

**JHPO Association, Inc.**

**ANNUAL GENERAL MEETING**

**Wednesday 8 March 2023**

**17.00 (Antigua time)**

**Hummingbird Meeting Room  
Conference Suite  
Sugar Ridge Hotel**

**Note – the AGM will also be live streamed**

**NOTICE OF THE 1<sup>ST</sup> ANNUAL GENERAL MEETING  
of JHPO ASSOCIATION, INC.**

Wednesday 8 March 2023,  
Hummingbird Meeting Room in the Conference Suite at Sugar Ridge Hotel\*

17:00 (Antigua Time) AGM Starts – Registration desks open from 16.00. Please bring a recent CDAL invoice or copy of your land certificate as proof that you own property in Jolly Harbour.

\*The meeting will also be live streamed. To register for the live streaming please email [JHPOA.antigua@gmail.com](mailto:JHPOA.antigua@gmail.com)

**Note all property owners in Jolly Harbour are members of JHPO unless they choose to opt out. There is no membership fee at this time.**

**All homeowners are entitled to attend the AGM. Those members who are up to date with their Community Charge are entitled to vote at the meeting, unless they chose to opt out. Members have one vote for every property they own subject to a maximum of 5 votes. If you are unable to physically attend the meeting and wish to appoint a Proxy to attend the AGM and vote on your behalf, you must do so by completing and submitting the attached proxy form by 17.00 on 6 March 2023. Please note that it will only be possible for those physically present or represented by Proxy to vote on the business of the meeting.**

**AGENDA**

**1. Opening remarks**

**2. Corporate Matters**

(i) Adoption of the By-Laws – see attached

To pass the following resolution:

‘That the By-Laws of JHPO Association, Inc. be duly adopted.’

(ii) Adoption of the Mission Statement – see attached

To pass the following resolution:

‘That the Mission Statement of JHPO Association, Inc. be duly adopted.’

**3. Election of Directors** - CVs and details of proposers and seconders attached

To elect Andrea Meier as a Director

To elect Paul Ryan as a Director

To elect Adrian Seabridge as a Director

To elect Pearl Small as a Director

To elect Carl Turpin as a Director

## **Meeting Closure - 17.45**

### **Note**

- **The JHPO AGM will be followed by the final AGM of the JHHA.**
- **A Q&A session will take place immediately following the conclusion of the JHHA AGM.**
- **Joseph Krohn CFO of CDAL will attend for the Q&A session**
- **The Q&A session will include discussion and an indicative vote on the proposed Community Charge increase effective from 1 January 2023.**
- **Property owners are invited to ask questions and should be polite at all times.**
- **The maximum time for questions per property owner is 2 minutes.**

**Proceedings will be brought to a close at 19.00**

## JHHA Community Charge Recommendation Commentary – February 23

### Background

- From 1<sup>st</sup> January 2023 CDAL has increased the Community Charge (CC) from US\$320 per month to US\$372 per month.
- Monthly Sinking Fund Payment of US\$10 per month has been stopped.
- Increase in CC was based upon a budget forecast presented to community in December 2022.
- The community submitted questions on the budget forecast after the presentation and it is felt that satisfactory responses to the questions have been received.

### Is an Increase in CC justified?

- No one wishes to see an increase in the monthly maintenance charge. However, after meetings with new CDAL owners and with the CDAL Chief Financial Officer the JHHA Executive feel that the increase is justified for the following reasons:
- The last increase in CC was in 2015 and since then inflation has risen by about 20%. If inflation alone was used, then the new CC would be US\$395 per month. Inflation alone is not the sole reason for our belief.
- The increase in the CC to US\$372 includes the old sinking fund and the credit card surcharge, which was illegal. Thus, the CC has increased from US\$ 320 +10 + 8.25 (credit surcharge), a total of US\$338.25 to US\$372.  
This is an increase of around 10%.
- In accordance with each Home Owners contract, it is the responsibility of each Home Owner to pay their proportion of the maintenance and costs of the community. This includes such things as security, refuse removal, garden maintenance, infrastructure maintenance, sewage disposal etc. The previous owners of CDAL have not gone to the community for funds to cover, in particular, infrastructure maintenance and have left the infrastructure of Jolly Harbour (JH) in a poorly maintained and parlous state. The new owners are now trying to address this under investment.
- Immediate work includes repairing the water supply issues, ordering a new generator (which was undermaintained and beyond its working life) and reviewing work needed on essential sewage treatment facilities, all of which is considered the most urgent need in JH.
- **To pay for some of the urgent work needed the new owners of CDAL have made an interest free loan to the community of US\$800,000. This is repayable over two years and repayments are included in the US\$372**
- The new owners of CDAL have indicated a grant (not loan) of US\$3,800,000 will be made towards future infrastructure improvements and upgrades needed.
- Strenuous efforts are being made, with some notable successes to recover outstanding CC bad debts. Success in recovery will improve cashflow and help keep down any future CC charge increases.
- Efforts are being made, including possible legal remedies, to ensure that the “Chinese” properties on Harbour Island pay the full CC fee, not their current reduced fee.
- The new owners of CDAL have already brought the accounts up to date and separated them from the development accounts and now more accurately reflect what our money pays for.

**Whilst the Executive of the JHHA cannot approve or decline the increase in the CC we believe that the increase is justified and that whilst homeowners make their own decision re payment of the increase the executive encourage homeowners to pay the increased CC as a show of support for the new owners.**

### **Future Development and infrastructure provision**

- At point 43 in the Developer's response to owners' queries, the developer confirmed that any new infrastructure needed for future development will be funded by the developer who will be providing ongoing financials for CDAL.

## Commentary on Infrastructural Maintenance

- Most homeowner contracts include a clause similar to this  
*“The Transferee shall pay the monthly maintenance charge also known as community charge, which is now levied by the Transferor and which charge is now set at xxx hundred dollars United States currency (US\$xxx), plus 15% ABST, per month per villa and which is charged for and expended upon services provided to and for the benefit of the abovementioned parcel, which services are included but not limited to security, grounds maintenance, infrastructural maintenance, sewage, lighting, and liability and risk insurance for common areas in the administration thereof..”*
- Some homeowners have suggested the word maintenance does not include “replacement”. This argument is discussed below.
- Most definitions of the word Maintenance propose the following *“functional checks, servicing, repairing or replacing of necessary devices, equipment, machinery, building infrastructure, and supporting utilities in industrial, business and residential installation and keeping such originally installed infrastructure operational either before or after failure”* .....
- It would seem appropriate that items such as replacement of a generator that has failed and which is part of the original infrastructure or replacement of such items as pipes, pumps or cables would all be classed as “infrastructural maintenance”.
- An analogy with car maintenance may be appropriate, in that should a gearbox fail, or a brake pipe fail on a car, then any such replacement would be considered maintenance and not something else.
- The JHHA also believe that the capital cost of *“additional”* infrastructure that is needed to service new development contemplated and proposed by the developer and what is outside of the remit of the development originally planned by Dr Erhart should be funded by the developer following which regular CC payment should be made by those new developments. This was confirmed, as stated above, at point 43 in the Developer’s response to queries. The new owners have already indicated a grant of US\$3.8 million and an interest free loan of US\$800,000 towards existing infrastructure maintenance. It has been confirmed that new properties built by the Developer will pay also pay CC and therefore contribute to the overall fund.