

RRVV

NEWSLETTER

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Residents of Retirement Villages Victoria Inc.
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PRESIDENT'S REPORT

Greetings and a belated Happy New Year to all RRVV Members from you Committee..

RRVV Committee members had a short break over the festive season to catch up with family and friends, we hope it was a pleasant time for you all. Owen and I spent a week in a lovely holiday house overlooking the river Murray, great weather, great food and great company.

Well we put another year behind us and some times we feel as if we are just treading water. We need more committee members for RRVV, we only have 7 and the division of work is too much. If we do not get at least 2 more people who are prepared to step up and give a hand then I feel RRVV is going to fold. As I have related to you before we meet once a month in the city for our meeting, each committee member is expected to help in some way such as visiting villages and talking to members and prospective members - This is always a pleasure, we meet some really great people and see some lovely villages.

If you are at all interested in some very interesting and sometimes challenging voluntary work please give us a ring or drop an email. It certainly keeps the grey matter healthy. I don't mean to sound like a harbinger of gloom and doom but we really do need some help. Surely out of our 7,000 members there must be at least 3 who can give a hand.

In December and January RRVV visited Hayville Retirement Village and Sunbury Retirement Village and I would like to compliment the Management at both of these village on their profession and supportive management skills. It is always a delight to visit a well run village with happy residents. It is what we all deserve, especially in our advancing years

and it is the reason we entered villages and we pay enough for it. Unfortunately this is not always the case and RRVV is working hard to change that, especially to put into place professional Management Training. It is not an easy job, however it can be made easier with the correct knowledge and expertise to carry out the many varied duties of management in a retirement village.

If you would like a visit to your village from RRVV please give us a ring on our phone number or drop an email to us.

Best wishes to you all,

Lesley Menzies
President

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GET YOUR NEWSLETTER BY EMAIL

Like most organisations with large memberships, the RRVV spends considerable sums on postage to get this newsletter to members. If you are an email user and you receive your newsletter by Australia Post, please consider getting it via email instead. This would not only help the RRVV's finances but would ensure prompt deliveries of future newsletters to your inbox. Please give it a thought and let us know via email:

rrvv.vic@gmail.com or leave a message on 03 9015 8402

HAVE A LOOK AT OUR WEBSITE

As mentioned in our last Newsletter, the RRVV operates its own website www.rrvv.org.au Its main purpose is to enable members to keep in touch with RRVV activities, to have access to reliable information on retirement village living and learn how to deal with the issues that sometimes arise. The website also acts as a "shop front" for non-member village residents who may be considering joining the RRVV, as well as people who want to find out more about living in a retirement village. In addition, we believe that a number of government officers and village operators find it a useful source of information on retirement village living that takes into account residents' views and experiences.

On our Home Page you'll find a new section headed "Recent Activities". This is intended to keep members up to date with what's happening to various campaigns that the RRVV has initiated.

Like all RRVV endeavours the website is run by volunteers. We welcome your comments and suggestions either via email: rrvv.vic@gmail.com or leave a message on 03 9015 8402.

RATES PETITION

Still no word from the new Minister for Local Government Natalie Hutchins. A letter has been sent to her as well as an email. Only received a response that the email was received but not the letter despite it being sent registered mail. If you are a constituent living in her area perhaps you could remind her of this huge petition that was submitted to the Legislative Council on October 14 2014 and has yet to be even acknowledged by this either parties in Government. RRVV will keep up the pressure as well.

An email or letter to her office at Sydenham is always welcomed according to her webpage. The email address is: natalie.hutchins@parliament.vic.gov.au and her office address is Shop 11, Aquagardens Shopping Centre, 28A Hume Drive, Sydenham, Victoria, 3037. Lets keep up the pressure.

Lesley Menzies

WHY MEN ARE SELDOM DEPRESSED:

Men Are Just Happier People...

What do you expect from such simple creatures?

- Your last name stays put.
- The garage is all yours.
- Wedding plans take care of themselves.
- Chocolate is just another snack...
- You can never be pregnant.
- You can wear a white T-shirt to a water park.
- You can wear NO shirt to a water park.
- Car mechanics tell you the truth.
- You never have to drive to another gas station restroom because this one is just too icky.
- You don't have to stop and think of which way to turn a nut on a bolt.
- Wrinkles add character.
- Wedding dress \$5000. Tuxedo rental-\$100.
- People never stare at your chest when you're talking to them.
- New shoes don't cut, blister, or mangle your feet.

