

# CO-OP CITY TIMES

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Saturday, November 23, 2024

## Management Report for period ending October 31, 2024

On behalf of Douglas Elliman Property Management, Managing Agent, I am delighted to present the Management Report for Riverbay Corporation for the period ending October 31, 2024.

This Management Report provides updates with the following elements:

- Staffing – Public Safety Department
- Vacant Apartment Summary
- 2-year Budget Planning
- Convector initiatives

**Management Report**

**Marvin L. Walton**

**Riverbay Executive General Manager**



### Public Safety Staffing

CCPD current staffing levels remain at forty-nine (49) or 53% short of the budgeted 93 Peace Officer positions. The new recruitment class of fifteen (15) recruits is slated for graduation from the in-house Academy on Friday, December 6, 2024. Management has begun recruitment efforts for the next class, which is anticipated to begin mid-December 2024. The Human Resources department received over 200 applications of which 182 were identified for interviews.

### Vacant Apartment Summary

Beginning in September 2023 Management began publishing the Corporation's Key Performance Indicators (KPIs) monthly in the Management Report. KPIs provide the community with a quantifiable measure of performance over time for a specific operational area of the Corporation. Included in these KPIs is a summary of the vacant apartments. As of October 31, 2024, the Corporation had a total of **225** vacant apartments yielding a **1.5%** vacancy rate. Below is the status of the vacant apartments for the reporting period:

| Vacant Apartments   | 225 |
|---|-----|
| • Apartments - Undergoing Restoration Process                         | 44  |
| • Apartments - Restored, Pending Closing (HCR or Banking Institution) | 113 |
| • Apartments - Unsold (31 Restored and 33 Not Restored)               | 64  |
| • Model Apartments (Off-Line)   | 2   |
| • Convector Testing Apartment (Off-Line)                              | 1   |
| • Waterproofing Testing-Townhouse Apartment (Off-Line)                | 1   |

Management tracks vacant apartments and ensures apartments are restored timely. The Legal team assists with returning abandoned apartments to the rightful ownership of the Corporation. The Sales Team retrieves the next applicants from the Mitchell-Lama Automated Waiting List (AWL), confirms that required documentation is in order and then arranges for showing of vacant apartments within the area of preference identified by the applicant. The AWL web-based system enables the NY State-supervised housing companies (such as Riverbay Corporation) to store and process applicant information more efficiently and remain accountable.

As of December 18, 2023, the Corporation no longer shows unrestored apartments to applicants. This process improves the time between "retrieving" applicants from the AWL to "closing" the sale of the apartment. Another benefit from this process is more timely recognition of revenue (equity) for the Corporation. This process is contingent upon the time it takes to receive final approval from DHCR as well as the applicant securing adequate financing to close on the sale of the apartment. The Deferred Equity Program ended as of January 1, 2024 for new admission applicants. It is still an option for transferring applicants.

The table below provides monthly stats on vacant apartments and the progress towards the sale of apartments. It is important to note the monthly vacancy loss that was **\$177K** at the beginning of the fiscal year (April 1, 2024) and as of October 31, 2024, the

| Fiscal Year 24/25 |                   |                     |                    |                     |  |                    |
|-------------------|-------------------|---------------------|--------------------|---------------------|--|--------------------|
| Reporting Month   | Apartments Vacant | Apartment Move-Outs | Apartment Closings | Apartments Restored | Average Number of Days to Restore Apartments | Vacancy Loss       |
| Apr.-24           | 244               | 29                  | 12                 | 58                  | 25   | \$177,740          |
| May-24            | 228               | 29                  | 43                 | 43                  | 25   | \$190,553          |
| Jun.-24           | 207               | 25                  | 46                 | 44                  | 23   | \$209,472          |
| Jul.-24           | 214               | 27                  | 20                 | 31                  | 22   | \$158,510          |
| Aug.-24           | 217               | 41                  | 38                 | 22                  | 24   | \$175,797          |
| Sep.-24           | 228               | 33                  | 22                 | 24                  | 22   | \$142,248          |
| Oct.-24           | 225               | 24                  | 26                 | 46                  | 30   | \$123,191          |
|                   |                   | <b>208</b>          | <b>207</b>         | <b>268</b>          | <b>24</b>                                    | <b>\$1,177,511</b> |

monthly vacancy loss has declined to **\$123K**, the all-time lowest amount for the Corporation. As of the reporting period, **208** shareholders moved out of Co-op City, **207** applicants closed a new apartment sale, and **268** vacant apartments were restored, and on average, it took **24 days** to restore an apartment.

