

SPRINGERBAAI HOME OWNERS' ASSOCIATION

MINUTES OF ANNUAL GENERAL MEETING HELD AT BOGGOMSBAAI SANDPIPER CENTRE ON 22 DECEMBER 2018 AT 10H00

1. OPENING AND WELCOME

The Chairperson, Andre Nel, welcomed everyone to the Annual General Meeting of the Home Owners' Association for 2018.

2. ATTENDANCE:

PRESENT:

<u>MEMBER</u>	<u>VOTES</u>	<u>MEMBER</u>	<u>VOTES</u>
Andre Nel	2	Isabel Heyns	1
Gawie de Beer	2	Lukas Wentzel	1
Mark Rosenbaum	1	Julette Wentzel	
Ruth Mills		Harry Heinz Graf	1
Pieter van Greunen	1	Marianne Graf	
Dawid Malherbe	1	Attie van Zyl	4
Carel Goosen	1	Christo Groenewald	1
Elmarè Goosen		Mary-Ann van der Berg	
Melanie van Vuuren		Des Doyle	
Herman van Vuuren	1	Riana Rosenbaum	
Mareo Bekker	4	Talitha Venter	
Marille Bass		Albert de Villiers	
Maria Appert		<u>APOLOGIES:</u>	
Philip de Vaal	1	Thys & Cornel Engelbrecht	2
Pierre van der Berg	1	Diane Orban / Johann Boshoff	1
Daniel Tharratt	1	Gerald & Caroline Human	1
Adele Tharratt		<u>PROXIES</u>	
Roger Davidson	1	Manie Janse van Rensburg	2
Rodney Teasdale	1	Fanus le Roux	2
Christo Groenewald	1	Gustav Rohde – Coventree Trust	2
Ian Grobler	1	Eugene de Villiers	2
Martie Grobler	1	Jan & Thea Venter	1
Michael Muirhead	1	Socralex – Els, Gilbert, Simoes	1
Georgina Muirhead		Andre & Alet Els	1
Rinette Conradie	1	Christo Visser	1

<u>PROXIES</u>		<u>PROXIES</u>	
Wynand Pretorius	1	Keith & Michelle Lilley	1
Peter Balt	1	Gerhard & Twanette Volschenk	1
Clipstone Webber	1	Theuns Eloff	2
Herman & Liz Pieterse	2	Stephan Burger	1
Christo Kloppers	1	Martie & Pieter Botha	1
Chris Maritz	1	Willie Opperman	1
Rachel Wickwar	1	Willi Hollenstein	1
Erhardt Burger	1	Peter Emmanuel	1
Beate Knechtel	1	Robert Bass	1
Carla Appert	2	Kathryn Lochner	1
Barbara & Richard Williams	1	Michelle Williams & Vishwas Satgar	1
Paul Mills	1		

The Chairperson welcomed and thanked the members for their presence. The Chairperson thanked Talitha and her staff for all their hard work and team effort as well as the Trustees.

The Estate Manager (“TV”) confirmed that all members received timeous notice of the meeting, the agenda and all the other annexures to the notice of the meeting.

The notice of meeting was taken as read. A quorum was present due to 69/117 members. The Chairperson declared the meeting properly constituted.

3. DETERMINATION OF AGENDA

The agenda was accepted, and additional decision on REVAG detail will follow.

2 decisions over and above the decision items circulated. REVAG and the Utility vehicle depending on the Electric Fence vote.

4. MINUTES OF ANNUAL GENERAL MEETING OF 21 DECEMBER 2017

The minutes of meeting of 21 December 2017 were taken as read and **APPROVED**.

4.1 MATTERS ARISING

4.1.1 NOTICE OF CHANGE TO SPRINGERBAAI CONSTITUTION

The following was to finalise the wording as per AGM 2017, this is to ensure continuity. The following wording is proposed:

TERM OF SERVICE ON BOARD OF TRUSTEES

- 24.** “Save as set forth in Para 25, each Trustee shall continue to hold office until the next Annual General Meeting following his said appointment, at which meeting each Trustee shall be deemed to have retired from office as such, but will be eligible for re-

election as a Trustee at such meeting, **SUBJECT TO THE PROVISIONS WHICH FOLLOW:**

- 24.1** THE TERM OF SERVICE OF A TRUSTEE WILL BE LIMITED TO 3 (THREE) UNINTERRUPTED ONE-YEAR PERIODS, SUBJECT TO THE PROVISIONS BELOW:
- 24.2** A FORMER TRUSTEE WHO SERVED 3 (THREE) UNINTERRUPTED ONE-YEAR PERIODS, COULD BE ELECTED AGAIN ONLY AFTER A BREAK OF 2 (TWO) YEARS, SUBJECT TO PARAGRAPH 24.4 BELOW.
- 24.3** TO ENSURE CONTINUITY, THE TRUSTEES SHOULD ROTATE SO THAT NOT ALL TRUSTEES' THREE-YEAR CYCLES EXPIRE AT THE SAME TIME. IN ORDER TO ACHIEVE THIS OBJECTIVE, THE TRUSTEES COULD, BEFORE NOTICE IS GIVEN OF THE NEXT AGM, DECIDE WHICH TRUSTEE/S SHOULD RETIRE VOLUNTARILY AT THE NEXT AGM FOR THE SAKE OF ROTATION AND IN ORDER NOT TO JEOPARDISE CONTINUITY OF PROJECTS. SHOULD THE TRUSTEES NOT BE ABLE TO PASS SUCH A RESOLUTION, OR SHOULD THEY DECIDE THAT NO TRUSTEE SHOULD RETIRE VOLUNTARILY, THE TRUSTEES WILL PROPOSE AT THE NEXT AGM THAT AN ADDITIONAL TRUSTEE BE CO-OPTED.
- 24.4.** IN THE EXTRAORDINARY EVENT THAT THERE ARE NOT ENOUGH MEMBERS WHO QUALIFY TO BE ELECTED AS TRUSTEES IN TERMS OF PARAGRAPHS 24.1 AND 24.2 ABOVE, MAKING THEMSELVES AVAILABLE FOR ELECTION, MEMBERS WILL BE ENTITLED TO PASS A SPECIAL RESOLUTION AT THE ANNUAL GENERAL MEETING (WITHOUT PRIOR NOTICE) TO ALLOW AN EXISTING TRUSTEE TO BE ELECTED AS TRUSTEE FOR AN ADDITIONAL YEAR. SHOULD THIS RESOLUTION NOT BE PASSED, THE NUMBER OF TRUSTEES WILL BE REDUCED TO NOT LESS THAN THE MINIMUM AND THE NEWLY ELECTED TRUSTEES WILL THEN CO-OPT ONE OR MORE ADDITIONAL TRUSTEES.

Comments /Questions: Pieter explained that it is important to stand for no less than three years, it is a lot of work and takes time to grasp the work. He proposed that each member must make themselves available to stand as a Trustee.

Melanie suggested that we reduce the two-year break after serving a three-year period, The Chairperson stated that this will have to be an amendment and the Chairperson proposed to vote as it is stated and if there is a strong feeling to change it, it needs to be debated in more detail. Melanie stated that she proposed this due to the fact that there are not a lot of members that make themselves available to stand as Trustees. Herman stated that he proposed the decision in 24.4 to be a special resolution. The Chairperson explained that after obtaining advice the Trustees didn't feel it needed to be a special resolution. Mareo commented that there must be a balance and continuity. The clause will need to be reviewed going forward. **DECISION: WORDING WAS APPROVED.**

MANAGEMENT were given an opportunity to give comments on the year:

Talitha thanked the Trustees for all their hard work and input and everything she has learnt from them over the past two years. She thanked Albert and his team for the hard work and dedication and it was lovely to work as a team. She thanked the members for their communication, friendliness and understanding.

