



Minutes

Meeting: AGM
Where: Ballroom – Pavilion
Date & Time: 24 August 2011, 17:00
Chairman: Morne Bosch

Invited:
Members of the HOA

Minutes:

<i>Number</i>	<i>Item</i>	<i>Due</i>	<i>Who</i>
1	<i>Welcoming</i>		
	MB welcomed all members present.		
2	<i>Apologies/Quorum/House Rules</i>		
	It was noted that a quorum is present (10% of the total Members entitled to attend and vote). MB explained the procedures and agenda for the evening		
3	<i>Chairman's Report</i>		
	MB presented the Chairman's Report.		
4	<i>Sub Committee presentations</i>		
4.1	<i>Corporate Governance</i> Leon Cronje presented the Corporate Governance Subcommittee presentation.		
4.2	<i>Security</i> Renier Swart presented the Security Subcommittee presentation.		
4.3	<i>Landscaping</i> Neville White presented the Landscaping Subcommittee presentation.		
4.4	<i>Sport</i> Wynand Louw presented the Sport Subcommittee presentation.		
4.5	<i>Aesthetical</i> Wynand Louw presented the Aesthetical Subcommittee presentation.		
4.6	<i>Building</i> Christo Reeder presented the Building Subcommittee presentation.		
4.7	<i>Communication</i> Christo Reeder presented the Communication Subcommittee presentation.		
4.8	<i>Infrastructure</i>		

	Christo Reeder presented the Infrastructure Subcommittee presentation.		
4.9	<i>Finance (incl. review of Audit Financials & Budget)</i> Ross Munro presented the Finance Subcommittee presentation.		
5	<i>Questions and Answers received prior to the AGM</i>		
5.1	Morne Bosch gave answers to the following questions received prior to the AGM.		
5.2	<i>What is the legal persona of the HOA?</i> Common Law Association with constitution and board of Trustees		
5.3	<i>Does the developer pay levies for unsold erven?</i> No, the Developer does not pay levies on unsold erven, as per section 19.9 of the constitution. The Developer does not share any income stream derived by the HOA. Opco's are still not profitable and The Developer pays for the shortfall. There are currently 83 unsold erven.		
5.4	<i>What are the rules for approval of business applications?</i> Applications conforming with constitutional requirements are approved by the Corporate Governance Committee, subject to consent and/or inputs from affected neighbours		
5.5	<i>Why did we appoint PWC as auditor?</i> Independence from other Val de Vie entities. Marginal cost increase.		
5.6	<i>Please provide a breakdown for landscaping costs?</i> Contractual fee with an additional consumables allocation. Consumables for FY 2011 were under budget.		
5.7	<i>Please provide details on Security Maintenance spent</i> The spent on technology maintenance are: 17% IR Lights 13% IR Beams 13% Booms & Spikes (Access Gates) 9% Dome Cameras 9% Innerlane Booms 7% IT 6% Communication 6% Biometric 5% Access Control		
5.8	<i>Please provide details on Environment category</i> Budget includes provisions for Water Audit Fees and Fire Hydrant servicing.		
5.9	<i>What is the levy that the "Stables BC" will pay?</i> As per Sales agreement with Stables, the applicable levy will be 4 time Normal Levy.		
5.10	<i>How was the river fence approved and who paid for it?</i> Approval was given by the Board of Trustees and funded by the HOA.		
5.11	<i>Who approved and paid for the Nature Reserve?</i> The Board of Trustees approved this as part of Landscape upgrade. The HOA committed R75,000, with the remainder (>R125k) funded by Renier Swart and Martin Venter.		
5.12	<i>Why don't we allow boreholes?</i> SRK advised the HOA not to allow this. Groundwater availability during drought conditions was evaluated and the		

