



**DIEP RIVER EVERGREEN LIFESTYLE VILLAGE (“THE VILLAGE”)**

**MINUTES OF THE ANNUAL GENERAL MEETING HELD ON 27 MAY 2022**

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<b>PRESENT:</b>	Kathy Scott (CS)	(Rescom Chairperson)
	Christine Dempers (CD)	(Chairperson and VM)
	G. Reed (GR)	(ELV Managing Director)
	D Pienaar (DP)	(ERH Financial Director)
	P. Wilson (PW)	(EPI Sales Director))
	C Bedeker (CB)	(EPI Managing Director)
	L. Isaacs (LI)	(Office Manager)
	Residents	(As per signed attendance register)

**1. WELCOME AND INTRODUCTION**

The Chairperson welcomed all residents to the meeting and confirmed that the required quorum was present and that the meeting was, therefore, duly constituted. She also requested all present to adhere to the Covid-19 safety protocols; social distancing and sanitising at all entries and exits to the meeting.

The chairperson welcomed Garry Reed (GR), Evergreen Lifestyle Village, Managing Director; Dylan Pienaar (DP), Evergreen Retirement Holdings, Financial Director; Phil Wilson (PW), Evergreen Property Investments Sales Director; Cobus Bedeker (CB) Evergreen Property Investments, Managing Director; and Liesl Isaacs (LI), Evergreen Lifestyle Village, Office Manager.

**2. ATTENDANCE AND APOLOGIES**

The attendance register was circulated and signed. Apologies received for absence from residents were noted (refer to Annexure A for details).

The Chairperson noted the following proxies received:

- Mrs. Mary Fourie for Mrs. Susan Fourie

**3. CONFIRMATION OF NOTICE**

The notice convening the meeting as well as the report by the Village Management, as circulated to residents, were taken as read – proposed by Mrs. Elizabeth D’Ambrosio and seconded by Mrs. Margaret Lee.



#### **4. ACCEPTANCE OF THE PREVIOUS MINUTES**

The previous minutes was circulated together with the notice and taken as read and accepted as a correct record – proposed by Mrs Sandra Rix and seconded by Mrs Kathy Scott.

##### **4.1 Matters arising from the previous minutes:**

Mrs Kathy Scott, referred to point 7.1 – Repairs and Maintenance.

CB stated that Covid-19 had a high impact on maintenance and repairs. However, he stated that priority would be given to getting all the outstanding maintenance issues resolved. He confirmed that Highpoint, a new company, had been appointed to do the external repairs in the village and that Millennium Flooring had been appointed to replace all the carpets. CB to provide village management with a timetable for these tasks.

##### Question 1 – Mr Everett

*Who would be overseeing the contractors allocated to do the work regarding the safety regulations?*

##### Answer Question 1

CB guaranteed he would be taking full responsibility for this. An external company had been appointed and they would ensure that all Health & Safety protocols are followed.

##### Question 2 – Mr. Young

*There was a lack of gutters and downpipes on the second floor.*

##### Answer Question 2

CB responded that there were inherent problems regarding cracks, damp and other maintenance issues, and assured everyone that he would be conducting a walk about after the AGM to examine all the issues.

##### Question 3 – Mr Gill

*Was the H&S protocol being observed regarding the setting up of scaffolding by the outside company doing the exterior paint work?*

##### Answer Question 3

CB responded that a company, Cairnmead Health & Safety consultants, had been appointed to ensure that all scaffolding erected was signed off prior to being used and a certificate of compliance would be issued.

##### Question 4 – Mrs Feitelberg

*The inside walls had been affected by the damage to the outside walls: would this also be fixed by the contractors appointed, as there was a serious damp issue on the North Side?*



Answer Question 4

CB confirmed that all repairs would be dealt with in due course, but all internal work would only be done once the exterior work had been completed.

Question 5 – Mrs. Helman,

*Third floor ceiling and trellis damage – would this also be included in the scope of work?*

Answer Question 5.

CB confirmed that all repair work would be included in this contract.

Question 6 – Mr. Veldman & Mrs. Everett

*The bathroom tiles were loose and broken and were causing a health and safety risk.*

Answer Question 6

The chairperson advised that a snag list of all the maintenance issues, including the loose tiles, had been issued to Jason Panter, the project manager. Mrs Kathy Scott suggested that all maintenance issues that pose a health risk should be addressed immediately.

GR replied, apologising and respectfully acknowledging that these delays were as a result of the impact COVID had on the business over the 2 year period, he acknowledged mistakes had been made, but assured everyone that CB would deliver on what he had promised and would be prioritising the maintenance work as discussed.

