

MINUTES OF THE ANNUAL GENERAL MEETING OF THE HOMEOWNERS ASSOCIATION (NPC)
OF MARINA VILLAGE HELD ON WEDNESDAY, 21 DECEMBER 2016 AT 10H00 IN
ST FRANCIS LINKS BOARDROOM

1. Welcome and Apologies

Mr Lahana welcomed all present and opened the meeting.

Mr Lahana requested Ms du Plessis to chair the meeting. Recognising Mr Lahana in Chair, Ms du Plessis queried whether there were any objections. Since there were no objections, Ms du Plessis confirmed that she would handle the formalities and as a matter of expediency.

2. Attendance:

a. Present

Mrs Loots	Mr Judnick
Mrs Clack	Mr & Mrs Edwards (x2)
Van Zyl Investment Trust	Mr Alford
Alexo (PTY) Ltd	Mrs Anderson
Mr Cronje	Mr & Mrs Lahana
Main Street 1337 (PTY) Ltd	Mr Clephane
Esquire Consult & Market CC	Mr Miller
Seaglates Holding (PTY) Ltd (x4)	Mr Anderson
Cool Ideas 1021 CC	Mr & Mrs Britz
Castlekeeper Investment (PTY) Ltd (x2)	Mr Hijlkema
JA Serrurier	Hanlo Props Investments CC
Mr & Mrs Lange	GH Dreyer Family Trust
Mr Strydom	Mr Wells

b. Proxies & Apologies

The following Proxies were noted as apologies.

Mr K Clack	ifo	Mr B Clack
Mr & Mrs Schwitter	ifo	Mr B Clack
Mrs M Lahana	ifo	Mr B Lahana
Mr R Gault	ifo	Mr B Lahana
Mrs S Meiring	ifo	Mr B Lahana
Mrs D Kempen	ifo	Mr B Lahana
Mr MC Yates	ifo	Mr B Lahana
Mr IR Berry	ifo	Mr F Loots
Mrs T Loots	ifo	Mr F Loots
Mr A van Vuuren	ifo	Mrs J van Vuuren

c. In attendance

Ms du Plessis (Representing Gateway Property Management)

d. **Quorum**

There being **ninety-five (95)** registered Members, and a quorum of **six (6)** members was required in person or by proxy. There were **forty-one (41)** Members and Proxies represented at the meeting, thus forming a quorum.

Notice of the meeting having been given in the prescribed manner and a quorum being present, Ms du Plessis declared the meeting properly convened and duly constituted.

e. **Chairperson**

As per point 1 above.

f. **To confirm method of voting (clause 10.12)**

Mr Lahana referred to clause 10.12 of the Articles and proposed that the method of voting be done by ballot, since there were so many items to vote upon, and to avoid any confusion when counting the votes.

The method of voting by ballot form was unanimously approved by all members present in person or by proxy

3. **Tabling of any items to be discussed informally after completion of all business of the meeting:**

Ms du Plessis reported that two items would be addressed after point 13.1 which would be:

- 3.1 For Sale Signs inside the estate
- 3.2 Changing of Chad Close / Liesel Lane

4. **Confirmation and adoption of minutes of previous Annual General Meeting held on the 15 December 2015**

On the proposal of Mrs Clack and seconded by Mrs Serrurier, the Minutes were confirmed as a true recording of the proceedings.

5. **Matters arising from the previous Annual General Meeting**

There were no matters arising.

6. **Chairman's Report**

Ms du Plessis reported that the Chairman's report was handed out to all the owners prior to the commencement of the meeting.

Mr Lahana read through the report which was noted and approved by all the members present.

Owners were reminded to keep their dogs on a leash when walking in the estate, due to the recent incident with the geese.

Mr Lahana advised that Tanya from Bushwhackers was approached recently to assist with the clearing of the overgrown and alien invasive vegetation in the estate. Tanya has done an inspection and each plot owner would be notified accordingly. The owners with overgrown vegetation were responsible for the cost to clear their plots.

Mr Lahana reported that Tanya identified a few plots and Ms du Plessis was following up with the owners.

Mr Lahana suggested that a process be approved whereby the HOA would attend to the clearing of the plots and raise the cost thereof on the owner's levy account, should the owners fail to respond after three follow ups. It was agreed by the owner's present.

7. Consider and approve the audited Financial Statements for the previous financial period.

Ms du Plessis referred to the income statement and reported that the total levy income for the year was R570 000.00 and R17 869.00 was an additional income, due to the interest earned on the investment account.

Ms du Plessis advised that the Home Owners Association had a surplus of R86 791.00 at the end of the financial year compared to a surplus of R262 261.00 in the previous year. The variance was due to the expenditure under the security services and the upgrading of the road.

