

EAST RIVER HOUSING CORPORATION ANNUAL MEETING

DECEMBER 9, 2024



Installation of the original boiler for East River Housing circa mid-1950's

EAST RIVER HOUSING CORPORATION

BOARD OF DIRECTORS

GARY ALTMAN

CARMEN ALVELO

MICHELE AMAR

STEVEN BARBIERI

REUVEN BELL

RACHEL EHRENPREIS

ELLEN GENTILVISO

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VICE-PRESIDENT

VICE-PRESIDENT

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VICE-CHAIRPERSON

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CAROL OKALICA

THOMAS SKIBICKI

CHRISTINE VASQUEZ

EAST RIVER HOUSING CORPORATION



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Dear Cooperators,

It is again our honor to present to you on behalf of the Board of Directors and Management, the Annual Report of East River Housing Corporation for the fiscal year ending June 30, 2024.

While we here at East River were not spared the economic turmoil of the past years, we were pleased to report a profit in the last two fiscal years. This year due to an astounding city enacted and imposed real estate tax increase we must unfortunately report a loss. East River Housing does not produce a product, we manage our vast property with fixed costs, collect monthly maintenance, commercial rents, and flip-tax and through prudent budget management attempt every year to balance our budget. To understand this loss which after depreciation is \$1.7 million, we have to see that in our audited Financial Statement our real estate taxes increased from \$10,747,587 last fiscal year to \$14,282,431 this year. This represents an unconscionable increase of over \$3.5 million in a single year. While we had increased our real estate tax budget projection by over \$550,000 or approx. 5% there was no way to anticipate what the city has done to us and so many co-ops throughout the city. We fight our tax assessments every year through the use of specialized certiorari tax attorneys but receiving any type of reduction is becoming extremely difficult for any building in the city. The city budget itself increased by over \$5 Billion dollars this year to over \$112 Billion as the city must raise revenue to cover billions and billions of dollars in new expenses that it has incurred and will continue to incur in future years. The Federal government has historically not been fair when it comes to providing needed assistance to cities like New York who have incurred unexpected expenses often caused by Federal government policies. We of course have no choice but to pay this bill which along with water and sewer taxes now represents 50% (up from 40%) of our budget. This is obviously untenable and especially hurts our Coop, including so many seniors on a fixed income.

To put our real estate tax bill in true perspective, our property tax has increased in just 10 years from \$4.5 million in FY2014 to \$14.3 million in FY2024 or almost a \$10 million increase. While little relief is in sight, we will continue to advocate for tax reform for Class 2 high-rise properties.

This almost \$16 million real estate, water, and sewer tax amount must be allocated for before we pay one dollar for producing heat and hot water, insurance, building repairs cleaning supplies, electricity, payroll, social security and union benefits for our maintenance, porters, boiler room, security and management staff. Another area which was a strain on our budget was a large increase in our Repairs and Maintenance expense line which was due to repairing areas of our commercial strip roof at 551 Grand St. where the work needed to be performed well before we bid out our residential roofs. This expense was not part of the total assessed amount and has already been paid for. Additionally, sidewalk repair, sometimes frivolously mandated by the city was an expensive endeavor.

We are happy to report that all past differences with our sister co-op Hillman Housing have been resolved and all litigation ended. The money owed to East River has been repaid and any matters that still were left in dispute have been resolved amicably. Our relationship goes back almost 70 years, and we are glad to be back on friendly and cooperative terms with Hillman where many of us have friends and family.

The ClickPay service which we began last year has been a huge success. We urge every cooperator if they haven't already done so to sign up for this service.

The emergency gas line repair in Building 4 was completed very successfully in record time. While many cooperators told us horror stories of friends who lived in much smaller buildings and who had no gas for several years while similar repairs occurred, we were able to complete the entire building wide repair in about 9 months. This was in large part due to the plumbing company we hired and the cooperation under difficult circumstances of virtually all cooperators. Our Management did an excellent job overseeing this difficult project and the resultant unforeseen asbestos abatement needed in a number of our 21 apartment lines in the building. During the process, cooperators especially in Building 4 were kept informed on a constant basis through 68 Management and Board communications.

We have now begun our next major capital improvement as previously announced as coming in Annual Reports, meetings and communications. This is the total replacement of all our residential roofs after over 30 years. We were fortunate to be able to maintain our roofs well beyond their expected life expectancy. But now they must be replaced. As announced, the cost of the roofs will be spread out over 39 months to lessen the impact on all of us. Based on our stellar reputation, as being a reliable payor, we were able to strike a payment arrangement unheard of in the industry. The first roof in Building 3 will be finished before we make even the first payment. Weather permitting the other 3 roofs will be completed in 2025 and once done we will still be allowed to spread the cost over the following 29-30 months interest free. The roofing company is currently floating millions of dollars in already incurred expenses and will float perhaps as much as \$7 million after the roofs are completed. Though a painful number, we negotiated an incredible deal to lessen the burden, interest free on all cooperators. And to answer past and obvious questions, our elevators will indeed need to be renovated at some point in the near distant future. Hopefully our goal is to undertake this after the roofs are paid off. Elevators hopefully will be our last major capital improvement undertaken out of necessity and age.

The safety of our cooperators is of paramount importance but we all can do our part by not holding the door for people you do not know and if you see something, say something. Everyone should be prepared to have and use their lobby key at all entrances to our buildings.

Over the past several months we have begun replacing and retrofitting all lighting in our back hallway with even more efficient and much brighter lighting. These new bulbs are welcoming and much brighter. The retrofitting is being done building by building by our in-house staff at no cost other than the bulbs. The increased visibility and safety that these brighter lights bring will also be retrofitted in our staircases, bike rooms and elsewhere.