Question 7 – Mrs. Rix – Sliding Doors

*When it rained the water kept seeping through the bottom of the doors and she had had to use towels under the door to prevent flooding.*

Answer Question 7

CB responded that this would be investigated and addressed as part of the scope of work for all internal work in the village.

Question 8 – Mrs. Everett – Point 9.6 – Fire Equipment and Drill

*Mrs Everett commented that there had been no fire drills; the fire equipment had not been serviced; and no evacuation procedures had been rehearsed in months.*

Answer Question 8

The chairperson mentioned that management had spoken to Eco Safety on the matter of audits and procedures; and in the interim all fire equipment had been serviced. She added that evacuation procedures would change and that a fire drill had been arranged – not a fire drill where everyone ran around, but an actual fire drill discussion regarding the relevant procedures – this would involve the fire consultant. It would be followed by scheduled fire drill.

Question 9 – Mr. Gill

*Mr Gill raised a concern regarding what was deemed to be company expenses and what residents' expenses. He quoted window handles, sliding door issues, windows, etc, as examples.*



### Answer Question 9

The chairperson responded that the LRA stated that the company was responsible for external maintenance and that anything such as locks, sliding door wheels, door handles, knobs, etc – in other words, “normal wear and tear”, would be a cost for the resident’s own account.

### **5. ANNUAL REPORT BY THE CHAIRPERSON OF RESCOM**

The annual report by the Chairperson of Rescom had been circulated together with the notice of the Annual General Meeting and was taken as read – proposed by Mrs Dianne Everett and seconded by Mrs Janet Van Niekerk

### **6. EVERGREEN DIEP RIVER VILLAGE MANAGEMENT REPORT**

The annual report by the Diep River Village Manager had been circulated together with the notice of the Annual General Meeting and was taken as read – proposed by Mrs Dianne Everett and seconded by Mrs Elizabeth D’Ambrosio.

### **7. ANNUAL FINANCIAL REPORT FOR THE 2022/2023 FINANCIAL YEAR**

The annual financial report for the 2022/2023 financial year was circulated together with the notice of the annual general meeting and was taken as read - proposed by Mrs Kathy Scott and seconded by Mrs. Thirza Munro.

#### **7.1 Budget & Summary**

DP summarised the financial budget as follows:

2021, Covid-19 was at the forefront and had a big impact on numbers. As everything was now returning to normal, he noted that we were unfortunately witnessing the impact of Covid as the world entered a global economic fallout, with a costs rising. Evergreen were conscious of the rising costs and were aware that most, if not all of our residents are retirees on fixed incomes. As an owner and especially as a finance team, Evergreen, we were committed to finding solutions around the rising costs. Running a village and providing services under these circumstances was a huge challenge and for a long time the owner (EPI) had been carrying these costs.

With this background we could put the numbers into context as follows:

- Total revenue for 2021/2022 inclusive of levies – R3, million.
- Operating expenditure – R5, 7 million.
- Deficit of R2, 7 million (costs covered by EPI).
- Proposed Budget for 2023, reflected a revenue of R3, 2 million, with the assumption that all empty units would be sold, hence a 6.7% increase year-on-year.
- The proposed budget reflected a 0% increase in levies for the year.
- Proposed levy cycle change from 01 September 2022 to 01 March 2023, in order to align our expenses for the 12 months with our income for the 12 months, this will be agreed upon and confirmed by a signed addendum (1 pager) to the LRA by all residents.
- Proposed levy income of R3,2 million and they were looking at certain areas to reduce expenses from R 5,7 million to R 3,4 million, enabling the alignment of expenses with the levy income, which would result in a lower deficit of R 200 000, which would be covered by EPI.



DP to address further questions raised by residents in the General section.

## **8. ELECTION OF RESCOM MEMBERS**

The Chairperson confirmed that, as per the Evergreen Lifestyle House rules, the Residents' Committee (Rescom) would consist of six committee members.

The following five nominees proposed, were elected by the life right holders as the Rescom Members:

- Kathy Scott
- Margaret Lee
- Sue Butcher
- Kelvin Barry
- Dianne Everett

It was noted that the acceptance of the appointment of these five residents as Residents' Committee members was proposed by Mrs Everett and seconded by Mrs Fisk.

It is noted that the chairperson and vice-chairperson would be elected at the next Residents' Committee meeting.

## **9. GENERAL**

We have now come to the last point on our agenda. We will now proceed with answers to the questions raised pertaining to the village. Questions pertaining to individual units will be dealt with by village management and / or the management committee member, if not already done so.

