

CO-OP CITY TIMES

Co-op City's official newspaper serving the world's largest cooperative community.

© Copyright 2025 Co-op City Times



Saturday, November 1, 2025

Management Report – November 1, 2025

This Management Report is for the period ending September 30, 2025.

This Management Report provides updates with the following elements:

- Public Safety – Peace Officer Staffing Levels
- Underground Piping Repairs
- Budget Performance Through 2nd Quarter
- Convector Initiative Tracker
- Informational Updates

Peace Officer Staffing

The Peace Officer head counts in the Department of Public Safety dropped to **71 or 76.3%** of the 93 Peace Officer positions budgeted in the department. During the month of September 2025, there were a total of three (3) Peace Officers who resigned from their duties. As of October 28, 2025, 22 vacancies are being recruited for the next class for the in-house Training Academy.

Underground Piping Repairs

The Power Plant is working to identify and control leaks with the underground piping in areas near Buildings #4 and #20 and around the Power Plant. On October 16th and 17th, the Power Plant team secured leaks by Buildings #4 and #20. The team is currently working to identify leaks by the Power Plant, one of which is believed to be underneath Co-op City Blvd. Securing additional leaks and performing permanent repairs will require high-temp hot water shutdowns throughout the community. Shareholders should rest assured that when shutdowns are required, they will be kept as short as possible in duration. Management sincerely understands the inconvenience experienced in the community when the hot water must be shut down for repair. We appreciate the patience of the shareholders and their families, and as we move to mitigate the leaks in the underground piping in the community.

Second Quarter (April 1, 2025-Sept. 30, 2025) Budget Performance

- Overall, throughout the second, quarter operational revenues trended downwards. The largest revenue source of income for the Corporation is Carrying Charges. Revenue from Carrying Charges in the amount of **\$119,263,000** was below budget projections of **\$1,810,000**. However, there was a **(5.6%) or \$81,562,000** increase over budget in **Other Income** revenue sources. This increase was due to receipts of unplanned income in the amount of **\$3,110,588** from Altice to offset the cost of painting and plastering Riverbay's hallways after Altice installed upgrades to its cable molding in buildings throughout the community.

- Overall, total actual expenses performed below the budget forecast throughout the second quarter by **14.0% or \$23.6 Million**. This was due to departments performing below the budgeted forecasts throughout the second quarter.

Corporation's overall performance throughout the second quarter is as follows:

Management Report

Marvin L. Walton
Riverbay Executive General Manager



- **Grand total actual expenses of \$144,785,000** were less than anticipated when compared to the **grand total actual income of \$147,732,000**. These favorable results yielded a **surplus of \$2,947,000** for the Corporation through the second quarter of the fiscal year.

- **Grand total actual expenses of \$144,785,000** were less than anticipated when compared to the **grand total budgeted expenses of \$168,385,000**. These favorable results yielded a **positive budget variance of \$23,600,000**.

Convector Initiative Tracker

Vendors(s)	Product/Project	Funds Expended
1. Verano	Universal Slim Fan Coil <i>(Units currently being installed at Rochdale Village)</i>	\$65,000.00
	Current Status	

Waiting for delivery of six (6) free sample units from the manufacturer. Expected delivery is within four (4) weeks. Plans are to have the sample units installed in occupied apartments and the Maintenance department will conduct ongoing monitoring of the units.

- Management is identifying six (6) occupied apartments for the units to be installed in the living rooms. Once the locations are identified, the contractor will measure and make all arrangements for the units to be installed.

- Management will be proposing to the Board to purchase twenty-six units (6 free) for a total of thirty-two units. These units will be installed in Building 14 on the E line and monitored during the cooling season. The anticipated cost including the installation is \$65,000 plus taxes.

- With consensus from the Board Directors, Management is preparing a contract with the vendor to install thirty-two units in the living rooms of Building #14 on the E-line. Plans are to have the installation commence within the next 6-8 weeks.

- 32 Sloped Top Units are on order and expected to be delivered by the end of the month. The units will be installed in Building 14 on the "B" line. This is a correction to the information that was reported last month (Units to be installed on the B-Line and the E- Line). Installation is expected to take one week.

