CO-OP CITY TIMES

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

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Management Report

Management Report

Marvin L. Walton

Riverbay Executive General Manager

Douglas Elliman Property Management, as Managing Agent, is pleased to submit the Management Report for Riverbay Corporation for the period ending June 30, 2026.

This Management Report provides updates with the following elements:

- **Public Safety** – Peace Officer Staffing
- **Power Plant** – Cooling in the Community
- **Flagstar Bank** – Process Changes
- **Informational Updates**

Peace Officer Staffing

As of Monday, July 20, 2026, the Department of Public Safety has 77 Peace Officers, filling 83.8% of the 93 budgeted positions. On Saturday, July 18th, 31 recruits were invited to begin the recruitment process for the next in-house Academy. Of the 15 recruits who attended the agility test, 13 passed. The remaining steps will take place over the next few months, and the next in-house Academy is scheduled to begin on Monday, September 21st.

Power Plant – Cooling in the Community

The Power Plant is providing lower-than-expected cooling in Zone 1 *(Buildings 1–7, 15–20, Defoe Place, Adler, and Asch Loop Townhouses)*. The team is working diligently to resolve the issue as quickly as possible.

Flagstar Bank – Process Changes

Flagstar Bank has notified Management of upcoming changes to its lockbox and payment processing procedures. A notice was sent to all shareholders outlining the following updates:

- Elimination of onsite check pickups.
- Lockbox Mailing Address Change.
- Revised Payment Processing Procedures.
- Statement Printing and Mailing.

Please be assured that these changes were not done at the request of Management. We are working to identify a new banking institution that will better serve this community.

Informational Updates

- **Elevator Outages**
  - o No extended elevator outages in the community.
- **Gas Outages**
  - o Building 27 laundry room dryer services were restored on Monday, July 20th, at 9:30 a.m.

Below are the Corporation's key performance indicators (KPIs) for the month of June 2026.

PUBLIC SAFETY SUMMARY

CCPD DETECTIVE SQUAD SUMMARY Y-T-D

Case Type	2026	2025	% Change
Homicide	0	0	0.0%
Rape	0	0	0.0%
Burglary	1	0	0.0%
Robbery	0	0	0.0%
Felony Assault	1	0	0.0%
Grand Larceny	3	0	0.0%
Grand Larceny Auto	2	0	0.0%
Total Cases to Squad	**7**	**0**	**0.0%**

CALLS RECEIVED FOR SERVICES

Nature of Call	Calls Received
Abuse of Premises	15
Aided	134
Animal	22
Assault	9
Ball Playing	6
Burglary	0
Calls for Help	29
Criminal Mischief	13
Criminal Trespass	7
Disorderly Conduct	35
Dispute	61
E-BIKE	7
Elevator Calls	62
Fire / Smoke	6
Harassment	35
Hazardous Condition	11
Intelligence	90
Investigate Vehicle	3
Larceny	77
Larceny- Vehicle	9
Lock Outs	12
Loitering	97

CALLS RECEIVED FOR SERVICES CONTINUED

Nature of Call	Calls Received
Maintenance	38
Missing person	6
Move In / Out	9
MVA	21
Narcotics	0
Noise	162
Objects from Building	12
Odor	36
Parking Condition / Violations	203
Property Damage	17
Property Lost / Found	26
Public Consumption	4
Robbery	4
Robbery Commercial	0
Sex Related Crime	0
Shots Fired	1
Suspicious Package	2
Suspicious Person	36
Unsecured Property	16
Unsecured Vehicle	7
Vehicles Towed	4
Other	141
TOTAL CALLS	**1,485**

COMMUNITY COMPLAINTS / SUMMONS ISSUED

Type of Summons	Summons Issued
Abuse of Premises	21
Anti-Social Behavior	11
Leash Law Violation	2
Defacing / Destroying Riverbay Property	1
Driving/Parking on Property	1
E-BIKES	0
Harboring Animals	2
Littering	8
Loitering	3
Noise	7
Poor Housekeeping	4
Refusing Apartment Inspection	3
Smoking inside Residential Bldg.	2
Unauthorized Move In / Out	2
Other	12
NYC Parking Summonses	154
NYC Criminal Court Summonses	9
TOTAL	**242**

