



Street Address
15 La Digue Place
St Francis Bay
6312

Registration number
2006/017967/08

Postal Address
Private Bag X3
Suite 133
St Francis Bay
6312

Minutes of the Directors meeting held on the 3rd March 2020 at 13:00 at Kouga Municipality, St Francis Bay

In Attendance

Board of Directors

P Butland (PB)
L Fouche (LF)
R Foulds (RF)
G Miller (GM)
B Morsink (BM)
C Northwood (CN)
S Picton-Turbervill (SPT)

Other Committee Members

Y Bryden (YB)
W Lotter (WL)
S Smith (SS)

Apologies

N Hulett (NH)

1. Welcome, Apologies and Confirmation of Previous Minutes

S Picton-Turbervill welcomed everyone to the meeting.

Confirmation of Previous Minutes

The minutes of the meeting held on the 21st of January 2020 were confirmed by BM and seconded by CN.

2. SFBRHOA funding for Spit & Beach regeneration. Presentation by Wayne Furphy (WF).

WF (representing to SFPO NPC) explained the need for additional funding from organisations outside of the SRA to ensure that there are adequate funds in place to support placement of the initial orders in 2021 for the Spit & Beach regeneration project. Any funding provided by the SFBRHOA will be ring fenced for work specifically on the spit and protection of the spit. SFBRHOA funds will not be used for beach restoration between the spit and Grannys Pools.

RF explained that the SFBRHOA funds raised in accordance with the agreement reached at the board meeting on the 13th November 2017 can be used for the Spit & Beach regeneration project providing that the SFBRHOA pays the service providers directly.

SPT explained that the SFBRHOA funds raised for the Spit & Beach regeneration project must be used within the financial year that income is generated.

3. Canal Manger and Office

WL&YB

The canal manager's report as discussed at the Monday meeting is attached.

RF Requested that YB update the Database. And keep it updated and to check the data base against the canal map.

4. Finance and Accounting

RF

Actions agreed to support the request for the Spit & Beach regeneration project funding:

An additional R650,000 will be included in the 2020/21 revenue budget.

The R1,000,000 of funding can be provided from reserves and "in kind" from the cost of dredging of sand to the spit and beach.

It is noted that the 2020/21 budget for dredging is around R1,4mil (40% of total expenses)

Budget 2020/21 (see attached budget submission to Kouga Municipality)

Special projects were agreed as:

Spit & Beach regeneration R650,000

Grand canal R60,000

Revenue budget increases based of 1500 licences being sold

12% Non-Riparian Levy Owner SF annual licence
5% Riparian Levy Owners (for boats in addition to first free boat)
21% Commercial Operators
5% Riparian Commercial Operators
15% One Day SF licence
15% Seven Days SF licence
0% Permanent Moorings Annually
10% Permanent Moorings Bi-Annually



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- 20% Non-Permanent Moorings per calendar month
- 30% Riparian levy

Post board meeting information on the budget submission

The budget was submitted to Kouga Municipality and Cllr Williams (responsible for finance) on the 9th March 2020. Feedback from Ria van Heerden at Kouga was that the increases were high.

It was explained that this was due to the R650,000 Spit & Beach regeneration project funding and that Wayne Furphy had discussed this with Cllr Williams who had agreed to support the increases in Council.

5. Legal and Insurance

PB

SPT To submit the statement on the fraud which occurred in the office from July to Dec 2019 as required by Section 34 (1) (b) of the Prevention and Combating of Corrupt Activities Act (Act 12 of 2004)

6. Dredging, Boats, Spit and Beach

GM

GM Went through all the inventory with WL. GM to provide a maintenance schedule for boats & dredgers.
GM Confirmed that dredging of sand to the beach would start on the 17th of March.

7. Planning Permissions & Water Quality

CN

LF Development on erf's 2850 & 2851. See attached correspondence with Cllr Rheeder regarding the sewerage capacity queries from the SFBRHOA.
WL to prepare a report on all canal sewer pump stations identifying where pumps are missing and other risks. The report to them be forwarded to Cllr Rheeder and the board.

8. Law Enforcement & General Canal Maintenance

BM

YB To draw up the law enforcement roster for the upcoming holidays and Easter.
SPT A follow up meeting with the KJRC has been arranged on the 4th March to discuss actions required at the river mouth to improve safety during busy periods.

