

22nd October 2010**GOLDEN GROVE LIFESTYLE VILLAGE****Responses to written questions****Electricity – \$56,544 – Why is this so high compared to 2009 at \$25,855?****2008/2009****ONLY TWO QUARTERS RECEIVED IN 2008/2009**

1st letter Received from AGL

03 March 2009 - Apologising for the billing delays

1st account rec'd 14 Nov to 12 Feb 2009 \$ 11,371.31

2nd letter Received from AGL

27 May 2009 - Apologising for the billing delays

2nd account rec'd 13 Feb to 17 May 2009 \$ 12,331.39

2009/2010**FULL FOUR QUARTERS RECEIVED IN 2009/2010****Listing only major invoices**

1st account rec'd 18 May 2009 to 16 Aug 2009 \$ 13,358.79

2nd account rec'd 17 Aug 2009 to 15 Nov 2009 \$ 12,613.55

3rd account rec'd 16 Nov 2009 to 14 Feb 2010 \$ 14,244.02

4th account rec'd 15 Feb 2009 to 15 May 2010 \$ 12,484.81

Reimbursements – Admin Staff - \$182,445 what staff does this include?**Shouldn't the "Sales" role and the "Maintenance" role (including associated costs e.g. Telephone, Printing and postage, etc) be clearly accounted for and shown separately)?**

This is the cost of onsite staff, Estate Coordinator, Estate Maintenance, Estate Sleepover. It includes gross wages/payroll tax/workcover/superannuation/holiday loading. The sales wages are not expensed to village

Budgeting essentially reflects the proposed position of how the Village may operate is completed and therefore any comparison of "budget versus current year's actual expenditure", is of little value what is being done about this.

The Operations Manager will work with committee and Finance Sub-Committee to revise the budget to make it relevant to the current financial year. Also we undertake to have with full and proper consultation in the "preparation" of future budgets, including the Capital Items Replacement Fund.

Question re Income Statement to 30 June 2010:

Our concern is specifically about all of the Maintenance Items. What do these expenditure items for Maintenance include – material costs, contract costs or labour?

Are any of them covering Warranty work? If this is the case shouldn't they be a charge against Fairmont Homes for Warranty Work?

All of these cost centres will include a mixture of materials and labour, any warrantee work is identified by the village coordinator and does not appear as a cost to the village

Were there any auditor's recommendations?

No

What plans are there to increase car parking?

The visitor car bays are shown on the master plan, no further spaces can be created

What are the future plans for Gardening expenses?

The gardening hours will need to be increased as the village grows as long as it can be accommodated in the budget

Were council rates paid during 09/10?

Council rates were paid by developer totalling \$45,150.00
(for unoccupied homes and developing land – there was no assessment for the community area separately during 2009/2010)

Have warrantee costs been included in 09/10 expenditure?

There is no cost to warrantee work

Is the C.I.R.F part of the Audit report?

Yes

Why have we earned so little interest on C.I.R.F (0.025 %?)

The interest rate for the CIRF was 1.30% pa and based on the balance in the account
The \$41,119.13 was transferred at the end of the financial year by the developers.

**Why does Roads/Paving still appear in Maintenance Budget and not in C.I.R.F?
Also \$6,156 seems excessive for brand new roads.**

This is only a budgeted figure and quite conservatively budgeted for based on a full village of 348 homes. Due to earth movement paving repairs or patching up of bitumen will be necessary. Depending on the type of work and costs some of this type of work is costed to maintenance and not CIRF.