VOTING AT MEETINGS OF RESIDENTS

Frequently asked questions

There are three questions frequently asked RRVV on voting rights:

1. When is voting 'one residence-one vote', when is voting 'one resident-one vote', and when may residents elect to use one or the other?
2. At what meetings may I lodge a proxy vote?
3. What are the rules for determining if a meeting has passed a resolution?

The answers depend on the situation and the resolutions of the residents of a village.

Annual meetings of residents

The annual meeting is a meeting of residents convened under Section 33 of the Retirement Villages Act. In respect of a retirement village where there is an owners corporation, Consumer Affairs Victoria advises that the Section 33 annual meeting should be held separately from the annual meeting of the owners corporation even if the two meetings are separated by only a few minutes.

This is the meeting called by the manager at which:

- a. The owner (in the case of a village where there is no owners corporation) presents a written statement on refunds of in-going contributions that fell due during the year and on any material matter that might prevent the owner from meeting debts as they fall due.
- b. The manager presents financial statements for the year and details of major works, planned expenditures on goods and services, proposed increases in maintenance charges for the coming year, and any proposed levies.

On what does the Act stipulate residents get to vote?

- a. Dispensing with the auditing requirements of Section 34(4) of the Act (by special resolution after due notice).

- b. A special levy (by special resolution after due notice)
- c. A maintenance charge greater than the adjusted maintenance charge (by special resolution after due notice)

It is in the manager's discretion to put other matters to a vote.

Section 3(2) of the Act stipulates that voting at annual meetings is one-residence-one vote. If the residents of a residence cannot agree, the resident named first in the contract has the vote.

Section 36A of the Act stipulates that residents have the right to appoint proxies for the annual meeting of the village.

A resolution passes if a majority of residences voting, vote for it, except:

- a. In the case of a special resolution, which passes if at least 75% of the votes cast are in favour of it.
- b. In the case of a Section 36(4) resolution to increase the maintenance charge by more than the CPI, which passes if a majority of residences attending vote for it.

Other meetings of residents

Section 36(6) of the Act provides that the residents committee may call a meeting of all the residents living at the retirement village.

The Act is silent on voting at these meetings so it is reasonable to assume that residents may elect to use either one residence-one vote or one resident-one vote for ordinary resolutions. Section 36A of the Act does not give residents the right to a proxy vote at these meetings. Nevertheless, it is open to the resident body to pass a resolution giving residents the right to appoint proxies for the meeting.

Except in the case of a special resolution, a residents meeting may decide on the majority required for an ordinary resolution (i.e. a majority of those voting, a majority of those attending or a majority of all residents).

Section 3 of the Act provides that a special resolution must have the support of a majority of not less than three-quarters of the residents

actually living in the village at the time and voting at a meeting properly convened for the purpose.

Electing a residents committee

Section 36 of the Act provides that in the case of a retirement village where there is no owners corporation the residents may elect a residents committee and may remove a committee member by special resolution of residents. It is reasonable to interpret this as meaning that each resident has a vote. Other than for the requirement that the special resolution requires the support of at least 75% of those residents voting, the voting rules and procedures are in the discretion of the residents at a meeting of residents.

Voting at resident committee meetings

Section 36(4) of the Act provides that the residents' committee procedure is at its own discretion. Accordingly, it can determine its own voting rules except that it is bound by Section 36A to accept proxy votes.

Making, changing and revoking by-laws

Section 37 of the Act requires that a by-law does not take effect unless or until approved by a special resolution of the residents living in the village. The voting rules of the meeting type at which the proposer of the resolution presents the special resolution apply. For example, if presented at a Section 33 annual meeting, the annual meeting rules outlined above apply.

*Lawrie Robertson
Committee Member*

GST ON VILLAGE SALARIES

The GST on salaries is causing a few problems in some villages.

Most villages are set up as mutual receipt organisations, you need to ascertain from the Australian Tax Office (ATO) if they are classified as not for profit, Usually 'Not for Profits' get a letter conforming this. The association must raise enough money to pay its expected cost.

The question is – is the association supplying goods an services and raising revenue of over \$75,000?

