

**MINUTES OF A MEETING OF THE DIRECTORS
OF CORMORANT BAY HOMEOWNERS ASSOCIATION
HELD ON SATURDAY, 18 FEBRUARY 2012 AT 08:00
AT THE LAPA, CORMORANT BAY**

CONFIRMATION OF THE NEXT MEETING:

The next Meeting would be held on Saturday, 5 May 2012 at the Lapa, Cormorant Bay.

PRESENT:

Mr J Horn	-	Trustee
Mr W Klaasen	-	Trustee
Mr E Hogan	-	Trustee
Mr G Rowe	-	Trustee
Mr B Richards	-	Trustee
Mr R Smeda	-	Estate Manager
Mr D Drysdale	-	Managing Agent

APOLOGIES:

Mr M Butz

1. WELCOME

Mr Horn opened the Meeting by welcoming Mr Richards to the Meeting as a new Trustee. He advised the Meeting that before he asked Mr Drysdale to call for nominations for the position of Chairman, he would not stand as the Chairman.

1a. ELECTION OF A CHAIRMAN

Mr T van Wyk was nominated by Mr Rowe, seconded by Mr Horn. Mr van Wyk advised that due to business commitments, he would be out of the country more often than not and could not justify being the Chairman. Mr Horn then proposed Mr Klaasen. Mr Klaasen also advised that he was unable to undertake the position.

Mr van Wyk proposed that Mr Horn continue as the Chairman for one more year. This was seconded by Mr Hogan. Mr Horn reluctantly agreed to stand as the Chairman but confirmed that this would be the last year.

1b. ALLOCATION OF PORTFOLIOS

Mr Horn proposed that the portfolios remain as they were in the previous year. He requested that Mr Richards undertake the finalisation and registration of the Boat Locker Project. Mr Horn said that he would help Mr Richards with this portfolio.

ACTION	BY DATE
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The Zero turn ride on mower has a problem and needs to be repaired. In the meantime the grass is being cut with the Turf Master mower, which works fine but is more time and labour intensive.

Mr Smeda said that cognizance must be taken of the fact that the Zero turn mower is 4 years old and this will be the first time it is necessary to spend money on the machine. Mr Smeda also confirmed that the mower is not quite the correct machine for the amount of grass being cut. It was agreed to repair the Husquvarna lawnmower. The quote was approximately R11 000,00.

Mr Smeda hired a high-pressure cleaner and removed the moss from the carports in Phase 1.

Mr Smeda advised that the jumper pack has worked hard and has fallen off boats and wet bikes and now needs to be replaced. It was agreed to purchase a further jumper start pack.

There were a number of blocked sewerage lines over the festive season caused by tree roots and the local plumber had been called out to clear these.

There were a couple of violent storms over the holidays and a few roofs were reported to have leaked. Mr Smeda confirmed that he was aware of the bad design and said that the leaks only started if the wind was blowing in the right direction. The Meeting discussed the repacking of the ridge tiles. Mr Horn said he was not in favour of using Flash-Harry. Mr Smeda to get a contractor to quote.

ACTION BY DATE

Mr Smeda reported that one or two visitors with boats had not been happy about paying R200,00 to have their boats launched. He requested that this new rule be communicated to all homeowners as soon as possible.

Mr Smeda said there appears to be some confusion about the quantity of tables and chairs required at the waterfront and confirmed having spoken to Johnny on three occasions who he has promised to deliver two benches with backs and four without backs. It was agreed to purchase 3 more sets of concrete tables and chairs for the waterfront area.

Replacement of window putty is continuing. Mr Smeda to ensure that the areas where window putty to be replaced are thoroughly cleaned with turpentine before undertaking the work.

Mr Smeda had had to call out A1 Pumps to sort out the electrics after a storm, as the pump would not start.

The staff are vigorously trying to catch up on the gardens. Due to the holidays and a lot of rainy days, they have fallen behind.

There is a person or persons going around breaking electrical boxes.

