

**Consolidated Co-ops
of Scottsdale East, Inc.**

8151 E. GARFIELD ST.
SCOTTSDALE, ARIZONA 85257
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NOTICE IS HEREBY GIVEN that an Open Meeting of the Board of Directors of Consolidated Cooperatives of Scottsdale East, Inc. will be held on **Thursday, December 15, 2022 at 6:00 p.m.** at the Maintenance Building, 8151 East Garfield Street, Scottsdale, Arizona 85257.

An Executive meeting precedes this Regular Open Meeting Session.

I. PROCEDURES

- A. Call to Order – President Maryana Scott
- B. Roll Call
- C. Adopt Agenda
- D. Approval of Open Meeting Minutes (November 17, 2022)

II. REPORTS

- A. Building Reports – Board members report issues, if any, in their respective buildings.
- B. Treasurer's Report – Ellie Jackson, Treasurer
- C. Committee Reports:
 - Membership Committee – Ellie Jackson, Chair
 - Finance/Budget – Vacant
 - Grounds – Vacant

III. OLD BUSINESS

-Bids for audit

IV. NEW BUSINESS

V. MANAGER'S REPORT

VI. MEMBERS' FORUM

VII. ADJOURNMENT

By: _____
Mary S. Passarelli, Secretary

Date: 12/13/2022

Manager's Report

December 15th, 2022

The hollyhock apartment power washing and prep is finishing up this week. They will start the masking and painting next week. I have spoken with the supervisor and he is anticipating two and a half weeks to finish the apartments and then they will be moving on to the townhouses. The townhouse residents need to have everything in the courtyards moved away from the walls to allow the painters to do a thorough job. If any residents need assistance moving large items, please contact the office so we may assist.

I am still waiting for the tree trimmers to grind the oleander stumps behind the Camelback apartments. I spoke with Chris about getting some of the grass removed and we will be spraying Groundclear in most of the areas to be graveled in. I recommend that members do not walk their pets behind the apartment next week. I will be posting signs as a reminder. Plenty of time has passed since informing the members with the gardens that they will be removed. There are still quite a few cinderblocks back there and if the owners want them I suggest that they remove them within the next week.

Also, as the buildings finish up being painted, we will be adhering to Co-op policies regarding personal property in common areas. Please no lawn decorations or storage outside of your units.

B. Treasurer's Report: (The full Financial Report as of October, 2022, is available at the Office.) So far, no reserves have been used for the painting project. GM Hunt continues to look for auditors, and there is currently one bid.

C. Committee Reports:

-Membership – Ellie Jackson, Chair

Sheri DeVore (D101) ADD ON

Jason Cobb (D208)

Colin Holmes (F117) ADD ON

Nancy Schad (F3)

James & Lauren Woods (C217)

MOTION: to accept new members made by *Ellie Jackson*; 2nd by *George Pool*.
Passed. *Welcome new members!*

-Budget/Finance – We are still looking for a chair for this committee. Ellie Jackson asked Mary McPherson to chair the committee. Mary has given GM Hunt a suggested budget, as she does each year.

-Grounds – Vacant

III. OLD BUSINESS

-Camelback North Project update. This area is still being cleared out. The project will probably take about two weeks once that is done.

IV. NEW BUSINESS

The Board is in the process of reviewing the Co-op rules. New rules are needed regarding the placement of personal items in the common areas. We need to specify what is allowed. There have been complaints about this for years, and opinions differ greatly. Mary McPherson (E13) stated that a complete ban on personal items would make the complex look sterile. Jane Suppan (G11) stated that it's common for members in main floor apartments to create a patio out of the common area after enclosing their existing patio. GM Hunt suggested using rules from other complexes as an example.

V. MANAGER'S REPORT

(The full Report is available at the office.) If Hollyhock painting begins December 4 because of an issue with the paint, it may not be completed before Christmas. The catwalk repair mentioned in the Report will be in the F Building for three units upstairs and three units downstairs.

VI. MEMBERS FORUM

-Jane Suppan (G11) Fencing around the G Pool has rust and decay. GM Hunt is taking care of this.

