



WHAT MAKES US HAPPY

Scott Stossel Apr 24 2013 The Atlantic magazine

In June 2009, The Atlantic published a cover story on the Grant Study, one of the longest-running longitudinal studies of human development. The project, which began in 1938, has followed 268 Harvard undergraduate men for 75 years, measuring an astonishing range of psychological, anthropological, and physical traits—from personality type to IQ to drinking habits to family relationships to “hanging length of his scrotum”—in an effort to determine what factors contribute most strongly to human flourishing.

Recently, George Vaillant, who directed the study for more than three decades, published *Triumphs of Experience*, a summation of the insights the study has yielded. Among them: “Alcoholism is a disorder of great destructive power.” Alcoholism was the main cause of divorce between the Grant Study men and their wives; it was strongly correlated with neurosis and depression (which tended to follow alcohol abuse, rather than precede it); and—together with associated cigarette smoking—it was the single greatest contributor to their early morbidity and death. Above a certain level, intelligence doesn’t matter. There was no significant difference in maximum income earned by men with IQs in the 110–115 range and men with IQs higher than 150. Aging liberals have more sex. Political ideology had no bearing on life satisfaction—but the most-conservative men ceased sexual relations at an average age of 68, while the most-liberal men had active sex lives into their 80s. “I have consulted urologists about this,” Vaillant writes. “They have no idea why it might be so.”

But the factor Vaillant returns to most insistently is the powerful correlation between the warmth of your relationships and your health and happiness in old age. After *The Atlantic’s* 2009 article was published, critics questioned the strength of this correlation. Vaillant revisited the data he had been studying since the 1960s for his book, an experience that further convinced him that what matters most in life are relationships. For instance, the 58 men who scored highest on measurements of “warm relationships” earned an average of \$141,000 a year more at their peak salaries (usually between ages 55 and 60) than the 31 men who scored lowest; the former were also three times more likely to have achieved professional success worthy of inclusion in *Who’s Who*. And, in a conclusion that surely would have pleased Freud, the findings suggest that the warmth of your relationship with Mommy matters long into adulthood. Specifically:

- Men who had “warm” childhood relationships with their mothers earned an average of \$87,000 more a year than men whose mothers were uncaring.
- Men who had poor childhood relationships with their mothers were much more likely to develop dementia when old.
- Late in their professional lives, the men’s boyhood relationships with their mothers—but not with their fathers—were associated with effectiveness at work.
- On the other hand, warm childhood relations with fathers correlated with lower rates of adult anxiety, greater enjoyment of vacations, and increased “life satisfaction” at age 75—whereas the warmth of childhood relationships with mothers had no significant bearing on life satisfaction at 75.

Vaillant’s key takeaway, in his own words: “The seventy-five years and twenty million dollars expended on the Grant Study points ... to a straightforward five-word conclusion: ‘Happiness is love. Full stop.’”

<http://www.theatlantic.com/magazine/archive/2013/05/thanks-mom/309287/>

MANAGER CONCEDES

The arrogance of some strata managers continues to astound us here at UnitCare.

A group of 40 unit holders were recently told that they could not change managers. This group is in a connected cluster of buildings with shared facilities and property. To deal with and manage the shared facilities and property the developer had set in place a ‘community association’.

The ‘community association’ is run by the Presiding Officers of all the groups.

The meeting minutes reveal that the owners have not been getting a vote on who is to be their strata manager. This has been done by the ‘community association’.

The matter went to Court in September this year. The strata manager had arranged for a raft of lawyers to defend their assertion that the group was bound by the decision of the ‘community association’.

They lost the case with the Magistrate ordering all books and funds to be handed over within a week.

It came to light that the strata manager refused the officers access to the roll of owners and their contact details.

This case further illustrates the need for managers to be vigorously held to account for their actions. We welcome the new reforms championed by our Attorney General John Rau.

It is up to owners to challenge their managers. From October 28th all owners will have a right to access all the corporation’s records held by managers.

The new laws require transparency and reporting by managers. We hope that owners vigorously apply these laws to ensure their manager is ethical and provides value for money ☐


Cheers
Gordon Russell

ps: Do you have any friends who need to read our newsletter? Ring and we will post one out or they can download it from our website ☐

emergency numbers

Plumbing , Gas, Roof Leaks	8356 2750
Electrical	1300 130 229
Breakins & Glazing	0422 650 366
Police to attend - noise/robbery etc.	131 444
State Emergency Service storm/flood	132 500

OCTOBER 28TH 2013 NEW LEGISLATION IN FORCE

Major amendments to the Strata & Community Titles Acts and Regulations will come into force on October 28th 2013.

