



MOSEL 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 25th ANNUAL GENERAL MEETING OF THE MOSSEL BAY GOLF ESTATE HOME OWNERS ASSOCIATION THAT WAS HELD ON WEDNESDAY, 21 DECEMBER 2022 AT 10H00 IN THE DUTCH REFORMED CHURCH HALL ("MOEDERGEMEENTE"), C/O BLAND AND CHURCH STREET, MOSSEL BAY

1	<u>OPENING & WELCOME:</u>	
	The meeting is opened with a prayer by Oscar Ehrensperger.	
	The chairperson, Carel Kuun, opened the meeting and welcomed everyone present. A special welcome was extended to the HOA's auditor, Lizaan Van Der Bank. The meeting was presented in English and Afrikaans. If any owners required a translation; Lize Uys & Jaco Stander were available to translate.	
2.	<u>ATTENDANCE PROXIES AND APOLOGIES:</u>	
	Members as per the attendance register: 69 Member Proxies received: 116	
	A legal Quorum was obtained.	
	Status Mark: Messrs J Stander & S Koen & Miss L Uys	
	<u>Apoloies:</u> Etienne Van Zyl Dieter Schulze John Collins Dr. Stephan Olivier JD Van Reenen John Collins Anton Geldenhuys Francois Olivier Jean Borchardt Elna Botha Ines Barker Llewellyn Brooks Danie Le Roux	
3	<u>APPROVAL OF THE PREVIOUS MINUTES & MATTERS ARISING:</u>	
	The minutes of the AGM held on 22 December 2021 were tabled and the members were asked to approve with or without amendments:	
	Minutes were so approved: Proposer: Mr. A Jonker Seconded: Mr. K Otto	
4	<u>CHAIRMAN'S REPORT</u>	
	The Chairperson's annual report was circulated prior to the meeting. Significant matters covered in the report were emphasized at the meeting. The Chairperson stated that the HOA Board experienced a difficult year with all the Directors Portfolio's not filled. The HOA Board could only attend to urgent matters and not operate in full capacity. He urged members to make themselves available for selection as Directors.	
	Following the presentation of the report members were given the opportunity to raise questions and/or comment on the contents of the report.	

	<u>Surveillance System:</u> (Chaired by Mr C Kuun) ➤ Mr Van Heerden stated that the co-operation agreement signed between the HOA Board and Municipality differ from the agreement approved by the previous HOA Board. The maintenance and repairs of the surveillance system was not agreed to be the responsibility of the HOA. He proposed that a separate agreement should be concluded between the HOA Board and JOC to address the salaries of at least 3 workers to the total amount of R75 000.00. The Chairperson replied that Mr Van Heerden asked the same questions before and was answered. The JOC will monitor the entire system as agreed. ➤ Mr Wiltgen stated that all homeowners is effected by the cost paid for the surveillance system. The supplier was paid, the money is gone and the supplier didn't deliver. The Chairperson replied that everything was done in good faith. ➤ Mr Bierman asked what internal controls were exercised with the payment and how could the cameras be included in the financial statements. He stated the payment shouldn't take place without a contract. At what stage was civil proceedings made against the supplier? The Chairperson responded that the supplier is a very small company and that the payment of the 80% deposit upfront was agreed. The Chairperson agreed that stricter financial controls is needed. ➤ Mr Wannenburg stated that you are responsible if you handle another person's funds. Payment should only be done on receiving of goods. The Chairperson responded that due diligence was done by the HOA Board. The supplier did have a business track record with the Municipality and neighbourhood watches. The Chairperson stated that the supplier was proposed by the Municipality. ➤ Mr Du Bruyn stated that it's good business practise to obtain more than one quotation. The Chairperson responded that 3 quotations were obtained and that the supplier's quotation was the lowest. The HOA needs Directors with expertise that can make a contribution.	
5	<u>ENGAGEMENT REPRESENTATIVE HOME OWNERS FORUM</u>	
	Mr Otto addressed the meeting and explained the functions of the Home Owners Forum briefly. The main focus of the Home Owners Forum is to assist with communication between the Homeowners and the board and work with the HOA Board and resolve member related matters before AGM's. The interest of home owners must be served by consequent enforcement of the rules. Messrs Otto and Hobbs will be available after the meeting for any questions from members.	
6	<u>FEEDBACK FROM SHORT-TERM LETTING SUB-COMMITTEE</u>	
	Mr Röth addressed the meeting regarding the short-term letting sub-committee that was formed. Meetings was held on 11 November 2022 and 14 December 2022 where aspects of concern like security was discussed. The sub-committee is also in the process to investigate the improvement of the access system for guests.	
7	<u>ELECTION OF DIRECTORS:</u>	
	The current composition of the HOA Board is 4 directors, the Chairperson did resign and the term of Mr Kosie Otto expired in terms of MOI. Status Mark received 9 (nine) nominations for these vacant portfolio's. Nominations received; and elected: N Van Noordwyk F Olivier P Bierman P Venter S Roth H Böning	