-Bonita Blalack (F217) Asked how many maintenance staff members we have. GM Hunt responded that we currently have two plus one agency temp. We want four, but we have had difficulty finding people. Often someone is hired, and they don't show up for work. There are three main requirements: HVAC, plumbing and electrical certifications. If potential employees meet even one of the three requirements, they are considered. The pay is between \$18 and \$25 per hour, depending on their experience and qualifications. We will be reaching out to trade schools as a possible way to find workers. She also asked if we add koi fish to the pond. GM Hunt responded that we originally purchased 20

from Walmart, and none have been purchased since then. They have, however, reproduced.

-Dan Meredith (H7) Asked that the trees by the H Pool be removed. They continually shed into the pool; and because of this, he often cleans the pool himself. They are also too close to the patio roofs, causing structural issues; and they inhibit painting of the pool fence. GM Hunt stated the trees will be removed and replaced with something more suitable for that location.

-Colleen Domigan (F215) has been asked if she's going to start a petition against the SRP smart boxes, because of concern about hazardous emissions. GM Hunt stated that utility companies are moving toward smart devices to allow for remote readings.

ADJOURN:

MOTION: to adjourn made by *Ellie Jackson*; 2nd by *Dan Free*. Meeting adjourned at 6:54 p.m.

By: _____
Mary S. Passarelli, Secretary

Date: 11/20/22

Consolidated Cooperatives of Scottsdale East, Inc.

12/12/22

Profit & Loss Budget Performance

Accrual Basis

November 2022

	Nov 22	Budget	Jan - Nov 22	YTD Budget	Annual Bu...
Ordinary Income/Expense					
Income					
5100 - Rent Revenue					
5120 - Member Carrying Charges	105,513.00	106,020.00	1,156,420.14	1,166,230.00	1,272,250.00
5170 - Parking Permits	50.00	100.00	18,750.00	18,500.00	18,500.00
5190 - Locker Rental	1,350.00	1,500.00	15,660.00	16,500.00	18,000.00
Total 5100 - Rent Revenue	106,913.00	107,620.00	1,190,830.14	1,201,230.00	1,308,750.00
5401 - Interest Income	11.39		404.58		
5900 - Other Revenue					
5910 - Laundry Income	759.10	840.00	8,978.51	9,160.00	10,000.00
5920 - NSF & Late Charges	429.00	25.00	8,044.00	225.00	250.00
5925 - Fines, Fees	150.00	0.00	750.00	225.00	225.00
5930 - Transfer Fees	0.00	667.00	6,200.00	7,333.00	8,000.00
5940 - Pet Fees	0.00	34.00	600.00	366.00	400.00
5950 - Service Repair Fees	570.00	583.00	7,125.00	6,417.00	7,000.00
5990 - Other Income	105.00	125.00	1,188.00	1,375.00	1,500.00
5991 - Recovered Legal Fees	0.00	0.00	0.00	1,000.00	2,000.00
5992 - Recovered Rehab	0.00	0.00	-250.00	855.54	855.54
Total 5900 - Other Revenue	2,013.10	2,274.00	32,635.51	26,956.54	30,230.54
Total Income	108,937.49	109,894.00	1,223,870.23	1,228,186.54	1,338,980.54
Expense					
6300 - Administrative Expenses					
6309 - Advertising	10.79	0.00	7,541.24	2,000.00	2,000.00
6310 - Salaries & Wages - Office					
6310.1 - Salaries & Wages	12,774.52	9,583.00	102,044.82	105,417.00	115,000.00
6310.2 - Holiday	344.00		1,548.00		
6310.3 - Vacation	0.00		2,408.00		
6310.4 - Sick	258.00		602.00		
6310.6 - Contract Labor - Porter	900.00	900.00	7,200.00	7,200.00	7,800.00
Total 6310 - Salaries & Wages - Office	14,276.52	10,483.00	113,802.82	112,617.00	122,800.00
6311 - Supplies - Office					
6311.1 - Office Supplies	579.77	208.00	2,019.28	2,292.00	2,500.00
6311.3 - Postage	0.00	50.00	232.00	450.00	500.00
Total 6311 - Supplies - Office	579.77	258.00	2,251.28	2,742.00	3,000.00
6312 - Computers Equip/Supplies/Soft...	0.00	0.00	2,289.65	2,000.00	2,000.00
6313 - Equip Maint Contracts	494.79	208.00	2,725.51	2,292.00	2,500.00
6341 - Legal	0.00	208.00	235.00	2,292.00	2,500.00
6350 - Audit & Accounting					
6351 - Accounting Services	1,295.00	833.00	9,445.88	9,167.00	10,000.00
6352 - Annual Audit Costs	0.00	0.00	0.00	12,500.00	12,500.00
6353 - Payroll Service Fee	344.08	250.00	3,302.13	2,750.00	3,000.00
Total 6350 - Audit & Accounting	1,639.08	1,083.00	12,748.01	24,417.00	25,500.00
6360 - Telephone/Cellular	452.87	291.00	5,355.19	3,209.00	3,500.00
6363 - Internet Contract	748.74	334.00	3,961.74	3,666.00	4,000.00
6391 - Bank Charges	56.00	25.00	1,188.80	200.00	200.00
6392 - Credit Checks	98.85	125.00	1,120.72	1,375.00	1,500.00
6397 - Dues/Education	0.00		375.42		
6399 - Other					
6399.1 - Fuel/Mileage	21.25	25.00	124.44	100.00	100.00
6399.4 - Community Days	0.00	0.00	1,577.49	2,500.00	2,500.00
6399.5 - Misc Admin	67.27	0.00	923.78	500.00	500.00
Total 6399 - Other	88.52	25.00	2,625.71	3,100.00	3,100.00
Total 6300 - Administrative Expenses	18,445.93	13,040.00	156,221.09	159,910.00	172,600.00

