WESTCHESTER GARDENS OWNERS, INC. NEWSLETTER

DECEMBER 2023

WESTCHESTER GARDENS OWNERS, INC.

Board of Directors Lou Cirillo President

<u>Vice Presidents</u> Trevor Victor Rodney Rosembert Karl Nifontoff

Michael Hughes Treasurer

Karin Aurichio Secretary

Shai Shustik Director

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> Superintendent Dominic Totino 914-664-2565

VIRTUAL SHAREHOLDERS MEETING

On December 12, Westchester Gardens conducted their Annual Shareholders meeting virtually via Zoom. There were twenty-six shareholders that signed on to participate.

Lou Cirillo, the Westchester Gardens Board President, welcomed everyone and introduced the Board members and panelists. The other Board members introduced were Michael Hughes, Karin Aurichio, Rodney Rosembert, Trevor Victor, Karl Nifontoff and Shai Shustik who is the Sponsor representative. Lou also introduced Lori Lerman the Westchester Gardens accountant from the firm of Bloom & Streit, Norman Himmelfarb, Esq., the Corporations attorney and Robert Orlofsky our managing agent.

Lou gave each Board member the opportunity to introduce themselves, how long they have lived at Westchester Gardens and their experience as a Board member. Lou then introduced Lori Lerman to review the 2023 expenses and the 2024 Operating budget that has been adopted by the Board.

Lori advised that for 2023, the gas heating expense was on budget due to the mild winter, however, gas prices and Con Edison utility transportation costs have been on the rise and are difficult to forecast.

The repairs and maintenance costs have exceeded the budget forecast due to, plumbing and carpentry repairs.

In addition, one operating expense that is a "major financial concern" for 2024 is the building's property insurance. Cooperatives throughout New York are seeing increases in their insurance costs of 20% to 40%.

The steep increase is a result of higher building replacement costs due to construction, labor and material costs, as well as the increased severity of catastrophic weather events across the country.

Compounding these factors is the reality that fewer insurance companies will insure older wood frame construction.

Since 2020, Westchester Gardens insurance has gone from \$70,000 to \$100,000. In anticipation of another rise in insurance premiums next year, the 2024 budget has provided for a 10% increase in insurance.

Lori noted that the Westchester Gardens Reserve Fund stands at \$340,000 and is invested in U.S Treasury bills.

After reviewing all the financial options and taking into consideration rising utility and insurance costs next year, the Westchester Gardens Board of Directors adopted the 2024 Operating Budget that provides for an increase in the maintenance charges of 2% and continuation of the fuel surcharge that has been reduced by 25% from \$1.00 to \$.75 per share spread over 12 months commencing January 1, 2024.

Shareholders may download a copy of the Westchester Gardens 2024 Operating Budget from the managing agent's website <u>www.robertorlofsky.com</u>

Robert Orlofsky reported that Westchester Gardens has officially hired Jason Rodriguez to succeed Dominic Totino who is retiring in January. Jason was the head porter at Bryant Gardens for more than 8 years. Jason has a strong mechanical background and is very excited to meet the residents of Westchester Gardens and take on his new role as building Superintendent. Jason will be officially starting at Westchester Gardens on Thursday December 28 and will work along side Dominic during the transition.

Louis Leal is retiring and his last day of work at Westchester Gardens is Friday December 29. Pedro Sanchez has been hired to succeed Louis and will be starting at Westchester Gardens on Tuesday December 26.

Robert gave an update on the excessive water usage issue and charges. In April, the City of Mt. Vernon Water Department claimed that the excessive water usage was caused by leaks in the building. All 112 apartments at Westchester Gardens were inspected by the building's plumbers twice. The City of Mt. Vernon Water Department participated in the second building wide inspection in September. The results of both inspections were there were no major leaks in the building or any apartment. The City of Mt. Vernon finally replaced the water meter on October 4 and the readings went back to normal. The Westchester Gardens Board and management are disputing the water charges this year and hope to come to an amicable settlement.

Robert further reported that plumbing is the number one maintenance issue and expense. Westchester Gardens was built in the 1930's and has the original plumbing. It is not financially feasible to replace all of the plumbing, therefore leaks between apartments or in the common areas are addressed on an individual basis. Converting the buildings heating system from oil to gas was a major capital improvement. Gas costs less than oil, burns cleaner and there are minimum interruptions in service. Looking to the future the corporation is considering window replacement, however since window replacement would be a major capital expense, financial consideration could only be made after Westchester Gardens refinances their mortgage that matures in 2025.