Albert de Villiers introduced himself & his back ground. He is from Pretoria and moved to Morocco for a few years, studied at NMU in George and will apply his conservation passion to Springerbaai. He appreciates the confidence the Trustees have shown in him and thanked Talitha. He said that it was important to understand the growth and natural occurrence of suurv and the need to eradicate suurv to allow more grazing.

5. REPORT BY CHAIRPERSON AND TRUSTEES

5.1 OVERVIEW OF THE PAST YEAR

ANDRE NEL

The Chairperson thanked the Board of Trustees and Management and the team for their hard work. The Chairperson explained that it is a lot of work and very time consuming, to have the documents aligned and to be sent out in time. He thanked the members commenting on documentation sent out during the year and before the meeting and comments and proposals all get looked at and debated, the opinions do differ and after debate the trustees find a balance between the views and then what to bring to the AGM.

The Chairperson stated that continuity through Trustees is important and continuity through procedures and management plans are as important. Numerous procedures have been set in place and more will be done in 2019.

High lights:

- Game Management Group was started
- Creation of a Game Management Plan was created
- Completion of the Fire risk work document, communication, information and implementation
- Reviving the Facebook group & improving the website
- Improving IT infrastructure at the office
- Image improvement projects
- Completing the Market Value study
- No major security incidents
- Proposals on improvements of aesthetics
- Procedures put in place

Low points:

- Death of 6 Bontebok due to dronktou & then lung worm
- The drought affecting the fauna & flora
- Not solving the claim with B&H Security on the electric fence
- Encountering 2 dead whales and some dolphins stranded on our beach
- Not having yet reviewed the Management Plan

He brought the Vision/Mission again to the member's attention.

Vision that underpins the proposed 2019 Springerbaai Budget:

The vision of Springerbaai is to sustain a secure and protected estate for peaceful, healthy and safe co-existence of human, animal and nature by living in a harmonious environment where the needs of each are balanced.

The vision supports the unique Ethos of Springerbaai by conserving the indigenous fauna and flora, maintaining the aesthetic architecture, using friendly, sustainable energy sources and limiting disturbance to the natural environment whilst allowing for enjoyment of the property by the owners and appreciation of their investment.

5.2. GENERAL MANAGEMENT, IT AND REVAG

ANDRE NEL

Work carried out during 2018:

- Completed the team by appointment of the Superintendent (Albert) and one labourer (Matomane).
- Improved the IT environment in the office – new laptop, computer for Gate Officer, Dropbox and network.
- Roles and responsibilities of AGM, Trustees and Management was compiled in a document. It clarified the roles between Trustees, Management and AGM decisions. Advice was obtained about the interpretation. **WILL be emailed to ALL MEMBERS.**
- Recording of access through the gate on computer as the basis for communication and risk;
- Introduced various Operating Procedures to ensure clarity and continuity.

Work planned for 2019:

- Continue expansion of Dropbox and Procedures.
- Review the Management Plan of 2013.
- Management to play a bigger part in continuity through procedures, database of documents and accountability.
- Drop Box was created, data is very high with the use of drop box and will discuss in 2019 to use

the website but on a HO login section. Procedures to be shown on the website.

Objectives for General Management & IT:

- Trustees and Management to work well together for the aim of achieving the estate's vision.
- Management performing their roles in terms of clear objectives and agreed procedures.

5.3. REVAG

ANDRE NEL

The Chairperson explained that REVAG requested that a portion of the R 2000 per home owner to be paid over into their account, due to numerous reasons this was voted against in 2017 and after investigation and discussions and attendance of the REVAG AGM, this is clearer. The amount collected from HO was placed in a reserve fund and interest has accumulated.

There is a need for REVAG and Springerbaai should support it. It is good to have the REVAG team having a look at the potential threats.

There are no immediate big threats to the Bay that needs to be acted on, but there are numerous proposed developments in and around the Bay and they are as follows:

REVAG AGM - threats

- LNG onshore regasification plant
- Phosphate mining – sea floor
- Marine Spatial Planning Bill
- Proposed Lubricant Plant next to PetroSA - +/-R2 billion
- much sea-exploration being done
- Total drilling for gas next to FA Platform
- Marine Aqua-culture
- Another wind farm

REVAG ANNUAL FINANCIAL STATEMENTS:

- They currently have R433 000 in bank – this is made up from previous pledges but there are no expenses currently, some of the members have paid their full amount of pledge money. The outstanding amount from Springerbaai based on a calculation done by REVAG of 31% of each amount is +/- R73 000. The Estates that have paid the full pledge amount will be refunded a percentage. There will still be an amount of R 360 000 in their bank account.
- Need to approve the Repayment after membership issues have been agreed (payments split between membership and payment for pledges)

VOTING ON REVAG AGM IN FUTURE:

- Money was contributed of R 1000 to become a member to REVAG, which was a membership fee. There was also money pledged and or donated for the various LNG threats.
- In future and backdated, two types of payments will be recognized by REVAG: one is membership (tied to voting) and one is a contribution / donation, that it is tied to voting rights.
- When the R 232 000 was pledged from Springerbaai it was for a specific purpose for the LNG 2.
- We would like to move the 31% requested from REVAG to be paid over into a general purpose for REVAG to be able to use the money if there are any other general threat on the condition that:
 - Clarity of whom are members and who only made donations.
 - Request that it be linked to the erf – not person/owner, a new form to be filled if property transferred.
- Also, part of the proposal is that we agree to pay over the 31% of the R 232 000. Is to make sure the expenditure controls and that we end up with voting rights.
- If there is a threat the REVAG steering Committee will a) write legal letters, b) they get to appoint to appoint lawyers if the scope of work is less than R 50 000 they are allowed to go ahead based on majority, c) if the request commitment is for more than R 50 000 then a General Meeting will have to take place. If they estimate that the approved legal cost will be more than R 300 000 then a decision will have to be taken at the General Meeting how to obtain the funds to fight the legal fight.
- TV and AN currently on the steering committee as members.

REVAG CLARIFY MEMBERSHIP:

- Membership of R1000 was paid by Estate
- Later payment was made for R 100 000 and R 50 000 for LNG1 of – The Developer paid R 4000.
- We will allocate R 117 000 of above which is a membership for each owner and each owner will have a voting right, forms will have to completed which will be sent by Talitha. And for the future you can attend the REVAG AGM or complete

a proxy form to Talitha or REVAG Trustee to attend on your behalf.

- Pledge was made for LNG2 of R2 000 paid (R232 000) one member paid directly into REVAG – cash in our investment account, all other members have paid.
- Request to equalize – 31% to be paid as contribution, repay others. All will be for a kitty/account to react quickly – general purpose, objectives of REVAG
- We have kept our pledge in our balance sheet and we have confirmed that they money is available to REVAG, but we would like to be sure how the money is used and that we are comfortable. The kitty money in REVAG is from previous owners that have pledged and donated.

REVAG ACTIONS:

- REVAG: confirm membership of 117 Springerbaai members- each with Voting, individually when self-attending/voting (but may give Proxies to TV or REVAG Trustee.
- Controls: R50 000 commitment by the Members of Steering committee by majority decision, above R50k require general meeting by the members (can be electronically) and if above R 300 000 then the GM must also decide on the funding.
- Pay over the full 31% requested, leaving REVAG with 360k in cash,

FOLLOWING DECISION APPROVED:

Agree to pay over the R73 000 (31%) if voting of 117 members are confirmed and financial controls of commitment of Expenditure on threats are adhered to and formally put in place as explained above. Explanation and forms to be sent to members and a membership form to be signed.

5.4. HUMAN RESOURCES

ANDRE NEL

Work carried out during the 2018:

- Worked on continuity and transparency
- Appointment of all staff and standardisation of contracts.
- Management accounts are done on a monthly basis and year end in September the Financial Statements are then drawn up by Chris Bredekamp.
- Management team performed well

- Reviewed Performance contracts and carried out 2 performance reviews.
- Empowered management through IT tools, training performed & initiative/proposals encouraged. Training for specific needs.
- Role clarification through review of job descriptions and procedures.
- Staff appointment procedures completed.
- Currently an issue with Edwin not reporting for work but will follow correct procedure.

