

CO-OP CITY TIMES

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Saturday, January 31, 2026

Management Report – January 28, 2026

On behalf of Douglas Elliman Property Management – Managing Agent, we are pleased to present the Management Report for Riverbay Corporation for the period ending December 31, 2025.

This Management Report provides updates with the following elements:

- **Public Safety – Peace Officer Staffing Levels**
- **Power Plant – Natural Gas Curtailment**
- **Convactor Initiative Tracker**
- **Informational Updates**

Peace Officer Staffing
The Peace Officer head count in the Department of Public Safety continues to be 69 or 74.0% of the 93 Peace Officer positions budgeted in the department.

The next recruitment class is slated to commence February 9th and consists of 18 candidates. After the successful completion of the upcoming Academy, including licensing approvals, Co-op City Public Safety Department will have 87 Peace Officers on staff. Immediately following the upcoming Academy, Management plans to initiate recruitment opportunities to fill the remaining six (6) openings.

Power Plant – Natural Gas Curtailment

On Friday, January 23, 2026, ConEdison curtailed (restricted) the use of natural gas by the Power Plant until further notice. As a result, the Power Plant switched over to the use of #2 oil. Co-op City is an **interruptible gas purchaser**; this enables ConEdison to restrict the use of gas when the demand in the area for natural gas goes above the level on which natural gas pipelines can supply. ConEdison demands the Corporation stop buying gas or suffer enormous fines. During curtailment, the community should rest assured that no service disruptions are anticipated for heat, hot water, or electricity.

CONVECTOR INITIATIVE TRACKER – (UPDATES IN RED TEXT)

Vendors(s)	Product/Project	Funds Expended
1. Verano	Universal Slim Fan Coil (Units currently being installed at Rochdale Village)	\$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

Management Report

Marvin L. Walton
Riverbay Executive General Manager



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 2025 cooling season. Management will make a final recommendation to the Board regarding the next steps in February 2026.

Informational Updates

- **Elevator Outages**
 1. **5C/ 140 Darrow Pl. / Car #5 & #6**
 - **Cause:** Due to major flood from a coil break, both elevators were damaged.
 - **Status:** Car #6 was restored and Car #5 is being repaired.
 - **Estimated Completion:**
 - ✓ Car #5 – March 2, 2026

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✓ Car #6 – Remaining components are non-safety related and are scheduled to be replaced after Car #5 has been placed back into service.

2. Building #32B / 4160 Hutchinson River Parkway – Cars #3

➤ **Cause:** Due to a flood from a coil break, elevator was damaged.

➤ **Status:** Champion was able to save Car #4 and working to place Car #3 back in service.

➤ **Estimated Completion:**

✓ Car #3 – February 9, 2026

3. Building 26C/ 2400 Hunter – Car #5

➤ **Status:** – Covered under repair and maintenance – traveling cables needed replacement (no cost to Riverbay)

➤ **Estimated Completion:**

✓ Car #5 – January 30, 2026

• **Gas Outages**

○ **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**

➤ Vendor (Indian Head) is completing work on exhaust system. Once the work is completed, DOB will perform an inspection. Management will then wait for a blue card and once issued we will reach out to Con Edison for assistance with restoring gas service to the laundry room.

• **Non-Smoking Policy**

○ Lastly, HCR has approved the non-smoking policy (*Resolution 25-03*). Management is currently in the planning phase of the implementation and rollout. We are working to ensure that all necessary components such as appropriate signage, resident-facing resources, and internal procedures are fully in place prior to implementation.

○ As part of the original submission to HCR, we included

a draft implementation plan which included a 90-day implementation period. Management is refining that plan to ensure it is comprehensive, clearly communicated, and that shareholders are fully informed of all aspects of the policy prior to rollout.

○ Plans are to include language referencing the non-smoking policy on the crawler and the *CC Times*. Management cannot formally roll out or enforce the policy until these preparatory items are finalized. This approach is intentional and is meant to support clear, consistent, and effective implementation.

○ We appreciate the patience of the shareholders and their families as we complete this process thoughtfully and will share additional updates as they become available.

Finally, I would like to share with the community that Cary Smith III, Assistant Executive General Manager, last day with the Riverbay Corporation was Friday, January 30, 2026. Cary transitioned to the role of **General Manager for Rochdale Village** while remaining with Residential Management Group, LLC (*Douglas Elliman Property Management*). Since joining us in 2017, Cary has been a driving force behind several major initiatives, including the following:

- Modernization of our corporate website.
- Installation of 65 lobby monitors across the high-rise buildings.
- Enhancement of the standards for restoring vacant apartments.
- Successful upgrade of 180 high-rise elevators.