We also want to inform every cooperator that the upcoming attempt to impose Congestion Pricing next month even on residents of the ill drawn zone will hurt every last one of us. We do not live in the Central Business District and will have to pay not just to enter the zone but every time we simply come home when driving or even taking a car service from outside the zone. We as so many others have been fighting this relentlessly, but our Governor and local State elected officials are tone deaf to the plight of the residential areas in the zone. We have already been informed by our vendors, landscapers, contractors and union staff that this increased cost will be immediately factored in or at the latest when their contracts come up for renewal. We can all expect very large increased expenses for our cooperative whether one drives a car or not. If you agree and haven't spoken up or made your voice heard, while it may be too late to stop its implementation, let's never give up the fight to get this overturned.

The overall beauty of our buildings and grounds could not be achieved without the dedication of Management, the Board and fellow Cooperators. While there are always areas that could use improvement, we are committed to seeing that occur within budgetary limits. But the most credit must go to our incredible Maintenance, Porter and Boiler Room staff. Our Director of Maintenance, Eddie Velazquez and his deputy Sal Mazzurco are doing a stellar job. Eddie's intricate knowledge of our property and his ability, along with his staff to repair and find solutions to all arising issues is of great benefit to us all. Their expertise literally saves us tens of thousands of dollars a year in outside vendor costs. We have an outstanding Porter, Maintenance and Boiler Room staff. So many of our staff have been with us 20, 30 and even over 35 years that they are family. Jimmy Ritchie, our Chief Engineer and his team make sure that our state-of-the-art boiler facility is providing us with heat and hot water. We burn clean, highly energy efficient natural gas all year round. Our Security Supervisor, Thomas Cleveland is involved and on top of all issues affecting the safety of all Cooperators. The doors to our Management office are always open to any cooperator who seeks assistance or information on any coop related matter.

We want to acknowledge the hard work and dedication of our small Management staff and our Board. No project or initiative could have been implemented or planned without the members of the Board, Management, union staff and many times concerned shareholders putting in countless hours of their time and effort.

We would also like to extend a thank you to the members of our House Committee who meet monthly, try to mediate grievances among cooperators, do site surveys and make suggestions to our Board and Management.

We live in a beautiful cooperative with so many kind and caring people. We and the Board and Management once again promise to do all in our power to keep it this way in the most affordable manner while maintaining our fiscal responsibility and integrity. East River Housing Coop with our gardens, parks, buildings, and staff is a hidden treasure in our city.

We wish everyone a very happy holiday season and pray for a better year to come. May the coming year be a blessed one for you and your family.

Gary Altman, President
Shulie Wollman, General Manager



**EAST RIVER HOUSING CORPORATION
(A COOPERATIVE HOUSING CORPORATION)**

**Financial Statements
and Supplemental Information
(Together with Independent Auditors' Reports)**

Years Ended June 30, 2024 and 2023

**EAST RIVER HOUSING CORPORATION
(A COOPERATIVE HOUSING CORPORATION)**

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INDEPENDENT AUDITORS' REPORT

To the Tenant-Stockholders
East River Housing Corporation
New York, N.Y.

Opinion

We have audited the financial statements of East River Housing Corporation (the "Cooperative"), which comprise the balance sheets as of June 30, 2024 and 2023, and the related statements of revenues and expenses and changes in accumulated deficit, changes in stockholders' deficit and cash flows for the years then ended, and the related notes to the financial statements (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Cooperative as of June 30, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Cooperative and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Omission of Required Supplementary Information about Future Major Repairs and Replacements

As discussed in Note 10 to the financial statements, management has omitted information about the estimates of future costs of major repairs and replacements that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Cooperative's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

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Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Cooperative's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Cooperative's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

CBIZ CPAs P.C.¹

Woodbury, New York
December 5, 2024

¹In certain jurisdictions, CBIZ CPAs P.C. operates under its previous name, Mayer Hoffman McCann P.C.

EAST RIVER HOUSING CORPORATION
(A COOPERATIVE HOUSING CORPORATION)

Balance Sheets
As of June 30,

ASSETS

	2024	2023
Cash and cash equivalents	\$ 2,454,503	\$ 3,540,618
Restricted cash	575,793	575,529
Total cash, cash equivalents and restricted cash	3,030,296	4,116,147
Receivables:		
Tenant-stockholders	1,305,932	1,682,200
Commercial tenants, net of allowance for credit losses of \$50,000 at both June 30, 2024 and 2023	587,913	415,134
Due from Hillman Housing Corporation	1,045,215	1,339,137
Other	113,813	154,322
Total receivables	3,052,873	3,590,793
Prepaid expenses and other assets	1,341,523	945,232
Security deposits - vendors	41,881	41,881
Security deposits - commercial tenants	171,653	171,653
Real and personal property, net	26,267,194	25,457,314
TOTAL ASSETS	\$ 33,905,420	\$ 34,323,020

LIABILITIES AND STOCKHOLDERS' DEFICIT

Liabilities		
Accounts payable and accrued expenses	\$ 1,994,461	\$ 1,916,038
Security deposits	281,306	124,654
Due to tenant-stockholders - real property tax abatements, net	2,040,000	1,350,000
Rents received in advance	91,660	181,912
Security deposits payable - commercial tenants	172,453	172,453
Mortgage payable, net	39,351,700	39,253,843
Total Liabilities	43,931,580	42,998,900
Stockholders' Deficit		
Common stock - \$100 par value, authorized 50,000 shares, 45,659,375 shares issued and outstanding at both June 30, 2024 and 2023	4,565,938	4,565,938
Additional paid-in capital	9,844,831	7,698,496
Accumulated deficit	(24,436,929)	(20,940,314)
Total Stockholders' Deficit	(10,026,160)	(8,675,880)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 33,905,420	\$ 34,323,020

