

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

8151 E. GARFIELD ST.
SCOTTSDALE, ARIZONA 85257
PHONE (480) 947-3941
FAX (480) 947-8553

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, January 19, 2023 at 6:00 p.m.** at the Maintenance Building, 8151 East Garfield Street, Scottsdale, Arizona 85257.

An Executive Meeting will not be held.

I. PROCEDURES

- A. Call to Order – President Maryana Scott
- B. Roll Call
- C. Adopt Agenda
- D. Approval of Open Meeting Minutes (December 15, 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
 - Masumi Havens (F206)
 - Kai Lin Silversmith (C201)
 - Finance/Budget – Vacant
 - Grounds – Vacant

III. OLD BUSINESS

-Budget

IV. NEW BUSINESS

- Security Doors
- Catwalks

V. MANAGER'S REPORT

VI. MEMBERS' FORUM

VII. ADJOURNMENT

By: _____
Mary S. Passarelli, Secretary

Date: 1/17/2023

Manager's Report

January 19th, 2023

Camelback update: The majority of the cleanup behind C has been completed. The first part of the landscape installation will be the block wall at the east end, the irrigation lines and the raised garden beds. While the construction is underway the area will be cordoned off to prevent any members from getting hurt. Please refrain from walking around in the area as there will be open trenches and holes.

The painting on the Hollyhock townhouses is going to start very soon and I still see quite a bit of shrubbery in yards and fronts of townhouses that needs to be cleared away. I will be contacting these members in the coming days to see what the Co-op can do to assist.

Flyers have been posted in the info boards at the mailboxes regarding the Multi Co-op Block Party that is being held Jan. 28th on the Camelback green (grassy area across from D on Garfield St.). There will be food trucks, games for the kids and live music. The event is from 1:00pm to 5:00pm

The annual members meeting will be on March 11th. Any members who wish to run for the board need to pick up a nominating petition and have it filled out and returned to the office no later than Feb.10th. If you have any questions feel free to contact the office

MINUTES OF THE OPEN BOARD MEETING

An Open Meeting of the Board of Directors of CCSEI was held on **Thursday, December 15, 2022, at 6:00 p.m.** at 8151 East Garfield Street, Scottsdale, Arizona, 85257 in the Maintenance Building.

An Executive meeting preceded the Regular Open Meeting Session.

I. PROCEDURES

- A. Call to Order- President Maryana Scott called the meeting to order at 6:05p.m.
- B. Roll Call- GM Jayson Hunt-present- Bldg. E-Jennifer Ward-present-Bldg. B-George Pool – present Bldg. F-Fred Weninger – absent Bldg. C-Maryana Scott – present-Bldg. G-Ellie Jackson – present-Bldg. D-Dan Free – present Bldg. H-Mary Passarelli – present
- C. Adopt Agenda-MOTION: to adopt the agenda made by George Pool; 2nd by EllieJackson. Passed.
- D. Approval of Open Meeting Minutes-MOTION: to approve Open Meeting Minutes of November 17, 2022, made by-George Pool, 2nd by Dan Free. Passed.

II. REPORTS:

A. **Building Reports:** Reporting of any issues in respective buildings

Bldg. B (George Pool) Issues are being taken care of by Work Orders.

Bldg. C (Maryana Scott) Issues are being taken care of as well.

Bldg. D (Dan Free) Same as above.

Bldg. E (Jennifer Ward) All good.

Bldg. F (Fred Weninger) Fred was not in attendance.

Bldg. G (Ellie Jackson) Nothing to report.

Bldg. H (Mary Passarelli) the apartments in Building H have been power washed. Reminder to everyone not to use patios for storage after painting is completed.

B. **Manager's Report:** (The full Report is available at the office.) It is estimated that painting of the Building H apartments will be finished in two and a half weeks. Then power washing of Building H townhouses will begin. Townhouse residents need to have everything in courtyards moved away from the wall

C. **Treasurer's Report:** (The full Financial Report as of November, 2022, is available at the Office.) The cost of painting the complex so far totals \$332,375. It is anticipated we will have to use funds from the Money Markets next year to pay for the remainder of the painting project.

D. **Committee Reports:**

Membership:EllieJackson,Chair No new members. An "add-on" is a person being added, only as a resident, by a current member.