	effect of uncontrolled amount of boreholes on the Estate can negatively affect the Estate's irrigation water requirements.		
5.13	<i>What are the plans with the gravel road?</i> The Infrastructure Sub-committee are currently evaluating proposals to do permanent upgrades and are considering various options, incl asphalt. The HOA are investigating funding options, incl. funding the project via building levies.		
5.14	<i>What is the progress on pathways?</i> The Pathways are 97% completed. Snags will be addressed during the upcoming month.		
5.15	<i>Please provide all member email addresses to fellow members</i> Info is not considered due to its confidential and privacy nature. It was noted that the majority of members present indicated that they agree with the above answer. It was noted that email address of the trustees are available for members to use.		
5.16	<i>Please provide details on the vineyards – which cultivar, size, harvest, etc.</i> The HOA has 3Ha, with the majority being Shiraz. Maintenance and harvesting is done under supervision of Val de Wines with applicable income channelled to the HOA. The harvest is currently not used by the Cellar.		
6	Questions and Answers from the floor.		
6.1	<i>Joy Cole asked the following questions: Does the Estate have a Strategic Frame Work?</i> The development of a strategic frame work is not part of the management agreement, however each subcommittee has a strategic frame work in which the committees operate. MB agreed that it would be a good idea to compose one document pertaining one strategic frame work for the estate as a hole.		Morne Bosch
6.2	<i>What is the exact breakdown of the monthly landscaping costs?</i> Currently monthly consumable costs are reduced, also used for capex items (i.e. Trees and play parks). Costs will hopefully reduce further in the future.		Neville White
6.3	<i>Can we not install irrigation as supposed to water certain areas on the estate by hand?</i> Electricity for irrigation pumps and maintenance costs of irrigation system out weights the staff costs to irrigate by hand. Furthermore can irrigation systems not be installed on pavements due to constant building activities that will cause severe damage to the systems? Risk of people tapping in on the system is also there.		Christo Reeder
6.4	<i>How do we ensure we collect all outstanding debt faster?</i> The HOA has a quick handover time, further more can property not be transferred unless all accounts are settled.		Morne Bosch
6.5	<i>What are we doing to prevent bad debt for example one member that is currently ill is in financial difficulty and cannot for instance maintain his existing houses?</i> This is currently being dealt with at Trustee level.		Morne Bosch

6.6	<p><i>Why do we use Aurecon if Africon installed the civil works on the Estate?</i> It was noted that Aurecon and Africon are the same company.</p>		Neville White
6.7	<p><i>What are we doing to ensure we manage the energy use on the estate?</i> We are constantly looking into processes to save energy. The current energy usage is lower than last year.</p>		Christo Reeder
6.8	<p><i>Why must the HOA pay's for the replacement of the walkways?</i> It was noted that the HOA received a report from an engineering company stating that the erection of the pathways was done according to the specs. The previous landscaping contractor did not maintain the pathways as he should have. This is a lesson learned not to always appoint the cheapest contractor. Furthermore it was discovered that laterite pathways cannot take the traffic of such a large estate.</p>		Martin Venter
6.9	<p><i>Jurie Prins asked the following questions: Please provide details regarding the joint venture between The Developer Martin Venter and Golf Data.</i> It was noted that Martin Venter is a shareholder and Director in the development company Elements Development Projects (Pty) Ltd. At the time of the development of Val de Vie Estate, EDP spends a mere 1.6m on landscaping equipment in order to establish the landscaping. After the contract was awarded to Golf Data it made sense to sell the equipment to them. This resulted in a monthly saving of between R30k and R35k on the landscaping costs. Golf Data are paying the amount off in instalments to EDP.</p>		Martin Venter
6.10	<p><i>When will only the Members of the HOA's votes count?</i> The developer invested millions and baring all the risks of the development. The constitution is clear about the rights Of the developer.....? It was noted (and members are invited to read the minutes of the trustee meetings) that only on one occasion did the developer use his majority votes to overrule a decision. There are still 83 developer stands left.</p>		Martin Venter
6.11	<p><i>Anton Beukes asked the following questions: Why were costs incurred without the knowledge of the members of the HOA?</i> It was decided at trustee level to erect the fence due to the security issues at that time. As a result in the cost saving on staff and dogs not being necessary anymore the fence will be paid off within 3 years. This cost was not part of the budget as the security needs changed after the series of break-ins on the neighbouring estates as well as the 3 incidents on the estate. The question of when and how much can be spending without informing the members will be discussed at the next Trustee meeting.</p>		Renier Swart/ Morne Bosch
6.12	<p><i>Could members have access to a website in order to post share and discuss information?</i> It was noted that the HOA will look in to establishing a member website.</p>		Morne Bosch



7	Resolution		
7.1	Morne Bosch briefly explained the purpose of the amendment. It is noted that: <ul style="list-style-type: none">• Proper notice has been given for this resolution• Approval from the Developer has been obtained• Approval from Drakenstein Municipality to be obtained The resolution was seconded by member of SG193 – Cassisa The voting by members was favourable – 131 against 7		
8	Election of trustees		
8.1	It was noted that only two member trustees were nominated and thus selected, Leon Cronje and Renier Swart.		

Meeting adjourned 20h00

Minutes approved by:

Signature:	Date:
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