



EVERGREEN BERGVLIET LIFESTYLE VILLAGE ("THE VILLAGE")

MINUTES OF AN ANNUAL GENERAL MEETING OF THE VILLAGE HELD ON 24 AUGUST 2017

PRESENT:	D Walker	(Chairman)
	J Bester	
	A D Case (ELV)	
	D C Drew (ELV)	
	E Diana-Oliaro	
	H Poelmann	
	J Misplon	
	C Dempers	(Village Manager)
	C Human	(Company Secretary)
	Residents	(As per signed attendance register)

1. WELCOME AND INTRODUCTION

The chairman welcomed all present and confirmed that the required quorum was present and that the meeting was, therefore, duly constituted. A special welcome was extended to new residents, Management Committee members, village management and representatives from the Managing Agent.

The notice convening the meeting as well as the annual reports by the chairman of the Management Committee and village management, as circulated to residents, were taken as read.

A moment of silence was held in remembrance of Mrs Apperley, whose memorial service was underway, as well as the other residents who had passed away since the previous annual general meeting.

The meeting was advised that no proxies had been received.

2. ATTENDANCE AND APOLOGIES

The attendance register had been circulated and signed. Apologies received from residents were noted (refer to separate page for details).

3. ACCEPTANCE OF PREVIOUS MINUTES

The minutes of the annual general meeting held on 5 September 2016 were accepted and signed as a correct record as proposed by Mr H Poelmann and seconded by Ms J Misplon for acceptance.

4. ANNUAL REPORT BY THE CHAIRMAN OF THE MANAGEMENT COMMITTEE

The annual report by the chairman of the Management Committee, as amended, was noted and taken as read with specific reference to the following:

- the financial summary for the 2017 year now reflected a slight increase in income due to a further recovery on resale; and
- the budget for the 2018 year now excluded the "Head Office Overhead" cost.

The chairman thanked the retiring Management Committee, Managing Agent and village management staff for their assistance and support during the past financial year.



5. EVERGREEN BERGVLIET VILLAGE MANAGEMENT REPORT

The annual report by the village manager was noted and taken as read with specific reference to the following:

- concerns raised regarding the planning of fire drills;
- the uncertainty regarding the identity of fire marshals; and
- the volume of the fire alarm siren.

Ms Dempers assured the meeting that an unplanned fire drill will be done in the near future and that fire marshals will be re-invited to offer their assistance. The volume of the fire alarm siren will also be investigated.

6. ELECTION OF MANAGEMENT COMMITTEE MEMBERS

The meeting noted that Messrs J Bester, H Poelmann, D Walker, Ms E Diana-Oliaro and Ms J Misplon had made themselves available for re-election to the Management Committee.

The meeting noted the nomination received from residents for the appointment of Ms J van Rhyn as a Management Committee member.

As there was one vacancy on the Management Committee and only one nomination, an election was not necessary.

RESOLVED:

THAT the appointment of the six residents, as mentioned above, to the Management Committee be approved.

The chairman and vice-chairman will be elected at the next Management Committee meeting.

7. CONFIRMATION OF APPOINTMENT OF MANAGING AGENT

The chairman recommended that the existing Managing Agent, Evergreen Lifestyle Villages (Pty) Ltd, be re-appointed for the next financial year.

The acceptance of the appointment was proposed by Mr H Poelmann and seconded by Ms E Diana-Oliaro.

8. GENERAL

The chairman informed the meeting that he would accept questions from the floor.

Question 1: Ms Whitford raised concerns regarding the reputation of the village due to negative comments made by some residents in local restaurants and shops. She suggested that if communication from Evergreen was better, these rumours were less likely to spread. Ms Whitford referred to the village incident involving Ms Apperley and wanted to know what went wrong.

Answer 1: The chairman indicated that there have been discussions regarding the nursing staff turnover at Management Committee meetings. The chairman requested that, in future, formal communication be distributed to residents, informing them of important incidents in the village, thereby ensuring that they were aware of the facts.

Prof. de Villiers added that there is an unrealistic demand on the diagnostic abilities of nursing staff in the country and that it contributes to a high turnover in the country as well as in the village.



The chairman requested that the high turnover of nursing staff be addressed with Unique Health.

Question 2: Ms Barclay raised a concern regarding the security staff and indicated that they are not identifying visitors as they should and not pro-active in general.

