

Chromata Lagoon

THE ANNUAL GENERAL MEETING OF CHROMATA LAGOON MANAGEMENT COMMITTEE

Chromata Lagoon, Sunday 2 November 2013

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Owners Present

Andy Parsonage (A3), Alex Boa (A15), Dave and Margaret Taylor (B3) Pat Porter (G5) Yiannis and Georgia Odysseos (C4) Marianna Papatoma (G7) Annie Reynolds and George Smith (B6).

Apologies received

Avramis Despotis (C7), Vincent & Shirley Brown (C2), Alex and Fiona Ambrosioni (E6)

It was noted that there was a low level of interest from owners.

Adoption of Minutes of the AGM on Saturday 29 September 2012

All present were in agreement to adopt the Minutes as a fair representation of last year's AGM and they were signed as approved by Andy and Alex.

Chairman's Report

Andy started off by saying that after 2 years as Joint Chairman, he felt it was a good time to step down. He felt it was fair to say when they had taken over the post the finances had been in a grim situation, with very little in the bank account. 2 years on they were happy to hand over to a new Committee with the prospects now looking good for future years. They had accomplished what they had set out to achieve when they took the reigns and both the complex and also finance were now in good shape. He said that the members of the Committee had all worked very hard during the last 2 years and thanked his colleagues.

Finance

A copy of the accounts was given to each owner. Andy presented the accounts, comparing this year's figures to last year. There were a number of variations, with savings in a number of areas and overall a significant reduction in expenditure.

Thanks to the hard work of Dave the Treasurer, income from Communal Fees was up by €2,258.77. Dave has spent many long hours chasing the non-payers and it has proved very successful.

Significant points:

- Pool running costs are down this year mainly due to the sand filter having been changed.
- The cost of the lift maintenance was slightly reduced.
- €819.39 has been spent on a new waste pump in the shower/toilet.
- Cost of water is up by €196.71.
- Electricity is down by a staggering €3,078.99. This is largely due to the sand filter being changed and consequent reduction in pump usage.
- Nothing has been spent on the gardening. Yiannis has been doing some gardening but it was agreed that next year in March, a gardener would be employed to prune the trees and shrubs.

Going back to the Communal Fees, Andy said that overall we were still 12% down of where we should be with the in terms of income. Although fees collected amounted to €50,146.77, had all owners paid their fees, income would be around €55,000.

However, we have accrued nearly €12,000 in surplus this year, which is a great achievement and will go towards the painting fund.

Yiannis asked why there was so much of an increase in the insurance figure, which this year was €7,420 compared with €911 last year.

Andy explained that last year there had been insufficient funds available to pay for a comprehensive policy, and so only a basic insurance was taken out. The policy taken out by the previous Committee provided only €200,000 worth of buildings cover for the whole of the complex, when in fact the total rebuild cost is over €6.5 million meaning that we had been woefully under insured. The buildings are now properly covered for the full €6.5 million, which also covers the lifts, roofs, communal areas etc., essentially rebuilding everything. We also have a comprehensive Public Liability cover. Of the 3 quotations received, the chosen policy was the most comprehensive and also the cheapest.

It was pointed out that each owner must take out separate insurance for their own apartments to cover contents, fixture and fittings and fire etc. The next Committee may want to explore the contents policy offered by the new insurance provider, as it could be more cost effective for owners if there is sufficient take-up.

Andy went on to emphasise the importance of putting away a healthy amount each year for decorating the complex. It is anticipated that repainting the entire complex is likely to cost at least €100,000 and there are already areas needing urgent attention. At the rate we are saving, painting the complex could be done in say, 5 years time. This is one of the key areas that he, Alex and Dave have been focussed on since taking over their roles on the Committee. We have to end each year with a surplus to add to the decorating fund - the only alternative would be for each owner to pay around €2,000 to cover the cost of painting when the time came.