F. **Budget/Finance** – Vacant

III. OLD BUSINESS

GM Hunt reported that two companies are currently working on bids for doing our audit. He hopes to have three bids by January. The last bid for 2018 was \$15,000. He expects new bids to be higher than that. A preliminary estimate (not a formal bid) from one company is \$25,000 for 2020, since that year is more difficult, and \$15,000+ for 2021. Auditors are being asked to provide a bid for 2022 as well, and that year will be done first. Currently, none of the auditors can start work before next May. If we receive all the bids in January, they may not be able to start until June or later. Previously, we were paying about \$9800 for audits per year for about

10 years, and the cost is substantially higher than before. The auditor who did our prior audits does not do audits anymore.

IV. NEW BUSINESS No new business.

V. MEMBERS FORUM

-Deborah McPherson (G217) asked if the grass behind the Camelback apartments will be sprayed. GM Hunt responded that the remaining patches of grass will be sprayed repeatedly. Even after the rocks are in place, the area gets sprayed on a regular basis. Tree trimmers still need to grind the oleander stumps and a massive olive tree stump.-Jane Suppan (G11) asked what kind of gravel will be used in the area. GM Hunt stated that ¾ inch Sedona red rock will be used and no river rock.

-Mary McPherson (E13) Asked when the budget will be completed. GM Hunt responded that it will be done in January. He invited members to provide input for the long-term budget. Ellie Jackson commented that Jennifer Ward might want to help with this, and she has budget and accounting experience. If there are meetings to discuss the long-term budget, Mary McPherson would like to attend. GM Hunt wants asphalt work (which has been budgeted) to start as soon as possible because of potholes and the damage they cause. Some spots will be filled as a short-term solution.

-Tricia Royall (G108) Expressed grave concern about the new SRP electric smart meters. She stated that she had her meter changed back to an analog meter. She recommends that the Co-op boycott the smart meters and have them all changed back to analog meters. She believes the smart meters kill plants and aphids, cause health problems (sleeplessness, anxiety, and depression) and allow for our other smart devices to be hacked by an unsecured SRP server that is accessible to the government. Members who want their SRP meter changed back to analog need to contact SRP themselves to make this request. The office cannot handle this request because the meters belong to individual members. Tricia had to contact the CEO of SRP to get a response when requesting this change. She has the number to call if anyone wants it.

GM Hunt stated the inflatable Christmas decorations will be put out on Monday.

VI. ADJOURN:

MOTION: to adjourn made by **Ellie Jackson**; 2nd by **George Pool**. Meeting adjourned at 6:30 p.m.

