

Board Meeting



17 April 2019

18h00

DUCT Offices

240 West Street, Pietermaritzburg

Meeting called by: David Still

Type of meeting: Directors Meeting

Attendees: David Still – Chairman (DS)
Khuthalile Mahlaba (KM)
Kirsten Oliver (KO)
Liz Taylor (LT)
Mark Graham (MG)
Sandile Ndawonde (SN)
Trevor Gorven (TG)
Zama Siqalaba (ZM)
Colin Everson (CE)

Apologies: None

By Invitation: Faye Brownell (FB)
Gill Graaf (GG)
Sithembiso Sangweni (SS)
Larette Schultz (LS)
Tembeka Dambuza (TD)
Noma Ntshangase (NN)

Minutes

Agenda item: Actions from previous minutes (October 2018) **Presenter:** all

Discussion:

The progress for each of the unresolved action items is highlighted in the table below.

Action items	Person responsible	Comment	New Deadline
1. DEA achievements on DUCT Website	FB	Not done as yet. To be completed with website update by marketing intern.	01/06/2019
2. DUCT to consider a partnership with St Nicolas school on Waste	FB	A clean up event was organized with St Nicolas.	
3. GG, FB and DS to meet to discuss Medium Term Budget outlook and determine Cashflow impacts by	DS, GG and FB	Done	

Action items	Person responsible	Comment	New Deadline
current and possible future project delays.			
4. Determine feasibility of Staff Bonuses	DS, GG and FB	Very limited bonuses were paid out in December due to cashflow constraints.	
5. FB, GG and LS need to re-assess CV's with a focus on candidates' experience within the Environmental/NPO sector.	FB, GG and LS	Financial Manager advertisements not to be pursued at this time.	
6. Sue (Payroll Administrator) to be replaced before the end November. Suitable candidates from 160 CV's that applied for Financial Manager's position will be selected and approached.	FB, GG and LS	Noma Ntshangase appointed from within. Training to capacitate her to fulfill the role is underway.	
7. GF should explore the possibility of a loan for the purpose of purchasing a vehicle.	GF	This is not possible due to status of bank balance.	
8. FB to submit a request to the National Lotteries Board to utilise the remaining unspent funds of the project on purchasing a vehicle.	FB	This was completed and submitted with quotation for a new Mahindra. Awaiting response from Lottery.	

Agenda item: Welcome & Apologies

Presenter: David Still

Discussion:

The Chair welcomed all attendees and noted the apologies of Colin Everson

Agenda item: Adoption of Previous Minutes

Presenter: David Still

Discussion:

The minutes of the last meeting on 24th October 2018 were reviewed for adoption.

Conclusions:

The minutes were approved, confirmed by TG and seconded by DS

Agenda item: Finances

Presenter: Gill Graaf

Discussion:

Management Accounts:

- Gill Graaf presented the Draft Management accounts to up to 3 March 2019. A loss was reflected as at the end February 2019 in the amount of R107,771.42.
- Bad Debt of R42 895 was incurred due to Sikhonde vehicle. At the moment the family is earning nothing from the vehicle. DUCT staff were requested to meet with both sides of the family to try to broker a win-win solution whereby the vehicle is put back into use and DUCT gets to recover its loan. For e.g. the vehicle could be sold to DUCT for say

R70 000, of which R42 000 is discounted against the loan and the family shares the balance. Depends what the vehicle is worth.

- Project income shortfall R146,701.00 mainly due to IDT. COIDA provision R286,788.00.
- Collenbrander will undertake DUCT audit in July.
- Provisional budget for 19/20 Showing net profit of R225,381.00. This is due to 3-year DEA, MSU and DEA Groen Sebenza and Umgeni Water projects being secured.

Cashflow:

- R14,000.00 in General account. R156,000.00 in Project account and R1.2m in DEA LUI Account.
- R509,312.26 “loaned” against other Projects:
 - R347,315.00 against MSU LSA and;
 - R200,000.00 against DUCT Loan
- It was noted that General Funds should be utilised to cover shortages, not project funds, as the latter places organisation at risk.
- Depending on MSU paying in time, we may be short R370,000.00 for salaries for end of April 2019. This is likely to be a regular occurrence until a surplus has been built up again – possibly by 2020.
- Project Costing at proposal stage is getting more accurate, which will positively impact our profits in future

Fundraising:

- ZS enquired about the person responsible for fundraising. It was noted that Faye is the sole person at present fulfilling this role. ZS suggested that this should be reconsidered, especially as the staff component grows, and expressed the importance of partners in the catchment to assist with cashflow.