Work planned for 2019:

- Quarterly performance appraisals of all staff.
- Talitha to carry on with monthly financial recons.
- Salary increases of 6%
- Purpose Driven Training.
- Finish the operating procedures.

Objectives for Human Resources:

- Ensure the right skills are employed to meet all the objectives of the estate.
- Fair treatment of staff and limit staff turn-over through fair management practices.
- Reward excellent performance through fair salary increases and bonuses.
- Develop staff through an environment of taking responsibility and ownership whilst providing training opportunities.

5.5 LEGAL:

ANDRE NEL

Work carried out during 2018:

- Sought legal advice to solve disagreements and issues that needed clarification & rectification.
- Clarified issues through clear, transparent and respectful communication with the parties.
- Received a plea from B&H Security of R 5055.00 this was not accepted.
- Attempted to recover money from B&H – finally written to Clerk of the Court to get a date.

Work planned for 2019:

- Finalise the B&H dispute.

Objectives for Legal Matters:

- To apply the Springerbaai Constitution and regulations objectively and appropriately.

- Be fair, respectful towards all owners should disputes arise.
- Create awareness of conflict resolution channels available to the estate e.g. Ombud.
- Protect Springerbaai against contractors and suppliers that do not meet contractual agreements.

Comments / Questions: B&H is a Closed Corporation; the Trustees will continue with the process and will keep an eye on the cost incurred. A member asked how this will be prevented in the future the Chairperson explained that there are procedures in place a procurement procedure and delegation of authority that has always been in place. We need to make sure what scope of work has been given. More care is being taken, the scope and deliverables and make sure the deliverables are delivered. Once the website is finalised all the approved procedures will be available. The deposits requested by contractors will be negotiated.

5.6 COMMUNICATION & MARKET VALUE:

RUTH MILLS

A question was asked by a member about the cost of the market value study. The Chairperson stated that Ruth did the Marketing Value Study with no cost to the home owners. Trustees decided that the Market value study would be beneficial to the estate and to assess the situation in our area.

Work carried out during 2018:

- We have successfully continued with WhatsApp as a form of communication.
- The Facebook page was taken over by the trustees in an attempt to improve image and communication, numbers have grown to 97 members.
- The Chairman sent out a number of communications after decisions made and objectives achieved at the Trustees' meetings.
- The proposed website improvements were carried out. – The development page was sent to all members on the 21 December 2018. The website will be going live early in 2019. Members were requested to send comments regarding the website.
- The quarterly newsletter was revamped and sent out after each Trustees meeting.
- The estate completed its obligatory registration with the CSOS (Community Schemes Ombuds Service). This service is there to assist with disagreements between Homeowners and Trustees.
- Ensured a tranquil and peaceful environment continues through regulations and compliance.
- Respecting the rights/ideas/proposals/queries of Homeowners – comments/input/proposals were received, discussed and answered by the Trustees.
- A study was undertaken to try and understand what impacts on and has affected property

values at Springerbaai. Some previous suggestions from Homeowners were presented in the report.

- Some proposals have been made for the AGM to decide on & gauge general views regarding market value appreciation & depreciation.
- Estate Agent and Rental Agent procedures were completed.

Work planned for 2019:

- To increase market value of properties at Springerbaai by improving our image.
- Introducing improvements to website – better photos, layout, access to information etc.

Member's comments are valuable.

- Better Wi-Fi/satellite cell and data coverage for Springerbaai to be considered.

Comments / Questions: A member explained that they are not sure why the Market Value Study was done, Ruth explained that some members may be interested to know if their property value would appreciate. The report was done to help access if there should be an upgrade to the Estates image. Ruth stated that she is an Estate agent and has some local area knowledge to help her with the study. A member asked if it was a conflict of interest. Ruth explained that the majority of her sales are in other areas. The Chairperson explained that the image of the estate is connected to the value of the properties. The auction by the Developer did have a negative effect on the values of property on the Estate. In the Market Value Study, the levies are compared to other Estates. There are different views from members regarding the market value study.

The same member expressed her concern regarding the mention of tennis courts & swimming pools in the report. Pieter van Greunen reiterated to members to please read the Market Value study. The Chairperson explained that there is no decision for a tennis court or swimming pool due to the fact that it is not the right time for this, but there are other decisions that the Trustees felt would be currently more valuable for the estate.

It was mentioned that the Wi-Fi in certain areas is not up to standard. The cellphone network is weak especially during the December holidays. This will be looked at and a proper study will have to be done.

A member wanted clarity regarding the links on the website to Property 24 and he is not happy with this and stated that the Trustees need to be careful regarding the property advertising. Ruth explained that the links on the website to gauge the reaction from members. Talitha gets many requests regarding advertising Springerbaai properties. The Property 24 link is not a direct link to Ruth property agency but to all homes by all agents that are currently advertising property for sale at Springerbaai. Ruth stated that a procedure document was compiled for Agents to ensure that Springerbaai is marketed properly. The Chairman stated there are two elements regarding this one is if there is an attractive website and potential buyer sees this they can react immediately instead of waiting for Talitha to come to work on Monday and secondly there has been a request that members want to sell their property and that they can only market it on the Springerbaai newsletter which is only distributed three times a year. Some information is available on the website where potential buyers can have a

look at it immediately and other information is only available to members only. The Chairperson explained that the owners have the right to rent out their property. If someone rents he doesn't only do it for his benefit but for the benefit of Springerbaai. He stated that they will leave the rental and the Property 24 links t on the website for three months and if there is an overwhelming feeling from members not to have it on the website then have it reviewed and reconsidered.

Mark explained that he was against all this, but he said that when he went on to the website he was surprised by the beautiful views of the properties and photos of the Estate.

TV said there is very positive feedback on Airbnb from one of the members that rents out their property. There were various views regarding the advertising and this was debated. The advertising as Ruth explained is to raise awareness discreetly.

Regarding the vote for more footpaths / hiking trails / bird viewing was raised by a member that it was not approved at the previous AGM in 2017, the Chairperson explained that there was no vote to stop foot paths but if a decision was taken at an AGM then it may be brought back to the table at the next AGM to be voted again.

Objectives for Communication:

- To maintain and Improve communication and relationships with and between Homeowners.
- Transparency in finances & input in budgets.
- Open communication with Homeowners through newsletters, and meetings.
- Improve and regulate the use of the Facebook Group.
- Consider all suggestions from Homeowners.
- Sharing of Trustee proposals & decisions.
- Making use of channels such as website, WhatsApp, drop box.
- Avoid disputes and legal action.
- Ensuring a tranquil and peaceful environment continues through adherence to regulations and compliance.
- Respecting the rights of other Homeowners.

Objectives for Market Value:

- To increase the value of properties by improving:
 - the Image of Springerbaai;
 - facilities and access to nature at Springerbaai;
 - game / veld management and security;
 - the image of our entrance / visibility of Springerbaai; and

- online/marketing image of Springerbaai.