Annual Statement of Accounts

Statement of Accounts Sept 2011 - August 2012		Statement of Accounts December 2012 - October 2013		
Cash In		Cash In		Var
Communal Fees Received Sept 2011-Aug 2012	47,888.00	Communal Fees Received Dec 2012 - Oct 2013	50,146.77	2258.77
Cash Out		Cash Out		
Pool		Pool		
Pool Maintenance	4,085.47	Pool Maintenance	3,300.00	-785.47
Pool Chemicals	425.28	Pool Chemicals	0.00	-425.28
Pool Repairs	6,436.36	Pool Repairs	114.66	-6,321.70
Lifts		Lifts		
Maintenance Contract	6,624.00	Maintenance Contract	6,586.98	-37.02
		Repairs	1,262.60	1,262.60
Shower Room		Shower Room/Toilets		
Maintenance/Sundries	645.00	Repairs/Maintenance	1,464.39	819.39
Communal		Communal		
Cleaning Contract	9,544.00	Cleaning Contract	9,600.00	56.00
Water Rates	711.16	Water Rates	907.87	196.71
Electricity	8,696.65	Electricity	5,617.66	-3,078.99
Gardening	595.00	Gardening	3.75	-591.25
Misc		Misc		
Insurance	911.00	Insurance	7,420.00	6,509.00
Miscellaneous/Sundries	1,419.24	Misc. Maintenance/Repairs	1,459.74	40.50
Painting & Decorating	656.20	Painting & Decorating	0.00	-656.20
Fire Extinguishers	168.48	Fire Extinguishers	196.47	27.99
Legal Fees	585.60	Legal Fees	0.00	-585.60
Electrical miscellaneous	185.00	Electrical miscellaneous	415.00	230.00
	41,688.44		38,349.12	-3,339.32
	Surplus € 6,199.56		Surplus € 11,797.65	

Notes:

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Operating budget currently short by **€7,887 - 14%** due to non-payers
 Operating budget should be **€54,843** which would give an annual surplus of **€13,155**
 Electricity costs will increase
 Currently no fund for painting, est **€35,000-€40,000**
 Pool repairs should reduce considerably in 2013, saving est **€6,000**
 Successful action against non-payers has already reduced deficit, which will continue to improve

Recovery of overdue fees - **€2,478.71**
 Operating budget currently short by **€6,919 - 12%** due to non-payers
 This is an improvement of almost **€1,000** from last year
 Operating budget should be **€54,843** which would give an annual surplus of **€13,155**
 Successful action against non-payers has already reduced deficit, which will continue to improve
 Even taking into account insurance, overall outgoings down nearly **€5,000 - 12%**

Fees

Could fees be reduced? – No Way. Had we still been using Masterfix, then our fees would have been increased yearly and by now we would have been paying much more. Prudent budgeting and continuing to chase non-payers etc, have enabled us to maintain fees at the same level for the last 5 years.

He said that if we were to reduce each owner's maintenance by €100 this would amount to a reduction of €7,000 a year, and this is money required for the painting fund. Each case needs to be considered on its own merit.

The Committee have been understanding where people are having a difficult time. Andy said that a few owners have been in touch with them saying they were struggling to pay the full amount and the Committee have helped them discretely behind the scenes. He hoped the new Committee would continue in the same way and agree a payment plan that is acceptable to both parties, eg monthly payments.

Painting

Yiannis suggested that we get some of the buildings fixed now not in 4 years time so as to prevent further damage. This next year we could take offers for painting some of the buildings. Because of the crisis in Cyprus, services are much cheaper now.

Andy said he personally understands the idea of doing some patch up work now. Marianna said that having seen the pictures that Dave had posted on the Facebook page it would be a good idea to fix some items now. Andy mentioned that the roofs need repainting and resealing. George asked if there was enough money to do the roofs. A quote had been given for just C Block roof and that had been €400 for just the materials. Marianna said that all the roofs should be done and George agreed with her.

Andy said that he was extremely worried about protecting the painting fund and suggested we seek confirmation of who would protect the painting fund if elected. He said that it would be devastating to see the money squandered and also have a reduction in fees.

Backdrop - in Cyprus law relating to General Agreements – if you change Communal Fees you must have agreement of 75% of owners. In order to effectively run a complex long term, you cannot reduce the fees. Also if you were to paint now you could not then reduce the fees later on as you will have to start the process again, building up the fund to enable repainting the next time.

Marianna said that the fees would stay the same this year as they were last year if they were elected. Yiannis also said that he would not reduce the fees, as neither would Dave MacLean.

Yiannis assured the Committee that as the building is getting older he would always protect the funds built up for painting. Marianna agreed, saying the account should always be separate and only for the purpose of the painting etc.

General agreement – 75% of people have to vote.

Yiannis said that if he were to be elected then the old Committee and the new Committee must communicate with one another to begin with. Voting was something that the new Committee must agree on and every item on the statement of accounts showing where money has gone must be available to every Committee member. It would be illegal if this were not done. Andy pointed out that this had always been the case, they were included in the Minutes, which were available on the website and this year would be on Facebook as well.

