



A Note from your Rescom



BROADACRES VILLAGE RESIDENTS COMMITTEE

Revised agenda for Residents' Annual Caucus Meeting

13 July 2023

Dear Residents,

Further to Communique no 14 of 5 July, please find attached the combined portfolio report referred to in that Communique. Also the revised agenda, which includes items submitted for discussion by you.

Please ensure that you have confirmed your attendance for catering purposes.

Please also arrive by 14h30 to register so that we can start promptly at 15h00.

Best,

*Laurraine Lotter
Chairman*

REVISED NOTICE OF THE RESIDENTS' ANNUAL CAUCUS HELD TO BE HELD AS FOLLOWS:

DATE: 20 JULY 2023

TIME: 15H00

VENUE: LIFESTYLE CENTRE

1.	WELCOME AND PURPOSE	
2.	CONFIRMATION OF MINUTES OF RAC MEETING HELD ON 21 APRIL 2022	
3.	NOMINATIONS FOR RESCOM	
4.	PROGRESS WITH ISSUES OF CONCERN RAISED BY RESIDENTS AT MEETING HELD ON 22 APRIL 2022	See Annexure 1
	Covered under Portfolio reports	
5	PORTFOLIO REPORTS	
5.1	Communication	
		See Annexure 2
5.2	Infrastructure, Development and Gardens	
		See Annexure 2
5.3	Finance	
		See Annexure 2
5.4	Health	
		See Annexure 2
5.5	Hospitality	
		See Annexure 2
5.6	Safety and Security	
		See Annexure 2
5.7	Chairman	
		See Annexure 2
6.	Residents's issues raised prior to the meeting	
6.1	Irrigation has never been completed in the upper section of the Village from the borehole. At the previous 2 AGMs it was discussed that it would be investigated. As to date it has not been connected.	
6.2	It is of concern when the dustbins are returned through the residents' entrance into the estate. Residents and guests must enter through the guest entrance into the estate which at times causes a backlog and is of huge concern as a hijacking /security risk.	
6.3	Employment of Evergreen staff in their own time by residents	
6.4	Please can patients being conveyed to and from the Care Centre on a stretcher be taken through the external door to the Care Centre rather than through the Clubhouse. It would give more privacy to patients and avoid the creation of a negative vibe in the Clubhouse.	

6.5	The recycle area continues to be inadequate to cope with the volume and is an eyesore despite efforts to disguise this. Evergreen continue to bang on about their plans to improve it but nothing progresses.	
6.6	The subsidence and buckling of the outside paved area in Frederick road.	
6.7	The prevalence of dog poo around the garden areas of the village. Certain dog owners obviously have no consideration for their fellow residents but are never penalised for this.	
6.8	Residents who do not control their dog's barking. Again no consideration or penalty despite in contravention of the house rules.	
6.9	Evergreen's intransigence not taking into account unit improvements when considering a resale value. Especially due to load shedding where solar or inverters have been installed. These are expensive and make the unit more attractive to a potential buyer.	
6.10	<p>After many years of Rescom pushing for an upgrade to the existing Telecare emergency alert system, Gary Reid's general update 23/6/23 suggests that Evergreen has finally woken up to the fact that an upgrade from the existing old technology Telecare "home based device" to a more effective and reliable "pendant based service" would be more beneficial.</p> <p>Unfortunately as usual this Evergreen project will take a long time to materialise so we will have to live with the existing antiquated Telecare system for some time to come which concerns me, the main issue being the ongoing maintenance and servicing required, up to some while ago a Gauteng based technician responded to the villages needs which worked satisfactorily, for some reason this service is no longer available resulting in unacceptable long delays in getting the ever increasing system problems attended to as a Cape Town based technician has to make a trip to our village to do what ever necessary, an example being our Telecare unit morning call needs to be reset as reported some 5 to 6 weeks ago to management, the unit has since been switched off as not fun receiving booming loud voice calls from the Telecare call centre during the dark hours.</p> <p>Surely sense suggests that the existing Telecare system software be loaded onto one of the Village's laptops and a local staff member suitably trained to be able to rectify most of the problems spontaneously, surely this is not 'rocket science' !</p>	
6.11	Dog owners and walkers	
6.12	I am sure I'm not the only resident who doesn't particularly like a "sales function" being combined with what has traditionally been a Christmas In July social by Evergreen residents for Evergreen residents.	