Management appreciates the opportunity to partner with Shareholders and the Board Directors to work to reduce vacant apartments in the community.

### 2-Year Budget Planning

The Board Directors and Management are progressing along with estimating and determining the 2-Year Operating and Capital Budget for the Corporation. Upon completion of

this process and approval by the Board Directors, the final comprehensive budget will be shared with the community and a final submission to DHCR in February 2026. We appreciated the input on Capital improvements needed in the community from the building and townhouse association leaders. Community engagement was the true essence of the budget planning process.

(Continued on next page)

| Vendors(s)                 | Product/Project  | Funds Expended   |
|----------------------------|--|------------------|
| <b>1. Express Plumbing</b> | Installation of an electronic leak detection and shut off value in convector | <b>\$5301.04</b> |
|                            | <b>Current Status</b>  |                  |

The electronic leak detection and shut-off valve was installed in Building 10B, Apt. 4B. This device is designed to detect leaks that may occur from a build-up of condensation in the convector. Once the water in the drip pan reaches a certain level, the device will activate and shut off the valve, stopping the chilled water from circulating in the coil, mitigating potential flooding in the apartment.

- Management will be installing two (2) motorized shut-off valves with leak detection in occupied apartments. These valves will shut the water flowing through the coils in the convector once a leak is detected. The Maintenance team will periodically check in with the shareholders to see how the device is performing.
- Management obtained a quote (\$3,534.00) from Express Plumbing to install the two (2) shut-off valves in apartments. Management is coordinating with the two (2) shareholders where the valves will be installed and monitored by the Maintenance department.

Shut-off valves were installed in 11A/12C and 16B/12F; the valve will automatically shut off the water flowing through the coil, if a leak is detected. The Maintenance department will monitor these convectors and will stay connected with shareholders to see if any issues arise from the installation.

| Vendors(s)                     | Product/Project                            | Funds Expended   |
|--------------------------------|--|------------------|
| <b>2. Kelvin Systems, Inc.</b> | Convector control and leak monitoring unit | <b>\$2000.00</b> |
|                                | <b>Current Status</b>                      |                  |

A sample product was installed in Section 1 Maintenance Office to observe the features for evaluating the functionality. The company is working on a dashboard that will support the operation of the unit.

Kelvin Systems, Inc. presented it to Riverbay Management team on Friday, June 30, 2023. The presentation provided an overview of a radiator monitor and the proposed retrofits which include replacing the current toggle switch with a GFCI outlet, installing a float switch that is to be placed in the condensate drip tray to send an alert when the drip tray level rises, and a radiator sensor that will monitor the convector coil temperature and report information to a Cloud dashboard and database. Management plans to purchase five (5) radiator monitors at a cost of \$400/unit (\$2,000) which will be installed in apartments and will be monitored by the Maintenance team for performance.

- The device is currently being evaluated in apartments. Management is working with shareholders to identify additional apartments to test the device. This device could provide reporting/alarm benefits.
- 4 units have been installed. Kelvin is arranging to install 3 more units, two (2) of which were free of charge.
- Maintenance will continue to be evaluated as issues arose with connectivity and were resolved by the vendor.
- This system does not have a leak detection device. Some issues came up during testing with connectivity and the unit was not responding. The vendor is addressing this matter.

| Vendors(s)                   | Product/Project                   | Funds Expended |
|------------------------------|-----------------------------------|----------------|
| <b>3. Aqua Solanor, Inc.</b> | Ultra-Thin Hydronic Fan Coil Unit | <b>\$0</b>     |

**Current Status**

A Canada-based company shipped a free unit (8,000 BTUs) to be tested in an apartment. It is proposed that this unit will replace an existing convector and include a water sensor and a 2-way shut-off valve that will prevent flooding in an apartment. The unit shipped was a base model without the water sensor and 2-way shut-off valve.

