



OUDE WESTHOF MASTERS HOMEOWNERS ASSOCIATION

CHAIRMAN'S REPORT

MAY 2015

REPORTING PERIOD

This chairman's report covers the period June 2014 to May 2015.

OFFICE BEARERS

Chairman:		Jan Wolmarans
Trustees:	Environmental:	Kevin Tucker
	Architectural:	Hannes Bouwer
	Finance:	Erik Nel
	Finance:	Ray Stewart
	Security:	Bruce Barnes
	Legal:	Peter Truter
	Member benefits:	Henri Smit

INTRODUCTION

The Trustees manage and control the business affairs of the Oude Westhof Masters Home Owner's Association (OWMHOA), in accordance with the Constitution. Regular Trustee meetings and frequent communication between Trustees encourage an environment where challenges are addressed, and projects are initiated and executed. The committee also regularly communicates with other interested parties and service providers to facilitate close co-operation in the interest of all residents.

COMMITTEES

The trustees established two committees to assist them from time to time.

Safety Committee: A committee consisting of six people of which one is a trustee. Most of their effort went into the fence project. Their focus will now shift towards a strategy for improving safety from the eastern side of OWH.

Finance Committee: A committee consisting of five people of which two are trustees. They meet when necessary to assess financial matters.

COMMUNICATION

More frequent communication with members was a strategic objective. It is important that members are kept informed about what is happening in our neighbourhood. I am convinced that the frequent newsletters have increased the awareness of the functioning and happenings in Oude Westhof.

The website www.oudewesthof.co.za was also upgraded. The goal was not to create an award winning website, but to increase the functionality and ease of use. It is very interesting to have noticed the increased activity on the website since the re-launch. Members are encouraged to use the website as it is a good source of information.

On the website is a functionality through which members can communicate with the trustees. A number of requests and communication have come through this medium and on receipt it is immediately channeled to the relevant trustee to handle.

SECURITY

A major project was undertaken to erect the security fence bordering the Nature Reserve. Members would recall that in early 2014 the fence project was announced and with it a sizeable special levy to finance this project.

Following the AGM in May 2014 the newly elected trustees set to work with the sole intention to continue with the project but to find a way not to necessitate a special levy. With the assistance of security experts the project was totally redesigned and planned. Proper project management principles were implemented during the planning, budgeting and construction phases leading to a reduction of the overall project cost. In conjunction with the Finance Committee a solution was created to fund the project utilizing own funds and through an extended payment agreement.

Members would have been especially appreciative of the fact that the special levies of R3160 and R1100 respectively were cancelled. What is particularly pleasing is the fact that not only was the special levy cancelled, the overall solution is also more secure as the project resulted in a physical barrier as well as a 24 wire electrified fence at once.

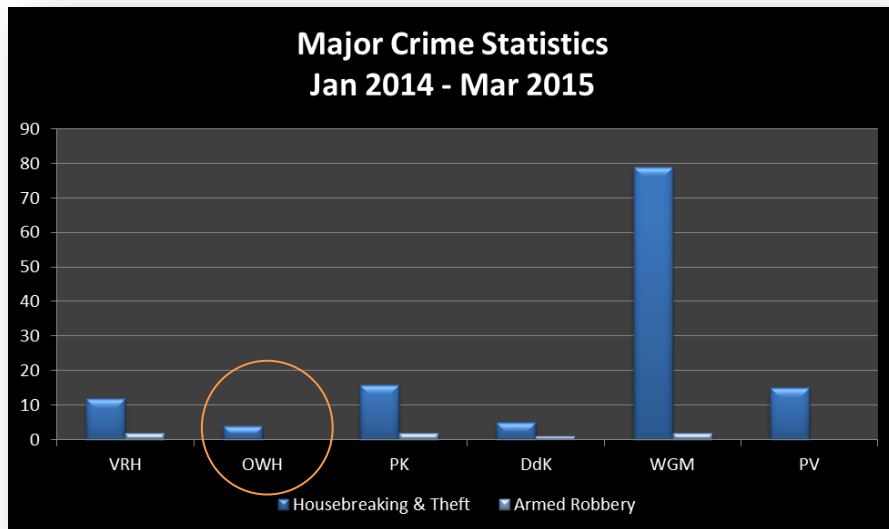
The project was completed within the time stipulated and with a handsome saving on top of the reduced budget by being totally involved throughout the project. A special word of appreciation must go to Bruce Barnes (trustee for security) for his involvement during this project.

