

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

8151 E. GARFIELD ST.
SCOTTSDALE, ARIZONA 85257
PHONE (480) 947-3841
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, February 16, 2023 at 6:00 p.m.** at the Maintenance Building, 8151 East Garfield Street, Scottsdale, Arizona 85257.

An Executive Meeting precedes this Open Meeting.

I. PROCEDURES

- A. Call to Order – President Maryana Scott
- B. Roll Call
- C. Adopt Agenda
- D. Approval of Open Meeting Minutes (January 19, 2023)

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
 - Tatum Hendrick (H201)
 - James Brucato (B101)
 - Finance/Budget – Vacant
 - Grounds – Vacant

III. OLD BUSINESS

- Budget approval
- Construction proposal for fences to deter bike riders from entering corridors

IV. NEW BUSINESS

- Replacement of two golf carts

V. MANAGER'S REPORT

VI. MEMBERS' FORUM

VII. ADJOURNMENT

By: _____
Mary S. Passarelli, Secretary

Date: 2/13/2023

Manager's Report

February 16th, 2023

The supplies for the Camelback xeriscape are being delivered Wednesday next week (Feb. 22nd). I'm still waiting to hear back on what day construction on the wall and beds is going to start. I'm hoping the irrigation can start the same time as the wall but if not, it will only be a few days after. Once the wall and irrigation are in, we will begin planting and laying the gravel. Please stay out of the area during construction.

Reminder: The Annual Member's Meeting will be Saturday March 11th. We are bringing back the potluck so please bring a dish for everyone to enjoy. The Co-op will be providing Burgers, Hot Dogs, and drinks. We will also provide plates, cups, napkins and utensils. There will also be Bingo games after the meeting.

The block party last month was a big success. We are working with our neighbors on doing it again next year with even more events, activities and FOOD.

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of Scottsdale East, Inc.

8151 E. GARFIELD ST.
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MINUTES OF THE OPEN BOARD MEETING

An Open Meeting of the Board of Directors of CCSEI was held on **Thursday, January 19, 2023**, at 6:00 p.m. at 8151 East Garfield Street, Scottsdale, Arizona, 85257 in the Maintenance Building.

I. PROCEDURES

A. Call to Order – President Maryana Scott called the meeting to order at 6:02 p.m.

B. Roll Call

GM Jayson Hunt – present

Bldg. E-Jennifer Ward – present

Bldg. B-George Pool – present

Bldg. F-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 amend the agenda to include under new business uncashed checks, made by *Ellie Jackson*, 2nd by *Jennifer Ward*. Passed.

MOTION: to adopt the amended agenda, made by *Jennifer Ward*, 2nd by *George Pool*. Passed.

D. Approval of Open Meeting Minutes

MOTION: to approve Open Meeting Minutes of December 15, 2022, made by *Dan Free*, 2nd by *Ellie Jackson*. Passed.

II. REPORTS:

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

Bldg. B (*George Pool*) Nothing to report.

Bldg. C (*Maryana Scott*) Nothing to report.

Bldg. D (*Dan Free*) Nothing to report.

Bldg. E (*Jennifer Ward*) Area by E110 needs attention. GM Hunt is familiar with what needs to be done.

Bldg. F (*Fred Weninger*) Maryana Scott reported that Fred passed away last week. Our condolences to Bonnie Weninger.

Bldg. G (*Ellie Jackson*) Nothing to report.

Bldg. H (*Mary Passarelli*) Nothing to report.

B. **Manager's Report:** (The full Report is available at the office.) The juniper trees by the H Building pools have been removed. The pool will be a lot cleaner now. Two

hundred to three hundred pounds of debris from the trees were removed from the patio roofs.

C. Treasurer's Report: (The full Financial Report as of December, 2022, is available at the Office.) We paid \$371,585 for painting last year. Three and a half buildings have been painted without using any reserve funds. We will need to use money from the reserve funds to pay for the remainder of the painting. Ellie Jackson withdrew \$100,000 for upcoming expenses. GM Hunt reported that the long-term budget will need to be updated at the end of this year to prepare for upcoming projects. The two main projects remaining are the parking lots and the catwalks, of which 1 ¼ are done, and 5 ¾ still need to be replaced. We may need to raise rents to cover future expenses. The last rent increase (two years ago) has been used to pay for increased property taxes, insurance and material costs. While housing costs increase because of the market, our costs are the result of operating expenses.

D. Committee Reports:

-Membership – *Ellie Jackson*, Chair

Masumi Havens (F206)

Kai Lin Silversmith (C201)

MOTION: to accept new members made by *Jennifer Ward*; 2nd by *Mary Passarelli*. Passed. *Welcome new members!*

-Budget/Finance – Vacant

III. OLD BUSINESS

-The 2023 Budget Proposal (see handout) has been tabled until the next open board meeting to allow time for review.