Decisions for Proposals for Improving facilities at Springerbaai in 2019 include:

- A. Proposal for approval to spend R30 000 to extend the Uitkyk viewing deck to accommodate more tables due to growth in the estate house numbers. Often all tables are occupied at viewpoint. A new viewing deck could be created with access from the current viewing deck (in order to use the same board walk) and to create easier access. **DECISION APPROVED**
- B. Proposal for approval to discretely advertise Springerbaai Estate online and in appropriate magazines in order to increase public image. This will be researched and could include brochures and articles in magazines. Total Budget R20,000. This was debated, and the majority vote was: **DECISION NOT APPROVED**
- C. Proposal for approval to have one person on duty on Saturdays at the gate house during peak holiday periods (school holidays). Approximate cost for 10 Saturdays in a year at about R750 per day, i.e. R7 500. This was discussed and debated, and majority was **DECISION NOT APPROVED**
- D. Proposal to further improve the estate's image and activities for HO's by considering further introduction of more paths / trails, bird watching spots and improving current fire escape roads Total of R15 000. **DECISION APPROVED**

5.7 INFRASTRUCTURE

GAWIE DE BEER

Work carried out during 2018:

Gravel Roads

During the period under review the bulk of the annual gravel road maintenance budget was spent on the following activities:

- **Blading** of the road surface to remove corrugations.
- **Re-gravelling** of the wearing course – approximately 1100m of the main access road was re-gravelled. Since 2017 the entire gravel section of the main access road from the Gate House up to the start of the sweeping bend around the Blue Crane dam has now been re-gravelled.
- A number of the existing **speedbumps** (5) on the main access road which were deemed to be redundant were removed. It is important to note that in most cases the speedbumps not only force adherence to the general speed limit of 40km/h, but perhaps even more important also serve to divert rainwater from the road surface into the side drains.
- **Potholes** on the existing sections of sand sealed access road were repaired in accordance with the specifications in the current maintenance contract.
- **Distance (chainage) markers** were placed along the main access road in increments of 250m, starting at the Gate House and ending at the View Site.
- **Cape (Sand) Seal Sections:** Apart from pothole repair, no work was carried out on the sand seal

sections during the year under review.

Work on the steep section in Phase 3, originally included in the 2018 budget, has now been scheduled to be done in March 2019.

- **Minor Maintenance carried out by Springerbaai Staff:**

Throughout the year, Springerbaai staff attend to minor maintenance items which inter alia included the following:

- Pot hole repair on gravel sections of the roads;
- Shaping and clearing existing storm water side drains; and
- Keeping plant growth in check on the road verge.

Bird Hide: At the bird hide a project to harvest rainwater from the roof of the bird hide was carried out.

View Site: No major maintenance was carried out on the view site structure during the period under review.

Board Walks: The normal oiling of the board walks and view site was carried out during March. During this activity loose or broken planks/boards were repaired/replaced.

Boundary Fences: No work was carried out on the perimeter fence. Openings created under the fence by small animals are being repaired on a continuous basis by the Springerbaai maintenance team.

Fire Equipment: Existing fire hydrants and fire extinguishers were serviced during the year.

Super Sewers: Maintenance on the sewer pumps included the replacement of the batteries, pumps and invertors.

Work planned for 2019:

Internal Roads - Phase 3:

Funds have been allocated in the 2019 budget to surface the steep section on the east side of the internal road in Phase 3 with a Cape seal application.

The driffies in this Phase will also receive attention when the sand seal is constructed.

Blading (grading) of primarily the main access road:

Funds have been allocated to grade the gravel access road once during the 2019 financial year. This work has been scheduled to take place in late November 2019. The blading operation will focus primarily on the section of road from chainage 3300 to chainage 5300 – from the bird hide turn-off to the view site car park.

Re-Gravelling of sections of the main access road:

Sections of the main access road where loss of gravel material is clearly evident will be re-gravelled during 2019. This work is scheduled to take place during February and March 2019. The section around Blue Crane dam, approximately 500m in length has been earmarked for the next re-gravelling programme. A final decision will be taken after a thorough site inspection has been conducted.

Once this section has been re-gravelled there remains approximately 2,1 km of main access road from the end of the tar (sand seal) section at the turn-off to the bird hide - chainage 3300, to the

start of the tar at the final downhill section ending at the view site car park - chainage 5300. It is envisaged that this work will be done in sequence as follows:

- 2020: first section of approx. 700m
- 2021: second section of approx. 700m
- 2022: third and final section of approx. 700m ending at the View Site.

This implies that in 2023 re-gravelling of the main access road will once again focus on the section of road starting at the Gate House.

Internal gravel roads generally carry less traffic at much lower speeds. These roads are inspected regularly and depending on the condition of these roads, maintenance work will be planned and scheduled accordingly.

Game Fence: No major work is envisaged for the estate's boundary fences during 2019.

Boardwalks: The usual boardwalk maintenance is again scheduled to be done during February/March of 2019.

Water Network: An additional fire hydrant will be provided in Phase 5 to improve the reach of the fire brigade in that region should a fire threaten the estate from the Nautilus side. A series of on-site tests and investigations are being planned as described in the previous section.

Sewers and Pump station: The normal preventative maintenance of the sewers and pump station will routinely be done throughout the year.

Non- essential work which was not allowed for in the budget

- Creating a smaller deeper Blue Crane dam is still being considered a possibility. As mentioned previously a smaller, deeper dam will remain full for much longer due to the reduced surface area of the smaller dam
- Investigating if it would be possible to divert rainwater from the channel running alongside the main tar road to Vleesbaai, into the small dam at the entrance to the estate.

Objectives for Infrastructure:

- Reduce our yearly investment in road maintenance.
- Maintain our Assets to achieve maximum economic life.

Comments / Questions: How is this different from the previous Trustees approached, Gawie explained that it is similar to the previous approach, but this is now just being documented.

A question from a member is how the financing is being managed in the budget, Gawie explained that there are rates in the tender which is for 3 years and one knows what the rates are for the 3 years and the maintenance cost is being budgeted every year. Gawie stated that a 5-year forecast will be done, and a lot of the work being done is placed under capital, the blading is under opex.

A member thanked the contractor and the Trustees for the quality and condition of the road. He would like the Trustees to look at the binding of the gravel road to reduce the dust.

Decisions Required from Home Owners regarding Infrastructure:

- A. We propose that the Road Maintenance strategy be approved including the re-gravelling of the main access road over a 5 to 7-year cycle. **DECISION APPROVED**
- B. We therefore ask for approval that the current maintenance contract of LNJ Civil Contractors be extended for one year to expire on 31st March 2020. **DECISION APPROVED**
- C. We therefore propose for approval that a new tender with scope and extent similar to the previous contract and alignment with the Road Maintenance Strategy which matches the current situation at Springerbaai be advertised during 2019. That the appropriate tender documents be drawn up by a suitably experienced and qualified professional. Procurement Procedures will be followed and a minimum of 3 tenderers be invited. That this new maintenance contract be valid for three years with approximate value between R1.5mil and R2.2mil. **DECISION APPROVED**

5.8 RIKS MANAGEMENT

GAWIE DE BEER

Work carried out during 2018:

- Fire Risk Documents (Strategy, FROP) finalised and approved.
- Fire Reaction Poster issued to all Home Owners.
- A new “bakkie sakkie” was purchased
- Established new fire breaks & widened existing fire breaks
- Information to HO in terms of Fire Risk and actions.
- Fire Drill was held in December 2018.
- Planned controlled veldt burns scheduled for 2019.
- Carried out on site flow and pressure tests at hydrants
- Water status determined, and proposals obtained.

Water Network:

In August consultants were commissioned to carry out on-site tests to determine pressure readings and flow volumes at the existing fire hydrants. These tests showed that there are some hydrants, especially those at the most remote areas or at the highest and furthest elevation (from the existing storage reservoir) where both the flow and pressure readings were low. The report outlining the findings of the site inspection and the results of the pressure and flow measurements taken at the existing hydrants.

It was suggested that further on-site tests be conducted to investigate the feasibility to increase the pressure at these hydrants to comply with the specifications. The introduction of an elevated water tank, or the installation of a booster pump are two options to increase water pressure in the water network. As an alternative the construction of a dedicated fire water main supplying water

to the existing fire hydrants in the various built-up phases of Springerbaai should also be investigated. This option could ultimately be the best solution. Funds have been allocated in the 2019 budget to carry out the activities described above.