6.13	Has anybody looked at the slats in the fences bordering Heron Drive on the East side recently??? Very tatty.	
6.14	I feel that there are too many residents for Sister Kate to visit every day and think she really needs an assistant to help her. This does not have to be a trained nurse, but someone who could be trained by Kate and assist her with all her every day visits.	
7.	Closure	

There will be a social gathering in the clubhouse after the meeting. Snacks and a limited number of soft drinks, beer and wine will be provided.

PORTFOLIO REPORTS FOR PERIOD 8 JUNE 2022 TO 30 JUNE 2023 FOR DISCUSSION AT RESIDENTS' ANNUAL CAUCUS TO BE HELD ON 20 JULY 2023

INTRODUCTION

In order to maximise the opportunity for residents to raise questions of concern, ResCom has decided to circulate a combined portfolio report prior to the meeting.

COMMUNICATION PORTFOLIO

ResCom allocated the Communication Portfolio to Andy Johnston after the AGM held on 7 June 2022. This Portfolio was previously held by Chris Edwards.

“Chatter”, a monthly newsletter, which was produced and circulated by Chris Edwards was changed to a monthly Newsletter edited by Edna Grenfell and issued by ELV. This newsletter thus fell away as a function of the Communication Portfolio.

A template was developed for ResCom Communiques, and since the RAC in 2022, over 40 have been issued.

Ten new residents were welcomed by Andy Johnston of behalf of ResCom and the issues and problems they were experiencing resolved. This function was then taken over by David Presbury.

WhatsApp Groups in ELV were identified and a list of them and a code of conduct for WhatsApp's was developed and issued.

A reconciliation report was produced on the electrical energy usage by residents and in communal areas for the Financial Year 2022. It was intended that a similar reconciliation report would also be done for water but the figures to do this were not forthcoming from ELV.

An ELV Customer Satisfaction survey was conducted by ResCom, and the results published.

Various reports and notes were produced on the Budget, Termination of a LRA, Refurbishment after vacating a housing unit, Mid care etc.

ResCom presented the outcome of the Resident Satisfaction Survey to ManCom last year and the Managing Director of Evergreen Lifestyle Villages suggested that Management meet with residents.

It was agreed that such meetings in the style of “Town Hall” meetings should be held quarterly with the inaugural meeting being held on 26 October 2022. One of the actions of the inaugural meeting was to schedule the next meeting in January/ February 2023. The next meeting was subsequently tentatively scheduled for 8 June 2023. This was subsequently replaced with the General Update from the Managing Director of Evergreen Lifestyle Villages circulated on 23 June 2023. Unfortunately, responses to many outstanding issues not the least being the budget for the current year remain unaddressed.

In response to the request from Management that we not listen to gossip and rumour, ResCom has repeatedly advised Management that open and transparent, sharing of information would go a long way to eliminating gossip and rumours.

In general, the lack of regular communication from ELV Management and ResCom to residents on matters that concern them is seen as one of the biggest challenges in ELV Broadacres that needs to be addressed. Management informed the ManCom that Communication was one the focus areas for 2023. RAC should consider what improvements in the current communication practice should be introduced.

Andy Johnston

FINANCE PORTFOLIO

ResCom funds

A summary of financial transactions and available funds to 31 May 2023 is attached as Annexure A1.

In brief, funds on hand on 31 May 2023 amount to R21 836.73 while funds available are R13 806.83 after provisions for known or anticipated future expenses of R8 029.90.

Once again, special thanks are due for the extraordinary goodwill and generosity demonstrated by residents whenever deserving causes arise.

The following examples during this period stand out:

- The Jabulani Nkuna Appeal R12 900
- The Staff Christmas Appeal R43 410 (including R1 000 from the Waterhole)

Additionally, the Waterhole donated R5 000 as their 2nd anniversary donation, which speaks volumes about the popularity of this venture.

Added to this are the regular 100+ Club draws which raised R60 750 in this period, of which R30 600 was paid out as prizes and R30 150 retained to bolster ResCom funds. For this we again thank Heather and Trevor Morgan for their untiring efforts.

ELV Broadacres - Village Finances

The audited Management Accounts for the year to February 2023 have been provided and reflect a full year operating deficit of R1 897 485. This brings the cumulative deficit since village inception in 2012 to R15 503 572.

During the period of this report head office embarked on a strategy of achieving a break-even financial position over the next few years, with which we are in complete agreement.

