



Western Australian Retirement Villages Residents Association Inc

Minutes of the General Meeting
Friday 9th August 2019 10.00am

Dept of Mines, Industry Regulation and Safety Exhibition Hall

1. PRELIMINARIES

1.1 Welcome

In his introduction as the designated President of WARVRA since June 2019, Ron Chamberlain welcomed all to the Meeting, reiterating that attendance at the Meeting was for WARVRA members only.

- 1.2 Attendance: 90 as per Register
Apologies: 9 as per Register

2. MINUTES OF GENERAL MEETING 10th May 2019

Resolved: That the Minutes of the Meeting be adopted.

Moved: Angela Potiphar Seconded: Terry Botley Carried

2.1 Business Arising from Minutes
WARVRA Associates

With a Power Point display, the designated Secretary presented the draft of two documents as recommended by the Committee of Management:

- WARVRA Associate : Family
WARVRA Associate : Owner/Operator/Manager

Discussion on both documents took place particularly the Owner/Operator/Manager and the need for inclusion of ' Village Manager' in the title.

Resolved: That the WARVRA Associate : Family document be accepted without change and WARVRA Associate : Owner/Operator/Manager be accepted with the addition of 'Village Manager'.

Moved: Ron Lullfitz Seconded: Eugene Browne Carried

3. CORRESPONDENCE Nil

4. REPORTS

4.1 President (See attachment)

President Chamberlain presented a Report.

4.2 Legislation and Advocacy (See attachment)

Convenor Chamberlain presented the Report.

4.3 Membership and Education (See attachment)

The Report was presented by Convenor Bernie Frayne.

4.4 Treasurer (See attachment)

With a PowerPoint presentation, Treasurer Corry Knappers presented the Statement summary of:

1st January 2019 – 30th June 2019

Table with 2 columns: Description and Amount. Rows include Opening Balance, Receipts, Expenses, Closing Balance, Cash Reserve, Term Deposits, and Total Funds.

Resolved: That the Report be adopted.

Moved: Hans Speijers Seconded: Ned Stokes Carried



Western Australian Retirement Villages Residents Association Inc

5. GENERAL BUSINESS

5.1 Review of WARVRA Constitution

In presenting a draft of amendments to the Constitution, Des Cousins explained that the purpose of amending the Constitution is to simplify processes, remove redundant processes and content, and provide a better status to the Committee of Management; the intention is that a vote be taken on the amended Constitution at the November 2019 General Meeting.

A member verbally presented seven suggested amendments to Draft 5 of the Constitution, and because of time constraints, these were not debated during the meeting. The member offered to document these and provide a copy to Des Cousins and the Committee of Management for consideration.

The President invited the membership to submit comments for consideration, to the Committee of Management.

5.2 Stage Two of Proposed Reforms to Retirement Villages in Western Australia

Following morning tea, the President welcomed Department of Consumer Protection staff, Susan O’Brien, Karine Broux and Irena Dillon who provided responses as follows, to questions from members.

- (a) The Consultation Regulatory Impact Statement 1 is difficult and complicated to interpret; it is complex legislation.
- (b) Common language between the consumer and operator is required, with the consumer understanding the Retirement Village Product (Property and Services) and Price.
- (c) The Department will investigate the use of terminology and descriptions used, for eg ‘managed Community’, ‘Deferred Management Fee’, ‘secondary market’.
- (d) The fortnightly Recurrent Charge in Table 3 has been taken from a website with someone else’s working.
- (e) The differences and confusion relating to Property Titles (eg Purple Title, Strata Title) will be addressed and clarified in the last Proposed Reforms document.
- (f) In response to the suggestion for the appointment of an Ombudsman, the Department requests information for the role of an Ombudsman that SAT is not already providing.
- (g) Maintenance work and Capital work will be given greater definition with more requirements.
- (h) Protection mechanisms for funds and expenditure will be provided in the next document.

6. FINALITIES

6.1 Vote of Thanks

The President thanked Susan, Karine and Irena for their attendance and input and expressed the hope that discussion in villages will be stimulated.

6.2 Close

In closing, Des Cousins announced that he is co-ordinating WARVRA’s response to the Proposed Reforms and gave encouragement to Villages to provide responses to him.

The meeting closed at 12.40pm.