His leadership and dedication to improving the quality of life for our shareholders have left a lasting mark on the Co-op City community. While we are sad to see him go, we are incredibly grateful for his contributions and wish him continued success in this next chapter of his career.

See below for the Corporation's key performance indicators (KPIs) for Riverbay Corporation.

RESIDENTIAL SALES ACTIVITY			
	December	Fiscal YTD	Monthly Average
Apartment Closings	25	264	29
Apartments Accepted (sold)	46	247	27
Move Outs	37	283	31

APARTMENT CLOSINGS AND FINANCING HISTORY	
Equity Paid in Full	17
Equity Financed via Loan (Citibank or Webster Bank)	5
Deferred Equity Program	1
Downsizing / Lateral transfers (no monies collected)	2

Note: 3 applicants in total failed to close on units after previously accepting them. 2 of 3 applicants 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	81
- Apartments - Restored, Pending Closing	55
- Apartments - Unsold (33 Restored and 61 Not Restored)	94
- Model Apartments	2
- Gas Detector Project	1
- Convector Testing Unit	1
Average Days for Apartment to be Restored	27
Total Apartments Restored	40
Evictions:	
- Shareholders	1
- Commercial	0
Landlord / Tenant Court Proceedings:	
Court Stipulations Cases:	16
Hold Over Cases:	6
Non-payment Cases:	407
Dispositions	38
Vacancy Loss	\$156,911.86

PARKING & LEASING SUMMARY					
SHOPPING CENTER COMMERCIAL & PROFESSIONAL SPACES SUMMARY					
	Bartow	Einstein	Dreiser	Professional	Total
Total Spaces	31	20	33	25	109
Occupied	30	19	31	25	105
Vacant	1	1	2	0	4
Occupancy Rate:	96.8%	95.0%	93.9%	100.0%	96.3%
Vacancy Breakdown:					
All professional spaces are occupied and 4 commercial spaces are vacant.					
Vacancy Loss	\$13,855				

CALL CENTER SUMMARY	
INCOMING CALLS TO CALL CENTER	
Maintenance, Restoration and Finance	15,005
Answered Calls	11,658
Abandoned Calls*	3,347
Abandoned Rate	22.0%
Contact made via chat feature	36
*Callers that voluntarily disconnect the call.	

WORK ORDERS	
Created	2,099
Completed	1,828
Follow-ups	22
Scheduled	86
Canceled - Duplicate, Error, S/H cancelled appt	117
% of Work Orders Completed	87.1%

Convector Leak Work Orders	
Living Room	1
Bedroom	1
Kitchen	0
Total	2

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HUMAN RESOURCES SUMMARY

EMPLOYEE AND LABOR RELATIONS SUMMARY

Type	Outstanding (previous month)	New	Resolved	Ongoing
Grievances	6	0	0	6
Arbitrations	4	0	0	4
External Concerns/Inquiries	2	0	0	2
Disciplinary Actions Reports & Other ELR matters	94	23	22	95
Total:	106	23	22	107

DISABILITY/FMLA/PFL

	New Requests	Pending Request	Total on Leave
Short Term Disability	7	6	4
Family Medical Leave Act	1	0	18
Paid Family Leave	2	2	10
Workplace Accommodation	1	0	
Total	11	8	32

*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	884
Vacant Head Count	63
Vacant Head Count Rate	6.7%

PUBLIC SAFETY SUMMARY

CCPD DETECTIVE SQUAD SUMMARY Y-T-D

Case Type	2025	2024	% Change
Homicide	0	0	0.0%
Rape	0	0	0.0%
Burglary	0	0	0.0%
Robbery	0	0	0.0%
Felony Assault	0	0	0.0%
Grand Larceny	1	0	0.0%
Grand Larceny Auto	3	5	-40.0%
Total Cases to Squad	4	5	-20.0%

CALLS RECEIVED FOR SERVICES CONTINUED

Nature of Call	Calls Received
Maintenance	15
Missing person	5
Move In / Out	18
MVA	14
Narcotics	0
Noise	197
Objects from Building	4
Odor	55
Parking Condition / Violations	189
Property Damage	14
Property Lost / Found	29
Public Consumption	1
Robbery	0
Robbery Commercial	0
Sex Related Crime	0
Shots Fired	4
Suspicious Package	3
Suspicious Person	36
Unsecured Property	7
Unsecured Vehicle	2
Vehicles Towed	16
Other	181
TOTAL CALLS	1,323

COMMUNITY COMPLAINTS / SUMMONS ISSUED

Type of Summons	Summons Issued
Abuse of Premises	8
Anti-Social Behavior	3
Leash Law Violation	0
Defacing / Destroying Riverbay Property	2
Driving/Parking on Property	2
E-BIKES	0
Harboring Animals	3
Littering	1
Loitering	11
Noise	10
Poor Housekeeping	4
Refusing Apartment Inspection	6
Smoking inside Residential Bldg.	5
Unauthorized Move In / Out	5
Other	4
NYC Parking Summonses	154
NYC Criminal Court Summonses	1
TOTAL	219

