



OAKWOOD HOME OWNERS ASSOCIATION

In Care of
Independent Property Group

MINUTES OF THE ANNUAL GENERAL MEETING OF THE OAKWOOD HOME OWNERS' ASSOCIATION DATED 8 JUNE 2021, HELD AT THE MERIDIAN PRIVATE SCHOOL IN PINEHURST AND ON VIRTUAL PLATFORM AT 18H30

1. OPENING AND WELCOME

The chairperson, Mr. Gerrit Truter, opened the meeting and welcomed all present.

2. APOLOGIES

No apologies were received.

3. CHAIRPERSONS REPORT

The Chairpersons report was circulated with the Annual General Meeting notice.

The Chairperson elaborated on a few items which was included in the report.

The upgrade of the access control system has been addressed. The wave readers were installed. The committee investigated this option and found that this is a safer option especially during the Covid 19 period as the wave readers would serve as a contactless access control option as no physical touching of the equipment required.

The security system was also installed to prevent illegal access to the complex.

The pedestrian gates were not the first option which the Committee preferred to install. Due to the City of Cape Town not approving the turnstile installation, the pedestrian gates were the second option to consider and install.

Reg Whittaker resigned and Maryke Maree was appointed as the new Supervising Architect.

The concern of speeding in the Estate was taken up by one of our committee members with the City of Cape Town. There is a process to be followed and this item was placed on the Agenda for the City of Cape Town to consider.

The esthetics of the Estate was treated as a priority and attention was given to the parks which, is already showed an improvement. We are also now in a position that the parks may be watered with the irrigation system.



Pierre Potgieter was granted permission to attend to the further items on the Agenda.

Confirmation was given that 69 owners attended the meeting in person and 42 owners attended the meeting virtually. The procedures for running the meeting with owners attending and the virtual platform was explained.

Votes will be calculated from all the owners attending.

4. MANAGING AGENTS REPORT

The Managing Agents report was circulated with the Annual General Meeting notice. Items listed in this report will mostly form part of the proposed budget to be tabled.

5. CONFIRMATION OF THE ANNUAL GENERAL MEETING MINUTES DATED 28 AUGUST 2019

The acceptance of the minutes was proposed by Mr G. Hogg and seconded by Mr KJ. Nothnagel.

6. AUDITED FINANCIAL STATEMENTS

The auditors report confirmed that the Home Owners Association is in good standing.

The following items were discussed:

Arrear levies: P. Potgieter confirmed that the amount outstanding on arrear levies is substantially lower in comparison to the previous financial year.

A concern was raised that legal fees do not form part of the budget. In terms of the constitution, owners who are in arrears with their levies, will remain responsible for the legal costs for the collection of the levies.

As per the constitution, the committee has the authority to authorize the collection of arrear levies. The Home Owner Association may also make use of the Community Ombud services, should it be required. This is not a costly process to follow.

With all levy collections, there is a standard procedure which is followed prior to the account being handed over for collection. It has always been a priority to rather contact the owner either via phone call or email to have issue resolved.

A legal firm was approached to assist with the collection of the arrear levies. The employment was done at the discretion of the committee. The collection fees were investigated and it was confirmed that these fees are below the court tariffs.

No legal action was needed except for the collection of levies. Although the collection fees are paid, it will at all times be recovered from the owner.

Special projects: An objection was raised that the committee did not do the installation of the security upgrade according to the items voted for at the last Annual General Meeting. The special levies collected was not utilized as agreed at the previous Annual General Meeting.



The following explanation was granted by the Chairperson.

The committee investigated options to be considered due to the Covid 19 pandemic. The wave readers were considered to limit the touching of any equipment.

Owners were informed and no objections were received. The installation was done in good faith with the best product to be delivered for the Estate. The deviation from turnstile entrances for pedestrians to pedestrian gates where also raised as a concern.

Given the authorization at the previous Annual General Meeting, the trustees have the discretion to do the installation of these items. The City of Cape Town did not approve the proposed installation and an above ground installation had to be implemented. A further concern was raised that the levies collected was not utilized correctly.

