

Dear all,

Please allow us to update you on the developments on the Estate.

On the AGM of the 18th of June the directors officially informed the home owners of the termination of the services of SBE Renting and their services to the Body Corporate.

Since that time the trustees have worked on 3 major tasks:

- finding an alternative provider for management, maintenance and security
- organizing the administrative part of it (bank account, investigating our legal obligations like CSOS)
- the transfer

#### **Management, maintenance and security**

We needed to find an alternative to the onsite presence of the staff of SBE Renting. Since there is no more management, we have a limited budget because the costs can no longer be shared with renting we could not hire individual staff members.

We have found our beloved **Jackson** willing to help us out.

He will return as Estate Keeper, living on the Estate and will be taking care of all daily affairs:

- keeping the common areas and pool nice and tidy
- be the 1st contact for emergencies, do daily security checks and will be checking your house when you are away
- water checks: he has all ins and outs, knows where to find leaks and knows how to fix things
- pool management, monthly reading all meters, etc.
- smaller repairs

The work is limited to light work that suits our retired Jackson but he will be our great Estate Keeper. A full job description is available on request.

He will be living in his old house, and Taryn Le Roux has already offered her old furniture so the place will be nice and comfortable. Thank you for that! If anybody has anything else in spare, please let us know.

For heavier maintenance we have found **Gwen Nel** willing to manage this. She will take care of the weekly maintenance such as grass cutting, bush clearing, water pipes and electricity and maintenance to the common property. She will also handle the garbage removal. She will be on the Estate at least twice a week with her vetted staff to perform said tasks, but as our preferred supplier she will also be your main contact on maintenance questions. Regarding the Estate she will receive her orders from the trustees but you can also hire her to organize maintenance and gardening work on your own property. We have found her to be enthusiastic and creative to get the jobs done.

The reason that Jackson is the perfect man for his job is that he is willing to live on the Estate almost full time and due to his excellent sense of responsibility and trustworthiness he can work almost without management as he has proven during Covid closure. Gwen will coordinate his work and they will work together in making our Estate as safe and sound as possible. If time permits he might be able to do some small paid services for home owners, but only upon written request to the BC. This will only come into effect after the first start-up period when we can see he has time available to do so. We will inform you closer on that in due time.

We have been able to negotiate so all costs fit within the approved AGM budget. This means that the levies do not have to change for the moment. As discussed in the AGM this will be a trial & error budget since we do not have history numbers so we will monitor this closely and evaluate in 6 months (probably in January).

## **Administration**

At this moment we plan to make a new start on September 1st. Serge (financial trustee) does not have full control of the current bankaccount at this time and we do not have a clear statement of the finances up to now. We are in negotiation with the directors on this.

We are trying to set up all in a valid legal manner. We will need to register at CSOS (legal obligation since 2016 for all Body Corporates and necessary to acquire a bank account) but for that we need deeds and officially audited financial records that we do not have. We are in dialog with Cees-Jan on this as well.

The issue at this moment is time so we will work on this the upcoming year and try to work with temporary solutions until we can fully comply to the legal requirements for Body Corporates.

## **The transfer**

SBE Renting will hand over the keys of the common properties (reception, bopa, laundry) to the home owners on September 1<sup>st</sup>. We are working together on a list of things that need to be transferred, such as electricity, water, DSTV, Wi-Fi and things that we might receive or purchase from SBE Renting, all to keep the Estate optimal for home owners and potential buyers.

We would like to express our thanks to the staff for all their years of hard work. We have tried hard to keep them on board which proved impossible without sharing costs with a renting agency. SBE Renting and/or the Phomolong trust promised to take care of their staff and where possible we will try to help find them new jobs as well.

Finally, at this moment the 2<sup>nd</sup> pool is empty. Repairing it is very expensive (over 100.000 ZAR); we do not have budget to repair it. But we do not want to write-off on it just yet. For the short term we will install red tape for security, but we would like to ask you for creative solutions what to do about the pool. One option is to fill it with sand and create a rocky garden. If you have any suggestions please let us know!

If you have any questions, please contact any of the trustees.

Thank you

Kind regards

Board of Trustees of Silonque Holiday Estate BC  
Guido Bos, Tjeerd Adema & Serge Settels

Attached: revised budget

## Revised Budget

In the invitation to the AGM as sent to you on June 6 you have received this budget, amounting to +/- ZAR 394.000. The layout is a bit optimized, but the numbers are the same. This way you can compare that the budget still accounts for the approved items and total amount, we just changed the admin and groundsman costs and made some corrections. The new budget includes 35.000 ZAR for electricity and water for the common properties, some expenses for the estate manager so he can perform his security duties (phone, wifi, etc) and have some comfort in his house. We took an actual 15% to the reserve fund. Next to the 35.000 extra budget for water and electricity we have a 48.000 reserve fund and still have 16.000 left against the original budget. This means that we have over 64.000 in reserve for unforeseen expenses.

