



**FRANK MCLOUGHLIN  
CO-OPERATIVE HOMES INC.**

**A BY-LAW ABOUT THE PAYMENT OF HOUSING  
CHARGES AND THE ADMINISTRATION FOR LATE  
PAYMENTS**

# By-law No. 14

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**HOUSING CHARGE PAYMENT AND ARREARS  
ADMINISTRATION BY-LAW**

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Approved as a By-law by the Board of Directors January 13, 2004  
Approved as a By-law and amended by the Members February 24, 2004  
Approved as amended by the General Members May 18, 2004  
Reconfirmed at a Meeting of the Board of Directors, August 12, 2014  
Reconfirmed at a Meeting of the Members on September 2, 2014



**WHEREAS** the Co-operative wishes to replace the Housing Charge Payment Policy to an appropriate By-law;

**THEREFORE**, be it resolved, the following is enacted as By-law 14 of the Co-operative:

## **1. GENERAL**

- a) The Co-op provides housing for its members at cost. It is the responsibility of members to pay their share of the costs promptly, as charges become due.
- b) The Housing Charges are the main income for the co-op. It is important that the Housing Charges are collected before the office opens on the first day of each month, so the co-op can pay the mortgage and any other expenses due at that time.
- c) The Co-op's Manager and/or the Arrears Committee (appointed by the Board) shall deal with arrears cases by administering this Housing Charge Payment and Arrears Administration By-law, By-law No. 14 and, where necessary, by referring arrears cases to the Board.
- d) Directors are prohibited from being in arrears. Any Director who falls into an arrears situation, must resign from the Board of Directors. (unusual circumstances will be reviewed according to the Conflict of Interest By-law No. 12, page 3, paragraph b).
- e) As per the Workout Agreement, a list of arrears will be sent to The Agency at the end of each month. A three month history of all members in arrears shall be provided at the same time, along with an explanation of what action has been taken to ensure that the arrears are paid.
- f) It is not the intention of the Board of Directors to cause financial difficulty to its' members. It is imperative that the co-op collect the housing charges in a timely manner, to ensure that there is an adequate cash flow in its' account to cover the expenses.

## **2. HOUSING CHARGE PAYMENTS**

- a) Housing Charge payments are due on or before midnight of the last day of the month, dated and payable for the first day of the following month. All payments must be delivered to the Co-op office. *Members are encouraged to file post dated cheques with the Co-op Manager to facilitate prompt processing of housing charge payments.*



- b) Payments shall be considered late if not received by 9 a.m. on the first day of the month.
- c) All payments must be made by personal cheque, money order or debit.  
The co-op does not handle cash.
- d) Payments not received on time by the Co-op are subject to a late payment fee. The first late payment will result in an administration fee of \$10. The second late payment, will result in a \$35 fee. The 3rd late payment will result in a \$50 fee. These charges will be levied at the time that the reminder notice is sent out.
- e) All payments received after the 15th day of the month, will have to be paid by certified cheque, money order or debit. If a members has not paid by the 15th of the month, they will be sent a "Notice to Appear", before the Board of Directors at their next meeting.
- f) A member may request that the charge be waived by submitting a letter outlining the reason for the late payment to the Manager. Such a request will only be considered if the member has notified the office, by submitting Schedule A of this By-law (Late Payment Agreement) to indicate the payment will be late, in advance of the date it was due.
- g) Except as provided in the following paragraph, if a member's cheque to the Co-op is returned NSF by the bank or credit union, the member will be required to pay a service charge of \$25. The first NSF cheque is forgiven.
- h) If a member's cheque is returned N.S.F. because of a bank or credit union error and the member is able to verify to the Co-op's satisfaction that he or she was not at fault, the N.S.F. fine will be waived, provided the member replaces the cheque within 24 hours of receipt of the letter sent to them from the co-op's Manager.
- i) If a member's cheques have been returned N.S.F. more than twice in a fiscal year and the member is considered to be at fault, the member will have to pay all Housing Charges by certified cheque or money order, or debit for a one year period.

### **3. ARREARS PROCEDURES**

#### **1. Arrears By-law Provisions**

The Co-op's Arrears By-law sets out the basic objectives and rules that members have established to govern how the Co-op will deal with charges owing by members to the Co-op. The By-law takes priority over all resolutions of the Board and simple majority resolutions of the members regarding arrears.



## **2. Objectives of the Arrears Procedures**

The Arrears Procedures provide guidelines concerning how the Co-op will administer the collection of arrears. Co-op Procedures are standing resolutions of the Board and can only be amended by the Board (normally acting on the recommendation of a committee).