Answer 2: Mr Case referred to the concerns raised by Ms Whitford and Ms Barclay and emphasised that the Managing Agent takes security and healthcare seriously and that it would damage the Evergreen brand, should either of them fail.

He also referred to the village incident involving Ms Apperley and indicated that a failure of systems contributed to the unfortunate event. The Telecare blue button cancellation protocol been revised to ensure that a failure to timeously cancel a blue button will be communicated to and be investigated sooner by village management. Ms Dempers confirmed that the spare keys of units are available as is the access code for the key safe. Ms Dempers requested that residents report any malfunctioning Telecare stations to her directly. Mr Case also indicated that a full time village nurse will be appointed at the village to address the nursing staffing turnover.

Mr Case mentioned that a security monitoring company has been monitoring the security guards and reporting on any non-compliance with the security protocol. The security company have been instructed to improve their service and advised that they will be replaced should they fail to do so.

Question 3: Mr Weber requested that consideration be given to connecting the irrigation system of the common areas to houses to enable residents to water their gardens during specified times. The possibility of a second borehole should also be considered. Mr Gretton requested that rain and greywater harvesting at the village also be.

Answer 3: Mr Case confirmed that the connection of the irrigation system as well as a second borehole will be investigated.

Question 4: Prof de Villiers requested residents to ask the Post Office to deliver mail at the village more often than once per week.

Question 5: Mr Gretton wanted to know when fibre cabling will be installed at the village.

Answer 5: Mr Case confirmed that the installation of the fibre cabling will take place simultaneously with the construction of the new houses and apartments. He added that Wi-Fi will be available at the clubhouse from September 2017.

Conclusion of meeting

The Chairman informed the meeting that Mr C Bedeker would present the proposed new developments at the village immediately following the meeting. He then thanked all present for their attendance and declared the meeting closed at 15:55.

Chairman



EVERGREEN BERGVLIET LIFESTYLE VILLAGE ("THE VILLAGE")

**APOLOGIES NOTED AT THE ANNUAL GENERAL MEETING OF THE VILLAGE
HELD ON 24 AUGUST 2017**

M Bergh
G Cooper
G Garizio
J Dower
F Ephron
P Fordyce
T Harrod
H Hill
H & N Jones
H & M Koen
U Keanly
R Kynoch
V Lamson
L Law
C Newton
G & J Nixon
J Orton
D & J Phillips
W Poelmann
A M Renaud
A van Reenen
A Weber
M Wilse-Samson



EVERGREEN BERGVLIET (“THE VILLAGE”)

ANNUAL REPORT BY THE CHAIRMAN OF THE MANAGEMENT COMMITTEE 2017/2018

Introductory comments

In this report I make reference to “Mancom” which is an abbreviation for the Management Committee; similarly, when I refer to “Management” it means the executive management team of our village.

While the financial year of the village ended on 28 February 2018, my report will include comment on significant matters which took place after the year end.

Once again I have to report that no progress has been made on the development of a constitution for the village. Consequently, the role of Mancom remains undefined. I shall deal with this aspect later in this report.

Mancom has held 6 meetings since the last Annual General meeting on 24 August 2017 and there have been 2 meetings which were held for residents only.

Building developments

As many of you will now know, our appeal to the City Council against the decision of Municipal Planning Tribunal to support the construction of 22 apartments was unsuccessful. The construction of the 13 houses and the apartments in Barn and Starke Roads is currently in full progress.

Despite measures to reduce the levels of dust and noise caused by building operations, residents whose units adjoin the building sites have undoubtedly had their daily lives adversely affected. The Management Committee has recommended to Management that these residents should be compensated for this inconvenience which is not of their making; a response to this suggestion is still awaited.

At the time of writing I have not been advised of any plans for a new club house or additional facilities. This is of concern to Mancom as the residents who will move into the 35 additional units will put even more strain on already stretched facilities in the kitchen and the dining area.

Hopefully Management will inform residents of their development plans in the not too distant future.

Operational matters

Water

In the middle of winter it is all too easy to forget the effects of the drought which, according to some experts, is not over yet. The levels in the dams feeding greater Cape Town are still well below what they were some 4 years ago.

Management is to be complimented on its proactive approach to mitigate the effects of potentially ongoing water restrictions.