- a) if do it must register for GST.
- b) Step 1 – The process is to assess and work out costs net of GST this is then divided by the number of units the levy is then struck.
- c) Step 2 – So if the levy is x (being over 75k) – the association must add 10% to its levy and collect tax for tax office and remit quarterly or monthly as the case may be and it is allowed to reduce this by the tax it has paid if it holds a valid tax invoice.
- d) If not required to be registered – The process is to assess and work out costs inclusive of GST this is then divided by the number of units the levy is then struck.

So you see the although the method to assess the levy is one thing the law relating to GST is another – it is just a method as to how to arrive at your levy, the GST kicks in after this. GST law has its exemptions none apply here – Levy fits into the definition of revenue – associations are caught. So in fact you do pay GST on salaries as the characteristics changes once it becomes a levy. The working out the expenses is just a method of arriving at the levy.

The Reserves does not get a carve out and the rates that is a very grey area. If you are even more confused then please ring the ATO and put it to them to sort out. Each village is different.

WHY MEN ARE SELDOM DEPRESSED (cont'd):

- One mood all the time.
- Phone conversations are over in 30 seconds flat.
- You know stuff about tanks.
- A five-day vacation requires only one suitcase.
- You can open all your own jars.
- If someone forgets to invite you, he or she can still be your friend.
- Your underwear is \$8.95 for a three-pack.

RETIREMENT LIVING BUSINESS SECTOR

The retirement living sector is showing good results in the share market. Aveo shares jumped 18% on their first half year net profit to 23.8 million and the retirement results were positive. Medium sized investors are buying more villages and interstate operators are buying into the Victorian Retirement Village market. Arcadia Communities from Western Australia have bought 2 villages in Victoria, Rylands of Kew and Rylands of Hawthorn, both from Stocklands. They also bought a gated community/golf estate called Hidden Valley at Wallan, about 40 kilometers North of Melbourne, into which they will build a retirement village.

RRVV met with some Malaysian business men this week who are looking into building retirement villages in their home county. They wanted to know why some retirees choose to move into retirement villages, after all it is not an investment choice. It was a very interesting meeting, we explained why some of us downsize to a smaller home and garden due to health problems whilst looking for security and companionship and some other moved to have a secure base whilst they travel. We also expressed the how important it is to have well trained managers as well as openness and transparency in dealing with potential residents, standard contracts and honest fact sheets and disclosure statements.

All essential staples for fair trading but all basics RRVV has fought long and hard to put into place in Victoria in the retirement village communities.

RETIREMENT LIVING LOBBY GROUP

RRVV is still lobbying along with COTA, HAAG and Consumer Advocacy Law Centre (CALC) to have the Retirement Village Act overhauled. Since its commencement in 1986 in has never had a full review. It was created when the Retirement Village industry was just beginning,

a virtual cottage industry with mainly Not for Profit Villages. It is now a huge industry with laws that do not properly serve both operators and consumers. The Act has had quite a few amendments to it over the years in an effort to improve it however it still need to be reviewed in full as it has too many areas of 'regulatory creep' which is very confusing for both parties. We met with Consumer Affairs Victoria (CAV) last month and explained to them about some of the problems that RRVV encounters. CAV feels that there are no disputes in the retirement villages industry because they do not receives any complaints, so no deal.

They want evidence of these 'so called disputes'. So we are asking you if you are having any type of trouble to please go to our website and view the Advocacy Kit we have put for your use. We would also like a copy of any dispute you may have for our own records. CAV say they need the data - so we have to provide it. Don't forget to include your local member of parliament, as they need to hear also. Nothing will change if you don't try.

You may have caught us talking about it on Radio 3CR last month.

Lesley Menzies

WHY MEN ARE SELDOM DEPRESSED (cont'd):

- Three pairs of shoes are more than enough.
- Everything on your face stays its original color.
- The same hairstyle lasts for years, even decades.
- You only have to shave your face and neck.
- You can play with toys all your life.
- One wallet and one pair of shoes -- one color for all seasons.
- You can wear shorts no matter how your legs look.
- You can 'do' your nails with a pocket knife.
- You have freedom of choice concerning growing a mustache.
- You can do Christmas shopping for 25 relatives on December 24 in 25 minutes.

