

16<sup>th</sup> November 2021

**TO ALL OWNERS  
COMMUNITY ASSOCIATION 776652  
SETTLERS GREEN ASSOCIATION  
QUARTER SESSIONS ROAD  
WESTLEIGH NSW 2120**

Dear Owner

**Re: DP 776652  
EXTRAORDINARY GENERAL MEETING**

The Committee of the subject plan have decided to call a General Meeting on **TUESDAY 30<sup>TH</sup> NOVEMBER 2021 AT 5.30 PM** to decide the matter as per the attached agenda review and accept the capital works fund plan.

It would be appreciated if any questions and queries pertaining to the attached 10 year capital works plan can be raised prior to the EGM via the committee email: [settlerscommittee@gmail.com](mailto:settlerscommittee@gmail.com)

OR,

In writing to:

The President  
Settlers Green Home Owners Association  
C/o:- 6 Powells Retreat.

Join Zoom Meeting

<https://us02web.zoom.us/j/81005066952?pwd=M21iVVJNUXhiaDd6cmU0L0tWNXhyd09>

Meeting ID: 810 0506 6952

Passcode: 307497

OR

One tap mobile

+61861193900,,81005066952#,,,,\*307497# Australia

+61871501149,,81005066952#,,,,\*307497# Australia

We thank you for your attention to this important matter. If you have any queries in relation to the documents attached, please do not hesitate in contacting our office prior to the time of the meeting.

Yours faithfully  
**LAMB & WALTERS**



**KRYSTA SMYTHE**  
**STRATA MANAGER**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

**THE OWNERS OF DEPOSITED PLAN NO 776652  
SETTLERS GREEN HOME OWNERS ASSOCIATION**

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**NOTICE OF AN EXTRAORDINARY GENERAL MEETING OF THE OWNERS OF STRATA PLAN NO 776652 TO BE HELD ON TUESDAY 30<sup>TH</sup> NOVEMBER 2021 VIA ZOOM AT 5.30PM**

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**AGENDA**

**MOTION 1 – CONFIRMATION OF PREVIOUS MINUTES**

That the Owners – Deposited Plan No. 776652 RESOLVE by ordinary resolution to confirm the minutes of the previous general meeting.

**MOTION 2 – 10 YEAR CAPITAL WORKS FUND PLAN**

That the Owners – Deposited Plan No. 776652 RESOLVES to endorse “in principle” the attached 10 year capital works plan, subject to it being open to re-endorsement, in revised form as required, at subsequent Annual General Meetings.

Dated: 15<sup>th</sup> November 2021

**MINUTES OF AN ANNUAL GENERAL MEETING  
THE OWNERS - ESTATE PLAN DP 776652**

**ADDRESS OF THE ESTATE PLAN:               SETTLERS GREEN ASSOCIATION, Quarter Session Road, WESTLEIGH   NSW  
2120**

**An Annual General Meeting of The Owners - Desposited Plan 776652 was held on 2/11/2021 commenced at 05:30 PM.**

**PRESENT:**

Lot #	Unit #	Attendance	Owner Name Representative
10	7S	Yes	Ms M Barden
11	5S	Yes	Mr D Lawson
14	2S	Yes	Ms L P Gilchrist
23	20S	Yes	Mr D Lenz
24	22S	Yes	P Rockliff
26	7M	Yes	M C & Mrs M A Hollier
29	8M	Yes	Mr J P & Mrs M R Hogan
30	6M	Yes	Mr C J & K A Belcastro
34	57Q	Yes	Ms J A Manning
45	5R	Yes	D Gordon
53	17W	Yes	L J Dandie
54	14W	Yes	P Y Copleston
59	4W	Yes	Mr P B Lynch
61	12R	Yes	Mr T M Sillar
62	14R	Yes	Mr A Williams
63	2P	Yes	Mr J R & Mrs L Scott
65	6P	Yes	Mr C L Herbert
68	12P	Yes	Mr G W Hastie
70	9P	Yes	Mrs K J Brimfield

