

THE PIAZZA ON CHURCH SQUARE BODY CORPORATE
SS 235/2005

MINUTES OF THE ANNUAL GENERAL MEETING OF THE BODY CORPORATE HELD AT UNIT 104, THE PIAZZA ON CHURCH SQUARE, 39 ADDERLEY STREET, ON 25 JUNE 2019 AT 16H30.

Present: Mr. S Broekmann (Chairperson) and
owners in person or by proxy representing in value and as per the attendance register.

In attendance: Trafalgar Property Management
Managing Agent
per
Mrs. L van Houwelingen – Portfolio Manager

1. WELCOME

Notice of the meeting having been given in the prescribed manner and a quorum being present, the Chairperson declared the meeting properly convened and duly constituted.

The owners present and the proxies are noted on the attendance register

2. ELECT A CHAIRPERSON FOR THE MEETING

Mr. S Broekmann, the Chairperson of the Trustees, stood as Chairperson for the meeting.

3. DETERMINE THAT THERE IS A QUORUM AND OTHER ORDER ARRANGEMENTS

The quorum requirements as per the Act are the following:

Remove the one that is not applicable

- For any Scheme with 4 or more primary sections or 4 or more members, the quorum required is members entitled to vote and holding one third of the total votes of members in value.

Quorum was achieved in that there was in value being represented by the members present in person or by proxy.

3.1 CONFIRM PROXIES AND OTHER PERSONS REPRESENTING MEMBERS

The proxies and other persons representing members are recorded on the attendance register.

3.2 CONFIRM NOMINEES

It was confirmed the following nominations have been received.

- Mr. J te Water Naudé
- Ms. M Dreyer
- Ms. T Clark
- Ms. S Mpofu

- Mr. M Dannatt
- Mr. J Kreeftenbeeg
- Mr. S Broekmann

3.3 ISSUING VOTING CARDS

It was agreed that voting cards will only be issued if necessary.

3.4 PRESENTATION OF PROOF OF NOTICE OF THE MEETING; OR WAIVERS OF NOTICE

Notice of the meeting was sent as per the prescriptions of the Act.

3.5 APPROVAL OF THE AGENDA

The agenda was approved by the meeting

4 APPROVAL OF THE MINUTES OF THE PREVIOUS GENERAL MEETING AND DEALING WITH ANY MATTERS ARISING FROM THE MINUTES

The minutes of the previous General Meeting, held on **25 April 2017**, were taken as read and approved by the meeting. It was signed by the Chairperson on behalf of the Body Corporate.

5 REPORT BY THE TRUSTEES

The Trustees' report, signed by the Chairperson and circulated to all members together with the notices of the meeting, was taken as read and approved by the meeting.

The following was highlighted to the meeting.

- There was no levy increase in 2018 due to the collection of the last million from Brashville. There was also a credit arising from an over-recovery of solid waste costs.
- The unaudited figure for the financial year just ended on 31 May 2019 indicate that we will end the 2019 year with total reserves of R3 million. We remain in a solid financial position.
- A possible dispute with The Adderley Body Corporate, which is where the parking is situated. They inadvertently charged VAT for many years without in fact being properly VAT registered. We are considering a claim for that unjustified expense.
- The Body Corporate of 2 small toilet units and 10 storerooms at no further capital cost. Most of the areas have been let following a secret tender process.
- Our rules are in the process of being formally amended to incorporate the terms of the settlement agreement with the liquidators and the arbitral award to follow. At a meeting with CSOS we were informed that the settlement, confirmed by the arbitrator, had to be submitted to the Pretoria office.
- There was a delay, caused by a City Council water credit, in finalizing the 2018 Annual Financial Statements, but both sets of financials, 2017 and 2018 have now been approved by the Trustees and signed off by the auditors.
- Money will need to be spent on drafting the 10 year maintenance plan.
- The Trustees have spent the year under review with continued re-sealing the waterproofing of a number of balconies on the higher levels. Some external painting, as that is part of a comprehensive solution to water penetration problems. There were a few further problems with balconies including rusting of the railing upstands and cables.
- Remaining balcony repairs will be attended to on an ad hoc basis.

