

SOUTHBROOM PROPERTY OWNERS ASSOCIATION

ANNUAL GENERAL MEETING – 2 September 2024

ITEM 8 - CHAIRMAN'S REPORT

The main purpose of the SPOA has been to provide funding to the CPF in order to keep our village safe and secure, and there is close coordination between the directors of the SPOA and the CPF.

Community Safety and CPF

Security has been the best results ever with some months with ZERO crime reported. Bennie Kruger has dealt with this in his report. Brian Dick and Bennie Kruger spend a lot of time and effort and they're greatly appreciated by everyone in Southbroom. The CPF committee and all its members are vital to Southbroom and are greatly appreciated. Thank you! To date security has consumed 100% of the UIP budget.

Finance

Sound financial position, proper controls, insurance. Gerhard Uys, Peter Hind and Jurie Snyman do an important and excellent job in this regard. The board meets regularly and operates cohesively.

UIP levy

Every rateable property has R164.64 added to their RNM rates bill. As you know in a big campaign at the start of the year more than 50% of ALL Southbroom ratepayers approved the increase to R387.38. This first appeared on your July statement, received in the beginning of August and was payable by the end of August.

Well done to all Southbroomers for voting to get this done. Of people who actually voted 93% said YES, which represents 53% of all rateable properties in Southbroom, totalling 1089. These include about 100 stands believe it or not, which are not rateable: municipal land, reserves, land for sports and trails and reserves, etc. So we had a fantastic and positive response and I appreciate the many people that assisted to get this over the line.

To put this in perspective, in April 2022, 2 years ago, my personal RNM bill was R3,296.40. By July 2024, it had increased to R3,360.15 - a modest rise of R63.75.

This adjustment has allowed us to consolidate our financial responsibilities, eliminating the need for separate subscriptions to the SRA and SC. The funds will be used solely for the direct improvement of Southbroom, with absolutely no management or director fees.

However the money will only flow in October

We still do not have an agreement with RNM.

Allocation of New UIP Levy

We are currently awaiting the RNM's agreement and the flow of funds before making any new commitments. We operate on a revenue-only basis, meaning we allocate funds upon receipt rather than accruing. We estimate that revenue will be in the region of R3.3 million. This approach ensures we have a clear view of our financial position and can manage funds responsibly.

Our absolute focus remains on security. Always was and always will be.

Thereafter water and potholes knowing regrettably that we will not ever have enough money in this budget to solve the bulk water supply problem, redo the water reticulation or rebuild roads. So we

must be clever in our approach and work out ways to spend your money as effectively as possible. The SRA is working at new cost-effective methodologies to repair the potholes that are urgent, dangerous, tiresome and are outside the RN schedules. And where we can and if possible, to grade roads that RNM neglect.

SWAT III have been allocated CAPEX to get the water telemetry up and running so that we can resolve coherently how and where our water flows. The team believes that with this data they will be in a much better position to firstly understand and then control what is happening beneath our feet. More information on this from Alan Hall later.

We will continue as always to pressurize RNM and UGU to do what they are mandated to do and supplement their services as best we can.

We estimate that about 80% of all properties contribute to rates and taxes, considering that not all properties are rateable (e.g. municipal land, un-proclaimed lots). Our estimate of revenue:

- R3.3 million
- 55% CPF
- 5% SPOA head office, previously part of the CPF budget
- 6% Southbroom Conservancy
- 34% SRA

We all recognize the vital significance of the golf course and other sports in our community, and the importance of their sustainability. This is never under question.

We have met a few times with the golf course and are exploring ways that we can work together and projects that make sense within our respective constraints. There is increasing co-operation between us and Southbroom Golf Course management.

The fact remains that legislative constraints limit our ability to directly fund the sporting codes. This simply can not happen even were there to be enough money after what we have to do. However, we remain open to examining collaborative projects involving shared facilities, provided funds are available.

How will we operate

The receiver of all the UIP funds is the SPOA which is controlled by the board of directors. Budgets will be approved by the board and RNM. RNM will retain oversight options on our performance.

The SPOA will perform a head office function responsible for agreements, relations with RNM, CAPEX prioritization, employment contracts, etc.

Funds will be allocated to:

Head office, CPF, SC and the SRA.

All other departments and committees will continue to fall under the SRA:

Committees: SWAT III, Southbroom Village Gardens, the Southbroom Library, Southbroom Business Forum

Departments: roads and verges, beaches, signage, litter, health, town planning, lifeguards, jungle gyms, SANRAL, marketing, social media, websites, community hall and grounds, etc.

Thank you.

Eric Annegarn

Chairman: Southbroom Property Owners Association