



91 King William Road, Unley SA 5061 | ABN 13 092 002 858

GOLDEN GROVE LIFESTYLE VILLAGE

MINUTES OF ANNUAL MEETING

Held on the 18th October 2022

1. PRELIMINARIES

Meeting Attendees:

Residents of Golden Grove Lifestyle Village
Trish Sentinella, Village Coordinator, Lifestyle SA
Paul Hosking, Operations Manager, Lifestyle SA

Apologies:

As per list in office

Introductions:

Paul Hosking opened the Annual Meeting at 10.00am and welcomed everyone in attendance.

Minutes recorded by:

Trish Sentinella, Lifestyle SA

2. AGENDA ITEMS

Paul advised that every resident would have received a Notice to Convene an annual Meeting with the following information:

- Audited statement of income received from residents and expenditure of that income, for the previous financial year.
- Statement of estimates of income from residents and expenditure of the income for the current financial year.
- Statement of the estimates of income and expenditure for the current financial year in relation to the any capital item funds.

The increase to the maintenance fees applicable for this financial year commencing 1st July 2022 was 2.5%.

Notices of this increase were issued to all residents on the 29th June 2022.

Residents were invited to submit questions in writing prior to this meeting.

3. WRITTEN QUESTIONS SUBMITTED

Leon Ernst Unit 119

Reference

The retirement village Act SA 2016 (the ACT)

The Retirement Village Regulations SA 2017 (The Regulations)

L1 = Residents payment for a license to occupy

L2 = Replacement License to occupy

Cb = Capital Gain

LSA = Lifestyle SA

Question 1

What part of the Act or Regulations does LSA depend on to charge a commission for the selling of their own property?

Answer

Retirement Village Act SA 2016, Part 3, Division 1, Section 21

Question 2

The Act has words that detail options for the application of Capital Gain. What part of the Act or regulations does LSA depend on to use the term Capital Gain in a formula which does not calculate Capital Gain?

Answer

Retirement Village Act SA 2016, Part 3, Division 1, Section 21 (2)(iv)

Question 3

Does LSA have any employee who is qualified in any way to determine market Price for a unit?

Answer

Yes, the government via the Act, recognises the initial right of the operator to determine the market value of the unit and in the event of disagreement a resolution is set out in the Remarketing Policy in accordance with the Act and the Regulations.

Question 4

Does LSA consider CIRF refurbishment and dealing with sales enquiries and other related transactions to resell a unit to be part of normal operation cost of the Village?

Answer

The Premises condition report is usually carried out by the village coordinator with back up from staff at head office if required. All other related transactions are coordinated by head office.

As such the Village Coordinators role encompasses welcoming and showing prospective purchasers the village.

Question 5

At CPI of 2.4% interest the CIRF fund yields about \$30,000 per year. Where does this (or any other interest sum) show in the CIRF accounts?

Answer

Historically RBA has set interest rates at a very low rate which in turn is reflected with minimal interest returns for the cash at bank for all individuals and businesses in Australia. We will see a change in this financial year with interest rates being lifted this amount will be reflected on the Income & Expenditure Statement under Interest.

Question 6

Our Contract and the Act and Regulations have words to the effect that a sale of a residence must benefit both the Resident and LSA. How does LSA ensure this?

Answer

The village owner and an exiting resident share in the value of the unit when it is sold to an incoming resident.

We work hard to sell the unit quickly and at the highest possible price for the exiting resident.

Question 7

My experience is that LSA does not follow our contracted disputes policy nor the dispute Policy in the ACT or the Regulations. Will LSA explain why this is so?

Answer

The Operator will always follow the steps of the Dispute Resolution Policy and we expect the participants to be cordial and respectful during a meeting.

Question 8

The Act says words to the effect that if there is a difference between the ACT and a contract then the ACT will prevail. Can LSA comment on this in relation to their marketing and selling practices?

Answer

We agree, and our Remarketing Policy complies with all requirements under the Act and the Regulations.

Question 9

LSA claim that the Government intends for Village units to sell at a lower price than the market. Can LSA provide documents to support this claim and how does this relate to the initial selling price of units to be on or near the SA Median House price? (SA Gov Data) in 2008 2009

Answer

We have not made that claim.

Question 10

The Formula in our contract $C_b = (75\%L_2) - L_1$ results in a much greater rate of gain for a resident then LSA as the selling price increases (a factor of about 3) does this explain why LSA sells units at what appears to be below market value resulting to a substantial financial loss to Residents (up to \$150,000 over 14 years)

Answer

Homes in the Golden Grove village sell currently above market value.

4. QUESTIONS FROM THE FLOOR**Question 1: Jim O'Neil unit 68**

The Community Facilities/Grounds budget for CIRF last year was \$20K, we spent \$10K and the proposed budget for 2022/2023 is \$170K what is the increase for?

Answer:

We have allowed for an upgrade to the Bowling Green and also some repairs to the tennis court.

Question 2: Leon Ernst unit 119

Will residents receive a copy of my questions and the answers you have provided? I find some of your statements to be clearly wrong and your answers frivolous and marginally inaccurate.

Answer

All residents will receive a copy of your questions and our answers included with the meeting minutes.

Question 3: Denise Prisk unit 261

Outside real estate prices have increased significantly and some people are making a lot of money on the sale of their properties, is this increase reflected in our unit prices. Many residents need to maximise the sell price of their units to cover costs such as higher care.

Answer

Outside real estate prices are for home and land ownership. In a retirement village, prospective purchasers are buying a licence to occupy the space inside the walls of the unit. Nevertheless units at the Golden Grove village re-licence well above market value.

Question 4: Lee Excel unit 280

The very wet weather has caused my pavers to go black, can LSA clean my pavers?

Answer:

Please submit a Maintenance Request and Trish will review. We currently clean the clothesline enclosures that can get moss and build up from excessive water pooling particularly from the a/c units.

Question 5: Don Mahoney unit 200

When residents leave and their gardens are cleared how do you come up with the charge to the outgoing resident, I heard you charge \$50 to dig out a rose bush?

Answer

I have not had to charge an outgoing resident for gardening, we discuss the requirement to remove any rose bushes with the family and they remove them. Any upgrade we do to a resale unit such as removing plants and re planting is funded from the CIRF account.

If I did need to remove rose bushes the outgoing would be charged an hourly rate for the time the gardener took to remove the bushes.

Added: Any costs related to the Refurbishment of a unit are quoted and given to the outgoing resident prior to the work being undertaken.

5. CLOSURE

Minutes of the meeting will be available 10 days after this meeting and the meeting was declared closed at 10.20am

Date of Distribution: 1st November 2022