## **3. Arrears Procedures**

a) Reminders will be sent by the office staff to each household that is in arrears on the 1st day of each month (or the first business day, thereafter) advising the household of the amount of the arrears, including any late payment and any services charges owing.

b) The Manager is authorized to make agreements with households for a Repayment Schedule (Schedule B) for payment of Arrears under the following conditions:

- (i) It is prior to the 10th day for which the payment was due;
- (ii) The amount does not exceed the amount normally due for one month's housing charge (including sector support and cable).
- (iii) The term of the agreement does not exceed three month, i.e.:

Month 1 *Member does not pay housing charge, signs Schedule B (Repayment Agreement)*

Month 2 Member pays housing charge and 1st payment of arrears re-payment

Month 3 Member pays housing charge and 2nd payment of arrears re-payment

Month 4 Member pays housing charge and 3rd payment of arrears repayment.

c) Where a household has made arrangements with the staff person to pay arrears and where the conditions of payment are not being met, the Manager will refer the matter to the next meeting of the Board of Directors and inform the treasurer and if necessary the Arrears Committee.

d) The Board may choose to make other arrangements with the member.



e) Under the direction of the Arrears Committee and/or the Board of Directors, the Manager will issue members with a Notice to Appear before the Board to discuss the arrears problems.

f) The Manager will advise the Treasurer of the Board of any Notices to Appear that have been issued so that the business can be included in the Board Agenda.

g) The Manager will present a monthly Arrears Report to the Board. The report will show the names, the unit numbers, the total amounts and the nature of those members in arrears. This will include figures for the current month and any history that is pertinent to the discussion. The report will also include the information concerning all Late Payment Agreements (Schedule A), or Repayment Agreements (Schedule B) entered into with members during the month and any Notices to Appear that have been served.

h) Every member who has consistent late payments or extraordinary high arrears (1 full month and over) will be registered at the credit bureau. Exceptions will be made for the loss of a job, illness or injury and will be determined on a case by case basis by the Board of Directors.

**4. Bad Debts**

a) Every member, past or present who has an account payable to the Co-operative, may be dealt with by use of collection agency to recover these sums of money.

b) Other measures may be taken by the co-operative when judged appropriate to ensure that all receivables are collected.

c) At the end of the fiscal year, any debt from past members, older than 6 months, will be written off for bookkeeping purposes, but remain collectible by the co-operative. Interest will be applied at the rate of 1% per month.

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**Approved by the Board of Directors, January 13, 2004**  
**Reconfirmed by the Board of Directors, August 12, 2014**  
**Reconfirmed by the members, September 2, 2014**

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**Kim Dumas, President**

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**Melissa Kay, Corporate Secretary**

***I have read, understand and agree to the Arrears By-law, as written above:***

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**Member**

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**Member**

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**Date**

***This By-law is enacted by the General Members and will be upheld whether signed by the member(s) or not.***



**Frank McLoughlin Co-op  
Housing Charge and Arrears By-law 14  
Late Payment Agreement  
Schedule A**

MEMBER \_\_\_\_\_ MEMBER \_\_\_\_\_  
\_\_\_\_ Maple Leaf Circle, Brampton, Ontario, L6Y 4M \_\_\_\_\_  
Phone number \_\_\_\_\_  
I/We \_\_\_\_\_ am/are not able to make a  
Payment on our Housing Charge at this time due to:  
\_\_\_\_\_.

**NB: ALL ARREARS ARE REPORTED TO THE BOARD**

**Consistent arrears are reported to the Credit Bureau.**

Please accept the following as an agreement between myself/ourselves and Frank McLoughlin Co-operative Homes Inc.

I/We understand that the Housing Charge is due prior to the first day of each month, payable for the 1st day of the following month.

I/we realize that should we have to pay late 3 times within the fiscal year, we will be asked to meet with the Board to discuss termination of our membership and occupancy agreement.

I/we agree to pay our Housing Charge no later than \_\_\_\_\_. I/we understand that if a payment is not issued by this date, that the co-op will treat this as a violation of this agreement and that I/we will have to appear before the Board of Directors at their next meeting.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Member

\_\_\_\_\_  
Member

\_\_\_\_\_  
Staff

\_\_\_\_\_  
Treasurer



**Frank McLoughlin Co-op  
Housing Charge and Arrears By-law 14  
Repayment Schedule  
Schedule B**

I/We, \_\_\_\_\_ of \_\_ Maple Leaf Circle, Brampton, Ontario, agree to the following repayment schedule for Housing Charge Arrears and/or Member Loan Arrears:

**Housing Charge**

**Member Loan**

<b>Date</b>	<b>Amount</b>	<b>Date</b>	<b>Amount</b>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
<b>Total</b>	<b>\$ _____</b>	<b>Total</b>	<b>\$ _____ OR</b>

Housing Charges \_\_\_\_\_ payments @ \$ \_\_\_\_\_ per month = \$ \_\_\_\_\_

Member Loan \_\_\_\_\_ payments @ \$ \_\_\_\_\_ per month = \$ \_\_\_\_\_

I/We agree to make the above payments on or before the date specified. I/We understand that current Housing Charges must still be paid prior to the first day of each month. I also understand if I breach this agreement, the co-op will begin eviction proceedings.

MEMBER \_\_\_\_\_ DATE: \_\_\_\_\_

MEMBER \_\_\_\_\_ DATE: \_\_\_\_\_

TREASURER \_\_\_\_\_ DATE: \_\_\_\_\_

STAFF \_\_\_\_\_ DATE: \_\_\_\_\_