### Question 1 – Di Everett

*How the healthcare costs of R1 020 464 were made up?*

### Answer Question 1

DP responded that this was the actual cost of operating the clinic (7-days per week): 95% of these were staff costs, 5% were operating costs for stationery, electricity, water, cleaning, and all other costs to keep the clinic hygienic.

### Question 2 – Mr. Gill

*What happened to all the money collected from Evergreen Health for the services they provided as these were not reflected in the budget?*

### Answer Question 2

GR explained that it would not be reflected here and, as with all other businesses, the money they made sat in Evergreen Health for their operation.

### Question 3 –Mrs. Di Everett

*Could someone sit with me to go through my contract to explain a few things I'm not clear on, as all the contracts were different and there had been many changes?*



### Answer Question 3

The chairperson responded that, yes, it would be possible for the contracts to be sent through and explained if there were any others, this could be arranged via appointments.

GR explained that there was an income against which there were expenses and the reality was that there was a deficit. However, he added that there had to be a way forward. This meant that there had to be an agreement in principle that services provided had to be paid for and for some time EPI had been paying these costs. This was not tenable and Evergreen was committed to finding solutions in consultation with residents and would phase in changes over time – while this may not happen immediately, residents should be assured that the services would not simply cease.

### Question 4 – Mrs. Fiske

*How did all the properties work together?*

### Answer Question 4

GR responded that the company, Evergreen Retirement Holdings, had two shareholders, namely:

- 50% - The Amdec Investments(Pty) Ltd
- 50% - PSG Alpha (Pty) Ltd

Within this structure there were subsidiary companies represented by the four directors at the table as follows:

- Evergreen Property Investments (Pty) Ltd – held the physical assets and dealt with sales;
- Evergreen Property Developments (Pty) Ltd – did the physical construction;
- Evergreen Lifestyle Villages (Pty) Ltd – has been contracted by the owner to manage the operations of its villages; and
- Evergreen Health (Pty) Ltd – was contracted by the owner to provide healthcare services in its villages.

It was noted that there was a financial director that oversaw the group finances, supported by independent financial managers who were responsible for each company in the group. There was also a legal team as well as a human resources department and these were all shared services. He added that all companies operated within a memorandum of agreement on how the companies worked together and all these companies reported into the umbrella company known as Evergreen Retirement Holdings.

### Question 5 – Mrs. Fourie

*Were all the new levy proposals available for all to see?*

### Answer Question 5

The chairperson answered that all the information was transparent and was available to everyone to see. GR reiterated that nothing was a secret and all information was available upon request. He confirmed that they were transparent, but would be dealing with the Rescom and if anything needed to be viewed this would be made available

### Question 6 – Mr. Everett

*From 01/03/-13/05/2022 he had received 40 pages of correspondence – would it be possible to have only one mode of communication – surely this was an expense that could be avoided.*



Answer Question 6

The chairperson replied that this could be looked into, but pointed out that everyone had different preferences. However, she emphasised that an alternative mode of communication that suited everyone would be investigated.

Question 7 – Mr. Everett

*Would it be possible to upgrade the staff facilities as at present the staff changing/canteen facilities were inferior?*

Answer Question 7

Management responded that this matter would be looked into.

Question 8 – Mr. Everett

*Wanted to be reassured that maintenance faults were reported as the light bulbs had not been working for some time.*

Answer Question 8

The chairperson responded that all faults were reported to maintenance by security or the duty manager and the necessary action taken. This matter would be investigated.

In closing, the chairperson thanked all residents for their attendance, support and input. She believed that this year would be a better year and was excited to present and engage with residents at more social events on a regular basis.

Mrs June Levor thanked the chairperson/village manager for the work she and her team had been doing. GR reiterated these sentiments and thanked Kathy Scott and her Rescom team as well as the VM for the great work they were doing.

With no further matters being raised, the chairperson declared the meeting closed at 15:47

*In Annexure A attached hereto you will find questions and answers that were received, in writing, prior to the meeting.*

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**CHAIRPERSON**



**EVERGREEN DIEPRIVER LIFESTYLE VILLAGE (“THE VILLAGE”)**

**APOLOGIES NOTED AT THE ANNUAL GENERAL MEETING OF THE VILLAGE  
HELD ON 27 MAY 2022**

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1. Maurice Wilder
2. Alfie Randall
3. Betty Jennings
4. Kathleen Young
5. George Brown
6. Sue Butcher
7. Sophia Mentor



