

**MINUTES OF AGM FOR LLANDUDNO SPECIAL RATING AREA (LSRA) NPC REGISTRATION NO.
2014/179104/08 ("THE COMPANY")**
HELD AT LLANDUDNO PRIMARY SCHOOL, GULLY RD, LLANDUDNO ON 4th DECEMBER AT 7PM
CHAIRPERSON: EILEEN WILTON

1. REGISTRATION, WELCOME AND APOLOGIES

- 1.1 Eileen Wilton (EW) welcomed all present.
- 1.2 Apologies were received from:
 - Huck Endersby (he was here represented by his wife Annie) - Environment;
 - Alistair Pearce - Treasurer; and,
 - Wes Corbett – Security. Represented by Carel de Ridder.

2. MEMBERSHIP, QUORUM and PROXIES

- 2.1 EW confirmed that, based on feedback from Kiki Loubser (previously Bond Smith) who was recording attendance, that we have a quorum based on attendees and proxies held. (There were 15 proxies held; 35 attendees).
- 2.2 EW reiterated the requirements to enables members to vote.
- 2.3 EW emphasized, per the notification of the meeting, that the City of Cape Town has advised that, for properties held via a legal entity e.g. in a trust, we have to a director's or trustees resolution authorizing the member to vote on their behalf. This was being waived here, for this meeting, since this is a new requirement, but we are required to strictly enforce this for the 2020 AGM and thereafter. Without this, you will not be able to vote.

3. MINUTES OF THE 2018 AGM

- 3.1 Minutes of the 2018 AGM were adopted.

4. CHAIRMAN'S REPORT

- 4.1 EW thanked the Board for their contributions this past year, with special mention for Carel de Ridder for his extraordinary efforts to support the efforts of the Board w.r.t Security.
- 4.2 EW explained that 2 bodies are needed to support the community.
- 4.3 These are the Llandudno Special Ratings Agency (LSRA) and the Llandudno Community Association (LCA).
- 4.4 The LSRA is a formal body, established by the City of Cape Town and subject to the regulations of the Municipal Act of 2016 – City Improvement Districts (CIDs).
- 4.5 Its key area of focus is on the common areas in Llandudno – e.g. those that relate to open public spaces. She also stressed that it was not the purpose of the LSRA to duplicate Municipal activities; but rather to supplement them.

4.6 The LSRA key area of focus between these 2 bodies can be briefly summarized as follows:

	SRA	LCA
1	Registered property owners are eligible to be members <i>- not automatic, must apply</i>	Any resident may become a member
2	Membership is voluntary	Membership is voluntary
3	Contributions to levies is NOT voluntary, levied by City of Cape Town, based on property value	Contributions are set and Administered by the LCA and are voluntary
4	Areas of Operation/Scope:	Areas of Operation/Scope:
	4.1 Public open areas, and environment	Property Owners' built environment - LBAC
	4.2 Security of suburb - public areas	Building regulations and enforcement
	4.3 Environment	Vision re densification of the suburb
	4.4 Clearing services - top up, beaches, paths etc.	NIMBY = not in my back yard
	4.5 Future: marine environment	Need for residents to know the regulations and participate actively to try to prevent further issues Rates affordability & Valuations objections

5. FEEDBACK ON SRA OPERATIONS 2018/19:

5.1 SECURITY

- 5.1.1 EW presented an overview of the Security Arrangements. The security provided by the LSRA was not to replace homeowners' security arrangements that are your response team for home attacks etc. that remains between the home owner and a service provider like ADT or Deep Blue.
- 5.1.2 LSRA security basically covers the open areas around Llandudno and between homes. The service provider to call for help is Watchcon, on 021 790-9333. It entails Llandudno perimeter security and PPA night-time patrols.
- 5.1.3 Feedback on the Security Statistics was provided by Rob Tweddle (RT).
- RT made it clear that he has no affiliation with any of the bodies involved in LSRA's security providers, or with LSRA itself. He is independent and has gathered the information and processed it voluntarily.
 - RT explained that the information which comes from two sources, namely the Llandudno Security WhatsApp groups (the broadcast messages) and the Hout Bay Neighbourhood Watch website. He gathers it monthly, processes it, and posts it monthly on the Llandudno website. The annual report is taken on an AGM to AGM basis.
 - RT explained that the information is divided into only two main categories of violent crime and non-violent crime.
 - Since the 2018 AGM, Llandudno has had no reported violent crime – including robberies muggings or any crime where someone is attacked and injured. In that same period there have been 5 non-violent crimes, including 2 house-breakings (considered non-violent because no-one was home at the time), 2 petty thefts of property and one theft of a motor vehicle.
 - The important thing was to notice the trend-lines of crime in the area and that they are all going down steadily.
 - A question was asked about comparison of historical to current information. RT stressed that areas such as Sandy Bay beach are not covered by LRSA and have not been included, as they were not included in historical data. This, therefore, is comparing apples with apples.