Mr Clack reported that the increase in the road cost was due to the road surfaces being redone and the increase in the security was as a result of Calibre Security not implementing their annual increase in the previous financial year and PSIRA increasing the minimum wages.

Mr Clack further advised that the big outstanding levy was paid which assisted with the cashflow.

Ms du Plessis reported that the total funds as at 19 December 2016 was R305 839.00.

With the above, the financial position of the scheme was sound, and the HOA was Solvent.

The Audited Financial Statements ending the 31 August 2016 were approved.

8. Appoint Auditor, to hold office until the conclusion of the next Annual General Meeting

It was unanimously agreed to remain with Moore Stephens.

9. Determination of extend of Fidelity Insurance Cover in terms of the CSOS Act – Regulation 15

Ms du Plessis reported that the Home Owners Association Broker was Willem Kriel and were underwritten by C-Sure. The total building sum insured was R25 966 41.44 with a monthly premium of R640.70.

Ms du Plessis advised that the policy renewal date was 1 July 2017 and the incoming Directors could revisit the policy on renewal.

The insurance policy included the road ways, the perimeter walls and other common areas. The Owners were reminded that their units were freehold and as such, the insurance was for their own cost. The Homeowners insurance only covered the common property.

Ms du Plessis advised that the Home Owners Association must take out insurance for an amount determined by members in general meeting to cover the risk of loss of funds belonging to the Home Owners Association or for which it is responsible for, sustained as a result of any act of fraud or dishonesty committed by a Trustee, Managing Agent, Employee or other Agent of the Home Owners Association.

The minimum fidelity insurance required as per CSOS Regulations - see below – was **R1 992 901.00**. GPM obtained comparative quotations and the letter was emailed to the Directors for approval.

The Directors resolved to accept the quote from **FPA** (First Property Acceptances) with an annual premium of **R3985.80**.

NAME OF SCHEME	OPERATIONAL BUDGET TOTAL	25% of OPERATIONAL BUDGET	AMOUNT IN RESERVES (LAST YEAR)	TOTAL FG REQUIRED
Marina Village HOA	556 110.00	139 028.00	1 853 873.00	1 992 901.00

Mr Dreyer encouraged owners to ensure that their property is adequately insured and that they had proper liability cover in place.

10. Consider and ratify, with or without amendment, the estimated expenditure for the current financial period

Ms du Plessis advised that budgeted income for the year was R577 709.00 with a total expenditure of R561 863.00, leaving a surplus of R15 846.00 at the end of the previous financial year. No levy increase was proposed for the ensuing year.

CSOS Levies - Raising of CSOS fees and collection thereof will commence from 90 days of publication – every scheme must collect a Prescribed Monthly Levy from every Unit and pay quarterly to the Ombud, with effect 01 January 2017.

The formula for the calculation of the CSOS Levies was as follows:
Levies R0 – R500.00 are exempt, and thereafter are calculated at 2% of the balance, with a **maximum of 40.00**.

For example, if your monthly Levy is R1 065.00 – R500.00 (exempt) = R565.00 x 2% = **R11.30 CSOS Levy**

Ms du Plessis advised that the HOA was exempt from paying the above CSOS levy since the levies were R500.00 per unit per month.

10.1

To discuss and approve quotations obtained for the road.

Ms du Plessis advised that at the Directors meeting items 10.1 and 10.2 was discussed and it was resolved to put the proposals forward to the owners at the AGM and vote on the way forward regarding the roads and the security.

Mr Lahana advised that throughout St Francis there were problems with the roads and the HOA had repaired the potholes within the estate.

Mr Lahana reported that there were two options and advised to repave the entire estate would cost +/- R1.2 million.

- 1) Re-taring of road
- 2) Paving

Mr Lahana cautioned the owners that there might be a potential special levy involved in order to attend to the above.

Owners expressed their concerns regarding the paving vs re-tarring, and it was noted that some of the units had not been completed. With the ongoing building activity, this could be a potential problem.

It was noted that should it be considered to repave; the owners could possibly get a rebate on their individual rates.

The owners requested that speedbumps be considered and incorporated with the road re-surfacing.

Mr Lahana advised that all though there was a weight restriction sign on the gate, there was no real limitation and approval must be obtained from the Directors to gain access. Should the vehicle exceed the weight / height restrictions, they should make use of the rear entrance gate.

A discussion ensued and the **proposal was explained. Owners had to vote whether the Directors should investigate the option to repave the estate. Ms du Plessis advised that the owners must tick yes or no on the voting forms.**

The voting forms were collected and it was noted that majority of the owners were in favour of the proposal.