- The annual inspection of the building by Richard Whittaker revealed the dangerous condition of the wall of The Adederley adjoining our common boundary. That was drawn to the attention of The Adderley and has been repaired.
- The painting of the plastered portions of the exterior of the building will need to be tackled this coming summer.
- As mentioned, where stairs are wider than 1100mm, current standards require handrail is required on both sides and of a certain height. This work, while not obligatory because of the age of the building, is essential from a safety-standard point of view and will need to be put in hand as soon as practicable.
- Replacement of old apartment windows has continued and will be pursued methodically. If windows require major maintenance, such as new hinges, or show signs of rust, they are replaced.
- An evacuation exercise would be carried out, this has not been attempted and we are awaiting new fire plans and procedures that have been commissioned.
- CCTV system is in the process of being upgraded. This project is ongoing.
- Staff matters have been relatively smooth. There have been some disciplinary issues but between the manager, our labour service providers and the Trustees we have dealt with them and there are no current outstanding problems.
- Accounts continue to be up to date.
- Members are again reminded that most of the common areas, including the parking garage, are non-smoking areas.
- Electricity charges continue to be properly recovered. There will be an increase again in August, this is due to the increase from the City of Cape Town.
- Telephone charges have at last been brought under control and will continue to be monitored.
- The optic fibre connection has become increasingly widely used. There are about 60 owners subscribed. It became necessary to increase the speed to meet additional demand and to provide for more sophisticated management of the system to control usage. This was the reason for the increased subscription to R500 p/m.
- The laundry is working. Owners are encouraged to use same.
- Insurance claims during the year again reduced. This illustrates the importance of window inspections and geyser maintenance. The Trustees resolved to accept fidelity insurance with a cover of R3 million and now that we have that sort of money the cover is being implemented.
- The monthly management reports from Clint Riddin continue to be a clear and useful management tool.

The following questions have been raised.

- The replacement of the facilities card at The Adderley is seeming to be problematic. Mr. Broekmann advised that if anyone is having a problem, they are to address their concerns to Mr. Broekmann directly.
- A suggestion is to have an organogram, so that owners can be made aware of the procedures that need to be followed and who is accountable.
- It was noted that Trafalgar are to pay the invoices on time.

Proposed: Mr. Dannatt

Seconded: Mr. M Hauser

6 APPROVAL OF THE SCHEDULE OF REPLACEMENT VALUES OF UNITS FOR INSURANCE PURPOSES

The complex is insured by brokers **First National Bank** and underwritten by **Santam** for **R299 030 126**, which amount includes common property, professional fees, demolition costs, and VAT. The policy provides cover for the structures and includes recognised fixtures and fittings and as per the requirements more fully set out in Regulation 23 of the Act.

Insurance of movable items remains the responsibility of the unit owners.

Owners who felt that their units are not adequately insured could increase their insurance cover through the body corporate insurance and the additional premium will be at their cost.

The Managing Agent confirmed that the additional premium was recovered from the respective unit owners where they have decided to increase the cover for their unit/s.

7 DETERMINE THE EXTENT OF THE FOLLOWING INSURANCE

7.1 Public liability insurance

The current public liability insurance of the complex is more than R10 million, same being the minimum requirement as per Rule 23 (6) of the STSM Act.

7.2 Insurance to cover the risk of loss of funds (Fidelity Cover per Regulation 15 of the CSOS Act)

It was resolved that the Trustees, in terms of Regulation 15, incept Fidelity Cover for no less than an amount equal to The Schemes current reserves plus 25% of the Scheme's operational budget for the current year.

8 CONSIDERATION OF THE AUDITED FINANCIAL STATEMENTS AS AT 31 MAY 2017 AND 31 MAY 2018

Mr. Clint Riddin presented to the meeting the financial statements for the year that ended 31 May 2017 and 31 May 2018.