SWEEPS/ ARRESTS/ CONTACT MADE

Sweeps/Arrests	June
Arrests	7
Building Inspections	2,999
Call box inspections	191
Directed Patrol	516
Garage Inspections	676
Mall Checks	335
Post Conditions / Sweeps	261
RU OK Calls to participants	780
TOTAL	**5,765**

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Management Report – KPIs

HUMAN RESOURCES SUMMARY

EMPLOYEE AND LABOR RELATIONS SUMMARY

Type	Outstanding *(previous month)*	New	Resolved	Ongoing
Grievances	8	0	1	7
Arbitrations	1	1	0	2
External Concerns/Inquiries	2	0	0	2
Disciplinary Actions Reports & Other ELR matters	132	5	23	114
Total:	**143**	**6**	**24**	**125**

DISABILITY/FMLA/PFL

	New Requests	Pending Request	Total on Leave
Short Term Disability	9	6	9
Family Medical Leave Act	12	9	22
Paid Family Leave	10	10	7
Workplace Accommodation	1	1	
Total	**32**	**26**	**38**

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	944
Filled Head Count	894
Vacant Head Count	53
Vacant Head Count Rate	**5.6%**

RETAIL & COMMERCIAL LEASING SUMMARY

SHOPPING CENTER COMMERCIAL & PROFESSIONAL SPACES SUMMARY JUNE 2026

	Bartow	Einstein	Dreiser	Professional	Total
Total Spaces	31	20	33	25	**109**
Occupied	30	19	30	25	**104**
Vacant	0	1	3	0	**5**
Occupancy Rate:	**96.8%**	**95.0%**	**90.9%**	**100.0%**	**95.4%**
Vacancy Breakdown:					
Professional spaces in Building 7, 32A and 33 are on hold for possible locations for Shareholder Contact Centers.					
Dreiser Shopping Center - 157, 167 & 173 Dreiser Loop					
Bartow Shopping Center - 2081 Bartow					
Einstein Shopping Center - 169 Einstein					
Vacancy Loss					**$13,855**

RESIDENTIAL SALES ACTIVITY

	June	Fiscal YTD	Monthly Average
Apartments Accepted	37	96	32
Apartments Closings (sold)	36	75	25
Move Outs	20	62	21

APARTMENT CLOSINGS AND FINANCING HISTORY

Equity Paid in Full	27
Equity Financed via Loan (Citibank or Webster Bank)	5
Deferred Equity Program	3
Downsizing / Lateral transfers (no monies collected)	1

***Note**: Four (4) applicants failed to close on units after previously accepting them. Three (3) declined due to financing, while one (1) declined for unknown reasons other than financing.*

Total Apartments	15,372
Occupied Apartments	15,168
Occupancy Rate:	**98.7%**
Vacant Apartments	**204**
- Apartments - Undergoing Restoration Process	68
- Apartments - Restored, Pending Closing	50
- Apartments - Unsold *(45 Restored and 37 Not Restored)*	82
- Model Apartments	2
- Waterproofing Project	1
- Convector Testing Unit	1
Average Days for Apartment to be Restored	39
Total Apartments Restored	35
Evictions:	
- Shareholders	10
- Commercial	0
Landlord / Tenant Court Proceedings:	
Court Stipulations Cases:	31
Hold Over Cases:	8
Non-payment Cases:	367
Dispositions	60
Vacancy Loss	**$137,043**

KPIs for Violations - June 2026

NYC Department of Housing Preservation Development (HPD)

Category	Received Violations	E-Certified Violations	Resolved Violations
Violations			
Class "A" (Non Hazardous)	8	2	0
Class "B" (Hazardous)	35	3	0
Class "C" (Immediately Hazardous)	1	0	0
Monthly Total	**44**	**5**	**0**
Total to Date			
Total Open HPD Violations to Date			4,966

NYC Department of Buildings (DOB)

Category	Received Violations	Submitted Certificates of Correction	Resolved Violations	Open Violations	Associated Penalties (SiteCompli) for Open Violations
DOB Violations	0	0	0	123	$350,250
OATH Violations					
Class 1 (Immediately Hazardous)	1	0	0	17	$52,500
Class 2 (Major)	0	0	0	11	$0
Class 3 (Lesser)	0	0	0	1	$0
Other (Aged)	0	0	0	2	$0
Monthly Total	**0**	**0**	**0**	**0**	**N/A**
Total to Date	**3,652**	**12**	**3,498**	**154**	**$402,750**

