

Strandmeer Homeowners Association,

Chairman's Report December 2018

The past year has been a busy and challenging one for the Homeowners Association. The overwhelming issue has been security. As I have communicated to you on a number of occasions during the year, the whole of the greater Plettenberg Bay area has seen a dramatic increase in crime, and Strandmeer has not been immune to this. Your committee and the estate manager have invested considerable time in identifying and evaluating various options to improve security at Strandmeer. These are discussed in greater detail below.

Over and above that, Ron and his team have continued to ensure that the Estate runs smoothly and is maintained in pristine condition. Significant improvements completed during the year include renovation of the workers ablutions, replacement of the main sewage pumps, repair of the roads, installing a security gate to the rubbish areas and upgrading the fencing on the northern boundary.

Financial Report for the Year ending 31st October, 2018.

Our administrators, Plett Property Management, have circulated the audited financial statements and management accounts for the last financial year.

Income for the year was R913 974 versus a budget of R886 144, with the variance being due largely to higher than anticipated interest income.

General Expenses and Repairs & Maintenance totalled R639 902 for the year. This represents a 7,9% increase on last year. Actual expenditure was R8 342 under budget.

Extraordinary expenditure totalled R117 317 against a budget of R123 000, of which R71 523 was spent on new sewage pumps and upgrading of the sewage system.

After Extraordinary Expenditure and a transfer of R6 000 to the pension provision, the HOA had a net surplus of R156 755 for the year.

Your committee is pleased to report that Strandmeer HOA is in a healthy financial position, with Members' Accumulated Surplus at year end standing at R475 433. However we will need to draw down on these reserves if we proceed with the security measures proposed below.

Budget for Year Ending 31st October, 2019

Your committee has budgeted for an increase in last year's General and Repairs & Maintenance expenses of 10,8% to R708 879. This includes R20 000 for real time monitoring of security cameras. Salaries and wages are the largest single item at R360 000.

Total expenses, including extraordinary items, are anticipated to increase by 52% to R1 147 879, including R420 000 for upgrading perimeter security. To support this budget, we recommend a 5% increase in the levy to R1 522.50 per month, backdated to the 1st November 2018, and a once off special levy of R2000 per erf. This will result in the HOA incurring a loss for the year of R125 640, which will be funded from reserves.

Security

There have been 6 burglaries in Strandmeer in the past year, and a further 4 at Rivertides. Thankfully no-one has been injured but homeowners, particularly the permanent residents, are understandably concerned.

Your executive committee has taken a number of actions including strengthening portions of the perimeter fence, improving lighting in the Estate and engaging with Rivertides HOA to improve their security. Patrick Raymond, who heads the security sub-committee of the HOA, will provide detailed feedback at the AGM.

We have investigated ways to strengthen the perimeter security, both on our back boundary and on the waterfront. Our recommendation is that

- 1) we install ClearVu fencing around the northern and eastern boundaries. The cost of this is R380 000.
- 2) We install motion activated cameras on the waterfront, monitored on a real-time basis by ADT, and supported by its rapid response service. The capital cost of this installation is R40 000, with an operating expense of R2000 p.m.

Amendment of the Building Guidelines

There has been ongoing conflict on the issue of homeowners seeking to build decks which extend across the building restriction lines of their properties. To remove any uncertainty on this issue we recommend an amendment to the Building Guidelines as detailed in the addendum to this report.

Change of Estate Manager

After 15 years of loyal service to Strandmeer both as a director and the estate manager, Ron Scott-Brown has decided to retire. On behalf of the HOA I would like to thank him for his enormous contribution to the Estate. His commitment, energy and friendly demeanour will be sorely missed.

We are fortunate to have found a very able replacement as estate manager in the form of Rowan Jones, who is also a resident of Strandmeer. Rowan has accepted the position and will take over from Ron in January.

Acknowledgements

I would like to thank my fellow trustees for their hard work and commitment throughout the year, Henry Timme for his assistance on all things electrical, and Rowan Jones for providing back-up to Ron when required. Thanks also to Patrick Sassin and Johan Koch at Plett Property Management, and to Roberto Boni, our consulting architect, for their unstinting support and sage advice.

Conclusion

I wish the members of the new executive committee every success in the year ahead. I have decided not to stand for re-election as a trustee but am comfortable that I leave the Association in a strong financial position and well positioned for the future.

I wish you and your families all the best over the festive season and a peaceful, healthy and prosperous 2019.

Peter Gent
Chairman