

# **WESTCHESTER GARDENS OWNERS, INC. NEWSLETTER**

DECEMBER 2021

WESTCHESTER GARDENS  
OWNERS, INC.

## **VIRTUAL SHAREHOLDERS MEETING**

### **Board of Directors**

**Lou Cirillo**  
President

On December 6 the Westchester Gardens Board of Directors held a “Virtual Shareholders Meeting”. There were 61 Shareholders that joined and participated in the meeting.

#### **Vice Presidents**

**Kim A. Derbin**  
**Trevor Victor**  
**Rodney Rosembert**

**Lou Cirillo**, the Westchester Gardens Board President, welcomed and introduced the other panelists and speakers for the meeting. Lou made mention that due to the Pandemic and current surge of the Omicron variant, the only way to protect the health and safety of the Shareholders, and your Board and Management was to have a meeting virtually. Lou requested that each Board member take a moment to introduce themselves, their background and how long they have lived at Westchester Gardens.

**Michael Hughes**  
Treasurer

**Karin Aurichio**  
Secretary

Lou kicked off the introduction. Lou has lived at Westchester Gardens for 40 years and has served on the Board of Directors for more than 20 years. Lou’s background is in architecture and construction. Lou was a senior project manager for AIG responsible for construction and renovation of office space throughout the country. Lou is now retired. Lou brings tremendous and valuable construction expertise to the Board and has been closely involved in all of the major capital projects and improvements made at Westchester Gardens through the years.

**Shai Shustik**  
Director

### **Managing Agent**

**Robert Orlofsky**  
Realty, Inc.

**Kim Derbin** has lived at Westchester Gardens since 1998 and purchased her apartment in 2003. Kim has enjoyed serving on the Board and finds her position on the Board to be insightful to see what goes on behind the scenes with regard to the operation of the building. Kim has made herself available to take Shareholders concerns back to management. Kim would like to continue to serve on the Board of Directors.

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**Mike Hughes** has lived at Westchester Gardens since 1982 and a member of the board since 2008. Mike is an attorney and has been involved with the Westchester Gardens operation, financial and legal issues of the building.

#### **E-Mail**

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#### **Website**

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**Karin Aurichio** has lived at Westchester Gardens since 2017. Karen loves living at Westchester Gardens. Karen has a background in sales, was a teacher, has run a not-for profit and is involved with community outreach programs. Karen enjoys serving on the Board, attending meetings, being involved in building improvement projects and wants to continue to work to ensure that Westchester Gardens is well maintained. Karen likes to be involved with other residents, hear their opinions and take their suggestions back to the Board.

### **Superintendent**

**Dominic Totino**  
914-664-2565

**Trevor Victor** who has served on the Board for more than 5 years, has a background in engineering. Due to a prior business commitment Trevor could not attend this evening but would like to continue to serve on the Board.

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**Shai Shustik** – Shai is managing member of 445 Gramatan LLC who purchased the 26 sponsor owned apartments from Jeffrey Sommers who retired last year. Shai's company specializes in acquiring Sponsor owned Co-op apartments, renovating them and selling or re-renting depending on the market. Shai serves on the Board of Directors of two other Co-ops in Manhattan. Shai looks forward to continue to work with the Westchester Gardens Board and Management and believes his expertise, experience and knowledge of cooperative housing should be helpful and looks forward to serving on the Board.

**Lori Lerman and Mark Cohen** are the Westchester Gardens accountants from the firm of Bloom and Streit. Lori went over the 2020 financial report and the 2021 financial report year to date.

Westchester Gardens had a successful year in 2020 and ended 2020 with a small operating surplus. Due to the Pandemic, repairs were down during 2020 since the Co-op only made emergency repairs, however supplies, payroll and labor costs were up. Westchester Gardens did move forward once restrictions were lifted, to replace the building entrances for \$128,000. The Westchester Gardens Cash Reserve Fund at the end of 2020 was \$620,000.

For the 9 months ending September 30, 2021 Lori and Mark are projecting an operating loss of approximately \$11,000. However, in 2021 Westchester Gardens obtained a loan under the Federal Paycheck Protection Program of \$52,000. The Corporation has applied to have the loan forgiven. Once the loan is forgiven, Westchester Gardens gets to keep the 52,000 and use it to offset an operating loss if any in 2021.

During 2021 the Corporation spent \$135,000 in building improvements that included replacement of the plumbing riser valves in the basement, completion of the flagstone entrances and installation of new hallway lighting.

**For 2022 Bloom and Streit has recommended and the Board has approved a 2% increase in the monthly maintenance charges commencing January 1, 2022.**

Mark Cohen explained a 2% increase is necessary due to operating expenses that go up every year that the Board has no control over. These expenses include Real Estate Taxes, Insurance, Payroll, related labor costs and utilities. Recently gas prices have risen dramatically so the Co-op needs to anticipate higher heating costs for next year.

Mark also noted that Westchester Gardens refinanced its mortgage in 2015. The amount was \$4,300,000 at 3.81% fixed for the 10-year term. The mortgage matures in July of 2025. The balance of the mortgage upon maturity will be \$3,402,000.

Mark concluded that Westchester Gardens, from a financial perspective, is in very good condition. The Co-op is able to operate within their budget, has a strong cash reserve fund and has made major capital improvements to the property that have been paid for from the reserve fund.

**Robert Orlofsky** – Our Managing Agent reviewed the safety protocols that were implemented at the start of the Pandemic in February of 2020. Warning signage, a face mask requirement for the common areas, basement and laundry room were posted. All construction work was stopped. Visitors and deliveries to the building were limited. Move-ins and outs were placed under strict controls.