Fire Department of New York (FDNY)

Category	Received Violations	Submitted Certificate of Correction Request	Resolved Violations	Open Violations	Associated Penalties (SiteCompli) for Open Violations
Notices of Violation (NOVs)	9	2	0	137	$24,100.00
Violation Orders (VOs)	3	0	0	47	N/A
Monthly Total	**12**	**0**	**0**	**N/A**	**N/A**
Total to Date	**1,096**	**13**	**894**	**184**	**$24,100**

NYC Department of Health and Mental Hygeine (DOHMH)

Category	Received Violations		Resolved Violations	Open Violations	Associated Penalties (SiteCompli) for Open Violations
Violations	0		0	0	0
Monthly Total	**0**		**0**	**0**	**0**
Total to Date	**82**		**82**	**0**	**0**

NYC Department of Enviormental Protection (DEP)

Category	Received Violations		Resolved Violations	Open Violations	Associated Penalties (SiteCompli) for Open Violations
Violations	0		0	0	0
Monthly Total	**0**		**0**	**0**	**0**
Total to Date	**295**		**288**	**7**	**$14,560**

NYC Department of Sanitation (DSNY)

Category	Received Violations		Resolved Violations	Open Violations	Associated Penalties (SiteCompli) for Open Violations
Violations	3		1	0	0
Monthly Total	**3**		**1**	**0**	**0**
Total to Date	**134**		**107**	**25**	**$3,287**

Monthly Total - Penalties Paid for Violations	**$0**

Capital Projects Status Report

Title: Local Law 126 – Garage A/E Assessments

Description: NYC Local Law 126 is a mandatory periodic (6 years) safety Inspection by a Qualified Parking Structure Inspector (QPSI). This requires owners of parking facilities to have detailed reports filed with the Department of Buildings classifying conditions as Safe, Safe with Repair/Monitoring (SREM) or Unsafe, and fix issues promptly if any are

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observed. The purpose of this work is to ensure the safety of pedestrians and the public from potential building collapses and/or to avoid any loose building materials that could potentially cause hazardous conditions.

Status: Garage numbers 5 through 8 Bids received. Vendors were selected. Contracts being executed to perform the repairs. Garage numbers 1 through 4 have construction documents being developed by Tectonic Engineering to prepare for contractor bidding.

Funding Source: Capital Projects
Contract(s) Amount: $885,560 + Tax
Money Spent: $140,000.00
Projected Completion: December 2027

Title: Townhouse Pilot Repair

Description: The purpose of the Townhouse Façade and waterproofing pilot project is to address water penetration issues at the main entrance concrete slabs. The entrance concrete slab is continuous from the exterior to the interior vestibule areas. We completed onsite inspections throughout the clusters and have located one vacant unit to perform a water test and observe the pattern in which the water was penetrating the buildings. We have developed a scope of work based on the results found on-site and are now in the process of completing the repairs on one entrance using the same vacant unit. This exercise will ensure the repairs proposed will be the right solution to this infiltration issue. Once we confirm the results of

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RIVERBAY CORPORATION
FISCAL YEAR 26/27 YEAR-TO-DATE BUDGET COMPARISON
COMPREHENSIVE BUDGET
APRIL 1, 2026 THRU MAY 31, 2026
AMOUNTS IN THOUSANDS