	The Board therefore consists of the following members: A Jonker W Nel N Van Noordwyk F Olivier P Bierman P Venter S Roth H Böning The Chairperson expressed gratitude to Kosie Otto for his years of service to the HOA. He has led the Security and Maintenance portfolio and has contributed immensely to residents enjoying a safe and secure environment. Mr Jonker thanked the outgoing Chairperson for his valuable contribution during his term.			
8	Ordinary Resolution No 1 (Financial Statements)			
8.1	Consideration and Approval of Financial Statements as presented: The financial statements were audited by independent auditors. ➤ Mr Gouws stated that the amended financial statements was circulated 2 days ago to make provision for the security cameras as bad debts. The Chairperson responded that changes to the financial statements was done on request from Home Owners Forum. ➤ Mr Venter asked how the cameras were verified as asset. The Chairperson responded that at the time of the financial year end not enough evidence was available that fraud took place. Mrs Van Der Bank of Rain Auditors responded that items in terms of IOS16 from which future economic benefits will be generated should be off-set against reserves. ➤ Mr Schutte asked if the expense for the damage by a 3rd party at Church Street was recovered. The Chairperson responded that the full amount was recovered. ➤ Mr Janse Van Rensburg stated that Mr Schulze has an inquiry regarding the difference in bank balances in financial statements versus actual bank balances. Mrs Van Der Bank of Rain Auditors responded that the reason for the difference is that the interest is indicated separate from the Reserve Funds in the financial statements. ➤ Mr Bierman asked what the terms of reference was for the transfer of R10 000.00 from the ABSA Contractors Deposit Account to the ABSA Road fund and why the Allan Gray Road Funds wasn't utilize for the road maintenance done over the financial year. Mr Bierman also asked when the Allan Gray Road Fund was ring-fenced, what the terms of the ring-fenced were and what effect did it have on the financial statements. ➤ Dr Van Noordwyk stated that the amended financial statements wasn't circulated to members within the time frame as per MOI. Mrs Van Der Bank of Rain Auditors responded that she was sick and not able to amend the statements. The non-adjusting events has no effect on the financial statements. The audit is still in draft therefore adjustments can still be done. Proposer: C Kuun Seconded: A Jonker			
	In favour: 60 (31.25%)	Against: 105	Abstain: 19	
	ORDINARY RESOLUTION 1 MUST BE ACCEPTED BY A MAJORITY VOTE, THEREFORE ORDINARY RESOLUTION 1 WAS NOT ACCEPTED			
	Ordinary Resolution No 2 (Auditor's Remuneration)			
8.2	The meeting approved the auditor's remuneration. Proposer: C Kuun Seconded: A Jonker			
	In favour: 169 (88.02%)	Against: 6	Abstain: 10	
	ORDINARY RESOLUTION 2 MUST BE ACCEPTED BY A MAJORITY VOTE, THEREFORE ORDINARY RESOLUTION 2 WAS ACCEPTED			
	Ordinary Resolution No 3 (Budget)			

