

# 2010 ANNUAL REPORT (English translation)

La FECHIMM

# 444

coopératives  
d'habitation

RAPPORT ANNUEL 2010



Fédération des coopératives  
d'habitation intermunicipale  
du Montréal métropolitain



The FECHIMM

# 444 housing cooperatives



**10 872**  
cooperative households

## A word from the president

### To serve, support, defend and promote

At FECHIMM, the year 2010 may go down in history as a year of profound transformation. We have not yet all the necessary perspective to fully appreciate all the changes that arose during this year, but many projects have been initiated.

Two factors have contributed to this wind of change that blew across FECHIMM in 2010. The organizational diagnosis exercise recommended that FECHIMM refocus its activities on the basis of its mission. The Orientation Symposium last November has also confirmed the will of the members, as already stated at the last AGA, to see the Federation play a more visible and more political role in defending the interests of housing cooperatives.

FECHIMM has a role that can be summarized as: to serve, support and defend its 444 cooperatives and their resident-members who give life to our movement. FECHIMM also has the role to promote the cooperative housing formula, a unique model that gives residents the democratic control over their environment and the opportunity to contribute to the right to live in a safe and affordable housing, while meeting the demands of sustainable development in a very adequate way.

#### **Questions on autonomy**

Our last annual general assembly, an important and highly valued event as a whole, was also an opportunity to discuss some of the members' concerns about the major trends that seemed to guide the Federation and the Movement as a whole. This division between the members, the Board of Directors and staff concluded with the decision to thematize the Orientation Symposium scheduled for November with the title Autonomy or institutionalization of the housing cooperative movement.

The members have decided that we would have a second major event dedicated entirely to expressing and listening to the priorities and orientations of our Movement. The success of this second meeting was shared with a lot of members as all means of communication available to us were used.

This brainstorming was consistent with work done by the board to determine priorities. The Board of Directors endorsed the results of the Orientation symposium in establishing an action plan that will begin in 2011. The Board of directors has also integrated the diagnostic recommendations.

#### **Reasons to act**

As leaders of the Federation, we are convinced that we had to act in order to adjust the organization to new realities and to adapt it so that it can meet the growing and changing needs, while taking care not to lose sight of what we are. With 444 members, representing 75% of housing cooperatives in the territory, the increase in membership of FECHIMM reflects the appreciation that the members have of their Federation.

Beyond these positive findings, the continuous improvement of the quality of our services and the extra efforts directed towards enhancing community life, including education and mobilization, promotion of cooperation, political representation, will be the primary focus for the coming year.

## A word from the Executive director Orchestrating the changes

Last April, with 2010 already well underway, the board took a look at the organization and felt that some signs, including the high rate of employee turnover observed in the last two years, could be a sign that the Federation was going through a difficult period and that changes must be made. This concern quickly made headway because in May, it was agreed to give a professional firm the mandate to analyze the entire organization in order to get a diagnostic report filled with appropriate recommendations in the following months.

In October 2010, after a careful consultation, the company MCE Conseils presented its diagnostic report to the Board of Directors and to the management team. They endorsed as a whole the many findings and action plan for implementing some thirty recommendations among which an in-depth training on governance, roles and responsibilities, the implementation of a new process for planning and supervision, the review of the organizational structure and the professionalization of the management of human resources.

Also in October, we finally signed the new collective agreement after negotiations that lasted eleven months. In the same period, we presented the diagnostic report to the employees, asking them to remain open and for their collaboration so that the implementation of the recommendations is successful. Thus, since October, the board of directors, the management team and the employees have stepped up efforts to give concrete follow-up to the diagnostic report, while dedicating themselves to the organization of the Orientation Symposium agreed upon in April.

The highlight of the year, the Symposium in November was a remarkable event, both for the serenity and the great diversity of opinions. Also an upbeat for the board of directors who was able to share with participants the wishes, disappointments, desires, dreams of the residents of cooperatives. Combined with the work and reflections that led the board in the wake of the diagnostic report, the event was literally inspiring. The priorities that the board had to identify following the governance exercise have become only more definite.

In summary, we can say that 2010 has been a pivotal year in all respects. There is no doubt that the steps taken are the beginning of a profound and lasting way of doing things, the culture and the reputation of the Federation.

## Associative life

### Make our movement grow

#### **444 housing cooperatives**

The growth in FECHIMM membership continued in 2010. The number of federated housing cooperatives at FECHIMM reached 444. During the period, 10 cooperatives joined the Federation and one chose to leave the Movement. On December 31, 75% of housing cooperatives in Metropolitan Montreal were members of the Federation.

