

**ITEMS FOR DISCUSSION AT EVERGREEN  
DIEP RIVER AGM - 26 MAY 2022**

**1. LEGAL**

1. *In terms of the LRA it is the responsibility of EPI to underwrite losses. What assurance do we have that this responsibility will be upheld?*

***It is exactly that. The LRA is a legal contract that states that EPI would underwrite the losses. However, a very important point to note is that EPI is not responsible to underwrite losses created because of services they are not obligated to deliver. For example, Healthcare and Catering. This is for the resident's account.***

2. *What does my levies cover? (Monthly levy) would help us to understand what is involved, please explain in "laymans terms" (Anlenor Fiske -101)*

***Administration Costs  
Building and Public Liability Insurance,  
Security,  
Gardening and Basic Maintenance,  
Staffing Costs,  
Printing & Stationery,  
24-hour response system (Telecare/Medical response),  
Municipal Utilities,  
Property Rates,  
Cleaning Expenses/Hygiene,  
DSTV & Newspaper Subscriptions,  
Staff Training,  
Uniforms  
CSOS.***

3. *Can we accept the previous year's minutes as so little of the questions and answers has been actioned - (Anlenor Fiske -101)*

***The minutes can certainly be accepted as the acceptance refers to them being true and correct, items that residents feel need to be discussed further can be included in the matters arising***

4. *LR holders to be issued with amendment document of change of date of the increase period from (01 Sept- 31 Aug,) to 01 Mar-28 Feb 2023, to be added to their LRA's – (Mr & Mrs Veldman 109)*

***That is correct – once all the residents have agreed to the change, we will distribute an addendum.***

5. *Why is it necessary to have a Levy Stabilization Fund? 10% deduction on resale of unit is quite high (Letitia English – 113)*

**This is a practice that we have seized and is no longer included in the latest Life Right Agreement. It is realized upon termination of the LRA and has been offset against the lower levy increases the last few years.**

6. *Currently it takes up to one year to sell a unit. Is your unit price per unit not too high, why not lower the price and a quicker sale? (Letitia English – 113)*

**We believe the prices are right, we cannot discount a resale lower than the amount owed to the outgoing life right holder**

7. *Why haven't we been informed of the new House Rules effective from 1/4/22. It almost seems that everything is on a need-to-know basis and we don't need to know. (Colin & Di Everett - 117)*

**The house rules for Evergreen were updated at 01 April 2022 with no material changes to Diep River per se, but you are welcome to get a copy from Village Manager's office.**

## **2. DEVELOPMENT & MAINTENANCE**

1. *The repairs and maintenance of Diep River Village was regarded as a top priority for the current financial year. This did not take place and the situation has worsened to now becoming a safety hazard in many situations. A confirmed plan with date of commencement is required, we want the details of such plan given to residents.*

**Cobus Bedeker responded to this question in the AGM**

2. *Before covid there didn't seem to be much done with reference to maintenance – painting the patio's 2<sup>nd</sup> & 3<sup>rd</sup> floors as well as the carpets are dirty (June De Jong – 307)*

**Cobus Bedeker responded to this question in the AGM**

3. *There has been no effort to do any of the repairs and maintenance to the exterior of the building as promised, resulting in the building being an embarrassment to residents? (Sophie Mentor – 214)*

**There are many factors that have led us to be unable to get the work done. One of the major impacts has been Covid -19. This was answered in the AGM.**

4. *The lack of external building maintenance and internal repairs to building including the 2<sup>nd</sup> and 3<sup>rd</sup> floor carpets. More specifically, a lack of gutters and downpipes where flooding has affected our lounge and later our bedroom particularly from the external balcony from Unit 315 above to our unit?*

**Cobus Bedeker responded to this question in the meeting.**

5. *When will they start the external painting & repair and the inside painting as well as the internal units - (Mr & Mrs. Veldman – Unit 109)*

**Cobus Bedeker responded to this question in the meeting.**

6. *Uneven stoep, not safe to walk on, please advise on this matter – (Eunice Cochrane – 114)*

**We will investigate and get this matter resolved as soon as possible.**

7. *The balcony above my flat has a huge crack, please advise when this will be fixed? (Eunice Cochrane – 114)*

**We will investigate and get it resolved as soon as possible**

8. *I was told the painting and maintenance of the outside of the building as well as carpet replacement was going to be done, nothing done for over 4 years (pics attached) (Shelley Ellman – Brown – 219)*