**EAST RIVER HOUSING CORPORATION
(A COOPERATIVE HOUSING CORPORATION)**

**Statements of Revenues and Expenses
and Changes in Accumulated Deficit
For the Years Ended June 30,**

	<u>2024</u>	<u>2023</u>
REVENUES		
Carrying charges - apartments - net of tax abatements (including electricity and sublet fees)	\$ 24,998,110	\$ 23,839,010
Apartment resale fees	3,276,022	3,889,885
Commercial rent - store and offices (including electricity and real estate taxes)	1,865,601	1,992,813
Parking rent, net of parking expenses	955,447	916,299
Other income	742,277	766,616
Laundry room	244,320	244,320
Total Revenues	<u>32,081,777</u>	<u>31,648,943</u>
EXPENSES		
Real estate taxes	14,282,431	10,747,587
Utilities and fuel	4,546,873	4,401,738
Repairs and maintenance	3,660,618	2,960,026
Labor	3,255,178	3,354,331
Payroll overhead	2,188,189	2,067,074
Insurance	1,568,688	1,314,415
Mortgage interest (including amortization of deferred financing costs of \$97,857 for each of the years ended June 30, 2024 and 2023)	1,247,857	1,247,857
Management	1,229,308	1,228,941
Security guards	931,609	908,958
Legal and accounting	750,181	649,364
State and city corporation taxes	73,062	92,402
Senior care	31,200	31,200
Conduit	15,544	15,243
Website	1,677	1,815
Other interest	133	201
Total Expenses	<u>33,782,548</u>	<u>29,021,152</u>
EXCESS OF (EXPENSES OVER REVENUES) REVENUES OVER EXPENSES BEFORE DEPRECIATION	(1,700,771)	2,627,791
Depreciation	<u>(1,795,844)</u>	<u>(1,571,751)</u>
EXCESS OF (EXPENSES OVER REVENUES) REVENUES OVER EXPENSES	(3,496,615)	1,056,040
ACCUMULATED DEFICIT - Beginning of Year	<u>(20,940,314)</u>	<u>(21,996,354)</u>
ACCUMULATED DEFICIT - End of Year	<u>\$ (24,436,929)</u>	<u>\$ (20,940,314)</u>

EAST RIVER HOUSING CORPORATION
(A COOPERATIVE HOUSING CORPORATION)

Statements of Changes in Stockholders' Deficit
For the Years Ended June 30, 2024 and 2023

	<u>Common Stock</u>	<u>Additional Paid- In Capital</u>	<u>Accumulated Deficit</u>	<u>Total Stockholders' Deficit</u>
Balance - July 1, 2022	\$ 4,565,938	\$ 7,698,496	\$ (21,996,354)	\$ (9,731,920)
Excess of revenues over expenses	-	-	1,056,040	1,056,040
Balance - June 30, 2023	4,565,938	7,698,496	(20,940,314)	(8,675,880)
Capital assessment	-	2,146,335	-	2,146,335
Excess of (expenses over revenues)	-	-	(3,496,615)	(3,496,615)
Balance - June 30, 2024	<u>\$ 4,565,938</u>	<u>\$ 9,844,831</u>	<u>\$ (24,436,929)</u>	<u>\$ (10,026,160)</u>

See Notes to Financial Statements.

EAST RIVER HOUSING CORPORATION
(A COOPERATIVE HOUSING CORPORATION)

Statements of Cash Flows
For the Years Ended June 30,

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Excess of (expenses over revenues) revenues over expenses	\$ (3,496,615)	\$ 1,056,040
Adjustments to reconcile excess of (expenses over revenues) revenues over expenses to net cash (used in) provided by operating activities:		
Depreciation	1,795,844	1,571,751
Amortization of deferred financing costs	97,857	97,857
Changes in operating assets and liabilities:		
Receivables: Tenant-stockholders	376,268	(505,893)
Receivables: Commercial tenants	(172,779)	16,200
Receivables: Hillman Housing Corporation	293,922	(336,582)
Receivables: Other	40,509	(7,532)
Prepaid expenses and other assets	(396,291)	(8,071)
Security deposits - vendors	-	(2,049)
Security deposits - commercial tenants	-	(2,250)
Accounts payable and accrued expenses	78,423	(155,990)
Security deposits payable	156,652	63,882
Security deposits payable - commercial tenants	-	3,050
Due to tenant-stockholders - real property tax abatements	690,000	48,000
Rents received in advance	(90,252)	31,133
	(626,462)	1,869,546
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of real and personal property	(2,605,724)	(4,571,964)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Capital assessment	2,146,335	-
NET DECREASE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	(1,085,851)	(2,702,418)
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - beginning of year	4,116,147	6,818,565
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - end of year	\$ 3,030,296	\$ 4,116,147
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid during the year for:		
Interest	\$ 1,150,133	\$ 1,150,201
Income taxes	\$ 48,546	\$ 90,000
SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING ACTIVITIES:		
Fully depreciated real and personal property written off	\$ 124,600	\$ 382,350

**EAST RIVER HOUSING CORPORATION
(A COOPERATIVE HOUSING CORPORATION)**

**Notes to Financial Statements
June 30, 2024 and 2023**

NOTE 1: ORGANIZATION

History of the Cooperative

East River Housing Corporation (the "Cooperative"), a cooperative housing corporation, was incorporated in the State of New York on November 28, 1950. The Cooperative is located in New York City and owns residential apartments and commercial space.

Through February 6, 1997, the Cooperative was organized and operated as a government regulated residential real estate corporation. Effective February 7, 1997, the Cooperative was reconstituted as a private cooperative governed by and subject to New York State Business Corporation Law.

On December 22, 1998, the Board of Directors (the "Board") of the Cooperative passed resolutions to transfer all of the issued and outstanding shares of the Cooperative's stock, which had been held in the name of the directors as nominees, to the stockholders of the Cooperative.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements are prepared on the accrual basis of accounting under accounting principles generally accepted in the United States of America ("GAAP").