CALLS RECEIVED FOR SERVICES

Nature of Call	Calls Received
Abuse of Premises	8
Aided	98
Animal	21
Assault	4
Ball Playing	0
Burglary	1
Calls for Help	6
Criminal Mischief	13
Criminal Trespass	5
Disorderly Conduct	18
Dispute	45
E-BIKE	3
Elevator Calls	41
Fire / Smoke	4
Harassment	16
Hazardous Condition	19
Intelligence	64
Investigate Vehicle	1
Larceny	68
Larceny- Vehicle	2
Lock Outs	13
Loitering	83

SWEEPS/ ARRESTS/ CONTACT MADE

Sweeps/Arrests	December
Arrests	2
Building Inspections	3,733
Call box inspections	194
Directed Patrol	1,098
Garage Inspections	791
Mall Checks	230
Post Conditions / Sweeps	710
RU OK Calls to participants	930
TOTAL	7688

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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 November 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 some unplanned projects in the amount of **\$1,894,584**. This reallocation reduced the initial surplus to **\$9,572,000**. Additionally, the FY 25/26 Comprehensive Budget was adjusted by **\$2,979,220** to recognize receipts from a monetary settlement reached with Altice. This adjustment increased the Operating Budget to **\$296,831,020** and the **Comprehensive Budget to \$318,051,000**.

Budget Overview

Income

Revenue from Carrying Charges in the amount of **\$159,667,000** was below budget projections by **\$1,764,000**. There was a seven percent (**6.6%**) or **\$2,380,000** increase over budget in the Other Income revenue streams. This increase was largely due to greater than expected receipts from surcharges received from shareholders through November 30, 2025.

Capital expenditures were estimated at **\$21.2 Million** for the fiscal year, of which **\$14.1 Million** was budgeted through November 30, 2025. 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 above the budget forecast for the quarter by **19% or \$37.2 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 November 30, 2025, and below are notable observations:

- The Corporation realized a **23.4% or \$27.9 Million** positive budget variance in Departmental & Capital expenditures associated with the operations of 24 Operating departments and two (2) Capital departments. In sum, 87.5% (21) of departments performed below the budget forecasts for the quarter.

- The remaining 12.5% (5) in Departmental and Capital expenditures realized negative budget performances.

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 positive budget variance of 12.2% or **\$9.2 million**

- Bad debts expenses and violations recorded unfavorable budget variances. Increase in bad debts was primarily due to the allowance for bad debts being adjusted 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 through November 30, 2025, primarily due to greater than expected replacement reserve fees and mortgage insurance premiums required payments.

Overall Performance THROUGH SEPTEMBER 2025:

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

- **Grand total actual expenses of \$182,963,000**, including Departmental and Capital, Corporate and Debt Service & Fees were less than anticipated when compared to the **grand total actual income of \$196,632,000**. These favorable results yielded a **surplus of \$13,669,000**.

- **Grand total actual expenses of \$182,963,000**, including Departmental and Capital, Corporate and Debt Service & Fees were less than anticipated when compared to the **grand total budgeted expenses of \$219,906,000**. These favorable results yielded a **positive budget variance of \$36,942,000**.

- **Grand total budgeted expenses of \$219,906,000**, including Departmental and Capital, Corporate and Debt Service & Fees were less than anticipated when compared to the **grand total budgeted revenue of \$210,000,000**. This yielded a **negative budget variance of \$9,659,000**. This is primarily due to the variance in the projected spending plans.

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RIVERBAY CORPORATION
FISCAL YEAR 25/26 YEAR-TO-DATE BUDGET COMPARISON
COMPREHENSIVE BUDGET (Operating & Capital)
APRIL 1, 2025 THRU MARCH 31, 2026
AMOUNTS IN THOUSANDS