		APRIL 1, 2026 - MAY 31, 2026			
INCOME:	**F26/27 ANNUAL BUDGET**	**Y-T-D BUDGET**	**Y-T-D ACTUAL**	**+/- $**	**+/- %**
Carrying Charges	$ 242,146	$ 40,358	$ 40,382	$ 24	0.1%
Vacancy Losses	$ (1,701)	$ (283)	$ (301)	$ (17)	-6.1%
All Other Income	$ 53,063	$ 8,162	$ 7,925	$ (238)	-2.9%
Capital Funding	$ 30,928	$ 5,155	$ -	$ (5,155)	-100.0%
Grand Total Income:	**$ 324,436**	**$ 53,391**	**$ 48,006**	**$ (5,386)**	**-10.1%**
DEPARTMENTAL OPERATING & CAPITAL EXPENSES					
Automotive Services	$ 1,336	$ 299	$ 220	$ 79	26.3%
Board of Directors	$ 544	$ 55	$ 96	$ (41)	-75.2%
Budget & Finance	$ 3,766	$ 661	$ 729	$ (67)	-10.2%
Building Janitorial	$ 29,124	$ 5,226	$ 4,592	$ 634	12.1%
Call Center	$ 2,469	$ 418	$ 364	$ 54	12.9%
Communications - CCTimes	$ 1,123	$ 193	$ 131	$ 62	32.1%
Information Technology	$ 6,524	$ 1,244	$ 529	$ 715	57.4%
Compliance	$ 373	$ 73	$ 23	$ 50	68.0%
Construction	$ 28,159	$ 4,794	$ 347	$ 4,447	92.8%
Cooperator Services Office	$ 1,531	$ 261	$ 227	$ 34	13.0%
Elevators	$ 4,952	$ 825	$ 1,171	$ (346)	-41.9%
Exterminating	$ 822	$ 144	$ 113	$ 31	21.6%
General Management	$ 2,101	$ 375	$ 336	$ 39	10.4%
Grounds/Landscaping	$ 5,576	$ 1,088	$ 916	$ 172	15.8%
Human Resources	$ 1,302	$ 214	$ 180	$ 34	16.0%
Internal Audit	$ 613	$ 105	$ 81	$ 25	23.4%
Maintenance	$ 21,566	$ 3,649	$ 2,760	$ 889	24.4%
Occupational Health & Safety	$ 1,175	$ 185	$ 87	$ 98	52.8%
Parking & Leasing	$ 1,874	$ 322	$ 248	$ 74	22.9%
Power Plant	$ 29,055	$ 5,623	$ 4,301	$ 1,321	23.5%
Procurement	$ 2,256	$ 385	$ 314	$ 71	18.3%
Public Safety CCPD	$ 15,156	$ 2,636	$ 2,577	$ 60	2.3%
Residential Sales	$ 1,516	$ 252	$ 242	$ 10	3.8%
Restorations	$ 26,461	$ 4,465	$ 2,888	$ 1,577	35.3%
Risk Management	$ 532	$ 92	$ 70	$ 22	23.8%
Sustainability Projects	$ 1,250	$ 208	$ -	$ 208	100.0%
TOTAL DEPARTMENTAL & CAPITAL EXPENSES	**$ 191,155**	**$ 33,793**	**$ 23,544**	**$ 10,249**	**30.3%**
CORPORATE EXPENSES:					
Insurance	$ 23,480	$ 3,913	$ 2,742	$ 1,171	29.9%
Utilities + Water	$ 50,249	$ 4,458	$ 10,868	$ (6,410)	-143.8%
Real Estate Taxes	$ 12,856	$ -	$ 766	$ (766)	0.0%
Violations	$ 100	$ 17	$ 3	$ 14	83.4%
Bad Debts	$ 4,500	$ -	$ -	$ -	0.0%
Corporate Operating Expenses	$ 5,785	$ 1,362	$ 691	$ 671	49.3%
TOTAL CORPORATE ALL EXPENSES:	**$ 96,970**	**$ 9,750**	**$ 15,069**	**$ (5,320)**	**-54.6%**
EXPENSES BEFORE DEBT SERVICE & FEES:	**$ 288,125**	**$ 43,542**	**$ 38,613**	**$ 4,930**	**11.3%**
DEBT SERVICE:					
Gen'l/Repl Reserve Fees	$ 5,269	$ 820	$ 889	$ (69)	-8.5%
HUD Mortgage Ins Premium	$ 2,007	$ 334	$ 354	$ (20)	-5.9%
Debt Service	$ 29,036	$ 4,839	$ 4,839	$ -	0.0%
TOTAL DEBT SERVICE FEES	**$ 36,312**	**$ 5,994**	**$ 6,083**	**$ (89)**	**-1.5%**
GRAND TOTAL EXPENSES:	**$ 324,436**	**$ 49,536**	**$ 44,695**	**$ 4,841**	**9.8%**
NET SURPLUS/(DEFICIT) FROM OPERATIONS:	**$ -**	**$ 3,855**	**$ 3,310**	[redacted]	

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the repairs we will implement the method throughout all townhouse clusters in a larger project.

