

Finance Committee - Arrears By-Law

The Co-operative provides housing for its members at cost. It is the responsibility of each member to pay his or her fair share of the costs, as determined by General Meeting of the Members annually, promptly as they become due.

The Bookkeeper and Administrative Coordinator shall deal with arrears caused by administering the Arrears Policy and where necessary, by referring arrears cases to the Board.

Policy

1. Housing Charges (from members) are payable monthly with cheques dated for the first of each month. These cheques are due in the co-op office by the 25th of preceding month.
2. Payments must be made by cheque or money order.
3. Payment not received by noon first of the month will put the member in arrears. If, by the first of the month, the member is aware that s/he will be unable to pay the Housing Charge and will, therefore, be in arrears, the onus is on the member of contact the Coordinator.
4. Any amount owed to the Co-op that have not been received when due shall be considered in arrears.
- 5a. If payment is not received by noon of the first of the month, a late payment charge of twenty-five (\$25.00) will automatically be levied against the member's account. By the fifth business day of the month, a notice will be sent to all members in arrears advising them they are in arrears and that the fine has been charged to their account.
- 5b. A member may request that the late charge be waived by submitting a letter to the office outlining the reason for late payment, to the maximum of two times per year. Such a request will only be considered if the member has notified the office that the payment will be late in advance of the date it was due.
- 5c. Each member is given one late payment grace per year (Co-op fiscal year, July first to June 30th).
6. If payment (including fine) is not submitted to the office by the 7th of the month and the member has not notified the office in writing, the member's situation will be referred to the Board for consideration.

- 7a. Should a member be late with his or her Housing Charge twice within a twelve month period, he or she normally be required to appear at a meeting of the Board of Directors.
- 7b. Should a member be late with his or her Housing Charge twice within a twelve month period, he or she normally be required to pay by money order or certified cheque.
- 8a. N.S.F. cheques are considered late payment. There is no grace period.
- 8b. First N.S.F. cheque in a twelve month period: the member will be charged bank charge and the twenty -five dollars (\$25.00) late fine.
- 8c. All N.S.F. cheque must be replaced by a certified cheque or money order (including fines) within seven days of notice.
- 9a. Money owing to the Co-op by a member who has moved out of the co-op will be considered a bad debt.
- 9b. In the case of bad debts, the Board shall determine how the co-op should attempt to enforce payment. Recommendations may include entering into an agreement directly with the former member; the use of a collection agency; or sue in Small Claims Court.
- 9c. Any member of the Board of Directors whose arrears are equivalent to more than one month's Housing Charge must declare a conflict of interest, abstain from discussion or voting on arrears cases; and absent themselves from the arrears section of the meeting.
- 10. Members who have moved out of the Co-op owing money shall not be considered to be members in good standing

Procedures

Role of the Coordinator & Finance Committee

1. The Coordinator will administer the arrears policy and when necessary, refer cases to the Board or Finance Committee
2. The Coordinator will review the arrears situation on or before the 5th Business day of each month.
3. The Coordinator will make a monthly report to the Board, which will show total amount of arrears and number of households in arrears for current and previous month.
4. The Coordinator shall strike a Repayment Agreement with the member in arrears.
5. In the event that the Board passes a motion to proceed with eviction and cancels an individual's membership, the Coordinator will proceed to follow through with eviction procedures and launch proceedings through our lawyers for a money judgment.
6. The Coordinator will inform the Board of Directors and the Bookkeeper of the status of all accounts and arrears.
7. The Coordinator will inform the Bookkeeper, with the deposit, of members who should not be charged the late payment fine.

(Approved by Finance Committee as amended on January 18, 1993)
Approved by Board of Directors as amended on January 20, 1993.
Approved by the Members on February 17, 1993

November 19, 1996

Arrears By Law

By-Law No.

A By law to Amend the Arrears By Law, By Law No.

The Arrears By Law of Forward 9 Community Development Co-op is amended by changing :

5a: Section 5A Replace sentence “ a notice will be sent to all members in arrears” to

“ a notice will be sent to **by the Coordinator** to all members in arrears ”

7b: Should a member be late with his or her housing charge **3 times** within twelve month period.

Add 3a.

The Coordinator will make a monthly report to the Finance Committee meeting , total amount of arrears and # of unnamed household in areas for the current and previous month.

11. Any member who is in arrears for more than one month's housing charge must sign a re-payment schedule