Interim measures in the form of the slimline tanks have certainly helped to reduce the village’s consumption of municipal water. The daily water usage per person per day is just on the 50 litre mark; this is the result of a combined effort on the part of most of our residents and the awareness initiative of Management in the form of reports prominently displayed in the clubhouse. Some residents have, disappointingly, seen fit to ignore the daily allowance and use far in excess of 50 litres a day.

Longer term measures include the removal of the village from the municipal water supply grid. This initiative has been costly and will require regular maintenance and monitoring to ensure that water from this system is safe. It is, indeed, a relief to know that we are close to being independent of the City Council.

Maintenance

As the maintenance team has recently been busy installing the slimline water tanks, normal maintenance activities have had to take a back seat. Mancom and Management agreed to defer the painting of the village until most of the preliminary building site preparation works had been completed. The repairing of external cracks and the painting of units in phase 1 is now planned to commence on 1 September; this work will be done by contractors appointed by Evergreen Lifestyle Villages and not by the Bergvliet maintenance team.

Financial

The village incurred a loss of some R380 000 for the year ended 28 February 2018 compared with a loss of R541 000 in the previous year. A summary of the results is set out below:

	2018 <u>R000's</u>	2017 <u>R000's</u>	Change %
Levy income	4 687	4 378	7.1
Other income	<u>241</u>	<u>282</u>	<u>(14.5)</u>
Total income	4 928	4 660	5.8
Operating costs	<u>5 308</u>	<u>5 201</u>	<u>2.1</u>
Loss for year	<u>(380)</u>	<u>(541)</u>	<u>(29.8)</u>
Comment:			

The increase in "Levy income" arose from the annual adjustments to levies in terms of Life Right Agreements (LRA's) as well as higher levies applied to new LRA's.

Other income in 2017 included R89 000 arising from profit retentions on resales and some R44 000 from the proceeds of an insurance claim for which there was no corresponding income in 2018. Increases in recoveries of rates and common property expenses amounting to R50 000 (33.8%) helped, to reduce the overall shortfall in other income.

Tight control over operating costs kept the year on year increase to 2.1%, well below inflation.

The budget for the 2018 / 19 financial year is set out below:

	2018 Actual <u>R000's</u>	2019 Budget <u>R000's</u>	Change %
Levy income	4 687	5 002	6.7
Other income	<u>241</u>	<u>413</u>	<u>71.4</u>
	4 928	5 415	9.9
Operating costs	<u>5 308</u>	<u>5 682</u>	<u>7.0</u>
Loss for year	<u>(380)</u>	<u>(267)</u>	<u>(29.7)</u>

The above budget is based on 65 units.

Operating costs are budgeted to increase by R374 000 (7.0%) of which the main items are:

Property rates – R105 000 (8.7%)

Health care – R63 000 (12.7%)



Village staff and administration – R62 000 (5.5%)

There is a growing need for Mancom to become more involved in the budgeting process for the village.

The provisions of earlier Life Right Agreements (LRA's) in which annual increase in levies are based on either a fixed percentage or a formula using the Consumer Price Index, resulted in it being unnecessary for Mancom to get involved with the budget process as increases in the level of operating expenses had no bearing on levies.

With the introduction of new series of LRA's in which the increase in levies is determined taking a number of factors into account, including increases in operating costs, residents will want some assurance that these increases in, as well as items charged to operating costs, are valid.

Management has assured Mancom that there is no cross subsidisation between villages which they manage and I have no reason to doubt this assurance. At times, however, the distinction between costs which should be borne by the property owner and costs which are chargeable to village operations can become blurred. Consequently, I believe there is now a need for greater budgetary oversight by Mancom.

The future of Mancom

The first Mancom was elected in terms of the Housing Schemes for Retired Persons Act (the Act) on 16 April 2015.

Evergreen Management / Amdec maintain that the regulations to the Act did not envisage a situation in which the developer retained ownership of properties which are the subject of LRA's. They further maintain that, as they have contractually assumed responsibility for meeting all the costs of operating the village, it is unreasonable for Mancom to assume that responsibility. While there is some justification for this view, neither Mancom nor the residents have ever sought to assume such a responsibility.