**CHAIRPERSON (acting):**               Krysta Smythe of Lamb & Walters Strata Managers

**Minutes of the meeting:**

- 1       MINUTES**  
Resolved that the minutes of the last General Meeting as circulated be confirmed as a true and accurate record of the proceedings of that Meeting
- 2       FINANCIAL STATEMENTS**  
Resolved that the Financial Statement as presented be received and adopted.
- 3       BUDGET**  
Resolved that the Proposed Budgets as attached be adopted, with or without amendment and that

contributions be determined as follows:

**ADMINISTRATIVE FUND**

(a) To the Administrative Fund pursuant to Section 20 (3), and Clause 13 of Schedule 1 of the Community Land Management Act, 1989 ("The Act"):

In respect of the period from 1/01/2022 to 31/12/2022 in the sum of \$133,430.00 payable pursuant to Section 76 of the Act in four equal instalments, to be due and payable as follows:

1/01/2022, 1/04/2022, 1/07/2022, 1/10/2022

**SINKING FUND**

(b) To the Sinking Fund pursuant to Section 20 (3), and Clause 13 of Schedule 1 of the Act:

In respect of the period 1/01/2022 to 31/12/2022 in the sum of \$40,810.00 payable pursuant to Section 76 of the Act in four (4) equal instalments, due and payable on the same quarterly dates referred to in paragraph A.

**4 EXECUTIVE COMMITTEE**

Resolved that the Executive Committee of the Community Association be decided and these elected in accordance with Section 30 & Schedule 6, Part 3 of the Community Land Management Act, 1989,

The following persons were nominated and elected and thus the number was set at Eight (8):

Tony Williams, James Scott, Adem Adil, Linda Gilchrist, Christopher Herbert, Merissa Barden, Kerri Brimfield and John Hogan.

**5 INSURANCE**

Resolved that the Community Association insurance be confirmed varied or extended be adopted.

**6 AUDITOR**

Resolved that consideration be given to the appointment of an auditor by the Community Association for the next financial year be accepted.

**7 MANAGING AGENT**

Resolved that the Owners - Community Association DP 776652 by ordinary resolution that, the Community Association having an existing agreement (Prior Agreement) with the Agent:

(a) the Prior Agreement is terminated on the date determined for that purpose by the Executive Committee, without prejudice to any accrued rights and obligations under the Prior Agreement.

(b) the Agreement will replace the Prior Agreement and govern the relationship between the Community Association and the Agent as from the date of termination of the Prior Agreement.

Meeting closed at 6.11 pm.