#### **New members**

Four of the ten cooperatives that joined FECHIMM in 2010 are new projects that welcomed their member-tenants during the year. These cooperatives are: Au Coeur du paradis, Cercle carré, Côteau vert and Intergénérationnelle Lavalloise. These new cooperatives have allowed the addition of 343 new housing cooperative units. The cooperative housing stock at FECHIMM amounted to 10,872 housing units on December 31, 2010.

#### **Practice democracy**

Three associative engagements marked the year 2010 and allowed members of FECHIMM to speak on the role and the mission and guide the actions of the Federation and the Cooperative Housing Movement towards the issues that challenge our collective enterprises.

#### **The 2010 AGA**

161 persons representing 97 cooperatives (22, 3% of the members) took part in FECHIMM's 2010 annual general assembly. Of this number, 126 were delegates of their cooperative and 35 were there as observers.

The participation of the cooperatives at the AGA has increased slightly compared to 2009, when we welcomed representatives from 91 cooperatives, or 21.7% of the members. We have passed amendments to the regulations of the Development Fund and several resolutions, some to guide the work of the Federation for three politically sensitive cases. The details on the matter of the Political Action can be found on pages 6 and 7 of this report.

#### **CQCH's annual congress**

With its delegation of 17 representatives, FECHIMM was able to make its members' voice heard at the AGA of the Confédération québécoise des coopératives d'habitation (CQCH) from May 16 to 18, in Orford in the Eastern Townships. The proposals brought by our delegation received the unanimous support of this meeting.

#### **The 2020 Orientation Symposium**

86 delegates from 56 housing cooperatives took part last November 27, in FECHIMM's Orientation Symposium at the Grande Bibliothèque on Berri street in Montréal. The consultation exercise has helped to identify the priorities of the members of the Federation and identify courses of action. The symposium was held under the theme «Autonomy or institutionalization» according to the will expressed by a resolution of the 2010 AGA.

## Get in touch with the Federation

#### **Promote cooperative housing**

##### **An increased presence in the Lower Laurentians**

In 2010, FECHIMM continued to develop links with local partners, concerned about housing issues. The Federation has thus joined the Association de promotion et d'éducation en logement - APEL to organize a conference around rental housing issues in the territory of the MRC de Deux-Montagnes and the southern part of the Mirabel MRC, an area where there are not many community and cooperative housing units. At the invitation of the CSSS des Laurentides,

FECHIMM also took part in a day of reflection and action on the issue of housing for people with a mental health problem in Sainte-Adele.

**Stimulate the communication with the members**

**New tools**

To better reach its members, FECHIMM began in 2010 to develop new tools in support of the fechimm.coop website and in support of any other means of communication by the Federation. The video has appeared on the FECHIMM website with the presentation of 7 documents. At the end of the year, FECHIMM also made its entry into social networks by opening a Facebook page and a Twitter account. The growing use of these tools will continue in 2011.

**To reach the general public**

**A new, more complete and free list of the members**

To answer a need expressed by a resolution passed at the 2007 AGA, FECHIMM has been publishing since November 2010 a detailed list of its member cooperatives on fechimm.coop. Free to download, the new list, more complete, aims to facilitate the meeting between the many researchers who visit FECHIMM's housing website and cooperatives looking for new members. It lets cooperatives decide what information they wish to broadcast to the general public.

# Political Action

## Let our intentions be known

2010 AGA

Defending our members

### Resolutions of a political nature

Three resolutions of a political nature were adopted at the 2010 AGA. We were asked to take political action to persuade the federal government to renew for at least two years, the « Initiative de rénovation et d'amélioration des logements sociaux » from CMHC. We were also asked to make representations to the SHQ so that the residents of cooperatives from the Quebec Affordable Housing program (LAQ) can obtain grants from the rent supplement program. The third resolution asked FECHIMM to provide technical and political support to cooperatives which SHQ imposed unreasonable rent increases.

### Resolutions endorsed at CQCH, but struggles still upcoming

FECHIMM got the support of the CQCH for these three resolutions. The Société d'habitation du Québec has expressed a willingness to negotiate after our demands concerning the cooperatives from the LAQ program and guidelines have been issued to deal with the rent increases imposed on cooperatives on a case by case basis, in cooperation with the federations. On the other hand, the federal government refused to renew the initiative to consider renovation and improvement of social housing. In this regard, we intend to intensify our representations in 2011, together with CQCH.