By: _____
Mary S. Passarelli, Secretary

Date: 12/17/22

Profit & Loss Budget Performance

December 2022

	Dec 22	Budget	Jan - Dec 22	YTD Budget	Annual Bu...
Ordinary Income/Expense					
Income					
5100 · Rent Revenue					
5120 · Member Carrying Charges	105,439.00	106,020.00	1,261,859.14	1,272,250.00	1,272,250.00
5170 · Parking Permits	0.00	0.00	18,750.00	18,500.00	18,500.00
5190 · Locker Rental	1,365.00	1,500.00	17,025.00	18,000.00	18,000.00
Total 5100 · Rent Revenue	106,804.00	107,520.00	1,297,634.14	1,308,750.00	1,308,750.00
5401 · Interest Income	234.40		775.58		
5900 · Other Revenue					
5910 · Laundry Income	0.00	840.00	8,978.51	10,000.00	10,000.00
5920 · NSF & Late Charges	435.00	25.00	8,479.00	250.00	250.00
5925 · Fines, Fees	0.00	0.00	750.00	225.00	225.00
5930 · Transfer Fees	600.00	667.00	7,400.00	8,000.00	8,000.00
5940 · Pet Fees	0.00	34.00	600.00	400.00	400.00
5950 · Service Repair Fees	323.00	583.00	7,605.00	7,000.00	7,000.00
5990 · Other Income	70.00	125.00	1,258.00	1,500.00	1,500.00
5991 · Recovered Legal Fees	0.00	1,000.00	0.00	2,000.00	2,000.00
5992 · Recovered Rehab	0.00	0.00	-250.00	855.54	855.54
Total 5900 · Other Revenue	1,428.00	3,274.00	34,820.51	30,230.54	30,230.54
Total Income	108,466.40	110,794.00	1,333,230.23	1,338,980.54	1,338,980.54
Expense					
6300 · Administrative Expenses					
6309 · Advertising	10.79	0.00	7,552.03	2,000.00	2,000.00
6310 · Salaries & Wages - Office					
6310.1 · Salaries & Wages	8,666.84	9,583.00	110,711.66	115,000.00	115,000.00
6310.2 · Holiday	172.00		1,720.00		
6310.3 · Vacation	172.00		2,580.00		
6310.4 · Sick	0.00		602.00		
6310.5 · Bonus	7,500.00		7,500.00		
6310.6 · Contract Labor - Porter	600.00	600.00	7,800.00	7,800.00	7,800.00
Total 6310 · Salaries & Wages - Office	17,110.84	10,183.00	130,913.66	122,800.00	122,800.00
6311 · Supplies - Office					
6311.1 · Office Supplies	110.14	208.00	2,129.42	2,500.00	2,500.00
6311.3 · Postage	0.00	50.00	232.00	500.00	500.00
Total 6311 · Supplies - Office	110.14	258.00	2,361.42	3,000.00	3,000.00
6312 · Computers Equip/Supplies/S...	0.00	0.00	2,289.65	2,000.00	2,000.00
6313 · Equip Maint Contracts	263.69	208.00	2,989.20	2,500.00	2,500.00
6341 · Legal	0.00	208.00	235.00	2,500.00	2,500.00
6350 · Audit & Accounting					
6351 · Accounting Services	0.00	833.00	9,445.88	10,000.00	10,000.00
6352 · Annual Audit Costs	0.00	0.00	0.00	12,500.00	12,500.00
6353 · Payroll Service Fee	688.16	250.00	3,990.29	3,000.00	3,000.00
Total 6350 · Audit & Accounting	688.16	1,083.00	13,436.17	25,500.00	25,500.00
6360 · Telephone/Cellular	452.17	291.00	5,807.36	3,500.00	3,500.00
6363 · Internet Contract	0.00	334.00	3,961.74	4,000.00	4,000.00
6391 · Bank Charges	92.50	0.00	1,281.30	200.00	200.00
6392 · Credit Checks	65.90	125.00	1,186.62	1,500.00	1,500.00
6397 · Dues/Education	150.19		525.61		
6399 · Other					
6399.1 · Fuel/Mileage	0.00	0.00	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	0.00	0.00	923.78	500.00	500.00
Total 6399 · Other	0.00	0.00	2,625.71	3,100.00	3,100.00
Total 6300 · Administrative Expenses	18,944.38	12,690.00	175,165.47	172,600.00	172,600.00

Consolidated Cooperatives of Scottsdale East, Inc.