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Management and Allocated Expenses

The Cooperative is one of two housing corporations, the other being Hillman Housing Corporation ("Hillman"), which are situated in a common community and whose operations were managed by common management prior to September 1, 2020. Certain expenses common to those two housing corporations including, but not limited to payroll, fuel, boiler plant costs and management and other expenses, are paid for by the Cooperative and then allocated and charged to Hillman, generally based on each housing corporation's pro rata share of the number of dwelling units. During the years ended June 30, 2024 and 2023, common and/or boiler expenses of \$1,560,993 and \$1,528,068, respectively, were allocated to Hillman (see note 12). The amounts due from Hillman as of June 30, 2024 and 2023 were \$1,045,215 and \$1,339,137, respectively, and are reflected as due from Hillman Housing Corporation on the balance sheets.

**EAST RIVER HOUSING CORPORATION
(A COOPERATIVE HOUSING CORPORATION)**

**Notes to Financial Statements
June 30, 2024 and 2023**

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Management and Allocated Expenses (continued)

The Cooperative operates a heat and hot water facility ("Boiler Plant"), which supplies steam service to Hillman and Amalgamated Dwellings, Inc. ("ADI"), another cooperative in the community. Pursuant to certain agreements (the "Agreement"), ADI is responsible for 7.75% of certain costs relative to the supply of steam services provided by the Cooperative, and Hillman is responsible for 26.02% of the Boiler Plant costs. The Agreements expire on September 15, 2031, unless further extended or terminated earlier, as provided for in the Agreements. The amounts due from ADI as of June 30, 2024 and 2023 were \$113,813 and \$109,833, respectively, and are reflected as other receivables on the balance sheets. The amounts due from Hillman are previously noted.

Real and Personal Property

Real and personal property is stated at cost less accumulated depreciation, except for land which is carried at cost. Depreciation of real and personal property is computed by various methods over the following estimated useful lives: buildings - 39 years, building and parking lot improvements - 15 to 39 years and, furniture and equipment - 5 to 7 years. Significant renovations or improvements that extend the life of the real estate are capitalized. Replacements and betterments are capitalized. Expenditures for minor replacements, maintenance, and repairs are charged to operations. It is the Cooperative's policy, in the year that it occurs, to write off assets that become fully depreciated whether or not the assets have been disposed of during the year.

Concentration of Credit Risk

Financial instruments that are potentially subject to credit risk include cash accounts held with financial institutions. The Federal Deposit Insurance Corporation insures the Cooperative's bank accounts up to a maximum of \$250,000 in each bank. From time to time, the Cooperative maintains cash balances at institutions that are in excess of the federally insured amounts. Cash deposits of approximately \$4,012,000 and \$3,871,000 in one bank exceeded the federally insured limit as of June 30, 2024 and 2023, respectively.

Revenue Recognition

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-09, (Topic 606) *Revenue from Contracts with Customers*, which provides guidance for revenue recognition. The pronouncement requires that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The two permitted transition methods under the guidance are the full retrospective approach or a cumulative effect adjustment to the opening retained earnings in the year of adoption. The Cooperative adopted this ASU as of July 1, 2020. The Cooperative analyzed the provisions of this ASU and has applied the cumulative effect approach and determined that no adjustment was needed as the pattern of revenue recognition is substantially the same as prior GAAP.

Revenue from tenant-stockholders is recognized when earned in accordance with the terms of the related lease, or when services have been rendered, as applicable. Carrying and rental charges received in advance of due dates are deferred until earned.

**EAST RIVER HOUSING CORPORATION
(A COOPERATIVE HOUSING CORPORATION)**

**Notes to Financial Statements
June 30, 2024 and 2023**

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition (continued)

Revenue from carrying charges is reported net of real property tax abatements received from the New York City Department of Finance which has been credited to stockholders' accounts.

Revenue from commercial tenants is recognized on a straight-line basis over the terms of the respective leases.

Apartment resale fees are recognized as revenue when the closing of the apartment sale transaction occurs.

Cash and Cash Equivalents

The Cooperative considers liquid investments with original maturities of three months or less to be cash equivalents.

Restricted Cash

The Cooperative has classified certain cash from the mortgage refinance with Flagstar, formerly New York Community Bank, (Note 6) in an interest-bearing account as restricted cash.

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the balance sheets that sum to the total of the same such amounts shown in the statements of cash flows for the years ended June 30,

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 2,454,503	\$ 3,540,618
Restricted cash	<u>575,793</u>	<u>575,529</u>
Total cash, cash equivalents and restricted cash shown in the balance sheets and statements of cash flows	<u>\$ 3,030,296</u>	<u>\$ 4,116,147</u>

Security Deposits - Commercial Tenants

Included in security deposits for commercial tenants are any payments of money, including the final month's rent paid in advance, which is paid to the Cooperative by the commercial tenants in order to protect the Cooperative against non-payment of rent, damage due to breach of the lease or damage to the leased premises, common areas, major appliances and furnishings.

**EAST RIVER HOUSING CORPORATION
(A COOPERATIVE HOUSING CORPORATION)**

**Notes to Financial Statements
June 30, 2024 and 2023**

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Receivables and Allowance for Credit Losses

In June 2016, the FASB issued Accounting Standards Update ("ASU") 2016-13, Accounting Standards Codification ("ASC") Topic 326, *Financial Instruments – Credit Losses* ("Topic 326"), which adds a new Topic 326 to the Codification and removes the thresholds that companies apply to measure credit losses on financial instruments measured at amortized cost, such as loans, receivables and held-to-maturity debt securities. Under previous GAAP, companies generally recognized credit losses when it was probable that the loss had been incurred. The new standard is effective for annual periods beginning after December 15, 2022.

