

Board of Directors Policies and Procedures

REVISION HISTORY		
Date	Note	Author
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Board of Directors Policies

Childcare for Co-op Meetings

Purpose

This policy provides all Members with the opportunity to fulfill their obligations to attend Co-op meetings, and ensures that childcare providers are paid a fair wage.

Policy

1. If a Member is attending a Co-op general meeting and requires childcare for a child or children age 12 and under, the Co-op will pay childcare costs. Any Member is entitled to reimbursement for childcare while attending a committee meeting, Board meeting, or general meeting.

Procedures

1. Childcare must be coordinated by a legal guardian of the child or children.
2. To be reimbursed, the legal guardian must fill out the childcare form and submit it to the Treasurer within seven days of the meeting that required childcare.
3. Childcare providers must be paid at least \$15/hour. The Co-op will reimburse hourly rates up to a maximum of \$20/hour.
4. If a general meeting or committee meeting is cancelled with less than 24 hours' notice due to lack of quorum, the Co-op will pay the Member a babysitting charge of \$10.00 to be passed on to the childcare provider as a cancellation reimbursement.
5. The Co-op will not pay for childcare providers that are younger than 12 years old.
6. Childcare providers living in the Co-op may be hired to provide childcare services, but are encouraged to complete a babysitting course through Red Cross or St. John's Ambulance.
7. Single parents/legal guardians with children age 5 and under are eligible for up to 2 hours of Co-op-reimbursed childcare per month while performing their Co-op responsibilities.

Share Policy

Purpose

This policy describes how shares are handled by the Co-op.

Policy

1. All Members pay the following share amounts, or amounts as changed by invoking the appropriate process as described in Paloma Housing Co-operative Rule 8:
 - 1-bedroom — \$1,600;
 - 2-bedroom — \$2,200;
 - 2-bedroom plus den — \$2,700;
 - 3-bedroom, 2-level — \$2,700; and
 - 3-bedroom, 1-level — \$3,200.
2. Share payments are collected by the Management Company. Interviewees offered a suite must provide share payment within two weeks of acceptance of the unit to secure membership in the Co-op.
3. Shares are not transferable except under limited circumstances as described and provided for in the Paloma Housing Co-operative Rules.
4. All share payments are refundable, without interest, when a Member leaves the Co-op as provided for in Paloma Housing Co-operative Rule 12.

Procedures

1. Members must make share payments as arranged with the Management Company. Members must coordinate payments with the Management Company.
2. The Management Company will issue share refunds as soon as possible. Any amount owed to the Co-op by the Member (e.g., arrears, damage to suite) will be deducted from the share refund, in accordance with Paloma Housing Co-operative Rule 12.

Resources

Paloma Housing Co-operative Rules, 2015

Income-Tested Subsidy Policy

Purpose

This policy sets out Members' rights and responsibilities for receiving a rent subsidy when available. It also establishes a framework for maintaining a subsidy wait list and managing subsidies in compliance with the Canada Mortgage and Housing Corporation (CMHC) Federal Community Housing Initiative's Phase 2 agreement.

Policy

1. The Co-op will verify the household income and assess housing charges annually (i.e., perform annual income testing) for all subsidized units based on the CMHC agreement.
2. Households seeking subsidy must complete the application form and provide proof of household income.
3. Households receiving subsidy must immediately notify the Management Company of any change (increase or decrease) of \$25.00 or more per month in gross income. The Management Company will determine and communicate housing charge adjustments to the household.

Procedures

Verification and Approval

1. The Management Company will:
 - Receive applications and verify that applicants qualify for subsidy. They will request further proof of income as needed;
 - Calculate the amount of subsidy for which the applicant qualifies;
 - Notify the Board of a new application for subsidy and request a Board decision on application approval; and
 - Inform applicants of the Board decision and subsidy amount and assessed housing charge, if applicable.

Subsidy Wait List

2. When the maximum number of units provided for in the CMHC agreement are receiving subsidy, the Co-op will establish a wait list for other eligible applicants. The Management

Company will maintain the wait list. Households on the subsidy wait list will be considered for subsidy when it becomes available.

Appeal and Termination

3. Any Member denied subsidy or who disputes the amount of subsidy granted may appeal the decision to the Board. The Board's decision is final.
4. The Co-op may stop providing subsidy if a household:
 - Experiences an increase in income that disqualifies it from subsidy;
 - Fails to report increases in household income at the annual review;
 - Willfully falsifies information on the form or proof of income; or,
 - Fails to abide by the subsidy policy.

Resources

CMHC Federal Community Housing Initiative- 2 (FCHI-2) Reference Guide

(<https://assets.cmhc-schl.gc.ca/sites/cmhc/nhs/federal-community-housing-initiative/fchi2-reference-guide-en.pdf>)

Annual Operating Budget Policy

Purpose

This policy describes how to prepare and obtain approval of the annual operating budget.