### A solidarity campaign for the development of cooperative housing

At the beginning of 2010, together with the Coalition pour l'habitation communautaire, FECHIMM added its voice to the Housing cooperative Movement in order to convince the Quebec government to maintain its investment in the development of community housing. Partial victory, since the 2010-2011 budget provided the funds necessary to build 3000 new community housing units. The government has yet again refused to commit to a multiyear planning.

### Presence in the community

FECHIMM submitted a brief during the consultation of the OCPM on the conversion project of 7400 St-Lawrence Street into complex type condos. We demanded the application of the inclusion policy of the City of Montreal and support for community groups affected by the change in use of the building.

The 2010 report should also indicate the involvement of elected representatives at various tables with the Table de concertation de Montreal, the Conseil Québécois de la coopération et de la mutualité (CQCM). In particular, FECHIMM pointed out the House of cooperation project, an idea launched by Daniel Trudeau, building technologist at FECHIMM.

### 2010 Orientation Symposium:

#### Priority issues and action plans

#### Impacts on the end of the operating agreements

The participants at FECHIMM's 2010 Orientation Symposium have identified 5 main issues for the Federation and the Housing Cooperative Movement. The participants at the symposium, held under the theme «Autonomy or institutionalization of the Cooperative Housing Movement», identified the end of the operating agreements and the effects that this situation will have on housing cooperatives as their most important concern.

### A movement to value

Participants also discussed the importance of raising awareness of the cooperative identity and put forward the cooperative values of social commitment, solidarity and participation so that as many people as possible can have access to a cooperative housing unit.

### For a more involved FECHIMM on a political level

The statements made by participants at the conclusion of the consultation exercise highlighted the importance for members to see FECHIMM more involved in the political action to defend and promote the development of cooperatives, the rights of its members and, more generally, the right to quality and affordable housing.

#### **Other issues**

Participants at the symposium also pointed out the issue of autonomy of the Housing Cooperative Movement towards the governments and their agencies and the problems of financing and subsidy for cooperatives as for low-income households.

#### **FECHIMM's political action committee**

FECHIMM's political action committee has a mandate to promote the cooperative housing model, to make known the claims of the Federation and of its members and propose actions. In 2010, the committee has actively participated in the Orientation Symposium of last November. The committee will develop a work plan in a medium term to achieve the priority objectives set by the board.

#### **Coalition for community housing**

The Coalition for community housing consists of five national organizations dedicated to housing, to cooperation and to social economy: the Association des groupes de ressources techniques du Québec (AGRTQ), the Chantier de l'économie sociale, the Confédération québécoise des coopératives d'habitation (CQCH), the Conseil québécois de la coopération et de la mutualité (CQCM) and the Regroupement québécois des osbl d'habitation (RQOH).

## **Intercooperation at the international level**

In 2010, FECHIMM continued its commitment to the development of cooperative housing in developing countries. Among the actions taken, a contribution of \$ 2,000 was given to SOCODEVI to help the reconstruction of cooperatives affected by the earthquake that devastated Haiti in January. The Federation has also been approached by the developers of the Vilaj Vilaj project who plan the development of a housing cooperative in this country but no specific support has been given so far. The Federation has also been active on the African continent. As part of a cooperative project led by SOCODEVI, FECHIMM and CQCH supported the Fédération régionale des coopératives de construction et d'habitat in the region of Thies in Senegal in the structuring of a large housing cooperative project for the construction of 2000 houses. During the summer, FECHIMM also hosted a delegation from Zimbabwe who came to Canada to discover how co-ops function here. In its actions abroad, FECHIMM also supports the National Co-op Housing Union (NACHU) in Kenya in collaboration with Rooftops. This project involves a loan to NACHU to finance cooperative habitat projects. Sylvain Belisle, Secretary of the Board at FECHIMM, took part in a study organized by Rooftops in Kenya and Tanzania in July 2010.

# Run the Federation

## Managing the changes

### **General presentation**

We have previously called the year 2010 «a year of extensive transformation » and « turning point ». It was certainly the case in political thinking as the process undertaken, from the general assembly in April until the Orientation symposium, required from management staff and employees a sustained investment whose benefits will continue to be felt for a long time to come. To this, we must add another long process, very demanding, and which will generate significant long-term changes: the organizational diagnosis.

### **Managing human resources: Important investments**

To establish and maintain a professional team is a challenge for all companies and FECHIMM is no exception to this rule. Significant efforts have been made in this direction, including the organizational diagnosis, the implementation of the initial recommendations and the agreement to renew the collective agreement. Actions and results that should have a direct influence on the ability of FECHIMM to fully carry out its mission and its commitments.