Effective July 1, 2023, the Cooperative adopted Topic 326 and did not record any adjustment upon adoption. ASC Topic 326 impacts the impairment model for certain financial assets by requiring a current expected credit loss ("CECL") methodology to estimate expected credit losses over the entire life of a financial asset, recorded at inception or purchase. Under the accounting update, the Cooperative has the ability to determine if there are no expected credit losses in certain circumstances (e.g., based on the credit quality of the borrower or issuer).

Tenant receivables consist of stockholder rent receivables which are recorded at the invoice amount and do not bear interest. The Cooperative believes that all receivables owed by stockholders are fully collectible upon the sale of their respective apartment and no allowance for credit losses is required as of June 30, 2024 and 2023.

Commercial receivables are recorded at net realizable value, representing the carrying amount less an allowance for credit losses. The Cooperative uses the allowance method to account for uncollectible accounts receivable balances. Under the allowance method, an estimate of uncollectible receivable balances is made based on historical experience and review of individual account receivable balances. At both June 30, 2024 and 2023, management has recorded an allowance for credit losses in the amount of \$50,000. The allowance estimate is developed using historical expense, current economic conditions, and other factors management considers relevant to the estimate of expected credit losses. In circumstances where management becomes aware of a specific customer's inability to meet its financial obligations (e.g., bankruptcy filing), a provision for credit losses is recognized.

Income Taxes

The Corporation is qualified to prepare its tax returns pursuant to the provisions of subchapter T of the Internal Revenue Code. Subchapter T provides that expenses attributable to the generation of patronage income, i.e., income from business done with or for patrons (tenant-shareholders), are deductible only to the extent of patronage income. The Corporation believes that all of its income for the years ended June 30, 2024 and 2023 qualifies as patronage income within the meaning of subchapter T.

**EAST RIVER HOUSING CORPORATION
(A COOPERATIVE HOUSING CORPORATION)**

**Notes to Financial Statements
June 30, 2024 and 2023**

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes (continued)

GAAP clarifies the accounting for income taxes by prescribing a minimum recognition threshold that a tax position is required to meet before being recognized in the financial statements. It also provides guidance on derecognition, measurement and classification of amounts relating to uncertain tax positions, accounting for interest and penalties and disclosures. The Corporation has determined that as of June 30, 2024 and 2023, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) in the financial statements.

Debt Issuance Costs

The Cooperative presents debt issuance costs as a direct deduction from the carrying amount of the related indebtedness and amortizes these costs over the term of the related liability using the straight-line method which approximates the effective interest rate method. The Cooperative records debt issuance costs for its mortgage and line of credit as an asset net against the mortgage payable on its balance sheets. Amortization of the costs is reported as a component of interest expense.

Leases

In February 2016, the FASB issued guidance ASC 842, *Leases* to increase transparency and comparability among organizations by, requiring the recognition of right-of-use assets and lease liabilities on the balance sheet. Most prominent among the changes in the standard is the recognition of right-of-use assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. The new standard was effective for the Cooperative beginning July 1, 2022.

NOTE 3: REAL AND PERSONAL PROPERTY

The following is a summary of the components of real and personal property:

	June 30,	
	2024	2023
Land	\$ 1,723,024	\$ 1,723,024
Buildings	18,283,504	18,283,504
Building improvements	48,164,167	45,736,697
Furniture and equipment	3,566,233	3,512,580
Parking lot improvements	467,931	467,931
	72,204,859	69,723,736
Less: accumulated depreciation	(45,937,665)	(44,266,422)
Total	\$ 26,267,194	\$ 25,457,314

**EAST RIVER HOUSING CORPORATION
(A COOPERATIVE HOUSING CORPORATION)**

**Notes to Financial Statements
June 30, 2024 and 2023**

NOTE 4: STOCKHOLDER LOANS

As part of the reconstitution in 1997 (Note 1), the Cooperative instituted a Substitute SCRIE Program to provide benefits to all stockholders who became eligible for the Senior Citizen Rent Increase Exemption ("SCRIE") program benefits within the first two years after the effective date of the reconstitution. The Substitute SCRIE Program benefits consist of deferral of the payment of carrying charges payable by a participating stockholder which are attributable to the increase in real estate taxes over a base year amount. The deferral of payments are treated as a loan to the stockholder, which is repayable only upon the sale or transfer of the shares of stock and accompanying proprietary lease owned by the stockholder.

The loans do not bear interest. A participating stockholder is required to enter into an agreement with the Cooperative evidencing this loan and its terms and to execute a UCC-1 financing statement. Each participant in the Substitute SCRIE Program is charged an annual \$25 processing fee by the Cooperative. As of June 30, 2024 and 2023, the outstanding loans to stockholders under the Substitute SCRIE Program, which are included in receivables from tenant-stockholders, were approximately \$35,000 at both June 30, 2024 and 2023.

NOTE 5: DUE TO TENANT-STOCKHOLDERS – REAL PROPERTY TAX ABATEMENTS

The Cooperative receives the benefit of certain real property tax abatements (STAR, SCRIE and Veteran) (the "Abatements") earned by certain stockholders who are entitled to these benefits. The Cooperative applies these Abatements to reduce the benefitting stockholders' monthly carrying charges. For the year ended June 30, 2024, the monthly carrying charges were applied over a seven-month period from June to December. For the year ended June 30, 2023, the monthly carrying charges were applied over a ten-month period from March to December. As of June 30, 2024 and 2023, Abatements that will be applied to future monthly carrying charges amounted to \$2,040,000 and \$1,350,000, respectively.

NOTE 6: MORTGAGE PAYABLE, NET AND LINE OF CREDIT PAYABLE

On February 12, 2021, the previous Mortgage was immediately paid in full using the \$40,000,000 of proceeds the Cooperative obtained in refinancing with Flagstar, formerly New York Community Bank. The new mortgage note requires monthly payments of interest only, at a rate of 2.875% per annum and matures on March 1, 2031, at which time, the entire principal balance is due. The Cooperative has the option once in each year to make a single prepayment of up to 15% of the outstanding mortgage balance, without penalty.

