, if they have an issue to discuss, send it to the MC in writing.

12:55 Other Business

- Vanda Rounsefell apologised for lack of progress on the Natural Burial Ground on the Farm. She explained that Council has previously blocked use of land outside our property (e.g., on the facing part of Bowering Hill). However, government agencies are generally supportive of us conducting burials on our own land on the farm. There could also be a possibility of ashes burials in urns in the Sheoak grove. Vanda will shortly conduct a survey to judge the level of interest in these burial options.
- The outgoing and continuing members of the MC were acknowledged with thanks
- The CDC were thanked for organising and clearing away after morning tea.

12:40 pm Close