**PHASE 1** – Conduct test to determine if the unit fits and operates in our current environment. The base model unit was installed in the living room of the model apartment Building 19, Apt. 23F on June 6, 2023. **RESULTS:** This unit operates in our current environment without any issues observed thus far. The Maintenance team will continue to monitor and do all necessary testing to complete this phase. The Maintenance team anticipates that the unit will be monitored through September 2023.

- The Maintenance team continues to monitor the apartment once a week. Thus far, the apartment temperature has been maintained around seventy degrees with only one unit operating. There were no leaks from the unit. This is a one-bedroom apartment.
- Phase 1 completed. Will monitor the heating through the winter. Unit performed well in our current environment during the cooling season.

**PHASE 2** – Order a larger unit (12,000 BTUs) from vendor that will include dual shut off valves, water leak sensors and a larger/deeper condensate tray. This unit will be installed in the model apartment and will be monitored by the Maintenance team to ensure it fits and operates in our current environment, and performs all its features. The Maintenance team will monitor the unit for the winter season through March 2024. Test time for this phase is estimated at 6 to 8 months.

- The 12,000 BTU unit is currently in transit to Riverbay at no cost. This unit will come complete with two 3-way motorized Belimo valves to shut off water to the coil in the event of a leak or break. This unit will be installed in the living room of the 3-bedroom model apartment in Building 34 in Section 5 and monitored in our current environment for the upcoming heating season.
- The unit was received with two motorized shutoff valves and a water detection device. It is currently being installed in the 3-bedroom model apartment (living room - 34/32E). Installation will be completed by the week ending 10/14/23. This will be monitored weekly to ensure it operates correctly in our current environment.
- The Maintenance department is monitoring the units, and they are performing as expected. No leaks have been detected.
- Winter monitoring is proceeding as planned, with adequate temperatures measured in the apartments using only living room units. Measurements were taken on 1/18/24 with outside temperatures 28 degrees, room temperatures were as follows:
  - 19/23F temperature was 73 degrees and 35/32E temperature was 69 degrees.

**PHASE 3** – Based on the data collected from phase 1 and phase 2, the Maintenance team will meet with the Engineering team and will design a unit that would meet any additional requirements needed. The goal is to build a unit for our current environment with software and performance for Co-op City's high-rise buildings. This unit will be designed to save energy and provide the same comfort, eliminate localized condensate leaks, and coil failure leaks. Management will also explore if there is government funding available for this type of large-scale program. Time for this phase is to be determined.

**PHASE 4** – Designed unit completed and ready for ordering when all requirements are met. Management will examine historical data to determine a line of living rooms that have had multiple leaks in a building for units to be installed. The labor needed for installations will be assessed and determined during this phase. The Maintenance team will monitor units installed in apartments beginning with a cooling season in the current environment for performance. The test time for this phase is to be determined.

**PHASE 5** – Roll out a larger scale install throughout the campus. This will involve preparing a RFP to obtain options and prices to furnish and install units in various quantities. The installation of the new units is projected to reduce convector leaks, floor repairs, and asbestos abatement. There will also be increased comfort in the apartments along with cost savings on energy. Time for this phase is to be determined.

- This unit continues to perform well in the current environment. Management will be exploring additional features in the unit that would maximize its performance.

**BELOW ARE THE KPIs (KEY PERFORMANCE INDICATORS) FOR OCTOBER 2024**

| Vendors(s)                 | Product/Project | Funds Expended |
|----------------------------|-----------------|----------------|
| <b>4. Artic Heat Pumps</b> |                 | <b>\$0</b>     |

**Current Status**

The vendor will provide a 12,000 BTU convector like the one being evaluated at no cost to Riverbay. We will assess this unit in our current environment to make sure it performs all its features.

- The unit arrived and is continuing to be evaluated.
- The unit was installed in the Maintenance Shop and is being monitored.
- Unit is performing well in the current environment, but it does not have any leak mitigation features.

| Vendors(s)        | Product/Project | Funds Expended |
|-------------------|-----------------|----------------|
| <b>5. Gil Bar</b> |                 | <b>\$0</b>     |

**Current Status**

Waiting for delivery. All measurements were taken by Manufacturer. Expected delivery is within a month.