5.2 Labour Related Issues

Mr Smeda advised that Piet had run over his domestic employee's foot, which had opened up a wound requiring 15 stitches. It had not been intentionally and Piet had apologised, which apology had been accepted by the domestic. Due to the mitigating circumstances, a disciplinary hearing had investigated the incident and Piet had been issued with a final warning.

	ACTION	BY DATE
5.3 Pest and Weed Control Nothing to report.		
5.4 Alterations None.		
5.5 House Rules / Homeowners Nothing to report.		
5.6 Security Nothing to report.		
5.7 Mechanical The Cormorant Bay bakkie had to have some repairs done just before Christmas as it blew a head gasket and in January, a new clutch was fitted.		
6. MANAGING AGENT'S REPORT		
6.1 Tasks from Previous Meeting Mr Drysdale confirmed that he still had to arrange the payment for Mr Sherwood following Mr Sherwood's request to be refunded the overpayment from the boat locker project. Mr Sherwood had now had the interest re-calculated for the period 2009 – 2011 and requested that the new amount now be refunded. Mr Drysdale would establish the boat locker account at Standard Bank. Mr Hogan requested that he also be given the letter regarding the refund.	DFD	25.2.12
6.2 Sectional Title Developments At a meeting of another Body Corporate, one of the members had presented a change to the rules advising that members could hold no more than 2 proxies at any meeting. On investigation, this change had not been confirmed and the matter was still being investigated.		

	ACTION	BY DATE
7. DIRECTORS REPORT-BACK		
7.1 Gardens & Complex Management		
Tasks from Previous Minutes:		
Nothing to report.		
New Tasks		
➤ Mr Butz advised that he is constantly being made aware that drivers of vehicles do not understand 'walking speed' and suggested that the speed limit be stated in number format. In discussing the signs, it was agreed to erect two signs indicating that the maximum speed within the complex was 5KPH.		
➤ Drainage between units 1 and 3 has to be opened up as they have become blocked by dirt and overgrown grass. Mr Butz requested that this become a monthly routine inspection point.		
➤ Large potholes at the boat launching entrance require attention. Mr Butz suggested using concrete reinforced with wire mesh.		
➤ The sieve on the drainage between units 26/27 to be replaced as the existing one is broken.		
➤ A number of units need to be 'de-mossed' as weed is growing in between the bricks.		
➤ Two large dips on left-hand side of the boat launching area need to be filled. This exercise to be extended to all other areas, particularly grassed sections, where there are dips. The Meeting felt that the proposal to fill the lawns was unnecessary.		
➤ Potholes on the road require attention. This problem is possibly due to the heavy rains being experienced.		

ACTION BY DATE

- Trimming/ cutting of trees to prevent storm damage to be attended to as an ongoing project. Mr Butz requested that this be attended to as some units have already been affected. Mr Smeda was again requested to cut the wild trees growing in the flower beds.
- Units 77 and 79 require window putty.
- Mr Butz enquired about the additional 4 sets of tables and benches that had been agreed to in the November 2011 Meeting. They were to have been installed before Christmas, but he had been unable to find them.
- The fire extinguisher at unit 15 appears to have been tampered with or vandalized and is therefore unusable.
- The tractor rear tow-bar needs to be checked, as it appears to require an extension.
- Ants in the units was a problem throughout the complex. Members had to undertake the eradication of ants from the themselves in terms of the Act.
- The following units are infested by Wood-borer Beetles. The number of holes detected is noted against the unit number. Those marked ? have not yet been checked.

In discussing the suggestion that the holes in the roof trusses were being made by Borer Beetles, Mr Richards said that in his experience these holes were made by Bumble Bees.

It was agreed that the holes would be closed with silicone.