Many of the reforms focus on making body corporate managers more accountable to the units owners who engage their services.

Here are some highlights that may affect your group...

Manager Professional Indemnity Insurance: The amount of professional indemnity insurance (PI) to be maintained by a body corporate manager has been set at \$1.5 million. PI covers managers for claims of negligence and fraud.

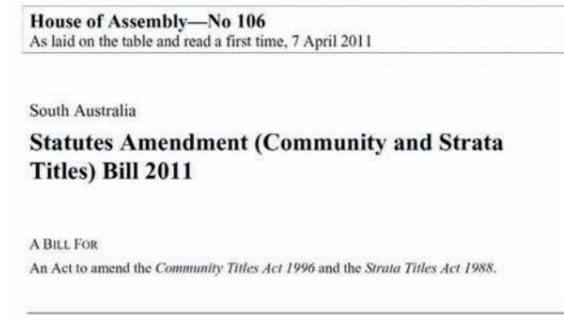
The law will require that a manager ‘must provide the community corporation with a copy of the schedule to the policy of professional indemnity insurance maintained by the body corporate manager that sets out: (a) the name of the body corporate manager; and (b) the name of the insurer; and (c) the nature of the policy; and (d) the amount for which indemnity is provided under the policy.’

Manager Disclosure: Further information (pamphlet) must be included in the written contract between the corporation and the body corporate manager.

The pamphlet must set out the role of the body corporate manager and the rights of the corporation and its members, including the rights to...

- ✓ inspect records held by the manager;
- ✓ to revoke the delegation of a particular function of the manager;
- ✓ to appoint the manager as a proxy and revoke that appointment,
- ✓ be informed of any payment that the manager receives from another trader for placing the corporation’s business;
- ✓ terminate the contract and the right to apply to the Magistrates Court for a resolution of any dispute.

Inspect Records: Managers must on request make those records available for the unit holder to inspect within 10 business days of the request and provide the unit holder with a copy of any of the records on payment of a fee. The regulations state that the applicant may be charged \$1.20 per page.



This is a change that many unit owners consider is well overdue. Many managers have deceitfully used the Privacy laws to refuse owner’s access to their corporation’s records.

Return of records and trust money when delegations revoked:

Records and funds held by a manager must be returned by mail sent by registered post; or be made available for collection, within 10 business days of the delegations being revoked or be made available for collection.

Our experience with some managers is that they regularly stall the hand over of records and funds sometimes for months.

Audits: Managers must now forward a copy of the Auditor’s report to an officer rather than lodge it in the Corporation’s records.

Manager Presiding at Meetings: Managers may only preside at the meeting of a corporation if a majority of the persons present and entitled to vote at the meeting agree to the person presiding. The manager must, at the start of the meeting, inform and make available all of the proxies or powers of attorney that are held by them for the meeting. Managers can only use proxies to support their presiding at a meeting if the owner has so stated in their proxy.

Interest on arrears of contributions. Corporation’s are not allowed to exceed a rate of 15% per annum, and must not demand payment of interest on unpaid interest.

Further reforms are:

Fidelity Guarantee: Corporations must have fidelity guarantee insurance. This covers the risk of theft or fraud of the corporation’s funds by the manager or other person authorised to handle the funds. The insured amount must be the maximum total balance of the corporation’s bank accounts at any time in the preceding 3 years or \$50,000 whichever is higher.

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Published by UnitCare Services. P.O. Box 4040, Norwood South 5067 52 Fullarton Road, Norwood.

t (08) 8333 5200 f (08) 8333 5210 w www.unitcare.com.au e mail@unitcare.com.au

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COURT CASES

1: Three Unit Group: This matter has been before the Magistrate's Court on and off since 2010.

The strata corporation is composed of 3 commercial tenancies. One company owns 2 larger buildings that amount to 89% of the total unit entitlement. The remaining owner has challenged many decisions as they believe they are disenfranchised. The majority owner has sought recompense for common property used by the other owner for commercial gain.