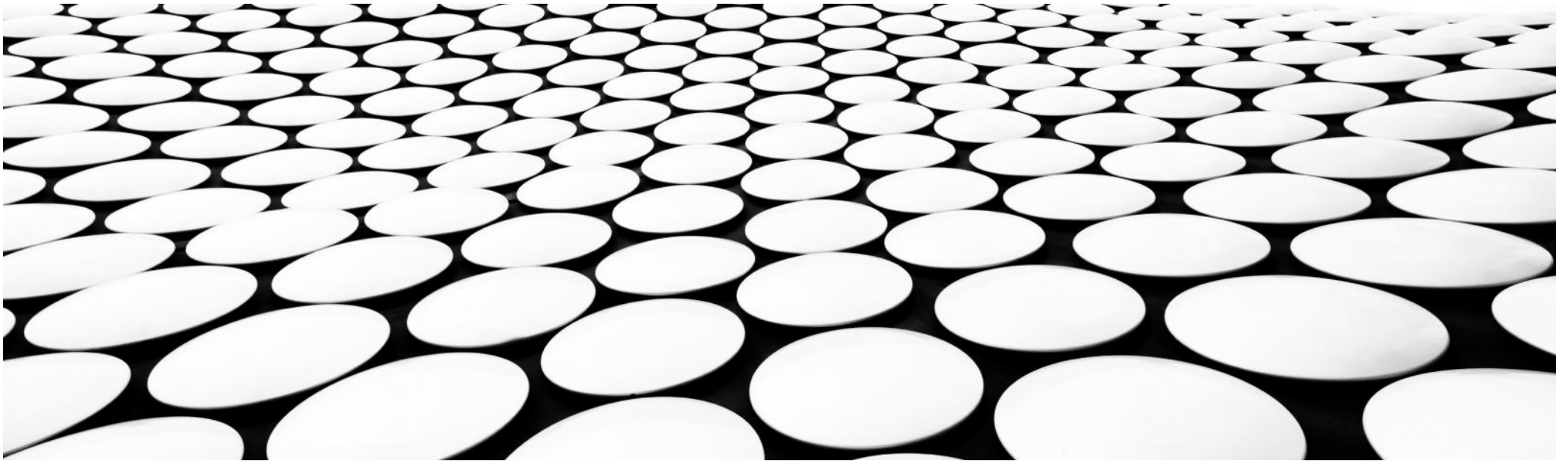
## MEETING INSTRUCTIONS

1. You or where this notice is addressed to the Corporation, Your Company Nominee, may cast a vote:
  - a. In person or
  - b. By duly appointed proxy (on prescribed form), which must be given to Lamb & Walters or another owner who is attending the Meeting at or before the General Meeting.
2. Motions listed requiring a unanimous or special resolution will clearly indicate so.  
NB: Special resolution definition - If more than 25% of the unit entitlement are against the motion, the motion is lost.
3. Quorum
  1. Quorum required for motion or election - A motion submitted at a meeting must not be considered, and an election must not be held at a meeting, unless there is a quorum present to consider and vote on the motion or on the election.
  2. When quorum exists - A quorum is present at a meeting only in the following circumstances:
    - (a) if not less than one-quarter of the persons entitled to vote on the motion or election are present either personally or by duly appointed proxy,
    - (b) if not less than one-quarter of the aggregate unit entitlement of the strata scheme is represented by the persons who are present either personally or by duly appointed proxy and who are entitled to vote on the motion or election,
    - (c) if there are 2 persons who are present either personally or by duly appointed proxy and who are entitled to vote on the motion or election, in a case where there is more than one owner in the strata scheme and the quorum otherwise calculated under this sub clause would be less than 2 persons.
  3. A person who has voted, or intends to vote, on a motion or at an election at a meeting by a permitted means other than a vote in person is taken to be present for the purposes of determining whether there is a quorum.
  4. Procedure if no quorum - If no quorum is present within the next half-hour after the relevant motion or business arises for consideration at the meeting, the chairperson must:
    - (a) adjourn the meeting for at least 7 days, or
    - (b) declare that the persons present either personally or by duly appointed proxy and who are entitled to vote on the motion or election constitute a quorum for considering that motion or business and any subsequent motion or business at the meeting.
  5. Quorum for adjourned meeting - If a quorum is not present within the next half-hour after the time fixed for the adjourned meeting, the persons who are present either personally or by duly appointed proxy and who are entitled to vote on the motion or election constitute a quorum for considering that motion or business and any subsequent motion or business at the meeting.
4. Voting eligibility and rights may be exercised only if each voter:
  - a. Is financial (i.e. all levies are paid).
  - b. Has answered all section 118 requisitions.
  - c. The 1<sup>st</sup> mortgagee does not exercise voting rights
  - d. Is entered in the Strata Roll as the Owner.
5. Any Owner who is unable to attend should complete the Proxy and forward, prior to the General Meeting to Lamb & Walters (PO Box 95, Gordon NSW 2072, [hello@lambandwalters.com.au](mailto:hello@lambandwalters.com.au) or to another Owner who will be attending the Meeting.