Profit & Loss Budget Performance

December 2022

01/18/23

Accrual Basis

	Dec 22	Budget	Jan - Dec 22	YTD Budget	Annual Bu...
6400 · Utilities Expense					
6450 · Electric	2,623.18	3,334.00	33,221.11	40,000.00	40,000.00
6451 · Water	12,613.30	7,500.00	96,371.43	90,000.00	90,000.00
6452 · Gas	3,722.11	1,334.00	18,874.85	16,000.00	16,000.00
6453 · Sewer	7,724.32	3,334.00	45,857.89	40,000.00	40,000.00
6454 · Trash	2,874.52	2,084.00	33,374.25	25,000.00	25,000.00
6455 · Envir/Taxes & Fees	1,251.14	734.00	9,165.24	8,800.00	8,800.00
Total 6400 · Utilities Expense	30,808.57	18,320.00	236,864.77	219,800.00	219,800.00
6500 · Operating & Maintenance Expense					
6501 · Sales Tax Maintenance Items	99.04		1,427.33		
6502 · Building Maint/Improvements	2,466.76	1,250.00	26,687.04	15,000.00	15,000.00
6503 · Temp Labor - Maintenance	4,237.20	0.00	10,137.50	5,000.00	5,000.00
6511 · Janitorial Supplies	237.63	105.00	2,170.54	1,250.00	1,250.00
6519 · Exterminating Contract	199.00	584.00	5,728.80	7,000.00	7,000.00
6535 · Fuel-Equipment	0.00	25.00	0.00	100.00	100.00
6536 · Plants&Supplies - Grounds	0.00	834.00	408.64	10,000.00	10,000.00
6537 · Contracts - Grounds	4,000.00	4,584.00	48,360.00	55,000.00	55,000.00
6538 · Sprinkler System - Grounds	0.00	250.00	1,077.41	3,000.00	3,000.00
6539 · Trees - Grounds	3,423.20	1,250.00	11,843.00	15,000.00	15,000.00
6540 · Payroll					
6540.1 · Wages	6,793.25	14,167.00	111,057.49	170,000.00	170,000.00
6540.2 · Holiday	556.00		4,520.00		
6540.3 · Vacation	204.00	0.00	4,300.00	0.00	0.00
6540.4 · Sick	0.00	0.00	2,075.00	0.00	0.00
6540.5 · Bonus	3,000.00		3,000.00		
Total 6540 · Payroll	10,553.25	14,167.00	124,952.49	170,000.00	170,000.00
6541 · Materials					
6541.1 · Materials	0.00	0.00	0.00	500.00	500.00
6541.2 · Signage	0.00	500.00	7,839.80	6,000.00	6,000.00
6541.4 · Appliance Parts	0.00		116.72		
6541.5 · Hardware	0.00	0.00	543.67	250.00	250.00
6541.6 · Rehab	0.00	417.00	990.65	5,000.00	5,000.00
6541.7 · Rehab - Recoverable	0.00		297.62		
Total 6541 · Materials	0.00	917.00	9,788.46	11,750.00	11,750.00
6542 · Capital Improvements					
6542.5 · Xeriscape	0.00	0.00	0.00	10,000.00	10,000.00
6542.7 · Painting	39,210.00		371,585.00		
Total 6542 · Capital Improvements	39,210.00	0.00	371,585.00	10,000.00	10,000.00
6543 · Parking Lot Sweeping	0.00	300.00	0.00	3,600.00	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	675.32	1,042.00	20,481.86	12,500.00	12,500.00
Total 6545 · HVAC	675.32	1,042.00	65,727.14	72,512.27	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	0.00	625.00	7,586.70	7,500.00	7,500.00
6547.3 · Parts for Pool	956.07	208.00	4,950.00	2,500.00	2,500.00
6547.4 · Pool Furniture	0.00	417.00	0.00	5,000.00	5,000.00
6547.5 · Permits	0.00	158.00	0.00	1,900.00	1,900.00
Total 6547 · Swimming Pools	956.07	1,408.00	12,536.70	32,445.00	32,445.00
6551 · Small Tools - Repairs	0.00	125.00	4,091.42	1,500.00	1,500.00
6555 · Electrical Supplies	837.73	416.00	2,585.81	5,000.00	5,000.00

Consolidated Cooperatives of Scottsdale East, Inc.