**There have been various different factors that has determined this situation, unfortunately we can't do anything about the past but we can focus on the future. Our commitment is that the painting and the carpeting will commence within the next 12 months.**

9. *Residents listed repairs and maintenance that required attention. The Chairperson advised residents that repairs and maintenance was a top priority for the current financial year. He confirmed that budgetary provision had been made to catch up on expenditure to ensure that the villages were given the required maintenance attention and every effort would be made to repair damage to individual units as well. Of the 10 repairs listed how many were fixed. (Colin & Di Everett - 117)*

**All repairs and maintenance that fall under the operations ambit of the village has been seen to, equipment and plant has been serviced. This is the responsibility of village management.**

**What you are referring to is the external building repair of cracks and painting the external walls as well as patios and resident external balconies as well as internal building walls/carpets. In addition, the repairs that you are referring to above are the resident units where building cracks have developed, wall tiles in the bathroom have “popped” and bathroom tiles have lifted. This would fall to EPI to repair.**

10. *We were walking through the garage and were appalled at the Staff Rest Room. Here are a couple of pictures of the staff rest room. It was the Caretakers WC. The fridge is in front of a WC. You and Management must be aware of this. Do you think it is acceptable for an organisation such as Evergreen to treat its staff in this way?*

**The previous manager had made an arrangement to cater for the staff as they had no place to have their lunch/tea. A provisional arrangement had been made and the toilet has been blocked off and hidden behind the fridge. It was always the intention to renovate this room in the future and quotes have been received for consideration.**

11. *The Staff toilet is in the building near the lifts and it has been reported that it needs attention.*

**Both the staff toilet and the men's gym toilet have been repaired.**

### **3. HEALTH AND SAFETY**

1. *What has happened to fire drills and evacuation processes? No drill has occurred over the last 24 months. This is in violation of the OHS Act. A definite plan should be presented to the residents. (Kathy Scott – 119)*

**Due to Covid we could not have or create any gatherings, which includes evacuation drills in 2020/2021. In addition, there was a query regarding the fire rational design, from Eco-Safety, which has now been resolved. A fire drill can be arranged at our earliest convenience.**

2. *The budget is showing a decrease in the security. It's understood that this is due to proposed reduction of security staff in the evenings. This is not acceptable from a security standpoint. (Kathy Scott – 119)*

**The village is surrounded on 3 sides by concrete fencing and the other side by steel palisades. On top of the fencing is 12 strand electric fencing. There are also cameras. The front entrance of the village is always closed and only opened upon the arrival of a resident, a guest or a supplier. The access of the front gate during the day can be controlled via an intercom system to management and having a security guard at the gate to simply press a button to open the gate is not an efficient spending of funds. We have engaged with security professionals and they concur with our proposal. Let us try it for a 6-month period and monitor it. If it does not work, we can reconsider. We will never allow residents safety to be compromised.**

3. *The amended house rules indicate that the telecare instruments are only required to be checked quarterly. This is unacceptable in light of the possible reduced nursing services. It's imperative that these are in good working order at all times. (Kathy Scott – 119)*

**We fully agree with this statement and therefore it is imperative for residents to test the Telecare system themselves on a regular basis. You must please ensure that you use the system once a month at least and report any faults back to management. In addition, the clinic staff do an official monthly audit on the Telecare.**

4. *The house rules state that every unit has a fire extinguisher. This is not the case and should be addressed as a matter of urgency. (Kathy Scott – 119)*

**This item refers to housing units in the villages, only. Apartments do not require fire extinguishers, due to the fire rational design, which includes a sophisticated fire prevention system such as a fire panel that activates fire doors, creating refuge and safe zones within the village. We also have sprinkler system, in specific units, fire**

extinguishers in fire cupboards, fire hydrants and fire hose reels on all levels that have been serviced (on an annual basis) as a result of this, it is not a fire regulation requirement to have a fire extinguisher in the apartment unit.