- The unit arrived and was installed in Section 2 office (Bldg. 10C) on 3/18/24. This unit has control valves and a pan float for leak mitigation. Vendor changed from the promised retrofit of the existing convector box to a direct replacement unit.
- The unit is working as expected and being monitored by the Maintenance department.
- Unit is performing well in the current environment, but it does not have any leak mitigation features.

| Vendors(s)       | Product/Project  | Funds Expended     |
|------------------|--|--------------------|
| <b>6. Verano</b> | <b>Universal Slim Fan Coil<br/>(Units currently being installed at Rochdale Village)</b> | <b>\$65,000.00</b> |

**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 Directors to tour Apt. 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.

| RESIDENTIAL SALES ACTIVITY |         |            |                 |
|----------------------------|---------|------------|-----------------|
|                            | October | Fiscal YTD | Monthly Average |
| Apartment Closings         | 26      | 207        | 30              |
| Apartments Accepted (sold) | 51      | 316        | 45              |
| Move Outs                  | 24      | 206        | 29              |

| APARTMENT CLOSINGS AND FINANCING HISTORY             |    |
|--|----|
| Equity Paid in Full                                  | 17 |
| Deferred Equity Program                              | 3  |
| Equity Financed via Loan (Citibank or Webster Bank)  | 6  |
| Downsizing / Lateral transfers (no monies collected) | 0  |

**Note:** 11 (eleven) Applicants declined to close due to lack of financing. 5 of 11 applicants were declined by banks, while 6 of 11 applicants failed to secure financing from personal resources

| OCCUPANCY  |              |
|--|--------------|
| Total Apartments                                       | 15,372       |
| Occupied Apartments                                    | 15,147       |
| <b>Occupancy Rate:</b>                                 | <b>98.5%</b> |
| Vacant Apartments                                      | 225          |
| -Apartments - Undergoing Restoration Process           | 44           |
| -Apartments - Restored, Pending Closing                | 113          |
| -Apartments - Unsold (31 Restored and 33 Not Restored) | 64           |
| -Model Apartments                                      | 2            |
| -Convector testing unit                                | 1            |
| -Waterproofing Testing                                 | 1            |

|   |                  |
|---|------------------|
| Average Days for Apartment to be Restored:  | 30               |
| Total Apartments Restored                   | 46               |
| <b>Evictions:</b>                           |                  |
| -Shareholders                               | 2                |
| -Commercial                                 | 0                |
| <b>Landlord / Tenant Court Proceedings:</b> |                  |
| Court Stipulations Cases:                   | 23               |
| Hold Over Cases:                            | 95               |
| Non-payment Cases:                          | 248              |
| Dispositions                                | 21               |
| <b>Vacancy Loss</b>                         | <b>\$123,191</b> |

**PARKING & LEASING SUMMARY**

| SHOPPING CENTER COMMERCIAL & PROFESSIONAL SPACES SUMMARY |  |              |              |              |              |                    |
|--|--|--------------|--------------|--------------|--------------|--------------------|
|  | Bartow   | Einstein     | Dreiser      | Professional | Total        |                    |
| Total Spaces   | 31   | 19           | 34           | 31           | 115          |                    |
| Occupied   | 30   | 18           | 31           | 28           | 107          |                    |
| Vacant   | 1  | 1            | 3            | 3            | 8            |                    |
| <b>Occupancy Rate:</b>                                   | <b>96.8%</b>   | <b>94.7%</b> | <b>91.2%</b> | <b>90.3%</b> | <b>93.0%</b> |                    |
| <b>Vacancy Breakdown:</b>                                | 4 spaces currently being shown to potential tenants        |              |              |              |              |                    |
|  | 2 spaces currently in negotiation/pending background check |              |              |              |              |                    |
|  | 2 new leases pending Board approval                        |              |              |              |              |                    |
| <b>Vacancy Loss</b>                                      |  |              |              |              |              | <b>\$10,546.28</b> |

