# unit/update winter 2006

#### LIGHT ON AT THE END OF THE TUNNEL

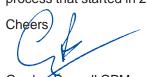
The Attorney General has advised us that his office is currently preparing a submission to Cabinet on legislative reform of the Strata & Community Titles Acts.

We understand that once Cabinet gives the go ahead that legislation will be drafted for the Parliament.

Some key areas to be addressed by any reform are:

- protection of unit owners from developer deals with body corporate managers and apartment service providers.
- to provide unit owners with access to easy dispute resolution.
- protection of unit owners from unscrupulous managers through licencing and training.

With the interests of South Australia's 100,000+ unit owners in mind we hope that the process that started in 2003 will conclude by this time next year.



Gordon Russell CPM

ps: Do you have any friends who need to read our newsletter? Ring and we will post one out  $\ \Box$ 

#### **ENERGY FRIENDS**



Energy Friends Can Help You Reduce Your Energy Bills

In response to increasing electricity prices the State Government, through Energy SA, has funded Energy Friends, a program to help low-income households lower their energy bills by reducing electricity and gas consumption.

Trained auditors conduct free home energy reviews and provide householders with advice on gas and electricity saving measures to suit their specific situation.

They also provide householders with an energy saver pack consisting of energy efficient light globes, a door snake to reduce heat loss and, where appropriate, a low-flow shower head (heating water uses high levels of energy).

To be eligible for the program, persons need to be experiencing financial hardship and have a genuine desire to reduce their energy consumption. Key (but not exclusive) criteria include receiving a pension or holding a health care card.

For more information or to arrange your free energy review please contact 8226-5500, email energy.sa@saugov.sa.gov.au or see our web site link for the service provider in your area  $\square$ 



Russell

Map available on Web that shows Energy Friends services by area

#### Service

Plumbing , Gas, Roof Leaks

Electrical

Breakins, & Glazing

Police to attend - noise/robbery etc

State Emergency Services

Number 8356 2750

8244 0733

0437 818 449

131 444

132 500

# www.unitcare.com.au

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### LAWS UNTO OURSELVES

The following is an extract from the CHU (insurance) Newsletter

Late last year The Sydney Morning Herald (17/12/05) challenged its readers to help come up with laws to make strata living easier for everyone. And the results come not a minute too soon - just after the NSW Government announced it's going to allow 400,000 new apartments to be built in Sydney in the next 10 years. Judging by the response, our elected representatives have failed to understand the basic needs of apartment-dwellers in the 21st century. So with muted fanfare (so it doesn't disturb the neighbours), here are your top ten new rules for our high-rise future.

- Unpaid levies for investment properties should be deductible directly from rental income after three months of overdue payments.
- Owner-occupiers should have a bigger say in the running of buildings than absentee investors.
- The process for dealing with people who flout buildings' by-laws should be simpler and faster.
- Committee members should be offered basic training in by-laws and how to conduct meetings.
- The chairperson, secretary and treasurer of the committee should have to pass a basic test on their duties within three months of taking office, after which they can be paid for their work.

- New owners and tenants should be required to sign a document that states that they have read and understood the by-laws and agree to abide by them.
- The use of proxies should be restricted with a limit on the number

any one person can hold at a general meeting.

- Unfair building management contracts, signed with or sold off by developers, should be scrapped and replaced with a standard contract until such times as the owners' corporation can negotiate fair terms.
- The same goes for unfair strata management contracts.





Editor's note: See page 4 for an update on SA reforms □

## INSURANCE VALUATIONS - LOW COST OPTION

Knowing your group is insured for its full replacement is not only good for peace of mind but also required by legislation. Many of our clients receive valuations from Michael Hadley of Independent Property Management Services every 5 years or so. Michael offers an annual update for around \$40. This service covers building cost increases between major valuations at a fraction of the cost

Email Addresses: mail@unitcare.com.au alistar@unitcare.com.au christine@unitcare.com.au

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Real Estate Institute of South Australia

CPN

CERTIFIED PRACTISING MEMBER



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after hours emergencies - must phone 8364 0022 for up to date numbers

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# unit/update

#### GROUPASSIST - ALL WELCOME

Our GroupAssist service continues to attract converts. Despite it being aimed at groups of less than 7 units we have expanded the service to include groups of any size. We now have a group of 14 units on GroupAssist and doing well. Clients can revert to the PrimeCare Service if they find the need for our full service PrimeCare option.

We have reviewed the detail of the services we are providing to our GroupAssist clients and we now include preparing the annual budget.

Our current comparison table appears below.