01/18/23

Profit & Loss Budget Performance

Accrual Basis

December 2022

	<u>Dec 22</u>	<u>Budget</u>	<u>Jan - Dec 22</u>	<u>YTD Budget</u>	<u>Annual Bu...</u>
6560 · Painting Costs					
6560.2 · Paint Supplies	0.00	209.00	324.34	2,500.00	2,500.00
Total 6560 · Painting Costs	0.00	209.00	324.34	2,500.00	2,500.00
6570 · Vehicle					
6571 · Vehicles - Repairs	0.00	125.00	2,406.50	1,500.00	1,500.00
Total 6570 · Vehicle	0.00	125.00	2,406.50	1,500.00	1,500.00
6580 · Plumbing					
6581 · Supplies - Plumbing	553.73	1,167.00	9,562.93	14,000.00	14,000.00
6582 · Contracts - Plumbing	0.00	0.00	4,000.00	0.00	0.00
6583 · Hot H2O Htrs-Replace	-609.79	1,000.00	4,457.57	12,000.00	12,000.00
6584 · Toilets - Replacements	0.00	0.00	6,716.88	1,500.00	1,500.00
Total 6580 · Plumbing	-56.06	2,167.00	24,737.38	27,500.00	27,500.00
6591 · Lock & Keys	0.00	125.00	257.56	500.00	500.00
6592 · Doors & Screens	32.25	125.00	203.90	1,500.00	1,500.00
6594 · A/C Filters	0.00	125.00	1,858.41	1,500.00	1,500.00
6599.1 · Misc- Maintenance	0.00	83.00	1,896.82	1,000.00	1,000.00
6599.2 · Equipment Rental	145.00	208.00	1,247.34	2,500.00	2,500.00
Total 6500 · Operating & Maintenance ...	67,016.39	30,424.00	732,039.53	456,657.27	456,657.27
6700 · Taxes and Insurance					
6710 · Real Property	0.00	0.00	93,028.29	100,000.00	100,000.00
6711 · Payroll Tax (FICA/MC)	2,070.28	1,500.00	18,977.11	18,000.00	18,000.00
6712 · FUTA/SUTA	38.55	483.00	1,130.55	5,800.00	5,800.00
6719 · Licenses & Permits	0.00	0.00	2,380.00	500.00	500.00
6720 · Property&Liability- Insurance	9,761.83	7,000.00	89,679.79	84,000.00	84,000.00
6722 · Workers Comp -Insurance	0.00	333.00	0.00	4,000.00	4,000.00
6723 · Employee Benefits	3,021.59	2,666.00	34,292.35	32,000.00	32,000.00
6724 · Penalties & Interest Expense	0.00		173.44		
Total 6700 · Taxes and Insurance	14,892.25	11,982.00	239,661.53	244,300.00	244,300.00
Total Expense	131,661.59	73,416.00	1,383,731.30	1,093,357.27	1,093,357.27
Net Ordinary Income	-23,195.19	37,378.00	-50,501.07	245,623.27	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	-23,195.19	37,378.00	-59,618.78	245,623.27	245,623.27

Balance Sheet

As of December 31, 2022

	Dec 31, 22
ASSETS	
Current Assets	
Checking/Savings	
1120 · Cash	
1121.0 · NEW WF Chkg-8323	70,057.33
Total 1120 · Cash	70,057.33
1300 · Capital Replacement Reserve	
1309.2 · PNC Bank MM - .02%	252,268.72
1309.3 · BMO Harris Bank-MM .05%	200,404.27
Total 1300 · Capital Replacement Reserve	452,672.99
1300.1 · Emergency Reserve	
1312 · USBank MM - .01%	266,867.34
Total 1300.1 · Emergency Reserve	266,867.34
1300.2 · Member Deposits	
1378 · MidFirst Money Market (.3%)	109,347.57
Total 1300.2 · Member Deposits	109,347.57
Total Checking/Savings	898,945.23
Accounts Receivable	
1130 · Member Accounts Receivable	27,509.64
Total Accounts Receivable	27,509.64
Other Current Assets	
1200 · Prepaid Expenses	
1241 · Prepaid Property & Liability Ins	3,685.50
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	38,328.50
1310 · Employee Advance	3,692.06
1499 · Undeposited Receipts	280.00
Total Other Current Assets	42,300.56
Total Current Assets	968,755.43
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 Depn	-4,755,415.46
Total 1400 · FIXED ASSETS	1,801,403.60
Total Fixed Assets	1,801,403.60
TOTAL ASSETS	2,770,159.03
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2110 · Accounts Payable - Trade	19,583.97
2150 · Real Property Taxes - Accrued	46,923.98

Balance Sheet
As of December 31, 2022

	<u>Dec 31, 22</u>
Total Accounts Payable	66,507.95
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	-16,613.00
2191 · Member Deposits Held in Trust	105,900.00
2211 · Member Prepaid Dues	90,169.64
2213 · Deferred Tax Liability	15,347.00
Total Other Current Liabilities	198,904.80
Total Current Liabilities	265,412.75
Total Liabilities	265,412.75
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	3,256,136.00
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	354,210.00
3243 · General Operating Reserve	256,950.00
3900 · Retained Earnings	-1,301,382.94
Net Income	-59,618.78
Total Equity	2,506,294.28
TOTAL LIABILITIES & EQUITY	<u>2,771,707.03</u>