At previous AGM's, residents have consistently voted for the reappointment of Evergreen Lifestyle Villages (ELV) as the Managing Agent. I believe that they will continue to do so unless the village becomes so badly managed that a change is considered necessary; given the current performance of ELV, I consider that possibility as being remote.

Management says that it has 2 legal opinions supporting their stance. I am also aware of a third legal opinion which holds an opposite view.

In an attempt to resolve the ongoing "dispute" I wrote to Management on 18 May 2018 offering to try and persuade the resident members of Mancom to revert to the previous Residents' Committee structure if I was given sight of the legal opinions and was satisfied that they supported Management's view. I also undertook to:

1. Keep the contents of the opinions confidential to myself, and
2. Not use anything which I might find in those opinions to motivate a possible approach, against Management, to some authority such as the Ombudsman.

I have not been provided with copies of the 2 legal opinions and the "dispute" consequently remains unresolved.

With such a short time until the AGM and, given the fact that 50% of the resident members of Mancom will be replaced by new members, I believe that it would be inappropriate for me to now



take any further action in an attempt to resolve the “dispute” as the new Mancom might have different views from mine.

Conclusion

In closing, I have given thought to what Mancom has achieved over the 3½ years since its inception. Somewhat sadly ,the list is fairly short.

We were able to get much needed improvements to the clubhouse in the form of the new lounge and some upgrades to the kitchen. Through our objections to the “22 apartments development” we were able to increase the building lines on the Eastern border beyond those for which the developer had applied. Communication with residents has, I believe, improved during our watch.

Elda Diana-Oliaro, Herman Poelmann and I will not be available for election to the new Mancom. Elda and Herman have given unstinting service to the village as have the three other resident members who are prepared to serve another term. I thank you all for your support, without which we would have achieved even less than we did.

It would be remiss of me not to acknowledge the huge contribution to the village by the Catering, Events and Entertainment committee. Successful events at the village don’t just happen; they are the result of a great deal planning and hard work by a small dedicated group of our residents. Thank you Joan and your team; you really are the stars of the village.

Although, at times, we have had our differences, I must also thank Management, particularly Derek Drew and Christine Dempers for their support and acknowledge that they also want only the best for our village and our residents.

Serving as the Chairman of Mancom has afforded me the privilege of getting to know so many of you, the residents who make this village what it is. Thank you for your friendship and support; there is no similar village in Cape Town in which I would prefer to live.

David Walker

5 August 2018



ANNUAL VILLAGE MANAGER'S REPORT 2017/2018

1. VILLAGE DEVELOPMENT

We have 65 homes in our current development. There are currently 92 residents living in the village. Our demographic is made up of 30 couples and 32 single residents.

We have had eleven resales or units for sale in 2017/2018: 2, 6, 17, 19, 20, 24, 25, 28, 53, 62 and 64.

It is with great sadness that we remember the passing of Mrs Cynthia Apperley, Mrs Annabelle Forster, Professor Richard van der Ross, Mr Brian Ashton, Mrs Bettye Ball, Mr Chris Newton, Mrs Claire Bergh, Professor Kay de Villiers and Mr Koos Human.

We have said goodbye to Faye Ephron who has moved up to Johannesburg to be with her children, Hennie & Maria Koen who moved to Evergreen Noordhoek, Clive & Kathy Prowse who have purchased at Evergreen Val de Vie and Merle Maxwell.

We would like to welcome our new Bergvliet residents Brenda Hill, Sally Kinross, David Lyall, Theresa Magnus, Patrick & Elaine O'Connell, Laubscher & Christine Walters and Trevor Earle.

We are looking forward to welcoming the residents of our thirteen new homes in the new year.

2. SECURITY

Our service provider remains Grinnell Security. The on-site supervisor, Kevin van der Vent, manages three dayshift guards and three nightshift guards, seven days per week.

We have invested in various security upgrades over the past year to protect our village better. New installations include additional guard patrols and on-guard points, entrance gate alarm, electric fence software and more recently the motion sensor light at the guardhouse gate. We continually monitor our security services as your safety and well-being is of paramount importance to us.

We believe that security is everyone's concern, not just the responsibility of management and we would like to take this opportunity to remind you to ensure that you have secured yourself in your unit by following the few simple safety and security guidelines.

3. HEALTHCARE

The Evergreen philosophy is to keep our residents as independent as possible and Unique Health, our healthcare provider, is proving to be a real comfort in their care offering for "aging-in-place". It is pleasing to note that our residents make use of their carer services and the clinic on a daily basis.