Post board meeting information on the 4th March meeting

WB To relocate the no wake speed sign adjacent to the last white buoy before entering the river.
KJRC Will police jet skis entering the river mouth area to ensure that they abide by all local and SAMSA regulations.
GM To discuss a code of conduct with the kite boarding, wind surfing and canoeing community.

9. Events

NH

10. Representation on Public Bodies (KJRC, Ward 12, SFPO)

LF

See the information from the Residents association on www.stfrancispropertyowners.co.za/

- a. Ward 12 committee meeting. 23 non-compliance issues reported including Legal expenditure, wasteful expenditure and material losses. According to Ben Rheeder these issues were prior to 2016, and the current management is still trying to resolve them. There was one amount of less than R1m that occurred in the last financial year for the responsibility of the current management where procedures were not followed, and the wrong people were appointed.
- b. The draft report for the new roof sheeting to be used was approved at the portfolio committee. Final approval is expected by end of June 2020.
- c. Water restrictions are still in place. Ben Rheeder said that the negotiations for the pipeline from Mosterdshoek fell through.
- d. The illegal shacks were discussed at the Property Owners meeting and Wayne Furphy had a meeting with all the relevant parties to sort out the land issue between the Municipality and Public Works. It was agreed that the Public Works land would be transferred to the Municipality and made available for informal housing.
- e. The cost for repairing the canal bridges has been placed on the IDP for 2020/2021.
- f. The KJRC 2020/21 budgeted licence fee increases range from 12% to 22%. The increases are to provide funding for dredging the river and beach nourishment.
- g. Proposed new fees are:
Single river R350



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Multi river R580
Up to 15hp R100
16hp to 120hp R370
Greater than 120hp R750

- h. The 2020/21 sticker colour for the KJRC will be blue.

11. Harbour Office, Human Resources & Health & Safety, Web site

SPT

The 2020/21 sticker colour for the SFBRHOA was agreed as Pink
YB will be the new Health & Safety representative for the SFBRHOA.
The new license clerk starts on the 21st March

- YB will arrange a retainer for Colin Watt to update the SFBRHOA web site at least twice per month if required.
YB to update the current database and ensure that all canal properties as displayed on the maps are included in the data base.

12. General

- YB To arrange a sign boards regarding the nesting oyster catchers near the pump house. The bird club have agreed to pay for the board
WL To investigate the smell of sewerage in Ski canal as reported by PB

13. Special Projects

See management report

14. Next Meeting date

7th April 2020 at 13h00 (**Postponed until further notice**)



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Waterways Tariffs for 2020 - 2021				
	Note	2020/21	2020/21	2019/20
Waterways Tariff	990	VAT inclusive	15% Exclusive	15% Exclusive
Licence Fees per Annum				
Non-Riparian Levy Owners		R1 866.00	R1 622.61	R1 448.60
Riparian Levy Owners first boat free				
Riparian Levy Owners (for boats in addition to first free boat)		R1 642.00	R1 427.83	R1 360.42
Commercial Operators		R4 028.00	R3 502.61	R2 895.17
Riparian Commercial Operators		R3 283.00	R2 854.78	R2 719.13
Moorings				
Permanent Moorings Annually		R7 177.00	R6 240.87	R6 241.05
Permanent Moorings Bi-Annually		R5 265.00	R4 578.26	R4 161.66
Non-Permanent Moorings per calendar month		R3 001.00	R2 609.57	R2 174.91
Riparian Levy				
Per Annum		R4 380.00	R3 808.70	R2 935.52
Temporary Permits				
One Day		R200.00	R173.91	R151.32
Two to Seven Days		R1 300.00	R1 130.43	R982.55



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Income and Expenditure Budget for 2020-2021