Services Provided	<b>GroupAssist</b>	<b>PrimeCare</b>
DESIGNATED MANAGER	Yes	Yes
ACCOUNTING / FINANCES		
Collect, bank and account for maintenance contributions, levies, interest and other amounts due to the Corporation.	Yes	Yes
Send notices levying maintenance or other contributions and pay accounts and outgoings. Prepare annual statements of accounts of the Corporation and arrange an annual audit of the Trust Account. Committee/Officers to approve any irregular account. Prepare annual tax return.	Yes	Yes
Trust Account Auditor's report & monthly ledger to Treasurer	Yes	Yes
Prepare budget for the coming year	Yes	Yes
MAINTENANCE		100
Advise and arrange for maintenance, repair and replacement of common property	No	Voc
tarios and arrange for maintenance, repair and replacement of common property	No	Yes
After hours emergency service	List of our contractors available Yes	Voo
• .	res	Yes
MEETINGS		
Prepare and distribute notices.	Yes	Yes
Attend meetings and assist the Presiding Officer in the conduct of meetings.	No (owner, usually Secretary, writes minutes, send to UnitCare) UnitCare supplies AGM kit including proforma minutes	Yes
Post minutes to owners within 14 days	Yes	Yes
NSURANCE		
Place and renew insurances and have any claim promptly processed.	Yes	Yes
	162	162
SECRETARIAL		
Promptly deal with Corporation correspondence and requests for Search statements.	Yes	Yes
Inform Officers of the nature and importance of all correspondence.	Yes	Yes
Keep all records of the Corporation secure and confidential.	Yes	Yes
PROTECTION		
Money Back Performance Guarantee	Yes	Yes
NFORMATION		-
Unit Owners Kit (inc. REI Notes for Owners)	Yes	Yes
Newsletters	Yes	Yes
Telephone Advice (other than finances)	Yes	Yes
Web site	Yes œ20+ pages of indexed help	Yes œ20+ pages of indexed help
FEES		
Fixed Management Fee per unit per year (Inc GST)	Discount of 15% off \$150/unit	\$150/unit
	\$130/hour for additional services	(minimum fee is 7 units = \$1050)
Meeting Fees	Not applicable œowners conduct meeting	\$120 for 1st 1.5 hrs then \$30/15 mins
	UnitCare supplies AGM kit including proforma	
Fee for overdue account notices	\$11, recovered from owner	\$11, recovered from owner
all fees billed to owner	\$28 to send to debt recovery	\$28 to send to debt recovery
Photocopying, Postage & Bank Charges	At cost	At cost
Annual Audit, Reconciliation & Archiving Fee	\$7.70/unit/annum	\$7.70/unit/annum
Produce/Lodge Corporation's Tax Return	\$95	\$95
Convenient Payment of fees	BPay, Credit Card, Cheque,	BPay, Credit Card, Cheque,

UnitCare Services 12/05

## PROTECTING CLIENT RECORDS

Many of our new clients may not be aware of an important service we provide so we are reprinting this article from our Spring 2003 edition.

Body Corporates face a challenge in keeping their records safe and accessible over the many years required by the law, and to cover possible litigation in the Courts.

The Strata & Community Titles Acts require body corporates to keep all correspondence and financial information for 7 years and minutes for 30 years.

We at UnitCare have been challenged by an increasing



mountain of paper stored off site for our clients. We were looking at a crisis of space with June 30 looming. Along with the space we have faced problems retrieving records when needed and culling records no longer required. This all takes a lot of handling and staff time.

We have looked around the world for an alternative and found a process developed by the aircraft manufacturer

Locheed Martin (1). This fits our legal obligations, and provides greater security and ease of retrieval for our clients' records.

The process involves electronically scanning each year of a corporation's records. Our equipment stores every page as an electronic image. The images are checked by our assistant strata manager and then stored on our file server. A copy of every group's archives are also stored off site. The original paper work is shredded for recycling.

The benefits are:

Services

Information Support Servi

Falls Church, Virginia

- Improved security of records not subject to destruction by fire, pests, flood or theft.
- Ease of access to records put CD in computer and print those pages needed.
- Records can be stored far in excess of the legislated 7 years
- A copy in Adobe pdf format is available on CD for clients upon request

We will continue to keep accounts and correspondence records for our clients until they have finished their respective financial years and annual meeting. Then they will be scanned to CD.

New technologies are allowing us to contain the costs of assisting our clients in managing their body corporates.

(1) See Lockheed Martin Reference Number: GA22F042 (check their web site) for the research. The report takes into account the US Federal Government standards □

#### HELPING A FARMING COMMUNITY

You may be aware that World Vision has a child sponsorship

scheme. This helps Australians make a significant contribution to the lives of young people and their communities in developing countries.

We at UnitCare are sponsoring a young man who lives in Northeastern Thailand. His name is Wutthichai Godnork and he is 13 years of age. He lives with his mother and brother in a small community that is based on subsistence farming.

His favourite game is volleyball and his favourite school subject is science.



Our monthly contribution will see Wutthichai stay at school, help his immediate family with their needs and assist their community in obtaining clean water  $\Box$ 

www.worldvision.com.au

#### MARIE JOINS OUR TEAM



We have a new member of staff. Mariejose (Marie) Stead joined us in late March this year as our Receptionist/Accounts Clerk. She has replaced Joanna who returned to help her parents in Renmark. Marie comes to us with a background in stationery sales and customer service.

She was a department manager in the printing & stationery industry and in administration & retail sales. She enjoys aerobics & walking. Born in Maastritch, Holland

Welcome to UnitCare □

## MEETING THE QUORUM CHALLENGE

Unit owners attending meetings are suffering some frustration and costs due to the lack of a quorum. This is not the case for all of our clients however it is a continuing source of friction. With this in mind we have alerted owners to the problem with a post script on their meeting notice cover letter.

Please be aware that should the meeting fail to achieve a quorum your corporation may enforce the following:

That any unit holder unable to attend any AGM or EGM, in person or by proxy, or who does not tender an apology shall be deemed to be "absent & silent" and shall have a non attendance levy of \$25 charged to their respective unit, due & payable with the next quarterly contribution following the meeting.

To avoid any sanctions please drop us your proxy if you cannot attend your next meeting

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