



Discussion Forum

The comments and opinions expressed herein do not necessarily reflect those of the Retirement Village Residents Association (RVRA) or its Members.

Did your village reject its Proposed Budget?

Posted: Wednesday, 26 May 2010 11:51am - By **neil**

Around about this time of the month village 'budget meetings' are being held.

Evidence is emerging that some villages are rejecting the budgets their operators have proposed because of the lack of detailed information being submitted by their operators to substantiate the proposed charges.

As well, there appears to be blatant ignorance on the part of some operators (or else it's deliberate defiance of the law by those operators) who are including some items of expense that are now prohibited to remain (or to become) the cost responsibility of residents under the new legislation that began on 1 March 2010.

I know of four villages who have not consented to their budgets already, including the 'for profit' (lease-loan) village in which my wife and I have resided for over six years and which has never had previous occasion to reject a budget.

I wonder how many other villages are now waking up to the ways of those operators who apparently aren't playing the game fairly and, as a result, the residents are refusing to consent to some or all items in their proposed budgets?

Please add your comments to the forum so all residents can see whether this is a wide-spread practice or not.

neil

Re: Did your village reject its Proposed Budget?

Posted: Thursday, 27 May 2010 9:25am - By **SCR**

Our village (a loan/licence village) approved the budget. Residents were not informed that it was a Transitional budget nor were they given detailed information. One letter that was written to the Operator requesting information was ignored. What causes concern is that an amount of money

was transferred from the budget to the Capital Works Fund, and we fear that this will continue each year (plus cpi). It was not explained to residents that there were other options. It was have a meeting quickly and get the budget through. Following the budget meeting residents received a report from the Residents Committee Secretary that said "During the last week in April your Committee Executive Officers met with Village Management to discuss the proposed budget and to pose any questions which may be of concern to our fellow residents. The answers to all questions put to Management by the Executive Officers were to their entire satisfaction and it was recommended by the Committee that the budget as presented be confirmed by the residents."

So much for the clause in our contract that says "to have input into and agree to the budget for each financial year". If there was input by residents into the budget who made it?

SCR

Re: Did your village reject its Proposed Budget?

Posted: Friday, 28 May 2010 4:09pm - By **jrc**

This is a very common story.

Some operators use a strategy in villages to either get the Residents Committee on side through certain incentives, (flattery, free lunches etc and in some cases actual benefits such as flying them around to represent the village at meetings or giving the Chairman a "provisional" seat on the Board) or if there is any concern that this may not happen, they try to divide and hopefully conquer the dissenting voices. I know of instances in a village and they were lucky that the Residents Committee survived intact.

However, in many villages those concerned residents walk away and the easily influenced ones are the only members left to be feted and flattered by the operator for "doing the right thing for the village". What these poor misguided people do not realise is that they are doing the right thing by the operator, and not their residents. But, they really believe they are right and are helping their residents. I believe that is the sadness of the situation.

These Resident Committee members are convinced their operator isn't doing that - they say and think - " this operator realises my true worth and tells me what a great job I am doing." The operator really thinks this as well, "This committee is really helping us!" Too bad about the residents!

I know of some villages where the RVRA has been asked to speak and are told - "we don't really have any problems". The speakers are then bombarded with questions from residents which show that the resident body does think there are problems - it is just the Residents Committee who doesn't.

A sad but common tale.

jrc