**CALL CENTER SUMMARY**

| INCOMING CALLS TO CALL CENTER  |        |
|--|--------|
| Maintenance, Restoration and Finance                                     | 11,176 |
| Answered Calls   | 9,760  |
| Abandoned Calls*   | 1,416  |
| Abandoned Rate   | 12.7%  |
| Contact made via chat feature  | 24     |
| *Callers that voluntarily disconnected the call after waiting 3 minutes. |        |

| WORK ORDERS                                     |              |
|---|--------------|
| Created   | 2,878        |
| Completed                                       | 2,506        |
| Follow-ups                                      | 3            |
| Scheduled                                       | 143          |
| Canceled - Duplicate, Error, S/H cancelled appt | 226          |
| <b>% of Work Orders Completed</b>               | <b>87.1%</b> |

| Convector Leak Work Orders |           |
|----------------------------|-----------|
| Living Room                | 8         |
| Bedroom                    | 1         |
| Kitchen                    | 1         |
| <b>Total</b>               | <b>10</b> |

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**PUBLIC SAFETY SUMMARY**



**CCPD DETECTIVE SQUAD SUMMARY Y-T-D**

| Case Type                   | 2024      | 2023      | % Change    |
|-----------------------------|-----------|-----------|-------------|
| Homicide                    | 0         | 0         | 0.0%        |
| Rape                        | 0         | 0         | 0.0%        |
| Burglary                    | 7         | 6         | 16.7%       |
| Robbery                     | 6         | 10        | -40.0%      |
| Felony Assault              | 3         | 6         | -50.0%      |
| Grand Larceny               | 1         | 4         | -75.0%      |
| Grand Larceny Auto          | 25        | 13        | 92.3%       |
| <b>Total Cases to Squad</b> | <b>42</b> | <b>39</b> | <b>7.7%</b> |

**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 | 0              |
| Driving/Parking on Property             | 1              |
| E-BIKES                                 | 0              |
| Harboring Animals                       | 11             |
| Littering                               | 5              |
| Loitering                               | 6              |
| Noise                                   | 19             |
| Poor Housekeeping                       | 1              |
| Refusing Apartment Inspection           | 9              |
| Smoking inside Residential Bldg.        | 0              |
| Unauthorized Move In / Out              | 11             |
| Other                                   | 6              |
| NYC Parking Summonses                   | 214            |
| NYC Criminal Court Summonses            | 2              |
| <b>TOTAL</b>                            | <b>296</b>     |

**CALLS RECEIVED FOR SERVICES**

| Nature of Call      | Calls Received |
|---------------------|----------------|
| Abuse of Premises   | 3              |
| Aided               | 89             |
| Animal              | 49             |
| Assault             | 1              |
| Ball Playing        | 0              |
| Burglary            | 1              |
| Calls for Help      | 17             |
| Criminal Mischief   | 11             |
| Criminal Trespass   | 5              |
| Disorderly Conduct  | 31             |
| Dispute             | 47             |
| E-BIKE              | 0              |
| Elevator Calls      | 35             |
| Fire / Smoke        | 1              |
| Harassment          | 45             |
| Hazardous Condition | 5              |
| Intelligence        | 64             |
| Investigate Vehicle | 14             |
| Larceny             | 47             |
| Larceny- Vehicle    | 3              |
| Lock Outs           | 15             |
| Loitering           | 94             |

**CALLS RECEIVED FOR SERVICES CONTINUED**

| Nature of Call                 | Calls Received |
|--------------------------------|----------------|
| Maintenance                    | 23             |
| Missing person                 | 3              |
| Move In / Out                  | 15             |
| MVA                            | 17             |
| Narcotics                      | 0              |
| Noise                          | 238            |
| Objects from Building          | 7              |
| Odor                           | 47             |
| Parking Condition / Violations | 290            |
| Property Damage                | 7              |
| Property Lost / Found          | 26             |
| Public Consumption             | 2              |
| Robbery                        | 2              |
| Robbery Commercial             | 0              |
| Sex Related Crime              | 0              |
| Shots Fired                    | 0              |
| Suspicious Package             | 3              |
| Suspicious Person              | 50             |
| Unsecured Property             | 5              |
| Unsecured Vehicle              | 10             |
| Vehicles Towed                 | 6              |
| Other                          | 93             |
| <b>TOTAL CALLS</b>             | <b>1,421</b>   |