On February 12, 2021, the Cooperative obtained a \$7,500,000 line of credit ("LOC"). The interest rate on the LOC is adjusted daily to a rate equal to the sum of the highest prime rate as published by The New York Times each day, plus 50 basis points, with a minimum interest rate of 3.75% and a maximum interest rate of 16% per annum. The LOC expires on March 1, 2031. As of June 30, 2024 and 2023, there was no outstanding balance due on the LOC.

The Mortgage is secured by all real and personal property as well as substantially all assets of the Cooperative and contained certain restrictions.

**EAST RIVER HOUSING CORPORATION
(A COOPERATIVE HOUSING CORPORATION)**

**Notes to Financial Statements
June 30, 2024 and 2023**

NOTE 6: MORTGAGE PAYABLE, NET AND LINE OF CREDIT PAYABLE (continued)

The Cooperative must meet certain debt covenants as defined in the LOC. The Cooperative was not in compliance with certain administrative covenants. As of the date the financial statements are issued the lender has not taken any actions as defined in the agreement.

As of June 30, 2024 and 2023, the mortgage loan, net is comprised of the following:

	June 30,	
	2024	2023
Mortgage loan	\$ 40,000,000	\$ 40,000,000
Unamortized deferred financing costs	(648,300)	(746,157)
	\$ 39,351,700	\$ 39,253,843

NOTE 7: TREASURY STOCK

The Cooperative uses the par-value method to account for treasury stock. Any gain on the sale of treasury stock is accounted for as an increase to additional paid-in capital. Any loss is accounted for in the same manner, but only to the extent of any previously accumulated gains. The Cooperative accounts for any excess loss as an increase in accumulated deficit.

During the years ended June 30, 2024 and 2023, the Cooperative did not purchase any apartments. There were no shares sold during the years ended June 30, 2024 and 2023.

NOTE 8: CARRYING CHARGES AND RENTS – APARTMENTS AND COMMERCIAL SPACE

Carrying charges for apartments are based on a per room rate that was originally determined based on the attributes of the room (i.e. size, view, etc.), when the housing corporation was converted in the mid-1950s. Any increase in carrying charges is based on an annual budget determined by the Board of Directors. During May 2023, the Board approved a special assessment for the gas line project. The assessment in the amount of \$2,146,335 will be recorded as additional paid-in capital and was collected over a one-year period from July 2023 through June 2024.

The Cooperative leases space to commercial tenants pursuant to leases. As of June 30, 2024, the total leasable commercial space of approximately 41,000 square feet was occupied by 29 tenants, including three tenants that occupied approximately 83% of the total leasable area. As of June 30, 2024, 13 tenants out of the 30 commercial tenants have written lease agreements. The remaining tenants are occupying their space on a month-to-month basis.

Commercial rental income, including electricity and real estate taxes, amounted to \$1,865,601 and \$1,992,813 for the years ended June 30, 2024 and 2023, respectively.

Commercial tenant leases are classified as operating leases with varying expiration dates through 2039. These leases provide for minimum rentals together with tenant reimbursements of real estate taxes and certain other operating expenses.

**EAST RIVER HOUSING CORPORATION
(A COOPERATIVE HOUSING CORPORATION)**

**Notes to Financial Statements
June 30, 2024 and 2023**

**NOTE 8: CARRYING CHARGES AND RENTS – APARTMENTS AND COMMERCIAL SPACE
(continued)**

The aggregate minimum future rental receipts, excluding tenant reimbursements on noncancellable operating leases in effect at June 30, 2024, are as follows:

For The Years	
<u>Ending June 30,</u>	
2025	\$ 1,085,000
2026	971,000
2027	957,000
2028	961,000
2029	821,000
Thereafter	<u>6,385,000</u>
	<u>\$ 11,180,000</u>

For the years ended June 30, 2024 and 2023, two tenants accounted for approximately 37% and 40%, respectively, of the total commercial rental income. One of these tenants accounted for approximately 24% and 34% of the commercial tenants accounts receivable at June 30, 2024 and 2023, respectively. Another tenant accounted for approximately 21% of the commercial tenants accounts receivable at June 30, 2024. This tenant did not have a commercial tenant account receivable balance at June 30, 2023.

NOTE 9: APARTMENT RESALE FEES

The Cooperative assesses its stockholders fees on the resale of apartments ("flip tax"). Effective October 1, 2008, when shares are sold by the first-time stockholder of occupancy, the rate charged for flip tax is 20%. The second and any subsequent sales of the same apartment are charged flip tax at a rate of 5%.

For the year ended June 30, 2024, there were 16 first-time sales of apartments and 22 second-time sales of apartments, resulting in apartment resale fees of \$3,276,022.

For the year ended June 30, 2023, there were 22 first-time sales of apartments and 17 second-time sales of apartments, resulting in apartment resale fees of \$3,889,885.

NOTE 10: FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Cooperative's governing documents do not require the accumulation of funds to finance future major repairs and replacements. In addition, the Cooperative has not conducted a study to determine the remaining useful lives of the components of real and personal common property and current estimates of the costs of future major repairs and replacements. When replacement funds are needed to meet future needs for major repairs and replacements, the Cooperative has the right to utilize reserve funds, borrow, increase maintenance assessments, pass special assessments or delay major repairs and replacements until funds are available. The effects on future assessments have not been determined at this time.