ENTERING AND EXITING VILLAGES

RRVV attended a very interesting meeting at The Lakes Village in Taylors Lakes, a Stocklands Village. Gerry Backhouse and his team the Combined Chairmans Group, (CCG) presented a paper which they have been working on for most of last year regarding ‘exiting a Stocklands village.’ Residents and their families attended and I think it was almost a 500 head count. Very important information that we should all know even if it is not a Stocklands village. For all Resident Committees in a Stockland village the CCG have produced a legal opinion from a lawyer for your use. However as they had to pay the large legal fees, it’s available at a cost of \$145.00 per village. A very reasonable cost, the paper can then be copied and distributed to all of your residents. It also contains good information for all villages. A copy of this can be obtained from ‘Innate Wealth’. Phone number 03 9336 7800 – email address: admin@innatewealth.com.au. Their website is www.innatewealthwealth.com.au and the offices are at 9-11 Arabin Plaza, Arabin St., Keilor.

I would like to draw to your attention the Geelong Forum advertised in this newsletter, the theme will be about “Entering and Exiting Villages”. Much of the above exiting information will be covered in this forum and we would ask if you could please ask your next of kin, your executors’ and powers of attorneys and anybody else who could be involved in your personal circumstances to attend. We all go into villages thinking well this will be my last hurrah and the kids can look after the rest but we often leave them a huge puzzle without the clues to solve it. We hope to give you some pointers if you are interested please come along. We have an excellent venue at Buckley’s, with a huge function room to accommodate you all, all heating cooling, morning tea and coffee supplied. We can all join for lunch after at their great restaurant. Please book for both the Forum and Lunch or which ever you are attending. The entrance to the Forum is free and the luncheon will be \$17.00 per head which includes a glass of wine, beer or soft drink.

VILLAGE EMERGENCY COMMUNICATIONS

The Management at your village is able to set up a specific group which is able to contact all residents via SMS in case of fire or emergency. Most phones have surge facility to send group messages which can give you timely notification of emergencies as necessary. It is a very easy and quick way of communicating with village residents and most people these days have a mobile phone. If not, the Manager can take note of the few that do not have one and contact them by home phone.

Owen Menzies

LED LIGHTING

Our village just recently had all over our down lights changed to from halogen to LED, totally free of charge to all residents. If your village would like to take advantage of this offer please contact LEEA ENERGY. 1300 212 759 No mess, no fuss, done in 30 minutes, depending on how many down light in the unit of course. It is a State Government initiative available to everyone in a residence for free, it will lower you power bills and they claim it will reduce your lighting costs by up to 90%. and the globes last for years. It all helps.

*Owen Menzies
RRVV Committee member*

MEN ARE JUST HAPPIER PEOPLE:

NICKNAMES

- If Laura, Kate and Sarah go out for lunch, they will call each other Laura, Kate and Sarah. If Mike, Dave and John go out, they will affectionately refer to each other as Fat Boy, Bubba and Wildman.

EATING OUT

- When the bill arrives, Mike, Dave and John will each throw in \$20, even though it’s only for \$32.50. None of them will have anything smaller and none will actually admit they want change back.
- When the girls get their bill, out come the pocket calculators...YEP!!!

ANNUAL INCREASE IN SERVICE FEES

For retirement villages whose financial year ended on 31 December 2014 (ie the financial year coincides with the calendar year), the village operator is entitled to increase the service fee or “maintenance charge” by **2.37%** for 2015. This percentage is based on changes in the Consumer Price Index (CPI) that took place between 2013 and 2014. The formula used to calculate the percentage increase is specified in the *Retirement Villages (Contractual Arrangements) Regulations 2006*.

The percentage increase is calculated by dividing the sum of the CPI index numbers for each of the four quarters in 2014 by the sum of CPI numbers for the corresponding quarters in 2013. The table shows the relevant figures for calculating the increase for 2015 for Melbourne.

Quarter	Melbourne CPI
March 2014	105.3
June 2014	105.9
September 2014	106.1
December 2014	106.3
<i>Total</i>	<i>423.6</i>
March 2013	102.4
June 2013	102.6
September 2013	104.0
December 2013	104.8
<i>Total</i>	<i>413.8</i>

Source: Australian Bureau of Statistics 6401 (All Groups)

The total of the first set of four index numbers (423.6) is **2.37%** higher than the total of the second set (413.8) and operators of retirement villages in Melbourne are entitled to increase their fees to residents by this percentage. Any proposed increase higher than 2.37% would require residents’ approval, in the form of a majority vote at a meeting of residents or, in some cases, a resolution of the residents committee.

A retirement village operator is entitled to increase service fees by more than 2.37% without residents’ approval only if their costs have increased as a direct result of changes

in items of expenditure which are set by governments, such as award wages, rates, and taxes.

