



HOME OWNERS ASSOCIATION / HUISEIENAARSVERENIGING
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MINUTES OF AN ANNUAL GENERAL MEETING OF THE NAUTILUS BAY COASTAL RESERVE HOME OWNERS ASSOCIATION, HELD ON MONDAY 19 DECEMBER 2022 AT 10H00 PER ZOOM

1	Opening & Welcome	
	The Chairman, Mr J Lötter, opened the meeting and welcomed everyone present.	
2	Present	
	As per attendance register	
3	Confirmation of quorum:	
	Legal quorum required – 20% of 78 erven = 15,6 Owners present via Zoom – 13 Proxies received – 9 Quorum obtained – Total = 22 A legal quorum is obtained	
4	Chairman's Report	
	The Chairman's report, as presented, is unanimously approved by the meeting.	JL
	The Chairman thanked the Exco Members for their input and dedication during the course of the year and the Estate Manager for the well-presented monthly reports and diligence during the year.	
	Mr von Bebbber gives feedback on the reservoir and states that they initially suspected a leak, but the reservoir was in actual fact overflowing. The Municipality was called and found that the altitude flow control valve was faulty. The Municipality visited the site three times and the problem is fixed and the reservoir is working as it should. Unfortunately there is no service level agreement with the Municipality and this needs to be sorted out and managed by the new Exco Members for 2023.	
	Mr Shear states that the belief from the Developer has always been that the reservoir is the Municipality's responsibility. A request was submitted that boreholes be considered and alternative power sources be investigated in light of the present challenges the country is facing. This will primarily be a financial consideration as affordability and sustainability will come into question.	
5	Approval of previous AGM minutes (17 December 2021):	
	The minutes, as presented, were unanimously approved by the meeting.	SM
	Proposed: R Hodges (40) Seconded: P Smit (74,76)	
5.1	Points to report back on:	
5.1.1	Point 11.1 – Feedback regarding the application to the Municipality for the increase of total floor areas of houses	

			Mr vd Pol reported that the Provincial Government submitted a report that was not in favour of the increase in floor areas. A separate meeting was held with the Municipality and the Provincial Government indicated that they have resolved to retract their objection. The letter in support of the increase has not yet been obtained. It was decided that more time should be allowed and to wait until the new year before following up again. The matter is now in the hands of the Municipality. If the letter is not obtained, the HOA will go to the Tribunal. Harry and Kobus are thanked for their efforts in this regard.	EXCO																																												
6	Insurance																																															
	Broker: Commrisk Insurance Brokers Underwriter: CIA Monthly Premium – R3 946.58 Insured Value - R30 067 822.00 Public Liability - R50 000 000.00 Fidelity Cover - R2 500 000.00 Mr Hodges reported that a second opinion on the Insurance was received and the fidelity was increased. Mr Hodges will make sure that the Reservoir will be covered under the insurance and will be registered as an asset. A check on the insurance will be done again in March 2023. The insurance is unanimously approved.			RH																																												
7	Finances																																															
	7.1	Financial statements 2021																																														
		The Financial Statements, as presented, are unanimously approved. Mr R Hodges did a presentation on the financial status of Nautilus Bay and expenses foreseen in the future. <u>BUDGET 2023-2024 INCREASE 6%</u> <table><tr><td>Estimate Income</td><td>2021-2022</td><td>2022-2023</td><td>2023-2024</td></tr><tr><td>Estimated Income</td><td>R1 947 064</td><td>R2 040 998</td><td>R2 185 031</td></tr><tr><td>Estimated Expenses</td><td>R1 905 712</td><td>R1 934 872</td><td>R2 111 872</td></tr><tr><td>Estimated Depreciation</td><td>R 89 000</td><td>R 104 625</td><td>R 110 000</td></tr><tr><td>Profit/Loss</td><td>-R 47 648</td><td>R 1 501</td><td>R 36 841</td></tr></table> <u>NEW MONTHLY LEVY FOR 2023</u> <table><tr><td></td><td>2021-2022</td><td>2022-2023</td><td>2023-2024</td></tr><tr><td>Levy</td><td>R 1 874</td><td>R 1 967.70</td><td>R 2085.76</td></tr><tr><td>Road Fund</td><td>R 550</td><td>R 577.50</td><td>R 606.38</td></tr><tr><td colspan="4"> </td></tr><tr><td>Total</td><td>R 2424.00</td><td>R 2545.20</td><td>R 2692.14</td></tr><tr><td colspan="4"> </td></tr></table>		Estimate Income	2021-2022	2022-2023	2023-2024	Estimated Income	R1 947 064	R2 040 998	R2 185 031	Estimated Expenses	R1 905 712	R1 934 872	R2 111 872	Estimated Depreciation	R 89 000	R 104 625	R 110 000	Profit/Loss	-R 47 648	R 1 501	R 36 841		2021-2022	2022-2023	2023-2024	Levy	R 1 874	R 1 967.70	R 2085.76	Road Fund	R 550	R 577.50	R 606.38					Total	R 2424.00	R 2545.20	R 2692.14					EXCO
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	7.2	Budget 2022/2023																																														
		Mr R Hodges did a presentation on the proposed budget for 2022/2023 with a 6% increase. The following maintenance items were considered during determination of the increase amount: • Roads • Fences																																														