8.3	The budget for 2023/24 was tabled. The budget estimates for the ensuing financial year were circulated prior to the Annual General Meeting. ➤ Mr Bierman asked why Reserve Funds is build which cannot be distributed to members while there was a R144 000.00 profit. He also asked why interest is accumulated to build reserves while interest belongs to the members and can result in lower levies. ➤ Mr Venter stated that he agrees with Mr Bierman. It was a discussion point at the 2019 AGM that members should benefit from the interest earned on funds. He also commented that a 15% increase in security doesn't make sense. Mr Jonker replied that the budget was based on actuals. ➤ Mr Ehrensperger stated that it seems 2 items on the budget include provision for the security cameras. R310 000.00 is budgeted more on security. The Chairperson responded that the security cameras did not form part of the budget. ➤ Mr Roux requested that members approve the budget. The security budget can only increase with the contract increase percentage of the Security Companies. ➤ Mr Van Heerden asked that members vote on the budget. ➤ Mr Du Bruyn stated that the investigation of the fraud case should first be finalized before the amount of R500 000.00 can be approved for security cameras. A special meeting should be held to approve the budget. ➤ Mr Janse Van Rensburg propose that an Audit Committee is formed by the HOA Board and review the budget. The HOA Board can make amendments to the budget as seen fit. Mr Ehrensperger seconded. ➤ Mr Smith stated that the proposal of Mr Janse Van Rensburg allow the HOA Board with an open mandate to adjust the budget as they wish. The budget was not approved by the meeting, the meeting directs the newly elected HOA Board to investigate the amendments and produce the budget at a special general meeting. Proposer: C Kuun Seconded: A Jonker
	In favour: 87 (45.31%) Against: 90 Abstain: 7
	ORDINARY RESOLUTION 3 MUST BE ACCEPTED BY A MAJORITY VOTE, THEREFORE ORDINARY RESOLUTION 3 WAS NOT ACCEPTED
	Ordinary Resolution 4 (Cameras on southern border of Estate - St Blaze Nature Reserve)
8.4	Members were asked to vote to spend R500 000 on cameras to be installed on the Nature Reserve border. Proposer: C Kuun Seconded: A Jonker
	In favour: 119 (61.97%) Against: 63 Abstain: 2
	ORDINARY RESOLUTION 4 MUST BE ACCEPTED BY A MAJORITY VOTE, THEREFORE ORDINARY RESOLUTION 4 WAS ACCEPTED
9	Special Resolution 1: Change of MOI: Deletion of Article 22.6
9.1	Members were asked to vote to amend the MOI by the deletion of Art 22.6 - "The instrument appointing a proxy and a power of attorney or other authority, if any, under which it is signed shall be deposited at the registered office of the Company or at such other place as the notice of the meeting concerned may require, not later than at the time stated in such notice: Provided that it shall not be more than 48 (forty-eight) hours before the time for holding the meeting at which the person named in the instrument proposes to vote, and in default of complying herewith the instrument of proxy shall not be treated as valid." ➤ Proposer stated case for motivation. Proposer: C Kuun Seconded: A Jonker