Staff Nurse Yandeka Mhkize is assisted by her team that includes village carers, Ntombi Makepula and Charmaine Rinkwest on day shift and the ENAs Gisela Hurling and Nosipho Mdidimba on night shift. Unique Health is also available on call 24/7, in case of emergencies.

The Care Centre at Evergreen Muizenberg, launched in 2016, has been a great success. The village residents who have undergone medical procedures have used this facility as a step-down for rehabilitation and continue to give us positive feedback and reports on the medical care, support and service offered here.

Healthcare is one of the pillars of the Evergreen Lifestyle Villages. We constantly review the healthcare services in the village to ensure they remain relevant, of high quality and are cost effective in relation to the needs of and utilisation by residents.

4. CATERING

Rambling Rose, the independent caterer for the village, provides meals specifically for function nights, our Tuesday night social dinner and the monthly theme dinners. Rambling Rose have done an excellent job of providing delicious food for the past two years.

The Tuesday evenings have always been well supported by a core group of residents and our social evenings are a great success.

The popular theme evenings, held on the last Friday of the month, are a lot of fun and the menus are always interesting. The committee go the extra mile to create the right ambiance with their decorations and table settings.

One of our residents, Yvonne Whitford, agreed to provide a monthly homemade Sunday roast in the clubhouse for residents, their friends and family. This has been a great success and is well attended every month.

In addition, Mrs Whitford has continued to provide light meals in the clubhouse during lunchtime. Unfortunately only a few residents have supported this initiative and it has not proved viable.

5. SOCIAL EVENTS

Our residents are involved in a book club, a scrabble and a bridge group. In addition, our monthly activities include a music night as well as a popular Saturday night movie, Quiz Night and more recently a Pub Night and Bingo Evening's.

Group bookings to the ballet and theatre continue to be popular. Village outings are very popular and well-attended.



The committee is once again organising a Variety Show for residents which proved to be very successful last year.

I would like to say a big thank you to the Catering, Events & Entertainment Committee and their support group who help organise the most enjoyable events, functions and outings and to all the other residents who run clubs and who attend and support our many events. You all contribute to making this a festive village and a vibrant community.

6. COMMUNICATION

We have continued to provide regular and prompt communication.

We currently send out our more informal weekly "What's Happening" email advising residents of forthcoming events. Our monthly printed 'Village Times' newsletter is distributed to residents via email and for those who are not on email, delivered in post boxes.

The SMS communication service has become a more direct means of communication. In the event that more official communication is needed, we send out circulars as and when required.

I also have an open-door policy and welcome all residents who wish to discuss any issues they may have on their minds.

7. GARDENS/LANDSCAPING

The garden maintenance service, provided by Markus Elmau of Whitecliffs Landscaping, supplies us with four dedicated gardeners who take care of our common village gardens. We have endeavoured to maintain a high standard in our gardens whilst keeping to our mandate of growing and nurturing indigenous plant life.

We are currently experiencing water restriction and despite recent good rains, predictions are that it is going to be a very dry hot summer and municipal water usage will continue to be restricted. We are grateful that the village gardens can be watered from our borehole, but even this is under threat.

In addition, we have performed preventative maintenance on the Oak trees in the village and on the perimeter to prevent injury to residents and damage to property.

8. HEALTH & SAFETY

Ecosafety have been engaged to perform an independent review of Health and Safety in the village on an annual basis. We constantly strive to be compliant and do monthly checks and reports to ensure we provide a safe environment for residents and staff.



We have conducted one fire drill this year and will implement another fire drill before the end of the year. All fire extinguishers have undergone their annual service to ensure compliance.

9. BUILDING MAINTENANCE & RENOVATIONS

We continue to deal with the day-to-day maintenance issues as and when they arise. We request that all residents please complete a maintenance form so that the particular job can be logged with our maintenance department. It will then be allocated to Roshaan Solomons, our handyman, to repair or to an outside contractor for attention, whichever is required.

External painting work to houses, fences and carports will be undertaken before the end of the year. Final quotes are to be signed off.