ACTION BY DATE

Unit No.	No. of Holes	Unit No.	No. of Holes	Unit No.	No. of Holes
1	1	31	0	62	0
2	2	32	1	63	1
3	0	33	3	64	?
4	0	34	?	65	0
5	1	35	0	66	0
6	0	36	3	67	3
7	1	38	0	68	?
8	3	39	3	69	0
9	2	40	3	70	0
10	0	41	3	71	?
11	1	42	15	72	0
12	0	43	?	73	0
13	2	44	?	74	0
14	0	45	0	75	0
15	?	46	0	76	0
16	0	47	0	77	0
17	?	48	0	78	0
18	1	49	?	79	?
19	0	50	?	80	?
20	0	51	0	81	?
21	0	52	?	82	?
25	0	56	0		
26	0	57	0		
27	0	58	0		
28	1	59	?		
29	0	60	?		
30	0	61	0		

Expenditure Approval

Nothing.

7.2 Harbour, Jetties, Waterfront & Security

Mr Rowe advised that there were no security issues. He had reported an altercation with certain individuals who were fishing on the wrong side of the slipway. He proposed that the rules be sent out again so that members were aware of them. It was agreed to erect 2 signs indicating the fishing areas.

JH

20.3.12

Problems were still persisting where members parked on other members' jetties.

In answering a question from Mr Hogan regarding the possibility of extending the harbour and erecting new jetties, it was agreed to again send out a letter inviting members to put their names forward if they were interested in the project.

ACTION

BY DATE

**GR/
DFD**

25.2.12

Tasks – Previous Minutes

None.

New Tasks

None.

7.3 Mechanical

The Meeting discussed the ongoing problem with some garage doors that were difficult to open. It was agreed to get a quote to service the doors or replace where necessary.

The Meeting discussed the bakkie which had incurred a repair cost of some R17 000,00 due to the head gasket having blown. Following that, the clutch had had to be replaced. Mr Horn said he had made a suggestion in the previous year that the bakkie be replaced with a new vehicle before it starting costing money for repairs. The Meeting discussed the investment of a new bakkie but agreed that as the major repairs had just been undertaken, the vehicle should be kept for a further year.

Tasks – Previous Minutes

None.

New Tasks:

None.

Expenditure Approval:

None.

**7.4 Staff &
Related Matters**

ACTION

BY DATE

Mr van Wyk advised Mr Smeda that the Trustees had agreed to extend his contract for a further year. There were no problems with the staff.

Tasks – Previous Minutes:

None.

New Tasks:

Mr van Wyk would arrange a general meeting with them to discuss any issues they had.

Expenditure Approval:

None.

**7.5 Communication,
Social, Website &
Newsletter**

Mr Hogan confirmed that he was updating the website with the electricity readings as well as the Minutes of Meetings. He encouraged members to use the website.

Mr Hogan confirmed that a “For Sale/Swop” site was available for the members and that anyone wishing to use this facility, could contact him and he would arrange with Melissa for the uplifting of the information.

Tasks – Previous Minutes:

None.

New Tasks:

None.

Expenditure Approval:

None.

ACTION BY DATE

7.6 Financial

In giving the members an overview of the financial status, Mr Horn confirmed that the accounts produced for the end of January 2012 were extremely positive although there appeared to be some misallocations in some of the readings, which he would correct. He advised that the following were the balances at 31 January 2012:

Current Assets:

Standard Bank Current:	R 110 826,76
Std. Bank Call Deposit:	R 648 689,21
Jetty Owners:	R 42 343,47
Sundry Customers:	R 53 011,36
Petty Cash:	R 2 996,10
Boat Locker Monies:	R 5 125,00
TOTAL	<u>R 862 991,90</u>

Current Liabilities:

Customer Control Account:	R 16 139,88
Sundry Suppliers	R 209 564,16
Standard Bank Cr. Card:	R 4 733,44
Prov. for Future Expenses:	R 15 125,00
TOTAL	<u>R 245 562,48</u>
NET CASH VALUE	<u>R 617 429,42</u>

Mr Horn explained the problems in trying to balance the electricity expenses and recovery due to the Phase 2 Eskom meters not working. Several letters had been written to Eskom but the meters had still not been corrected.