**EAST RIVER HOUSING CORPORATION
(A COOPERATIVE HOUSING CORPORATION)**

**Notes to Financial Statements
June 30, 2024 and 2023**

NOTE 11: MULTI-EMPLOYER PENSION PLANS

A majority of the Cooperative's direct labor is supplied by union employees. The Cooperative contributes to the Building Service 32BJ Pension Fund ("32 BJ Plan") and The International Union of Operating Engineers ("IUOE") Local 30 Pension Fund ("Local 30 Plan") (collectively, the "Plans"), both of which are multi-employer non-contributory defined benefit pension plans. The Plans provide retirement benefits to eligible participants employed in the building service industry who are covered under collective bargaining agreements. The Plans are administered by Boards of Trustees ("Trustees") and are subject to the provisions of the Employee Retirement Income Security Act of 1974.

The Cooperative also participates in the National Rural Electric Cooperative Association Retirement Security Plan ("NRECA"), a defined benefit pension plan that is treated as a multi-employer plan for accounting purposes. This Plan is available to certain non-union employees who have met certain service requirements and became employed by the Cooperative before January 1, 2011. This Plan requires annual contributions by participating employees as well as the Cooperative.

For the NRECA Plan, a "Zone Status" determination is required under the Pension Protection Act of 2006 ("PPA"). The actuary reports that the NRECA Plan was more than 85 percent funded on January 1, 2023. Because certain provisions of the PPA do not apply to the NRECA Plan, FIP/RP Status and surcharges imposed are not applicable.

The risks of participating in multi-employer pension plans are different from single-employer plans in that: assets contributed to a multi-employer plan by one employer may be used to provide benefits to employees of other participating employers; if a participating employer stops contributing to a plan, the unfunded obligations of the plan may be borne by the remaining participating employers; and if the Cooperative stops participating in the multi-employer plans, the Cooperative may be required to pay each plan an amount based on the underfunded status of each plan, referred to as a withdrawal liability. The Cooperative has no plans to withdraw from any of the three plans

The Cooperative's contributions to the three plans above, for the years ended June 30, 2024 and 2023, were approximately \$442,000 and \$446,000, respectively. The Cooperative has not contributed more than 5% of the total contribution to the Plans.

**EAST RIVER HOUSING CORPORATION
(A COOPERATIVE HOUSING CORPORATION)**

**Notes to Financial Statements
June 30, 2024 and 2023**

NOTE 11: MULTI-EMPLOYER PENSION PLANS (continued)

The Cooperative's participation in the Plans are outlined in the tables below:

Pension Plan	Building Service 32BJ Pension Fund
Employer Identification Number	13-1879376
Pension Plan Number	001
PPA Zone Status Plan Years Beginning July 1, 2022 and 2023	Yellow
FIP/RP Status Implemented	Yes
Surcharge Imposed	None
Expiration Date of Collective Bargaining Agreement	April 20, 2026

Pension Plan	IUOE Local 30 Pension Fund
Employer Identification Number	51-6045848
Pension Plan Number	001
PPA Zone Status Plan Years Beginning January 1, 2022 and 2023	Green
FIP/RP Status Implemented	N/A
Surcharge Imposed	None
Expiration Date of Collective Bargaining Agreement	April 30, 2024

The Cooperative is in negotiations to renew the contract with the Local 30 Plan, which expired on April 30, 2024.

NOTE 12: COMMITMENTS AND CONTINGENCIES

The Cooperative is subject to various claims and legal proceedings that arise in the ordinary course of its business activities, including, but not limited to, actions against tenant-stockholders for outstanding carrying charges; tenant-stockholders' actions against the Cooperative relating to the Cooperative's policies and other matters. Management believes that any liability that may ultimately result from the resolution of these matters will not have a material adverse effect on the financial condition or results of the operations of the Cooperative.

The Cooperative was involved in litigation against Hillman, a former related cooperative, for outstanding claims and assessments. Hillman had asserted certain counterclaims against the Cooperative as well. Management and their counsel believed that the Cooperative had viable claims, and viable defenses to the counterclaims being presented by Hillman. Subsequent to year-end, the litigation has been settled amicably between both parties.

As described in Note 2, the Cooperative has entered into agreements to provide certain boiler plant services to Hillman Housing Corporation and Amalgamated Dwellings, Inc.

**EAST RIVER HOUSING CORPORATION
(A COOPERATIVE HOUSING CORPORATION)**

**Notes to Financial Statements
June 30, 2024 and 2023**

NOTE 13: INCOME TAXES

The Cooperative has approximately \$30,000,000 in net operating loss carryforwards ("NOLS") available for federal income tax purposes. These NOLS were generated in the years ended June 30, 2004 through June 30, 2021, from patronage and nonpatronage activities. NOLS generated prior to the year ended June 30, 2017, of which amounted to approximately \$20,000,000, may be carried forward for 20 years. Additionally, the NOLS generated after the year ended June 30, 2018 will be applied at only 80% of future income. NOLS generated thereafter are carried forward indefinitely. Because the future utilization of these NOLS tax is uncertain, a full valuation allowance has been established against the gross deferred tax assets and no related deferred tax asset has been reflected in the accompanying financial statements. A valuation allowance of approximately \$6,600,000 and \$6,200,000 has been established during fiscal 2024 and 2023, respectively.

For the year ended June 30, 2024, the Cooperative was only subjected to city corporation taxes based on the Cooperative's net capital base. For Cooperative Housing Associations, the capital base rate is 0% for tax years beginning in and after 2021 for state purposes. For the year ended June 30, 2024, the Cooperative's state and city corporation taxes were based on the Cooperative's net capital base. For the years ended June 30, 2024 and 2023, the Cooperative's state and corporation taxes amounted to \$73,062 and \$92,402, respectively.

NOTE 14: SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 5, 2024, the date the financial statements were available to be issued. There were no additional subsequent events that require disclosure.

SUPPLEMENTAL INFORMATION



INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

To the Tenant-Stockholders
East River Housing Corporation
New York, N.Y.