At the time of writing this report, a meeting was being arranged with Leon Zeiler of the company International Fire Engineering. Mr Zeiler is widely recognised as an expert when it comes to fire engineering.

Pending the results of the various planned on-site experiments and the outcome of further discussions with experts like Mr Zeiler, the best possible solution will be crafted for Springerbaai and presented to the HO's for a decision.

Whatever the eventual decision taken by the HO's, it is clear that we cannot ignore the fact that Springerbaai is located in a region of our country where climatic conditions can result in the outbreak of veldt fires which if they occur in the vicinity of built-up areas the outcome of which can be devastating.

Work planned for 2019:

- Carry out compliance work on gas, electricity installations at each home and generators to be inspected.
- Secure adequate and / or alternative water supply for humans and animals in future.
- Carry out controlled veldt burns.

Water network:

- Carry out on site tests to determine the feasibility of increasing water pressure to hydrants
- Investigate the possibility of constructing a dedicated water main to supply hydrants (elevated water tank, booster pump)
- There are two schools of thought on fire protection and fire installation in residential developments:
 - National Building Regulations (SANS 10400 T and W)
 - Guidelines for Human Settlement Planning and Design (“Red Book”)
- Differences exist as shown in the following table:

	kPa	Liters/sec
• SANS 10400	300	20
• Red Book	70	15

- For the planning and design of Springerbaai the Red Book was used.
- A sample of the on-site flow and pressure test results is summarised in the following table:

Hydrant #	Flow (Litres/sec)	Pressure (kPa)
12	22	230
18	16	150
19	16	150
20	15,5	150
24	11	200
25	8	200

- Essentially with a few exceptions the requirements of the Red Book are being met
- Given the recent spate of devastating veldt fires in the region the Trustees are of the opinion

that it would be prudent for HO's to adopt a higher fire-fighting specification for the estate.

Objectives of Risk Management:

- Adequate risk management and protection of human life and our assets (insurance, procedures).
- Minimise risk and protect our lives and assets through the implementation of an adequate and appropriate risk management plan.

Comments / questions: A member stated that there is a great deal of dead brush around the houses and the Chairperson stated that this will be looked at under the risk section and each member must attend to his / her brush around the houses in conjunction with management and to reduce the fire risk on the Estate and Management will attend to the rooikrantz eradication on the property.

A member queried whether the sections that are not sufficient on the certain hydrants or is the whole network going to be boosted, he stated that all the houses will be flooded, and the main system will be guaranteed that the connections on the main lines will pop. He explained that reticulation systems in South Africa there are very few that have booster pumps and they are very difficult to maintain, and there will be numerous maintenance and logistic issues. He proposes that one must look at where the problem is and only attend and add a booster where the problem / low pressure on a hydrant is.

The Chairperson stated that it is a difficult area and there are areas that were established that are short, the concerns are all valid. A lot of work needs to be done but this needs to go ahead due to the concern. It was discussed that when the pump is installed to do separate sections at a time to have a controlled implementation. More work needs to be done. The Chairperson stated that what the member is trying to say it must be approached with caution and before action is taken and that amounts be approved and before action is taken that it must rather be presented to the members again. A member proposed that Ian Grobler be part of the process due to the professional knowledge that he has.

There are different type of fires and with certain fires a bakkie sakkie can be used but in a wild fire with high winds very little will be able to help.

The Chairperson proposed that a work group be formed and assess the proposals for increasing the pressure on the Estate. More work to be done.

Decisions Required from Home Owners regarding Risk Management:

- A. That a booster pump be procured/rented and installed with the help of consultants and fire/water experts on the current water pipe line for approximately R70 000. That the functional integrity of our current water reticulation system first be tried out under the gradual increase of the pressure in the line whilst monitoring the situation at the remote fire hydrants where low pressures and flows were recorded previously. **APPROVED TO GO AHEAD WITH THE WORK AS PROPOSED BUT THAT A WORKING GROUP BE SET UP AND FINAL PLANS BE SUBMITTED TO TEAM FOR COMMENT AND FEEDBACK TO MEMBERS.**
- B. Appoint a consultant to carry out a desktop study to investigate and advise the feasibility, including preparing a first order cost estimate, to design and construct a dedicated fire main water line

which will only supply water to the fire hydrants and hose reels which are located in the various residential phases. Total Cost budgeted R30 000. **APPROVED TO GO AHEAD AND BE DONE IN CONJUNCTION WITH THE WORKING GROUP**

- C. We therefore propose for approval to use R 30 000 to investigate possibilities of provision of water either through better collection and retention or through bore holes. As well as consider a mitigating strategy if the municipality had to reduce our water consumption dramatically (the scope is not restricted and if certain quick wins can be implemented then it should be done).

DECISION APPROVED

5.9 SECURITY

PIETER VAN GREUNEN

Work carried out during 2018:

- Three security companies were contacted to provide electric fence inspections and advise potential way forward. Electric fences on both side of the estate are below standard and less than 50% of the wires are electrified.
- Fence on foot patrols were conducted every 6 weeks.
- K9 security doing 6 random patrols every month throughout the year during late afternoons and evenings.
- Access control procedures were developed and put in place with a data base to record entries.
- Pieter proposed that members must inspect the fence to understand the current situation of the fence, he stated that the game fence is in good condition, but the 6 strains of the electric fence is 50% effective, for this will not keep people out, what does the electric fence do for the Estate the visual impact does have a positive effect. So, the intruder will notice that there is a risk with the electrical fence and might go to another property.

Work planned for 2019:

- Six weekly fence patrols and inspection as well as daily Management inspections.
- Active gate control and recording of entries.
- Active engagement with surrounding estate.

Objectives for Security:

- To involve neighbouring estates proactively to increase visibility of security measures around peak holiday times,
- To increase awareness amongst owners to remain vigilant and take ownership of their own security.
- To sustain a secure and protected estate for peaceful, healthy, tranquil and safe life style by maintaining current security measures (beach gates, cameras, patrols, electric fences and computerised systems),

Guiding Principles:

- Security breach/incident report should be kept up to date and review monthly with

Security Trustee and Estate Manager and presented at Trustee session;

- o Breaches file to become an official document;
- o Breaches to be fully investigated and improvement plans developed; and
- o Involve neighborhood estates proactively to increase visibility of security.

Comments / questions: A member asked how many incidents we have had over the past few years, Talitha explained that there hasn't been an incident in the past 3-4 years, where an intruder made a fire on the boardwalk.

A member wanted to know if someone can cut the game fence, Pieter explained that the game fence is running along the estate and the electric fence is bolted on to the game fence and any one can cut the fence.

A member questioned whether an alarm could be added to the fence and Pieter stated that it is not possible the fence needs to be upgraded to be able to have this done. The fence only runs along the sides of the estate there are no fences in the seaside of the Estate.

A member requested what would happen if the fence is erected where will the signal go if the fence has been damaged, Pieter explained a sms would go to Talitha and then a security company or the police will have to be contacted for them to inspect the fence. Please secure your homes with alarms and armed response.

Decision required from Home Owners regarding Security:

A. We propose for approval and addition of R375 000 to the 2019 budget for an Electric fence upgrade to incorporate the following features:

- o Supply and install 10 # Druid 114 energizers;
- o Supply and install all lightning divertors, master earth grids and feed cables for each unit (planted not more than 5000mm from fence line in various strategic positions);
- o Supply and install 1 # energizer housing, solar bracket, 140w solar panel, solar regulator and 150amp/hr battery; and
- o Supply and install 3G software modules and software on PC.

Since a R100 000 was saved from 2018 – if approved the additional extra once off levy would be $(375\ 000 - 100\ 000) = R\ 275\ 000$. Per erf R 2 350. **DECISION NOT APPROVED**

IF not agreed - use the R100 000 saving on 2018 to be used for Tractor.