Minutes adopted:/...../ 2019

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Chairperson



Western Australian Retirement Villages Residents Association Inc

President's Report: 8 August 2019

There has been considerable amount of ground covered since that change of presidency. The Committee of Management has met on two additional occasions to try to deal with many of the outstanding issues. While much of this work is on-going, we have established a list of roles in the Committee of Management to determine who is doing what and I would like to thank the Committee members, particularly Maureen (who agreed to join the CoM as Secretary) and Corry, for putting that scheme in place. Eventually, we plan to have in place a number of policies and guidelines for dealing with matters so as to eliminate making up policy as we go – which of course is not a very good way to do things.

We have been working on the development of a Strategic Plan which is important and while we have made some progress, we will need to re-visit this plan many times until we have a working document to take us forward. We have done some work on a SWOT Analysis (Strengths, Weakness, Opportunity, Threats). Our input into the new legislation is a real opportunity to serve our members to highlight some of the problems in the industry and having them dealt with by legislation.

As a threat to WARVRA we mentioned that we are all volunteers and we must plan carefully not to take on too many tasks that we may find impossible to carry out. I am not taking a pessimistic view but suggest that as individuals and as a Committee of Management, we must be realistic about the tasks we undertake! We will continue to raise the questions of “do we need additional (hired) help to assist the organisation to serve our members and to have an impact on decision makers and, secondly, how do we pay?” I believe that we do need additional help and that we should seek government help to carry out tasks of providing information to residents and feedback to government on village matters.

I believe that the website may assist us in reaching out to members and potential village members. The web site already contains a great deal of valuable information and I will be talking to Dave Porter to examine ways in which we may be able to make more information available on our web site.

As I see it, the next twelve to eighteen months will be committed to providing feedback to Consumer Protection on CRIS (Consultation, Regulatory, Impact, Statement). The current paper and the four or five to follow will take up a considerable amount of time and energy. I would encourage anyone who wishes to do so to contribute in the session we will have in the last session today and in others or in individual contribution through our website, to do so!

The Consumer Protection people have asked politicians to nominate villages which would like a presentation from Consumer Protection to talk about Consultation Paper 1. I would urge villages to accept these invitations, perhaps combining with other villages and providing morning tea. Your interest in the issues raised is going to play an important role in the success of this important project.

I would like all members to feel that they are able to make a contribution in this feedback process.

The L & A Committee has worked hard also having additional meetings and we are very fortunate in having two very experienced L & A campaigners in Des and David on that Committee. I thank them for their work and the rest of us are learning quickly!

I would also record my thanks to Des for his invaluable work on the Constitution.

I would also like to comment on the Membership and Education programme, although Bernie will give you more of the details later. Rightly or wrongly this programme has been operated by one person who has done the work with a great deal of dedication and enthusiasm but WARVRA will be better served by having the workload spread between more of our members. I would encourage anyone who can do so, to help Bernie, in what is a demanding task.



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Western Australian Retirement Villages Residents Association Inc

Having more people carry out the task of visiting villages and talking through the topics will lighten the workload on a few willing workers and broaden the experience of our members because if there is one thing that we have found out from our current experience and the SWOT analysis is that help is needed.

The Management Programme has been deferred in order to cope with the legislative review but it should be on the agenda early in 2020, depending on our commitments to the legislative review.

I also hope to take part in regional meetings and am waiting for information on the scheduling of these meetings.

I would like to thank all Committee of Management members for the assistance they have given to me. In particular, I thank Maureen for accepting the invitation to join the Committee and to Corry for her work as Treasurer.

Ron Chamberlain
WARVRA President

Legislative & Advocacy Report to Quarterly Meeting: 9 August 2019

The L&A Committee has met on two occasions (25 July & 2 August) since receiving Consultation Paper 1 on 22 July.

Consultation Paper1 links to the previous recommendations made in 2010 and to the legislative changes which occurred up to 2016 and discusses many of the issues which prospective clients of retirement villages have in trying to obtain accurate information about some of the financial obligations that people enter into often before they have received a copy of their contract and before they have the detailed financial arrangements, they are likely agree to, by signing the contract!

The theme for Consultation Paper 1 focuses on the pricing structure and advertising.

Advertising is an important way in which owners communicate with prospective customers and Consultation Paper1 discusses the information provided such as the glossy photos, amenities, happy retirees in the village context, and the cost of the available accommodation. What is not made available at this early stage are the recurrent costs and the Deferred Management Fee (DMF) and other Exit Fees. These fees are usually not available to the prospective resident until approximately ten days before they are required to sign their contract.

It is of course very important that a complete understanding of the total price is made clear to prospective residents at the same time as the “emotional elements” of the decision are being made. Various models are suggested including the possibility of paying the DMF up-front or after say 5 or ten years, which means that the total payment would be less.