This has resulted in extremely trying discussions at ManCom level due to their unwillingness (or inability) to respect promised response dates to our queries or

proposals. This resulted in the entirely unacceptable position of a final budget being presented in August 2022 – six months after the start of the 2022/2023 financial year.

Regrettably it has to be said that we are again in the midst of a similar scenario. A budget for the 2023/2024 financial year was presented in October 2022. It raised considerable discussion and questions and yielded a revised budget in March 2023. This budget is yet to be presented to residents. Further, our queries on some aspects of the derivation of the budget remain unanswered at date. We live in hope this will be rectified in the near future.

SUMMARY OF RECEIPTS AND EXPENSES FOR THE PERIOD: APRIL 2022 TO MAY 2023

	2022 (9 MONTHS)									2023 (5 MONTHS)					14
	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	MONTHS
RECEIPTS															
Funds on Hand at 31/03/2022	16 642.12	-	-	-	-	-	-	-	-	-	-	-	-	-	16 642.12
100+ Club Collections	3 400.00	7 550.00	-	-	12 300.00	-	3 950.00	8 550.00	-	4 550.00	7 950.00	200.00	3 350.00	8 950.00	60 750.00
Staff Christmas	-	-	-	-	-	-	-	555.00	41 655.00	-	-	-	-	-	42 210.00
Jabulani Nkuna	12 900.00	-	-	-	-	-	-	-	-	-	-	-	-	-	12 900.00
Fun Walks	-	-	-	500.11	-	-	-	-	-	-	-	-	-	-	500.11
Donation to Library	-	-	-	-	-	-	-	1 000.00	-	-	-	-	-	-	1 000.00
Waterhole Donation	-	-	-	-	-	-	-	-	-	-	5 000.00	-	-	-	5 000.00
Bank Interest	2.42	2.33	2.87	2.79	3.58	3.62	4.17	4.23	5.00	5.15	5.36	4.91	5.80	5.79	58.02
TOTAL	32 944.54	7 552.33	2.87	502.90	12 303.58	3.62	3 954.17	10 109.23	41 660.00	4 555.15	7 955.36	5 204.91	3 355.80	8 955.79	139 060.25

EXPENSES															
100+ Club Prizes	-	5 500.00	-	-	6 200.00	-	-	6 300.00	-	-	6 300.00	-	-	6 300.00	30 600.00
Staff Christmas	-	-	-	-	-	-	-	-	43 410.00	-	-	-	-	-	43 410.00
Jabulani Nkuna	-	-	-	12 900.00	-	-	-	-	-	-	-	-	-	-	12 900.00
RAC Catering	3 285.62	-	-	-	-	-	-	-	-	-	-	-	-	-	3 285.62
Library Expenses	-	-	-	214.18	-	-	112.17	1 744.30	157.48	-	-	-	200.00	-	2 428.13
Social Functions	343.79	-	840.90	1 321.80	447.38	399.00	1 718.94	333.09	1 127.79	474.13	3 140.76	854.27	2 249.85	2 218.28	15 469.98
Gifts & Presentations	-	-	-	75.99	-	-	1 572.90	146.00	552.00	-	-	351.80	-	767.99	3 466.68
Bistro Service Fee	-	-	-	-	-	-	-	-	-	-	-	300.00	365.00	494.99	1 159.99
Replacement Tree	-	-	-	-	-	-	-	-	334.00	-	-	-	-	-	334.00
Admin & Office Exp	(0.49)	-	-	(0.02)	308.99	-	-	-	-	-	304.99	-	517.00	-	1 130.47
Bank Charges	89.00	271.70	97.00	107.00	122.00	272.30	152.00	107.00	107.00	918.55	128.00	98.00	113.00	456.10	3 038.65
TOTAL	3 717.92	5 771.70	937.90	14 618.95	7 078.37	671.30	3 556.01	8 630.39	45 688.27	1 392.68	9 873.75	1 604.07	3 444.85	10 237.36	117 223.52

NET RECEIPTS/(EXPENSES)	12 584.50	1 780.63	(935.03)	(14 116.05)	5 225.21	(667.68)	398.16	1 478.84	(4 028.27)	3 162.47	(1 918.39)	3 600.84	(89.05)	(1 281.57)	21 836.73
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FUNDS ON HAND	29 226.62	31 007.25	30 072.22	15 956.17	21 181.38	20 513.70	20 911.86	22 390.70	18 362.43	21 524.90	19 606.51	23 207.35	23 118.30	21 836.73	21 836.73
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RESERVED FUNDS	
Lyn Huddy Memorial Fund	(1 114.90)
Hospitality Portfolio Budget	(2 000.00)
Library Functions Budget	(500.00)
Bistro Service Fee	(365.00)