Loans:

- Long term loan from Nedbank not viable (not until DUCT’s financials show a consistent surplus year on year).
- Short term loans in the form of unsecured loans from Board Members should be considered. A policy to be developed in this regard (detailing interest rate and rate of repayment).

Action items	Person responsible	Deadline
✓ Policy to be developed for short term loans	DS and TG	June 2019
✓ Meeting with Jacob Sikhonde’s family	SS and LS	June 2019

Agenda item: General Presenter: All

Office Renovations:

- A presentation of the renovations to the office was shared. Work has been done to the attic, the outside storeroom, the two primary internal offices. Further work still planned. This is all to ensure there is enough space for the 13 new interns arriving in May.
- Renovations have been funded utilizing a loan from Dave Still.

Other:

- MG requested that from a Director’s point of view that the Board meetings are focused more on strategic issues that the directors can make input into, and not so much on operational/project updates
- Suggestion to revise project report backs to a dashboard overview

Action items	Person responsible	Deadline
✓ Space under the deck be used as storage, fenced	LS	June 2019

Action items	Person responsible	Deadline
✓ Strategic issues to be added to board meeting agenda	FB	Ongoing
✓ Project report format to be revised to dashboard view	FB	June 2019

Agenda item: Management Progress Report **Presenter:** Sithembiso/Faye

Discussion:

Current Projects:

A general overview of the current projects was provided in order for the two new Board members to get up to speed with what DUCT is implementing at present. See attached presentation.

- Umgeni Water Darvill. Lots of lessons during 1st year. Based on these lessons, a review of budget and deliverables is required for year 2 to ensure we meet the objectives of the project
- The IDT project ended in February. An opportunity for these labourers to get four months of additional work arose via WildTrust. This is currently being implemented
- Umgeni Water requested a proposal for the monitoring of sewers in Mpophomeni for 6 months. A donation of R250 000 has been received to undertake this.
- Lottery – awaiting go ahead buying vehicle with the R109 000 still unspent on this project.

New Projects:

- GEF 5 uMngeni Stewardship – SANBI project in partnership with INR has been awarded. DUCT role is to map and develop an alien plant management plan for the area around Cumberland, Fountainhill and local Ingonyama Trust Land.
- DEA Groen Sebenza – the contract has been signed, and planning is underway. Interns to start 1 May 2019
- uMgungundlovu URP – Grass and rangeland management rehabilitation in Vulindlela Still awaiting signature from Municipal Manager
- Grand Challenge Africa funding for the development and testing of a Sewer Monitoring App. We are in the process of due diligence. Project is \$100 000 over 2 years, with a potential Phase 2 worth 10x that.
- Richards Bay Offset – Awaiting contract so work can initiate
- Palmiet Rehab Project – unofficial award of project with GroundTruth. Awaiting notification that the reduced budget of R5 million has been accepted.

Project Pipeline:

- SANBI (INR) sandmining status quo report (lead by INR, DUCT share R70k)
- Msunduzi Baynespruit AIP programme R1m
- Drought Relief – R5m

Proposals:

- P4G – EI fund management entity (R1m)
- WWF uMkhomazi status quo (R70k)
- FNB Duzi community Management project – project value not known. This has potential to have significant investment into the catchment under the banner of the UEIP – an estimate of R200 million over 5 years has been mentioned, but nothing concrete as yet.
- Msunduzi has requested assistance in submitting a proposal to the C40 Cities fund to be able to extend the work they are doing on the Baynespruit – Due end of June

Focus 2019:

Faye presented the proposed focus for 2019. See attached presentation.

- ZS suggested to start by looking at who is biggest impactors and impacted the most. As start of brand strategy research.
- ZS suggested that board members be given a deadline to make input in regard to the “2019 Focus Slide Items” and that it be brought together in a strategic meeting.

Action items	Person responsible	Deadline
✓ Identify biggest impactors	FB	July 2019
✓ Brand strategy development	FB	July 2019
✓ Input deadline to be given to the board – 2019 Focus	FB	June 2018

Other Information

Next Meeting date: 26th of June 2019

Annexures:

General Manager’s presentation