**SWEEPS/ ARRESTS/ CONTACT MADE**

| Sweeps/Arrests              | October      |
|-----------------------------|--------------|
| Arrests                     | 13           |
| Building Inspections        | 3,861        |
| Call box inspections        | 167          |
| Directed Patrol             | 440          |
| Garage Inspections          | 842          |
| Mall Checks                 | 233          |
| Post Conditions / Sweeps    | 443          |
| RU OK Calls to participants | 744          |
| <b>TOTAL</b>                | <b>6,743</b> |

**HUMAN RESOURCES SUMMARY**

**EMPLOYEE AND LABOR RELATIONS SUMMARY**

| Type   | Outstanding (previous month) | New       | Resolved  | Ongoing    |
|--|------------------------------|-----------|-----------|------------|
| Grievances                                       | 2                            | 1         | 0         | 3          |
| Arbitrations                                     | 12                           | 1         | 0         | 13         |
| External Concerns/Inquiries                      | 7                            | 0         | 2         | 5          |
| Disciplinary Actions Reports & Other ELR matters | 78                           | 32        | 31        | 79         |
| <b>Total:</b>                                    | <b>99</b>                    | <b>34</b> | <b>33</b> | <b>100</b> |

**DISABILITY/FMLA/PFL**

|                          | New Requests | Pending Request | Total on Leave |
|--------------------------|--------------|-----------------|----------------|
| Short Term Disability    | 5            | 2               | 9              |
| Family Medical Leave Act | 5            | 4               | 13             |
| Paid Family Leave        | 2            | 1               | 10             |
| Workplace Accommodation  | 5            | 5               |                |
| <b>Total</b>             | <b>17</b>    | <b>12</b>       | <b>32</b>      |

\*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           | 948         |
| Filled Head Count             | 882         |
| Vacant Head Count             | 66          |
| <b>Vacant Head Count Rate</b> | <b>7.0%</b> |



**RIVERBAY CORPORATION FISCAL YEAR 24/25 BUDGET OVERVIEW**

The budget summary (see page 15) gives a snapshot of Riverbay Corporation's Budget vs. Actual performance for Fiscal Year 24/25 for period beginning April 01, 2024, and ending September 30, 2024.

**INCOME**

At the end of September 2024, actual carrying charges were slightly greater than anticipated by 4.2% or \$4.6 million. Other income was less than anticipated by 7% or \$1.916 million.

**SUMMARY OF EXPENSES**

**Departmental Expenses:**

Total departmental expenditures, 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, were down 5% or \$ 3.75 million.

Vacant positions in several departments, especially the Public Safety department, continue to contribute to the positive variances in the departments. Although some departments reported positive budget variances in payroll, there were some negative budget variances in the operating budgets. Below are few examples of these variances:

- Power Plant is \$986,000 over budget due mostly to unforeseen expenses associated with the Ric Wil underground piping and front-loaded chemical treatment costs.
- Construction is \$40,000 over budget due to an increase in cost for Roof Repairs.
- Extermination is \$57,000 over budget due to exterminating supplies.
- Automotive Services is \$42,000 over budget due primarily to increased vehicle maintenance costs.
- Maintenance is \$376,000 over budget due primarily to increased plumbing supplies, doors, and convector parts.
- Safety is \$72,000 over budget due to increased environmental remediation costs.
- Grounds is \$15,000 over budget due to purchases of supplies and equipment costs. (Seasonality purchasing).
- Computer Services Department reported a negative (114.3%) budget variance of \$1.1 million for June 2024. As explained

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in last month's report, the Department was over budget due to invoices totaling approximately \$495,000 for furniture and equipment that had been encumbered in August 2023. SHI International billed these invoices and remain as open purchase orders. To date, these invoices have not been paid due to ongoing negotiations between Riverbay and SHI International. As long as these purchase orders remain open, the Department will continue to show this negative variance.

- Asbestos and flooring materials costs continue to be below budget.

**Corporate Expenses:**

Corporate expenditures are over budget 16% or \$7.4 million due mostly to 2024/25 accrued water costs.