# PROPOSED 10 YEAR CAPITAL WORKS PLAN

2022-2031



## CURRENT POSITION AT SEPTEMBER 2021

Settlers Green is in a good starting position to maintain the Estate for the next 10 years but there are cost pressures due to the age of some of the infrastructure

- Cash available is in a healthy position with the balance being around \$150k for most of 2021
- There needs to be rebalancing of the cash with too much sitting in admin
- ~\$32k needed for admin per quarter with one month left till the next levies are paid
- Can look to move \$20k to the sinking fund giving a balance of \$125k for capital works
  
- At the same time, the Estate is over 30 years old and some of the infrastructure will need significant maintenance over time including the roads and the swimming pool area



North Shore Office: 19-23 Bridge St, Pyrmont NSW 2073  
Northern Beaches Office: Suite 1.13 Whittier Street, Manly NSW 2095 (Entry via Belgrave St)  
Postal Address: PO Box 95, Gordon NSW 2072  
T 02 9449 8855 E hello@lambandwalters.com.au F 02 9449 3992 W lambandwalters.com.au  
Liability Limited by a scheme approved under Professional Standards Legislation

### Cash Management for the month to 31/08/2021

Deposited Plan 776652

SETTLERS GREEN ASSOCIATION, Quarter Session  
Road, WESTLEIGH NSW 2120

#### Bank & Investment balances

Cash held in Community Association DP 99001 at Macquarie Bank Ltd

	Admin	Sinking	Unallocated	Total
Opening balance	46,341.01	107,133.92	4,799.95	158,274.88
Net cashflow	-2,914.44	-1,971.75	0.00	-4,886.19
Closing balance	43,426.57	105,162.17	4,799.95	153,388.69
<b>Total bank &amp; investments</b>	<b>43,426.57</b>	<b>105,162.17</b>	<b>-4,799.95</b>	<b>153,388.69</b>



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## BENCHMARKING – SANCTUARY GARDENS

Sanctuary Gardens provides a similar type of Estate from which we can compare levies charged

- Sanctuary Gardens is similar to Settlers Green in terms of the properties being Torrens Title and Strata fees being payable for communal land management such as roads, clubhouse, pool, gardens and recreation areas
- Strata fees are \$582k for admin and \$62k for sinking inclusive of GST. Or \$3,121 per lot on average (189 lots)
- At 28 February 2021 they had \$487k in the bank. \$383k in the sinking fund and \$104k in the admin fund
- It is difficult to compare admin costs like for like. They have very high expenditure for landscaping (\$200k per year), maintenance manager (\$50k), security (\$15k), and community planning which includes strata management (\$50k).
- Of more relevance is their sinking fund. Sanctuary Gardens fall under the Community Land Management Act and they are getting an independent report every 5 years at a cost of around \$2,500
- This is something that Settlers Green should consider moving forward. It reduces the risk from the current approach which could underestimate costs that while being beneficial for keeping strata levies low, could increase the risk of a special levy in the future
- The main difference in methodology is that Sanctuary Gardens are applying a replacement value in their budgeting that is built into the sinking fund each year even where the costs may not be required for more than 10 years
- The Sanctuary Gardens sinking fund is 3x larger than for Settlers Green while a comparison of costs indicates that the replacement value for assets in Sanctuary Gardens is closer to 2x that required for Settlers Green
- If we were budgeting on the replacement cost for all assets when due then our current cash balance would be closer to \$400k

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## KEY FOCUS AREAS FOR 10 YEAR CAPITAL WORKS PLAN

Ensure we have considered the full cost of replacing assets and look to improve the Estate to enhance the value of the individual properties

- The first priority has been to check the replacement cost for assets in the Estate and assess when each item needs to be replaced
- It is recommended that there is a change in methodology to budget for the replacement cost for all assets over their useful life (similar approach to Sanctuary Gardens). This will require higher sinking fund levies moving forward but would not significantly increase overall levies as admin levies make up most of the total cost
- The plan considers what infrastructure the Estate needs in 10 years time which is 40+ years after the Estate was built
- The proposed plan looks to do more than just maintain the original infrastructure built
- Some key drivers that underpin the 10 year plan are:
  - Consider sustainability to reflect the changing environment
  - Consider the needs of a changing demographic in the Estate that has more younger families
  - Improve the Estate to maintain the value of properties
  - Remain cost focused – only spend money where this adds value