New Residents Welcome	(550.00)
Bank Charge on Cash Deposit	(350.00)
Catering for 2023 RAC	(10 400.00)
TOTAL RESERVED	(15 279.90)
FUNDS AVAILABLE AFTER RESERVES	6 556.83

Cecil Fann

Treasury & Finance Portfolio

HEALTH PORTFOLIO

The ResCom Health Portfolio was initiated a couple of years ago and has no definite structure. It is in no way intended to interfere with the individual health of any resident. Our health issues are managed by Evergreen Health and our own chosen health professionals.

Shortly after the AGM last year, Sister Kate Powell joined us as our village nurse. Her appointment has proved to be a real game-changer. Apart from now carrying out our DB98 consultations, she is available to help with the many needs and health changes in the village and has helped to keep more and more residents in independent living. This also allows Marius Grobler and his staff to keep their focus on the Care Centre.

ResCom felt that the actual services available and their access and charges were poorly understood. They have written a document with a simple but full explanation of the Evergreen Health services for the Welcome pack. It was also suggested that it be sent as an update to all residents for reference should they need clarity. It was recently distributed by management, and it is hoped that it will be found helpful. A new tariff for services is expected, possibly starting in August.

One administrative problem is that Evergreen Health Broadacres has been unable to obtain a practice number. We know that one has been granted to at least one village in the Western Cape. Unsurprisingly, the Health Department in Gauteng is less reasonable. We have tried through the Department of Health (Dr Nicholas Crisp) and the Board of Health Funders to no avail. As our document states, the nursing staff here will try to help you with authorisations using their own practice numbers. Also, Discovery and all the other medical aid schemes that it manages are willing to consider authorisations for health matters here.

Under this portfolio a number of medical talks have been arranged. We have had two on cardiac issues from Dr Tony Dalby and an excellent one on ophthalmology and the ageing eye from Dr Dory Neu-Ner, both from Life Fourways Hospital. I did one on lasers in dermatology mostly to demonstrate that in all areas of medicine enormous strides in understanding and treatment have been made during the lifetime of the residents of Evergreen. We hope to arrange more talks going forward. Our speakers loved coming here and really enjoyed the question time after their talks.

Evergreen Health have made progress with getting agreement with medical aids on achieving recovery of their costs.

Any suggestions for this portfolio will be welcome.

David Presbury

HOSPITALITY PORTFOLIO

Social activities in the Lifestyle Centre have continued to increase over the past year.

Themed monthly Sunday lunches and Wednesday evening social dinners are always popular and well supported.

The aim going forward is to continue creating new & exciting events.

Starting with the Christmas in July & Winter dance and continuing with a monthly special Social Dinner evening linked to the 100 club draws and other events.

Monthly prepaid booked lunches were introduced earlier this year, with an encouraging uptake.

Changes were recently made to the Bistro structure.

Any extra services and equipment provided by them to various functions & events in the Clubhouse are now charged for, which is funded by ResCom. This ensures a more structured & controlled approach by the Bistro staff regarding the use of Clubhouse facilities.

The various clubs & gatherings continue to be well supported, including the Nature & Birding group, medical talks and various library activities.

Looking ahead to the last 6 months of the year, some key functions are the Heritage Braai, Remembrance Day, the Christmas market, Christmas Day lunch & New Years Eve party.

Brenda Brophy

INFRASTRUCTURE GARDENS AND ENVIRONMENT PORTFOLIO

Residents will recall that at the last AGM it was agreed that a ResCom subcommittee on this topic would be established. This has been done and in addition to residents, the Village Manager and a representative of Evergreen Property Investments (EPI) are members. This committee is facing a number of challenges largely based on a reluctance on the part of EPI to take account of technical input from resident members.

Progress on issues raised by residents at the last and presented to management by ResCom include the following.

Water seepage

The water seepage in Owl Street and some other areas causing a safety hazard in wet months, was presented to management and it was agreed the issue would be addressed operationally by regular cleaning of the affected areas.

Irrigation Rain Sensor

The possibility of installing a rain sensor at the irrigation booster pump was presented to management but funding was not approved for this purpose. Suggest that it be explored as part of the specification for the upgrade of the borehole system now being contemplated.

