



# MOSSEL BAY GOLF ESTATE HOME OWNERS ASSOCIATION

Association incorporated under section 21 of the Companies Act 1973 (as amended)

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## MINUTES OF THE 20<sup>TH</sup> ANNUAL GENERAL MEETING OF THE MOSSEL BAY GOLF ESTATE HOME OWNERS ASSOCIATION THAT WAS HELD ON WEDNESDAY, 20 DECEMBER 2017 AT 10H00 IN THE DUTCH REFORMED CHURCH HALL ("MOEDERGEMEENTE"), C/O BLAND AND CHURCH STREET, MOSSEL BAY

<b>1</b>	<b><u>OPENING &amp; WELCOME:</u></b>	
	The chairman, Mr Blythe-Wood, opened the meeting and welcomed everyone present. The meeting was presented in English, and if any owners required a translation; Willem Prinsloo and Gabriel Smith were available to translate.	
<b>2.</b>	<b><u>ATTENDANCE PROXIES AND APOLOGIES:</u></b>	
	Members as per the attendance register: 60 Member Proxies received: 46	
	A legal Quorum was obtained.	
	Status Mark: Messrs WCE Prinsloo, S Koen & C Steyl	
	<b><u>Apologies:</u></b> J Gouws J&K Jones S Powell J&M Collins B Meintjies L Higgs E Kruger R&T Olivier W Nel C Bell M & A Fryer R Combrink F Gerber H & M Coertse M & A Good	
<b>3</b>	<b><u>APPROVAL OF THE PREVIOUS MINUTES &amp; MATTERS ARISING:</u></b>	
	<b>The minutes of the AGM of 8 December 2016 were tabled and the members were asked to approve with or without amendments.</b>  Mr. V Moll ➤ requested that in the minutes arising under point 3 at "Voting Procedure of OTB", the following insertion must be made (in bold):  <b><i>Voting Procedure of OTB:</i></b> <b><i>[...Members with multiple properties and multiple proxies did not have representation with votes via hand...]</i></b>  Mr. V Moll	

	<p>➤ stated the under 8.3 of Resolution 6 (OTB Penalty) the word “abstained” is used incorrectly and should be “against”. The Chairman agrees and Status Mark will rectify the clerical error.</p> <p>Minutes are so approved:  Proposer: Mr. T Leonard                      Seconded: Dr. A Bruwer</p>	
<b>4</b>	<b><u>ELECTION OF DIRECTORS:</u></b>	
	<p>Current composition of the Board is 7 to coincide with the number of portfolios. Three positions are vacant.</p> <p>Status Mark received 3 nominations for the positions, therefore the directors are elected unopposed.</p> <p><b>Nominations received; and elected:</b>  Mr. P Venter (re-elected)  Mr. JR Blythe-Wood (re-elected)  Mr. W Roux.</p> <p><b>The following Board members will remain on the Board:</b>  K Otto,  G Smith  CW Kuun  M Smith</p>	
<b>5</b>	<b><u>CHAIRMAN’S REPORT</u></b>	
	<p>The written report was circulated prior to the meeting and updated and approved at the Annual General meeting.</p> <p>The following matters were highlighted:</p> <p><b><u>Finance:</u></b> Mr JP Snyman was the current Chairman of the Financial Portfolio.</p> <p>Mr. D Schulze stated the following:</p> <ul style="list-style-type: none"> <li>➤ There is an overspend under Site office and a total overspend of around R220 000 for the year.</li> <li>➤ Telephone line rental also looks to be under budgeted, as well as Municipal costs.</li> </ul> <p>Mr. W Prinsloo commented:</p> <ul style="list-style-type: none"> <li>➤ The over spend under Site office is the assistant Estate Manager who was moved from Security to Site office.</li> <li>➤ It is correct that there is an overspend, but it must be kept in mind that the budget increase was kept low to benefit members with a minimal levy increase.</li> <li>➤ Telephone line costs will fluctuate with the completion of new homes where new internal lines are installed, therefore the amount is merely a forecast of future expenses.</li> <li>➤ The Estate Manager takes weekly readings of the Municipal water points and fixes all leaks in a timeous manner.</li> <li>➤ There were also some unexpected items such as legal costs</li> </ul>	

- The current budget was only increased with 6% on request, therefore it is difficult to get money for the various items.
- It is why some of the capital reserves as well as debtor's interest were used to offset the expenditure.
- It is exactly the reason why the proposed 2018/2019 budget has a more reasonable increase of around 9% which will give more breathing room.

Mr. V Moll:

- A worry is the operating loss shown in the financial statements.
- If the OTB penalty and debtor interest are not used to offset, the loss would be around R470 000.

Mr. Blythe-Wood:

- It was a conscious decision of the Board to use capital reserves to help keep the levies low.
- With the new budget this has changed in that a more realistic 9% increase in the budget is proposed.
- Steps have been taken to correct under budget.

Mr. E v Rensburg:

- Is there enough reserves as per CSOS?

