

4 April 2024

Dear Residents,

MID-YEAR VILLAGE MANAGERS REPORT

The first quarter of 2024 has come and gone and the recent Easter Long Weekend has provided me with an opportunity to pause and reflect. This year has kicked off at pace for most of us including us as a village. I would like to take this opportunity to share with you, a general update on the village operations.

We are planning to host a "Town hall" style meeting in the last week of April, the dates will be communicated shortly. Management has worked closely with Rescom to finalize the FYE2025 budget and there are some exciting developments to share with residents.

OUR "NEW" CLUBHOUSE

Sometimes small changes can have a far greater impact than large grandiose gestures, and this is the case when looking at the refurbishment of the 'Sonnenhof Clubhouse' which was completed at a cost of circa R2.5m at the end of last year.

Although the work came at a great cost to Evergreen, the decision to keep to the heritage, farm-style feel of the old manor house instead of replacing it with a more modern clubhouse was the right one, judging by all the positive feedback I received at the time and continue to receive even now. The increased support for our social events combined with the new activities hosted within the clubhouse, and the vastly improved numbers has meant it has become a proud extension of your homes and as we always hoped, the heartbeat of the Village.

STAFFING MATTERS

Leaning on my love for rugby, I would like to begin with a rugby analogy taken from the "Chasing the Sun 2" documentary about the 2023 Rugby World Cup, where South Africa emerged victorious.

Duane Vermeulen, one of the key players who helped secure the last 2 Rugby World Cup trophies mentioned that when you are part of something great, a group of people who together believe that they can achieve great things, you do not care what part you play in the success of that collective group.

Whether you play off the bench or whether you just hold tackle bags during practice, it does not matter because not everyone is destined to kick the winning points or score the winning try. However, without someone holding those tackle bags, and without the behind the scenes work that each team member performs, the team cannot be successful. It is also why the entire squad and not just the team on the pitch receives a World Cup winning medal.

While we are not the Springboks, our team does have goals, both as individuals and as a team. And while everyone may not always agree with our game-plan or who gets chosen to play in each position, it is important to remember that we play for the Village and for you. The team and I are on a mission to "create the village of your dreams" And if we can all acknowledge that Evergreen Bergvliet is an amazing place to live and work, I think we have answered most of the questions that need answering.

In an email shared last week I advised residents of a few temporary internal moves and to which I have only received positive feedback. I joined Evergreen Bergvliet in June last year and I have been blessed with an assistant and a team that not only welcomed me to the village but stepped up in every possible way to improve areas we felt we needed to focus on. I could not be prouder of the team members who have grown to the point where they are now being considered for different positions to further enhance their growth. Sadly, sometimes a new journey takes team members to a different village so that they can share their knowledge with others and this in turn opens the door for new faces to join our team who will bring fresh ideas and perspectives to the mix.

MONEY MATTERS

As the Village Manager, announcing the annual target levy increase is the time when I feel the pressure the most, aiming to balance the successful running of the village with the day-to-day reality we all face in regards to the increasing cost of living.

I am happy to confirm that management has worked closely with the Rescom and tried to incorporate as many of their proposals as possible. With a few compromises from both sides, we managed to reduce what would originally have been a R300 per month increase to the target levy, down to a R200 per month increase, or a 3.2% increase. The second persons levy will increase from R550 per month to R575 per month, or a 4.5% increase.

Should you currently be under the target levy, we will apply a CPI based levy increase to your levy always in accordance to your Life Right Agreement.

These below average increases are mainly thanks to improved budgeting, managing of expenses and the utilization of the surplus. The commitment made to ensure any surplus funds is utilized to benefit residents has certainly been upheld.

Another hot topic from last year's AGM was the staffing cost. As mentioned above under "STAFFING MATTERS." I hope the related cost will be looked at differently when one takes the time to understand that hospitality and care cannot only be measured in monetary terms, and that a team's success cannot be dissected based on external perspectives only.

The additional staffing resources that were budgeted for in 2022 and never appointed, led to a surplus in the village budget, which has resulted in a benefit to the residents. In addition, when the resources were employed, the measurement in increase of the staffing cost was then taken against the actual figure, one could easily view it against the budgeted figure of the prior year.

The difference in these two views make a drastic difference. The first would have you believe that there has been a 50% increase in staffing costs but when "apples are compared to apples", or "budgets to budgets", the increase is significantly less.

Regardless of the different opinions of how this should be viewed, it was still our intention to find ways to reduce the staffing cost of the village. Three decisions were made, one, that I will be tasked to manage both Evergreen Bergvliet and Diep River and a percentage of my salary would be paid by each village in proportion to size and how much of my time it would demand.

Secondly, staff salary increases would only be effective 1 September. To this end, the staff salary line only increases by 5.4% in the new budget.

Thirdly, we have committed to continuously review the staffing levels when positions become vacant and decide whether a replacement is required.