Consolidated Cooperatives of Scottsdale East, Inc.

Profit & Loss Budget Performance

November 2022

12/12/22

Accrual Basis

	Nov 22	Budget	Jan - Nov 22	YTD Budget	Annual Bu...
6400 · Utilities Expense					
6450 · Electric	2,459.78	3,330.00	30,597.93	36,666.00	40,000.00
6451 · Water	8,132.27	7,500.00	83,758.13	82,500.00	90,000.00
6452 · Gas	2,262.12	1,334.00	15,152.74	14,666.00	16,000.00
6453 · Sewer	3,862.16	3,334.00	38,133.57	36,666.00	40,000.00
6454 · Trash	2,869.89	2,084.00	30,499.73	22,916.00	25,000.00
6455 · Envir/Taxes & Fees	791.12	734.00	7,914.10	8,066.00	8,800.00
Total 6400 · Utilities Expense	20,377.34	18,316.00	206,056.20	201,480.00	219,800.00
6500 · Operating & Maintenance Expense					
6501 · Sales Tax Maintenance Items	734.23		1,328.29		
6502 · Building Maint/Improvements	881.89	1,250.00	24,123.95	13,750.00	15,000.00
6503 · Temp Labor - Maintenance	1,056.00	0.00	3,744.41	5,000.00	5,000.00
6511 · Janitorial Supplies	191.01	105.00	1,268.18	1,145.00	1,250.00
6519 · Exterminating Contract	933.95	584.00	5,529.80	6,416.00	7,000.00
6535 · Fuel-Equipment	0.00	0.00	0.00	75.00	100.00
6536 · Plants&Supplies - Grounds	0.00	834.00	408.64	9,166.00	10,000.00
6537 · Contracts - Grounds	4,000.00	4,584.00	44,360.00	50,416.00	55,000.00
6538 · Sprinkler System - Grounds	0.00	250.00	1,077.41	2,750.00	3,000.00
6539 · Trees - Grounds	0.00	1,250.00	8,419.80	13,750.00	15,000.00
6540 · Payroll					
6540.1 · Wages	9,097.63	14,167.00	104,264.24	155,833.00	170,000.00
6540.2 · Holiday	760.00		3,964.00		
6540.3 · Vacation	424.00	0.00	4,096.00	0.00	0.00
6540.4 · Sick	176.00	0.00	2,075.00	0.00	0.00
Total 6540 · Payroll	10,457.63	14,167.00	114,399.24	155,833.00	170,000.00
6541 · Materials					
6541.1 · Materials	0.00	0.00	0.00	500.00	500.00
6541.2 · Signage	3,935.43	500.00	7,839.80	5,500.00	6,000.00
6541.4 · Appliance Parts	0.00		116.72		
6541.5 · Hardware	157.73	0.00	543.67	250.00	250.00
6541.6 · Rehab	0.00	417.00	990.65	4,583.00	5,000.00
6541.7 · Rehab - Recoverable	0.00		297.62		
Total 6541 · Materials	4,093.16	917.00	9,788.46	10,833.00	11,750.00
6542 · Capital Improvements					
6542.5 · Xeriscape	0.00	0.00	0.00	10,000.00	10,000.00
6542.7 · Painting	63,875.00		332,375.00		
Total 6542 · Capital Improvements	63,875.00	0.00	332,375.00	10,000.00	10,000.00
6543 · Parking Lot Sweeping	0.00	300.00	0.00	3,300.00	3,600.00
6545 · HVAC					
6545.1 · HVAC Replacements	0.00	0.00	45,245.28	60,000.00	60,000.00
6545.2 · HVAC Repairs	0.00	0.00	0.00	12.27	12.27
6545.3 · HVAC Parts	6,958.34	1,042.00	19,806.54	11,458.00	12,500.00
Total 6545 · HVAC	6,958.34	1,042.00	65,051.82	71,470.27	72,512.27
6547 · Swimming Pools					
6547.1 · Contracts - Pools	0.00	0.00	0.00	15,545.00	15,545.00
6547.2 · Chemicals - Pools	76.00	625.00	7,586.70	6,875.00	7,500.00
6547.3 · Parts for Pool	159.33	208.00	3,993.93	2,292.00	2,500.00
6547.4 · Pool Furniture	0.00	417.00	0.00	4,583.00	5,000.00
6547.5 · Permits	0.00	158.00	0.00	1,742.00	1,900.00
Total 6547 · Swimming Pools	235.33	1,408.00	11,580.63	31,037.00	32,445.00
6551 · Small Tools - Repairs	0.00	125.00	4,022.74	1,375.00	1,500.00
6555 · Electrical Supplies	42.25	416.00	1,748.08	4,584.00	5,000.00
6560 · Painting Costs					
6560.2 · Paint Supplies	49.59	209.00	278.21	2,291.00	2,500.00
Total 6560 · Painting Costs	49.59	209.00	278.21	2,291.00	2,500.00