5. *Have fire & drill equipment been attended to (Elizabeth D'Ambrosio -313)*  
**Yes, all fire extinguishers, hose reels, sprinklers and the fire panel were serviced last year. It is an annual preventative check and service we undertake. Refer to the previous question.**

#### 4. FINANCE

1. *What happened to provision made for "catch-up" expenditure to ensure villages were kept in good condition? Diep River is not in good condition? (Kathy Scott – 119)*

**Under General Item 7 in last year's AGM a question (7.1) was raised about repairs and maintenance and residents required a definitive response about the structural damage, external and internal painting, waterproof and damp issues as well as individual units' bathroom and kitchen tiles as well as cracks and resultant damp. This will be covered under Point 2 above – Development and Maintenance.**

*The budget for FY 2023 includes building insurance and head office expenses under the residents' levy. These are the responsibility of the owner in line with the LRA. The budget cannot be accepted on these grounds. How is the budget decided on without proper consultation with relevant people? (Kathy Scott – 119)*

**These are both contractual agreements – under the clause “Facilities and Services” of your LRA you will see that provision is made for a) Insurance and b) the employment of sufficient staffing to operate the village as well as produce financial statements. We are only charging residents 50% of the head office costs and Evergreen is absorbing the other 50%. The benefit of a centralised head office structure is financial efficiency, if these services had to be done in the village the cost to residents would triple.**

3. *Clarity on the budget and expenditure, what our levies cover and also how the purchase of large items (eg. gym equipment/generator) is decided upon as there is no consultation (Anlenor Fiske – 101)*

**It has always been Evergreen's promise that our residents come first and their well-being is taken care of. When there was the threat of water restrictions, EPI immediately installed JoJo tanks and a water purifying system to ensure that residents always had drinking water. With the subsequent shortage of power and the introduction of load shedding in the country, EPI installed a generator to ensure that our residents were safe and secure in the village and had electricity. The onus of this cost is not for a residents' expense but rather for the developer/owner of the property.**

4. *Refer to previous minutes (2021) – the chairperson confirmed that the budgetary provision had been made to 'catch up' on expenditure to ensure that the villages were given the*

*required maintenance attention and every effort would be made to repair damage in individual units a well. (June De Jongh – 307)*

**Under General Item 7 in last year's AGM a question (7.1) was raised about repairs and maintenance and residents required a definitive response about the structural damage, external and internal painting, waterproof and damp issues as well as individual units' bathroom and kitchen tiles as well as cracks and resultant damp.**

5. *Does Evergreen subsidise our monthly levies? If yes, explain. (Neville Gill – 212)*

**The monthly levies of the village are not adequate to cover the expenses of the village and this causes the village to operate on a loss monthly. Evergreen pays for the monthly losses and therefore they are indirectly subsidising levies for residents. The situation we find ourselves in is that we need to get to a breakeven where the levies cover the expenses.**

6. *Explain the budget, line for line. (Neville Gill – 212)*

**We're happy to take all the residents through the high-level budget at the AGM, The Rescom is taken through the budget in detail, but should any other resident want to go through the budget in detail, the Village Manager will gladly take you through it.**

7. *In the last AGM, Dylan Pienaar confirmed that EPI would continue to underwrite losses. (Sophie Mentor – 214)*

**Yes, that is still the case, the only thing that has changed is that Evergreen will no longer underwrite losses that include costs which are for residents account, for example the Medical and Catering levy.**

8. *Why did you wait all these years to inform residents that certain services were subsidised, particularly as these services were sold to us as part of our levy? (Sophie Mentor – 214)*

**We did an in-depth review of the Life Right Agreement and compared it to the village financials. Although this change has brought on many questions, I can assure you that we have been there for residents from the start and we will be there to support them in time to come. We do however need to get the village to break even as no business can operate as a loss-making entity for ever.**

9. *Kindly provide residents with the details of the ombudsman to whom deductions were taken from residents. (Sophie Mentor – 214)*

**Community Schemes Ombud Service (CSOS)**

10. *Can it be categorically stated that the Evergreen Group of companies is NOT in financial difficulties and that it is not being pressured by PSG to improve its finances? (Kelvin Barry – 218)*

**Yes – absolutely we can state that. To be very clear, Evergreen is simply asking residents to pay for expenses that are their responsibility.**

11. *Does the Evergreen Group of Companies take into account differences that exist in its various villages – e.g. Val de Vie vs Diep River? (Kelvin Barry – 218)*

**It stands to reason that a resident who can afford Diep River, Muizenberg, Bergvliet, Noordhoek or Val de Vie will buy in a development of their choice. The operating costs in each village will determine the levies and so in turn what the resident can afford to pay.**

12. *Please do not forget to include a financial report on the levy stabilisation fund and explain why you don't even recognise this money as income in your budget statement? (John Taylor – 207)*