5.10 TRACTOR / UTILITY VEHICLE: - ADDITIONAL

PIETER VAN GREUNEN /ANDRE NEL

Purpose of a tractor / utility vehicle:

- Pull bakkie sakkie in difficult veld conditions
- Remove suurvy
- Pull grass slasher in 5m no-mans land next to fence
- Plough no-mans land next to fence
- Assist with fire break preparations for veld and Rhenoster veld ecological burn
- Assist with irrigation after suurvy removal
- Earth works at dams
- Gropper for taking out suurvy and removal with trailer to fence
- Levelling our escape routes
- Can move people/labour on the estate with new trailer instead of using the bakkie.

Decision required from Home Owners regarding a Tractor / Utility vehicle:

Proposed to purchase a tractor or a utility vehicle of the savings of R 100 000 on the fence, A member stated that it would be better to increase the amount to buy a proper utility vehicle/tractor.

The Chairperson explained that we can increase the utility vehicle to R 150 000 and with the savings on the decisions not approved and savings from 2018. This was voted on and approved. **DECISION**

APPROVED

5.11 ENVIRONMENT AND GAME

PIETER VAN GREUNEN

Work carried out in 2018:

- Investigate sale of Bontebok rams to local buyers looking for a herd.
- Game Management Operating Manual and Procedure developed with grazing determination done.
- Track game market trends.
- Created the Game stats file as an official document.
- Mineral lick at bird hide.
- Game Min - Hoof and horn, is placed in the water troughs for iron and copper supplement.
- Manual removal of suurvy evaluated against mechanised gropper removal.
- A plan to be approved to do this in batches on a continual basis.
- Trial Path in the Gouritz Duneveldt.
- Started review of bore holes.
- Veld burning programme developed.

Work planned for 2019:

- Introduce Damara 4 x rams.
- Monitor effectiveness of breeding and game counts according to Game Management Procedure.
- Restore M/F ratio with selective culling/capture/sale of males.
- Mineral licks 4 x per year.
- Continue with Game - Min Hoof and Horn supplement.
- Investigate borehole water applicability for grazing areas.
- Gropper and manual removal of suurv.
- Planting of indigenous vegetation in area behind bird hide towards back road, watering the Rhenoster vegetation and sowing of grass seeds and creating watering areas.
- Pilot grass veldt burning and Rhenoster bush burning procedure.

Objectives for Environment & Game Management:

- Maintain and protect the natural environment (fauna, flora).
- Ensure aliens are eradicated.
- Introduce sufficient natural disaster precautions and planning e.g. Fire reaction.
- Take action against large-scale development in region (REVAG).
- Improve the use of green alternative resources and reduce waste and pollution.
- Investigate rain water harvesting and storage.
- Consider alternative energy options.
- Encourage water saving & storage.
- Reduce unnecessary driving on the estate.
- Co-existence of human, animal and nature by living in a harmonious environment.
- Protect fauna and flora.
- The sustainable use of wildlife is recognised as a sound form of conservation and will add value to estate and to the enjoyment of the property by the owners.
- The game will be managed and grazing carrying capacity will determine game numbers. This will be guided by the Game Management Operational procedure.

Pieter proposed that all members should read the Game Management proposal and send comments, when the new Trustees come in that the document is set and there are procedures and a game management working group was set up.

Pieter explained regarding the burn in the Rhenoster veld and grazing burn. Dr Jan Vlok the Botanist inspected the Estate specifically the Rhenoster thicket and he proposed that the thicket be burnt, it burnt the last time 22 years ago. The ticket needs fire to germinate. Planning to do a controlled burn an area

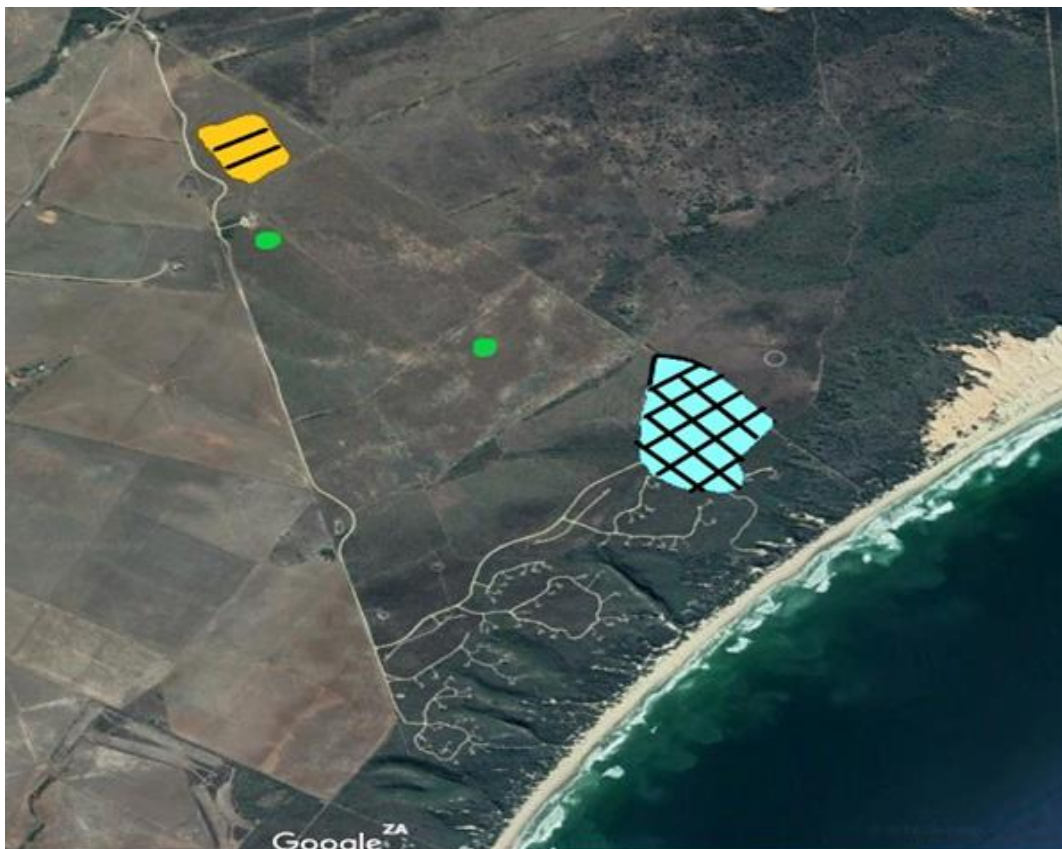
will be selected and an area around it will be cleared, the Fire Department at a cost and the Fransmanshoek Conservancy will be involved and all the necessary permits will be obtained. This will enhance the areas vegetation and will lower the wild fire risk.

The animal and tortoises will be removed the day and day before. The Chairman explained that there is a sub species plant that regenerates with fire. The burn will increase the growth and rejuvenation. The cost will be to clear the area and have the Fire Department / Working on Fire teams / Fire Protection Association. Dr Vlok stated that if the area is not burnt the Rhenoster thicket will be encroached by the Coastal thicket. Albert explained that the Rhenoster thicket is an endangered species in the Floral Kingdom, The Coastal Thicket will out shadow the Rhenoster thicket. The seeds of the Rhenoster Thicket germinate from fire. Dr Vlok stated in his report that 15 hectares (Blue section) is the minimum area that can be burnt.

See map below:

YELLOW is the grassland burn

BLUE block is the Rhenoster Thicket



Comments / Questions: A member stated that he didn't see any income from the game. Pieter explained that no culling took place in 2018 but in 2019 selective culling will take place.