Jackson will receive a salary of ZAR 5000. With his pension and payments from the fundraising he will have a monthly income of approx. 7500. Gwen will receive in total ZAR 8000 per month (24000 from gardening + 72000 for planned maintenance). This includes management fee, transport, staff costs, staff transportation, staff lunches and garbage disposal; VAT included.

Description	Revised 6Jun22 ZAR /annum	Notes	New budget	Notes
<b>People costs</b>	<b>139.088</b>		<b>90.650</b>	
Administrator	23.560	0.2 FTE admin function as described	4.050	Payroll services for 1 staff member
Groundsman	80.992	1.0 FTE	60.600	Estate Manager: Jackson (5000R + 1% tax)
Groundsman assistant/gardening	12.376	0.2 FTE	24.000	Gwen Nel 2 times a week
Groundsman clothing	2.400		2.000	Jackson clothing
Transport taxi homeowners share	19.760	20% of cost 52 weeks per year	-	Included in groundsman assistant
<b>Materials costs</b>	<b>28.176</b>		<b>45.003</b>	
Swimming pool	16.603	Materials to maintain one pool	16.603	Materials to maintain one pool
Tools replacement	11.573	50% to body corporate	5.000	Small materials Jackson, rest via Gwen
Sundry maintenance materials	-	See below maintenance projects	23.400	See maintenance projects
<b>Service costs</b>	<b>29.634</b>		<b>23.400</b>	
Garbage removal	3.612		-	will be handled by Gwen
Security	5.880	Only MBA contract 490/month	6.000	
Drone	8.438		-	Jackson does security rounds
Silonque East Gate	7.200	50% of SBE	14.400	We pay the full amount
Security camera	-	Not required by homeowners	-	
Pest control common property	3.000	Once a quarter	3.000	once per 6 months
Daily road tyre dragging	1.505		-	
<b>Fixed costs</b>	<b>50.986</b>		<b>27.000</b>	
Insurance common property	26.986		27.000	
Ba-Phalaborwa municipal rates common property	24.000		-	
<b>Maintenance projects</b>	<b>72.533</b>	per job card	<b>72.000</b>	
9 months maintenance plan to end Feb2023	54.400		72.000	Gwen Nel 2 times a week
annualised (add 3months)	18.133			
<b>Additional costs (not specified on AGM budget)</b>	<b>-</b>		<b>48.000</b>	
water/electricity common property (pool) (not in the AGM budget)	-		21.000	
audit			20.000	
bank accounts			6.000	2 bankaccounts
administrative software			1.000	new software, 82.50/month
<b>Security/Estate manager (not on AGM budget)</b>	<b>-</b>		<b>19.400</b>	
water/electricity common property (staffhouse)			14.000	also bopa, streetlights, ...
phone (staff = security)			1.200	prepaid 100/month
wifi common property (security)			3.480	290/month
Radio (security)		annualised (add 3months)	120	4000 once, 3 years
dstv (staff house, bonus to keep jackson)			600	50 per month, donate a 2nd hand tv and decoder
<b>Reserve fund</b>	<b>20.657</b>		<b>48.818</b>	
One months running costs, rates (8%)	20.657		48.818	15% of TOTAL incl. maintenance
Staff pension reserve included in people costs above	16.362	where does this go?	-	salary = pension Jackson
Municipal rates included in fixed costs above	24.000	where does this go?	-	reserved but not paid at this moment
TOTAL (excl maintenance project costs and reserve)	247.885		253.453	
TOTAL (excl reserve)	320.418		325.453	
<b>TOTAL (incl maintenance and reserves paid into body corporate)</b>	<b>341.075</b>		<b>374.271</b>	
<b>MANDATORY ITEMS</b>	<b>52.674</b>	Additional costs (ZAR/annum)		
CSOS membership	3.600		3.600	* indication, CSOS is dependent on levies.
Auditor costs for body corporate	40.000		-	see additional costs
Additional reserve fund to meet 20% of levy	3.074		-	see reserve fund 20000->45000
Fees for two bank accounts	6.000		-	see additional costs
<b>TOTAL</b>	<b>393.749</b>	+/- 394.000 As approved on AGM june 2022	<b>377.871</b>	
	per month	32.812	16.129	difference between AGM budget and this one
	1% share	328		Positive = saving money according to AGM budget

If you have any questions, please let us know.