Norman Himmelfarb advised that since there was not a majority of shareholders that participated in the Webinar or sent in Proxies, an official election of the Board could not take place. The existing Board remains elected until the next Annual Meeting of Shareholders.

A very productive Q & A session took place and we would like to thank all shareholders for their comments and suggestions.

CO-OP REPAIRS AND MAINTENANCE WHO IS RESPONSIBLE?

Since a new Superintendent will be starting soon the Board would like to clarify the Superintendents responsibility for repairs and what shareholders are responsible for.

Co-op Repairs – Westchester Gardens/Superintendent are responsible to provide heat and hot water to all apartments, are responsible to repair and maintain the apartment radiators, are responsible for window and screen repairs, clear slow drains in the kitchen or the bathroom, roof repairs and the electrical service from the basement to the circuit breaker in the kitchen.

Shareholders Repairs – Shareholders are responsible for the interior of their apartments including the walls, ceilings and floors. Interior walls include the bathroom tile walls and floors, all plumbing fixtures, kitchen faucet, bathroom faucet, toilet, flushometer, all electrical outlets, switches and ceiling light fixtures and are required to do all painting necessary to maintain the interior of their apartments.

Jason Rodriguez is fully aware of what the Superintendent responsibilities are for repairs in shareholder apartments and what repairs shareholders are responsible for.

QUIET ENJOYMENT OF YOUR APARTMENT

The Westchester Gardens setting is "Communal Living". We live above, below and next to our neighbors. Normal noise can travel between apartments that includes walking around your apartment, vacuuming, playing television or music, using an exercise machine, opening and closing furniture drawers, opening and closing external and internal doors... and the list goes on. The Westchester Gardens House Rules require that after 11:00 PM, residents should take extra precautions not to make noise that could disturb their neighbors.

All residents of Westchester Gardens are entitled to the quiet enjoyment of their apartments. Please be aware and considerate of your neighbors and take steps to minimize noise transmissions between apartments.

NO SMOKING IN COMMON AREAS

Residents are reminded that smoking and vaping are not permitted in any of the common areas of the building, this includes the building entrances, hallways and laundry room. There have been complaints recently of residents or their guests smoking cigars, cigarettes and marijuana that creates a dangerous second-hand smoke condition and has an adverse effect on their neighbors. Shareholders should be advised if they smoke, they must smoke outside, 30' from the building.

A shareholder who creates a second smoke condition is in violation of their Lease and could be subject to a legal proceeding to gain compliance.

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The following is an excerpt from the Westchester Gardens Proprietary Lease that all shareholders signed when they bought their apartment.

18(b) Odors and Noises -"The lessee shall not permit unreasonable cooking or other odors to escape into the building.

The Lessee shall not permit or suffer any unreasonable noises or anything which will interfere with the rights of other lessees or unreasonably annoy them or obstruct the public hallways or stairways."

So, please be advised that Westchester Gardens can initiate a legal proceeding against any resident or shareholder that is creating a second hand smoke condition within the building.

There are many new shareholders that bought and closed on their apartment this year and may not be aware that smoke can travel within the building.

Westchester Gardens is a beautiful Community for all to enjoy and residents need to respect each other to keep it that way.

PLEASE BREAK DOWN YOUR BOXES

Now with the holidays upon us, the daily deliveries of cardboard boxes from Amazon, UPS and FEDEX are increasing. Please help us by retrieving your packages from the building entrances and basement and do not leave any junk mail on the entry lobby floors.

All cardboard boxes are required to be "broken down flat" before placing them in the Recycle Containers in the laundry room. Please do not place full boxes in the Recycle Containers.

WELCOME NEW SHAREHOLDERS

In spite of higher interest rates, Westchester Gardens had a record year of apartment sales. Twenty-one apartments have been sold this year and the Board and Management would like to officially congratulate and welcome everyone who moved into Westchester Gardens over the past year.

Dominic Totino, Edgar and Luis Leal do an excellent 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 Happy Holiday Season and Prosperous and Healthy New Year!