**It has been acknowledged but the amount is extremely small, the losses incurred by the village because of the fact that residents have not paid for services they have enjoyed and the losses have been large. Therefore, the levy stabilisation fund has made an insignificant difference and we have seized having it in our newer life rights.**

13. *Our worry is the large increases in levies on an annual basis (10%).*

**It has always been and it remains our philosophy and to keep levies at an affordable level. This is clear that over the past years the increases have been less the inflation rate. If we work together now and ensure all costs are allocated in the correct area we will arrive at a breakeven shortly. 3% for the last 3 years, and 4 years ago 6.6% (CPI+1.5%).**

14. *Why did Evergreen/Amdec backtrack on their statement from 2021 AGM that “the property owners undertook the funding of shortfalls and losses to make the residents more conformable” (Mary Fourie [Proxy for Mrs Susan Fourie -118])*

**The shortfalls and losses are still being funded. We have not changed that at all. What we can't continue to do is fund losses that are created by expenses that are not included in the basic facility and services and levy eg Catering and Healthcare**

15. *What happens if a resident is unable to afford the new levies from March 2023? Can they be offset against their life right capital? (Mary Fourie [Proxy for Mrs Susan Fourie -118])*

**Yes, they can. We are supportive of this mindset and thinking and we must work together to find a solution that is a win situation for all parties involved.**

## 5. HEALTHCARE

1. *Healthcare is the main issue that needs to be addressed (Pamela Day – 106)*

**Noted.**

2. *Can you give us a breakdown of the R1,020464.00 Healthcare operating expenses (Colin & Di Everett - 117)*

## 6. CATERING

1. *The Bistro is a problem that needs to be dealt with as well. (Pamela Day – 106)*

**Noted.**

## 7. SALES

1. *Mandate to sell units i.r.o independence/ independent living. There is a mandate to sell units to ensure that all developments are filled up. This goes to agents who sell units, at all costs, to prospects who are not independent and who cannot take care of themselves which puts the responsibility back onto the Village Management. The sales agent should be held accountable. (Anlenor Fiske - 101)*

**Sales will always try to match a specific village and its' accommodation to the purchaser's needs. We have convinced many prospects to purchase at Muizenberg, rather than Diep River, due to the additional medical support they may require and Care Centre. In addition, every new Life Right Holder has to conduct a Medical Questionnaire and assessment prior to occupation.**

2. *I would like to know why your sales agents deliberately mislead, misrepresent things like the healthcare & bistro at the time of my purchase this was common knowledge Shelley Ellman-Brown - 219)*

**At the time of signing the LRA for Unit 219 – 22<sup>nd</sup> February 2022 – Cindy Johnson was not aware of any changes to the monthly levy. The new LRA was only released on 10<sup>th</sup> March 2022.**

## 8. COMMUNICATION

1. *We have e-mail and cell phones. We sometimes receive the same communication from Management via e-mail, cell phone message, WhatsApp and on paper. This has been reported to Management more than once. Surely a better system could be implemented.?*



**In order to ensure that the message/circular is received around important correspondence and notices the circulars are printed out for those residents that do not have access to either WhatsApp or emails. The preferred method to communicate is WhatsApp and then an SMS is sent as not every resident has a smart phone.**

- 2. We took up the offer of the Internet package. We kept our e-mail address with Telkom. Why does the Internet provider refuse to talk to us? We have just had a problem and they would only talk to Amanda who then spoke to us then went back to them. You will agree that this is ridiculous. After a few days the problem has returned. Why do they refuse to talk to us? (Colin & Di Everett - 117)*

**It's not that HO refuse to talk to you, all queries are handled by village management to avoid cross-communications. To alleviate the problem, ELV has purchased a product that will allow us to work around the Telkom issue. Hopefully this will now be resolved.**

- 3. We also have a lack of communication which Management are aware of. We are not always told when someone is on leave. We never know who is on reception. (Colin & Di Everett - 117)*

**According to the House Rules the reception is to be manned Monday to Friday 8-5pm and we will ensure this is indeed maintained. Staff man the reception desk when it is required. I will however ensure that we send a communication out in future in the "What's Happening".**

- 4. Why not have a weekly list on the Notice Board showing who is on duty. It might not be perfect as staff are sometimes ill but we think it is better than nothing. (Colin & Di Everett - 117)*

**The village is small and we have minimum staff. As long as all the areas are covered – I believe that this is not necessary.**