**Debt Service & Fees:**

Debt service & fees were under budget by 0.3% or \$61,000 due to greater than expected replacement reserve fees and mortgage insurance premiums required payments.

**OVERALL PERFORMANCE**

Overall, the grand total actual expenses of \$143,484,000 which include departmental, corporate and debt service were greater than anticipated against the grand total actual income of \$140,040,000 which yielded a deficit of **\$(3,444,000)**. Also, the year-to-date budget for grand total expenses was \$139,678,000 which was more than anticipated when compared to the year-to-date budget grand total revenue of \$137,547,000 which yielded a negative variance of **\$(2,132,000)**.

**RIVERBAY CORPORATION  
FISCAL YEAR 24/25 YEAR-TO-DATE BUDGET COMPARISON  
APRIL TO SEPTEMBER 2024  
(AMOUNTS IN THOUSANDS)**

|   | F24/25 ANNUAL BUDGET | APRIL THRU SEPTEMBER 2024 |                   |                   |               |
|---|----------------------|---------------------------|-------------------|-------------------|---------------|
|   |                      | Y-T-D BUDGET              | Y-T-D ACTUAL      | +/- \$            | +/- %         |
| <b>INCOME:</b>                                  |                      |                           |                   |                   |               |
| Carrying Charges                                | \$ 224,002           | \$ 112,001                | \$ 116,665        | \$ (4,664)        | -4.2%         |
| Vacancy Losses                                  | \$ (1,600)           | \$ (800)                  | \$ (1,054)        | \$ (254)          | 31.8%         |
| All Other Income                                | \$ 52,691            | \$ 26,346                 | \$ 24,429         | \$ 1,916          | 7.3%          |
| <b>Grand Total Income:</b>                      | <b>\$ 275,093</b>    | <b>\$ 137,547</b>         | <b>\$ 140,040</b> | <b>\$ (2,493)</b> | <b>-1.8%</b>  |
| <b>DEPARTMENTAL EXPENSES</b>                    |                      |                           |                   |                   |               |
| Automotive Services                             | \$ 1,398             | \$ 699                    | \$ 741            | \$ (42)           | -6.0%         |
| Board of Directors                              | \$ 462               | \$ 231                    | \$ 148            | \$ 83             | 35.8%         |
| Budget & Finance                                | \$ 3,595             | \$ 1,798                  | \$ 1,723          | \$ 75             | 4.1%          |
| Building Janitorial                             | \$ 24,170            | \$ 12,085                 | \$ 11,811         | \$ 274            | 2.3%          |
| Call Center                                     | \$ 2,402             | \$ 1,201                  | \$ 1,148          | \$ 53             | 4.4%          |
| Communications - C.C. Times                     | \$ 1,092             | \$ 546                    | \$ 545            | \$ 1              | 0.1%          |
| Information Technology                          | \$ 3,712             | \$ 1,856                  | \$ 3,088          | \$ (1,232)        | -66.4%        |
| Construction                                    | \$ 2,694             | \$ 1,347                  | \$ 1,387          | \$ (40)           | -3.0%         |
| Copoperator Services Office                     | \$ 1,544             | \$ 772                    | \$ 735            | \$ 37             | 4.8%          |
| Corporate Administrative Services               | \$ 845               | \$ 386                    | \$ 354            | \$ 32             | 8.2%          |
| Exterminating                                   | \$ 690               | \$ 345                    | \$ 402            | \$ (57)           | -16.5%        |
| General Manager                                 | \$ 1,821             | \$ 911                    | \$ 831            | \$ 80             | 8.8%          |
| Grounds/Landscaping                             | \$ 5,294             | \$ 2,684                  | \$ 2,664          | \$ 20             | 0.7%          |
| Human Resources                                 | \$ 1,325             | \$ 663                    | \$ 549            | \$ 113            | 17.1%         |
