



**EVERGREEN LAKE MICHELLE LIFESTYLE VILLAGE (“THE VILLAGE”)**

**MINUTES OF AN ANNUAL GENERAL MEETING OF THE VILLAGE HELD ON 02 JUNE 2022**

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**PRESENT:**

Greg Culhane (GC)	(Rescom Chairperson)
Riaan Gouws (RG)	(Chairperson & Village Manager)
Garry Reed (GR)	(ELV Managing Director)
Elize Porter (EP)	(EG Health Director)
Alet Du Plessis (AdP)	(ELV Financial Manager)
Phil Wilson (PW)	(EPI Sales Director)
Jason Panter (JP)	(EPI Project Manager)
Liesl Isaacs (LI)	(Office Manager)

Residents

(As per signed attendance register)

**1. WELCOME AND INTRODUCTION**

The Chairperson thanked residents for attending the AGM. He proceeded to introduce the panel in attendance. (As noted under present).

A special thank you was noted to the Rescom Chairman and his team for their efforts and support during the past year.

The Chairperson welcomed everyone to the Annual General Meeting of Evergreen Lake Michelle and confirmed that the required quorum was present and that the meeting was, therefore, duly constituted. He also requested all present to adhere COVID-19 safety protocols.

**2. ATTENDANCE AND APOLOGIES**

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

The Chairperson noted the following proxies received:  
- Greg Culhane

**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, and proposed by Stuart Leach

**ACCEPTANCE OF PREVIOUS AGM MEETING MINUTES**

The minutes of the previous AGM was circulated together with the notice of the annual general meeting. The Chairman recommended that the minutes be taken as read and accepted. Any comments of questions will be raised under general section. Proposed by Bob Thomas and seconded by Stuart Leach.



### **3. ANNUAL REPORT BY THE CHAIRPERSON OF THE RESIDENTS' COMMITTEE**

The annual report by the chairperson of the resident's committee was circulated together with the notice of the annual general meeting. The Chairman recommend that the chairperson's report be taken as read and noted. Any comments of questions will be raised under general section. Take as read

### **4. EVERGREEN VILLAGE MANAGER REPORT**

The village managers' report was circulated together with the notice of the annual general meeting. The Chairman recommend that the village managers' report be taken as read and noted. Any comments of questions will be raised under general section and take as read.

### **5. ANNUAL FINANCIAL REPORT FOR THE 2021/2022 FINANCIAL YEAR**

The annual financial report for the 2022/2023 financial year was circulated together with the notice of the annual general meeting. I recommend that the annual financial report and budget be taken as read and noted. Alet du Plessis, Evergreen Lifestyle Villages Financial Manager to present a summary.

#### *FY22*

- Revenue income R1.6m
- Expenses R1.9m
- Operating loss R0.3m
- Operating loss underwritten by EPI

#### *Budget FY23*

- Revenue income R1.6m (5.7% increase on FY22)
  - Dev Levies FY22 based on FY22 budget, not latest LRA
- Expenses R1.6m
- Operating Profit R95 000
- EPI underwrites all losses

#### *Budget approach / objective:*

- Balance budget (break-even scenario)
- Market related levies vs reasonable service
- Sustainable budget

#### *Highlights*

- No increases on the basic facilities and services levies, providing that the proposed levy cycle change is accepted.
- Proposal to change the levy cycle - currently the levy cycle is 01 September to 31 August, it is proposed to be 01 March to 28 February.
- The purpose is to align the village levy cycle to the financial year of Evergreen Lifestyle Villages (Pty) Ltd ("ELV").
- A change to the levy cycle will require all life-right holders to sign a 1-page addendum.



- Zero based budget – scrutinise costs and understand cost drivers.

*Challenges:*

- Head Office costs and Insurance costs were not charged to the Village in the past.
- The LRA clearly states that these costs should form part of the basic facilities and services, which the basic levy cover.
- Catering and Healthcare are not included under basic facilities and services, thus the proposal to introduce catering levy and healthcare levy.
  - Once these levies are agreed upon, a LRA addendum should be signed by each Life Right Holder.