Building deposits: The amount outstanding which is refundable to owners, is for owners who have not completed the building work and have requested clearance to be issued. This is subject to a final inspection to be carried out by a supervising architect who needs to issue a clearance certificate.

IPG will only do the refund to the owners upon receipt of a clearance certificate. The timeline for the completion of building work is 18 months. Should owners not complete the building work within the timeline, they could forfeit the building deposit.

A request was raised that the 18-month time frame for building work completed, be reviewed. With the Covid 19 pandemic there will be owners who were not able to complete their building projects.

All procedures to be followed must be via the supervising architect. A concern was raised that there is an inconsistency from the newly appointed architect since appointment. The Committee will address these concerns.

The surplus funding of the Home Owners Association is invested in an interest bearing account. Should the Home Owners Association exceed the interest income threshold of R50 000, there will be income tax payable.

7. BUDGET FOR 2021-2022

The budget for 2020-2021 was approved at the Annual General Meeting held on 28 August 2019

At the previous Annual General Meetings, it was proposed that the budget be approved in advance as well as a further budget for the following year thereafter. The 2020/2021 was approved at the 2019 Annual General Meeting.

The interest income for the new financial year was reduced from R51 000 to R21 996 as the funding for the security upgrade levies were collected and kept in the interest-bearing account until the project would start and be completed. The interest income will be lower due to the funds being utilized. The interest rate on these investment accounts is also substantially lower.

The cost for the Annual General Meeting venue remains the same at R2 400.



The expense for the armed response is for the monitoring of all the zones of the electric fence which increased from R5 280 to R6 840.

The audit fees increased from R25 652 to R27 626.

The bank service charges increased from R5 160 to R8 500 as there was an additional cost for the money transferred for special projects.

The boom maintenance item remains the same at R44 000. One boom motor has been replaced.

Cleaning material of R3 000 was removed from the budget and has been incorporated under the admin block expenses.

The insurance for the common property includes all the electronic equipment, perimeter walls and fencing, electric fencing, guard houses, boom motors and was budgeted for at R37 088.

The budget for the computer and internet equipment is to replace this equipment which is mainly installed in the admin room and guard houses. This item remains the same at R18 000.

We have once again budgeted for a contingency fund. This is for unforeseen expenses that might arise. Recently quotes were obtained to repair the walkways in the parks which has subsided. The amount budgeted for is R150 000.

The electric fence maintenance item is for the replacement and maintenance of all the electric fence equipment and fencing surrounding the perimeter area of the estate. This item has been reduced to R30 000.

The electricity amount budgeted for is for both guard houses and the admin room which amounts to R32 000 for the financial year. There will be an increase in the electricity expense as from July 2021.

The Fidelity Insurance is an insurance cover for computer hacking/fraud. This amount increased from R2 137 to R6 000.

Two separate gardening service contractors previously attended to the public open spaces within the Village. After much deliberation the committee decided to consolidate the workload and employ one contractor who attends to all the public open spaces within Oakwood. The total expense for the gardens and parks (public open spaces) was subsequently consolidated. The second contractor's fees, budgeted for at R83 863, was subsequently removed from the budget.

Items such as the irrigation repair (R16 000), spraying of the roses (R21 000), parks and walkways and the watering of the roses and flowers at the circles (R27 750) were removed from the budget and included as a one-line item for the garden maintenance.



The maintenance of the guard houses remains the same at R26 000 as the previous financial year. This is to regularly high pressure the building and entrance area as well as painting thereof.

The increase in the management fees was calculated on the appointment of a Complex Manager. The management of the Estate was put to tender and we are thankful that IPG continue with our services for the Estate. The Complex Manager was employed by IPG to provide a more comprehensive service to the Estate. The budgeted amount increased from R522 900 to R567 000.

The budget item for the painting of the perimeter walls remains the same at R50 000. This is for the cleaning and painting of perimeter fencing as required.