- Thirty-two units have been delivered to Co-op City. Management is in the process of installing these units in Building 14 B-line living rooms. As of 7/16/24, six (6) units have been installed. Plans are to install five (5) units each day with an estimated completion date of 7/24/24. All units come with digital screens for comfort settings, water temperature sensors, leak detection devices for drip pans as well as the floor. The Maintenance department will monitor units in our current environment during the cooling season and heating season.

- All thirty-two units have been installed and are currently being monitored under our current environment. They are performing well; Management will continue to monitor the units for the remainder of the A/C season and the upcoming heating season. Management will arrange for the Board Director to tour apartment 23B in Building 14 so they can see how the unit operates.

- The 32 units installed continue to perform well in our current environment. No defects have been detected.

- The units continue to function without any identified issues. Management is in the process of transitioning into the winter season. The Maintenance department will continue to monitor the apartments during this transition.

- The units continue to function without any identified issues. Management has fully transitioned to the Winter season. The Maintenance department will continue to monitor the apartments throughout the Winter season.

The Maintenance department did not report any problem with the units during the Winter season. As of September 23, 2025, since the beginning of the Summer season, no issues with the unit were reported. Management recommends continuing to monitor these units. A final recommendation will be made to the Board in October 2025 on the next steps.

(Continued on next page)

(Continued from previous page)

- **Elevator Outages**
 - o **Building #25/100 Benchley Place – Car #2**
 - Cause: Pipe break – 4th floor compactor room (sprinkler head).
 - Status: Repairs in progress.
 - Estimated completion: November 13, 2025
 - o **Building #2A/900 Co-op City Boulevard – Car #2**
 - Cause: Fire in basement activated sprinklers, resulting in flooding of the elevator pit.
 - Status: Repairs in progress.
 - Estimated completion: November 13, 2025.
 - o **Building #30A/4120 Hutchinson River Parkway – Cars #1 and #2**
 - Cause: Multiple floods on the 13th floor (convector coil leaks) caused damage to both elevators.
 - Status: Champion Elevator scheduled to repair one car at a time.
 - Estimated completion:
 - Car #1 – December 12, 2025
 - Car #2 – Early January 2026.
 - Gas Outages
 - o **Building 4A Laundry Room inspection by Con Edison is scheduled for Wednesday, November 12, 2025, at 8:30 a.m.**
 - o As a result of Local Law 152 – Periodic inspection of gas piping systems, repairs are required in laundry rooms of the following buildings:
 - Building 15A/100 Aldrich Street
 - Building 23/140 Benchley place
 - Building 24/120 Benchley place
 - Building 25/100 Benchley place
 - Building 33/140 Elgar Place (Pending asbestos abatement)
 - o The gas risers were shut down on Monday, October 27, 2025. Management sincerely apologizes for any inconvenience this outage has and will cause shareholders and their families; in the future we will provide more advance notice for these types of planned outages. If the repair is not completed, the Corporation will incur major penalties.
 - o Management will work diligently with the contractor (Express Plumbing), DOB, and Con Edison to restore the gas services to laundry rooms.

RESIDENTIAL SALES ACTIVITY			
	September	Fiscal YTD	Monthly Average
Apartment Closings	27	170	28
Apartments Accepted (sold)	31	150	25
Move Outs	28	188	31

APARTMENT CLOSINGS AND FINANCING HISTORY	
Equity Paid in Full	18
Equity Financed via Loan (Citibank or Webster Bank)	5
Deferred Equity Program	2
Downsizing / Lateral transfers (no monies collected)	2

Note: 5 applicants failed to close after having accepting units, while 3 others failed to close specifically because they were unable to finance.

Total Apartments	15,372
Occupied Apartments	15,138
Occupancy Rate:	98.5%
Vacant Apartments	234
- Apartments - Undergoing Restoration Process	42
- Apartments - Restored, Pending Closing	66
- Apartments - Unsold (20 Restored and 100 Not Restored)	120
- Model Apartments	2
- Gas Detector Project	2
- Convector Testing Unit	2
Average Days for Apartment to be Restored	52
Total Apartments Restored	10
Evictions:	
- Shareholders	1
- Commercial	0
Landlord / Tenant Court Proceedings:	
Court Stipulations Cases:	25
Hold Over Cases:	16
Non-payment Cases:	404
Dispositions	37
Vacancy Loss	(\$167,726)