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Dominic, Edgar and Luis were trained, and did an incredible job in cleaning and disinfecting the common areas, basement, laundry room and surfaces in order to protect the Westchester Gardens Community that went on 7 days a week for more than a year.

Robert went on to give a historical review of all of the major capital improvements made at Westchester Gardens through the years from window and roof replacement, a major reconstruction project and waterproofing of the exterior brick work, repairs to the roof bulkheads, replacement of the entry courtyard sidewalks and landings, resurfacing of the parking lot, renovation of the laundry room, a new video security system and more.

In 2016 the Co-op Board made a very important decision to move forward with the conversion of the heating system from oil to natural gas (dual fuel). The following year Con-Edison put a moratorium on all gas conversion in New York State. That means any Co-op or Condo that is still operating on oil cannot convert to gas. The reason is that the Con Edison gas infrastructure is very old and cannot keep up with the demand for natural gas to heat multi-family apartment buildings.

The Westchester Gardens Board decision has resulted in a huge financial payback. In 2014 when we were on operating on oil, Westchester Gardens spent \$252,000 to provide heat and hot water to the building.

Now eight years later, in spite of increases in gas and energy costs, Westchester Gardens is budgeting a total heating expense for 2022, operating on gas, of \$112,000. So, our heating expense has been cut in half.

If we were still operating on oil, based on today's pricing, we would have to budget \$190,000 for 2022 an increase in the budget of 80,000. That means maintenances would need to be increased by 8% next year instead of 2%.

The Boards decision to convert our heating system to gas not only has resulted in a financial payback, the lower heating costs help to keep your maintenance charge increases low.

In 2021 all of the basement plumbing riser valves were replaced, new flagstone entry landings were installed in the courtyard from C – I buildings and all of the hallway lighting was replaced with new decorative LED lighting fixtures.

Robert went on to discuss the large linden trees in the courtyard and the Boards plans to remove additional trees that pose a safety issue. Westchester Gardens brings in Savatree on a regular basis to safety prune the trees throughout the property and parking lot.

Because of the age of the building, plumbing repairs continue to be the number one service issue. The plumbing is original, more than 80 years old. As plumbing lines age, they corrode that can cause leaks between apartments and in other common areas of the building.

Robert closed by saying what a pleasure it has been working with the Westchester Gardens Board. This Board is proactive and always looks out for the best interest of the Shareholders.

**Norman Himmelfarb** – Norman Himmelfarb is the attorney for Westchester Gardens Owners Corp. His firm Himmelfarb and Sher has represented Westchester Gardens for many years and has provided legal advice and assistance on many issues and policies that have been adopted by the Westchester Gardens Board over the years.

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Norman discussed the new laws imposed by the Westchester County Board of Legislators and Westchester County Commissions of Human Rights that impact cooperative corporations.

Norman explained that Co-op Boards must now give a written reason if an application to purchase is denied. Norman reported that the Westchester County Commission of Human Rights wants to protect buyers from potential discrimination that would violate the Federal Fair Housing laws.

The second law, that was recertified in April of 2021 by the Westchester County Commission of Human rights, requires a Co-op Board to provide a “reasonable accommodation” and permit an individual, who has been medically prescribed, to have a dog in spite of the Co-op’s no pet policy. Any Shareholder seeking permission to have a service animal at Westchester Gardens is required to follow the Co-ops Emotional Support (ESA) policy. If the dog owner does not follow the rules or the dog becomes nuisance, the Board can start a legal action against the Shareholder.

Norman then went on to conduct an election of the directors. It has been determined that there is a quorum and there are seven candidates that are seeking election to the Board. Lou Cirillo, Kim Derbin, Karin Aurichio, Mike Hughes, Trevor Victor, Shai Shustik and Robert Orlofsky.

Norman was notified that an eighth Shareholder, Rodney Rosembert, has declared his candidacy and would like to serve on the Board. Rodney was invited to say a few words to the Shareholders.

Rodney is a Licensed Professional Engineer for more than 25 years and is currently retired. Rodney has extensive experience in the construction industry, has been involved in many large school construction projects from design concept, building department and permit filings to completion. Rodney believes his knowledge and expertise would be very useful to the Board.

Robert Orlofsky advised that he had previously spoken to the Board and would be willing to step down and let a resident Shareholder, Rodney Rosembert fill his seat on the Board. Robert will still maintain his role as managing agent and participate in all of the Board meetings as he has in the past.

Thereafter, Norman accepted a motion and a second to elect Lou Cirillo, Kim Derbin, Karin Aurichio, Mike Hughes, Trevor Victor, Shai Shustik and Rodney Rosembert by acclamation to the Board. The vote from all those present were in favor and the motion to elect was carried.

**Q & A** – After Norman completed the election, the Board opened the meeting to questions. There were many questions submitted and answered by the Board and managing agent.

If you would like to replay the Shareholders webinar in its entirety, the Management Office will be sending out an email blast with a link to the meeting.

We congratulate and welcome the following new Shareholders to Westchester Gardens:

- |                  |     |
|------------------|-----|
| Naomi Yulfo      | ID2 |
| Casandra Pagan   | HA2 |
| Oneil Foster     | GC1 |
| Lidgette Elliott | GB3 |

Dominic Totino, Edgar and Luis Leal do a great job in maintaining Westchester Gardens. The hallways are always clean, the lawns and gardens are beautiful and the annual Holiday Lights are enjoyed by all.

**Best Wishes for a Merry Christmas, Happy Hanukkah and  
Good Health and Happiness in the New Year!**