Consolidated Cooperatives of Scottsdale East, Inc.

12/12/22

Profit & Loss Budget Performance

Accrual Basis

November 2022

	Nov 22	Budget	Jan - Nov 22	YTD Budget	Annual Bu...
6570 - Vehicle					
6571 - Vehicles - Repairs	0.00	125.00	2,406.50	1,375.00	1,500.00
Total 6570 - Vehicle	0.00	125.00	2,406.50	1,375.00	1,500.00
6580 - Plumbing					
6581 - Supplies - Plumbing	306.42	1,167.00	8,253.75	12,833.00	14,000.00
6582 - Contracts - Plumbing	0.00	0.00	4,000.00	0.00	0.00
6583 - Hot H2O Htrs-Replace	1,689.18	1,000.00	5,067.36	11,000.00	12,000.00
6584 - Toilets - Replacements	0.00	0.00	6,716.88	1,500.00	1,500.00
Total 6580 - Plumbing	1,995.60	2,167.00	24,037.99	25,333.00	27,500.00
6591 - Lock & Keys	0.00	0.00	257.56	375.00	500.00
6592 - Doors & Screens	0.00	125.00	171.65	1,375.00	1,500.00
6594 - A/C Filters	0.00	125.00	1,858.41	1,375.00	1,500.00
6599.1 - Misc- Maintenance	0.00	83.00	1,896.82	917.00	1,000.00
6599.2 - Equipment Rental	0.00	208.00	1,102.34	2,292.00	2,500.00
Total 6500 - Operating & Maintenance Ex...	95,503.98	30,274.00	661,235.93	426,233.27	456,657.27
6700 - Taxes and Insurance					
6710 - Real Property	44,133.73	0.00	93,028.29	100,000.00	100,000.00
6711 - Payroll Tax (FICA/MC)	1,823.32	1,500.00	16,906.83	16,500.00	18,000.00
6712 - FUTA/SUTA	0.00	483.00	1,092.00	5,317.00	5,800.00
6719 - Licenses & Permits	0.00	0.00	2,380.00	500.00	500.00
6720 - Property&Liability- Insurance	8,485.62	7,000.00	79,917.96	77,000.00	84,000.00
6722 - Workers Comp -Insurance	0.00	333.00	0.00	3,667.00	4,000.00
6723 - Employee Benefits	2,830.36	2,666.00	31,270.76	29,334.00	32,000.00
6724 - Penalties & Interest Expense	0.00		173.44		
Total 6700 - Taxes and Insurance	57,273.03	11,982.00	224,769.28	232,318.00	244,300.00
Total Expense	191,600.28	73,612.00	1,248,282.50	1,019,941.27	1,093,357.27
Net Ordinary Income	-82,662.79	36,282.00	-24,412.27	208,245.27	245,623.27
Other Income/Expense					
Other Expense					
7000 - Corporate Co-op Expenses					
7131 - Arizona Inc Tax	0.00		9,117.71		
Total 7000 - Corporate Co-op Expenses	0.00		9,117.71		
Total Other Expense	0.00		9,117.71		
Net Other Income	0.00		-9,117.71		
Net Income	-82,662.79	36,282.00	-33,529.98	208,245.27	245,623.27