10. DEVELOPMENT ON BARN ROAD & STARKE ROAD

The on-site project managers, Gerhard Dreyer assisted by Willem Roux, have been appointed by Evergreen Property Investments (EPI) to oversee the construction of both the apartments on Starke Road and the houses on Barn Road, where the site office is located. BL Williams Construction, a well-known construction company, has been appointed for both projects.

Houses: The deadline for the houses to be handed back to EPI is set for the end of November 2018 and the development is on track.

Apartments: The site has been handed over to BL Williams Construction and practical completion is programmed for end April 2019.

We apologise for any inconvenience caused during this expansion phase and can assure you that EPI will make every effort to minimise the impact of construction on the existing village.

11. WATER INITIATIVES

After the introduction of 6B water restrictions and facing the worst drought the Western Cape has seen, we implemented various water initiatives in the village: we have installed slimline 1000 litre water tanks in each home; installed a water treatment plant with an additional four tanks fed from our borehole; and we have managed to link this treated water (potable) into the ring-main system in the event of day zero.

We have all had to make lifestyle changes and have realised the importance and value of water. Most residents rose to the challenge and cut their water usage drastically whilst others were not as frugal. We appeal to all residents to look at your water usage and take stock.

12. HUMAN RESOURCES

I would like to thank my assistant, Andréa Abrahams, for all her hard work and enthusiasm and Amanda Norawana, the clubhouse hostess for her commitment, friendly and patient service. In



addition, I would also like to thank the Evergreen team of domestic cleaners, utility workers and handyman (Alison de la Cruz, Melvinita Safodien, Joseph Gabiso and Roshaan Solomons) who continue to care and provide an excellent service to the residents. I am very proud of you.

I would also like to thank Philemon Milla and the Whitecliffs garden team who look after our village gardens; Kevin van der Vent and the Grinnell Security team, who provide our security in the village; and Staff Nurse Yandeka Mhkize and the Unique Health team for providing healthcare services to our residents.

Finally, I also wish to thank all our service providers for their commitment in making this village a success in the last year.

13. CONCLUSION

I would like to thank all the Residents for your support over the past year. We have had our challenges, but it has been a wonderful journey that I continue to enjoy.

I would like to thank the MANCOM members for their support and commitment to the Village and its residents. I look forward to our next year together and trust that we can continue to build on our “partnership for life” in our beautiful village.

To all the unsung heroes of the Evergreen Group who work tirelessly in the background to make sure that everything runs smoothly in each village, from sales and legal to administration, maintenance and finance – thank you.

Lastly, I would like to thank the management of the group, Arthur Case, Derek Drew and Adam Kajee for their support and commitment to making the Evergreen Bergvliet, the flagship village that it is.

EVERGREEN BERGVLIET FINANCIAL SUMMARY

FINANCIAL YEARS 1 MARCH TO 28 FEBRUARY: 2018 (ACTUAL) & 2019 (BUDGET)

	Audited 2018 (65 Units)	Budget 2019 (65 Units)		Notes
Levies	4 687 427	5 002 341	6.7%	
Other income	240 518	412 935		
Recovery Rates	189 596	348 711	83.9%	1
Common area recovery	50 294	64 224	27.7%	1
Other Sundry	628			
Total Revenue	4 927 945	5 415 276		
Contractual Expenses	(4 786 824)	(5 096 480)		
- Clubhouse Expenses	-78 028	-82 710	6.0%	
- Medical Response	-65 883	-83 447	26.7%	2
- Village Staff & Administration Expenses	-1 125 275	-1 187 367	5.5%	
- Common Property: Municipal Rates & Utilities	-200 164	-236 968	18.4%	3
- Property Insurance	-109 774	-119 845	9.2%	
- Property Rates	-1 198 872	-1 303 447	8.7%	
- Security	-1 333 542	-1 369 146	2.7%	4
- Village Maintenance	-675 285	-713 550	5.7%	
Profit/(Loss) before non-contractual expenses	141 121	318 796		
Non-contractual Expenses	(521 327)	(585 655)		
- Catering	-24 491	-25 961	6.0%	
- Healthcare	-496 836	-559 694	12.7%	
Total profit/(loss) for the year	(380 206)	(266 859)		

Notes:

1. Increase in number of residents paying for rates and common areas separately
2. 6 installations estimated versus 2 installation in the prior year
3. Increase in water tariffs and frequency of water meter readings
4. Grinnell Securities did not increase services last year September