PARKING & LEASING SUMMARY					
SHOPPING CENTER COMMERCIAL & PROFESSIONAL SPACES SUMMARY					
	Bartow	Einstein	Dreiser	Professional	Total
Total Spaces	31	20	33	29	113
Occupied	30	19	32	25	106
Vacant	1	1	1	4	7
Occupancy Rate:	96.8%	95.0%	97.0%	86.2%	93.8%
Vacancy Breakdown:	6 spaces currently being shown to potential tenants				
	6 space currently in negotiations/pending background check				
Vacancy Loss	(\$13,069)				

HUMAN RESOURCES SUMMARY					
EMPLOYEE AND LABOR RELATIONS SUMMARY					
Type	Outstanding (previous month)	New	Resolved	Ongoing	
Grievances	6	0	3	3	
Arbitrations	15	0	11	4	
External Concerns/Inquiries	4	0	2	2	
Disciplinary Actions Reports & Other ELR matters	107	24	30	101	
Total:	132	24	46	110	

*HR conducted a self audit of ERL matters during the month of September 2025

DISABILITY/FMLA/PFL			
	New Requests	Pending Request	Total on Leave
Short Term Disability	7	5	10
Family Medical Leave Act	11	7	13
Paid Family Leave	4	3	13
Workplace Accommodation	0	0	0
Total	22	15	36

*Work place Accommodations vary in type, and are not counted in the "Total on Leave" column. Accommodations that are leave extensions are counted in the noted leave categories.

HEAD COUNT SUMMARY	
Budgeted Head Count	942
Filled Head Count	871
Vacant Head Count	71
Vacant Head Count Rate	7.5%

CALL CENTER SUMMARY

INCOMING CALLS TO CALL CENTER	
Maintenance, Restoration and Finance	14,369
Answered Calls	11,705
Abandoned Calls*	2,664
Abandoned Rate	18.50%
Contact made via chat feature	32
*Callers that voluntarily disconnect the call.	

WORK ORDERS	
Created	3,000
Completed	2,471
Follow-ups	42
Scheduled	343
Canceled - Duplicate, Error, S/H cancelled appt	144
% of Work Orders Completed	82.4%

Convector Leak Work Orders	
Living Room	108
Bedroom	66
Kitchen	51
Total	225

(Continued on next page)

(Continued from previous page)

Riverbay Corporation Fiscal Year 25/26 Budget Overview

The Board of Directors approved a comprehensive Budget of **\$315,071,999** for Fiscal Year 25/26 which includes funding for the Operating Budget in amount of **\$293,851,800** and the Capital Budget in the amount of **\$21,220,199**. The Operating Budget has a surplus of **\$9,637,600**. Use of the surplus funds require Board approval.

This Comprehensive Budget Report represents the Corporation's Budget vs. Actual performance for Revenues and Expenses for the second quarter of Fiscal Year 25/26 period beginning April 01, 2025, and ending September 30, 2025. Explanations for budget variances are explained in this report.

In September 2025, the Board of Directors approved the reallocation of funds from the budget surplus to fund unplanned projects in the amount of **\$1,894,584**. Additionally, the FY 25/26 Comprehensive Budget was adjusted by **\$2,979,220** to recognize receipts from a settlement agreement reached with Altice.

Budget Overview

Income

Overall, through the second quarter, operational revenues trended slightly downwards. The largest revenue source of income for the Corporation is Carrying Charges. Revenue from Carrying Charges in the amount of **\$119,263,000** was below budget projections through the second quarter by **\$1,810,000**. There was a six percent (5.6%) or **\$1,562,000** increase over budget in the "Other Income" revenue streams. This increase was largely due to receipts of unplanned income in the amount of **\$3,110,588** received from Altice of which **\$2,979,220** was received during the first quarter.

Capital expenditure was estimated at **\$21.2 Million** for the fiscal year, of which **\$10.6 Million** was budgeted through the second quarter. Capital funding for projects was below budget projections due to several projects in the initial planning phase. Management forecasts an increase in Capital activity during the third and fourth quarters of the Fiscal Year.

Expenses

For FY 25/26, Management implemented a "Zero-Based Budgeting" process to streamline budget projections. Departmental spending plans were also developed to reflect the actual period when projected expenses were expected to occur. As a result, departmental budgets are better aligned with anticipated expenditures, and the budget variances are strong indicators of departmental budget performance. Overall, total actual expenses performed below the budget forecast through the quarter by **14% or \$23.6 Million**.