Income	
Interest Received & other	R168 640
Riparian Levy	R1 809 130
Boat Licences	R1 675 423
Mooring Fees	R533 168
Total Income	R4 186 362
Expenses	
Accounting Fees	R12 000
Website / Advertising	R15 500
Auditors Renumeration	R45 000
Bank Charges	R19 200
Bank charge /speed point	R49 173
Boat Repairs & Maintenance	R81 600
Boats - Fuel	R60 000
Canal Maintenance	R105 000
Cleaning	R3 000
Computer Expenses	R7 300
Consulting Fees - General	R12 000
Courier & Postage	R5 000
Depreciation	R288 000
Dredger - repairs & maintenance	R250 000
Dredger - Spoil removal	R15 000
Dredgers - Diesel	R316 600
First Aid	R1 600
Health & Safety	R13 500
Insurance	R88 800
Jetty Repairs & Additions	R15 000
Licences & Permits	R28 000
Provision for Legal Fees	R5 000
Motor Vehicle Expenses	R55 000
Printing & Stationery	R20 500
Protective clothing / uniforms	R16 600
Meeting Expenses (incl. AGM)	R800
Entertainment & Office Expense)	R20 400
Repairs & Maintenance - General	R60 000
Repairs & Maintenance / Gardens	R30 000
Salaries & Staff costs	R1 782 498
Signage	R15 000
Staff training	R9 000
Telephone & cell phone	R24 720
Water Samples	R4 000
Spit Protection	R650 000
Special Projects	R60 000
Total Expenses	R4 184 791
NET INCOME	R1 571



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Notes on the Budget 2020-2021

Notes on expenses

1. The 2020-21 expense budget excluding the association's commitment towards the SFPO NPC beach project is a 3.5% increase over the 2019-20 expense budget.
2. The commitment to the SFPO NPC beach project as requested by the SFPO NPC is R650,000 for the financial year. This contribution was agreed at board level in 2017 and discussed at the association's AGM in 2018 and 2019.
3. Dredging costs in and around the canals accounts for 40% of the total expense budget excluding the commitment towards the SFPO NPC beach project. The direct dredging cost includes equipment repairs, fuel, operator costs and a proportion of management and administration costs. A significant portion of the dredging cost benefits the spit and beach when sand is pumped to these areas.
4. Areas of maintenance and other responsibilities entirely funded by the expense budget include:
 - 4.1 Maintaining the canals to the specified depth and ensuring boating access to the river. The length of all canals is approximately 11km.
 - 4.2 Maintenance of the extensive canal public jetties. Currently there are 125 public mooring places available on the canals and all jetties have been replaced over the last 6 years.
 - 4.3 Maintenance of public open space bordering the canals including 3 ablution facilities one of which was completely redeveloped in 2018.
 - 4.4 Maintenance of canal walls around public open space such as the cove, bird island, the harbour, around the bridges and various other public open space ERFs.
 - 4.5 Inspection of canal infrastructure and approval and monitoring of all new canal infrastructure installed by home owners.
 - 4.6 Law enforcement on the canals. The association employs a full time law enforcement officer.
 - 4.7 The personnel and administration costs associated with issuing licences for the canals and river and rental of moorings.
 - 4.8 Maintenance of all equipment to achieve the above including 3 dredgers and 4 boats.

Notes on income

1. To achieve the income to cover the expenses, the following assumptions have been made for numbers of licence & moorings sales and levies
 - 1.1 The number of annual canal boat licences will increase by 1.6%
 - 1.2 The number of temporary canal boat licences will increase by 6.8%
 - 1.3 Rental of mooring spaces will increase by 24%
 - 1.4 No increase in the number of canal properties that pay the levy.
2. The overall income budget has increased by 19% to cover the additional cost of the association's commitment towards the SFPO NPC beach project.
3. The income budget excludes VAT and the 5% fee retained by the Kouga Municipality.

Notes on recommended tariffs

1. The tariffs include 15% VAT and the 5% fee retained by the Kouga Municipality.
2. Tariff increases have been structured to spread the increases across all users of the waterways. In the 2019-20 budget 58% of the canal maintenance was funded by canal home owners and 42% by other users of the canals. In the 2020-21 budget 59% of the canal maintenance will be funded by canal home owners 41% by other users of the canals.



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3. Mooring tariff increases have been structured to encourage more annual rentals to improve the utilisation of the moorings. It is estimated that these tariffs will increase mooring utilisation from 69% in 2019-20 to 80% in 2020-21
 4. The Riparian levy increase will fund 64% of the association's commitment to the SFPO NPC beach project.