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## BIGGEST CAPITAL SPEND REQUIREMENTS

There are some assets that need to be prioritised over the next 10 years including the roads and swimming pool plus some ageing areas such as the bathrooms

Within 10 years -

• Re-sheeting of roads	\$110k	Within 3 years
• Refresh of swimming pool	\$50k	Within 10 years
• Replace all street lights	\$45k	Within 10 years
• New bathrooms in clubhouse	\$40k	Within 5 years
• Refresh area around the pool	\$30k	Within 5 years
• Repairs to roads	\$30k	Within 1 year
• Pool heating installation	\$20k	Within 3 years

More than 10 years -

• Replace tennis court surface	\$70k	10-15 years
• Repair/replace pergolas/gazebos	\$40k	15-20 years
• Clubhouse kitchen	\$20k	10-15 years
• Replace roof tiles on clubhouse	\$20k	20+ years
• Replace tennis court lights	\$15k	10-15 years

Total replacement cost for all assets estimated at \$637k (excluding any rebuild of the clubhouse if ever required)

# 10 YEAR PLAN – 3.7% INCREASE A YEAR FOR LEVIES

Reflects actual costs required over next 10 years plus future replacement cost

Settlers Green Association										
Budget										
Year	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
<b>Option 2 - 6% increase in sinking fund levies per year - reflects actual costs plus pro-rata costs for future. Plus 3% increase in admin costs</b>										
Admin Fund	129,000	120,000	123,600	127,308	131,127	135,061	139,113	143,286	147,585	152,012
Contingency Admin Fund		2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Sinking Fund	25,000	37,100	39,326	41,686	44,187	46,838	49,648	52,627	55,785	59,132
<b>Total</b>	<b>154,000</b>	<b>159,600</b>	<b>165,426</b>	<b>171,494</b>	<b>177,814</b>	<b>184,399</b>	<b>191,261</b>	<b>198,413</b>	<b>205,870</b>	<b>213,644</b>
Levies:										
Admin Levy per Lot	1,843	1,750	1,801	1,854	1,909	1,965	2,023	2,083	2,144	2,207
Sinking Fund Levy per Lot	357	530	562	596	631	669	709	752	797	845
<b>Total Levy (excl. GST)</b>	<b>2,200</b>	<b>2,280</b>	<b>2,363</b>	<b>2,450</b>	<b>2,540</b>	<b>2,634</b>	<b>2,732</b>	<b>2,834</b>	<b>2,941</b>	<b>3,052</b>
GST	220	228	236	245	254	263	273	283	294	305
<b>Total Levy per annum</b>	<b>2,420</b>	<b>2,508</b>	<b>2,600</b>	<b>2,695</b>	<b>2,794</b>	<b>2,898</b>	<b>3,006</b>	<b>3,118</b>	<b>3,235</b>	<b>3,357</b>
<b>Total levy per quarter</b>	<b>605</b>	<b>627</b>	<b>650</b>	<b>674</b>	<b>699</b>	<b>724</b>	<b>751</b>	<b>779</b>	<b>809</b>	<b>839</b>
Increase		3.6%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.8%	3.8%

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## RECOMMENDATION

- It is recommended to have a 3.7% increase a year over the next 10 years for total levies
- This is on the basis that we start to budget for the actual costs expected over the next 10 years plus starting to build up reserves for the replacement cost of other assets that will need expenditure in more than 10 years time
- This can be split as a 6% increase in the sinking fund levies and a 3% increase in the admin fund levies
- This would result in a sinking fund cash balance in 10 years time at a similar level to today (in the range of \$125k to \$145k)

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## **SUPPORTING ANALYSIS**

Note – detail cans also be viewed in attached excel file

## ADMIN FUND

Actual costs have been lower than budgeted so it is proposed that the admin fund budget is reset at \$120k with an additional \$2,500 contingency