Departmental and Capital expenditures, cost which includes salaries, fringe benefits and other expenses associated with the day-to-day departmental activities involved with providing direct and indirect services to the shareholders, trended favorably through the quarter and below are notable observations:

- The Corporation realized a **24.0% or \$22.0 Million** positive budget variance in Departmental & Capital expenditures associated with the operations of 24 Operating departments and two (2) Capital departments. In sum, 81.0%

(21) of departments performed below the budget forecasts through the quarter.

- The remaining 19.0% (5) in Departmental and Capital expenditures realized negative budget performances.

- Most significant was the Maintenance department budget, which was **\$840,000** over budget for the quarter due to unplanned expenditures associated with Local Law 152 (*Periodic Inspection of Gas Piping Systems*) resulting in gas leaks detected in various buildings in the community.

Corporate Expenses, costs associated with corporate-wide expenditures such as Insurance, Real Estate Taxes, Utilities, Water, and other operating expenses trended favorably for the quarter and below are notable observations:

- Overall, the corporate expense category showed a positive budget variance of 3.0% or \$1.8 Million due to Insurance, Violations, and Corporate Operating Expenses recorded were less than expected through the quarter.

- Real Estate Taxes and Bad debts expenses recorded unfavorable budget variances. Increase in bad debts was primarily due to the allowance for bad debts being adjusted in the quarter based on the external auditor's recommendations to re-evaluate the percentages used for calculating the allowances made for outstanding debt from past and current shareholders based on the Corporation's collection history.

Debt Services and Fees, costs associated with the mortgage refinancing inclusive of reserves replacements, Mortgage Insurance Premiums and Debt Services, trended unfavorably for the quarter and below are notable observations:

- Debt Services performed as expected for the quarter.
- Replacement Reserves and HUD Mortgage Insurance Premiums recorded unfavorable budget variances for the quarter primarily due to greater than expected replacement reserve fees and mortgage insurance premiums required payments.

Overall Performance through September 30, 2025

Corporation's overall performance through September 30, 2025, is as follows:

- Grand total actual expenses of \$144,785,000, including Departmental and Capital, Corporate and Debt Service & Fees were less than anticipated when compared to the grand total actual income of \$147,732,000. These favorable results yielded a surplus of \$2,947,000.

- Grand total actual expenses of \$144,785,000, including Departmental & Capital, Corporate and Debt Service & Fees were less than anticipated when compared to the grand total budgeted expenses of \$168,385,000. These favorable results yielded a positive budget variance of \$23,600,000.

- Grand total budgeted expenses of \$168,385,000, including Departmental and Capital, Corporate and Debt Service & Fees were less than anticipated when compared to the grand total budgeted revenue of \$158,585,000. These favorable results yielded a negative budget variance of (\$9,800,000). This is primarily due to the variance in the spending plans.

(Continued on next page)

(Continued from previous page)