We are continuously looking for ways to reduce village expenses without it having a negative impact on our residents and the lifestyle we remain committed to providing you with.

HEALTHCARE

During 2023 and at the AGM of the same year, the Rescom made it explicitly clear that residents do not support having any costs in the general village expenses for the provision of nursing services in the village. The feeling was one of residents who require services should pay for these services individually. We have seen an increase in medical emergencies over the last few months, some more serious than others, and I have been asked by several residents if it is not time to get a full-time nurse back into the village.

As we know, a nurse on site will increase the expenses. As I was recently told by a resident when the topic came up, “we all pay for insurance so why would we not pay to have a nurse in the village for when we need help?” We will continue to debate this at a Rescom level going forward.

MAINTENANCE

I think it is important to differentiate between Village maintenance responsibilities and Evergreen Property Investments (The Owner) responsibilities. Larger and long-term maintenance projects, outside what is considered emergency repairs, are often dependent on many outside factors, project timing, and how many units need to be considered.

When we refer to maintenance and gauge our performance, we refer to the Village resources and efficiencies. Much has been said about how many team members are required per job or request – please remember that we manage humans not robots and we accept that we will not always get it right, but we always strive for perfection.

Putting the improvements into perspective: when we appointed additional maintenance resources in 2023, we averaged over 60 logged maintenance requests needing attention at any given time of the month. This was a rolling number and new requests came in as previous requests were completed. By January 2024 this number had reduced to around 40 and by the end of February, the number had further reduced to jobs that had been logged in the same week or where material had to be ordered and which had not yet been received, or contractor work which had to be scheduled based on availability.

This is a great accomplishment, and what makes it even better, is that it has also allowed us to increase the common area work at the same time. For example, we have increased the gutter maintenance schedules and we have been able to complete a full cycle already in March before winter arrives, with the next one already planned for the end of autumn. We have also started our 3rd cycle of minor paving repairs which began in September last year. This work used to be done by contractors, but now with Muneer upskilled in this type of work, it is now done with village resources only and at minimal cost, resulting in a further saving to village expenses.

Additionally, we have also arranged training with Pulse Plumbing, one of our preferred suppliers, who will upskill our team on basic plumbing to help avoid callout fees for inspections often requested by residents. This will further reduce cost to both residents and the Village.

I think this is remarkable progress in just 6 months, and we will continuously look at ways to improve as the year progresses.

CATERING AND SOCIAL

The clubhouse and catering service in many ways go together and in the Rescom Chairman’s report from the 2024 AGM the following 4 points were taken from a survey residents completed:

1. *Improve the Bistro ambiance and decor.*
2. *Provide more comfortable tables and chairs.*
3. *Improve the quality of food.*
4. *Increase the variety in menus*

I think it is fair to say that on points 1 and 2 we passed with a distinction. Moving to points 3 and 4 which are directly linked to the catering service, I am happy to say that the progress made can be measured by the number of meals served to residents since we re-opened, and how many private events we have been asked to cater for. Providing a catering service or running any form of a restaurant is not an exact science and there are many obstacles to work around and many expectations to meet. With your support and constant positive feedback, we have improved from some months in 2023 serving as little as 200 meals in a month, to serving over 700 meals in February alone. This is a massive 350% increase!

We managed this amazing improvement with a reduced Fedics (The Catering Company) staff complement and instead pulled in resources from the Evergreen village team who jumped in to help serve and assist during meal times and at events. Initially it was a financially-based decision but it has since become part of our daily duties. We have had wonderfully positive feedback from residents complimenting the service and genuine smiles from friendly and familiar faces, especially at the social dinners. This has led to the catering company being able to keep the costs for meals to a minimum as the staffing they require is reduced.

But, even with the vastly improved catering service, it has still been a little too late when compared to the previous year's shortfalls and losses which Fedics had to absorb. We recently shared the notice of Fedics' termination at the end of May but I can assure you that the termination changes nothing for us. It is business as usual and I cannot see any reason why the hard work that went into the rebuilding of a strong catering service should go to waste. In the coming weeks we will share more information on the way forward.

Please continue to support the Bistro as you have been, so that we can continue to build on the solid foundation we have already created. I also want to give special thanks to Yolanda Bond-Smith and all the ladies who served on the Catering Committee over the past year. By allowing us to assist them with their catering responsibilities, it contributed greatly to showcasing what we as Village team could do. Their tireless work behind the scenes to ensure that the Village social calendar remains filled with fun and interesting events is greatly appreciated and one which the entire village benefits from.

CLOSING

I hope this update on key village matters gives you all a better understanding of the inner workings of Evergreen Bergvliet and how much we have achieved in the past 6 months. This is but the tip of the iceberg and I can guarantee you that the team and I spend our time and energy focusing on all it takes to ensure you have "The Village of your Dreams" that runs smoothly and which you are all proud to call home.

My team and I remain at your service.

Kind Regards,
Riaan