We have audited the financial statements of East River Housing Corporation (the "Cooperative") as of and for the years ended June 30, 2024 and 2023, and our report thereon dated December 5, 2024, which expressed an unmodified opinion on those financial statements, appears on pages 1 and 2. Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information shown on pages 19 and 20 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of the Cooperative's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the financial statements as a whole.

CBIZ CPAs P.C.¹

Woodbury, New York
December 5, 2024

CBIZ CPAs P.C.
88 Froehlich Farm Boulevard
Woodbury, NY 11797

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**EAST RIVER HOUSING CORPORATION
(A COOPERATIVE HOUSING CORPORATION)**

**SUPPLEMENTAL INFORMATION
As of and for the Years Ended June 30,**

	2024	2023
Schedules of Prepaid Expenses and Other Assets, Net		
Unexpired insurance	\$ 742,216	\$ 361,062
Deferred rent receivable	375,782	364,527
Fuel inventory	158,071	134,584
Federal, state and city corporate taxes	45,130	69,637
Security contract	20,324	15,422
Total	\$ 1,341,523	\$ 945,232
Schedules of Other Income		
Miscellaneous	\$ 263,116	\$ 251,559
Storage and bike room	214,967	227,206
Fitness room income, net of fitness expenses	180,106	180,384
Late fees	62,532	64,894
Interest income	21,556	42,573
Total	\$ 742,277	\$ 766,616
Schedules of Utilities and Fuel Expenses		
Electricity	\$ 1,881,002	\$ 1,804,685
Natural gas	1,331,306	1,177,892
Water and sewer	1,268,053	1,205,019
Gas	59,819	81,029
Fuel oil	6,693	133,113
Total	\$ 4,546,873	\$ 4,401,738

EAST RIVER HOUSING CORPORATION
(A COOPERATIVE HOUSING CORPORATION)

SUPPLEMENTAL INFORMATION
For the Years Ended June 30,

	2024	2023
Schedules of Labor Expenses		
Porters	\$ 1,704,242	\$ 1,765,051
Boiler room	874,326	829,604
Handymen	617,030	627,544
Supervisors	59,580	132,132
Total	\$ 3,255,178	\$ 3,354,331
Schedules of Payroll Overhead		
Union pension and welfare funds	\$ 1,434,913	\$ 1,335,141
Payroll taxes	398,823	379,464
Group life and major medical insurance	235,165	235,034
Retirement expenses	103,354	104,015
Payroll services	15,934	13,420
Total	\$ 2,188,189	\$ 2,067,074
Schedules of Repairs and Maintenance Expenses		
Building and apartment repairs	\$ 1,189,370	\$ 442,660
Janitorial supplies	501,205	575,656
Elevator	375,573	345,820
Plumbing	311,454	383,272
Heating and air conditioning	252,946	202,580
Painting and plastering	250,192	264,232
Security	182,708	169,600
Gardening	181,464	201,258
Claims paid	172,185	146,393
Miscellaneous	86,336	8,704
Exterminating	61,743	122,585
Uniforms	40,795	25,058
Electrical	29,753	37,975
Vehicle	24,894	34,233
Total	\$ 3,660,618	\$ 2,960,026
Schedules of Management Expenses		
Salaries	\$ 880,480	\$ 801,136
Telephone / communication	106,387	85,482
Professional fees	98,720	200,240
Office supplies	57,856	31,826
Miscellaneous	47,019	49,138
Postage	23,788	36,069
Stationery and printing	15,058	25,050
Total	\$ 1,229,308	\$ 1,228,941

MINUTES OF THE 2023 ANNUAL MEETING OF STOCKHOLDERS

OF

EAST RIVER HOUSING CORPORATION

The 2023 Annual Meeting of Stockholders of East River Housing Corporation (the “Corporation”) was held virtually on the Zoom media platform, pursuant to the notice annexed hereto, on November 20, 2023.

Gary Altman, President of the Corporation, acted as Chairperson at the meeting and Michael T. Reilly, Esq. of Norris McLaughlin, P.A., attorneys for the Corporation, acted as Secretary of the meeting.

The Chairperson called the meeting to order at 7:30 p.m. and presented the agenda for the meeting which was accepted by voice vote on motion made and seconded.

The Chairperson welcomed all of the cooperators to the annual meeting. The minutes of the last duly held annual meeting were accepted by voice vote, on motion made and seconded.

Mr. Altman presented the President’s report, which recited the activities of the past year. The question and answer period then commenced and continued periodically until 9:00 p.m., during which period other items on the agenda were addressed. There were five candidates for the four positions on the Board of Directors, Michele Amar, Steven Barbieri, Dov Goldman, Diana Wong, and Gary Shaw, and there were four candidates for the four positions on the House Committee, Diane Lederman, Jennifer Rucker, Jeffrey Super, and Christine Vasquez each of whom were duly introduced. The four candidates for the House Committee were elected by acclamation. The voting occurred by directed proxies each of which were counted and processed by Norris McLaughlin P.A.

Jeffrey Super, Chair of the House Committee, introduced the House Committee members and thanked them for their services, and presented his report on the Committee’s activities.

The meeting, upon motion duly made and seconded, adjourned at 9:00 p.m. and was continued for the counting of the ballots and proxies on November 21, 2023. Upon completion of the counting on November 21, 2023, the results of the election were as follows:

Board of Directors (Four Positions)

Michele Amar 478 votes,
Steven Barbieri 451 votes
Dov Goldman 450 votes
Diana Wong 437 votes
Gary Shaw 160

Accordingly: Michele Amar, Steven Barbieri, Dov Goldman, Diana Wong were elected to the Board of Directors for three year terms, and Diane Lederman, Jennifer Rucker, Jeffrey Super, and Christine Vasquez were elected by acclamation to the House Committee.

Respectfully submitted

Michael J. Reilly

Michael T. Reilly
Secretary of the Meeting