RIVERBAY CORPORATION					
FISCAL YEAR 25/26 YEAR-TO-DATE BUDGET COMPARISON					
COMPREHENSIVE BUDGET (Operating & Capital)					
APRIL 1, 2025 THRU MARCH 31, 2025					
AMOUNTS IN THOUSANDS					
	F25/26 ANNUAL BUDGET	APRIL THRU SEPTEMBER 2025			
		Y-T-D BUDGET	Y-T-D ACTUAL	+/- \$	+/- %
INCOME					
Carrying Charges	\$ 242,146	\$ 121,073	\$ 119,263	\$ (1,810)	-1.5%
Vacancy Losses	\$ (1,701)	\$ (850)	\$ (880)	\$ (29)	-3.4%
All Other Income	\$ 56,386	\$ 27,752	\$ 29,313	\$ 1,562	5.6%
Capital Funding	\$ 21,220	\$ 10,610	\$ 35	\$ 10,575	99.7%
Grand Total Income	\$ 318,051	\$ 158,585	\$ 147,732	\$ 10,853	6.8%
DEPARTMENTAL OPERATING & CAPITAL EXPENSES					
Automotive Services	\$ 1,777	\$ 928	\$ 757	\$ 170	18.3%
Board of Directors	\$ 539	\$ 302	\$ 266	\$ 36	11.9%
Budget & Finance	\$ 3,720	\$ 2,016	\$ 1,791	\$ 225	11.2%
Building Janitorial	\$ 29,433	\$ 14,438	\$ 13,850	\$ 588	4.1%
Call Center	\$ 2,409	\$ 1,197	\$ 1,182	\$ 15	1.3%
Communications - CCTimes	\$ 1,133	\$ 576	\$ 484	\$ 92	16.0%
Information Technology	\$ 4,697	\$ 2,207	\$ 1,784	\$ 423	19.2%
Compliance	\$ 373	\$ 190	\$ 131	\$ 59	30.8%
Construction	\$ 20,311	\$ 10,307	\$ 1,159	\$ 9,148	88.8%
Cooperator Services Office	\$ 1,389	\$ 696	\$ 717	\$ (21)	-3.0%
Elevators	\$ 450	\$ 225	\$ -	\$ 225	100.0%
Exterminating	\$ 839	\$ 463	\$ 425	\$ 38	8.2%
General Management	\$ 2,059	\$ 1,068	\$ 797	\$ 271	25.3%
Grounds/Landscaping	\$ 5,461	\$ 2,791	\$ 2,845	\$ (54)	-1.9%
Human Resources	\$ 1,326	\$ 675	\$ 566	\$ 110	16.2%
Internal Audit	\$ 598	\$ 302	\$ 193	\$ 109	36.2%
Maintenance	\$ 22,306	\$ 10,992	\$ 11,832	\$ (840)	-7.6%
Parking & Leasing	\$ 2,020	\$ 931	\$ 836	\$ 94	10.1%
Power Plant	\$ 29,912	\$ 16,696	\$ 10,838	\$ 5,857	35.1%
Procurement	\$ 2,235	\$ 1,153	\$ 995	\$ 159	13.8%
Public Safety CCPD	\$ 14,075	\$ 6,951	\$ 7,050	\$ (100)	-1.4%
Residential Sales	\$ 1,488	\$ 768	\$ 678	\$ 90	11.7%
Restorations	\$ 26,102	\$ 13,348	\$ 8,651	\$ 4,697	35.2%
Risk Management	\$ 520	\$ 267	\$ 273	\$ (6)	-2.1%
Safety	\$ 1,150	\$ 586	\$ 562	\$ 24	4.1%
Sustainability Projects	\$ 1,250	\$ 625	\$ -	\$ 625	100.0%
TOTAL DEPARTMENTAL & CAPITAL EXPENSES	\$ 177,570	\$ 90,699	\$ 68,664	\$ 22,034	24.3%
CORPORATE EXPENSES					
Insurance	\$ 21,756	\$ 10,878	\$ 9,427	\$ 1,451	13.3%
Utilities + Water	\$ 48,137	\$ 31,987	\$ 31,613	\$ 374	1.2%
Real Estate Taxes	\$ 12,767	\$ 5,907	\$ 7,700	\$ (1,794)	-30.4%
Violations	\$ 100	\$ 76	\$ 76	\$ (0)	-0.1%
Bad Debts	\$ 4,500	\$ 2,250	\$ 5,843	\$ (3,593)	-159.7%
Corporate Operating Expenses	\$ 7,298	\$ 8,589	\$ 3,232	\$ 5,356	62.4%
TOTAL CORPORATE ALL EXPENSES	\$ 94,558	\$ 59,686	\$ 57,891	\$ 1,795	3.0%
EXPENSES BEFORE DEBT SERVICE & FEES	\$ 272,128	\$ 150,384	\$ 126,555	\$ 23,830	15.8%
DEBT SERVICE:					
Gen'l/Repl Reserve Fees	\$ 5,269	\$ 2,460	\$ 2,660	\$ (200)	-8.1%
HUD Mortgage Ins Premium	\$ 2,046	\$ 1,023	\$ 1,052	\$ (29)	-2.8%
Debt Service	\$ 29,036	\$ 14,518	\$ 14,518	\$ -	0.0%
TOTAL DEBT SERVICE FEES	\$ 36,351	\$ 18,000	\$ 18,230	\$ (229)	-1.3%
GRAND TOTAL EXPENSES	\$ 308,479	\$ 168,385	\$ 144,785	\$ 23,600	14.0%
NET SURPLUS/(DEFICIT) FROM OPERATIONS	\$ 9,572	\$ (9,800)	\$ 2,947		