- Carel De Ridder offered additional statistics regarding reported crime in the Hout Bay area (including Llandudno). For the period in question, reported crime for this area was 206 in total, as compared to the 5 for Llandudno, making our suburb one of the safest in Cape Town.

5.1.4 A general discussion regarding further aspects of security were discussed.

5.2 ENVIRONMENT

5.2.1 A summary of the Environment operation was given by Mark Greig (MG).

5.2.2 MG explained that environment is the portfolio of Huck Endersby (HE) who is indisposed tonight and that he is standing in for HE.

5.2.3 **The annual report is divided into three sections:**

- Construction
 - Alien plant removal and replacement
 - Fire risk, litter, and refuse bins.
- a) Construction:
- MG reported that a slab was constructed to house a JoJo tank to collect rain water for the new trees that were planted to replace illegal aliens. It is located on the corner of Apostle and Logies Bay Roads. This will help to protect our investment in the new trees, given the water shortages experienced by our region of the country.
 - MG reported that work has been done on pathways to make them more accessible, most specifically, log steps have been installed in the pathway between Leeukoppie Road and Steensway, as well as new boardwalk sections have been added to the coastal path, making it more accessible to everyone.
 - MG reports that Huck, after petitioning the city, has managed to reduce the number of stop signs, and other signs in Llandudno in the area of the post-box.
 - MG reports that some pathways have not been renovated owing to a lack of funds. Attempts will be made in the New Year to get the city involved and renovate more of the pathways.
- b) MG reported that Huck was active this year to get SAN Parks to clear firebreaks early. He and Huck also encourage residents to assist in extending these firebreaks by controlling the brush just beyond the clearings, make sure they're not too unruly and clear dead and dry brush. Residents should take fire prevention very seriously as wildfires can be extremely destructive. As important, we should all ensure that access for firefighters, including hydrants, are well maintained and kept clear of obstructions.
- c) MG reports that Huck paid significant attention this year to the clearing of alien plants and replacing them with indigenous varieties. All plant replacements have been done in accordance with the NEMBA Act. Several large bluegum trees were removed and were replaced by indigenous plants donated by the city. He noted that the value of the city donation was estimated to be in excess of R100,000 and we owe them our thanks for the donation. The JoJo tank was installed to ensure these plants are watered and looked after through the summer and some residents, in particular Eric Putsman, who has a water business, has offered to supply water from time to time. Other residents are invited to assist in contribute water from their boreholes, if possible, to ensure the tank is well supplied.
- d) MG reports that Huck has installed many new green bins for refuse and litter and these are periodically cleared by the city. There has been some concern about the environmental impact of the use of plastic bags for cleaning up after dogs. Wes Corbett has suggested bio-degradable plastic bags and this will be followed up and investigated in the New Year.

5.2.4 Philip Reina raised an issue that the southern-most end of Fisherman's Bend has no firebreak, leaving them very vulnerable, particularly being quite high with prevailing winds coming from the Sandy Bay side. It was suggested that SAN Parks may not be responsible for this part of the mountain or that it is privately owned, possibly by Sol Kerzner and/or the City of Cape Town.

Action: EW committed to pass the issue on to Huck to investigate.

5.2.5 EW called for volunteers to assist Huck with managing the work involved in his Environment portfolio. Johnathan Crowther volunteered and EW will action for the two of them to get together in the New Year.