-Two audit proposals were received for three years (2020, 2021 and 2022). The first proposal is from REDW in the amount of \$69,000, and the second is from BeachFleischman in the amount of \$60,000. GM Hunt commented that REDW's bid for 2022 is higher than for 2020, which makes no sense. Our prior auditor charged \$9500 per year over a 12 year period. They never raised their fees, which is why we did not change auditors before now. GM Hunt contacted 25 to 30 companies to get bids for our audit. Most companies declined to submit a bid. The cost for our audits will not get any cheaper, and our bylaws require it to be done. Audits for 2020 and 2021 will not be started before May.

MOTION: to approve the BeachFleischman audit bid in the amount of \$60,000 for the years 2020, 2021 and 2022, made by *Jennifer Ward*, 2nd by *Ellie Jackson*. Passed.

IV. NEW BUSINESS

-Security Doors. The freshly painted buildings look very nice, and there are some security doors that do not look nice because of rust and deterioration. GM Hunt can order new security doors, and members who need new doors can pay for them with their accounts, either all at once or in installments. The Co-op can get a better price for the doors than members can get on an individual basis. With the cost of labor, it is usually cheaper to replace the doors rather than repaint them. The company that is painting the buildings has not been hired to paint the security doors.

-Catwalks. See Treasurer's Report above.

-Uncashed Checks. There are uncleared checks that were sent out, never returned and never cashed. The auditors will want these checks cleared from our books. These checks need to be recorded in the open meeting minutes as follows:

#8650 on 3/21/17 to C103, Theresa McBurnett for \$100

#9045 on 4/18/18 to B106, Cheryl/Joann Lipps for \$100

#10263 on 3/30/22 Bill Payment to Imaging Tech for \$66.75

#10300 on 6/8/22 to G206, Grace Cozad for \$100

#10301 on 6/8/22 to E202, Mark Perez for \$105.62

#10302 on 6/8/22 to D105, Joan Hoffman for \$70

We also have a \$95 credit to Alyce Leesley (F215), who has passed away. GM Hunt wants to credit that to the beneficiary.

MOTION: to clear these uncashed checks from our books made by *Jennifer Ward*; 2nd by *Ellie Jackson*. Passed.

V. MEMBERS FORUM

-Tony Bonville (F205) Asked if catwalks will be done according to a scheduled plan or as necessary. GM Hunt responded that they all need to be replaced, and they will be done after the asphalt project is completed.

-Mary McPherson (E13) Suggested that members contact the office if they see problems with the painting (other than the color) before the painters leave the property. She also suggested members make these comments at the annual meeting.

-Bonnie Weninger (F115) The wood around the F Building pool has deteriorated, and she hopes it will not be painted in that condition. She asked if the covered parking roofs are going to be painted. Maryana Scott stated that they will be painted, but only after all the other painting is completed. Bonnie would like to see the roofs repaired before they are painted.

ADJOURN:

MOTION: to adjourn made by *Ellie Jackson*; 2nd by *Jennifer Ward*. Meeting adjourned at 6:49 p.m.

By: _____
Mary S. Passarelli, Secretary

Date: _____

Consolidated Cooperatives of Scottsdale East, Inc.

02/16/23

Profit & Loss

Accrual Basis

January 2023

	Jan 23
Ordinary Income/Expense	
Income	
5100 · Rent Revenue	
5120 · Member Carrying Charges	105,666.61
5170 · Parking Permits	18,050.00
5190 · Locker Rental	1,350.00
Total 5100 · Rent Revenue	125,066.61
5401 · Interest Income	336.84
5900 · Other Revenue	
5910 · Laundry Income	948.50
5920 · NSF & Late Charges	439.00
5925 · Fines, Fees	75.00
5930 · Transfer Fees	400.00
5950 · Service Repair Fees	277.00
5990 · Other Income	70.00
Total 5900 · Other Revenue	2,209.50
Total Income	127,612.95
Expense	
6300 · Administrative Expenses	
6309 · Advertising	10.79
6310 · Salaries & Wages - Office	
6310.1 · Salaries & Wages	8,484.09
6310.2 · Holiday	516.00
6310.6 · Contract Labor - Porter	600.00
Total 6310 · Salaries & Wages - Office	9,600.09
6311 · Supplies - Office	
6311.1 · Office Supplies	593.67
6311.3 · Postage	276.00
Total 6311 · Supplies - Office	869.67
6313 · Equip Maint Contracts	217.17
6341 · Legal	210.00
6350 · Audit & Accounting	
6351 · Accounting Services	894.00
6353 · Payroll Service Fee	175.17
Total 6350 · Audit & Accounting	1,069.17
6363 · Internet Contract	357.40
6391 · Bank Charges	72.50
6392 · Credit Checks	98.85
6399 · Other	
6399.1 · Fuel/Mileage	42.50
6399.4 · Community Days	200.00
Total 6399 · Other	242.50
Total 6300 · Administrative Expenses	12,748.14
6400 · Utilities Expense	
6450 · Electric	2,600.30
6451 · Water	5,551.76
6452 · Gas	3,406.37
6453 · Sewer	3,862.16
6454 · Trash	3,402.77
6455 · Envir/Taxes & Fess	563.89
Total 6400 · Utilities Expense	19,387.25