Under the heading “Secondary markets”, (and there is a lot of this type of jargon) Paper1 discusses the difficulty consumers have in obtaining quality information about the RV product as lawyers and financial advisors have some difficulty in explaining the product to the consumer. Firstly, the demand for advice is not there, so expertise is not developed, and many lawyers are engaged by the owners and operators and therefore not readily available to the consumer.



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Western Australian Retirement Villages Residents Association Inc

This matter is identified as important because some very critical financial concerns are not discussed until after many of the emotional decisions about entering the village have been made.

Consultation Paper¹ makes the point that the language of the Real Estate Industry is not really the language of the Retirement Village industry as it is generally acknowledged that you are paying for something more than a dwelling when you enter retirement village living. Terms such as “For Sale” and “Purchasing” a property when a person is entering into a “lease agreement” to enter a retirement village are inappropriate concepts.

I would also argue that the term “Managed Community” is also an inappropriate term when describing a retirement village because it suggests that someone is going to “manage” the people in the village. I certainly did not enter a retirement village in order to be “managed” by someone. I think that a more appropriate term would be a “community lifestyle” promoting the concept that residents through their residents’ committee work with a village manager to make decisions in the best interests of the village community.

The L & A Committee will be asking what is a “retirement village scheme” as there has got to be something more decisive than that it is “a scheme for retired persons”. Rather than simply talking about the accommodation it should be necessary to talk about the available amenities and express the rights or privileges which one may have to relinquish in order to abide by the rules of community living and how those rules may be changed by the community if found unsuitable.

Discussion about “recurrent charges” should be acknowledged as residents’ money which is being used by the administrating body to serve purposes acknowledged by residents as necessary costs or by residents requesting work to be carried out in their best interest.

I would encourage members to take a critical look at the tables which are provided in the document to decide whether these tables are good examples representing what actually occurs in the retirement village industry. The L & A Committee would suggest that a number of the tables bear little resemblance to reality. Table 3 (page 20) talks about Recurrent Charges of \$714 per fortnight. Surely, there are few, if any retirement villages, which charge \$1545 per month in recurrent charges.

One major concern is that in receiving Consultation Papers in instalments, is that some of our concerns will be lost because they will only be addressed as side issues as part of another issues, which has been addressed by Consumer Protection as a major issue. The L & A Committee will attempt to track many of the issues listed in Briefing Paper 2.

We appreciate comments from members, whether the issue is large or small. Please contact us on the WARVRA web site so that we can track them and they do not get lost among other emails that come to individual committee members.

Ron Chamberlain Convenor
Convenor L&A Committee



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Western Australian Retirement Villages Residents Association Inc

Membership and Education

My name is Bernie Frayne and I have been asked to fill the position of Convener of Membership & Education after resignations from Ian for personal and family reasons.

I would like to thank Ian for all his hard work in the membership area. His expertise and knowledge will be a great lost to us. He carried out his work in the Membership & Education area, with dedication and professionalism, and under his guidance our membership has climbed steadily over the years.

We have a total of 125 villages who are members here in Western Australia and 4 more new villages have joined our family in recent times.

We also have Associates:

Family 46

Management 31

The fact that we are developing groups of Associates through village management, means that more avenues are opening up to us in village membership.

Over the last few months the membership team have been to 9 villages to give presentations. One of the most popular topics was on resident's committees. If you would like the membership team to come to your village to do a presentation on the following topics.

- Residents Committees
- Disputes and Complaints
- Budgets and Accounts
- Why Join WARVRA
- Exiting Your Villa

We need more members to become part of the membership team in the South and East of the River and the Peel Region and South-West, please come and see me after today's meeting if you would like to be part of the team.



TREASURER'S REPORT		
Period ending 30 JUNE 2019		
Opening Balance 1 Jan 2019		7,254.54
<u>Receipts January - June 2019</u>		
Village Memberships		14,964.00
Individual Memberships		1,240.00
Associates		640.00
Bank Interest		6.56
Total receipts		16,850.56
<u>Expenditure January - June 2019</u>		
General	-	7,610.43
Total expenses	-	7,610.43
Cash Book Balance at 30/06/2019		16,494.67
Total Funds ANZ Bank account		16,494.67
Plus Westpac Business Cash Reserv		1,724.05
Plus Term Deposit Investments		47,287.50
Total Funds as at 30/06/2019		<u>65,506.22</u>