Moveable Partitions in Lifestyle Centre.

Consideration was given to establishing a 'cosier' atmosphere for various activities such as movie night, bridge, scrabble, book club, talks etc. without unwanted distractions from passing traffic or other activities running concurrently. Management provided screens in the form of pot plants that can be moved to the different parts of the lounge area.

Road Paving.

Road paving repair project currently underway

Ponds

Ponds have been dredged and reeds cut back.

Fence Repair schedule

There is not currently a fence repair schedule available. R175K's worth of fence replacement was done in December which was priority one.

The next priority two fence replacement has not been approved by EPI so there is no schedule to share with residents as yet. As soon as EPI approves the work to go ahead, it will be communicated to residents.

Progress on solar by EPI.

As stated in the General update from Garry Reed a solar generated electricity supply has been installed at Noordhoek and is being tested. A future communication to advise of when a similar system will be installed at Broadacres is awaited.

Painting of village houses.

Numbers of houses still to be painted vary from 10-17. Some in progress and quotes for the 8 are still awaiting approval.

Phase 3 water pressure and borehole supply.

As stated in the General update report, EPI is looking into water security and awaiting proposals from Alveo, a company that provided a full service. The proposal will include boreholes, pumps, storage and water treatment plant as well as reticulation. Purification to SANS standards, storage capacity sufficient for approx. 4 days usage as well as maintenance of the system. The Circular from the Village Manager on the borehole testing gives more information on this project.

High frequency of water outages.

EPI has confirmed that whenever a water meter has to be replaced, an isolating valve is being installed.

PM confirmed that the schedule was available. WS advised that Priority 1 was complete and that work on the Priority list 2 was awaiting approval from EPI. Time frame for completion not given.

Installation of equipment for improved film viewing.

Installation of a larger TV for better film viewing was completed last year.

Lapel microphone.

A lapel microphone has been purchased and is kept in the safe. A request for use of this equipment should be made in the function set up form.

Waste/Refuse area

EPI have advised that proposals had been received from 2 different waste management companies for a complete system that would include collection, sorting of recyclables, and disposal. Physical facilities that complied with Pikitup's specifications had to be constructed. Timelines and ultimate impact on the operational budget to be advised.

Bridging of stormwater channel.

Although this proposal has been on the project list from some years, it has slipped in the priority ranking.

Roof over entrance/exit gates.

None of the gates in any other village had been roofed and EPI would not consider this for Broadacres.

Gardens

In response to the adverse comments from residents on the state of the gardens, ResCom established a gardening group with the following objectives:

1. Support Village Management in oversight of the contracted garden company (FSG) Service Level Agreement (SLA).
2. Make recommendations for enhancements.
3. Make recommendations for change of season planting.
4. Direct the gardeners' activities where necessary through Village Management.

A good working relationship has been established.

Following on from complaints from residents wanting to take responsibility for their own pavement gardens, a circular asking people to respond to Wilma if they wanted to do their own pavement gardens.5 responded that they wanted to do so, but when

FSG worked on gardens 10 more came forward. Please confirm your preference with management.

Residents will no doubt have noticed the new pavement Waterwise garden north of the Entrance gate, which was less labour intensive and did not require the same level of irrigation. Landscape design was by management and all credit must go to them.

In respect of the pavement south of the gate, it was explained that ELV did not have money for this at the moment and were just maintaining the existing planting. They were also trying to get the developer across the road to repair the paving damaged by his trucks. The other paving repairs due to the Municipal water pipe installation will have to be done by ELV.

Some enhancement will be achieved through the Arbor Day planting, and it was agreed that spring planting for 5 areas needs to be addressed. These are the four area at the main LSC entrance and the garden bed from the LSC to the gate.

FSG will send a tree pruning expert to prune all the trees, taking into account the committee's recommendations for special requirements.

A plan for Arbor Day on 02 September comprising the planting of 6 trees and 2 potted shrubs has been developed and once approved by ResCom, and funding secured, will proceed.

SAFETY AND SECURITY PORTFOLIO

Traffic and Roads: - ResCom agreed that we had a road safety challenge at the apartment Blocks *Acacia* and *Bushwillow*, what was needed was speed humps and a stop sign at the zebra crossings. Traffic calming was also required at the corner of *Lourie Lane* and *Heron drive* in the way of rumble blocks. The reason being residents, family members, contractors, delivery trucks and motorcycles were exceeding the 20km speed limit.