### **Improving the quality of your life at work**

The improvement of teamwork and the quality of life at work has been at the heart of a major project in 2010. It was imperative that FECHIMM improve its power of appeal and retention of staff and, at the end of the year, efforts seem to have borne fruit since the results have improved significantly, four employees who left the Federation during 2010, against nine last year. An important factor in the team atmosphere, the negotiation of the collective agreement was extended for 11 months. The exercise was thorough and if it raised many questions on both sides, it concluded in a markedly improved atmosphere. Continued efforts to promote a healthy work environment will continue to occupy an important place among the priorities of the organization. This is a large segment of the recommendations of the diagnostic report. We intend, with the participation and continued cooperation of the entire team, to make great strides in implementing the action plan that has resulted.

### **Capitalizing on staff training**

The creation in the spring of 2010 of the Centre of Expertise helped initiate a project to improve the training offered to staff (first among newcomers). A large number of extra training for staff were provided and the majority of FECHIMM staff attended a training seminar organized by the CQCH in September.

### **Operations Management**

Started in 2009 for budgetary aspects, the implementation of the project planning has continued overall, but its integration in every area of activity has been slowed, taking into account the forthcoming review of the organizational chart provided in the Action plan resulting from the diagnosis. The integration work will continue thereafter and dashboards will be developed to follow-up each sector.

We therefore expect to achieve a better allocation of resources, the latter being dependent on the quality of the planning process. Each sector will therefore be responsible for determining its needs according to the annual action plan and available resources.

As for the quality of services delivered, a survey was conducted in May among user-cooperatives. The results were very positive. FECHIMM's methods of survey however, remain unsophisticated and will be reevaluated, which we intend to do with other regional federations and the confederation.

In the wake of the process undertaken in 2009 to integrate project management to all levels of operation, the management by results was added in 2010. As for the planning of FECHIMM activities, principles of management by results will be included in all interventions with cooperatives. We are convinced that this

approach will be appreciated by the members who will thus have a greater and more accurate role in determining the objectives and the type of services desired.

**Financial management**

In spite of an important reduction of the subsidy from the Programme d'aide aux organismes communautaires (PAOC), 2010 ended with a surplus of \$48,485. This is good news based on income, some of which may undergo significant reductions in 2011. A more detailed analysis is presented in the chapter on the financial results of the year on page 18.

## Management assistance

### The duty to succeed

#### **Promote the autonomy of co-ops**

A major deliberation was initiated during the year to enable interveners, advisers and managers to better focus their energies in interventions related to concrete results. The introduction in 2010 of the concept of results-based interventions should continue and improve over the next year. In particular, service contracts will be amended to specifically identify the desired outcomes and allocation of responsibilities. Monthly progress reports will be issued. FECHIMM then reviewed the way of doing things by its team of advisers and a more empowering approach is in preparation. This approach, also results-oriented, will be gradually established in 2011. Particular attention will be given to this new approach so that it is well assimilated by the cooperatives.

#### **Achieve efficiency and effectiveness in the management of cooperatives**

On the other hand, FECHIMM has developed a version of the organizational diagnostic tool developed for PSBL-P cooperatives so that it can be offered to AccèsLogis cooperatives.

#### **Bookkeeping**

##### **Make financial reports into real management tools**

Great efforts were made since 2009 which concluded in improving the quality. This work is ongoing to make the presentation of financial reports more «educational». Integration of graphics to these reports will make them real dashboards. We are confident that these additions will facilitate the interpretation of the results and, when needed, the decision-making.

##### **Promote the accrual accounting**

The accounting team at FECHIMM now uses accrual accounting in all mandates entrusted to it. By this accounting process, presentation of financial results is adjusted to regulate the monthly income and expenses that cover the entire year even though they are realized only once in the year such as insurance or the membership contribution to the Federation. This approach gives a more accurate picture of results and facilitates budget monitoring. It contributes to the quality of work by limiting the number of adjusting entries by the auditors at the end of the year.

##### **Standardize internal control**

The production of financial reports is made harder by the delays encountered in obtaining the bookkeeping documents. Our approach to modify contractual arrangements with cooperatives seeks to clarify roles and specify the allotment of tasks in order to achieve the desired outcomes. This should help reduce costs as the rapid transmission of documents will be more advantageous.

## Education

### Cultivate cooperation

#### **Strengthen the functioning and structure of the Education sector**

In the spring of 2010, FECHIMM restructured its services in the education department. The reorganization was to increase the expertise of the Federation to better meet the needs of its members, employees and directors, and led to the creation of the position of Assistant Director to the Services, responsible for the expertise center, and a position for a telephone-educator counselor. Also, concerning the project of CQCH to standardize the basket of services offered in all the regional federations, this restructuring will allow FECHIMM to better play its leadership role in developing new services, including education programs.