## **6. GENERAL ELECTION OF RESCOM MEMBERS**

The Chairperson confirmed that the request to roll over the Rescom in place will be accepted. Margaret Reid had tendered her resignation

The Following residents were named to continue serving as Rescom Members:

- Greg Culhane – Chairperson / Finance
- Bob Thomas – Vice Chairperson
- Gail Fortgens – Secretary
- Mike Cooper – Healthcare
- Ian Thomson – Maintenance
- Gail Fortgens / Gael Culhane / Tony Grave - Social

## **7. GENERAL.**

We have now come to the last point on our agenda. We will 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 - Greg Culhane

*Why are head office costs and insurance on all the units been included in the levy calculations?*

### Answer - Question 1

AdP responded, building insurance and head office cost are listed as part of the basic facilities and services in the respective LRA's and thus covered by the monthly basic facility and service levy charged on the levy statement. Life Right holders have already agreed to payment thereof when signing the LRA.

### Question 2 - Greg Culhane

*We appreciate the freeze in the increase of levies When can we expect an increase after everyone signs the addendum?*



#### Answer - Question 2

AdP responded that the next increase will come into effect 01 March 2023 if the levy cycle change is accepted. The increase amount will not be available until later in the year when another cost-based budget will be drafted.

GR, reiterated if there are no massive cost expenses, the aim of the company is to keep the levies as low as possible.

#### Question 3 – Stuart Leach

Should we at any stage wish to move to Noordhoek Village, how would this effect clause 17-Termination of the Lake Michelle contract.

#### Answer – Question 3

PW responded, we have moved residents from houses to apartments before, where capital was liberated and levies ended up being lower, however this procedure would vary according to the residents various LRA's, their life stage in conjunction with their lifestyle and this would result in an individual capital return and different levy costs.

#### Question 4 – Painting of the houses - GR

#### Answer - Question 4

JP responded committing to painting all the units in the various phases and will wait for the directive from Riaan, regarding the logistics and flow of this process.

#### Question 5 – Patty Von Bormann

Regarding the illegal entry into my home and no feedback received from Garry.

#### Answer to Question 5

GR responded by apologising and also saying that there was communication to the LM housing committee regarding this, RG also responded saying that this has been on the Rescom minutes for a while and that he is trying by all means to get a seat on the security committee to ensure that we are at all time informed and have an input in the resolution and prevention of matters such a this. GR advised that RG and GC have put an immense amount of pressure on the estate manager to get feedback and as we have not had any satisfactory responses a formal letter will be issued to the Chairman of the board of trustees to raise our concerns about the fact that the Estate manager is refusing to engage with us the way in which she should be. RG advised that there had been a lot of dancing around providing feedback and information causing a lot of frustration. Information received showed that there are many similarities between the Lake Michelle and Noordhoek security systems but that that the Lake Michelle setup showed many loopholes between the different sub-systems. Requests for more information and also what has been done to resolve these issues has been blatantly ignored. The request from Greg and myself to allow me to represent Evergreen residents on the new Security committee was decline very quickly, again with very little reasons given. A high-level explanation was given to residents as to how the systems work. RG explained that the matter will not be let go of as did GR.



Questions 6 – Roger Payne

Please advise the basis on how the house will be painted?

Answer to Question 6

RG responded that Jason Panter and himself, will be meeting to come up with a practical plan on how to execute the painting of all the houses.

Question 7 – Roger Payne

What are the plans to increase the number of beds and medical staff at Noordhoek Village?

Answer to Question 7

EP responded, the 2-bed facility is the short-term solution we have to offer, however there have been no requests for admissions.

GR also responded that yes, it is our vision for Noordhoek to have a larger medical facility based on the resident's needs, however there is a difference between frail care and emergency care.

**8. CLOSING**

In closing; the Chairperson thanked all residents for their attendance, support and input. He believes that this year will be a better year, and is excited to start engaging and meeting with residents on a regular basis.

With no further matters being raised, the chairperson declared the meeting closed at 15h20

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

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**CHAIRPERSON**



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**APOLOGIES NOTED AT THE ANNUAL GENERAL MEETING OF THE VILLAGE  
HELD ON 02 JUNE 2022**

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1. Ian and Aldyth Thomson