This increase applies only to those villages whose financial year ends on 31 December; the financial year of most villages ends on 30 June, for which we will publish the relevant increase in our September Newsletter.

Peter Saalmans
(Member, RRVV Committee)

CALLING ALL RLO’S

Just a reminder re. the article on RLO’s on page 6 Dec. 2014 edition of the RRVV newsletter. The response has been quite slow. We really do need to update and increase our data. Your assistance would be most appreciated. RRVV and NARI (National Ageing Research Institute) will be conducting a survey this year and if you wish your village to be included we will need this information.

Many thanks
Owen Menzies

MEN ARE JUST HAPPIER PEOPLE (cont’d):

MONEY

- A man will pay \$2 for a \$1 item he needs.
- A woman will pay \$1 for a \$2 item that she doesn’t need but it’s on sale

BATHROOMS

- A man has six items in his bathroom: toothbrush and toothpaste, shaving cream, razor, a bar of soap, and a towel.
- The average number of items in the typical woman’s bathroom is 337. A man would not be able to identify more than 20 of these items.

ARGUMENTS

- A woman has the last word in any argument.
- Anything a man says after that is the beginning of a new argument.

FUTURE

- A woman worries about the future until she gets a husband.
- A man never worries about the future until he gets a wife.

GEELONG AND DISTRICT FORUM - BUCKLEY'S

54 Fellmongers Road, Breakwater, Vic. 3219
28 May 2015 at 10am

Residents of Retirement Villages Victoria (RRVV) is holding its 4th Regional Annual Forum BUCKLEY'S in Geelong.

“ENTERING AND EXITING A RETIREMENT VILLAGE”

If you are considering a move to a Retirement Village or if you are presently living in one you must attend this informative meeting.

The theme chosen for this Forum is a very important one. One which concerns every one who is planning to enter a village or leaving it. Prospective residents must arm themselves with as much knowledge as possible to make this decision. Careful scrutiny of disclosure documents and contracts is the only way you can make an informed choice of which village you choose to live in. Don't be influenced but the glossy pictures. This RRVV Forum can give you guidance in how to obtain the correct information.

If you are already living in a village you probably thought that this was going to be your last move. This is not always the case and even if it is, it often means you have left a huge problem for your loved ones to sort out at during bereavement. Moving into a nursing home and the final sale of your retirement village home is not an easy procedure. RRVV would like to help to make this a smooth transition for both yourselves and your families. We ask that you attend with family members and or your executors if at all possible as it concerns them also.

The forum cost is free and we will supply tea and coffees. If you would like to stay for lunch at Buckley's after at 1pm the venue is putting on a discounted meal for \$17.00 per head and this includes a glass of wine, beer or soft drink.

Please leave your names and numbers of persons in your group attending on our answering service (03) 9015 8402; or email; rrvv.vic.admin@gmail.com before Monday 18 May 2015. (Don't forget to mention if your are staying for lunch at Buckley's.)

FOR THE OVER 55 YEAR OLDS

ARUP, the University of NSW and the University of Melbourne have partnered together to develop a tool to quantify “age – friendliness” in cities.

Our aim is to guide the design of the city towards a city that will enhance the quality of life for our ageing population. You can help us understand your needs and wants by completing this 15 minute survey at the link below and by sharing the survey with any friends, family members, or associates who are over 55 years old. You may win one of ten movie vouchers.

Your link:

<http://www.surveys.unsw.edu.af/f/160240/18ef>

Many Thanks.

MEN ARE JUST HAPPIER PEOPLE (cont'd):

MARRIAGE

- A woman marries a man expecting he will change, but he doesn't.
- A man marries a woman expecting that she won't change, but she does.

DRESSING UP

- A woman will dress up to go shopping, water the plants, empty the trash, answer the phone, read a book, and get the mail.
- A man will dress up for weddings and funerals.

NATURAL

- Men wake up as good-looking as they went to bed.
- Women somehow deteriorate during the night.

OFFSPRING

- Ah, children. A woman knows all about her children. She knows about dentist appointments and romances, best friends, favorite foods, secret fears and hopes and dreams.
- A man is vaguely aware of some short people living in the house.

THOUGHT FOR THE DAY

- A married man can forget his mistakes. There's no use in two people remembering the same thing!
- SO send this to the women who have a sense of humor and to the men who will enjoy reading it.