	F25/26 ANNUAL BUDGET	APRIL THRU NOVEMBER 2025			
		Y-T-D BUDGET	Y-T-D ACTUAL	+/- \$	+/- %
INCOME:					
Carrying Charges	\$ 242,146	\$ 161,431	\$ 159,667	\$ (1,764)	-1.1%
Vacancy Losses	\$ (1,701)	\$ (1,134)	\$ (1,252)	\$ (119)	-10.5%
All Other Income	\$ 56,386	\$ 35,803	\$ 38,183	\$ 2,380	6.6%
Capital Funding	\$ 21,220	\$ 14,147	\$ 35	\$ 14,112	-99.8%
Grand Total Income:	\$ 318,051	\$ 210,247	\$ 196,632	\$ 14,609	-6.9%
DEPARTMENTAL OPERATING & CAPITAL EXPENSES					
Automotive Services	\$ 1,777	\$ 1,158	\$ 914	\$ 243	21.0%
Board of Directors	\$ 539	\$ 366	\$ 349	\$ 17	4.6%
Budget & Finance	\$ 3,720	\$ 2,591	\$ 2,409	\$ 182	7.0%
Building Janitorial	\$ 29,433	\$ 19,596	\$ 18,747	\$ 848	4.3%
Call Center	\$ 2,409	\$ 1,628	\$ 1,586	\$ 42	2.6%
Communications - CCTimes	\$ 1,133	\$ 764	\$ 655	\$ 109	14.3%
Information Technology	\$ 4,697	\$ 3,043	\$ 2,229	\$ 814	26.7%
Compliance	\$ 373	\$ 257	\$ 225	\$ 32	12.5%
Construction	\$ 20,311	\$ 13,659	\$ 1,604	\$ 12,055	88.3%
Cooperator Services Office	\$ 1,389	\$ 937	\$ 955	\$ (17)	-1.9%
Elevators	\$ 450	\$ 300	\$ -	\$ 300	100.0%
Exterminating	\$ 839	\$ 595	\$ 586	\$ 9	1.4%
General Management	\$ 2,059	\$ 1,408	\$ 1,021	\$ 387	27.5%
Grounds/Landscaping	\$ 5,461	\$ 3,726	\$ 3,783	\$ (57)	-1.5%
Human Resources	\$ 1,326	\$ 896	\$ 780	\$ 117	13.0%
Internal Audit	\$ 598	\$ 404	\$ 267	\$ 138	34.1%
Maintenance	\$ 22,306	\$ 14,598	\$ 15,164	\$ (566)	-3.9%
Parking & Leasing	\$ 2,020	\$ 1,294	\$ 1,291	\$ 3	0.2%
Power Plant	\$ 29,912	\$ 20,429	\$ 14,755	\$ 5,674	27.8%
Procurement	\$ 2,235	\$ 1,523	\$ 1,411	\$ 111	7.3%
Public Safety CCPD	\$ 14,075	\$ 9,361	\$ 9,429	\$ (68)	-0.7%
Residential Sales	\$ 1,488	\$ 1,015	\$ 858	\$ 157	15.4%
Restorations	\$ 26,102	\$ 18,172	\$ 11,659	\$ 6,513	35.8%
Risk Management	\$ 520	\$ 354	\$ 377	\$ (23)	-6.5%
Safety	\$ 1,150	\$ 774	\$ 664	\$ 110	14.2%
Sustainability Projects	\$ 1,250	\$ 833	\$ -	\$ 833	100.0%
TOTAL DEPARTMENTAL & CAPITAL EXPENSES	\$ 177,570	\$ 119,680	\$ 91,718	\$ 27,963	23.4%
CORPORATE EXPENSES:					
Insurance	\$ 21,756	\$ 14,504	\$ 12,197	\$ 2,307	15.9%
Utilities + Water	\$ 48,137	\$ 36,363	\$ 35,957	\$ 405	1.1%
Real Estate Taxes	\$ 12,767	\$ 11,787	\$ 8,634	\$ 3,152	26.7%
Violations	\$ 100	\$ 105	\$ 124	\$ (19)	-18.4%
Bad Debts	\$ 4,500	\$ 2,250	\$ 5,843	\$ (3,593)	-159.7%
Corporate Operating Expenses	\$ 7,298	\$ 11,217	\$ 4,181	\$ 7,036	62.7%
TOTAL CORPORATE ALL EXPENSES:	\$ 94,558	\$ 76,225	\$ 66,936	\$ 9,289	12.2%
EXPENSES BEFORE DEBT SERVICE & FEES:	\$ 272,128	\$ 195,905	\$ 158,653	\$ 37,252	19.0%
DEBT SERVICE:					
Gen'l/Repl Reserve Fees	\$ 5,269	\$ 3,279	\$ 3,550	\$ (271)	-8.3%
HUD Mortgage Ins Premium	\$ 2,046	\$ 1,364	\$ 1,402	\$ (39)	-2.8%
Debt Service	\$ 29,036	\$ 19,357	\$ 19,357	\$ -	0.0%
TOTAL DEBT SERVICE FEES	\$ 36,351	\$ 24,001	\$ 24,310	\$ (309)	-1.3%
GRAND TOTAL EXPENSES:	\$ 308,479	\$ 219,906	\$ 182,963	\$ 36,942	16.8%
NET SURPLUS/(DEFICIT) FROM OPERATIONS:	\$ 9,572	\$ (9,659)	\$ 13,669		