10:50 AM

Consolidated Cooperatives of Scottsdale East, Inc.
Profit & Loss
January 2023

02/16/23

Accrual Basis

	Jan 23
6500 · Operating & Maintenance Expense	
6501 · Sales Tax Maintenance Items	80.47
6502 · Building Maint/Improvements	951.41
6503 · Temp Labor - Maintenance	3,302.74
6511 · Janitorial Supplies	7.76
6536 · Plants&Supplies - Grounds	357.71
6537 · Contracts - Grounds	4,000.00
6538 · Sprinkler System - Grounds	157.98
6539 · Trees - Grounds	6,227.50
6540 · Payroll	
6540.1 · Wages	7,403.27
6540.2 · Holiday	1,316.00
6540.3 · Vacation	204.00
6540.4 · Sick	452.00
Total 6540 · Payroll	9,375.27
6541 · Materials	
6541.2 · Signage	3,575.46
6541.5 · Hardware	8.35
6541.6 · Rehab	1,036.77
Total 6541 · Materials	4,620.58
6542 · Capital Improvements	
6542.1 · Repairs - Contracted	28,795.00
6542.7 · Painting	47,325.00
Total 6542 · Capital Improvements	76,120.00
6545 · HVAC	
6545.3 · HVAC Parts	497.16
Total 6545 · HVAC	497.16
6547 · Swimming Pools	
6547.2 · Chemicals - Pools	210.69
Total 6547 · Swimming Pools	210.69
6551 · Small Tools - Repairs	210.65
6555 · Electrical Supplies	69.43
6560 · Painting Costs	
6560.2 · Paint Supplies	149.54
Total 6560 · Painting Costs	149.54
6570 · Vehicle	
6571 · Vehicles - Repairs	408.29
Total 6570 · Vehicle	408.29
6580 · Plumbing	
6581 · Supplies - Plumbing	1,078.28
6583 · Hot H2O Htrs-Replace	1,049.85
Total 6580 · Plumbing	2,128.13
6592 · Doors & Screens	549.04
Total 6500 · Operating & Maintenance Expense	109,424.35

10:50 AM

Consolidated Cooperatives of Scottsdale East, Inc.

02/16/23

Profit & Loss

Accrual Basis

January 2023

	<u>Jan 23</u>
6700 · Taxes and Insurance	
6711 · Payroll Tax (FICA/MC)	1,352.27
6712 · FUTA/SUTA	551.50
6720 · Property&Liability- Insurance	17,386.95
6723 · Employee Benefits	2,830.36
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Total 6700 · Taxes and Insurance	22,121.08
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Total Expense	163,680.82
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Net Ordinary Income	-36,067.87
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Net Income	<u><u>-36,067.87</u></u>

Balance Sheet

As of January 31, 2023

	Jan 31, 23
ASSETS	
Current Assets	
Checking/Savings	
1120 · Cash	
1121.0 · NEW WF Chkg-8323	251,385.00
Total 1120 · Cash	251,385.00
1300 · Capital Replacement Reserve	
1309.2 · PNC Bank MM - .03%	52,271.60
1309.3 · BMO Harris Bank-MM .995%	200,573.69
Total 1300 · Capital Replacement Reserve	252,845.29
1300.1 · Emergency Reserve	
1312 · USBank MM - .45%	266,971.10
Total 1300.1 · Emergency Reserve	266,971.10
1300.2 · Member Deposits	
1378 · MidFirst Money Market - .598%	109,395.41
Total 1300.2 · Member Deposits	109,395.41
Total Checking/Savings	880,596.80
Accounts Receivable	
1130 · Member Accounts Receivable	58,799.71
Total Accounts Receivable	58,799.71
Other Current Assets	
1200 · Prepaid Expenses	
1241 · Prepaid Property & Liability Ins	3,276.00
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	37,919.00
1310 · Employee Advance	2,793.29
1499 · Undeposited Receipts	29,919.00
Total Other Current Assets	70,631.29
Total Current Assets	1,010,027.80
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	2,811,431.40
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2110 · Accounts Payable - Trade	18,542.52
2150 · Real Property Taxes - Accrued	46,923.98

Balance Sheet

As of January 31, 2023

	<u>Jan 31, 23</u>
Total Accounts Payable	65,466.50
Other Current Liabilities	
2120 · Wages & Payroll Taxes Payable	
2121 · Wages & Salaries Payable	477.89
2123 · Accrued Payroll Taxes	-477.89
2120 · Wages & Payroll Taxes Payable - Other	4,101.16
Total 2120 · Wages & Payroll Taxes Payable	<u>4,101.16</u>
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
2211 · Prepaid Member Dues	154,594.10
2213 · Deferred Tax Liability	15,347.00
Total Other Current Liabilities	<u>263,329.26</u>
Total Current Liabilities	<u>328,795.76</u>
Total Liabilities	328,795.76
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	-1,362,988.48
Net Income	-20,123.88
Total Equity	<u>2,484,183.64</u>
TOTAL LIABILITIES & EQUITY	<u>2,812,979.40</u>