



BODY CORPORATE OF GREENFIELDS

MINUTES OF THE ANNUAL GENERAL MEETING HELD ON 29 OCTOBER 2019 AT 18H30 CLUBHOUSE, GREENFIELDS

1. Welcome and Introductions

Mr Lionel Parsley welcomed everyone and thanked them for attending the 2019 AGM. He introduced Quintinn Ferreira (QF) and Lauren Swift (LS), the management of Ryse Managing Agents. He asked them to chair the meeting for the evening and the Trustees would be on hand to help to answer any questions that may arise during the meeting. QF agreed to chair the meeting. He presented a synopsis of the history of Ryse Managing Agents to member of the Body Corporate.

On behalf of Ryse, he expressed sadness at the passing of Mr. Pierre Wyss from Direct Complex Services (DCS). Pierre was well known in the Industry and on hearing that DCS would not continue to operate, Ryse had made an offer to purchase the Business and to take on DCS office staff. The sale became effective from 1st September 2019. From this point all existing DCS clients were approached and all were successfully incorporate into Ryse portfolio of clients. The management of Ryse, have the necessary qualifications and experience. Their focus is on small to medium sized complexes (no larger than 200 units) to ensure a "hands on" service experience.

2. Recording of The Meeting

QF asked if there would be any objections to recording the meeting to assist Alan Gilman (AG) when preparing the minutes. There were no objections.

3. Signing of the attendance Register, and Recording of Proxies

The attendance register had been signed by all present and would be filed for future reference. Proxies were also recorded. QF suggested that any voting that may be required would be done by "show of hands". There were no objections.

4. Determination of a Quorum as per Management Rule 57 of the Section Titles act 8 of 2011.

Following an urgently needed walk around the complex to encourage Owners to attend the meeting, a quorum was narrowly achieved.

QF expressed his dismay that it was becoming increasingly more difficult to achieve quorums at meetings because Owners no longer wished to participate.

Proxies were received on behalf of the following units: 6; 22; 33; 48; 49; 68; 72; 81; 88; 90; 97; 98; 102; 106. 23 Unit Owners were present and signed the attendance register.



5. Proof of Notice of Meeting.

As per notice period requirements, the Notification, and AGM Pack were sent out via email on time. A reminder was posted on the community notice board as well as via email, two days before the meeting. There was no dispute raised in this regard.

6. Approval of the Minutes of the last Annual general Meeting.

QF asked if anyone wished him to read out the minutes. Nobody wished him to do so and consequently, the minutes were taken as read. There were no matters arising from the minutes. Unit 8 proposed that the minutes be accepted and unit 4 seconded the proposal. There being no objections to the proposal, the minutes were approved.

7. Consideration of the Trustees report for 2018/19 and 2019/20.

On request LS read out the Trustees report for the benefit of those present. The report was accepted.

8. Approval of the audited Financial Statement for the year to 30th June 2019.

An Owner wanted to know the status of the R531 000.00 electricity provision set aside last year. QF said that the auditors were of the opinion that the Body Corporate should spend R200 000.00 of the provision this year. The Trustees wanted to adopt a more conservative approach and retain the funds for a little longer. If after 5 years there has been no claim, we will be required to spend the money. The prescription period noted was only three years. However, LP was concerned that the norm may not be applied by a municipality. He said that we were also, unsure of what was going to happen about the Bulk water meter that has now been installed after we discovered that we had been sharing a meter with the complex next door.

The water meters now being installed throughout the complex will help to bill people on the basis of actual water usage. It was pointed out that water restrictions would be introduced again in future and the body corporate would not have to pay for abnormally high usages of specific individuals. Meters will also be installed to cover common area usage.

QF reviewed the AFS. He said a favourable financial situation was important, not only to ensure that your complex is run efficiently but also to be able to demonstrate to prospective buyers of property in the complex that they are about to make a sound investment, making it easier to achieve good selling prices.

He noted that the large payables figure displayed was somewhat skewed because most of the amount would probably fall away once the need to retain a reserve for Ekurhuleni fell away.



Cash provisions at the end of the year were very favourable, and in fact that even if all debt real or “provided for” had to be paid immediately, there would still be a surplus of R100 000. Last year (2017/2018) levies billed amounted to 1.6 million. This year (2018/2019) levies were 1.655 million. Admin fees for letter writing this year contributed another R10 thousand this year. There was also a small amount in clubhouse bookings. We had some storeroom rentals and late payment interest. Our expenditure was R2 million last year and only R1.7 million this year. We received R30 000.00 this year vs R9 000.00 last year mainly due to improved investment strategies. We had small deficit of R8 000.00 this year compared to R8 000.00 vs R400 000.00 last year.

QF noted that in any complex the major expenses would typically be security, insurance, salaries, managing agents and security. He noted that behind the scenes there are special projects paid for by the body corporate without the need to impose special levies. Another question was with regard to accruals. The accruals were made up of Ekurhuleni water charges not yet billed as well as audit fees. LP advised the meeting that Ekurhuleni water billing had been erratic and that we needed to accrue for the water that we felt was due.

QF asked for proposer that the AFS be approved No 8 and unit 18 accepted to proposal. There were no objections and the AFS were approved.

9. Approval of the Proposed Administration levy and maintenance Budgets for 2019/2020.

QF noted that a small loss was budgeted for in the budget period. However, he said that this was reasonable bearing in mind that the carport and water meter installation projects would be progressed.

LP noted that the 6% levy increase proposed in the budget had in fact already been implemented on 1st July 2019, the beginning of the financial year, to reap the benefit of a full year. All Owners had been advised of the increase at the time and all that was required was to have the increase confirmed during the AGM.

