

**MINUTES OF THE ANNUAL GENERAL MEETING OF VILLA E'TRUCIA BODY CORPORATE, HELD ON WEDNESDAY, 18<sup>TH</sup> MARCH 2015 AT 18H30 IN THE SWIMMING POOL AREA AT VILLA E'TRUCIA**

**PRESENT:**

There were 25 units represented in the meeting, including units 1, 3, 9, 10, 12, 17, 21, 22, 23, 26, 35, 36, 37, 40, 41, 42, 45, 48, 49, 57, 58, 65, 67, 68 and 69.

**IN ATTENDANCE:**

Lisa van Vuuren - ANGOR Property Specialists (The Managing Agent)

Tracey Hayter – Non-Trustee/owner (Financial Consultant to Villa E'Trucia)

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**1. WELCOME AND APOLOGIES**

Gerhard Roux, the Chairman welcomed all present, thanking them for their attendance and keen interest and trusting that all present had read the report.

Apologies were received from units:

31, 36 and 40.

**2. PROXIES AND QUORUM**

The following proxies were tabled:

Units 36, 40, 41, 49 and 58.

The quorum required was 20% (14 units)

There having been a quorum present, the meeting was declared duly constituted and opened.

**3. CONSIDERATION OF THE MINUTES FROM THE PREVIOUS ANNUAL GENERAL MEETING**

The minutes of the previous Annual General Meeting, held on 31<sup>st</sup> March 2014 were unanimously accepted by all present as proposed by Karl Jaaks and seconded by Andrea Brotherton.

**4. TRUSTEES REPORT**

The Chairman's report circulated together with the documentation for the Annual General Meeting, included the following:

*2014 was a good year for Villa Etrucia with the start of some new initiatives within the estate and a definite move from owners and tenants in being more considerate of the environment.*

*2014 started with lifting the appearance and efficiency of the complex as a whole. After introducing **new security providers** the only task still left to do was the planned roll out of the new intercom system. Same is earmarked to begin in the **next few weeks**.*

*The gardens and aesthetics remain on par with other estates in Northriding and the first phase of the proposed **greenbelt in the bottom corner of the complex had been completed recently**. The response has been positive and the Trustees look forward to an official opening of the area with some festivities.*

*A successful **Halloween** event was held the previous year and will be held again this year. It is this type of community cohesion that the Trustees look to build upon and make Villa Etrucia a better community.*

*2014 had its challenges with a very tight budget to contend with in managing the ever-increasing expenses and increased electricity and rates. **The biggest challenge faced in the last year was from the electricity increases. We had managed***

*to not receive our usual invoices for a few months and based on the publicized rates increases from the media duly increased the recovery on the electricity for all owners. Upon receiving our first invoice from City Power at the end of October the Trustees realized there was a problem. City Power was charging the complex about 40% more for consumption and had not been recovering from the owners at the correct rate. The Trustees immediately sprung into action and imposed a recovery rate for all units in order to minimize the deficit and get back on track. The biggest issue was the fact that our rates on electricity went up by more than 40% and not the 7% anticipated. After months of frustrating hours dealing with COJ some clarity was obtained on why the increase was so high. The problem is two fold, first being that the complex was **not charged at the various steps of consumption in the past** (Prior Increase July 2014). The second being that with **the various steps it did not take into account that Villa Etrucia was 70 individual units and not 1 single consumer** of all electricity. Whilst we cannot resolve the first issue as we are working on the second to get our individual units registered with COJ and taken into account as currently the complex pays for the highest consumption in Step 5 and thus all the units in Villa Etrucia suffer due to this municipal bungle. Please be aware that the issue is raised with COJ and City Power and we expect a resolution in the coming weeks, maybe months.*

*With electricity being the single biggest individual contributor to owner expenses, we were very aware of the strain placed upon owners and tenants in order to make their monthly budget stretch. With an inflation rate hovering around the 6% mark we had to again plan our 2015/16 budget carefully in order to minimize the required increase in levies. We are pleased to report back that we have managed to get the budget in line with only increasing our **levies by 7.5%**. In reality we needed to increase by more due to the increased expenses from the end of our financial year, but opted to consume some of the shortfall within the provisions in order to soften the impact on all. It is no secret that the next 12 months will be a challenging period for all with the relief on the petrol price being short-lived after our additional fuel taxes and levies, thus we will continue to manage the finances of the estate prudently going forward.*

*The following year we will look at continuing with previously mandated projects for improvement such as the ongoing maintenance of the complex as well as a required **upgrade of the pool's marbelite coating. Apart from minor improvements in our communal green areas the year ahead is more maintenance based instead of big capital projects.***

*We urge an active participation of all in the estate and would like to remind you that we are all members of this body corporate, and as such we have to consider all in our decisions and actions. We have had a relative incident free year and we look forward to continue with this positive trend. Thank you all for paying your levies and electricity fees as without your continued support we would have a much harder task of managing this great place we call home.*

The owners present unanimously accepted the report as tabled.