The matter was back in court in June with the minority owner challenging our firm's appointment as the group's strata manager. As UnitCare was mentioned the managing director Mr. Russell attended.

This hearing was treated as an extension of a long running dispute between owners.

The Magistrate and owners canvassed various solutions that might provide a long term solution to reduce conflict.

The option of conversion to a Community Title was considered along with the appointment by the Court of an Administrator.

The Magistrate sought input from Mr. Russell on the matter.

Mr. Russell suggested that a structural solution such as conversion to a Community Title may assist especially if units 1 & 2 were treated as 1 Lot. Mr. Russell explained that as a 2 lot group its By Laws could make it exempt from holding AGMs, under Section 35 of the Community Titles Act. .

Section 35 By-laws may exempt corporation from certain provisions of the Act

(1) The by-laws of a community scheme that does not include more than two community lots may exempt the community corporation from one or more of the following requirements of the Act

(a) the requirement to hold annual general meetings (except the first general meeting);

(b) the requirement to prepare accounting records of the corporation's receipts and expenditure and to prepare an annual statement of accounts;

(c) the requirement to have the annual statement of accounts audited;

(d) the requirement to establish administrative and sinking funds;

(e) the requirement to maintain a register of the names of the owners of the community lots.

Following further discussion it was agreed by all parties that:

• Mr. Russell at the request of the Court, provide all parties with costings, procedures and timing for a full conversion to a 2 lot community title

• Mr. Russell advised the current strata manager that the Magistrate 'does not wish the strata corporation to sit on its hands'. His Honour wishes the outgoing manager to go about the business of assisting the strata corporation by raising levies in accord with resolutions of the group. To collect and bank the funds, to continue to collect and distribute the lease fees payable by unit 3 and to undertake whatever other essential functions are required to ensure the proper running of the Corporation. The magistrate stated that 'he is fully aware of the difficulties of managing this group'

The matter was back in court late July. The owners failed to agree on a conversion to a Community Title. Following a great deal of arguing the Magistrate put the Corporation into Administration for 6 months. Mr. Russell was appointed as the administrator ☐

2: Fence Dispute: This case has dragged on for more than a year. It involves a strata title group at Myrtle Bank, a collapsing wood paling fence and a neighbour in a property valued at \$2.4 million.

The owners, our client corporation, started proceedings under the Fences Act in early 2012. Here is a diary of events.

11/03/2012 Fence Notice - neighbour contribution is \$2,563 for 36 metres of new fence including all associated works.

06/03/2012 Call from neighbour asking for access so that his contractor can quote.

16/03/2012 Cross notice from neighbour - denies works needed. See photograph of the old fence below .

08/05/2012 Letter to neighbour no response to cross notice request access

25/05/2012 Response from neighbour re: request for access.

08/06/2012 Fence Notice Not accepted by neighbour Resent 1/08/2012

26/10/2012 Application to court for hearing under Fences Act.

05/12/2012 Attended court hearing neighbour advised not the owner

29/01/2012 Attended court change ownership to neighbour's company name.

15/02/2013 Fence notice to neighbour's company.

27/02/2012 Court hearing no attendance by neighbour's company representative. Neighbour ordered to pay more than \$5,574.25 .

28/02/13 Quotes received from neighbour.

12/03/2013 Issued work order to fencing company as per Court Orders.

09/04/2013 Court hearing at request of neighbour. Application dismissed. Magistrate very angry at misleading and obfuscating behaviour by neighbour.

09/04/2013 Resent invoice to neighbour

29/04/2013 Neighbour stopped contractors working

30/04/2013 Sought advice from Magistrates Court re: neighbour stopping work Court supplied document sent to neighbour.

15/05/2013 Application to review decision in District Court, served by neighbour

20/05/2013 Work commenced. Confirmed with magistrates court work can commence as neighbour's application was not for work to cease they had not been advised that application had been served

06/08/2013 Attended District Court. Judge dismisses neighbour's case and admonishes him and orders immediate payment of \$6,271.20.

09/08/2013 Neighbour pays \$6271.20 to the strata corporation.

In this time...

The neighbour ended up paying \$3,700 more than was needed in March 2012.

The Corporation's Presiding Officer attended all hearings along with the strata manager.

The Corporation was only granted part of its costs by the courts.