#### **Appropriate responses to the needs of member cooperatives**

Surveys conducted during the year with participants in FECHIMM education workshops show a very positive assessment of the Federation's services in the matter. This did not prevent the Federation to continue to implement new measures. Already in 2010, several workshop contents have been revised, an improved electronic format. New contents have been developed to meet the changing needs of cooperatives. Also, the findings of the organizational diagnosis indicate courses of action and thought-provoking for new initiatives in 2011

#### **Adapt the formats of the workshops according to the needs**

The interest in the thirty or so education workshops offered by FECHIMM cannot be denied. However, we note that sometimes the development efforts in the matter of education, whether it is from the CQCH or from regional federations, are duplicated. Work on standardizing and rationalizing was undertaken with the CQCH and the federations, including FECHIMM. This should result in a better coordination of the resources and a more uniform formatting of the services identified to be part of the basket of basic services offered by each of the regional federations and the CQCH.

### **Education in 2010**

**155** workshops delivered

**68** scheduled workshops

**87** workshops delivered at home

**952** participants to the workshops

## Technical services

### Supervise the expertise

New department established in 2010 at FECHIMM, the technical services include the activities of the Centre de services aux coopératives du programme sans but lucratif - privé (PSBL-P) and of the energy efficiency program EFFICIENT CO-OPS. It also has the mandate to develop support services for the renovation of housing cooperatives members of FECHIMM. The direction of this new department was entrusted to Louis-Philippe Myre, who previously acted as project manager for the EFFICIENT CO-OPS program.

#### **The Service center (CS) of western Quebec**

Dedicated primarily to support PSBL-P cooperatives in terms of long-term maintenance of real estate, the Service Centre (SC) in western Quebec has been in operation since late 2009. The CS was given by the SHQ the responsibility to deliver health checks for the 62 housing cooperatives of the program for western Quebec, and from the Eastern Townships to the Outaouais region.

#### **Health checks of the buildings (BSI)**

The hiring of a second inspector in 2010 allowed the CS to complete before December 31, 2010 all inspections of 167 buildings and 1148 homes that are part of the 62 cooperatives in the area served by the CS in western Quebec. At the end of the year, 8 reports, however, still remained to be completed.

#### **An offer combining BSI, PPI and work support**

The establishment and consolidation of the offer joining the production of a health check (BSI), a multi-year intervention plan (PPI) and support for the work done in cooperatives has required substantial organizational work and the necessity to hire a renovation project manager. The latter did not take long to get to work by treating 22 cases in the last months of 2010. In parallel with this work, agreements have been concluded with almost all the chosen cooperatives in order to determine the basket of services the CS will offer them. A minority of cooperatives (28%) chose to limit the intervention of CS to the health checkups. A majority (72%) has opted for complete support of the CS, including the production of a multi-year intervention plan (PPI) and the support needed to carry out renovations.

#### **Starting the renovation support service**

The year 2011 will be devoted to the consolidation of support activities for the renovation of the PSBL-P cooperatives. The offer to the cooperatives from other programs may intensify during the year.

## Efficient co-ops

### Deliver the results

The results of the aid program for implementing Efficient Co-ops energy efficiency measures have been exceptional during the past year. The team has exceeded by 72% the energy savings goals set by Hydro-Quebec. The various interventions in the program have saved 5,517 GWh, the equivalent of an annual consumption of 248 single family homes. The results of the program among cooperatives who are consumers of gas are less impressive and slightly below the goal established with gas distributors and Energy Efficiency Fund from Gaz Métro. 34 703 m<sup>3</sup> of natural gas has been saved in 2010 through the province thanks to 9 cooperatives. The year 2010 was also marked by the importance given to the renovation section in the activities of the program. During the year, FECHIMM co-ops received a total of \$113 584 in financial rebates to improve their lighting and buildings. Among others, we are thinking of window replacement and adding insulation.

#### **The solar avenue**

The Efficient Co-ops team has explored various avenues in order to propose one or more measures to encourage cooperatives to resort to solar energy. The steps taken have concluded that the grants available for such innovative projects are not enough to make them financially attractive.

#### **Agreements to renew**

At the end of 2010, the agreement linking the Federation, representative of the movement for the program, and the energy distributors still needed to be agreed upon. The Federation still believes it should be able to obtain the renewal of the program in 2011 for thermostats, lighting and renovation. Beyond 2011, only the renovation section could be extended until 2015.

