



SARCEE MEADOWS HOUSING CO-OPERATIVE LTD.

HOUSING POLICY

SUBJECT: Housing Charge Assistance (HCA)

DATE OF APPROVAL: April 2012

APPROVED BY: Membership

DATE OF AMENDMENT OR REPLACEMENT: October 2015, April 2016, April 2019

This policy can only be amended by the membership after due notice and NOT at a meeting where the annual budget is to be considered.

This policy becomes effective January 1st, 2014.

The purpose of HCA is to assist members who are paying more than 30% of annual household income for the normal housing charge. HCA is NOT intended to address personal budget problems. HCA will be based on Annual (January to December) household income. Monthly shortages of income are budgeting issues and are not eligible for HCA. HCA is a privilege not a right of membership.

Applicants must be “members in good standing who have been shareholders in Sarcee Meadows for a minimum of one year before applying for HCA. Applications for HCA may be made anytime during any year.

Sarcee Meadows agrees to provide Housing Charge Assistance funds to a maximum of \$200,000 in the annual operating budget. If required funds exceed this amount a request will be sent to the Board to consider the use of the HCA Internal Reserve Fund.

Any unused HCA funds at the end of a fiscal year will be transferred to a Housing Charge Assistance Reserve Fund. The HCA Reserve Fund shall not exceed \$200,000. Once the HCA Reserve is fully funded, any excess of HCA funds will be transferred to the Replacement Reserve Fund at the end of the fiscal year. If such a transfer is required for three consecutive years, this policy will be revised with a view to reducing the next budget allocation for HCA.

To apply to receive HCA consideration the Member will complete an application form approved by the Board of Directors. The Board will adopt the Procedures for HCA. The Board will review and approve or deny each application for HCA.

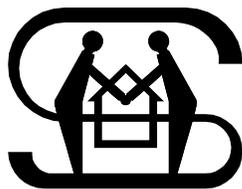
Members receiving HCA are required to immediately notify the General Manager of changes (increases or decreases) in their annual household income and the residents in

their homes including non member residents. Either of these may change the allocation of HCA to that member.

The minimum monthly payment any member may pay will be no less than 50% of the regular housing charge for the respective unit. (i.e.: if regular housing charge is \$900 the minimum payment based on qualifying income will be \$450)

Members who receive an overpayment of subsidy funds during the year will be required to payback the excess funds to SMHC. Members receiving an underpayment of subsidy funds during the year will receive a rebate of funds.

Receiving HCA funds under false pretences is a serious breach of SMHC policy and may result in termination of membership which would include legal action to recover the funds received.



SARCEE MEADOWS HOUSING CO-OPERATIVE LTD.

PROCEDURES

SUBJECT: **Housing Charge Assistance (HCA) Procedures**

APPROVED BY: Board of Directors

APPROVAL DATE: January 22, 2014

EFFECTIVE DATE: Retroactive to January 1, 2014

DATE OF AMENDMENT: April 27, 2016, January 2018, October 2018

ELIGIBILITY REQUIREMENTS

1. Applicants must complete the necessary forms and provide proof of income by the appropriate deadline dates.
2. Applicants may apply if their maximum annual housing charge is more than 30% of the gross annual household income.
3. Applicants must have been a shareholder for a minimum of one year at the time of their application.
4. Members whose housing charges are being covered by the payment of housing charge life insurance are not eligible for HCA until the life insurance payment is used up.

DEFINITION OF INCOME

For the purpose of applying for HCA, Members must provide details of all household income from all sources. Income includes, **but is not limited to, Wages, Salaries, Commissions, EI, Pensions, Investment Income, Interest or Dividends, RSP withdrawals, RIFF payments, Alimony, Child Support payments, Child Tax Credits, Grants, Social Assistance payments, rental income, Disability payments, Workers Compensation payments.**

HCA will be calculated on 100% of Gross Household Income from all sources from anyone over the age of 18 years residing in the unit.

Self-Employment Income:

For self-employed applicants, work related earnings are the annual net income, as defined by Canada Revenue before any personal income tax deductions, plus any capital cost allowances used in the determination of the above net income.

APPLICATION PROCESS

Each August, Members wishing to receive consideration for a reduction to their monthly housing charge for the next fiscal year may apply to SMHC on a form provided by the co-operative for this purpose.

The General Manager will process all applications and assign an applicant number to each application. The General Manager will report to the Board of Directors on each applicant. The Board will approve or deny each application. The official minutes will show the approvals or denials by applicant number only for confidentiality purposes.

The General Manager will ensure that Members are notified of their HCA allocation.

Members who experience income reductions during any year may apply for consideration for HCA at the time of such reduction.

CHANGES IN INCOME

Members receiving HCA must notify the General Manager whenever an increase or decrease in income occurs. Should this change in income affect the amount of the members payments the General Manager will present this information to the next Board Meeting.

Since members are required to declare income on their application that requires estimates for a portion of each year, changes will from time to time be necessary.

Once the proof of income is assessed any overpayment or underpayment will be credited or charged to the members account.

PROOF OF INCOME

When applying for assistance a member will fill in and sign an application form which agrees to provide proof of income to SMHC at a future date. Members receiving HCA must annually provide to SMHC a copy of their income tax returns as well as the Revenue Canada Notice of Assessment of the income tax form.

SMHC may require additional proof which includes but is not limited to employers' verification, verification of shelter allowance from social assistance etc.

RECEIPT OF HCA UNDER FALSE PRETENSES

Receiving HCA under false pretences is a serious breach of SMHC policy.

When a household is discovered to have falsely declared its income, or failed to report an increase in income, their ongoing access to HCA may be terminated.

Any Member in Arrears, who has not made satisfactory arrangements for the repayment of such arrears, will automatically become a "**Member Not in Good Standing**".

Missing payments and /or failure to remain a Member in Good Standing may terminate the Time Payment Plan. Once the Member becomes a "**Member Not in Good Standing**" they will receive a warning to attend the next Member's Meeting or the Member will be required to pay the full amount of the contract. Failure to honor the contract will be dealt under the Arrears Policy.