In response to a request in this regard, EPI explained that EPI's view was that these challenges are a result of poor behaviour by the residents etc. and EPI wasn't prepared to spend scarce capital on it.

Traffic calming at the corner of Loerie Lane and Heron drive.

As for above.

Additional cameras to cover all roads in the village,

Quotations to instal the cameras and enlarge the system to handle the extra cameras had been obtained. The cost per camera is R25k x 24 cameras to cover all internal roads = R600K. This excludes the cabling and the upgrade that would be required to the system to add cameras. Estimate another R200k for this. All together an approx. R800k project. EPI not willing to fund this.

Cameras: Additional cameras to cover all roads in the village were requested and Quotations to install the cameras and enlarge the system to handle extra cameras were obtained by EPI The cost per camera is R25k times 24 cameras to cover all internal roads = R600k. This excludes the cabling and upgrading that would be required to the system to add cameras. Estimate another R200k for this. All together an approximate R800k project. Patrick Maile Advised that EPI would not fund this.

Security company: The new security company 24/7 started on the 1st of July 2023. It was sad to see the old security company *Thorburn* leaving us as many of the residents had become friends with Regain and the rest of the team. Reasons for the change: It is quite common in Estates to change security companies from time to time. It is good practice to revise security staff, strategies and reassess established protocols in keeping residents safe.

Buddy Band: Buddy Band is still a very important item, and every Evergreen Resident should be wearing one. The phone number on your Buddy and will connect you to Telecare to help with an emergency you may have.

Personal belongings: Resident's should be aware that they are responsible for their property at home. Please place your valuable item/s in a safe place. Residents should do regular checks for jewellery i.e., gold bracelets, rings, necklace etc. This includes any other item/s of value.

There have been some incidents while residents were on leave, shopping or in the hospital. The missing items were then discovered much later in some cases.

Fire Protection. Progress on the demonstration of the Fire Hose and Extinguishers and regular Training Exercises for the security guards was requested. Residents are invited to the training sessions.

David Nesbitt

CHAIRMAN

Voter registration

A voter registration session was arranged with the IEC to facilitate re-registration for new Village Residents. A second session will be held closer to the national and provincial elections next year, Discussions have been held with the IEC with a view to arranging special votes for all registered votes to be held in the Village, next year.

Refurbishment on termination of Life Right

Assessment of refurbishment costs on termination of a life right remains controversial largely because the method of assessment is not understood. ResCom has been engaging on how this is done for some time.

Although the issue of fair wear and tear is not necessarily explicitly included in later LRA's, The Q and A document previously received on refurbishment stated that fair

wear and tear was assessed by an Evergreen (EPI) professional. The question arises as to how this assessment is taken into account in the final calculation of the costs of refurbishment allocated to the LRH on termination of a life right.

ResCom has requested an answer to this question from EPI through the Village Manager.

ResCom is not aware of any allowance being made for fair wear and tear.

Introduction of Assisted living

residents are raising questions about an intermediate step between independent living and frail care. Intermediate care is available in many retirement villages with a frail care unit.

ResCom believes that it would be beneficial if Evergreen were to adopt a model that provides formal options that individual residents would be able to select in a phased manner without depleting their current capital.

An additional factor to be taken into account, is the lack of flexibility provided by the LRA in respect of accessing current capital. Currently it appears that downsizing is used to address the increasing unaffordability of levies due to above CPI increases in most cases and the need for additional care.

In an attempt to initiate a meaningful discussion on this topic, ResCom has developed a document , which makes suggestions on how to move forward on this issue.

Management has confirmed that they are committed to a focus on assisted living.

Sewer availability charge

As indicated in Garry Reed's general update, the services of an external consultant have been retained to engage with the City of Johannesburg to get clarity on the current and potential situation in respect of the sewerage availability. CoJ has confirmed that the amount currently charged only covers the houses. Evergreen is therefore raising a provision for charges for the Clubhouse, Care Centre and apartments is on the basis of the CoJ tariff books in the meantime.