## **Numbers that talk**

### **In 2010, on FECHIMM's territory**

43 co-ops have replaced their thermostats

82 co-ops have replaced their lighting and received a \$71,709 rebate

12 co-ops received financial discounts for renovations, totaling \$34,588

2 co-ops who are natural gas consumers received financial discounts in the amount of \$7,287

#### **Since 2007 in Québec**

More than 61 385 thermostats have been replaced in 689 housing cooperatives.

More than 400 co-ops have replaced their lighting with energy efficient products for their common spaces and received financial discounts in the amount of \$308,749, for an average discount of \$750 per co-op.

## The development Changing the role

### **Reorganizing the development**

In 2010, after giving up its status as an agency supporting the development, FECHIMM came to change its role in the matter of project development. Out of the projects benefiting from the AccèsLogis program, the Federation has however not given up participating in the development of projects outside the program and playing a different role to promote the development of projects and the success of cooperative projects.

### **Collaborate with the TRG**

A first collaboration was established with the Technical Resource Group, Groupe CDH, for the development of the Saint-Victor church in the east end of Montréal. In this project, the investment from FECHIMM with property developers of ecological cooperatives with access to Vertnature homeownership has paid off. Indeed, the information gathered through the conduct of the business plan of this cooperative helped influence the parish of Saint-Victor who commissioned FECHIMM to develop the site of its church.

The project on the table considers the construction of two housing cooperatives. According to the scenario, the TRG Groupe CDH would see to the development of an AccèsLogis cooperative while FECHIMM would take part in the development of a new form of affordable housing cooperative including homeownership. The two cooperatives would share common spaces with the church and community groups in the sector.

### **Réseau 2000+ in Laval and the Laurentians**

When developing subsidized projects, FECHIMM now counts on its association with the TRG Réseau 2000 + for the development in Laval and the Laurentians. The work done by the TRG team for the last two years, the quality of the accomplishments, the many field presences have certainly helped to demonstrate the capabilities of the TRG, but there is still work to be done to ensure that Réseau 2000+ be recognized at its full value everywhere in Laval and the Laurentians. The participation of FECHIMM and Réseau 2000+ in two conferences on the topic of housing in the Laurentians has helped forge new links with the community. FECHIMM has risen awareness of the cooperative in this area of very few co-ops and an area which is grappling with major housing problems. The TRG Réseau 2000+ sits on a committee to monitor its seminars.

### **The Bourg Saint-Antoine cooperative**

Preparing for the last six years, the project of Le Bourg Saint-Antoine cooperative in Saint-Jerome is the last one FECHIMM delivers as a development support organization. Completion of this project for seniors losing their autonomy has been delayed due to difficulties in obtaining the required zoning change. With patience and thanks to the unwavering support of the municipality of St-Jerome, the project finally reached the stage of the amendment to the current development plan. The cooperative will therefore soon proceed to tender for the construction of its building.

## The PSBL-P Manage the demands

### **The mandates of the 2009-2010 agreement**

All the mandates of the 2009-2010 agreement with the Société d'habitation du Québec have been realized. Organizational diagnosis were done in 4 cooperatives, education workshops, support activities and information evenings were also held. Over 860 applications were processed by the local bank of applicants in which two new co-ops joined in 2010. A third membership was still ongoing at the end of the year end. Over the last 12 months, the total number of units managed by the Central-Logement-Coop went from 548 to 590. The development of new training tools based on a popular education approach continued in 2010. A list of procedures for managing the bank's local applicants adapted to the needs of the sector has also been produced.

### **Achieve the extension of the BLR**

The expansion of local banks to all applicants of PSBL-P co-ops is desired by all members of the working groups of the Housing Cooperative Movement (FECHIMM, FÉCHAQC and CQCH). All steps prior to the expansion of the banks have been completed and a note to that effect was sent to the direction of the SHQ. The implementation of transitional measures to prepare and organize the extension of the service to the PSBL-P cooperatives from other regions and, secondly, cooperatives benefiting from the rent supplement program should continue in 2011.

### **Renew the agreement with the SHQ**

The 2010/2011 draft agreements were discussed with the SHQ. Minor changes will be made before the signing of these agreements in 2011. The additional funding for 2009-2010 has been extended by the same amounts as those of previous years despite a request for an adjustment that considered the inflation and rising caseload. An adjustment of the financial compensation will be reviewed in 2011.

## Group purchasing

### Get together so that many will benefit

Apart from property insurance, few changes have been made on the purchasing groups negotiated by the Confédération québécoise des coopératives d'habitation during the year. To revive initiatives, the CQCH extended the mandate of the insurance committee into a committee responsible for purchasing groups in order to analyze, evaluate, identify other opportunities and improve the supply of purchasing groups for members. FECHIMM is represented on this committee by its Promotion and business development agent, Sylvie Hébert.