The electricity expense for the availability of the electricity at the Martinet and Cordier Parks, is based on a commercial electricity tariff charged by the City of Cape Town.

The rates for the admin room and guard house were previously over charged by the City of Cape Town and reduced after application was made. This amounts to R15 for each building.

The postage and delivery item as well as printing and reproduction has not been increased which is for all administrative purpose as required. Both items remained the same at R5 189 for the financial year.

We have made provision for tax payable to SARS. We previously bought and sold entrance tags for the Estate which created an income for the Estate. As the amount accumulated and taking the interest income into consideration, we previously exceeded the threshold of R50 000. An amount of R8 400 has been budgeted for this financial year, should there be a tax liability.

The security increase was based on an increase during November annually. This was changed to the month of March each year. The statutory increases vary between 7 – 8.5% annually. We have negotiated an increase of 7% which was applicable on 1 March 2021. We have also made provision for an additional fuel expense should extra patrols be required. Provision was also made for a replacement of security equipment when needed. The security services were budgeted as follows: guarding (R1 596 398), replacement of security equipment if needed (R50 000), for additional fuel that might be required should additional patrols be needed (R20 000).

The fees for the visitor management system were increased from R60 000 to R66 000. The previous year's expense exceeded the budget. This item is for the capturing of the information under the visitor management system.

The total increase in the budget for the financial year is 6%.

A concern was raised that there is a drastic increase in the garden service expense. P. Potgieter explained as follows: Before the services was consolidated, we made use of the services of All in One Gardens. The amount budgeted for under their responsibility was R83 000. The irrigation repairs budget for was R16 000. The watering of the flower bed areas and vegetation as needed was R27 750.



The spraying of the parks and roses budget for was R21 000. We have made provision for the increase for the current garden services and have consolidated all the items under one budget line item.

It was agreed that all the cost included under the garden maintenance will be available to the owners for clarity. During the drought restrictions, the irrigation was not used. We have discovered that we had various expenses to get the irrigation up to standard. We are now also entitled to water all our public open spaces and repair the irrigation system as needed. Although we did budget to prepare the irrigation system the previous financial year, it was not utilized. This surplus funding contributed towards the Home Owners Associations reserve fund.

P. Potgieter explained that the levies raised at the previous Annual General Meeting for the security upgrade did not form part of the annual budget. The amount collected in special levies was R895 000. The total expenditure for the security upgrade amounts to R980 000. Although it was agreed to attend to the upgrade of the entrances, the security upgrade was dealt with as a first priority. The future upgrade of the entrances will be at the discretion of the committee. The ideal would be that waterwise gardens need to be established. We could not attend to these upgrades as it was still within the drought restrictions.

The following concerns were raised from an owner:

- No provision is made for legal fees.
- Three Oriental homes used for storage purposes.
- Oakwood is not managed correctly. IPG to be given notice
- The quorum requirements for the meeting have not been met and a 25% quorum is required as per Paddock.
- Each item expenditure under the security project should have been provided.
- Installation of the sleeve under the roadway, not permitted without a way leave from the City of Cape Town.
- Turnstiles are racist as people are forced to enter via a specific area.

The following explanation was given:

The quorum requirements as per the constitution is 50 owners to attend the meeting. The process that was followed for the installation of turnstiles was processed via the supervising architect and the City of Cape Town. The correct procedures were followed and the sleeve that was installed at the guard house was on the erf that belong to the Home Owners Association.

A request was made that the Complex Manager to be employed should rather be an owner residing in the Estate. P Potgieter stated that the Complex Manager is employed by IPG. Should the committee not be satisfied with the employment, they will have the right to service notice for the termination of the employment. Owners are welcome to apply for the position should they meet the criteria set for this position.

Approval of the budget: Should the budget and proposed levies not be approved, we will have to call for another Annual General Meeting to have this approved. The Chairperson explained that we cannot manage the affairs of the Estate without the approval as the financial management is an essential part for the functioning of the Estate.



The budget was put to a vote and was approved by 68 owners present (including proxies), virtual platform (17 owners).