Mr. W Prinsloo:

- The Sectional Title Schemes Management Act (STSM) is only applicable to Sectional Titles and not Home Owner Associations like the Mossel Bay Golf Estate.
- Therefore there is no minimum % reserves prescribed by law as with Sectional Titles.
- However there are ample reserves.

The Board of Directors want to keep reserves at 3 to 4 months income from Levies as cover.

**Rules & Regulations:** Carel Kuun, assisted by Mr T Leonard is the Chairman of the Rules and Regulations Portfolio.

Mr. Blythe-Wood gave the background regarding the conduct rules and highlighted the comparison between the old and new rules. The new schedule of penalties, linked to the new rules, is also more fair and reasonable.

Mr. I van Rensburg asked about self catering accommodation and how it relates to the penalties; as well as the deposit of R1500.

Mr. Blythe-Wood stated that the deposit is refundable and the penalties are applicable when guests breach the rules.

Mr. V Moll:

- There are concerns about linking the penalties to the levy as the MOI states that the penalties must be ratified by the AGM before being imposed.
- Therefore, for the current resolution to pass, the MOI must be changed to allow it.
- Currently each penalty amount must be approved.

	<p>Mr. CW Kuun:</p> <ul style="list-style-type: none"> <li>➤ The gentleman gave the background leading to the current resolution</li> <li>➤ The Board felt that 1-12 months as a penalty was excessive and wanted to have approval to impose a lower amount at their discretion.</li> <li>➤ It would make it much more reasonable.</li> <li>➤ Also not only impose penalties, but talk and/or write warning letters first before imposing penalties as this is not a police state.</li> </ul> <p>Mr. V Moll:</p> <ul style="list-style-type: none"> <li>➤ The actions in the past have not been very consistent when it came to applying penalties.</li> </ul> <p>Mr. P Conradie:</p> <ul style="list-style-type: none"> <li>➤ The members must allow the Director's to exercise their discretion when managing the estate.</li> <li>➤ The penalties must be reasonable taking into account the circumstances of an incident and it cannot be expected to compile an exhaustive list of penalties for every single situation.</li> </ul> <p>Mr. O Ehrensperger:</p> <ul style="list-style-type: none"> <li>➤ The gentleman agrees with Mr. Conradie and proposes the resolution be accepted as is.</li> </ul> <p>Mr. JR Blythe-Wood:</p> <ul style="list-style-type: none"> <li>➤ A person may lodge an appeal to the Board after a fine has been imposed.</li> <li>➤ Our intention is to be more consistent.</li> </ul> <p>Mr. V Moll:</p> <ul style="list-style-type: none"> <li>➤ The gentleman talks about the speed limit and speeding fines stated in the schedule of penalties and asks to members to note the recent finding in the case of Mount Edgecombe where the roads in an estate were confirmed to be public roads and not private roads.</li> <li>➤ What about the people who have already paid speeding fines in the past?</li> </ul> <p>Mr. JR Blythe-Wood:</p> <ul style="list-style-type: none"> <li>➤ It is exactly why the National Road Traffic Act is used in the schedule and the necessary procedures will be followed as prescribed if the situation presents itself.</li> <li>➤ If an owner has paid a speeding fine on the estate, he/she must bring proof of such payment and will be refunded.</li> </ul>			
<b>6</b>	<b><u>Ordinary resolution 1: Acceptance of Conduct Rules</u></b>			
6.1	Members were asked to vote on the acceptance of the Conduct Rules (Paddocks).			
	<b>In favour: 84</b>	<b>Against: 32</b>		
	<i>ORDINARY RESOLUTION 1 MUST BE ACCEPTED BY A MAJORITY VOTE, THEREFORE ORDINARY RESOLUTION 1 WAS ACCEPTED</i>			
	<b><u>Ordinary Resolution No2 (Schedule of Penalties)</u></b>			