#### **Sécurimembre and Autoassur**

Available now for 13 years, Sécurimembre tenant insurance and Autoassur car insurance are very popular in housing cooperatives as more than 88% of their members own this insurance. In 2010, membership had a 9% increase, with 3,323 insured households.

#### **Assurtoit**

352 cooperatives benefit from this program among our members for a participation rate of 79.1%. The program remains in our opinion the most advantageous and most open to the needs and characteristics of cooperatives. However, the effects of rising construction costs have driven up the insured value of buildings to ensure the replacement value in case of a major disaster. It goes without saying that the premiums have increased accordingly.

Mortgages and mortgage guarantors generally require that buildings be insured for the cost of new construction. The Cooperatives Act (art. 90) states that it is the duty of the Board «to ensure the cooperative against the risks it determines». In the event of a major disaster, the board must rely on an insurance policy that will maintain the capacity of the cooperative to provide housing to all its members.

#### **AFIC**

Although the Intercooperative Financial Advantages program (Avantages Financiers InterCoopératifs) still offers real savings due to non-existent fees, membership have made little progress - 3 in 2010 - because the income associated with interest rates were too low to be attractive. Since last October only do we observe a very slow recovery of the rates and, consequently, the benefits for members. This trend, however, is great news because it allowed an increase of 41% of revenues distributed to 222 participating cooperatives, going from \$8,380 to \$11,821 in 2010.

#### **Cooperative Investment Program (PIC)**

The PIC has again performed well in 2010, adding 6.27% to the value of shares which reached a new high of \$ 6.46. Over the last 10 years, the value of the share rose 33.6%, equivalent to an annualized return of 2.61%. The number of participating cooperatives did not change during the year.

#### **Development Fund of the PIC**

Gateway to cooperatives wishing to take advantage of the PIC or to contribute to the fund for the development of cooperative housing in developing countries, preferred shares have earned \$1,470 in interest to holders while the value of the Fund rose slightly to \$127,644.

#### **The Multiservices card**

Other economic advantage for the members, the use of the Multiservices card from the CQCH generated in 2010, purchases of \$147,333 compared to \$153,196 in 2009. This means a decrease of 4% compared to last year.

#### **New local partners**

In 2010, FECHIMM continued to be on the look-out for business deals for its members. Their efforts have concluded into three new partnership agreements that have already resulted in economic benefits for co-ops who took advantage of them.

#### **Electrical supplies**

The partnership concluded with the J.D Paré électrique company allowed housing cooperatives, members of FECHIMM to take advantage of great prices on a wide variety of electrical supplies and lighting products.

#### **Natural gas**

The partnership agreement with the firm Athena Energy, a Quebec supplier of natural gas, was to allow cooperatives who are consumers of natural gas to form a collective buying power allowing them to obtain a better price and protect them from fluctuations in offering a fixed price for a predetermined time. In total, 28 cooperatives have joined the group. Although led by FECHIMM, the group has also benefited the members of other regional federations in Quebec. In addition to direct benefits to the participating cooperatives, the buying group has also allowed FECHIMM to receive a refund of \$1,424.

#### **Eco Passport**

The partnership with the Eco Passport company, the first issuer of a savings card in a network of approximately 200 companies environmentally and socially responsible allows member-tenants of housing cooperatives grouped in FECHIMM to get a discount of more than 50% on the annual subscription to the card.

## 2010 financial results

### Surplus and uncertainties

To properly analyze the financial performance of the Federation in 2010, it is important to focus our attention on the results of the operating fund, the results of other funds being associated with little or no operations as such. Thus, when comparing 2010 to 2009, we find that the volume of business has declined, falling revenues of nearly \$160,000, while expenses fell by over \$235,000. The net result has generated a surplus of \$48,485 in 2010, compared to a deficit of \$22,826 the previous year. Also, we noticed in late 2010 an increase in revenues from the AFIC program which is expected to continue in 2011. This is good news in itself. However, one can detect elements of concern. First, we notice that the Efficient Co-ops project alone has generated a surplus of \$356,000 before the salaries, an increase of \$34,000 over the previous year. Including salaries and other indirect costs, we estimate at nearly \$110,000 the surplus generated by the project. Considering the progress of this project, we must expect a significant decrease in this category over the next two years if it is not relaunched soon with new offerings for cooperatives.