Status: This project is ongoing with minor work remaining to complete entire pilot project.

Funding Source: Capital Projects

Contract amount: $108,777.02

Money Spent: $23,108.72

Title: Local Law 11–
FISP Inspection in Buildings 26-35

Description: NYC Local Law 11 is a mandatory periodic (5 years) safety Inspection by a Qualified Exterior Wall Inspector (QEWI). This requires owners of building greater than 6 stories to have detailed reports filed with the Department of Buildings classifying conditions as Safe, Safe With a Repair and Maintenance Program (**SWARMP**) or Unsafe, which requires immediate public protection measures to be installed, like sidewalk sheds. The purpose of this work is to ensure the safety of pedestrians and the public from potential building hazardous conditions.

Status: Inspections have started. Building 26 was completed.

Funding Source: Capital Projects

Contract(s) Amount: $329,150 + Tax

Money Spent: $0

Projected Completion: February 2027

Riverbay Corporation Fiscal Year 25/26 Budget Overview

The Board of Directors approved a comprehensive Budget of $324,436,000 for Fiscal Year 26/27 which includes funding for the Operating Budget in amount of **$293,508,000** and the Capital Budget in the amount of **$30,928,000**. The Operating Budget has a surplus of $2,185,800. 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 period April 01, 2026, to May 31, 2026. Explanations for budget variances are explained in this report.

Budget Overview

Income

Revenue from Carrying Charges in the amount of **$40,382,000** was above budget projections by **$24,000.** There was a three percent **(2.9%) or $238,000** decrease over budget in the Other Income revenue streams.

Capital expenditures were estimated at $**30.9 Million** for the fiscal year, of which **$5.1 Million** was budgeted through May 2026. Capital funding for projects was below budget projections due to several projects with delayed commencement dates.

Expenses

For FY 26/27 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 for through May 31st by **9.8% or $4.8 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 May 31st. Below are notable observations for this period:

• The Corporation realized a **30.3% or $10.2 Million** positive budget variance in Departmental & Capital expenditures associated with the operations of 24 Operating departments and two (2) Capital departments. In sum, 88.0% (23) of departments performed below the budget forecasts for the quarter.

• The remaining 12.0% (3) in Departmental expenditures realized negative budget performances.

o The Budget and Finance Department performed over budget due to overtime for income affidavit processing and hiring of two temporary staff to assist with the 2021 Tax Audit and income affidavits project.

o Board of Directors was over budget due to an increase in payroll costs.

o Expenses for elevators were over budget due to increase in maintenance and inspection costs.

Corporate Expenses, costs associated with corporate-wide expenditures such as Insurance, Utilities, Water and real estate taxes trended favorably for the quarter and below are notable observations:

• Overall, the corporate expense category showed a **54.6% or $5.3 million** over the budget**.** Utilities and Water reported a negative budget variance due to higher electricity bills and a large cash out balance for natural gas. NRG is investigating the matter with Con Edison, and we are expected to receive a refund for the cash outs. A cash out is the process used to resolve discrepancies or imbalances when the amount of gas that the supplier puts into a pipeline is over or under the amount that the customer used.

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 slightly above the budget for the quarter.

• Replacement Reserves recorded unfavorable budget variances for the quarter primarily due to greater than expected replacement reserve fees.

• HUD Mortgage premium showed a minor negative variance due to premium expense being more than the budget allocation for the period.

Overall Performance THROUGH MAY 2026:

Corporation's overall performance through May 31st is as follows:

• **Grand total actual expenses of $44,695,000**, including Departmental and Capital, Corporate and Debt Service & Fees were less than anticipated when compared to the **grand total actual income of $48,006,000**. These favorable results yielded a **surplus of $3,310,000**.

• **Grand total actual expenses of $44,695,000**, including Departmental and Capital, Corporate and Debt Service & Fees were less than anticipated when compared to the **grand total budgeted expenses of $49,536,000**. These favorable results yielded a **positive budget variance of $4,841,000.**

• **Grand total budgeted expenses of $49,536,000**, including Departmental and Capital, Corporate and Debt Service & Fees were less than anticipated when compared to the **grand total budgeted revenue of $53,391,000**. This yielded a **positive budget variance of $3,855,000.**