6.2	Members were asked to vote on the acceptance of the Schedule of Penalties.		
	<b>In favour: 85</b>	<b>Against: 33</b>	
	<i>ORDINARY RESOLUTION 2 MUST BE ACCEPTED BY A MAJORITY VOTE, THEREFORE ORDINARY RESOLUTION 2 WAS ACCEPTED</i>		
<b>7</b>	<b><u>Ordinary Resolution No 3 (Financial Statements)</u></b>		
<b>7.1</b>	Consideration and Approval of Financial Statements as presented: The financial statements were audited by independent auditors.		
	<b>In Favour: 117</b>	<b>Against: 01</b>	
	<i>ORDINARY RESOLUTION 3 MUST BE ACCEPTED BY A MAJORITY VOTE, THEREFORE ORDINARY RESOLUTION 3 WAS ACCEPTED.</i>		
	<b><u>Ordinary Resolution No 4 ( Budget)</u></b>		
<b>7.2</b>	The budget for 2018/2019 was tabled.  The budget estimates for the ensuing financial year were circulated prior to the Annual General Meeting.  The budget was approved by the meeting.		
	<b>In favour: 117</b>	<b>Against: 0</b>	
	<i>ORDINARY RESOLUTION 4 MUST BE ACCEPTED BY A MAJORITY VOTE, THEREFORE ORDINARY RESOLUTION 4 WAS ACCEPTED</i>		
<b>8.</b>	<b><u>Ordinary Resolution No 5 (Appointment of Auditors)</u></b>		
<b>8.1</b>	Jean Pretorius was appointed as Auditor for the ensuing year.		
	<b>In Favour: 117</b>	<b>Against: 0</b>	
	<i>ORDINARY RESOLUTION 4 MUST BE ACCEPTED BY A MAJORITY VOTE, THEREFORE ORDINARY RESOLUTION 5 WAS ACCEPTED</i>		
	<b><u>Ordinary Resolution No 6 (Auditor's Remuneration)</u></b>		
<b>8.2</b>	The meeting approved the auditor's remuneration.		
	<b>In Favour: 116</b>	<b>Against: 0</b>	
	<i>ORDINARY RESOLUTION 6 MUST BE ACCEPTED BY A MAJORITY VOTE, THEREFORE ORDINARY RESOLUTION 6 WAS ACCEPTED</i>		
<b>9</b>	<b><u>MATTERS OF WHICH PRIOR WRITTEN NOTICE HAS BEEN RECEIVED BY THE 13<sup>TH</sup> DECEMBER 2017 NO LATER THAN 10H00</u></b>		
<b>9.1</b>	<b>PETS – MR. DIETER SCHULZE</b>		
	Mr. Schulze tabled the item for discussion by members: <ul style="list-style-type: none"> <li>➤ The proposal is that an additional levy be imposed for pet owners.</li> <li>➤ The levy will be used to subsidize the cleaning up after dogs as many owners do not seem to take responsibility</li> </ul>		

	<p>for it.</p> <ul style="list-style-type: none"> <li>➤ In South Africa the culture is different from that of the international community when it comes to pets.</li> <li>➤ The gentleman requests that the item be placed as a resolution to be voted on at next year's AGM.</li> </ul> <p>Mr. Blythe-Wood:</p> <ul style="list-style-type: none"> <li>➤ The Board is looking into the suggestion of putting up poles/points where dog owners can get "poo bags" for the dogs in an effort to combat the problem.</li> </ul> <p>Mr. I v Rensburg:</p> <ul style="list-style-type: none"> <li>➤ The gentleman congratulates the board on the beautiful condition of the estate and does not worry about the animal droppings.</li> </ul> <p>Dr. A Bruwer:</p> <ul style="list-style-type: none"> <li>➤ The member himself has an animal and makes the point that the droppings of the dog are far less obtrusive than the droppings of the Sprinbok (and other wildlife) on the estate.</li> </ul> <p>Mr. O. Ehrensberger:</p> <ul style="list-style-type: none"> <li>➤ The problem is not necessarily owners, but tenants.</li> </ul>		
<b>9.2</b>	<b>FIBRE INTERNET</b>		
	<p>Mr. CW Kuun gave feedback on the developments regarding fibre internet for the estate:</p> <ul style="list-style-type: none"> <li>➤ About 6 months ago no one was interested in given quotes for fibre, however that has changed significantly in that the Board has been flooded with companies requesting to install fibre.</li> <li>➤ 3 role players were identified by the Board, namely Telkom, Vodacom and a Wireless/Satellite operator.</li> <li>➤ The Board set 3 requirements for the installation of fibre: (1) No upfront costs to the estate, (2) quickest turnaround time; and (3) limited disruption to infrastructure.</li> <li>➤ Since the internal lines are Telkom lines, the conduits belong to Telkom; therefore it would be good to utilise Telkom to simply pull through the fibre.</li> <li>➤ The problem comes in (in cases where new conduits have to be installed) where a driveway has to be dug up and no matching brick/stone can be sourced.</li> <li>➤ Telkom has been given instructions to give a formal proposal to the Board.</li> <li>➤ These providers will only be installing the backbone, therefore residents are still free to use whichever ISP they so choose.</li> <li>➤ Members will be contacted directly by Telkom to ascertain the number of subscribers.</li> <li>➤ The third option is wireless/satellite internet, however having a hard line is always better.</li> </ul> <p>Mr. Steyn commented:</p>		

	<ul style="list-style-type: none"> <li>➤ The member has been through a similar situation in Pretoria, also on an estate with Telkom.</li> <li>➤ There must be a better option available.</li> <li>➤ They looked at a product called RAIN which is a wireless system.</li> <li>➤ All that is needed is a wireless router. Much cheaper and just as fast as fibre.</li> </ul> <p>Mr. Blythe-Wood:</p> <ul style="list-style-type: none"> <li>➤ It is a very rapidly changing industry.</li> </ul>		
<b>11</b>	<b>GENERAL</b>		
	None		
	<p>In conclusion Mr Blythe-Wood thanked his fellow board members and wished all the members a joyous festive season.</p> <p>The meeting adjourned at 11H19</p> <p>Distribution: Minutes book All owners</p>		

APPROVED AT AGM 2018-12-20