We are of the opinion that the probability of a transgression in future from the Nature Reserve is extremely low since the electrified fence provides a very high level of security.

The diagram below shows the level of protection from electrified fences in the area. The orange lines indicate electrical fences with the red line the new OWH fence which is probably one of the more secured fences around. The white line indicates non-electrified fences with the blue line the fence to be electrified in stages by Van Riebeeckshof HOA.



Statistically OWH remains one of the lowest crime incidence areas in the Northern suburbs, if not the lowest. The graph below shows the statistics for the 6 major neighbourhoods of the Northern suburbs.



We remain committed to ensure that safety is the number one priority for the Trustees. The approach is that one crime incident in OWH is one too many. Most of the crime perpetrated in the past year has been that of the Crow Bar Gang, which is a well-organized syndicate operating all over the peninsula.

Their Modus Operandi is, open your front door with crow bars, rush inside and steal valuables. This whole process normally takes four to five minutes. They normally first establish that no one is at home before they burgle the home.

The Security Committee has now been tasked to investigate measures to increase security on the eastern side of OWH, meaning from the side of Van Riebeeckshof Road. At this stage the most likely approach would be the installation of cameras at various points. We are considering installing cameras in strategic areas like the entrance to Selborne Close, the two entrances of Blanc De Noir Street and Riesling Street. These cameras would cover all our entrance and exit points. The purpose of the cameras would be two fold. Firstly, to serve as a deterrent and secondly to have some record keeping information to scrutinize if a crime has been committed. However, this is a matter that is still being investigated. We are awaiting the recommendations from the Safety Committee. This would be considered for the new financial year.

ADT is our dedicated and preferred security service provider, and ADT statistics confirm that our incident rates are among the lowest in the area, if not the lowest. The new security fence is also fitted with an alarm which is monitored by ADT. The Trustees and ADT communicates regularly with regards the service level and to act on recommendations from members. In addition to prompt response from ADT to problems, officers on duty have also provided a proactive service and reported on open gates, garden service activity and noted strangers in the area.

Safety remains the number one priority for the trustees. It is interesting to note that prospective buyers are frequently approaching us through our website and most of the enquiries are about safety in our neighbourhood.

ENVIRONMENT

With security probably the most important aspect for the trustees, the visual appearance of the neighbourhood is a close second. Not only do we intend to provide you with a neighbourhood which is visually appealing, but is also well maintained to the point that OWH remains a sought after neighbourhood to live in and to contribute to increased property value.

Garden Upgrade Projects

Upgrading of the greenbelt and entrances remains a long-term initiative. The first phase was the upgrade of the traffic circle at Pontac/Riesling/Blanc de Noir Streets. Corrective measures with regards to the water supply for the irrigation now need to be taken. Everybody would agree that the circle was not visually appealing and actually looked terrible. The garden and the irrigation system on the circle were replaced in totality. The new plants on the circle need to establish themselves as it was planted late in the season. I am sure that after a few months and good rain the circle will look stunning.

A new garden was established in the greenbelt mainly to accommodate old plants from the circle. Over time the greenbelt will also see some upgrading with the leveling of the area with top soil and the re-establishment of lawn where there are bare patches. We are also planning a succulent garden following

the donation of aloes by one of our members (he has also extended the offer of succulent clippings to residents – please reach out to the landscaping portfolio in this regard – these plants are hardy, waterwise and grow extremely well in the area). There are a lot of trees that need to be replaced and the irrigation also requires attention. The City Council has made trees available to us which will be used to replace other dead and stricken trees.

Another area that was begging for attention was the entrance into Blanc de Noir Street from Van Riebeeckshof Road. With the establishment of a garden as the first phase, the drab and cold appearance on the northern corner was broken and the entrance now appears more pleasing. The gardens along Van Riebeeckshof Road will also get more attention.

We are sure that the contracting out of our garden maintenance function to a reputable landscaping company will soon have the desired effect. The quality of work and the productivity of our own gardeners were very low and it reflected in the condition of our gardens.