Then, the part of the sector contribution was larger in 2010, going from 6 to 9% of the revenues. It would be surprising if it is renewed in 2011, suggesting a further drop in income. All indicates that efforts continue to be made to improve the efficiency of service delivery and to reduce administrative costs in order to ensure a balanced budget for 2011 and beyond. These efforts started in 2009 with the introduction of project management are beginning to produce results, but a lot of analytical work and innovation to improve productivity remains to be done.

## The FECHIMM team

### The board of directors

Proof of a year full of activity, the Board of Directors at FECHIMM met 19 times during 2010. Three new directors have joined the Federation in 2010, following elections held at the 2010 AGA. They are: Luc Brisebois from Coop Samuel 1er, Christiane Fleurant from Coop Darling and Richard Roy from Coop Entre-Six.

#### **Composition**

Claude Turcot President  
Richard Roy Vice-president  
Sylvain Belisle Secretary  
Lise Thibodeau Treasurer  
Line Bouliane Administrator  
Luc Brisebois Administrator  
Louis-Philippe Duperré Administrator  
Christiane Fleurant Administrator  
Denis Plante Administrator Responsible of the political action committee

As part of its mission, FECHIMM collaborates with many regional and national organizations such as COOPTEL, the CDEST, CDR Montreal-Laval, the Centre for Urban Ecology, CIBL, the CRE-Laval, COGI-OMH, the Island of Montreal Funeral Co-op, CQCM Concertation Mtl, the CRE of Montreal, Culture Montreal, Habiter Ville-Marie, la Trocall, l'Alliance des jeunes coopérateurs, le Collectif pour un Québec sans pauvreté, Équiterre, la Fondation pour l'éducation à la coopération, le FRAPRU, Transport 2000 and Vélo Québec.

## Sustainable development

### Triple assessment of our actions in 2010

In 2010, the principles of sustainable development have continued to guide FECHIMM in its decisions and actions. The implementation of the Policy for a green and fair FECHIMM carried on and efforts from FECHIMM to promote energy efficiency in our cooperatives have reported significant benefits, both environmentally and economically.

#### **The environment**

The conservation of our resources is increasingly integrated into the modus operandi of FECHIMM who, in 2010, has increased its efforts to reduce its overall consumption. By the very choice of the locations for its association events, the Federation has clearly indicated its bias towards public transit.

Moreover, FECHIMM held its first green event in 2010 with the Orientation Symposium held in November. For the first time, the Federation was able to quantify and compensate greenhouse gases generated by the organizers and participants in one of its activity. The small amount of GHGs from the Symposium highlighted the high level of awareness of the members concerning environmental issues and advances that were made in this direction in recent years.

#### **The economy**

After a third year of operation, the success of the Efficient Co-ops program, initiated by FECHIMM in 2006, is good news for our Federation. It clearly demonstrates that the will to act to improve the environmental and energy efficiency of housing cooperatives may well be combined with financial benefits for the Federation and all its members.

Efforts made by the Federation during the last year for the development of new purchasing groups were also made with this goal in mind. An agreement between FECHIMM and the Athena Energy company has allowed housing cooperatives, consumers of gas to get together to protect themselves from fluctuations in natural gas prices. The conclusion of another partnership with Eco Passport company, a card issuer entitling them to discounts in a network of over 200 companies environmentally and socially responsible, also demonstrate the commitment of the Federation.

#### **The human being**

Convinced of the virtues of cooperation as a tool for sustainable development, FECHIMM asked numerous actions during 2010 to better serve the members it represents, the general public for whom it is the main showcase for housing cooperatives in the Greater Montreal and its international partners. The reorganization brought to the «Education» sector and the hiring of a director for this expertise is an example of this will of FECHIMM to better support its members, employees and directors. With the release of a free and detailed list of member cooperatives and its many demands for more investment in the development of new cooperatives, the Federation also demonstrates its sensitivity to low and middle income families and individuals who would like to get into the housing cooperative mode.



FÉDÉRATION DES COOPÉRATIVES  
D'HABITATION INTERMUNICIPALE  
DU MONTRÉAL MÉTROPOLITAIN  
(FECHIMM)

MONTRÉAL  
3155, RUE HOCHELAGA  
BUREAU 202  
MONTRÉAL (QC) H1W 1G4  
T 514.843.6929 F 514.843.5241

LAVAL  
538, AVENUE AMPÈRE  
BUREAU 11, 3<sup>e</sup> ÉTAGE  
LAVAL (QUÉBEC) H7N 5H6  
T 450.629.8830

C [INFO@FECHIMM.COOP](mailto:INFO@FECHIMM.COOP)  
[WWW.FECHIMM.COOP](http://WWW.FECHIMM.COOP)