Budget

Despite numerous commitments to share the budget with ResCom at the ManCom, this only happened on 22 March 2023. It was agreed that ResCom could make a submission on its concerns in writing on the budget presentation of the budget on 22 March 2023, ResCom agreed with the overall objectives for the budget as follows:

- Keeping levy increases as low as possible.
- Achieving breakeven

Achieving these two key objectives simultaneously remains a challenge, which needs to be faced sooner rather than later in the interests of long-term sustainability. As part of an approach to achieving break even while keeping levy increases as low

as possible, it may be useful to distinguish between costs over which Evergreen can exercise control and those that they cannot. For example, Municipal and Eskom costs are essentially outside the control of management except in any limited opportunity there may be for efficient use.

The main ResCom concerns which remain unaddressed at the time of writing and despite a request that the issue be addressed in the general update can be summarized as follows.

Despite assuming an overall increase of 8% in expenditure, the target levy for houses is increased by 8.3%, which results in a 9.1 % increase in the levies for apartments to maintain the 80% differential between houses and apartment levies, introduced last year. The increase for all residents must be in line with the relevant LRA, which is largely linked to CPI +1.5% or actual operational increases. All residents with a September levy increase date will receive a letter setting out their increase at the end of August.

An increase of 10 % is being applied to the additional person levy when it was understood that this amount would be aligned to the percentage increase of the basic levy.

Developer's contribution to levies on unsold unit is shown as income. What is not shown as income here or anywhere else is the income from the operational costs paid for by the Village and billed to Evergreen Health. Note: the rental for the Care Centre does not accrue to the Village but to EPI as the owner of the building.

In respect of the increase in expenditure, the comparison between the 2023 budget and the previous year was done on the basis of the forecast not the actual management accounts, which may change the situation.

Clubhouse expenses

It is noted that the line item "Club expenses" subheading under this item covers the purchase of miscellaneous items like patio furniture. Question is how such purchases are defined as operational, when the owner/developer should be responsible for providing complete facilities in the common areas.

Emergency Medical response

The significant difference in operational cost for this service is as a result of the change over to a new system. Notwithstanding Garry Reed's General Update of 23 Jun 2023, that various options were being explored, the budget included the cost of a new system. Concerns were raised about the following new approach to the proposal.

- capital cost transferred from owner to Village operational expenses to be funded by levy and therefore residents.
- only one panic button is supplied to each unit regardless of occupancy.
- morning call is discontinued.
- Buddy Band is discontinued.
-

Total electricity amount in the budget does not include 18.65% Eskom increase effective from 1 April 2023. Cannot ignore this increase in the budget.

A number of queries in respect of the assumed increases in the municipal charges remain unanswered.

Previously agreed that the total cost of holding unsold units must be determined. While it is recognized that it may not be possible to reflect it completely in the budget immediately, the template to do so should be included in the budget now so that reporting can include the figures going forward. Refuse and sewerage both fixed costs; contribution from developer for unsold units must be shown.

In respect of the other utilities, the City of Johannesburg has just published its draft budget for 2023/24, which includes the following proposed increases based on a CPI increase of 7%: provision was not made in the budget for these increases, which were subsequently approved by the Council.

Water 9.3%.

Sanitation (Sewerage) 9.3%

Refuse 7.0%.

ResCom has repeatedly requested that the municipal charges and electricity costs should be clearly allocated and recovered from the relevant users, which in our view means that costs need to be allocated to four use categories as follows so that the appropriate recovery can be reflected.

Houses

Apartments

Unsold units

Evergreen Health

In some cases, no or limited provision is made for current SLA's.

As a result of load shedding anticipated costs of generator (fuel and maintenance) will increase significantly. Costs should be shared by the Care Centre.

Even with the review of the amounts as proposed above, breakeven will be hard to achieve without a reduction in costs. If the utility costs, which are an external factor, are removed from any potential cost savings, there are only three areas where significant discretionary cuts can be contemplated. These are the medical response cost, where in our view the capital cost must be borne by the owner. Others could be gardening and staffing. Propose that a review of the staffing costs be undertaken in the current financial year for potential implementation next year.

The fact is that the pressure on non-discretionary costs is not going to get easier going forward and if we want to achieve breakeven, we will need to cut costs or have an increase in levies, which in the case of some LRAs is capped. We cannot continue on such a path without a major disruption.

For this budget costs could be reduced by reviewing the approach to the medical response. However at least some of this saving is likely to be offset by review of the amounts to be recovered for hot water, increase in electricity cost and review of other utility charges.

Access to information in terms of the Promotion of Access to Information Act and the Protection of Personal Information Act

The required manual is now available at the Village Manager's office.

Transport to shops

Transport to shops has been re-introduced on a monthly basis.