LEVIES

The levies were approved as follows: No objections from owners attending the meeting and virtual platform (18).

8. PROPOSED AMENDMENT OF RULE 14 OF THE CONDUCT RULES

The Chairperson explained that the proposal to amend the rule is due to the current rule not making provision to address the trailers being stored in the Estate. It is not about the item being stored, but to protect the esthetics of the Estate. It was suggested that the rule remains as is. It was agreed that the amendment to the rule will be finalised at the discretion of the Committee. It was noted that the Committee will act within reason.

9. ELECTION OF COMMITTEE MEMBERS FOR THE ENSUING YEAR

The Committee was thanked for their services and contribution during the past financial year. There are three Committee members who are not available to continue. A special thank you was conveyed to them. There are two Committee members from the previous Committee who was nominated.

The following nominations were received;

- ❖ Leonie Vercuiel
- ❖ Anton Kleinhans
- ❖ Riaan Schagen
- ❖ Brendon Hull

As per the constitution it is required that five Committee members be elected. It was proposed to accept nominations from the floor and the virtual platform. The following nominations were received;

- ❖ Eric Mekel
- ❖ Eric Andrews

Both nominations were accepted by the nominees. The six nominations were put to a vote to elect five Committee members.

The following five Committee members were elected:

- ❖ Leonie Vercuiel
- ❖ Anton Kleinhans
- ❖ Riaan Schagen
- ❖ Brendon Hull
- ❖ Eric Mekel



There are owners in the Estate that is willing to assist the Committee. The names and information will be supplied to Riaan Schagen. It was requested that photos of the Committee members elected be sent to all owners.

10.DETERMINATION OF THE DOMICILIUM CITANDI ET EXECUTANDI OF THE BODY CORPORATE

The determination of the Domicilium Citandi et Executandi of the Body Corporate is to be c/o Independent Property Group, 5 Sir Benjamin Promenade, Oxford Street, Durbanville

Accepted by all present.

11.GENERAL

Dog Park

The City of Cape Town have been approached to create facilities at the various public open spaces to accommodate facilities that will include soccer fields, cricket pitches, etc. The dog park will also be one of the items to be considered. There is a process that needs to be followed where all the equipment will be ceded to the City of Cape Town.

Air B&B

We are of the opinion that, if we wish to allow or not allow Air B&B in the Estate, it will depend on the owners to make the decision. The legal position on this issue is uncertain. A special General Meeting will have to be hosted should this be put to a vote to determine if owners will be in favour of Air B&B. An indication by poll for Air B&B were allowed to be approved. 83 Owners voted for the proposal.

Penalty Process

The penalty process is managed by the Committee with IPG who sends the notices. Since the implementation of the infringement register, there were approximately 600 infringements dealt with. We do have a good compliant rate. In the last financial year, the amount of R5 000 fines were issued.

Annual General Meeting

The 2021 audit needs to be completed before another Annual General Meeting will be held. The Committee will decide when the next Annual General Meeting will be hosted and it will be subject to the Covid 19 restrictions.

Waste Water

It was noted that there are residents running the washing water into the stormwater lines. This is not allowed as per the City of Cape Town regulations. It was requested that this be reported to the City of Cape Town. This is also applicable for owners running a business from home.



Electric Fence

Owners who notice vegetation growing into the electric fence should please report this to IPG or the Committee.

Walk ways

The installation of walk ways along Jourdan Street towards the park area as well as the exit at the Cordier gate is a concern. This has been investigated to install a walk way area from the Cordier exit. The cost applicable amounts to approximately R80 000 – R90 000. The City of Cape Town will be approached to enquire if they will assist with the installation.

Octotel

A request was raised that communication be send to owners informing them of the progress. The project was put on hold due to Covid 19 restrictions. We would rather start the project and have it fully completed. We are uncertain with the Covid 19 regulations is this would be possible.

The Chairperson thanked IPG for their service delivered to Oakwood Estate.

12. MEETING CLOSED

The meeting was adjourned at 22h15.