	In Favour: 170 (88.54%)	Against: 14	Abstain: 1
	SPECIAL RESOLUTION 1 MUST BE ACCEPTED BY A 75% MAJORITY VOTE, THEREFORE SPECIAL RESOLUTION 1 WAS ACCEPTED		
	Special Resolution 2: Amendment of Art 15.2 of the MOI		
9.2	Members were asked to vote to amend Art 15.2 of the MOI. Altered by replacement of Article 15.2 with the following wording: 15.2 Every director shall be an owner or the duly authorized representative of an owner which is a company, close corporation, trust, consortium, partnership, or other suchlike entity. Every director shall attend 50% board of director meetings and 50% HOA Social functions in person. ➤ Proposer stated case for motivation. ➤ Dr Van Noordwyk stated that he is not in favour of the resolution. The HOA Board should do anything in their power to work for members and the change wouldn't benefit homeowners. Why should members vote for a member to sit on the HOA Board on visit the estate once a year? ➤ Mr Leonard agrees with Dr Van Noordwyk. Mr Leonard stated that it is important to stay on the estate for a director to have knowledge what's going on in his/her portfolio. This resolution can't be considered. Proposer: C Kuun Seconded: A Jonker		
	In Favour: 58 (30.20%)	Against: 127	Abstain: 6
	SPECIAL RESOLUTION 2 MUST BE ACCEPTED BY A 75% MAJORITY VOTE, THEREFORE SPECIAL RESOLUTION 2 WAS NOT ACCEPTED		
	Special Resolution 3: The Amendment of Article 2.1 of the Conduct Rules to make provision for work from home		
9.3	Members were asked to vote to amend Article 2.1 of the Conduct Rules to make provision for work from home. ➤ Proposer stated case for motivation. ➤ Mr Kriek stated that he agree with the resolution, but the interpretation of the resolution is difficult. Mr Kriek propose that the wording of the resolution be amended with the following: Subject to the provisions of clause 18, no trade, profession, or industrial, commercial, or professional business activity may be conducted on the estate. Business activity as mentioned can be approved by 60% of members at a general meeting, subject to such conditions as the meeting may determine. Applications for permission to conduct business activities contemplated above shall be lodged in advance in writing to the HOA and shall contain full description of the nature and extent of the relevant activities. Applicants must confirm and undertake that the business activity will not result/cause in any nuisance of any nature to other residents. Business activities performed by residents which do not require the presence of other persons, who are not part of the household, or which do not require in person presence at their residence with customers, suppliers and service providers does not require approval by the Board of Directors or the HOA to conduct their business." ➤ Mr Wiltgen stated that many people are working from home nowadays and this matter will be more complicated in future. ➤ The resolution will be voted on as presented and not be amended. Proposer: C Kuun Seconded: A Jonker		
	In Favour: 145 (75.52%)	Against: 41	Abstain: 6
	SPECIAL RESOLUTION 3 MUST BE ACCEPTED BY A 75% MAJORITY VOTE, THEREFORE SPECIAL RESOLUTION 3 WAS ACCEPTED		

Special Resolution 4: The Conduct Rules of the Company be altered by the <u>ADDITION</u> of Conduct Rule 10.3 – Golf Screens			
9.4	Members were asked to vote to amend the Conduct Rules of the Company by the <u>ADDITION</u> of Conduct Rule 10.3 – Golf Screens ➤ Proposer stated case for motivation. ➤ Mr Bierman stated that he picks up up to 8 golf balls per day which effect the safety of his grandchildren. He asked why the HOA Board decided to bring this matter to the AGM to set-up rules, because if the AGM takes the decision to change to Conduct Rules the HOA Board cannot change it. ➤ Mr Wiltgen mentioned that he has collected 1000's of golf balls since he bought his property 10 years ago and did everything to protect his house against golf balls. The outside however is still a risk and precaution measures needs to be discussed. ➤ Mr Wannenburg mention that only golfers see the backyard of his house and he needs to have freedom to erect a screen. ➤ Me Van Niekerk mentioned that members did know they buy on a golf estate and will have to tolerate golf balls. The erection of screens will effect the market value of properties on the estate. ➤ Mr Van Heerden stated that his hands was raised but the Chairperson knowingly ignore him. The HOA Board must investigate who granted those homeowners who erected golf screens the permission to do so. Proposer: C Kuun Seconded: A Jonker		
	In Favour: 95 (49.48%)	Against: 89	Abstain: 7
SPECIAL RESOLUTION 4 MUST BE ACCEPTED BY A 75% MAJORITY VOTE, THEREFORE SPECIAL RESOLUTION 4 WAS NOT ACCEPTED			
10	GENERAL		
10.1	Charl Wannenburg : Lodewyk Coetzee		
	➤ Mr Wannenburg asked why owners are not allowed to speak directly to Lodewyk Coetzee Architects. ➤ The Chairperson replied that the HOA pay the architect to review applications/drawings in terms of ARC Guidelines. Prices will increase if every owner contacts the architect directly.		
10.2	Charl Wannenburg : Karavaan		
	➤ Mr Wannenburg asked what is the difference between a motorhome and caravan and why a motorhome may be parked outside your property but not a caravan. ➤ The Chairperson replied that their is a rule for vehicle and trailers in the Conduct Rule and the Mr Wannenburg is welcome to investgate and challenge the rule.		
11	CONCLUSION		
	Mr. Jonker thanked the Chairperson and Mr Kosie Otto for their work as board members the past year. All members and their families are wished a joyous festive season. The meeting adjourned at 13H10 Distribution: Minutes book All owners		

APPROVED AT AGM 2023-11-09