All are bewildered and frustrated by the neighbour's deceitful and foolish behaviour ☐



LEGISLATION REFORM CONTINUED

We are a little unclear on when the insurance to cover maximum balance in last 3 years is to take effect. An example might be a group raising \$100,000 for a repaint. Should the group seek an endorsement of its existing policy knowing it will exceed the \$50,000 regulation or does this apply retrospectively. We believe that the intention of the Act is to ensure that funds in hand are always covered. If this is the case then an endorsement would apply. We have asked the Attorney General to clarify this matter.

Note: Fidelity insurance comes standard with all CHU/QBE policies used by most of our clients. Those Corporation's using RAA , APIA or other insurers need to check that they have fidelity insurance cover.

Future Funding: The regulations spell out how groups larger than 6 must plan for the future maintenance of their common property. This goes beyond the recurrent annual costs.

In the case of strata and community corporations consisting of at least 7 but not more than 20 units/lots, 3 years; or in the case of a corporation consisting of more than 20 community 10 units/lots, 5 years. Affected groups will need to produce a budget for the 3 or 5 years along with sinking levies to fund their budget.

Penalty Notice: For the 1st time Strata Corporations will be able to apply fines up to \$500 for breaches of their Articles. This is in line with the provisions of the Community Titles Act.

The regulations prescribe the form of a penalty notice. These notices are for serving on those who have breached the Articles or By-Laws of the corporation. The new regulations propose giving the person breached 60 days to appeal.

No SMOKING BY-LAWS

Some of the body corporates we manage are currently looking to act on the nuisance created by tobacco smoke.

The following is a model by-law / article that can be adopted by a corporation at a general meeting.

If your group are looking to adopt such a by-law/article we recommend that the wording be vetted to ensure its appropriateness for your group.

1. All common property areas are smoke-free areas.

2. The proprietor or occupier of a Lot, or an invitee of a proprietor or occupier of a Lot, must take all Reasonable Steps to prevent smoke caused by Smoking from drifting on to or penetrating common property or another Lot.

3. For the purpose of this by-law 'Smoking' means to hold or otherwise have control over an ignited smoking product or implement.

Functions of Secretary and Treasurer:

The new regulations spell out the functions of the Secretary & Treasurer.

(1) The secretary of a community corporation has the following functions:

(a) to prepare and distribute minutes of meetings of the corporation and submit a motion for confirmation of the minutes of any meeting of the corporation at the next such meeting;

(b) to give, on behalf of the members of the corporation and the management committee, the notices required to be given under the Act;

(c) to answer communications addressed to the corporation;

(d) to convene meetings of the management committee;

(e) to attend to matters of an administrative or secretarial nature in connection with the exercise, by the corporation or the management committee, of its functions.

(2) The treasurer of a community corporation has the following functions:

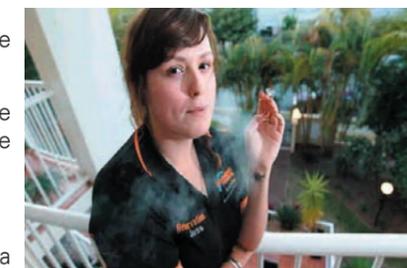
(a) to notify owners of community lots of any contributions to be raised from them in accordance with the Act;

(b) to receive, acknowledge, bank and account for any money paid to the corporation;

(c) to keep accounting records and prepare financial statements.

For the full text of the amendments to the Strata & Community Titles Acts and regulations please go to our website and click on Reforms ☐

18 July 2013]	THE SOUTH AUSTRALIAN GOVERNMENT GAZETTE	3085
South Australia		
Strata Titles Variation Regulations 2013		
under the <i>Strata Titles Act 1988</i>		
Contents		
Part 1—Preliminary		
1	Short title	
2	Commencement	
3	Variation provisions	
Part 2—Variation of <i>Strata Titles Regulations 2003</i>		



4. For the purpose of this by-law 'Reasonable Steps' includes –

a. Where a proprietor, occupier or invitee on a Lot is in close proximity to another Lot or common property, the proprietor, occupier or invitee must not smoke.

b. Where wind is blowing in the general direction of another Lot or common property, an proprietor, occupier or invitee on a Lot must not smoke.

5. Where any term used in this by-law is defined in the Community Titles Act 1996 (or any replacement or amendment of that legislation), then the term has the same meaning as the term has under that legislation.

6. To the extent of any inconsistency between this by-law and any other by-law, then the provisions of this by-law prevail ☐