It was therefore resolved that the incoming Directors would investigate the option to repave the estate. Owners would be kept up to date on the progress and the cost involved before proceeding.

10.2

To discuss and approve quotations obtained for the security upgrade (electric fence vs beams)

Mr Anderson reported that a quote was obtained and it would cost between R60 000.00 – R80 000.00 for a 6-wire electric fence.

Mr Anderson advised that a wall also had to be built, which would cost approximately R200 000.00.

The owners advised that the palisade fencing was a concern. The Directors advised that the wall had recently been extended to Mr Hulett' property and a gate with a keypad would be installed.

In the past, cameras were suggested, and this was once again a proposed since the security guards could not monitor everything.

A discussion ensued and the **proposal was that the incoming Directors should investigate the option to install an electric fence and cameras.**

The voting forms were collected and it was noted that majority of the owners were in favour of the proposal.

11. Determination of the domicilium citandi et executandi

This would remain the Offices of:
Gateway Property Management
20 Maitland Street
Millard Grange
Port Elizabeth
6001

12. Election of Directors

12.1 Number of Directors (minimum of 3 (three))

It was resolved by all the owners present that 7 (seven) Directors would be elected for the ensuing year.

12.2 Nomination and Election of Directors

Ms du Plessis advised that the following nominations were received:

- Mr C Stockenstrom
- Mr G Dreyer
- Mrs J Serrurier
- Mr B Lahana
- Mr E Clack
- Mr P Anderson
- Mr B Wells

12.3 Directors elected to disclose if they have any interest in any contract with the Company (clause 6.7)

Ms du Plessis advised that there was currently a legal dispute between three of the Directors elected against Mr Hulett (erf 3306), which could be seen as a conflict of interest and requested Mr Hulett to provide the owners with a brief explanation of the current situation.

Mr Hulett explained the current state of affairs and advised that the dispute was currently at the supreme court for appeal and thus the reason for him not standing as a Director.

Mr Dreyer provided feedback on the matter as one of the 13 owners who lodged the dispute against Mr Hulett. He advised that he had no hidden agenda against Mr Hulett, and the reason for him standing as a Director, was to ensure good governance was being conducted.

It was noted that the dispute was done in their personal capacity (Mr Stockenstrom, Mr Dreyer and Mrs Serrurier) and had no financial impact on the HOA.

Mr Lahana notified the owners that the gardener was employed full time by him and he was reimbursed monthly by the HOA.

Based on the above, provided that the board was not used to fight any personal battles, and the Directors recuse themselves when there was a decision to be made on matters concerning Erf 3306, the members nominated for Directors were unanimously approved by the owners present to stand as Directors for the ensuing year.

13. Special business of which due notice has been given.

13.1 To discuss and approve individual wheelie bins for each plot.

Mr Lahana reported that the bags were torn open by the monkeys and with the strong winds, the papers and refuse were blown all over the place which was affecting the appearance of the estate. He suggested placing a wheelie bin on each plot which would cost +/- R680.00 per bin.

A lengthy discussion ensued regarding the bins and it was resolved to vote on the matter.

The voting forms were collected and the majority of the owners resolved that the incoming Directors should investigate the matter further.

13.2 For Sale Signs inside the estate

It was resolved that the status quo regarding for sale signs in the estate would remain.

13.3 Changing of Chad Close / Liesel Lane

Mr Hulett advised that he went to the surveyor to change the name, however this was not done and the official name should be Liesel Lane.

The name change should be done by the HOA.

13.4 **Saving St Francis**

Mr Lahana introduced Wayne Furphy and requested Mr Furphy to provide the owners with a brief overview of the non-profit organisation. Mr Furphy briefly explained the vision for St Francis (see attached document) and appealed to the owners to attend the meeting tomorrow night.

He explained that St Francis property owners, business and home owners pay amongst the lowest rates in South Africa.

By implementing a special rates levy, proposed at 50% of current rates for a 10-year period, sufficient funds would be generated to upgrade and maintain all services.

A voting poll would be undertaken whereby owners would be asked to vote either for or against the proposed SRA.

There being no further business, the meeting was closed at 12h45.

CHAIRMAN

DATE

A Directors Meeting was held subsequent to the AGM and the following was resolved.

1. Election of Chairperson

Mr Lahana was elected as Chairperson for the ensuing year.

2. Handover Resolution – Signed by the Directors

3. Interest Resolution – Signed by the Directors

4. The Budget was ratified at the AGM and it was resolved not to increase the levies for the ensuing year.

5. ABSA Liquidity Plus Savings Transfer Authorisation

Resolution - signed by the Directors.