6. 2019 FINANCIAL REPORT

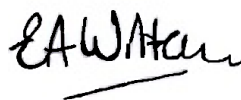
- 6.1 The financial statements were presented by Kiki Loubser (KL)
- 6.2 KL informed that she is presenting the financial statements on behalf of Alistair Pearce who is out of the country.
- 6.3 KL reports that LSRA has received a clean audit report, we are a tax-exempt entity.
- 6.4 The LSRA received donations for tree removal and specific cameras.
- 6.5 Retained income of R190,000 is comprised mainly of unbudgeted income being interest received, and the release of the Doubtful Debts Retention Fund.
- 6.6 Budgeted expenditure held back pending contractual compliance. Unspent capex of R128,000 is carried forward to 2020. Cash reserves of R815,000 representing 2 months levy reserve, VAT & creditors due at year end. Finally, we have uncommitted cash of R164,000.
- 6.7 The LSRA financial year runs from 1 July to 30 June to match the city's financial year. The additional rates are determined by your 5-year business plan, 5-year implementation plan and 5-year budget. Budgeting is done on a Cash Flow basis with $\text{Income} = \text{Expenses} + \text{Capex}$.
- 6.8 The approval process is rigorous and comprises:
 - 6.8.1 Debated & Approved by the LSRA Board
 - 6.8.2 Submitted for Modeling & Approval by the City of Cape Town
 - 6.8.3 Tabled for Approval at the LSRA AGM
- 6.9 The current 5-year Budget, Business & Implementation Plan - 2020 to 2024 were approved at the 2018 AGM.
- 6.10 The LSRA income derives from the additional rates, charged monthly by the city on your rates statement. It is determined by the relative valuation of the individual property relative to the sum of all evaluations. That proportion determine the proportion of the budget each property contributes to the LSRA.
- 6.11 When the budget for the next year running from July 2020 to June 2021 was determined the following factors were taken into account:
 - Inflation was forecast at 5-5,5%
 - Analysts predict ZAR volatility as a result of the potential Moody's downgrade
 - This could impact us in cost increases where input costs are not ZAR denominated
- 6.12 SA is still experiencing tough economic conditions. We note this in the arrears of SRA levies: 219000 odd in 2018 vs 366000 odd at end Nov 2019. As mentioned earlier we have retained income of R190 000 for the 2019 financial year, and uncommitted cash of R164 000. We propose utilising these funds to supplement the budgeted levy increase of 8,5%. We therefore propose adjusted the levy increase be reduced from the budgeted 8,5% to 4.2%, but to retain expenditure at budgeted levels of 8,5%. KL stressed that this is very much a once-off given the volatile and economically uncertain times. We are proposing that we revisit each year's levy increases to a level that is as low as possible without exposing us in having the levy increases too low leaving us unable to fulfill our mandate
- 6.13 KL reported that the current year budget surplus of R137 000 at 31 October 2019 is mainly due to the following factors:
 - No capex having been committed to date, and Equipment rentals below budget – both due to equipment testing issues
 - Newsletters being e-mailed rather than printed and circulated, hence saving on printing costs
 - Contractual rates have been kept flat
- 6.14 Arrear additional rates at 30 November 2019: R369 000 (applicable portion of SRA Levy only)

- 6.15 Cash reserves increased due to the unspent budget and release by CCT R106 000 of the accumulated doubtful debt retention fund
- 6.16 EW pointed out that, amongst the resolutions up for vote tonight is a request for the meeting to authorise the use of the retained income to reduce the increase from the original budgeted 8.5% down to the proposed 4.2%.

7. SUMMARY of Voting Outcomes:

No. of registered properties	320				
No. of SRA members	190				
No. present to represent a quorum: 20% of SRA members	38				
No. of SRA members at meeting on 4th December 2019	53				
No. of Proxies	15				
Outcome of Voting at meeting held on Wednesday, 4th December, 2019					
Resolutions proposed by the Llandudno SRA Board:		Seconded	Against	Abstain	Result
1.	Adoption of Minutes of the AGM Meeting, 14th November 2018	K Loubser	0	1	Motion carried
2.	Adoption of Audited Financial Statements 2019	K Loubser	0	1	Motion carried
3.	Adoption of revised 2020-2021 budget - where increase has been revised down from the planned 8.5% annual increase to 4.2% per resolution No.4, below	K Loubser	0	1	Motion carried
4.	Adoption of resolution to approve use of 2019-2020 surplus, to provide relief in Levies applied to 2020 -2021 budget, as a once relief measure	Carel De Ridder	0	0	Motion carried
5.	Adoption of Business Plan 2021-24	Carel De Ridder	1	3	Motion carried
6.	Adoption of Implementation Plan 2021-2024	Carel De Ridder	0	4	Motion carried
7.	Re-Appointment of Auditors: H Curtis & Co.	Jody Aufrichtig	0	0	Motion carried
8.	Re-Appointment of Company Secretarial Services: H Curtis & Co.	Jody Aufrichtig	0	0	Motion carried
9.	Election of Board Members:				
9.1	Eileen Wilton*	Margie MacKenzie	0	0	Motion carried
9.2	Jody Aufrichtig**	Kiki Loubser	0	1	Motion carried
9.3	Kiki Loubser**	Jody Aufrichtig	0	0	Motion carried
9.4	Alistair Pearce**	Kiki Loubser	0	3	Motion carried
*	Co-opted onto the Board in April 2019, resigned as required. Up for election for first time.				
**	Resigned by Rotation				

APPROVED BY:



Eileen Wilton

31 August 2020

DIRECTOR: CHAIRMAN – NAME

SIGNATURE

DATE



Marguerite Loubser

31 August 2020

DIRECTOR: ADMINISTRATION PORTFOLIO – NAME

SIGNATURE

DATE