

**MINUTES OF FIFTH ANNUAL GENERAL MEETING
HELD ON 14 JUNE 2016
AT DOORNBOSCH, STELLENBOSCH, AT 18:00**

1. WELCOMING AND QUORUM

The Chairperson, Mr Pierre de Villiers, welcomed members to the meeting.

Notice was duly given to all members.

As a quorum was present, the meeting was declared duly constituted.

2. CHAIRPERSON'S REPORT

The Chairperson's Report as circulated was presented to the members. Most items in the Report will be dealt with as matters on the agenda.

3. APPROVAL OF PREVIOUS MINUTES

The Minutes of the Fourth Annual General Meeting of the Association held on 11 June 2015 were presented to the meeting.

The Minutes were approved.

4. MATTERS ARISING FROM PREVIOUS MINUTES

None.

5. FINANCIAL STATEMENTS – 29 FEBRUARY 2016

The financial report for the period ending 29 February 2016 was discussed and approved. The auditors' report was noted.

The auditors' remuneration as indicated in the financial statements was approved.

6. BUDGET AND LEVIES

The budget for the next ensuing financial year was presented.

Monthly levies were increased as from 1 March 2016 to R1 250.

The budget was drawn up with an excess of R100 per erf per month, which excess is allocated to accumulated reserves. These reserves are earmarked for the rehabilitation of the river bed as well as the security upgrade envisaged for the next financial year.

Reserves were further strengthened by means of the sales levy contributed from the sale of 13 properties during the past financial year.

The budget was approved.

The members were of the opinion that the levies were still very reasonable compared to other Estates in the region and especially when considered in light of the value received for the levy paid. Members nevertheless requested that the Trustees make every effort to manage expenditure in such manner as to prevent an above inflation increase in costs for members.

Although there is an amount of R1.1 million in reserve, it was felt that this amount may be insufficient for the Estate's future needs and should be increased over time to a more acceptable level as from time to time determined by members.

It was suggested that an amount of R500 per household be added to the monthly levy specifically to boost the contingency reserve so as to obviate the need for special levies. The newly elected Trustees were required to investigate the advisability of implementing this suggestion.

The desirability of limiting the powers of the Trustees to incur expenditure was discussed. It was however concluded that the Trustees have the approved budget as their guide of what must be done and what their expenditure limits are. Furthermore, at each Annual General Meeting they report on their activities during the preceding financial year and on expenditure incurred in respect thereof.

Accordingly, instead of setting limits, the members required the Trustees to continue acting with the necessary care and transparency and also to inform them of any major expenditure incurred or intended but which was not provided for in the budget.

7. SECURITY UPGRADE

As it is the responsibility of the Trustee Committee to attend to and from time to time to revise the security needs and infrastructure of the Estate, the Committee has engaged an independent consultant to carry out a security analysis and vulnerability assessment. The exercise indicated that the existing perimeter security fence is not compliant with the applicable regulations and that an upgrade is required.

The Committee has initiated the investigation into the proposed upgrade of the perimeter security fence with the intention that it must be one of the first tasks that the newly elected Trustees will be required to attend to.

The proposed upgrade will be funded partly from the accumulated reserves of the Association and partly by a special levy, the amount of which will be determined by the newly elected Trustees.

With a view to transparency, the Trustee Committee deemed it prudent to inform members of the proposed expenditure which is deemed necessary as well as of the proposed structuring of the funding thereof.

The general consensus among members was that the security of Brandwacht aan Rivier Estate is a necessity and not a luxury.

Accordingly, the members indicated unanimously that as a first phase of the security upgrade the perimeter security fence must be upgraded as a matter of urgency and that this project must be financed from the Association's reserves. The proposed special levy must then be collected to replenish the reserves.

It was further decided that, as a second phase of the security upgrade, the Trustee Committee must set up a special committee consisting of a number of Trustees and other interested members of the Association with the brief to –

draw up a plan of what is required to do a proper security upgrade at the Estate; do a cost analysis of such a security upgrade;

determine the most appropriate funding structure for such a security upgrade; and

call a Special General Meeting at which members may consider the detail of the special committee's proposed security upgrade and approve the required expenditure and funding structure.

8. APPOINTMENT OF AUDITORS

The cost of the auditing service provided to the Association is from time to time compared with that quoted by other auditors / auditing firms to ensure that it remains market related.

A member of the Association recently of his own accord submitted a tender for this service. As the quoted cost appeared more or less in line with the cost charged by the current service provider, Theron du Plessis, and because the Committee is satisfied with the current service, the firm was re-appointed as auditors of the Association for the next ensuing year.

9. DOMICILIUM

The domicilium of the Brandwacht aan Rivier Home Owners' Association remains unchanged as:

14A Stone Square
Stellenbosch, 7600

with postal address:

P O Box 1550
Stellenbosch, 7599

10. APPROVAL OF AMENDMENTS TO CONSTITUTION

Brandwacht Land Development (Pty) Ltd, the developer and founder of Brandwacht aan Rivier, drew up a Constitution which is generic and which entrenched its position and interests during the development period, i.e. the period which commenced on the date of establishment of the Association and terminated on the date upon which the developer had sold and transferred to a third party the last of the erven within the development owned by the developer. As the development period has now expired, the Trustee Committee deemed it advisable to revise the Constitution to accommodate the consequential changes and also to provide for the unique requirements of Brandwacht aan Rivier.

The proposed amendments to the Constitution were presented to the members by a Trustee, Ms H-L Marshall, and discussed.

A motion for approval of the revised Constitution was put to the vote.

Result of Vote:

In favour	39	98%
Against	1	2%
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Total	40	100%
	=====	=====

The motion was accordingly carried.

11. ELECTION OF TRUSTEES

The following members were elected to serve on the Trustee Committee:

Mr Booysen
Mr Heys
Mr De Villiers
Mr Marè
Mr Marshall
Mr Louw

12. APPROVAL OF DISPOSAL OF PORTION OF ERF 16143

The owner of Erf 16142 has applied to purchase or lease a portion [approximately 140m²] of Erf 16143 that is registered as common property in the name of the Association. Erf 16143 is currently being managed as a private open space and is situated adjacent to Erf 16142.

The Trustee Committee proposed that a portion of Erf 16143 [approximately 140m²] be sold at a properly determined purchase price to the current owner of the adjacent Erf 16142 subject to conditions as set by the Committee.

A motion for approval of the disposal of a portion of Erf 16143 [approximately 140m²], subject to conditions set by the Trustee Committee, was put to the vote.

Result of Vote:

In favour	38	97%
Against	1	3%
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Total	39	100%
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The motion was accordingly carried.

13. GENERAL

13.1. Rehabilitation of River Bed

After a time consuming struggle, the Trustee Committee has obtained approval from the Department of Water and Sanitation for the rehabilitation of the river bed.

The Committee will shortly commence with the first phase of this project, which will be funded from the accumulated reserves of the Association.

13.2. Security Services

A member expressed concern about the quality of the security personnel deployed at entrance control, mainly over week-ends.

This problem has been addressed and will be monitored by the Estate Manager.

13.3. Commencement of Building Activities

Members were reminded that in terms of the purchase agreements for erven in Brandwacht aan Rivier Estate, building activities must commence within 60 months after the date of the first transfer of an erf.

A written reminder of this contractual obligation was also recently sent to all the affected members.

14. CLOSING

The meeting closed.

Approved and signed on ____ June 2017.

CHAIRPERSON