Garden Maintenance Service Provider

Members would probably argue that the appearance of the gardens and the greenbelt is good. However, on closer inspection you will find that it is not the case. Avid gardeners especially will agree that a lot can be done to increase the appearance and tidiness of the gardens and greenbelt. One of the reasons contributing to this situation had to do with the OWMHOA employing two gardeners on a full time basis. The gardeners work with little guidance and with no supervision. Productivity was very low and so too the standard of work. I am of the opinion that the replacement of the garden on the circle would not have been necessary if it was properly maintained over the years. The internal service has now been contracted out to Eden Landscaping. What is also pleasing is the fact that we will now be getting a professional supervised service at a total cost lower than what our fixed monthly expenditure was (while also removing the risk of owning, maintaining and storing landscaping equipment and providing workers with clothing). I am sure that in future we will see a marked difference in the visual appearance of our gardens and greenbelt to the benefit of OWH as a whole. As always we want to encourage members to offer their service and advice to the landscaping portfolio, and want to thank those that already do.

Riesling Greenbelt Wetland Project

This initiative is a project which will require extensive cooperation with various departments of City Council. The project plan has been explained in a newsletter before and I am pleased to say that City Parks has approved the initiative and has pledged their support. You may recall that the Riesling project was approved on a past AGM. This would have involved the portion along Riesling Street only.

In order to ensure it is a broader community project with a far bigger impact, we have had consultations with Kanonberg Estate and Welgedacht Estate to render their support. I am happy to say that both estates are fully supportive of this initiative. The initiative is done in close cooperation with the local councilor (DA) who must be complimented on her efforts to assist us in establishing Oude Westhof as a leading and sought-after neighbourhood. The OWMHOA was the driver behind this initiative. The project however has now been moved to become part of an initiative by the Valley Committee.

By developing this wetland area into a proper and well maintained park, will not only reduce the security risk but it will become an asset for our community since it will be more visually appealing and will provide members the opportunity to enjoy another part of nature closer to your home.

The fact that we also now have the participation of the two neighbouring estates as well as City Parks, means that the cost burden will be less on each party. The majority of the cost will be carried by the City of Cape Town, while our contribution will be within the budget that was approved previously.

BUILDING / ARCHITECTURAL

Building Regulations

If residents are ever in doubt about the processes to follow during building or alterations, the Trustees are available to provide guidance on the process to be followed. Guidelines are available on the website for easy reference. We still find that members sometimes embark on alterations without the necessary building plans and approvals. To avoid costly consequences like removing of structures etc., members are invited to ensure beforehand that they are within the required building regulations and OWMHOA guidelines.

Businesses at home

Members are specifically reminded on the rules applying to conducting businesses from his/her erf. Conducting a business is not allowed unless approval is granted by the trustees and City Council and by following a very specific application process. Members are encouraged to follow this process diligently so that possible censure can be avoided.

Open Erven

The process of controlling the clearing of open erven has been streamlined with a decision to clear all stands at least twice a year. The OWMHOA offers the service to owners, if they cannot arrange it themselves; it will be arranged on their behalf. However, when an owner does not respond within two weeks, the OWMHOA will proceed to clean the stand and the cost will be added to your levy account. The cost is normally based on the best quotation received from a suitable service provider and over the past year it was ±R1,000 per cleaning (for a normal-sized stand). In future this service will probably be handled by Eden Landscaping, our newly appointed landscape maintenance contractor.

MANAGING AGENT

Following the 2014 AGM it was becoming clear that there was a growing concern under members about the value that they receive for paying levies. The finance subcommittee (FC) concluded its analysis of the relevance of an own HOA office late last year and subsequently submitted its recommendation to the Trustees that it was their opinion that the appointment of a professional managing agent, and in particular Nolands Incorporated, should be considered in place of the current own office structure.

The financial committee was tasked to critically assess the current status quo of the OWMHOA office against the backdrop of rapidly escalating costs of this office over the past few years. Issues considered included rendering of cost-effective service, risk mitigation where possible and personable and professional interaction with home owners.

A decision of this magnitude was not made lightly. However, the decision by the Trustees was unanimously in favour of this recommendation. The Trustees therefore made the decision to outsource the total administrative function to Nolands Incorporated from 1 August 2015.