Policy

1. The Board must approve an operating budget annually for each fiscal year, which runs from August 1 to July 31.
2. As part of the operating budget, the Board must recommend monthly housing charges, in accordance with Article 4.04 of the Co-op's Occupancy Rules.
3. The Board must present the proposed housing charges to the Co-op Members for discussion for each fiscal year, in accordance with Article 4.03 of the Co-op's Occupancy Rules. The membership must approve some form of housing charges (which may not be the rate proposed by the Board) for the budget to be complete.

Procedures

1. The Board is responsible for developing an annual operating budget before the end of the current fiscal year, with sufficient time for review and approval. The Board may engage the Management Company to prepare and present the annual operating budget.
2. The budget must include
 - All sources of revenue;
 - The total expected cost of operating the Co-op, including contributions to the replacement reserve fund as well as maintenance of other reserve funds;
 - A breakdown of the total cost of operating the Co-op into separate expenditure categories;
 - Sufficiently detailed notes on each category to allow meaningful discussion by Members; and
 - The full monthly housing charges proposed for each type of unit.
3. The Finance Committee and Maintenance Committee must provide a proposed budget for planned capital reserve spending for the next year per the Capital Reserve Plan and assessed priorities.
4. Before the end of May each year, the Board must hold a general informational meeting so that Members can consider and discuss the proposed operating budget.
5. During the general informational meeting, Members have the right to question the proposed budget and suggest changes in spending priorities.
6. Before the end of June each year, the Board must hold a general meeting to present the revised operating budget. Members again have the opportunity to discuss the proposed housing charges and suggest changes. The membership must approve some form of housing charges for the next fiscal year.
3. At the Board meeting following the general meeting, the Board must approve a final operating budget that aligns with the housing charges approved by members. This Board meeting must occur no later than the end of June each year.

Resources

- Capital Reserve Spending Authorization Policy
- Operating Expense Spending Authorization Policy

Signing Officer Policy

Purpose

This policy outlines who can become a financial account signer for the Co-op, in adherence with the BC Cooperative Association Act and financial institution policies, and who can sign contracts requiring Board approval. This policy also explains how many signers are needed to approve transactions.

Policy

1. Three Board members act as financial account signers; these three signers are drawn from the four executive members of the Board (President, Vice President, Treasurer, and Secretary).
2. All cheques drawn on a Co-op account must be signed by two of the three financial signers. No signer may sign a blank cheque.
3. In cases where only one signature is required on a contract, two approved signers must review and approve the contract before sign-off. The two approvers must sign a separate letter documenting that they both reviewed and approved the contract.

Procedures

1. The Board collectively determines the three signers at the first Board meeting after the annual general meeting. The new signers must coordinate with the current (already registered) signers to update signing authority at all financial institutions that the Co-op works with. Due to the need for a current signer to initiate a change of signer request at financial institutions, it is recommended that the three signers not hold the same term of Board service.
4. The Board receives cheques from the management company for endorsement before distribution. Two signers must sign cheques.
5. The Board must review major contracts before signing them. Contracts may be signed by the Management Company (with the Board's approval), by two Board executive members, or by one Board executive member in situations where one signature is required (when two signers have reviewed and approved the contract). In the latter case, the two approvers must sign a separate letter documenting that they both reviewed and approved the contract. The letter must include a description of the contract and the date of signing.

Monthly Housing Charge and Arrears Policy

Purpose

This policy sets out the Co-op's methodology to protect its financial viability by addressing the collection of housing charges and arrears and setting out what happens when Members do not pay overdue charges or enter a repayment plan.

Policy

Payment of Housing Charges

1. Members are required to pay their housing charge, any additional or supplemental charges, and any other amounts due to the Co-op under the Occupancy Agreement and the directives below:
 - Housing charges are due on the first day of each month.
 - Members paying via cheque must submit 12 post-dated cheques to the management company in the last month of the fiscal year (July). The Co-op encourages Members to pay their housing charges via PAD.
 - New Members must complete the required PAD documentation or submit post-dated cheques to cover their housing charges from when they move in for the remainder of the current fiscal year.

Returned Item Fees

2. If a financial institution returns a Member's cheque or a payment fails due to insufficient funds, the Member is responsible for all fees incurred due to the item being returned.
3. The Member will also pay a late payment fee of \$30.00 to the Co-op.
4. The Management Company will send a reminder that includes the Paloma Housing Charge and Arrears Policy to any Member who does not fully pay their monthly housing charge. The Management Company will pursue further action as needed.

Arrears

5. If a Member is unable to pay their housing charge, the Member must inform the Management Company and make repayment arrangements as soon as possible.
6. If the Member does not contact the Management Company regarding non-payment of housing charges, they automatically fall into arrears and the Management Company will



send a demand letter to the Member outlining that the Member has 30 days to enter into a repayment agreement (plan) with the Co-op. Per Paloma Housing Co-operative Rule 5, unpaid housing charges or other money, without a repayment plan approved by the Board of Directors, is grounds for termination of membership.

7. If a Member moves out, the Management Company will deduct any unpaid housing charges and maintenance chargebacks from the Member's shares. If the shares do not cover the arrears and chargebacks, the Member will be responsible for any deficit incurred by the Co-op.

Resources

Paloma Housing Co-operative Rules, 2015