

OFFICIAL MANAGING AGENT FOR THE ELISENHEIM HOME OWNERS ASSOCIATION
NOTES TO THE BUDGET EFFECTIVE 1 JULY 2016

The trustees are considerate of the fact that some of the assets will be depreciated over a period longer than twelve months, meaning that these assets will also be used when Extensions 2 & 3 comes on line and will assist with the levy contribution to replace some of the vehicles and to share in the fixed costs.

NOTE	COMMENTS
General	<p>The following assumptions were made:</p> <ol style="list-style-type: none"> 1. The existing costs will increased by 7,0% 2. Single & General Residential units for Ext 1 = 932 units 3. Single & General Residential units for Ext 2 = 412 units 4. 412 units for Ext 2 forms 45% increase in units 5. Concurrently the costs for Ext 1 will increase the overall costs of the estate with 45% 6. The surplus/reserves were noted 7. The levies for the estate will be unchanged 8. The levies for Ext 2 will be the same as Ext 1
1	<p>The Elisenheim Plant is used on a daily basis to maintain the estate i.e. pruning of trees keeping streets clean and to remove rubble or to transport water etc. Some assets are re[placed annually whilst others are depreciated over 5 years. It is anticipated that Ext 2 will increase the work load by 45% and accordingly an increase in costs of 45% is provided for Ext 2. Equipment not bought by Ext 2 will be shared with Ext 1 and the costs allocated to Ext 2. The Tractor is leased from EPDC when needed and there will be an increased demand from Ext 2. The fuel requirements will increase pro rata</p>
2	<p>A provision for 7,0% increase is made. It is expected that Ext 2 will require more equipment and that the equipment will have to be insured. The increase in insurance premiums are reflected</p>
3	<p>The enlargement of the estate with Ext 2 will necessitate that we employ an assistant to the Estate Manager to enforce the Rules and to manage</p>

	the staff on the estate. A further two employees will be required to assist on Ext 2. This will require more Uniforms and increase the cost of Fule and vehicles.
4	The management fee for Ext 1 was N\$57-50 per erf. After the incorporation of Ext 2 the managing agent reduced their fees to N\$50-87 per erf.
5	<p>Expenses are provided for cleaning of perimeter fence, road side verges, Tree maintenance & OPS.</p> <p>The waste water treatment remains contractually the responsibility of the EOA for the next five years where after the responsibility will transfer to the Windhoek Municipality. In terms of the agreement the Municipality will substantially cover the cost of the waste water treatment but the EOA contribution will increase with the inclusion of Ext2.</p> <p>The cost of electricity is for the operation of the electric fence, electricity to operate the waste water treatment and communal electricity of the EOA.</p> <p>Security for Ext 1 & 2 and the perimeter fence.</p> <p>Stationary is provided for circulars that will physically be delivered to erven at the estate to make sure that all residents are informed where necessary.</p>
6	We have increased the cost for the Audit with the increase in the units of Ext 2
7	Illustrates the amount that is provided in boosting the reserves of the EOA