The calculation for the electricity recovery was based on the Eskom meters for Phase 1. Due to the way in which the electricity was being calculated and the fact that Phase 2 recoveries could not be matched against anything, the common property could not be calculated correctly. It appeared from the figures that the expenditure and recoveries were the same even though the Body Corporate was getting the income from the Phase 2 units without.

ACTION	BY DATE
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Mr Richards requested copies of the Eskom accounts and advised that he would be able to engage with Eskom to get the meters repaired as all Eskom sites had GPS co-ordinates, which meant that they were much more easily identifiable.

Mr Richards advised that he had also established two meters that were incorrectly labeled and members were therefore getting an incorrect account for electricity usage. It was agreed to undertake an exercise to check that the meters were correctly labeled with the door number of the unit so that members get billed for their correct consumption.

Outstanding Payments / Receipts:

None.

Tasks – Managing Agent:

Adjust the monthly accounts in respect of levy income.

Tasks – Auditor;

Adjust the Repairs & Maintenance where directed.

Tasks – Manager:

Confirm electricity meters.

Tasks – Previous Minutes:

7.7 Special Projects

➤ **Boat Locker Registration**

Mr Horn advised the Meeting that the registration of the boat lockers was dragging on and he was critical of Attorney Peter Nathan's ability to conclude the registration. He proposed that the Body Corporate now investigate getting an alternative attorney to become involved and have this matter finalised.

ACTION BY DATE

He advised that the requirement of the bondholders' permission was needed in order for the matter to proceed but Mr Nathan's associate was not prepared to take the required resolution from him, stating that the bondholders had been contacted but there had been no response. In terms of the Act, if the bondholder does not respond within 30 days, it was accepted that the bondholder approved of the opening of a new Register and the registering of further sections. He advised that there had also been a number of other excuses but said that this matter should have been finalised already.

It was agreed that the Managing Agent would speak to Attorney Nathan, advising of the Trustees concerns and their resolve to employ an alternative conveyancer to finalise the matter.

8. CORRESPONDENCE

There was no correspondence.

9. GENERAL

9.1 Budget

The proposed budget for the year ending February 2013 was distributed to the Meeting. Mr Horn confirmed that the proposed increase was 6%.

In discussion, a number of items were changed where it was felt that further monies needed to be allocated.

The Meeting resolved to undertake a major revamp of the tennis court following the members' request at the last Annual General Meeting. The budget was increased from R40 000,00 to R75 000,00. The vehicle maintenance was increased from R8 520,00 to R20 000,00 due to the age of the bakkie.

ACTION BY DATE

In order to retain the budget at 6%, the monies to cover these increased items, such as the tennis court in particular would be drawn from reserves.

The budget was approved and would be implemented on 1 March 2012.

2. Roy Smeda – Contract (Roy not to get this section!!)

Mr Hogan confirmed having requested that this matter be put on the Agenda as Mr Smeda's contract was coming up for renewal on 1 August 2012. He advised that as the contract was on a yearly basis, the Trustees would in future have to discuss and decide the matter each year. He said that providing Mr Smeda continued to do a good job and his health allowed him to work, there should not be a problem.

The Trustees were of the opinion that Mr Smeda was doing a good job and the Meeting agreed that the complex was looking exceptionally good. Mr van Wyk said that Mr Smeda was doing a brilliant job with minimum staff and a shoestring budget.

The Meeting agreed that there was no reason to not offer Mr Smeda a further contract and resolved to advise him that he would be offered a further contract on 1 August 2012.

In discussing Julian, Mr Horn confirmed that due to Mr Smeda having reached retirement age, the Body Corporate had entered into a separate yearly contract with him.

All other workers, including Julian, had a normal contract with the Body Corporate.

10. CONFIRMATION OF NEXT MEETING

ACTION

BY DATE

There being no further business, the Meeting closed at 10:30. The next Meeting would be held on Saturday, 5 May 2012 at 08:00 at Cormorant Bay.

APPROVED:

CHAIRMAN

DATE