Balance Sheet

As of November 30, 2022

	Nov 30, 22
ASSETS	
Current Assets	
Checking/Savings	
1120 · Cash	
1121.0 · NEW WF Chkg-8323	112,194.56
Total 1120 · Cash	112,194.56
1300 · Capital Replacement Reserve	
1309.2 · PNC Bank MM - .02%	252,264.29
1309.3 · BMO Harris Bank-MM .05%	200,145.40
Total 1300 · Capital Replacement Reserve	452,409.69
1300.1 · Emergency Reserve	
1312 · USBank MM - .01%	266,865.15
Total 1300.1 · Emergency Reserve	266,865.15
1300.2 · Member Deposits	
1378 · MidFirst Money Market (.3%)	109,256.42
Total 1300.2 · Member Deposits	109,256.42
Total Checking/Savings	940,725.82
Accounts Receivable	
1130 · Member Accounts Receivable	21,214.64
Total Accounts Receivable	21,214.64
Other Current Assets	
1200 · Prepaid Expenses	
1280 · Federal Prepaid Tax	18,000.00
1285 · State Prepaid Tax	14,143.00
1200 · Prepaid Expenses - Other	2,500.00
Total 1200 · Prepaid Expenses	34,643.00
1310 · Employee Advance	3,692.06
1499 · Undeposited Receipts	11,121.00
Total Other Current Assets	49,456.06
Total Current Assets	1,011,396.52
Fixed Assets	
1400 · FIXED ASSETS	
1410 · Land	337,882.00
1412 · Land & Land Improvements	435,509.73
1421 · Buildings	2,583,985.62
1423 · Buildings - Capital Improvement	2,326,836.23
1425 · Building Equipment	846,884.15
1461 · Furniture	15,602.00
1481 · Vehicle and Maintenance Equip	10,119.33
4121 · Buildings - Accum Deprn	-4,755,415.46
Total 1400 · FIXED ASSETS	1,801,403.60
Total Fixed Assets	1,801,403.60
TOTAL ASSETS	2,812,800.12
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2211 Member Prepaid dues	112,187.44
2110 · Accounts Payable - Trade	21,471.46
2150 · Real Property Taxes - Accrued	46,923.98

Balance Sheet
As of November 30, 2022

	<u>Nov 30, 22</u>
Total Accounts Payable	180,582.88
Other Current Liabilities	
2120 · Wages & Payroll Taxes Payable	4,101.16
2140 · Taxes Payable	
2141 · Federal Taxes Payable	-19,337.00
2142 · State Taxes Payable	2,724.00
Total 2140 · Taxes Payable	<u>-16,613.00</u>
2191 · Member Deposits Held in Trust	105,900.00
2213 · Deferred Tax Liability	15,347.00
Total Other Current Liabilities	<u>108,735.16</u>
Total Current Liabilities	<u>289,318.04</u>
Total Liabilities	289,318.04
Equity	
3100 · Owner Equity	
3121 · Common Stock - 350 shares	350.00
3131 · Treasury Stock @ Cost 1share	-10,000.00
3241 · Additional Paid-in capital	3,265,786.00
Total 3100 · Owner Equity	<u>3,256,136.00</u>
3240 · Funded Reserve Costs	
3240.1 · Reserve for Replacements	351,869.00
3240.2 · Gen Op Reserve	2,341.00
Total 3240 · Funded Reserve Costs	<u>354,210.00</u>
3243 · General Operating Reserve	256,950.00
3900 · Retained Earnings	-1,301,382.94
Net Income	-37,529.98
Total Equity	<u>2,528,383.08</u>
TOTAL LIABILITIES & EQUITY	<u><u>2,817,701.12</u></u>