| Internal Audit                                  | \$ 618               | \$ 309                    | \$ 180            | \$ 130            | 41.9%         |
| Maintenance                                     | \$ 18,633            | \$ 9,316                  | \$ 9,692          | \$ (376)          | -4.0%         |
| Parking & Leasing                               | \$ 6,044             | \$ 3,022                  | \$ 2,876          | \$ 146            | 4.8%          |
| Power Plant                                     | \$ 19,697            | \$ 9,848                  | \$ 10,835         | \$ (986)          | -10.0%        |
| Procurement                                     | \$ 2,053             | \$ 1,026                  | \$ 1,000          | \$ 26             | 2.5%          |
| Public Safety (CCPD)                            | \$ 15,231            | \$ 7,616                  | \$ 5,887          | \$ 1,728          | 22.7%         |
| Residential Sales                               | \$ 1,580             | \$ 790                    | \$ 602            | \$ 188            | 23.8%         |
| Restorations                                    | \$ 30,462            | \$ 15,231                 | \$ 11,784         | \$ 3,447          | 22.6%         |
| Risk Management                                 | \$ 613               | \$ 306                    | \$ 225            | \$ 81             | 26.6%         |
| Safety  | \$ 1,084             | \$ 542                    | \$ 618            | \$ (76)           | -13.9%        |
| Technical Services                              | \$ 933               | \$ 467                    | \$ 422            | \$ 45             | 9.6%          |
| <b>TOTAL DEPARTMENTAL EXPENSES</b>              | <b>\$ 147,994</b>    | <b>\$ 73,997</b>          | <b>\$ 70,247</b>  | <b>\$ 3,750</b>   | <b>5.1%</b>   |
| <b>CORPORATE EXPENSES:</b>                      |                      |                           |                   |                   |               |
| Insurance                                       | \$ 24,146            | \$ 12,073                 | \$ 10,470         | \$ 1,603          | 13.3%         |
| Utilities + Water                               | \$ 48,377            | \$ 24,189                 | \$ 31,675         | \$ (7,486)        | -31.0%        |
| Real Estate Taxes                               | \$ 11,632            | \$ 5,816                  | \$ 4,777          | \$ 1,039          | 17.9%         |
| Violations                                      | \$ 100               | \$ 50                     | \$ 33             | \$ 17             | 33.2%         |
| Bad Debts                                       | \$ 4,500             | \$ 2,250                  | \$ 2,813          | \$ (563)          | -25.0%        |
| Corporate Operating Expenses                    | \$ 6,220             | \$ 3,110                  | \$ 5,214          | \$ (2,104)        | -67.7%        |
| <b>TOTAL CORPORATE ALL EXPENSES:</b>            | <b>\$ 94,974</b>     | <b>\$ 47,487</b>          | <b>\$ 54,982</b>  | <b>\$ (7,495)</b> | <b>-15.8%</b> |
| <b>EXPENSES BEFORE DEBT SERVICE &amp; FEES:</b> | <b>\$ 242,968</b>    | <b>\$ 121,484</b>         | <b>\$ 125,229</b> | <b>\$ (3,745)</b> | <b>-3.1%</b>  |
| <b>DEBT SERVICE &amp; FEES:</b>                 |                      |                           |                   |                   |               |
| Gen'l/Repl Reserve Fees                         | \$ 5,269             | \$ 2,634                  | \$ 2,668          | \$ (34)           | -1.3%         |
| HUD Mortgage Ins Premium                        | \$ 2,084             | \$ 1,042                  | \$ 1,069          | \$ (27)           | -2.6%         |
| Debt Service                                    | \$ 29,036            | \$ 14,518                 | \$ 14,518         | \$ -              | 0.0%          |
| <b>TOTAL DEBT SERVICE &amp; FEES</b>            | <b>\$ 36,389</b>     | <b>\$ 18,194</b>          | <b>\$ 18,255</b>  | <b>\$ (61)</b>    | <b>0.0%</b>   |
| <b>GRAND TOTAL EXPENSES:</b>                    | <b>\$ 279,357</b>    | <b>\$ 139,678</b>         | <b>\$ 143,484</b> | <b>\$ (3,806)</b> | <b>-2.7%</b>  |
| <b>NET SURPLUS (DEFICIT) FROM OPERATIONS:</b>   | <b>\$ (4,264)</b>    | <b>\$ (2,132)</b>         | <b>\$ (3,444)</b> | <b>\$ (1,312)</b> |               |

