

Article 4: Setting Housing Charges

4.1

The Members Set the Housing Charges

Monthly housing and parking charges are determined by each Cluster in accordance with the requirements of their Operating Agreement and including the recommendations of their Finance and Maintenance Committee Representatives. These budgets will be reviewed by the Finance Committee and submitted to the Board of Directors for approval.

4.2

Operating and Capital Budgets

(a) Preparing the Operating Budget

Each year, the Finance Committee will prepare a budget for the next fiscal year. This will include all external revenue and will recommend to the Board of Directors appropriate management of the Co-op's assets. The budget must contain:

- the total expected cost of operating the co-op
- the charges proposed for each unit, and
- the cost of any special expenses which the board suggests and the charges that would result.

(b) Capital Expenses

The board may prepare a capital budget if it is planning capital expenses. The capital budget must contain:

- the proposed capital expenses
- the proposed source of funds, and
- the effect of the proposed expenses on the co-op's operating budget.

4.

SETTING HOUSING CHARGES.....

4.3

**Date of Change
in Housing Charges**

- (a) Any change in housing charges will normally begin on the **first day of the third month** after the Cluster members approve the change at their budget meeting.

Notice of change in housing charges must be delivered to each unit within a reasonable time after the meeting.

- (b) If during a Cluster budgetary year, the Board feels that a change in housing charges is necessary or desirable, it may call a special meeting of the cluster for the purpose of considering such change. It shall prepare a budget or a statement showing the necessity for the change and give notice in the manner set out above.