		Sewerage The budget is unanimously approved by the owners.													
	7.3	Levies													
		The new levy of R2692.14 per month effective from 1 st of March 2023 is unanimously approved.													
		Mr R Hodges confirms that owners who are more than three months in arrears on their levies are handed over to the attorney for collection of the outstanding levies.	EXCO												
	7.4	Road fund contribution													
		The road fund contribution will increase to R606.38 effective from 1 st of March 2023.													
	7.5	Investment funds													
		Mr R Hodges reported Nautilus Bay's financial standing as follows: Savings accounts													
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	7.6	Confirmation of interest													
		Interest on outstanding levies are charged at 1.5% per month or 18% per annum.	SM												
		The interest is unanimously approved.													
	7.7	Mandate to Status Mark to submit CSOS annual returns													
		The meeting unanimously gives a mandate to Status Mark to submit the annual returns to CSOS.	SM												
8	<i>Appointment of auditors</i>														
		The meeting unanimously approve the appointment of the current auditors, Moore Southern Cape.	SM												
9	<i>Determination of the domicilium citandi et executandi</i>														
		It is unanimously determined that the Domicilium Citandi At Executandi will be as follows: Status Mark Property Management 11 Meyer Street Mossel Bay 6500													
10	Extension of building period by Developer														
		The extension of the building period was confirmed by the Developer.													
11	<i>The Confirmation of any other matters raised at the meeting including any resolutions proposed for adoption by such meeting and the voting upon any such resolutions (7.11.5). The following resolutions were proposed and discussed:</i>														
	11.1	Resolution (1) - Directing the Exco to consult members and interested parties on the keeping of pets on the Reserve and to convene a Special General Meeting to													

		vote on the amendment of article 4.2.19 of the Constitution to allow for the keeping of pets	
		In terms of the Constitution, no pets are allowed on the Reserve. The Constitution needs to be amended by a majority vote of 75% to allow for the keeping of pets. If the majority owners vote in favour of the proposed Resolution 1, the Exco must facilitate a consultation and voting process. The consultation process will allow owners to make an informed decision on the amendment of the Constitution. Mrs Le Roux states that in the event of a vote on the amendment of the Constitution being successful, the Municipality would have to approve the amendment as well. Other factors to consider are possible amendments to the architectural rules to allow for Units to be fenced, and the costs of the consultation process. A similar Resolution was investigated in 2017 and was voted upon at the 2018 AGM. A majority vote of 75% was not achieved. There was a High Court Application that followed to compel certain owners to remove pets from the Reserve. The HOA was successful with the application with a costs order in its favour. The costs incurred by the HOA were approximately R60 000. From this, the HOA will be able to recover approximately one-half to two-thirds from the relevant owners. The costs must be determined by the taxing master of the High Court and the HOA was advised by its attorney that this will be done during March/April 2023. Mr Bowden reminds the meeting that the purpose of this meeting is to give the Exco a mandate on whether to proceed or not. The dynamics of the Estate has changed, as there are now more permanent residents with children. Mr Hodges raises the issue of security on the Reserve and contend that dogs are proven to be an early warning and deterrent to intruders. Mr Steyn, supported by Mr van der Pol, proposes that if Resolution 1 is not successful, a 5 year moratorium on further consideration of this issue should be implemented. Mr Steyn's opinion is that this specific topic causes discord amongst owners. In terms of Article 7.11.15 of the Constitution, the proposal is accepted as Resolution 2. Voting took place electronically and the results were as follows: In favour: 36.7% Against: 63.3%	
	11.2	Resolution 2 - In the event that Resolution 1 directing the Executive Committee to consult with members and stakeholders on the amendment of article 4.2.19 of the Constitution is not successful, a moratorium of 5 years shall be placed on the further consideration of such amendment. Voting took place electronically and the results were as follows: In favour: 73.3% Against: 26.7%	
12	Election of Executive Committee		
	The following members were nominated: Mr R Hodges Mr J Lotter Mr P Smit Mr Hodges and Mr Lötter were elected to the 2023 Committee.		