All present agreed 100% that the painting funds should be protected.

Andy said that he was concerned about some areas of work that needed attention soon. For instance, the plaster damage around A Block would need to be addressed in a few months' time.

In B Block the wind and rain is coming through the 2 windows and this is badly affecting the lift. A glass window is required. Dave has had a quote already and Yiannis said it might be a good idea to ask an architect for options.

Elections

Committee positions voted on:

Chairman	Dave McClean Yiannis Odysseos and Avramis Despotis (joint)
Treasurer	Marianna Papathoma and Georgia Odysseos (joint)
Secretary	Annie Reynolds
On-Site Liaison	Pat Porter

Both Dave MacLean and Avramis had mentioned in their posts on Facebook that if either of them were elected as Chairman, then they would consider the other person becoming Vice Chairman. Andy said that as this had not been raised early enough, it could not be part of the voting at the AGM, as all owners would need to have the opportunity to vote for this option along with the other candidates. It could, however be raised by the new Committee for all owners to vote on.

Andy said that there had generally been a very poor response from owners with comparatively few bothering to vote. Alex had had to chase people up and only a week prior, we had only received one vote. Dave said that he was ashamed of the English not bothering to vote, when many were happy to complain. All agreed that it was very disappointing. Marianna said that the Cypriots and the English should not work against one another. We are a complex and should work together. Everyone totally agreed.

Some owners cast votes via email prior to the AGM. Those present at the AGM cast proxy votes and individual votes privately.

After the votes and proxy votes had been counted the result was as follows:

Chairman	Yiannis and Avramis	18 votes
	David MacLean	13 votes
Treasurer	Marianna and Georgia	30 votes
Secretary	Annie Reynolds	31 votes
Site Liaison Officer	Pat Porter	31 votes

Everyone welcomed the new Committee members on board and wished them well. There will be a handover process to go through and a change of signatories on the bank account.

It was suggested that if possible, the electricity and water bills are switched to direct debit as opposed to having to pay a cheque into the bank each time a bill is received. Yiannis agreed to investigate.

Any other business

E2

Questions had been received as to what is happening to Block E2. Apparently there is a tenant there and we have received a small amount of money from Giovani. It appears that the bank has foreclosed on the apartment and Giovani are renting it out to a basketball team. We have only received €200 in fees this year and it was unanimously agreed that we should be receiving the full amount of maintenance from Giovani. Yiannis and Marianna are going to look into this.

A7

Apparently there has been a squatter here for some time. The owners Alan and Violet Avenell have been approached but they have not been forthcoming in any way. The water and electricity have been disconnected and it is strongly suspected that the woman has been syphoning water from other water tanks and also using a hose from one of the Communal water taps to fill the tank. Additionally, the owners of A9 have had a water bill for €100 for a period during which they have not been in residence, which they have attributed to this theft. The police have been involved to no avail. Bailiffs have also previously removed her but unfortunately she has returned with someone who has replaced the locks and she remains.

E4

Attempts have been made to contact the owner, Kevin Turner but he is not replying to any of the emails or answering phone calls. It is understood that he has returned to England and neither he nor his partner Fiona has been in contact. He is renting out his apartment long term and the tenant is paying her rent direct into Kevin's Cypriot bank account. Pat has been to see the tenant to ask if she would consider paying the maintenance instead of the rent but she is loathe to do this even though she does not have a current rental Contract in place.

Marianna says we must go to the Law Courts regarding this.

Complaints have also been received from owners regarding the dog mess on balcony floor of this apartment. The new Committee are going to address this.

Discussions were held regarding access to the complex and whether it would be an idea to have a barrier at the front with a swipe card system to stop non-payers driving in. Other ideas

were to have a similar system around the pool so that people who were not paying their fees or had tenants in, would not be able to use the pool area. The new Committee will discuss these ideas in more detail. Concerns were raised by Andy and Alex regarding managing a swipe card system, stating that it would be very difficult and time consuming to distribute cards as we do not have postal addresses for every owner. Also, there would be difficulties in granting access to, for example, contractors when the owners aren't present and also for those who rent their apartments. If this to be implemented, then a keypad system would be far easier to manage as the code could be emailed, texted or simply phoned to owners.

Date for next AGM

Annie suggested that we book a date for the 2014 AGM now so that members can have more warning of when the meeting is to take place. A provisional date of 7 September 2014 was set.

The meeting was concluded at 12.30pm.