The following additional matters arose from the report:

- Owners raised dissatisfaction that the electricity short-fall had been back-dated on the December levy statements as a once-off. The Trustees undertook to (should such an issue arise in the future) give the matter some thought and debit owners over 2 or more months. The owners were reminded that they could have approached the Trustees and made arrangements to settle the amount over 2 or 3 months.
- An owner felt the levies were rather high. Lorraine Mey took the floor and explained that the Trustees note the concern, however that owners have (for some time) been of the opinion that it was better to have slightly "higher" levies than to levy special levies on owners – something that has never been necessary in Villa E'Trucia. Gerhard explained too, that the Trustees did comparisons with free-standing homes in the previous year, and realised that community living is cheaper, with a free-standing home coming to an average of R2,000 more per month for running/maintenance costs.
- Units 12 and 69 requested to be invited to the next Trustees' meeting.
- Unit 69 enquired about the possibility of receiving a photograph of the electricity meter.

## **5. CONSIDERATION OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> OCTOBER 2014**

The audited financial statements had shown a retained surplus of R50,267 in the current year, from that of R670,564 in the previous year.

After a brief discussion it was unanimously agreed by all present to accept of the Audited Financial Statements without change.

## **6. APPROVAL OF THE ESTIMATED INCOME AND EXPENDITURE FOR 2014 TO 2015**

### **6.1 Approval of the budget:**

It was agreed by all present to accept the budget as circulated.

6.2.1 To resolve the levies payable :

Units 12, 68 and 69 had voted against the proposed increase of 7.5%. With the vast majority of owners present having agreed to accept the 7.5% proposed levy increase the motion was carried. The increase will be implemented on 1st May 2015.

6.2.2 To resolve that the legal route continue being taken against defaulters and that all costs be borne by the debtors.

It was unanimously agreed by all present, that the Trustees continue taking the legal route against all and any defaulters.

6.3 To resolve that the budget, levies and other fixed charges payable continue being debited to owners on a monthly basis, until the next AGM and/or until otherwise resolved.

This was unanimously agreed to and resolved by all present.

6.4 To resolve the interest payable on outstanding levies:

All present unanimously agreed to maintain the 24% per annum interest on arrear levies and other dues

## **7. APPROVAL OF THE SCHEDULE OF INSURANCE REPLACEMENT VALUES**

The insurance schedule depicting cover of R13,451.07 per square metre was unanimously accepted by all present.

## **8. THE DETERMINATION OF THE NUMBER OF TRUSTEES FOR THE ENSUING YEAR**

The number of Trustees was set at 8.

## **9. ELECTION OF TRUSTEES FOR THE ENSUING YEAR**

The following Trustees came up for re-election and/were nominated onto the board for the ensuing year:

Thomas Fischer unit 37

Gerhard Roux unit 45

Kathy Pienaar unit 42

Genevere Pearl unit 48

Karl Jaaks unit 17

Philip Rainbow unit 12 (volunteered, seconded by Andrew Olendzki-Brown of unit 69)

Lorraine Mey unit 9 (nominated by Gerhard Roux)

Ebrahim Essop unit 41 (nominated by Kathy Pienaar)

All present unanimously agreed that Tracey Hayter (non-owner) would continue assisting the complex as financial advisor, receiving a monthly remuneration for her assistance.

On a question from the floor, it was noted that Tracey assists the Trustees financially, doing checks and balances and is the first go-to person when the Trustees want to spend money/enter into projects.

## **12. DIRECTIONS AND RESTRICTIONS ON TRUSTEES IN TERMS OF THE SECTIONAL TITLES ACT**

There were no restrictions placed on the Trustees for the ensuing year, bar for attempting as far as possible, as in the past, to remain within the parameters set in the budget.

The following directions were placed on the Trustees for the ensuing year:

- Relining of pool
- Intercom: Villa E'Trucia is owed an intercom by Blockwatch (the current security service provider). The question of how it will be implemented will be decided upon. Although an option, a code system has not been finally agreed to. The Trustees are to conduct a survey throughout the complex, investigate various possibilities and communicate their findings (including pros and cons with regards to the various options and configurations) to the owners and take it from there.

- Fibre-to-Home: Wireless technology : Trustees to investigate (considering unit 68's brief proposal) the various options open to the complex, consider installing the "infrastructure" and then owners will have a choice as to whether to use it or not (and/or enter into contract/s directly with the service provider). It was noted that a minimum amount of units (not stipulated at the time) would need to buy into the idea, in order to have it installed.
- Unit 68 requested more clarity/investigation into the extension of units.
- Unit 68 requested a scientific study of the levies payable.
- 1 and 57 said their window-frames had not been painted the previous year. This would be investigated.
- The Trustees were to obtain a legal opinion with regards to closing of balconies and other alterations and circulate to owners.
- Unit 1 suggested a round blind-spot mirror be installed near the entrance/exit.
- Speedbumps to be re-looked and investigated.
- Maintenance to awnings to be investigated and included in the next budget under projects

## **11. APPOINTMENT OF AUDITORS FOR THE ENSUING YEAR**

It was agreed by all present to reappoint Haasbroek Steyn as Auditors for the ensuing year.

## **12. CONFIRMATION OF THE DOMICILIUM CITANDI ET EXECUTANDI OF THE BODY CORPORATE**

All agreed to maintain the address of the Managing Agent, being: ANGOR Property Specialists Lincoln House, Epsom Downs Office Park, Sloane Street, Bryanston

## **13. CONDUCT RULES:**

It was noted that the Auditor had confirmed that no amendment, substitution, addition or repeal of the Rules had been submitted to the Registrar of Deeds for filing during the past financial year.

## **14. CLOSURE**

The trustees were thanked for their hard work and diligence.

There being no further business to be discussed, the meeting closed at 20h10 with thanks to all present for their keen interest and attendance.