AG thought that it was preferable to increase levies each year to enable a gradual growth in reserve funding to enable future projects like Complex painting and Roof apex repairs. Unless absolutely necessary, QF and LS are opposed to the use of special levies. They recommend rather, that levies are increased each year to avoid such action.

The Owner of unit 66 proposed that the budgets be accepted. The proposal was seconded by the Owner of unit 21. There were no objections and the motion was carried.



10. Consideration of the insurance cover for the current year.

LS advised members of the body corporate that the policy was with CIA. The public liability cover was R50 million and fidelity cover was R5 million. Additional cover was noted for the gate motors, drain covers and the "Greenfields" sign board.

With regard to the replacement values of the units, owners should be aware that unless additional cover is taken where there has been significant enhancements to the inside of the their units, such as granite tops, laminate floors and expensive light fittings, that the value paid out on claim may be **insufficient** and the amount on a claim may be less than expected. LS should be contacted where cover needs to be increased.

There are no excess payments for Geysers replacement.

The owner of unit 87 noted that his unit had the highest sum insured and he wished to know why. QF suggested that it could be on request of the bond holder. If the Owner contacted LS, with the bond amount CIA could be approached to see if the value could be reduced.

Every three years in terms of the Sectional Titles Act, the complex has to be revalued by a professional.

The acceptance was proposed by unit 8 and seconded by unit 12.

11. Confirmation that the requirements have been met in terms of holding the prescribed amount in the maintenance reserve fund.

QF reiterated that, legally we have more than the required amount in reserve but as explained earlier funds have been set aside to provide for potential future claims from Ekurhuleni leaving a shortfall in the prescribed amount of seventy thousand rand. This will be made up through the year.

12. Appointment of the Auditors for the current year.

QF said that Greenfields had been using Nichabiz in the past and they usually get the AFS out within four month of the year end. If members of the body corporate agree, the Trustees would like to appoint them again. There were no objections.

13. Confirmation of interest rate on arrear levy accounts and CSOS procedures adopted.

AG said that the interest charged was 24% per annum (2% per month). The procedure followed recently has been to charge interest if funds have not been received by the time the next month's statements are about to be run. However, Owners are still not paying on time and more incentive needs to be put in place. QF believed that payments should be made by the 7th of the month. LP said that there was a disturbing trend with late payments.



On the 7th of last month we had to send out 17 reminder letters to late payers. That equates to 20% of all Owners. By the 20th of there month, there were still 5 people who had not paid. QF proposed that if funds have not been received by close of banking on the 7th of the month, interest would be charged on the 8th. LP said that payments should be made by the 1st of the month and a grace period of 7 days should be ample time to cover interbank transfers, late salary payments and similar problems. QF said that if people had such problems for a particular month, they should contact Ryse for relief.

Legal action has been taken with long term outstanding debt. Repayment plans must be followed to avoid further action. AG noted that judgements were generally made for an amount of money requested on application. When the debtor pays many month later, the judgement is cleared without taking cognisance of any levies not paid since the legal application and an application for a new judgement must be submitted.

QF said that in future, Greenfields would try to use CSOS when encountering such disputes.

14. Determination of the number of Trustees to hold Office and Election of Trustees.

LP suggested that more people on the Trustees committee provided more ideas to feed into decisions that needed to be made. He said that the meetings were only held once a month for an hour and a half. The Owner of unit 62 agreed to stand for election.

The number of Trustees was therefore set at 5.

The same four Trustees currently on the committee agreed to stand along with the new volunteer.

These appointees were elected unopposed.

The Trustees for 2019 2020 are-

Mr. Lionel Parsley
Ms. Tersia Cole
Ms. Bianca Sumner
Ms Sean Blair
Ms. Kasarina Naidoo

15. Restrictions placed on Trustees during the year.

It was agreed that this amount would be set at R50 000.00 per transaction in whole or in aggregate.



16. General Discussion on Conduct Rules update.

Following a Trustees meeting, it was decided that the conduct rules should be revisited. Many residents have not read the rules and other do not know they exist.

There was an idea put forward that the more important rules could be publicised and that longer term, Owners should be involved to provide input into how the rules could be enhanced to enable more comfortable living.

LP called for Owners to read the rules and to let the Trustees know if they would like anything changed.

QF said we would need to schedule a special General Meeting to have rule changes approved before they are registered. The main rules generally apply to parking, pets, children and security.

LP said that the form is put out on registering for biometrics. This form says that the person has read and accepts the rules of the complex

It was suggested that the top three rules should be placed on a sign at the gate

17. Confirmation of the legal address of the Body Corporate.

QF explained that where legal documentation had to be delivered, it was important that an address other than the guardhouse of the complex be used to ensure that action takes place.

Usually, the address of the Managing Agent is used.

It was agreed that the Office address of Ryse Managing Agents will be used.

This physical address is: 19 Bauhinia Crescent Marais Steyn Park Edenvale.

18. General.

LP said that the Trustees had tried to improve the playground and that it would be useful to have some input from the children with ideas on how to improve the play area. The playground had been closed for some time in an attempt to restore some of the grass but will be reopened soon.

LP reported that a drinking fountain will be installed to stop children walking through the carpark looking for a tap.

There is also a concern that children were entering the pool area. We need to prevent possible drowning.

A suggestion was made that we should install a life ring on the pool fence.

A member of the Body Corporate thanked the Trustees for their service during the year.

QF also wished to thank the Trustees and also Thomas and his team for their contributions to the running of the complex.

19. Close of Meeting.

The meeting was Closed at 07:40.