Members will be informed in time with regards new contact details and procedures. Nolands has also offered, free of charge, to assist with the upcoming AGM where it will be introducing itself to members and will gladly field questions.

FINANCES

The detailed budget will be provided with the AGM pack and will also be further discussed at the AGM.

Following the 2014 AGM it became evident that members were getting concerned about the escalation of costs and therefore the escalation in levies. The Trustees subsequently asked the question to themselves – ***are the members getting value for their money?***

It is the current trustees' opinion that members deserve more transparency regarding in particular the financial affairs of the Estate, but also that costs incurred on their behalf remain contained. On the assumption of a 100% levy payment regime, the potential monthly income is shown below.

	No	R/m	Total
Single Stands	288	330	95,040
Group Housing	361	165	59,565
			154,605

So let's analyze what this is used for. The numbers in the table has been rounded up to the nearest thousand.

Allocation	Amount	Percentage
Security	90,000	58.21%
Managing Agent	15,000	9.70%
Maintenance	9,000	5.82%
Garden projects	10,000	6.47%
Total	124,000	80.20%

The two most important aspects that will ensure Oude Westhof remains a sought after neighbourhood with escalating property values is security and the aesthetic appeal. It is therefore no wonder that more than 70% of the budget is utilized here.

Everybody will agree that security is of the utmost importance. The security includes the monthly payment for the new fence and alarm. It also includes one roving security vehicle and two men on foot patrol. Statistical analysis of crime statistics in the neighbourhoods of the Northern suburbs shows Oude Westhof as being the safest. In other words money well spent.

You would have also seen the effort in upgrading the gardens and the process of beautifying our neighbourhood. This is not going unnoticed as a lot of compliments and letters of appreciation have been received since we have started. Given time the landscaping in OWH will be greatly improved.

From a strategic point of view it was decided that OWMHOA should always have a buffer amount available that would cover at least three months' worth of expenditure. The remainder of the income is earmarked to be used for further security enhancements and the Riesling Greenbelt project. Although it is not budgeted for, there are legal costs incurred from time to time. (Of course we want to highlight again that members are legally bound to pay their levies, as per their title deeds and the constitution, and that any non-payment and subsequent interest and legal costs will only end up being for their own account).

Containment of cost is a priority and a number of changes to the operating structure of OWMHOA will have a dual effect. It will reduce expenses and it will provide a more effective service. In other words more value for money. The closure of an own office structure will not only reduce business risk but will also provide a more cost effective service. The contracting out of the landscaping maintenance will provide a cost saving and a service of much higher standard.

And then members would be especially appreciative of the fact that we were able to cancel the special levies of R3,160 and R1,100 respectively. Also to take into account is the fact that the levy increase was also postponed for almost a year; with the eventual increase in line with the inflation-adjusted services increases. This does not mean that an inflation-adjusted increase will become the norm since it is foreseen that expenditure on security and landscaping will eventually taper off. With all of the above in mind, the Trustees confirm their commitment to reduce the cost burden on our members whilst providing a safe and pleasing environment to live in.

MEMBER BENEFITS

Although not the main priority of the trustees, we have contemplated means of providing added benefit by being a member of the OWMHOA. The first initiative is in the form of a business directory.

The purpose is to give free voluntary exposure of our own members' businesses (member businesses include the companies where members are employed) to the rest of our member base which we believe is an additional benefit for all our members. The Oude Westhof Masters Homeowners Association will not benefit financially from this voluntary business initiative.

The second initiative planned in future is a member discount card. This will only be launched by the trustees once all the other member benefits are fully implemented and functional and if we are sure there is sufficient interest. The purpose is not to replace or compete with existing loyalty programmes. The discount card is intended to give members a discount at certain selected local suppliers (including discounts from member businesses).

The above however depends on the interest of our members and will be abandoned if there is not sufficient interest.

ACKNOWLEDGEMENTS

With the closure of the office we bid farewell to Anne Cooper. We would like to thank her for her dedicated service to the OWMHOA.

I also wish to thank the Trustees for their dedicated support given to me during the year.

Jan Wolmarans
CHAIRMAN