

ARTICLE 1 – OPERATING EXPENSES

Article 1.1 The *Occupancy By-Law* says that each year the members will approve an operating budget for the next fiscal year. The board has the authority to spend the operating funds of the co-op in each fiscal year up to the amount of the complete operating budget.

Unless the members decide otherwise at the time of budget approval, the board can use a surplus in one category of expense to offset a deficit in another category within the budget.

Article 1.2 Individual members and committees of the co-op may not authorise expenditures or otherwise make financial commitments on behalf of the co-op unless the board has given them explicit authority to do so.

Article 1.3 The board may delegate authority to spend funds to the staff of the co-op within the limits it sets. The board may also delegate spending authority to committees for a specific expense or type of expense within the limits it sets.

Article 1.4 No persons may initiate or approve any expense or purchase where that person has any conflict of interest in the matter.

Article 1.5 The board may feel that there should be a change in the total operating expenses and/or housing charges during a fiscal year. If so, the board must call a special meeting of the members to consider the change. Procedures are set out in the *Occupancy By-Law*.