Decisions required from Home Owners regarding Environment:

- A. We propose for approval to do a controlled ecological burn in the grazing Veld according to the Annexure A and B (Fire Burn Proposal and Procedure). **DECISION APPROVED**
- B. We propose for approval to do a controlled ecological burn – Rhenoster thicket according to Annexure A and B (Ecological Burn Proposal and Procedure). **DECISION APPROVED**

Decisions required from Home Owners regarding Game Management:

- A. Approve the Game Management Proposal **DECISION APPROVED**
- B. Approve the Game Management Procedure (GAME001) **DECISION APPROVED**

5.12 BUILDING AND AESTHETICS:

MARK ROSENBAUM

Work carried out in 2018:

- Scrutiny & inspections were carried out on Houses 102, 103, 129 & 49.
- Houses on plots 102, 103 & 129 completed construction this year.
- House on plot 49 commenced construction for completion in 2019.
- Plans for new house on plot 106 approved. Construction likely to commence in 2020.
- Plans for additions to house on plot 28 approved by BAC. Construction likely to commence in 2019.
- BAC convened 10 times during the year.
- Amendments to BAC Regulations were sent to all members, Mossel Bay Municipality, Millers Attorneys and all active Estate Agents.

Work planned for 2019:

- To introduce screened water storage tanks at houses for approval and add to the BAC Regulations.
- To introduce collection of rainwater off thatch roofs for approval and add to the BAC regulations.
- To introduce aluminium windows and doors with an approved wood appearance/coating and add to the BAC Regulations.
- To introduce aesthetically acceptable & sound-free appropriate options of wind energy generation for homes.
- In 2019 Trustees to investigate what is available and submit to HO's for consideration.
- To ensure optimal rainwater 'capture' & storage at SB facilities & dams are introduced.

Objectives for Aesthetics and Building:

- Endeavour to maintain a unique and tranquil estate and ensure that fauna & flora are well looked after.
- Maintain the current 'architectural style' and building aesthetics but continue to review & revise A & B Regulations as & when deemed necessary to improve livability and sustainability.
- Review measures that improve sustainability by keeping up with technological advances in Energy efficiency (solar & wind power generation) and conservation of water.
- Ensure buildings and infrastructure are maintained at a high standard.
- Enhance public areas & management facilities of the estate such as at the entrance gate precinct, nursery, stores, bird hide, dams & Uitkyk facilities.

Comments / Questions regarding tanks & gutters: A member was concerned regarding mosquitos. A member was concerned regarding introducing down pipes due to the current regulations. There is a specific design for water collection off thatch roofs. Mark explained that if a HO is interested each house will be assessed by the BAC to ensure that the gutter installation is appropriately fitted & aesthetically pleasing. The member stated his concern regarding usefulness of water catchment and to ensure that it is aesthetically correct. The Chairperson stated that with any proposal there are certain aspects that will need to be finalised and the BAC Regulations will then be revised to be effective for water catchment as well as aesthetically correct.

This was discussed, and a member stated that water conservation is a serious matter. They frequently experience water supply failures in Johannesburg as long as a week and he therefore invested money to install tanks at his JHB home which is the best investment he has made. He would like to have this done at Springerbaai with the necessary rules & regulations of installation.

The Chairperson explained after the discussion that it is necessary to approve the introduction of gutters and aboveground screened tanks as per proposals tabled and that the aesthetics aspect of tanks and gutters, will be managed by the BAC.

Comments / Questions regarding aluminium frames: A member asked whether aluminium frame/section sizes will be the same as for wooden frames. This was confirmed by Mark who stated that aluminium frames will have to be the same width and that regulations regarding the frame width and colour and style will be introduced. This will be managed by the BAC.

Comments / Questions regarding wind energy generation at homes: A member questioned whether it is one system for the whole estate or per home. Another member was concerned regarding the holistic view of the estate. The Chairman stated that an investigatory study is to be done for each home that will be acceptable for the estate, so any research must consider what will be beneficial to the whole estate. A proposal will then be presented at the AGM in 2019.

Decisions required from Home Owners for Building & Aesthetics:

- A. Propose approval for collection of rainwater off thatch roofs & storage of rainwater in water tanks with regulations added to the BAC regulations as per proposal by Mark Rosenbaum sent on the 21 November 2018. **DECISION APPROVED**
- B. After consideration of fire risk, costs, and aesthetic impact we propose for approval that water tanks at homes be installed above ground with suitable screening using lattice and plants on exposed sides and if required from above. Tank shapes & sizes may not necessarily be like a standard JoJo tank but could be shapes and sizes to fit appropriately around the house. Refer motivation and proposals by Mark Rosenbaum sent on the 21 November 2018.

DECISION APPROVED

- C. Propose approval to include aluminium sections coated to look like timber for windows and doors in the Architectural & Building regulations. **DECISION APPROVED**
- D. Propose for approval of an amount of R20 000 to investigate aesthetically & sound appropriate options for wind energy generation at homes. Trustees will then be able to formulate what can be submitted to the HO's for a decision. **DECISION APPROVED**
- E. As part of improving water retention at Springerbaai we propose forming contours & gradients at the Bird hide dam to improve capture & discharge of rain water from surroundings into the dam – R15 000 has been earmarked for this project. **DECISION APPROVED**

5.13 FINANCES:

GAWIE DE BEER

FINANCES INTRODUCTION:

- Economic conditions remain tough with low economic growth to continue for next 12 to 18 months
- Political climate will remain tense during the run-up to the general election next year
- Trustees adopted a cautious approach in preparing the 2019 budget – levy increase 5,5%
- To promote and maintain good governance a number of procedural policies were drafted and implemented.
- Actual Expenditure – including forecast to 31/12/18 approximately R 200 000 lower than budget. Reason being work on electric fence and water reticulation (fire installation) did not take place
- In 2019 all 117 stands liable for full levy

Work carried out in 2018:

- REVAG funds invested in ABSA 32 Day Fixed account
- Interest earned on all investments capitalised annually and transferred to these funds
- Andre Nel attended the REVAG AGM

Status of Investment & Reserves

ABSA Investment – Contingency Fund: **R 783 102**

Transferred from Standard Bank equity in beginning of year	R 541 286
Transfer from General Reserves	R 200 000
Interest earned	R 41 816

ABSA Fixed Deposit – REVAG Fund: **R 268 063**

Transferred from Standard Bank Equity	R 265 150
Interest Earned	R 2 913

Work planned for 2019:

- 31% of Springerbaai REVAG fund to be transferred to REVAG
- Continue to investigate better and more lucrative investment opportunities.

FINANCIAL CONTROLS:

Management continued to do monthly management reports against budget. Also, all invoicing/statements and bank recon to the management reports were done monthly.

Work carried out in 2018:

- Estate Manager prepared monthly management accounts in Excel
- Estate Manager responsible for day to day accounting tasks, including cash balances, budget control, reconciling bank statements and implementing Procurement Policy
- Independent Accountant only responsible for payroll, VAT and Annual Financial Statements
- Procedural policies including Procurement of Products and Services, Conflict of Interest and Declaration of Interest were drafted and implemented.

Work planned for 2019:

- Continue to implement financial management and internal control in accordance with best and approved procedure.

The Chairman explained that the detail Financial statements were sent out prior to the AGM, he further explained that there was a certain amount of leeway in the budget for the Trustees to have some flexibility of approximately R 150 000.

Comments / Questions: A members questioned regarding the SISOS Act is to have a 10-year maintenance plan in the budget, this 10-year maintenance plan will help with the Trustees leaving, he didn't pick up in the budget that there is a plan longer than an annual R&M plan. The Chairperson explained that it is an annual repair & maintenance plan he wasn't aware of the Act and it will be looked into and establish this to have a 5-year plan. This will be taken up with the new Trustees.