On page 12 of the report, the reserves have improved in the 2018 year.
The current bank balances have increased and now matches the reserve.
The storerooms need to be shown on the financials as an asset.
The levies in advance is high, which is a good show.

The income statement on page 13.
The levies reflecting a no levy increase speaks to the what was said by the Chairperson.
The interest portion had to be adjusted due to the Brashville matter.
The interest on the bank accounts has increased, due to the extra money in the bank.
The municipal charges also more than doubled from 2017 to 2018. This was due to the water tariff increases by the City of Cape Town.

The Body Corporate only pays tax on it's other income and interest income. This is why the Brashville matter was dealt with in this matter.

No further questions were raised.

9 APPOINTMENT OF AN AUDITOR

Cecil Kilpin were appointed as Auditors for the financial year ending 31 May 2019.

Clint Riddin and Associates were appointed as Accounting Officer for the financial year ending 31 May 2019.

10 APPROVAL OF THE MAINTENANCE, REPAIR AND REPLACEMENT PLAN / REPORT THE EXTENT TO WHICH THE APPROVED MAINTENANCE, REPAIR AND REPLACEMENT PLAN HAS BEEN IMPLEMENTED

The Trustees have approached

11 APPROVAL OF THE BUDGET

11.1 FOR THE ADMINISTRATIVE FUND FOR THE YEAR ENDING 31 MAY 2019

It was **resolved** that the proposed budget for the administrative fund for the year ending 31 May 2020 be approved.

The budgeted income will be **R4 070 294** and the budgeted expenses will be **R2 982 304**, giving the Body Corporate a budgeted surplus of **R1 087 990** at the end of the financial year. There is a transfer of reserves of **R525 000** for the financial year.

Proposed: Mr. A Albertus

Seconded: Mr. te Water Naudé

12 ANY SPECIAL BUSINESS OF WHICH DUE NOTICE HAS BEEN GIVEN

A request has been received from Retha Vos, for the owners to consider another area for smokers to smoke. Owners were requested to provide suggestions to the Trustees.

13 TRUSTEES:

a) Determination of the Number of Trustees

It was resolved that Seven (7) Trustees be elected.

b) Election of Trustees

The following having been duly proposed, were elected to serve until the conclusion of the following Annual General Meeting:

- Mr. J te Water Naudé
- Ms. M Dreyer
- Ms. T Clark
- Ms. S Mpofu
- Mr. M Dannatt
- Mr. J Kreeftenbeeg
- Mr. S Broekmann

14 REPORT ON THE LODGEMENT OF ANY AMENDMENTS TO THE SCHEME'S RULES

It was confirmed that there were no amendments, substitutions, additions or repeals of the rules in the **preceding financial year** of the Scheme that had to be submitted to the Ombud for approval and filing.

15 DETERMINATION OF THE DOMICILIUM CITANDI ET EXECUTANDI OF THE BODY CORPORATE

It was resolved that the *domicilium citandi et executandi* of the Body Corporate be determined as:

The Piazza on Church Square Body Corporate
c/o Trafalgar Property Management
Unit 12, Block B
M5 Park
Eastman Road
Maitland
7405

16 ANY DIRECTIONS OR RESTRICTIONS IN TERMS OF SECTION 7(1) OF THE SECTIONAL TITLE SCHEMES MANAGEMENT ACT, ACT 8 OF 2011

The following directions were given to the Trustees and the following restrictions were imposed on them in terms of Section 7(1) of the Sectional Title Schemes Management Act, Act 8 of 2011:

The Trustees are to consider changing the Managing Agent.

17 CLOSURE

The business of the meeting having been concluded; the Chairperson declared the meeting closed at 17h45.

DECLARED A TRUE RECORD OF THE PROCEEDINGS

CHAIRMAN

DATE

TRUSTEE / MANAGING AGENT

DATE

Approved at the following General Meeting of the Body Corporate held on _____ 20__

CHAIRMAN

DATE

TRUSTEE / MANAGING AGENT

DATE