Category	Detail	Budget 2021	Actual 12 months to Aug 2020	Actual 12 months to Aug 2019	Proposed Budget 2022
Maint	Grounds--Gardening	29,715	28,300	29,365	30,000
Admin	Management Fees--Standard	9,820	9,206	9,581	10,000
Maint	Bldg--Cleaning	8,500	7,993	11,282	8,500
Maint	Bldg--Pool	7,500	7,293	6,181	8,000
Insurance	Premiums	6,600	6,355	4,795	7,000
Utility	Electricity	6,600	6,175	9,172	6,200
	Other (multiple lines)	6,544	5,257	8,548	6,000
Utility	Garbage Removal	5,300	5,074	5,758	5,300
Utility	Water Usage	4,200	3,894	5,328	4,000
Admin	Fixed Disbursement Fee	3,720	3,488	3,102	4,000
Maint	Bldg--Electrical	1,800	1,410	3,761	1,800
Utility	Council Rates	1,000	948	910	1,000
Utility	Gas	1,100	898	1,000	1,100
Admin	Accounting	950	895	551	1,100
Maint	Bldg--Pest/Vermin	900	850	800	1,000
Maint	Maintenance	33,478	26,559	24,504	25,000
	Total Admin	127,727	114,596	124,638	120,000

# SINKING FUND BY YEAR

Reflects actual costs required over next 10 years plus future replacement cost

**Sinking fund bank balance based on revised levies required and higher strata fees**

*Strata fees*                      *6% increase per year*

OPTION 2 - actual costs plus pro-rate of future costs

Year	Opening balance	Strata levies	Expenditure required	Year end balance
2021	130,000	17,500	30,000	117,500
2022	117,500	37,100	43,070	111,530
2023	111,530	39,326	43,070	107,786
2024	107,786	41,686	43,070	106,402
2025	106,402	44,187	43,070	107,518
2026	107,518	46,838	45,160	109,197
2027	109,197	49,648	47,249	111,596
2028	111,596	52,627	47,249	116,974
2029	116,974	55,785	47,249	125,510
2030	125,510	59,132	47,249	137,392
<b>Total</b>		<b>443,828</b>	<b>436,436</b>	
2031	137,392	60,906	42,860	155,439
2032	155,439	62,733	38,470	179,701
2033	179,701	64,615	38,470	205,846
2034	205,846	66,553	38,470	233,930
2035	233,930	68,550	38,470	264,010
<b>Total</b>		<b>323,357</b>	<b>196,740</b>	





PRE-MEETING ELECTRONIC VOTING PAPER

**OWNERS, MORTGAGEES, COVENANT CHARGEES, PROXY HOLDERS, COMPANY NOMINEES** please record your vote on the following slip by placing a tick in the box to indicate whether you approve or disapprove each of the motions.

Once completed, you must return a scanned copy of this voting paper to the following email address:

Once completed, you must return a copy of this voting paper to the following email address:

**[krysta@lambandwalters.com.au](mailto:krysta@lambandwalters.com.au)**

Or by Post

TO The Secretary  
The Owners – DP No. **776652**  
*c/- Lamb and Walters*  
**PO Box 95**  
**GORDON NSW 2072**

You must return this completed voting paper prior to **the meeting** or your vote will not be considered.

I cast the following votes on the motions proposed in the notice of meeting dated **TUESDAY 30<sup>TH</sup> NOVEMBER 2021**:

- |                            |                              |                             |
|----------------------------|------------------------------|-----------------------------|
| 1. I/WE AGREE TO MOTION 1. | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| 2. I/WE AGREE TO MOTION 2. | <input type="checkbox"/> YES | <input type="checkbox"/> NO |

DATED    /    /   

Signature: .....

Capacity: Owner / Mortgagee / Covenant Chargee / Proxy / Company Nominee (\*select one)

Name: .....

Name of Owner (if different than above): .....

Lot : .....