15 MONTHS FORECAST FOR 2018 COMPARED WITH BUDGET FOR 2018:

SPRINGERBAAI FINANCIAL SUMMARY		17 November 2018	
ITEM DESCRIPTION	BUDGET 2018 15 Months	ACTUAL REVENUE/ FORECAST (Oct actuals) 15 Months	COMMENTS
INCOME (REVENUE)	2 180 203	2 201 151	
Received rel. prior years	71 520	50 897	Deceased Estates
Received for Current year (2018)	2 037 673	2 029 123	Deceased Estates
Members with Credit bal reduced	-	3 828	Credit balances reversed
Wood Sales	3 000	4 660	
Aesthetic Billings	11 000	28 930	
Other	-	1 500	
Interest	57 010	89 869	Interest related to Money Market acc
Ombud Billings	-	46 871	
Ombud Payments	-	56 160	
Nett Ombud 2018 and before	-	9 289	

EXPENSES (OPEX)	BUDGET 2018 (15 m)	ACTUAL EXPENDITURE/ FORECAST to 31 Dec 2018 (15m)	
General & Administration (G&A)	435 609	451 595	
Legal Fees	10 500	12 771	B&H and Advice
Insurance/Risk consult	80 138	95 596	Consulting Water supply risk
Trustees, Travel & Meetings	59 900	29 380	Less Trustees, 2 local
Energy/Water/Rates	96 941	105 825	More spend burst pipe, more recovery
Comms (IT, Tel) & Stationary	54 600	74 780	Printing more Dec 2018, IT Data, Tel
Accounting Services	15 600	20 700	Payroll and AFS
Vehicles Maint and Consumables	82 030	70 417	Tyres Bakkie, Mbike repair
Other G&A	35 900	42 127	bank charges, web, Admin
Security & Protection	52 145	67 011	Gate house equipment repair, batteries
Environment & Game (Opex)	123 800	94 348	
Game Expenses	27 300	52 439	Vet inoculations, Food supplement, autopsy
Eradications	76 500	41 909	Zuurvygie, Rooikrans
Wind Study	20 000	-	Not approved
Social/Aesthetics	49 800	60 486	Travel BAC, FMHC, Life Guards
Infrastructure (Opex)	440 600	436 094	
Roads	289 800	308 324	3 blades, (15month)
Boardwalks	32 800	24 099	
Sanitary	42 000	41 257	
Other	76 000	62 413	Fences, Paths, Refuse, Viewpoints, Equipment
Human Resources (HR)	872 600	885 265	Contracts TV fringe benefits to Sal, Sup adj
Sub Total	1 974 554	1 994 799	

EXPENSES (CAPEX)	BUDGET 2018 (15 m)	ACTUAL EXPENDITURE/ FORECAST to 31 Dec 2018 (15m)	
Environment (Fire Risk) & Game	122 000	100 190	New Bakkie Sakkie, Fire equipment, Tractor Hire
Infrastructure (Capex)	360 000	320 240	Sand seal one patch, Re-gravel major portion
Lease Loan Repay	87 504	87 217	Bakkie lease (Capital)
Electric Fence, monitor (B&H)	110 000	7 000	Advice and Consulting
Water Systems improve	90 000	24 992	Hydrant at Office, Hose reel, Fire equipment
Office Equipment	20 000	23 906	Laptop, Router,
Other	45 000	21 188	Other Value add projects and Sundry
Sub Total Capex	834 504	584 733	249 771
Total Cash Expenditure	2 809 058	2 579 532	229 526
Depreciation Non Cash	38 000	40 000	Estimate

Difference between Budget and Actual = R 229 526

Saving largely due to electric fence and fire water upgrades not carried out

ANNUAL FINANCIAL STATEMENTS:

The AFS was circulated to Home Owners as part of the Annual Report.

Salient points included the following:

Balance Sheet as at 30 September 2018:

	2017	2018
FIXED ASSETS	5 001 202	5 493 452
INVESTMENTS AND CASH	1 856 162	2 136 354
DEBTORS	83 625	116 610
LIABILITIES	(245 405)	(192 781)
TOTAL ALL ASSETS	6 695 584	7 553 635

Outstanding Levies:

A repayment schedule has been agreed with 2 members – outstanding R 18 059

Deceased Estate owe a total of R 76 706

PROPOSED BUDGET:

Budget summarized in the following table:

	2018*	2019
TOTAL INCOME	2 194 583	2 299 000
OPERATING EXPENSES		
G&A	444 882	493 143
Security & Protection	53 609	51 700
Environment (incl Game)	81 854	122 250
Social/Community/Aesthetics	48 388	71 700
Infrastructure Maintenance	348 875	214 000
HR	708 212	747 224
TOTAL OPERATING EXPENSES	1 685 821	1 700 017
Operating Profit	508 763	598 983
CAPITAL EXPENDITURE	391 637	526 440
TOTAL CASH EXPENDITURE	2 077 458	2 226 457

PROPOSED LEVY PER STAND R 19 000

We recommend that the annual Community Schemes Ombud Services (CSOS) levy of R 20/per stand per Month be added to the Springerbaai Levy this amount will be R 240 for 2019.

- Prepare a 5-year budget forecast for Springerbaai in 2019

OMBUD feedback:

- The Ombud is a “dispute resolution mechanism in community schemes” (Art 2 of the Ombud law)
- Some members mentioned that the Ombud not functioning effectively
- Information received from a Ruimsig Retirement Village
- In short: decided to opt out from legal, they have been dealing with the Ombud for two years, documents went missing, Adjudicator appointed but he didn’t act according to the rules of the Ombud, officials suspended due to incompetence. They have implemented their own dispute resolution and they refuse to register with the Ombud and pay the levies.
- The internet has various positive and negative reviews from various properties.
- 1575 cases in 3 provinces one quarter, 37 resources, 1 392 cases finalized. Get more information from <http://designmea.site/csos-newsletter5/#dflip-flipbookContainer/3/>
- We opt to continue contributing
- It will be added and invoices together with the Annual of **R19 000 + R240= R 19 240**

Objectives for Finances:

- Through sound and transparent financial management, match annual levies with the necessary expenses which are required to maintain our assets.
- Keep annual levies at an affordable and acceptable level whilst maintaining adequate capital reserves.
- Improve transparency and involvement with the finances.
- In order for the estate to be sustainable, the levies need to be acceptable and affordable.
- Match levies with necessary expenses whilst maintaining an adequate capital reserve.
- Avoid unnecessary and wasteful costs like legal, fraud, accidents by improving internal control.
- Sound investment and procurement decisions through improved contracting and assessment.

Decisions required from Home Owners on Finances:

- A.** That the 2018 Annual Financial Statements be approved. **DECISION APPROVED**
- B.** Approval to include the Ombud levy of R240 per erf as part of the normal annual levy. **DECISION APPROVED**
- C.** Approval of Budget for 2019 – 12 Month budget as submitted with R150 000 room for Trustees to utilize between lines and new unforeseen items, subject to overall budget not exceeded. **DECISION APPROVED**
- D.** Approval of Levies of 5.5% At R19 000 per erf plus R240 for Ombud. **DECISION APPROVED**
- E.** Re-appoint C Bredekamp (FinCam) as the Independent Accountant for the 2019 financial year. **DECISION APPROVED**

5.14 ELECTION OF MEMBER TRUSTEES FOR 2019

Number of Trustees - six (min 5)

CLAUSE FROM THE CONSTITUTION:

- 21. There shall be a Board of TRUSTEES of the ASSOCIATION which shall consist of not less than 3 (THREE) and not more than 6 (SIX) persons, the exact number to be determined from time to time at the Annual General Meeting of the ASSOCIATION.
- 22. A TRUSTEE shall be an individual who is also a MEMBER of the ASSOCIATION.

An official vote was carried out with 6 nominations.

The following members were elected as Trustees:

- 1. Andre Nel
- 2. Mark Rosenbaum
- 3. Gawie de Beer
- 4. Pieter van Greunen
- 5. Daniel Tharratt
- 6. Michael Muirhead

5.15 CLOSING OF MEETING

There being no further matters to discuss, the Chairperson declared the meeting closed.

.....

CHAIRPERSON

.....

DATE